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Consolidated Summary Report (Under Japanese GAAP) for the the Fiscal Year Ended March 31, 2024

May 14, 2024

Company name: Kyoto Financial Group, Inc.
 Stock exchange listing: Tokyo Stock Exchange
 Code number: 5844
 URL: <https://www.kyoto-fg.co.jp/>
 Representative: Nobuhiro Doi Director and President
 Contact: Hideki Onishi General Manager, Corporate Planning Division
 Scheduled date of Annual General Meeting of Shareholders: June 27, 2024
 Scheduled date of commencing dividend payments: June 4, 2024
 Scheduled date of filing annual securities report: June 28, 2024
 Trading Accounts: None
 Supplement Information for annual financial results: Yes
 Annual investor meeting presentation: Yes

(Amounts of less than one million yen are rounded down.)

1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2024 (April 1, 2023 to March 31, 2024)

(1) Consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Ordinary income		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%
Fiscal year ended March 31, 2024	137,691	-	43,574	-	31,572	-
March 31, 2023	-	-	-	-	-	-

(Note) Comprehensive income: Fiscal year ended March 31, 2024: ¥ 177,237 million [-%]
 Fiscal year ended March 31, 2023: ¥ - million [-%]

	Basic earnings per share	Diluted earnings per share	Rate of return on equity	Ordinary profit to total assets ratio	Operating profit to net sales ratio
	Yen	Yen	%	%	%
Fiscal year ended March 31, 2024	106.55	106.47	2.9	0.3	31.6
March 31, 2023	-	-	-	-	-

(Reference) Equity in earnings (losses) of affiliated companies: Fiscal year ended March 31, 2024: ¥ 3 million
 Fiscal year ended March 31, 2023: ¥ - million

(Note) The Company was incorporated on October 2, 2023, and therefore figures for the fiscal year ended March 31, 2023 and changes from the previous period are not stated.

(Note) The Company undertook a 4-for-1 stock split on January 1, 2024. The "Basic earnings per share" and "Diluted earnings per share" have been calculated assuming that the stock split was undertaken at the beginning of the fiscal year under review.

(2) Consolidated Financial Position

	Total assets	Total net assets	The Equity-to-asset ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of March 31, 2024	11,576,552	1,141,082	9.8	3,904.91
March 31, 2023	-	-	-	-

(Reference) Equity: As of March 31, 2024: ¥ 1,140,874 million
 As of March 31, 2023: ¥ - million

(Note) The Equity-to-asset ratio is computed by the formula shown below.
 (Total net assets - Subscription rights to shares) / Total assets

The figures for the equity-to-asset ratio in the above table were not based on the regulations on the equity-to-asset ratio.

(Note) The Company was incorporated on October 2, 2023, and therefore figures for the fiscal year ended March 31, 2023 is not stated.

(3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of period
	Million yen	Million yen	Million yen	Million yen
Fiscal year ended March 31, 2024	(36,759)	(175,561)	(25,446)	929,545
March 31, 2023	-	-	-	-

(Note) The Company was incorporated on October 2, 2023, and therefore figures for the fiscal year ended March 31, 2023 is not stated.

2. Dividends

	Annual dividends					Total dividends	Payout ratio (consolidated)	Dividends to Total net assets (consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total			
For the fiscal year	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
Ended March 31, 2023	-	-	-	-	-	-	-	-
Ended March 31, 2024	-	-	-	35.00	35.00	10,225	32.8	0.9
Ending March 31, 2025 (Forecast)	-	30.00	-	30.00	60.00		53.1	

(Note) The Company was incorporated on October 2, 2023, and therefore figures for the fiscal year ended March 31, 2023 and through the second quarter of the fiscal year ended March 31, 2024 are not stated.

(Note) Breakdown of the year-end dividend for the fiscal year ended March 31, 2024 :

Commemorative dividend Commemorative dividend for the establishment of the Company 15.00 yen

(Note) The Company undertook a 4-for-1 stock split on January 1, 2024. For the fiscal year ended March 31, 2024, the year-end dividend per share reflects this stock split.

(Note) For the fiscal year ended March 31, 2024, The Bank of Kyoto, Ltd., which became a wholly owned subsidiary of the Company through a sole-share transfer, paid an interim dividend of 20 yen per share (calculated assuming the above stock split had taken place, for a total dividend of 5,948 million yen). When combined with the Company's year-end dividend, the annual dividend is 55 yen per share, for a total dividend of 16,174 million yen, equivalent to a payout ratio (consolidated) of 51.6% and ratio of dividends to Total net assets (consolidated) of 1.5%.

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

(% indicates changes from the previous corresponding period.)

	Ordinary income		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Yen
Six months ended September 30, 2024	77,400	-	26,900	-	19,500	-	66.74
Full year	152,400	10.6	46,200	6.0	33,000	4.5	112.95

* Notes:

(1) Changes in significant subsidiaries during the period under review

(changes in specified subsidiaries resulting in changes inscope of consolidation): None

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

(A) Changes in accounting policies due to the revision of accounting standards: None

(B) Changes in accounting policies other than (A) above: None

(C) Changes in accounting estimates: None

(D) Retrospective restatement: None

(3) Total number of issued shares (common shares)

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

March 31, 2024: 303,362,752 shares

March 31, 2023: - shares

(B) Number of treasury shares at the end of the period:

March 31, 2024: 11,199,168 shares

March 31, 2023: - shares

(C) Average number of shares outstanding during the period:

Fiscal Year ended March 31, 2024: 296,317,903 shares

Fiscal Year ended March 31, 2023: - shares

(Note) The Company was incorporated on October 2, 2023, and therefore figures for the fiscal year ended March 31, 2023 is not stated.

(Note) The Company was incorporated on October 2, 2023 as a result of a sole share transfer. Therefore, the average number of common shares outstanding during the period was calculated using a combination of data of The Bank of Kyoto, Ltd. for the period from April 1, 2023 to October 1, 2023 prior to the incorporation, and of the Company for the period from October 2, 2023 to March 31, 2024.

(Note) The Company undertook a 4-for-1 stock split on January 1, 2024. The "average number of shares outstanding during the period" has been calculated assuming that the stock split was undertaken at the beginning of the fiscal year under review.

* This Consolidated Summary Report is outside the scope of the external auditor's quarterly review procedure.

* Notes to using forecasted information, etc.

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.

The Company plans to hold a financial results briefing for institutional investors and analysts on May 28, 2024.

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(Appendix) Supplement Information for FY2023

1. Overview of Operating Results, etc.

The Company was incorporated on October 2, 2023 as a result of a sole share transfer by The Bank of Kyoto, Ltd.

In order to achieve the Group's goal of becoming a "comprehensive solutions provider that drives community growth and creates the future together," we will establish a sustainable business model that can respond quickly and flexibly to changes in the environment, thereby enhancing corporate value for all stakeholders (customers, local communities, shareholders, and employees).

(1) Overview of Operating Results for the Fiscal Year

During the fiscal year, the Japanese economy was on a gradual path to recovery as economic activity normalized following the reclassification of COVID-19 as a Category V infectious disease. Production activity in the corporate sector during this period came to a standstill in some areas due to a slowdown in overseas economies; however, this was offset by a recovery in demand in consumer spending following increases in footfall, and a recovery in demand from inbound tourism. Despite a situation of deepening labor shortages and rising prices toward the end of the fiscal period, the period was actually concluded with progression in terms of financial and economic normalization following policy revisions by the Bank of Japan, announcements of wage increases by various companies, etc.

Under these circumstances, the Group recorded consolidated ordinary income in the current consolidated fiscal year of 137,691 million yen and consolidated ordinary expenses of 94,117 million yen. As a result, consolidated ordinary profit was 43,574 million yen and profit attributable to owners of parent was 31,572 million yen.

In preparing the Group's consolidated operating results, etc., we have incorporated the consolidated operating results, etc. of The Bank of Kyoto, Ltd., which became a wholly owned subsidiary through a sole share transfer.

(2) Overview of Financial Position for the Fiscal Year

With regard to the financial position of the Group as of the end of the fiscal year under view, deposits and negotiable certificates of deposit were 9,365.3 billion yen, loans and bills discounted were 6,717.5 billion yen.

Securities were 3,336.5 billion yen, of which valuation differences (unrealized gains) resulting from mark-to-market accounting were 927.3 billion yen.

Total assets were 11,576.5 billion yen, and net assets were 1,141.0 billion yen.

The consolidated Equity-to-asset ratio (domestic standard) was 12.56%.

(3) Overview of Cash Flows for the Fiscal Year

Cash flow from operating activities in the current consolidated fiscal year was a negative 36.7 billion yen primarily due to an increase in loans and bills discounted.

Cash flow from investing activities was a negative 175.5 billion yen mainly due to the acquisition of securities.

Cash flow from financing activities was a negative 25.4 billion yen due to the acquisition of treasury shares and the payment of dividends.

As a result, the balance of cash and cash equivalents at the end of the current fiscal year amounted to 929.5 billion yen.

(4) Future Prospects

For the fiscal year ending March 31, 2025, we forecast consolidated ordinary revenues of 152.4 billion yen, consolidated ordinary income of 46.2 billion yen, and net income attributable to owners of the parent of 33.0 billion yen.

2. Basic Approach to the Selection of Accounting Standards

The Group applies Japanese standards.

In addition, regarding the application of IFRS (International Financial Reporting Standards), we will take into account various situations in Japan and overseas and respond appropriately.

3. Consolidated Financial Statements and Primary Notes

(1) Consolidated Balance Sheets

(Million yen)

As of March 31, 2024

Assets	
Cash and due from banks	962,778
Call loans and bills bought	368,746
Monetary claims bought	15,786
Trading securities	221
Money held in trust	6,226
Securities	3,336,568
Loans and bills discounted	6,717,532
Foreign exchanges	9,013
Lease receivables and investments in leases	13,717
Other assets	79,048
Tangible fixed assets	76,590
Buildings, net	28,157
Land	43,160
Construction in progress	555
Other tangible fixed assets	4,716
Intangible fixed assets	3,416
Software	2,291
Other intangible fixed assets	1,124
Deferred tax assets	1,046
Customers' liabilities for acceptances and guarantees	20,519
Allowance for loan losses	(34,660)
Total assets	11,576,552
Liabilities	
Deposits	8,821,977
Negotiable certificates of deposit	543,348
Call money and bills sold	1,714
Cash collateral received for securities lent	500,070
Borrowed money	193,750
Foreign exchanges	743
Borrowed money from trust account	3,990
Other liabilities	59,382
Retirement benefit liability	23,592
Provision for reimbursement of deposits	157
Provision for contingent loss	761
Reserves under special laws	0
Deferred tax liabilities	262,112
Deferred tax liabilities for land revaluation	3,349
Acceptances and guarantees	20,519
Total liabilities	10,435,470

(Million yen)

As of March 31, 2024

Net assets	
Share capital	40,000
Capital surplus	41,875
Retained earnings	441,188
Treasury shares	(24,654)
Total shareholders' equity	498,409
Valuation difference on available-for-sale securities	645,029
Deferred gains or losses on hedges	28
Revaluation reserve for land	(2,699)
Remeasurements of defined benefit plans	105
Total accumulated other comprehensive income	642,464
Share acquisition rights	208
Total net assets	1,141,082
Total liabilities and net assets	11,576,552

(2) Consolidated Statements of Income and Comprehensive Income

Consolidated Statements of Income

(Million yen)

	For the fiscal year ended March 31, 2024
Ordinary income	137,691
Interest income	97,040
Interest on loans and discounts	53,034
Interest and dividends on securities	37,176
Interest on call loans and bills bought	5,539
Interest on deposits with banks	39
Other interest income	1,251
Trust fees	7
Fees and commissions	24,121
Other ordinary income	9,385
Other income	7,136
Reversal of allowance for loan losses	770
Recoveries of written off receivables	10
Other	6,354
Ordinary expenses	94,117
Interest expenses	17,106
Interest on deposits	12,651
Interest on negotiable certificates of deposit	29
Interest on call money and bills sold	35
Interest expenses on cash collateral received for securities lent	1,954
Interest on borrowings and rediscounts	7
Other interest expenses	2,428
Fees and commissions payments	6,777
Other ordinary expenses	9,419
General and administrative expenses	58,064
Other expenses	2,749
Other	2,749
Ordinary profit	43,574
Extraordinary income	1,108
Gain on disposal of non-current assets	1,108
Extraordinary losses	706
Loss on disposal of non-current assets	632
Impairment losses	73
Provision of reserve for financial instruments transaction liabilities	0
Profit before income taxes	43,976
Income taxes - current	11,657
Income taxes - deferred	679
Total income taxes	12,337
Profit	31,638
Profit attributable to non-controlling interests	66
Profit attributable to owners of parent	31,572

Consolidated Statements of Comprehensive Income

(Million yen)

	For the fiscal year ended March 31, 2024
Profit	31,638
Other comprehensive income	145,598
Valuation difference on available-for-sale securities	143,158
Deferred gains or losses on hedges	(198)
Remeasurements of defined benefit plans, net of tax	2,638
Comprehensive income	177,237
Comprehensive income attributable to	
Comprehensive income attributable to owners of parent	177,075
Comprehensive income attributable to non-controlling interests	161

(3) Consolidated Statements of Changes in Equity

For the fiscal year ended March 31, 2024

(Million yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	42,103	34,158	421,490	(8,521)	489,231
Changes during period					
Changes by share transfer	(2,103)	6,261		(4,157)	-
Purchase of shares of consolidated subsidiaries		1,475		895	2,370
Dividends of surplus			(11,896)		(11,896)
Profit attributable to owners of parent			31,572		31,572
Purchase of treasury shares				(13,011)	(13,011)
Disposal of treasury shares		(19)		139	119
Reversal of revaluation reserve for land			21		21
Net changes in items other than shareholders' equity					
Total changes during period	(2,103)	7,716	19,698	(16,133)	9,178
Balance at end of period	40,000	41,875	441,188	(24,654)	498,409

	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	501,966	227	(2,677)	(2,533)	496,983	264	2,747	989,226
Changes during period								
Changes by share transfer								-
Purchase of shares of consolidated subsidiaries								2,370
Dividends of surplus								(11,896)
Profit attributable to owners of parent								31,572
Purchase of treasury shares								(13,011)
Disposal of treasury shares								119
Reversal of revaluation reserve for land								21
Net changes in items other than shareholders' equity	143,062	(198)	(21)	2,638	145,480	(55)	(2,747)	142,677
Total changes during period	143,062	(198)	(21)	2,638	145,480	(55)	(2,747)	151,855
Balance at end of period	645,029	28	(2,699)	105	642,464	208	-	1,141,082

(4) Consolidated Statements of Cash Flows

(Million yen)

For the fiscal year
ended March 31, 2024

Cash flows from operating activities	
Profit before income taxes	43,976
Depreciation	3,354
Impairment losses	73
Share of loss (profit) of entities accounted for using equity method	(3)
Increase (decrease) in allowance for loan losses	(2,708)
Increase (decrease) in retirement benefit liability	(287)
Increase (decrease) in provision reimbursement of deposits	(62)
Increase (decrease) in provision for contingent loss	182
Interest income	(97,040)
Interest expenses	17,106
Loss (gain) related to securities	(2,213)
Loss (gain) on money held in trust	(226)
Foreign exchange losses (gains)	(11,885)
Loss (gain) on disposal of non-current assets	(476)
Net decrease (increase) in trading securities	0
Net decrease (increase) in loans and bills discounted	(419,451)
Net increase (decrease) in deposits	454,034
Net increase (decrease) in negotiable certificates of deposit	(162,879)
Net increase (decrease) in borrowed money (excluding subordinated borrowings)	(60,340)
Net decrease (increase) in due from banks (excluding due from Bank of Japan)	568
Net decrease (increase) in call loans	46,843
Net increase (decrease) in call money	1,714
Net increase (decrease) in cash collateral received for securities lent	107,569
Net decrease (increase) in foreign exchanges - assets	(1,254)
Net increase (decrease) in foreign exchanges - liabilities	510
Net decrease (increase) in lease receivables and investments in leases	(1,075)
Net increase (decrease) in borrowed money from trust account	(183)
Interest received	95,877
Interest paid	(16,654)
Other, net	(21,707)
Subtotal	(26,638)
Income taxes paid	(10,121)
Net cash provided by (used in) operating activities	(36,759)
Cash flows from investing activities	
Purchase of securities	(960,078)
Proceeds from sale of securities	501,641
Proceeds from redemption of securities	280,063
Decrease in money held in trust	7,305
Purchase of tangible fixed assets	(3,811)
Proceeds from sale of tangible fixed assets	1,234
Purchase of intangible fixed assets	(1,699)
Payments for asset retirement obligations	(27)
Other, net	(189)
Net cash provided by (used in) investing activities	(175,561)

(Million yen)

	For the fiscal year ended March 31, 2024
Cash flows from financing activities	
Purchase of treasury shares	(13,011)
Dividends paid	(11,896)
Dividends paid to non-controlling interests	(3)
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	(535)
Net cash provided by (used in) financing activities	(25,446)
Effect of exchange rate change on cash and cash equivalents	-
Net increase (decrease) in cash and cash equivalents	(237,767)
Cash and cash equivalents at beginning of period	1,167,312
Cash and cash equivalents at end of period	929,545

(5) Notes to Consolidated Financial Statements

(Notes on Going Concern Assumption)

None

(Additional Information)

(Acquisition of Shares of Sekisui Leasing Co., Ltd.)

The Company resolved at its Board of Directors meeting held on February 29, 2024 to acquire shares in Sekisui Leasing Co., Ltd. so as to make the company a subsidiary. To which end, on February 29, 2024, the Company concluded a share transfer agreement with Mitsubishi HC Capital Inc.

(1) Name and business description of the company to be acquired

Name: Sekisui Leasing Co., Ltd.

Business description: General leasing business

(2) Reason for share acquisition

In order to realize the Group's vision of becoming a "comprehensive solutions provider that drives community growth and creates the future together," the Group is working to expand the solutions it can provide.

Sekisui Leasing Co., Ltd. is a company that operates a stable leasing business with the SEKISUI CHEMICAL Group as its primary customer. This share acquisition will expand the Kyoto Financial Group's leasing business and help us offer our customers a greater range of solutions by allowing us to leverage the know-how and trading base, etc. of Kyogin Lease Co., Ltd., a subsidiary of the Company and Sekisui Leasing Co., Ltd. In doing this, we will strive to help customers find solutions to management issues while also further increasing the corporate value of the Group.

(3) Date of business combination

June 3, 2024 (scheduled)

(4) Legal form of business combination

Share acquisition in consideration for cash

(5) Name of the company after combination

Unchanged

(6) Ratio of voting rights before and after acquisition

Voting rights ratio before change: 0.0%

Voting rights ratio after change: 90.0%

(Business Combinations, etc.)

(Transactions under Common Control)

1. Incorporation of the holding company through a sole-share transfer

(1) Overview of transaction

A. Name and business of combined company

Name of combined company	Business description
The Bank of Kyoto, Ltd.	Banking

B. Date of business combination

October 2, 2023

C. Legal form of business combination

Incorporation of holding company by way of a sole share transfer

D. Name of the company after combination

Wholly owning parent company incorporated through share transfer; Kyoto Financial Group, Inc.

E. Supplementary informatio

The Company was incorporated with the aim of "expansion of our solution functions and new business areas," "reformation of the mindset and behavior of executives and employees, and promotion of independence and cooperation of group companies," and "enhancement of governance and improvement of the speed of business execution".

The Company acquired all of the following subsidiary shares owned by its wholly owned subsidiary, The Bank of Kyoto, Ltd., through distribution-in-kind on October 2, 2023 by receiving dividends in kind from The Bank of Kyoto, Ltd.

As a result, these seven companies have become directly invested subsidiaries of The Company.

Karasuma Shoji Co., Ltd.

Kyogin Lease & Capital Co., Ltd. (currently Kyogin Lease Co., Ltd.)

Kyoto Credit Service Co., Ltd.

Kyogin Card Service Co., Ltd.

Kyoto Research Institute, Inc. (currently Kyoto Soken Consulting Co., Ltd.)

Kyogin Securities Co., Ltd.

Kyoto Capital Partners Co., Ltd.

(2) Overview of accounting treatment

The combination was treated as a transaction under common control in accordance with the "Accounting Standard for Business Combinations" (ASBJ Statement No. 21, January 16, 2019) and the "Implementation Guidance on Accounting Standard for Business Combinations and Accounting Standard for Business Divestitures" (ASBJ Guidance No. 10, January 16, 2019).

2. Additional acquisition of shares of subsidiary

(1) Overview of transaction

A. Name and business of combined company

Name of combined company	Business description
Kyogin Lease & Capital Co., Ltd. (currently Kyogin Lease Co., Ltd.)	Leasing business, investment business (currently leasing business)

B. Date of business combination

October 30, 2023

C. Legal form of business combination

Acquisition of shares from non-controlling shareholders

D. Name of the company after combination

Unchanged

E. Supplementary information

The Company acquired shares owned by non-controlling shareholders with the aim of further strengthening consolidated profitability and group governance as well as enhancing corporate value as a group that can solve issues faced by local communities and customers.

(2) Overview of accounting treatment

The combination was treated as a transaction under common control in accordance with the "Accounting Standard for Business Combinations" (ASBJ Statement No.21, January 16, 2019) and the "Implementation Guidance on Accounting Standard for Business Combinations and Accounting Standard for Business Divestitures" (ASBJ Guidance No.10, January 16, 2019).

(3) Cost and consideration

Consideration (cash and deposits) :	535 million yen
Cost :	535 million yen

(4) Changes in equity interest resulting from the transaction with non-controlling shareholders

A. Main factors of change in capital surplus

Additional acquisition of shares of subsidiary

B. Increase in capital surplus resulting from the transaction with non-controlling shareholders

600 million yen

3. Share exchange to make a wholly owned subsidiary

(1) Overview of transaction

A. Name and business of combined company

Name of combined company	Business description
Kyogin Lease & Capital Co., Ltd. (currently Kyogin Lease Co., Ltd.)	Leasing business, investment business (currently leasing business)

B. Date of business combination

October 31, 2023

C. Legal form of business combination

Share exchange to make the Company the wholly owning parent and Kyogin Lease & Capital Co., Ltd. the wholly owned subsidiary

The share exchange was performed with an effective date of October 31, 2023 by the Company in accordance with the procedures for a simple share exchange that, under Article 796, Paragraph 2 of the Companies Act, does not require approval by a resolution at a general meeting of shareholders, and by Kyogin Lease & Capital Co., Ltd. upon approval for the share exchange by an extraordinary general meeting of shareholders on October 20, 2023.

D. Name of the company after combination

Unchanged

E. Supplementary information

The Company performed the share exchange to make Kyogin Lease & Capital Co., Ltd. a wholly owned subsidiary with the aim of further strengthening consolidated profitability and group governance as well as enhancing corporate value as a group that can solve issues faced by local communities and customers.

(2) Overview of accounting treatment

The combination was treated as a transaction under common control in accordance with the "Accounting Standard for Business Combinations" (ASBJ Statement No. 21, January 16, 2019) and the "Implementation Guidance on Accounting Standard for Business Combinations and Accounting Standard for Business Divestitures" (ASBJ Guidance No. 10, January 16, 2019).

(3) Cost and consideration

Consideration (common shares) :	896 million yen
Cost :	896 million yen

(4) Details of share exchange

A. Share exchange ratio

262 common shares of the Company for each common share of Kyogin Lease & Capital Co., Ltd.

B. Calculation of exchange ratio

To ensure fairness and appropriateness, the Company and Kyogin Lease & Capital Co., Ltd. each had an independent third party assessor calculate the share exchange ratio. Both companies deliberated carefully, referring to the calculation results, and as a result of consultation and negotiation, determined that the share exchange ratio was appropriate and would not be detrimental to the interests of their respective shareholders.

C. Number of shares delivered

105,324 shares

(5) Changes in equity interest resulting from the transaction with non-controlling shareholders

A. Main factors of change in capital surplus

Additional acquisition of shares of subsidiary

B. Business subject to transaction

873 million yen

4. Business succession through an absorption-type company split

(1) Overview of transaction

A. Name of combined companies

Succeeding company: Kyoto Capital Partners Co., Ltd. (consolidated subsidiary of the Company)

Splitting company: Kyogin Lease & Capital Co., Ltd. (consolidated subsidiary of the Company)

B. Business subject to transaction

Investment business of Kyogin Lease & Capital Co., Ltd.

C. Date of business combination

November 7, 2023

D. Legal form of business combination

Absorption-type company split without consideration (simple company split) with Kyogin Lease & Capital Co., Ltd. as the splitting company and Kyoto Capital Partners Co., Ltd. as the succeeding company

E. Name of the company after combination

With this absorption-type company split, Kyogin Lease & Capital Co., Ltd. has been renamed Kyogin Lease Co., Ltd. as of November 7, 2023.

F. Supplementary information

The Company performed this absorption-type company split to consolidate its investment business in Kyoto Capital Partners Co., Ltd. with the aims of promoting the further growth of regional businesses and contributing to the revitalization and advancement of the regional economy.

(2) Overview of accounting treatment

The combination was treated as a transaction under common control in accordance with the "Accounting Standard for Business Combinations" (ASBJ Statement No. 21, January 16, 2019) and the "Implementation Guidance on Accounting Standard for Business Combinations and Accounting Standard for Business Divestitures" (ASBJ Guidance No. 10, January 16, 2019).

(Segment Information)

The Group's reportable segment is only banking.

Business segments except reportable segments are omitted from the current consolidated fiscal year due to their low significance.

(Per Share Information)

	For the fiscal year ended March 31, 2024
Net assets per share	3,904.91yen
Basic earnings per share	106.55yen
Diluted earnings per share	106.47yen

(Note) 1. The Company undertook a stock split of common shares at a ratio of 4-for-1 stock split on January 1, 2024. The Basic earnings per share and Diluted earnings per share have been calculated assuming that the stock split was undertaken at the beginning of the fiscal year.

2. Basis for computing profit per share

The Company was incorporated on October 2, 2023 as a result of a sole share transfer. Therefore, the average number of common shares outstanding during the period was calculated using a combination of data of The Bank of Kyoto, Ltd. for the period from April 1, 2023 to October 1, 2023 prior to the incorporation, and of the Company for the period from October 2, 2023 to March 31, 2024.

		For the fiscal year ended March 31, 2024
Basic earnings per share		
Profit attributable to owners of parent	million yen	31,572
Amount that does not belong to common stock	million yen	—
Profit attributable to owners of the parent for common stock	million yen	31,572
Average number of shares	thousand shares	296,317
Diluted earnings per share		
Adjustments to profit attributable to owners of parent	million yen	—
Increase in number of common stocks	thousand shares	198
Share acquisition rights	thousand shares	198
Overview of potentially dilutive shares not included in the calculation of diluted earnings per share because they do not have a dilutive effect		—

3. Basis for computing net assets per share

		For the fiscal year ended March 31, 2024
Total net assets	million yen	1,141,082
Amounts to be deducted from total net assets	million yen	208
Share acquisition rights	million yen	208
Net assets attributable to common stock	million yen	1,140,874
Number of common stock outstanding at the end of the fiscal period	thousand shares	292,163

(Significant Subsequent Events)

(Establishment of Subsidiary)

The Company resolved at its Board of Directors meeting held on October 2, 2023 to establish a debt collection agency subject to the approval by the relevant authorities, and which was established on April 1, 2024.

1. Purpose of the incorporation

The Company established this subsidiary for the purpose of strengthening the Group's support functions in areas such as the corporate rehabilitation of customers that are in severe financial circumstances.

2. Overview of the subsidiary:

- (1) Name of company: Kyoto Turnaround Servicer Co., Ltd.
- (2) Address of head office: 700, Yakushimae-cho, Karasuma-dori, Matsubara-Agaru, Shimogyo-ku, Kyoto, Japan
- (3) Business description: Contracted claim management and collection; Purchase of claims
(to support corporate rehabilitation)
- (4) Date of establishment: April 1, 2024
- (5) Scheduled commencement of operations: October 2024
- (6) Capital stock: 500 million yen
- (7) Shareholder composition: Kyoto Financial Group, Inc. (wholly owned subsidiary)

(Cancellation of Treasury Shares)

The Company resolved at its Board of Directors meeting held on November 13, 2023 to cancel treasury shares in accordance with the stipulations of Article 178 of the Companies Act. The said cancellation of treasury shares has been done.

- (1) Type of shares cancelled: Common shares of the Company
- (2) Total number of shares cancelled: 2,000,000 shares
- (3) Date of cancellation: April 15, 2024
- (4) Total number of issued shares after cancellation: 301,362,752 shares

Supplement Information for FY2023

Kyoto Financial Group, Inc.

(Note)

This document is a translation of a part of the original Japanese version and provided for reference purposes only.

In the event of any discrepancy between the Japanese original and this English translation, the Japanese original shall prevail.

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(Note) "Consolidated" information indicates the consolidated figures for the Kyoto Financial Group (Kyoto FG consolidated).

"Non-consolidated" refers to the figures for Kyoto Bank alone.

As the Company was established on October 2, 2023, Kyoto Bank consolidated figures are stated as reference for the figures for Kyoto FG consolidated for FY2022, March 31, 2023, and September 30, 2023.

I Key points in the financial results for FY2023

1. Summary

(1) Profit and loss

In consolidated profit and loss, ordinary profit increased 5.3 billion yen year on year to 43.5 billion yen, and profit attributable to owners of parent increased 4.3 billion yen year on year to 31.5 billion yen.

[Kyoto FG consolidated]			(Million yen)
	FY2023		FY2022
		Year-on-year change	
Ordinary profit	43,574	5,396	38,177
Profit attributable to owners of parent	31,572	4,359	27,213

[Kyoto Bank non-consolidated]			(Million yen)
	FY2023		FY2022
		Year-on-year change	
Ordinary profit	41,396	5,852	35,544
Profit	29,691	4,051	25,639

[Contributions by non-banking Group companies]			(Million yen)
	FY2023		FY2022
		Year-on-year change	
Ordinary profit	2,177	(455)	2,633
Profit	1,881	307	1,573

(2) Deposits, negotiable certificates of deposit, and loans and bills discounted[Kyoto Bank non-consolidated]

Deposits and negotiable certificates of deposit amounted to 9,414.8 billion yen, and loans and bills discounted stood at 6,726.3 billion yen.

		March 31, 2024		March 31, 2023
			Change from March 31, 2023	
Term-end	Deposits and negotiable certificates of deposit	9,414.8	310.1	9,104.6
	Loans and bills discounted	6,726.3	420.3	6,305.9
Term-average	Deposits and negotiable certificates of deposit	9,250.4	334.1	8,916.2
	Loans and bills discounted	6,431.3	218.9	6,212.4

2. Overview of profit and loss

[Kyoto FG consolidated]

Both the bank and non-banking Group companies recorded increases in profits, and profit attributable to owners of parent increased 4.3 billion yen year on year to 31.5 billion yen.

[Kyoto Bank non-consolidated]

Gross banking profit increased by 3.7 billion yen to 92.0 billion yen, mainly due to net interest income, including interest on loans and bills discounted, and net fees and commissions, which reached a record high for the fourth consecutive year.

In addition, gains on stock transactions increased, and credit-related expenses decreased, resulting in a gain on reversal of credit costs. Ordinary income increased 5.8 billion yen from the previous year to 41.3 billion yen, and net income increased 4.0 billion yen from the previous year to 29.6 billion yen.

[Kyoto FG consolidated]			(Million yen)
	FY2023		FY2022
		Year-on-year change	
Gross banking profit	97,251	3,690	93,561
Expenses	58,064	1,904	56,159
Net banking profit	39,187	1,785	37,402
Ordinary profit	43,574	5,396	38,177
Profit attributable to owners of parent	31,572	4,359	27,213

[Kyoto Bank non-consolidated]			(Million yen)
	FY2023		FY2022
		Year-on-year change	
Gross banking profit	92,029	3,722	88,307
Net interest income	79,816	1,285	78,531
Net fees and commissions	13,189	1,487	11,702
Net other ordinary income	(976)	949	(1,926)
Gains (losses) on bonds	(2,994)	1,848	(4,843)
Expenses	55,366	1,715	53,651
Net banking profit	36,662	2,007	34,655
Core banking profit	39,657	158	39,498
Excluding gains (losses) on cancellation of investment trusts	39,498	731	38,766
Provision for allowance for general loan losses (1)	—	(24)	24
Banking profit	36,662	2,031	34,631
Non-recurring income (losses)	4,733	3,821	912
Losses related to non-performing loans (2)	602	(1,681)	2,284
Reversal of allowance for loan losses (3)	800	800	—
Reversal of allowance for general loan losses	1,790	1,790	—
Reversal of allowance for individual loan losses	(989)	(989)	—
Income (losses) related to shares	5,208	2,433	2,774
Other non-recurring income (losses)	(672)	(1,094)	422
Ordinary profit	41,396	5,852	35,544
Extraordinary income (losses)	(684)	(284)	(400)
Profit before income taxes	40,711	5,567	35,143
Total income taxes	11,019	1,515	9,504
Profit	29,691	4,051	25,639
Credit-related costs ((1) + (2) - (3))	(197)	(2,506)	2,308

(Notes) Net banking profit is calculated by deducting expenses from gross banking profit.

Core banking profit is calculated by deducting gains (losses) on bonds from net banking profit.

3. Main accounts [Non-consolidated]

(1) Deposits and negotiable certificates of deposit [Kyoto Bank non-consolidated]

Deposits and negotiable certificates of deposit increased primarily for individuals and corporations, amounting to 9,414.8 billion yen, presenting an increase of 310.1 billion yen from March 31, 2023.

(Billion yen, %)

	March 31, 2024			March 31, 2023
		Change from March 31, 2023		
		Billion yen	%	
Deposits (Term-end)	8,849.0	473.0	5.6	8,375.9
Negotiable certificates of deposit (Term-end)	565.8	(162.8)	(22.3)	728.7
Deposits and negotiable certificates of deposit (Term-end)	9,414.8	310.1	3.4	9,104.6
Individuals	5,819.3	150.2	2.6	5,669.1
Corporations	2,955.0	156.0	5.5	2,799.0
Financial institutions	640.4	3.9	0.6	636.5
Deposits (Term-average)	8,558.8	226.5	2.7	8,332.3
Negotiable certificates of deposit (Term-average)	691.5	107.6	18.4	583.9
Deposits and negotiable certificates of deposit (Term-average)	9,250.4	334.1	3.7	8,916.2

(2) Loans and bills discounted [Kyoto Bank non-consolidated]

Loans and bills discounted increased 420.3 billion yen from March 31, 2023 to 6,726.3 billion yen, primarily due to a growth in loans for corporations.

Loans to small and medium enterprises (SMEs), etc. increased 140.0 billion yen from March 31, 2023 to 4,324.8 billion yen.

(Billion yen, %)

	March 31, 2024			March 31, 2023
		Change from March 31, 2023		
		Billion yen	%	
Loans and bills discounted (Term-end)	6,726.3	420.3	6.6	6,305.9
Loans for SMEs, etc.	4,324.8	140.0	3.3	4,184.8
Loans for SMEs	2,642.9	117.1	4.6	2,525.8
Housing loans	1,744.0	15.5	0.9	1,728.4
Loans and bills discounted (Term-average)	6,431.3	218.9	3.5	6,212.4

(3) Securities [Kyoto Bank non-consolidated]

We strived to appropriately manage our investments in securities while carefully monitoring market trends. As a result, securities with valuation difference excluded totaled 2,408.9 billion yen as of March 31, 2024.

(Billion yen, %)

	March 31, 2024			March 31, 2023
		Change from March 31, 2023		
		Billion yen	%	
Securities (Term-end)	3,335.0	390.7	13.2	2,944.2
Bonds	2,196.6	184.8	9.1	2,011.8
Shares	1,138.3	205.9	22.0	932.4
(Valuation difference)	926.1	205.6	28.5	720.4
Securities with valuation difference excluded (Term-end)	2,408.9	185.1	8.3	2,223.7
Securities (Term-average)	2,396.0	141.1	6.2	2,254.8

(4) Group's client assets [Kyoto Bank + Kyogin Securities]

The balance of the Group's client assets stood at 842.7 billion yen on March 31, 2024, an increase of 102.0 billion yen from March 31, 2023.
Sales during FY2023 increased year on year primarily in investment trusts and insurance.

<Balance>

(Billion yen)

		March 31, 2024		March 31, 2023
			Change from March 31, 2023	
The Bank of Kyoto	Investment trusts	294.7	59.7	234.9
	Insurance	346.3	55.8	290.4
	Foreign currency deposits	9.3	(2.9)	12.3
	Public bonds	43.7	(7.1)	50.8
Kyogin Securities		148.6	(3.4)	152.1
	Investment trusts	7.5	6.7	0.7
	Fund wraps	23.7	20.0	3.7
Group total		842.7	102.0	740.7

(Note) Figures presented above for foreign currency deposits are those for foreign currency deposits made by individuals.

<Sales during FY2023>

(Billion yen)

		FY2023		FY2022
			Year-on-year change	
The Bank of Kyoto	Investment trusts	81.0	23.8	57.1
	Insurance	68.5	26.2	42.3
	Foreign currency deposits	6.2	(11.8)	18.0
	Public bonds	8.6	0.9	7.7
Kyogin Securities		59.1	6.8	52.3
	Investment trusts	7.2	6.7	0.4
	Fund wraps	19.1	13.4	5.7

4. Financial soundness

(1) Equity-to-asset ratio (Domestic standard)

Kyoto FG's consolidated equity-to-asset ratio as of March 31, 2024 was 12.56%.
The current medium-term management plan sets a target of reducing the capital adequacy ratio to the 11% range by increasing capital efficiency through the accumulation of assets. We are performing toward this goal.

[Kyoto FG consolidated]

(Billion yen)

	March 31, 2024		March 31, 2023
	(Preliminary)	Change from March 31, 2023	
Equity-to-asset ratio	12.56 %	(0.95) %	13.51 %
Net assets	484.1	4.8	479.2
Risk-weighted assets, etc.	3,853.0	307.5	3,545.4

[Kyoto Bank non-consolidated]

(Billion yen)

	March 31, 2024		March 31, 2023
	(Preliminary)	Change from March 31, 2023	
Equity-to-asset ratio	11.61 %	(1.36) %	12.97 %
Net assets	445.2	(12.8)	458.0
Risk-weighted assets, etc.	3,833.7	303.2	3,530.4

(Note) To calculate credit risk-weighted assets, the Company uses the foundation internal ratings-based approach (FIRB).

(2) Non-performing loans [Kyoto Bank non-consolidated]

We maintained the ratio of non-performing loans based on the Financial Reconstruction Law at a low level as of March 31, 2024; the ratio was 1.42%, and if partial direct write-offs had been made, the ratio would have been 1.36%.

Trend in non-performing loans based on the Financial Reconstruction Law

(Billion yen)

	Self-assessment category	March 31, 2024		March 31, 2023
			Change from March 31, 2023	
Bankrupt and Substantially bankrupt claims	Bankrupt or Effectively bankrupt	9.1	0.5	8.6
Doubtful claims	Potentially bankrupt	81.7	(3.0)	84.8
Substandard claims		6.0	(0.1)	6.2
Total non-performing loans		97.0	(2.6)	99.7
Non-performing loan ratio		1.42%	(0.14)%	1.56%
<If partial direct write-offs had been made>				
Total non-performing loans		92.8	(2.7)	95.6
Non-performing loan ratio		1.36%	(0.13)%	1.49%

(3) Valuation difference on securities [Kyoto Bank non-consolidated]

We maintained valuation difference on securities at a high level as of March 31, 2024; they totaled 926.1 billion yen.

(Billion yen)

	March 31, 2024		March 31, 2023
		Change from March 31, 2023	
Valuation difference on securities	926.1	205.6	720.4
Shares	971.4	209.2	762.2
Bonds	(46.2)	(18.2)	(27.9)
Others	0.9	14.7	(13.7)

5. Financial results forecast

Financial results forecast for the fiscal year ending March 31, 2025 (April 1, 2024 to March 31, 2025)

For FY2024, we expect consolidated net income to increase to 33.0 billion yen as we continue to strive for growth together with local communities and customers through our group-wide efforts in the “Regional Future Co-Creation Business.”

	FY2024 (Current forecast)		FY2023 (Actual)
		Interim	
Ordinary profit	46,200	26,900	43,574
Profit attributable to owners of parent	33,000	19,500	31,572

	FY2024 (Current forecast)		FY2023 (Actual)
		Interim	
Banking profit	39,500	21,400	36,662
Ordinary profit	43,400	25,700	41,396
Profit	31,200	18,600	29,691
Credit-related costs	1,500	600	(197)

6. Year-end and next period dividends [Kyoto FG consolidated]

The year-end dividend for FY2023 will be 35 yen, as announced last November. This will bring the total dividend for the full year to 55 yen, including the interim dividend of 20 yen. For FY2024, we plan to pay an interim and year-end dividend of 30 yen each, for a full-year dividend of 60 yen, an increase of 5 yen.

	Interim	Year-end	Annual
FY2024 (Planned)	30yen	30yen	60yen
FY2023 (Planned)	20yen	tk.miura	55yen
FY2022 (Actual)	15yen	20yen	35yen

- (Notes) 1. Of the forecast 35yen year-end dividend for FY2023, 15yen is a commemorative dividend for the establishment of the Company.
2. As the Company was established on October 2, 2023, the actual dividends for the Bank of Kyoto, Ltd. are stated for the FY2023 interim period and prior periods.
3. The Company undertook a 4-for-1 stock split on January 1, 2024. Actual dividends for the FY2023 interim period and prior periods are stated assuming that the stock split had been undertaken.

7. Income structure [Kyoto Bank non-consolidated]

Income for the FY2023 is calculated based on the structure presented below.

<Expenses>		<Income>	
Interest expenses Interest paid on various deposits, etc.	17.0 bn yen	Interest income Interest income from business loans, housing loans, securities, etc.	96.9 bn yen
① Net interest income	79.8 bn yen		
Fees and commissions payments Fees paid by the Bank such as fees and commissions on exchanges	6.3 bn yen	Fees and commissions Fees received from various services, such as investment trust sales and money transfers	19.5 bn yen
② Net fees and commissions	13.1 bn yen		
Other ordinary expenses Losses on sales of bonds	3.9 bn yen	Other ordinary income Gains on foreign exchange transactions, gains on sales of bonds, etc.	2.9 bn yen
③ Net other ordinary income	(0.9) bn yen		
Gains (losses) on bonds	(2.9) bn yen (A)		
Provision for allowance for general loan losses	— bn yen (C)	Gross banking profit	92.0 bn yen (B)
Expenses	55.3 bn yen (D)	(1) Net interest income	79.8 bn yen
Banking profit (E) = (B) - (C) - (D)	36.6 bn yen	(2) Net fees and commissions	13.1 bn yen
		(3) Net other ordinary income	(0.9) bn yen
Non-recurring expenses Expenses related to write-offs of non-performing loans, shares, etc.	2.5 bn yen	Banking profit	36.6 bn yen
Ordinary profit	41.3 bn yen	Non-recurring income Gains on sales of shares, etc.	7.2 bn yen
Extraordinary losses	0.6 bn yen	Ordinary profit	41.3 bn yen
Income taxes - current	10.2 bn yen	Extraordinary income	0.0 bn yen
Income taxes - deferred	0.7 bn yen		
Profit	29.6 bn yen		

Net banking profit and core banking profit are indices that show profitability after deducting gains (losses) on sales of bonds and provision for allowance for general loan losses, etc. from banking profit.

③ Net banking profit (36.6 bn yen) = Banking profit (E) (36.6 bn yen) + Provision for allowance for general loan losses (C) (- bn yen)

③ Core banking profit (39.6 bn yen) = Net banking profit (36.6 bn yen) - Gains (losses) on bonds (A) ((2.9) bn yen)

* Gains (losses) on bonds = Gains on sales of bonds + gains on redemption of bonds
- losses on sales of bonds - losses on redemption of bonds - write-offs of bonds

II Financial results for FY2023

1. Profit and loss

[Kyoto Bank non-consolidated]

(Million yen)

	FY2023		FY2022
		Year-on-year change	
Gross banking profit	92,029	3,722	88,307
(Excluding gains (losses) on bonds)	(95,024)	(1,873)	(93,150)
Net interest income	79,816	1,285	78,531
Net fees and commissions	13,189	1,487	11,702
Net other ordinary income	(976)	949	(1,926)
(Gains (losses) on bonds)	(2,994)	(1,848)	(4,843)
Gross banking profit from domestic operations	91,454	202	91,251
(Excluding gains (losses) on bonds)	(91,258)	(3,413)	(87,844)
Net interest income	77,982	1,477	76,504
Net fees and commissions	12,966	1,469	11,496
Net other ordinary income	505	(2,745)	3,250
((Gains (losses) on bonds)	(196)	(3,211)	(3,407)
Gross banking profit from international operations	575	3,519	(2,944)
(Excluding gains (losses) on bonds)	(3,766)	(1,539)	(5,306)
Net interest income	1,834	(192)	2,026
Net fees and commissions	223	17	206
Net other ordinary income	(1,482)	3,694	(5,177)
(Gains (losses) on bonds)	(3,191)	(5,059)	(8,250)
Expenses	55,366	1,715	53,651
Personnel expenses	30,750	23	30,726
Non-personnel expenses	20,669	1,695	18,973
Taxes	3,946	(4)	3,951
Net banking profit	36,662	2,007	34,655
Core banking profit	39,657	158	39,498
Excluding gains (losses) on cancellation of investment trusts	39,498	731	38,766
(1) Provision for allowance for general loan losses	—	(24)	24
Banking profit	36,662	2,031	34,631
Gains (losses) on bonds	(2,994)	1,848	(4,843)
Non-recurring income (losses)	4,733	3,821	912
(2) Losses related to non-performing loans	602	(1,681)	2,284
Write-offs of loans and bills discounted	20	18	2
Net provision for allowance for specific loan losses	—	(2,190)	2,190
Losses on sales of loans	25	24	1
Others	556	465	90
③ Reversal of allowance for loan losses	800	800	—
Reversal of allowance for general loan	1,790	1,790	—
Reversal of allowance for individual loan	(989)	(989)	—
Income (losses) related to shares	5,208	2,433	2,774
Other non-recurring income (losses)	(672)	(1,094)	422
Ordinary profit	41,396	5,852	35,544
Extraordinary income (losses)	(684)	(284)	(400)
Gains (losses) on disposal of non-current assets	(611)	(286)	(324)
Impairment losses	73	(2)	76
Profit before income taxes	40,711	5,567	35,143
Income taxes - current	10,277	968	9,308
Income taxes - deferred	742	546	195
Total income taxes	11,019	1,515	9,504
Profit	29,691	4,051	25,639
Credit-related costs ((1) + (2))	(197)	(2,506)	2,308

(Note) Amounts of less than one million yen are rounded down.

[Kyoto FG consolidated]

(Million yen)

	FY2023		FY2022
		Year-on-year change	
Gross banking profit (consolidated)	97,251	3,690	93,561
Net interest income	79,933	1,317	78,616
Net fees and commissions	17,351	1,873	15,478
Net other ordinary income	(34)	498	(532)
Expenses	58,064	1,904	56,159
Net banking profit	39,187	1,785	37,402
Credit-related costs	(133)	(2,520)	2,387
Income (losses) related to shares	5,208	2,433	2,774
Share of loss (profit) of entities accounted for using equity method	3	1	1
Others	(957)	(1,343)	385
Ordinary profit	43,574	5,396	38,177
Extraordinary income (losses)	402	803	(401)
Profit before income taxes	43,976	6,199	37,776
Total income taxes	12,337	1,920	10,416
Profit	31,638	4,279	27,359
Profit attributable to non-controlling interests	66	(80)	146
Profit attributable to owners of parent	31,572	4,359	27,213

(Comprehensive income (consolidated))

(Million yen)

	FY2023		FY2022
		Year-on-year change	
Comprehensive income	177,237	260,833	(83,596)
Profit	31,638	4,279	27,359
Other comprehensive income	145,598	256,554	(110,955)
(Valuation difference on available-for-sale securities) (Fluctuation)	143,158	254,367	(111,209)

(Number of entities within the scope of consolidation)

(Entities)

	March 31, 2024		March 31, 2023
		Change from March 31, 2023	
Number of consolidated subsidiaries	9	2	7
Number of entities accounted for by the equity method	1	—	1

(Notes)

- Wholly-owned subsidiary, Kyoto Turnaround Servicer Co., Ltd, was established on April 1, 2024.
- On February 29, 2024, the Company resolved to acquire the shares of Sekisui Leasing Co., Ltd. and make it a subsidiary, and a share purchase agreement was concluded with Mitsubishi HC Capital Inc. on the same day. The date of business combination is scheduled for June 3, 2024.

2. Banking profit [Kyoto Bank non-consolidated] (Million yen)

	FY2023		FY2022
		Year-on-year change	
(1) Net banking profit	36,662	2,007	34,655
Per employee (thousand yen)	10,905	759	10,145
(2) Banking profit	36,662	2,031	34,631
Per employee (thousand yen)	10,905	766	10,138

(Note) The term-average number of employees (excluding seconded employees) is used for calculation.

3. Interest rate spread [Non-consolidated]

(1) Overall (%)

	FY2023		FY2022
		Year-on-year change	
Interest rate earned on loans and bills discounted (A)	0.82	0.06	0.76
Interest rate earned on securities	1.54	0.04	1.50
Interest rate earned on interest-earning assets (a)	1.03	0.07	0.96
Costs incurred on deposits, etc. (B)	0.73	0.07	0.66
Interest rate paid on deposits, etc.	0.13	0.07	0.06
Overhead ratio	0.59	(0.01)	0.60
Costs of funding (b)	0.72	0.12	0.60
Interest rate spread (A) - (B)	0.09	(0.01)	0.10
Gross interest rate spread (a) - (b)	0.31	(0.05)	0.36

(2) Domestic operations (%)

	FY2023		FY2022
		Year-on-year change	
Interest rate earned on interest-earning assets (A)	0.86	(0.03)	0.89
Interest rate earned on loans and bills discounted	0.70	0.00	0.70
Interest rate earned on securities	1.45	(0.05)	1.50
Costs of funding (B)	0.56	0.02	0.54
Interest rate paid on deposits, etc.	0.00	0.00	0.00
Interest rate paid on external liabilities	(0.00)	0.00	(0.00)
Gross interest rate spread (A) - (B)	0.30	(0.05)	0.35

4. Gains and losses on securities [Kyoto Bank non-consolidated] (Million yen)

	FY2023		FY2022
		Year-on-year change	
Gains (losses) related to bonds	(2,994)	1,848	(4,843)
Gains on sales	960	(2,573)	3,534
Gains on redemption	—	—	—
Losses on sales	3,955	(4,415)	8,370
Losses on redemption	—	—	—
Write-offs	—	(6)	6
Gains (losses) related to shares	5,208	2,433	2,774
Gains on sales	5,392	2,424	2,968
Losses on sales	138	85	53
Write-offs	46	(94)	140

○ Impairment criteria

Our standards for asset self-assessment dictate following impairment criteria by issuer category:

Issuer category	Impairment criteria
Bankrupt, Effectively bankrupt, Potentially bankrupt	The fair value falls below the acquisition cost.
Requiring caution	The fair value declines 30% or more from the acquisition cost.
Normal	The fair value declines 50% or more from the acquisition cost, or the fair value declines 30% or more and less than 50% from the acquisition cost and the market value remains at or below a certain level.

5. Valuation difference on securities

(1) Valuation methods for securities

Trading securities	Fair value method (valuation difference recognized in profit or loss)
Held-to-maturity securities	Amortized cost method
Available-for-sale securities	Fair value method (valuation difference recognized entirely in net assets)
Shares of subsidiaries and affiliated companies	Cost method

(Reference) Securities in the money held in trust

Money held in trust for investment purposes	Fair value method (valuation difference recognized in profit or loss)
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(2) Valuation difference

[Kyoto FG consolidated]

(Million yen)

	March 31, 2024				March 31, 2023		
	Valuation difference				Valuation difference		
		Change from March 31, 2023	Gain on valuation	Loss on valuation		Gain on valuation	Loss on valuation
Held-to-maturity securities	(82)	(25)	0	(83)	(56)	5	62
Available-for-sale securities	927,384	206,191	981,283	(53,898)	721,193	766,529	45,336
Shares	972,656	209,725	972,910	(254)	762,931	763,659	728
Bonds	(46,241)	(18,258)	500	(46,741)	(27,982)	1,685	29,667
Others	968	14,724	7,871	(6,903)	(13,756)	1,185	14,941
Total	927,301	206,165	981,283	(53,982)	721,136	766,535	45,399
Shares	972,656	209,725	972,910	(254)	762,931	763,659	728
Bonds	(46,323)	(18,284)	501	(46,824)	(28,039)	1,690	29,729
Others	968	14,724	7,871	(6,903)	(13,756)	1,185	14,941

(Notes) 1. Available-for-sale securities are valued at fair value. Presented in the table above are the differences between the figures in the consolidated balance sheets and the acquisition prices.

2. Valuation difference on available-for-sale securities as of March 31, 2024 is 645,029 million yen.

[Kyoto Bank non-consolidated]

(Million yen)

	March 31, 2024				March 31, 2023		
	Valuation difference				Valuation difference		
		Change from March 31, 2023	Gain on valuation	Loss on valuation		Gain on valuation	Loss on valuation
Held-to-maturity securities	—	—	—	—	—	—	—
Shares of subsidiaries and affiliated companies	—	—	—	—	—	—	—
Available-for-sale securities	926,152	205,688	980,051	(53,898)	720,464	765,801	45,336
Shares	971,424	209,222	971,679	(254)	762,202	762,930	728
Bonds	(46,241)	(18,258)	500	(46,741)	(27,982)	1,685	29,667
Others	968	14,724	7,871	(6,903)	(13,756)	1,185	14,941
Total	926,152	205,688	980,051	(53,898)	720,464	765,801	45,336
Shares	971,424	209,222	971,679	(254)	762,202	762,930	728
Bonds	(46,241)	(18,258)	500	(46,741)	(27,982)	1,685	29,667
Others	968	14,724	7,871	(6,903)	(13,756)	1,185	14,941

(Notes) 1. Available-for-sale securities are valued at fair value. Presented in the table above are the differences between the figures in the non-consolidated balance sheets and the acquisition prices.

2. Valuation difference on available-for-sale securities as of March 31, 2024 is 644,611 million yen.

6. ROE

[Kyoto FG consolidated]

(%)

	FY2023		FY2022
		Year-on-year change	
Based on shareholders' equity	6.39	0.76	5.63
Based on net assets	2.96	0.34	2.62

- (Notes)
1. The average balance of shareholders' equity and the average balance of net assets, which serve as the denominators of the calculation formulae, are computed by dividing the sum of the balance at the beginning of the term and the balance at the end of the term by two.
 2. Shareholders' equity = total net assets - subscription right to share - non-controlling interests
- total accumulated other comprehensive income
 3. Net assets = total net assets - subscription right to share - non-controlling interests

7. Retirement benefit-related

[Kyoto Bank non-consolidated]

(Million yen)

	FY2023		FY2022
		Year-on-year change	
Retirement benefit expenses	2,574	189	2,385
Service expenses	2,033	(25)	2,059
Interest expenses	295	3	292
Expected investment income	(629)	(15)	(613)
Actuarial gains and losses	874	227	647
Others	—	—	—

<Reference>

[Kyoto FG consolidated]

(Million yen)

	FY2023		FY2022
		Year-on-year change	
Retirement benefit expenses	2,589	193	2,396

(Note) In addition to the above, the Bank recorded 353 million yen in required contributions to a defined contribution plan in the fiscal year under review.

8. Number of branches

[Kyoto Bank non-consolidated]

(Branches)

	March 31, 2024		March 31, 2023
		Change from March 31, 2023	
Kyoto Prefecture	111	—	111
Osaka Prefecture	31	—	31
Shiga Prefecture	14	—	14
Nara Prefecture	7	—	7
Hyogo Prefecture	8	—	8
Aichi Prefecture	2	—	2
Tokyo Prefecture	1	—	1
Total	174	—	174

III Loans, etc.

We do not make partial direct write-offs.

1. Non-performing loans based on the Financial Reconstruction Law (risk management loans)

[Kyoto FG consolidated]

(Million yen)

	March 31, 2024		September 30, 2023	March 31, 2023	
		Change from September 30, 2023			Change from March 31, 2023
Unrecoverable or valueless	9,756	622	535	9,134	9,221
Risk	81,780	(3,563)	(3,081)	85,344	84,862
Special attention	6,075	(278)	(167)	6,354	6,242
Accruing loans (three months or more)	9	9	9	—	—
Restructured loans	6,066	(287)	(176)	6,354	6,242
Total non-performing loans	a 97,612	(3,219)	(2,714)	100,832	100,326
Normal	6,721,873	269,725	433,164	6,452,148	6,288,709
Total	b 6,819,486	266,505	430,450	6,552,980	6,389,035
Non-performing loan ratio	(a/b) 1.43 %	(0.10) %	(0.14) %	1.53 %	1.57 %

<Reference> If partial direct write-offs had been made

	March 31, 2024		September 30, 2023	March 31, 2023	
		Change from September 30, 2023			Change from March 31, 2023
Total non-performing loans	92,942	(2,613)	(2,828)	95,556	95,771
Non-performing loan ratio	1.36 %	(0.09) %	(0.14) %	1.45 %	1.50 %

[Kyoto Bank non-consolidated]

(Million yen)

	March 31, 2024		September 30, 2023	March 31, 2023	
		Change from September 30, 2023			Change from March 31, 2023
Unrecoverable or valueless	9,195	672	563	8,523	8,631
Risk	81,768	(3,560)	(3,084)	85,328	84,853
Special attention	6,075	(278)	(167)	6,353	6,242
Accruing loans (three months or more)	9	9	9	—	—
Restructured loans	6,066	(287)	(176)	6,353	6,242
Total non-performing loans	a 97,039	(3,165)	(2,687)	100,205	99,727
Normal	6,720,445	269,532	432,944	6,450,912	6,287,500
Total	b 6,817,484	266,366	430,257	6,551,118	6,387,227
Non-performing loan ratio	(a/b) 1.42 %	(0.10) %	(0.14) %	1.52 %	1.56 %
Coverage	c 89,576	(3,026)	(2,808)	92,603	92,385
Allowance for loan losses	17,510	(825)	(873)	18,335	18,384
Collateral, guarantees, etc.	72,066	(2,201)	(1,934)	74,267	74,000
Coverage ratio	(c/a) 92.3 %	(0.1) %	(0.3) %	92.4 %	92.6 %

<Reference> If partial direct write-offs had been made

	March 31, 2024		September 30, 2023	March 31, 2023	
		Change from September 30, 2023			Change from March 31, 2023
Total non-performing loans	92,807	(2,577)	(2,792)	95,384	95,600
Non-performing loan ratio	1.36 %	(0.09) %	(0.13) %	1.45 %	1.49 %

(Note) Assets include: Credit-related receivables, such as loans and bills discounted, customers' liabilities for acceptances and guarantees, foreign exchanges, suspense payments equivalent to loans, accrued interest, etc., and private placement bonds guaranteed by banks

2. Results of self-assessment and allowance for loan losses

Results of self-assessment [Kyoto Bank non-consolidated]

(Million yen)

	March 31, 2024		September 30, 2023	March 31, 2023	
		Change from September 30, 2023			Change from March 31, 2023
In legal bankruptcy	3,276	(283)	854	3,559	2,421
In de facto bankruptcy	5,919	956	(290)	4,963	6,210
In danger of bankruptcy	81,671	(3,528)	(2,946)	85,200	84,617
Requiring vigilance	514,847	(2,900)	(35,144)	517,747	549,992
Requiring management	15,277	279	(649)	14,997	15,926
Special attention (Loans and bills discounted only)	6,075	(278)	(167)	6,353	6,242
Others requiring vigilance	499,570	(3,179)	(34,495)	502,750	534,065
Normal	6,146,388	266,535	461,776	5,879,853	5,684,612
Total	6,752,103	260,779	424,249	6,491,324	6,327,854

(Note) Assets include: Credit-related receivables, such as loans and bills discounted, customers' liabilities for acceptances and guarantees, foreign exchanges, suspense payments equivalent to loans, accrued interest, etc.

Allowance for loan losses [Kyoto Bank non-consolidated]

	March 31, 2024		September 30, 2023	March 31, 2023	
		Change from September 30, 2023			Change from March 31, 2023
Allowance for loan losses	32,204	(497)	(2,659)	32,702	34,864
Allowance for general loan losses	17,218	325	(1,790)	16,893	19,008
Allowance for specific loan losses	14,986	(822)	(869)	15,809	15,856

○ Policy for write-offs and allowances for loan losses

Borrower category	Policy for write-offs and allowances for loan losses
Normal	On a loan, an allowance is provided for expected losses in the following year using the historical loss rate.
Requiring caution	On a loan, an allowance is provided for expected losses in the following three years using the historical loss rate.
Substandard	On a loan, an allowance is provided for expected losses in the following three years using the historical loss rate. For some loans, allowances are provided using the discounted cash flow method.
Potentially bankrupt	On the portion of a loan that is not covered by collateral or a guarantee, an allowance is provided for expected losses in the following three years using the historical loss rate. For some loans, allowances are provided using the discounted cash flow method.
Bankrupt or Effectively bankrupt	A write-off is made or an allowance is provided for the entire portion of a loan that is not covered by collateral or a guarantee.

(Notes) 1. When a loan receivable by the Bank is converted to a capital subordinated loan, and the Bank treats it as capital, the Bank provides an allowance not exceeding the amount of the said loan but for the entire amount of the uncovered portion of the loan as if it were not capital. For some loans, allowances are provided using the discounted cash flow method.

2. Of the loans to the borrowers categorized as borrowers requiring vigilance or borrowers requiring management according to the policy presented above, on loans to specific borrowers on which significant impact of COVID-19 remains, allowances are provided based on the expected loss rate on the uncovered amount of the loans to borrowers in danger of bankruptcy.

3. Loans by industry

(1) Loans by industry [Kyoto Bank non-consolidated]

(Million yen)

	March 31, 2024		September 30, 2023	March 31, 2023	
		Change from September 30, 2023			Change from March 31, 2023
Domestic (Excluding special international financial transactions accounts)	6,726,329	260,054	420,381	6,466,275	6,305,947
Manufacture	1,289,244	15,604	118,922	1,273,640	1,170,322
Agriculture and forestry	4,392	8	509	4,384	3,882
Fisheries	44	6	5	37	39
Mining, stone quarrying, and gravel quarrying	17,505	2,581	2,668	14,924	14,836
Construction	210,077	13,154	10,816	196,923	199,260
Electricity, gas, heat supply and water	121,819	3,991	7,763	117,827	114,055
Information and communications	47,065	2,898	15,776	44,166	31,288
Transport and postal services	269,200	29,142	35,911	240,057	233,288
Wholesale and retail trade	701,749	24,802	38,024	676,947	663,725
Finance and insurance	334,306	35,038	59,866	299,267	274,439
Real estate and goods rental and leasing	919,406	79,167	81,054	840,238	838,351
Services	496,177	11,217	732	484,959	495,444
Local governments	605,609	19,341	14,056	586,268	591,553
Others	1,709,731	23,099	34,271	1,686,632	1,675,460

(2) Risk management loans by industry [Kyoto Bank non-consolidated]

(Million yen)

	March 31, 2024		September 30, 2023	March 31, 2023	
		Change from September 30, 2023			Change from March 31, 2023
Domestic (Excluding special international financial transactions accounts)	97,039	(3,165)	(2,687)	100,205	99,727
Manufacture	21,406	1,170	361	20,236	21,045
Agriculture and forestry	214	(48)	(9)	263	224
Fisheries	23	(1)	(2)	24	25
Mining, stone quarrying, and gravel quarrying	—	—	(1)	—	1
Construction	9,891	(129)	1,070	10,020	8,820
Electricity, gas, heat supply and water	11	0	(1)	12	13
Information and communications	1,363	46	(138)	1,316	1,502
Transport and postal services	2,882	(551)	(726)	3,434	3,609
Wholesale and retail trade	20,810	(1,079)	(415)	21,890	21,225
Finance and insurance	504	(11)	(26)	515	530
Real estate and goods rental and leasing	4,404	(560)	(554)	4,965	4,959
Services	22,670	(1,842)	(1,899)	24,512	24,569
Local governments	—	—	—	—	—
Others	12,856	(156)	(342)	13,013	13,199

(3) Loans to SMEs, etc. [Kyoto Bank non-consolidated]

(Million yen)

	March 31, 2024		September 30, 2023	March 31, 2023	
		Change from September 30, 2023			Change from March 31, 2023
Loans to SMEs, etc.	4,324,879	127,744	140,016	4,197,134	4,184,862
Ratio of loans to SMEs, etc. (%)	64.29	(0.61)	(2.07)	64.90	66.36

(4) Consumer loans [Kyoto Bank non-consolidated]

(Million yen)

	March 31, 2024		September 30, 2023	March 31, 2023	
		Change from September 30, 2023			Change from March 31, 2023
Consumer loans	1,777,155	14,214	17,421	1,762,941	1,759,733
Housing loans	1,744,082	12,391	15,583	1,731,690	1,728,498
Other consumer loans	33,073	1,822	1,838	31,250	31,234

4. Loans by country

(1) Specified overseas receivables [Kyoto Bank non-consolidated]

None

(2) Loans to Asia [Kyoto Bank non-consolidated]

(Million yen)

	March 31, 2024		September 30, 2023	March 31, 2023
		Change from September 30, 2023		
Singapore	2,500	(500)	3,000	3,000
China	704	458	245	233
Indonesia	—	—	—	52
UAE	2,185	(194)	2,380	2,318
Qatar	757	9	747	667
Total	6,146	(227)	6,373	6,271

(3) Loans to major countries in Latin America [Kyoto Bank non-consolidated]

(Million yen)

	March 31, 2024		September 30, 2023	March 31, 2023
		Change from September 30, 2023		
Chile	757	9	747	667
Mexico	298	(20)	319	307
Total	1,055	(11)	1,067	974

(4) Loans to Russia [Kyoto Bank non-consolidated]

None

IV Reference

Kyoto Bank individual financial statements

(1) Non-consolidated Balance Sheets

(Million yen)

	As of March 31,2023	As of March 31,2024
Assets		
Cash and due from banks	1,193,493	955,189
Cash	78,202	89,384
Due from banks	1,115,291	865,804
Call loans	416,033	368,746
Monetary claims bought	8,517	8,274
Trading securities	222	221
Trading local government bonds	222	221
Money held in trust	13,305	6,226
Securities	2,944,262	3,335,053
Government bonds	478,681	464,738
Local government bonds	703,139	701,314
Corporate bonds	584,303	649,784
Stocks	932,439	1,138,363
Other securities	245,699	380,853
Loans and bills discounted	6,305,947	6,726,329
Bills discounted	12,861	13,055
Loans on bill	19,755	17,718
Loans on deeds	5,731,303	6,079,299
Overdrafts	542,026	616,257
Foreign exchanges	7,758	9,013
Due from foreign banks (our accounts)	6,817	8,586
Foreign bills bought	540	316
Foreign bills receivable	400	110
Other assets	68,068	73,016
Prepaid expenses	15	16
Accrued revenue	5,314	6,712
Financial derivatives	5,285	4,675
Cash collateral paid for financial instruments	53,783	56,061
Other	3,670	5,550
Tangible fixed assets	75,133	76,054
Buildings, net	29,140	27,871
Land	43,359	42,986
Construction in progress	30	555
Other tangible fixed assets	2,603	4,640
Intangible fixed assets	2,602	3,318
Software	2,509	2,199
Other intangible fixed assets	93	1,119
Customers' liabilities for acceptances and guarantees	17,174	20,519
Allowance for loan losses	(34,864)	(32,204)
Total assets	11,017,656	11,549,758

(Million yen)

	As of March 31,2023	As of March 31,2024
Liabilities		
Deposits	8,375,966	8,849,026
Current deposits	437,717	481,674
Ordinary deposits	5,484,227	5,986,479
Savings deposits	94,330	96,272
Deposits at notice	14,850	11,508
Time deposit	2,019,536	1,942,585
Installment savings	20,252	19,966
Other deposits	305,051	310,539
Negotiable certificates of deposit	728,727	565,848
Call money	-	1,714
Cash collateral received for securities lent	392,501	500,070
Borrowed money	253,900	193,500
Borrowings from other banks	253,900	193,500
Foreign exchanges	233	743
Foreign bills sold	121	375
Foreign bills payable	112	368
Borrowed money from trust account	4,174	3,990
Other liabilities	51,397	31,252
Income taxes payable	3,310	4,328
Accrued expenses	5,310	5,853
Unearned revenue	2,011	1,508
Reserve for interest on installment savings	4	4
Financial derivatives	4,920	8,946
Cash collateral received for financial instruments	1,256	492
Asset retirement obligations	982	984
Other	33,600	9,134
Provision for retirement benefits	23,968	23,671
Provision for reimbursement of deposits	219	157
Provision for contingent loss	578	761
Deferred tax liabilities	198,157	261,680
Deferred tax liabilities for land revaluation	3,359	3,349
Acceptances and guarantees	17,174	20,519
Total liabilities	10,050,359	10,456,285

(Million yen)

	As of March 31,2023	As of March 31,2024
Net assets		
Share capital	42,103	42,103
Capital surplus	30,442	34,582
Legal capital surplus	30,301	30,301
Other capital surplus	140	4,280
Retained earnings	403,676	374,846
Legal retained earnings	17,456	17,456
Other retained earnings	386,220	357,390
General reserve	355,375	316,875
Retained earnings brought forward	30,845	40,515
Treasury shares	(8,521)	—
Total shareholders' equity	467,701	451,532
Valuation difference on available-for-sale securities	501,781	644,611
Deferred gains or losses on hedges	227	28
Revaluation reserve for land	(2,677)	(2,699)
Total valuation and translation adjustments	499,331	641,940
Share acquisition rights	264	—
Total net assets	967,297	1,093,473
Total liabilities and net assets	11,017,656	11,549,758

(2) Non-consolidated Statements of Income

(Million yen)

	For the fiscal year ended March 31,2023	For the fiscal year ended March 31,2024
Ordinary income	113,978	126,654
Interest income	85,927	96,913
Interest on loans and discounts	47,542	53,026
Interest and dividends on securities	33,965	37,103
Interest on call loans	2,728	5,539
Interest on deposits with banks	45	39
Other interest income	1,644	1,203
Trust fees	8	7
Fees and commissions	17,445	19,507
Fees and commissions on domestic and foreign exchanges	3,820	4,088
Other fees and commissions	13,625	15,418
Other ordinary income	6,451	2,978
Gain on foreign exchange transactions	2,328	1,708
Net gain on trading securities transactions	1	0
Gain on sale of bonds	3,534	960
Gain on financial derivatives	587	309
Other income	4,145	7,247
Reversal of allowance for loan losses	—	800
Recoveries of written off receivables	0	10
Gain on sale of equity securities	2,968	5,392
Gain on money held in trust	218	226
Other	957	816
Ordinary expenses	78,434	85,258
Interest expenses	7,395	17,096
Interest on deposits	6,010	12,651
Interest on negotiable certificates of deposit	23	29
Interest on call money	(37)	35
Interest expenses on cash collateral received for securities lent	142	1,954
Interest on borrowings and rediscounts	187	—
Interest expenses on interest rate swaps	1,052	2,415
Other interest expenses	15	8
Fees and commissions payments	5,752	6,325
Fees and commissions on domestic and foreign exchanges	427	432
Other fees and commissions	5,324	5,893
Other ordinary expenses	8,377	3,955
Loss on sale of bonds	8,370	3,955
Loss on devaluation of bonds	6	—
General and administrative expenses	53,651	55,366
Other expenses	3,257	2,513
Provision of allowance for loan losses	2,214	—
Write-off of loans	2	20
Loss on sale of equity securities	53	138
Loss on devaluation of equity securities	140	46
Other	847	2,308
Ordinary profit	35,544	41,396
Extraordinary income	299	1
Gain on disposal of non-current assets	299	1
Extraordinary losses	699	685
Loss on disposal of non-current assets	623	612
Impairment losses	76	73
Profit before income taxes	35,143	40,711
Income taxes - current	9,308	10,277
Income taxes - deferred	195	742
Total income taxes	9,504	11,019
Profit	25,639	29,691

(3) Non-consolidated Statements of Changes in Net Assets

For the fiscal year ended March 31, 2023

(Million yen)

	Shareholders' equity							
	Share capital	Capital surplus			Retained earnings			
		Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings	Other retained earnings		Total retained earnings
					General reserve	Retained earnings brought forward		
Balance at beginning of period	42,103	30,301	153	30,455	17,456	349,375	20,972	387,804
Changes during period								
Dividends of surplus							(9,398)	(9,398)
Provision of general reserve						6,000	(6,000)	—
Profit							25,639	25,639
Purchase of treasury shares								
Disposal of treasury shares			(12)	(12)				
Revaluation reserve for land							(368)	(368)
Net changes in items other than shareholders' equity								
Total changes during period	—	—	(12)	(12)	—	6,000	9,872	15,872
Balance at end of period	42,103	30,301	140	30,442	17,456	355,375	30,845	403,676

	Shareholders' equity		Valuation and translation adjustments				Share acquisition rights	Total net assets
	Treasury assets 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	(3,645)	456,718	613,187	(367)	(3,045)	609,774	316	1,066,809
Changes during period								
Dividends of surplus		(9,398)						(9,398)
Provision of general reserve		—						—
Profit		25,639						25,639
Purchase of treasury shares	(5,003)	(5,003)						(5,003)
Disposal of treasury shares	127	114						114
Revaluation reserve for land		(368)						(368)
Net changes in items other than shareholders' equity			(111,405)	594	368	(110,442)	(52)	(110,495)
Total changes during period	(4,876)	10,983	(111,405)	594	368	(110,442)	(52)	(99,511)
Balance at end of period	(8,521)	467,701	501,781	227	(2,677)	499,331	264	967,297

For the fiscal year ended March 31, 2024

(Million yen)

	Shareholders' equity							
	Share capital	Capital surplus			Retained earnings			
		Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings	Other retained earnings		Total retained earnings
					General reserve	Retained earnings brought forward		
Balance at beginning of period	42,103	30,301	140	30,442	17,456	355,375	30,845	403,676
Changes during period								
Changes by share transfer			4,157	4,157				
Dividends of surplus							(58,543)	(58,543)
Provision of general reserve						9,000	(9,000)	—
Reversal of general reserve						(47,500)	47,500	—
Profit							29,691	29,691
Purchase of treasury shares								
Disposal of treasury shares			(17)	(17)				
Revaluation reserve for land							21	21
Net changes in items other than shareholders' equity								
Total changes during period	—	—	4,139	4,139	—	(38,500)	9,670	(28,829)
Balance at end of period	42,103	30,301	4,280	34,582	17,456	316,875	40,515	374,846

	Shareholders' equity		Valuation and translation adjustments				Share acquisition rights	Total net assets
	Treasury assets 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	(8,521)	467,701	501,781	227	(2,677)	499,331	264	967,297
Changes during period								
Changes by share transfer	8,451	12,609						12,609
Dividends of surplus		(58,543)						(58,543)
Provision of general reserve		—						—
Reversal of general reserve		—						—
Profit		29,691						29,691
Purchase of treasury shares	(4)	(4)						(4)
Disposal of treasury shares	73	55						55
Revaluation reserve for land		21						21
Net changes in items other than shareholders' equity			142,829	(198)	(21)	142,608	(264)	142,344
Total changes during period	8,521	(16,168)	142,829	(198)	(21)	142,608	(264)	126,175
Balance at end of period	0	451,532	644,611	28	(2,699)	641,940	0	1,093,473