

Translation

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Consolidated Financial Results for the Nine Months Ended December 31, 2024 (Under Japanese GAAP)

February 7, 2025

Company name: Yamaguchi Financial Group, Inc.
 Stock exchange listing: Tokyo
 Code number: 8418 URL <https://www.ymfg.co.jp>
 Representative: Keisuke Mukunashi President and CEO
 For inquiry: Kentaro Hama General Manager of Accounting Office, Corporate Planning Department
 Scheduled date to commence dividend payments: –
 Trading accounts: Established
 Preparation of supplementary material on quarterly financial results: Attached
 Schedule of quarterly financial results briefing session: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the nine months ended December 31, 2024 (from April 1, 2024 to December 31, 2024)

(1) Consolidated operating results

Percentages indicate year-on-year changes

	Ordinary income		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended December 31, 2024	158,832	17.4	38,465	20.2	25,172	16.5
Nine months ended December 31, 2023	135,331	18.3	31,999	22.4	21,603	15.0

Note: Comprehensive income
 Nine months ended December 31, 2024: ¥(725) million [– %]
 Nine months ended December 31, 2023: ¥29,120 million [– %]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended December 31, 2024	117.15	117.14
Nine months ended December 31, 2023	97.33	97.31

(2) Consolidated financial position

	Total assets	Net assets	Capital adequacy ratio
	Millions of yen	Millions of yen	%
As of December 31, 2024	12,847,449	636,277	4.9
As of March 31, 2024	12,548,539	655,736	5.2

Reference: Equity As of December 31, 2024: ¥ 633,184 million
 As of March 31, 2024: ¥ 652,770 million

Note: Capital adequacy ratio = (Net assets – Share acquisition rights – Non-controlling interests) / Total assets × 100
 This ratio is not the capital adequacy ratio specified by the Notice on Capital Adequacy Ratio Regulations.

2. Dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2024	–	21.00	–	22.00	43.00
Fiscal year ending March 31, 2025	–	30.00	–		
Fiscal year ending March 31, 2025 (Forecast)				30.00	60.00

Note: Revision to the forecast for dividends announced most recently: No

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 profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Yen
Full year	47,500	27.4	33,000	30.9	154.01

Note: Revision to the financial results forecast announced most recently: No

4. Notes

(1) Significant changes in the scope of consolidation during the nine months ended December 31, 2024: No

(2) Accounting policies adopted specially for the preparation of quarterly consolidated financial statements: No

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

1) Changes in accounting policies due to the revision of accounting standards: No

2) Changes in accounting policies other than 1) above: No

3) Changes in accounting estimates: No

4) Retrospective restatement: No

(4) Number of issued shares (common shares)

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

As of December 31, 2024	234,767,616 shares	As of March 31, 2024	234,767,616 shares
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Number of treasury shares at the end of the period

As of December 31, 2024	22,294,976 shares	As of March 31, 2024	17,855,208 shares
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Average number of shares during the period

Nine months ended December 31, 2024	214,869,661 shares	Nine months ended December 31, 2023	221,971,439 shares
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* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: No

* Proper use of earnings forecasts, and other special matters.

The description of future performance of this report is based on information which is presently available and certain assumptions which are considered to be reasonable, and it does not guarantee future performance.

Please take note that future performance may differ from forecasts depending on various future factors.

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1. Quarterly Consolidated Financial Statements and Notes**(1) Quarterly Consolidated Balance Sheets**

	(Millions of yen)	
	As of March 31, 2024	As of December 31, 2024
Assets		
Cash and due from banks	1,386,904	1,574,231
Call loans and bills bought	–	3,954
Monetary claims bought	1,940	2,075
Trading account assets	4,058	3,430
Money held in trust	31,035	36,917
Securities	2,065,414	2,174,279
Loans and bills discounted	8,589,933	8,647,264
Foreign exchanges	27,314	29,703
Lease receivables and investments in leases	24,047	26,537
Other assets	290,459	238,346
Tangible fixed assets	82,181	80,913
Intangible fixed assets	7,092	7,169
Retirement benefit asset	44,768	46,588
Deferred tax assets	1,684	6,788
Customers' liabilities for acceptances and guarantees	63,917	43,451
Allowance for loan losses	(72,214)	(74,201)
Total assets	12,548,539	12,847,449
Liabilities		
Deposits	10,057,923	10,276,596
Negotiable certificates of deposit	286,100	467,812
Call money and bills sold	438,028	218,439
Cash collateral received for securities lent	194,308	203,389
Trading account liabilities	1,730	1,244
Borrowed money	615,961	725,344
Foreign exchanges	116	313
Bonds payable	42,400	67,400
Other liabilities	169,149	189,763
Provision for bonuses	3,334	1,848
Retirement benefit liability	2,501	2,588
Provision for retirement benefits for directors (and other officers)	279	270
Provision for loss on interest repayment	13	11
Provision for reimbursement of deposits	235	124
Provision for point card certificates	138	132
Provision for management board benefit trust	543	552
Provision for employee stock ownership plan trust	45	85
Reserves under special laws	19	19
Deferred tax liabilities	7,691	3,511
Deferred tax liabilities for land revaluation	8,363	8,271
Acceptances and guarantees	63,917	43,451
Total liabilities	11,892,802	12,211,172

	(Millions of yen)	
	As of March 31, 2024	As of December 31, 2024
Net assets		
Share capital	50,000	50,000
Capital surplus	33,116	33,127
Retained earnings	540,429	554,497
Treasury shares	(19,276)	(26,712)
Total shareholders' equity	604,270	610,912
Valuation difference on available-for-sale securities	5,251	(19,830)
Deferred gains or losses on hedges	17,535	17,116
Revaluation reserve for land	18,826	18,623
Foreign currency translation adjustments	–	1
Remeasurements of defined benefit plans	6,887	6,361
Total accumulated other comprehensive income	48,500	22,272
Share acquisition rights	23	23
Non-controlling interests	2,941	3,069
Total net assets	655,736	636,277
Total liabilities and net assets	12,548,539	12,847,449

(2) Quarterly Consolidated Statements of Income and Comprehensive Income
Quarterly Consolidated Statements of Income

	(Millions of yen)	
	Nine months ended December 31, 2023	Nine months ended December 31, 2024
Ordinary income	135,331	158,832
Interest income	97,614	112,114
Interest on loans and discounts	78,669	85,557
Interest and dividends on securities	17,379	23,506
Fees and commissions	21,328	21,590
Gain on trading account transactions	616	454
Other ordinary income	9,782	13,647
Other income	5,989	11,025
Ordinary expenses	103,332	120,366
Interest expenses	22,515	23,048
Interest on deposits	3,799	7,393
Fees and commissions payments	7,171	7,538
Other ordinary expenses	23,480	35,050
General and administrative expenses	46,947	47,974
Other expenses	3,218	6,755
Ordinary profit	31,999	38,465
Extraordinary income	353	647
Gain on disposal of non-current assets	353	408
Compensation for forced relocation	—	239
Extraordinary losses	361	633
Loss on disposal of non-current assets	141	209
Impairment losses	220	423
Profit before income taxes	31,991	38,479
Income taxes - current	8,982	11,132
Income taxes - deferred	1,315	2,046
Total income taxes	10,297	13,179
Profit	21,693	25,300
Profit attributable to non-controlling interests	90	127
Profit attributable to owners of parent	21,603	25,172

Quarterly Consolidated Statements of Comprehensive Income

	(Millions of yen)	
	Nine months ended December 31, 2023	Nine months ended December 31, 2024
Profit	21,693	25,300
Other comprehensive income	7,426	(26,025)
Valuation difference on available-for-sale securities	6,037	(25,101)
Deferred gains or losses on hedges	1,691	(418)
Remeasurements of defined benefit plans, net of tax	(302)	(526)
Share of other comprehensive income of entities accounted for using equity method	—	21
Comprehensive income	29,120	(725)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	29,030	(852)
Comprehensive income attributable to non- controlling interests	90	127

(3) Notes to the Quarterly Consolidated Financial Statements

(Segment Information)

Segment information is omitted since the Group comprises of only one segment, which is defined as banking service.

(Notes for Material Changes in Shareholders' Equity)

In accordance with the resolution at the meeting of the Board of Directors held on May 10, 2024, the Company acquired 4,537 thousands of treasury shares during the nine months ended December 31, 2024. As a result, treasury shares increased by ¥7,521 million to ¥26,712 million at the end of the third quarter of the fiscal year under review.

(Notes on Going Concern Assumption)

None

(Notes on Quarterly Consolidated Statements of Cash Flows)

Quarterly consolidated statements of cash flows are not prepared for the nine months ended December 31, 2024. Depreciation (including amortization of intangible fixed assets except for goodwill) and amortization of goodwill for the nine months ended December 31, 2024 are as follows:

	Nine months ended December 31, 2023	Nine months ended December 31, 2024
	Millions of yen	Millions of yen
Depreciation	3,166	3,611
Amortization of goodwill	38	37