

**Translation**

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**Consolidated Financial Results for the Six Months Ended September 30, 2023  
(Based on Japanese GAAP)**

November 10, 2023

Company name: Yamaguchi Financial Group, Inc.  
 Stock exchange listing: Tokyo  
 Stock code: 8418 URL <https://www.ymfg.co.jp>  
 Representative: President and CEO Keisuke Mukunashi  
 General Manager of Accounting  
 Inquiries: Office, Corporate Planning Department Kentaro Hama TEL 083-223-5511  
 Scheduled date to file Quarterly Securities Report: November 24, 2023  
 Scheduled date to commence dividend payments: December 8, 2023  
 Trading accounts: Yes  
 Preparation of supplementary material on quarterly financial results: Yes  
 Holding of quarterly financial results meeting: Yes (for institutional investors and analysts)

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the six months ended September 30, 2023 (from April 1, 2023 to September 30, 2023)

(1) Consolidated operating results (cumulative)

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	%
Six months ended September 30, 2023	89,479	20.4	19,938	19.7	13,571	10.7
Six months ended September 30, 2022	74,312	(1.5)	16,659	3.2	12,264	1.0

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Six months ended September 30, 2023	60.81		60.80	
Six months ended September 30, 2022	52.23		52.22	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of September 30, 2023	12,588,555	619,997	4.9
As of March 31, 2023	12,211,645	614,665	5.0

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen				
Year ended March 31, 2023	–	15.00	–	16.00	31.00
Year ending March 31, 2024	–	21.00			
Year ending March 31, 2024 (Forecast)			–	22.00	43.00

3. Forecast of consolidated financial results for the year ending March 31, 2024 (from April 1, 2023 to March 31, 2024)

Percentages indicate year-on-year changes

	Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Yen
Full year	35,000	36.2	24,000	34.1	108.05

4. Notes

- (1) Changes in significant subsidiaries during the six months ended September 30, 2023  
(changes in specified subsidiaries resulting in the change in scope of consolidation): No
- (2) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements
- Changes in accounting policies due to revisions to accounting standards and other regulations: No
- Changes in accounting policies due to other reasons: No
- Changes in accounting estimates: No
- Restatement of prior period financial statements: No

(3) Number of issued shares (common shares)

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

As of September 30, 2023	234,767,616 shares	As of March 31, 2023	264,353,616 shares
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Number of treasury shares at the end of the period

As of September 30, 2023	13,702,326 shares	As of March 31, 2023	39,260,405 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Six months ended September 30, 2023	223,186,344 shares	Six months ended September 30, 2022	234,811,068 shares
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**Quarterly consolidated financial statements**  
**Consolidated balance sheets**

(Millions of yen)

	As of March 31, 2023	As of September 30, 2023
<b>Assets</b>		
Cash and due from banks	1,878,858	1,777,529
Call loans and bills bought	934	1,495
Monetary claims bought	2,457	1,940
Trading account assets	3,976	4,921
Money held in trust	17,404	36,804
Securities	1,534,139	1,848,456
Loans and bills discounted	8,347,832	8,434,333
Foreign exchanges	36,772	31,280
Lease receivables and investments in leases	19,805	20,749
Other assets	250,907	305,945
Tangible fixed assets	81,121	80,769
Intangible fixed assets	6,577	6,592
Retirement benefit asset	34,335	35,480
Deferred tax assets	9,964	9,726
Customers' liabilities for acceptances and guarantees	58,967	64,126
Allowance for loan losses	(72,410)	(71,596)
<b>Total assets</b>	<b>12,211,645</b>	<b>12,588,555</b>
<b>Liabilities</b>		
Deposits	9,954,008	9,954,562
Negotiable certificates of deposit	371,711	391,821
Call money and bills sold	340,052	455,086
Cash collateral received for securities lent	285,322	361,316
Trading account liabilities	1,813	2,295
Borrowed money	403,303	499,763
Foreign exchanges	98	159
Bonds payable	42,400	42,400
Other liabilities	123,479	181,188
Provision for bonuses	2,695	2,700
Retirement benefit liability	2,588	2,500
Provision for retirement benefits for directors (and other officers)	281	278
Provision for loss on interest repayment	13	23
Provision for reimbursement of deposits	359	306
Provision for point card certificates	124	132
Provision for management board benefit trust	427	464
Provision for employee stock ownership plan trust	–	68
Reserves under special laws	17	17
Deferred tax liabilities	683	763
Deferred tax liabilities for land revaluation	8,628	8,582
Acceptances and guarantees	58,967	64,126
<b>Total liabilities</b>	<b>11,596,980</b>	<b>11,968,558</b>

(Millions of yen)

	As of March 31, 2023	As of September 30, 2023
Net assets		
Share capital	50,000	50,000
Capital surplus	58,639	33,116
Retained earnings	522,893	532,959
Treasury shares	(34,847)	(13,594)
Total shareholders' equity	596,685	602,482
Valuation difference on available-for-sale securities	(17,237)	(33,315)
Deferred gains or losses on hedges	11,253	27,136
Revaluation reserve for land	19,432	19,326
Remeasurements of defined benefit plans	1,678	1,477
Total accumulated other comprehensive income	15,126	14,624
Share acquisition rights	43	23
Non-controlling interests	2,809	2,866
Total net assets	614,665	619,997
Total liabilities and net assets	12,211,645	12,588,555

## Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)

### Consolidated statements of income (cumulative)

(Millions of yen)

	Six months ended September 30, 2022	Six months ended September 30, 2023
Ordinary income	74,312	89,479
Interest income	48,806	63,677
Interest on loans and discounts	38,957	51,591
Interest and dividends on securities	8,659	10,897
Fees and commissions	12,924	14,242
Gain on trading account transactions	1,150	872
Other ordinary income	7,654	6,647
Other income	3,776	4,038
Ordinary expenses	57,652	69,540
Interest expenses	4,027	17,413
Interest on deposits	1,281	2,414
Fees and commissions payments	4,543	4,743
Other ordinary expenses	14,886	13,364
General and administrative expenses	30,706	31,215
Other expenses	3,487	2,804
Ordinary profit	16,659	19,938
Extraordinary income	251	228
Gain on disposal of non-current assets	205	228
Gain on bargain purchase	22	–
Gain on step acquisitions	23	–
Extraordinary losses	407	336
Loss on disposal of non-current assets	55	123
Impairment losses	352	212
Profit before income taxes	16,503	19,831
Income taxes - current	2,517	5,673
Income taxes - deferred	1,567	529
Total income taxes	4,085	6,202
Profit	12,418	13,628
Profit attributable to non-controlling interests	154	56
Profit attributable to owners of parent	12,264	13,571

**Consolidated statements of comprehensive income (cumulative)**

(Millions of yen)

	Six months ended September 30, 2022	Six months ended September 30, 2023
Profit	12,418	13,628
Other comprehensive income	(27,820)	(395)
Valuation difference on available-for-sale securities	(39,760)	(16,077)
Deferred gains or losses on hedges	12,158	15,883
Remeasurements of defined benefit plans, net of tax	(218)	(201)
Comprehensive income	(15,401)	13,232
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(15,584)	13,175
Comprehensive income attributable to non-controlling interests	182	56

## Consolidated statements of changes in equity

Six months ended September 30, 2022

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	50,000	58,648	511,253	(25,045)	594,855
Changes during period					
Dividends of surplus			(3,336)		(3,336)
Profit attributable to owners of parent			12,264		12,264
Purchase of treasury shares				(4,484)	(4,484)
Disposal of treasury shares		9		198	208
Purchase of shares of consolidated subsidiaries		266			266
Reversal of revaluation reserve for land			440		440
Net changes in items other than shareholders' equity					
Total changes during period	-	276	9,368	(4,285)	5,358
Balance at end of period	50,000	58,924	520,621	(29,331)	600,214

	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	8,171	4,749	20,001	2,101	35,023	81	6,382	636,344
Changes during period								
Dividends of surplus								(3,336)
Profit attributable to owners of parent								12,264
Purchase of treasury shares								(4,484)
Disposal of treasury shares								208
Purchase of shares of consolidated subsidiaries								266
Reversal of revaluation reserve for land								440
Net changes in items other than shareholders' equity	(39,788)	12,158	(440)	(218)	(28,289)	(38)	(159)	(28,486)
Total changes during period	(39,788)	12,158	(440)	(218)	(28,289)	(38)	(159)	(23,127)
Balance at end of period	(31,616)	16,907	19,560	1,883	6,734	43	6,223	613,216

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	50,000	58,639	522,893	(34,847)	596,685
Changes during period					
Dividends of surplus			(3,611)		(3,611)
Profit attributable to owners of parent			13,571		13,571
Purchase of treasury shares				(5,075)	(5,075)
Disposal of treasury shares		(22)		828	806
Cancellation of treasury shares		(25,500)		25,500	–
Reversal of revaluation reserve for land			105		105
Net changes in items other than shareholders' equity					
Total changes during period	–	(25,522)	10,065	21,252	5,796
Balance at end of period	50,000	33,116	532,959	(13,594)	602,482

	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	(17,237)	11,253	19,432	1,678	15,126	43	2,809	614,665
Changes during period								
Dividends of surplus								(3,611)
Profit attributable to owners of parent								13,571
Purchase of treasury shares								(5,075)
Disposal of treasury shares								806
Cancellation of treasury shares								–
Reversal of revaluation reserve for land								105
Net changes in items other than shareholders' equity	(16,077)	15,883	(105)	(201)	(501)	(19)	56	(464)
Total changes during period	(16,077)	15,883	(105)	(201)	(501)	(19)	56	5,331
Balance at end of period	(33,315)	27,136	19,326	1,477	14,624	23	2,866	619,997