

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.



Consolidated Financial Results for the Three Months Ended June 30, 2023 [Japanese GAAP]

August 07, 2023

Company name: Nishi-Nippon Financial Holdings, Inc.

Stock exchange listing: Tokyo, Fukuoka

Code number: 7189

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

Representative: Hideyuki Murakami

President

Contact: Hiroto Funatsu

General Manager of Corporate Planning Division

Phone: 092-476-5050

Scheduled date of filing quarterly securities report: August 10, 2023

Scheduled date of commencing dividend payments: -

Trading Accounts: Yes

Availability of supplementary briefing material on quarterly financial results: Yes

Schedule of quarterly financial results briefing session: No

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

1. Consolidated Financial Results for the Three Months Ended June 30, 2023 (April 01, 2023 to June 30, 2023)

(1) Consolidated Operating Results

(% indicates changes from the previous corresponding period.)

	Ordinary revenues		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%
Three months ended June 30, 2023	45,290	22.6	12,666	4.2	8,565	3.4
June 30, 2022	36,930	1.0	12,150	(14.6)	8,283	(14.4)

(Note) Comprehensive income: Three months ended June 30, 2023: ¥ 19,777 million [-%]
Three months ended June 30, 2022: ¥ (7,720) million [-%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2023	60.53	-
June 30, 2022	57.40	-

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
	Million yen	Million yen	%
As of June 30, 2023	13,880,594	555,137	3.9
March 31, 2023	12,985,181	539,444	4.1

(Reference) Equity: As of June 30, 2023: ¥ 545,484 million
As of March 31, 2023: ¥ 529,823 million

(Note) Capital adequacy ratio = (Total net assets - Non-controlling interests) / Total assets.

The ratio above is not based on the regulation of Capital Adequacy Ratio.

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2023	-	17.50	-	27.50	45.00
Fiscal year ending March 31, 2024	-				
Fiscal year ending March 31, 2024 (Forecast)		25.00	-	25.00	50.00

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

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2024 (April 01, 2023 to March 31, 2024)

(% indicates changes from the previous corresponding period.)

	Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Yen
Six months ended September 30, 2023	18,500	(2.8)	12,500	(7.4)	88.34
Full year	34,500	2.4	24,000	(7.9)	169.62

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

* Notes:

(1) Changes in significant subsidiaries during the three months ended June 30, 2023

(changes in specified subsidiaries resulting in changes in scope of consolidation): No

(2) Accounting policies adopted specially for the preparation of quarterly consolidated financial statements: Yes

(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) Total number of issued shares (common shares)

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

June 30, 2023: 148,596,955 shares

March 31, 2023: 148,596,955 shares

2) Total number of treasury shares at the end of the period:

June 30, 2023: 7,102,265 shares

March 31, 2023: 7,102,038 shares

3) Average number of shares during the period:

Three months ended June 30, 2023: 141,494,801 shares

Three months ended June 30, 2022: 144,307,874 shares

(Note) The total number of treasury shares at the end of the period includes treasury shares held by a trust account for Board Benefit Trust (BBT) (121,000 shares as of June 30, 2023). In addition, treasury shares held by the trust account (121,000 shares for three months ended June 30, 2023) are included in the number of treasury shares that is deducted in the calculation of the average number of shares during the period.

(Note) This report is out of the scope of the quarterly review by certified public accountants or independent audit firms.

(Note) Explanation for proper use of forecasts and other notes

The above forecasts are based on the information which is presently available and certain assumptions which are considered to be reasonable.

Actual results may differ materially from those forecasts depending on various future factors.

Quarterly Consolidated Financial Statements
Quarterly Consolidated Balance Sheets

(Million yen)

	As of March 31,2023	As of June 30,2023
Assets		
Cash and due from banks	1,946,575	2,723,572
Call loans and bills bought	8,011	65,000
Monetary claims bought	42,733	42,439
Money held in trust	11,609	11,702
Securities	1,792,650	1,775,979
Loans and bills discounted	8,955,399	9,034,507
Foreign exchanges	17,311	7,379
Other assets	99,071	110,559
Tangible fixed assets	116,854	116,293
Intangible fixed assets	5,204	5,044
Retirement benefit asset	8,038	8,441
Deferred tax assets	6,367	1,523
Customers' liabilities for acceptances and guarantees	16,372	18,930
Allowance for loan losses	(40,455)	(40,216)
Allowance for investment loss	(562)	(561)
Total assets	12,985,181	13,880,594
Liabilities		
Deposits	9,791,772	10,195,277
Negotiable certificates of deposit	167,423	255,116
Call money and bills sold	512,491	643,948
Securities sold under repurchase agreements	265,881	309,381
Cash collateral received for securities lent	293,853	388,469
Borrowed money	1,249,709	1,351,777
Foreign exchanges	504	288
Borrowed money from trust account	5,233	5,401
Other liabilities	120,171	134,991
Provision for share awards for directors (and other officers)	4	5
Retirement benefit liability	4,647	4,108
Provision for retirement benefits for directors (and other officers)	200	196
Provision for reimbursement of deposits	545	466
Provision for contingent loss	1,194	1,163
Reserves under special laws	12	12
Deferred tax liabilities	1,070	1,272
Deferred tax liabilities for land revaluation	14,646	14,646
Acceptances and guarantees	16,372	18,930
Total liabilities	12,445,737	13,325,456

(Million yen)

	As of March 31,2023	As of June 30,2023
Net assets		
Share capital	50,000	50,000
Capital surplus	118,706	118,706
Retained earnings	325,460	330,131
Treasury shares	(5,698)	(5,699)
Total shareholders' equity	488,468	493,138
Valuation difference on available-for-sale securities	25,757	35,967
Deferred gains or losses on hedges	1,015	1,290
Revaluation reserve for land	29,425	29,425
Remeasurements of defined benefit plans	(14,843)	(14,338)
Total accumulated other comprehensive income	41,355	52,346
Non-controlling interests	9,620	9,652
Total net assets	539,444	555,137
Total liabilities and net assets	12,985,181	13,880,594

Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statements of Income (For the three months)

(Million yen)

	For the three months ended June 30,2022	For the three months ended June 30,2023
Ordinary income	36,930	45,290
Interest income	26,376	28,293
Interest on loans and discounts	20,080	20,525
Interest and dividends on securities	5,197	6,847
Trust fees	0	0
Fees and commissions	8,170	9,593
Gain on trading account transactions	396	295
Other ordinary income	961	3,135
Other income	1,026	3,972
Ordinary expenses	24,779	32,624
Interest expenses	1,064	5,948
Interest on deposits	93	120
Fees and commissions payments	1,951	3,184
Other ordinary expenses	1,122	2,183
General and administrative expenses	20,086	20,836
Other expenses	554	470
Ordinary profit	12,150	12,666
Extraordinary losses	22	47
Loss on disposal of non-current assets	22	47
Profit before income taxes	12,128	12,619
Income taxes	3,748	3,889
Profit	8,379	8,729
Profit attributable to non-controlling interests	96	164
Profit attributable to owners of parent	8,283	8,565

Quarterly Consolidated Statements of Comprehensive Income (For the three months)

(Million yen)

	For the three months ended June 30,2022	For the three months ended June 30,2023
Profit	8,379	8,729
Other comprehensive income	(16,100)	11,048
Valuation difference on available-for-sale securities	(16,997)	10,263
Deferred gains or losses on hedges	433	275
Remeasurements of defined benefit plans, net of tax	462	505
Share of other comprehensive income of entities accounted for using equity method	-	4
Comprehensive income	(7,720)	19,777
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(7,804)	19,556
Comprehensive income attributable to non-controlling interests	83	221