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## Consolidated Financial Results for the Six Months Ended September 30, 2023 [Japanese GAAP]

November 7, 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: November 24, 2023

Scheduled date of commencing dividend payments: December 8, 2023

Trading Accounts: Yes

Availability of supplementary briefing material on quarterly financial results: Yes

Schedule of quarterly financial results briefing session: Yes (for institutional investors, analysts)

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

### 1. Consolidated Financial Results for the Six Months Ended September 30, 2023 (April 1, 2023 to September 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	%
Six months ended September 30, 2023	91,261	23.6	22,293	17.1	15,407	14.1
September 30, 2022	73,839	5.4	19,032	(17.7)	13,500	(13.8)

(Note) Comprehensive income: Six months ended September 30, 2023: ¥ 783 million [ -%]  
Six months ended September 30, 2022: ¥ (18,345) million [ -%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended September 30, 2023	108.89	-
September 30, 2022	93.56	-

#### (2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
	Million yen	Million yen	%
As of September 30, 2023	13,930,497	536,137	3.8
March 31, 2023	12,985,181	539,444	4.1

(Reference) Equity: As of September 30, 2023: ¥ 526,329 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	-	25.00			
Fiscal year ending March 31, 2024 (Forecast)			-	30.00	55.00

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

## 3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2024(April 1, 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
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 six months ended September 30, 2023

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

(2) 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

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

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

September 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:

September 30, 2023: 7,105,279 shares

March 31, 2023: 7,102,038 shares

3) Average number of shares during the period:

Six months ended September 30, 2023: 141,493,824 shares

Six months ended September 30, 2022: 144,294,683 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) (120,000 shares as of September 30, 2023). In addition, treasury shares held by the trust account (120,000 shares for six months ended September 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.

(Reference) Summary of Non-consolidated Financial Results

Non-consolidated Financial Results for the Six Months Ended September 30, 2023 (April 1, 2023 to September 30, 2023)

(1) Non-consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Operating revenues		Operating profit		Ordinary profit		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Six months ended September 30, 2023	6,793	21.2	6,201	21.2	6,100	21.8	6,027	20.6
September 30, 2022	5,607	25.0	5,116	26.5	5,010	26.1	4,997	26.1

	Basic earnings per share
Six months ended September 30, 2023	Yen 42.59
September 30, 2022	34.63

(2) Non-consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
As of September 30, 2023	Million yen 428,435	Million yen 373,631	% 87.2
March 31, 2023	426,209	371,503	87.2

(Reference) Equity: As of September 30, 2023: ¥ 373,631 million  
As of March 31, 2023: ¥ 371,503 million

(Note) This report is out of the scope of the audit 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.

# Interim Consolidated Financial Statements

## Interim Consolidated Balance Sheets

(Million yen)

	As of March 31,2023	As of September 30,2023
<b>Assets</b>		
Cash and due from banks	1,946,575	2,563,703
Call loans and bills bought	8,011	123,000
Monetary claims bought	42,733	45,923
Trading account assets	-	3
Money held in trust	11,609	11,706
Securities	1,792,650	1,858,483
Loans and bills discounted	8,955,399	9,090,545
Foreign exchanges	17,311	11,493
Other assets	99,071	103,187
Tangible fixed assets	116,854	116,760
Intangible fixed assets	5,204	4,880
Retirement benefit asset	8,038	8,834
Deferred tax assets	6,367	13,585
Customers' liabilities for acceptances and guarantees	16,372	19,284
Allowance for loan losses	(40,455)	(40,333)
Allowance for investment loss	(562)	(561)
<b>Total assets</b>	<b>12,985,181</b>	<b>13,930,497</b>
<b>Liabilities</b>		
Deposits	9,791,772	10,224,124
Negotiable certificates of deposit	167,423	243,629
Call money and bills sold	512,491	632,296
Securities sold under repurchase agreements	265,881	293,554
Cash collateral received for securities lent	293,853	423,517
Borrowed money	1,249,709	1,444,486
Foreign exchanges	504	385
Borrowed money from trust account	5,233	5,549
Other liabilities	120,171	85,977
Provision for share awards for directors (and other officers)	4	7
Retirement benefit liability	4,647	3,809
Provision for retirement benefits for directors (and other officers)	200	209
Provision for reimbursement of deposits	545	511
Provision for contingent loss	1,194	1,211
Reserves under special laws	12	12
Deferred tax liabilities	1,070	1,143
Deferred tax liabilities for land revaluation	14,646	14,646
Acceptances and guarantees	16,372	19,284
<b>Total liabilities</b>	<b>12,445,737</b>	<b>13,394,360</b>

(Million yen)

	As of March 31,2023	As of September 30,2023
Net assets		
Share capital	50,000	50,000
Capital surplus	118,706	118,706
Retained earnings	325,460	336,892
Treasury shares	(5,698)	(5,703)
Total shareholders' equity	488,468	499,895
Valuation difference on available-for-sale securities	25,757	9,631
Deferred gains or losses on hedges	1,015	1,129
Revaluation reserve for land	29,425	29,506
Remeasurements of defined benefit plans	(14,843)	(13,833)
Total accumulated other comprehensive income	41,355	26,433
Non-controlling interests	9,620	9,808
Total net assets	539,444	536,137
Total liabilities and net assets	12,985,181	13,930,497

Interim Consolidated Statements of Income and Comprehensive Income  
Interim Consolidated Statements of Income (For the six months)

(Million yen)

	For the six months ended September 30,2022	For the six months ended September 30,2023
Ordinary income	73,839	91,261
Interest income	52,652	57,036
Interest on loans and discounts	40,411	41,366
Interest and dividends on securities	10,204	13,847
Trust fees	0	0
Fees and commissions	16,375	19,135
Gain on trading account transactions	823	520
Other ordinary income	1,947	6,469
Other income	2,040	8,098
Ordinary expenses	54,807	68,967
Interest expenses	3,521	12,709
Interest on deposits	201	260
Fees and commissions payments	5,243	6,509
Other ordinary expenses	3,566	4,971
General and administrative expenses	40,271	41,828
Other expenses	2,203	2,947
Ordinary profit	19,032	22,293
Extraordinary income	29	32
Gain on disposal of non-current assets	29	32
Extraordinary losses	147	209
Loss on disposal of non-current assets	124	155
Impairment losses	23	52
Other	-	1
Profit before income taxes	18,914	22,116
Income taxes - current	5,276	6,630
Income taxes - deferred	(96)	(237)
Total income taxes	5,180	6,392
Profit	13,733	15,724
Profit attributable to non-controlling interests	233	317
Profit attributable to owners of parent	13,500	15,407

## Interim Consolidated Statements of Comprehensive Income (For the six months)

(Million yen)

	For the six months ended September 30,2022	For the six months ended September 30,2023
Profit	13,733	15,724
Other comprehensive income	(32,079)	(14,940)
Valuation difference on available-for-sale securities	(34,154)	(16,076)
Deferred gains or losses on hedges	1,148	113
Remeasurements of defined benefit plans, net of tax	925	1,010
Share of other comprehensive income of entities accounted for using equity method	-	11
Comprehensive income	(18,345)	783
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(18,519)	405
Comprehensive income attributable to non-controlling interests	173	378

Interim Consolidated Statements of Changes in Net Assets  
For the six months ended September 30,2022

(Million yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	50,000	121,123	304,236	(5,522)	469,837
Changes during period					
Dividends of surplus			(2,886)		(2,886)
Profit attributable to owners of parent			13,500		13,500
Purchase of treasury shares				(92)	(92)
Disposal of treasury shares		(0)		0	0
Change in ownership interest of parent due to transactions with non-controlling interests					-
Reversal of revaluation reserve for land			8		8
Net changes in items other than shareholders' equity					
Total changes during period	-	(0)	10,621	(92)	10,529
Balance at end of period	50,000	121,123	314,858	(5,614)	480,367

	Accumulated other comprehensive income					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	38,616	(8)	29,438	(15,715)	52,332	8,555	530,724
Changes during period							
Dividends of surplus							(2,886)
Profit attributable to owners of parent							13,500
Purchase of treasury shares							(92)
Disposal of treasury shares							0
Change in ownership interest of parent due to transactions with non-controlling interests							-
Reversal of revaluation reserve for land							8
Net changes in items other than shareholders' equity	(34,094)	1,148	(8)	925	(32,028)	0	(32,027)
Total changes during period	(34,094)	1,148	(8)	925	(32,028)	0	(21,497)
Balance at end of period	4,522	1,140	29,430	(14,789)	20,304	8,556	509,227



For the six months ended September 30,2023

(Million yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	50,000	118,706	325,460	(5,698)	488,468
Changes during period					
Dividends of surplus			(3,895)		(3,895)
Profit attributable to owners of parent			15,407		15,407
Purchase of treasury shares				(5)	(5)
Disposal of treasury shares		0		0	0
Change in ownership interest of parent due to transactions with non-controlling interests		0			0
Reversal of revaluation reserve for land			(80)		(80)
Net changes in items other than shareholders' equity					
Total changes during period	-	0	11,432	(5)	11,427
Balance at end of period	50,000	118,706	336,892	(5,703)	499,895

	Accumulated other comprehensive income					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	25,757	1,015	29,425	(14,843)	41,355	9,620	539,444
Changes during period							
Dividends of surplus							(3,895)
Profit attributable to owners of parent							15,407
Purchase of treasury shares							(5)
Disposal of treasury shares							0
Change in ownership interest of parent due to transactions with non-controlling interests							0
Reversal of revaluation reserve for land							(80)
Net changes in items other than shareholders' equity	(16,126)	113	80	1,010	(14,921)	187	(14,733)
Total changes during period	(16,126)	113	80	1,010	(14,921)	187	(3,306)
Balance at end of period	9,631	1,129	29,506	(13,833)	26,433	9,808	536,137