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Consolidated Financial Results for the Three Months Ended June 30, 2024 [Japanese GAAP]

August 05, 2024

Company name: Nishi-Nippon Financial Holdings, Inc.

Stock exchange listing: Tokyo, Fukuoka

Code number: 7189

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

Representative: Hideyuki Murakami

President

Contact: Masaru Dejima

General Manager of Corporate Planning Division

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Scheduled date of commencing dividend payments: -

Trading Accounts: Yes

Availability of supplementary briefing material on financial results: Yes

Schedule of 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, 2024 (April 01, 2024 to June 30, 2024)

(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, 2024	50,794	12.2	15,201	20.0	10,372	21.1
June 30, 2023	45,290	22.6	12,666	4.2	8,565	3.4

(Note) Comprehensive income: Three months ended June 30, 2024: ¥ (10,792) million [-%]
Three months ended June 30, 2023: ¥ 19,777 million [-%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2024	73.94	-
June 30, 2023	60.53	-

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
	Million yen	Million yen	%
As of June 30, 2024	13,753,978	570,806	4.1
March 31, 2024	13,483,062	586,065	4.3

(Reference) Equity: As of June 30, 2024: ¥ 560,762 million

As of March 31, 2024: ¥ 575,881 million

(Note) 1. 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. In accordance with the change in accounting policy, the figures for the fiscal year ended March 31, 2023 are adjusted retrospectively.

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, 2024	-	25.00	-	30.00	55.00
Fiscal year ending March 31, 2025	-				
Fiscal year ending March 31, 2025 (Forecast)		30.00	-	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 01, 2024 to March 31, 2025)

(% 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, 2024	19,500	(12.5)	13,000	(15.6)	92.67
Full year	41,000	15.1	27,000	14.5	192.46

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

* Notes:

(1) Significant changes in the scope of consolidation during the three months ended June 30, 2024: 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: Yes

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, 2024: 147,393,755 shares

March 31, 2024: 147,393,755 shares

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

June 30, 2024: 7,107,648 shares

March 31, 2024: 7,106,844 shares

3) Average number of shares during the period:

Three months ended June 30, 2024: 140,286,468 shares

Three months ended June 30, 2023: 141,494,801 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 thousand shares as of June 30, 2024 and 120 thousand shares as of March 31, 2024).

In addition, treasury shares held by the trust account (120 thousand shares for three months ended June 30, 2024 and 121 thousand 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) Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: Yes (voluntary)

(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 31,2024	As of June 30,2024
Assets		
Cash and due from banks	2,200,594	2,372,859
Call loans and bills bought	7,570	35,000
Monetary claims bought	47,653	46,302
Money held in trust	11,699	11,704
Securities	1,803,150	1,742,448
Loans and bills discounted	9,178,238	9,304,240
Foreign exchanges	9,361	8,567
Other assets	101,896	107,377
Tangible fixed assets	115,958	115,306
Intangible fixed assets	5,193	5,428
Retirement benefit asset	24,964	25,670
Deferred tax assets	1,083	3,988
Customers' liabilities for acceptances and guarantees	18,559	17,971
Allowance for loan losses	(42,302)	(42,329)
Allowance for investment loss	(557)	(557)
Total assets	13,483,062	13,753,978
Liabilities		
Deposits	10,177,203	10,323,391
Negotiable certificates of deposit	247,711	358,964
Call money and bills sold	104,542	41,878
Securities sold under repurchase agreements	226,248	250,646
Cash collateral received for securities lent	238,191	240,527
Borrowed money	1,759,123	1,831,562
Foreign exchanges	720	417
Borrowed money from trust account	5,349	5,969
Other liabilities	93,590	92,482
Provision for share awards for directors (and other officers)	11	13
Retirement benefit liability	1,973	1,912
Provision for retirement benefits for directors (and other officers)	236	171
Provision for reimbursement of deposits	392	297
Provision for contingent loss	1,182	1,185
Reserves under special laws	17	19
Deferred tax liabilities	7,329	1,147
Deferred tax liabilities for land revaluation	14,613	14,613
Acceptances and guarantees	18,559	17,971
Total liabilities	12,896,997	13,183,172

(Million yen)

	As of March 31,2024	As of June 30,2024
Net assets		
Share capital	50,000	50,000
Capital surplus	117,584	117,584
Retained earnings	342,608	348,768
Treasury shares	(6,584)	(6,586)
Total shareholders' equity	503,609	509,767
Valuation difference on available-for-sale securities	43,262	21,855
Deferred gains or losses on hedges	711	636
Revaluation reserve for land	29,678	29,678
Remeasurements of defined benefit plans	(1,379)	(1,175)
Total accumulated other comprehensive income	72,272	50,994
Non-controlling interests	10,183	10,044
Total net assets	586,065	570,806
Total liabilities and net assets	13,483,062	13,753,978

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 30,2023	For the three months ended June 30,2024
Ordinary income	45,290	50,794
Interest income	28,293	32,582
Interest on loans and discounts	20,525	21,475
Interest and dividends on securities	6,847	9,696
Trust fees	0	0
Fees and commissions	9,593	8,775
Gain on trading account transactions	295	147
Other ordinary income	3,135	3,124
Other income	3,972	6,163
Ordinary expenses	32,624	35,592
Interest expenses	5,948	6,241
Interest on deposits	120	540
Fees and commissions payments	3,184	2,476
Other ordinary expenses	2,183	4,675
General and administrative expenses	20,836	21,163
Other expenses	470	1,034
Ordinary profit	12,666	15,201
Extraordinary income	-	0
Gain on disposal of non-current assets	-	0
Extraordinary losses	47	36
Loss on disposal of non-current assets	47	16
Impairment losses	-	13
Other	-	6
Profit before income taxes	12,619	15,165
Income taxes	3,889	4,649
Profit	8,729	10,516
Profit attributable to non-controlling interests	164	143
Profit attributable to owners of parent	8,565	10,372

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

(Million yen)

	For the three months ended June 30,2023	For the three months ended June 30,2024
Profit	8,729	10,516
Other comprehensive income	11,048	(21,309)
Valuation difference on available-for-sale securities	10,263	(21,459)
Deferred gains or losses on hedges	275	(74)
Remeasurements of defined benefit plans, net of tax	505	203
Share of other comprehensive income of entities accounted for using equity method	4	21
Comprehensive income	19,777	(10,792)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	19,556	(10,905)
Comprehensive income attributable to non-controlling interests	221	112