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Consolidated Financial Results for the Nine Months Ended December 31, 2024 [Japanese GAAP]

February 3, 2025

Company name: The Kiyo Bank, Ltd.

Listing: Tokyo

Securities code: 8370

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

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Scheduled date to commence dividend payments: -

Trading accounts: None

Preparation of supplementary material on financial results: Yes

Holding of financial results briefing: None

President

Director, Managing Executive Officer; General Manager,
Management Planning Division

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated Financial Results for the Nine Months Ended December 31, 2024 (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	68,260	11.1	16,521	8.5	11,428	13.5
December 31, 2023	61,426	(2.1)	15,228	(23.1)	10,065	(27.9)

(Note) Comprehensive income: Nine months ended December 31, 2024: ¥ 3,972 million [(29.1) %]
Nine months ended December 31, 2023: ¥ 5,599 million [- %]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended December 31, 2024	176.26	176.13
December 31, 2023	154.02	153.90

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
	Millions of yen	Millions of yen	%
As of December 31, 2024	5,886,150	234,842	4.0
March 31, 2024	5,831,379	238,113	4.1

(Reference) Equity: As of December 31, 2024: ¥ 233,815 million

As of March 31, 2024: ¥ 237,070 million

(Note) "Capital adequacy ratio" represents ("Net assets"- "Share acquisition rights"- "Non-controlling interests") / "Total assets" at the end of each period. The ratio above is not the one 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, 2024	-	25.00	-	25.00	50.00
Fiscal year ending March 31, 2025	-	45.00	-		
Fiscal year ending March 31, 2025 (Forecast)				45.00	90.00

(Note) Revision to the forecast for dividends announced most recently: None

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 income		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	85,600	1.0	21,100	4.8	14,500	(3.5)	224.28

(Note) Revision to the financial results forecast announced most recently: None

* Notes:

(1) Significant changes in the scope of consolidation during the period: None

(2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: None

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

1) Changes in accounting policies due to revisions to accounting standards and other regulations: None

2) Changes in accounting policies due to other reasons: None

3) Changes in accounting estimates: None

4) Restatement: None

(4) Number of issued shares (common shares)

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

December 31, 2024: 67,300,000 shares

March 31, 2024: 67,300,000 shares

2) Number of treasury shares at the end of the period:

December 31, 2024: 3,235,112 shares

March 31, 2024: 1,769,040 shares

3) Average number of shares outstanding during the period:

Nine months ended December 31, 2024: 64,842,211 shares

Nine months ended December 31, 2023: 65,352,147 shares

* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: None

* Proper use of earnings forecasts, and other special matters

Forward-looking statements, such as earnings forecasts, made in this document are based on information currently available to the Bank and certain assumptions that the Bank considers reasonable. Actual results may differ materially from these forecasts due to various factors.

Quarterly Consolidated Financial Statements
Quarterly Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2024	As of December 31, 2024
Assets		
Cash and due from banks	983,679	751,361
Monetary claims bought	0	0
Money held in trust	8,872	8,488
Securities	882,430	882,602
Loans and bills discounted	3,832,494	4,124,698
Foreign exchanges	3,317	4,612
Other assets	65,489	53,522
Tangible fixed assets	34,362	35,112
Intangible fixed assets	4,522	4,330
Retirement benefit asset	31,058	31,499
Deferred tax assets	4,394	6,521
Customers' liabilities for acceptances and guarantees	6,987	8,781
Allowance for loan losses	(26,231)	(25,380)
Total assets	5,831,379	5,886,150
Liabilities		
Deposits	4,625,354	4,672,401
Negotiable certificates of deposit	59,328	53,504
Securities sold under repurchase agreements	4,309	4,490
Cash collateral received for securities lent	52,724	104,779
Borrowed money	803,279	762,999
Foreign exchanges	213	383
Other liabilities	40,213	43,200
Retirement benefit liability	26	25
Provision for reimbursement of deposits	226	143
Provision for contingent loss	384	356
Deferred tax liabilities	217	241
Acceptances and guarantees	6,987	8,781
Total liabilities	5,593,266	5,651,308
Net assets		
Share capital	80,096	80,096
Capital surplus	2,495	2,499
Retained earnings	162,918	169,804
Treasury shares	(2,630)	(5,326)
Total shareholders' equity	242,879	247,074
Valuation difference on available-for-sale securities	(13,406)	(20,025)
Deferred gains or losses on hedges	306	79
Remeasurements of defined benefit plans	7,290	6,687
Total accumulated other comprehensive income	(5,808)	(13,258)
Share acquisition rights	78	69
Non-controlling interests	964	957
Total net assets	238,113	234,842
Total liabilities and net assets	5,831,379	5,886,150

Quarterly Consolidated Statements of Income and Comprehensive Income
Quarterly Consolidated Statements of Income (For the nine months)

(Millions of yen)

	For the nine months ended December 31, 2023	For the nine months ended December 31, 2024
Ordinary income	61,426	68,260
Interest income	35,146	41,632
Interest on loans and discounts	27,161	30,952
Interest and dividends on securities	7,105	9,013
Fees and commissions	12,968	13,905
Other ordinary income	7,633	8,795
Other income	5,678	3,927
Ordinary expenses	46,198	51,739
Interest expenses	4,185	5,670
Interest on deposits	76	1,539
Fees and commissions payments	4,019	4,266
Other ordinary expenses	8,750	10,507
General and administrative expenses	24,519	26,136
Other expenses	4,723	5,157
Ordinary profit	15,228	16,521
Extraordinary income	35	13
Gain on disposal of non-current assets	35	13
Extraordinary losses	73	178
Loss on disposal of non-current assets	69	45
Impairment losses	4	133
Profit before income taxes	15,190	16,355
Income taxes - current	4,426	4,138
Income taxes - deferred	687	792
Total income taxes	5,113	4,930
Profit	10,076	11,425
Profit (loss) attributable to non-controlling interests	10	(3)
Profit attributable to owners of parent	10,065	11,428

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

(Millions of yen)

	For the nine months ended December 31, 2023	For the nine months ended December 31, 2024
Profit	10,076	11,425
Other comprehensive income	(4,476)	(7,453)
Valuation difference on available-for-sale securities	(3,647)	(6,622)
Deferred gains or losses on hedges	(118)	(227)
Remeasurements of defined benefit plans, net of tax	(710)	(603)
Comprehensive income	5,599	3,972
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	5,663	3,978
Comprehensive income attributable to non-controlling interests	(63)	(6)

Supplementary Material on Financial Results For the Nine Months Ended December 31, 2024

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(Notes) 1. The amounts and percentages are rounded down to the nearest unit.
2. Forward-looking statements such as earnings forecasts are based on information currently available to the Bank and certain assumptions that the Bank considers reasonable. Actual results may differ materially from these forecasts due to various factors.

The Kiyo Bank, Ltd.

1. Profit and Loss

(Non-consolidated)		For the nine months ended December 31, 2024		For the nine months ended December 31, 2023
		(a)	(a-b)	(b)
1	Ordinary income	60,408	6,836	53,572
2	Gross business profit	40,736	5,155	35,581
3	Net interest income	35,976	4,996	30,980
4	Interest on loans and discounts	30,964	3,786	27,178
5	Interest and dividends on securities	9,016	1,908	7,108
6	Gains (losses) from cancellation of investment trusts	960	817	143
7	Interest on deposits, etc. (-)	1,566	1,489	77
8	Net fees and commissions	7,252	711	6,541
9	Net other ordinary income	(2,493)	(553)	(1,940)
10	Gains (losses) related to bonds (Government bonds, etc.)	(3,281)	(981)	(2,300)
11	Expenses (excluding non-recurring expenses) (-)	25,123	1,409	23,714
12	Net business profit (before provision of general allowance for loan losses)	15,613	3,746	11,867
13	Core net business profit	18,895	4,728	14,167
14	Core net business profit (excluding gains (losses) from cancellation of investment trusts)	17,934	3,910	14,024
15	Provision of general allowance for loan losses① (-)	248	684	(436)
16	Net business profit	15,364	3,061	12,303
17	Non-recurring gains (losses)	(92)	(1,592)	1,500
18	Disposal of non-performing loans② (-)	3,485	29	3,456
19	[Credit costs① + ② (-)]	[3,734]	[714]	[3,020]
20	Write-off of loans and bills discounted (-)	2,225	250	1,975
21	Provision of specific allowance for loan losses (-)	1,040	(252)	1,292
22	Recoveries of written-off claims	421	(343)	764
23	Gains (losses) related to stocks, etc.	1,602	(1,018)	2,620
24	Other non-recurring gains (losses)	1,369	(203)	1,572
25	Ordinary profit	15,272	1,468	13,804
26	Extraordinary income (losses)	(160)	(123)	(37)
27	Profit before income taxes	15,111	1,345	13,766
28	Total income taxes (-)	4,510	(91)	4,601
29	Income taxes-current (-)	3,775	(149)	3,924
30	Income taxes-deferred (-)	734	58	676
31	Profit	10,601	1,436	9,165
32	Total credit costs (-)	3,284	1,028	2,256
33	Profit from customer services	12,385	1,700	10,685

- (Notes) 1. Core net business profit is net business profit before provision of general allowance for loan losses and after deduction of gains (losses) related to bonds (Government bonds, etc.) .
2. The total credit costs are calculated by adding credit-related gains and losses such as recoveries of written-off claims to credit costs.
3. Profit from customer services is as follows.
Profit from customer services = Average balance of loans and bills discounted x Interest rate margin + Net fees and commissions - General and administrative expenses
4. Items marked with (-) are loss items.

2. Balance of Deposits and Loans and Bills Discounted

(Millions of yen)

	(Non-consolidated)	As of December 31, 2024			As of March 31, 2024 (b)	As of December 31, 2023 (c)
		(a)	(a-b)	(a-c)		
1	Deposits and negotiable certificates of deposit (Term-end balance)	4,747,385	41,670	42,428	4,705,715	4,704,957
2	Deposits	4,683,880	47,494	44,334	4,636,386	4,639,546
3	Individual deposits	3,228,718	42,312	24,104	3,186,406	3,204,614
4	Loans and bills discounted (Term-end balance)	4,147,708	296,369	358,118	3,851,339	3,789,590
5	Consumer loans	1,292,943	49,512	64,992	1,243,431	1,227,951
6	Housing loans	1,045,084	33,953	40,457	1,011,131	1,004,627
7	Loans to small and medium-sized enterprises, etc. (Term-end balance)	3,120,703	201,413	266,263	2,919,290	2,854,440

3. Balance of Client Assets

(Millions of yen)

	(Non-consolidated)	As of December 31, 2024			As of March 31, 2024 (b)	As of December 31, 2023 (c)
		(a)	(a-b)	(a-c)		
1	Client assets (Term-end balance)	196,628	19,859	36,658	176,769	159,970
2	Investment trusts	191,842	19,191	35,834	172,651	156,008
3	Japanese government bonds, etc.	4,785	667	823	4,118	3,962

4. Capital Adequacy Ratio (Domestic Standard)

(Millions of yen)

	(Consolidated)	As of December 31, 2024		As of March 31, 2024 (b)
		(a)	(a-b)	
1	Capital Adequacy ratio (2/5)	12.31%	(0.46pt)	12.77%
2	Capital (3-4)	232,348	5,204	227,144
3	Core capital	257,315	5,400	251,915
4	Deduction	24,966	195	24,771
5	Risk weighted assets	1,886,680	109,104	1,777,576
6	Required capital (5x4%)	75,467	4,364	71,103

(Millions of yen)

	(Non-consolidated)	As of December 31, 2024		As of March 31, 2024 (b)
		(a)	(a-b)	
1	Capital Adequacy ratio (2/5)	11.52%	(0.45pt)	11.97%
2	Capital (3-4)	215,767	4,493	211,274
3	Core capital	233,819	5,223	228,596
4	Deduction	18,052	730	17,322
5	Risk weighted assets	1,872,058	108,306	1,763,752
6	Required capital (5x4%)	74,882	4,332	70,550

5. Gains (Losses) on Valuation of Securities with Market Value

(Millions of yen)

(Non-consolidated)	As of December 31, 2024				As of March 31, 2024		
	Valuation gains (losses)		Valuation gains	Valuation losses	Valuation gains (losses)		Valuation losses
	(a)	(a-b)			(b)	Valuation gains	
1 Held-to-maturity	(258)	(258)	—	258	(0)	18	19
2 Available-for-sale securities	(29,702)	(9,148)	15,516	45,219	(20,554)	17,721	38,275
3 Stocks	11,251	(3,319)	12,633	1,381	14,570	15,361	790
4 Bonds	(28,785)	(10,657)	111	28,896	(18,128)	456	18,584
5 Others	(12,169)	4,828	2,772	14,941	(16,997)	1,903	18,900
6 Total	(29,961)	(9,406)	15,516	45,477	(20,555)	17,740	38,295

(Notes) There are no stocks of subsidiaries and affiliates with market values.

6. Disclosed Claims under the Financial Reconstruction Law

(Millions of yen)

(Non-consolidated)	As of December 31, 2024			As of March 31, 2024	As of December 31, 2023
	(a)	(a-b)	(a-c)		
1 Bankrupt and substantially bankrupt claims	2,434	(12,011)	(11,444)	14,445	13,878
2 Doubtful claims	51,269	(2,270)	(6,645)	53,539	57,914
3 Substandard claims	8,657	(435)	(1,699)	9,092	10,356
4 Subtotal	62,361	(14,716)	(19,788)	77,077	82,149
5 [Ratio to total balance of claims]	[1.48%]	[(0.50pt)]	[(0.66pt)]	[1.98%]	[2.14%]
6 Normal claims	4,129,859	314,374	378,541	3,815,485	3,751,318
7 Total	4,192,221	299,658	358,753	3,892,563	3,833,468