

To whom it may concern:

Tokyo Kiraboshi Financial Group, Inc.

Notification of Partial Corrections to Annual Reports

Some figures in our Annual Report 2022 and Annual Report 2023 were incorrect. We have corrected them as indicated below.

These corrections are not reflected in the data already posted on our corporate website. Details of the corrections can be found in the table on the page following the cover of each Annual Report.

* Items subject to correction are underlined.

1. 2023 Annual Report

P27~P29. Message from the Chief Financial Officer

Progress on Key Goal Indicators (KGI) in the Medium-Term Business Plan

(Before Correction)

(¥ billion)	FY2021 (actual)	FY2022 (plan)	FY2022 (actual)	Compared to the plan
ROE (FG, consolidated)	5.7%	5.0%	6.5%	+1.5%pt
Core OHR (Kiraboshi Bank, non-consolidated)	65.3%	59.8%	55.5%	-4.3%pt
Net income (FG, consolidated)	18.1	16.0	21.1	+5.1
Profit from customer business (Kiraboshi Bank, non-consolidated)	12.6	20.5	21.6	+1.1
Contribution of subsidiaries to consolidated income (FG, consolidated)	0.1	0.4	(1.5)	(1.9)
Capital ratio (FG, consolidated)	<u>8.4%</u>	8.3%	<u>8.1%</u>	-0.2%pt

(After Correction)

(¥ billion)	FY2021 (actual)	FY2022 (plan)	FY2022 (actual)	Compared to the plan
ROE (FG, consolidated)	5.7%	5.0%	6.5%	+1.5%pt
Core OHR (Kiraboshi Bank, non-consolidated)	65.3%	59.8%	55.5%	-4.3%pt
Net income (FG, consolidated)	18.1	16.0	21.1	+5.1
Profit from customer business (Kiraboshi Bank, non-consolidated)	12.6	20.5	21.6	+1.1
Contribution of subsidiaries to consolidated income (FG, consolidated)	0.1	0.4	(1.5)	(1.9)
Capital ratio (FG, consolidated)	<u>8.3%</u>	8.3%	<u>8.0%</u>	-0.2%pt

Analysis of Financial Management Factors to Improve ROE

Fig. 1: FG consolidated

(Before Correction)

(¥ billion)	FY2021 (actual)	FY2022 (actual)	YoY change
ROE	5.7%	6.5%	+0.7%pt
Net income (excluding special factors)	11.6	17.5	+5.9
Capital ratio	<u>8.4%</u>	<u>8.1%</u>	-0.2%pt
RORA	0.4%	0.5%	+0.0%pt

(After Correction)

(¥ billion)	FY2021 (actual)	FY2022 (actual)	YoY change
ROE	5.7%	6.5%	+0.7%pt
Net income (excluding special factors)	11.6	17.5	+5.9
Capital ratio	<u>8.3%</u>	<u>8.0%</u>	-0.2%pt
RORA	0.4%	0.5%	+0.0%pt

Changes in Risk Assets

Fig. 3: Changes in risk assets

(Before Correction)

2021/3 Actual		<u>¥3,261.4 billion</u>
Commercially viable loans	<u>+¥281.9 billion</u>	
Securities, etc.	-¥28.8 billion	
PE funds	+¥11.6 billion	
Others	+¥28.9 billion	
2022/3 Actual		<u>¥3,555.0 billion</u>
Commercially viable loans	<u>+¥315.9 billion</u>	
Securities, etc.	-¥21.9 billion	
PE funds	+¥10.8 billion	
Others	+¥19.9 billion	
2023/3 Actual		<u>¥3,879.7 billion</u>
Commercially viable loans	<u>+¥208.3 billion</u>	
Securities, etc.	-¥2.9 billion	
PE funds	+¥38.8 billion	
Others	+¥16.7 billion	
2024/3 Published plan		¥4,140.6 billion

(After Correction)

2021/3 Actual		<u>¥3,263.8 billion</u>
Commercially viable loans	<u>+¥292.9 billion</u>	
Securities, etc.	-¥28.8 billion	
PE funds	+¥11.6 billion	
Others	+¥28.9 billion	
2022/3 Actual		<u>¥3,568.4 billion</u>
Commercially viable loans	<u>+¥329.4 billion</u>	
Securities, etc.	-¥21.9 billion	
PE funds	+¥10.8 billion	
Others	+¥19.9 billion	
2023/3 Actual		<u>¥3,906.6 billion</u>
Commercially viable loans	<u>+¥181.4 billion</u>	
Securities, etc.	-¥2.9 billion	
PE funds	+¥38.8 billion	
Others	+¥16.7 billion	
2024/3 Published plan		¥4,140.6 billion

Capital Management to Improve PBR

Changes in capital allocations

(Before Correction)

21/3		<u>8.74%</u>
Accumulated internal reserves	<u>+1.28%</u>	
Financial intermediary function (local contributions)	<u>-1.16%</u>	
Growth investment	<u>-0.52%</u>	
Shareholder returns	<u>-0.19%</u>	
23/3		<u>8.15%</u>
Accumulated internal reserves	<u>+0.63%</u>	
Financial intermediary function (local contributions)	<u>-0.53%</u>	
Growth investment	<u>-0.11%</u>	
Shareholder returns	<u>-0.12%</u>	
24/3		8% level

(After Correction)

21/3		<u>8.73%</u>
Accumulated internal reserves	<u>+1.25%</u>	
Financial intermediary function (local contributions)	<u>-1.23%</u>	
Growth investment	<u>-0.48%</u>	
Shareholder returns	<u>-0.18%</u>	
23/3		<u>8.09%</u>
Accumulated internal reserves	<u>+0.68%</u>	
Financial intermediary function (local contributions)	<u>-0.39%</u>	
Growth investment	<u>-0.18%</u>	
Shareholder returns	<u>-0.13%</u>	
24/3		8% level

P32. Overview of the Medium-Term Business Plan (FY2021 to FY2023)

Financial Targets (KGIs) and KPIs under the Medium-Term Business Plan

(Before Correction)

KGIs	22/3 <results>	23/3 <Medium-Term Business Plan>	23/3 <results>	Compared to the plan
(1) ROE <consolidated>	5.7%	5.0%	6.5%	+1.5%pt
(2) Core OHR <Kiraboshi Bank non-consolidated>	65.3%	59.8%	55.5%	+4.3%pt
(3) Net income <consolidated>	¥18.1 billion	¥16.0 billion	¥21.1 billion	+¥5.1 billion
(4) Profit from customer business <Kiraboshi Bank non-consolidated>	¥12.6 billion	¥20.5 billion	¥21.6 billion	+¥1.1 billion
(5) Contribution of subsidiaries to consolidated income <consolidated>	¥0.12 billion	¥0.4 billion	¥(1.5) billion	¥(1.9) billion
(6) Capital ratio <consolidated>	<u>8.4%</u>	8.3%	<u>8.1%</u>	-0.2%pt

(After Correction)

KGIs	22/3 <results>	23/3 <Medium-Term Business Plan>	23/3 <results>	Compared to the plan
(1) ROE <consolidated>	5.7%	5.0%	6.5%	+1.5%pt
(2) Core OHR <Kiraboshi Bank non-consolidated>	65.3%	59.8%	55.5%	+4.3%pt
(3) Net income <consolidated>	¥18.1 billion	¥16.0 billion	¥21.1 billion	+¥5.1 billion
(4) Profit from customer business <Kiraboshi Bank non-consolidated>	¥12.6 billion	¥20.5 billion	¥21.6 billion	+¥1.1 billion
(5) Contribution of subsidiaries to consolidated income <consolidated>	¥0.12 billion	¥0.4 billion	¥(1.5) billion	¥(1.9) billion
(6) Capital ratio <consolidated>	<u>8.3%</u>	8.3%	<u>8.0%</u>	-0.2%pt

P33. Financial Highlights/Financial Targets (KGIs) under the Medium-Term Business Plan

6. Capital ratio <FG consolidated> (%)

(Before Correction)

20/3	8.6%
21/3	8.7%
22/3	<u>8.4%</u>
23/3	<u>8.1%</u>
24/3 (planned)	8.3%

(After Correction)

20/3	8.6%
21/3	8.7%
22/3	<u>8.3%</u>
23/3	<u>8.0%</u>
24/3 (planned)	8.3%

2. Annual Report 2022**P14~16. Message from the Chief Financial Officer**

Progress of major KGI in the Medium-Term Business Plan

(Before Correction)

	FY2020 (actual)	FY2021 (plan)	FY2021 (actual)	Compared to the plan
ROE (FG consolidated)	1.3%	3.2%	5.7%	+2.5%pt
Core OHR (expense ratio)	75.7%	67.0%	65.3%	-1.7%pt
Profit attributable to owners of parent (FG consolidated)	¥4.1 billion	¥10.0 billion	¥18.1 billion	+¥8.1 billion
Profit from customer business	¥1.4 billion	¥12.4 billion	¥12.6 billion	+¥0.2 billion
Contribution of subsidiaries to consolidated income	¥0.3 billion	¥(0.4) billion	¥0.1 billion	+¥0.5 billion
Capital ratio (FG consolidated)	8.7%	8.6%	<u>8.4%</u>	<u>-0.2%pt</u>

(After Correction)

	FY2020 (actual)	FY2021 (plan)	FY2021 (actual)	Compared to the plan
ROE (FG consolidated)	1.3%	3.2%	5.7%	+2.5%pt
Core OHR (expense ratio)	75.7%	67.0%	65.3%	-1.7%pt
Profit attributable to owners of parent (FG consolidated)	¥4.1 billion	¥10.0 billion	¥18.1 billion	+¥8.1 billion
Profit from customer business	¥1.4 billion	¥12.4 billion	¥12.6 billion	+¥0.2 billion
Contribution of subsidiaries to consolidated income	¥0.3 billion	¥(0.4) billion	¥0.1 billion	+¥0.5 billion
Capital ratio (FG consolidated)	8.7%	8.6%	<u>8.3%</u>	-0.3%pt

Financial Management and Capital Management Analysis of financial management factors

(Before Correction)

	FY2021 (actual)	FY2022 (plan)	FY2023 (plan)
ROE (FG consolidated)	5.7%	5.9%	5.9%
Capital ratio (FG consolidated)	<u>8.4%</u>	8.3%	8.3%
RORA (FG consolidated net income basis)	0.4%	0.4%	0.5%
Total shareholder return ratio	20%	20%	20~30%
Assumption for total shareholder return ratio (after deducting equity method profit)	(After deducting ¥6.5 billion) FG profit: ¥11.6 billion ¥75 dividend	(After deducting ¥3.5 billion) FG profit: ¥16.0 billion ¥105 dividend	FG profit: ¥20.0 billion

(After Correction)

	FY2021 (actual)	FY2022 (plan)	FY2023 (plan)
ROE (FG, consolidated)	5.7%	5.9%	5.9%
Capital ratio (FG consolidated)	<u>8.3%</u>	8.3%	8.3%
RORA (FG consolidated net income basis)	0.4%	0.4%	0.5%
Total shareholder return ratio	20%	20%	20~30%
Assumption for total shareholder return ratio (after deducting equity method profit)	(After deducting ¥6.5 billion) FG profit: ¥11.6 billion ¥75 dividend	(After deducting ¥3.5 billion) FG profit: ¥16.0 billion ¥105 dividend	FG profit: ¥20.0 billion

Changes in Risk Assets

(Before Correction)

●2021/3—2022/3

2021/3	<u>¥3,261.4 billion</u>
Commercially viable loans	<u>+¥281.9 billion</u>
Securities, etc.	-¥28.8 billion
PE funds	+¥11.6 billion
Others	+¥28.9 billion
2022/3	<u>¥3,555.0 billion</u>

●2022/3—2024/3

2022/3	<u>¥3,555.0 billion</u>
Commercially viable loans	<u>+¥247.6 billion</u>
Securities, etc.	+¥146.1 billion
PE funds	+¥18.8 billion
Others	+¥9.1 billion
2024/3 (Medium-Term Business Plan)	¥3,976.6 billion

(After Correction)

●2021/3—2022/3

2021/3	<u>¥3,263.8 billion</u>
Commercially viable loans	<u>+¥292.9 billion</u>
Securities, etc.	-¥28.8 billion
PE funds	+¥11.6 billion
Others	+¥28.9 billion
2022/3	<u>¥3,568.4 billion</u>

●2022/3—2024/3

2022/3	<u>¥3,568.4 billion</u>
Commercially viable loans	<u>+¥234.2 billion</u>
Securities, etc.	+¥146.1 billion
PE funds	+¥18.8 billion
Others	+¥9.1 billion
2024/3 (Medium-Term Business Plan)	¥3,976.6 billion

P17. Financial Highlights

Consolidated capital ratio (JGAAP)

(Before Correction)

Capital ratio

2020/3 end 8.65%

2021/3 end 8.74%

2022/3 end 8.41%

(After Correction)

Capital ratio

2020/3 end 8.65%

2021/3 end 8.73%

2022/3 end 8.38%

P29. Status of Progress on the Medium-Term Business Plan

KGI Financial targets

Capital ratio <FG consolidated>

(Before Correction)

20/3 8.6%

21/3 8.7%

22/3 8.4%

23/3 (planned) 8.3%

24/3 (planned) 8.3%

(After Correction)

20/3 8.6%

21/3 8.7%

22/3 8.3%

23/3 (planned) 8.3%

24/3 (planned) 8.3%