



Tokyo Kiraboshi Financial Group, Inc.

Listed Code: 7173

(URL: <https://www.tokyo-kiraboshifg.co.jp>)

Listed Stock Exchange: TSE (Prime Market)

January 31, 2025

Consolidated Financial Report for the Nine Months Ended December 31, 2024 <Under Japanese GAAP>

Representative: Hisanobu Watanabe, President

Responsible person for inquiries: Tomoo Kimura, General Manager of Corporate Planning Division

Telephone: +81-3-6447-5799

Date to start dividend payment: —

Establishment of special transaction account: Not established

Preparation of supplementary material on financial results: Yes

Holding of financial results briefing: None

Note: Figures have been rounded down to the nearest million yen.

1. Consolidated Operating Performance for the Nine Months Ended December 31, 2024 (From April 1, 2024 to December 31, 2024)

(1) Results in consolidated operations (cumulative)

(Percentages represent year-on-year changes)

Nine months ended	Ordinary income		Ordinary profit		Profit attributable to owners of parent	
	(¥ million)	(%)	(¥ million)	(%)	(¥ million)	(%)
December 31, 2024	117,016	13.8	30,512	12.8	20,777	11.4
December 31, 2023	102,819	14.3	27,044	33.0	18,644	37.1

(Note) Comprehensive income: Nine months ended December 31, 2024: ¥6,862 million (64.2%)

Nine months ended December 31, 2023: ¥19,188 million —%

Nine months ended	Profit attributable to owners of parent per share (¥)	Profit attributable to owners of parent per share (Diluted) (¥)
December 31, 2024	682.84	458.82
December 31, 2023	612.81	421.28

(2) Consolidated financial position

As of	Total assets (¥ million)	Total net assets (¥ million)	Net assets to total assets ratio (%)
December 31, 2024	6,733,321	366,650	5.4
March 31, 2024	7,193,503	365,129	5.0

(Reference)

Equity:

As of December 31, 2024: ¥366,613 million

As of March 31, 2024: ¥365,092 million

(Note)

“Equity” consists of share acquisition rights at the end of the period and non-controlling interests at the end of the period subtracted from net assets, and the “Net assets to total assets ratio” is calculated by dividing equity by total assets at the end of the period. Note that this “Net assets to total assets ratio” is not the net assets to total assets ratio required for the Capital Adequacy Ratio Notification (Financial Services Agency Notification No. 20 of 2006).

2. Dividends

	Dividend per share (¥)				
	First quarter	Second quarter	Third quarter	Fiscal year-end	Annual
Fiscal year ended March 31, 2024	–	65.00	–	80.00	145.00
Fiscal year ending March 31, 2025	–	75.00	–		
Fiscal year ending March 31, 2025 (Forecast)				75.00	150.00

(Note 1) Changes to the dividend forecast most recently announced: None

(Note 2) “Dividends” above refers to dividends for common stock. With regard to dividends for class shares (unlisted) issued by the Company with different rights than those of common stock, refer to “Dividend situation for class shares” below.

3. Forecast of Consolidated Operating Performance for the Fiscal Year Ending March 31, 2025 (From April 1, 2024 to March 31, 2025)

(Percentages represent increases or decreases from the previous year results.)

	Ordinary profit		Profit attributable to owners of parent		Profit attributable to owners of parent per share
	(¥ million)	(%)	(¥ million)	(%)	(¥)
Full-year	32,100	(2.6)	24,500	(4.4)	798.92

(Note) Changes to the forecast of consolidated operating performance most recently announced: None

* Notes

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

Included subsidiaries: ____ (name of company(ies))

Excluded subsidiaries: ____ (name of company(ies))

(2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements:

Yes

(Note) For details, please refer to “(3) Notes on Quarterly Consolidated Financial Statements (Notes on Accounting Treatment Specific to the Preparation of Quarterly Consolidated Financial Statements) in 2. Quarterly Consolidated Financial Statements and Notes” on page 7 of the Attached Materials.

(3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements after error corrections

a. Changes in accounting policies due to revisions to accounting standards: Yes

b. Changes in accounting policies due to other reasons: None

c. Changes in accounting estimates: None

d. Restatement of prior period financial statements after error corrections: None

(Note) For details, please refer to “(3) Notes on Quarterly Consolidated Financial Statements (Notes on Changes in Accounting Policies) in 2. Quarterly Consolidated Financial Statements and Notes” on page 7 of the Attached Materials.

(4) Number of shares issued (common stock)

a. Total number of shares issued at the end of the period (including treasury shares)	
As of December 31, 2024	30,650,115 shares
As of March 31, 2024	30,650,115 shares
b. Number of treasury shares at the end of the period	
As of December 31, 2024	419,935 shares
As of March 31, 2024	394,867 shares
c. Average number of shares during the period (cumulative from the beginning of the fiscal year)	
Nine months ended December 31, 2024	30,187,391 shares
Nine months ended December 31, 2023	30,186,055 shares

(Note)

The Company introduced Board Benefit Trust/Employee Stock Ownership Plan and the Company's shares held by the said trust are included in treasury shares.

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

* Disclaimer and special note for referring to the forecast of operating performance

Forward-looking statements concerning financial forecasts contained in these materials are based on information available when the forecasts were made and certain assumptions judged to be reasonable. However, the Company makes no guarantee that these forecasts will be achieved, and actual results may differ significantly from the forecasts due to a variety of factors.

*** Dividend situation for class shares**

The breakdown of dividend per share for class shares with different rights to those of common stock is as follows.

(First series Class I preferred shares)

	Dividend per share (¥)				
	First quarter	Second quarter	Third quarter	Fiscal year-end	Annual
Fiscal year ended March 31, 2024	—	133.00	—	133.00	266.00
Fiscal year ending March 31, 2025	—	140.00	—		
Fiscal year ending March 31, 2025 (Forecast)				140.00	280.00

(Notes)

1. Changes to the dividend forecast most recently announced: None

2. Amount paid per share: ¥20,000

3. Computation used to calculate dividend per share

(1) Fiscal year ended March 31, 2024

(a) Computation

Dividend = amount paid per share × annual dividend rate

(b) Annual dividend rate (*)

Annual dividend rate = Japanese yen TIBOR + 1.1%

(c) Japanese yen TIBOR

On March 31, 2023, the Japanese yen TIBOR (12-month maturity) = 0.23364%

(d) Shares issued

750,000

(2) Fiscal year ending March 31, 2025 (Forecast)

(a) Computation

Dividend = amount paid per share × annual dividend rate

(b) Annual dividend rate (*)

Annual dividend rate = Japanese yen TIBOR + 1.1%

(c) Japanese yen TIBOR

On April 1, 2024, the Japanese yen TIBOR (12-month maturity) = 0.29545%

(d) Shares issued

750,000

(*Annual dividend rate: Figures less than one percent are calculated to three decimal places with the third decimal place rounded off to the second decimal place.)

(Class II preferred shares)

	Dividend per share (¥)				
	First quarter	Second quarter	Third quarter	Fiscal year-end	Annual
Fiscal year ended March 31, 2024	—	23.364	—	23.364	46.728
Fiscal year ending March 31, 2025	—	29.545	—		
Fiscal year ending March 31, 2025 (Forecast)				29.545	59.090

(Notes)

1. Changes to the dividend forecast most recently announced: None

2. Amount paid per share: ¥20,000

3. Computation used to calculate dividend per share

(1) Fiscal year ended March 31, 2024

(a) Computation

Dividend = amount paid per share × annual dividend rate

(b) Annual dividend rate

Annual dividend rate = Japanese yen TIBOR + 0.0%

(c) Japanese yen TIBOR

On March 31, 2023, the Japanese yen TIBOR (12-month maturity) = 0.23364%

(d) Shares issued

2,000,000

(2) Fiscal year ending March 31, 2025 (Forecast)

(a) Computation

Dividend = amount paid per share × annual dividend rate

(b) Annual dividend rate

Annual dividend rate = Japanese yen TIBOR + 0.0%

(c) Japanese yen TIBOR

On April 1, 2024, the Japanese yen TIBOR (12-month maturity) = 0.29545%

(d) Shares issued

2,000,000

Attached Materials

Index

1. Overview of Operating Results, etc.

(1) Overview of Operating Results for the Nine Months Ended December 31, 2024	2
(2) Overview of Financial Position in the Nine Months Ended December 31, 2024	2
(3) Note on the Forecast of the Consolidated Operating Performance and Other Forward-Looking Statements	2

2. Quarterly Consolidated Financial Statements and Notes

(1) Quarterly Consolidated Balance Sheet	3–4
(2) Quarterly Consolidated Statement of Income and Quarterly Consolidated Statement of Comprehensive Income	5–6
(3) Notes on Quarterly Consolidated Financial Statements	
(Notes on Changes in Accounting Policies)	7
(Notes on Accounting Treatment Specific to the Preparation of Quarterly Consolidated Financial Statements)	7
(Notes on Segment Information, etc.)	7–10
(Notes on Substantial Changes in the Amount of Shareholders' Equity)	10
(Notes on Premise of Going Concern)	10
(Notes on Quarterly Consolidated Statement of Cash Flows)	10
(Significant Changes in the Scope of Consolidation during the Nine Months Ended December 31, 2024)	10
(Significant Subsequent Event)	10

3. Supplementary Information on the Financial Results for the Nine Months Ended December 31, 2024

(1) Status of Profit/Loss	11–13
(2) ROE	14
(3) OHR	15
(4) Capital Ratio (Domestic Standards)	16–17
(5) Risk-monitored Loans and Loans Based on the Financial Reconstruction Act	18–19
(6) Deposits and Loans	20–23
(7) Valuation Gain/Loss on Securities with Market Value	24

1. Overview of Operating Results, etc.

(1) Overview of Operating Results for the Nine Months Ended December 31, 2024

In the consolidated operating results for the nine months ended December 31, 2024, Kiraboshi Bank, Ltd., which makes up the majority of consolidated results, recorded ¥30.1 billion in ordinary profit, a decrease of ¥1.0 billion year-on-year, and ¥20.9 billion in net income, a decrease of ¥2.2 billion year-on-year. However, as a result of adjustments made for consolidated accounting, such as elimination of internal transactions, ordinary profit came to ¥30.5 billion, an increase of ¥3.4 billion year-on-year, while profit attributable to owners of parent increased by ¥2.1 billion year-on-year to ¥20.7 billion.

The main factors affecting the operating results of Kiraboshi Bank, Ltd., compared with the same period of a year earlier, are as follows.

- | | |
|--|---|
| (i) Interest on loans and discounts* ¹ : | An increase of ¥3.0 billion year-on-year reflecting continued increase in loan balances resulting largely from promotion of transactions for main bank relationship building and efforts in strengthening customer relations, combined with rising yields. |
| (ii) Interest and dividends on securities: | A decrease of ¥2.2 billion year-on-year as a result largely of a ¥3.5 billion decrease in dividend from an equity method affiliate that was partly offset by JGB asset swap and an increase in floating-rate foreign bonds. |
| (iii) Other net interest income: | A decrease of ¥2.1 billion year-on-year due largely to an increase in deposit interest (¥(2.3) billion) accompanying a rise in interest rates. |
| (iv) Net non-interest income* ² : | A decrease of ¥3.3 billion year-on-year due largely to increases in hedging costs for yen and foreign bonds and in foreign currency funding costs, and a decrease in fee and commission income from corporate customers (¥(1.3) billion). |
| (v) Expenses* ³ : | An increase of ¥1.9 billion year-on-year due largely to an increase in non-personnel expenses including administrative outsourcing expenses. |
| (vi) Credit-related costs* ³ : | An increase of ¥1.3 billion year-on-year due largely to a decrease in reversal of allowance for loan losses reflecting a decrease in the rate of decline of the historical credit loss rate, despite factors such as improvement in some large customers' credit category due to a rebound in corporate earnings. |
| (vii) Gains (losses) on bonds, stocks, and other securities: | An increase of ¥4.7 billion year-on-year due largely to an increase in gain on sale of REIT and on sale of equity securities held for cross-shareholding and for pure investment, despite an increase in loss on sale of bonds. |

*1 Interest on loans and discounts includes interest subsidies associated with effectively interest-free, unsecured loans on which interest would later be reimbursed by local governments.

*2 Net non-interest income is the figure for constituents of gross core business profit, excluding net interest income. (Net non-interest income = trust fees + net fees and commissions + other business income (excluding gains/losses on bonds))

*3 In the above table, increases in expenses and credit-related costs are indicated with positive numbers.

For details on the "Overview of Operating Results," please refer to page 25 of the attached document, "Tokyo Kiraboshi Financial Group Summary of Business Results for the Nine Months Ended December 31, 2024."

(2) Overview of Financial Position in the Nine Months Ended December 31, 2024

As of December 31, 2024, total assets amounted of ¥6,733.3 billion, down ¥460.1 billion from the end of previous fiscal year, and net assets stood at ¥366.6 billion, a ¥1.5 billion increase from the end of the previous fiscal year.

With respect to major account balances, deposits increased by ¥63.2 billion from the end of the previous fiscal year to ¥5,893.5 billion, loans and bills discounted increased by ¥94.3 billion from the end of the previous fiscal year to ¥4,915.6 billion, and securities decreased by ¥40.9 billion from the end of the previous fiscal year to ¥886.8 billion.

(3) Note on the Forecast of the Consolidated Operating Performance and Other Forward-Looking Statements

There is no change to the forecasts of operating performance for the fiscal year ending March 31, 2025, announced on May 1, 2024.

2. Quarterly Consolidated Financial Statements and Notes

(1) Quarterly Consolidated Balance Sheet

(¥ million)

	As of March 31, 2024	As of December 31, 2024
Assets		
Cash and due from banks	1,157,591	645,058
Call loans and bills bought	5,238	5,979
Monetary claims bought	72,311	70,110
Trading securities	1,061	1,294
Money held in trust	4,508	5,402
Securities	927,806	886,866
Loans and bills discounted	4,821,294	4,915,661
Foreign exchanges	4,857	4,943
Lease receivables and investments in leases	28,333	30,343
Other assets	77,650	64,105
Property, plant and equipment	59,913	59,029
Intangible assets	17,636	16,447
Retirement benefit asset	34,693	37,063
Deferred tax assets	1,940	8,238
Customers' liabilities for acceptances and guarantees	5,526	7,600
Allowance for loan losses	(26,863)	(24,824)
Total assets	7,193,503	6,733,321
Liabilities		
Deposits	5,830,294	5,893,541
Negotiable certificates of deposit	71,000	188,000
Call money and bills sold	654,868	29,265
Cash collateral received for securities lent	155,252	139,942
Borrowed money	53,936	52,138
Foreign exchanges	1,012	771
Bonds payable	5,848	4,776
Borrowed money from trust account	609	—
Other liabilities	46,202	48,509
Provision for bonuses	1,815	511
Provision for bonuses for directors (and other officers)	176	—
Provision for share-based payments	389	202
Retirement benefit liability	82	86
Provision for retirement benefits for directors (and other officers)	118	111
Provision for point card certificates	95	108
Provision for reimbursement of deposits	174	107
Provision for contingent loss	885	881
Reserves under special laws	0	0
Deferred tax liabilities	83	116
Acceptances and guarantees	5,526	7,600
Total liabilities	6,828,373	6,366,670

(¥ million)

	As of March 31, 2024	As of December 31, 2024
Net Assets		
Share capital	27,500	27,500
Capital surplus	150,974	151,023
Retained earnings	172,896	188,640
Treasury shares	(936)	(1,294)
Total shareholders' equity	350,434	365,869
Valuation difference on available-for-sale securities	1,696	(12,635)
Deferred gains or losses on hedges	(397)	866
Revaluation reserve for land	(242)	(242)
Foreign currency translation adjustment	40	44
Remeasurements of defined benefit plans	13,561	12,710
Total accumulated other comprehensive income	14,658	743
Share acquisition rights	9	9
Non-controlling interests	27	27
Total net assets	365,129	366,650
Total liabilities and net assets	7,193,503	6,733,321

(2) Quarterly Consolidated Statement of Income and Quarterly Consolidated Statement of Comprehensive Income

(Quarterly Consolidated Statement of Income)

(Nine months ended December 31, 2024)

(¥ million)

	Nine months ended December 31, 2023	Nine months ended December 31, 2024
Ordinary income	102,819	117,016
Interest income	62,486	67,406
Interest on loans and discounts	49,647	52,620
Interest and dividends on securities	11,698	13,097
Trust fees	244	229
Fees and commissions	16,932	17,558
Other operating income	1,273	3,139
Other ordinary income	21,883	28,681
Ordinary expenses	75,775	86,503
Interest expenses	4,118	6,586
Interest on deposits	2,125	4,127
Fees and commissions payments	2,853	2,932
Other operating expenses	6,031	9,306
General and administrative expenses	46,210	48,537
Other ordinary expenses	16,561	19,140
Ordinary profit	27,044	30,512
Extraordinary income	—	110
Gain on disposal of non-current assets	—	110
Extraordinary losses	68	104
Loss on disposal of non-current assets	68	104
Profit before income taxes	26,975	30,517
Income taxes	8,355	9,740
Profit	18,619	20,777
Profit (Loss) attributable to non-controlling interests	(24)	(0)
Profit attributable to owners of parent	18,644	20,777

(Quarterly Consolidated Statement of Comprehensive Income)
(Nine months ended December 31, 2024)

(¥ million)

	Nine months ended December 31, 2023	Nine months ended December 31, 2024
Profit	18,619	20,777
Other comprehensive income	568	(13,914)
Valuation difference on available-for-sale securities	1,068	(14,327)
Deferred gains or losses on hedges	(373)	1,263
Foreign currency translation adjustment	4	4
Remeasurements of defined benefit plans	(151)	(850)
Share of other comprehensive income of entities accounted for using equity method	21	(4)
Comprehensive income	19,188	6,862
(Breakdown)		
Comprehensive income attributable to owners of parent	19,213	6,863
Comprehensive income attributable to non-controlling interests	(24)	(0)

(3) Notes on Quarterly Consolidated Financial Statements (Notes on Changes in Accounting Policies)

(Application of “Accounting Standard for Current Income Taxes” and related implementation guidance)

The “Accounting Standard for Current Income Taxes” (ASBJ Statement No. 27, October 28, 2022; hereinafter, the “Revised Accounting Standard of 2022”) and related implementation guidance are applied from the beginning of the first quarter of the fiscal year under review.

With respect to the revision concerning accounting classification of income taxes (taxes on other comprehensive income), the transitional treatment stipulated in the proviso of Paragraph 20-3 of the Revised Accounting Standard of 2022 and the transitional treatment stipulated in the proviso of Paragraph 65-2 (2) of the Implementation Guidance on Accounting Standard for Tax Effect Accounting (ASJB Implementation Guidance No. 28, October 28, 2022) are followed. The above changes in accounting policies have no impact on the quarterly consolidated financial statements.

(Notes on Accounting Treatment Specific to the Preparation of Quarterly Consolidated Financial Statements)

(Treatment of tax expense)

In the preparation of consolidated financial statements, tax expense of the Company and its consolidated subsidiaries is calculated by multiplying profit before income taxes by an effective tax rate that is reasonably estimated by applying the tax effect accounting to profit before income taxes applicable to the consolidated fiscal year in which the third quarter under review is included.

However, in the event calculation of tax expense using the effective tax rate described above yields a result that significantly lacks rationality, the statutory effective tax rate is used to calculate the tax expense.

(Notes on Segment Information, etc.)

[Segment Information]

Nine months ended December 31, 2023 (from April 1, 2023 to December 31, 2023)

1. Information on ordinary income and profit or loss by reportable segment

(Millions of yen)

	Reportable segments			Other	Total
	Banking business	Leasing business	Total		
Ordinary income					
Ordinary income from external customers	84,739	9,987	94,726	8,516	103,242
Intersegment ordinary income	259	578	838	8,555	9,394
Total	84,999	10,565	95,565	17,072	112,637
Segment profit	26,870	327	27,198	4,626	31,825

(Notes) 1. Ordinary income is presented instead of net sales, which is generally used by non-financial companies.

2. “Other” represents business segments other than those of the reportable segments and includes consulting services, computer-related services, information provision services, credit card business, and claim management and collection business.

2. Difference between total amount of profit or loss of reportable segments and recorded amounts in the quarterly consolidated statement of income, and the principal components of the difference (matters relating to adjustment of difference)

(1) Total of ordinary income of reportable segments and ordinary income recognized in the quarterly consolidated statement of income

(Millions of yen)

Ordinary income	Amount
Total of reportable segments	95,565
Ordinary income categorized in "Other"	17,072
Purchase accounting adjustment	(422)
Elimination of inter-segment transactions	(9,394)
Ordinary income in the quarterly consolidated statement of income	102,819

(Note) Ordinary income is presented instead of net sales, which is generally used by non-financial companies. Reconciliation is stated for the difference between reportable segment ordinary income and ordinary income recognized in the quarterly consolidated statement of income.

(2) Total reportable segment profit and ordinary profit recognized in the quarterly consolidated statement of income

(Millions of yen)

Profit	Amount
Total of reportable segments	27,198
Income in "Other"	4,626
Purchase accounting adjustment	(518)
Elimination of inter-segment transactions	(4,262)
Ordinary profit in the quarterly consolidated statement of income	27,044

3. Information regarding impairment losses on non-current assets, goodwill, and other matters by reportable segment

(Significant impairment loss on non-current assets)

Not applicable

(Significant change in the amount of goodwill)

In "Other," the acquisition of the shares of ITC Co., Ltd. by Kiraboshi System Inc., a consolidated subsidiary of the Company, generated 1,227 million yen in goodwill. Note that the said amount of goodwill is provisional because distribution of the acquisition cost has not been completed as of the end of the third quarter under review.

In "Other," the acquisition of the business of Argo Japan Servicing Co., Ltd. by Kiraboshi Servicer, Co., Ltd., a consolidated subsidiary of the Company, generated 1,000 million yen in goodwill. Note that the said amount of goodwill is provisional because distribution of the acquisition cost has not been completed as of the end of the third quarter under review.

(Significant gain on bargain purchase)

Not applicable

Nine months ended December 31, 2024 (from April 1, 2024 to December 31, 2024)

1. Information on ordinary income and profit or loss by reportable segment

(Millions of yen)

	Reportable segments			Other	Total
	Banking business	Leasing business	Total		
Ordinary income					
Ordinary income from external customers	94,637	10,563	105,200	12,278	117,479
Intersegment ordinary income	105	656	761	15,032	15,794
Total	94,742	11,220	105,962	27,311	133,273
Segment profit	29,392	316	29,708	11,021	40,730

(Notes) 1. Ordinary income is presented instead of net sales, which is generally used by non-financial companies.

2. "Other" represents business segments other than those of the reportable segments and includes consulting services, computer-related services, information provision services, credit card business, and claim management and collection business.

2. Difference between total amount of profit or loss of reportable segments and recorded amounts in the quarterly consolidated statement of income, and the principal components of the difference (matters relating to adjustment of difference)

(1) Total of ordinary income of reportable segments and ordinary income recognized in the quarterly consolidated statement of income

(Millions of yen)

Ordinary income	Amount
Total of reportable segments	105,962
Ordinary income categorized in "Other"	27,311
Purchase accounting adjustment	(462)
Elimination of inter-segment transactions	(15,794)
Ordinary income in the quarterly consolidated statement of income	117,016

(Note) Ordinary income is presented instead of net sales, which is generally used by non-financial companies. Reconciliation is stated for the difference between reportable segment ordinary income and ordinary income recognized in the quarterly consolidated statement of income.

- (2) Total reportable segment profit and ordinary profit recognized in the quarterly consolidated statement of income

(Millions of yen)	
Profit	Amount
Total of reportable segments	29,708
Income in "Other"	11,021
Purchase accounting adjustment	(558)
Elimination of inter-segment transactions	(9,659)
Ordinary profit in the quarterly consolidated statement of income	30,512

3. Information regarding impairment loss on non-current assets, goodwill, and other matters by reportable segment

(Significant impairment loss on non-current assets)

Not applicable

(Significant change in the amount of goodwill)

Not applicable

(Significant gain on bargain purchase)

Not applicable

(Notes on Substantial Changes in the Amount of Shareholders' Equity)

Not applicable.

(Notes on Premise of Going Concern)

Not applicable.

(Notes on Quarterly Consolidated Statement of Cash Flows)

No quarterly consolidated statement of cash flows is prepared for the nine months ended December 31, 2024. Presented below are depreciation (including amortization related to intangible fixed assets excluding goodwill) and amortization of goodwill for the nine-month periods.

	Nine months ended December 31, 2023		Nine months ended December 31, 2024	
Depreciation	3,963	million yen	5,329	million yen
Amortization of goodwill	368	million yen	375	million yen

(Significant Changes in the Scope of Consolidation during the Nine Months Ended December 31, 2024)

Not applicable.

(Significant Subsequent Event)

Not applicable.

3. Supplementary Information on the Financial Results for the Nine Months Ended December 31, 2024

(1) Status of Profit/Loss

(i) Tokyo Kiraboshi Financial Group, Inc.

[Consolidated]

Ordinary income in the nine months ended December 31, 2024, increased by ¥14,196 million year-on-year to ¥117,016 million, while ordinary profit increased by ¥3,467 million year-on-year to ¥30,512 million. Profit attributable to owners of parent increased by ¥2,132 million year-on-year to ¥20,777 million.

(Millions of yen)

		Nine months ended December 31, 2024 (A)	Difference (A) – (B)	Nine months ended December 31, 2023 (B)
Ordinary income	1	117,016	14,196	102,819
Gross business profit	2	69,508	1,575	67,933
(Excluding gains/losses on bonds (five accounts total))	3	73,187	1,211	71,975
Net interest income	4	60,819	2,451	58,368
Trust fees	5	229	(15)	244
Net fees and commissions	6	14,626	547	14,078
Net other business income (loss)	7	(6,166)	(1,408)	(4,758)
Expenses (excluding non-recurring losses)	8	49,487	3,177	46,310
Credit-related costs	9	1,964	1,558	406
Gains (losses) on stocks and other securities	10	9,919	4,015	5,904
Profit (loss) on investments based on the equity method	11	6	1	5
Others	12	2,530	2,611	(81)
Ordinary profit	13	30,512	3,467	27,044
Extraordinary profit (loss)	14	5	74	(68)
Profit before income taxes	15	30,517	3,542	26,975
Income taxes	16	9,740	1,384	8,355
Profit	17	20,777	2,157	18,619
Loss attributable to non-controlling interests	18	(0)	24	(24)
Profit attributable to owners of parent	19	20,777	2,132	18,644

(ii) Kiraboshi Bank, Ltd.

[Non-consolidated]

In the nine months ended December 31, 2024, although there was an increase in interest on loans and discounts due in part to promotion of main bank relationship-building and efforts in strengthening customer relations, non-consolidated ordinary profit decreased by ¥1,037 million year-on-year to ¥30,174 million, as a result of such factors as an increase in non-personnel expenses including notably administrative outsourcing expenses and an increase in credit-related costs, in addition to absence of dividend from an equity-method affiliate. Net income for the nine months ended December 31, 2024, decreased by ¥2,268 million year-on-year to ¥20,996 million.

		(Millions of yen)		
		Nine months ended December 31, 2024 (A)	Difference (A) – (B)	Nine months ended December 31, 2023 (B)
Ordinary income	1	93,985	6,224	87,761
Gross business profit	2	62,872	(3,907)	66,780
(Excluding gains/losses on bonds (five accounts total))	3	66,008	(4,739)	70,748
(Gross core business profit)				
Net interest income	4	60,108	(1,383)	61,492
Trust fees	5	229	(15)	244
Net fees and commissions	6	8,558	(1,488)	10,047
Net other business income (loss)	7	(6,023)	(1,019)	(5,003)
Expenses (excluding non-recurring losses)	8	41,185	1,979	39,206
Personnel expenses	9	16,321	(1,009)	17,331
Non-personnel expenses	10	21,138	2,805	18,333
Taxes	11	3,725	183	3,541
Net business income (before transfer to general allowance for loan losses) (Net business income)	12	21,686	(5,886)	27,573
(Excluding gains/losses on bonds (five accounts total))	13	24,822	(6,719)	31,542
(Core business income)				
Net core business income (excluding gains ([losses]) on cancellation of investment trusts)	14	24,818	(5,632)	30,450
Net core business income (excluding special factors) ^(Note)	15	24,822	(3,204)	28,027
Transfer to general allowance for general loan losses (1)	16	(939)	(939)	—
Net business income	17	22,626	(4,947)	27,573
(Gains/losses on bonds (five accounts total))	18	(3,135)	832	(3,968)
Non-recurring profit (loss)	19	7,547	3,909	3,638
Loss from write-off of non-performing loans (2)	20	2,559	2,090	468
Write-off of loans	21	—	—	—
Transfer to specific allowance for loan losses	22	2,128	2,128	—
Loss on disposal of receivables	23	—	4	(4)
Provision for contingent loss	24	(4)	33	(37)
Credit guarantee association responsibility-sharing system charge	25	419	(72)	491
Other losses from write-off of non-performing loans	26	15	(4)	19
Reversal of allowance for loan losses (3)	27	—	(172)	172
Recoveries of written-off claim	28	11	(272)	283
Gains (losses) on stocks and other securities	29	9,848	3,872	5,976
Other non-recurring profit (loss)	30	247	2,572	(2,324)
Ordinary profit	31	30,174	(1,037)	31,212
Ordinary profit (excluding special factors) ^(Note)	32	30,174	2,476	27,697
Extraordinary profit (loss)	33	(170)	(102)	(68)
Profit before income taxes	34	30,003	(1,140)	31,143
Income taxes	35	9,006	1,127	7,879
Net income	36	20,996	(2,268)	23,264
Net income (excluding special factors) ^(Note)	37	20,996	1,246	19,749
Credit-related costs (1)+(2)–(3)	38	1,620	1,323	296

(Note) Indicates an amount exclusive of dividends received from an equity-method affiliate that were sourced from sale of real estate by the said equity-method affiliate (none in the fiscal year under review, ¥3,514 million in the same period of the previous fiscal year).

[Consolidated]

(Millions of yen)

		Nine months ended Decem- ber 31, 2024 (A)	Difference (A) – (B)	Nine months ended Decem- ber 31, 2023 (B)
Ordinary income	39	99,641	11,598	88,043
Ordinary profit	40	30,826	2,641	28,184
Profit attributable to owners of parent	41	21,391	1,344	20,046

(2) ROE**Tokyo Kiraboshi Financial Group, Inc. [Consolidated]**

(%)

	Nine months ended December 31, 2024 (A)	Difference (A) – (B)	Nine months ended December 31, 2023 (B)
On basis of profit attributable to owners of parent	7.53	0.14	7.39

(Note) Average net assets, the denominator, is computed as the sum of net assets at the beginning and the end of the period, divided by two.

Kiraboshi Bank, Ltd. [Non-consolidated]

(%)

	Nine months ended December 31, 2024 (A)	Difference (A) – (B)	Nine months ended December 31, 2023 (B)
On a basis of net business income (before transfer to general allowance for loan losses)	8.25	(2.92)	11.17
On a basis of net business income	8.61	(2.56)	11.17
On a basis of net core business income	9.44	(3.33)	12.78
On the basis of net income	7.98	(1.43)	9.42

(Note) Average net assets, the denominator, is computed as the sum of net assets at the beginning and at the end of the period, divided by two.

Kiraboshi Bank, Ltd. [Non-consolidated] (exclusive of dividends received from affiliates)

(%)

	Nine months ended December 31, 2024 (A)	Difference (A) – (B)	Nine months ended December 31, 2023 (B)
On a basis of net business income (before transfer to general allowance for loan losses)	8.25	(1.64)	9.90
On a basis of net business income	8.61	(1.29)	9.90
On a basis of net core business income	9.44	(2.08)	11.53
On the basis of net income	7.98	(0.13)	8.12

(Note) 1. Average net assets, the denominator, is computed as the sum of net assets at the beginning and the end of the period, divided by two.

2. Dividends from affiliates of ¥3.5 billion for the nine months ended December 31, 2023, are excluded. There is no applicable information for the nine months ended December 31, 2024.

Kiraboshi Bank, Ltd. [Consolidated]

(%)

	Nine months ended December 31, 2024 (A)	Difference (A) – (B)	Nine months ended December 31, 2023 (B)
On a basis of net business income (before transfer to general allowance for loan losses)	7.55	(1.61)	9.17
On a basis of net business income	7.89	(2.16)	10.05
On a basis of net core business income	8.68	(2.04)	10.72
On basis of profit attributable to owners of parent	7.71	(0.15)	7.87

(Note) Average net assets, the denominator, is computed as the sum of net assets at the beginning and at the end of the period, divided by two.

(3) OHR**Kiraboshi Bank, Ltd. [Non-consolidated]**

(%)

	Nine months ended December 31, 2024 (A)	Difference (A) – (B)	Nine months ended December 31, 2023 (B)
On a basis of gross core business profit	62.39	6.97	55.41
On a basis of gross business profit	65.50	6.79	58.70

$$\text{(Note) OHR} = \frac{\text{Expenses}}{\text{Gross business profit}} \times 100$$

Kiraboshi Bank, Ltd. [Non-consolidated] (exclusive of dividends received from affiliates)

(%)

	Nine months ended December 31, 2024 (A)	Difference (A) – (B)	Nine months ended December 31, 2023 (B)
On a basis of gross core business profit	62.39	4.08	58.31
On a basis of gross business profit	65.50	3.53	61.97

$$\text{(Note) 1. OHR} = \frac{\text{Expenses}}{\text{Gross business profit}} \times 100$$

- For the nine months ended December 31, 2023, dividends from affiliates of ¥3.5 billion are excluded.
There is no applicable information for the nine months ended December 31, 2024.

(4) Capital Ratio (Domestic Standards)

(i) Tokyo Kiraboshi Financial Group, Inc. [Consolidated]

(Millions of yen, %)

	December 31, 2024 (A)	Difference (A) – (B)	September 30, 2024 (B)
(1) Capital ratio (%) (2) / (3)	8.58	0.08	8.50
(2) Capital	344,872	6,980	337,892
Directly issued qualifying common stock or mandatory convertible preferred stock plus related capital surplus and retained earnings	365,869	7,847	358,021
Total provisions included in basic items in core capital	4,738	(475)	5,213
Eligible capital instruments subject to transitional arrangements included in basic items in core capital	—	—	—
(3) Risk-weighted assets	4,015,309	43,070	3,972,239
(4) Total necessary capital (3) × 4%	160,612	1,722	158,889

(ii) Kiraboshi Bank, Ltd. [Non-consolidated]

(Millions of yen, %)

	December 31, 2024 (A)	Difference (A) – (B)	September 30, 2024 (B)
(1) Capital ratio (%) (2) / (3)	8.83	0.09	8.74
(2) Capital	347,354	6,852	340,501
Directly issued qualifying common stock or mandatory convertible preferred stock plus related capital surplus and retained earnings	361,199	7,840	353,359
Total provisions included in basic items in core capital	4,570	(476)	5,047
Eligible capital instruments subject to transitional arrangements included in basic items in core capital	—	—	—
(3) Risk-weighted assets	3,930,209	34,313	3,895,895
(4) Total necessary capital (3) × 4%	157,208	1,372	155,835

(iii) Kiraboshi Bank, Ltd. [Consolidated]

(Millions of yen, %)

	December 31, 2024 (A)	Difference (A) – (B)	September 30, 2024 (B)
(1) Capital ratio (%) (2) / (3)	8.91	0.10	8.80
(2) Capital	351,200	7,046	344,153
Directly issued qualifying common stock or mandatory convertible preferred stock plus related capital surplus and retained earnings	366,871	7,974	358,897
Total provisions included in basic items in core capital	4,664	(479)	5,143
Eligible capital instruments subject to transitional arrangements included in basic items in core capital	—	—	—
(3) Risk-weighted assets	3,939,416	32,492	3,906,923
(4) Total necessary capital (3) × 4%	157,576	1,299	156,276

(iv) UI Bank Co., Ltd. [Non-consolidated]

(Millions of yen, %)

	December 31, 2024 (A)	Difference (A) – (B)	September 30, 2024 (B)
(1) Capital ratio (%) (2) / (3)	7.65	1.37	6.27
(2) Capital	8,114	4,507	3,607
Directly issued qualifying common stock or mandatory convertible preferred stock plus related capital surplus and retained earnings	10,803	4,057	6,745
Total provisions included in basic items in core capital	159	70	88
Eligible capital instruments subject to transitional arrangements included in basic items in core capital	—	—	—
(3) Risk-weighted assets	106,056	48,554	57,502
(4) Total necessary capital (3) × 4%	4,242	1,942	2,300

(Note) Capital ratio is calculated based on Financial Service Agency Notifications No. 19 and 20 of 2006.

The standardized approach is applied for calculating credit risks and assets, while the fundamental approach is applied for calculating the amount equivalent to operational risk.

(5) Risk-monitored Loans and Loans Based on the Financial Reconstruction Act

(i) Kiraboshi Bank, Ltd. [Non-consolidated]

(Millions of yen, %)

	December 31, 2024 (A)	Difference (A) – (B)	Difference (A) – (C)	September 30, 2024 (B)	December 31, 2023 (C)
Bankrupt and quasi-bankrupt assets	18,491	1,184	(1,078)	17,306	19,570
Doubtful assets	73,993	(4,101)	(15,238)	78,094	89,231
Substandard assets	6,789	(960)	(632)	7,750	7,422
Past-due loans (3 months or more)	302	4	199	297	102
Restructured loans	6,486	(965)	(832)	7,452	7,319
Subtotal (D)	99,274	(3,877)	(16,949)	103,151	116,223
Normal assets	4,853,583	87,167	33,073	4,766,416	4,820,510
Total credit balance (E)	4,952,857	83,290	16,123	4,869,567	4,936,734
Ratio to total credit balance (D) / (E)	2.00	(0.11)	(0.34)	2.11	2.35

(ii) UI Bank Co., Ltd. [Non-consolidated]

(Millions of yen, %)

	December 31, 2024 (A)	Difference (A) – (B)	Difference (A) – (C)	September 30, 2024 (B)	December 31, 2023 (C)
Bankrupt and quasi-bankrupt assets	5	1	3	4	2
Doubtful assets	—	—	—	—	—
Substandard assets	—	—	—	—	—
Past-due loans (3 months or more)	—	—	—	—	—
Restructured loans	—	—	—	—	—
Subtotal (D)	5	1	3	4	2
Normal assets	14,747	12,774	14,625	1,972	121
Total credit balance (E)	14,753	12,775	14,628	1,977	124
Ratio to total credit balance (D) / (E)	0.03	(0.18)	(1.87)	0.22	1.91

(Note) Loans to Kiraboshi Bank, Ltd. are not included in the above table.

After partial direct write-offs

(i) Kiraboshi Bank, Ltd. [Non-consolidated]

(Millions of yen, %)

	December 31, 2024 (A)	Difference (A) – (B)	Difference (A) – (C)	September 30, 2024 (B)	December 31, 2023 (C)
Bankrupt and quasi-bankrupt assets	8,123	382	1,909	7,741	6,214
Doubtful assets	73,993	(4,101)	(15,238)	78,094	89,231
Substandard assets	6,789	(960)	(632)	7,750	7,422
Past-due loans (3 months or more)	302	4	199	297	102
Restructured loans	6,486	(965)	(832)	7,452	7,319
Subtotal (D)	88,906	(4,680)	(13,962)	93,586	102,868
Normal assets	4,853,583	87,167	33,073	4,766,416	4,820,510
Total credit balance (E)	4,942,490	82,487	19,111	4,860,002	4,923,379
Ratio to total credit balance (D) / (E)	1.79	(0.12)	(0.29)	1.92	2.08

(ii) UI Bank Co., Ltd. [Non-consolidated]

(Millions of yen, %)

	December 31, 2024 (A)	Difference (A) – (B)	Difference (A) – (C)	September 30, 2024 (B)	December 31, 2023 (C)
Bankrupt and quasi-bankrupt assets	5	1	3	4	2
Doubtful assets	—	—	—	—	—
Substandard assets	—	—	—	—	—
Past-due loans (3 months or more)	—	—	—	—	—
Restructured loans	—	—	—	—	—
Subtotal (D)	5	1	3	4	2
Normal assets	14,747	12,774	14,625	1,972	121
Total credit balance (E)	14,753	12,775	14,628	1,977	124
Ratio to total credit balance (D) / (E)	0.03	(0.18)	(1.87)	0.22	1.91

(Note) Loans to Kiraboshi Bank, Ltd. are not included in the above table.

(6) Deposits and Loans

(i) Status of loans

(1) Kiraboshi Bank, Ltd. [Non-consolidated]

(Millions of yen, %)

	December 31, 2024 (A)			September 30, 2024 (B)	December 31, 2023 (C)
		Difference (A) – (B)	Difference (A) – (C)		
Loans (balance)	4,921,457	80,826	22,062	4,840,630	4,899,394
(Excluding offshore accounts) (D)	4,921,457	80,826	22,062	4,840,630	4,899,394
Loans to small and medium-sized enterprises (E)	3,985,353	38,749	(114,078)	3,946,604	4,099,432
Consumer loans	688,242	(6,551)	(9,819)	694,793	698,062
Percentage of total loans (E)/(D)	80.97	(0.55)	(2.69)	81.53	83.67

(2) UI Bank Co., Ltd. [Non-consolidated]

(Millions of yen, %)

	December 31, 2024 (A)			September 30, 2024 (B)	December 31, 2023 (C)
		Difference (A) – (B)	Difference (A) – (C)		
Loans (balance)	14,746	12,771	14,623	1,975	123
(Excluding offshore accounts) (D)	14,746	12,771	14,623	1,975	123
Loans to small and medium-sized enterprises (E)	14,746	12,771	14,623	1,975	123
Consumer loans	10,957	8,982	10,833	1,975	123
Percentage of total loans (E)/(D)	100.00	—	—	100.00	100.00

(Note) Loans to Kiraboshi Bank are not included in the above table.

(3) Kiraboshi Bank, Ltd. and UI Bank Co., Ltd. combined

(Millions of yen, %)

	December 31, 2024 (A)			September 30, 2024 (B)	December 31, 2023 (C)
		Difference (A) – (B)	Difference (A) – (C)		
Loans (balance)	4,936,204	93,598	36,686	4,842,605	4,899,517
(Excluding offshore accounts) (D)	4,936,204	93,598	36,686	4,842,605	4,899,517
Loans to small and medium-sized enterprises (E)	4,000,100	51,521	(99,455)	3,948,579	4,099,555
Consumer loans	699,200	2,431	1,014	696,769	698,186
Percentage of total loans (E)/(D)	81.03	(0.50)	(2.63)	81.53	83.67

(Note) Loans to Kiraboshi Bank are not included in the above table.

(ii) Status of deposits**(1) Kiraboshi Bank, Ltd. [Non-consolidated]**

(Millions of yen)

	December 31, 2024 (A)	Difference (A) – (B)	Difference (A) – (C)	September 30, 2024 (B)	December 31, 2023 (C)
Deposits (closing balance)	5,436,811	(61,535)	(26,064)	5,498,347	5,462,876
Personal deposits	2,972,766	12,301	(61,063)	2,960,465	3,033,830
Corporate deposits	2,133,513	(11,496)	89,628	2,145,009	2,043,884
Other deposits	330,531	(62,340)	(54,629)	392,872	385,161

(2) UI Bank Co., Ltd. [Non-consolidated]

(Millions of yen)

	December 31, 2024 (A)	Difference (A) – (B)	Difference (A) – (C)	September 30, 2024 (B)	December 31, 2023 (C)
Deposits (closing balance)	496,088	34,335	76,280	461,752	419,807
Personal deposits	496,088	34,335	76,280	461,752	419,807

(3) Kiraboshi Bank, Ltd. and UI Bank Co., Ltd. combined

(Millions of yen)

	December 31, 2024 (A)	Difference (A) – (B)	Difference (A) – (C)	September 30, 2024 (B)	December 31, 2023 (C)
Deposits (closing balance)	5,932,899	(27,200)	50,215	5,960,099	5,882,684
Personal deposits	3,468,854	46,636	15,216	3,422,217	3,453,637
Corporate deposits	2,133,513	(11,496)	89,628	2,145,009	2,043,884
Other deposits	330,531	(62,340)	(54,629)	392,872	385,161

(iii) Assets under management**(1) Kiraboshi Bank, Ltd. [Non-consolidated]**

(Millions of yen)

	December 31, 2024 (A)	Difference (A) – (B)	Difference (A) – (C)	September 30, 2024 (B)	December 31, 2023 (C)
Assets under management	433,664	4,296	20,075	429,367	413,588
Investment trust	154,082	2,999	10,152	151,083	143,930
Life insurance	265,342	1,600	15,926	263,742	249,415
Public bonds	14,239	(302)	(6,002)	14,541	20,242

(2) Kiraboshi Life Design Securities Co., Ltd.

(Millions of yen)

	December 31, 2024 (A)	Difference (A) – (B)	Difference (A) – (C)	September 30, 2024 (B)	December 31, 2023 (C)
Assets under management	308,687	14,849	58,285	293,837	250,402
Investment trust	283,589	11,737	51,588	271,851	232,000
Public bonds	231	196	161	35	70
Others	24,866	2,915	6,535	21,951	18,331

(3) Kiraboshi Bank, Ltd. and Kiraboshi Life Design Securities Co., Ltd. combined

(Millions of yen)

	December 31, 2024 (A)	Difference (A) – (B)	Difference (A) – (C)	September 30, 2024 (B)	December 31, 2023 (C)
Assets under management	742,351	19,146	78,361	723,205	663,990
Investment trust	437,671	14,736	61,740	422,935	375,931
Life insurance	265,342	1,600	15,926	263,742	249,415
Public bonds	14,470	(106)	(5,841)	14,576	20,312
Other	24,866	2,915	6,535	21,951	18,331

(iv) Trust business**Kiraboshi Bank, Ltd. [Non-consolidated]**

(Millions of yen)

(millions of yen)

		Nine months ended December 31, 2024 (A) Difference (A) – (B) Difference (A) – (C)			Six months ended September 30, 2024 (B)	Nine months ended December 31, 2023 (C)
Construction cost credit trust	Value of transactions handled	28,983		209	14,589	28,773
	Closing balance	25,762	4,779	(3,410)	20,983	29,173
Real estate management trust	Value of transactions handled	10,360		3,208	2,415	7,151
	Closing balance	106,943	8,622	12,914	98,320	94,028
Other	Value of transactions handled	24		5	18	18
	Closing balance	911	(2,040)	(262)	2,951	1,174
Total	Value of transactions handled	39,368		3,424	17,023	35,944
	Closing balance	133,617	11,361	9,241	122,256	124,376

(Note) Comparison with the six months ended September 30, 2024, is not presented because the calculation period is different for the value of transactions handled.

(7) Valuation Gain/Loss on Securities with Market Value

(i) Tokyo Kiraboshi Financial Group, Inc. [Consolidated]

(Millions of yen)

	December 31, 2024				December 31, 2023		
	Gain (loss) on valuation (A)	Difference (A) – (B)	Valuation gain	Valuation loss	Gain (loss) on valuation (B)	Valuation gain	Valuation loss
Marketable bonds held to maturity	(1,383)	(142)	—	1,383	(1,240)	42	1,283
Other securities	(24,371)	(14,147)	18,204	42,576	(10,224)	20,567	30,791
Stocks	14,424	1,092	14,867	442	13,332	13,599	267
Bonds	(19,904)	(7,548)	228	20,133	(12,355)	1,075	13,430
Others	(18,891)	(7,690)	3,108	22,000	(11,200)	5,892	17,093

(ii) Kiraboshi Bank, Ltd. [Non-consolidated]

(Millions of yen)

	December 31, 2024				December 31, 2023		
	Gain (loss) on valuation (A)	Difference (A) – (B)	Valuation gain	Valuation loss	Gain (loss) on valuation (B)	Valuation gain	Valuation loss
Marketable bonds held to maturity	(1,215)	49	—	1,215	(1,265)	—	1,265
Other securities	(24,172)	(14,818)	17,760	41,933	(9,354)	20,938	30,292
Stocks	13,950	1,299	14,391	440	12,650	12,955	305
Bonds	(19,615)	(7,599)	273	19,889	(12,015)	1,256	13,272
Others	(18,507)	(8,518)	3,095	21,603	(9,988)	6,726	16,715