

Consolidated Financial Results for the Three Months Ended June 30, 2023 (Under Japanese GAAP)

Company name: The Gunma Bank, Ltd.
 Listing: Tokyo Stock Exchange
 Securities code: 8334
 URL: <https://www.gunmabank.co.jp/>
 Representative: Akihiko Fukai, President
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 Scheduled date to file quarterly securities report: August 3, 2023
 Trading accounts: None
 Scheduled date to commence dividend payments: —
 Preparation of supplementary material on quarterly financial results: Yes
 Holding of quarterly financial results briefing: None

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

1. Consolidated financial results for the three months ended June 30, 2023 (from April 1, 2023 to June 30, 2023)

(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	%
Three months ended Jun.30, 2023	54,785	19.0	12,566	5.3	9,016	4.7
Jun.30, 2022	46,031	2.8	11,932	(30.2)	8,612	(24.9)

Note: Comprehensive income For the three months ended Jun.30, 2023 : 24,656 million yen [— %]
 For the three months ended Jun.30, 2022 : (18,754) million yen [— %]

	Basic earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended Jun.30, 2023	22.37		—	
Jun.30, 2022	20.97		—	

(2) Consolidated financial position

	Total assets		Net assets		Equity-to-asset ratio	
	Millions of yen		Millions of yen		%	
As of Jun.30, 2023	10,752,887		531,883		4.9	
Mar.31, 2023	10,662,300		515,810		4.8	

Reference: Equity As of Jun.30, 2023 : 531,883 million yen
 As of Mar.31, 2023 : 515,810 million yen

Note: "Equity-to-asset ratio" represents "Net assets"/ "Total assets" at term end.
 "Equity-to-asset ratio" stated above was not calculated based on the public notice of "Equity-to-asset ratio".

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
Fiscal year ended Mar. 31, 2023	—	8.00	—	10.00	18.00
ending Mar. 31, 2024	—	—	—	—	—
ending Mar. 31, 2024(Forecast)	—	10.00	—	10.00	20.00

Note: 1. Revisions to the forecast of cash dividends most recently announced: None
 2. Fiscal year-end cash dividend of 10.00 yen for the fiscal year ended Mar. 31, 2023 included a commemorative dividend of 1.00 yen for the 90th anniversary of the establishment of the Gunma Bank, Ltd.

3. Consolidated earnings forecast for fiscal year 2023 (from April 1, 2023 to March 31, 2024)

(Percentages indicate year-on-year changes.)

	Ordinary profit		Profit attributable to owners of parent		Basic earnings per share	
	Millions of yen	%	Millions of yen	%	Yen	
Fiscal year 2023 ending Sep.30, 2023	20,000	9.9	14,000	1.5	34.98	
ending Mar.31, 2024	40,000	4.4	28,000	0.2	70.20	

Note: Revisions to the forecast of earnings most recently announced: None

Notes

- (1) Changes in significant subsidiaries during the period
(changes in specified subsidiaries resulting in the change in scope of consolidation): 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)

As of Jun.30, 2023	425,888,177 shares
As of Mar.31, 2023	425,888,177 shares

- ② Number of treasury shares at the end of the period

As of Jun.30, 2023	28,413,174 shares
As of Mar.31, 2023	19,344,421 shares

- ③ Average number of shares outstanding during the period

Three months ended Jun.30, 2023	403,053,674 shares
Three months ended Jun.30, 2022	410,663,696 shares

* Quarterly financial results reports are exempt from quarterly review conducted by certified public accountants or an audit corporation.

* Proper use of earnings forecasts, and other special matters

·The description of future performance of this report is based on information which is presently available and certain assumptions which are considered to be reasonable, and it does not guarantee future performance. Please take note that future performance may differ from forecasts depending on various future factors.

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1. Qualitative information related to the quarterly financial results

(1) Qualitative information related to the operating results

Operating results for the first quarter of the consolidated fiscal year under review were as follows.

Ordinary income amounted to 54,785 million yen, an increase of 8,754 million yen year-on-year, mainly due to an increase in interest income.

Ordinary expenses amounted to 42,219 million yen, an increase of 8,120 million yen year-on-year, mainly due to an increase in interest expenses.

As a result, ordinary profit amounted to 12,566 million yen, an increase of 633 million yen year-on-year.

Also, profit attributable to owners of parent amounted to 9,016 million yen, an increase of 403 million yen year-on-year.

(2) Qualitative information related to the financial position

The financial position as of the end of the first quarter of the consolidated fiscal year under review was as follows.

Total assets increased by 90.5 billion yen to 10,752.8 billion yen during the period under review.

Total liabilities increased by 74.5 billion yen to 10,221.0 billion yen during the period under review.

Also, net assets increased by 16.0 billion yen to 531.8 billion yen during the period under review.

As for the main accounts, loans and bills discounted increased by 45.6 billion yen to 6,036.9 billion yen during the period under review.

Securities decreased by 191.0 billion yen to 2,426.2 billion yen during the period under review.

Deposits increased by 96.2 billion yen to 8,141.0 billion yen during the period under review.

(3) Qualitative information related to the consolidated earnings forecasts, etc

Consolidated earnings forecasts for the six months ending September 30, 2023 and the fiscal year ending March 31, 2024 remain unchanged from the figures announced on May 10, 2023.

2. Quarterly consolidated financial statements and notes

(1) Quarterly consolidated balance sheets

(Unit: Millions of yen)

	As of Mar. 31, 2023	As of Jun. 30, 2023
Assets:		
Cash and due from banks	1,833,043	2,048,196
Trading securities	541	531
Money held in trust	9,854	12,054
Securities	2,617,250	2,426,242
Loans and bills discounted	5,991,297	6,036,967
Foreign exchanges	10,045	6,949
Lease receivables and investments in leases	60,554	60,616
Other assets	74,120	102,325
Tangible fixed assets	65,013	64,903
Intangible fixed assets	8,053	8,098
Retirement benefit asset	16,963	17,423
Deferred tax assets	13,003	5,649
Customers' liabilities for acceptances and guarantees	8,527	8,069
Allowance for loan losses	(45,967)	(45,140)
Total assets	10,662,300	10,752,887
Liabilities:		
Deposits	8,044,837	8,141,090
Negotiable certificates of deposit	199,419	208,873
Call money and bills sold	28,708	82,644
Securities sold under repurchase agreements	86,565	96,051
Cash collateral received for securities lent	723,449	507,240
Borrowed money	926,993	1,035,828
Foreign exchanges	338	279
Bonds payable	50,000	40,000
Borrowed money from trust account	12,988	13,086
Other liabilities	55,774	79,065
Provision for bonuses for directors (and other officers)	56	12
Retirement benefit liability	358	356
Provision for retirement benefits for directors (and other officers)	167	156
Provision for reimbursement of deposits	264	245
Provision for contingent loss	926	887
Reserves under special laws	0	0
Deferred tax liabilities for land revaluation	7,112	7,112
Acceptances and guarantees	8,527	8,069
Total liabilities	10,146,489	10,221,003

(Unit: Millions of yen)

	As of Mar. 31, 2023	As of Jun. 30, 2023
Net assets:		
Share capital	48,652	48,652
Capital surplus	29,581	29,581
Retained earnings	429,438	434,389
Treasury shares	(9,233)	(13,751)
Total shareholders' equity	498,439	498,872
Valuation difference on available-for-sale securities	(2,920)	11,236
Deferred gains or losses on hedges	250	1,864
Revaluation reserve for land	13,022	13,022
Remeasurements of defined benefit plans	7,018	6,887
Total accumulated other comprehensive income	17,370	33,011
Total net assets	515,810	531,883
Total liabilities and net assets	10,662,300	10,752,887

(2) Quarterly consolidated statements of income and comprehensive income

Quarterly consolidated statements of income

For the three months ended

(Unit: Millions of yen)

	For the three months ended Jun.30, 2022	For the three months ended Jun.30, 2023
Ordinary income	46,031	54,785
Interest income	20,850	27,634
Interest on loans and discounts	13,599	16,461
Interest and dividends on securities	6,988	10,873
Trust fees	10	8
Fees and commissions	6,331	7,356
Other ordinary income	9,017	8,867
Other income	9,821	10,918
Ordinary expenses	34,099	42,219
Interest expenses	1,234	9,011
Interest on deposits	175	875
Fees and commissions payments	2,076	2,258
Other ordinary expenses	15,801	17,265
General and administrative expenses	13,473	12,891
Other expenses	1,513	791
Ordinary profit	11,932	12,566
Extraordinary income	29	1
Gain on disposal of non-current assets	29	1
Extraordinary losses	181	112
Loss on disposal of non-current assets	149	112
Impairment losses	32	—
Provision of reserve for financial instruments transaction liabilities	0	—
Profit before income taxes	11,780	12,455
Income taxes - current	1,838	2,833
Income taxes - deferred	1,329	606
Total income taxes	3,167	3,439
Profit	8,612	9,016
Profit attributable to owners of parent	8,612	9,016

Quarterly consolidated statements of comprehensive income

For the three months ended

(Unit: Millions of yen)

	For the three months ended Jun.30, 2022	For the three months ended Jun.30, 2023
Profit	8,612	9,016
Other comprehensive income	(27,367)	15,640
Valuation difference on available-for-sale securities	(27,205)	13,902
Deferred gains or losses on hedges	(18)	1,613
Remeasurements of defined benefit plans, net of tax	(134)	(130)
Share of other comprehensive income of entities accounted for using equity method	(8)	254
Comprehensive income	(18,754)	24,656
(Comprehensive income attributable to)		
Comprehensive income attributable to owners of parent	(18,754)	24,656

(3) Notes to the quarterly consolidated financial statements

(Note on going concern assumption)

Not applicable.

(Note on significant changes in the amounts of shareholders' equity)

Not applicable.

(Additional information)

With respect to loan losses due to the impact of COVID-19, the Bank estimates allowance for loan losses assuming that loan losses will not significantly increase thanks to economic measures by the government and local public organizations as well as financing support from financial institutions.

In addition, the Gunma Bank, Ltd. ("the Bank") believes that COVID-19 is on its way to subsiding, as it was reclassified in Japan as a category 5 infectious disease, which has no special restrictions, in May 2023.

Nonetheless, there are still certain borrowers whose financial results have been significantly impacted by COVID-19 and others whose future financial results may be impacted by COVID-19, and changes in the infection situation and its impact on economic activity may lead to material changes in allowance for loan losses in the future.

There has been no significant change in estimate assumptions on the impact of COVID-19 as noted in "Significant Accounting Estimates" in the previous securities report.

Supplementary Information

Financial Results for the Three Months Ended June 30, 2023

1. Profit and Loss Conditions

- Core net business profit decreased by 0.4 billion yen year-on-year to 11.9 billion yen, mainly due to a decrease in net interest income brought about by an increase in interest expenses following a rise in overseas interest rates. The achievement rate against the forecast for the second quarter of the fiscal year 2023 ending Mar 31, 2024 is progressing steadily at 60.2% for core net business profit.
- Ordinary profit increased by 0.6 billion yen year-on-year to 12.5 billion yen, due to an increase in gains or losses on investment securities and a decrease in net credit costs. Also, profit attributable to owners of parent increased by 0.4 billion yen year-on-year to 9.0 billion yen.
- In addition, the achievement rate against the forecast is progressing steadily at 64.4% for profit attributable to owners of parent, same as core net business profit.

【Consolidated】

		Three months ended Jun. 30, 2023 (a)	(a) - (b)	Three months ended Jun. 30, 2022 (b)	FY2023 ending Sep. 30, 2023 forecast
Gross business profits	1	15,330	(1,767)	17,098	
Core gross business profits(1-13)	2	25,043	(997)	26,041	46,600
Net interest income	3	18,623	(993)	19,616	34,900
Of which, gains (losses) on cancellation of investment trusts	4	(126)	(327)	200	
Non-interest business profit (refer to marginal table)	5	6,420	(3)	6,424	11,700
Net fees and commissions income	6	5,106	840	4,265	
Profit from other business transactions	7	1,314	(844)	2,158	
Expenses (excluding non-recurrent expenses) [-]	8	13,055	(582)	13,637	26,800
Over head ratio (8/2)	9	52.1%	(0.2)%	52.3%	57.5%
Core net business profit excluding gains (losses) on bonds (2-8)	10	11,988	(414)	12,403	19,900 achievement rate [60.2%]
Core net business profit excluding gains (losses) on bonds and cancellation of investment trusts	11	12,115	(87)	12,202	
Gains or losses on investment securities	12	246	230	15	
Gains (losses) on bonds	13	(9,713)	(770)	(8,942)	
Gains (losses) on stocks and other securities	14	9,959	1,001	8,958	
Net credit costs (16+17-19-20) [-]	15	(58)	(789)	730	900
Provision of general allowance for loan losses	16	[(573)] -	279	(279)	
Disposal of non-performing loans	17	55	(956)	1,011	
Of which, Provision of specific allowance for loan losses	18	[460] -	(910)	910	
Reversal of allowance for loan losses	19	112	112	-	
Recoveries of written off receivables	20	1	0	0	
Others	21	272	28	243	
Ordinary profit	22	12,566	633	11,932	20,000
Extraordinary income (losses)	23	(110)	41	(152)	
Of which, gains (losses) on disposal of non-current assets	24	(110)	8	(119)	
Profit before income taxes	25	12,455	675	11,780	
Total income taxes [-]	26	3,439	271	3,167	
Profit	27	9,016	403	8,612	
Profit attributable to owners of parent	28	9,016	403	8,612	14,000 achievement rate [64.4%]

Note: Gains (losses) on bonds are excluded from "Profit from other business transactions" and included in "Gains or losses on investment securities".

(Breakdown of non-interest business profit by business)

		(Unit : Millions of yen)			(Unit : Millions of yen)
Non-interest business profit	29	6,420	(3)	6,424	11,700
Corporate service revenue	30	1,021	(505)	1,526	3,300
Deposit financial asset, etc. revenue	31	1,676	14	1,662	3,500
Others	32	3,722	487	3,235	4,900
(Unit : Millions of yen)					
Total profit of the Bank group companies	33	877	25	852	
**Profit attributable to owners of parent - "profit(non-consolidated)"					

【Non-consolidated】

(Unit : Millions of yen)

		Three months ended Jun. 30, 2023 (a)		Three months ended Jun. 30, 2022 (b)	FY2023 ending Sep.30, 2023 forecast
			(a) - (b)		
Gross business profits	1	13,829	(1,601)	15,431	
Core gross business profits (1-20)	2	23,541	(832)	24,373	43,700
Net interest income	3	18,707	(986)	19,693	35,100
Domestic business	4	17,815	(242)	18,058	
Of which, Interest on loans and discounts	5	12,971	234	12,737	
Of which, Interest and dividends on securities	6	4,670	(486)	5,156	
Of which, gains (losses) on cancellation of investment trusts	7	(126)	(327)	200	
International business	8	891	(743)	1,635	
Non-interest business profit	9	4,834	154	4,680	8,600
Net fees and commissions income	10	4,257	599	3,658	
Profit from other business transactions	11	576	(444)	1,021	
Expenses (excluding non-recurrent expenses) [-]	12	12,580	(560)	13,140	25,700
Personnel expenses	13	6,955	(275)	7,231	
Non-Personnel expenses	14	4,886	(282)	5,168	
Taxes	15	738	(2)	740	
Core net business profit excluding gains (losses) on bonds (2-12)	16	10,961	(271)	11,233	18,000
Core net business profit excluding gains (losses) on bonds and cancellation of investment trusts	17	11,088	55	11,032	
Real net business profit (16+20)	18	1,248	(1,041)	2,290	
Gains or losses on investment securities	19	247	231	15	
Gains (losses) on bonds	20	(9,712)	(769)	(8,942)	
Gains (losses) on stocks and other securities	21	9,959	1,001	8,958	
Net credit costs [-]	22	143	(591)	735	800
Other non-recurrent gains (losses)	23	186	39	146	
Ordinary profit	24	11,250	590	10,660	18,000
Extraordinary income (losses)	25	(110)	(6)	(104)	
Of which, gains(losses) on disposal of non-current assets	26	(110)	8	(119)	
Profit before income taxes	27	11,139	584	10,555	
Total income taxes [-]	28	3,001	205	2,795	
Profit	29	8,138	378	7,759	13,000

Note: Gains (losses) on bonds are excluded from "Profit from other business transactions" and included in "Gains or losses on investment securities".

(Reference) Gains or losses on investment securities conditions

(Unit : Millions of yen)

		Three months ended Jun. 30, 2023 (a)		Three months ended Jun. 30, 2022 (b)
			(a) - (b)	
Gains or losses on investment securities	30	247	231	15
Gains (losses) on bonds	31	(9,712)	(769)	(8,942)
Gain on sales	32	919	919	0
Gain on redemption	33	—	—	—
Loss on sales [-]	34	10,632	1,730	8,902
Loss on redemption [-]	35	—	(41)	41
Loss on devaluation [-]	36	—	—	—
Gains (losses) on stocks and other securities	37	9,959	1,001	8,958
Gain on sales	38	10,644	1,010	9,633
Loss on sales [-]	39	684	137	547
Loss on devaluation [-]	40	—	(128)	128

(Reference) Net credit costs conditions

(Unit : Millions of yen)

		Three months ended Jun. 30, 2023 (a)		Three months ended Jun. 30, 2022 (b)
			(a) - (b)	
Net credit costs (43+44-50) [-]	41	143	(591)	735
Provision of general allowance for loan losses [-]	42	(622)	(395)	(227)
Disposal of non-performing loans [-]	43	767	(195)	963
Written-off of loans	44	—	—	—
Provision of specific allowance for loan losses	45	717	(146)	863
Provision of accident loss	46	(39)	(75)	35
Losses on sales of loans	47	—	(0)	0
Cost born under joint responsibility system of guarantee corporations	48	89	25	64
Recoveries of written off receivables	49	1	0	0

2. Main Account Conditions

- Loans and bills discounted amounted to 6,095.7 billion yen, up 268.6 billion yen year-on-year, due to increases in retail loans, loans to large enterprises, etc. and non-residents.
- Deposits and negotiable certificates of deposit amounted to 8,390.4 billion yen, up 137.7 billion yen year-on-year, due to steadily increases individual deposits and corporation deposits.
- Deposit financial assets amounted to 1,109.3 billion yen, up 97.5 billion yen year-on-year, due to increases in the balance owned by the Bank and Gungin Securities.
- Unrealized gains on valuation of other securities amounted to 13.4 billion yen.

(1) Loans 【Non-consolidated】

(Unit : Billions of yen)

	As of Jun.30, 2023			As of Mar.31, 2023 (b)	As of Jun.30, 2022 (c)
	(a)	(a) - (b)	(a) - (c)		
Loans and bills discounted	6,095.7	46.0	268.6	6,049.7	5,827.1
Retail loans	4,672.1	(17.1)	44.8	4,689.3	4,627.2
Small and medium- sized enterprises	2,292.8	(22.6)	6.7	2,315.5	2,286.1
Individuals	2,379.2	5.5	38.1	2,373.7	2,341.1
Of which, housing-related loans	2,293.2	4.7	33.0	2,288.5	2,260.2
Housing loans	1,387.0	5.4	27.1	1,381.6	1,359.8
Apartment loans	662.5	2.4	12.4	660.1	650.1
Others	243.6	(3.1)	(6.5)	246.7	250.1
Of which, unsecured consumer loans	65.4	2.4	7.0	62.9	58.3
Other loans	1,423.5	63.2	223.7	1,360.3	1,199.8
Corporations (large and second-tier enterprises, etc.)	1,069.6	32.7	165.9	1,036.9	903.7
Public sectors	108.3	1.1	(8.4)	107.1	116.7
Overseas branch and non-residents	245.5	29.3	66.2	216.2	179.2

Note: Regional public corporations and Tokyo, Osaka Branch accounts are not included in "Small and medium- sized enterprises" but are classified into "Corporations".

(Reference)

(Unit : Billions of yen)

	Three months ended Jun. 2023 (Apr.2023 - Jun.2023)		Cumulative total (Apr.2022 - Jun.2023)	Medium-term business plan final year target cumulative total during 3 years (Apr.2022 - Mar.2025)
Amount of sustainable finance excuted	56.2	322.4		500.0

Note : The medium-term business plan [Innovation for "Purpose"] targets a cumulative total of 500.0 billion yen for sustainable finance during three years. Sustainable finance targets finance that contributes to solving environmental and social issues such as renewable energy-related, start-up financing and business succession-related, etc (including investment by Gunma Regional Advanced Solution Partners, an investment specialized subsidiary) .

(2) Deposits and negotiable certificates of deposit 【Non-consolidated】

(Unit : Billions of yen)

	As of Jun.30, 2023			As of Mar.31, 2023 (b)	As of Jun.30, 2022 (c)
	(a)	(a) - (b)	(a) - (c)		
Deposits and negotiable certificates of deposit	8,390.4	106.3	137.7	8,284.1	8,252.7
Deposits	8,150.6	96.8	180.8	8,053.7	7,969.7
Of which, individuals	5,668.9	74.1	78.3	5,594.7	5,590.5
Of which, corporations	1,990.0	56.7	54.1	1,933.2	1,935.8
Negotiable certificates of deposit	239.7	9.4	(43.1)	230.3	282.9

(3) Deposit financial assets 【Consolidated】

(Unit : Billions of yen)

	As of Jun.30, 2023			As of Mar.31, 2023 (b)	As of Jun.30, 2022 (c)
	(a)	(a) - (b)	(a) - (c)		
Deposit financial assets	1,109.3	50.1	97.5	1,059.2	1,011.8
(Of which, individual deposit financial assets)	1,016.3	50.2	87.9	966.1	928.4
Bank, non-consolidated	848.4	43.6	57.8	804.8	790.6
Investment trust	268.0	22.7	21.9	245.3	246.0
Public bonds (Government bonds, etc.)	37.8	(0.9)	(4.5)	38.7	42.4
Life insurance	542.6	21.8	40.4	520.7	502.1
Gungin Securities (including intermediation)	260.9	6.5	39.7	254.3	221.1

(4) Unrealized gains and losses on valuation of other securities 【Non-consolidated】

(Unit : Billions of yen)

	As of Jun.30, 2023 (a)			As of Mar.31, 2023 (b)	As of Jun.30, 2022 (c)	As of Jun.30,2023 balance sheet value
		(a) - (b)	(a) - (c)			
Other securities	13.4	20.0	6.6	(6.6)	6.7	2,417.3
Stocks	64.2	9.7	3.2	54.5	61.0	136.4
Bonds	(19.5)	15.2	8.3	(34.7)	(27.8)	1,531.1
Others	(31.3)	(4.8)	(4.9)	(26.4)	(26.4)	749.7
Foreign securities	(3.4)	(2.9)	13.7	(0.4)	(17.1)	508.8
Investment trusts, etc.	(27.9)	(1.9)	(18.6)	(25.9)	(9.2)	240.9

3. Disclosed Claims under the Financial Reconstruction Law ("FRL") 【Non-consolidated】

With the implementation of the Cabinet Office Order to Amend the Ordinance for Enforcement of the Banking Act, etc. on March 31, 2022, the categories of Risk-monitored Loans under the Banking Act and the scope of claims subject to disclosure were aligned with the Disclosed Claims under the FRL stipulated under the Act on Emergency Measures for the Revitalization of Financial Functions.

(Unit : Billions of yen)

	As of Jun.30, 2023 (a)			As of Mar.31, 2023 (b)	As of Jun.30, 2022 (c)
		(a) - (b)	(a) - (c)		
Bankrupt and substantially bankrupt claims	25.8	0.8	(2.1)	24.9	28.0
Doubtful claims	41.8	0.1	(5.8)	41.6	47.6
Substandard claims	40.9	(3.0)	(4.2)	44.0	45.2
Loans past due three months or more	3.4	(0.2)	1.3	3.6	2.0
Restructured loans	37.5	(2.8)	(5.6)	40.3	43.2
Disclosed claims under the FRL ①	108.6	(2.0)	(12.2)	110.7	120.9
Normal claims	6,043.1	45.2	274.5	5,997.9	5,768.5
Total claims ②	6,151.8	43.2	262.3	6,108.6	5,889.5
Ratio to the total claims ①/②	1.76 %	(0.05)%	(0.29)%	1.81 %	2.05 %

Note: The Bank does not apply partial direct written-off. The below figures are presented if the Bank had applied the partial direct written-off.

Disclosed claims under the FRL	91.9	(2.9)	(10.2)	94.8	102.2
Ratio to the total claims	1.49 %	(0.06)%	(0.25)%	1.55 %	1.74 %

4. Domestic Interest Rate Spread 【Non-consolidated】

(Unit : %)

	Three months ended Jun. 30, 2023 (a)			Three months ended Jun. 30, 2022 (b)
		(a) - (b)		
Average yield on interest earning assets ①	0.85	0.03		0.82
Average yield on loans and bills discounted	0.90	(0.01)		0.91
Average yield on securities	0.91	(0.09)		1.00
Average yield on interest bearing liabilities ②	0.49	—		0.49
Average yield on deposits and negotiable certificates of deposit	0.00	—		0.00
Average yield on external liabilities	(0.00)	—		(0.00)
Average interest rate spread ①-②	0.36	0.03		0.33

5. Capital Ratio (International Standard)

【Consolidated】

(Unit : Billions of yen)

	As of			As of	As of
	Jun.30, 2023 (a)	(a) - (b)	(a) - (c)	Mar.31, 2023 (b)	Jun.30, 2022 (c)
Total capital ratio	14.53 %	0.71 %	2.46 %	13.82 %	12.07 %
Tier1 ratio	13.42 %	0.94 %	2.32 %	12.48 %	11.10 %
Common equity Tier1 ratio	13.42 %	0.94 %	2.32 %	12.48 %	11.10 %
Total capital	538.5	8.5	25.9	529.9	512.5
Tier1 capital	497.3	18.5	25.8	478.7	471.4
Common equity Tier1 capital	497.3	18.5	25.8	478.7	471.4
Risk weighted assets	3,704.8	(129.7)	(539.2)	3,834.6	4,244.0
Total required capital	296.3	(10.3)	(43.1)	306.7	339.5

【Non-consolidated】

(Unit : Billions of yen)

	As of			As of	As of
	Jun.30, 2023 (a)	(a) - (b)	(a) - (c)	Mar.31, 2023 (b)	Jun.30, 2022 (c)
Total capital ratio	13.93 %	0.70 %	2.57 %	13.23 %	11.36 %
Tier1 ratio	12.81 %	0.93 %	2.37 %	11.88 %	10.44 %
Common equity Tier1 ratio	12.81 %	0.93 %	2.37 %	11.88 %	10.44 %
Total capital	499.6	7.5	24.8	492.0	474.7
Tier1 capital	459.5	17.5	23.2	442.0	436.3
Common equity Tier1 capital	459.5	17.5	23.2	442.0	436.3
Risk weighted assets	3,585.4	(132.5)	(591.1)	3,718.0	4,176.6
Total required capital	286.8	(10.6)	(47.2)	297.4	334.1

(Note1) The Bank has early adopted the new "International convergence of capital measurement and capital standards (finalising Basel III reforms)" from the end of Mar. 2023.

(Note2) " Total required capital " = " Risk weighted assets " × 8%

(Note3) Of the amount of "Risk weighted assets(as of Jun. 30 2023 and Mar. 31, 2023)", credit risk is calculated by the foundation internal rating-based approach, and operational risk is calculated by the standardized measurement approach "use conservative estimate for The internal loss multiplier"