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Consolidated Financial Results for the Three Months Ended June 30, 2023 [Japanese GAAP]

July 28, 2023

Company name: Chugin Financial Group, Inc.

Stock exchange listing: Tokyo

Code number: 5832

URL: <https://www.chugin-fg.co.jp/>

Representative: Sadanori Katoh

Director and President

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Scheduled date of filing quarterly securities report: August 10, 2023

Scheduled date of commencing dividend payments: -

Trading Accounts: No

Availability of supplementary briefing material on quarterly financial results: Yes

Schedule of quarterly financial results briefing session: No

(Amounts of less than one million yen are rounded down.)

1. Consolidated Financial Results for the Three Months Ended June 30, 2023 (April 1, 2023 to June 30, 2023)

(1) Consolidated Operating Results

(% indicates changes from the previous corresponding period.)

	Ordinary revenues		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended June 30, 2023	43,854	-	10,275	-	7,197	-
June 30, 2022	-	-	-	-	-	-

(Note) Comprehensive income: Three months ended June 30, 2023: ¥ 21,118 million [-%]
Three months ended June 30, 2022: ¥ - million [-%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2023	39.17	39.11
June 30, 2022	-	-

(Note) As the Company was established on October 3, 2022, figures and year-on-year comparison percentages for the same quarter of the previous year are not presented.

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
	Millions of yen	Millions of yen	%
As of June 30, 2023	10,152,375	546,137	5.3
March 31, 2023	9,849,196	527,948	5.3

(Reference) Equity: As of June 30, 2023: ¥ 545,916 million
As of March 31, 2023: ¥ 527,675 million

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, 2023	-	-	-	16.00	16.00
Fiscal year ending March 31, 2024	-				
Fiscal year ending March 31, 2024 (Forecast)		15.00	-	15.00	30.00

(Note) Revision to the forecast for dividends announced most recently: No

(Note) Breakdown of the 1st quarter dividend for the fiscal year ending March 31, 2024 :

Commemorative dividend	- yen
Special dividend	- yen

(Note) 1. As the Company was established on October 3, 2022, figures up to the 2nd quarter-end of the year ended March 31, 2023 are not presented.

2. In the year ended March 31, 2023, The Chugoku Bank, Limited, which became a wholly-owned subsidiary of the Company as a result of a sole share transfer, paid an interim dividend of ¥14 per share. Combined with the year-end dividend paid by the Company, cash dividends for the year came to ¥30 per share.

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2024 (April 1, 2023 to March 31, 2024)

(% indicates changes from the previous corresponding period.)

	Ordinary revenues		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending September 30, 2023	82,400	-	11,800	-	8,200	-	45.21
Full year	167,200	(8.9)	21,500	(27.3)	15,000	(26.7)	82.70

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

(Note) As the Company was established on October 3, 2022, year-on-year comparison percentages for the first half of the year ending March 31, 2023 are not presented.

* Notes:

(1) Changes in significant subsidiaries during the three months ended June 30, 2023
(changes in specified subsidiaries resulting in changes in scope of consolidation): No

New	-	(Company name:)
Exclusion:	-	(Company name:)

(2) Accounting policies adopted specially for the preparation of quarterly consolidated financial statements: Yes

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

- 1) Changes in accounting policies due to the revision of accounting standards: No
- 2) Changes in accounting policies other than 1) above: Yes
- 3) Changes in accounting estimates: No
- 4) Retrospective restatement: No

(4) Total number of issued shares (common shares)

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

June 30, 2023:	184,771,461 shares
March 31, 2023:	184,771,461 shares

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

June 30, 2023:	1,005,191 shares
March 31, 2023:	1,071,607 shares

3) Average number of shares outstanding during the period:

Three months ended June 30, 2023:	183,721,726 shares
Three months ended June 30, 2022:	- shares

(Note) As the Company was established on October 3, 2022, figures for the same quarter of the previous year are not presented.

Quarterly Consolidated Financial Statements
 Quarterly Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2023	As of June 30, 2023
Assets		
Cash and due from banks	1,510,394	1,504,519
Call loans	178,907	383,577
Monetary claims bought	22,329	25,025
Trading securities	2,023	1,964
Money held in trust	24,600	25,113
Securities	2,324,053	2,316,268
Loans and bills discounted	5,555,795	5,639,735
Foreign exchanges	14,742	12,635
Lease receivables and investments in leases	27,010	27,440
Other assets	157,594	190,156
Tangible fixed assets	35,631	35,462
Intangible fixed assets	1,712	1,739
Retirement benefit asset	-	317
Deferred tax assets	17,594	11,511
Customers' liabilities for acceptances and guarantees	31,110	32,229
Allowance for loan losses	(54,302)	(55,322)
Total assets	9,849,196	10,152,375
Liabilities		
Deposits	7,898,033	7,902,650
Negotiable certificates of deposit	155,489	263,039
Call money	179,987	153,576
Securities sold under repurchase agreements	93,913	133,214
Cash collateral received for securities lent	423,430	389,296
Commercial papers	46,530	35,945
Borrowed money	320,843	487,890
Foreign exchanges	492	2,414
Bonds payable	10,000	10,000
Borrowed money from trust account	8,496	8,621
Other liabilities	147,012	183,066
Provision for bonuses	1,547	2
Provision for bonuses for directors (and other officers)	25	-
Retirement benefit liability	3,466	3,441
Provision for retirement benefits for directors (and other officers)	49	45
Provision for reimbursement of deposits	250	184
Provision for point card certificates	114	132
Reserves under special laws	7	7
Deferred tax liabilities	449	478
Acceptances and guarantees	31,110	32,229
Total liabilities	9,321,248	9,606,238

(Millions of yen)

	As of March 31, 2023	As of June 30, 2023
Net assets		
Share capital	16,000	16,000
Capital surplus	7,302	7,302
Retained earnings	479,276	483,535
Treasury shares	(1,000)	(938)
Total shareholders' equity	501,579	505,898
Valuation difference on available-for-sale securities	34,234	45,699
Deferred gains or losses on hedges	(3,320)	(1,126)
Remeasurements of defined benefit plans	(4,818)	(4,556)
Total accumulated other comprehensive income	26,096	40,017
Share acquisition rights	272	220
Total net assets	527,948	546,137
Total liabilities and net assets	9,849,196	10,152,375

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

(Millions of yen)

	For the three months ended June 30, 2023
Ordinary income	43,854
Interest income	29,467
Interest on loans and discounts	19,118
Interest and dividends on securities	9,782
Trust fees	0
Fees and commissions	4,905
Other ordinary income	7,248
Other income	2,231
Ordinary expenses	33,578
Interest expenses	12,987
Interest on deposits	2,108
Fees and commissions payments	190
Other ordinary expenses	4,423
General and administrative expenses	14,238
Other expenses	1,738
Ordinary profit	10,275
Extraordinary income	14
Gain on disposal of non-current assets	14
Extraordinary losses	73
Loss on disposal of non-current assets	42
Impairment losses	31
Profit before income taxes	10,217
Income taxes	3,019
Profit	7,197
Profit attributable to non-controlling interests	-
Profit attributable to owners of parent	7,197

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

(Millions of yen)

	For the three months ended June 30, 2023
Profit	7,197
Other comprehensive income	13,920
Valuation difference on available-for-sale securities	11,465
Deferred gains or losses on hedges	2,193
Remeasurements of defined benefit plans, net of tax	261
Comprehensive income	21,118
Comprehensive income attributable to	
Comprehensive income attributable to owners of parent	21,118
Comprehensive income attributable to non-controlling interests	-