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Consolidated Financial Results for the Six Months Ended September 30, 2024 [Japanese GAAP]

November 8, 2024

Company name: The Awa Bank, Ltd.

Listing: Tokyo

Securities code: 8388

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

Representative: Takehisa Fukunaga

President and Director

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Scheduled date to file semi-annual securities report: November 8, 2024

Scheduled date to commence dividend payments: December 5, 2024

Trading accounts: None

Preparation of supplementary material on financial results: Yes

Holding of financial results briefing: None

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

1. Consolidated Financial Results for the Six Months Ended September 30, 2024 (April 1, 2024 to September 30, 2024)

(1) Consolidated Operating Results

(Percentages indicate year-on-year changes.)

	Ordinary revenues		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended September 30, 2024	39,163	2.7	10,457	28.5	7,225	33.0
September 30, 2023	38,104	(5.3)	8,135	4.3	5,429	3.0

(Note) Comprehensive income: Six months ended September 30, 2024: ¥ 14,607 million [(39.1)%]
Six months ended September 30, 2023: ¥ 24,012 million [-%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended September 30, 2024	180.62	-
September 30, 2023	133.26	-

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
	Millions of yen	Millions of yen	%
As of September 30, 2024	3,893,422	345,125	8.8
March 31, 2024	3,922,560	332,622	8.4

(Reference) Equity: As of September 30, 2024: ¥ 345,125 million
As of March 31, 2024: ¥ 332,622 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, 2024	-	35.00	-	40.00	75.00
Fiscal year ending March 31, 2025	-	45.00			
Fiscal year ending March 31, 2025 (Forecast)			-	45.00	90.00

(Note) Revision to the forecast for dividends announced most recently: Yes

(Note) Breakdown of the 2nd quarter (interim) dividend for the fiscal year ending March 31, 2025 :

Commemorative dividend	- yen
Special dividend	- yen

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2025(April 1, 2024 to March 31, 2025)

(Percentages indicate year-on-year changes.)

	Ordinary revenues		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	75,900	(0.2)	17,700	6.4	12,700	12.7	318.00

(Note) Revision to the financial results forecast announced most recently: Yes

* Notes:

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

Newly included:	-	(Company name:)
Excluded:	-	(Company name:)

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

- 1) Changes in accounting policies due to revisions to accounting standards and other regulations: Yes
- 2) Changes in accounting policies due to other reasons: None
- 3) Changes in accounting estimates: None
- 4) Restatement: None

(3) Number of issued shares (common shares)

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

September 30, 2024:	41,040,000 shares
March 31, 2024:	41,040,000 shares

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

September 30, 2024:	1,103,750 shares
March 31, 2024:	927,780 shares

3) Average number of shares outstanding during the period:

Six months ended September 30, 2024:	39,999,845 shares
Six months ended September 30, 2023:	40,739,826 shares

(Reference) Overview of Non-consolidated Financial Results

1. Non-consolidated Financial Results for the Six Months Ended September 30, 2024 (April 1, 2024 to September 30, 2024)

(1) Non-consolidated Operating Results (Percentages indicate year-on-year changes.)

	Ordinary revenues		Ordinary profit		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended September 30, 2024	30,146	2.3	9,723	24.6	6,719	31.0
September 30, 2023	29,452	(7.9)	7,798	10.7	5,125	7.9

	Basic earnings per share
Six months ended	Yen
September 30, 2024	167.99
September 30, 2023	125.81

(2) Non-consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
As of	Millions of yen	Millions of yen	%
September 30, 2024	3,863,937	334,178	8.6
March 31, 2024	3,894,617	322,743	8.2

(Reference) Equity: As of September 30, 2024: ¥ 334,178 million
As of March 31, 2024: ¥ 322,743 million

2. Non-consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2025(April 1, 2024 to March 31, 2025)

(Percentages indicate year-on-year changes.)

	Ordinary revenues		Ordinary profit		Net income		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	58,800	(0.7)	17,100	5.2	12,600	12.3	315.50

* Semi-annual financial results reports are exempt from interim audit conducted by certified public accountants or an audit firm.

* Proper use of earnings forecasts, and other special matters

The above estimates are based on information that is available at this moment and assumptions of factors that have an influence on future results of operations. Actual results may differ materially from these estimates, depending on future events.

Semi-annual Consolidated Financial Statements
Semi-annual Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2024	As of September 30, 2024
Assets		
Cash and due from banks	402,273	382,951
Monetary claims bought	720	-
Securities	1,050,522	1,048,199
Loans and bills discounted	2,342,731	2,360,635
Foreign exchanges	7,247	5,645
Lease receivables and investments in leases	32,469	33,597
Other assets	54,057	30,202
Tangible fixed assets	38,346	38,523
Intangible fixed assets	3,992	3,913
Deferred tax assets	293	294
Customers' liabilities for acceptances and guarantees	9,302	8,632
Allowance for loan losses	(19,397)	(19,174)
Total assets	3,922,560	3,893,422
Liabilities		
Deposits	3,197,431	3,160,585
Negotiable certificates of deposit	134,458	160,301
Call money and bills sold	4,996	-
Cash collateral received for securities lent	4,315	4,135
Borrowed money	158,036	135,118
Foreign exchanges	11	942
Bonds payable	487	462
Other liabilities	46,800	40,734
Provision for bonuses	25	26
Provision for bonuses for directors (and other officers)	52	18
Provision for retirement benefits for directors (and other officers)	12	3
Provision for share-based compensation	313	369
Provision for reimbursement of deposits	141	117
Provision for contingent loss	1,398	1,318
Deferred tax liabilities	29,638	33,016
Deferred tax liabilities for land revaluation	2,514	2,514
Acceptances and guarantees	9,302	8,632
Total liabilities	3,589,938	3,548,297

(Millions of yen)

	As of March 31, 2024	As of September 30, 2024
Net assets		
Share capital	23,452	23,452
Capital surplus	20,106	20,106
Retained earnings	197,890	203,501
Treasury shares	(2,541)	(3,029)
Total shareholders' equity	238,908	244,030
Valuation difference on available-for-sale securities	86,523	93,455
Deferred gains or losses on hedges	2,430	2,881
Revaluation reserve for land	4,759	4,758
Total accumulated other comprehensive income	93,713	101,094
Total net assets	332,622	345,125
Total liabilities and net assets	3,922,560	3,893,422

Semi-annual Consolidated Statements of Income and Comprehensive Income
Semi-annual Consolidated Statements of Income (For the six months)

(Millions of yen)

	For the six months ended September 30, 2023	For the six months ended September 30, 2024
Ordinary income	38,104	39,163
Interest income	22,847	22,495
Interest on loans and discounts	12,814	13,319
Interest and dividends on securities	7,858	8,819
Fees and commissions	4,743	5,383
Other ordinary income	7,972	8,514
Other income	2,541	2,770
Ordinary expenses	29,969	28,706
Interest expenses	4,974	3,224
Interest on deposits	458	608
Fees and commissions payments	496	411
Other ordinary expenses	7,005	8,116
General and administrative expenses	15,574	15,695
Other expenses	1,918	1,258
Ordinary profit	8,135	10,457
Extraordinary income	12	0
Gain on disposal of non-current assets	12	0
Extraordinary losses	435	162
Loss on disposal of non-current assets	53	38
Impairment losses	382	123
Profit before income taxes	7,711	10,295
Income taxes - current	2,601	2,994
Income taxes - deferred	(318)	75
Total income taxes	2,282	3,070
Profit	5,429	7,225
Profit attributable to owners of parent	5,429	7,225

Semi-annual Consolidated Statements of Comprehensive Income (For the six months)

(Millions of yen)

	For the six months ended September 30, 2023	For the six months ended September 30, 2024
Profit	5,429	7,225
Other comprehensive income	18,583	7,382
Valuation difference on available-for-sale securities	15,148	6,931
Deferred gains or losses on hedges	3,434	450
Comprehensive income	24,012	14,607
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	24,012	14,607

Semi-annual Consolidated Statements of Changes in Equity

For the six months ended September 30, 2023

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	23,452	20,106	189,153	(846)	231,866
Changes during period					
Dividends of surplus			(1,126)		(1,126)
Profit attributable to owners of parent			5,429		5,429
Purchase of treasury shares				(245)	(245)
Disposal of treasury shares				51	51
Reversal of revaluation reserve for land			25		25
Net changes in items other than shareholders' equity					
Total changes during period	-	-	4,328	(193)	4,134
Balance at end of period	23,452	20,106	193,482	(1,039)	236,001

	Accumulated other comprehensive income				Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Total accumulated other comprehensive income	
Balance at beginning of period	42,401	(297)	4,792	46,896	278,763
Changes during period					
Dividends of surplus					(1,126)
Profit attributable to owners of parent					5,429
Purchase of treasury shares					(245)
Disposal of treasury shares					51
Reversal of revaluation reserve for land					25
Net changes in items other than shareholders' equity	15,148	3,434	(25)	18,558	18,558
Total changes during period	15,148	3,434	(25)	18,558	22,692
Balance at end of period	57,550	3,137	4,767	65,455	301,456

For the six months ended September 30, 2024

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	23,452	20,106	197,890	(2,541)	238,908
Changes during period					
Dividends of surplus			(1,615)		(1,615)
Profit attributable to owners of parent			7,225		7,225
Purchase of treasury shares				(501)	(501)
Disposal of treasury shares				12	12
Reversal of revaluation reserve for land			1		1
Net changes in items other than shareholders' equity					
Total changes during period	-	-	5,610	(488)	5,121
Balance at end of period	23,452	20,106	203,501	(3,029)	244,030

	Accumulated other comprehensive income				Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Total accumulated other comprehensive income	
Balance at beginning of period	86,523	2,430	4,759	93,713	332,622
Changes during period					
Dividends of surplus					(1,615)
Profit attributable to owners of parent					7,225
Purchase of treasury shares					(501)
Disposal of treasury shares					12
Reversal of revaluation reserve for land					1
Net changes in items other than shareholders' equity	6,931	450	(1)	7,381	7,381
Total changes during period	6,931	450	(1)	7,381	12,503
Balance at end of period	93,455	2,881	4,758	101,094	345,125

Semi-annual Non-consolidated Financial Statements
Semi-annual Non-consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2024	As of September 30, 2024
Assets		
Cash and due from banks	402,270	382,944
Monetary claims bought	720	-
Securities	1,060,236	1,057,182
Loans and bills discounted	2,339,844	2,358,629
Foreign exchanges	7,247	5,645
Other assets	51,204	26,924
Other	51,204	26,924
Tangible fixed assets	36,493	36,569
Intangible fixed assets	3,916	3,845
Customers' liabilities for acceptances and guarantees	9,302	8,632
Allowance for loan losses	(16,619)	(16,437)
Total assets	3,894,617	3,863,937
Liabilities		
Deposits	3,202,530	3,165,406
Negotiable certificates of deposit	138,458	164,301
Call money	4,996	-
Cash collateral received for securities lent	4,315	4,135
Borrowed money	143,336	118,344
Foreign exchanges	11	942
Other liabilities	35,206	31,251
Income taxes payable	2,022	2,184
Lease liabilities	61	47
Asset retirement obligations	134	100
Other	32,988	28,919
Provision for bonuses for directors (and other officers)	52	18
Provision for share-based compensation	313	369
Provision for reimbursement of deposits	141	117
Provision for contingent loss	1,398	1,318
Deferred tax liabilities	29,294	32,406
Deferred tax liabilities for land revaluation	2,514	2,514
Acceptances and guarantees	9,302	8,632
Total liabilities	3,571,873	3,529,759

(Millions of yen)

	As of March 31, 2024	As of September 30, 2024
Net assets		
Share capital	23,452	23,452
Capital surplus	16,232	16,232
Legal capital surplus	16,232	16,232
Retained earnings	192,549	197,654
Legal retained earnings	14,064	14,064
Other retained earnings	178,485	183,590
Reserve for tax purpose reduction entry of non-current assets	560	560
Reserve for cancellation of shares	2,015	4,015
General reserve	157,520	164,520
Retained earnings brought forward	18,390	14,495
Treasury shares	(2,541)	(3,029)
Total shareholders' equity	229,694	234,310
Valuation difference on available-for-sale securities	85,859	92,228
Deferred gains or losses on hedges	2,430	2,881
Revaluation reserve for land	4,759	4,758
Total valuation and translation adjustments	93,049	99,867
Total net assets	322,743	334,178
Total liabilities and net assets	3,894,617	3,863,937

Semi-annual Non-consolidated Statements of Income

(Millions of yen)

	For the six months ended September 30, 2023	For the six months ended September 30, 2024
Ordinary income	29,452	30,146
Interest income	22,798	22,488
Interest on loans and discounts	12,822	13,339
Interest and dividends on securities	7,801	8,793
Fees and commissions	3,949	4,555
Other ordinary income	169	364
Other income	2,534	2,737
Ordinary expenses	21,653	20,422
Interest expenses	4,952	3,188
Interest on deposits	458	608
Fees and commissions payments	454	359
Other ordinary expenses	71	894
General and administrative expenses	14,718	14,762
Other expenses	1,455	1,217
Ordinary profit	7,798	9,723
Extraordinary income	12	0
Extraordinary losses	435	162
Profit before income taxes	7,375	9,561
Income taxes - current	2,048	2,784
Income taxes - deferred	200	57
Total income taxes	2,249	2,841
Profit	5,125	6,719

Semi-annual Non-consolidated Statements of Changes in Equity

For the six months ended September 30, 2023

(Millions of yen)

	Shareholders' equity								
	Share capital	Capital surplus		Legal retained earnings	Retained earnings				Total retained earnings
		Legal capital surplus	Total capital surplus		Other retained earnings				
					Reserve for tax purpose reduction entry of non-current assets	Reserve for cancellation of shares	General reserve	Retained earnings brought forward	
Balance at beginning of period	23,452	16,232	16,232	14,064	560	15	150,520	18,702	183,862
Changes during period									
Dividends of surplus								(1,126)	(1,126)
Provision of reserve for cancellation of shares						2,000		(2,000)	-
Provision of general reserve							7,000	(7,000)	-
Profit								5,125	5,125
Purchase of treasury shares									
Disposal of treasury shares									
Reversal of revaluation reserve for land								25	25
Net changes in items other than shareholders' equity									
Total changes during period	-	-	-	-	-	2,000	7,000	(4,975)	4,024
Balance at end of period	23,452	16,232	16,232	14,064	560	2,015	157,520	13,727	187,887

(Millions of yen)

	Shareholders' equity		Valuation and translation adjustments				Total net assets
	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Total valuation and translation adjustments	
Balance at beginning of period	(846)	222,701	42,395	(297)	4,792	46,890	269,592
Changes during period							
Dividends of surplus		(1,126)					(1,126)
Provision of reserve for cancellation of shares		-					-
Provision of general reserve		-					-
Profit		5,125					5,125
Purchase of treasury shares	(245)	(245)					(245)
Disposal of treasury shares	51	51					51
Reversal of revaluation reserve for land		25					25
Net changes in items other than shareholders' equity			14,804	3,434	(25)	18,214	18,214
Total changes during period	(193)	3,831	14,804	3,434	(25)	18,214	22,045
Balance at end of period	(1,039)	226,533	57,200	3,137	4,767	65,104	291,638

For the six months ended September 30, 2024

(Millions of yen)

	Shareholders' equity								
	Share capital	Capital surplus		Retained earnings					
		Legal capital surplus	Total capital surplus	Legal retained earnings	Other retained earnings				Total retained earnings
					Reserve for tax purpose reduction entry of non-current assets	Reserve for cancellation of shares	General reserve	Retained earnings brought forward	
Balance at beginning of period	23,452	16,232	16,232	14,064	560	2,015	157,520	18,390	192,549
Changes during period									
Dividends of surplus								(1,615)	(1,615)
Provision of reserve for cancellation of shares						2,000		(2,000)	-
Provision of general reserve							7,000	(7,000)	-
Profit								6,719	6,719
Purchase of treasury shares									
Disposal of treasury shares									
Reversal of revaluation reserve for land								1	1
Net changes in items other than shareholders' equity									
Total changes during period	-	-	-	-	-	2,000	7,000	(3,894)	5,105
Balance at end of period	23,452	16,232	16,232	14,064	560	4,015	164,520	14,495	197,654

(Millions of yen)

	Shareholders' equity		Valuation and translation adjustments				Total net assets
	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Total valuation and translation adjustments	
Balance at beginning of period	(2,541)	229,694	85,859	2,430	4,759	93,049	322,743
Changes during period							
Dividends of surplus		(1,615)					(1,615)
Provision of reserve for cancellation of shares		-					-
Provision of general reserve		-					-
Profit		6,719					6,719
Purchase of treasury shares	(501)	(501)					(501)
Disposal of treasury shares	12	12					12
Reversal of revaluation reserve for land		1					1
Net changes in items other than shareholders' equity			6,368	450	(1)	6,818	6,818
Total changes during period	(488)	4,616	6,368	450	(1)	6,818	11,434
Balance at end of period	(3,029)	234,310	92,228	2,881	4,758	99,867	334,178