

FY2023

1ST QUARTER FINANCIAL RESULTS

Fiscal Year Ending March 31, 2024

July 28th, 2023

 **NEOBANK** SBI Sumishin Net Bank

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In the first quarter of FY2023, SSNB Group's ordinary profit increased 10.2% YoY to 8.0 billion yen, and net income increased 33.8% YoY to 6.5 billion yen.

(Unit: JPY billion)	1Q FY2023/3	1Q FY2024/3	YoY Change
Gross operating profit	15.0	16.0	+ 7.1%
Net interest income (expenses)	9.8	10.5	+ 6.9%
Fees and commission income (expenses)	3.5	3.7	+ 5.9%
Other operating income (expenses)	1.6	1.8	+ 10.9%
Ordinary profit	7.2	8.0	+ 10.2%
Net income attributable to owners of the parent	4.9	6.5	+ 33.8%
Ordinary profit (excluding special factors)	7.2	8.4 ⁽¹⁾	+ 16.3%
Net income attributable to owners of the parent (excluding special factors)	4.9	5.8 ⁽²⁾	+ 18.5%

※1: Calculated after deducting an amount equivalent to depreciation expenses associated with the replacement of the infrastructure of our accounting system released in the second quarter of FY2022.
※2: In addition to ※1, net income attributable to owners of the parent (effective tax rate of 30.62%) is calculated by deducting the gain on sale of the guarantee business of a subsidiary (extraordinary gain).

Net income excluding special factors grew 18.5% YoY due to higher net interest income.

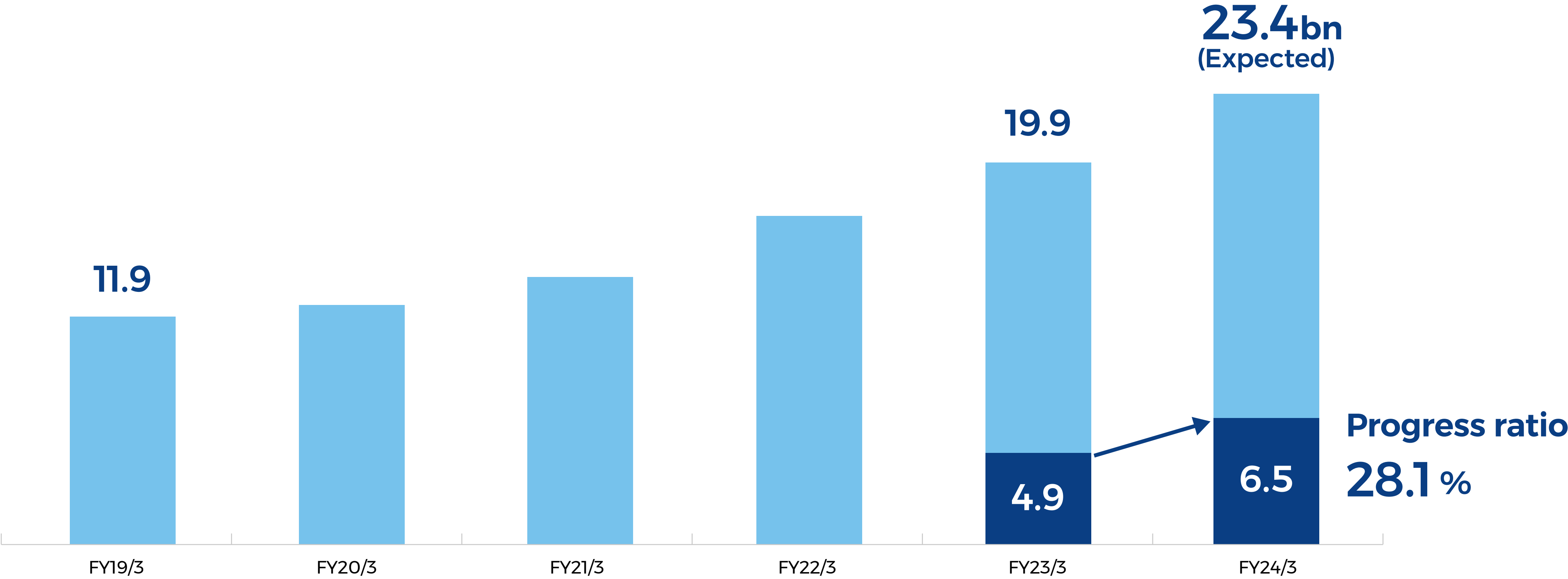
(Unit: JPY billion)



Note. Net income attributable to owners of the parent.
※1: Net income attributable to owners of the parent (effective tax rate of 30.62%) is calculated by deducting the gain on sale of the guarantee business of a subsidiary (extraordinary gain).
※2: Net income attributable to owners of the parent (effective tax rate of 30.62%) is calculated by deducting the amount equivalent to depreciation expenses associated with the replacement of the infrastructure of our accounting system released in the second quarter of FY2022.

Progress ratio toward FY24/3 target disclosed in May of this year is 28.1%.

(Unit: JPY billion)



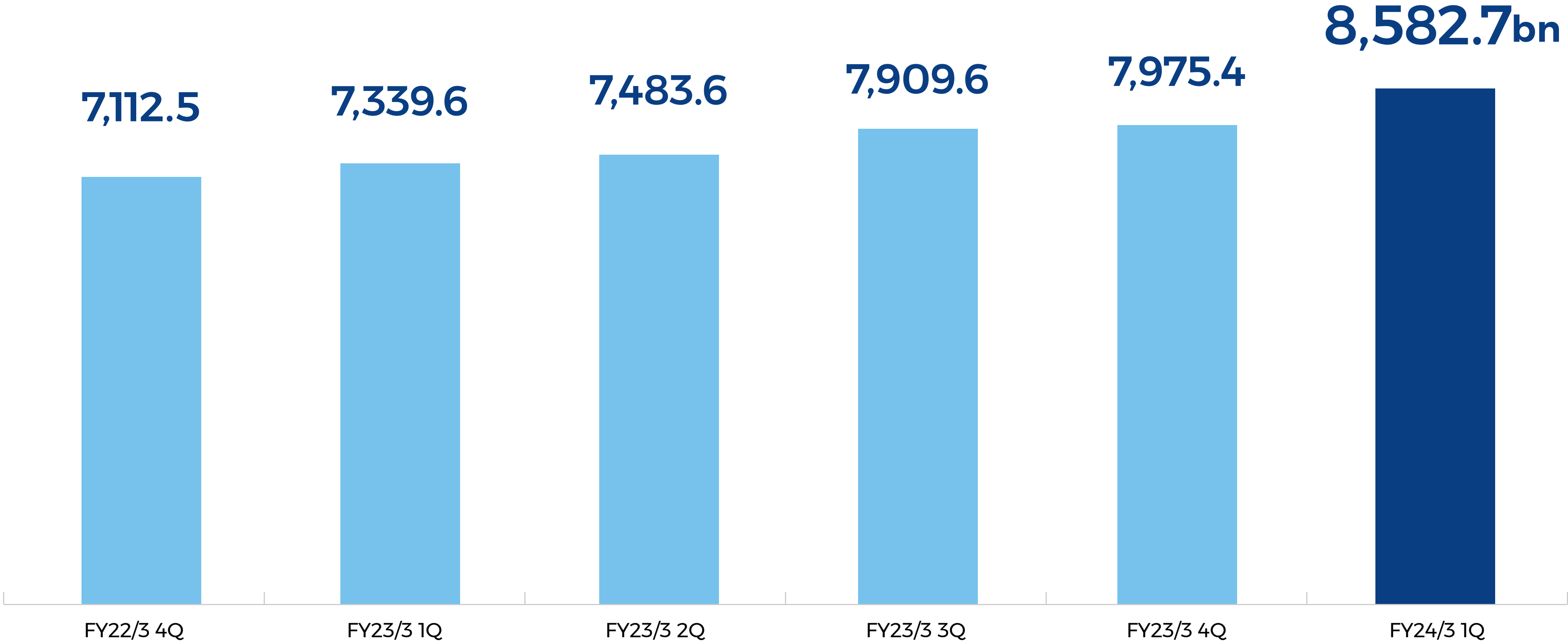
Note. Net income attributable to owners of the parent.

Loans increased 1,184.9 billion yen YoY to 6,876.7 billion yen mainly due to an increase in mortgage loans.

(Unit: JPY billion)	As of end June 2022	As of end June 2023	YoY Change
Total assets	8,365.1	9,230.5	+ 10.3%
Cash and due from banks (BOJ’ s current account balance, etc.)	1,465.3	1,374.6	(6.2%)
Securities	726.5	563.1	(22.5%)
Loans	5,691.8	6,876.7	+ 20.8%
Total liabilities	8,218.0	9,092.5	+ 10.6%
Total deposits	7,339.6	8,582.7	+ 16.9%

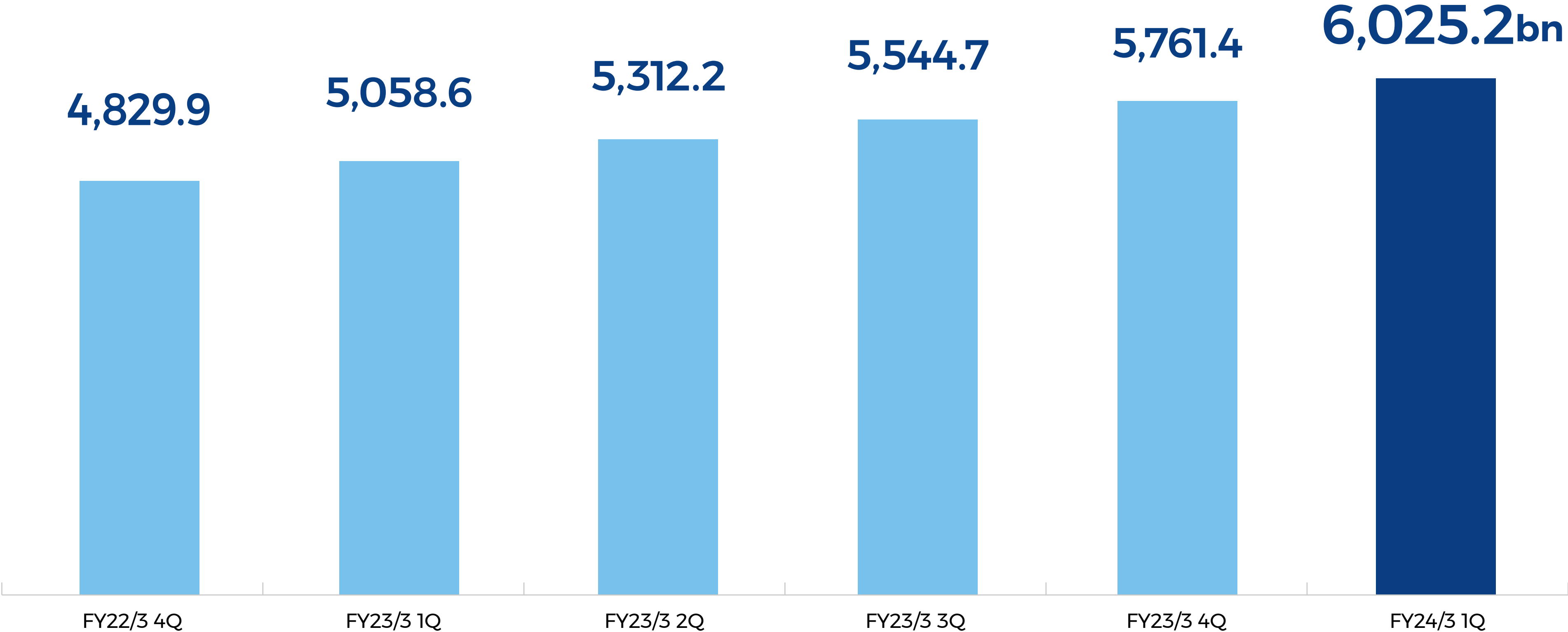
Deposits increased 607.3 billion yen from the end of the previous fiscal year to 8,582.7 billion yen, mainly due to an increase in ordinary deposits.

(Unit: JPY billion)



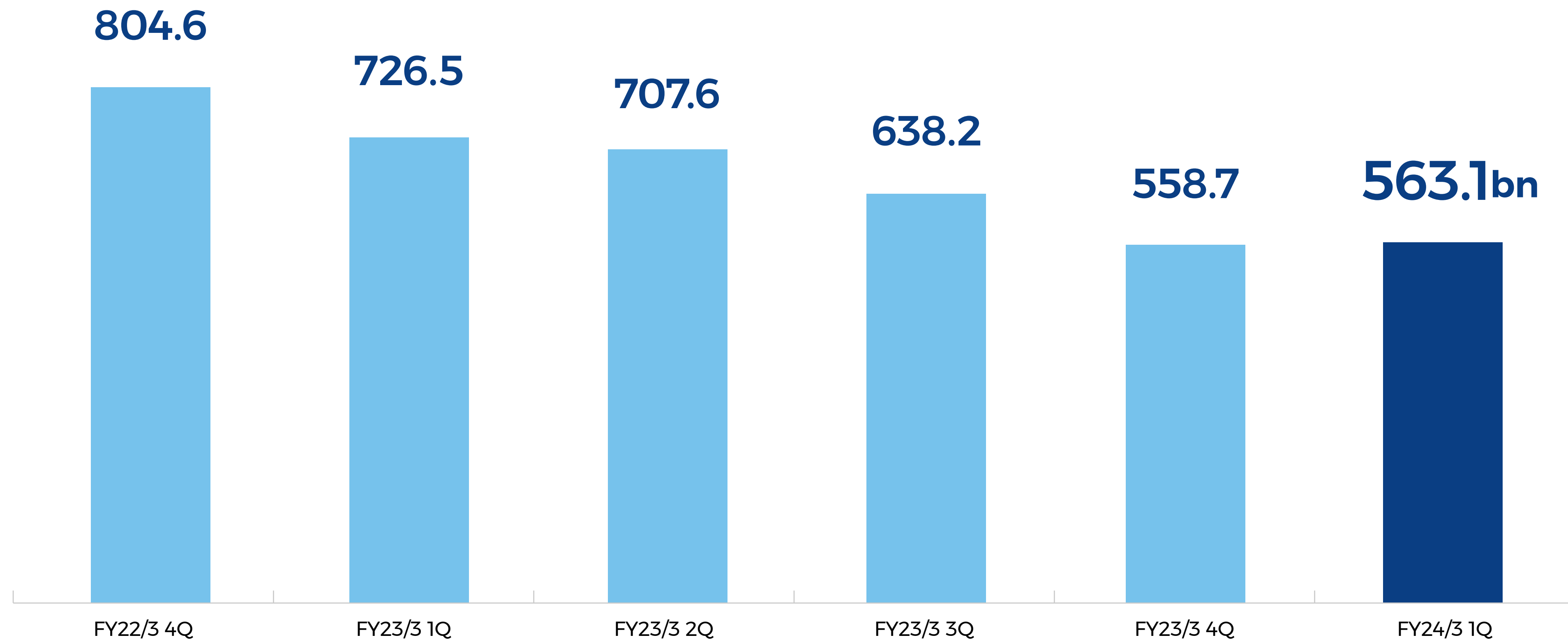
Loans increased 263.7 billion yen from the end of the previous fiscal year to 6,025.2 billion yen, mainly due to an increase in mortgage loans.

(Unit: JPY billion)



Securities increased 4.3 billion yen from the end of the previous fiscal year to 563.1 billion yen.

(Unit: JPY billion)



Date	Topic	Detail
April 2023	nomu.com NEOBANK	Launched “nomu.com NEOBANK”, a new financial service utilizing our "NEOBANK®" platform.
April 2023	Keio NEOBANK	“Keio NEOBANK” , a new financial service utilizing the NEOBANK® platform, is scheduled to launch in the fall of 2023.
May 2023	Asset building loan	Launched a new loan product for asset-builders guaranteed by JACCS CO., LTD..
June 2023	Customer Satisfaction Rating	Ranked No. 1 in “Digital Banking” of Oricon Customer Satisfaction Survey result announced by Oricon Inc. in June 2023. (10th time in three consecutive years)
June 2023	New business and capital/business alliances	mapry inc. and we have agreed to begin considering a capital and business alliance in order to enter the carbon credit business and forestry DX business to maximize forest value and contribute to the reduction of environmental impact and the development of a sustainable society.
June 2023	Business transfer	The guarantee business conducted by our subsidiary SBI Sumishin Net Bank Card Co., Ltd. was transferred to SMBC Consumer Finance Co. Ltd..

Disclaimer

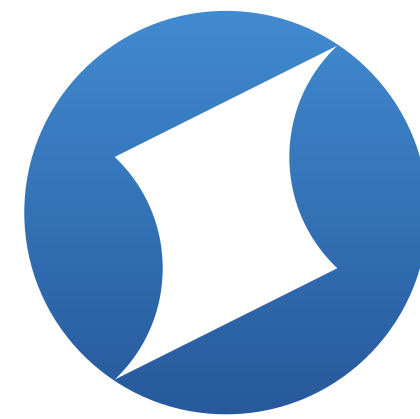
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