

1. Excerpt from the consolidated financial statements in accordance with IFRS

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (IASB) as of March 31, 2024. The consolidated financial statements are presented in yen. Unless otherwise stated, all amounts are rounded down and stated in millions of yen.

Ernst & Young ShinNihon LLC has audited the consolidated financial statements of JBIC and its subsidiaries (“the JBIC Group”), which comprise the consolidated statements of financial position as of March 31, 2024 and 2023, and the consolidated income statements, consolidated statements of comprehensive income, consolidated statements of changes in equity and consolidated statements of cash flows for the years then ended, and a summary of material accounting policy information and other explanatory information, in accordance with International Standards on Auditing.

This document is an excerpt of the JBIC Group’s consolidated financial statements prepared in accordance with IFRS as issued by the IASB that are included in JBIC’s annual report on Form 18-K to be filed with the U.S. Securities and Exchange Commission. This document does not contain all of the information in the Form 18-K that is important to you. You should read the Form 18-K carefully to obtain a comprehensive understanding of the JBIC Group’s consolidated financial statements under IFRS and related information.

Consolidated Statements of Financial Position

	(Millions of yen)	
	As of March 31, 2024	As of March 31, 2023
Assets:		
Cash and due from banks	2,565,369	2,193,775
Derivative financial instrument assets	104,008	137,156
Financial assets at fair value through profit or loss	474,551	475,260
Securities	53,199	46,998
Loans and other receivables	15,949,101	15,144,377
Equity method investments	120,408	129,892
Property and equipment	32,796	30,730
Other assets	1,055,399	667,093
Total assets	20,354,834	18,825,285
Liabilities:		
Derivative financial instrument liabilities	1,098,801	825,233
Borrowings	9,193,988	8,513,677
Bonds payable	6,353,375	5,934,320
Financial guarantee contracts	72,454	75,514
Other liabilities	299,464	246,889
Total liabilities	17,018,084	15,595,635
Equity:		
Capital stock	2,211,800	2,108,800
Retained earnings	1,083,074	1,089,888
Other reserves	41,616	30,677
Non-controlling interests	258	283
Total equity	3,336,749	3,229,650
Total liabilities and equity	20,354,834	18,825,285

Consolidated Income Statements

(Millions of yen)

	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest income	1,029,892	576,869
Interest expense	544,209	334,401
Net interest income	485,683	242,467
Fee and commission income	14,009	12,848
Fee and commission expense	4,319	3,799
Net expense from derivative financial instruments	396,647	145,982
Net gain (loss) from financial assets at fair value through profit or loss	18,915	(12,160)
Net gain on derecognition of financial assets measured at amortized cost	—	558
Other income	39,954	30,787
Net non-interest expense	328,087	117,748
Total operating income^{*1}	157,595	124,719
Impairment losses on financial assets	59,135	22,174
Net operating income^{*2}	98,459	102,545
Operating expenses	26,659	24,540
Other expenses	2,112	4,315
Total operating expenses	28,772	28,855
Profits (losses) of equity method investments	2,626	(1,186)
Profit before income tax	72,313	72,503
Income tax expense	54	13
Net profit	72,258	72,490
Attributable to:		
Shareholder of JBIC	72,284	72,557
Non-controlling interests	(25)	(66)

*1 Aggregate of “Net interest income” and “Net non-interest expense”

*2 “Total operating income” less “Impairment losses on financial assets”

Consolidated Statements of Comprehensive Income

	(Millions of yen)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Net profit	72,258	72,490
Other comprehensive income		
Items that will not be reclassified to profit or loss:		
Remeasurement of defined benefit plans:		
Remeasurement arising during the year	846	411
Total of items that will not be reclassified to profit or loss	846	411
Items that may be reclassified to profit or loss:		
Exchange differences on translation of foreign operations:		
Net gain arising during the year	18,935	16,582
Reclassification adjustments	(7,996)	(362)
Total of items that may be reclassified to profit or loss	10,939	16,219
Other comprehensive income	11,785	16,631
Total comprehensive income	84,044	89,121
Attributable to:		
Shareholder of JBIC	84,070	89,188
Non-controlling interests	(25)	(66)

Consolidated Statements of Changes in Equity

(Millions of yen)

	Attributable to shareholder of JBIC					
	Capital stock	Retained earnings	Other reserves			Sub Total
			Remeasur- ement of defined benefit plans	Exchange differences on translation of foreign	Other reserves, Total	
April 1, 2022	2,023,800	1,024,249	—	14,458	14,458	3,062,507
Net profit (loss)	—	72,557	—	—	—	72,557
Other comprehensive income	—	—	411	16,219	16,631	16,631
Total comprehensive income (loss)	—	72,557	411	16,219	16,631	89,188
Issuance of new shares	85,000	—	—	—	—	85,000
Payment to the National Treasury	—	(7,329)	—	—	—	(7,329)
Other	—	411	(411)	—	(411)	—
March 31, 2023	2,108,800	1,089,888	—	30,677	30,677	3,229,366
Net profit (loss)	—	72,284	—	—	—	72,284
Other comprehensive income	—	—	846	10,939	11,785	11,785
Total comprehensive income (loss)	—	72,284	846	10,939	11,785	84,070
Issuance of new shares	103,000	—	—	—	—	103,000
Payment to the National Treasury	—	(79,945)	—	—	—	(79,945)
Other	—	846	(846)	—	(846)	—
March 31, 2024	2,211,800	1,083,074	—	41,616	41,616	3,336,491

	Non- controlling interests	Total equity
April 1, 2022	350	3,062,857
Net profit (loss)	(66)	72,490
Other comprehensive income	—	16,631
Total comprehensive income (loss)	(66)	89,121
Issuance of new shares	—	85,000
Payment to the National Treasury	—	(7,329)
Other	—	—
March 31, 2023	283	3,229,650
Net profit (loss)	(25)	72,258
Other comprehensive income	—	11,785
Total comprehensive income (loss)	(25)	84,044
Issuance of new shares	—	103,000
Payment to the National Treasury	—	(79,945)
Other	—	—
March 31, 2024	258	3,336,749

Consolidated Statements of Cash Flows

	(Millions of yen)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Cash flows from operating activities		
Profit before income tax	72,313	72,503
Depreciation and amortization	4,171	3,932
Impairment loss on property and equipment	230	—
Impairment loss on other assets	668	—
Increase (decrease) in liability for retirement benefits	(1,025)	(553)
Net loss (gain) from financial assets at fair value through profit or loss	(18,915)	12,160
Losses (profits) from equity method investments	(2,626)	1,186
Net decrease (increase) in loans and other receivables	(804,723)	(978,801)
Net increase (decrease) in borrowings	680,311	959,468
Net decrease (increase) in deposits (excluding demand deposits)	(289,695)	(100,185)
Net change in derivative financial instrument assets and liabilities	306,716	225,797
Net increase (decrease) in financial guarantee contracts	(3,060)	10,285
Net increase (decrease) in bonds payable	419,055	374,701
Other	(401,676)	(33,682)
Net cash provided by (used in) operating activities	(38,253)	546,813
Cash flows from investing activities		
Purchase of financial assets at fair value through profit or loss	(13,862)	(16,890)
Sale of financial assets at fair value through profit or loss	27,412	14,821
Purchase of securities	(6,200)	(10,000)
Purchase of equity method investments	(2,891)	(1,739)
Proceeds from return of equity method investments	29,609	6,661
Other	(9,584)	(4,221)
Net cash provided by (used in) investing activities	24,483	(11,368)
Cash flows from financing activities		
Proceeds from issuance of new shares	103,000	85,000
Payment to the National Treasury	(79,945)	(7,329)
Other	(582)	(503)
Net cash provided by (used in) financing activities	22,471	77,166
Exchange difference on cash and cash equivalents	73,196	29,824
Net increase (decrease) in cash and cash equivalents	81,898	642,437
Cash and cash equivalents at the beginning of the year	1,726,420	1,083,983
Cash and cash equivalents at the end of the year	1,808,319	1,726,420

Net cash provided by (used in) operating activities includes the following:

Interest received	977,918	438,478
Interest paid	(495,408)	(260,885)