

# **Outline of FY2024 Financial Position**

# Financial Highlights

## Summary of FY2024 Financial Results (Non-Consolidated)

(Million yen)		FY 3/24	FY 3/25	Year-on-year
Gross operating income	(1)	57,706	61,911	4,204
Interest income		64,874	67,274	2,399
Fees and commissions		11,555	10,477	(1,077)
Other operating income		(18,722)	(15,840)	2,882
Of which, gain and loss from government bonds and other bonds	(2)	(7,343)	(5,191)	2,151
Provision of general allowance for loan losses	(3)	2,940	413	(2,527)
Expenses	(4)	39,614	40,001	387
Net operating income A	(1) - (3) - (4)	15,151	21,497	6,345
Core net operating income	(1) - (2) - (4)	25,435	27,101	1,665
Core net operating income (excluding gain and loss from cancellation of investment trusts) B		23,832	26,858	3,026
Non-recurring gain and loss		3,895	3,137	(757)
Of which, disposal of bad debts	(5)	4,206	3,422	(783)
Gain and loss from stocks and other securities		7,015	3,478	(3,537)
Ordinary income		19,046	24,633	5,586
Extraordinary gain and loss		(172)	(259)	(86)
Net income before income taxes		18,874	24,374	5,499
Net income		13,787	17,511	3,724
Credit costs	(3) + (5)	7,147	3,835	(3,311)

(100 million yen)	FY 3/24	FY 3/25	Year-on-year
Interest and dividend on securities	249	276	26
Of which, gain and loss from cancellation of investment trusts	16	2	(13)
Gain and loss from government bonds and other bonds	(73)	(51)	21
Of which, gain on sale and redemption	1	1	0
Of which, loss on sale and redemption, and amortization	74	53	(21)
Gain and loss from stocks and other securities	70	34	(35)
Of which, gain on sale	75	40	(34)
Of which, loss on sale and amortization	5	5	0

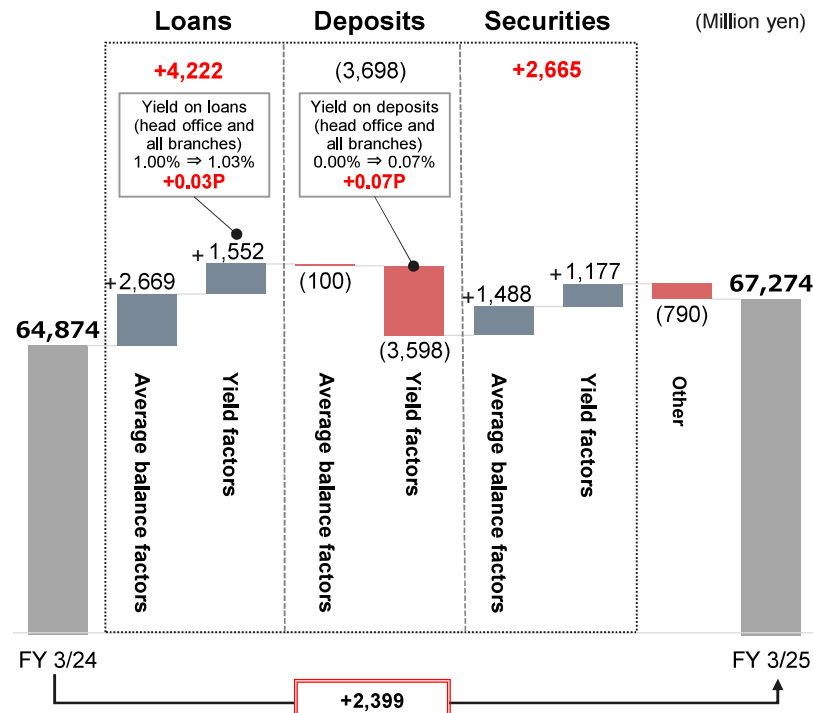
Net income increased 27.0% year-on-year due to factors such as an increase in interest income and other operating income as well as a decrease in credit costs

### [Major Factors Underlying Changes]

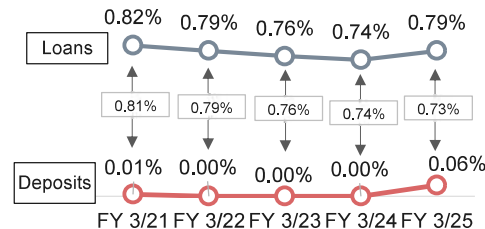
- An increase in interest on loans and securities contributes to higher interest income.
- Other operating income increased due to factors such as improvements in gain and loss from government bonds and other bonds.
- Credit costs decreased due to a rebound from the previous fiscal year, when a temporary increase in provisions occurred resulting from a change in the calculation method for the general allowance for loan losses.
- Net income increased year on year and reached a record high.

## An increase in interest on loans and securities contributes to higher interest income of 3.7% year-on-year

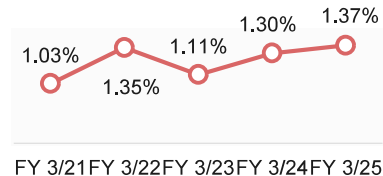
Factors underlying changes in interest income <Total of domestic and international operations departments (head office and all branches)>



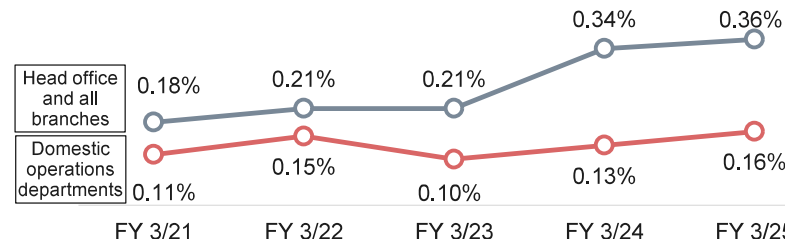
### ■ Deposit-loan yields (domestic operations departments)



### ■ Returns on securities investments (domestic operations departments)



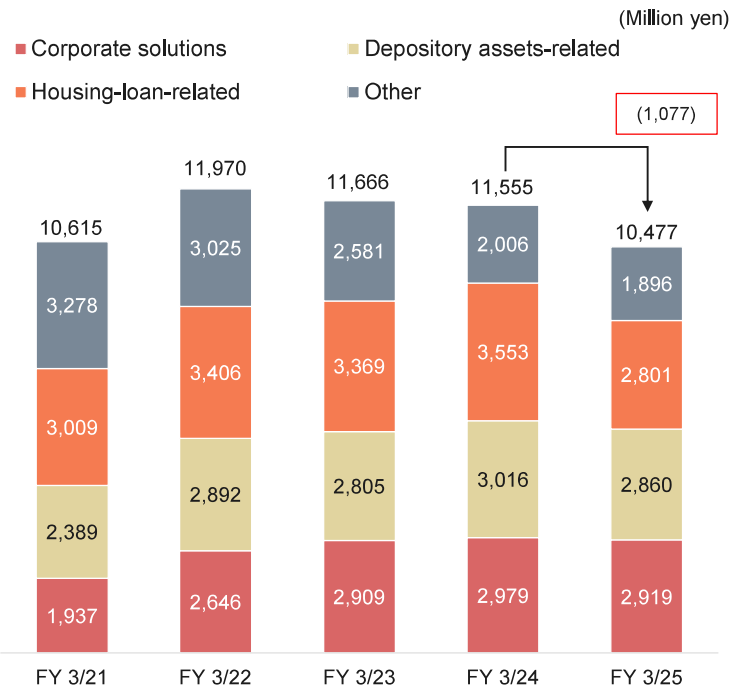
### ■ Historical overall profit margin (Head office and all branches, including domestic operations departments)



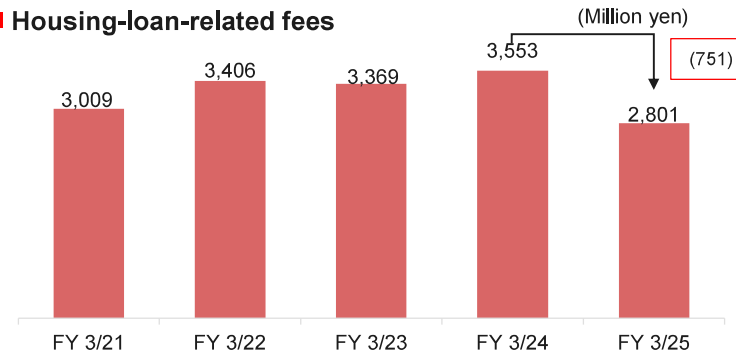
# Fees and commissions

Fees and commissions decreased 9.3% year-on-year, mainly due to a decrease in housing-loan-related fees

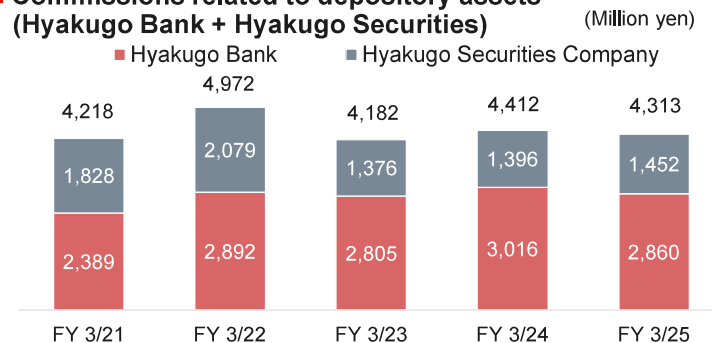
## Fees and commissions (non-consolidated)



## ■ Housing-loan-related fees



## ■ Commissions related to depository assets (Hyakugo Bank + Hyakugo Securities)



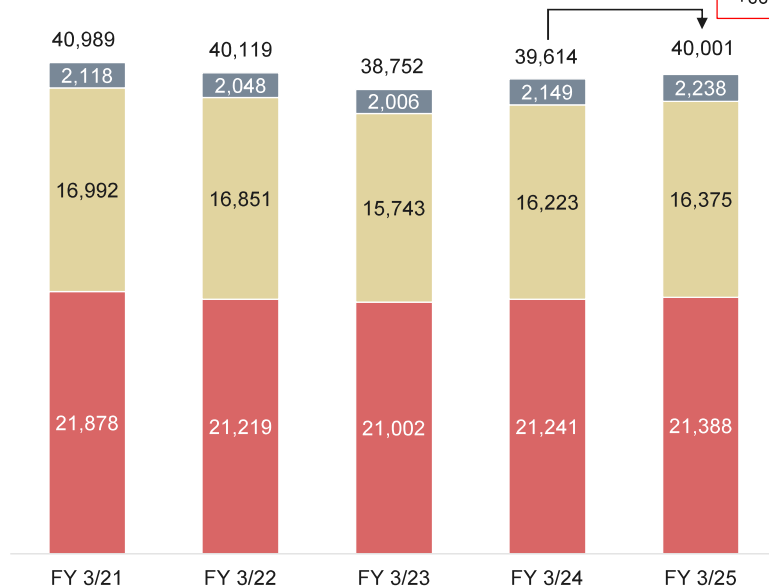
Expenses grew 1.0% year-on-year due to increases in personnel and non-personnel expenses

## Expenses

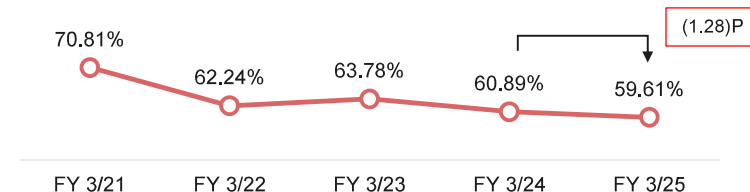
(Million yen)

■ Personnel expenses ■ Non-personnel expenses ■ Taxes

+387



## ■ Core OHR (core gross operating profit basis)



[Major factors underlying changes in expenses]

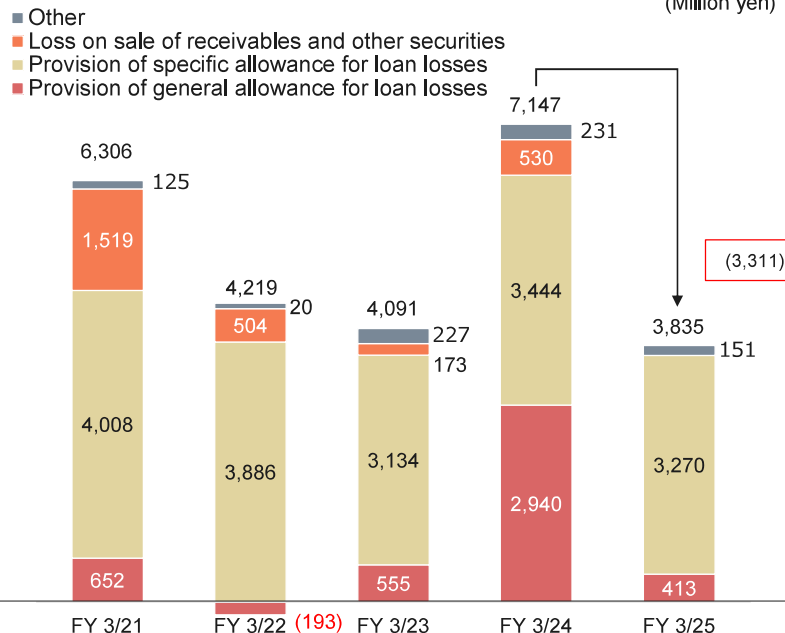
- Non-personnel expenses rose 0.9% year-on-year, mainly due to an increase in IT-related investments
- Personnel expenses grew 0.7% year-on-year, mainly due to the implementation of base salary increases
- Core OHR improved 1.28 percentage points year-on-year due to an increase in core gross operating income

# Credit Costs (non-performing loans ratio)

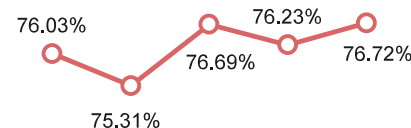
Credit costs decreased due to a rebound from the previous fiscal year, when a change was made to the calculation method for the general allowance for loan losses

## Credit costs (non-consolidated)

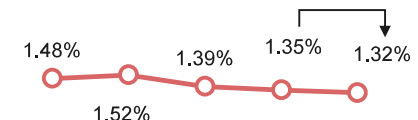
(Million yen)



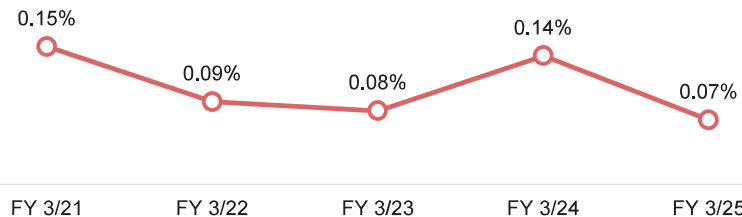
## Non-performing loans coverage ratio



## Non-performing loans ratio



## Credit cost ratio



# FY 3/2026 Forecasts (published figures)

Income increase is expected largely due to an improvement in other operating income and an increase in gain and loss from stocks and other securities

## Forecast (non-consolidated)

(Million yen)	FY 3/25	FY 3/26 (Forecast)
<b>Gross operating income</b>	<b>61,911</b>	<b>66,300</b>
Interest income	67,274	65,400
Fees and commissions	10,477	8,400
Other operating income	(15,840)	(7,500)
<b>Net operating income</b>	<b>21,497</b>	<b>23,700</b>
<b>Ordinary income</b>	<b>24,633</b>	<b>25,300</b>
<b>Net income</b>	<b>17,511</b>	<b>18,000</b>
<b>Credit costs</b>	<b>3,835</b>	<b>3,800</b>

## Forecast (consolidated)

(Million yen)	FY 3/25	FY 3/26 (Forecast)
<b>Ordinary income</b>	<b>25,704</b>	<b>26,400</b>
<b>Consolidated net income attributable to shareholders of the parent</b>	<b>18,042</b>	<b>18,500</b>

## Dividends

	Interim	Year-end	Full year
<b>FY 3/25</b>	<b>9.00 yen</b>	<b>12.00 yen</b>	<b>21.00 yen</b>
<b>FY 3/26 Forecast</b>	<b>12.00 yen</b>	<b>12.00 yen</b>	<b>24.00 yen</b>

Income is expected to increase for both consolidated and non-consolidated financial results due to an expected improvement in other operating income and an increase in gain and loss from stocks and other securities, despite decreases in interest income and fees and commissions and an increase in expenses