Initiatives to Improve P/B Ratio

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Aim to enhance corporate value through the implementation of various initiatives set in the Medium-term Management Plan “Taking on Challenges for the Future”

Logic Tree for P/B ratio Improvement

PBR and ROE: As of March 31, 2026
Number of IR/SR sessions held: FY2025 Results

PBR
0.70 times (As of March 31, 2025: 0.41 times)

ROE in consolidated net assets
5.63% (As of March 31, 2025: 3.87%)

Number of IR/SR sessions held
38 times (FY2024: 24 times)

Improving the P/B ratio

- Higher ROE
  - Higher RORA $\left(\frac{\text{Profit}}{\text{Risk assets}}\right)$ — Enhanced earnings
    - Enhanced interest and service income → Basic Strategy 02: Taking on Challenges for Growth ...p. 23
    - Appropriate control of expenses → Basic Strategy 04: Digital Transformation ...p. 35
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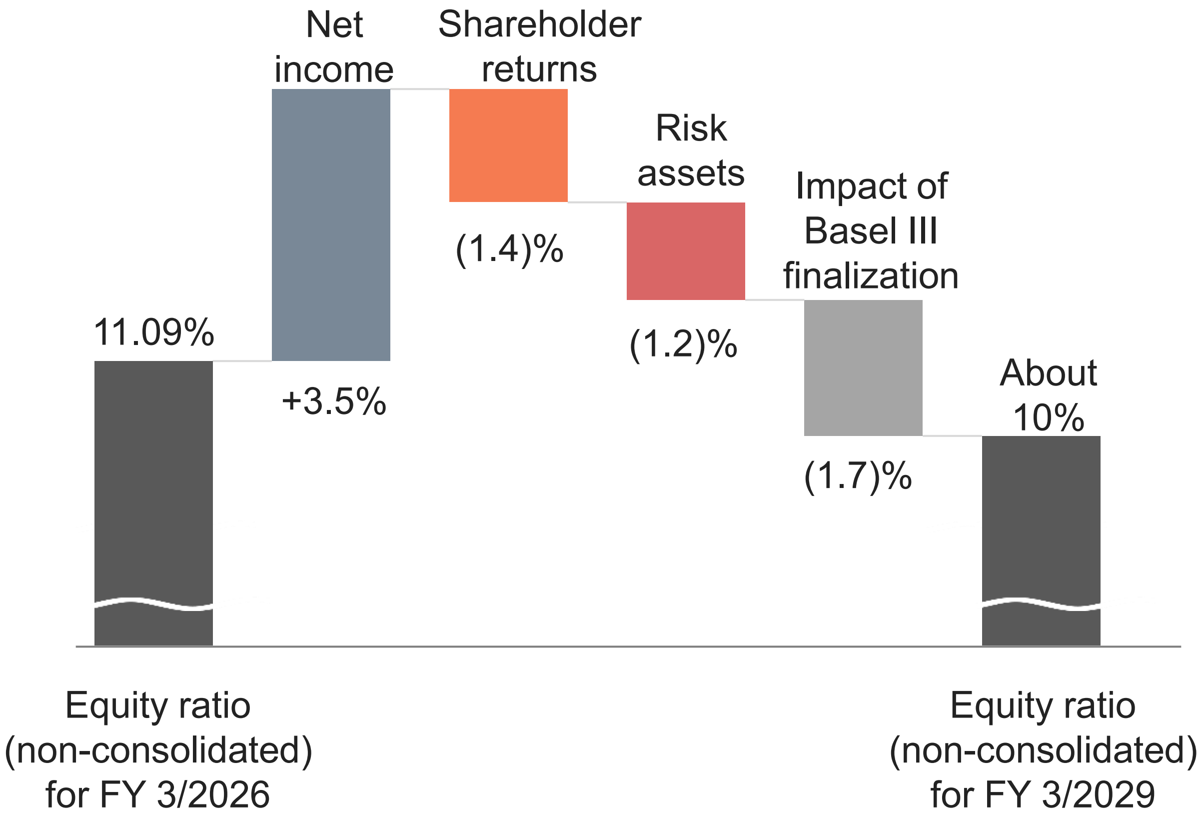
  - Optimizing the leverage $\left(\frac{\text{Risk assets}}{\text{Shareholders' equity}}\right)$ — Streamlining the balance sheet
    - Maintaining an appropriate equity ratio → Capital Allocation ...p. 40
    - Timely and appropriate capital allocation → Cross-Shareholdings / Shareholder Returns ...p. 41
- Higher P/E ratio
  - Growth expectations/ lower capital costs — Information disclosure
    - Enhancing IR activities → Initiatives to Improve PER; Basic Strategy 01: Creation of Social Value ...p. 20
    - Enhancing and disclosing sustainability management → Basic Strategy 03: Human Resource Strategy ...p. 32; Basic Strategy 05: Strengthening of Strategic Foundation ...p. 38

Capital Allocation

Achieve "efficient asset allocation" in terms of both funding and capital to enhance profitability while maintaining soundness and making effective use of management resources

Capital Allocation



<Maintaining an appropriate equity ratio>

Risk assets

- Increase loans to medium-sized companies and SMEs in the region
- Strengthen the framework for structured finance and cross-border loans
- Improve the profitability of mortgage assets
- Restructure the securities portfolio

Achieve efficient asset allocation

Cross-Shareholdings

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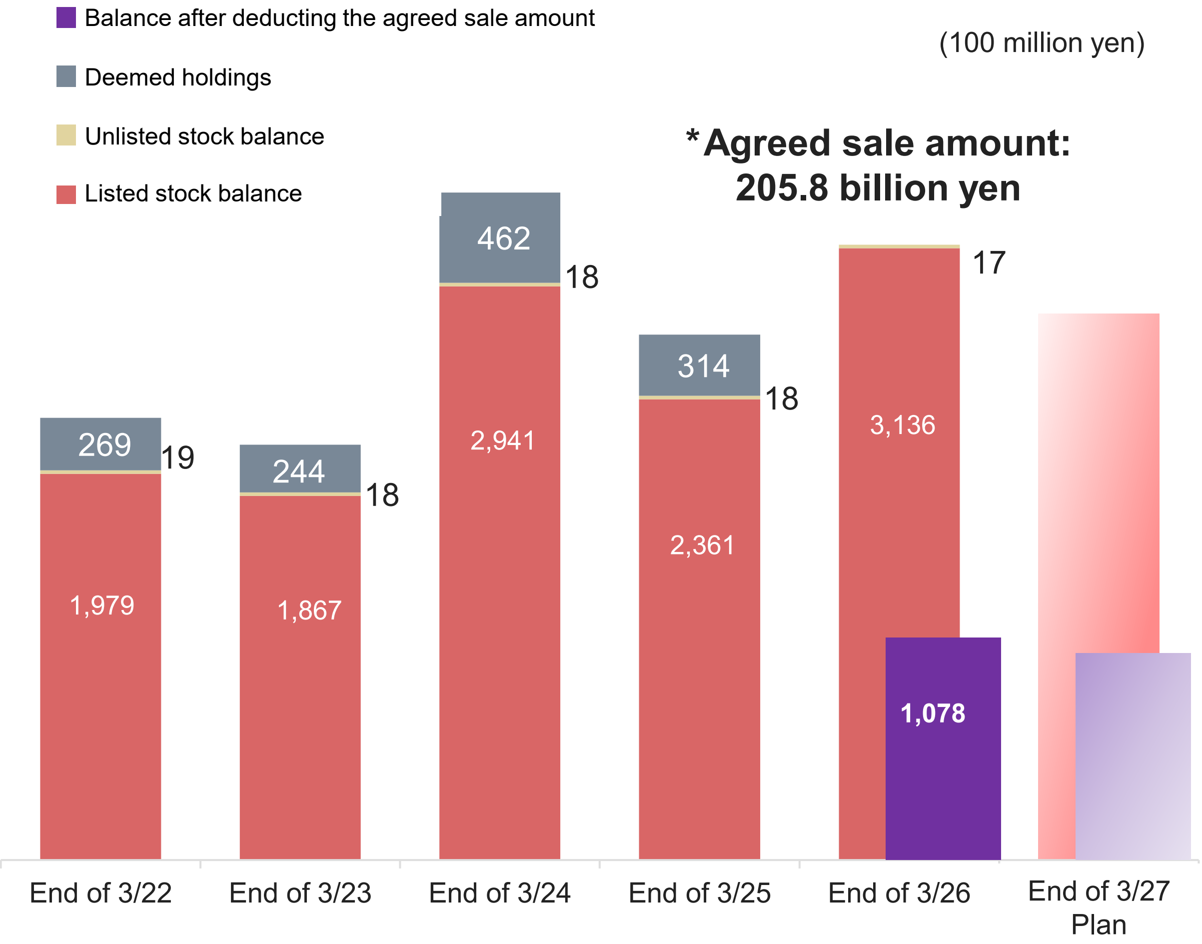
Trend in the balance (market value) of cross-shareholdings



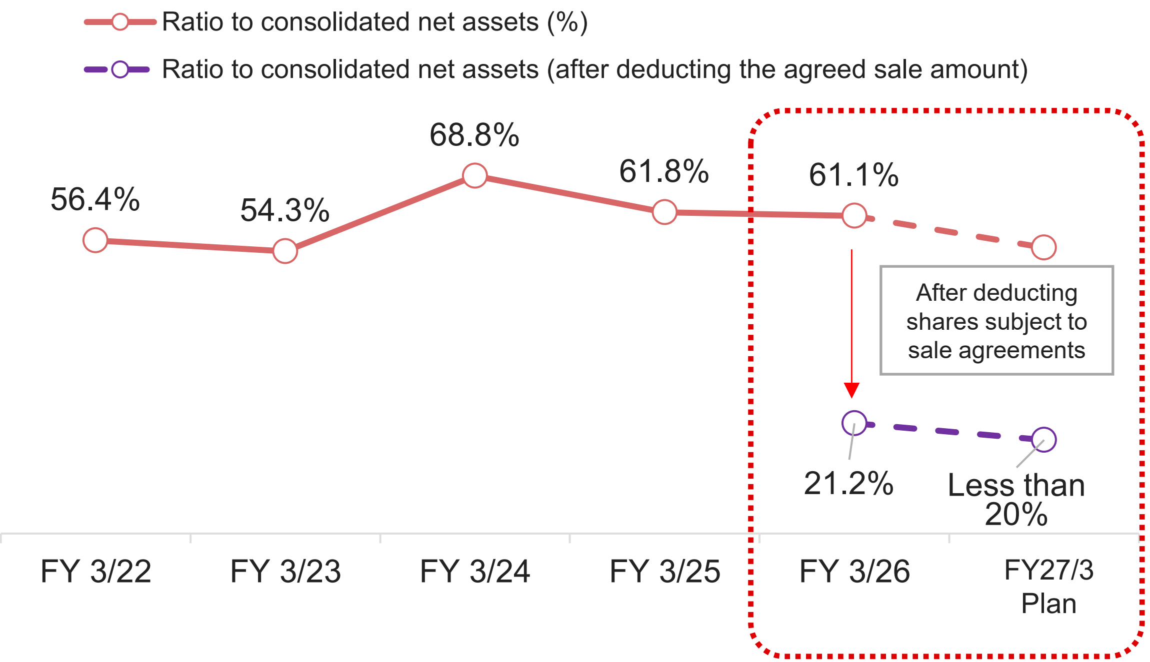
(Nikkei Stock Average: Yen)

27,821	28,041	40,369	35,617	51,063

Concept of reducing cross-shareholdings

- If banking transactions or other relationships with the counterparty continue even after a sale has been agreed, the shares will continue to be managed as cross-shareholdings.
- “Shares for which a sale has been agreed” refers to shares that can be sold on the market at any time without requiring the issuer’s consent to their sale.
- We aim to reduce cross-shareholdings (after deducting shares with agreed sales) to less than 20% of consolidated net assets by the end of FY 3/2027

Trend in ratio of cross-shareholdings to consolidated net assets



Cross-Shareholdings

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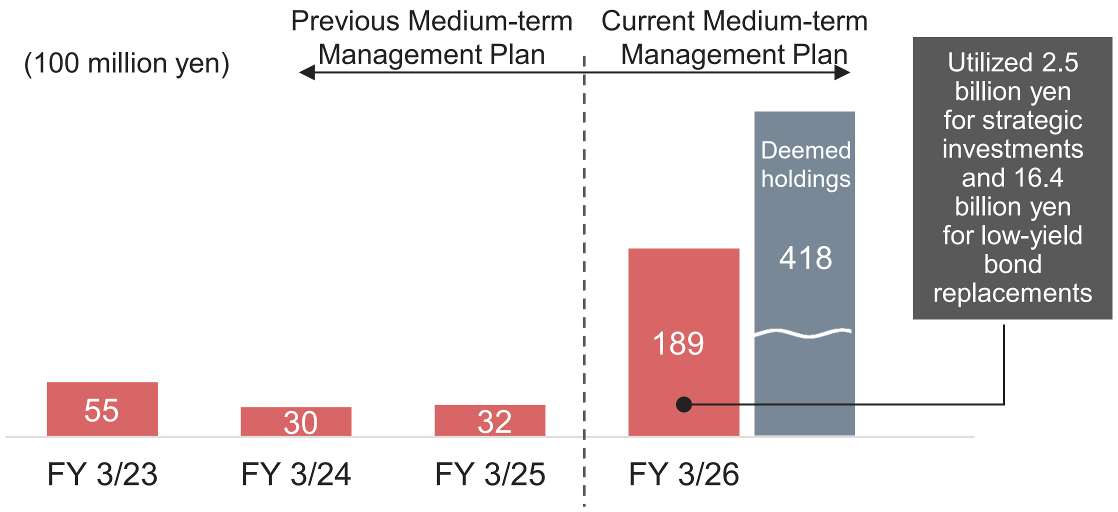
Status of cross-shareholdings reduction

Trend in amount of cross-shareholdings sold since FY 3/2023



- As announced in the Medium-term Management Plan, the Bank plans to reduce its cross-shareholdings by more than 20.0 billion yen on a market value basis over the four years through FY 3/2029
- Sold 18.9 billion yen of cross-shareholdings in FY2025
  Sold all shares held in the retirement benefit trust (deemed holdings), totaling 41.8 billion yen
- Funds from selling shares will be used not only for DX investment and human capital investment, but also strategically for replacing low-yield bonds. By reinvesting in higher-yield bonds, we expect to contribute to the improvement of interest income

Strategic investments financed by proceeds from sales

	Results in FY2025	Plan for Medium-term Management Plan period
DX investment	1.7 billion yen	7.0 billion yen
Human capital investment	0.8 billion yen	13.0 billion yen

Purpose of selling deemed holdings

Reduction of cross-shareholdings
By selling all deemed holdings, steadily advance the policy of reducing cross-shareholdings, aiming to lower the ratio of cross-shareholdings to consolidated net assets

Diversification of concentration risk in specific stocks
Avoid concentration risk in specific stocks by replacing shares contributed to the retirement benefit trust with more stable investment products with relatively low price fluctuation risk

Improvement in the stability of pension asset management
Enhance the stability of pension asset management, mitigate fluctuations in pension assets caused by stock price volatility, and contribute to stabilizing future retirement benefit expenses

Shareholder Returns

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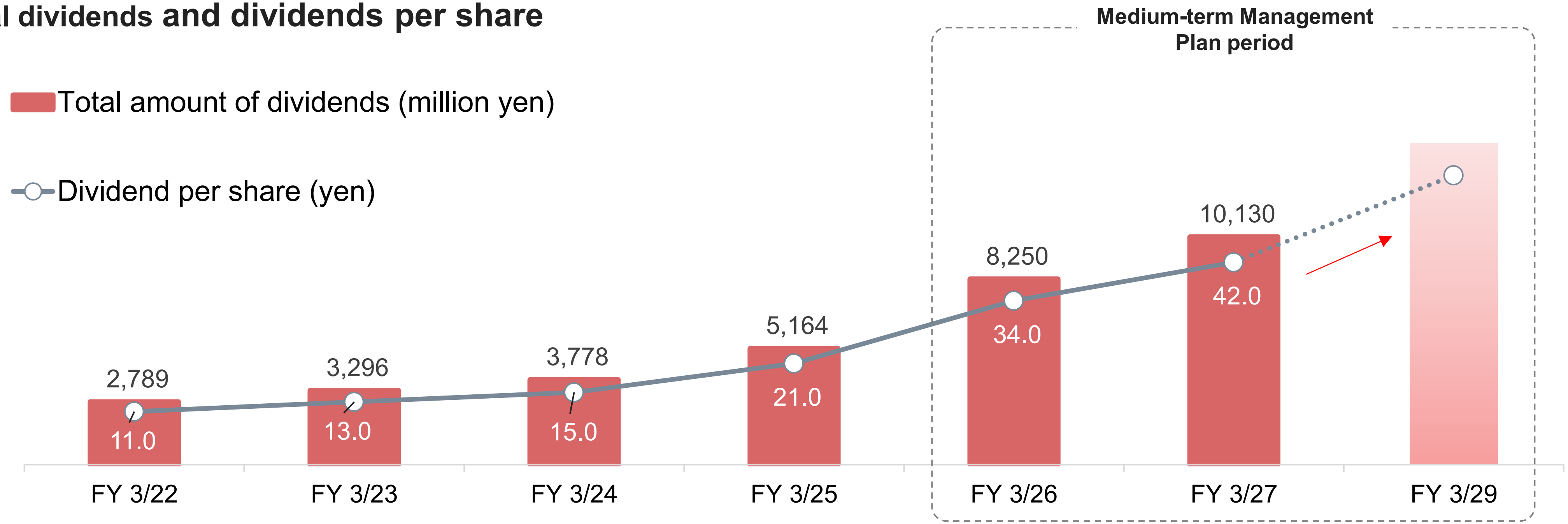
While shareholder returns are based on long-term stable dividends, consider flexible treasury share repurchases targeting a dividend payout ratio of 40%

Trends in total dividends and dividends per share



Fiscal period	FY 3/22	FY 3/23	FY 3/24	FY 3/25	FY 3/26	FY 3/27 Forecast	FY 3/29 Plan (Final year of Medium-term Management Plan)
Dividend payout ratio	20.8%	22.7%	26.6%	28.8%	30.8%	35.3%	40% or more
Total payout ratio	22.0%	22.7%	43.0%	41.2%	40.1%	About 43%	-
Total amount of treasury stock repurchased	160 million yen	-	2,365 million yen	2,260 million yen	2,499 million yen	2,500 million yen	-