Appendix

Strengths of Our Sales Foundation

百五銀行 FRONTIER BANKING

Key sales foundation data

	Survey year	Mie Prefecture	National ranking	Aichi Prefecture	National ranking
Total population	2024	1,711 thousand people	22nd	7,460 thousand people	4th
Gross prefectural product	2022	8,490.6 billion yen	19th	43,083.1 billion yen	3rd
Percentage of working-age population	2024	57.9%	17th	62.0%	3rd
Per capita income of prefectural residents	2022	3,227 thousand yen	13th	3,819 thousand yen	2nd
Shipments of products, etc.	2023	12,311.4 billion yen	9th	58,021.8 billion yen	1st
Real economic growth rate	2022	1.6%	25th	5.1%	5th

Shipments of products by industry (Mie Prefecture)

Industry subcategories	Composition ratio	National ranking
Transportation equipment manufacturing	25.0%	7th
Electronic components, devices, and electronic circuits manufacturing	14.5%	1st
Chemical industry	11.3%	12th
Electrical machinery and equipment manufacturing	8.3%	6th
Petroleum and coal products manufacturing	5.9%	9th
Food manufacturing	4.7%	21st
Non-ferrous metal manufacturing	3.9%	13th
Plastic products manufacturing (excluding those listed separately)	3.8%	13th
General-purpose machinery manufacturing	3.7%	9th
Metal products manufacturing	3.6%	14th
Industries not classified above	14.6%	

Both Mie and Aichi are among the leading industrial regions in Japan

Mie Prefecture

Shipments of products, etc.
Fields of electronic components, devices, and electronic circuits
Ranked No. 1 in the nation for 20 consecutive years
(As of FY2023 survey)

Aichi Prefecture

Shipments of products, etc. Total
Ranked No. 1 in the nation for 47 consecutive years
(As of FY2023 survey)

Strengths of Mie Prefecture

- **Concentration of specialized technologies:** Automotive parts, semiconductor, and electronic component manufacturing facilities are concentrated in the region
- **Geographical advantages:** Location with easy access to both the Chukyo and Kansai regions
- **International logistics hub:** In 2023, the total trade volume at Yokkaichi Port was 3,088.8 billion yen, ranking 9th nationwide
- **Abundant natural resources:** Rich tourism resources such as Ise-Shima National Park and the UNESCO World Heritage-listed Kumano Kodo pilgrimage routes

Strengths of Aichi Prefecture

- **Overwhelming economic scale:** One of the largest economies in Japan with a gross prefectural product exceeding 40 trillion yen
- **Manufacturing cluster:** Automobile-related industries, centered on Toyota, are spread throughout the prefecture
- **Market size:** A vast consumer market with a population exceeding 7.4 million
- **International logistics hub:** The Port of Nagoya (with a total trade volume of 22.6689 trillion yen in 2023, ranking 1st nationwide) and access to global markets via Chubu Centrair International Airport
- **Innovation:** A cluster of next-generation industries such as aerospace and robotics

Source: Statistics Bureau of Japan, Ministry of Internal Affairs and Communications: “Population Estimates” and “Family Income and Expenditure Survey”
Cabinet Office: “Prefectural Economic Accounts”
Ministry of Economy, Trade and Industry: “Economic Structure Survey"
Ministry of Land, Infrastructure, Transport and Tourism: “Port Trade Volume Ranking (Top 100 Ports in 2023)”

Group Companies

百五銀行
FRONTIER BANKING

The Hyakugo Bank, Ltd.

Company	Business
Hyakugo Card Company Limited	Credit card and credit guarantee services
Hyakugo Leasing Company Limited	Lease services
Hyakugo Research Institute Company Limited	Regional industrial research and consulting services
Hyakugo Digital Solutions Company Limited	Planning, development and operation of systems, ICT business
Hyakugo Securities Company Limited	Financial instruments trading services
Hyakugo Business Service Company Limited	Verification and organizing services for cash, etc.
Hyakugo Heartful Service Company Limited	Storage, management, and printing-related services for documents and ledgers, etc.
Hyakugo Property Research Company Limited	Investigation and assessment work for real estate collateral
Hyakugo Office Service Company Limited	Back-office operations involving deposits, foreign exchange, etc.
Hyakugo Staff Service Company Limited	Job placement and labor management services
Hyakugo Mirai Investment Company Limited	Formation and management of investment limited partnerships (funds)
Hyakugo Digital Associate Company Limited	System-related services and staffing services

Impact of Rising Yen Interest Rates

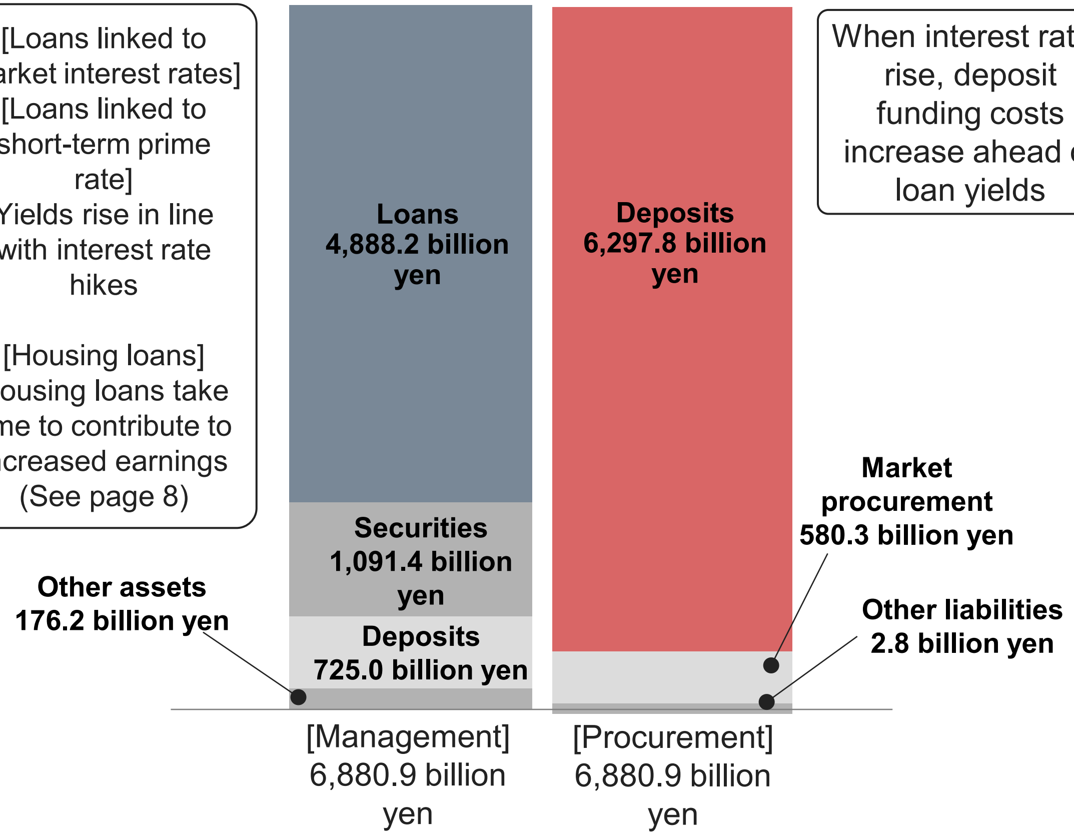
百五銀行 FRONTIER BANKING

Balance Sheet (bank’s non-consolidated basis)

■ Summary of yenbalance sheet (as of March 31, 2026)

[Loans linked to market interest rates]
[Loans linked to short-term prime rate]
Yields rise in line with interest rate hikes

[Housing loans]
Housing loans take time to contribute to increased earnings (See page 8)



When interest rates rise, deposit funding costs increase ahead of loan yields

Impact of a 0.25% increase in yen interest rates on interest income

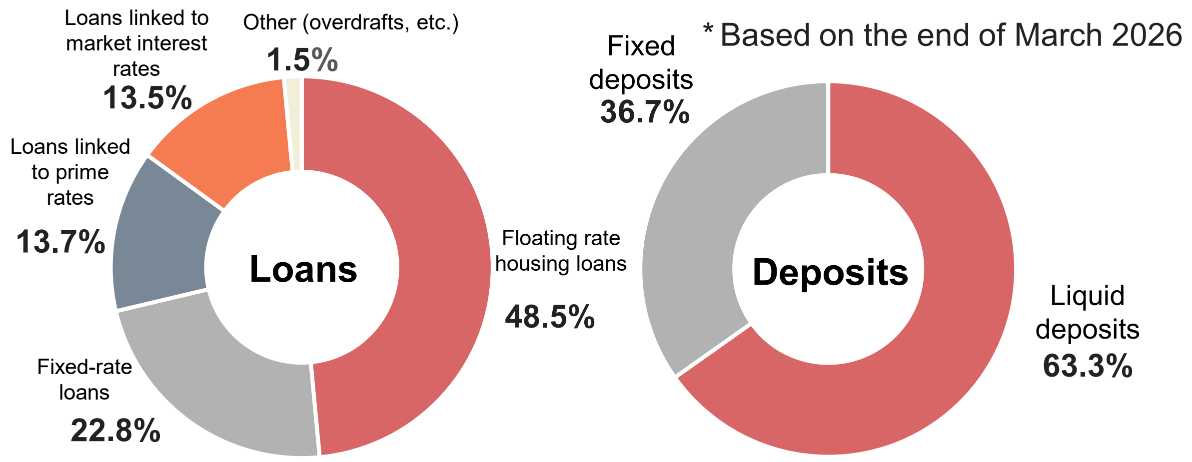
■ Impact simulation

* Policy rate assumption in the Medium-term Management Plan: 0.75% unchanged

June 2026 If the yen interest rate rises by 0.25%		December 2026 If the yen interest rate rises by 0.25%	
FY2026 impact amount	0 billion yen	FY2026 impact amount	+0.1 billion yen
FY2027 impact amount	+3.3 billion yen	FY2027 impact amount	+0.8 billion yen
FY2028 impact amount	+5.0 billion yen	FY2028 impact amount	+5.0 billion yen

Composition of loans and deposits

* Based on the end of March 2026



* Breakdown of loans by interest rate category
Fixed interest rates: approx. 24.3%
Floating interest rates: approx. 75.7%

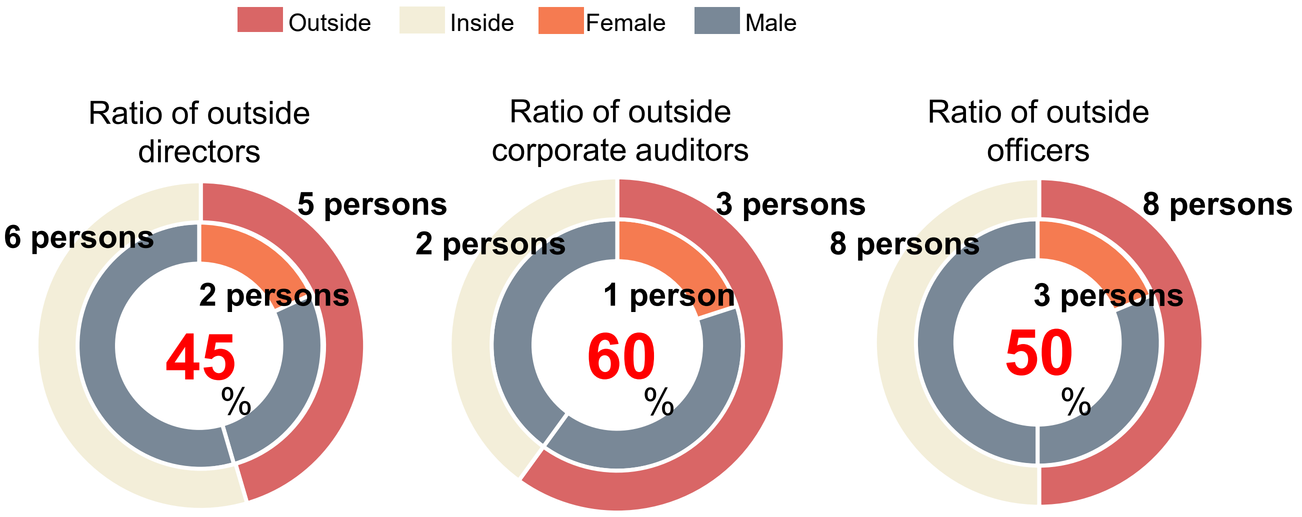
Corporate Governance Reinforcement

Reinforcement of the PDCA cycle in corporate governance

Matters to Be Addressed	Descriptions and Responses
Clarification of responsible departments	Clarify the corporate governance departments (Corporate Planning Section and Secretariat) that were not previously defined, and establish a corporate governance promotion system
Acceleration of information sharing	Share issues raised by management across departments and strengthen the framework for regularly reporting progress to management and implementing additional instructions
Further promotion of active discussions at the Board of Directors meetings	Ensure appropriate discussion time at the Board of Directors meetings based on the importance of agenda items (e.g., by simplifying reporting matters). Review the timing of pre-meeting material disclosure to outside directors, and enrich pre-meeting briefing to secure adequate time for deliberation

Ratio of outside officers

* As of March 31, 2026



*Eight outside officers are all “independent”

Main topics discussed at the Board of Directors meetings in FY2025 (15 meetings held)

- **Matters related to sustainability management**
  FY2026 business plan / Establishment of personnel policies / Scope 1 and 2 reduction plan / DX promotion and generative AI utilization
- **Matters related to corporate governance**
  Assessment of the effectiveness of the Board of Directors / Review of cross-shareholdings and formulation of a disposal policy
- **Matters related to cybersecurity**
  Strategy and action plan on cybersecurity /
  Results of the third-party assessment of the cybersecurity management framework
- **Matters related to risk and compliance**
  Formulation of FY2026 compliance activity plan / Revision of the Hyakugo Bank Group’s risk assessment report related to money laundering and other issues / Formulation of an operation policy on integrated risk management / Determination of the annual audit plan / Identification of top risks / Formulation of a basic policy on customer harassment

Equity Ratio (Consolidated)

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(100 million yen)

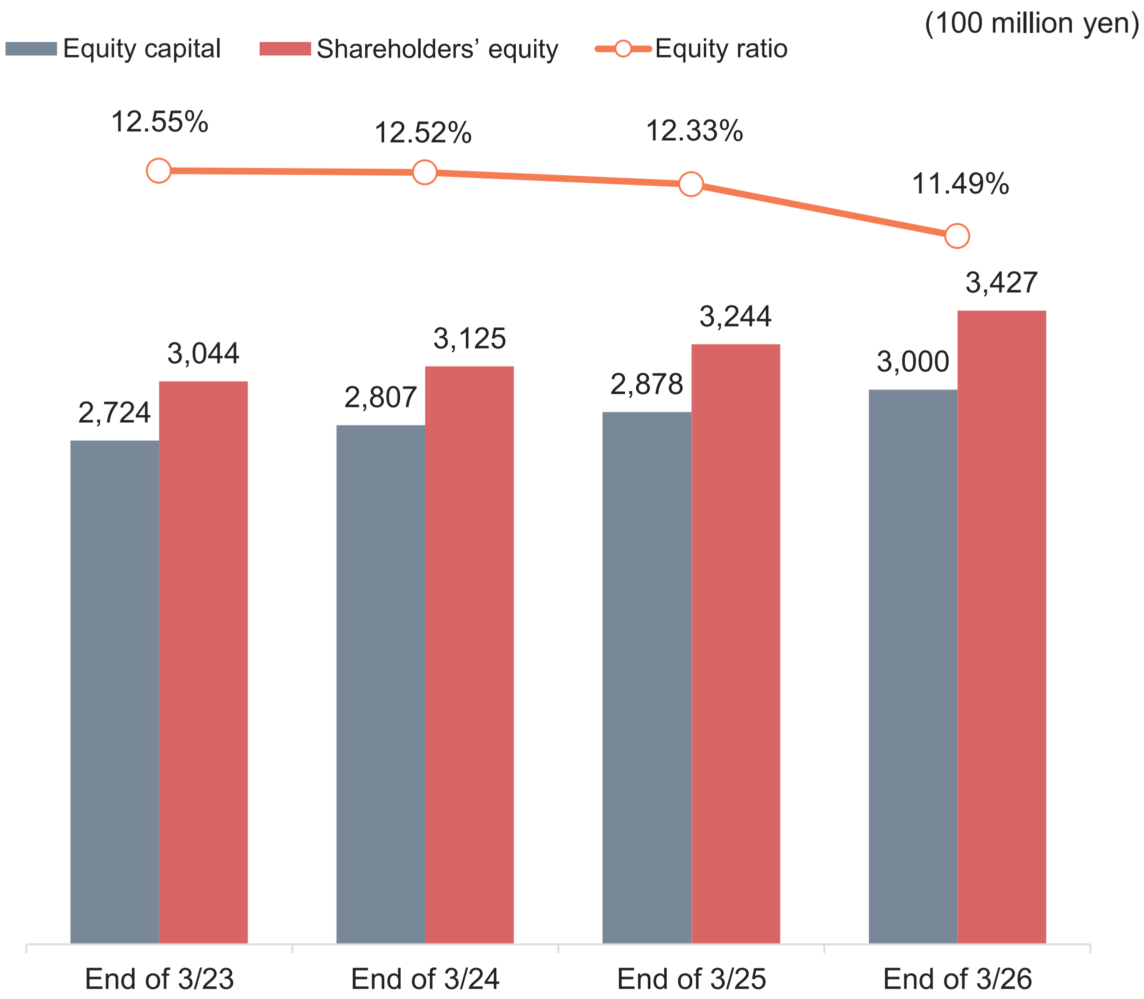
	End of 3/24	End of 3/25	End of 3/26
Equity capital (For equity ratio calculation purposes)	2,807	2,878	3,000
Risk assets	22,414	23,344	26,111
Equity ratio	12.52%	12.33%	11.49%

Shareholders' equity	3,125	3,244	3,427

Method of computing value-at-credit-risk asset value: Approach based on fundamental internal ratings

Method of computing value-at-operational risk： Standard approach

Equity capital, shareholders' equity, and equity ratio



Integrated Risk Management

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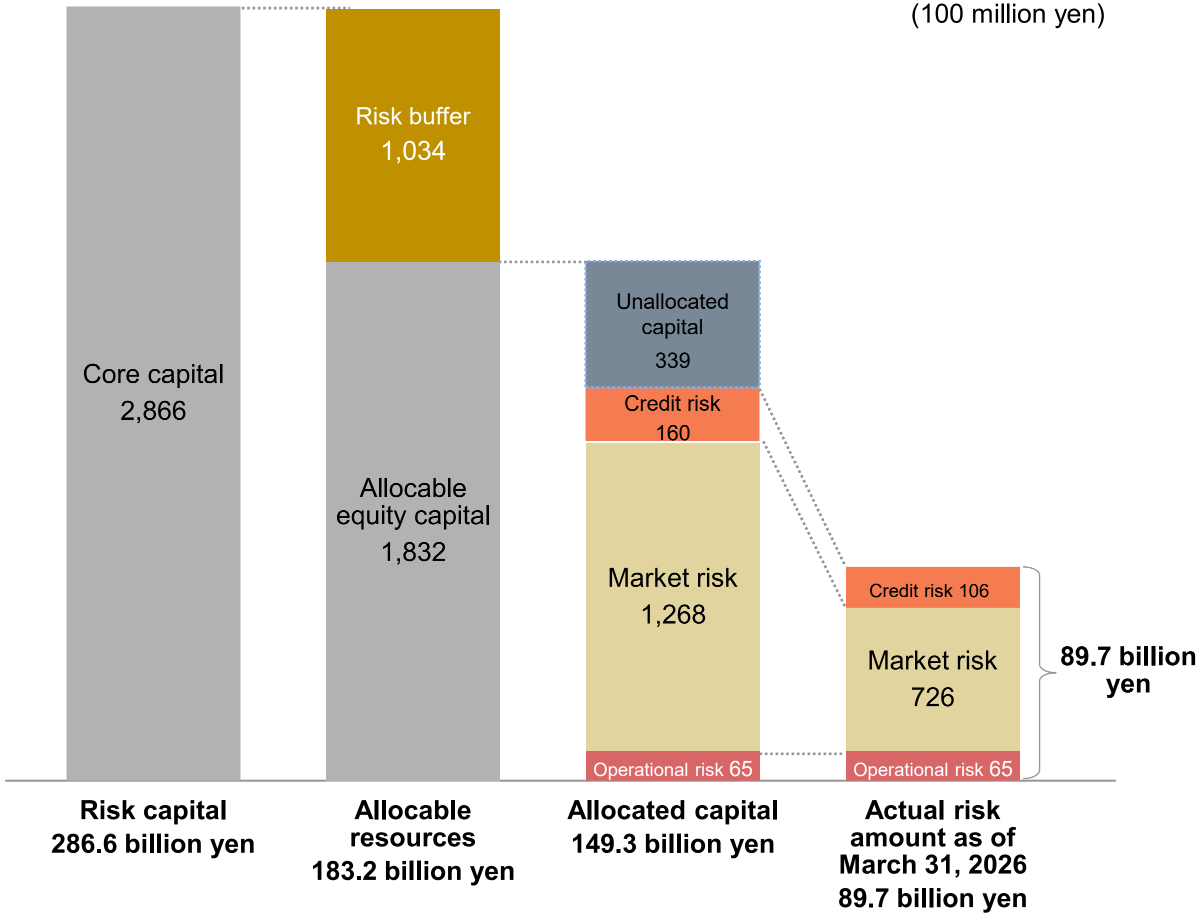
- Risk is kept within an appropriate range according to the Bank's operating capabilities based on integrated risk management
- Compared with core capital of 286.6 billion yen and allocable capital of 183.2 billion yen, actual amount of risk is 89.7 billion yen



Method of measuring risk

		Method of measurement	Confidence interval	Holding period
Credit risk (including market-related credit exposure)		VaR	99 %	1 year
Market risk	Cross-shareholdings	VaR *	99 %	6 months
	Investment rates, portfolio investment, investment trusts	VaR	99 %	3 months
Operational risk		Standard approach		

* Amount of risk of cross shareholdings is measured after taking into consideration unrealized gains or losses (valuation gains (losses) minus the VaR equivalent value)

* Risk buffer : Capital not allocated to risk limits in the case of emergencies (equivalent to 4% of equity ratio)

* Unallocated capital : Unused portion of allocable capital

Outstanding Non-performing Loans by Disclosure Standard and Coverage

Non-performing Loans under Internal Assessment Standard (target: total credit exposure)

Classification		Credit outstanding	Category: Non-categorized	Category II	Category III	Category IV
Failure		7 <5>	5	1	- (1)	- (2)
Substantial failure		88 <56>	73	15	- (7)	- (31)
Possible failure		495	291	75	128 (129)	
Watch list	Under control	113	22	91		
Watch list	Others	927	366	561		
Normal		50,488	50,488			
Total		52,121 <52,087>	51,247	745	128 (137)	- (34)

Loans disclosed under the Financial Reconstruction Act and risk-managed claims (target: total credit exposure)
*Special attention loans, loans that are delinquent for three months or more and restructured loans are loans only

Classification	Credit outstanding		Amount covered by collateral and guarantee	Reserve for possible loan losses	Coverage ratio
Bankrupt and quasi-bankrupt assets	95 <61>		53	42	100.00%
Doubtful assets	495		238	129	74.14%
Substandard loans	90	Debts past due by three months or more 0 Restructured loans 90	18	9	31.33%
Sub-total	682 <648>		310	181	72.09%
Normal assets	51,439				
Total	52,121 <52,087>				

Ratio of loans disclosed under the Financial Reconstruction Act (subtotal) over total credit exposure: 1.30%

Reference
Ratio of loans disclosed under the Financial Reconstruction Act over total credit exposure if partial direct write-offs were carried out: 1.24%

(100 million yen) *Amounts less than stated units are rounded down.
* Total credit: Loans, customers' liabilities for acceptances and guarantees, private placement bonds guaranteed by the bank, foreign exchange, suspense payments and accrued interest similar to loans, etc.
* Values shown in the section "Non-performing Loans" under "Internal Assessment Standard" are after loan loss reserves, with the value indicated in parentheses representing amounts of reserves corresponding to the respective sections.
* The Bank does not carry out partial direct write-offs, but the amounts that would be derived if a partial direct write-off were carried out are shown in angled brackets.

Trends of loans disclosed under the Financial Reconstruction Act

(100 million yen)

	End of 3/22	End of 3/23	End of 3/24	End of 3/25	End of 3/26	Vs. end of 3/2025
Bankrupt and quasi-bankrupt assets	91	73	100	123	95	(27)
Doubtful assets	456	493	493	479	495	16
Substandard loans	103	79	80	77	90	13
Total	651	646	673	680	682	2
Non-performing loans ratio	1.52%	1.39%	1.35%	1.32%	1.30%	(0.02)P