

Overview of Financial Results for FY2024 – IR Presentation –

May 26, 2025



Hirogin Holdings, Inc.



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Today's agenda

Results

Net income attributable to owners of the parent for FY2024 was **35.8** billion yen; the consolidated ROE was **6.9%**.

Plans call for net income attributable to owners of the parent to reach **40.0** billion yen in FY2025, marking a record high for the second consecutive year, with consolidated ROE on-track to reach **7.8%**.

Planned

In light of recent interest rate trends, the **Mid-Term Plan 2024**, announced last year, has been **revised upward**.

In the final fiscal year of the Mid-Term Plan (FY2028), the target set for consolidated ROE is a minimum of **9.5%** (revised from the previous target of 7% or higher).

Consolidated ROE is projected to exceed **10%** due to improved securities yields and enhanced structured finance.

Status of initiatives

The status of various strategic initiatives remains **positive**.

To achieve the KPIs, initiatives in the **corporate sector**—one of the Group's key strengths—will be further strengthened.

未来を、ひろげる。



Hirogin Holdings, Inc.

I. Highlights of financial results for FY2024

Overview of financial results for FY2024

- Net income attributable to owners of the parent is 35.8 billion yen, up 8.2 billion yen year on year, marking a new record high.

Summary of consolidated business performance

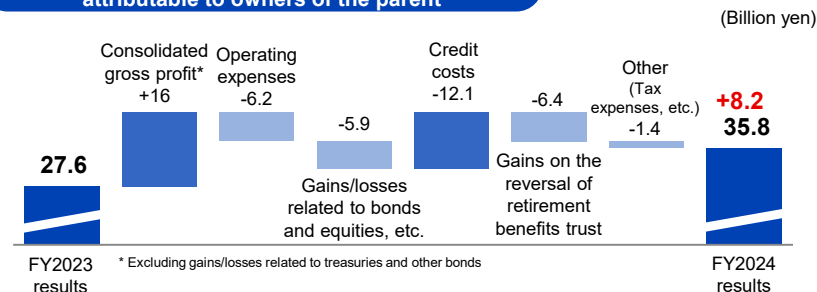
(Billion yen)				
	FY2024	YoY	(Change rate)	vs. Announced
Consolidated gross profit	112.8	12.1	(12.0%)	
(excluding gains/losses related to treasuries and other bonds)	119.1	16.0		
Net interest income	85.7	12.8		
Income on service transactions and other fees	26.0	1.9		
Income from specific transactions and other businesses	1.0	-2.6		
(including gains/losses related to treasuries and other bonds)	-6.2	-3.8		
Operating expenses (-)	64.1	6.2		
Credit costs (-)	2.9	-12.1		
Gains/losses related to equities, etc.	5.5	-2.1		
Equity in earnings of affiliates	0	0		
Other	0.8	2.0		
Ordinary profit	52.1	18.0	(52.8%)	1.6
Extraordinary gains/losses	-1.1	-6.9		
(Including gains on the reversal of retirement benefits trust)	-	-6.4		
Total income tax, etc. (-)	15.1	2.9		
Interim net income attributable to non-controlling interests (-)	0	0		
Interim net income attributable to owners of the parent	35.8	8.2	(29.4%)	0.8
(Ref.) Operating overhead ratio (*)	53.9%	-2.3%		

* Operating overhead ratio = operating expenses / (consolidated gross profit-gains/losses from treasuries and other bonds)

Key points of financial results for FY2024

- Consolidated gross profit (excluding gains/losses related to treasuries and other bonds)**
 - Interest income rose significantly due to higher loan interest driven by increased local balances and improved yields, as well as enhanced profitability in securities investments.
- Gains/losses related to treasuries and other bonds**
 - Low-yield bonds were disposed of as part of efforts to build a securities portfolio capable of securing stable and continuous profitability.
- Operating expenses**
 - Active investment in growth areas, primarily in human capital, digital transformation (DX), and IT initiatives.
- Credit costs**
 - A decline in rebounds due to the lack of large loan-loss provisions recorded last year.
- Net income attributable to owners of the parent**
 - It increased by 8.2 billion yen year on year to 35.8 billion yen, marking a new record high.

Factors underlying changes in net income attributable to owners of the parent



Results for major Group companies: Bank

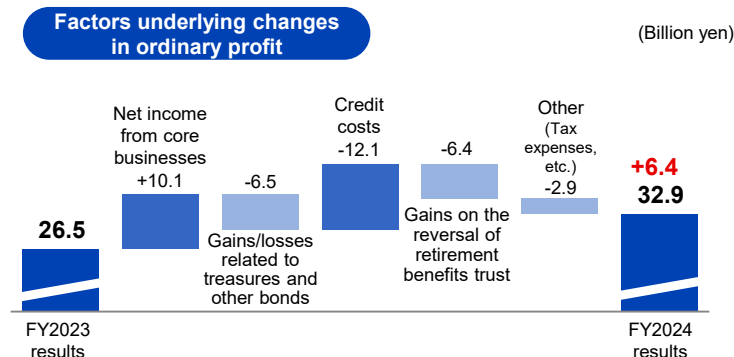
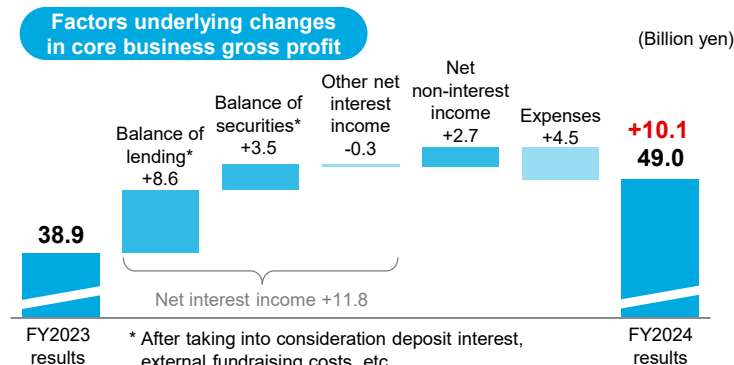
- ▶ The balance of lending, balance of securities, and net non-interest income increased, resulting in a 10.1 billion yen year on year increase in net income from our core businesses, demonstrating improved profitability. Net income also increased by 6.4 billion yen year on year.

Hiroshima Bank summary results

(Billion yen)

	FY2024	YoY	(Change rate)
Core business gross profit	106.5	14.5	(15.7%)
Net interest income	85.9	11.8	
Net non-interest income	20.5	2.7	
Corporate solutions	7.4	1.6	
Asset management	4.2	-0.7	
Revenue from personal loans	3.5	1.7	
Other (domestic exchange, foreign exchange, etc.)	5.4	0.1	
Expenses (excluding extraordinary disposal) (-)	57.5	4.5	
Net income from core businesses	49.0	10.1	(25.8%)
Net income from core businesses (excluding gains/losses from cancellation of investment trusts)	49.0	10.1	(25.8%)
Gains/losses related to treasuries and other bonds	-6.2	-3.8	
Effective net income from businesses	42.7	6.2	(17.0%)
Credit costs (-)	2.3	-12.1	
Gains/losses related to equities, etc.	5.5	-2.7	
Other temporary gains/losses	1.7	0.6	
Ordinary profit	47.7	16.3	(51.5%)
Extraordinary gains/losses	-1.1	-6.9	
(Including gains on the reversal of retirement benefits trust)	-	-6.4	
Total income tax, etc. (-)	13.6	2.9	
Interim net income	32.9	6.4	(24.2%)

Factors underlying changes in core business gross profit and ordinary profit



Results for major Group companies: Excluding Hiroshima Bank

- ▶ The total net income for group companies was 3.005 billion yen, an increase of 416 million yen year on year.
- ▶ Going forward, we will continue to strengthen our capacity to provide solutions in nonfinancial fields in response to customer needs.

Summary results for major Group companies

 Financial consolidated subsidiary
  Nonfinancial consolidated subsidiary

Hirogin Securities			Hirogin Lease			Shimanami Servicer			Hirogin Capital Partners			Hirogin Credit Service		
(Million yen)	FY2024	YoY change	(Million yen)	FY2024	YoY change	(Million yen)	FY2024	YoY change	(Million yen)	FY2024	YoY change	(Million yen)	FY2024	YoY change
Gross income	4,719	-312	Gross income	2,990	451	Gross income	684	-7	Gross income	232	79	Gross income	4,063	318
Ordinary profit	678	-315	Ordinary profit	1,474	432	Ordinary profit	97	21	Ordinary profit	87	658	Ordinary profit	1,907	45
Net income	478	-174	Net income	940	228	Net income	55	14	Net income	60	457	Net income	1,254	35

Hirogin Life Partners*			Hirogin Human Resources			Hirogin IT Solutions			Hirogin Area Design			Total net income for group companies*		
(Million yen)	FY2024	YoY change	(Million yen)	FY2024	YoY change	(Million yen)	FY2024	YoY change	(Million yen)	FY2024	YoY change	(Million yen)	FY2024	YoY change
Gross income	7	-	Gross income	308	36	Gross income	1,008	-200	Gross income	347	-65	Total net income for group companies	3,005	416
Ordinary profit	-56	-	Ordinary profit	32	-32	Ordinary profit	113	-288	Ordinary profit	59	-26			
Net income	-39	-	Net income	16	-25	Net income	81	-182	Net income	51	-7			

* Established January 2024, with operations starting in July

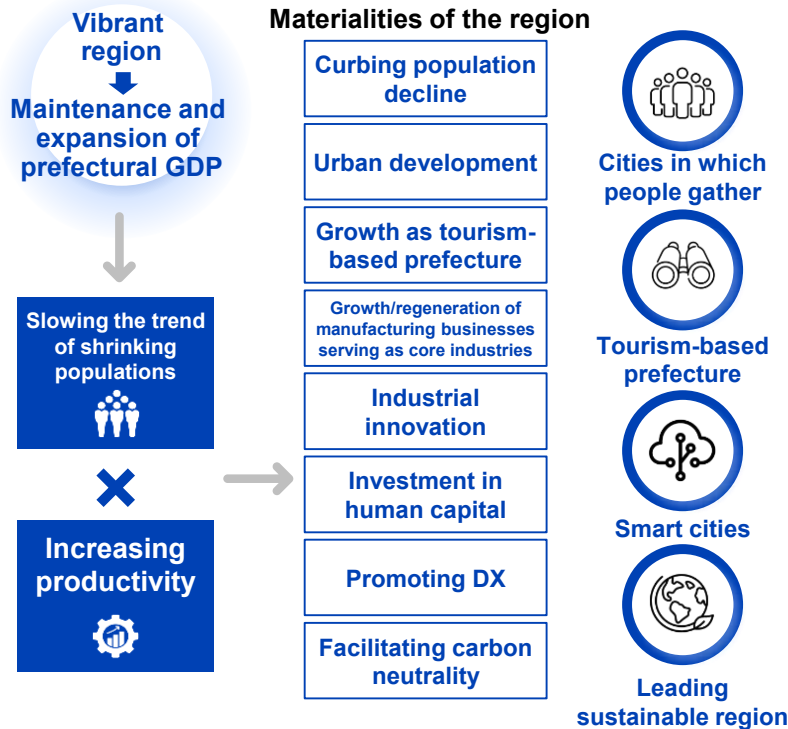
* Total amount obtained after multiplying interim net income for consolidated subsidiaries, etc. excluding Bank by ownership ratio

II. Review of Mid-Term Plan 2024

Overview of Mid-Term Plan 2024: Regional and Group vision

- ▶ Mid-Term Plan 2024 identifies clear regional materialities for realizing vibrant region (maintenance and expansion of prefectural GDP). The Group will demonstrate an overwhelming presence in the region through efforts to identify solutions to these issues.
- ▶ The Group will strengthen its corporate value by deepening and expanding its business axes and maximizing the human capital, thereby achieving its ideal form and ultimate purpose.

Regional vision



The Group's vision

To demonstrate an overwhelming presence in the region

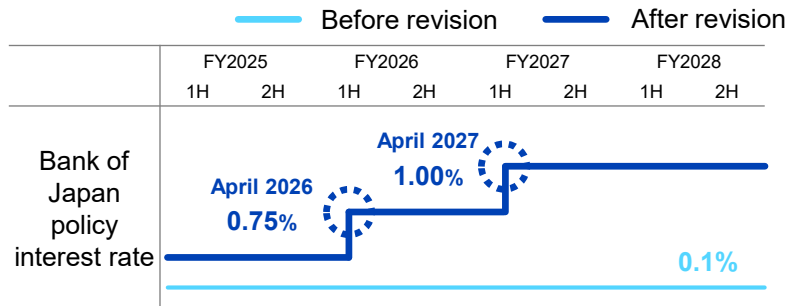


Details of main revisions to FY2028 targets

Background of revisions

- ❑ The interest rate scenario envisioned in the Mid-Term Plan 2024, which was announced last year, called for a Bank of Japan policy interest rate of 0.1%, which differs from current market conditions.
- ❑ The interest rate **scenario** will be revised to one **calling for an increase, in stages, in the BoJ policy interest rate to 1.0%**, in light of changing market conditions.

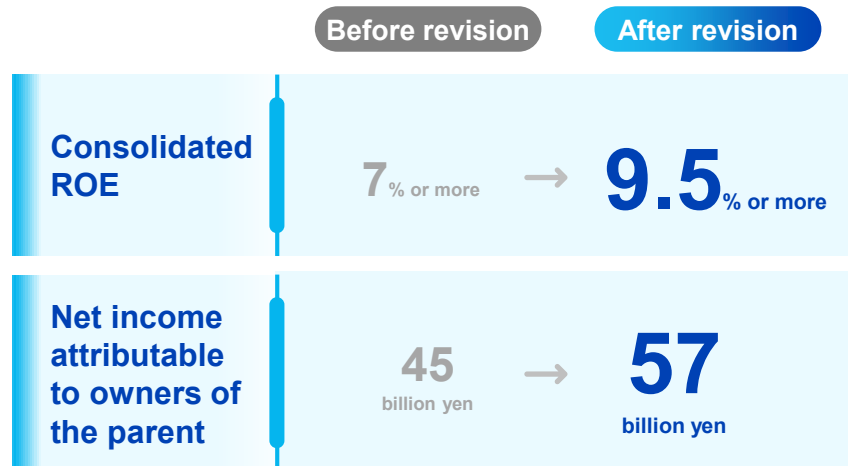
(Policy interest rate scenario)



(Other FY2028 market scenarios)

		(Before revision)	(After revision)
Yen interest rate	Rate on 10-year JGBs	1.50%	2.00%
Foreign currency interest rates	FF rate	3.00%	3.75%
	Rate on 10-year US treasuries	3.75%	4.30%
Exchange rate (USD/JPY)		135 yen	140 yen
Nikkei average		41,000 yen	44,000 yen

Details of revisions (FY2028)



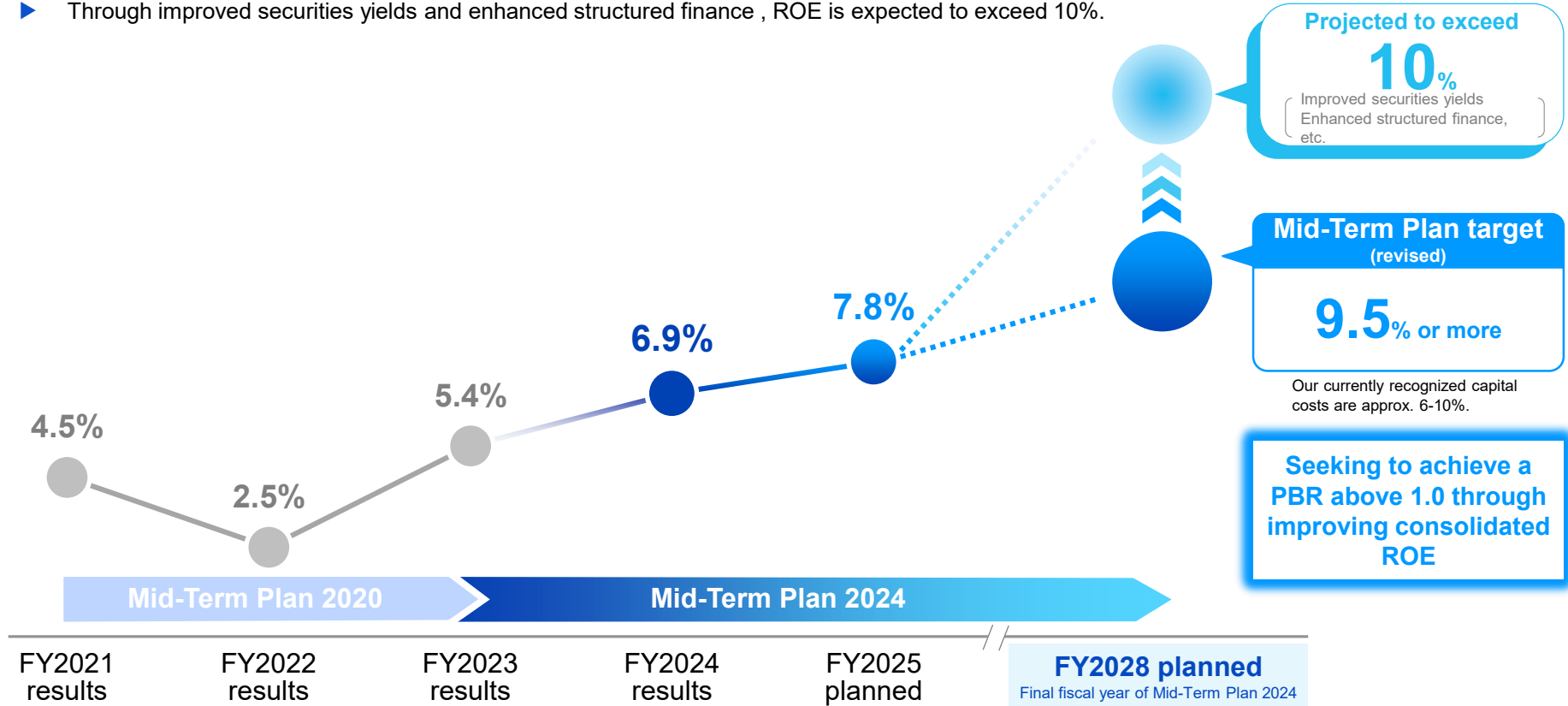
- The consolidated capital adequacy ratio and consolidated BPS targets established in Mid-Term Plan 2024 remain unchanged.
- Some Group initiatives intended to achieve KPIs for regional revitalization have been revised.

Details: p. 14

Details: p. 15

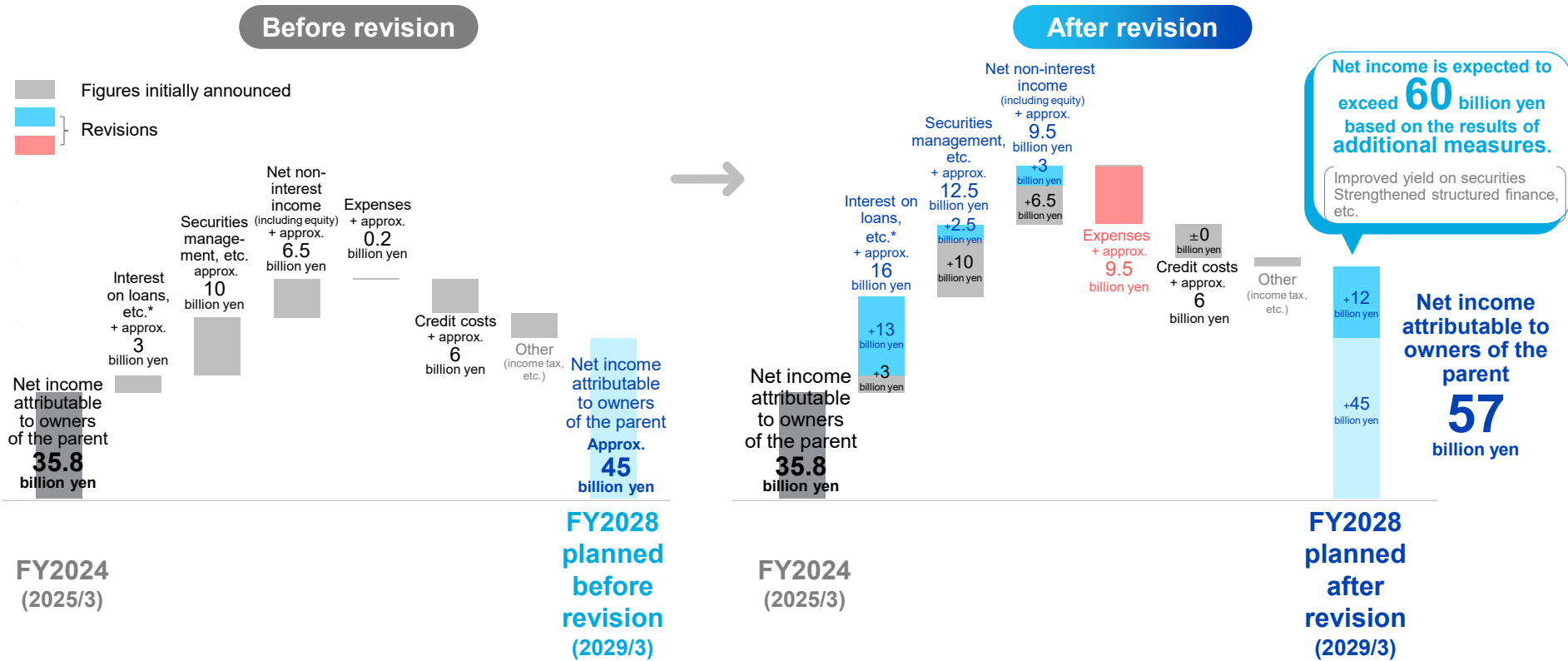
Consolidated ROE level

- ▶ To achieve a PBR better than 1.0, plans call for consolidated ROE to reach a minimum of 9.5% in FY2028, the final fiscal year of the Mid-Term Plan.
- ▶ Through improved securities yields and enhanced structured finance , ROE is expected to exceed 10%.



Net income attributable to owners of the parent

- Plans call for income attributable to owners of the parent to reach 57 billion yen in FY2028, the final fiscal year of the Mid-Term Plan.
- We expect net income to exceed 60 billion yen on the strength of improved securities yields and enhanced structured finance.



* Reflecting deduction of external fundraising costs

(Reference) Plans for net income attributable to owners of the parent

Earnings plans

	FY2024	...	FY2028	vs. FY2024	vs. before revision
Bank	Net interest income	85.9 billion yen	121.5 billion yen	+35.6 billion yen	+24.5 billion yen
	(Included) Loan interest, deposit interest, etc.	70.8 billion yen	87 billion yen	+16.2 billion yen	+13.3 billion yen
	(Included) Interest and dividends from securities	13 billion yen	22.5 billion yen	+9.5 billion yen	+2.5 billion yen
	Net non-interest income	20.5 billion yen	26.5 billion yen	+6 billion yen	+5 billion yen
	(Included) Corporate solutions	7.4 billion yen	11 billion yen	+3.6 billion yen	+2.5 billion yen
	(Included) Asset management	4.2 billion yen	6 billion yen	+1.8 billion yen	+0.5 billion yen
	Core business gross profit	106.5 billion yen	148 billion yen	+41.5 billion yen	+29.5 billion yen
Nonbank	Expenses	57.5 billion yen	66.5 billion yen	+9 billion yen	+9.5 billion yen
	Net income from core businesses	49 billion yen	86.5 billion yen	+37.5 billion yen	+25 billion yen
	(Included) Credit costs	2.3 billion yen	8 billion yen	+5.7 billion yen	±0 billion yen
	Net income	32.9 billion yen	52 billion yen	+19.1 billion yen	+11 billion yen
	Net income (Total)	2.9 billion yen	4.8 billion yen	+1.9 billion yen	+0.8 billion yen
	Net income attributable to owners of the parent	35.8 billion yen	57 billion yen	+21.2 billion yen	+12 billion yen

Note: Interest on loans and securities profits and dividends reflect deductions of external fundraising costs.

Major factors contributing to changes

Loan interest and deposit interest, etc.

* For interest and dividends from securities, please refer to p.30.

(Loans)

- Average annual growth rate of business loans and personal loans: 3%
- Loan rate pass-through to policy rate: Prime (long-term): 80%, Prime (short-term): 50%, Market-linked / Long-term fixed: 100%

(Deposits)

- Average annual growth rate of yen deposits: 2%
- Deposit rate pass-through to policy rate: Current deposit: 40%, Time deposit: approx. 50%

Net non-interest income

(Corporate)

- Provision of new solutions and further risk-taking initiatives
(Strategic direction and implementation measures under consideration)

Expenses

(Labor costs)

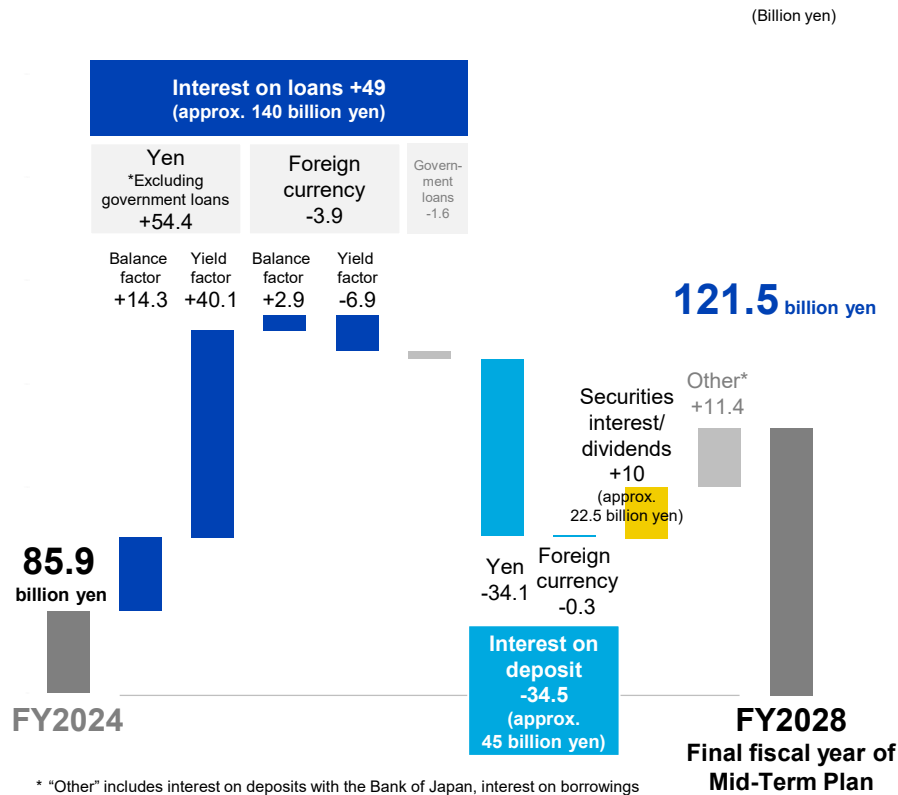
- Incorporating an average annual base salary increase of 3%
(+ approx. 1.6 billion yen)

(Non-personnel expenses)

- Incorporating core systems migration and other IT investments
- Incorporating additional DX investments
(+ approx. 4 billion yen)

(Reference) Factors contributing to changes in net interest income and capital allocation plan

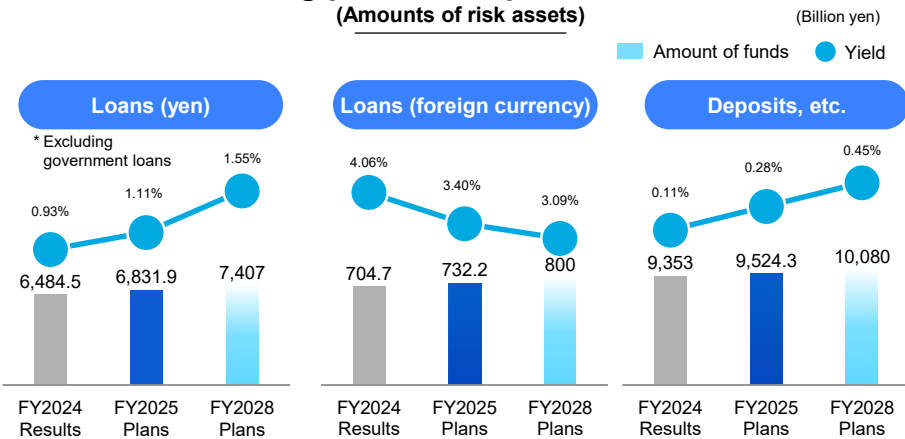
Factors contributing to changes in net interest income



* "Other" includes interest on deposits with the Bank of Japan, interest on borrowings from the Bank of Japan, etc.
() represents the interest income for FY2028, the final fiscal year of the Mid-Term Plan.

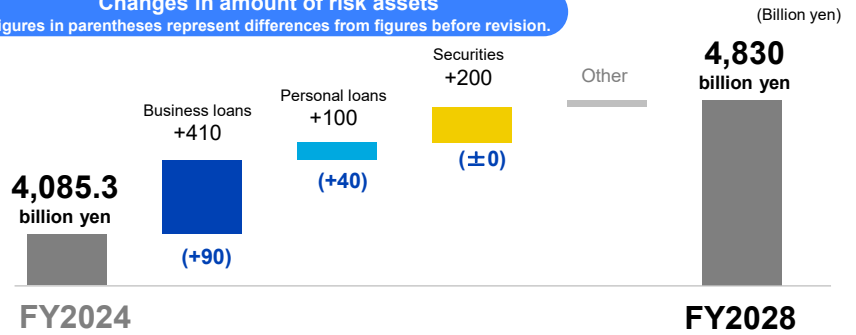
Funding plan and capital allocation

(Amounts of risk assets)



Changes in amount of risk assets

*Figures in parentheses represent differences from figures before revision.



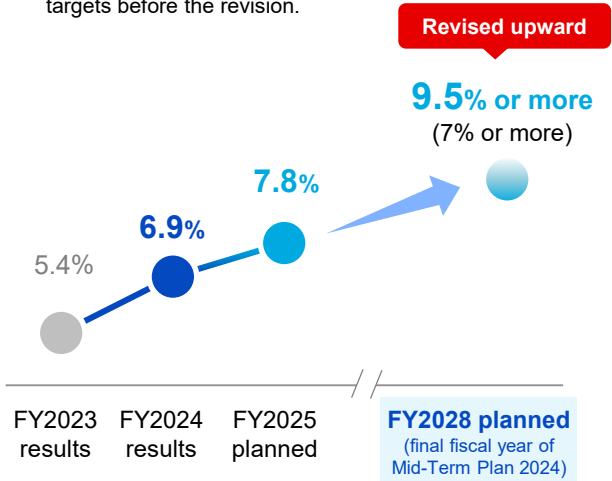
Progress on Mid-Term Plan 2024: Group KPIs

- ▶ The Group is making steady progress toward the KPIs set for the final fiscal year of Mid-Term Plan 2024 (FY2028).
- ▶ No revisions have been made in the consolidated capital adequacy ratio. The Group intends to pursue additional risk-taking initiatives to enhance profitability.
- ▶ Regarding consolidated BPS, while no revision has been made in light of the current level of net assets, the Group remains committed to a balanced management approach that includes executing growth investments, maintaining financial soundness, and strengthening shareholder returns.

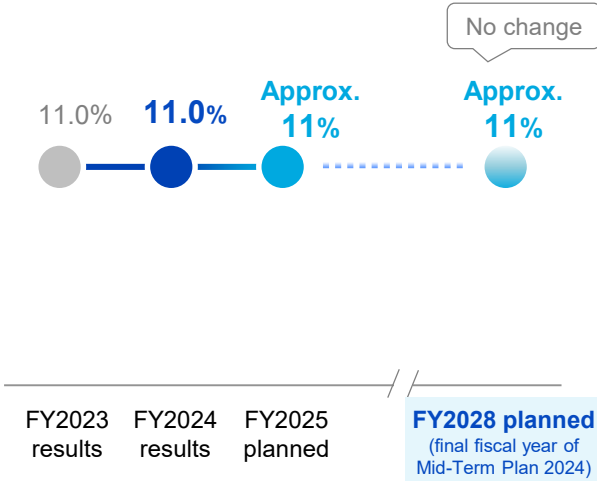
Mid-Term Plan 2024 Group KPIs

Consolidated ROE

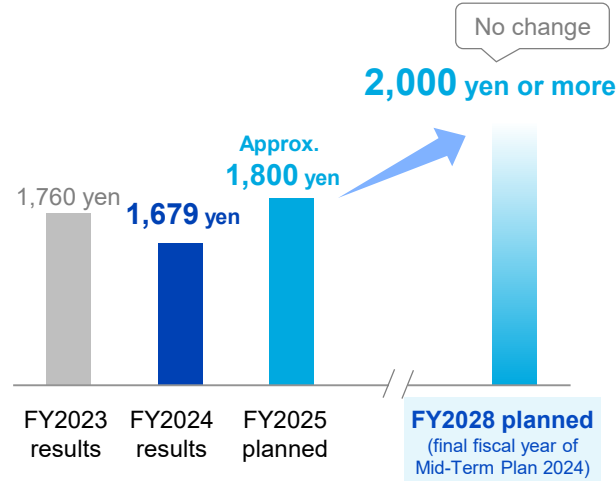
Figures in parentheses indicate targets before the revision.



Consolidated capital adequacy ratio



Consolidated BPS



Progress on Mid-Term Plan 2024: Group Initiatives to Achieve the Regional Revitalization KPIs

▶ The Group is making steady progress toward the regional revitalization KPIs set for the final fiscal year of the Mid-Term Plan (FY2028).

KPIs for regional revitalization

Trends in Hiroshima Prefecture's population

Reducing the rate of decline (2028)

Tourism consumption in Hiroshima Prefecture

Targeting continual growth* (2028)

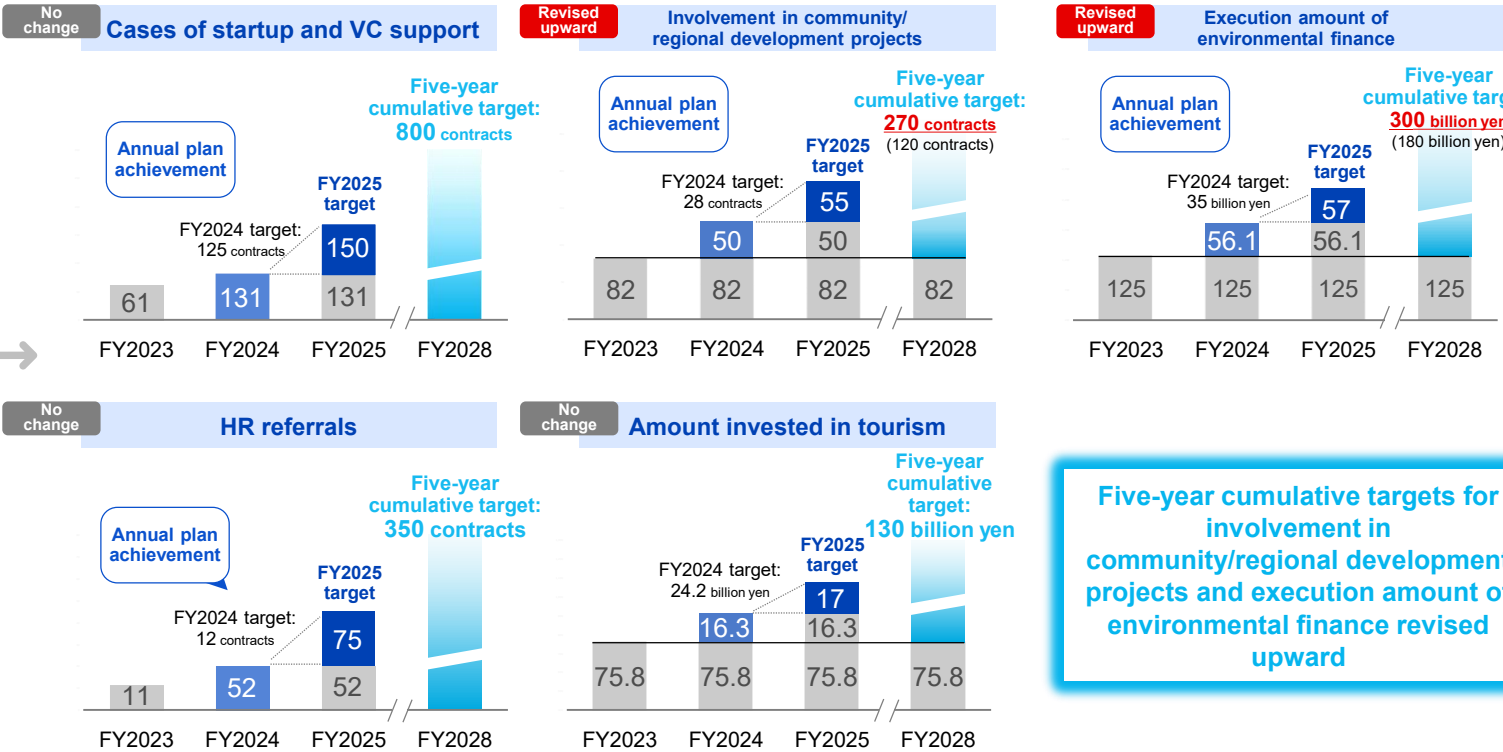
Hiroshima Prefecture's greenhouse gas emissions

Targeting continual reductions (2028)



The Group's initiatives

(Figures in parentheses indicate targets before revision.)



* Increasing unit amount through shift from tourism by travelers passing through to excursion and long-term-stay tourism consumption

未来を、ひろげる。



Hirogin Holdings, Inc.

III. Performance projections (FY2025)

FY2025 performance projections

▶ Net income attributable to owners of the parent for FY2025 is expected to reach 40 billion yen, marking a record high for the second consecutive year.

FY2025 performance forecasts

FY2025 nonconsolidated forecast for Hirogin Holdings (Billion yen)

	Interim performance forecast	FY2025 performance forecast	YoY change
Ordinary profit	27.5	57.0	4.9
Net income attributable to owners of the parent	19.0	40.0	4.2
(Reference) Net income of Group companies *excluding Bank		3.3	0.3

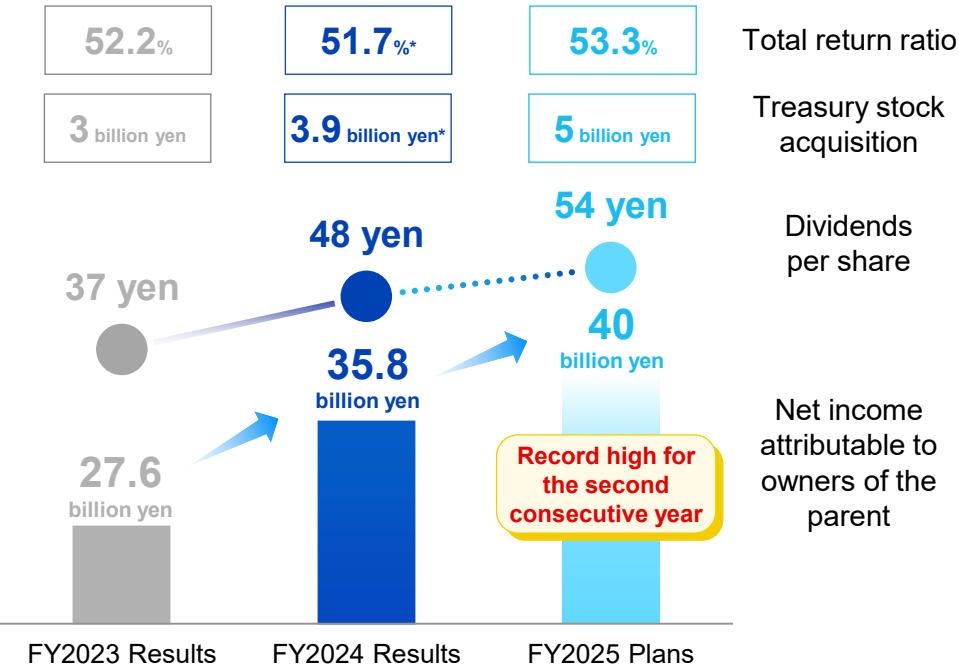
Reference: FY2025 nonconsolidated forecast for Hiroshima Bank (Billion yen)

	Interim performance forecast	FY2025 performance forecast	YoY change
Net interest income		97.5	11.6
Net non-interest income		21.0	0.5
Core business gross profit		118.5	12.0
Expenses (-)		61.5	4.0
Net income from core business		57.0	8.0
Gains/losses related to securities, etc.		1.0	1.7
Credit costs (-)		7.0	4.7
Ordinary profit	25.5	52.0	4.3
Net income	18.0	36.5	3.6

Market scenario assumptions of performance forecasts

Yen interest rate	:	(Short-term) BoJ policy rate	0.50%	(Long-term) Rate on 10-year JGBs	1.40%
Foreign interest rates	:	(Short-term) FF rate	3.75%	(Long-term) Rate on 10-year US treasuries	4.50%
Exchange rate (USD/JPY)	:	145 yen			
Nikkei average	:	35,000 yen			

Performance and shareholder returns



* Of the treasury stock repurchase amount of 5 billion yen, 1 million shares are scheduled to be disposed of through a third-party allotment to support the Hiroshima Museum of Art, subject to approval at the 5th Annual General Meeting of Shareholders scheduled for June 2025. As a result, the effective treasury stock repurchase amount is estimated at 3.9 billion yen.

未来を、ひろげる。

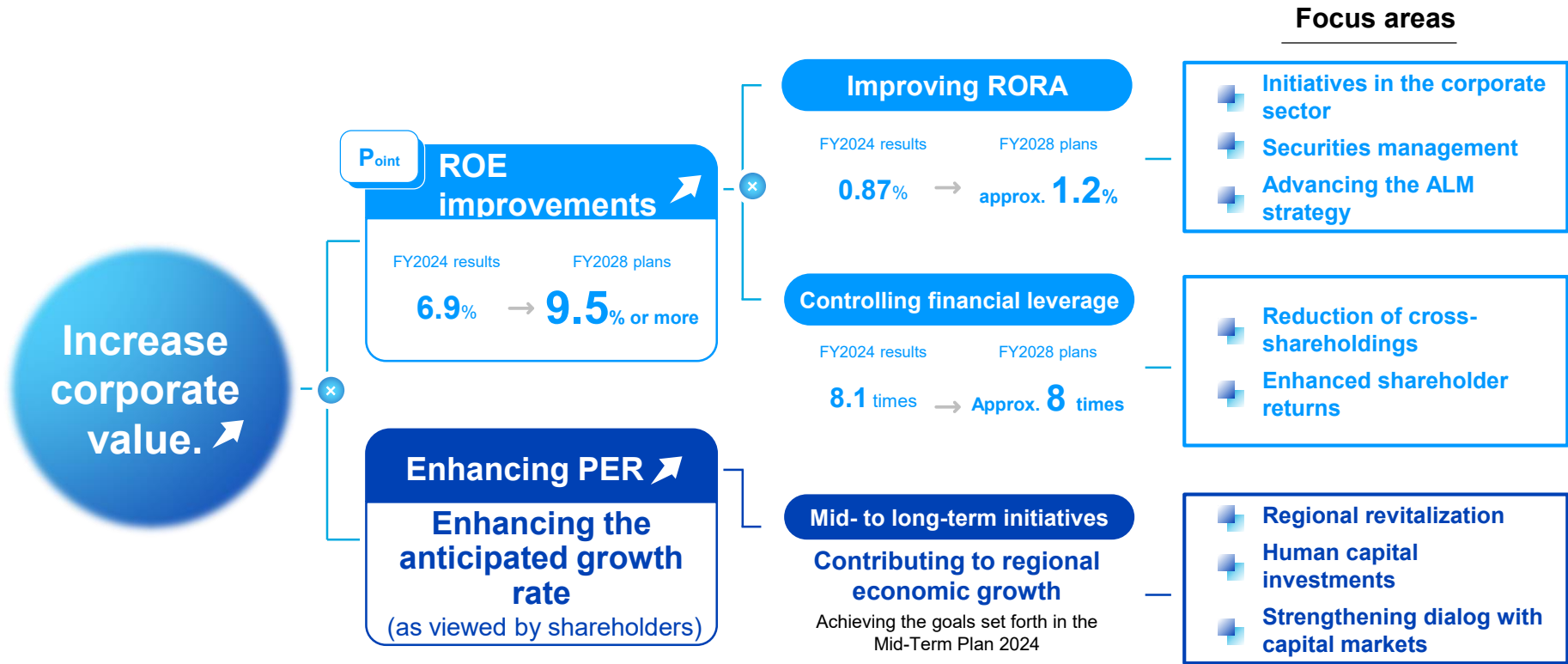


Hirogin Holdings, Inc.

IV. Increasing corporate value

Increasing corporate value

► To increase corporate value, the Group will place particular emphasis on improving RORA and strengthening financial leverage control.



Initiatives to improve ROE

Improvements in RORA are being pursued through business developments that leverage Group strengths and by advancing structural reforms.

Business areas

Revenue and personnel allocation plan

Related revenue Human resource allocation RORA

FY2023 results Before the start of the Mid-Term Plan FY2024 results FY2025 plans FY2028 plans Final fiscal year of the Mid-Term Plan Figures in parentheses indicate targets before the revision of the Mid-Term Plan

Deploying businesses that draw on the Group's strengths

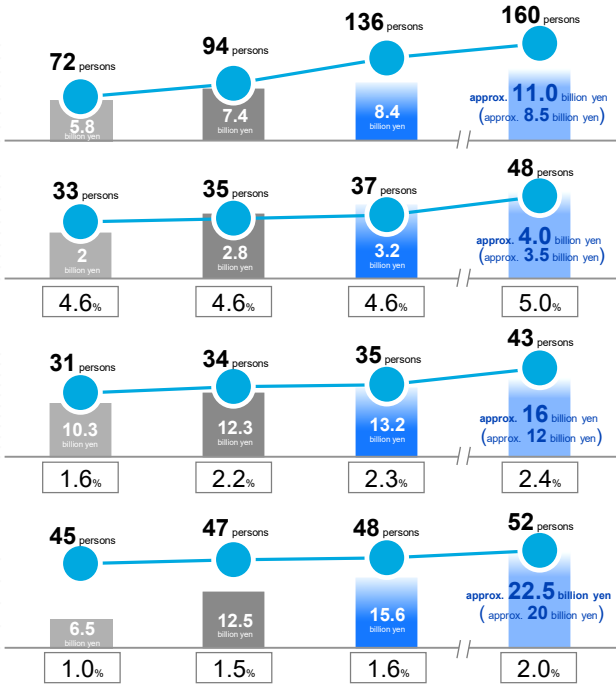
Business domains in which we will pursue structural reforms

Corporate solutions

Regional development business

Ship finance

Securities asset management, ALM



Details: p. 23–24

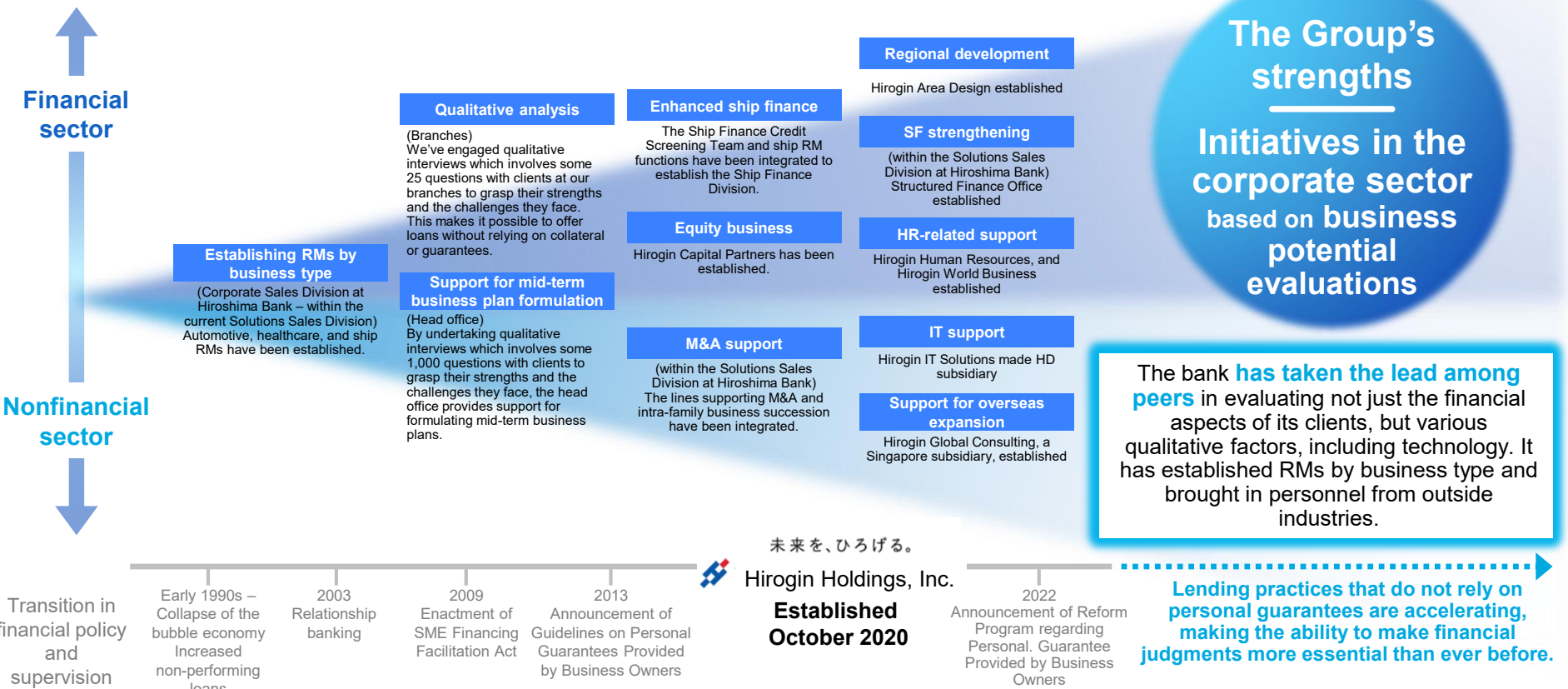
Details: p. 25–26

Details: p. 27–28

Details: p. 29–30

Initiatives in the corporate sector: Our evolving initiatives

▶ The Group has been a pioneering figure among banks in evaluating qualitative information on clients, a practice known as business potential evaluations.



Initiatives in the corporate sector: Business areas to focus on

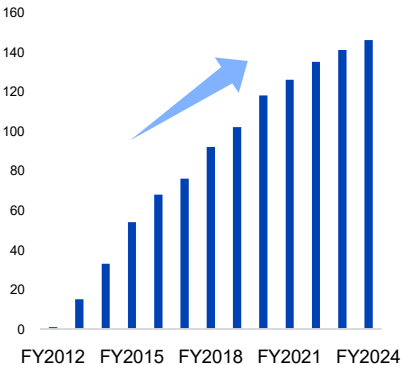
▶ The company will focus on initiatives in the corporate sector based on its strength in business potential evaluations.

Initiatives in business potential evaluations

Efforts to understand clients and the in-depth identification of their latent needs have become firmly rooted across the organization.

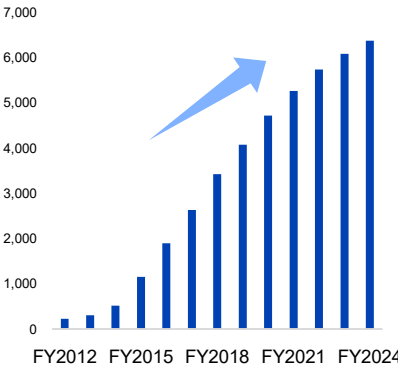
(Head office)
Support for mid-term
business plan formulation:
146 cases

(Trend in number of mid-term business plan support cases at Hiroshima Bank)



(Branches)
Qualitative analysis:
6,375 cases

(Trend in number of qualitative analysis cases at Hiroshima Bank)



Note: Cumulative results through March 31, 2025

Business areas to focus on

Providing optimal solutions for each client based on a deep understanding of their true challenges

Corporate solutions
•
Regional development business

Ship finance

Financial area

- ❑ Structured finance
- ❑ Equity business, etc.

Nonfinancial area

- ❑ M&A and business succession support
- ❑ Overseas expansion support
- ❑ HR-related consulting
- ❑ IT consulting, etc.

Finance area

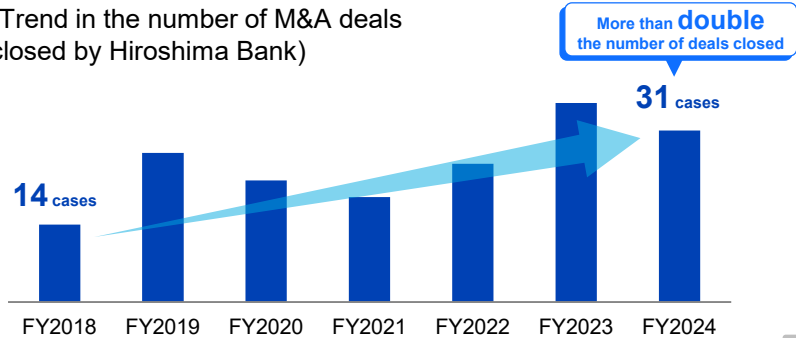
- ❑ Finance for newly built ships
- ❑ Support for replacement projects, etc.

Initiatives in the corporate sector: Corporate solutions

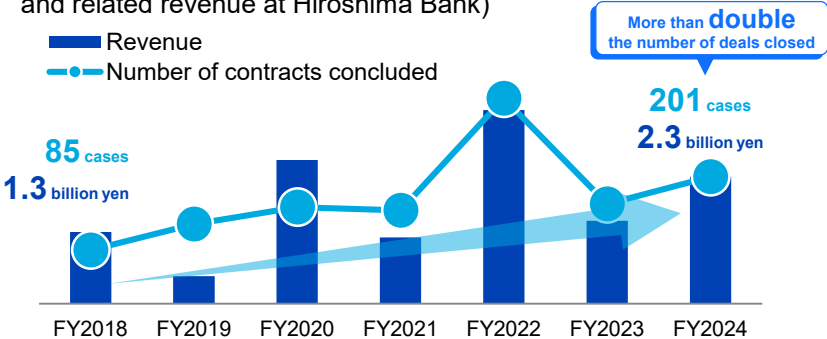
- ▶ The corporate solutions area, one of the group's key strengths, has continued to perform steadily.
- ▶ The group is seeking further reinforce this strength by building a robust support structure for clients, enhancing human capital through skills development, and strengthening personnel deployment.

Initiatives to date

(Trend in the number of M&A deals closed by Hiroshima Bank)



(Trend in the number of derivative contracts concluded and related revenue at Hiroshima Bank)



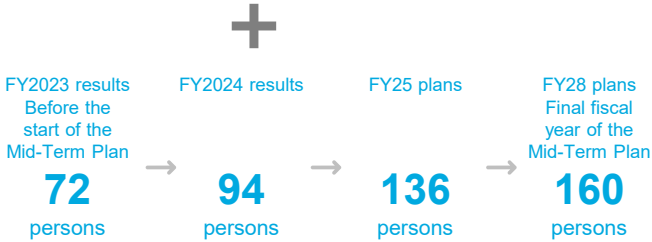
Establishing a system

- The number of **regional M&A representatives in the Solution Sales Division at Hiroshima Bank** has been increased to strengthen the framework for deal sourcing and closing
- **Number of employees having external secondment experience (cumulative): 27**
* **M&A advisory firms, major trust banks, and overseas banks**

Building the framework

Skill improvement

Further personnel reinforcement



Continue to enhance skills through external secondments and other measures.

Initiatives in the corporate sector: Corporate solutions

- ▶ In the corporate solutions area, the target is to achieve related revenue of 11 billion yen in FY2028, an increase of 2.5 billion yen compared to the level before the revision of the Mid-Term Plan.

Business areas to strengthen initiatives

Equity business

Business succession and M&A

Startup / VC support

Human resources support, IT and DX support

Support for overseas expansion

+

Point

New initiatives

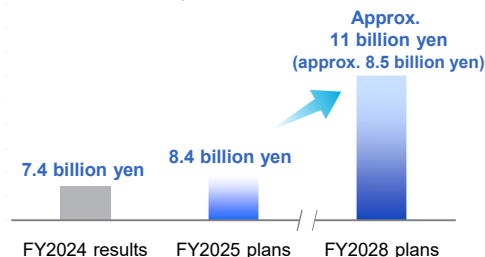
Details of the initiatives

- ❑ Enhancing equity business in joint efforts with external GPs, funds, etc.
- ❑ Strengthening corporate solutions such as M&A and business succession support, based on business potential evaluations, and developing potential clients who will become core partners in the future
- ❑ Strengthening matchmaking between local companies and startups through event (TSUNAGU) -driven initiatives, as well as enhancing financing for startups and venture businesses.
- ❑ Strengthening DX support for clients, including the use of AI, with a focus on the DX consulting line (established in March 2025) within the Hiroshima Bank Solution Sales Division
- ❑ Fostering local industries by supporting overseas expansion through alliances with external companies and promoting growth-oriented M&A
- ❑ **Providing new solutions and taking on additional risk**
 * The particulars of strategies and specific initiatives are currently under consideration and will be explained in the thematic IR session scheduled for September 2025.

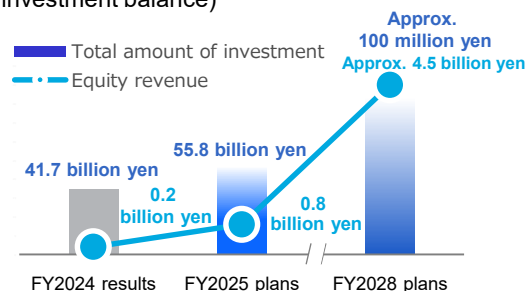
Numerical targets

(Corporate solutions revenue)

Figures in parentheses indicate figures before the revision of the Mid-Term Plan.



(Equity business–related revenue and PE investment balance)

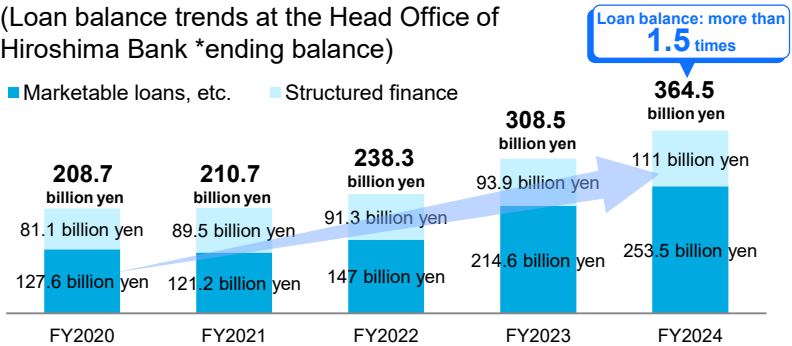


Initiatives in the corporate sector: Regional development business

- ▶ The balance of structured finance loans, including market-based loans, has remained steady.
- ▶ Hiroshima Bank's Structured Finance Office and Hirogin Area Design are actively involved in regional development projects.

Initiatives to date

(Loan balance trends at the Head Office of Hiroshima Bank *ending balance)



(Examples of initiatives in regional development projects)

-  Involved in numerous real estate development projects, including Hilton Hiroshima, which opened in 2022
-  Involved in a station-front redevelopment project slated to open in FY2027
-  Involved in a hotel project slated to open in FY2029
-  Involved in a large-scale resort complex project slated to open in 2029, which includes a hotel, hot springs, and restaurants

Establishing a system

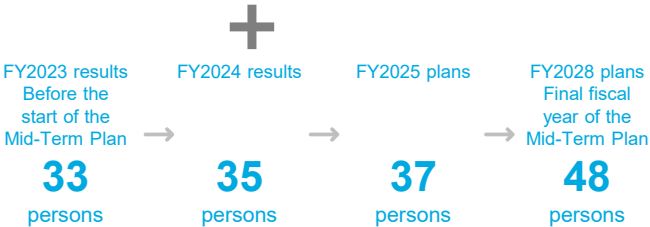
- ❑ **The Structured Finance Office within the Hiroshima Bank Solution Sales Division plays a central role** in strengthening support for structured finance lending.
- ❑ **Hirogin Area Design plays a central role** in strengthening joint efforts with local governments and becoming involved in regional development projects from the early planning stages.
- ❑ **Number of employees having external secondment experience (cumulative): 4**

* Investment banks, funds, general incorporated foundations, etc.

Building the framework

Skill improvement

Further personnel reinforcement



Continue to enhance skills through external secondments and other measures.

Initiatives in the corporate sector: Regional development business

- ▶ In the regional development business area, the target is to achieve related revenue of 4 billion yen in FY2028, an increase of 0.5 billion yen compared to the level before the revision of the Mid-Term Plan.

Business areas to strengthen initiatives

Asset management

Consulting

Equity finance

Dept finance

+

Point

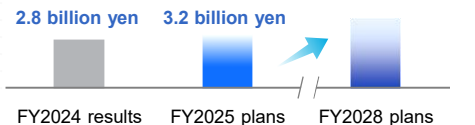
New initiatives

Details of the initiatives

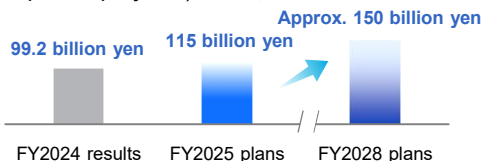
- ❑ Considering asset management operations that respond to needs such as real estate securitization
- ❑ Growing consulting fees through consulting for public and private development
- ❑ Activating real estate investment by using Hiroshima Regional Creativity REIT to provide investment opportunities for local firms (enhancing asset management earnings)
Hiroshima Regional Creativity REIT: Yield approx. 6.4% (actual as of March 31, 2025)
- ❑ Growing interest on loans and financial fees through active risk taking in real estate-related finance (structured finance)
- ❑ **Providing new solutions and taking on additional risk**
*** The particulars of strategies and specific initiatives are currently under consideration and will be explained in the thematic IR session scheduled for September 2025.**

Numerical targets

(Regional development business-related revenue)
*Including loan interest



(Balance of business loans related to regional development projects) *Average balance



(Major regional development projects)

* **Partial excerpt, all plans are current as of the time of this writing**

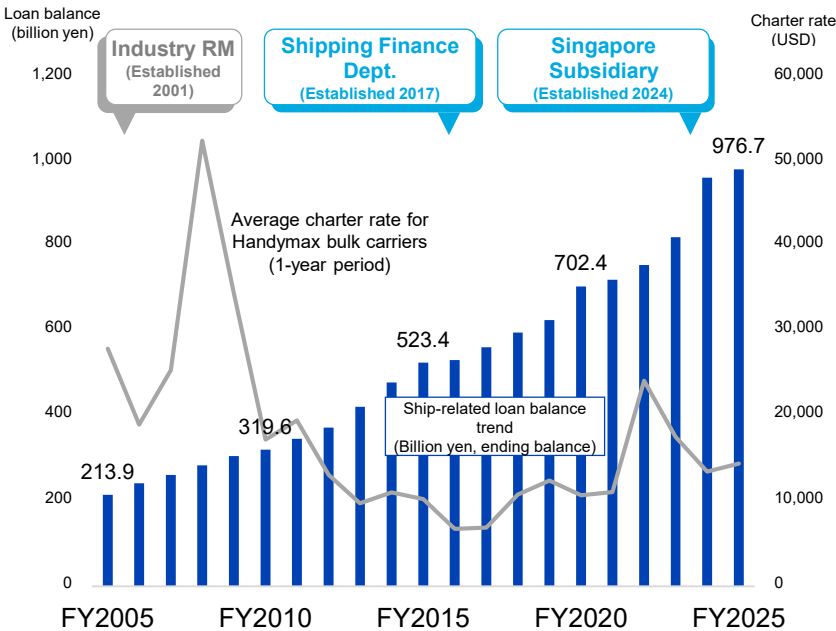
Region	Total loans executed	Fee (excluding loan interest)
Hiroshima	Approx. 23 billion yen	Approx. 0.37 billion yen
Kure	Approx. 10 billion yen	Approx. 0.15 billion yen
Hatsukaichi	Approx. 30 billion yen	Approx. 0.25 billion yen
Fukuyama	Approx. 3 billion yen	Approx. 0.02 billion yen

Initiatives in the corporate sector: Ship finance

- ▶ We have a lengthy history of ship finance history. We've built strong relationships with our clients by serving as a financial intermediary regardless of fluctuations in market conditions.
- ▶ The group is seeking to further reinforce this strength by building a support structure for clients, enhancing human capital through skills development, and strengthening human resource assignments.

Initiatives to date

(Ship-related loan balance trend *ending balance)



(Source) MarineNet Co., Ltd.

Establishing a system

Building the framework

- ❑ Ship Finance Department (14 members as of April 1, 2025)
- ❑ Singapore subsidiary (2 members as of April 1, 2025) * Hirogin Global Consulting

Skill improvement

- ❑ Number of employees having external secondment experience (cumulative): 11
- * Major trading companies, shipping investment funds, shipbuilding and shipping companies (customers), etc.

Further personnel reinforcement



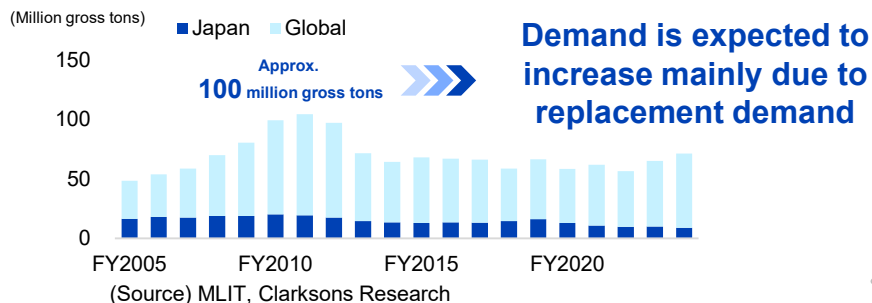
Continue to enhance skills through external secondments and other measures.

Initiatives in the corporate sector: Ship finance

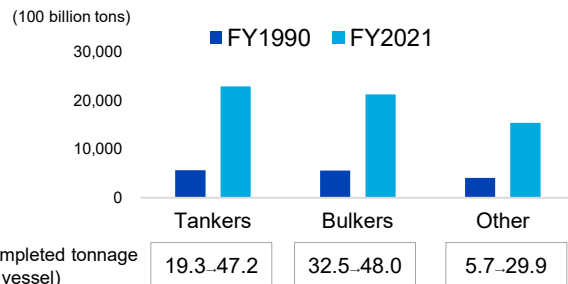
- ▶ With the growing demand for shipbuilding and the increasing diversification and scale of shipowners, funding needs among clients are expected to expand.
- ▶ Through flexible financing that meets client needs, related revenue is targeted to reach 16 billion yen in FY2028, an increase of 4 billion yen from the level before the revision of the Mid-Term Plan.

Market potential

(Trend in the amount of new shipbuilding)



(Global shipbuilding volume by type)



- Diversification of vessel types
- Larger vessel sizes
- Increase in secondhand vessels

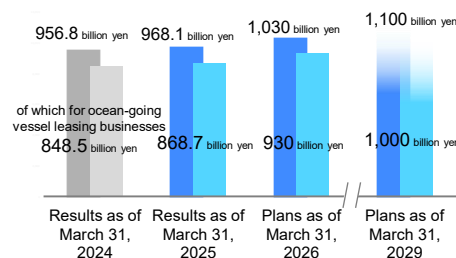
Future initiatives

Details of the initiatives

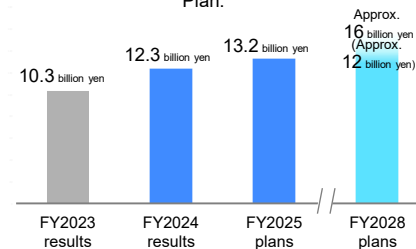
- Flexible financing meeting client needs
- Digital technology introduction support
- Use of ship funds and equity support through joint ventures
- Support for overseas expansion etc.

Numerical targets

(Balance of business loans related to ship businesses)



(Ship-related revenues)



Figures in parentheses indicate figures before the revision of the Mid-Term Plan.

Note: For revenue, yen-denominated amounts are based on contractual interest, while foreign currency amounts are based on spread.

Securities asset management initiatives

- ▶ By strengthening our market planning and portfolio analysis functions, we're aiming for a portfolio with a balance of 2 trillion yen and a yield exceeding 1.1%.

Securities asset management policy

Goal		FY2027 (March 31, 2028)	→	FY2028 (March 31, 2029) <small>* Final fiscal year of the Mid-Term Plan</small>
	Balance	2 trillion yen		Approx. 2 trillion yen
	Yield	1%		Over 1.1%
	Returns on funds	20 billion yen		Approx. 22.5 billion yen

Yen bonds Assuming rising interest rates, we will maintain the balance of fixed-rate bonds primarily by reinvesting redemptions while increasing investments in floating-rate bonds (government bond asset swaps).

Foreign bonds While reducing the balance of low-yield fixed-rate bonds, we will continue to invest in floating-rate bonds and other instruments that are less sensitive to fluctuations in foreign currency funding rates.

Stocks, investment trusts, etc. We will dispose of other underperforming investment trusts and certain individual stocks while shifting toward higher-performing equity assets and other income-generating investments.

Establishing a system

Building the framework

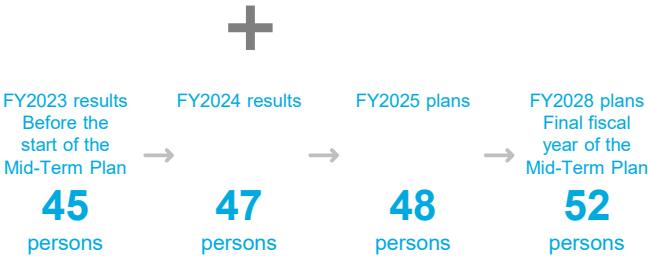
- ☐ Strengthening market planning and portfolio analysis functions
- ☐ Strengthening the risk management framework (by establishing an independent middle office)

Skills improvement

- ☐ Number of employees with external secondment experience (cumulative): 14

* Securities firms, asset management companies, major banks, etc.

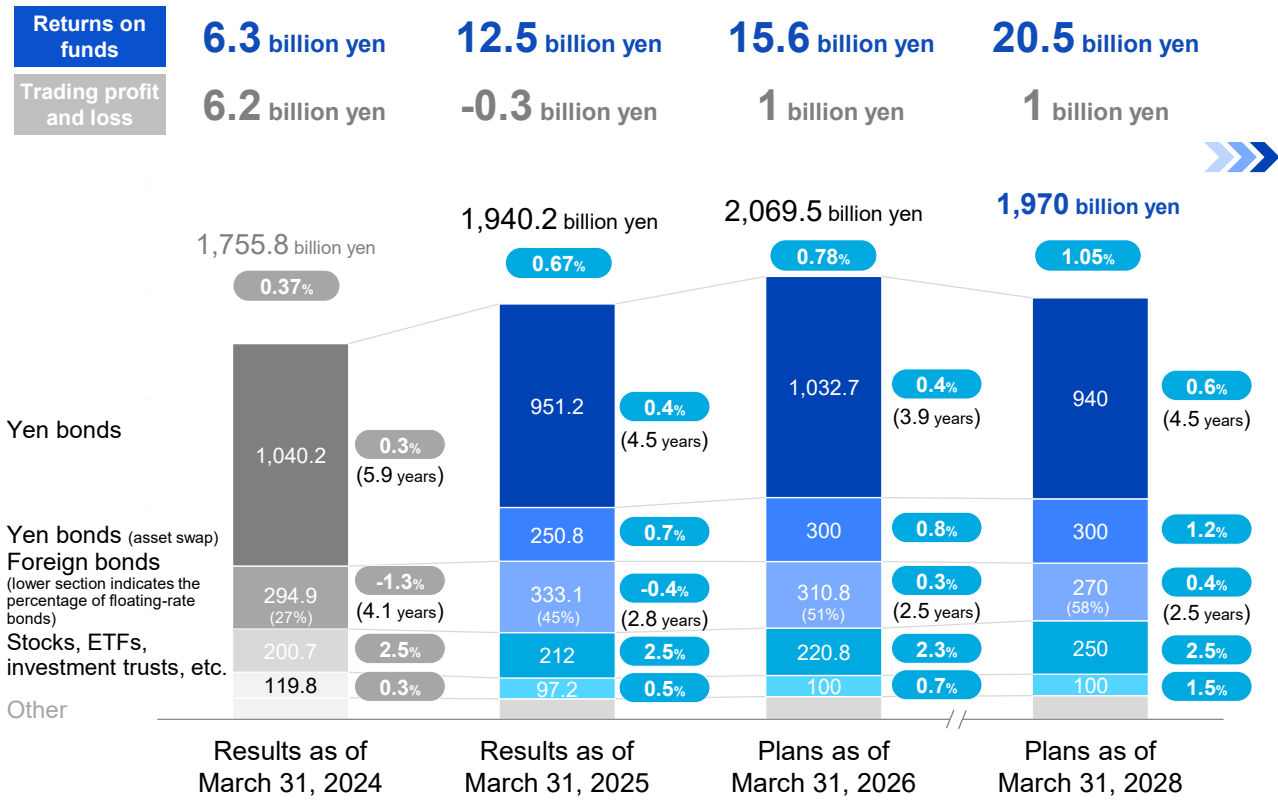
Further personnel reinforcement



Continue enhancing skills through external secondments and other measures.

Securities asset management initiatives

- ▶ The target for securities asset management is to achieve 22.5 billion yen for returns on funds in FY2028, 2.5 billion yen compared to the level before the revision of the Mid-Term Plan.



FY2028
(Final fiscal year of the Mid-Term Plan)

Before revision

After revision

Returns on funds 20 billion yen → **22.5 billion yen**

Yield 1.0% or more → **Over 1.1%**

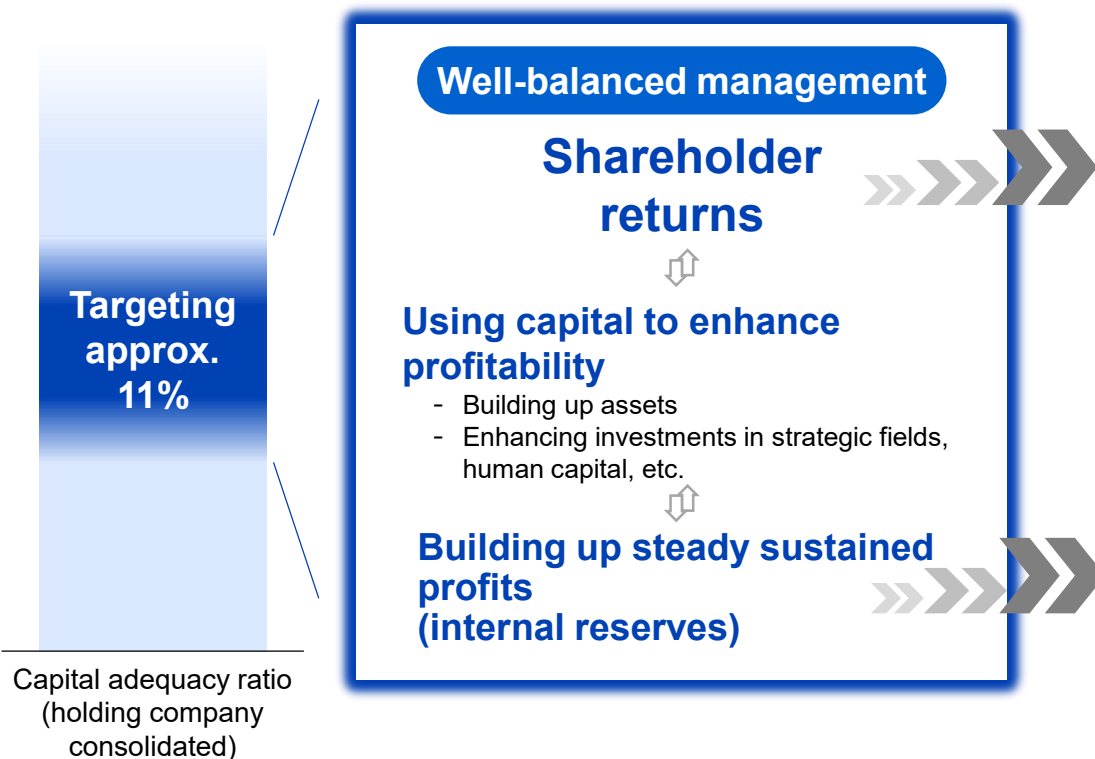
The revenue plan has been revised in response to the change in the policy interest rate.

indicates yield; () indicates duration

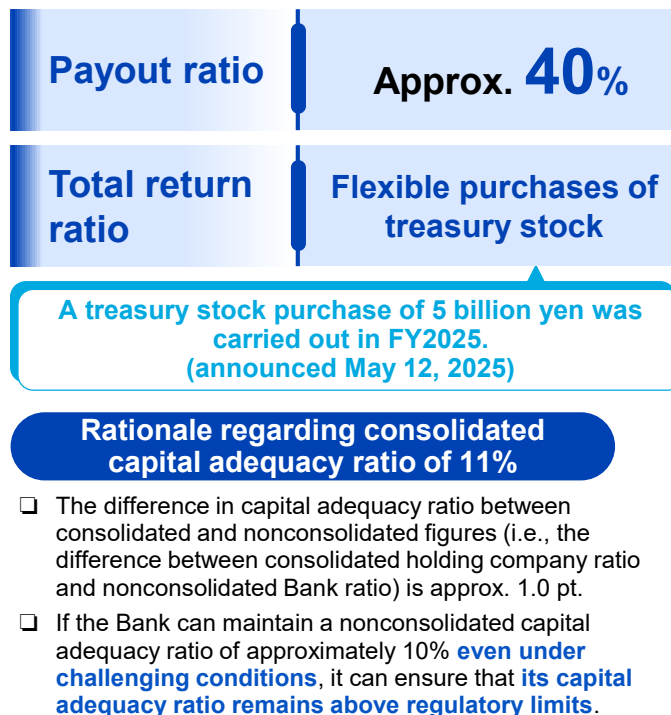
Financial leverage: Capital policies

- ▶ We will implement management reflecting capital adequacy levels, targeting a consolidated capital adequacy ratio of about 11% for the holding company.
- ▶ In addition to a dividend policy targeting a payout ratio of about 40%, we will implement flexible purchases of treasury stock.

Basic concept

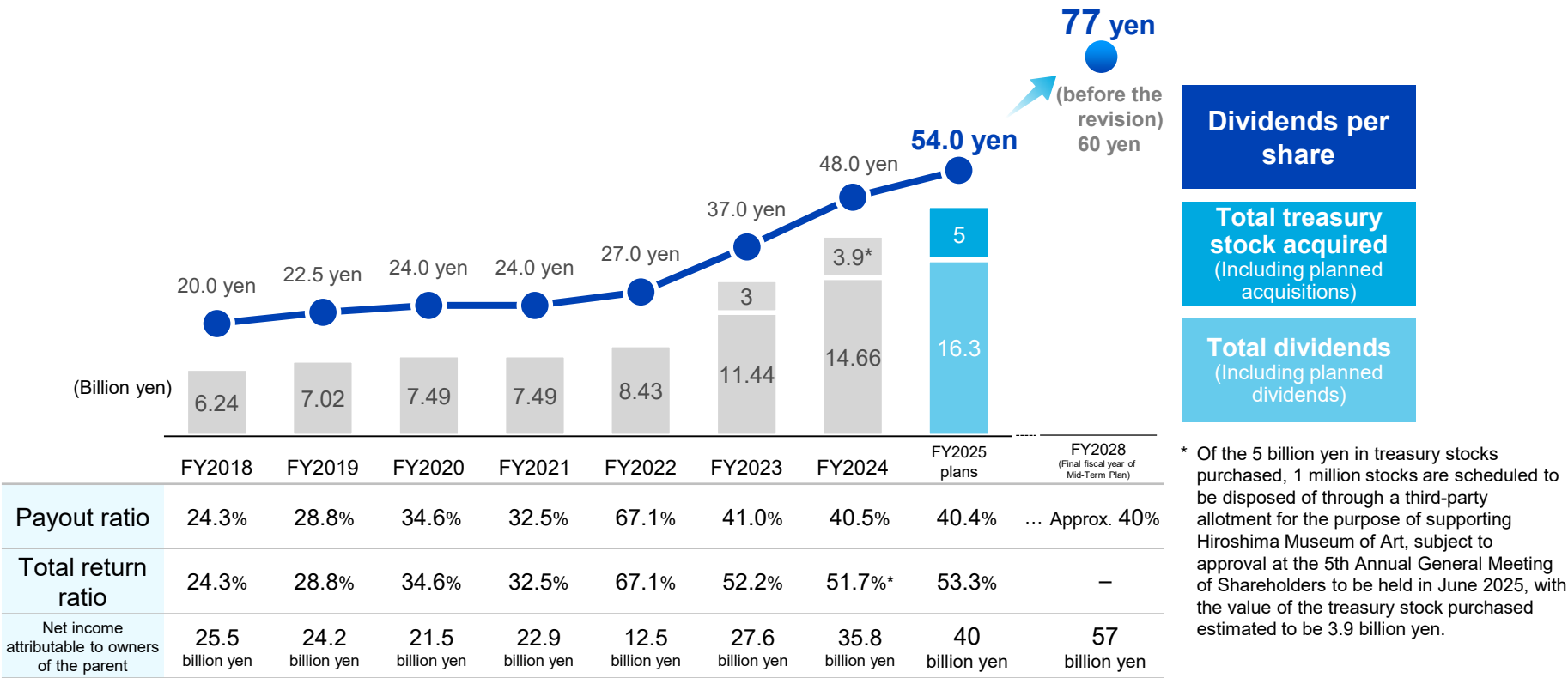


Shareholder returns policy



Financial leverage: Capital policies

- ▶ The annual dividend per share for FY2025 is scheduled to be 54.0 yen, an increase of 6.0 yen from the previous year.
- ▶ The dividend per share for the final fiscal year of the Mid-Term Plan 2024 is projected to be 77 yen (60 yen before the revision).

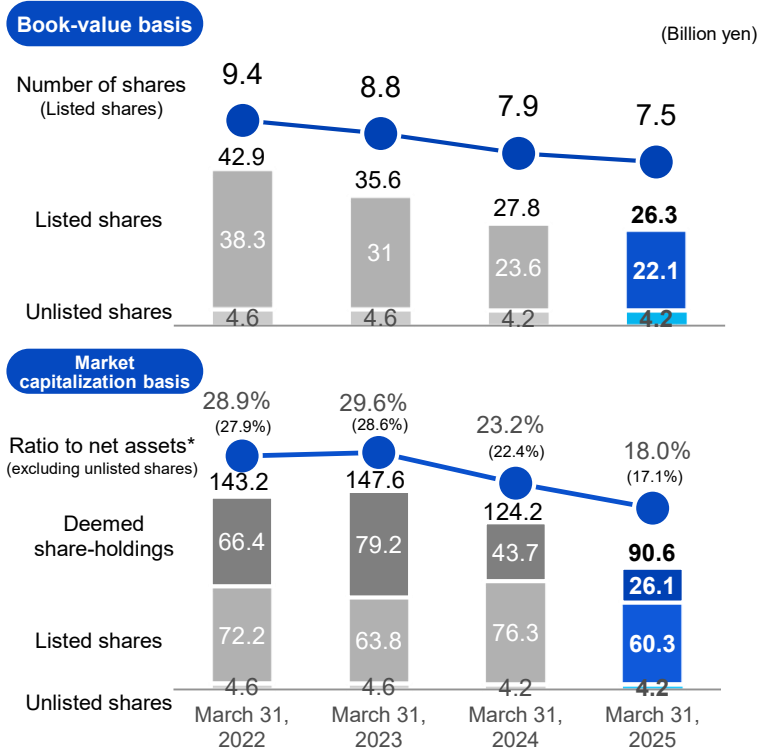


Note: Hirogin Holdings was established on October 1, 2020. The figures shown for FY2020 represent totals paid by Hiroshima Bank, including interim dividends of 12 yen per share (3,748 million yen in total).

Financial leverage: Reducing cross-shareholdings

- ▶ As a result of ongoing dialogue with issuers, a reduction of 1.5 billion yen (book-value basis) was implemented compared to the end of March 2024.
- ▶ Dialogue with issuers will continue with the goal of reducing the ratio to below 15% of consolidated net assets on a market capitalization basis by the end of March 2029.

Progress in reducing cross-shareholdings



* Ratio to net assets: (listed shares + unlisted shares + deemed share-holdings) ÷ net assets

Policies concerning cross-shareholdings

Reduction target

Less than 15% of consolidated net assets on a market capitalization basis

* Target by the end of March 2029 (final fiscal year of the Mid-Term Plan)

Point

Among the shares targeted for reduction, **agreement has been reached to sell all stocks held as pure investment holdings.**

9 stocks / 39.9 billion yen
(market capitalization basis, as of the end of March 2025)
(-2 stocks / -15 billion yen *compared to the end of September 2024)

☐ Held in consideration of dividend yield and potential capital gains

☐ **Strict proxy voting standards applied** due to status as non cross-shareholdings

Point

Status of cross-shareholdings (listed) by category

(As of March 31, 2025)	Number of stocks	Market capitalization
Local counterparties	56 stocks	48.6 billion yen
Other counterparties	19 stocks	11.7 billion yen
(Total)	75 stocks	60.3 billion yen

We are pursuing reductions through ongoing dialogue.

未来を、ひろげる。



Hirogin Holdings, Inc.

V. Conclusions

Today's summary

Strong business performance

- ❑ In FY2024, net income attributable to the owners of the parent was 35.8 billion yen. Consolidated ROE improved steadily to 6.9%.
- ❑ At 40 billion yen, net income attributable to the owners of the parent for FY2025 is projected to reach a record high for the second consecutive year, with a planned consolidated return on equity (ROE) of 7.8%.

Progress on Mid-Term Plan 2024

- ❑ Given the current interest rate environment, net income attributable to the owners of the parent for the final fiscal year of the Mid-Term Plan (FY2028) has been revised upward to 57 billion yen, with consolidated ROE expected to reach 9.5% or more.
- ❑ The company continues to allocate management resources on a steady basis to its core strength in the corporate business. Recent performance has remained solid.

Returns to shareholders

- ❑ Following FY2024, treasury stock purchase of 5 billion yen will be implemented.
- ❑ In addition, in line with record revenues, we anticipate dividends per share for FY2025 to reach a record high of 54 yen.

未来を、ひろげる。



Hirogin Holdings, Inc.

Appendix ①

Initiatives in the personal sector

- ▶ The shift to a goal-based and asset management-oriented consulting is intended to transform the current revenue model, which is centered on upfront income, into a stock-based revenue model less subject to market conditions.

Client category

Initiative policies

Numerical targets

Key players of the initiatives

Main measures

Existing clients



Point

Advanced consulting through face-to-face interactions

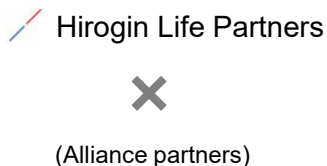
- ❑ Enhancing revenue-generating capabilities by pooling consulting advisors at core branches to facilitate knowledge-sharing and skills improvement
- ❑ Advancing joint efforts between banking and securities functions using a goal-based approach; establishing a stock-based business model

Point

Enhancing convenience for clients through alliances

- ❑ Expanding transactions with customers at the asset-building stage through NISA and other programs
- ❑ Providing nonfinancial services by advancing app-based end-to-end processes and web marketing (jointly with MEJAR)

New clients



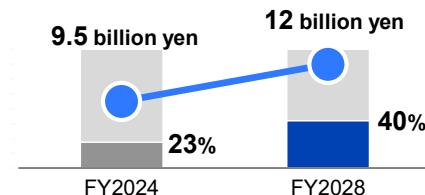
Rakuten
Rakuten
Securities

SBI
GROUP

SBI Securities

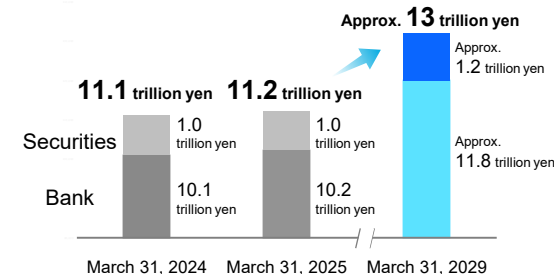
(Related revenue / Ratio of stock revenue)

Combined total for Hiroshima Bank and Hirogin Securities



(Total assets under management ending balance)

Combined total for Hiroshima Bank and Hirogin Securities



Measures to increase deposits and trends in RORA

Measures to increase deposits

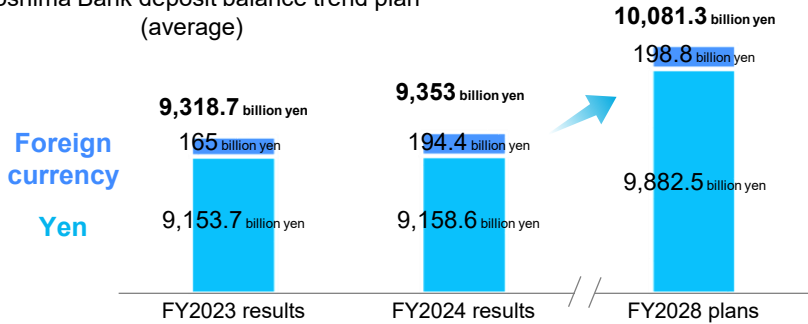
Personal deposits

- ❑ Strengthening deposit acquisition through consulting on trusts and related services for affluent clients
- ❑ Engaging younger generations through digital apps and other channels

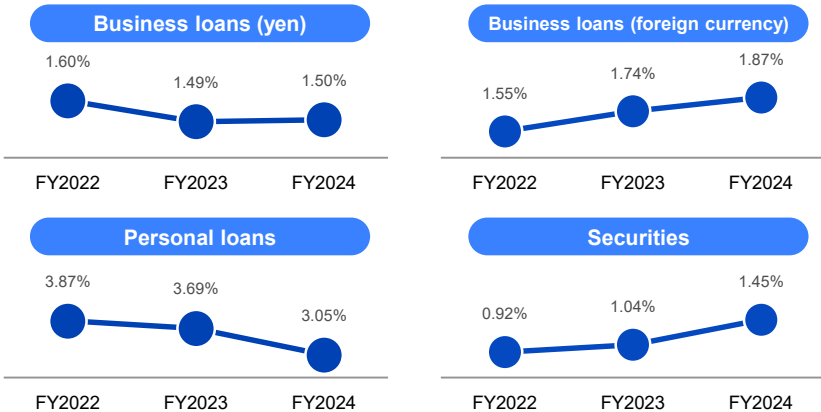
Corporate deposits

- ❑ Acquiring new deposit-only clients
- ❑ Securing a deposit share that corresponds to lending share based on relationships with existing loan clients
- ❑ Strengthening client retention through settlement services provided via the business portal

Hiroshima Bank deposit balance trend plan (average)

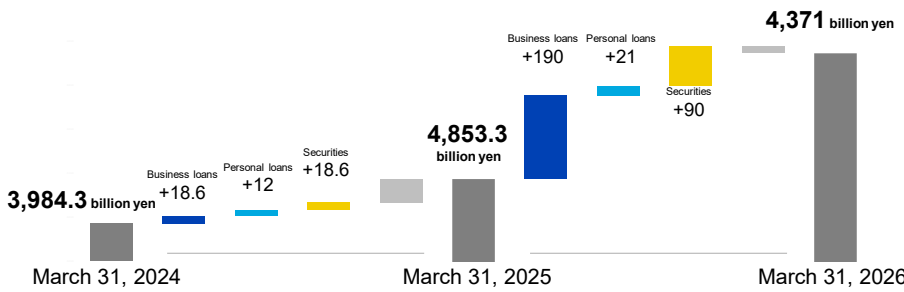


Trends in RORA



Note: RORA is calculated without accounting for expenses. Loan interest rates are based on spreads and securities calculated using interest and dividend income received.

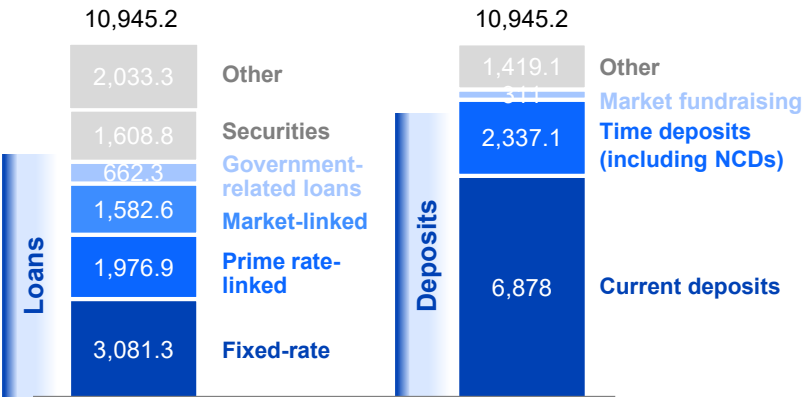
Trends in risk assets



Status of interest rate hikes

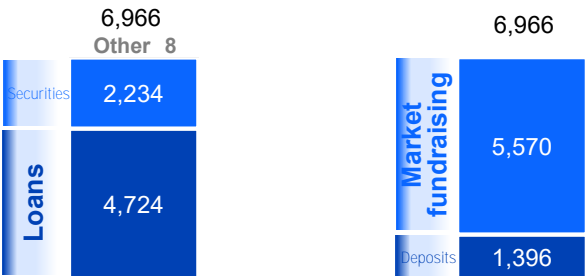
Yen balance sheet

(Billion yen)



Foreign currency balance sheet

(Million US dollars)



March 31, 2025

March 31, 2025

Status of short-term prime rate hikes

(Short-term prime at Hiroshima Bank)

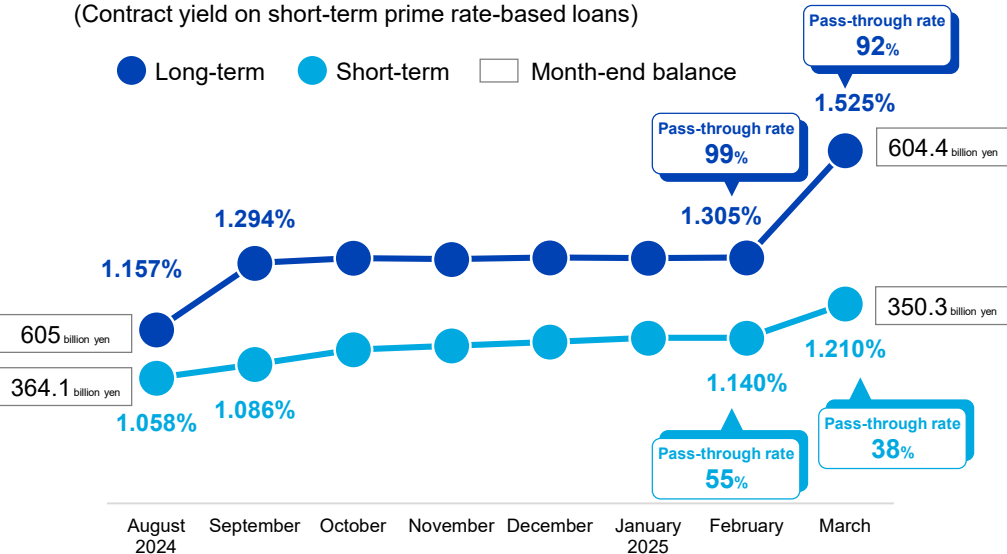
1.975%

2.125%
(+0.15 pt)

2.375%
(+0.25 pt)

(Contract yield on short-term prime rate-based loans)

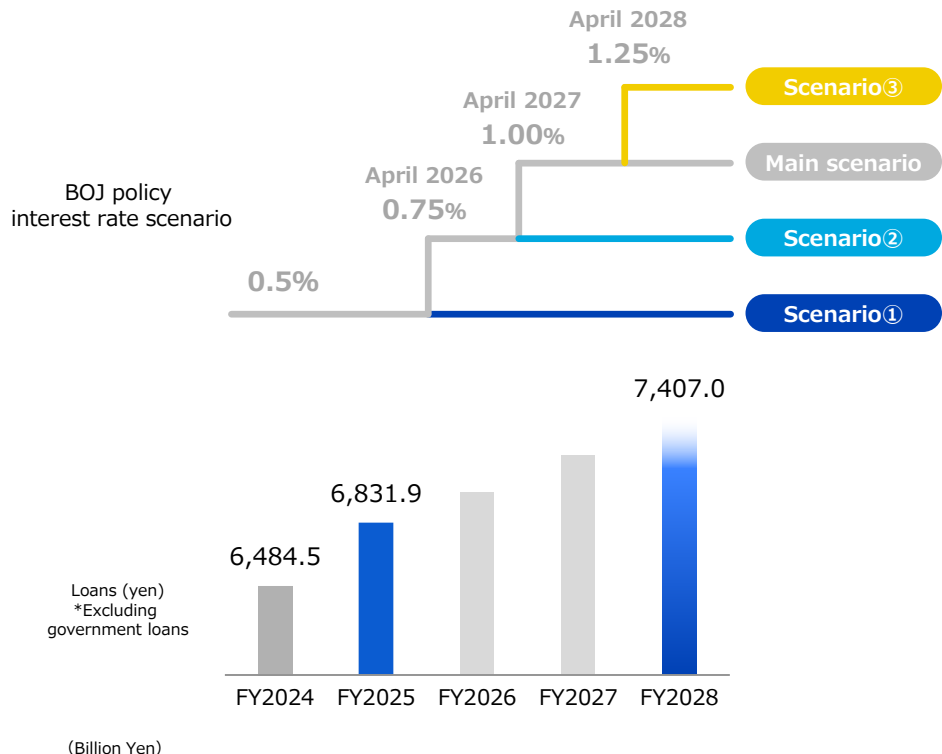
● Long-term ● Short-term □ Month-end balance



Note: Short-term prime rate-based loans include various institutional loan programs.

Simulations — Impact of interest rate fluctuations on net interest income —

Simulation assumptions



Impact on Net Interest Income (Comparison with Main Scenario in Medium-Term Plan for Fiscal Year 2028)

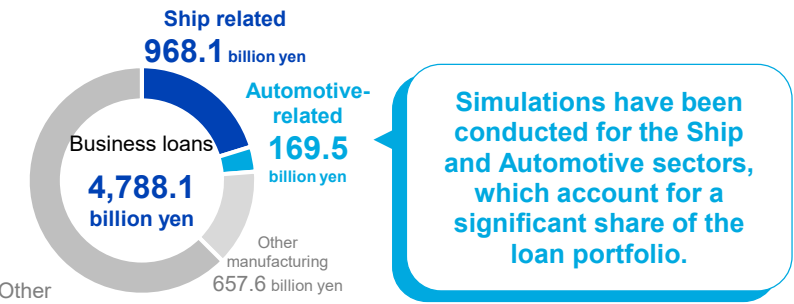
(Billion Yen)

Scenario① 0.50% * remain unchanged	111 billion yen (-10.5)	Interest on loans 114 - Interest on deposits 25 Other asset management and fundraising -0.5
Scenario② 0.75% * April 2026~	117.5 billion yen (-4)	Interest on loans 129 - Interest on deposits 35.5 Other asset management and fundraising 1.5
Main scenario 1.00% * April 2027~	121.5 billion yen (±0)	Interest on loans 140 - Interest on deposits 45 Other asset management and fundraising 4
Scenario③ 1.25% * April 2028~	123.5 billion yen (+2)	Interest on loans 146.5 - Interest on deposits 51.5 Other asset management and fundraising 6

(Note) The policy interest rate is assumed to be raised gradually

(Note) Interest and dividends on securities remain unchanged at 22.5 billion yen

Simulations – Impact of US Tariff Policy –



Ship-related sector

- ❑ Deterioration in the chartering and secondhand ship markets, a declining order environment in the ship construction industry, and yen appreciation would all be negative factors.
- ❑ We expect the overall impact in the shipping industry to be limited, given the financial strength of each company.
- ❑ In the ship construction industry, while a certain volume of orders has been secured, the impact of yen appreciation must be closely monitored.

Automotive suppliers

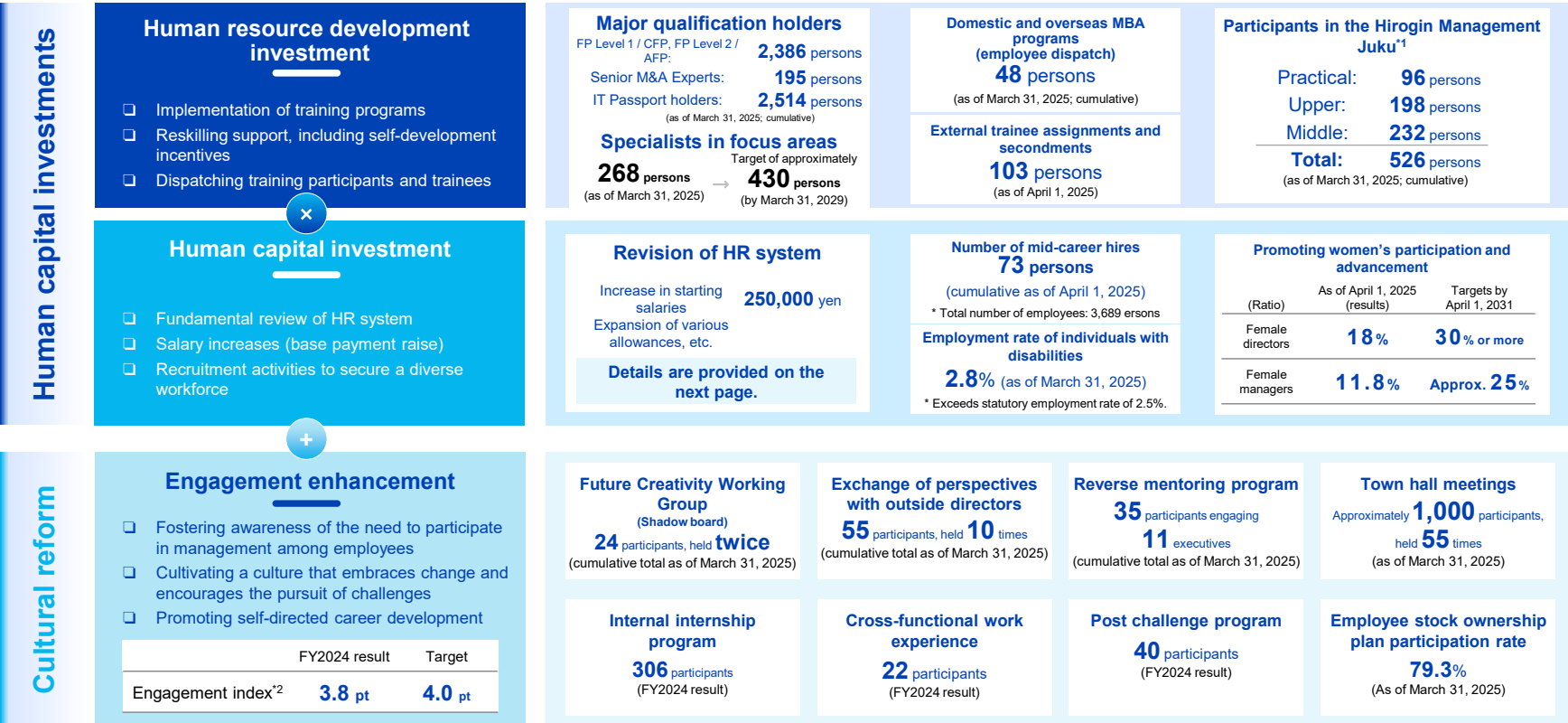
- ❑ If the additional 25% tariffs remain in place, the impact on the performance of the automotive sector is expected to be significant, requiring close monitoring of sales trends and business performance.
- ❑ In particular, we would pay close attention to domestic production volume trends while continuing to provide the necessary support both financially and nonfinancially.

	Clients	Balance	of which normal
Ship related	569 accounts	968.1 billion yen	956.5 billion yen
Auto-motive-related	Tier 1, etc. (including subsidiaries and overseas subsidiaries)	49 accounts	122.5 billion yen
	Tier 2 or lower	159 accounts	26.9 billion yen

Given the current situation, we expect minimal impact on the financial status of our group.
(Future developments will be closely monitored.)

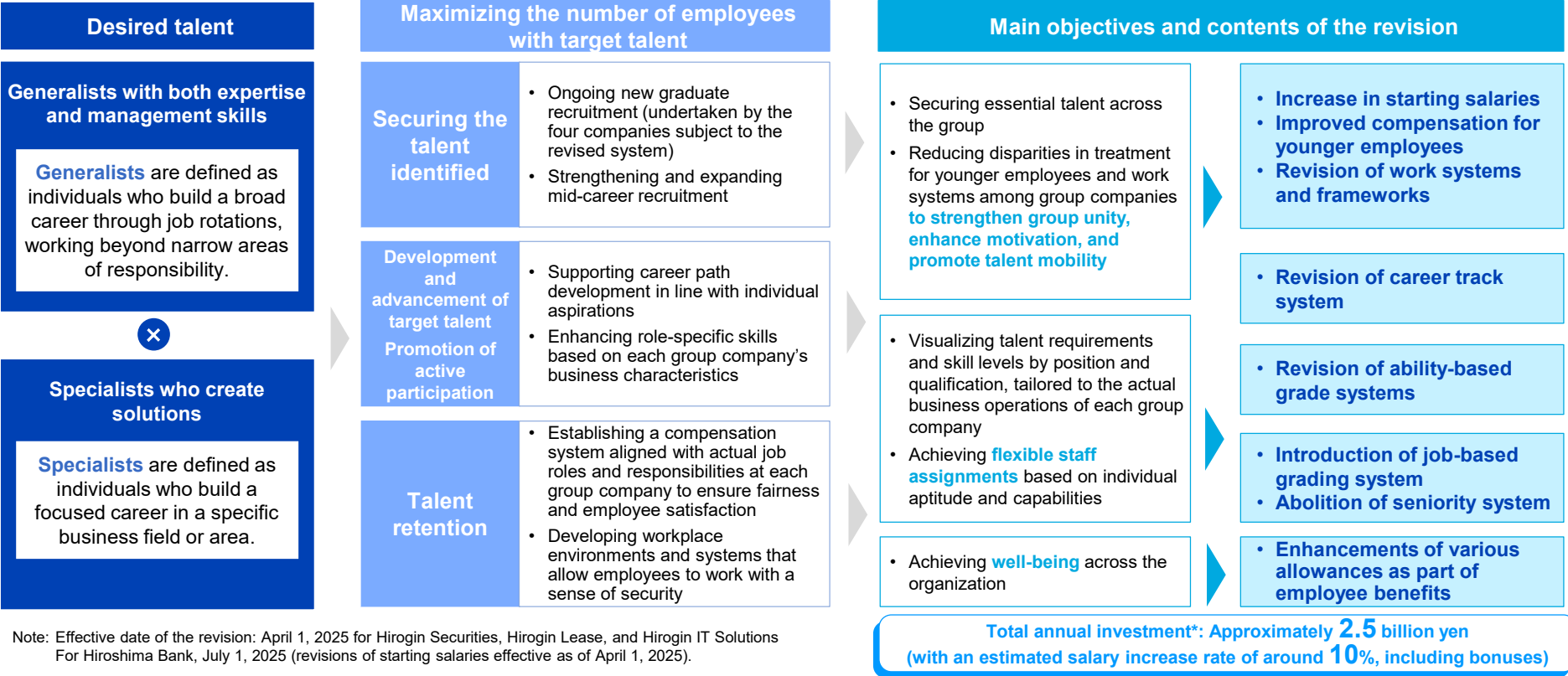
Human capital investments: Human resource management

- ▶ We plan to further emphasize human resource development and human capital investment to achieve our KPIs in the focus areas and to enable personnel to demonstrate their capabilities to the fullest.
- ▶ In addition, through various engagement measures, we will foster a culture that embraces change, encourages the pursuit of challenges, and promotes autonomous career development.



Human capital investments: Human resource management

- ▶ A fundamental revision of the HR system has been implemented with the goal of creating an environment in which a diverse workforce can demonstrate their abilities the fullest.
- ▶ Total annual investments related to this revision are expected to be approximately 2.5 billion yen, with an estimated annual salary increase rate of around 10%, including bonuses.



Note: Effective date of the revision: April 1, 2025 for Hirogin Securities, Hirogin Lease, and Hirogin IT Solutions
For Hiroshima Bank, July 1, 2025 (revisions of starting salaries effective as of April 1, 2025).

* Total of labor costs and various allowances



Appendix ②

(Explanatory materials on financial results)

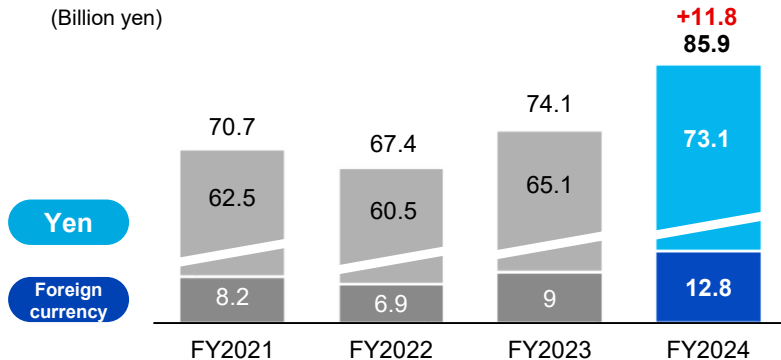
Net interest income

Hirogin Holdings
consolidated

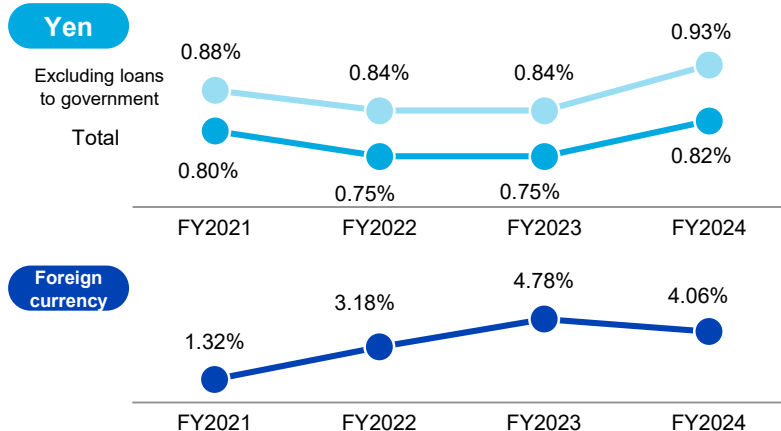
Hiroshima Bank
nonconsolidated

Net interest income

(Billion yen)

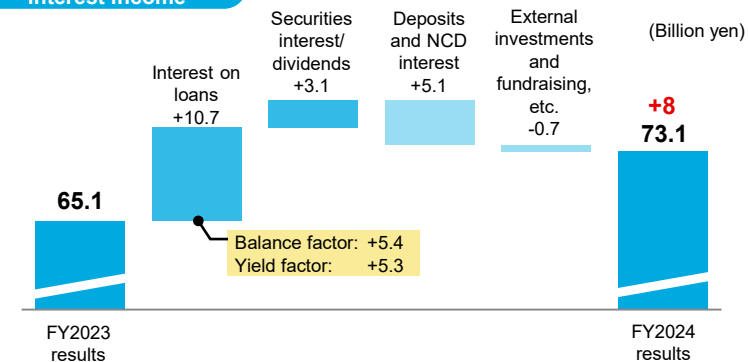


Yields on loans

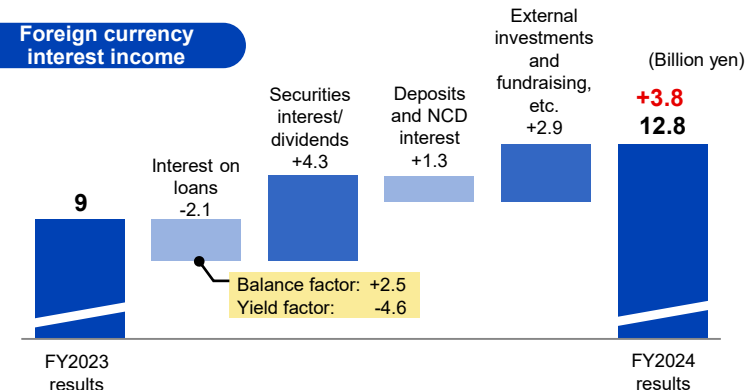


Factors contributing to changes in net interest income

Yen-denominated interest income



Foreign currency interest income



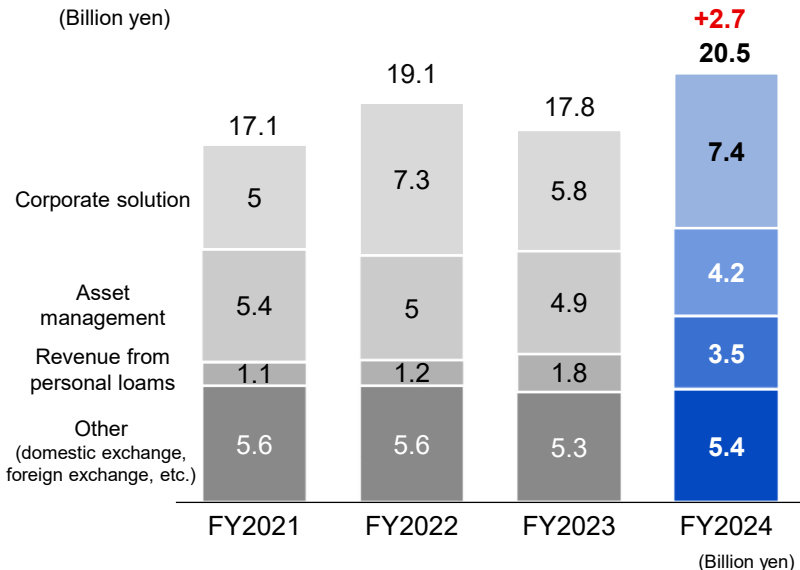
Net non-interest income

Hirogin Holdings
consolidated

Hiroshima Bank
nonconsolidated

Net non-interest income

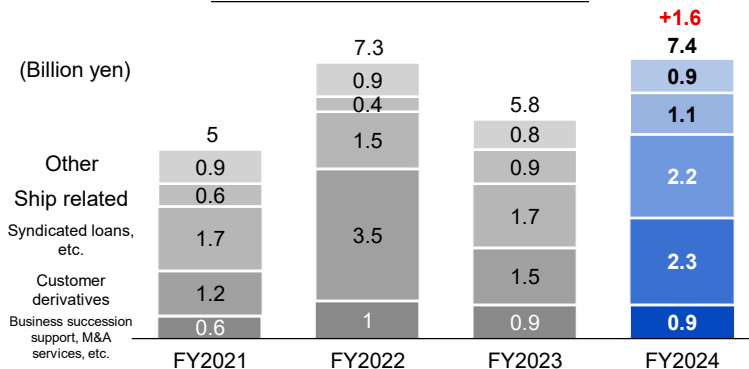
Non-interest income = Income on service transactions and other fees + Income from specific transactions + Income from other businesses (excluding gains/losses related to treasures and other bonds)



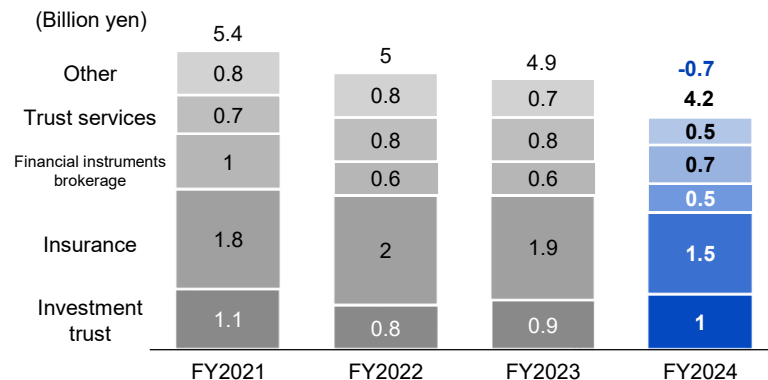
	FY2021	FY2022	FY2023	FY2024	YoY change
Asset management (Hiroshima Bank + Hirogin Securities)	11.7	9.4	10.2	9.2	-1
Of which Hiroshima Bank	5.4	5	4.9	4.2	-0.7
Of which Hirogin Securities*	6.3	4.4	5.3	5	-0.3

* Net operating revenue (after deducting intermediary fees paid to banks)

Corporate solution breakdown



Asset management breakdown

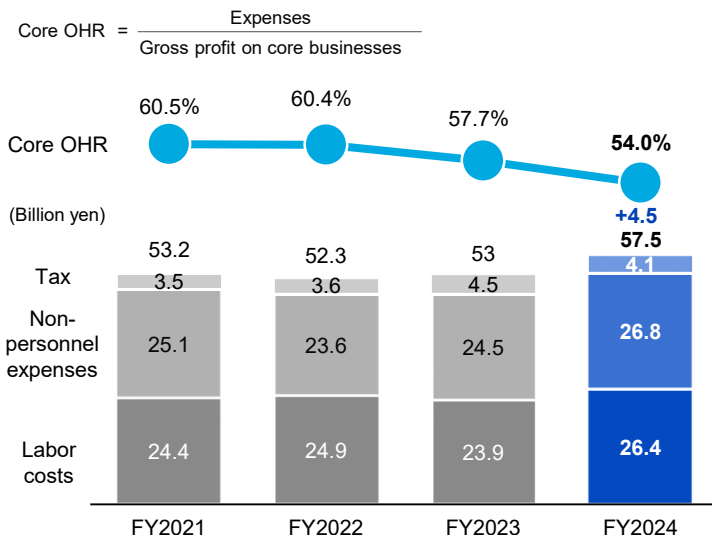


Expenses, core OHR, interim net income

Hirogin Holdings
consolidated

Hiroshima Bank
nonconsolidated

Expenses (excluding one-time disposal) / core OHR

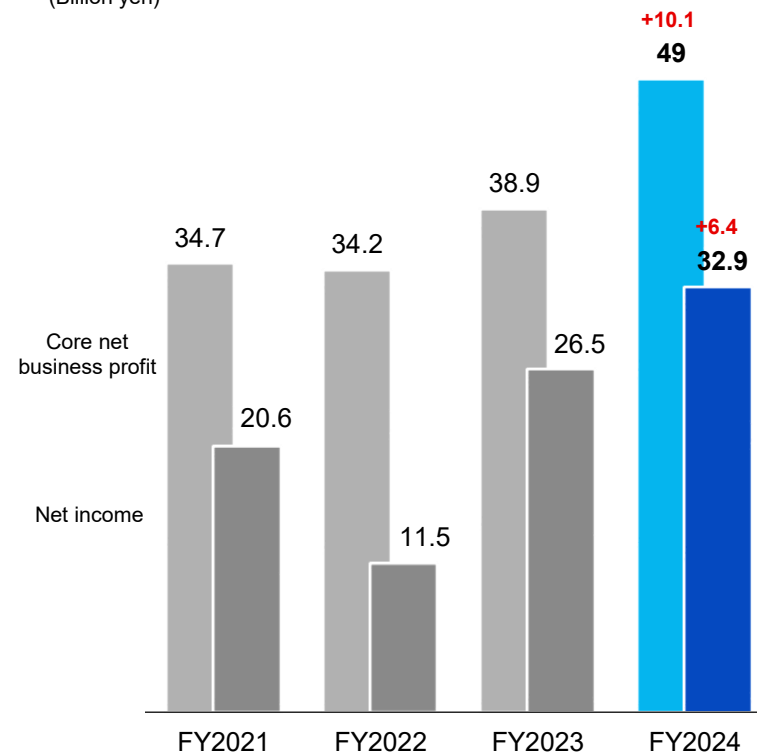


(Reference) Major factors underlying changes in expenses

Labor costs	+2.5 billion yen	<ul style="list-style-type: none"> Human capital investment (base pay raises and performance-linked bonuses): +1.1 Retirement benefit expenses: +1.1
Non-personal expenses	+2.3 billion yen	<ul style="list-style-type: none"> DX and IT-related investments: +0.9 Review of branch-related issues and sales structure: +0.4 Advertising and promotion (branding, PR activities): +0.3 Human capital investment (training, etc.): +0.2
Tax	-0.4 billion yen	
Total	+4.5 billion yen	

Core net business profit / Net income

(Billion yen)

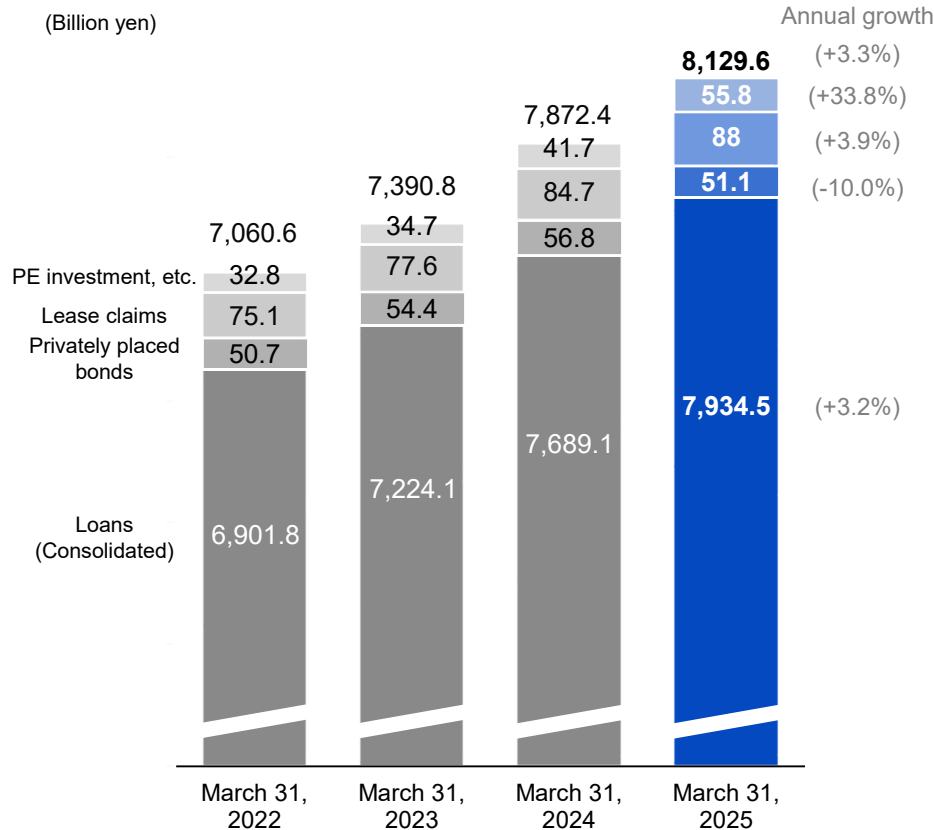


Group total credit (end balance) Loans (end balance)

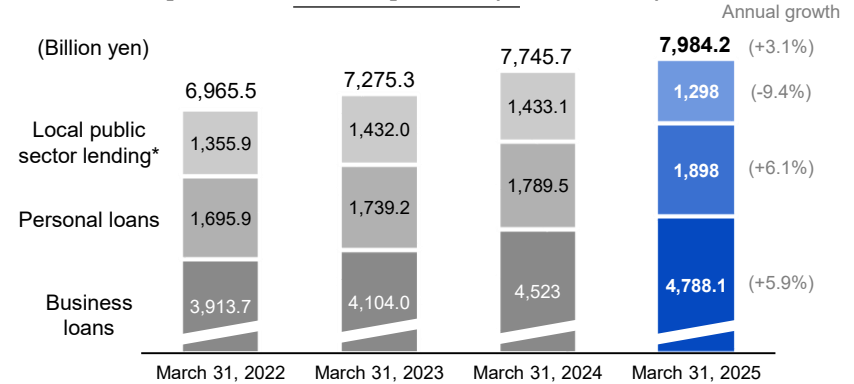
Hirogin Holdings
consolidated

Hiroshima Bank
nonconsolidated

[Holding company consolidated] Group total credit (end balance)



[Nonconsolidated] Loans (end balance)



* Local public sector lending: Lending to local public agencies and public corporations

[Nonconsolidated] Breakdown of loans by prefecture (end balance)

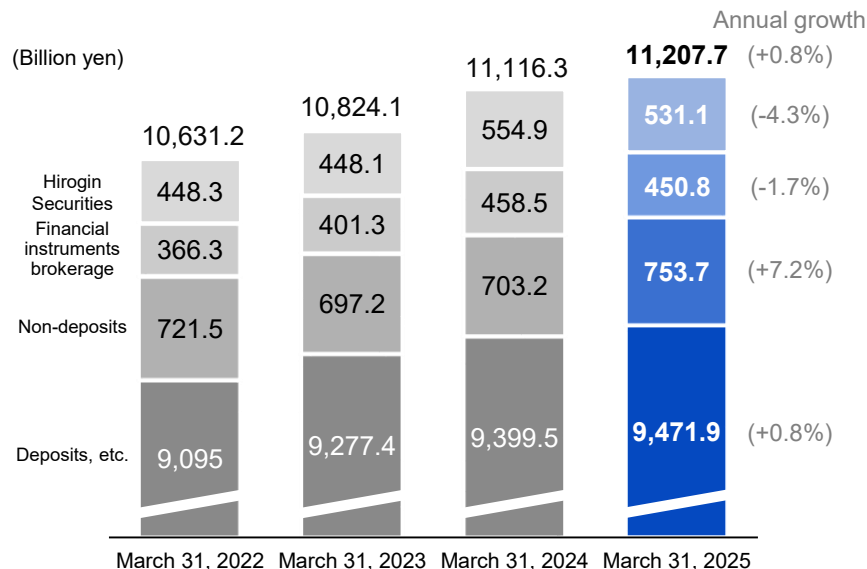
	(Billion yen)				
	March 31, 2022	March 31, 2023	March 31, 2024	March 31, 2025	Vs. March 31, 2024
Outstanding loan balance	6,965.5	7,275.3	7,745.7	7,984.2	238.5
Four local prefectures	5,337.1	5,484	5,815.9	6,007.2	191.3
Hiroshima	4,225.1	4,296.5	4,519.7	4,677.6	157.9
Okayama	347.5	356.1	372.1	397.7	25.6
Ehime	546.1	598.6	688.7	688.5	-0.2
Yamaguchi	218.4	232.8	235.4	243.1	7.7
Other prefectures	1,628.4	1,791.3	1,929.8	1,977	47.2
of which loans for the government	704.1	783.5	785.5	662.2	-123.3

Total assets under management (Hiroshima Bank + Hirogin Securities end balance), deposits, etc. (end balance)

Hirogin Holdings
consolidated

Hiroshima Bank
nonconsolidated

[Hirogin Holdings consolidated] Total assets under management (Hiroshima Bank + Hirogin Securities end balance)



*1 The balances of Hirogin Securities and non-deposits do not include financial instruments brokerage.

*2 Hirogin Securities balances are shown on a mark-to-market basis.

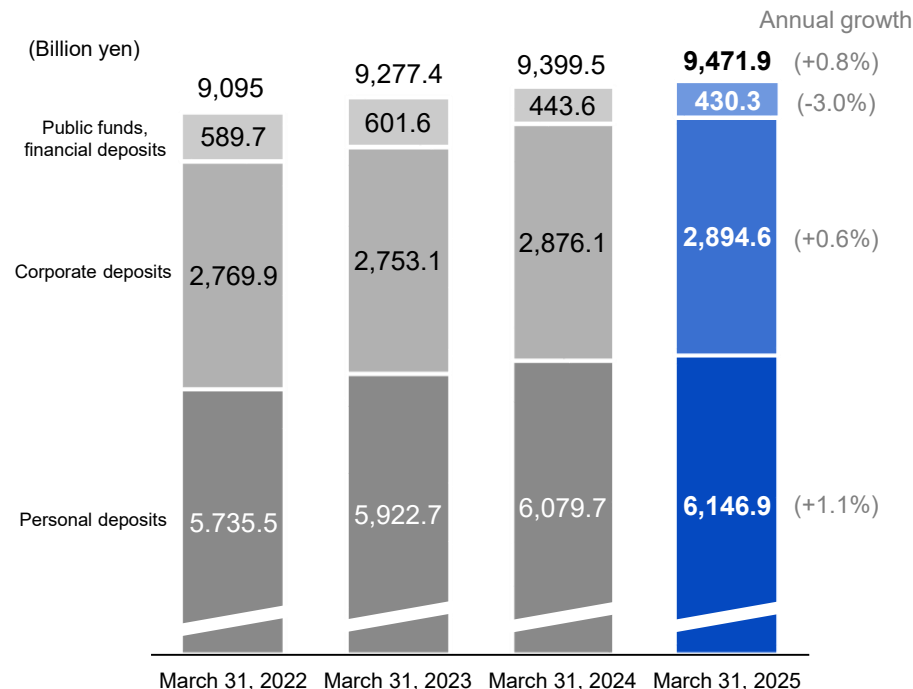
*3 Excluding financial instruments brokerage through the Hirogin App. (Rakuten Securities, SBI Securities)

(Billion yen)

	March 31, 2022	March 31, 2023	March 31, 2024	March 31, 2025	Vs. March 31, 2024
Hirogin Securities balance (Including financial instruments brokerage)*	810	842.5	1,022	985.3	-36.7
(Reference) Nikkei Stock Average (yen)	2,782.1	2,804.1	4,036.9	3,561.8	-475.1

* Hirogin Securities balances (including financial instruments brokerage) are shown on a mark-to-market basis.

[Nonconsolidated] Deposits, etc. (end balance)



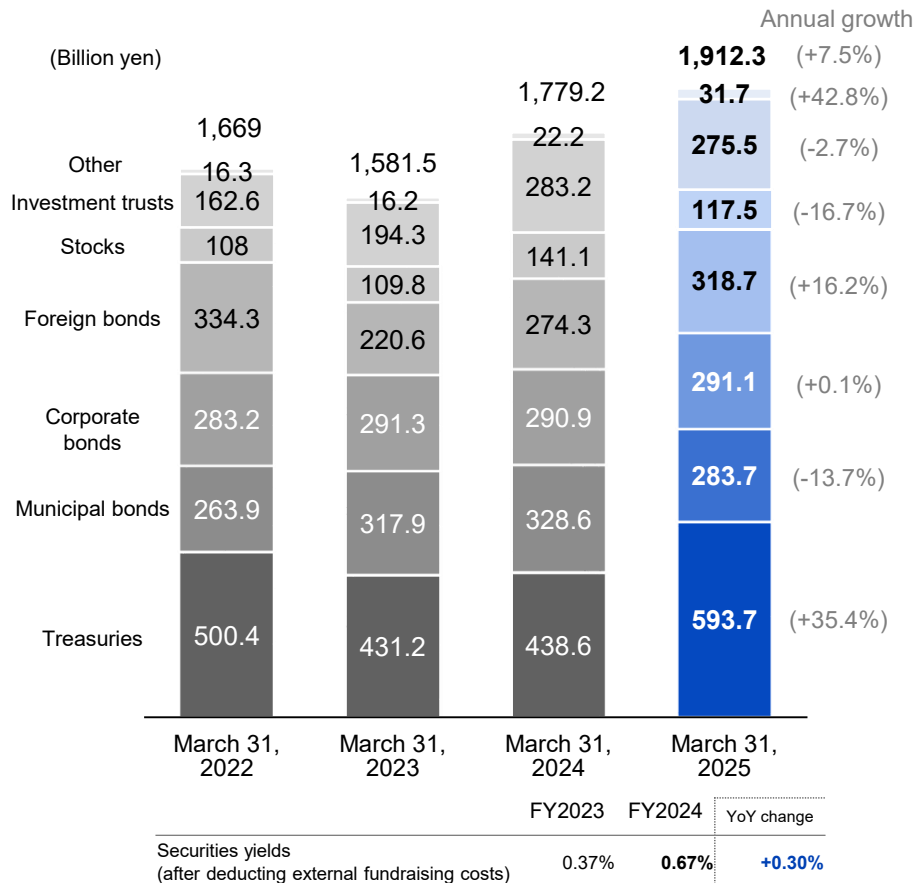
* Deposits, etc. include negotiable certificates of deposit (NCDs).

Securities (end balance) / Gains/losses on securities

Hirogin Holdings
consolidated

Hiroshima Bank
nonconsolidated

Securities (end balance)



Gains/losses on securities

(Billion yen)

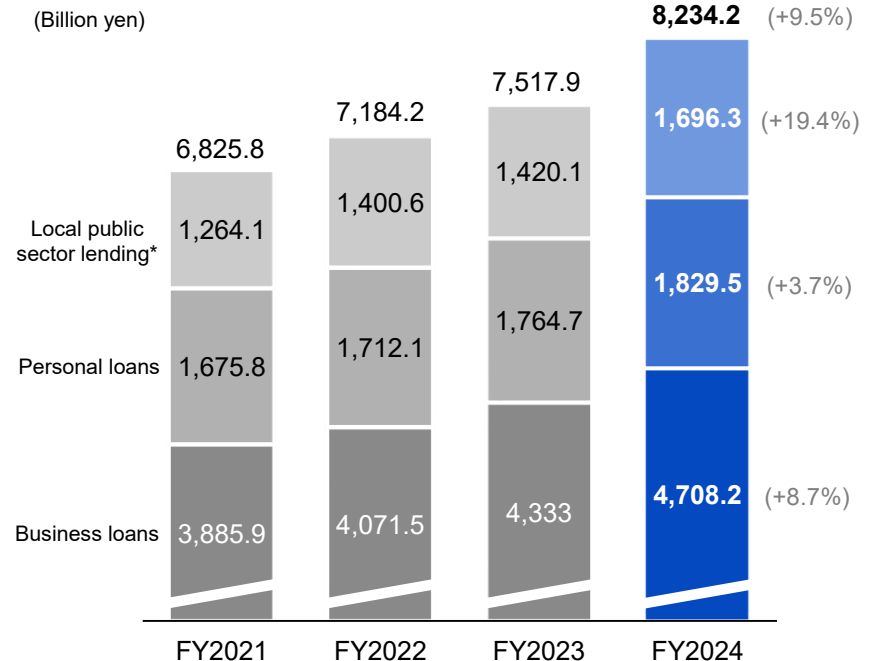
	March 31, 2022	March 31, 2023	March 31, 2024	March 31, 2025	vs. March 31, 2024
Held to maturity	-	0	0	-3.1	-3.2
Available-for-sale securities*	1.5	-12.5	33.4	-27.8	-61.3
Stocks	31.6	40.6	61.0	45.2	-15.8
Bonds	-11.2	-21.3	-28.7	-68.9	-40.2
Treasuries	-8.4	-14.0	-16.9	-42.0	-25.1
Municipal bonds	-1.7	-4.3	-6.0	-12.5	-6.5
Corporate bonds	-1.0	-3.0	-5.7	-14.3	-8.6
Other	-18.9	-31.8	1.2	-4.2	-5.4
(Included) Foreign bonds	-16.0	-22.4	-20.6	-14.4	6.2
(Included) Investment trusts	-2.9	-9.6	21.6	9.2	-12.4
Total	1.5	-12.5	33.5	-31.0	-64.5
* Gains/losses after hedging					
Other securities (before hedging)	1.5	-12.5	33.4	-27.8	-61.3
Interest rate swaps	1.1	2.9	-	8.3	8.3
Other securities (after hedging)	2.6	-9.6	33.4	-19.4	-52.9

Loans (average)

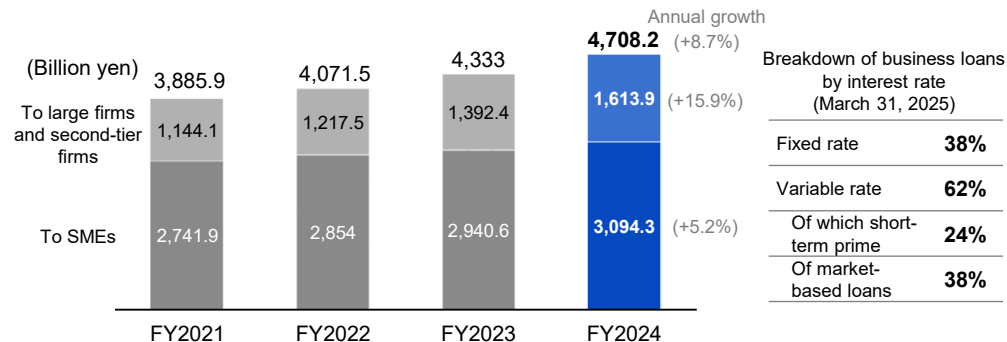
Hirogin Holdings
consolidated

Hiroshima Bank
nonconsolidated

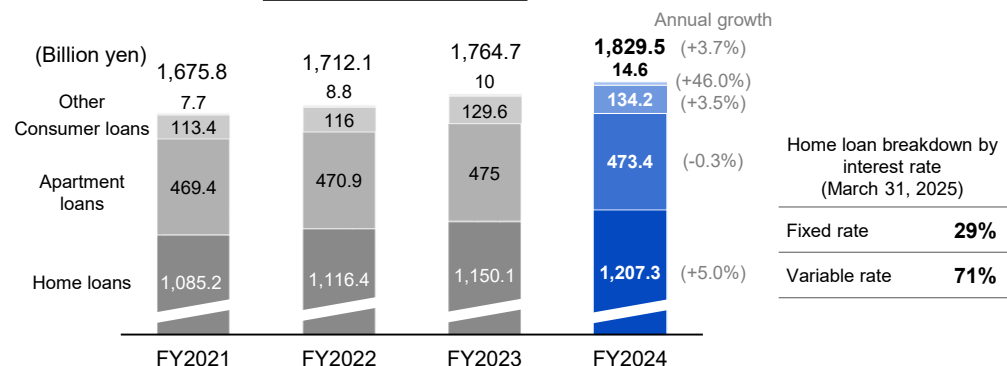
Loans (average)



Business loans (average)



Personal loans (average)



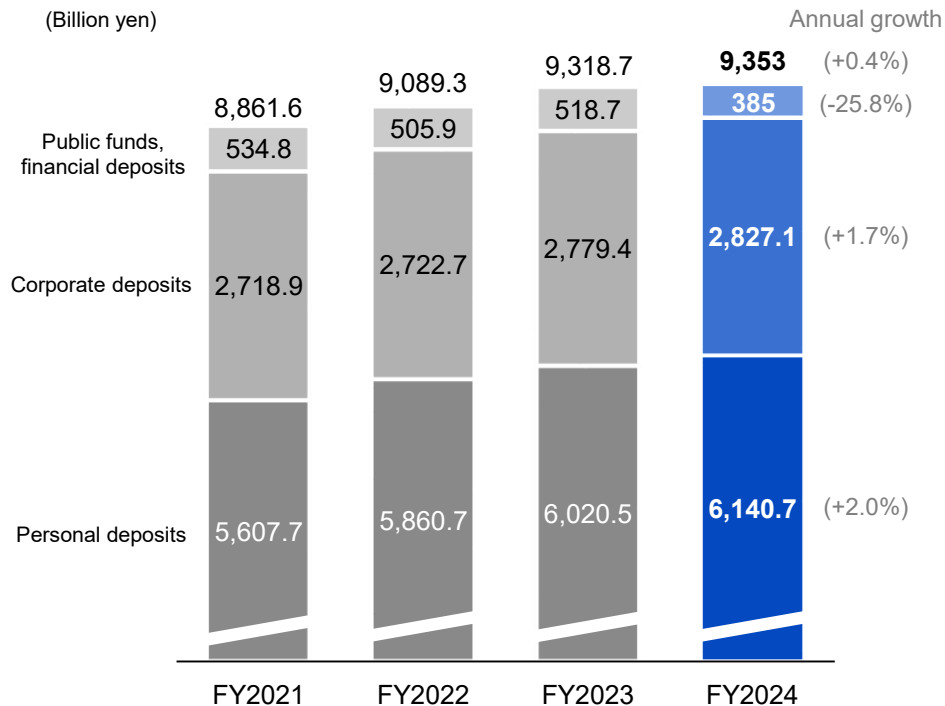
* Local public sector lending: Lending to local public agencies and public corporations

Deposits, etc. (average) / Securities (average)

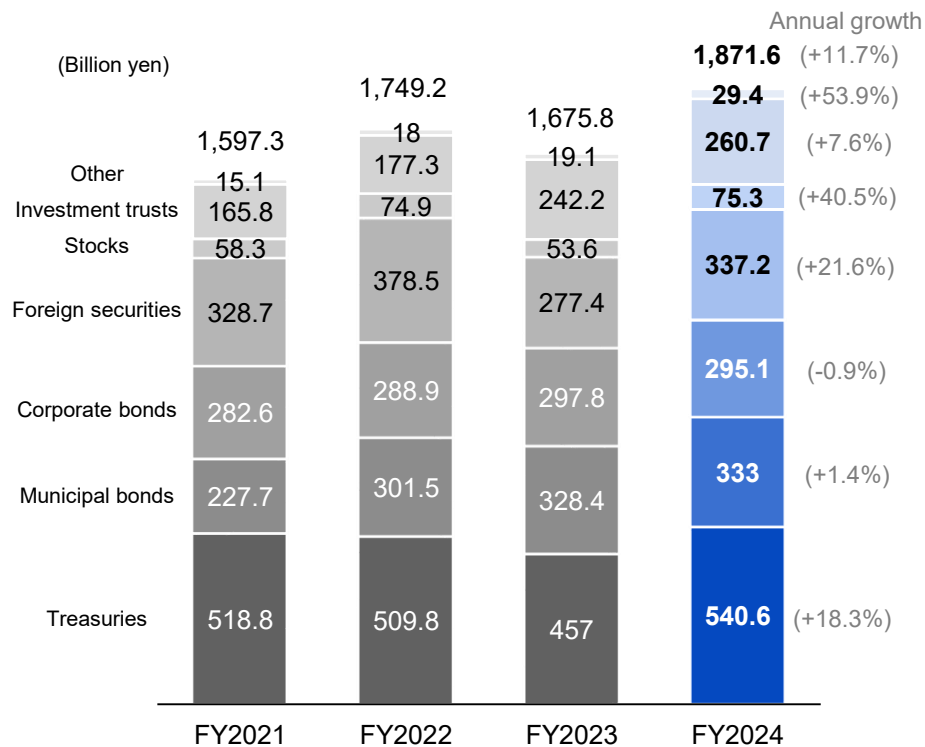
Hirogin Holdings
consolidated

Hiroshima Bank
nonconsolidated

Deposits, etc. (average)



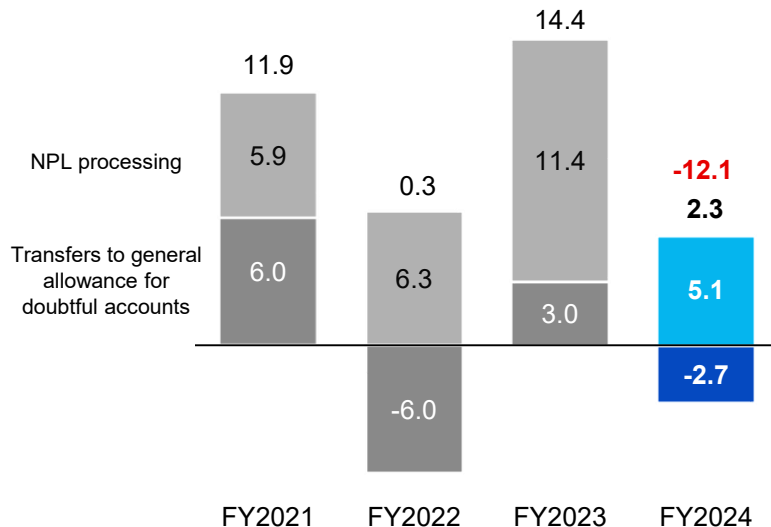
Securities (average)



* Deposits, etc. include negotiable certificates of deposit (NCDs).

Credit costs, credit cost ratio

(Billion yen)



(Billion, %)

	FY2021	FY2022	FY2023	FY2024
Credit costs	11.9	0.3	14.4	2.3
Credit cost ratio*	0.17	0.00	0.18	0.02

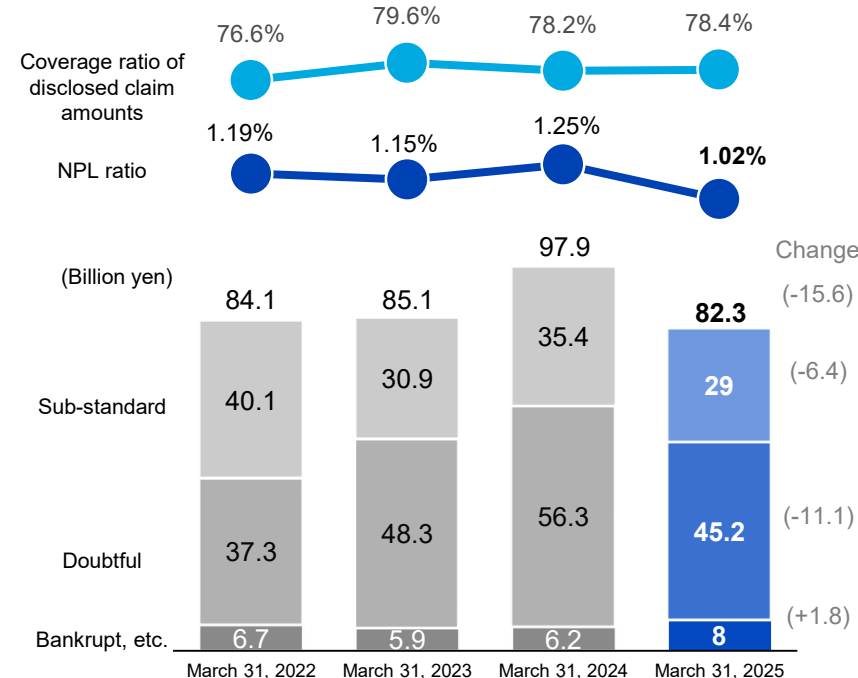
* Credit cost ratio = Credit costs ÷ Outstanding loan balance

Figures for claims disclosed under the Act on Emergency Measures for the Revitalization of the Financial Functions, NPL ratio

Figures for claims disclosed under the Act on Emergency Measures for the Revitalization of the Financial Functions

$$\text{NPL ratio} = \frac{\text{Coverage amount (coverage by allowance for doubtful accounts, security, etc.)}}{\text{Total credit}}$$

$$\text{Coverage ratio of disclosed claim amounts} = \frac{\text{Figures for claims disclosed under the Act on Emergency Measures for the Revitalization of the Financial Functions}}{\text{Figures for claims disclosed under the Act on Emergency Measures for the Revitalization of the Financial Functions}}$$



March 31, 2022 March 31, 2023 March 31, 2024 March 31, 2025

* Figures are rounded to the nearest unit as displayed.

Results for major Group companies: Excluding Hiroshima Bank

Results for major Group companies

Group companies		Performance after transition to holding company structure (Oct. 2020)				
Financial consolidated subsidiaries	Hirogin Securities	Total assets under management	September 30, 2020 713.1 billion yen	March 31, 2024 1,022 billion yen	March 31, 2025 985.3 billion yen	vs. September 30, 2020 +272.2 billion yen
	Hirogin Lease	Number of customers	September 30, 2020 6,158 customers	March 31, 2024 6,443 customers	March 31, 2025 6,445 customers	vs. September 30, 2020 +287 customers
	Hirogin Capital Partners	Amount invested (* Total of fund and principal investment)	September 30, 2020 0.1 billion yen	March 31, 2024 4.1 billion yen	March 31, 2025 5 billion yen	vs. September 30, 2020 +4.9 billion yen
	Hirogin Credit Service	Guarantee balance	September 30, 2020 874.5 billion yen	March 31, 2024 985 billion yen	March 31, 2025 1,093.3 billion yen	vs. September 30, 2020 +218.8 billion yen
	Shimanami Servicer	Number of advisory contracts	September 30, 2020 1.4 billion yen	March 31, 2024 2 billion yen	March 31, 2025 1.6 billion yen	vs. September 30, 2020 +0.2 billion yen
	Hirogin Life Partners <small>Established January 2024, with operations starting in July.</small>	Number of financial instruments brokerage accounts	Cumulative total since July 2024	—	March 31, 2025 94 accounts	
Nonfinancial consolidated subsidiaries	Hirogin Human Resources <small>Established April 2021</small>	Number of companies with whom consulting contracts concluded	Cumulative total since April 2021	March 31, 2024 110 companies	March 31, 2025 142 companies	
	Hirogin IT Solutions <small>Made subsidiary January 2021</small>	Number of contracts concluded	Cumulative total since January 2021	March 31, 2024 535 companies	March 31, 2025 694 companies	
	Hirogin Area Design <small>Established April 2021</small>	Number of orders received	Cumulative total since April 2021	March 31, 2024 70 contracts	March 31, 2025 115 contracts	

Disclaimer

This document contains statements related to the future, including forecasts, outlooks, and plans concerning Hirogin Holdings, Inc. (hereinafter “the Company”) and its group companies (hereinafter “the Group”).

These statements are based on information currently available to the Company and reflect its expectations as of the time of preparation of this document. Certain assumptions have been used in preparing these statements. These statements and assumptions are subjective in nature and may prove to be inaccurate or may not materialize in the future. There are various uncertainties and risks that could cause such outcomes. Please refer to the Company’s financial results, securities reports, and integrated reports for additional information on these. In addition, the future-related statements in this document are, as stated above, based on information as of the date of this document (or as of any separately specified date), and the Company has neither the obligation nor the policy to update such information whenever changes occur. Also, any information contained in this document regarding companies or entities other than the Company or the Group has been quoted from publicly available sources, and the Company has neither verified the accuracy or appropriateness of such information nor does it guarantee its accuracy or appropriateness.

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URL: <https://www.hirogin-hd.co.jp/english/index.html>



Hirogin Holdings, Inc.

Overview of Financial Results for FY2024

– IR Presentation –

May 26, 2025



Hirogin Holdings, Inc.



— Contents

I. Highlights of financial results for FY2024	... p. 3
II. Review of Mid-Term Plan 2024	... p. 7
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Today's agenda

Results

Net income attributable to owners of the parent for FY2024 was **35.8** billion yen; the consolidated ROE was **6.9%**.

Plans call for net income attributable to owners of the parent to reach **40.0** billion yen in FY2025, marking a record high for the second consecutive year, with consolidated ROE on-track to reach **7.8%**.

Planned

In light of recent interest rate trends, the **Mid-Term Plan 2024**, announced last year, has been **revised upward**.

In the final fiscal year of the Mid-Term Plan (FY2028), the target set for consolidated ROE is a minimum of **9.5%** (revised from the previous target of 7% or higher).

Consolidated ROE is projected to exceed **10%** due to improved securities yields and enhanced structured finance.

Status of initiatives

The status of various strategic initiatives remains **positive**.

To achieve the KPIs, initiatives in the **corporate sector**—one of the Group's key strengths—will be further strengthened.

Hirogin Holdings | Overview of financial results for FY2024 2

- Here is what I'd like to share with you today.
- Net income attributable to owners of the parent for FY2024 was favorable, 35.8 billion yen.
- Net income attributable to owners of the parent for FY2025 is expected to reach 40 billion yen marking a record high for the second consecutive year.
- In light of recent interest rate trends, the “Medium-Term Plan 2024” has been revised upward.
- The targets set for consolidated ROE is a minimum of 9.5% and for net income attributable to owners of the parent is 57 billion yen.
- The consolidated ROE is projected to exceed 10% due to improved securities yields and enhanced structured finance.
- To achieve the KPIs, initiatives in the corporate sector—one of the Group's key strengths—will be further strengthened.

I. Highlights of financial results for FY2024

Overview of financial results for FY2024

▶ Net income attributable to owners of the parent is 35.8 billion yen, up 8.2 billion yen year on year, marking a new record high.

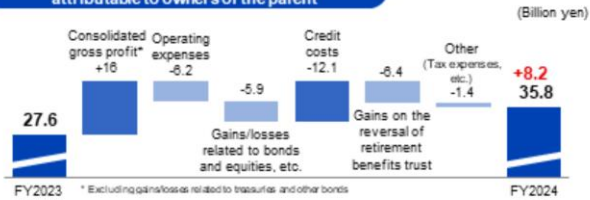
Summary of consolidated business performance

Key points of financial results for FY2024

	FY2024	YoY	(Change rate)	vs. Announced
Consolidated gross profit (excluding gains/losses related to treasuries and other bonds)	112.8	12.1	(12.0%)	
1	119.1	16.0		
Net interest income	85.7	12.8		
Income on service transactions and other fees	26.0	1.9		
Income from specific transactions and other businesses (including gains/losses related to treasuries and other bonds)	1.0	-2.6		
2	-6.2	-3.8		
Operating expenses	(-) 64.1	6.2		
3				
Credit costs	(-) 2.9	-12.1		
4				
Gains/losses related to equities, etc.	5.5	-2.1		
Equity in earnings of affiliates	0	0		
Other	0.8	2.0		
Ordinary profit	52.1	18.0	(52.8%)	1.6
Extraordinary gains/losses (including gains on the reversal of retirement benefits trust)	-1.1	-6.9		
-	-	-8.4		
Total income tax, etc.	(-) 15.1	2.9		
Interim net income attributable to non-controlling interests	(-) 0	0		
5				
Interim net income attributable to owners of the parent	35.8	8.2	(29.4%)	0.8
(Ref.) Operating overhead ratio (*)	53.9%	-2.3%		

- 1 Consolidated gross profit (excluding gains/losses related to treasuries and other bonds)**
 - Interest income rose significantly due to higher loan interest driven by increased local balances and improved yields, as well as enhanced profitability in securities investments.
- 2 Gains/losses related to treasuries and other bonds**
 - Low-yield bonds were disposed of as part of efforts to build a securities portfolio capable of securing stable and continuous profitability.
- 3 Operating expenses**
 - Active investment in growth areas, primarily in human capital, digital transformation (DX), and IT initiatives.
- 4 Credit costs**
 - A decline in rebounds due to the lack of large loan-loss provisions recorded last year.
- 5 Net income attributable to owners of the parent**
 - It increased by 8.2 billion yen year on year to 35.8 billion yen, marking a new record high.

Factors underlying changes in net income attributable to owners of the parent



* Operating overhead ratio = operating expenses / (consolidated gross profit gains/losses from treasuries and other bonds)

Hirogin Holdings | Overview of financial results for FY2024

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- Net income attributable to owners of the parent is 35.8 billion yen, up 8.2 billion yen year on year, marking a new record high. (+0.8 billion yen from the figure announced on November 8).
- Key points of FY2024 financial results
- ① Consolidated gross profit excluding gains/losses related to treasuries and other bonds**
 - Net interest income rose significantly, up 16.0 billion yen year on year, due to higher loan interest driven by increased local balances and improved yields, as well as enhanced profitability in securities investments.
 - ② Gains/losses related to treasuries and other bonds**
 - To create a securities portfolio with stable and continuous high profitability, we proceeded with replacement trading and disposed of low-yield bonds, resulting in a loss on sales of 6.2 billion yen. (Minus 3.8 billion yen year on year)
 - ③ Operating expenses**
 - Under the policy of “raising the top-line revenue at cost,” as stated in the Mid-Term Plan, aggressive investment in growth, primarily in human capital and DX/IT, increased by 6.2 billion yen from the previous year.
 - Looking at the operating expense ratio, while operating expenses increased, the significant growth in top-line revenue led to a 2.3-point improvement.
 - ④ Credit Costs**
 - A decline by 12.1 billion yen year on year in rebounds due to the lack of large loan-loss provisions recorded last year.
 - ⑤ Net income attributable to owners of the parent**
 - Net income attributable to owners of the parent is 35.8 billion yen, up 8.2 billion yen year on year, marking a new record high. (The previous record was 31.3 billion yen in FY2015.)

Results for major Group companies: Bank

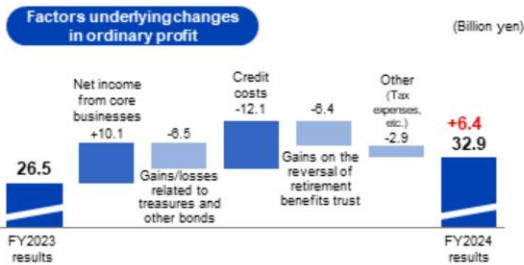
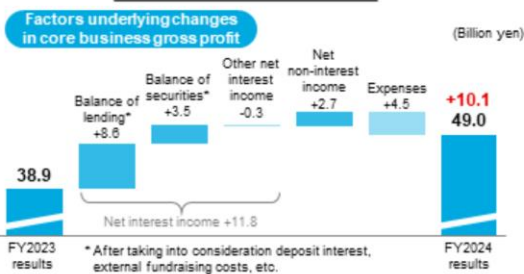
- ▶ The balance of lending, balance of securities, and net non-interest income increased, resulting in a 10.1 billion yen year on year increase in net income from our core businesses, demonstrating improved profitability. Net income also increased by 6.4 billion yen year on year.

Hiroshima Bank summary results

(Billion yen)

	FY2024	YoY	(Change rate)
Core business gross profit	106.5	14.5	(15.7%)
Net interest income	85.9	11.8	
Net non-interest income	20.5	2.7	
Corporate solutions	7.4	1.6	
Asset management	4.2	-0.7	
Revenue from personal loans	3.5	1.7	
Other (domestic exchange, foreign exchange, etc.)	5.4	0.1	
Expenses (excluding extraordinary disposal)	(-) 57.5	4.5	
Net income from core businesses	49.0	10.1	(25.8%)
Net income from core businesses (excluding gains/losses from cancellation of investment trusts)	49.0	10.1	(25.8%)
Gains/losses related to treasuries and other bonds	-6.2	-3.8	
Effective net income from businesses	42.7	6.2	(17.0%)
Credit costs	(-) 2.3	-12.1	
Gains/losses related to equities, etc.	5.5	-2.7	
Other temporary gains/losses	1.7	0.6	
Ordinary profit	47.7	16.3	(51.5%)
Extraordinary gains/losses (including gains on the reversal of retirement benefits trust)	-1.1	-6.9	
Total income tax, etc.	(-) 13.6	2.9	
Interim net income	32.9	6.4	(24.2%)

Factors underlying changes in core business gross profit and ordinary profit



Hirogin Holdings | Overview of financial results for FY2024

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- ▶ Net interest income increased by 11.8 billion yen year on year, driven by growth in the balance of lending and the balance of securities, after deducting deposit interest and external fundraising costs.
- ▶ In addition to strong performance in corporate solutions, fee income from personal loans also increased, resulting in a 2.7 billion yen year-on-year increase in net non-interest income.
- ▶ As a result, net income from our core businesses increased by 10.1 billion yen year on year to 49.0 billion yen, and net income increased by 6.4 billion yen year on year to 32.9 billion yen. (The bank on a nonconsolidated basis also marked a record-high net income.)

Results for major Group companies: Excluding Hiroshima Bank

- ▶ The total net income for group companies was 3.005 billion yen, an increase of 416 million yen year on year.
- ▶ Going forward, we will continue to strengthen our capacity to provide solutions in nonfinancial fields in response to customer needs.

Summary results for major Group companies

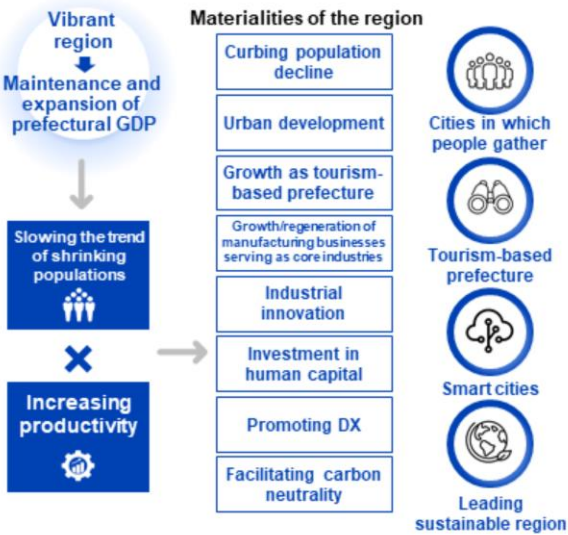
															Financial consolidated subsidiary			Nonfinancial consolidated subsidiary		
Hirogin Securities				Hirogin Lease				Shimanami Servicer				Hirogin Capital Partners				Hirogin Credit Service				
(Million yen)	FY2024	YoY change		(Million yen)	FY2024	YoY change		(Million yen)	FY2024	YoY change		(Million yen)	FY2024	YoY change		(Million yen)	FY2024	YoY change		
Gross income	4,719	-312		Gross income	2,990	451		Gross income	684	-7		Gross income	232	79		Gross income	4,063	318		
Ordinary profit	678	-315		Ordinary profit	1,474	432		Ordinary profit	97	21		Ordinary profit	87	658		Ordinary profit	1,907	45		
Net income	478	-174		Net income	940	228		Net income	55	14		Net income	60	457		Net income	1,254	35		
Hirogin Life Partners*				Hirogin Human Resources				Hirogin IT Solutions				Hirogin Area Design				Total net income for group companies*				
(Million yen)	FY2024	YoY change		(Million yen)	FY2024	YoY change		(Million yen)	FY2024	YoY change		(Million yen)	FY2024	YoY change		(Million yen)	FY2024	YoY change		
Gross income	7	-		Gross income	308	36		Gross income	1,008	-200		Gross income	347	-65		Total net income for group companies	3,005	416		
Ordinary profit	-56	-		Ordinary profit	32	-32		Ordinary profit	113	-288		Ordinary profit	59	-26						
Net income	-39	-		Net income	16	-25		Net income	81	-182		Net income	51	-7						
* Total amount obtained after multiplying																				

II. Review of Mid-Term Plan 2024

Overview of Mid-Term Plan 2024: Regional and Group vision

- ▶ Mid-Term Plan 2024 identifies clear regional materialities for realizing vibrant region (maintenance and expansion of prefectural GDP). The Group will demonstrate an overwhelming presence in the region through efforts to identify solutions to these issues.
- ▶ The Group will strengthen its corporate value by deepening and expanding its business axes and maximizing the human capital, thereby achieving its ideal form and ultimate purpose.

Regional vision



The Group's vision

To demonstrate an overwhelming presence in the region



Hirogin Holdings | Overview of financial results for FY2024 8

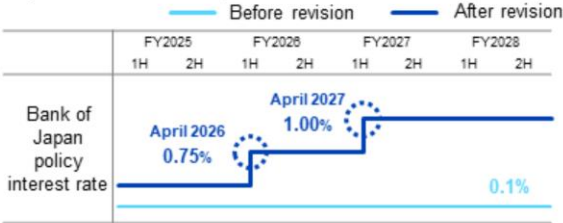
- In the Mid-Term Plan 2024, the materiality of the region is clarified to achieve a “vibrant region” (= maintaining and expanding the prefecture’s gross domestic product).
- Through its materiality initiatives, the Group will demonstrate its overwhelming presence in the region.
- The Group will strengthen its corporate value by deepening and expanding its business axes and maximizing the human capital, thereby achieving its ideal form and ultimate purpose.

Details of main revisions to FY2028 targets

Background of revisions

- ❑ The interest rate scenario envisioned in the Mid-Term Plan 2024, which was announced last year, called for a Bank of Japan policy interest rate of 0.1%, which differs from current market conditions.
- ❑ The interest rate scenario will be revised to one calling for an increase, in stages, in the BoJ policy interest rate to 1.0%, in light of changing market conditions.

(Policy interest rate scenario)



(Other FY2028 market scenarios)

		(Before revision)	(After revision)
Yen interest rate	Rate on 10-year JGBs	1.50%	2.00%
Foreign currency interest rates	FF rate	3.00%	3.75%
	Rate on 10-year US treasuries	3.75%	4.30%
Exchange rate (USD/JPY)		135 yen	140 yen
Nikkei average		41,000 yen	44,000 yen

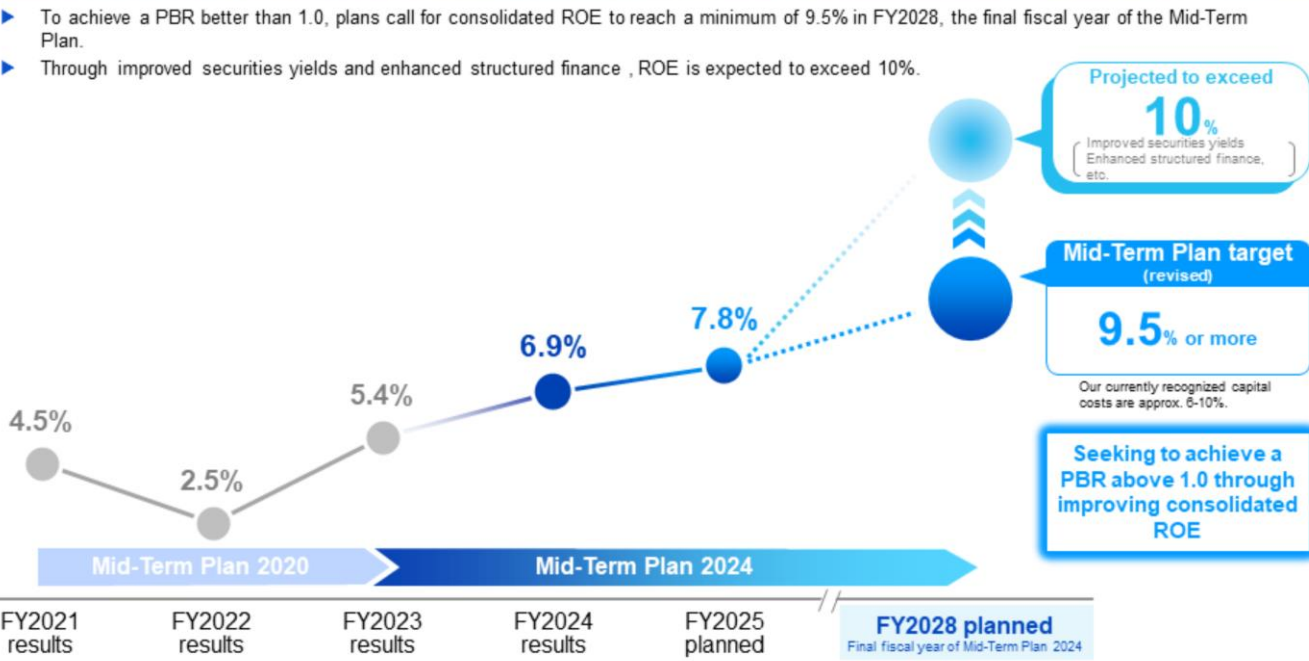
Details of revisions (FY2028)



- The consolidated capital adequacy ratio and consolidated BPS targets established in Mid-Term Plan 2024 remain unchanged. [Details: p. 14](#)
- Some Group initiatives intended to achieve KPIs for regional revitalization have been revised. [Details: p. 15](#)

- The interest rate scenario envisioned in the Mid-Term Plan 2024, which was announced in March 2024, assumed a Bank of Japan policy interest rate of 0.1%.
- The interest rate in the domestic market has changed significantly since the time of formulation, and it is assumed that it will continue to rise to a certain degree in the future, so we revised the scenario to reflect a gradual increase to 1.0% by April 2027.
- Reflecting increased loan interest income resulting from the revised market scenario, along with stronger solution offerings and a restructured securities portfolio, the targets for FY2028, the final fiscal year of the Mid-Term Plan 2024, were revised to a consolidated ROE of over 9.5%, up from over 7%, and net income attributable to the owners of the parent of 57.0 billion yen, up from 45.0 billion yen.

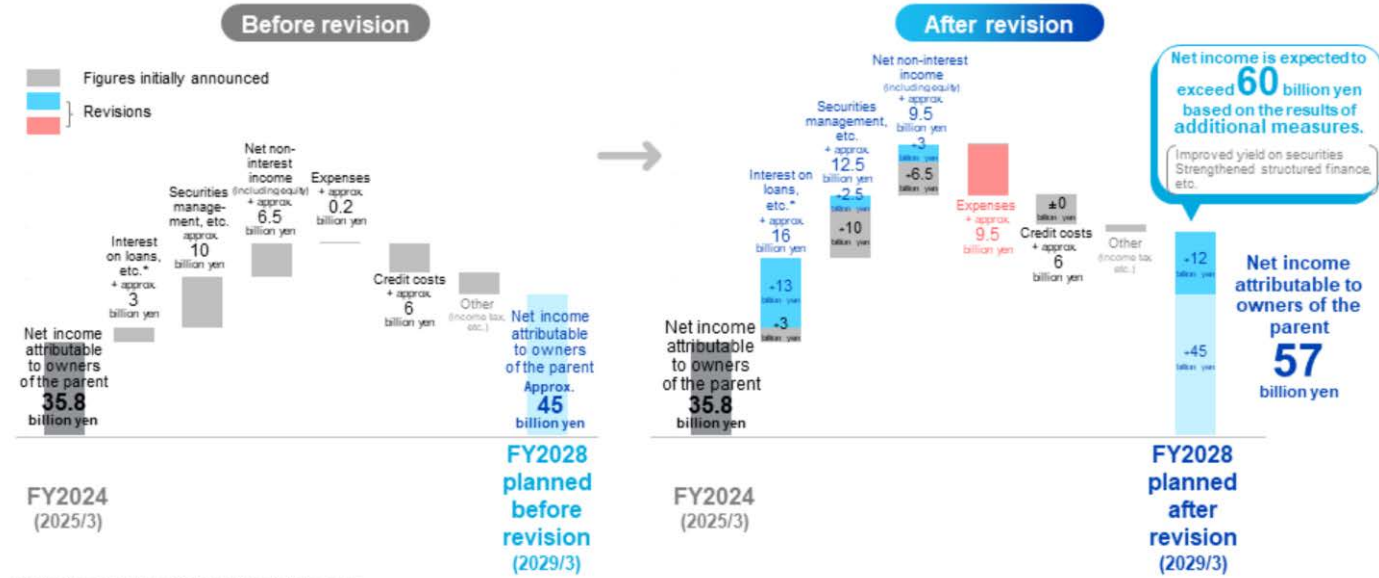
Consolidated ROE level



- Seeking to achieve a PBR above 1.0 through improving consolidated ROE.
- Consolidated ROE for FY2028 has been revised to 9.5% or more.
- In addition to the revised market scenario, we project consolidated ROE to exceed 10%, through further improvements in securities yields and the strengthening of structured finance through additional initiatives.

Net income attributable to owners of the parent

- Plans call for income attributable to owners of the parent to reach 57 billion yen in FY2028, the final fiscal year of the Mid-Term Plan.
- We expect net income to exceed 60 billion yen on the strength of improved securities yields and enhanced structured finance.



- Net income attributable to owners of the parent for FY2024 has been revised to 57 billion yen.
- With the additional measures I mentioned earlier, net income is projected to reach 60.0 billion yen.

(Reference) Plans for net income attributable to owners of the parent

Earnings plans

	FY2024	...	FY2028	vs. FY2024	vs. before revision
Bank	Net interest income	85.9 billion yen	121.5 billion yen	+35.6 billion yen	+24.5 billion yen
	(Included) Loan interest, deposit interest, etc.	70.8 billion yen	87 billion yen	+16.2 billion yen	+13.3 billion yen
	(Included) Interest and dividends from securities	13 billion yen	22.5 billion yen	+9.5 billion yen	+2.5 billion yen
	Net non-interest income	20.5 billion yen	26.5 billion yen	+6 billion yen	+5 billion yen
	(Included) Corporate solutions	7.4 billion yen	11 billion yen	+3.6 billion yen	+2.5 billion yen
	(Included) Asset management	4.2 billion yen	6 billion yen	+1.8 billion yen	+0.5 billion yen
	Core business gross profit	106.5 billion yen	148 billion yen	+41.5 billion yen	+29.5 billion yen
	Expenses	57.5 billion yen	66.5 billion yen	+9 billion yen	+9.5 billion yen
	Net income from core businesses	49 billion yen	86.5 billion yen	+37.5 billion yen	+25 billion yen
	(Included) Credit costs	2.3 billion yen	8 billion yen	+5.7 billion yen	± 0 billion yen
Nonbank	Net income	32.9 billion yen	52 billion yen	+19.1 billion yen	+11 billion yen
	Net income (Total)	2.9 billion yen	4.8 billion yen	+1.9 billion yen	+0.8 billion yen
	Net income attributable to owners of the parent	35.8 billion yen	57 billion yen	+21.2 billion yen	+12 billion yen

Note: Interest on loans and securities profits and dividends reflect deductions of external fundraising costs.

Major factors contributing to changes

Loan interest and deposit interest, etc.

* For interest and dividends from securities, please refer to p.30.

- (Loans)
 - Average annual growth rate of business loans and personal loans: 3%
 - Loan rate pass-through to policy rate: Prime (long-term): 80%, Prime (short-term): 50%, Market-linked / Long-term fixed: 100%
- (Deposits)
 - Average annual growth rate of yen deposits: 2%
 - Deposit rate pass-through to policy rate: Current deposit: 40%, Time deposit: approx. 50%

Net non-interest income

- (Corporate)
 - Provision of new solutions and further risk-taking initiatives (Strategic direction and implementation measures under consideration)

Expenses

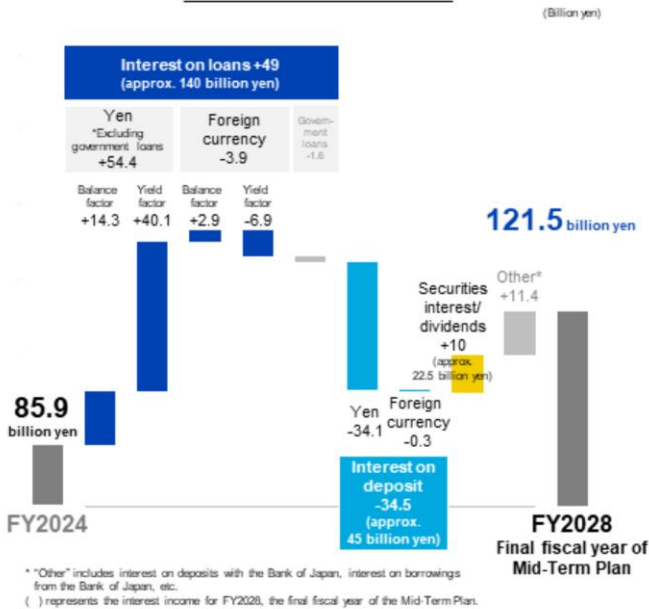
- (Labor costs)
 - Incorporating an average annual base salary increase of 3% (+ approx. 1.6 billion yen)
- (Non-personnel expenses)
 - Incorporating core systems migration and other IT investments
 - Incorporating additional DX investments (+ approx. 4 billion yen)

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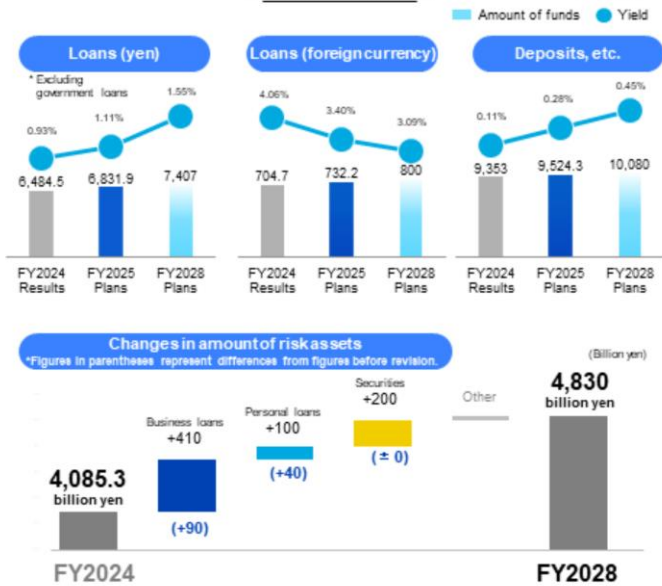
➤ The profit plan is shown for reference.

(Reference) Factors contributing to changes in net interest income and capital allocation plan

Factors contributing to changes in net interest income



Funding plan and capital allocation (Amounts of risk assets)



- For reference, the factors behind changes in interest income and the funding plan are shown here.
- Following the revision of the Mid-Term Plan, additional capital allocation has been made to support further risk-taking.

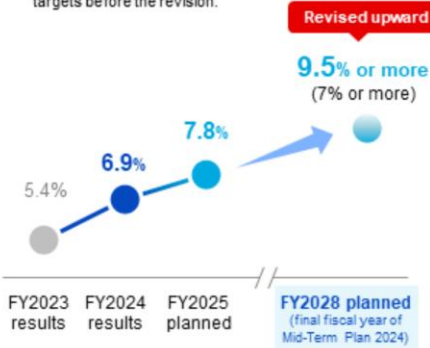
Progress on Mid-Term Plan 2024: Group KPIs

- ▶ The Group is making steady progress toward the KPIs set for the final fiscal year of Mid-Term Plan 2024 (FY2028).
- ▶ No revisions have been made in the consolidated capital adequacy ratio. The Group intends to pursue additional risk-taking initiatives to enhance profitability.
- ▶ Regarding consolidated BPS, while no revision has been made in light of the current level of net assets, the Group remains committed to a balanced management approach that includes executing growth investments, maintaining financial soundness, and strengthening shareholder returns.

Mid-Term Plan 2024 Group KPIs

Consolidated ROE

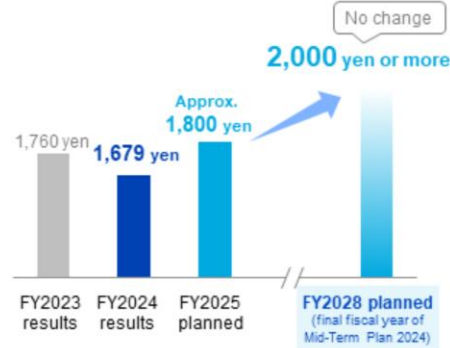
Figures in parentheses indicate targets before the revision.



Consolidated capital adequacy ratio



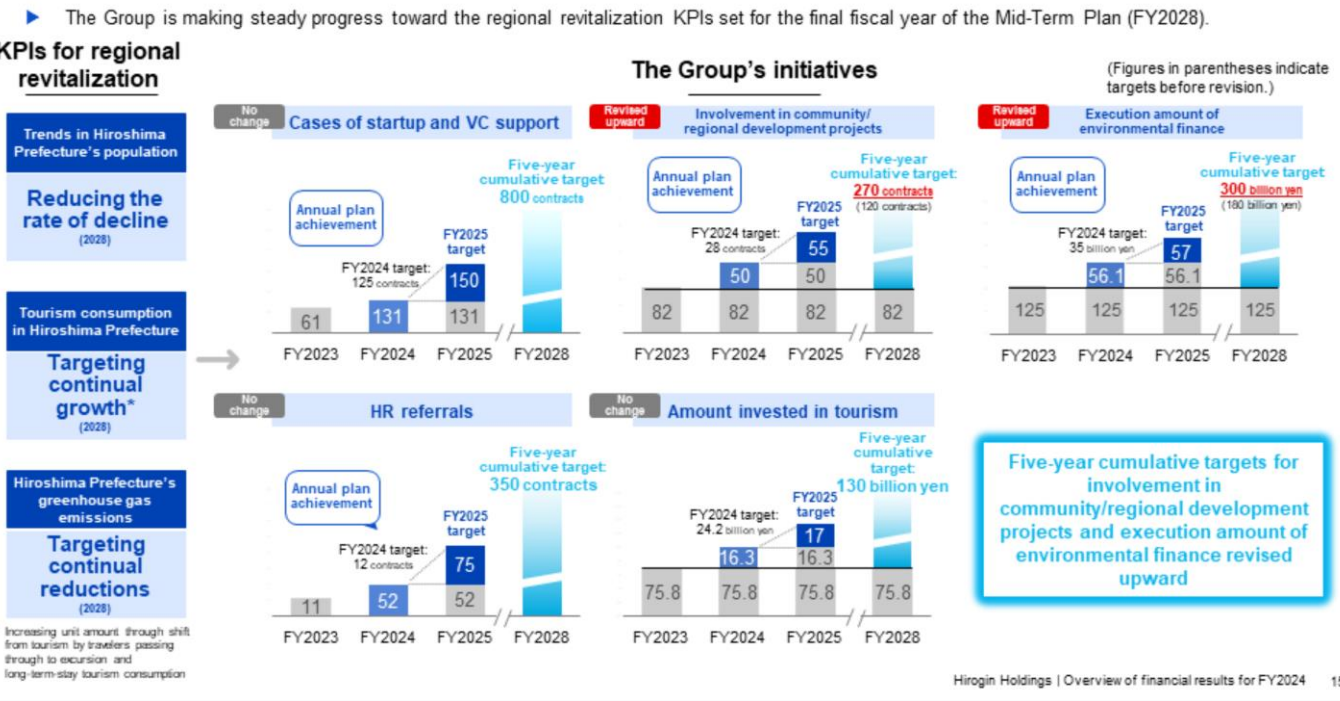
Consolidated BPS



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- The revised Group KPIs are presented.
- As explained on the previous page, the target level for the consolidated capital adequacy ratio has not been revised, as further risk-taking aimed at enhancing profitability will continue to be pursued.
- Regarding consolidated BPS, while no revision has been made in light of the current level of net assets, the Group remains committed to a balanced management approach that includes executing growth investments, maintaining financial soundness, and strengthening shareholder returns.

Progress on Mid-Term Plan 2024: Group Initiatives to Achieve the Regional Revitalization KPIs



- I will share the Group initiatives to achieve KPIs for regional revitalization outlined in the Med-Term Plan 2024.
- Based on recent circumstances, the five-year cumulative targets for the two items? involvement in community/regional development projects and execution amount of environmental finance—have been revised upward.
- For FY2024 results, targets were achieved in four out of the five items.

III. Performance projections (FY2025)

FY2025 performance projections

Net income attributable to owners of the parent for FY2025 is expected to reach 40 billion yen, marking a record high for the second consecutive year.

FY2025 performance forecasts

FY2025 nonconsolidated forecast for Hirogin Holdings (Billion yen)

	Interim performance forecast	FY2025 performance forecast	YoY change
Ordinary profit	27.5	57.0	4.9
Net income attributable to owners of the parent	19.0	40.0	4.2
(Reference) Net income of Group companies *excluding Bank		3.3	0.3

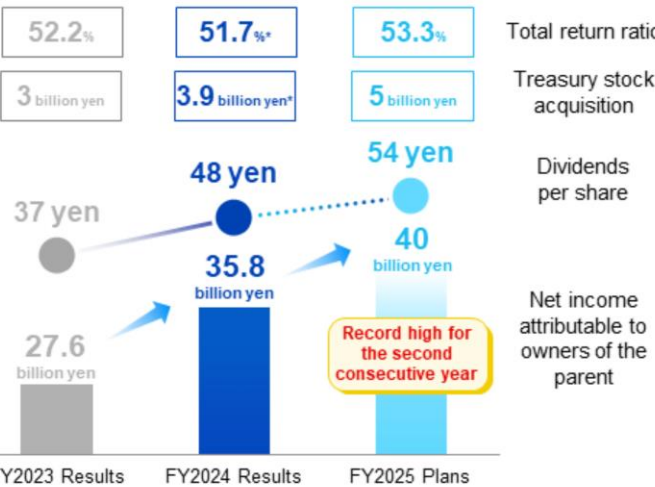
Reference: FY2025 nonconsolidated forecast for Hiroshima Bank (Billion yen)

	Interim performance forecast	FY2025 performance forecast	YoY change
Net interest income		97.5	11.6
Net non-interest income		21.0	0.5
Core business gross profit		118.5	12.0
Expenses		81.5	4.0
Net income from core business		57.0	8.0
Gains/losses related to securities, etc.		1.0	1.7
Credit costs		7.0	4.7
Ordinary profit	25.5	52.0	4.3
Net income	18.0	36.5	3.6

Market scenario assumptions of performance forecasts

Yen interest rate	: (Short-term) BoJ policy rate 0.50%	(Long-term) Rate on 10-year JGBs 1.40%
Foreign interest rates	: (Short-term) FF rate 3.75%	(Long-term) Rate on 10-year US treasuries 4.50%
Exchange rate (USD/JPY)	: 145 yen	
Nikkei average	: 35,000 yen	

Performance and shareholder returns



* Of the treasury stock repurchase amount of 5 billion yen, 1 million shares are scheduled to be disposed of through a third-party allotment to support the Hiroshima Museum of Art, subject to approval at the 5th Annual General Meeting of Shareholders scheduled for June 2025. As a result, the effective treasury stock repurchase amount is estimated at 3.9 billion yen.

- Net income attributable to owners of the parent for FY2025 is expected to reach 40 billion yen marking a record high for the second consecutive year.
- The total return ratio, including the treasury stock acquisition announced on May 12, 2025, stands at 53.3%.

IV. Increasing corporate value

Increasing corporate value

- ▶ To increase corporate value, the Group will place particular emphasis on improving RORA and strengthening financial leverage control.



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- Aiming to increase PBR (= corporate value), ROE will be raised to 9.5% or more (over 10% is also in view).
- To that end, RORA improvement and financial leverage control efforts have been strengthened.
- To enhance the expected growth rate from shareholders, initiatives in regional revitalization, investment in human capital, and dialogue with the capital markets are being strengthened.

Initiatives to improve ROE

Improvements in RORA are being pursued through business developments that leverage Group strengths and by advancing structural reforms.

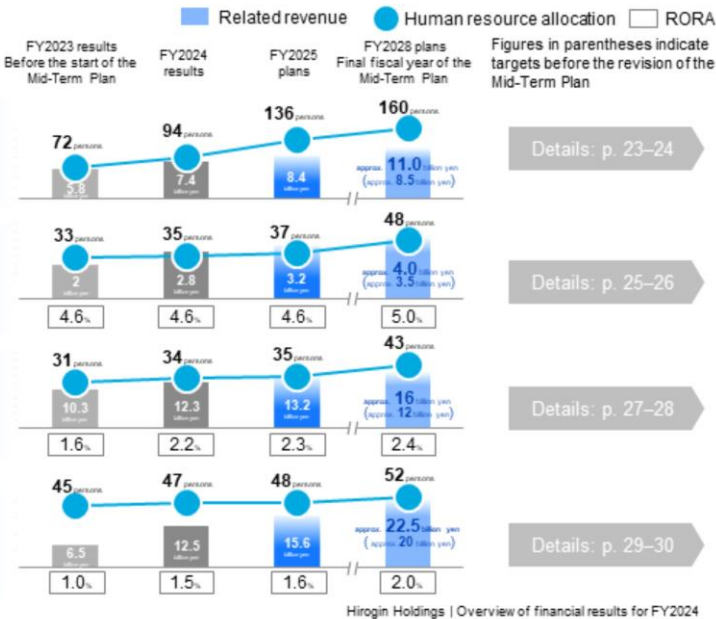
Business areas

Revenue and personnel allocation plan

Deploying businesses that draw on the Group's strengths

Business domains in which we will pursue structural reforms

- Corporate solutions
- Regional development business
- Ship finance
- Securities asset management, ALM



Details: p. 23–24

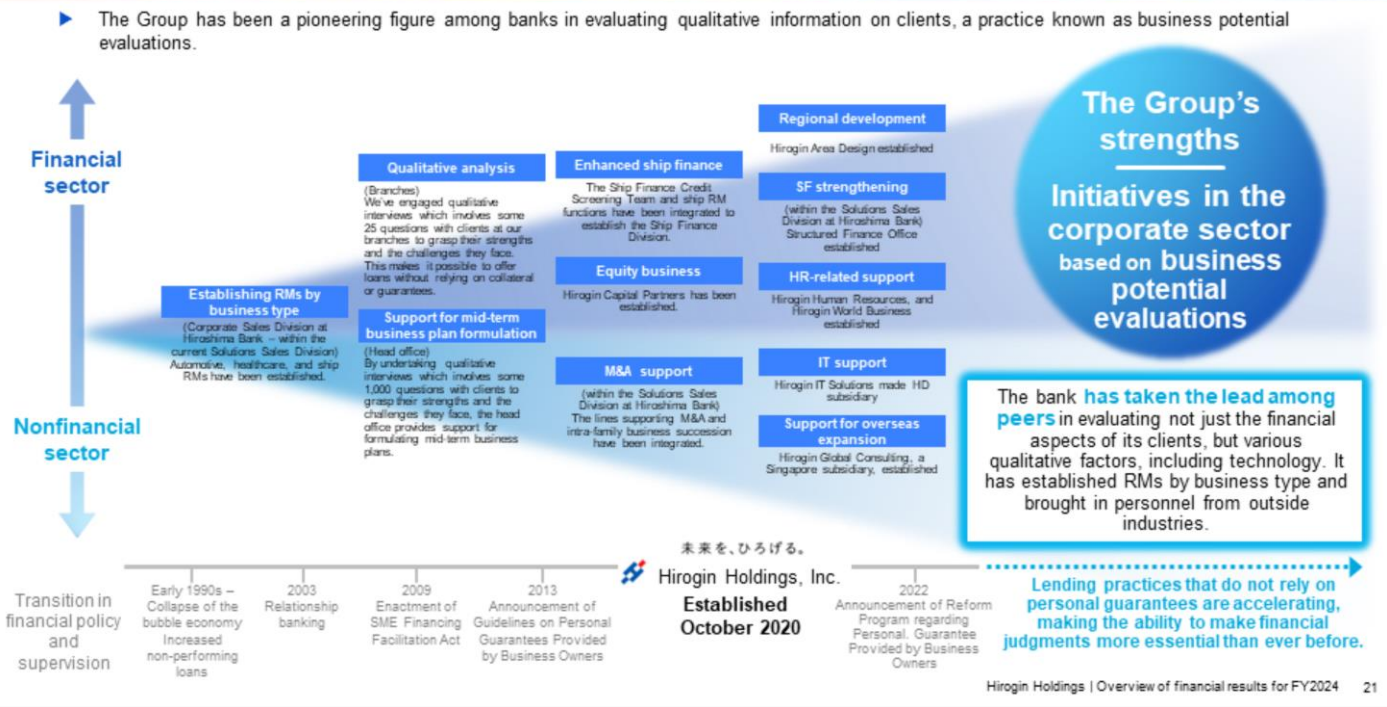
Details: p. 25–26

Details: p. 27–28

Details: p. 29–30

- Initiatives for improving RORA will be outlined.
- Business development leveraging the strengths of our corporate group will focus on corporate solutions, regional development business, and ship finance, while structural reforms will emphasize securities asset management and ALM.
- By steadily implementing various strategies in key focus areas, improvements in ROE will be pursued.

Initiatives in the corporate sector: Our evolving initiatives



Initiatives in the corporate sector: Business areas to focus on

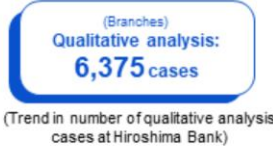
▶ The company will focus on initiatives in the corporate sector based on its strength in business potential evaluations.

Initiatives in business potential evaluations

Business areas to focus on

Efforts to understand clients and the in-depth identification of their latent needs have become firmly rooted across the organization.

Providing optimal solutions for each client based on a deep understanding of their true challenges



Note: Cumulative results through March 31, 2025

Corporate solutions

- Regional development business

Ship finance

- Financial area**
- Structured finance
 - Equity business, etc.
- Nonfinancial area**
- M&A and business succession support
 - Overseas expansion support
 - HR-related consulting
 - IT consulting, etc.
- Finance area**
- Finance for newly built ships
 - Support for replacement projects, etc.

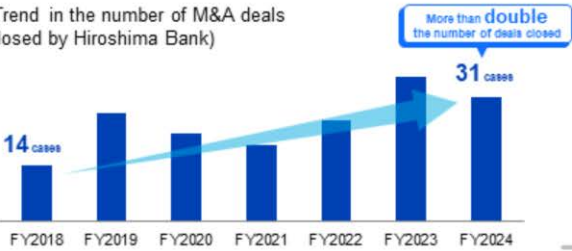
- ▶ Our early initiatives in business potential evaluations , ahead of other banks, have taken root within the organization, establishing a company-wide culture of client understanding and deep exploration of potential needs.
- ▶ The optimal solution for each client based on a deep understanding of their true challenges will be provided.

Initiatives in the corporate sector: Corporate solutions

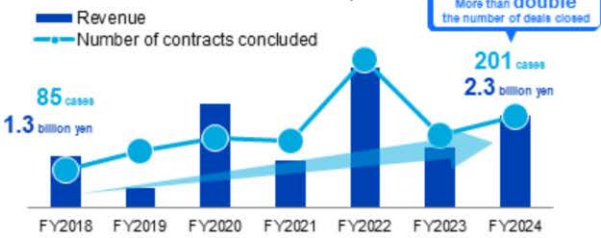
- ▶ The corporate solutions area, one of the group's key strengths, has continued to perform steadily.
- ▶ The group is seeking further reinforce this strength by building a robust support structure for clients, enhancing human capital through skills development, and strengthening personnel deployment.

Initiatives to date

(Trend in the number of M&A deals closed by Hiroshima Bank)



(Trend in the number of derivative contracts concluded and related revenue at Hiroshima Bank)



Establishing a system

Building the framework

Skill improvement

Further personnel reinforcement

❑ The number of regional M&A representatives in the Solution Sales Division at Hiroshima Bank has been increased to strengthen the framework for deal sourcing and closing

❑ Number of employees having external secondment experience (cumulative): 27

* M&A advisory firms, major trust banks, and overseas banks

+

FY2023 results Before the start of the Mid-Term Plan 72 persons

FY2024 results 94 persons

FY25 plans 136 persons

FY26 plans Final fiscal year of the Mid-Term Plan 160 persons

Continue to enhance skills through external secondments and other measures.

- The corporate solutions area, one of the group's key strengths, has continued to perform steadily.
(Both the number of M&A deals closed and the number of derivative contracts concluded have more than doubled compared to the fiscal year 2018.)
- The client support system has been strengthened, including an increase in M&A regional representatives within the Hiroshima Bank Solutions Sales Department.
- Going forward, efforts in the corporate solutions sector will be strengthened through skill improvement of personnel via external secondments and further workforce reinforcement.

Initiatives in the corporate sector: Corporate solutions

▶ In the corporate solutions area, the target is to achieve related revenue of 11 billion yen in FY2028, an increase of 2.5 billion yen compared to the level before the revision of the Mid-Term Plan.

Business areas to strengthen initiatives

Equity business

Business succession and M&A

Startup / VC support

Human resources support, IT and DX support

Support for overseas expansion

Point

New initiatives

Details of the initiatives

Enhancing equity business in joint efforts with external GPs, funds, etc.

Strengthening corporate solutions such as M&A and business succession support, based on business potential evaluations, and developing potential clients who will become core partners in the future

Strengthening matchmaking between local companies and startups through event (TSUNAGU) -driven initiatives, as well as enhancing financing for startups and venture businesses.

Strengthening DX support for clients, including the use of AI, with a focus on the DX consulting line (established in March 2025) within the Hiroshima Bank Solution Sales Division

Fostering local industries by supporting overseas expansion through alliances with external companies and promoting growth-oriented M&A

Providing new solutions and taking on additional risk

* The particulars of strategies and specific initiatives are currently under consideration and will be explained in the thematic IR session scheduled for September 2025.

Numerical targets

(Corporate solutions revenue)

Figures in parentheses indicate figures before the revision of the Mid-Term Plan.

7.4 billion yen

8.4 billion yen

Approx. 11 billion yen (approx. 8.5 billion yen)

FY2024 results

FY2025 plans

FY2028 plans

(Equity business-related revenue and PE investment balance)

Total amount of investment

Equity revenue

41.7 billion yen

55.8 billion yen

Approx. 100 billion yen

0.2 billion yen

0.8 billion yen

Approx. 4.5 billion yen

FY2024 results

FY2025 plans

FY2028 plans

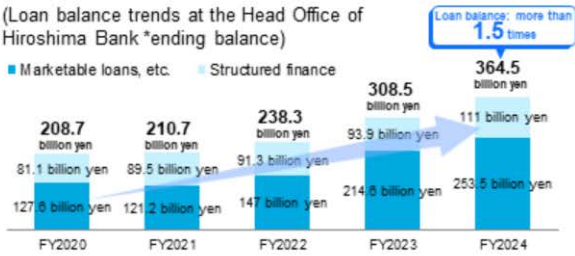
➤ In addition to advancing equity business in the financial area and providing specialized solutions in the nonfinancial area, efforts will be made to strengthen support for startups through venture debt and the newly established DX consulting line, focusing on AI utilization by clients as part of broader DX initiatives.

24

Initiatives in the corporate sector: Regional development business

- ▶ The balance of structured finance loans, including market-based loans, has remained steady.
- ▶ Hiroshima Bank's Structured Finance Office and Hirogin Area Design are actively involved in regional development projects.

Initiatives to date



(Examples of initiatives in regional development projects)

- Hiroshima**
 - Involved in numerous real estate development projects, including Hilton Hiroshima, which opened in 2022
- Kure**
 - Involved in a station-front redevelopment project slated to open in FY2027
 - Involved in a hotel project slated to open in FY2029
- Hatsukaichi**
 - Involved in a large-scale resort complex project slated to open in 2029, which includes a hotel, hot springs, and restaurants

Establishing a system

- **The Structured Finance Office within the Hiroshima Bank Solution Sales Division plays a central role** in strengthening support for structured finance lending.
- **Hirogin Area Design plays a central role** in strengthening joint efforts with local governments and becoming involved in regional development projects from the early planning stages.
- **Number of employees having external secondment experience (cumulative): 4**
* Investment banks, funds, general incorporated foundations, etc.

Building the framework

Skill improvement

Further personnel reinforcement



Continue to enhance skills through external secondments and other measures.

- The balance of structured finance loans, including market-based loans, has remained steady.
(More than 1.5 times compared to FY2020)
- The Structured Finance Office within the Hiroshima Bank Solution Sales Division and Hirogin Area Design play a central role in strengthening collaboration with local governments and becoming involved in regional development projects from the early planning stages.
- Going forward, efforts in the regional development business will be strengthened through skill improvement of personnel via external secondments and further workforce reinforcement.

Initiatives in the corporate sector: Regional development business



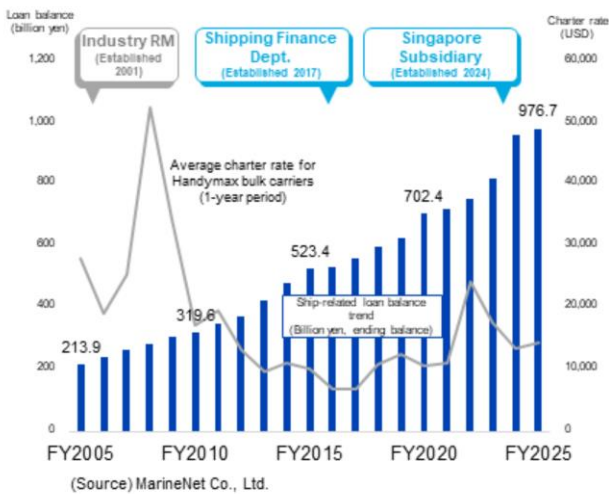
- In addition to debt equity finance in the financial sector, efforts will be made to expand urban development coordination and government consulting in the nonfinancial sector, as well as asset management operations that address the needs for real estate securitization.
- Consideration is underway for the provision of new solutions and the implementation of further risk-taking initiatives.
(Details will be explained at the thematic IR session scheduled for September 2025.)
- Initiatives in regional development projects are making steady progress, with involvement in development initiatives in Hiroshima, Kure, Hatsukaichi, and Fukuyama. Engagement in projects involving luxury hotels and large-scale resort facilities contributes to regional revitalization.
- Hiroshima Regional Creativity REIT has an asset scale of approximately 15 billion yen with a yield of around 6.4%. Many redevelopment projects are planned in Hiroshima, with expectations for further scale expansion.

Initiatives in the corporate sector: Ship finance

- ▶ We have a lengthy history of ship finance history. We've built strong relationships with our clients by serving as a financial intermediary regardless of fluctuations in market conditions.
- ▶ The group is seeking to further reinforce this strength by building a support structure for clients, enhancing human capital through skills development, and strengthening human resource assignments.

Initiatives to date

(Ship-related loan balance trend *ending balance)



Establishing a system

Building the framework

- ❑ Ship Finance Department (14 members as of April 1, 2025)
- ❑ Singapore subsidiary (2 members as of April 1, 2025) * Hirogin Global Consulting

Skill improvement

- ❑ Number of employees having external secondment experience (cumulative): **11**
- * Major trading companies, shipping investment funds, shipbuilding and shipping companies (customers), etc.

Further personnel reinforcement

FY2023 results Before the start of the Mid-Term Plan	FY2024 results	FY25 plans	FY26 plans Final fiscal year of the Mid-Term Plan
31 persons	34 persons	35 persons	43 persons

Continue to enhance skills through external secondments and other measures.

- We have a lengthy history of ship finance history. We've built strong relationships with our clients by serving as a financial intermediary regardless of fluctuations in market conditions.
- Through external secondments to major trading companies, shipping investment funds, and clients in the shipbuilding and shipping companies, efforts will be made to improve personnel skills while further reinforcement of the workforce.

Initiatives in the corporate sector: Ship finance

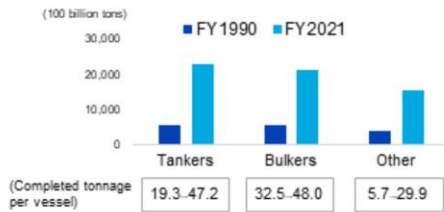
- ▶ With the growing demand for shipbuilding and the increasing diversification and scale of shipowners, funding needs among clients are expected to expand.
- ▶ Through flexible financing that meets client needs, related revenue is targeted to reach 16 billion yen in FY2028, an increase of 4 billion yen from the level before the revision of the Mid-Term Plan.

Market potential

(Trend in the amount of new shipbuilding)



(Global shipbuilding volume by type)



- Diversification of vessel types
- Larger vessel sizes
- Increase in secondhand vessels

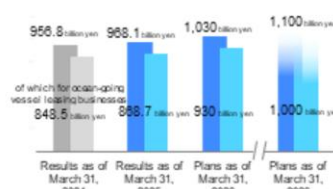
Future initiatives

Details of the initiatives

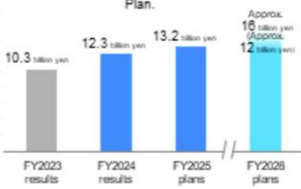
- Flexible financing meeting client needs
- Digital technology introduction support
- Use of ship funds and equity support through joint ventures
- Support for overseas expansion etc.

Numerical targets

(Balance of business loans related to ship businesses)



(Ship-related revenues)



Note: For revenue, yen-denominated amounts are based on contractual interest, while foreign currency amounts are based on spread.

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- ▶ With the growing demand for shipbuilding and the increasing diversification and scale of shipowners, funding needs among clients are expected to expand.
- ▶ Initiatives will be strengthened in supporting overseas expansion through flexible financial solutions tailored to client needs and collaboration with Hirogin Global Consulting, a local subsidiary in Singapore.

Securities asset management initiatives

► By strengthening our market planning and portfolio analysis functions, we're aiming for a portfolio with a balance of 2 trillion yen and a yield exceeding 1.1%.

Securities asset management policy

Goal		FY2027 (March 31, 2028)	→	FY2028 (March 31, 2029) * Final fiscal year of the Mid-Term Plan
	Balance	2 trillion yen		Approx. 2 trillion yen
	Yield	1%		Over 1.1%
	Returns on funds	20 billion yen		Approx. 22.5 billion yen
Yen bonds	Assuming rising interest rates, we will maintain the balance of fixed-rate bonds primarily by reinvesting redemptions while increasing investments in floating-rate bonds (government bond asset swaps).			
Foreign bonds	While reducing the balance of low-yield fixed-rate bonds, we will continue to invest in floating-rate bonds and other instruments that are less sensitive to fluctuations in foreign currency funding rates.			
Stocks, investment trusts, etc.	We will dispose of other underperforming investment trusts and certain individual stocks while shifting toward higher-performing equity assets and other income-generating investments.			

Establishing a system

Building the framework

Skills improvement

Further personnel reinforcement

Strengthening market planning and portfolio analysis functions

Strengthening the risk management framework (by establishing an independent middle office)

Number of employees with external secondment experience (cumulative): 14

* Securities firms, asset management companies, major banks, etc.

+

FY2023 results Before the start of the Mid-Term Plan 45 persons

FY2024 results 47 persons

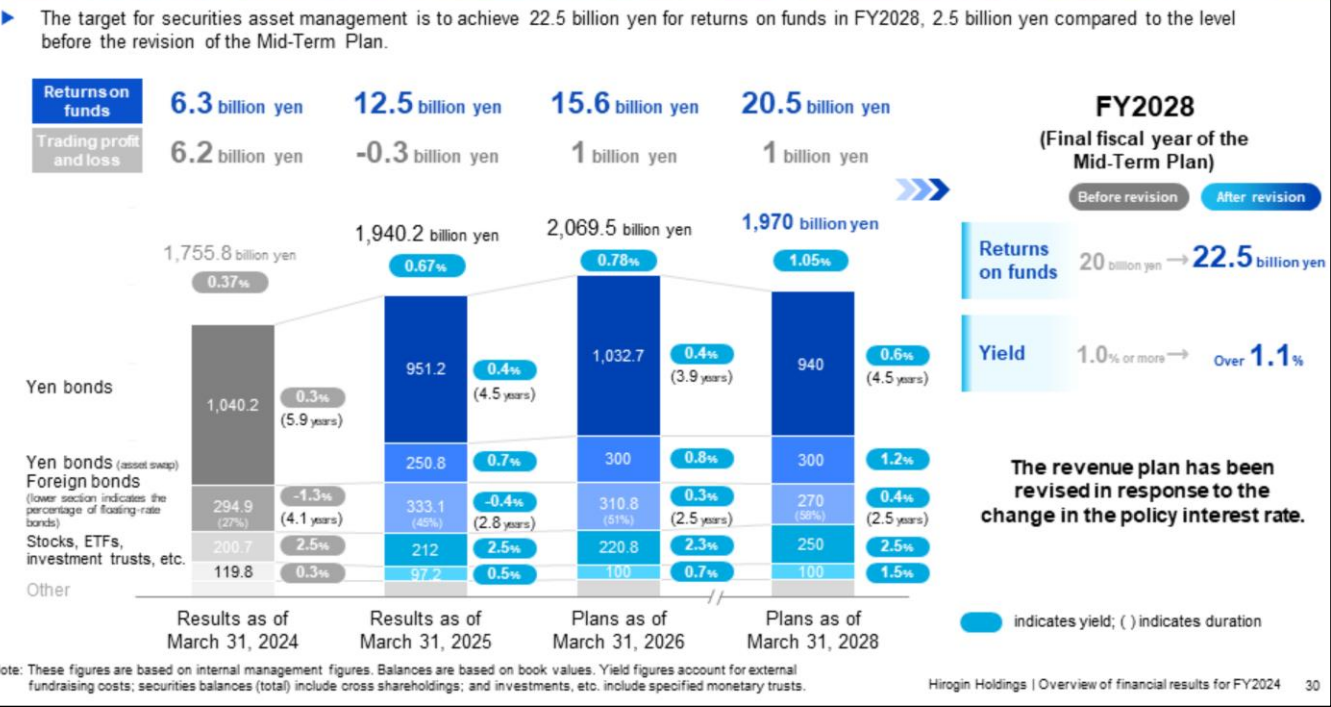
FY2025 plans 48 persons

FY2028 plans Final fiscal year of the Mid-Term Plan 52 persons

Continue enhancing skills through external secondments and other measures.

- In the securities sector, by making a more aggressive approach to risk-taking, the goal is to build a portfolio with a balance of 2 trillion yen and a yield of at least 1.1% after deducting funding costs by the final year of the Mid-Term Plan.
- For yen-denominated bonds, investments will be made in floating-rate bonds (treasuries asset swaps) in response to rising interest rates.
- While reducing the balance of low-yield fixed-rate bonds, investments will continue to be made in instruments such as floating-rate bonds that are less sensitive to fluctuations in foreign currency funding rates.
- For stocks and investment trusts, underperforming investment trusts will be disposed of, and asset replacement will be promoted toward more profitable equity assets.
- Through external secondments to securities firms, asset management companies, and major banks, efforts will also be focused on improving personnel skills.

Securities asset management initiatives



- The revenue plan has been revised in line with the change in the policy interest rate.
- By FY2027, returns on funds are expected to reach 20 billion yen, and by FY2028 (the final fiscal year of the Mid-Term Plan), returns on funds are projected to be 22.5 billion yen, with the portfolio achieving a yield of over 1.1% (+0.1% compared to the figure before revision).

Financial leverage: Capital policies

- ▶ We will implement management reflecting capital adequacy levels, targeting a consolidated capital adequacy ratio of about 11% for the holding company.
- ▶ In addition to a dividend policy targeting a payout ratio of about 40%, we will implement flexible purchases of treasury stock.

Basic concept

Shareholder returns policy

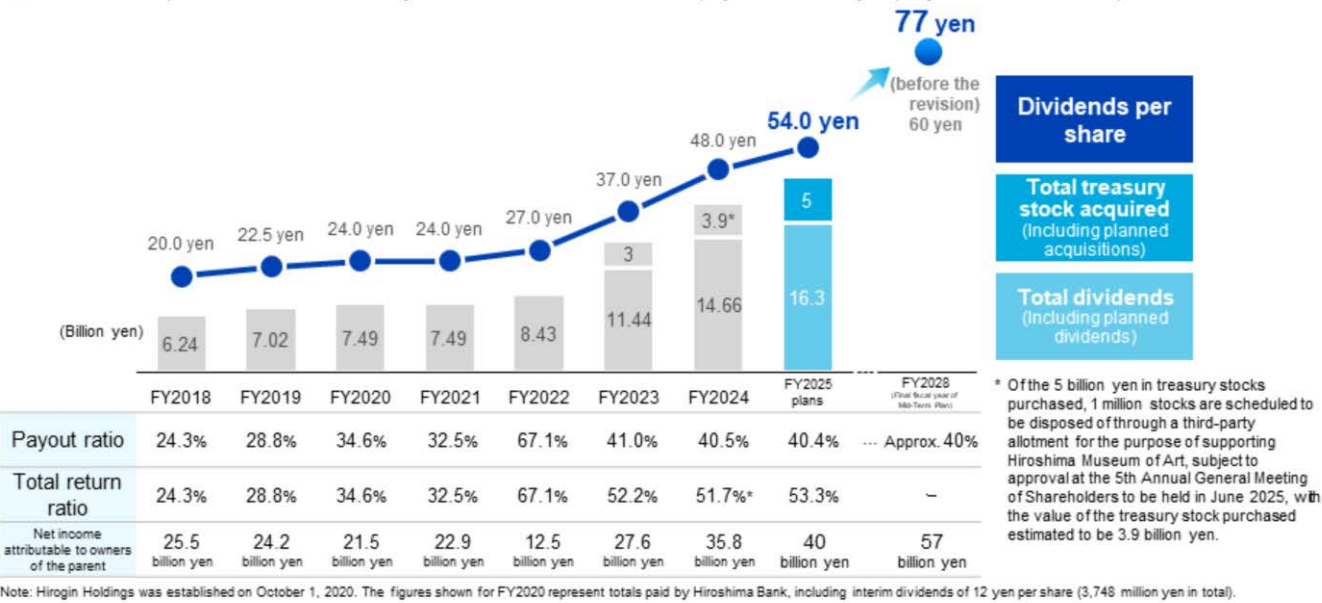


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- Regarding capital policy, deploying management reflecting the level of the capital adequacy ratio, targeting a consolidated capital adequacy ratio of roughly 11% for the holding company.
- Currently, the difference in capital adequacy ratio between the consolidated holding company and the nonconsolidated Bank is approximately 1.0%.
- If the Bank can maintains a nonconsolidated capital adequacy ratio of approximately 10%, it even under challenging conditions, it can ensure that its capital adequacy ratio remains above the regulatory limits.
- In addition to the dividend policy targeting a payout ratio of approximately 40% for returns to shareholders, flexible treasury stock repurchases of treasury stocks will be carried out.

Financial leverage: Capital policies

- ▶ The annual dividend per share for FY2025 is scheduled to be 54.0 yen, an increase of 6.0 yen from the previous year.
- ▶ The dividend per share for the final fiscal year of the Mid-Term Plan 2024 is projected to be 77 yen (60 yen before the revision).

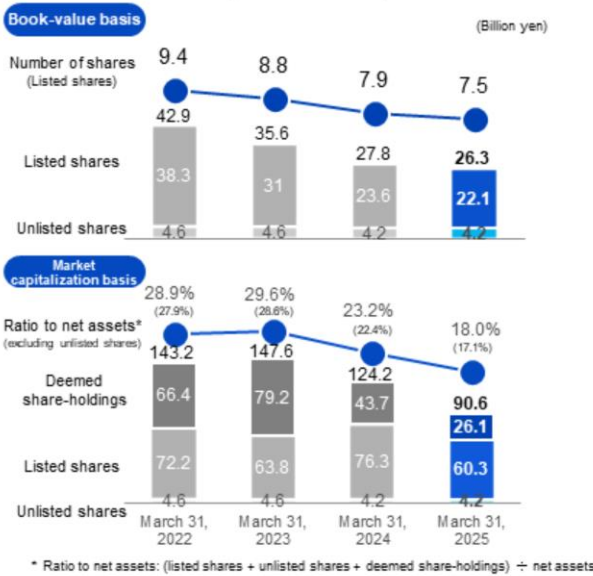


- The annual dividend per share for FY2025 is scheduled to be 54 yen (the record high), an increase of 6 yen from the previous year.
- The total return ratio is expected to exceed 50% for three consecutive years.
- During the Mid-Term Plan period, the amount of dividends per share aims to increase through improved profit levels, targeting 77 yen in the final fiscal year with the achievement of a net income of 57 billion yen.
(Before revision: 60 yen)

Financial leverage: Reducing cross-shareholdings

- ▶ As a result of ongoing dialogue with issuers, a reduction of 1.5 billion yen (book-value basis) was implemented compared to the end of March 2024.
- ▶ Dialogue with issuers will continue with the goal of reducing the ratio to below 15% of consolidated net assets on a market capitalization basis by the end of March 2029.

Progress in reducing cross-shareholdings



Policies concerning cross-shareholdings

Reduction target

Less than **15%** of consolidated net assets on a market capitalization basis

* Target by the end of March 2029 (final fiscal year of the Mid-Term Plan)

Point Among the shares targeted for reduction, agreement has been reached to sell all stocks held as pure investment holdings.

9 stocks / 39.9 billion yen
(market capitalization basis, as of the end of March 2025)
(-2 stocks / -15 billion yen *compared to the end of September 2024)

- ☐ Held in consideration of dividend yield and potential capital gains
- ☐ Strict proxy voting standards applied due to status as non cross-shareholdings

Point Status of cross-shareholdings (listed) by category

(As of March 31, 2025)	Number of stocks	Market capitalization
Local counterparties	56 stocks	48.6 billion yen
Other counterparties	19 stocks	11.7 billion yen
(Total)	75 stocks	60.3 billion yen

We are pursuing reductions through ongoing dialogue.

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- ▶ The reduction of cross-shareholdings is progressing steadily, and as of the end of March 2025, the ratio of the total market value balance of listed stocks, unlisted stocks, and deemed holdings to consolidated net assets is 18.0%. (excluding unlisted stocks: 17.1%).
- ▶ Through continuous dialogue with issuers, further reductions will be pursued, aiming for less than 15% by the end of March 2029 (the final fiscal year of the Mid-Term Plan).
- ▶ Among the shares targeted for reduction, agreement has been reached to sell all stocks held as pure investment holdings.
- ▶ These stocks are being retained based on dividend yields and potential future capital gains, with a policy to apply strict voting rights exercise standards as pure investment stocks.

V. Conclusions

Today's summary

Strong business performance

- ❑ In FY2024, net income attributable to the owners of the parent was 35.8 billion yen. Consolidated ROE improved steadily to 6.9%.
- ❑ At 40 billion yen, net income attributable to the owners of the parent for FY2025 is projected to reach a record high for the second consecutive year, with a planned consolidated return on equity (ROE) of 7.8%.

Progress on Mid-Term Plan 2024

- ❑ Given the current interest rate environment, net income attributable to the owners of the parent for the final fiscal year of the Mid-Term Plan (FY2028) has been revised upward to 57 billion yen, with consolidated ROE expected to reach 9.5% or more.
- ❑ The company continues to allocate management resources on a steady basis to its core strength in the corporate business. Recent performance has remained solid.

Returns to shareholders

- ❑ Following FY2024, treasury stock purchase of 5 billion yen will be implemented.
- ❑ In addition, in line with record revenues, we anticipate dividends per share for FY2025 to reach a record high of 54 yen.

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➤ Lastly, a summary of today's presentation.

➤ Strong business performance

- In FY2024, the net income attributable to the owners of the parent was 35.8 billion yen, and the consolidated ROE improved steadily to 6.9%.
- Net income attributable to the owners of the parent for FY2025 is projected to reach a record high at 40 billion yen, with a planned consolidated return on equity (ROE) of 7.8%.

➤ Progress of Mid-Term Plan 2024

- In light of the current interest rate environment, the net income attributable to the owners of the parent for the final fiscal year of the Mid-Term Plan (FY2028) has been revised upward to 57 billion yen, with consolidated ROE expected to reach 9.5% or more.
- The company continues to steadily allocate management resources to its core strength in the corporate business, and recent performance remains solid.

➤ Strengthening shareholder returns

- Following FY2024, a shares repurchase of 5 billion yen is planned to be carried out. (As announced on May 12 2025.)
- In addition, in line with record revenues, the dividend per share for FY2025 is expected to reach a record high of 54 yen.

Appendix ①

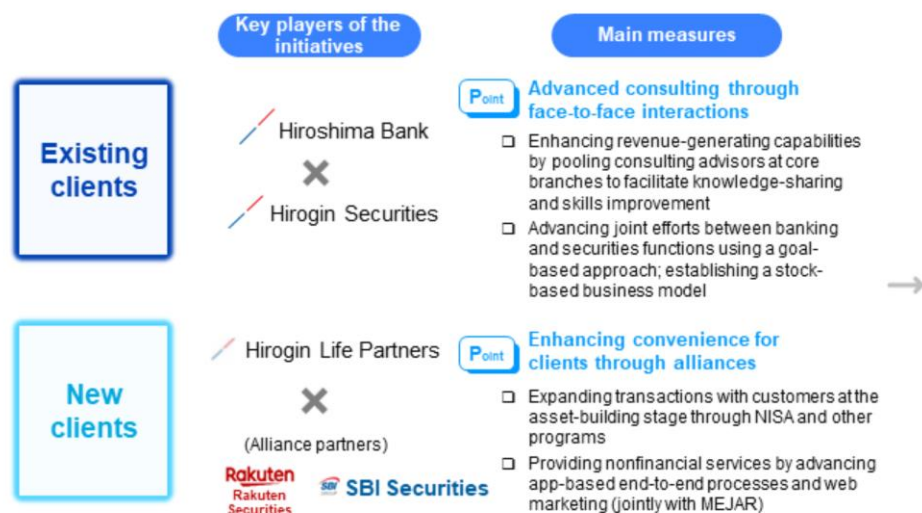
Initiatives in the personal sector

- ▶ The shift to a goal-based and asset management-oriented consulting is intended to transform the current revenue model, which is centered on upfront income, into a stock-based revenue model less subject to market conditions.

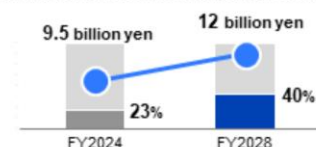
Client category

Initiative policies

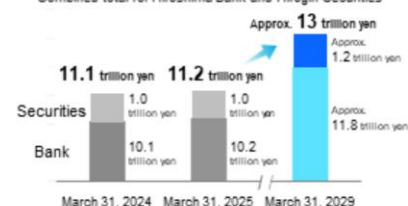
Numerical targets



(Related revenue / Ratio of stock revenue)
Combined total for Hiroshima Bank and Hirogin Securities



(Total assets under management ending balance)
Combined total for Hiroshima Bank and Hirogin Securities



Measures to increase deposits and trends in RORA

Measures to increase deposits

Personal deposits

- Strengthening deposit acquisition through consulting on trusts and related services for affluent clients
- Engaging younger generations through digital apps and other channels

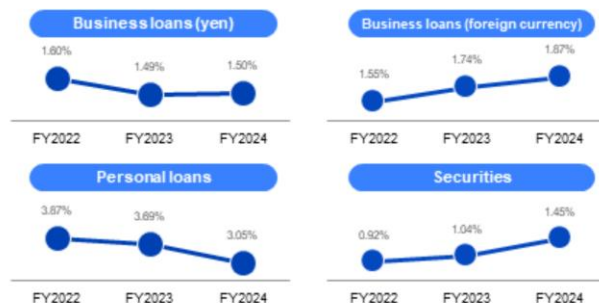
Corporate deposits

- Acquiring new deposit-only clients
- Securing a deposit share that corresponds to lending share based on relationships with existing loan clients
- Strengthening client retention through settlement services provided via the business portal

Hiroshima Bank deposit balance trend plan (average)

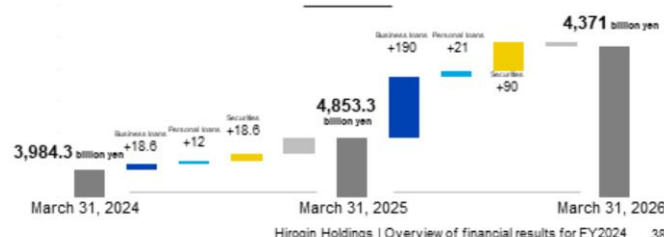


Trends in RORA



Note: RORA is calculated without accounting for expenses. Loan interest rates are based on spreads and securities calculated using interest and dividend income received.

Trends in risk assets



Hirogin Holdings | Overview of financial results for FY2024 38

Status of interest rate hikes

Yen balance sheet

(Billion yen)



Foreign currency balance sheet

(Million US dollars)



March 31, 2025

March 31, 2025

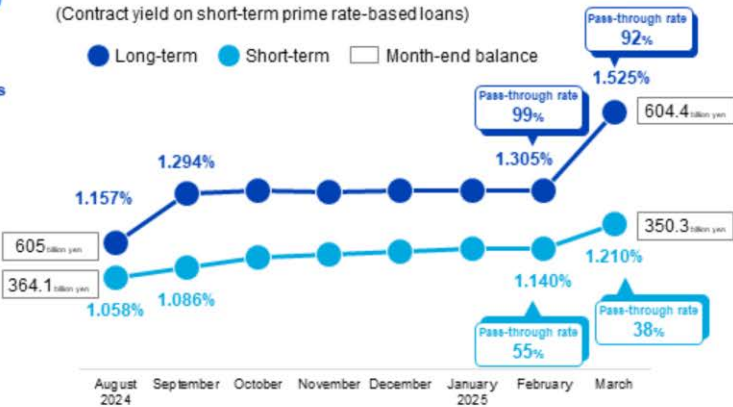
Status of short-term prime rate hikes

(Short-term prime at Hiroshima Bank)



(Contract yield on short-term prime rate-based loans)

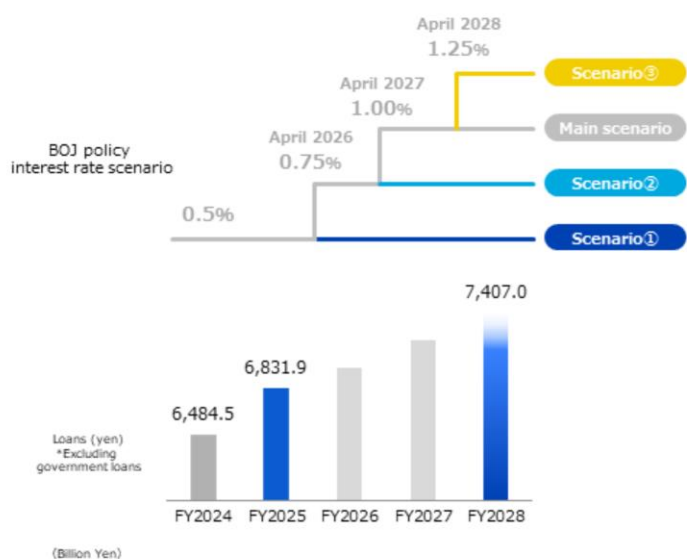
● Long-term ● Short-term □ Month-end balance



Note: Short-term prime rate-based loans include various institutional loan programs.

Simulations – Impact of interest rate fluctuations on net interest income –

Simulation assumptions



Impact on Net Interest Income

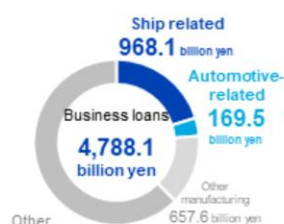
(Comparison with Main Scenario in Medium-Term Plan for Fiscal Year 2028)

(Billion Yen)

Scenario① 0.50% * remain unchanged	111 billion yen (-10.5)	Interest on loans 114 - Interest on deposits 25 Other asset management and fundraising -0.5
Scenario② 0.75% * April 2026~	117.5 billion yen (-4)	Interest on loans 129 - Interest on deposits 35.5 Other asset management and fundraising 1.5
Main scenario 1.00% * April 2027~	121.5 billion yen (± 0)	Interest on loans 140 - Interest on deposits 45 Other asset management and fundraising 4
Scenario③ 1.25% * April 2028~	123.5 billion yen (+2)	Interest on loans 146.5 - Interest on deposits 51.5 Other asset management and fundraising 6

(Note) The policy interest rate is assumed to be raised gradually
 (Note) Interest and dividends on securities remain unchanged at 22.5 billion yen

Simulations – Impact of US Tariff Policy –



Simulations have been conducted for the Ship and Automotive sectors, which account for a significant share of the loan portfolio.

Ship-related sector

- Deterioration in the chartering and secondhand ship markets, a declining order environment in the ship construction industry, and yen appreciation would all be negative factors.
- We expect the overall impact in the shipping industry to be limited, given the financial strength of each company.
- In the ship construction industry, while a certain volume of orders has been secured, the impact of yen appreciation must be closely monitored.

Automotive suppliers

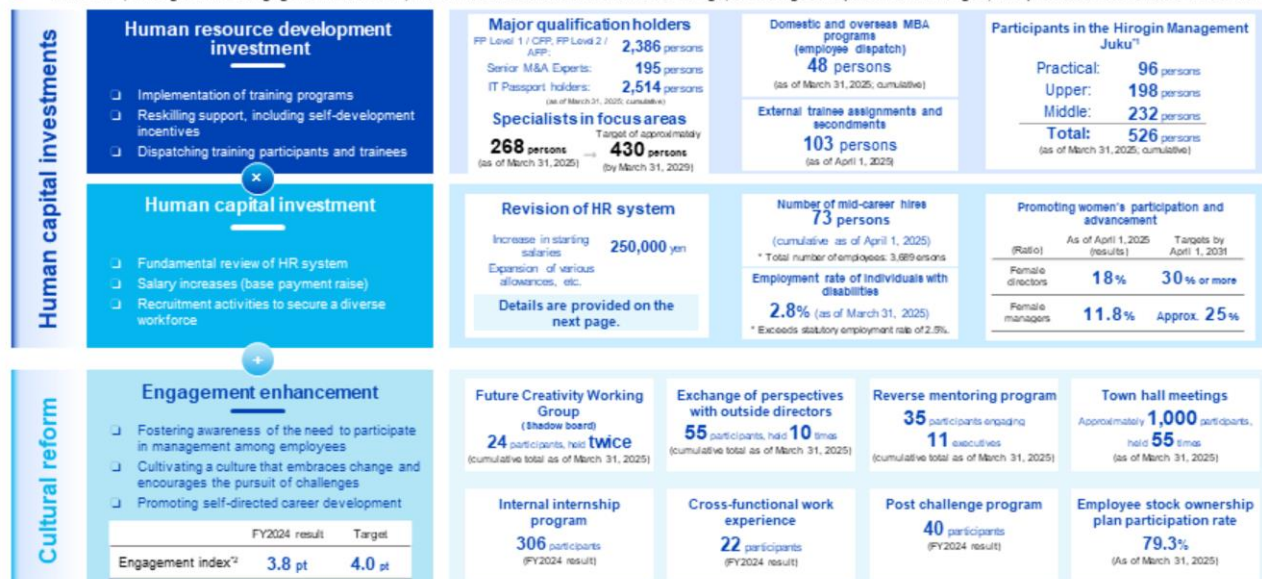
- If the additional 25% tariffs remain in place, the impact on the performance of the automotive sector is expected to be significant, requiring close monitoring of sales trends and business performance.
- In particular, we would pay close attention to domestic production volume trends while continuing to provide the necessary support both financially and nonfinancially.

	Clients	Balance	of which normal
Ship related	569 accounts	968.1 billion yen	956.5 billion yen
Auto-motive-related	Tier 1, etc. (including subsidiaries and overseas subsidiaries)	49 accounts	122.5 billion yen
	Tier 2 or lower	159 accounts	47 billion yen

**Given the current situation, we expect minimal impact on the financial status of our group.
(Future developments will be closely monitored.)**

Human capital investments: Human resource management

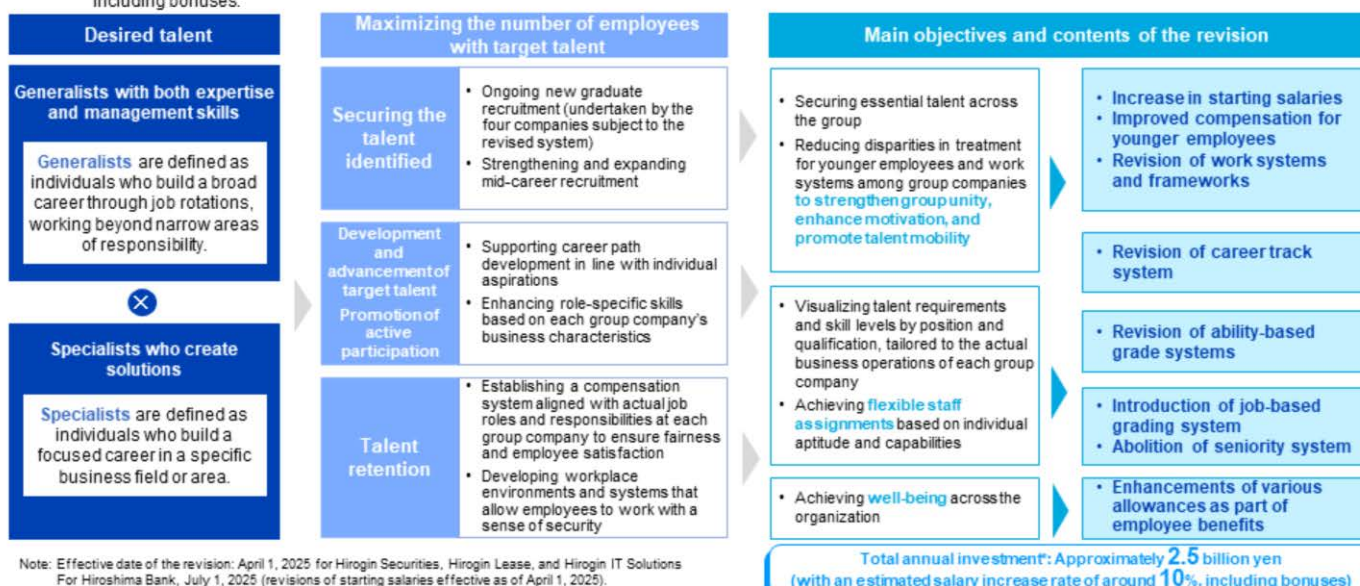
- ▶ We plan to further emphasize human resource development and human capital investment to achieve our KPIs in the focus areas and to enable personnel to demonstrate their capabilities to the fullest.
- ▶ In addition, through various engagement measures, we will foster a culture that embraces change, encourages the pursuit of challenges, and promotes autonomous career development.



- Notes:
1. Training curriculum designed to develop future executive candidates
 2. Calculated based on employee responses to questions measuring enthusiasm and motivation toward work, as well as trust in the company

Human capital investments: Human resource management

- ▶ A fundamental revision of the HR system has been implemented with the goal of creating an environment in which a diverse workforce can demonstrate their abilities the fullest.
- ▶ Total annual investments related to this revision are expected to be approximately 2.5 billion yen, with an estimated annual salary increase rate of around 10%, including bonuses.



* Total of labor costs and various allowances

Hirogin Holdings | Overview of financial results for FY2024 43

Appendix ②

(Explanatory materials on financial results)

Net interest income

Hirogin Holdings
consolidated

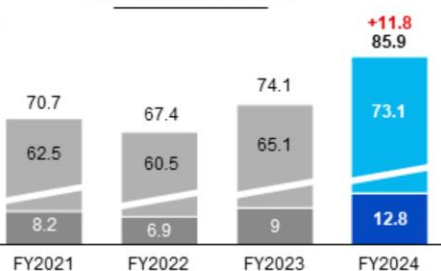
Hiroshima Bank
nonconsolidated

Net interest income

(Billion yen)

Yen

Foreign
currency

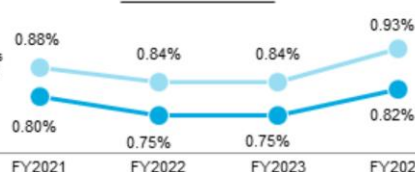


Yields on loans

Yen

Excluding loans
to government

Total

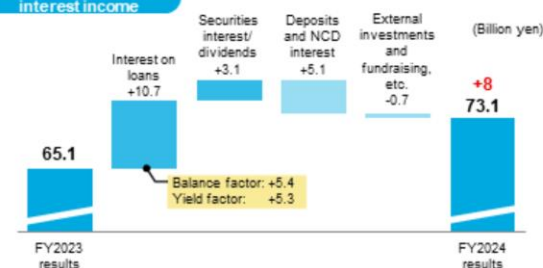


Foreign
currency

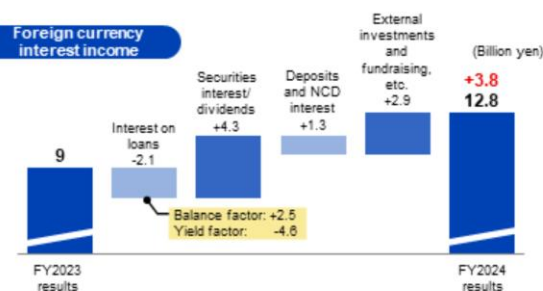


Factors contributing to changes in net interest income

Yen-denominated interest income



Foreign currency interest income



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Net non-interest income

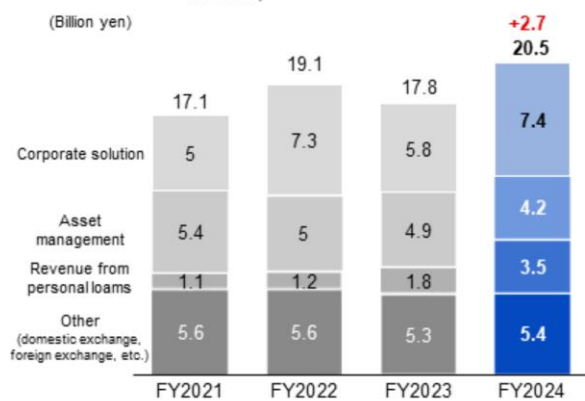
Hirogin Holdings
consolidated

Hiroshima Bank
nonconsolidated

Net non-interest income

Non-interest income = Income on service transactions and other fees + Income from specific transactions + Income from other businesses (excluding gains/losses related to treasures and other bonds)

(Billion yen)



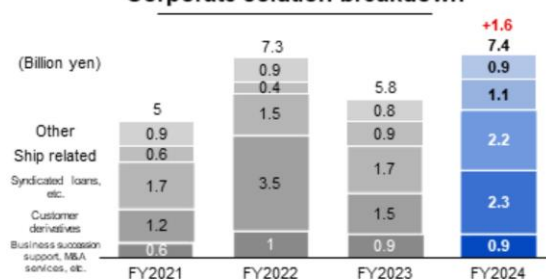
(Billion yen)

	FY2021	FY2022	FY2023	FY2024	YoY change
Asset management (Hiroshima Bank + Hirogin Securities)	11.7	9.4	10.2	9.2	-1
Of which Hiroshima Bank	5.4	5	4.9	4.2	-0.7
Of which Hirogin Securities*	6.3	4.4	5.3	5	-0.3

* Net operating revenue (after deducting intermediary fees paid to banks)

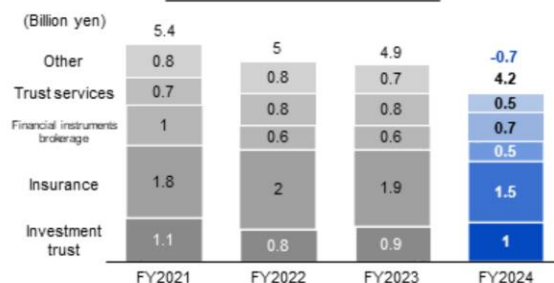
Corporate solution breakdown

(Billion yen)



Asset management breakdown

(Billion yen)



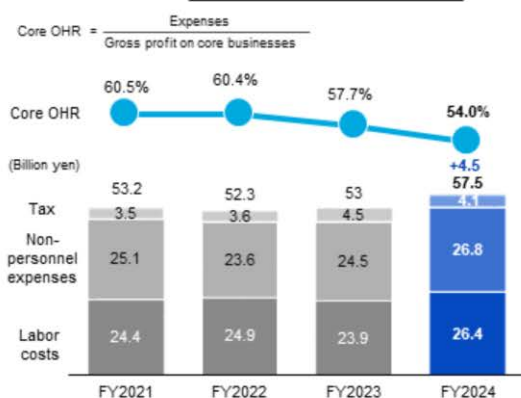
Hirogin Holdings | Overview of financial results for FY2024 46

Expenses, core OHR, interim net income

Hirogin Holdings
consolidated

Hiroshima Bank
nonconsolidated

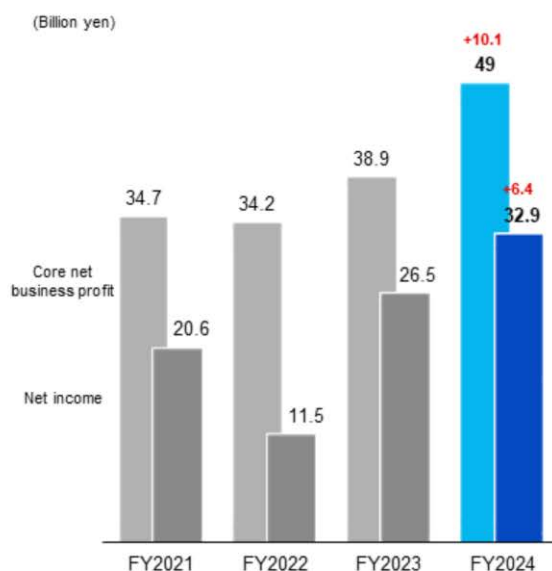
Expenses (excluding one-time disposal) / core OHR



(Reference) Major factors underlying changes in expenses

Labor costs	+2.5 billion yen	<ul style="list-style-type: none"> Human capital investment (base pay raises and performance-linked bonuses): +1.1 Retirement benefit expenses: +1.1
Non-personal expenses	+2.3 billion yen	<ul style="list-style-type: none"> DX and IT-related investments: +0.9 Review of branch-related issues and sales structure: +0.4 Advertising and promotion (branding, PR activities): +0.3 Human capital investment (training, etc.): +0.2
Tax	-0.4 billion yen	
Total	+4.5 billion yen	

Core net business profit / Net income



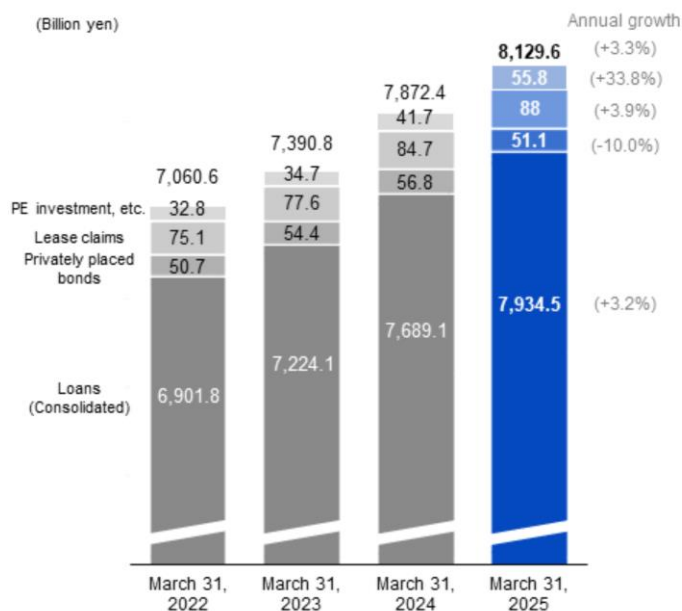
Hirogin Holdings | Overview of financial results for FY2024 47

Group total credit (end balance) Loans (end balance)

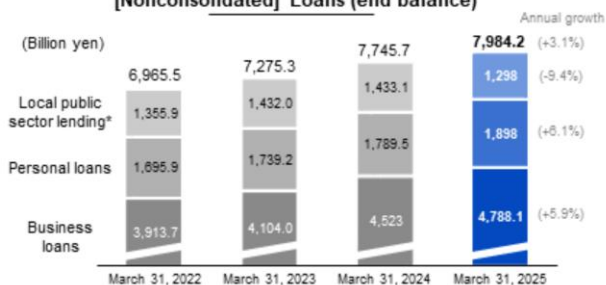
Hirogin Holdings
consolidated

Hiroshima Bank
nonconsolidated

[Holding company consolidated] Group total credit (end balance)



[Nonconsolidated] Loans (end balance)



* Local public sector lending: Lending to local public agencies and public corporations

[Nonconsolidated] Breakdown of loans by prefecture (end balance)

	March 31, 2022	March 31, 2023	March 31, 2024	March 31, 2025	Vs. March 31, 2024
Outstanding loan balance	6,965.5	7,275.3	7,745.7	7,984.2	238.5
Four local prefectures	5,337.1	5,484	5,815.9	6,007.2	191.3
Hiroshima	4,225.1	4,296.5	4,519.7	4,677.6	157.9
Okayama	347.5	356.1	372.1	397.7	25.6
Ehime	546.1	598.6	688.7	688.5	-0.2
Yamaguchi	218.4	232.8	235.4	243.1	7.7
Other prefectures of which loans for the government	1,628.4	1,791.3	1,929.8	1,977	47.2
	704.1	783.5	785.5	682.2	-123.3

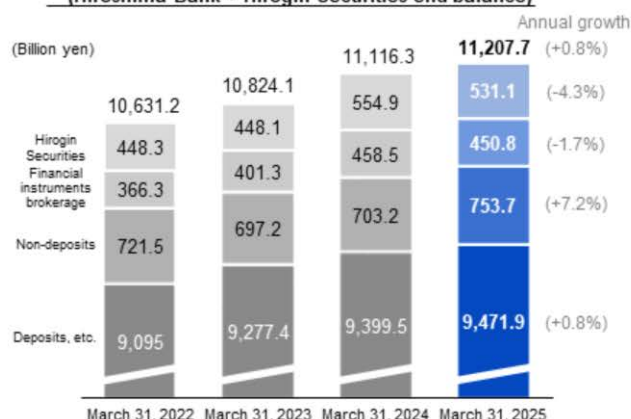
Hirogin Holdings | Overview of financial results for FY2024 48

Total assets under management (Hiroshima Bank + Hirogin Securities end balance), deposits, etc. (end balance)

Hirogin Holdings consolidated

Hiroshima Bank nonconsolidated

[Hirogin Holdings consolidated] Total assets under management (Hiroshima Bank + Hirogin Securities end balance)



*1 The balances of Hirogin Securities and non-deposits do not include financial instruments brokerage.

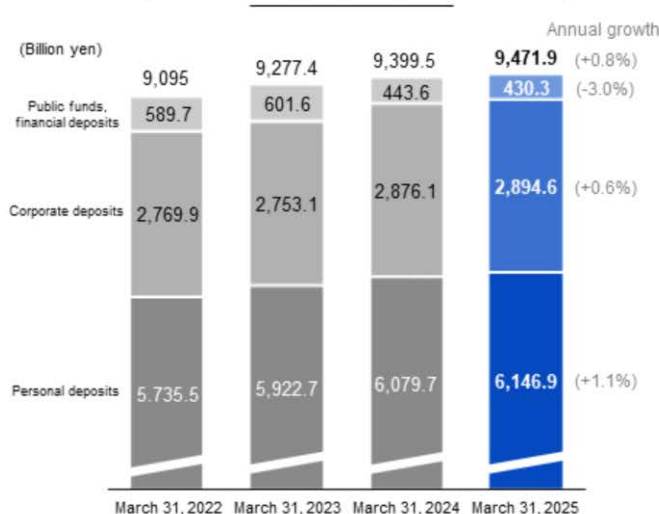
*2 Hirogin Securities balances are shown on a mark-to-market basis.

*3 Excluding financial instruments brokerage through the Hirogin App. (Rakuten Securities, SBI Securities)

	(Billion yen)				
	March 31, 2022	March 31, 2023	March 31, 2024	March 31, 2025	Vs. March 31, 2024
Hirogin Securities balance (including financial instruments brokerage)*	810	842.5	1,022	985.3	-36.7
(Reference) Nikkei Stock Average (yen)	2,782.1	2,804.1	4,036.9	3,561.8	-475.1

* Hirogin Securities balances (including financial instruments brokerage) are shown on a mark-to-market basis.

[Nonconsolidated] Deposits, etc. (end balance)



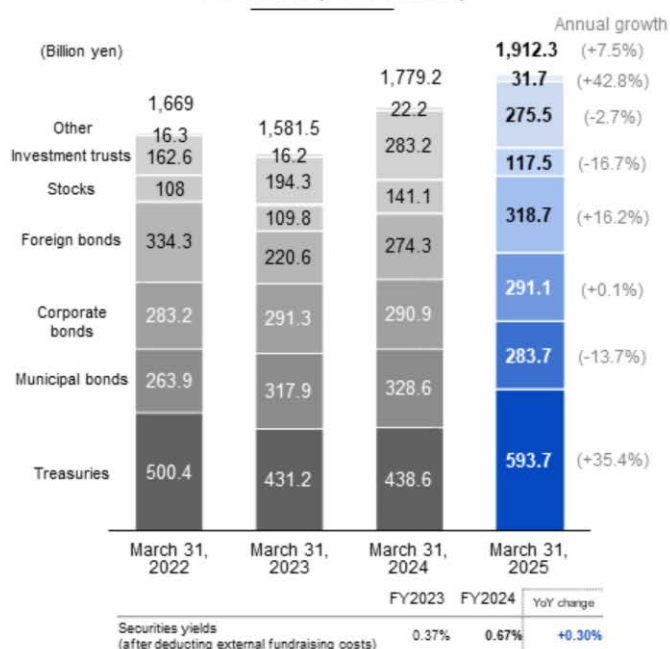
* Deposits, etc. include negotiable certificates of deposit (NCDs).

Securities (end balance) / Gains/losses on securities

Hirogin Holdings
consolidated

Hiroshima Bank
nonconsolidated

Securities (end balance)



Gains/losses on securities

(Billion yen)

	March 31, 2022	March 31, 2023	March 31, 2024	March 31, 2025	vs. March 31, 2024
Held to maturity	-	0	0	-3.1	-3.2
Available-for-sale securities*	1.5	-12.5	33.4	-27.8	-61.3
Stocks	31.6	40.6	61.0	45.2	-15.8
Bonds	-11.2	-21.3	-28.7	-68.9	-40.2
Treasuries	-8.4	-14.0	-16.9	-42.0	-25.1
Municipal bonds	-1.7	-4.3	-6.0	-12.5	-6.5
Corporate bonds	-1.0	-3.0	-5.7	-14.3	-8.6
Other	-18.9	-31.8	1.2	-4.2	-5.4
(Included) Foreign bonds	-16.0	-22.4	-20.6	-14.4	6.2
(Included) Investment trusts	-2.9	-9.6	21.6	9.2	-12.4
Total	1.5	-12.5	33.5	-31.0	-64.5
* Gains/losses after hedging					
Other securities (before hedging)	1.5	-12.5	33.4	-27.8	-61.3
Interest rate swaps	1.1	2.9	-	8.3	8.3
Other securities (after hedging)	2.6	-9.6	33.4	-19.4	-52.9

Hirogin Holdings | Overview of financial results for FY2024

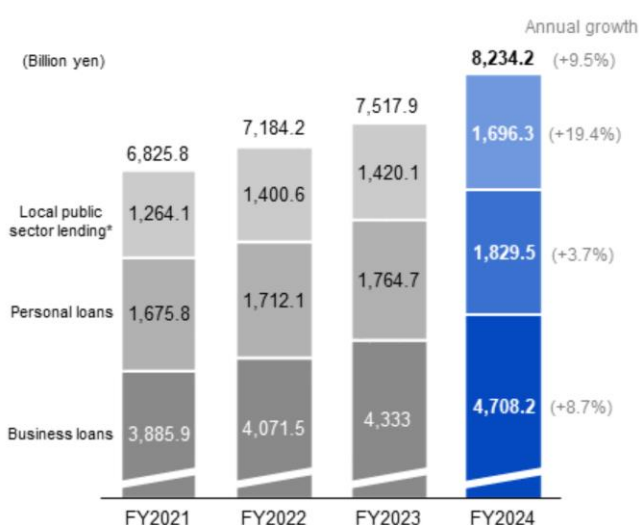
50

Loans (average)

Hirogin Holdings
consolidated

Hiroshima Bank
nonconsolidated

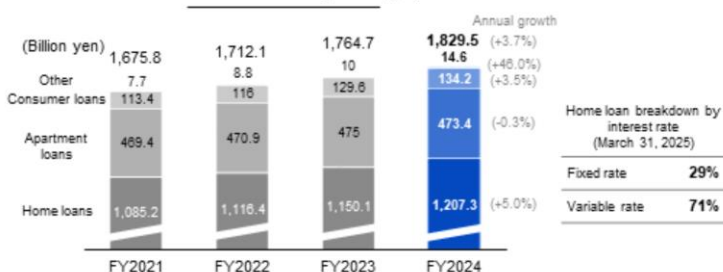
Loans (average)



Business loans (average)



Personal loans (average)

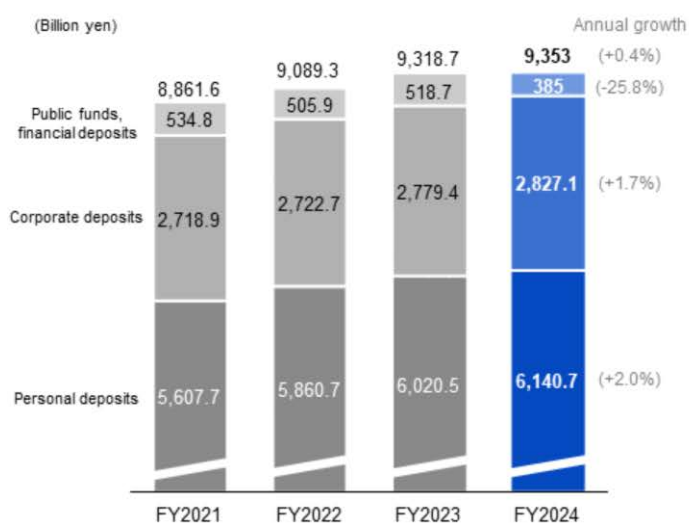


Deposits, etc. (average) / Securities (average)

Hirogin Holdings
consolidated

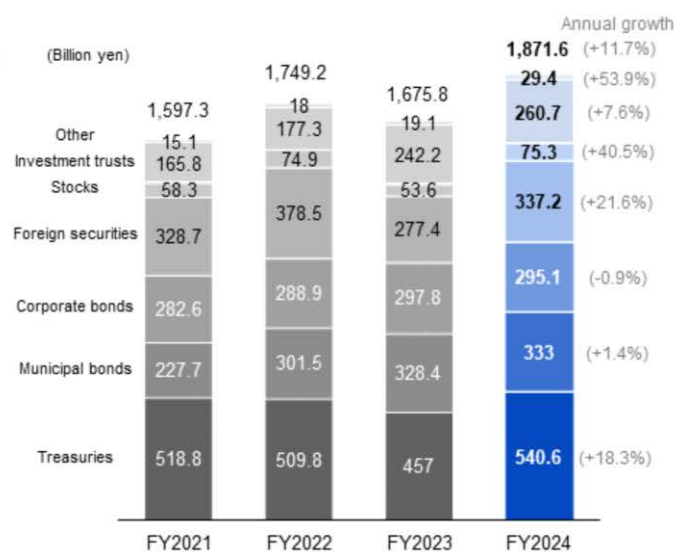
Hiroshima Bank
nonconsolidated

Deposits, etc. (average)



* Deposits, etc. include negotiable certificates of deposit (NCDs).

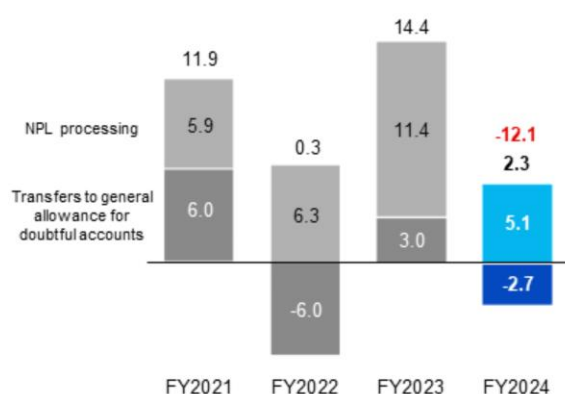
Securities (average)



Hirogin Holdings | Overview of financial results for FY2024 52

Credit costs, credit cost ratio

(Billion yen)



(Billion, %)

	FY2021	FY2022	FY2023	FY2024
Credit costs	11.9	0.3	14.4	2.3
Credit cost ratio*	0.17	0.00	0.18	0.02

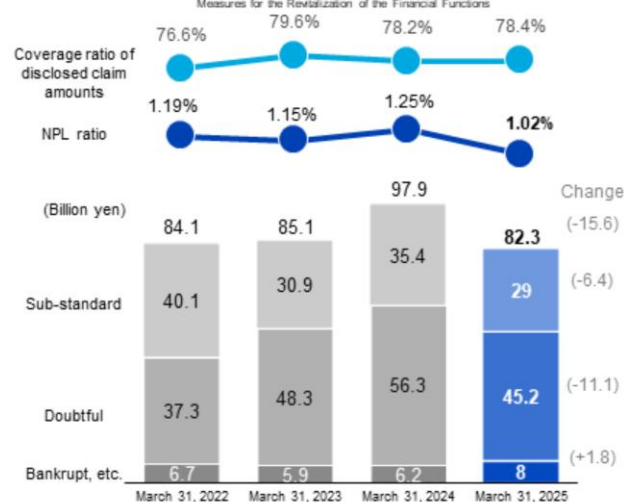
* Credit cost ratio = Credit costs ÷ Outstanding loan balance

Figures for claims disclosed under the Act on Emergency Measures for the Revitalization of the Financial Functions, NPL ratio

Figures for claims disclosed under the Act on Emergency Measures for the Revitalization of the Financial Functions

$$\text{NPL ratio} = \frac{\text{Coverage ratio of disclosed claim amounts}}{\text{Total credit}}$$

$$\text{Coverage ratio of disclosed claim amounts} = \frac{\text{Coverage amount (coverage by allowance for doubtful accounts, security, etc.)}}{\text{Figures for claims disclosed under the Act on Emergency Measures for the Revitalization of the Financial Functions}}$$



* Figures are rounded to the nearest unit as displayed.

Results for major Group companies: Excluding Hiroshima Bank

Results for major Group companies

Group companies		Performance after transition to holding company structure (Oct. 2020)				
Financial consolidated subsidiaries	Hirogin Securities	Total assets under management	September 30, 2020 713.1 billion yen	March 31, 2024 ⇒ 1,022 billion yen	March 31, 2025 ⇒ 985.3 billion yen	vs. September 30, 2020 -272.2 billion yen
	Hirogin Lease	Number of customers	September 30, 2020 6,158 customers	March 31, 2024 ⇒ 6,443 customers	March 31, 2025 ⇒ 6,445 customers	vs. September 30, 2020 +287 customers
	Hirogin Capital Partners	Amount invested (* Total of fund and principal investment)	September 30, 2020 0.1 billion yen	March 31, 2024 ⇒ 4.1 billion yen	March 31, 2025 ⇒ 5 billion yen	vs. September 30, 2020 +4.9 billion yen
	Hirogin Credit Service	Guarantee balance	September 30, 2020 874.5 billion yen	March 31, 2024 ⇒ 985 billion yen	March 31, 2025 ⇒ 1,093.3 billion yen	vs. September 30, 2020 +218.8 billion yen
	Shimanami Servicer	Number of advisory contracts	September 30, 2020 1.4 billion yen	March 31, 2024 ⇒ 2 billion yen	March 31, 2025 ⇒ 1.6 billion yen	vs. September 30, 2020 -0.2 billion yen
	Hirogin Life Partners <small>Established January 2024, with operations starting in July.</small>	Number of financial instruments brokerage accounts	Cumulative total since July 2024	—	March 31, 2025 ⇒ 94 accounts	
Nonfinancial consolidated subsidiaries	Hirogin Human Resources <small>Established April 2021</small>	Number of companies with whom consulting contracts concluded	Cumulative total since April 2021	March 31, 2024 110 companies	March 31, 2025 ⇒ 142 companies	
	Hirogin IT Solutions <small>Made subsidiary January 2021</small>	Number of contracts concluded	Cumulative total since January 2021	March 31, 2024 535 companies	March 31, 2025 ⇒ 694 companies	
	Hirogin Area Design <small>Established April 2021</small>	Number of orders received	Cumulative total since April 2021	March 31, 2024 70 contracts	March 31, 2025 ⇒ 115 contracts	

Hirogin Holdings | Overview of financial results for FY2024 54

Disclaimer

This document contains statements related to the future, including forecasts, outlooks, and plans concerning Hirogin Holdings, Inc. (hereinafter "the Company") and its group companies (hereinafter "the Group"). These statements are based on information currently available to the Company and reflect its expectations as of the time of preparation of this document. Certain assumptions have been used in preparing these statements. These statements and assumptions are subjective in nature and may prove to be inaccurate or may not materialize in the future. There are various uncertainties and risks that could cause such outcomes. Please refer to the Company's financial results, securities reports, and integrated reports for additional information on these. In addition, the future-related statements in this document are, as stated above, based on information as of the date of this document (or as of any separately specified date), and the Company has neither the obligation nor the policy to update such information whenever changes occur. Also, any information contained in this document regarding companies or entities other than the Company or the Group has been quoted from publicly available sources, and the Company has neither verified the accuracy or appropriateness of such information nor does it guarantee its accuracy or appropriateness.

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URL: <https://www.hirogin-hd.co.jp/english/index.html>



Hirogin Holdings, Inc.

Hirogin Holdings, Inc.

Questions and answers from the May 26, 2025, company briefing for general investors

- Q1: Given the potential impact of US tariff policies on the regional economy, are the forecasts of credit costs for FY2025 on the conservative side?
- A1: Our plans call for FY2025 credit costs of 7 billion yen. The credit balance for the ship-related sector, which is expected to be significantly affected by the tariffs, is around 970 billion yen. The credit balance for the auto-related sector is 170 billion yen. The financial status of most borrowers in these sectors is sound. Given that, we expect the US tariff policy to have minimal impact on credit costs for FY2025.
- Q2: Given your policy of maintaining a capital adequacy ratio of around 11% and your future profit plans, calculations indicate the total return ratio will exceed 50%. Can you present your shareholder return policy once again?
- A2: We have no plans to revise our policy, which is to maintain a dividend payout ratio of around 40% and to pursue the agile and flexible acquisition of treasury shares. If profits exceed expectations, we'll consider increasing our purchases of treasury shares. Additionally, we want to invest aggressively in new businesses and in businesses related to core systems and DX as growth investments.
- Q3: There's an increase of 9.5 billion yen in anticipated expenses from the Mid-Term Plan before the revision. Can you elaborate on this?
- A3: That figure reflects the additional human capital and core system-related investments we expect to make. The figure also accounts for property expenses arising from strategic expenses.
- Q4: The ROE planned for FY2025 is 7.8%, which is comparatively high for the regional bank sector. But the ROE planned for FY2028 is only 9.5%. That pace of improvement in ROE seems slow compared to another bank, which announced a target ROE of 10% for FY2027. What initiatives do you anticipate focusing on to expedite the achievement of the ROE targets?
- A4: To accelerate the achievement of the ROE targets, we're focusing on our corporate customers, based on our strengths in services to corporate customers. We plan to bolster efforts in areas like structured finance and ship finance, which are more profitable than most other commercial lending. We'd also like to achieve the ROE targets earlier by focusing on the non-financing fields, such as M&A and the business succession business.
- Q5: Can you discuss the groupwide personnel deployment plan?
- A5: In general, we keep the total number of personnel more or less constant. We intend to redeploy personnel to key focus areas by downsizing operations in the Headquarters

planning and administrative sections, by achieving efficiency enhancements driven by DX and IT, and by proactively implementing midcareer employment.

Q6: Can I ask about what measures you have planned to boost deposits?

A6: We revised revenue management methods at each branch to visualize revenues from deposits and to motivate depositors to increase their deposits. In face-to-face services, the focus has been on inheritance consultations involving testamentary trusts, with consulting advisors (CAs) playing the central roles. We acquired a total of 350 testamentary trusts during FY2025. We hold a cumulative total of over 2,000 testamentary trusts. In non-face-to-face services, the focus is on using tools like the Hirogin App to increase settlement deposits. In addition, last year, with the goal of increasing deposits through efforts implemented at the branch counters, we transitioned from an organizational structure in which the General Manager of a central branch in each area concurrently serves as the General Manager of each of the small branches to one in which one General Manager is assigned to each small branch.

Q7: Do you have a mechanism in place that automatically raises contracted interest rates for long-term loans based on the short-term prime rate if the short-term prime rate rises?

A7: The contracted interest rates rise in parallel with the short-term prime rate.

Q8: What progress have you made with your wealth management initiatives for improving RORA?

A8: We're working on business reforms intended to achieve a shift from a flow-type to a stock-type business model. We believe concrete results will take more time.

End

Reference Materials

May 2025



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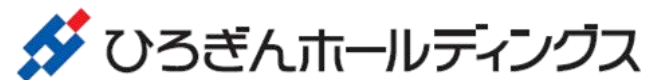
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未来を、ひろげる。



Part 1

Economic Data for Hiroshima Prefecture



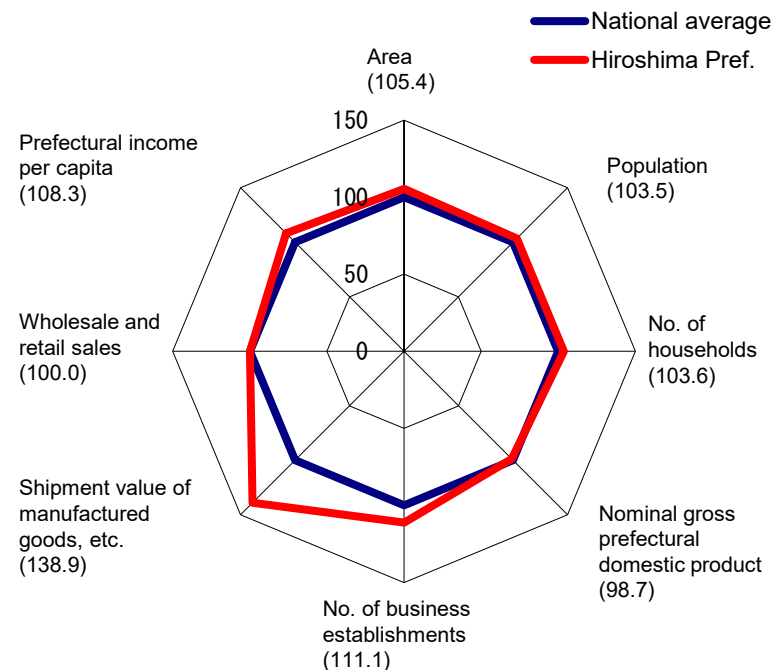
1. Profile of Hiroshima Prefecture

- ▶ In terms of key indexes, Hiroshima Prefecture accounts for about 2.2% of Japan and falls around 11th place in the national ranking.

Hiroshima Prefecture's ranking and share of Japan

			Actual data	National ranking	Share of Japan	As of
Regionality	Area	km ²	8,478	11th/47	2.2	January. 2025
	Population	Thousand People	2,751	12th/47	2.2	January. 2024
	No. of households	Thousand households	1,340	11th/47	2.2	January. 2024
Economy	Nominal gross prefectural domestic product	Trillion yen	12.1	12th/47	2.1	FY2021
	No. of business establishments	Thousand establishments	123	11th/47	2.4	2021
	Shipment value of manufactured goods, etc.	Trillion yen	10.7	10th/47	3.0	2022
	Wholesale and retail sales	Trillion yen	11.5	10th/47	2.1	2021
	Prefectural income per capita	Thousand yen	3,179	12th/47	—	FY2021
Finance	Deposits outstanding	Trillion yen	16.3	—	—	March. 2025
	Loans outstanding	Trillion yen	12.2	—	—	March. 2025

Comparison between Hiroshima and national average

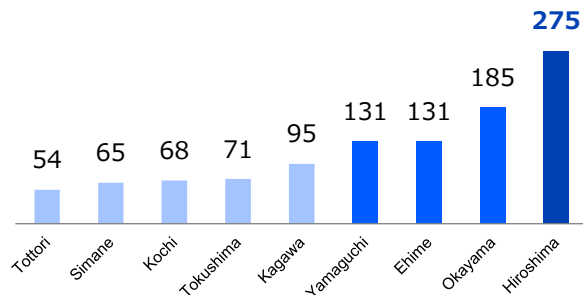


Note: Each index of Hiroshima Prefecture is calculated based on a national average=100.

2. Hiroshima Prefecture and Four Local Prefectures(Chugoku and Shikoku regions) Comparisons

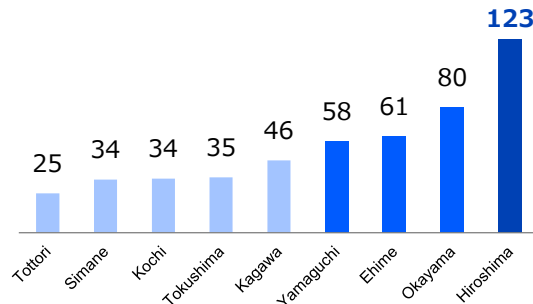
Population in the Chugoku and Shikoku regions by prefecture

(ten thousand)



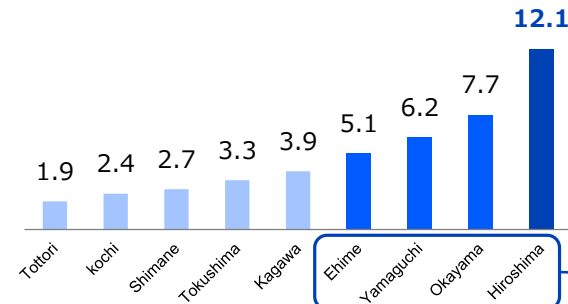
Number of business establishments in the Chugoku and Shikoku regions by prefecture

(thousand)



Prefectural GDP (nominal)

(trillion yen)



Population ranking by prefecture

(ten thousand people)

1 st	Tokyo	1,391
2 nd	Kanagawa	921
3 rd	Osaka	878
4 th	Aichi	750
5 th	Saitama	738
⋮		
12 th	Hiroshima	275
⋮		
20 th	Okayama	185
⋮		
28 th	Ehime	131
29 th	Yamaguchi	131
⋮		

Total of 4 local prefectures
6th place equivalent

Number of business establishments ranking by prefecture

(thousand)

1 st	Tokyo	624
2 nd	Osaka	383
3 rd	Aichi	301
4 th	Kanagawa	285
⋮		
11 th	Hiroshima	123
12 th	Kyoto	111
⋮		
21 th	Okayama	80
⋮		
26 th	Ehime	61
28 th	Yamaguchi	58
⋮		

Total of 4 local prefectures
3rd place equivalent

Country/region

GDP(nominal)

Romania	32.6trillion yen
Four local prefectures	31.1trillion yen
Portugal	29.1trillion yen
New Zealand	28.4trillion yen
⋮	
Kenya	12.5trillion yen
Ecuador	12.2trillion yen
Hiroshima Prefecture	12.1trillion yen
Puerto rico	12.1trillion yen
Ethiopia	11.3trillion yen

Note: Nominal gross prefectural domestic product figures are from FY2021; GDP (nominal) figures are from 2021.

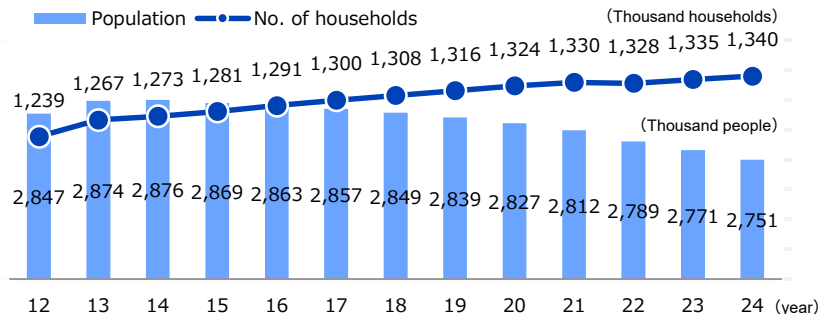
Source: IMF, Cabinet Office, Bank of Japan

Source: The number of the population based on the Basic Resident Register, the population dynamics and the households by the Ministry of Internal Affairs and Communications(as of 1 January 2024)

Source: Economic census 2021

3. Population and Labor Force in Hiroshima Prefecture

Changes in population and number of households in Hiroshima Prefecture



Source: Ministry of Internal Affairs and Communications,「Basic Resident Register」

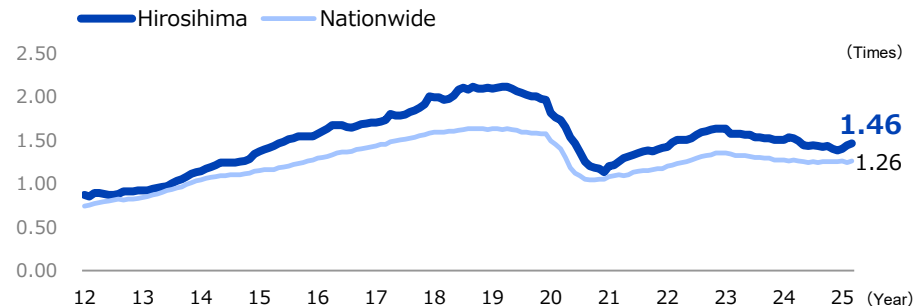
Estimates for future population Prefectures (Chugoku and Shikoku regions)

	2020	2030	Rate of increase/ Decrease	2040	Rate of increase/ decrease
Hiroshima	2,800	2,618	-6.5%	2,428	-13.3%
Okayama	1,888	1,774	-6.0%	1,646	-12.8%
Yamaguchi	1,342	1,199	-10.7%	1,059	-21.1%
Shimane	671	610	-9.1%	553	-17.6%
Tottori	553	503	-9.0%	454	-17.9%
Ehime	1,335	1,203	-9.9%	1,074	-19.6%
Kagawa	950	875	-7.9%	800	-15.8%
Tokushima	720	640	-11.1%	561	-22.1%
Kochi	692	608	-12.1%	528	-23.7%

Note: Rate of increase/Decrease is compared to 2020

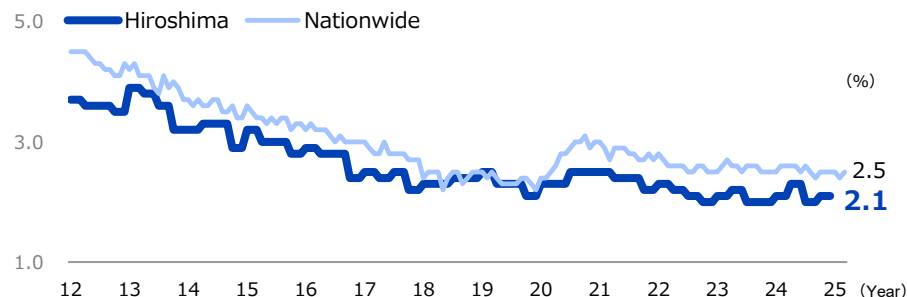
Source: National Institute of Population and Social Security Research,「March 2023 Estimates」

Changes in job-offers-to-seekers ratio



Note: The most recent figures are as of September. Source: Ministry of Health,labour and welfare

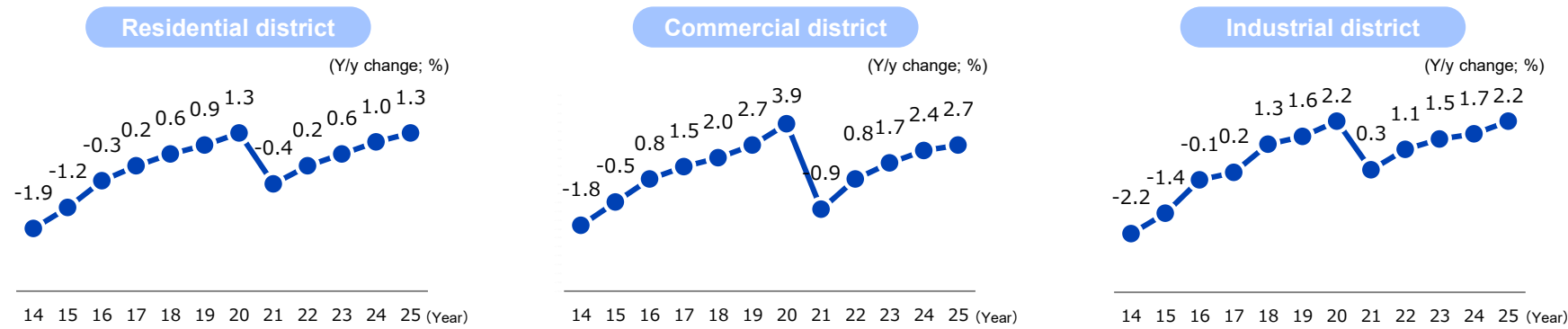
Changes in unemployment rate



Note: The most recent figures are from October-December 2024 for Hiroshima and as of March 2025 for Japan overall.
Source: Statistics Bureau, Ministry of Internal Affairs and Communications

4. Trends of Land Prices in Hiroshima Prefecture

Changes in official land price by use



Land price fluctuation rate in major cities of Hiroshima Prefecture

Major Cities	Residential district			Commercial district			Industrial district		
	2023	2024	2025	2023	2024	2025	2023	2024	2025
Hiroshima	1.7	2.0	2.4	3.7	4.2	4.6	2.4	2.6	2.9
Kure	-1.1	-0.7	-0.3	-0.6	-0.4	0.0	-1.1	-0.6	-0.3
Fukuyama	0.5	1.3	1.6	2.1	4.2	4.5	1.6	1.9	2.3
Higashihiroshima	0.7	0.9	1.0	1.3	1.3	1.9	3.0	3.2	3.1

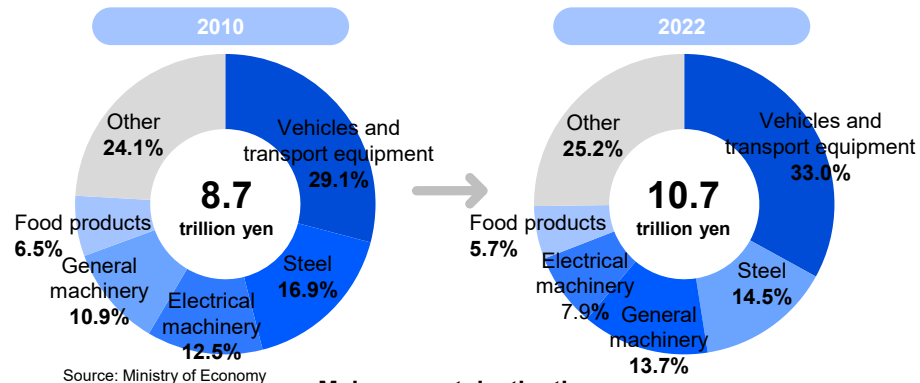
Highest land price in 4 local prefectures

(Unit: Thousand yen/m ²)					
Hiroshima	Residential district	1,690	Yamaguchi	Residential district	93
	Commercial district	4,040		Commercial district	185
Okayama	Residential district	200	Ehime	Residential district	241
	Commercial district	1,900		Commercial district	860

Source: Ministry of Land, Infrastructure, Transport and Tourism, 「Land General Information System」

5. Production Activities in Hiroshima Prefecture

Trends of shipment value of manufactured goods, etc.
(Hiroshima Prefecture)

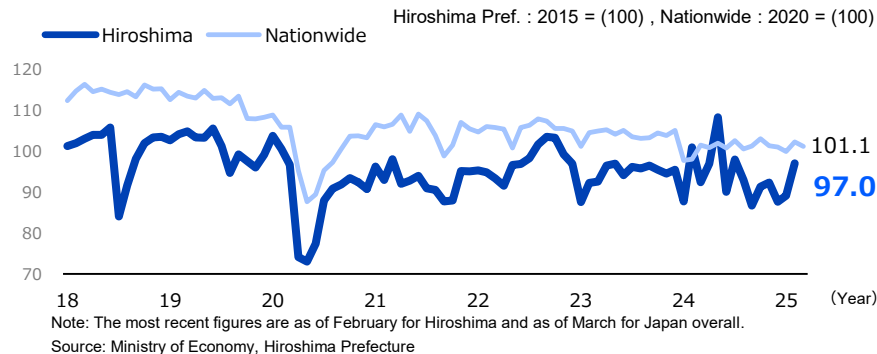


Major export destination
countries and regions (Hiroshima Prefecture)

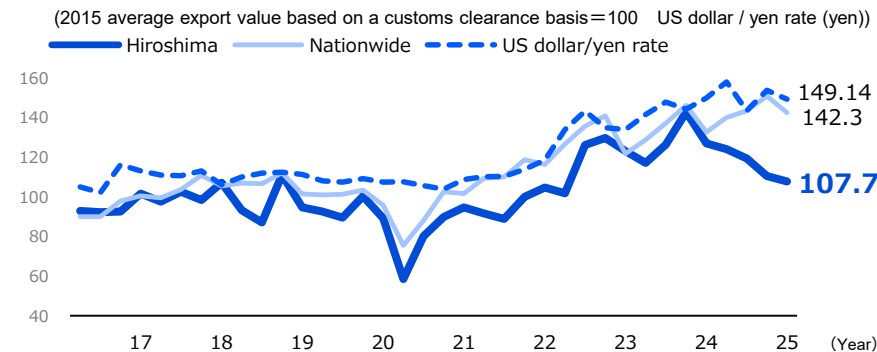
(JPY Bn)	2010	2024	Increase/ Decrease	Rate of Increase/ Decrease
Total	1,989.2	2,855.0	865.8	43.5%
Asia	926.7	1,039.6	112.9	12.2%
China	348.4	164.4	-184.0	-52.8%
Korea	180.4	160.6	-19.8	-11.0%
Thailand	108.9	158.5	49.6	45.6%
Taiwan	64.5	120.6	56.1	87.0%
Singapore	46.2	125.5	79.3	171.7%
Philippines	24.3	42.3	18.0	74.2%
India	4.5	46.2	41.7	927.7%
North America	324.7	742.5	417.8	128.7%
United States	269.9	650.9	381.0	141.2%
Western Europe	179.7	337.0	157.3	87.5%
Germany	38.2	90.3	52.1	136.5%
England	43.8	59.8	16.0	36.4%

Source: Kobe Customs

Industrial Production Index (Hiroshima Prefecture)



Trend of export value on a customs clearance basis
(nationwide and Hiroshima Prefecture) and trend of US dollar/ yen rate



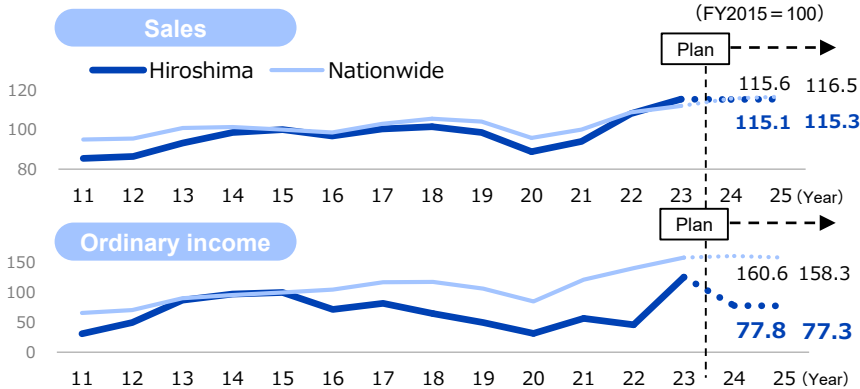
6. Overview of Hiroshima Prefecture's economy

Latest business confidence

Movements by item			
April 2024		April 2025	
Hiroshima	Overview	Slowly recovering	A gentle recovering trend
	Private Consumption	Slowly Recovering	A gentle recovering trend
	Business investment	Increasing	Increasing
	Production	A gentle recovering trend	More or less unchanged
	Exports	More or less unchanged	Showing a weak trend

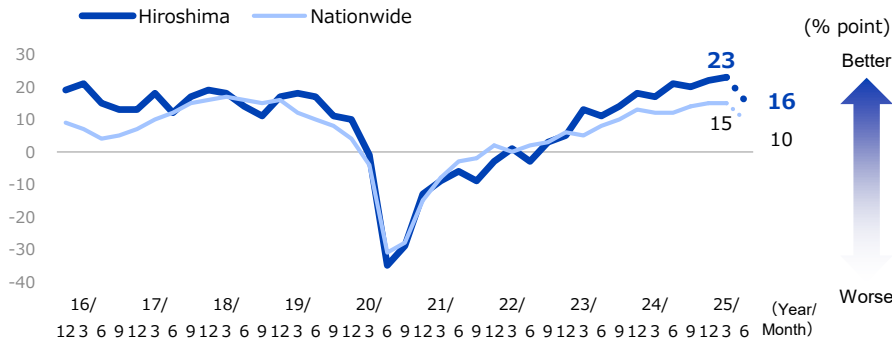
Source: Monthly report of recent economy and financial developments by Bank of Japan

Sales and ordinary income



Source: Tankan by Bank of Japan

Diffusion Index (D.I.) (all industries in Hiroshima Prefecture)



Source: Tankan by Bank of Japan

(Prospected)

Amounts of capital investment

(YoY change)			
	FY2023 results	FY2024 Expected Performance	FY2025 plans
All industries	9.1%	24.3%	2.2%
Manufacturing	3.5%	6.8%	6.3%
Major companies	5.4%	3.2%	7.5%
Mid-sized companies	3.0%	34.5%	-4.4%
SMEs	-5.3%	-30.9%	39.1%
Non-manufacturing	12.3%	34.1%	0.4%
Major companies	12.0%	39.7%	0.4%
Mid-sized companies	12.9%	-5.5%	-7.2%
SMEs	21.1%	-22.2%	33.8%

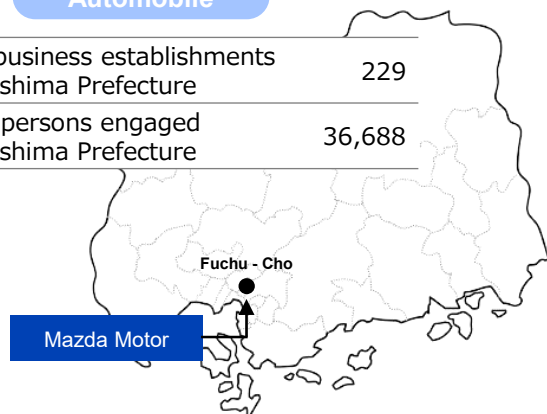
Source: Tankan by Bank of Japan

Hirogin Holdings | Reference Materials

7. Major Industry Trends -Transportation Equipment-

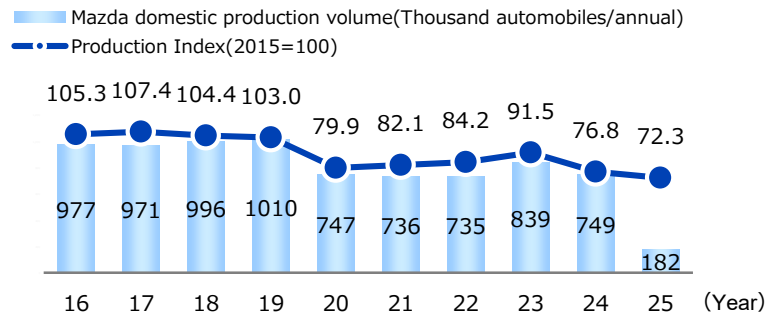
Automobile

No. of business establishments in Hiroshima Prefecture	229
No. of persons engaged in Hiroshima Prefecture	36,688



Source: Hiroshima Prefecture, 2023 Census of Manufactures

Production index in the automobile sector (Hiroshima Prefecture) and Mazda's annual production volume

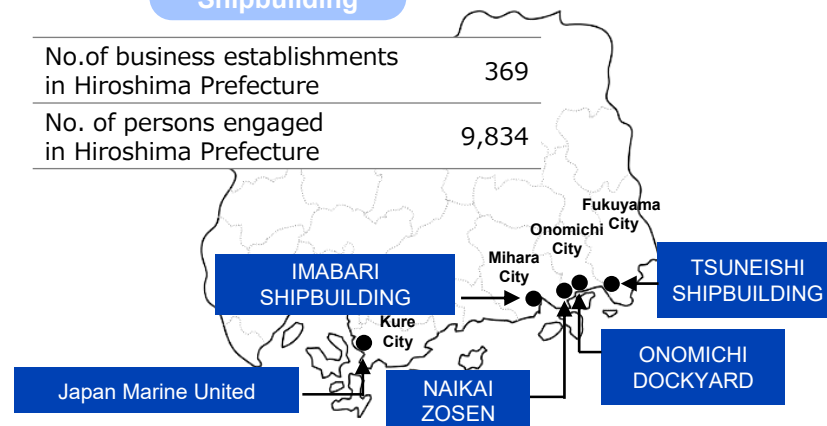


Note: Figures for 2025 Mazda domestic production volume are from January-March; Production index is based on January-February figures.

Sources: Hiroshima Prefecture, Mazda Motor Corporation

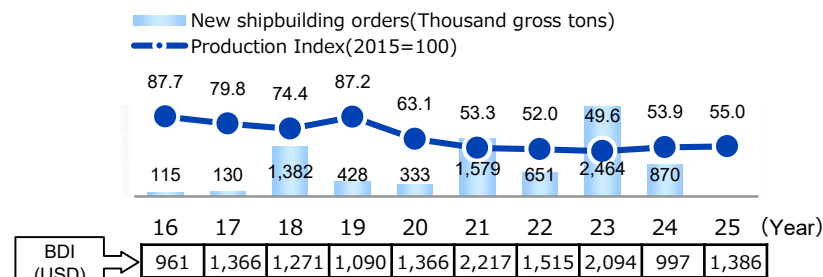
Shipbuilding

No. of business establishments in Hiroshima Prefecture	369
No. of persons engaged in Hiroshima Prefecture	9,834



Source: Hiroshima Prefecture, 2023 Census of Manufactures

Industrial Production Index of the shipbuilding sector and new shipbuilding orders (Hiroshima Prefecture)

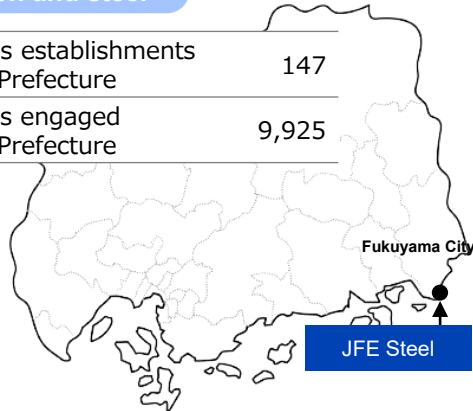


Note: Figures for production index are January - February, and figures for BDI is as of the end of April.
Sources: Hiroshima Prefecture, Chugoku District Transport Bureau and Bloomberg L.P.

8. Major Industry Trends -Iron and Steel/General Machinery-

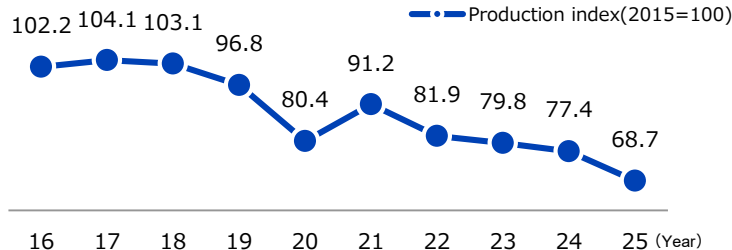
Iron and steel

No. of business establishments in Hiroshima Prefecture	147
No. of persons engaged in Hiroshima Prefecture	9,925



Source: Hiroshima Prefecture, Economic census 2023

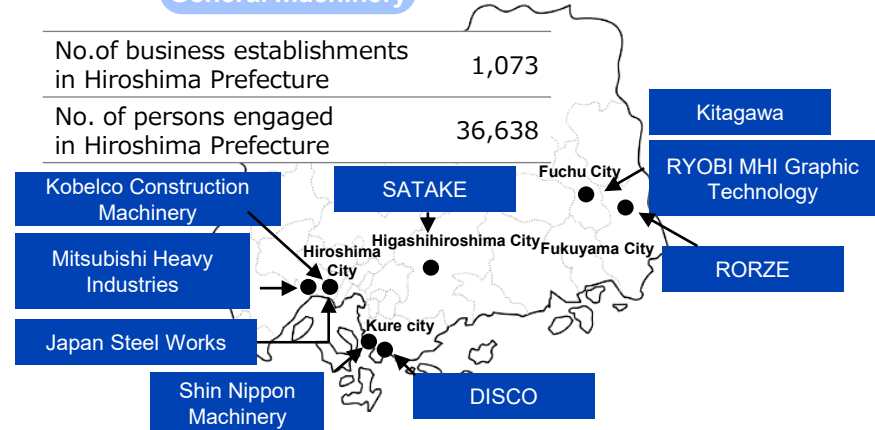
Industrial Production Index of the iron and steel sector (Hiroshima Prefecture)



Note: 2025 figures are from January-February. Sources: Hiroshima Prefecture

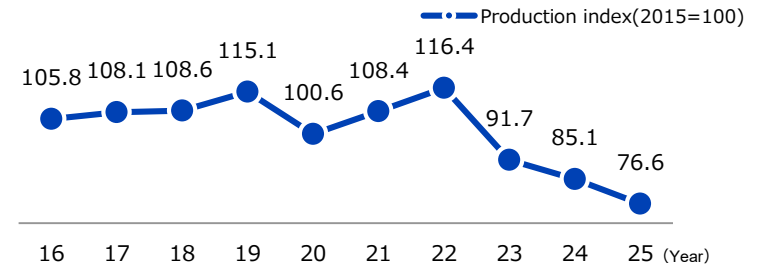
General machinery

No. of business establishments in Hiroshima Prefecture	1,073
No. of persons engaged in Hiroshima Prefecture	36,638



Source: Hiroshima Prefecture, Economic census 2023

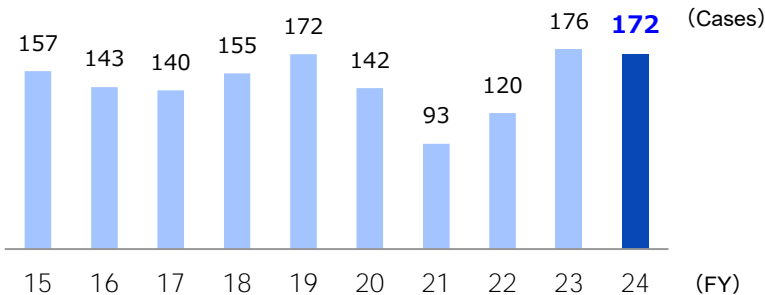
Industrial Production Index of the general machinery sector (Hiroshima Prefecture)



Note: 2025 figures are from January-February. Sources: Hiroshima Prefecture

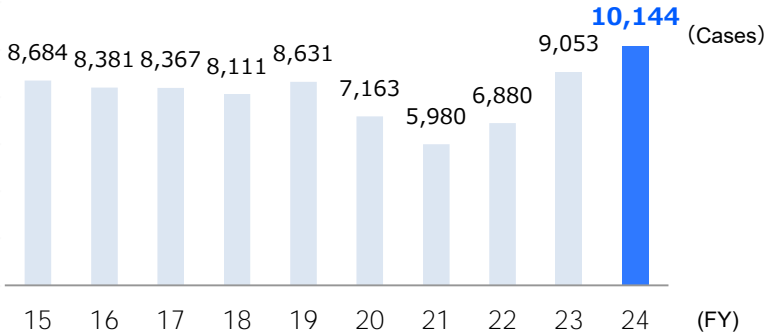
9. Bankruptcies in Hiroshima Prefecture

Number of bankruptcies in Hiroshima Prefecture



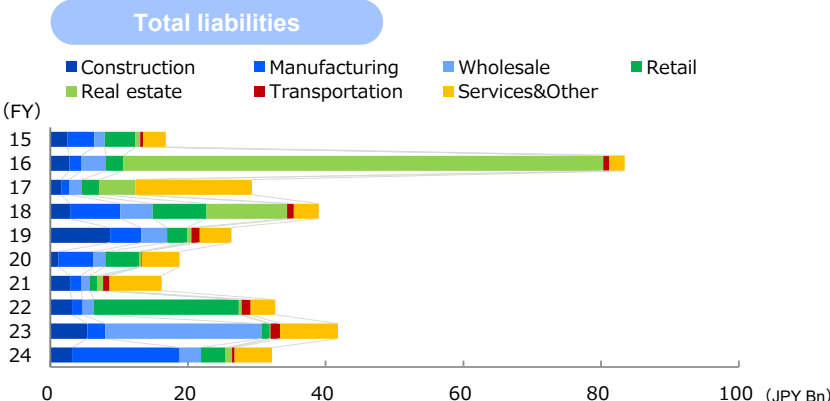
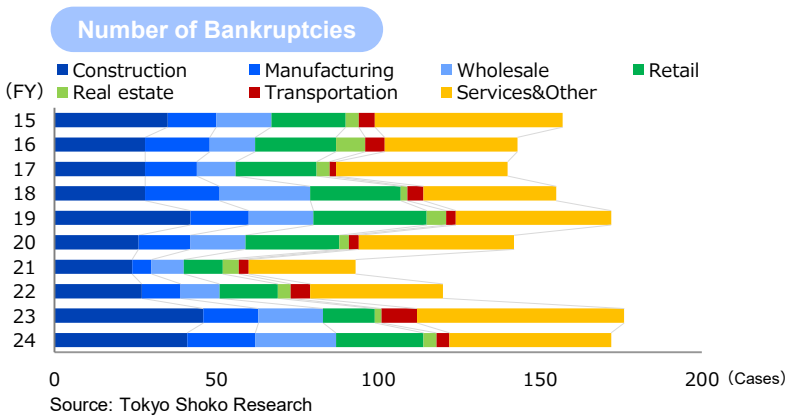
Source: Tokyo Shoko Research

<Reference> Number of bankruptcies nationwide



Source: Tokyo Shoko Research

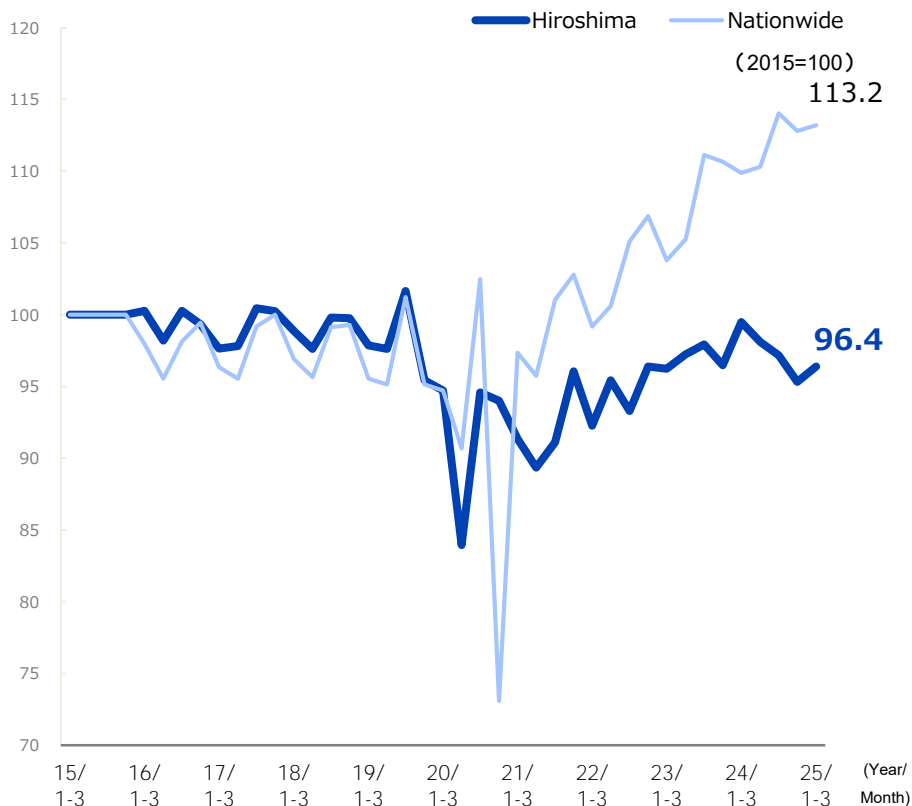
Bankruptcies in Hiroshima Prefecture by industry sector



Note: 2024 figures are from April-September.
Source: Tokyo Shoko Research

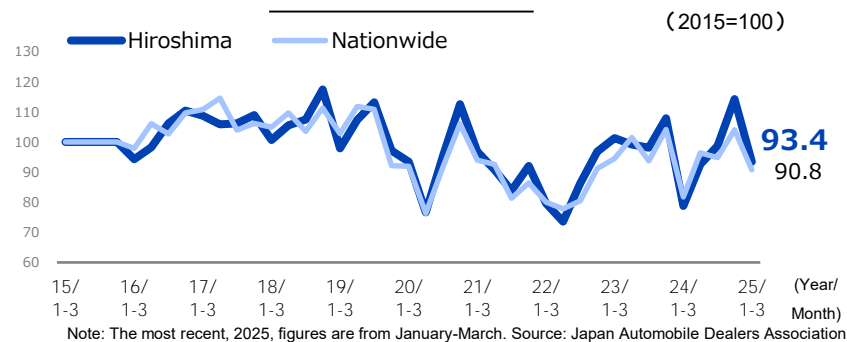
10. Consumer Spending

Changes in sales at large-scale retail stores (department stores and supermarkets)

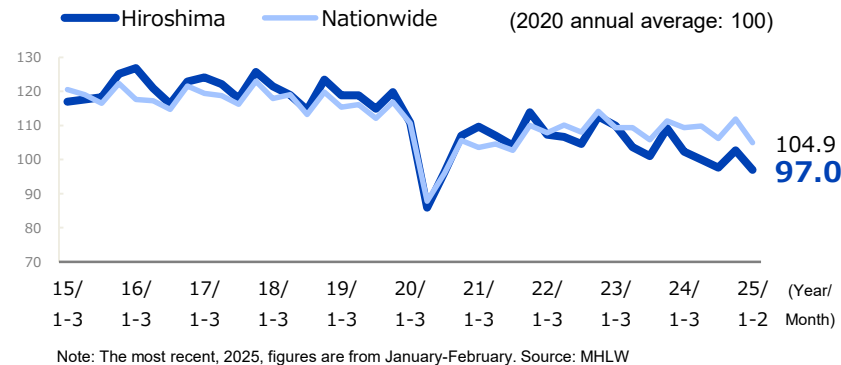


Note: The most recent, 2025, figures are from January-March. Source: Ministry of Economy

Changes in new car registration



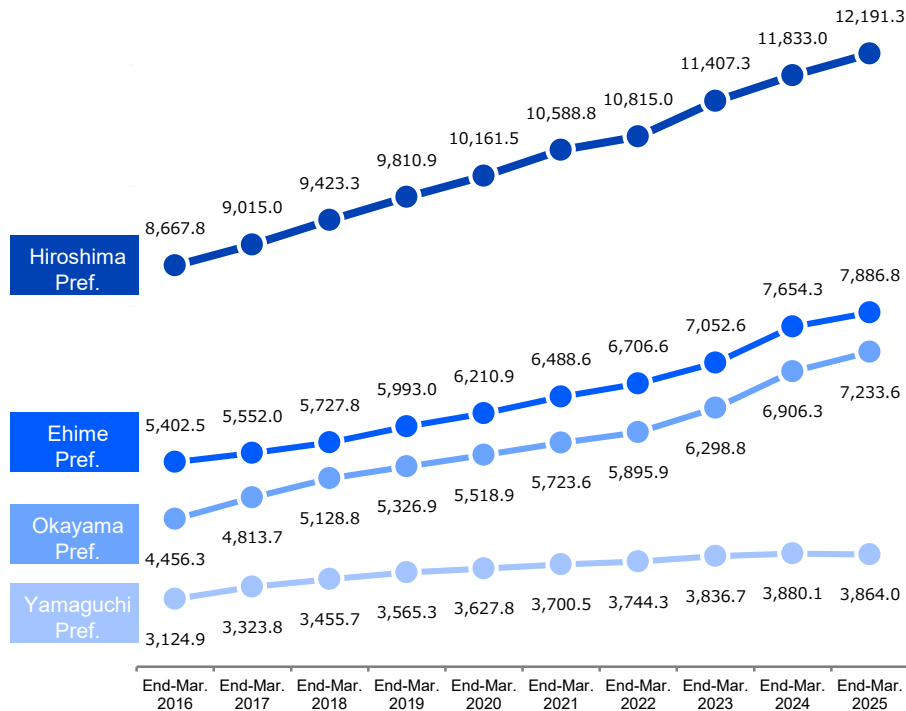
Changes in overtime working hours



11. Trends of Loans/Deposits in Hiroshima Prefecture

Changes in loans outstanding

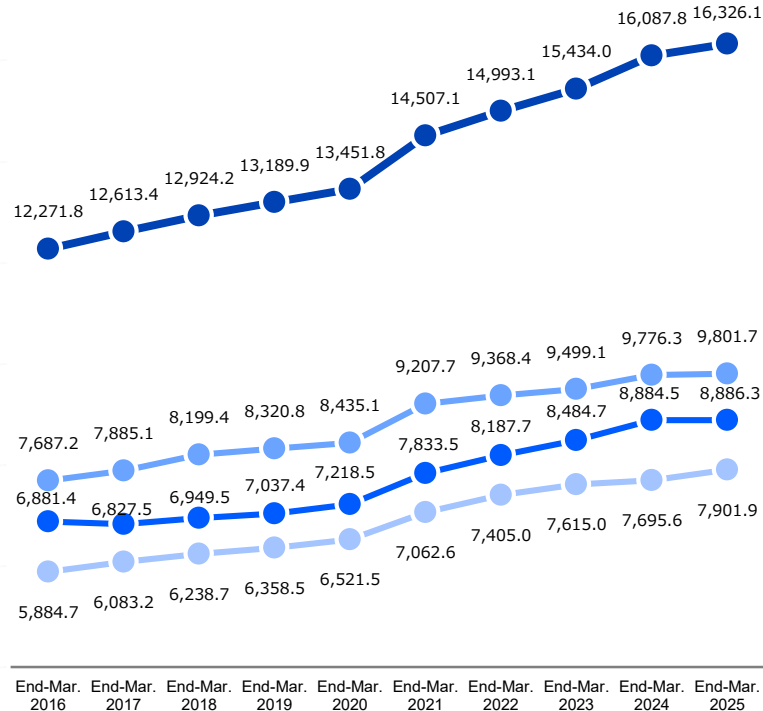
(JPY Bn)



Source: The Bank of Japan, "Prefectural Deposits, Cash and Loans"

Changes in deposits outstanding

(JPY Bn)



Source: The Bank of Japan, "Prefectural Deposits, Cash and Loans"

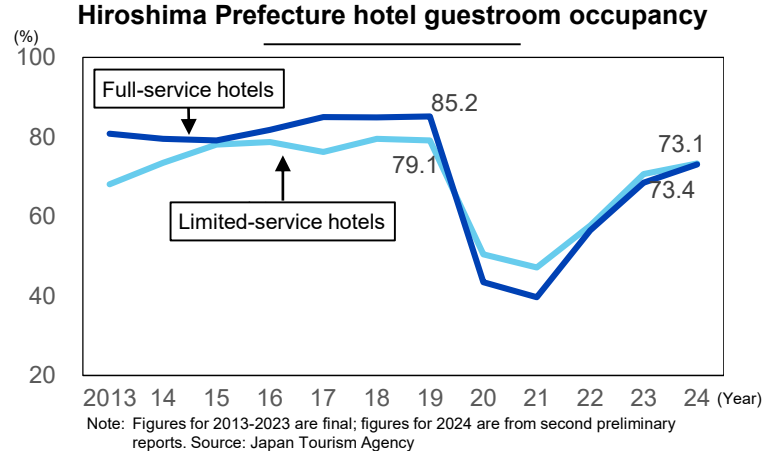
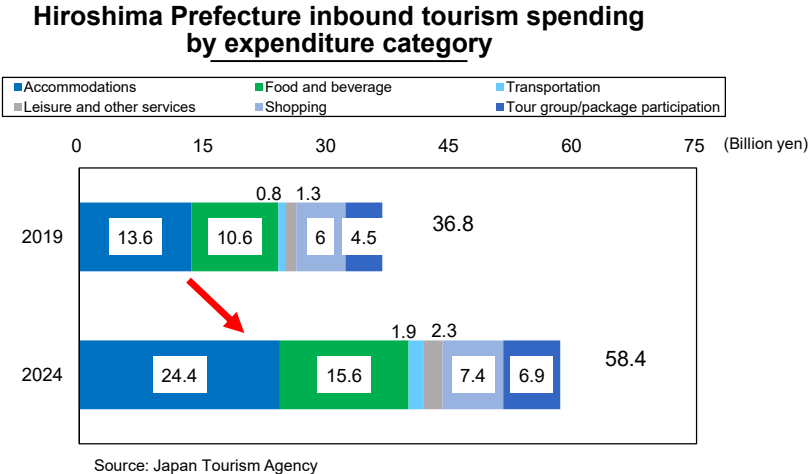
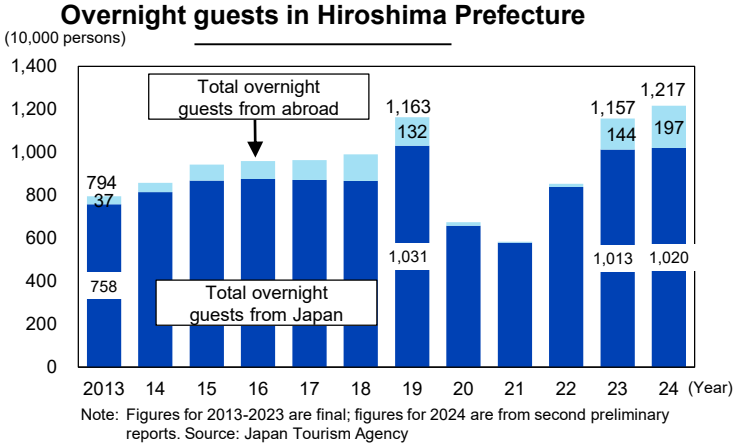
12. Comparison among Hiroshima City, Sapporo City, Sendai City, and Fukuoka City

Key indexes of each city

			Hiroshima City	Sapporo City	Sendai City	Fukuoka City	As of
Regionality	Area	km ²	907	1,121	786	343	January. 2025
	Population	Thousand people	1,179	1,957	1,066	1,594	January. 2024
	No. of households	Thousand households	581	1,105	543	857	January. 2024
Economy	Nominal gross regional domestic product	Billion yen	5,183.6	7,466.1	5,054.5	7,827.7	FY2021
	No. of business establishments	Establishments	52,041	71,870	47,077	73,223	2021
	Shipment value of manufactured goods, etc.	Billion yen	3,090.6	593.2	1,117.7	654.5	2022
	Retail sales	Billion yen	1,406.7	2,278.7	1,487.9	2,120.6	2021
	Wholesale sales	Billion yen	6,021.4	7,182.7	7,195.5	11,437.5	2021
	City income per capita	Thousand yen	3,171	2,800	3,073	3,136	FY2021

Source: Ministry of Internal Affairs and Communications, Ministry of Economy, Cabinet Office

13. Hiroshima Prefecture tourism



Prefectures ranked by guestroom occupancy (2019, 2024)

Full-service hotels					Limited-service hotels							
			(%)									
2019				2024			2019			2024		
	Prefecture	Occupancyrate		Prefecture	Occupancyrate		Prefecture	Occupancyrate		Prefecture	Occupancyrate	
1	Osaka	85.4	1	Kagawa	76.8		1	Tokyo	84.0	1	Tokyo	83.0
2	Hiroshima	85.2	2	Tokyo	76.7		2	Kanagawa	84.0	2	Osaka	78.9
3	Kanagawa	84.5	3	Osaka	75.7		3	Okayama	83.8	3	Saga	78.8
4	Tokyo	84.2	4	Fukuoka	75.5		4	Kyoto	80.1	4	Kanagawa	78.8
5	Chiba	81.3	5	Chiba	75.1		5	Osaka	79.8	5	Fukuoka	77.9
6	Fukuoka	80.2	6	Kumamoto	74.4		6	Gifu	79.6	6	Ishikawa	77.8
7	Kyoto	79.9	7	Kochi	74.0		7	Fukuoka	79.5	7	Aichi	75.3
8	Okinawa	79.5	8	Saitama	73.5		8	Kumamoto	79.2	8	Hyogo	74.6
9	Kumamoto	78.7	9	Shimane	73.5		9	Hiroshima	79.1	9	Nagano	74.4
10	Hokkaido	78.0	10	Hiroshima	73.1		10	Saga	77.3	10	Kyoto	74.3
11	Miyazaki	77.1	11	Kyoto	73.0		11	Fukui	76.5	11	Shiga	73.6
12	Aichi	76.8	12	Nagano	72.9		12	Hokkaido	75.8	12	Gifu	73.6
12	Nara	76.8	13	Ishikawa	72.4		13	Aichi	75.6	13	Hiroshima	73.4

Note: Figures for 2013-2023 are final; figures for 2024 are from second preliminary reports. Source: Japan Tourism Agency

13. Hiroshima Prefecture tourism

Hotel construction and plans in city of Hiroshima (Opened or slated to open in 2024-2028)

(Rooms)

Hotel	Location	(Planned) opening date	Rooms
APA Hotel Hiroshima Ekimae Shinkansenguchi	Osugacho, Higashi-ku	July 2024	294
APA Hotel Hiroshima Ekimae Stadiumguchi	Kojinmachi, Minami-ku	October 2024	242
Hotel Granvia Hiroshima South Gate	Matsubaracho, Minami-ku	Spring 2025	380
Tokyu Stay Hiroshima (tentative name)	Teppocho, Naka-ku	2026	182
voco Hiroshima	Matobacho, Minami-ku	2027	301
Courtyard by Marriott	Mikawacho, Naka-ku	Early 2027	183
RIHGA Royal Hotels Group, New Hotel on Hiroshima Heiwa Odori (Peace Boulevard)	Higashihiratsukacho, Naka-ku	Spring 2027	167
APA Hotels & Resorts, Hiroshima Ekimae Tower	Matsubaracho, Minami-ku	Spring 2028	600
Total guestrooms			2,349

Now open

Now open

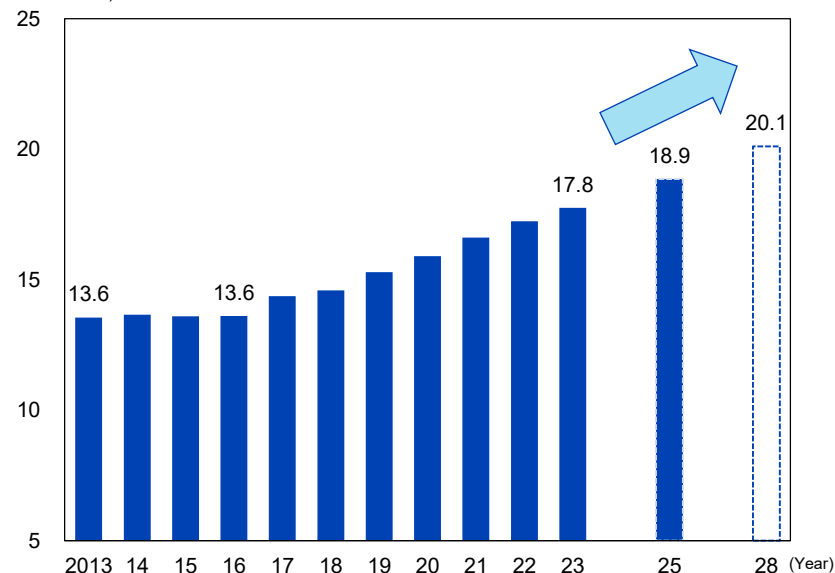
Now open

Note: Only hotels for which guestroom numbers have been announced are shown.

Source: press releases and/or other documents

Hotel and inn guestrooms in city of Hiroshima

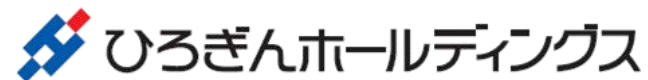
(Thousand rooms)



Notes: 1. As of end of March each year

2. For 2025 and 2028, the numbers of new guestrooms scheduled to open are added without considering potential or actual closures. Source: Ministry of Health, Labour and Welfare of Japan

未来を、ひろげる。



Part 2

Data for Hirogin Holdings



1. Changes in Earnings Performance (Hirogin Holdings Consolidated)

I . Status of consolidated financial results

(JPY Bn)

	FY2022	1H of FY2023	FY2023	1H of FY2024	FY2024	Compared to FY2023
Consolidated gross profit	79.3	49.0	100.7	55.1	112.8	12.1
Net interest income	66.2	35.2	72.9	41.1	85.7	12.8
Net fees and commissions income	20.8	11.7	24.1	12.5	26.0	1.9
Income from specific transactions and other businesses	-7.7	2.0	3.6	1.4	1.0	-2.6
Operating expenses (-)	58.0	28.5	57.9	31.5	64.1	6.2
Credit costs (-)	0.6	4.3	15.0	-0.5	2.9	-12.1
Gains/losses related to equities, etc.	-2.2	7.4	7.6	1.9	5.5	-2.1
Gains/losses from equity method investments	-	-0.0	-0.0	0.0	0.0	0.0
Other	0.4	0.3	-1.1	0.5	0.8	2.0
Ordinary profit	18.7	23.9	34.1	26.5	52.1	18.0
Extraordinary gains/losses	-0.5	-0.0	5.7	-0.2	-1.1	-6.9
Total income tax, etc. (-)	5.7	7.2	12.2	7.9	15.1	2.9
Net income attributable to owners of the parent	12.5	16.6	27.6	18.4	35.8	8.2

1. Changes in Earnings Performance (Hirogin Holdings Consolidated)

II . Total profits from consulting business for corporate and individual customers and net income for Group companies (JPY Bn)

	FY2022	1H of FY2023	FY2023	1H of FY2024	FY2024	Compared to FY2023
Corporate solutions	7.3	2.8	5.8	3.7	7.4	1.6
Asset management	5.0	2.4	4.9	2.2	4.2	-0.7
Equity business	0.2	-	1.5	0.0	0.2	-1.3
Net income for Group companies	2.3	1.3	2.5	1.3	3.0	0.5
Hirogin Securities (included above)	0.1	0.3	0.6	0.2	0.4	-0.2
Shimanami Servicer (included above)	0.2	-0.0	0.0	0.0	0.0	0.0
Hirogin Lease (included above)	0.5	0.3	0.7	0.5	0.9	0.2
Total	14.8	6.5	14.7	7.2	14.8	0.1

III . Group total credit (JPY Bn)

	March 31, 2023	September 30, 2023	March 31, 2024	September 30, 2024	March 31, 2025	Compared to March 31, 2024
Group total credit	7,390.8	7,608.3	7,872.4	8,477.0	8,129.6	257.2
Lending (consolidated)	7,224.1	7,436.1	7,689.1	8,292.9	7,934.5	245.4
Lease claims ^{*1}	77.6	77.5	84.7	83.7	88.0	3.3
PE investments, etc. ^{*2}	34.7	38.5	41.7	44.6	55.8	14.1
Private placement bonds	54.4	56.1	56.8	55.5	51.1	-5.7

*1 : Represents the lease claims of Hirogin Lease.

*2 : "PE investments, etc." includes private REIT investments.

2. Consolidated Capital Adequacy Ratio

I . Consolidated Capital Adequacy Ratio

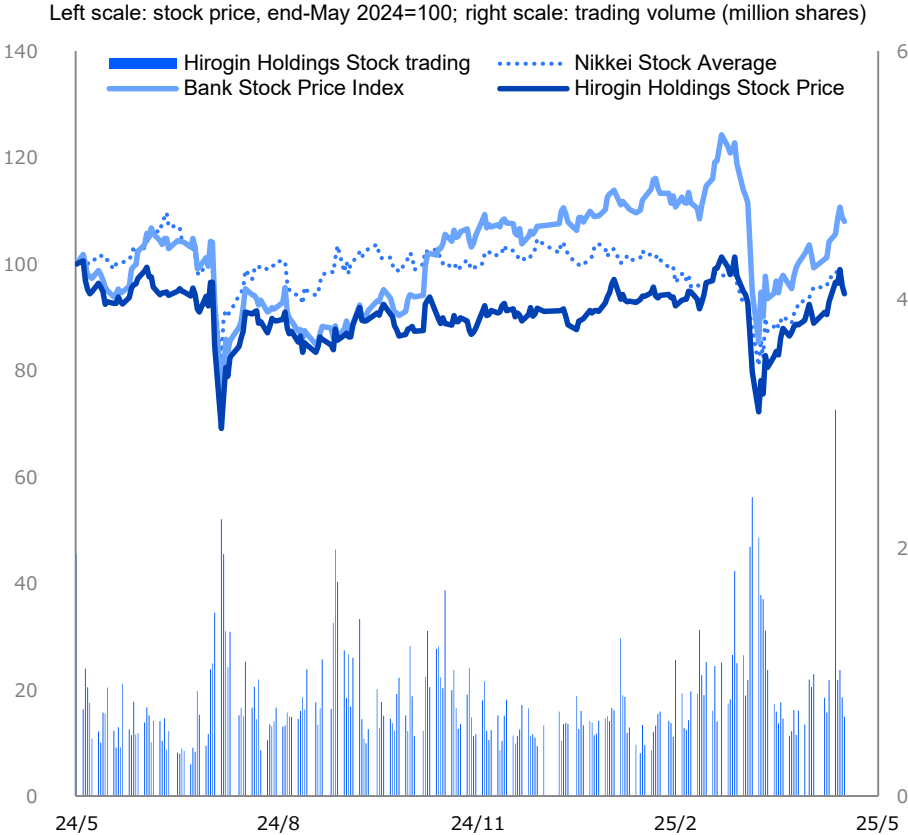
(JPY Bn)

		March 31, 2023	September 30, 2023	March 31, 2024	September 30, 2024	March 31, 2025	Compared to March 31, 2024
Amount of basic items related to core capital	①	481.0	485.4	484.8	495.7	495.9	11.1
Of which, amount of shareholders' equity related to common stock or mandatory convertible preferred stock		461.7	467.7	473.0	482.6	490.4	17.4
Of which, amount included in the amount of basic items related to core capital, of the amount of eligible former capital raising instruments		-	-	-	-	-	-
Amount of adjustment items related to core capital	②	59.3	62.0	44.7	47.2	44.6	-0.1
Amount of owned equity ① - ②	③	421.7	423.4	440.0	448.5	451.2	11.2
Total amount of risk-weighted assets, etc.	④	3,576.8	3,771.2	3,984.2	3,989.9	4,085.2	101.0
Consolidated capital adequacy ratio ③ / ④		11.78%	11.22%	11.04%	11.24%	11.04%	0.00%

※ We (consolidated and nonconsolidated) apply domestic standards; specifically, we have adopted the Fundamental Internal Ratings Based Approach to calculate credit risk assets and the Standardized Approach to calculate operational risk equivalent amounts.

3. Hirogin Holdings Stock Information

Trends in Hirogin Holdings stock price, Nikkei Stock Average, Banks Stock Price Index, and Hirogin Holdings stock trading volume



Composition of shareholders

	23/3	23/9	24/3	24/9	25/3
Financial institutions	35.8%	37.2%	36.1%	36.8%	35.7%
Financial instruments business operators (brokerage houses)	2.6%	2.7%	3.2%	2.2%	2.6%
General corporations	27.5%	26.9%	26.4%	26.6%	25.8%
Foreigners	13.3%	13.2%	12.9%	13.5%	13.3%
Individuals	20.8%	19.1%	20.3%	20.2%	21.1%
Treasury stock	0.0%	0.8%	1.2%	0.6%	1.4%

Major shareholders (March 31, 2025)

Shareholder's name	No. of shares held (hundred shares)	Shareholding ratio
The Master Trust Bank of Japan, Ltd. (trust account)	400,422	12.96%
Custody Bank of Japan, Ltd. (trust account)	196,384	6.36%
Meiji Yasuda Life Insurance Company	82,047	2.65%
Sompo Japan Insurance Inc.	75,000	2.42%
CP Chemical Incorporated	74,638	2.41%
Sumitomo Life Insurance Company	60,380	1.95%
Employee stock ownership (Hirogin Holdings)	58,736	1.90%
Nippon Life Insurance Company	48,339	1.56%
Hirogin Holdings, Inc.	44,541	1.44%
JP MORGAN CHASE BANK	38,629	1.25%

4. Hirogin Holdings Group Structure



(Established October 2020)

Made Wholly owned subsidiary March 2021

Established April 2020

Merged April 2023

Established January 2024

Made subsidiary January 2021

Established April 2021

Established April 2021

Converted into affiliate September 2023

Invested October 2019

Established February 2022

Established September 2024

(100%)

The Hiroshima Bank

(100%)

Hirogin Business Service

(100%)

Hirogin REIT Management

Nonconsolidated subsidiaries
(Eleven companies)*1

(100%)

Hirogin Securities

(100%)

Hirogin Lease

(100%)

Shimanami Servicer

(100%)

Hirogin Capital Partners

Non-equity method affiliates
(two companies)*2

(100%)

Hirogin Credit Service

(100%)

Hirogin Life Partners

(80%)

Hirogin IT Solutions

(100%)

Hirogin Area Design

(100%)

Hirogin Human Resources

Nonconsolidated subsidiaries
(One company)*3

(39.5%)

Shin-ai Total Service

Hiroshima Shinai Real Estate*4

Tabimachi Gate Hiroshima

Setomосу

Hirogin World Business

Banking

Investigation and evaluation of real estate collateral etc.

Asset management

*1 One factoring company, nine investment LLPs,

Singapore subsidiary (established January 2024)
(HIROGIN GLOBAL CONSULTING)

Trading in financial instruments

Leasing

Claims management and collection

Investment

*2 Two local trading companies

Credit cards, credit guarantees

Financial instruments intermediary service

IT-related businesses

Consulting related to regional vitalization

Consulting related to human resources, labor, etc.

*3 Programming school operation

Nonlife insurance agency operations

*4 Alliance, not included among subsidiaries and affiliates

Travel agency business, regional trading business

Lifestyle-related services, agriculture, accommodation business

Foreign worker acceptance support business

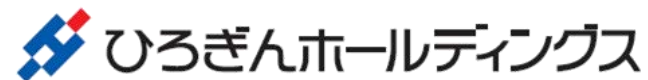
Financial consolidated subsidiaries: nine companies

Nonfinancial consolidated subsidiaries: three companies

Equity method affiliated company: one company

Non consolidated subsidiaries, not subject to the equity method: three companies

未来を、ひろげる。



Part 3

Data for Hiroshima Bank

1. Changes in Earnings Performance (nonconsolidated)

I . Total

(JPY Bn)

	FY2022	1H of FY2023	FY2023	1H of FY2024	FY2024	Compared to FY2023
Net interest income	67.4	36.4	74.1	41.2	85.9	11.8
Net fees and commissions income	14.2	7.6	15.2	8.4	17.2	2.0
Specific transaction profit	1.4	0.6	1.3	0.8	1.5	0.2
Other banking profit (excluding gains/losses on bonds)	3.4	0.9	1.2	1.0	1.7	0.5
Core gross banking profit	86.5	45.7	92.0	51.6	106.5	14.5
- Expenses	52.3	26.2	53.0	28.2	57.5	4.5
Core banking profit	34.2	19.5	38.9	23.3	49.0	10.1
Gains/losses on bonds	-16.7	-1.2	-2.4	-2.4	-6.2	-3.8
Actual net banking profit	17.4	18.2	36.5	20.9	42.7	6.2
- General provision for doubtful debt	-6.0	2.2	3.0	-	-	-3.0
- Non-performing loans written off	6.3	1.8	11.4	-0.7	2.3	-9.1
Gains/losses on stocks	-2.2	7.4	8.2	1.9	5.5	-2.7
Ordinary profit	16.4	23.2	31.4	24.5	47.7	16.3
Extraordinary income/loss	-0.5	-0.0	5.8	-0.1	-1.1	-6.9
Income before income taxes	15.9	23.1	37.3	24.3	46.5	9.2
Corporate taxes	4.3	6.4	10.7	7.2	13.6	2.9
Net income	11.5	16.6	26.5	17.1	32.9	6.4
Adjusted overhead ratio	60.4%	57.3%	57.7%	54.7%	54.0%	-3.7%

II . Domestic operations

(JPY Bn)

	FY2022	1H of FY2023	FY2023	1H of FY2024	FY2024	Compared to FY2023
Net Interest income	59.1	31.8	63.9	34.5	71.8	7.9
Net fees and commissions income	14.0	7.6	15.1	8.4	17.2	2.1
Specific transaction profit	0.0	0.0	0.0	0.0	0.0	0.0
Other banking profit (excluding gains/losses on bonds)	-0.0	0.0	-0.0	0.0	0.1	0.1
Core gross banking profit	73.2	39.4	79.0	43.0	89.2	10.2

2. Investment and Fundraising

I . Total

(JPY Bn)

	FY2022		1H of FY2023		FY2023		1H of FY2024		FY2024		Compared to FY2023		
	Average balance	Yield	Average balance	Yield	Average balance	Yield	Average balance	Yield	Average balance	Yield	Average balance	YoY	Yield
Interest-earning assets	9,016.8	0.97%	9,165.3	1.13%	9,332.2	1.15%	10,158.4	1.16%	11,706.1	1.06%	2,373.9	25.4%	-0.09%
Loans and bills discounted	7,184.2	0.94%	7,399.3	1.07%	7,517.9	1.09%	8,172.0	1.07%	8,234.2	1.10%	716.3	9.5%	0.01%
Trading securities	1,749.2	0.95%	1,635.8	1.30%	1,675.8	1.27%	1,818.2	1.48%	1,871.6	1.53%	195.8	11.7%	0.26%
Call loans	27.4	0.59%	37.9	1.07%	46.4	0.90%	73.8	0.78%	83.1	0.77%	36.7	79.1%	-0.13%
Due from banks*	13.0	17.29%	1,923.3	0.10%	1,141.2	0.10%	1,578.0	0.13%	1,426.9	0.21%	285.7	25.0%	0.11%
Interest-bearing liabilities	10,959.9	0.18%	11,417.7	0.27%	11,642.8	0.28%	11,498.9	0.31%	11,483.8	0.33%	-159.0	-1.4%	0.05%
Deposits	8,683.7	0.02%	8,948.2	0.03%	8,978.3	0.04%	9,138.5	0.07%	9,132.7	0.11%	154.4	1.7%	0.07%
Negotiable CDs	405.6	0.00%	358.3	0.00%	340.4	0.00%	247.5	0.06%	220.2	0.12%	-120.2	-35.3%	0.12%
Call money	222.8	-0.03%	481.8	-0.04%	644.0	-0.02%	18.3	0.15%	12.3	0.18%	-631.7	-98.1%	0.20%
Borrowed money	946.0	0.02%	1,016.4	0.02%	1,070.4	0.02%	1,416.9	0.02%	1,417.3	0.03%	346.9	32.4%	0.01%

II . Domestic operations

(JPY Bn)

	FY2022		1H of FY2023		FY2023		1H of FY2024		FY2024		Compared to FY2023		
	Average balance	Yield	Average balance	Yield	Average balance	Yield	Average balance	Yield	Average balance	Yield	Average balance	YoY	Yield
Interest-earning assets	8,527.3	0.71%	8,736.7	0.73%	8,890.9	0.73%	9,655.2	0.75%	11,184.2	0.71%	2,293.3	25.8%	-0.02%
Loans and bills discounted	6,489.2	0.74%	6,663.8	0.73%	6,746.6	0.74%	7,319.7	0.76%	7,375.9	0.82%	629.3	9.3%	0.08%
Trading securities	1,368.6	0.65%	1,367.5	0.91%	1,394.6	0.79%	1,476.1	0.89%	1,521.7	0.93%	127.1	9.1%	0.14%
Call loans	22.6	0.00%	30.5	0.01%	39.0	0.02%	65.6	0.19%	75.2	0.31%	36.2	92.8%	0.29%
Due from banks*	13.0	17.29%	1,923.3	0.10%	1,141.2	0.10%	1,578.0	0.13%	1,426.9	0.21%	285.7	25.0%	0.11%
Interest-bearing liabilities	10,474.5	0.01%	11,026.5	0.00%	11,237.7	0.01%	11,047.3	0.03%	11,014.0	0.07%	-223.7	-2.0%	0.06%
Deposits	8,495.1	0.00%	8,754.4	0.00%	8,771.6	0.00%	8,923.9	0.02%	8,905.3	0.05%	133.7	1.5%	0.05%
Negotiable CDs	405.6	0.00%	358.3	0.00%	340.4	0.00%	247.5	0.06%	220.2	0.12%	-120.2	-35.3%	0.12%
Call money	222.8	-0.03%	481.8	-0.04%	644.0	-0.02%	18.3	0.15%	12.3	0.18%	-631.7	-98.1%	0.20%
Borrowed money	942.8	0.02%	1,015.3	0.02%	1,069.6	0.02%	1,416.5	0.02%	1,416.9	0.02%	347.3	32.5%	0.00%

* Since the period ended September 2023, calculations of deposits at other banks include average deposits with the Bank of Japan (interest-bearing portion).

3. Loans (1)

I. Loans outstanding by region

(JPY Bn)

Outstanding balance	March 31, 2023		September 30, 2023		March 31, 2024		September 30, 2024		March 31, 2025		Compared to March 31, 2024		
	Ending balance	% of total	Ending balance	% of total	Ending balance	% of total	Ending balance	% of total	Ending balance	% of total	Ending balance	YoY	% of total
Loans	7,275.3	100.0%	7,488.9	100.0%	7,745.7	100.0%	8,350.6	100.0%	7,984.2	100.0%	238.5	3.1%	-
Hiroshima	4,296.5	59.1%	4,424.4	59.1%	4,519.7	58.4%	4,587.4	54.9%	4,677.6	58.6%	157.9	3.5%	0.2%
Okayama	356.1	4.9%	356.9	4.8%	372.1	4.8%	373.6	4.5%	397.7	5.0%	25.6	6.9%	0.2%
Ehime	598.6	8.2%	658.7	8.8%	688.7	8.9%	677.4	8.1%	688.5	8.6%	-0.2	0.0%	-0.3%
Yamaguchi	232.8	3.2%	226.4	3.0%	235.4	3.0%	238.0	2.9%	243.1	3.0%	7.7	3.3%	0.0%
Other	1,791.3	24.6%	1,822.5	24.3%	1,929.8	24.9%	2,473.9	29.6%	1,977.0	24.8%	47.2	2.4%	-0.2%

II. Loans outstanding by business category

(JPY Bn)

Outstanding balance	March 31, 2023		September 30, 2023		March 31, 2024		September 30, 2024		March 31, 2025		Compared to March 31, 2024		
	Ending balance	% of total	Ending balance	% of total	Ending balance	% of total	Ending balance	% of total	Ending balance	% of total	Ending balance	YoY	% of total
Loans	7,275.3	100.0%	7,488.9	100.0%	7,745.7	100.0%	8,350.6	100.0%	7,984.2	100.0%	238.5	3.1%	-
Business	4,104.0	56.4%	4,311.7	57.6%	4,523.0	58.4%	4,637.1	55.5%	4,788.1	60.0%	265.1	5.9%	1.6%
Leading medium-sized and large enterprises	1,288.4	17.7%	1,387.6	18.5%	1,477.3	19.1%	1,624.1	19.4%	1,681.1	21.1%	203.8	13.8%	2.0%
Small and medium-sized enterprises	2,815.6	38.7%	2,924.1	39.0%	3,045.7	39.3%	3,013.1	36.1%	3,107.0	38.9%	61.3	2.0%	-0.4%
Local governments	1,432.0	19.7%	1,412.4	18.9%	1,433.1	18.5%	1,884.3	22.6%	1,298.0	16.3%	-135.1	-9.4%	-2.2%
Of which loans to government	783.5	10.8%	753.2	10.1%	785.5	10.1%	1,235.3	14.8%	662.2	8.3%	-123.3	-15.7%	-1.8%
Personal loans	1,739.2	23.9%	1,764.8	23.6%	1,789.5	23.1%	1,829.0	21.9%	1,898.0	23.8%	108.5	6.1%	0.7%

III. Business loans by interest rate

(JPY Bn)

Outstanding balance	March 31, 2023		September 30, 2023		March 31, 2024		September 30, 2024		March 31, 2025		Compared to March 31, 2024		
	Ending balance	% of total	Ending balance	% of total	Ending balance	% of total	Ending balance	% of total	Ending balance	% of total	Ending balance	YoY	% of total
Yen-based business loans	3,564.8	100.0%	3,678.2	100.0%	3,852.5	100.0%	3,999.9	100.0%	4,106.6	100.0%	254.1	6.6%	-
Fixed interest rates	1,105.9	31.0%	1,200.6	32.6%	1,328.1	34.5%	1,434.5	35.9%	1,552.5	37.8%	224.4	16.9%	3.3%
Variable interest rates	2,458.9	69.0%	2,477.6	67.4%	2,524.4	65.5%	2,565.4	64.1%	2,554.1	62.2%	29.7	1.2%	-3.3%
Market rates	1,381.4	38.8%	1,382.0	37.6%	1,391.6	36.1%	1,428.4	35.7%	1,435.5	35.0%	43.9	3.2%	-1.2%
Short-term prime rates	1,077.5	30.2%	1,095.6	29.8%	1,132.8	29.4%	1,137.0	28.4%	1,118.6	27.2%	-14.2	-1.3%	-2.2%
Of which negotiation-based rates	367.5	10.3%	375.6	10.2%	379.5	9.9%	372.1	9.3%	371.7	9.1%	-7.8	-2.1%	-0.8%
Of which market-linked rates	710.0	19.9%	719.9	19.6%	753.3	19.6%	764.8	19.1%	746.9	18.2%	-6.4	-0.8%	-1.4%

IV. Breakdown of personal loans

(JPY Bn)

Outstanding balance	March 31, 2023		September 30, 2023		March 31, 2024		September 30, 2024		March 31, 2025		Compared to March 31, 2024		
	Ending balance	% of total	Ending balance	% of total	Ending balance	% of total	Ending balance	% of total	Ending balance	% of total	Ending balance	YoY	% of total
Personal loans	1,739.2	100.0%	1,764.8	100.0%	1,789.6	100.0%	1,829.0	100.0%	1,898.1	100.0%	108.5	6.1%	-
Of which housing loans	1,132.9	65.1%	1,149.2	65.1%	1,171.2	65.4%	1,204.2	65.8%	1,274.9	67.2%	103.7	8.9%	1.7%
Of which apartment loans	474.5	27.3%	475.3	26.9%	475.3	26.6%	476.4	26.0%	473.7	25.0%	-1.6	-0.3%	-1.6%
Of which consumer loans	123.2	7.1%	129.7	7.3%	133.2	7.4%	133.7	7.3%	134.5	7.1%	1.3	1.0%	-0.4%
Of which loans by purpose	89.3	5.1%	95.8	5.4%	99.3	5.5%	99.9	5.5%	100.8	5.3%	1.5	1.5%	-0.2%
Of which card loans	33.9	1.9%	33.9	1.9%	33.9	1.9%	33.8	1.8%	33.7	1.8%	-0.2	-0.6%	-0.1%

4. Loans (2)

V. Loans outstanding by industry sector

(JPY Bn)

Outstanding balance	March 31, 2023		September 30, 2023		March 31, 2024		September 30, 2024		March 31, 2025		Compared to March 31, 2024		
	Ending balance	% of total	Ending balance	% of total	Ending balance	% of total	Ending balance	% of total	Ending balance	% of total	Ending balance	YoY	% of total
Loans	7,275.3	100.0%	7,488.9	100.0%	7,745.7	100.0%	8,350.6	100.0%	7,984.2	100.0%	238.5	3.1%	-
Manufacturing	725.3	10.0%	738.2	9.9%	757.1	9.8%	778.5	9.3%	790.1	9.9%	33.0	4.4%	0.1%
Construction	177.0	2.4%	185.8	2.5%	188.2	2.4%	190.8	2.3%	189.3	2.4%	1.1	0.6%	-0.1%
Transportation and mailing	434.9	6.0%	475.6	6.4%	509.5	6.6%	511.6	6.1%	558.5	7.0%	49.0	9.6%	0.4%
Wholesale and retail	567.9	7.8%	563.6	7.5%	576.4	7.4%	602.3	7.2%	623.5	7.8%	47.1	8.2%	0.4%
Finance and insurance	287.3	3.9%	359.6	4.8%	419.0	5.4%	456.5	5.5%	489.0	6.1%	70.0	16.7%	0.7%
Real estate	897.3	12.3%	915.9	12.2%	927.8	12.0%	941.8	11.3%	968.1	12.1%	40.3	4.3%	0.1%
Leasing	303.5	4.2%	320.3	4.3%	334.2	4.3%	336.0	4.0%	356.2	4.5%	22.0	6.6%	0.1%
Services	327.5	4.5%	323.3	4.3%	322.7	4.2%	325.4	3.9%	333.3	4.2%	10.6	3.3%	0.0%
Other	3,554.6	48.9%	3,606.6	48.2%	3,710.8	47.9%	4,207.7	50.4%	3,676.2	46.0%	-34.6	-0.9%	-1.9%

<Reference>

Automobile-related (domestic)	193.7	2.7%	196.2	2.6%	192.6	2.5%	196.1	2.3%	188.9	2.4%	-3.7	-1.9%	-0.1%
Shipbuilding and marine transportation	808.7	11.1%	892.6	11.9%	947.7	12.2%	932.8	11.2%	967.8	12.1%	20.1	2.1%	-0.1%

VI. Moneylending shares in Hiroshima Prefecture

(%)

Shares in Hiroshima Prefecture	March 31, 2023		September 30, 2023		March 31, 2024		September 30, 2024		March 31, 2025		Compared to March 31, 2024		
Hiroshima Bank		32.9%		33.4%		33.7%		33.4%		33.6%			-0.1%
Other regional banks		21.0%		21.4%		20.9%		21.5%		21.8%			0.9%
Second regional banks		18.6%		18.4%		18.7%		18.3%		18.2%			-0.5%
Mega banks		14.5%		13.8%		13.8%		14.1%		13.6%			-0.2%
Shinkin Banks		13.0%		13.0%		12.9%		12.7%		12.8%			-0.1%

VII Loans outstanding to small and medium-sized enterprises, etc. and their ratio

(JPY Bn)

Outstanding balance	March 31, 2023		September 30, 2023		March 31, 2024		September 30, 2024		March 31, 2025		Compared to March 31, 2024		
	Ending balance	% of total	Ending balance	% of total	Ending balance	% of total	Ending balance	% of total	Ending balance	% of total	Ending balance	YoY	% of total
Loans outstanding to small and medium-sized enterprises, etc.	4,554.8	62.6%	4,688.9	62.6%	4,835.3	62.4%	4,842.2	58.0%	5,005.1	62.7%	169.8	3.5%	0.3%

5. Deposits

I . Breakdown of deposits

(JPY Bn)

Outstanding balance	March 31, 2023		September 30, 2023		March 31, 2024		September 30, 2024		March 31, 2025		Compared to March 31, 2024		
	Ending balance	% of total	Ending balance	% of total	Ending balance	% of total	Ending balance	% of total	Ending balance	% of total	Ending balance	YoY	% of total
Deposits	9,277.4	100.0%	9,268.8	100.0%	9,399.5	100.0%	9,412.4	100.0%	9,471.9	100.0%	72.4	0.8%	-
Liquid deposits	6,638.5	71.6%	6,628.3	71.5%	6,984.6	74.3%	6,766.0	71.9%	6,928.5	73.1%	-56.1	-0.8%	-1.2%
Fixed-term deposits	2,167.4	23.4%	2,161.8	23.3%	2,113.3	22.5%	2,144.1	22.8%	2,168.5	22.9%	55.2	2.6%	0.4%
Foreign currency deposits, etc.	138.9	1.5%	176.4	1.9%	159.3	1.7%	200.3	2.1%	208.8	2.2%	49.5	31.1%	0.5%
NCD	332.5	3.6%	302.2	3.3%	142.2	1.5%	302.0	3.2%	166.0	1.8%	23.8	16.7%	0.2%

II . Deposits outstanding by region

(JPY Bn)

Outstanding balance	March 31, 2023		September 30, 2023		March 31, 2024		September 30, 2024		March 31, 2025		Compared to March 31, 2024		
	Ending balance	% of total	Ending balance	% of total	Ending balance	% of total	Ending balance	% of total	Ending balance	% of total	Ending balance	YoY	% of total
Deposits	9,277.4	100.0%	9,268.8	100.0%	9,399.5	100.0%	9,412.4	100.0%	9,471.9	100.0%	72.4	0.8%	-
Hiroshima	8,281.4	89.3%	8,251.5	89.0%	8,376.9	89.1%	8,377.4	89.0%	8,400.2	88.7%	23.3	0.3%	-0.4%
Okayama	317.9	3.4%	321.2	3.5%	317.3	3.4%	319.7	3.4%	314.8	3.3%	-2.5	-0.8%	-0.1%
Ehime	242.8	2.6%	261.6	2.8%	263.4	2.8%	274.1	2.9%	273.7	2.9%	10.3	3.9%	0.1%
Yamaguchi	238.6	2.6%	231.3	2.5%	221.0	2.4%	223.4	2.4%	223.3	2.4%	2.3	1.0%	0.0%
Other	196.6	2.1%	203.0	2.2%	220.8	2.3%	217.7	2.3%	259.8	2.7%	39.0	17.7%	0.4%

III . Deposits outstanding by person

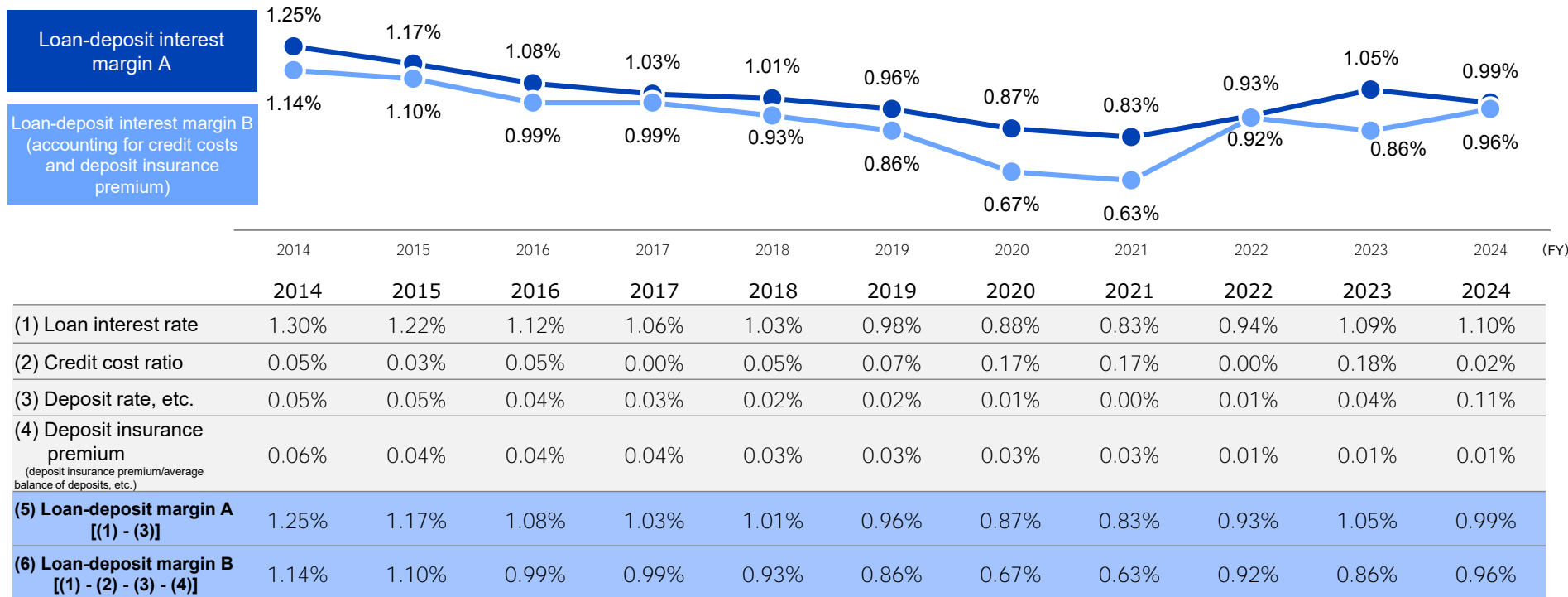
(JPY Bn)

Outstanding balance	March 31, 2023		September 30, 2023		March 31, 2024		September 30, 2024		March 31, 2025		Compared to March 31, 2024		
	Ending balance	% of total	Ending balance	% of total	Ending balance	% of total	Ending balance	% of total	Ending balance	% of total	Ending balance	YoY	% of total
Deposits	9,277.4	100.0%	9,268.8	100.0%	9,399.5	100.0%	9,412.4	100.0%	9,471.9	100.0%	72.4	0.8%	-
Individual	5,922.7	63.8%	6,008.4	64.8%	6,079.7	64.7%	6,132.2	65.2%	6,146.9	64.9%	67.2	1.1%	0.2%
Liquid deposits	4,159.5	44.8%	4,259.9	46.0%	4,372.4	46.5%	4,431.2	47.1%	4,442.9	46.9%	70.5	1.6%	0.4%
Fixed-term deposits	1,743.3	18.8%	1,729.0	18.7%	1,691.4	18.0%	1,687.1	17.9%	1,691.4	17.9%	0.0	0.0%	-0.1%
Foreign currency deposits	19.8	0.2%	19.4	0.2%	15.7	0.2%	13.9	0.1%	12.5	0.1%	-3.2	-20.4%	0.0%
NCD	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	-	0.0%
Corporate	2,753.1	29.7%	2,797.7	30.2%	2,876.1	30.6%	2,857.0	30.4%	2,894.6	30.6%	18.5	0.6%	0.0%
Liquid deposits	2,136.6	23.0%	2,172.3	23.4%	2,279.0	24.2%	2,179.4	23.2%	2,215.8	23.4%	-63.2	-2.8%	-0.9%
Fixed-term deposits	384.1	4.1%	380.9	4.1%	382.3	4.1%	407.0	4.3%	427.8	4.5%	45.5	11.9%	0.4%
Foreign currency deposits	119.1	1.3%	157.0	1.7%	135.5	1.4%	170.7	1.8%	166.3	1.8%	30.8	22.7%	0.3%
NCD	113.2	1.2%	87.5	0.9%	79.2	0.8%	99.7	1.1%	84.6	0.9%	5.4	6.8%	0.1%
Public fund	539.8	5.8%	419.6	4.5%	377.2	4.0%	363.4	3.9%	333.1	3.5%	-44.1	-11.7%	-0.5%
Financial	61.7	0.7%	42.8	0.5%	66.4	0.7%	59.6	0.6%	97.1	1.0%	30.7	46.2%	0.3%

* "Deposits" includes "NCD".

6. Status of Loan-Deposit Interest Margin Rates

Trend of loan-deposit interest margin rates



7. Securities (1)

I . Balance of securities by term to maturity (market value)

(JPY Bn)

	One year or less	More than one year but not more than three years	More than three years but not more than five years	More than five years but not more than seven years	More than seven years but not more than 10 years	More than 10 years	Term to maturity not specified	Total
March 31, 2024								
Government bonds	-	-	22.7	152.5	214.7	48.5	-	438.6
Local government bonds	24.6	66.4	68.3	48.1	75.6	45.4	-	328.6
Corporate bonds	40.4	47.6	50.0	18.1	10.9	123.7	-	290.9
Stocks	-	-	-	-	-	-	141.1	141.1
Other securities	11.0	31.8	60.9	31.6	34.7	247.5	162.0	579.8
Of w hich foreign securities	-	8.7	18.0	19.5	20.2	214.8	0.1	281.6
March 31, 2025								
Government bonds	-	-	7.7	223.3	62.7	299.9	-	593.7
Local government bonds	28.6	53.2	50.6	61.7	49.5	39.9	-	283.7
Corporate bonds	24.5	54.3	65.3	11.4	13.3	122.0	-	291.1
Stocks	-	-	-	-	-	-	117.5	117.5
Other securities	7.0	29.7	57.1	14.6	20.0	318.1	179.2	626.1
Of w hich foreign securities	2.4	15.7	23.8	9.1	5.8	274.8	0.0	332.0

8. Securities (2)

II . Breakdown of net unrealized gains/losses on securities

(JPY Bn)

	March 31, 2023	September 30, 2023	March 31, 2024	September 30, 2024	March 31, 2025	Compared to March 31, 2024
Securities	-12.5	-24.0	33.4	25.7	-27.8	-61.2
Stocks	40.6	49.1	61.0	54.8	45.2	-15.8
Bonds	-21.3	-36.7	-28.7	-31.5	-68.9	-40.2
Government and local government bonds	-18.3	-30.8	-23.0	-24.5	-54.5	-31.5
Corporate bonds	-3.0	-5.9	-5.7	-6.9	-14.3	-8.6
Other	-31.8	-36.4	1.2	2.4	-4.2	-5.4
Of which foreign bonds	-22.4	-31.0	-20.6	-11.2	-14.6	6.0

III .Balance of cross-shareholdings

(JPY Bn)

	March 31, 2023	September 30, 2023	March 31, 2024	September 30, 2024	March 31, 2025	Compared to March 31, 2024
Cross-shareholdings	35.6	34.3	27.8	26.7	26.3	-1.5
Publicly traded shares	31.0	29.8	23.6	22.5	22.1	-1.5
Unlisted shares	4.6	4.5	4.2	4.2	4.2	0.0

IV . Duration

(Year)

	March 31, 2023	September 30, 2023	March 31, 2024	September 30, 2024	March 31, 2025	Compared to March 31, 2024
Yen bond duration	6.57	6.31	5.94	5.17	4.67	-1.27
Foreign bond duration	5.24	4.19	4.10	3.08	2.84	-1.26

V . Interest rate delta*

(JPY Bn)

	March 31, 2023	September 30, 2023	March 31, 2024	September 30, 2024	March 31, 2025	Compared to March 31, 2024
Government bonds, etc.	3.6	3.5	3.4	3.3	2.8	-0.6
Foreign securities in foreign currencies	1.3	1.5	1.4	1.2	1.2	-0.2

*Decrease in fair value when interest rates increase by 10bp

9. Business Operations

I . Breakdown of corporate solutions

(Trades/JPY Bn)

	FY2022		1H of FY2023		FY2023		1H of FY2024		FY2024		Compared to FY2023	
	No. of trades	Profit	No. of trades	Profit	No. of trades	Profit	No. of trades	Profit	No. of trades	Profit	No. of trades	Profit
Corporate solutions	-	7.3	-	2.8	-	5.8	-	3.7	-	7.4	-	1.6
Business succession support, M&As	106	1.0	37	0.3	87	0.9	35	0.5	64	0.9	-23	0.0
Derivatives	325	3.5	64	0.8	158	1.5	120	1.7	201	2.3	43	0.8
Syndicated loans, etc.	26	1.9	13	1.3	21	2.6	11	1.2	20	3.3	-1	0.7
Bond trustee services	109	0.5	38	0.2	90	0.4	35	0.1	82	0.4	-8	0.0
Business matching, etc.	-	0.2	-	0.1	-	0.3	-	0.1	-	0.3	-	0.0

II . Breakdown of asset management

(JPY Bn)

	FY2022		1H of FY2023		FY2023		1H of FY2024		FY2024		Compared to FY2023	
	Sales	Profit	Sales	Profit	Sales	Profit	Sales	Profit	Sales	Profit	Sales	Profit
Asset management	-	5.0	-	2.4	-	4.9	-	2.2	-	4.2	-	-0.7
Investment trusts	30.5	0.8	17.5	0.5	38.1	0.9	21.5	0.5	54.4	1.0	16.3	0.1
Insurance	25.1	2.0	13.6	0.9	38.7	1.9	24.6	0.8	44.9	1.5	6.2	-0.4
Public bonds	16.0	0.0	9.4	0.0	20.3	0.0	11.3	0.0	29.4	0.0	9.1	0.0
Financial instruments intermediary services	5.9	0.6	0.0	0.3	0.0	0.6	0.0	0.3	0.0	0.5	0.0	-0.1
Foreign currency deposits	48.6	0.5	22.8	0.2	45.8	0.4	17.2	0.1	31.1	0.2	-14.7	-0.2
Trust business, etc.	-	0.8	-	0.3	-	0.8	-	0.3	-	0.7	-	-0.1

III . Total assets in custody

(JPY Bn)

Outstanding balance	March 31, 2023		September 30, 2023		March 31, 2024		September 30, 2024		March 31, 2025		Compared to March 31, 2024	
	Ending balance	% of total	Ending balance	% of total	Ending balance	% of total	Ending balance	% of total	Ending balance	% of total	Ending balance	YoY % of total
Total assets in custody	10,824.1	100.0%	10,894.8	100.0%	11,116.3	100.0%	11,113.1	100.0%	11,207.7	100.0%	91.4	0.8%
Deposits	9,277.4	85.7%	9,268.8	85.1%	9,399.5	84.6%	9,412.4	84.7%	9,471.9	84.5%	72.4	0.8%
Individual (non-deposit)	894.4	8.3%	898.1	8.2%	915.7	8.2%	939.5	8.5%	969.0	8.6%	53.3	5.8%
Investment trusts	160.3	1.5%	164.8	1.5%	167.6	1.5%	180.5	1.6%	190.8	1.7%	23.2	13.8%
Public bonds	101.0	0.9%	94.6	0.9%	88.8	0.8%	87.8	0.8%	92.0	0.8%	3.2	3.6%
Pension insurance	368.8	3.4%	370.0	3.4%	381.9	3.4%	393.1	3.5%	403.0	3.6%	21.1	5.5%
Financial instruments intermediary services, etc.	264.1	2.4%	268.4	2.5%	277.1	2.5%	277.9	2.5%	283.1	2.5%	6.0	2.2%
Corporate (non-deposit)	204.1	1.9%	219.1	2.0%	246.0	2.2%	232.3	2.1%	235.5	2.1%	-10.5	-4.3%
Investment trusts	3.5	0.0%	3.6	0.0%	4.2	0.0%	4.9	0.0%	5.3	0.0%	1.1	26.2%
Public bonds	17.2	0.2%	18.8	0.2%	19.4	0.2%	21.3	0.2%	24.0	0.2%	4.6	23.7%
Financial instruments intermediary services, etc.	183.2	1.7%	196.5	1.8%	222.3	2.0%	206.0	1.9%	205.9	1.8%	-16.4	-7.4%
Hirogin Securities (mark-to-market basis)	448.1	4.1%	508.6	4.7%	554.9	5.0%	528.7	4.8%	531.1	4.7%	-23.8	-4.3%

Note: EOY balance for Hirogin Securities excludes balances related to financial instruments intermediary services.

10. Self-assessment (FY2024)

Obligor category in self-assessment		Amount of claims disclosed under the Act on Emergency Measures for the Revitalization of the Financial Functions	Amount preserved by security, guarantee, etc.	Amount of reserves	Guidelines for write-off/reserves	Coverage ratio
Bankrupt 3.5		Claims in bankruptcy, rehabilitation, etc. 8.0	7.6 (95.2%)	0.3 (4.8%)	100% of amount of claims not preserved by security are subject to write-off/reserves.	100%
Effectively bankrupt 4.4						
At risk of bankruptcy 45.2		Claims at risk 45.2	24.1 (53.4%)	17.7 (39.2%)	①In principle, reserves are based on calculation of anticipated losses over the next three years based on past actual rates of bankruptcy. ②How ever, for large-scale obligors for which future cash flow can reasonably be estimated, reserves are based on the discounted cash flow (DCF) method.	92.7%
Obligors requiring caution	Obligors requiring management 36.2	Claims requiring management 29.0	7.3 (25.3%)	7.1 (24.7%)	①For the amount of claims subject to reserves (the portion not preserved by security), reserves are based on calculation of anticipated losses over the next three years. ②How ever, for large-scale obligors for which future cash flow can reasonably be estimated, reserves are based on the discounted cash flow (DCF) method.	50.1%
	General obligors requiring caution 458.1	Normal claims 8,011.1	<div><div>Total amount preserved: 39.1</div><div>Total amount of reserves: 25.3</div></div>		①After categorization by degree of credit risk, in principle reserves are based on calculation of anticipated losses over one year. ②How ever, for obligors recognized to involve relatively high risk due to lower market appraisal or other reasons, reserves are based on calculation of anticipated losses for each claim instead of using the above method.	<div><div>Total coverage ratio: 78.4%</div></div>
	Normal 7,545.7				Reserves are based on calculation of anticipated losses over one year	
Total 8,093.4		Total 8,093.4				

11. Disclosed Claims under the Financial Revitalization Law and Credit Costs

I . Breakdown of non-performing loans

(JPY Bn)

	March 31, 2023	September 30, 2023	March 31, 2024	September 30, 2024	March 31, 2025	Compared to March 31, 2024
Disclosed claims under the Financial Revitalization Law	85.0	88.0	97.8	94.8	82.3	-15.5
(Ratio of non-performing loans)	(1.15%)	(1.16%)	(1.25%)	(1.12%)	(1.02%)	(-0.23%)
Substandard claims	30.8	33.7	35.3	37.7	29.0	-6.3
Doubtful claims	48.3	48.5	56.3	51.0	45.2	-11.1
Bankrupt and substantially bankrupt claims	5.8	5.7	6.2	5.9	8.0	1.8
Manufacturing	18.1	23.5	24.7	27.7	26.1	1.4
Construction	4.4	4.7	4.5	5.2	4.1	-0.4
Transportation and mailing	3.2	3.3	3.3	2.8	2.4	-0.9
Wholesale and retail	12.8	11.9	22.4	20.5	12.8	-9.6
Real estate and leasing	13.1	13.3	12.6	11.2	10.9	-1.7
Services	24.3	22.3	21.4	17.2	15.8	-5.6
Other	9.1	9.1	8.9	10.1	10.2	1.3
Total	85.1	88.0	97.9	94.8	82.3	-15.6

Note: The claims disclosed under the Financial Revitalization Law as shown above are rounded to the nearest whole number.

II . Non-performing loan coverage ratio

	March 31, 2023	September 30, 2023	March 31, 2024	September 30, 2024	March 31, 2025	Compared to March 31, 2024
Disclosed claims under the Financial Revitalization Law	79.6%	77.4%	78.2%	78.0%	78.4%	0.2%
Substandard claims	52.5%	47.5%	47.2%	50.1%	50.1%	2.9%
Doubtful claims	94.5%	95.5%	95.3%	96.0%	92.7%	-2.6%
Bankrupt and substantially bankrupt claims	100.0%	100.0%	100.0%	100.0%	100.0%	0.0%

III . Credit costs and credit cost ratio

	FY2022	1H of FY2023	FY2023	1H of FY2024	FY2024	Compared to FY2023
Credit costs	0.3	4.0	14.4	-0.7	2.3	-12.1
(Credit cost ratio)	(0.00%)	(0.10%)	(0.18%)	(-)	(0.02%)	(-0.16%)

12. Capital Adequacy Ratio

I . Capital adequacy ratio (consolidated)

(JPY Bn)

		March 31, 2023	September 30, 2023	March 31, 2024	September 30, 2024	March 31, 2025	Compared to March 31, 2024
Amount of basic items related to core capital	①	447.2	451.4	445.4	458.4	447.0	1.6
Of which amount of shareholders' equity related to common stock or mandatory convertible preferred stock		429.2	436.4	434.3	446.4	448.0	13.7
Of which amount included in the amount of basic items related to core capital, of the amount of eligible former capital raising instruments		-	-	-	-	-	-
Amount of adjustment items related to core capital	②	58.7	61.3	44.2	46.5	43.8	-0.4
Amount of owned equity ① - ②	③	388.4	390.1	401.2	411.9	403.1	1.9
Total amount of risk-weighted assets, etc.	④	3,534.1	3,691.9	3,932.1	3,945.6	4,027.0	94.9
Consolidated capital adequacy ratio ③ / ④		10.99%	10.56%	10.20%	10.44%	10.01%	-0.19%

II . Capital adequacy ratio (nonconsolidated)

(JPY Bn)

		March 31, 2023	September 30, 2023	March 31, 2024	September 30, 2024	March 31, 2025	Compared to March 31, 2024
Amount of basic items related to core capital	①	429.1	441.6	440.5	453.7	449.6	9.1
Of which amount of shareholders' equity related to common stock or mandatory convertible preferred stock		422.9	436.3	434.0	446.2	447.8	13.8
Of which amount included in the amount of basic items related to core capital, of the amount of eligible former capital raising instruments		-	-	-	-	-	-
Amount of adjustment items related to core capital	②	48.2	51.7	39.6	42.2	46.6	7.0
Amount of owned equity ① - ②	③	380.8	389.9	400.9	411.4	402.9	2.0
Total amount of risk-weighted assets, etc.	④	3,530.4	3,701.2	3,937.6	3,951.8	4,047.5	109.9
Capital adequacy ratio ③ / ④		10.78%	10.53%	10.18%	10.41%	9.95%	-0.23%

13. Risk Management

State of comprehensive risk management

Operations are well within the limits on risk exposure

		Risk quantity limits (2H of FY2024)	Risk quantity (March 31, 2025)
Credit risk		70.0 billion yen	49.6 billion yen
Market Risk	Interest rate risk	82.0 billion yen	17.8 billion yen
	Net investment in securities, etc. (excluding bonds)	114.0 billion yen	67.2 billion yen
	Policy investment securities, etc. (excluding bonds)	61.0 billion yen	27.0 billion yen
Operational risk		8.5 billion yen	8.5 billion yen
Total		335.5 billion yen	170.1 billion yen

Standards for measuring risk quantity

		Measuring method	Confidence level	Holding period
Credit risk		VaR (Note)	99.9%	One year
Market Risk	Interest rate risk			-
	Deposits, loans, etc.			One year
	Securities			Three months
	Net investment in securities, etc. (excluding bonds)			Three months
	Policy investment securities, etc. (excluding bonds)			Three months
				Six months
Operational risk		-		

Note: Method of calculating the maximum loss through statistical analysis of historical data

State of interest rate risk in the banking book (IRRBB)

(End of March, 2025)

Results of materiality tests

(JPY Bn)

(1) ΔEVE (*2)	29.3
(2) Amount of owned equity (consolidated)	403.2
Results of materiality tests ((1) ÷ (2)) (*3)	7.3%

*2: The IRRBB shows declines in market value attributable to interest rate shocks.

*3: The Financial Services Agency's Guidelines for Supervision call for ΔEVE to be no more than 20% of equity.