Overview of Financial Results for FY2025
– IR Presentation –

May 26, 2026

Hirogin Holdings, Inc.

Today's topics

Financial results

Record high profit

FY2025 results Net income **43.7** billion yen
Consolidated **ROE 8.2%**

FY2026 planned Net income **51.0** billion yen
Consolidated **ROE 8.7%**

Mid-Term Plan 2024

Revised upward

FY2028 planned Net income **70.0** billion yen
Consolidated **ROE 11.0%**

Before: Net income of 57.0 billion yen and consolidated ROE (for Hirogin Holdings) of 9.5% or better

Shareholder returns

Treasury stock acquisition: 7.0 billion yen

Dividends per share of **70** yen and a total return ratio of more than 50% (for fifth consecutive period) planned in FY2026

- Here is something I would like to share with you today.
- In FY2025, net income attributable to owners of the parent was 43.7 billion yen, while consolidated ROE was 8.2%.
- In FY2026, net income attributable to owners of the parent is planned to reach 51.0 billion yen, a record high for the third consecutive year, and consolidated ROE is projected to be 8.7%.
- Efforts to increase the balance of commercial loans and securities portfolio rebuilding proceeded faster than planned. Mid-Term Plan 2024 has been revised upward based on recent interest rate conditions.
- FY2028 targets have been increased to net income of 70.0 billion yen and consolidated ROE, one of the Group's strengths, of 11.0%.

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I. Highlights of financial results for FY2025

Overview of financial results for FY2025

- Net income attributable to owners of the parent is 43.7 billion yen, up 7.9 billion yen year on year, marking a record high for the second consecutive year.
- Consolidated ROE is up 1.3 points year on year to 8.2%

Summary of consolidated business performance

(Billion yen)

	FY2025	YoY	(Change ratio)	vs. March 6 announcement
Consolidated gross profit	121.5	8.7	(7.7%)	
(excluding gains/losses related to treasuries and other bonds)	1 139.8	20.7		
Net interest income	104.2	18.5		
Income on service transactions and other fees	27.8	1.8		
Income from specific transactions and other businesses	-10.5	-11.5		
(including gains/losses related to treasuries and other bonds)	2 -18.3	-12.1		
Operating expenses (-)	3 69.5	5.4		
Credit costs (-)	3.3	0.4		
Gains/losses related to equities, etc.	2 12.9	7.4		
Equity in earnings of affiliates	0.0	0.0		
Other	0.2	-0.8		
Ordinary profit	62.0	9.9	(18.9%)	0.5
Extraordinary gains/losses	-0.5	0.8		
Total income tax, etc. (-)	17.7	2.8		
Net income attributable to non-controlling interests (-)	0.0	0.0		
Net income attributable to owners of the parent	43.7	7.9	(22.0%)	0.7
Operating overhead ratio *	49.7%	-4.2%		
Consolidated ROE	8.2%	1.3%		

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

Key points of financial results for FY2025

1 Consolidated gross profit (excluding gains/losses related to treasuries and other bonds)

- Interest income for Hiroshima Bank rose significantly due to higher loan interest driven by growth in local balances improving differences on yields between deposits and loans, as well as enhanced profitability from securities investments.
- Income on service transactions and other fees also grew, due in part to higher earnings by Group companies, centered on Hirogin Securities.

2 Gains/losses related to treasuries and other bonds / gains/losses related to equities, etc.

- While gains were recorded on sale of equities, etc., approx. 300 billion yen in low-yield bonds was disposed of as part of portfolio improvements.

3 Operating expenses

- Active investment in growth areas, primarily in human capital, digital transformation (DX), and IT initiatives
- At the same time, topline growth led to a sharp improvement in the operating overhead ratio.

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

- Net income attributable to owners of the parent was 43.7 billion yen, up 7.9 billion yen year on year, marking a record high for the second consecutive year. (This is up 700 million yen from the figures announced March 6.)

- Consolidated ROE is up steadily by 1.3 points year on year to 8.2%.

- Key points of financial results for FY2025:

(1) Consolidated gross profit (excluding gains/losses related to treasuries and other bonds)

- Increased by 20.7 billion yen year on year as Hiroshima Bank's interest income rose significantly due to higher loan interest driven by growth in local balances and improved loan-to-deposit yield spread, as well as enhanced profitability in securities investments. Other Group companies, centered on Hirogin Securities, also contributed to profit growth.

(2) Gains/losses related to treasuries and other bonds/gains/losses related to equities, etc.

- While gains were recorded on sale of equities, etc., approx. 300 billion yen in low-yield bonds was disposed of as part of portfolio improvements toward a securities portfolio capable of securing stable, continuously high earnings.

(3) Operating expenses

- Active investment in growth areas, primarily in human capital, digital transformation (DX), and IT initiatives, increased operating expenses by 5.4 billion yen year on year.
- Despite higher operating expenses, topline growth sharply improved the operating overhead ratio by 4.2 points year on year, as efficiency improved sharply.

Results for major Group companies: Hiroshima Bank

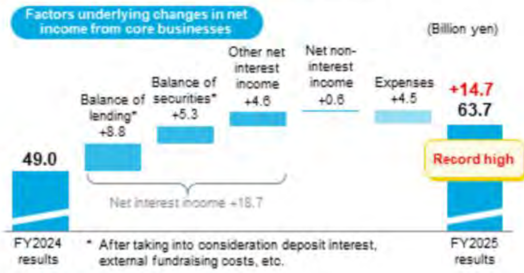
- Net income from core businesses (excluding gains/losses from cancellation of investment trusts) grew 14.7 billion yen year on year to 63.7 billion yen. Net income grew 7.4 billion yen year on year to 40.3 billion yen. Both results are record highs.

Hiroshima Bank summary results

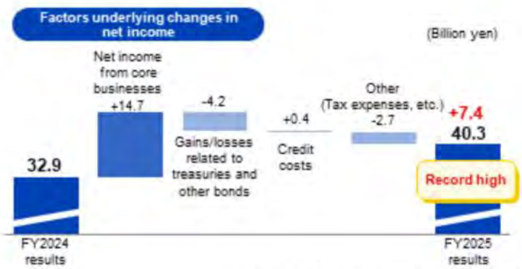
(Billion yen)

		FY2025	YoY	(Change rate)
Core business gross profit		125.7	19.2	(18.1%)
Net interest income		104.6	18.7	
Net non-interest income		21.1	0.6	
Corporate advisory services		8.6	1.0	
Asset management		3.9	-0.2	
Revenue from personal loans		3.5	0.0	
Other (domestic exchange, foreign exchange, etc.)		5.1	-0.2	
Expenses (excluding extraordinary disposal)	(-)	62.0	4.5	
Net income from core businesses		63.7	14.7	(29.9%)
Net income from core businesses (excluding gains/losses from cancellation of investment trusts)		63.7	14.7	(29.9%)
Gains/losses related to treasuries and other bonds		-18.1	-11.9	
Effective net income from businesses		45.5	2.8	(6.6%)
Credit costs	(-)	2.7	0.4	
Gains/losses related to equities, etc.		13.2	7.7	
Other temporary gains/losses		0.8	-0.9	
Ordinary profit		56.9	9.2	(19.3%)
Extraordinary gains/losses		-0.5	0.6	
Total income tax, etc.	(-)	16.0	2.4	
Net income		40.3	7.4	(22.4%)

Factors underlying changes net income from core businesses and net income



* After taking into consideration deposit interest, external fundraising costs, etc.



- Net income from core businesses, an indicator of the earning power of core businesses, increased by 14.7 billion yen year on year to 63.7 billion yen and net income increased by 7.4 billion yen year on year to 40.3 billion yen—both record highs for Hiroshima Bank on a nonconsolidated basis.

- Main factors underlying this result include an increase of 18.7 billion yen in net interest income due to higher balances of lending and securities after deducting deposit interest, external fundraising costs, etc.

- In addition, net non-interest income increased by 600 million yen year on year, driven by favorable performance in corporate advisory services, one of the Group's priorities.

Results for major Group companies: Excluding Hiroshima Bank

- Profits increased at nearly all Group companies.
- Driven by positive performance by Hirogin Securities, total net income for Group companies grew 741 million yen year on year.

Summary results for major Group companies

Financial consolidated subsidiary / Nonfinancial consolidated subsidiary

Hirogin Securities

(Million yen)	FY2025	YoY change
Gross income	5,910	1,191
Ordinary profit	1,665	987
Net income	1,174	696

Hirogin Lease

(Million yen)	FY2025	YoY change
Gross income	3,284	294
Ordinary profit	1,438	-36
Net income	1,001	61

Shimanami Servicer

(Million yen)	FY2025	YoY change
Gross income	796	112
Ordinary profit	273	176
Net income	200	145

Hirogin Capital Partners

(Million yen)	FY2025	YoY change
Gross income	245	13
Ordinary profit	-383	-470
Net income	-264	-324

Losses related to valuation of shareholdings: -444

Hirogin Credit Service

(Million yen)	FY2025	YoY change
Gross income	4,063	0
Ordinary profit	2,018	111
Net income	1,338	84

Hirogin Life Partners*

(Million yen)	FY2025	YoY change
Gross income	52	45
Ordinary profit	-2	54
Net income	-2	37

Hirogin Human Resources

(Million yen)	FY2025	YoY change
Gross income	335	27
Ordinary profit	47	15
Net income	33	17

Hirogin Area Design

(Million yen)	FY2025	YoY change
Gross income	488	141
Ordinary profit	91	32
Net income	77	26

Hirogin IT Solutions

(Million yen)	FY2025	YoY change
Gross income	1,004	-4
Ordinary profit	110	-3
Net income	73	-8

Total net income for Group companies*

(Million yen)	FY2025	YoY change
Total net income for Group companies	3,746	741

* Established January 2024, with operations starting in July

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

- Results for major Group companies excluding Hiroshima Bank trended favorably.
- While Hirogin Capital Partners recorded a loss due to losses related to valuation of shareholdings, this is a temporary factor.
- Hirogin Securities recorded sharp growth in profits, as both financial and nonfinancial subsidiaries generally showed profit growth. Total net income for group companies was up 741 million yen year on year to 3,746 million yen.

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II. Performance projections (FY2026)

FY2026 performance projections

► Net income attributable to owners of the parent for FY2026 is expected to reach 51 billion yen, marking a record high for the third consecutive year.

[Consolidated forecast for Hirogin Holdings]

(Billion yen)

	Interim performance forecast	FY2026 performance forecast	YoY change
Ordinary profit	34.5	74.5	12.5
Net income attributable to owners of the parent	23.5	51.0	7.3
Consolidated ROE		8.7%	0.5%

Market scenario assumptions of performance forecasts

Yen interest rate:	(Short-term) BoJ policy rate	1.25% *	(Long term) Rate on 10-year JGBs	2.30%
Foreign interest rates:	(Short-term) FF rate	3.50% *	(Long term) Rate on 10-year US treasuries	4.30%
Exchange rate (USD/JPY):	150 yen			
Nikkei average:	55,000 yen			

* As of March 31, 2027

Reference: FY2026 nonconsolidated forecast for Hiroshima Bank

(Billion yen)

		Interim performance forecast	FY2026 performance forecast	YoY change
Net interest income			118.5	13.9
Net non-interest income			21.5	0.4
Core business gross profit			**140.0**	**14.3**
Expenses	(-)		66.5	4.5
Net income from core business			**73.5**	**9.8**
Gains/losses related to securities, etc.			1.5	6.4
Credit costs	(-)		7.0	4.3
Ordinary profit		**32.0**	**68.5**	**11.6**
Net income		**22.0**	**47.5**	**7.2**

➢ Net income attributable to owners of the parent for FY2026 is expected to reach 51 billion yen, marking a record high for the third consecutive year.

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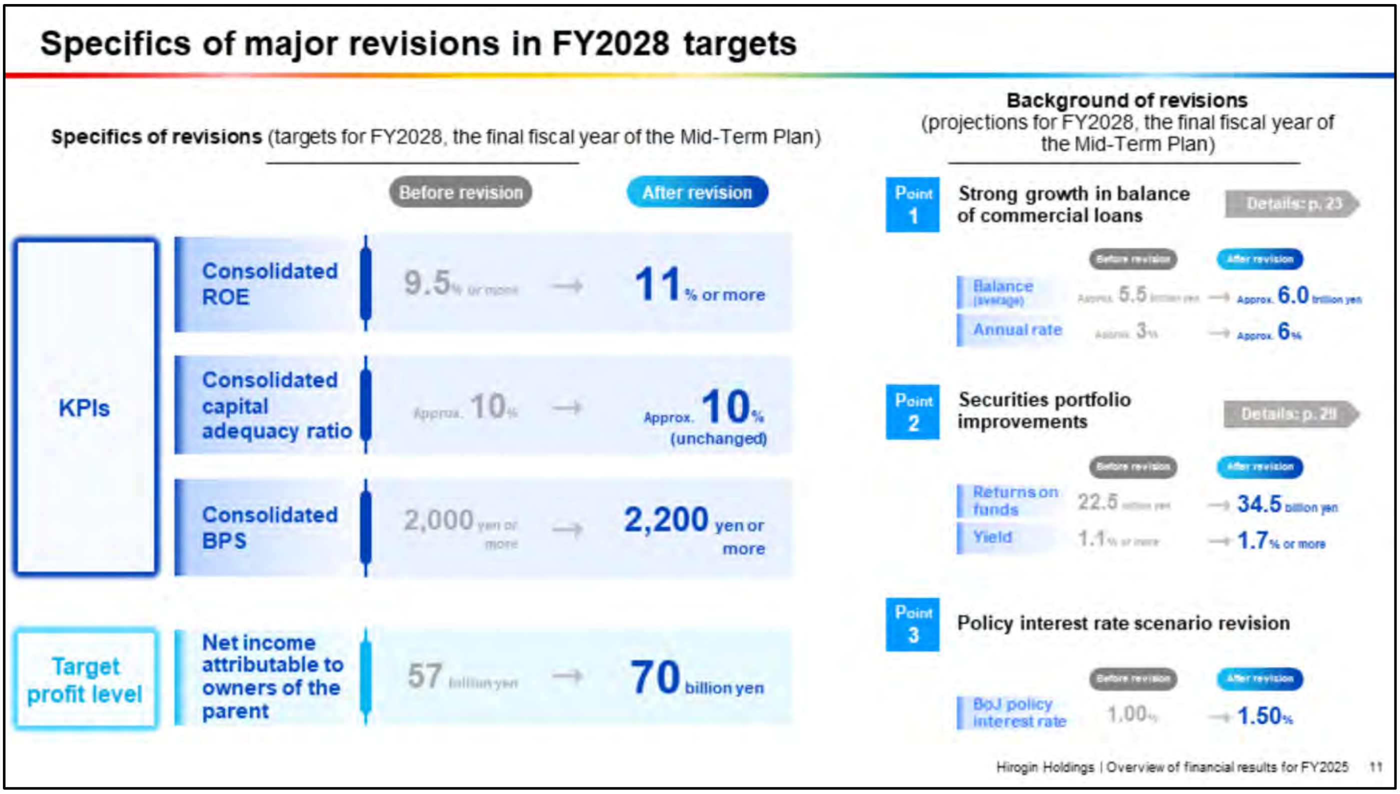
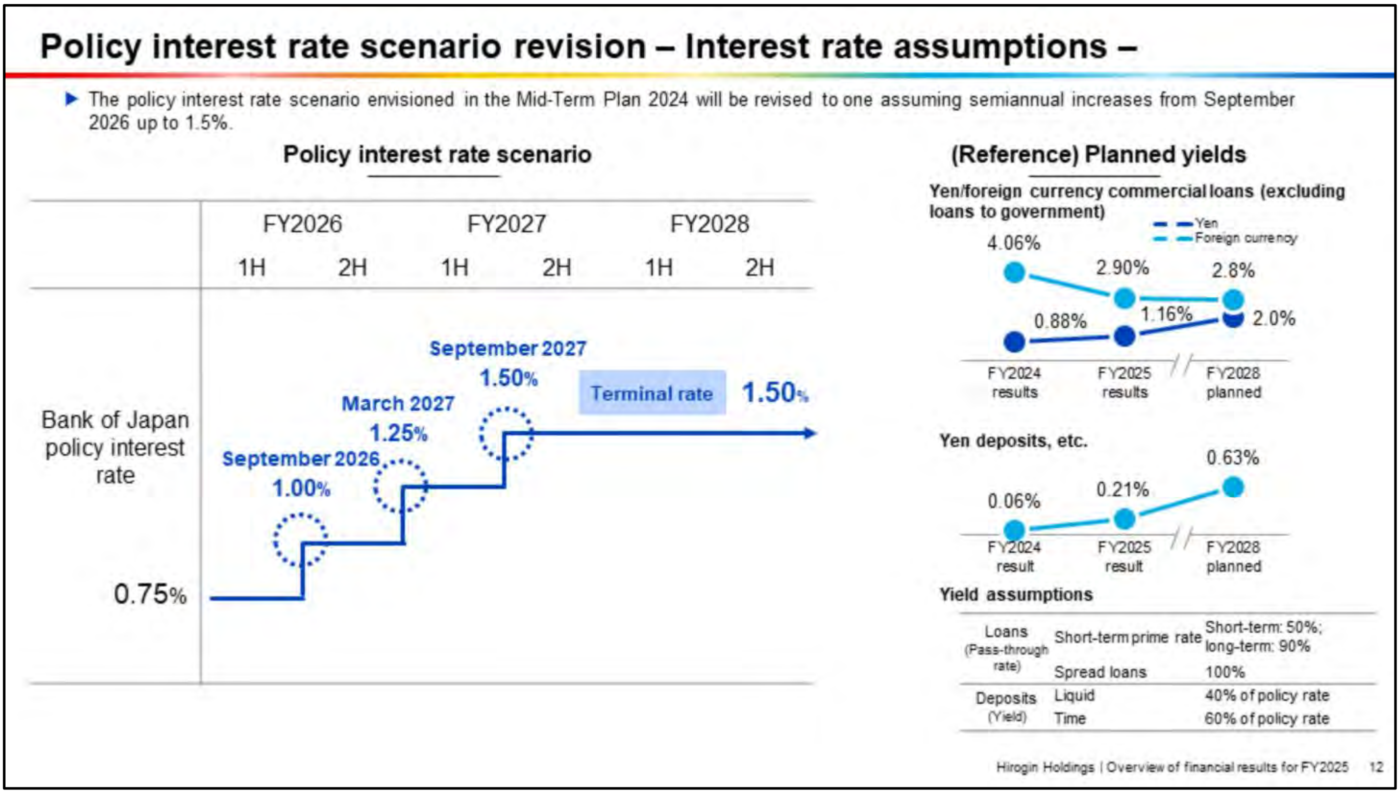
III. Review of Mid-Term Plan 2024



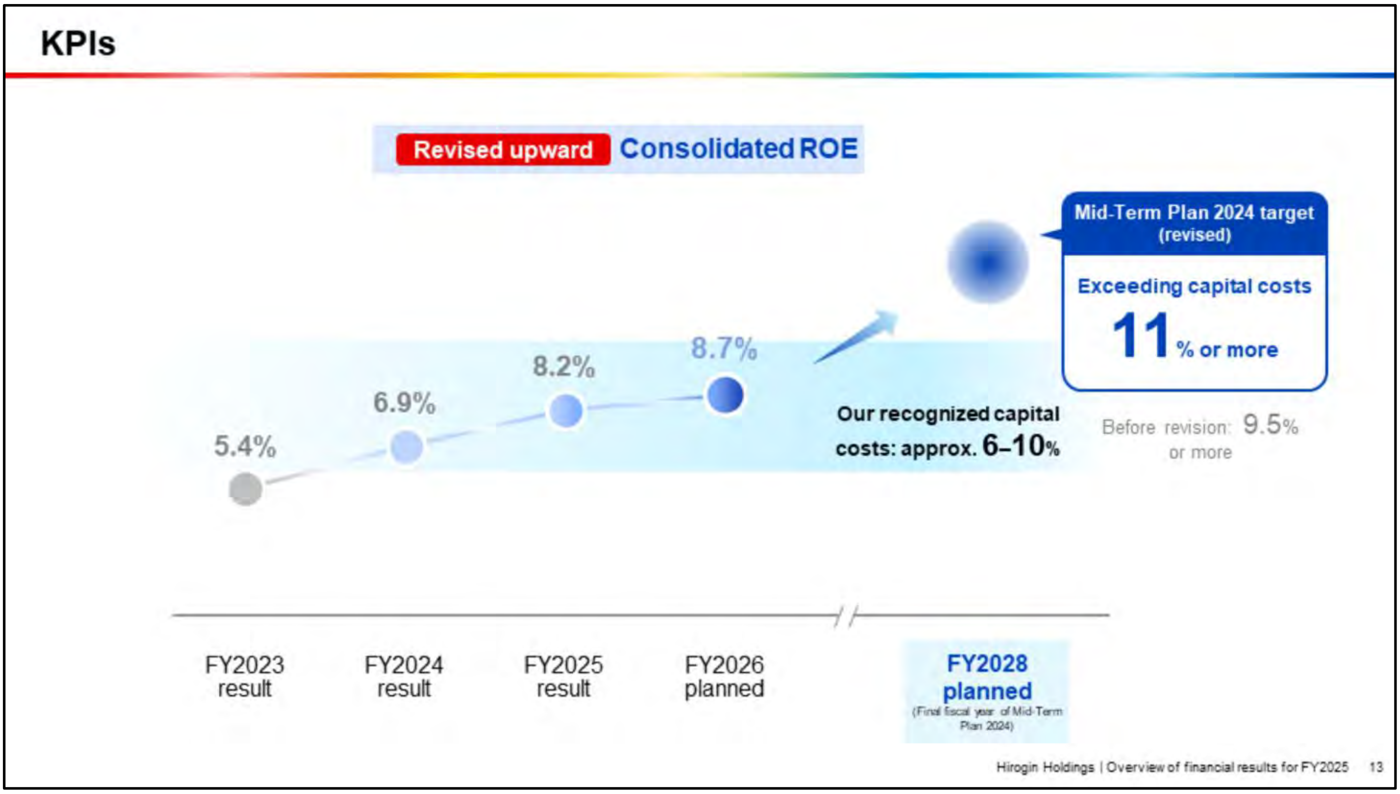
- Targets for FY2028, the final fiscal year of Mid-Term Plan 2024, have been revised from 9.5% or more to 11% or more for consolidated ROE and from at least 2,000 yen to at least 2,200 yen for consolidated BPS.

- Target net income attributable to owners of the parent for FY2028 has also been revised, from 57 billion yen to 70 billion yen.

- The three main factors behind these revisions are:
  (1) Steady growth in commercial loans, which maintained a high annual growth rate of approx. 6%.
  (2) Faster than anticipated progress of securities portfolio restructuring.
  (3) Revisions to policy interest-rate scenarios in light of recent interest-rate conditions.



- In light of the changing domestic interest rate situation, the policy interest rate scenario envisioned in the Mid-Term Plan 2024 will be revised to one assuming semiannual increases from September 2026 up to 1.5%.



➢ The consolidated ROE target for FY2028 has been revised to 11% or more.

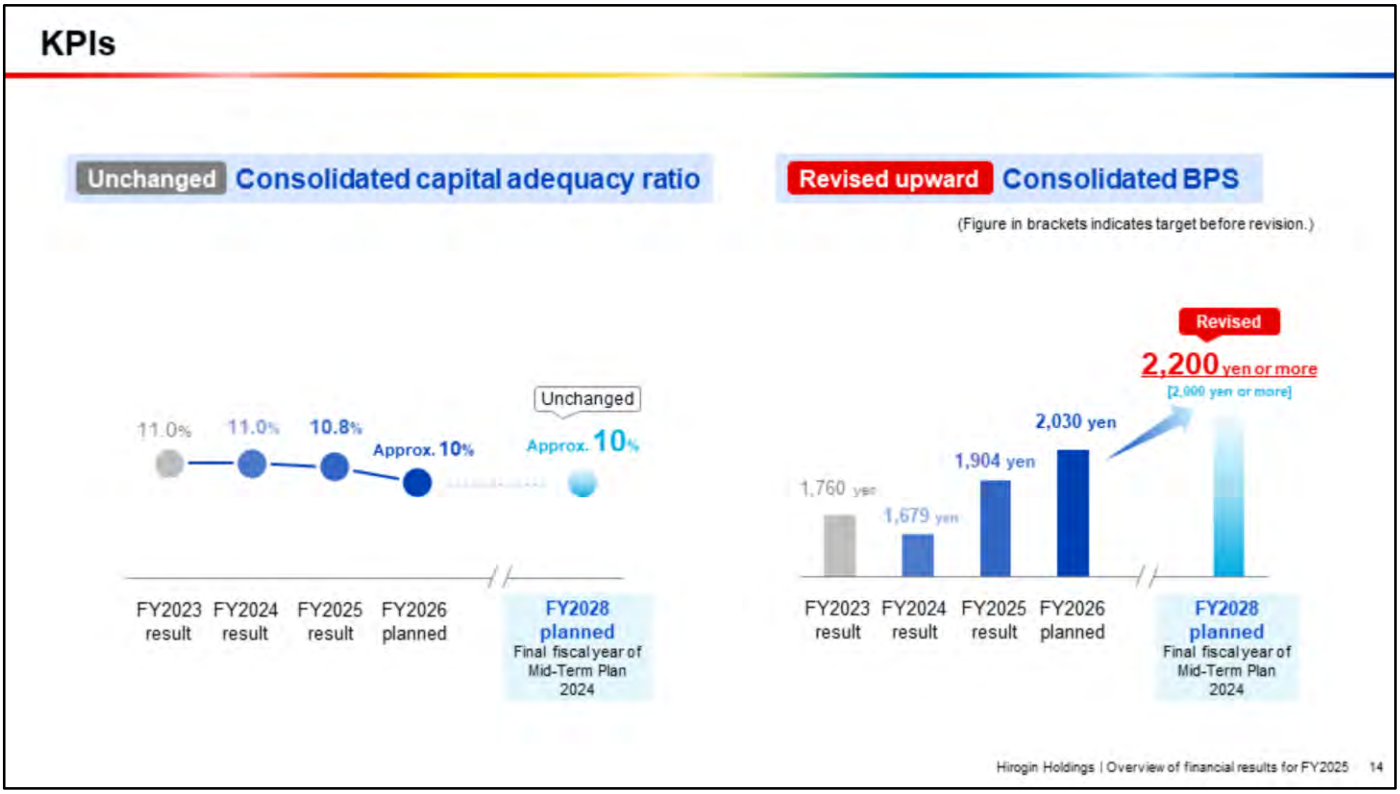
➢ We recognize our high ROE as a strength on which we should build. We plan to achieve ROE in excess of our recognized capital costs of approximately 6–10% as we seek to maintain and improve a stable level of more than one in PBR.

[Reference: Our recognized capital costs]

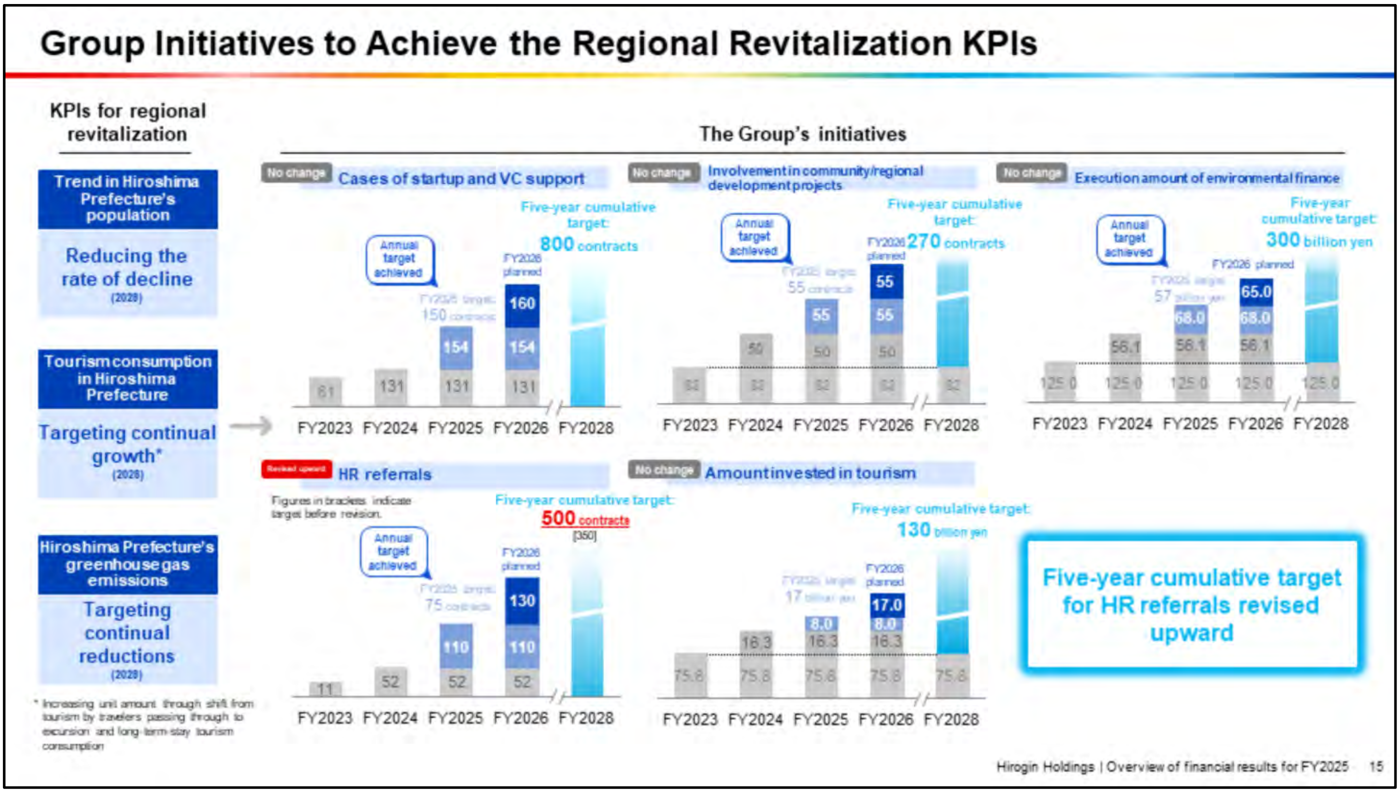
* Amid expectations for rising interest rates, we expect our capital costs and our share price volatility to increase

➢ 6%–10%

- CAPM: approximately 5.7%
- Shareholder returns: approximately 9.6%



- Our consolidated BPS target for FY2028 has been revised from at least 2,000 yen to at least 2,200 yen.
- We left our target consolidated capital adequacy ratio unchanged as we will continue to take further risks to contribute to higher profitability while employing management that balances investment in growth, maintenance of soundness, and enhancement of shareholder returns.



- Here we see Group initiatives to achieve the regional revitalization KPIs of Mid-Term Plan 2024.
- The five-year cumulative target for HR referrals has been revised upward in light of recent achievement of targets.
- Four of five targets were achieved in FY2025.
  - Cases of startup and VC support: 154 (four more than planned)
  - HR referrals: 110 (35 more than planned)
  - Involvement in community/regional development projects: 55 (unchanged from plans)
  - Amount of environmental finance executed: 68.0 billion yen (11.0 billion yen more than planned)

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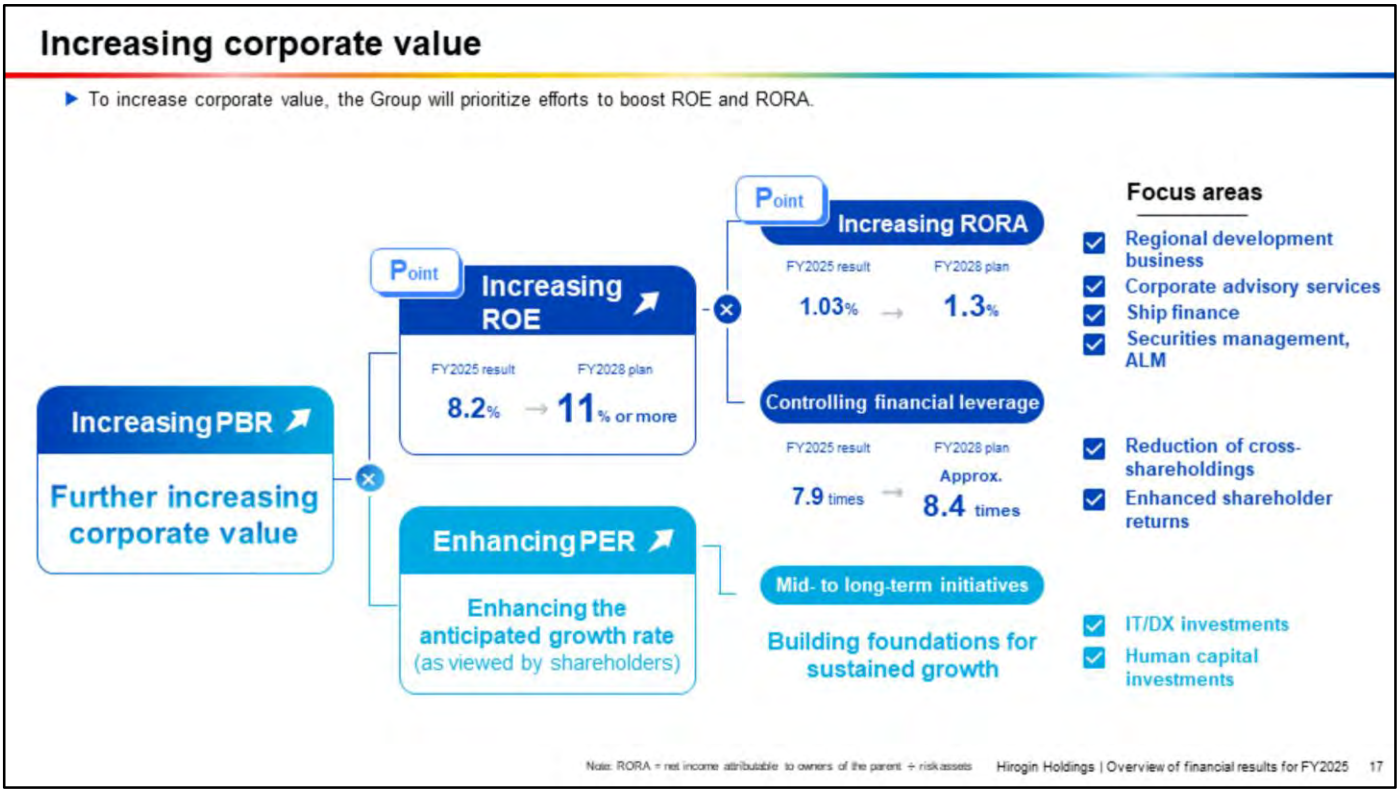
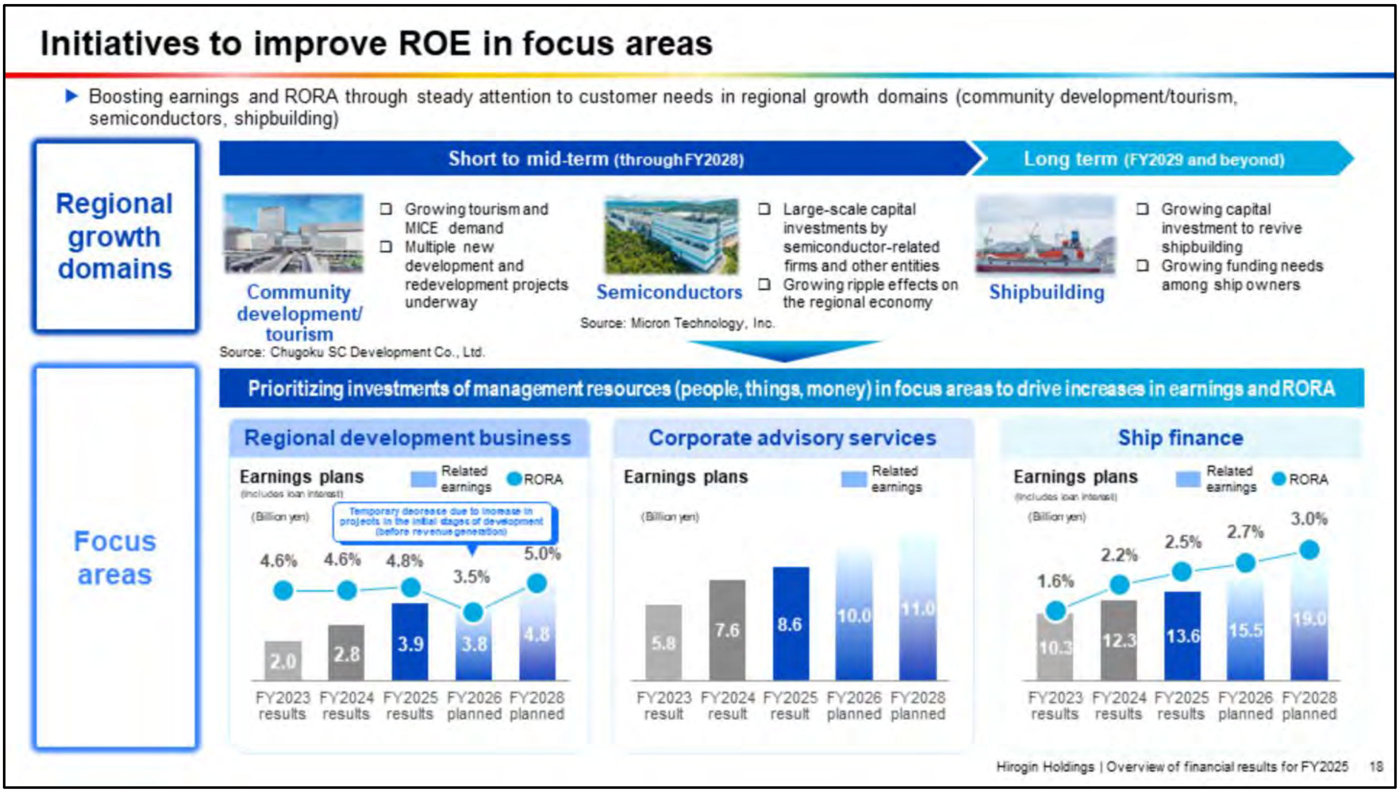
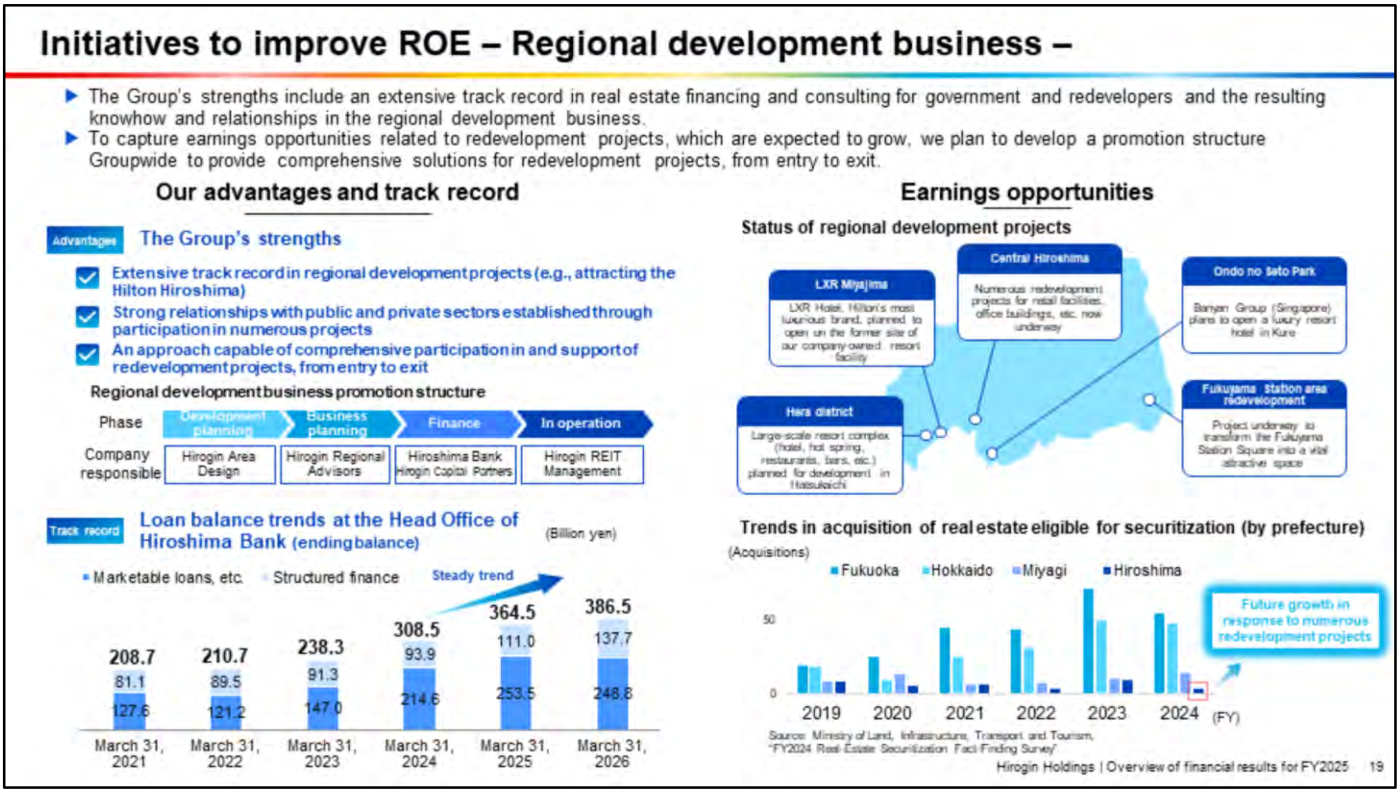
IV. Increasing corporate value



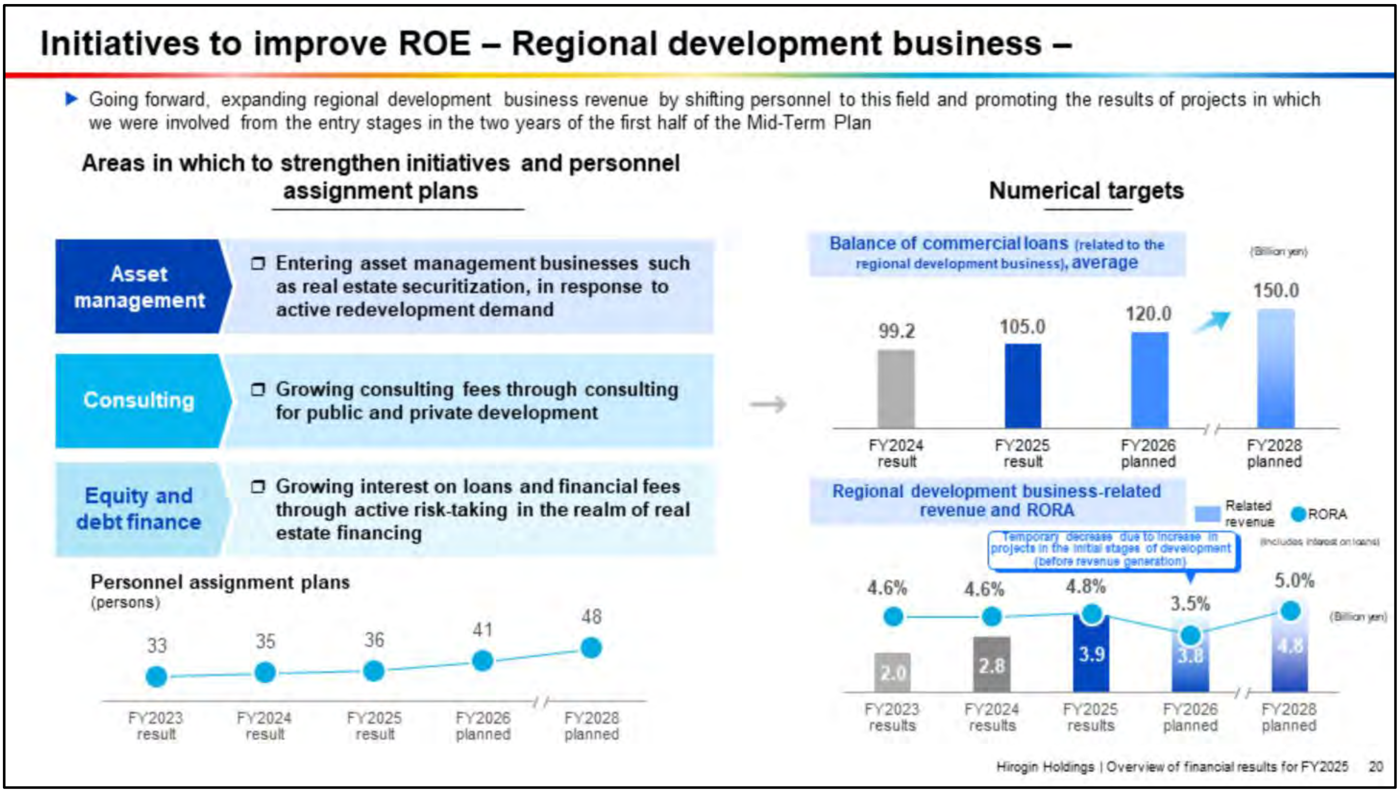
- To increase PBR, or corporate value, the Group will increase ROE to 11% or more.
- To do so, we will increase RORA and enhance efforts to control financial leverage.
- We will also enhance investments in growth, including those targeting IT and DX and human capital, to enhance the anticipated growth rate (as viewed by shareholders).



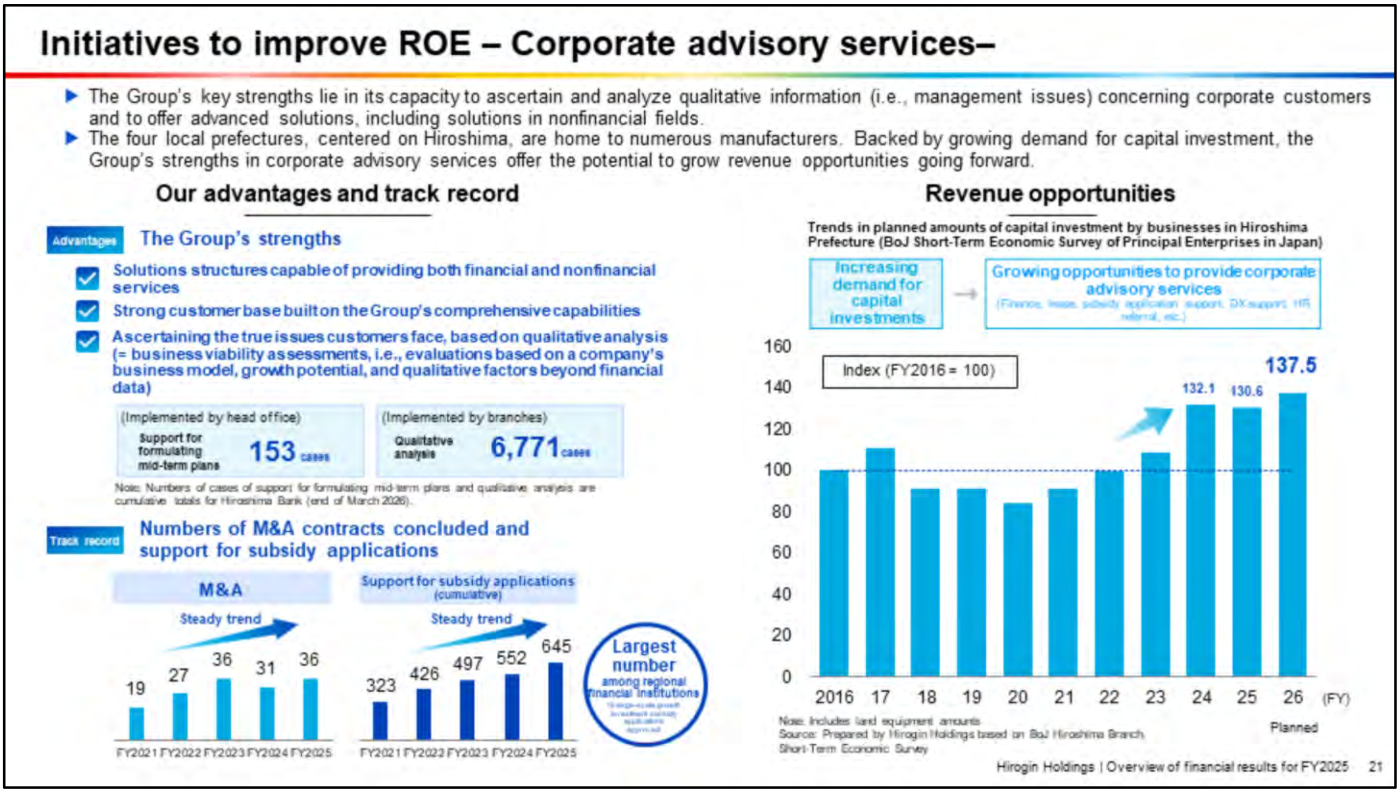
- Here you see our initiatives to improve ROE.
- We expect large-scale demand for funds and ripple effects on the regional economy in the three growth domains of community development/tourism, semiconductors, and shipbuilding in the four local prefectures centered on Hiroshima.
- While the region's economic growth has been supported for many years by the auto industry, signs of the second and third drivers that will serve as future pillars of the regional economy have at last come into view.
- Through proactive support through investments with a thorough focus on these growth areas and building earnings models to harvest the fruits of their growth, we will enter the next stage of corporate growth.
- Specifically, during the remaining three years of the Mid-Term Plan, we will focus on three areas: the regional development business, corporate advisory services, and ship finance, and increase ROE by steadily bringing to practical fruition the seeds incubated over the first two years of the plan.



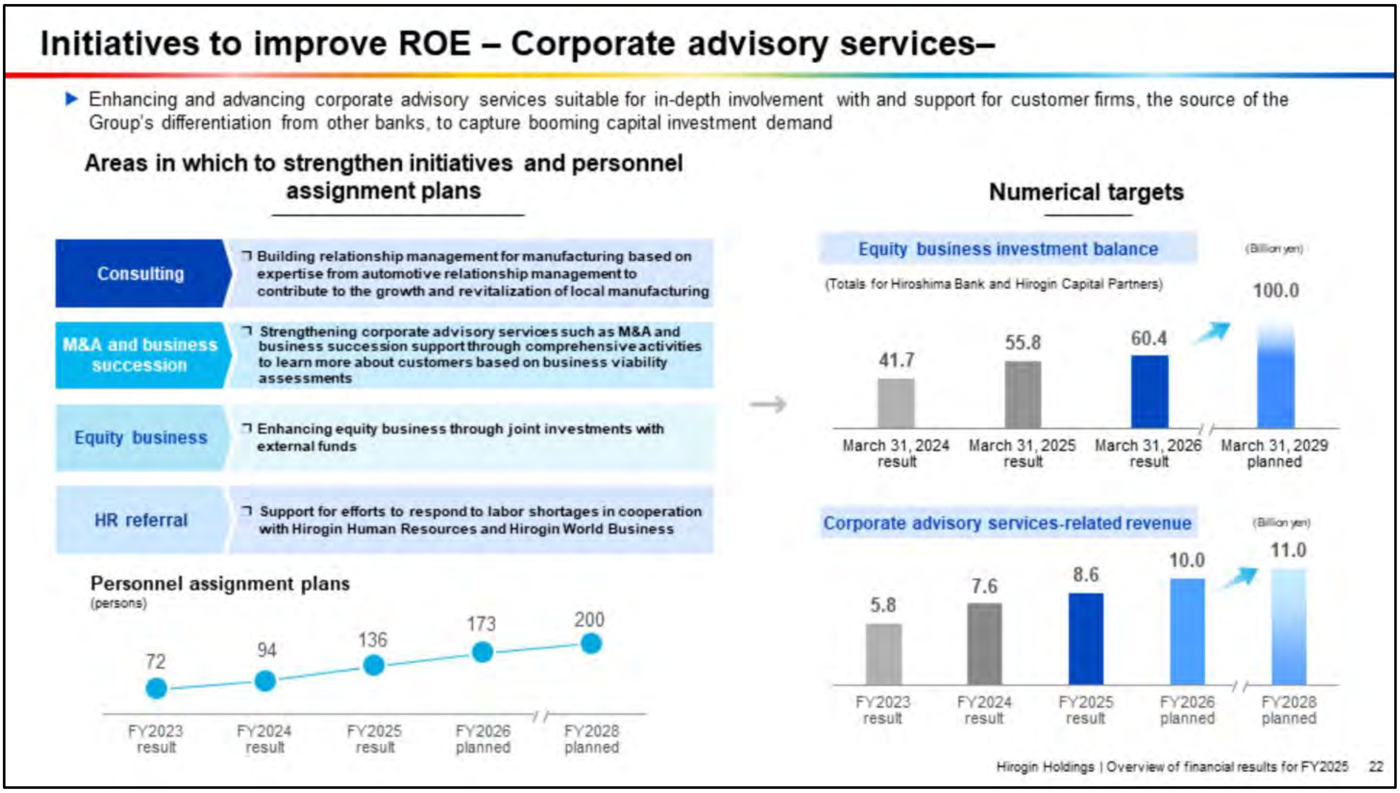
- This slide shows initiatives in the first focus area, the regional development business.
- The Group's strengths include an extensive track record in supporting regional development projects from the upstream stage. One example is attracting Hilton Hiroshima.
- We offer competitive advantages over other regional banks in being able to provide comprehensive services from the redevelopment planning stage, not just real estate finance alone.
- Many buildings in the city of Hiroshima, devastated at the end of the war, were built during a decade of the rapid economic growth from the mid-1960s, and right now the market is experiencing a wave of redevelopment.
- Even outside the city of Hiroshima, in response to growing tourism from abroad and other factors, numerous foreign-affiliated luxury hotels are under development.
- Comparison of Japan's major regional cities of Sapporo, Sendai, Hiroshima, and Fukuoka shows that the real estate securitization business has not yet advanced as far in Hiroshima as in the other cities.
- Since this delay means this field is likely to see significant future growth, we're investing resources actively in this area, including human capital.



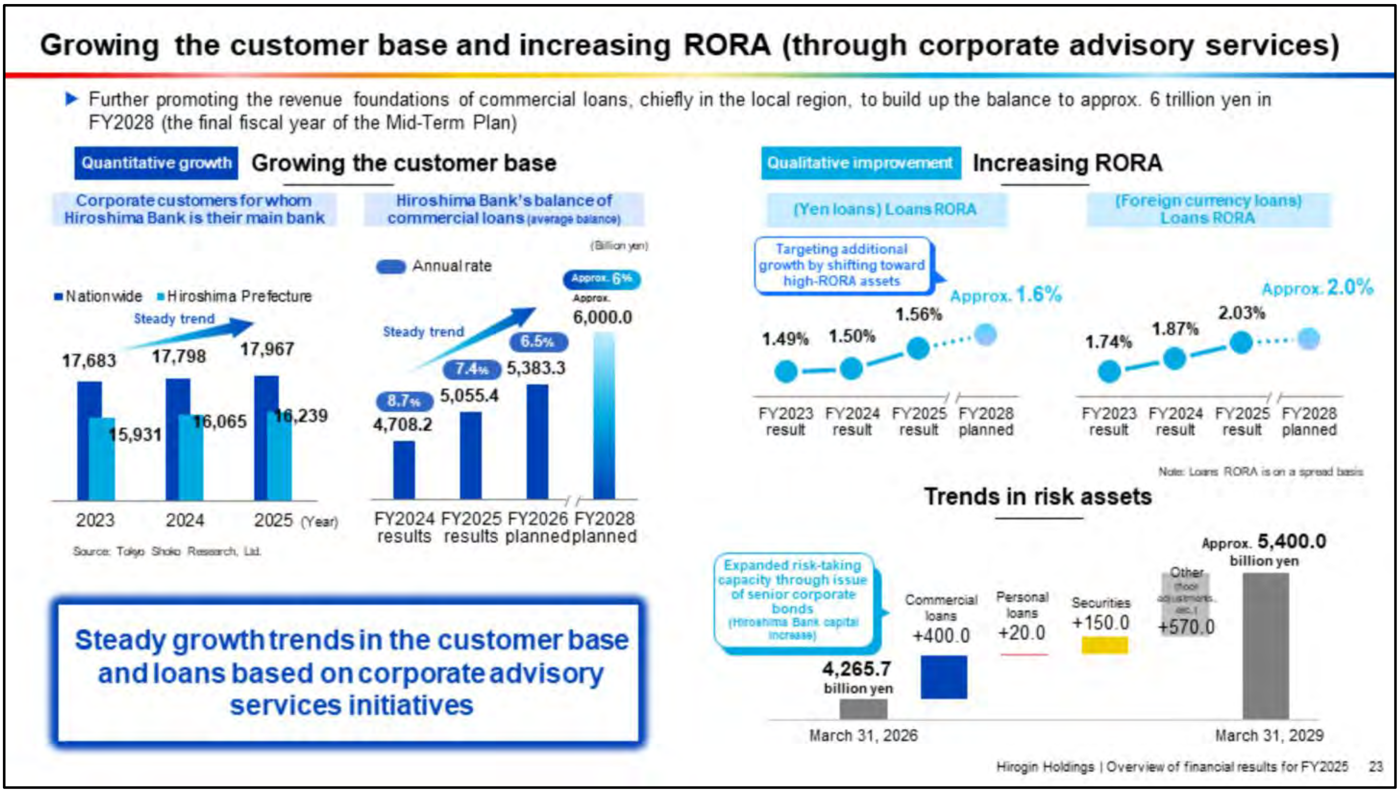
- This business is powered by specialized human resources with high skills and extensive networks.
- We're also steadily advancing with succession planning, and we have filled one functional gap after another by means including establishing Hirogin Regional Advisors, an asset-management company for private placement funds, in April to meet demand for real estate securitization.
- We have established an organization capable of generating results in the regional development business and plan to steadily meet booming demand for redevelopment projects.



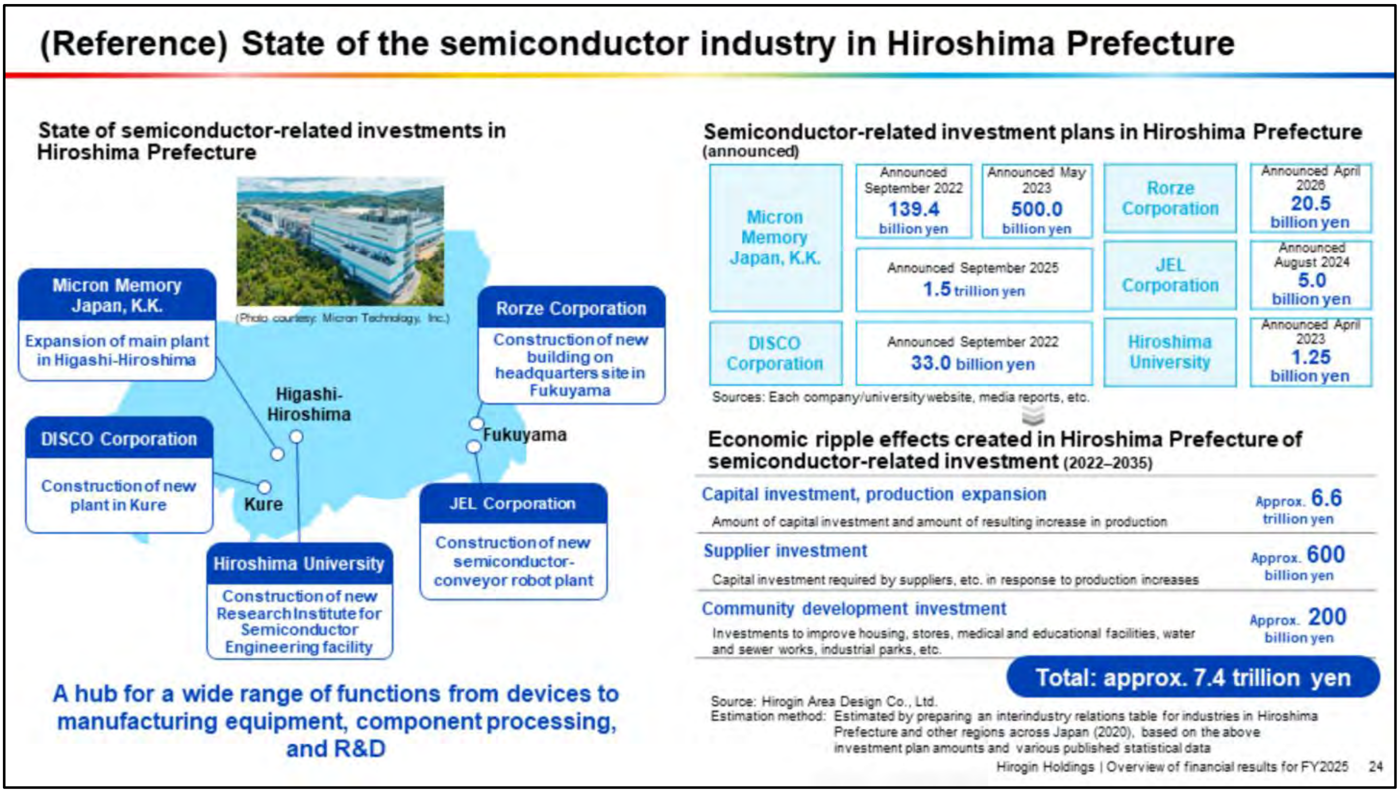
- The second focus area is corporate advisory services.
- One of the Hiroshima region's core industries is manufacturing, centered on motor vehicles. Traditionally, Hiroshima Bank has focused not just on the financial statements of customer firms (quantitative information) but also on underlying qualitative information such as technical strengths and market position.
- Leveraging this discernment, we have been a pioneer among regional banks in business viability assessments, which has been a source of our strengths in the corporate advisory services area.
- However, today, any of the leading regional banks can offer such initiatives, so this is no longer considered a unique strength.
- We have sought to enhance and advance corporate advisory services capable of meeting corporate clients' management needs as well as their funding needs in order to build-up our next practical strengths in corporate advisory services while leveraging our knowhow in business viability assessments.
- In fact, these efforts have led to considerable green shoots. For example, the M&A and business succession businesses on which we have focused for some time are growing steadily.
- In addition, consulting on support for subsidy applications has recently shown marked growth. The cumulative number of applications supported exceeds 600. We have the largest number of any regional bank of applications accepted for large-scale growth investment subsidies.
- Consulting on support for subsidy applications is a business that requires in-depth knowledge of and involvement with customer firms. We believe building solid relationships with customer firms by providing such solutions will help us capture booming demand for business funds, and we are enhancing our initiatives in this area.



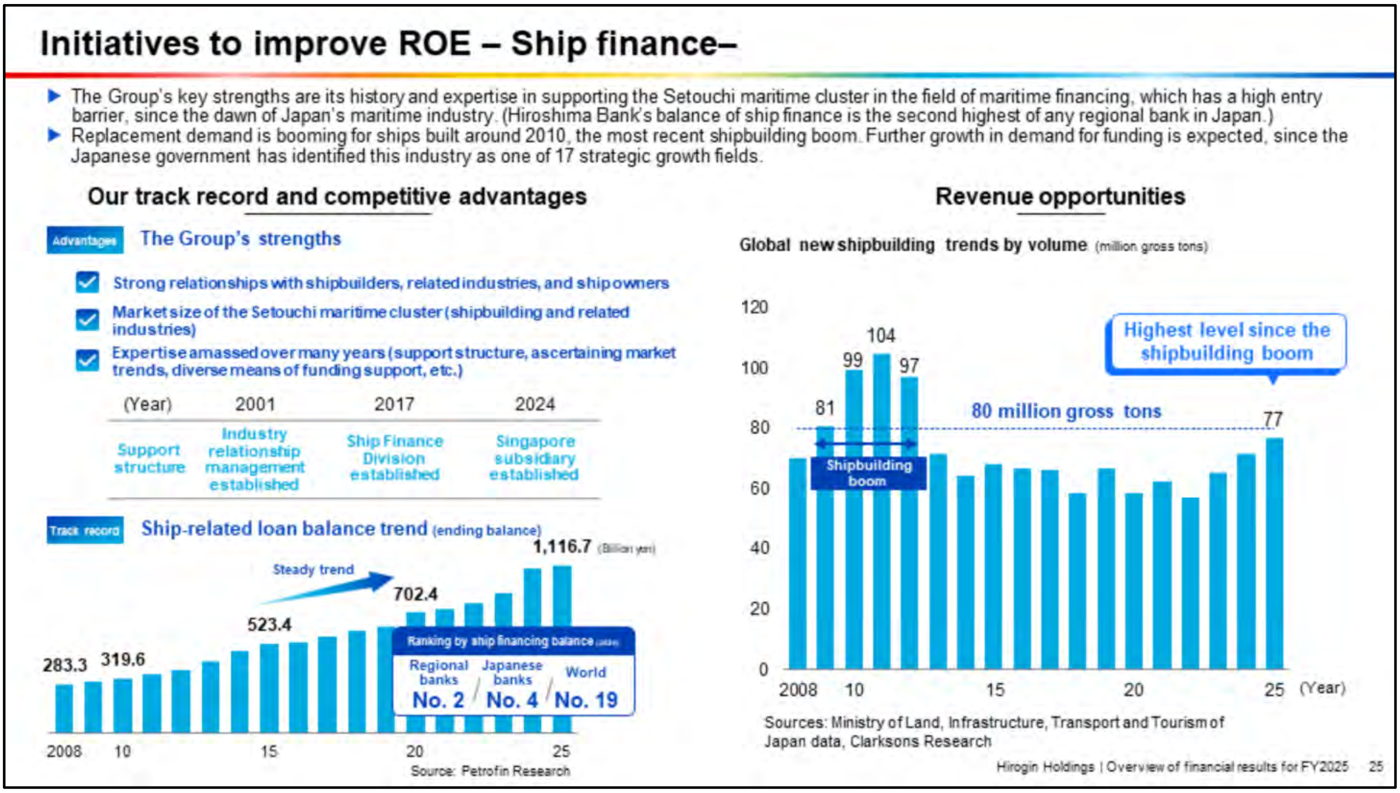
- Through these efforts, we're generating steady results in the corporate advisory services area.
- Net non-interest income in the corporate advisory services area in FY2025 was up 600 million yen year on year to 8.6 billion yen.
- Going forward, we will continue taking on new challenges, including manufacturing support consulting based on our experience supporting the auto industry, to grow this figure to 11.0 billion yen in FY2028.



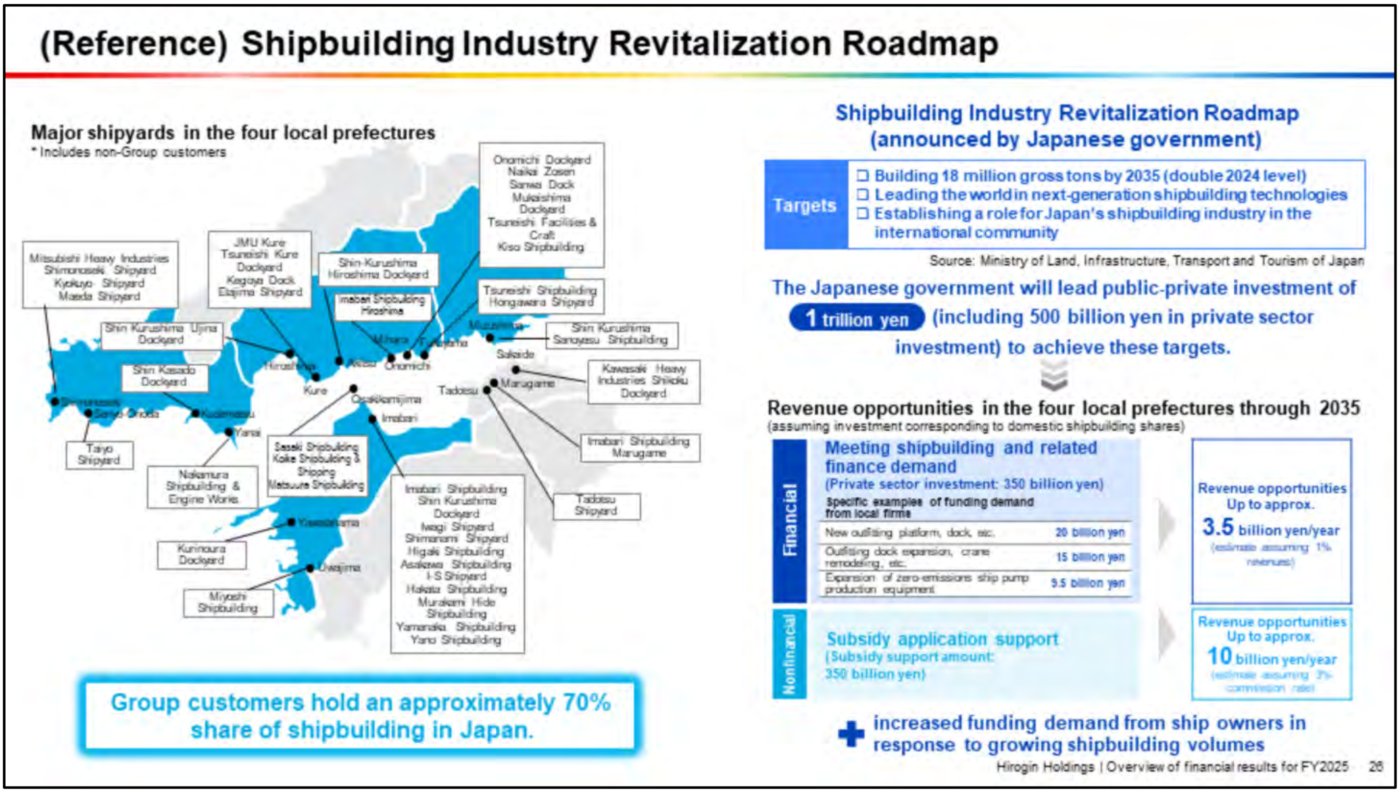
- By enhancing our corporate advisory services, we will capture booming demand for capital investment, centered on manufacturing, while broadening our customer base.
- We plan to grow our balance of commercial loans to approximately 6 trillion yen in FY2028.



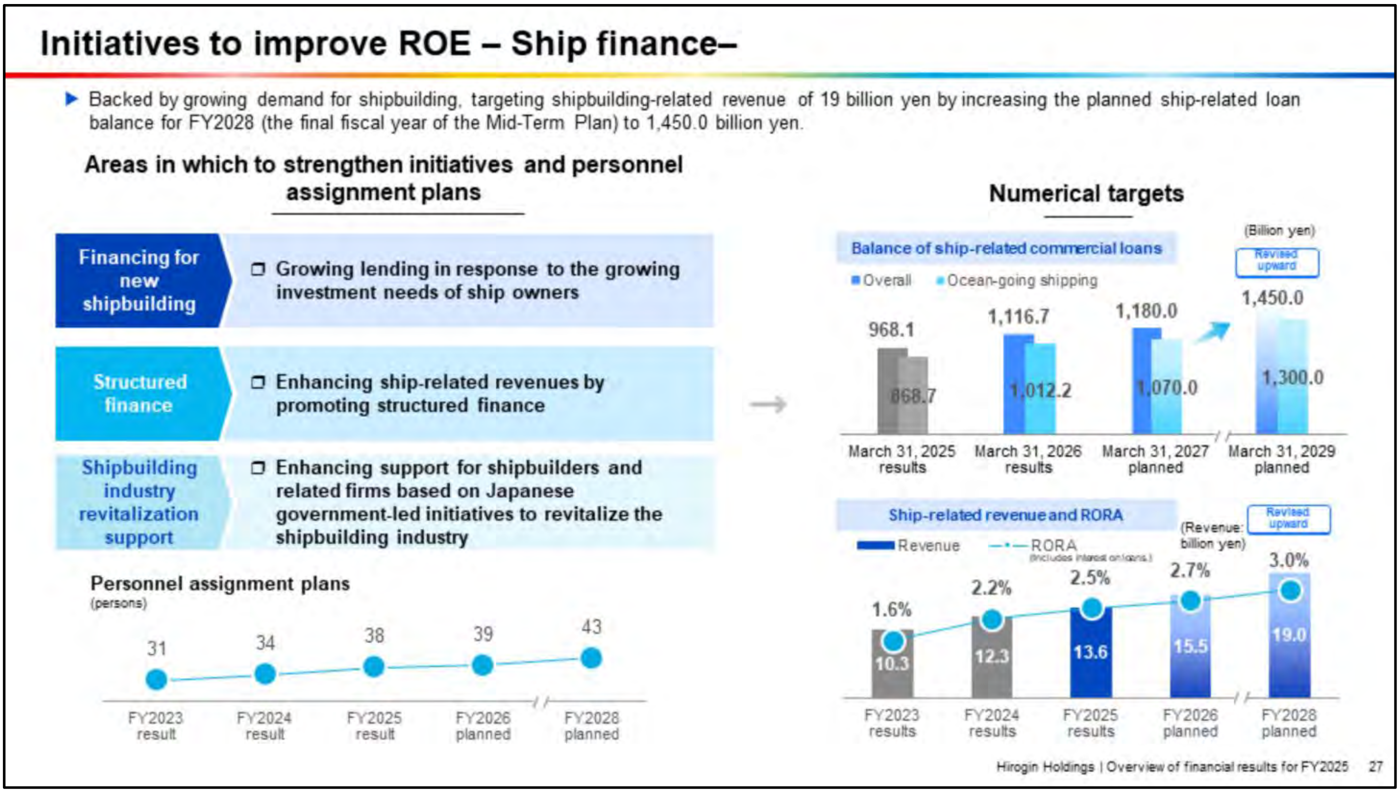
- The next focus as a pillar of future economic growth in Hiroshima Prefecture is semiconductors.
- More than 2 trillion yen in semiconductor-related capital investment plans have been announced in the prefecture, by Micron and other firms.
- Group estimates show this will have economic ripple effects of 7.4 trillion yen.
- This is expected to have an impact on the region equivalent to building a new city, due to indirect effects such as the entry of related firms and rising employment, in addition to the direct effects of capital investment. The Group will actively support this industry.



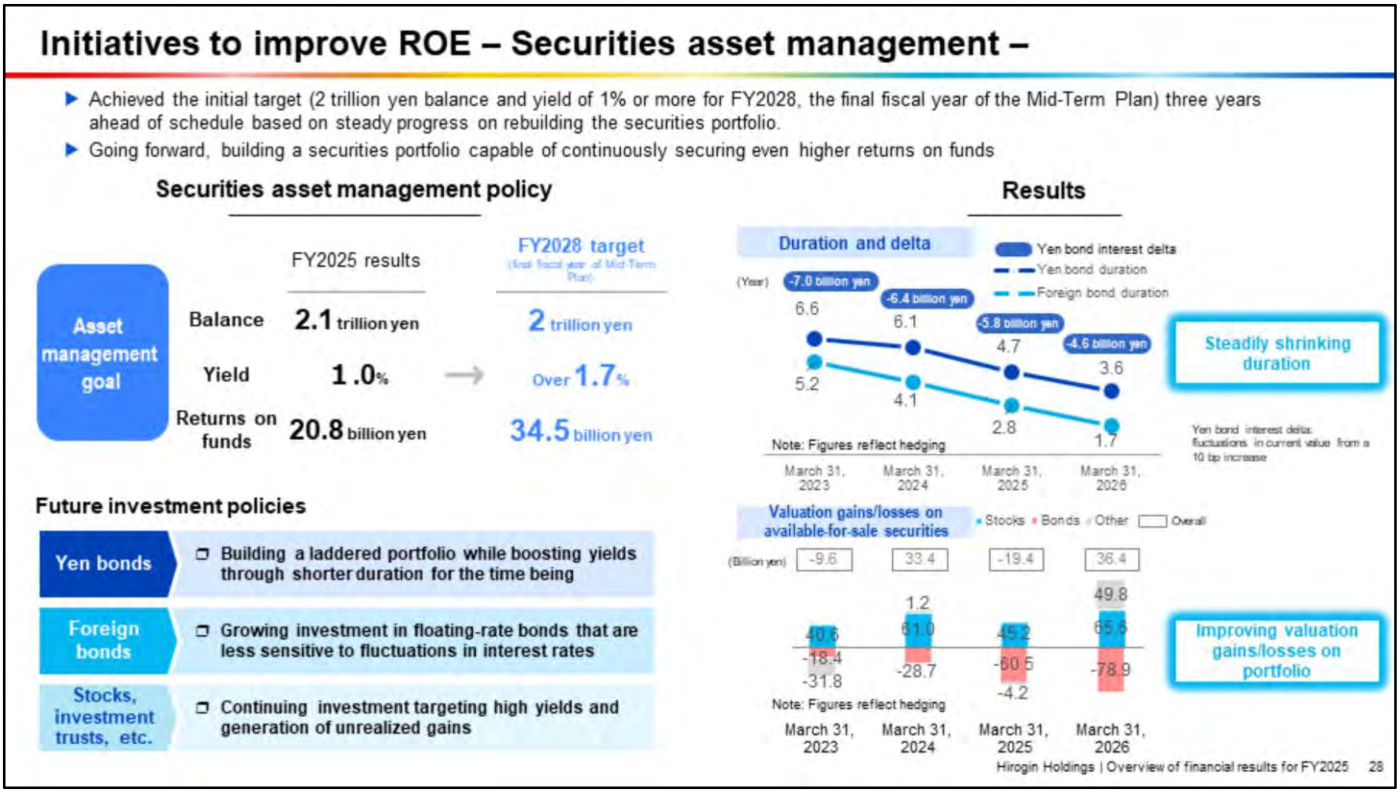
- The third focus area is ship finance.
- We have a long history of ship finance, which we have supported for decades since the dawn of the Setouchi maritime cluster.
- While risk control is generally considered a challenge in ship finance due to its susceptibility to market fluctuations, we have accumulated years of expertise in related areas, including ascertaining and analyzing market indicators of the value of collateral ships and charterage.
- As a result, even though our balance of ship finance is the second highest among regional banks, fourth among Japanese banks and 19th in the world, we have yet to experience pronounced losses in this field.
- Also, as the ship replacement cycle generally runs for 15–20 years, replacement demand is now booming for ships built around 2010, the most recent shipbuilding boom. We will focus on this industry as one of regional growth fields.



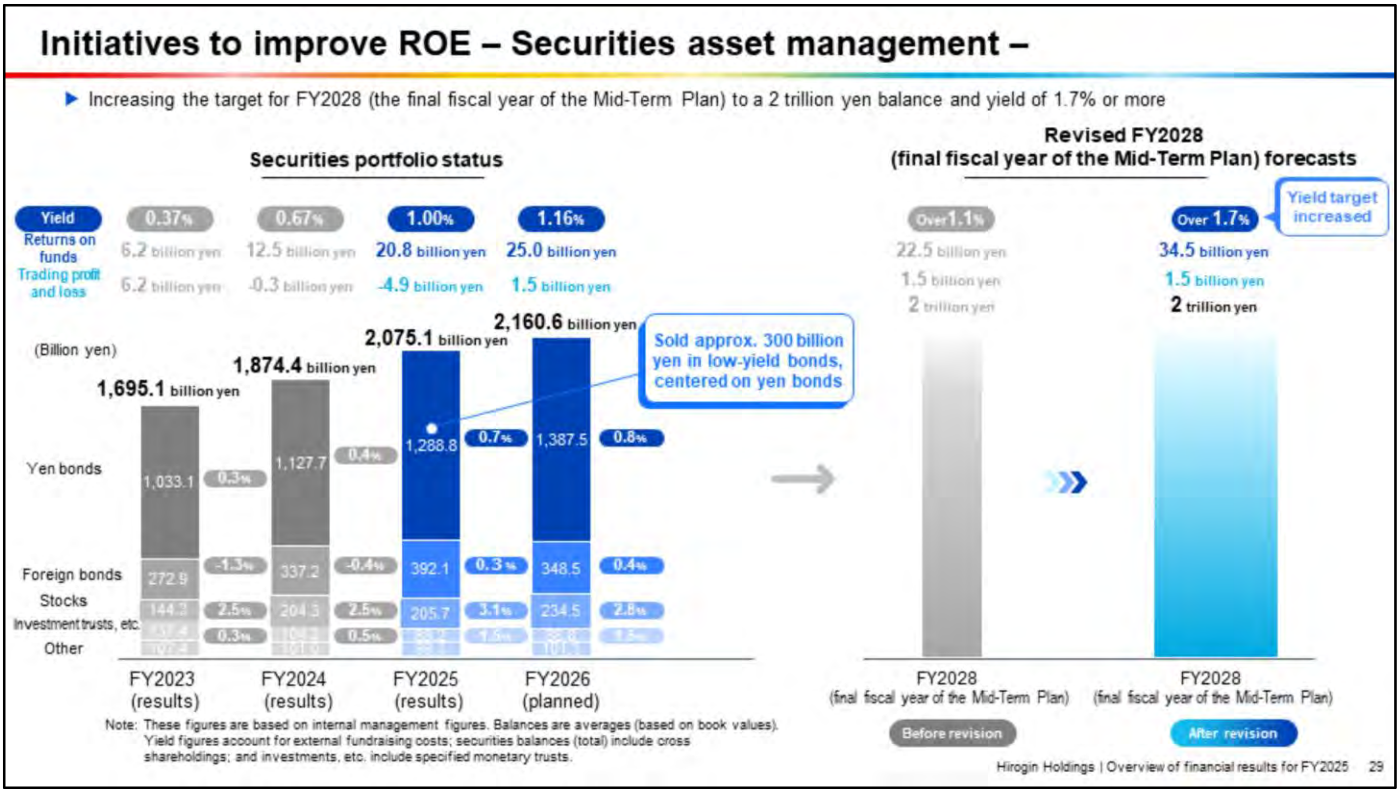
- Shipbuilding has been identified as one of the Japanese government’s 17 strategic growth fields, for which about 1 trillion yen in public-private investment is projected through 2035. Funding demand is expected to become increasingly active.



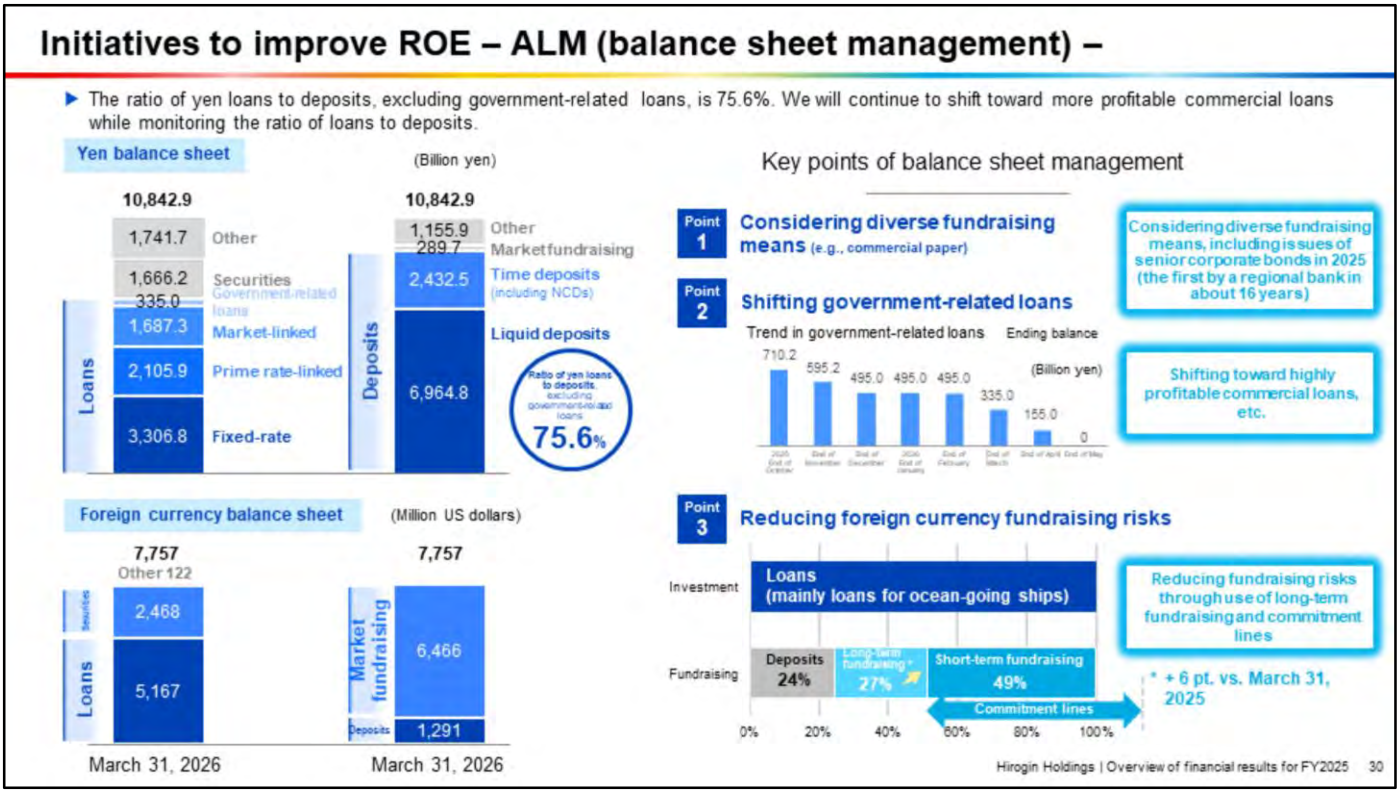
- Recently, in addition to replacement demand, trends such as the weak yen and growth in customer fleets (business scale growth) have led to expectations for further growth in demand for funding in the future.
- We will take this opportunity to enhance earnings by growing our ship-related loan balance to 1.45 trillion yen by the end of FY2028.



- Now let’s look at securities asset management.
- Efforts to address the Group’s issue of securities portfolio restructuring have proceeded more smoothly than initially planned. By disposing of approximately 300 billion yen in low-yield bonds, we reached the initial targets for FY2028 (the final fiscal year of the Mid-Term Plan) of a 2 trillion yen balance and a yield of 1% or more three years ahead of schedule.
- For yen bonds, we’re striving to increase yields by shortening duration, such as by investing in variable bonds (JGB asset swapping) in response to rising interest rates.
- For foreign bonds, we will continue promoting investment in floating-rate bonds that are less sensitive to fluctuations in interest rates on foreign currency fundraising.
- These initiatives have started to generate results, and duration is steadily being shortened. Valuation gains/losses on other portfolios are steadily improving.

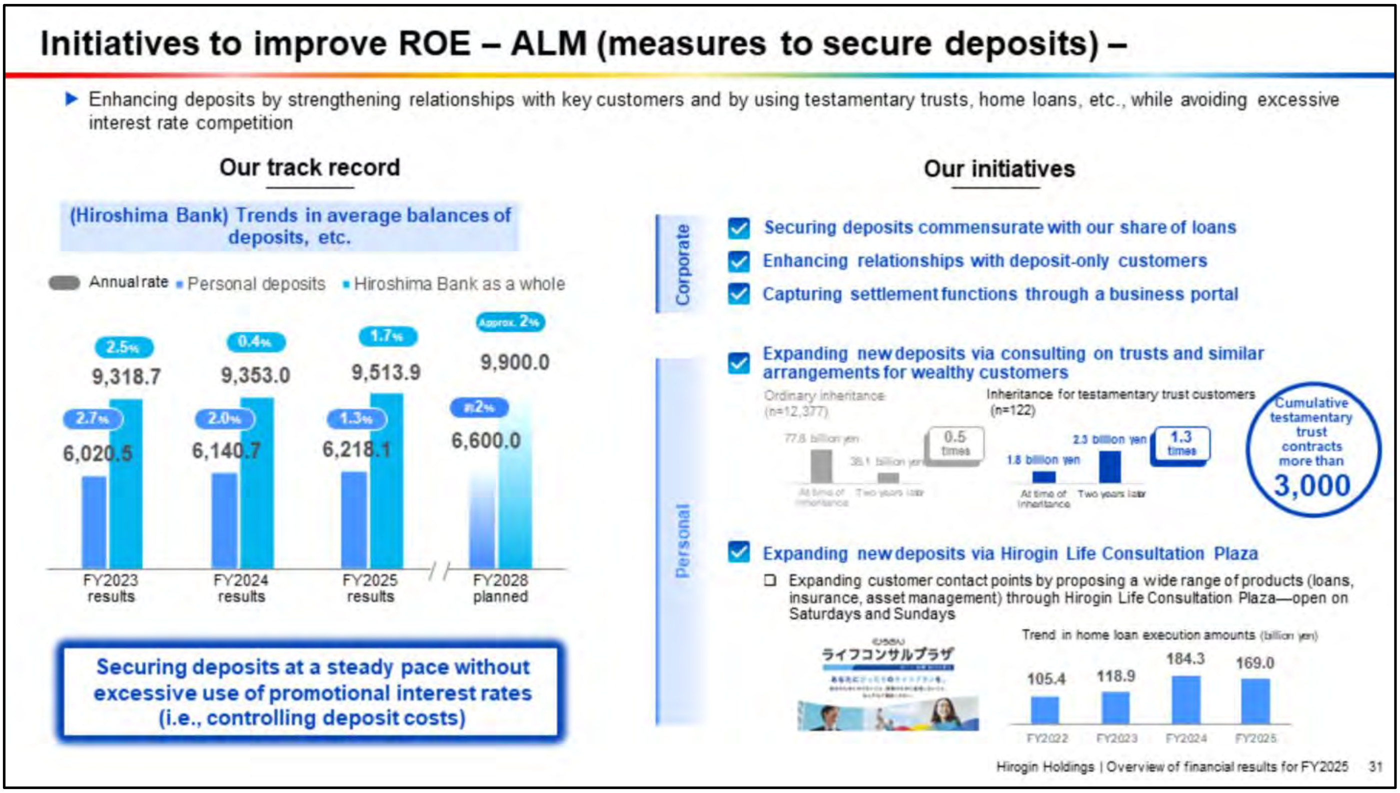


- We have revised our earnings plans in light of changing policy interest rates.
- We will build a portfolio with net interest income of 34.5 billion yen and a yield of more than 1.7% (up 0.6 pts. from before the revisions) in FY2028, the final fiscal year of the Mid-Term Plan.

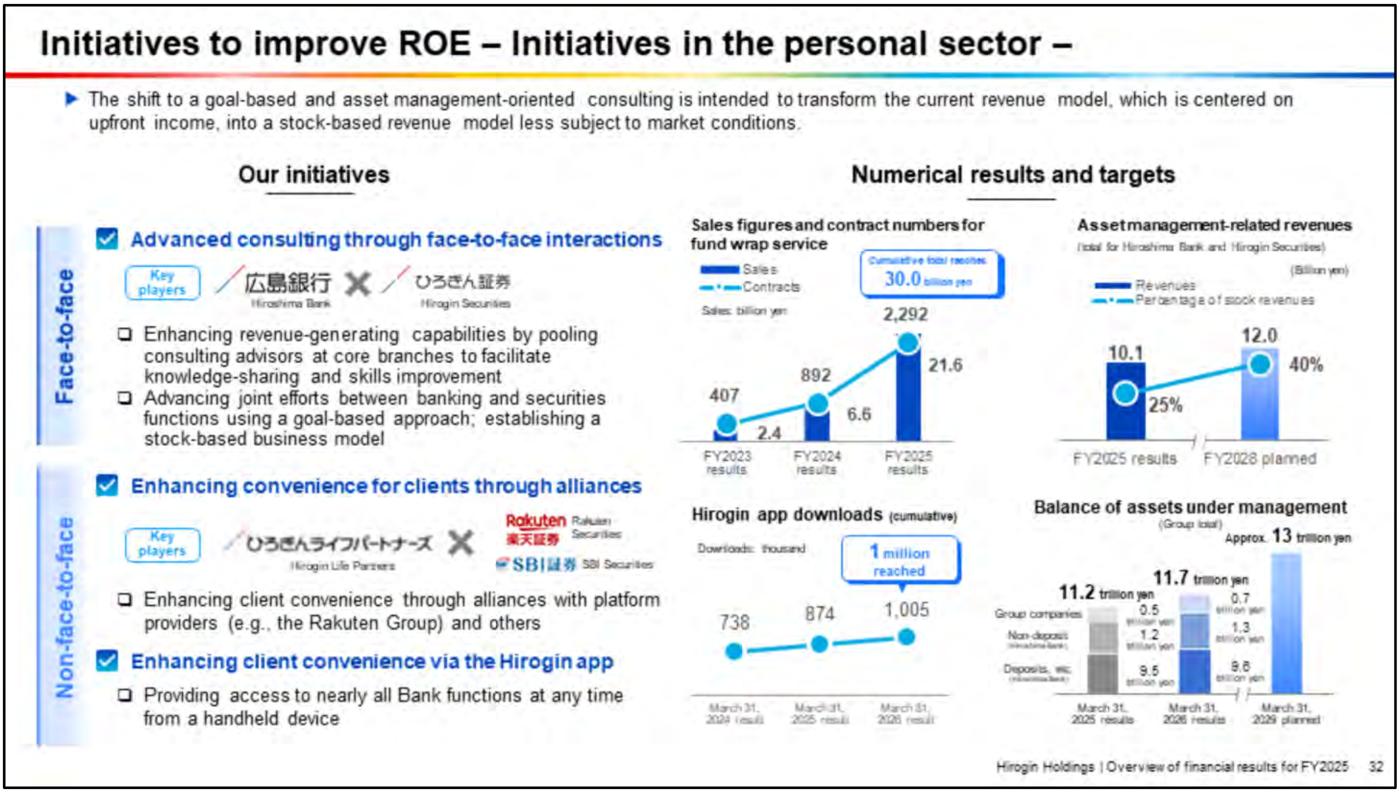


- Now let's consider the yen balance sheet.
- The Group's yen ratio of loans to deposits, excluding government-related loans, was 75.6% at the end of March 2026.
- Going forward, in addition to focusing on securing deposits in light of the deposits-loans gap, we will diversify means of fundraising such as by issuing commercial paper.
- We will carry out efficient balance sheet management by shifting funds toward more profitable commercial loans, including reducing the balance of government-related loans to zero by the end of May.

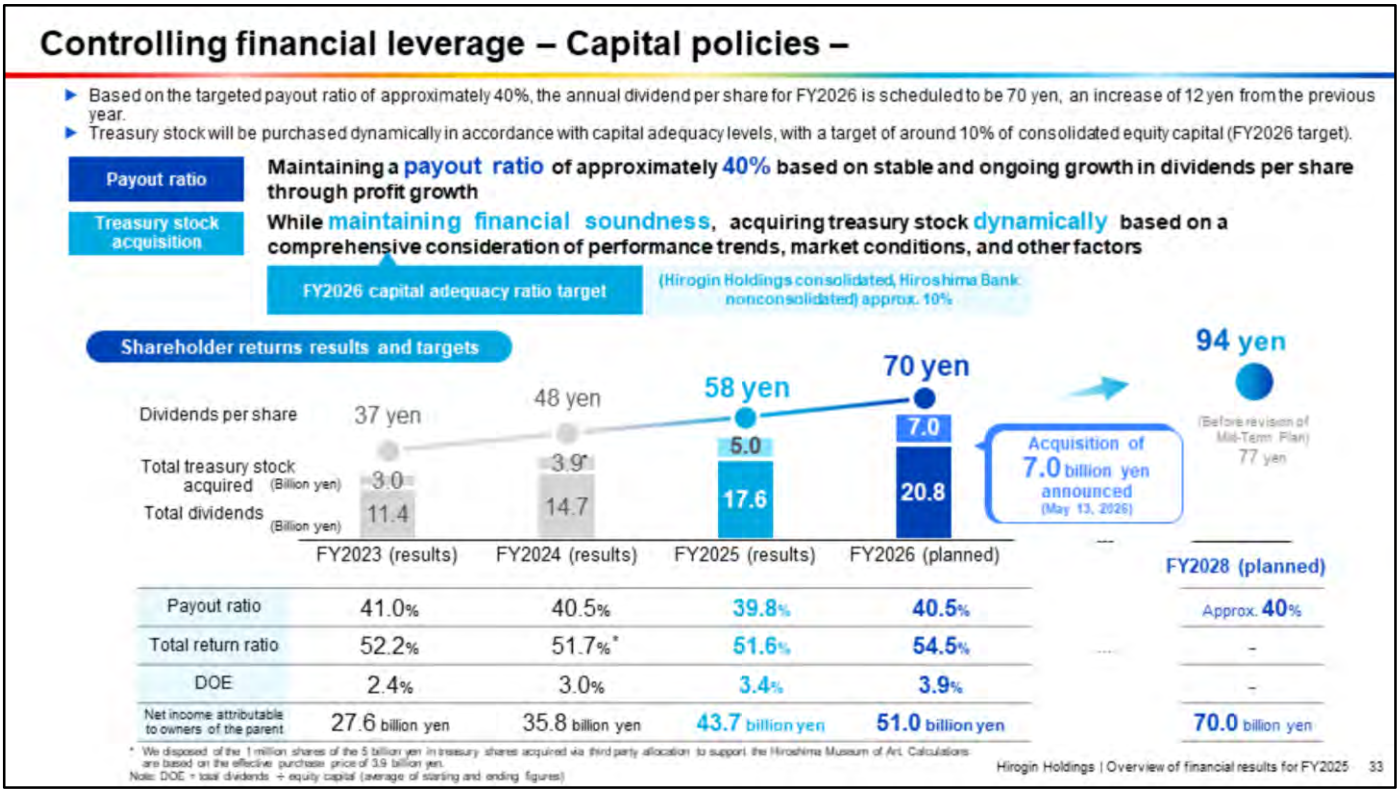
- Here you see the foreign currency balance sheet.
- The investment side is led by loans for ocean-going shipping.
- Market fundraising accounts for a large share of the fundraising side. We're reducing cash-flow risks, such as by increasing the ratio of long-term fundraising and securing commitment lines of credit.



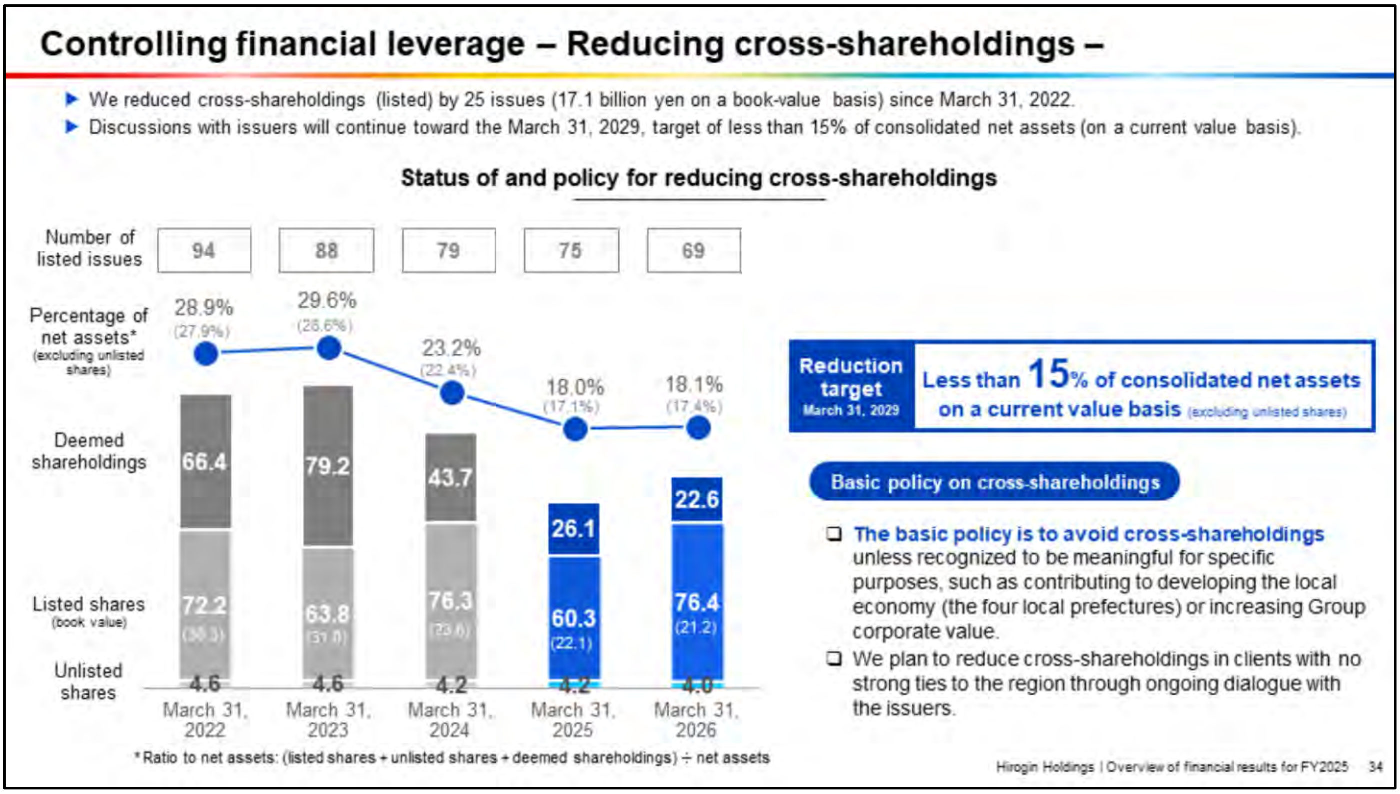
- This slide shows measures to secure deposits.
- Our basic approach is one of maintaining and enhancing relationships with main customers while properly controlling deposit costs and avoiding excessive interest-rate competition through promotional interest rates.
- We will grow corporate deposits through steady efforts such as by securing a share of deposits commensurate with our share of loans and enhancing relationships with deposit-only customers.
- For personal deposits, we will address the issue of outflow of deposits following inheritance through solutions such as testamentary trusts that offer higher yields after inheritance, to secure deposits through consulting for wealthy customers.
- We are also securing deposits by expanding customer contact points via Hirogin Life Consultation Plaza, which provides a wide range of products for individual customers, for example.



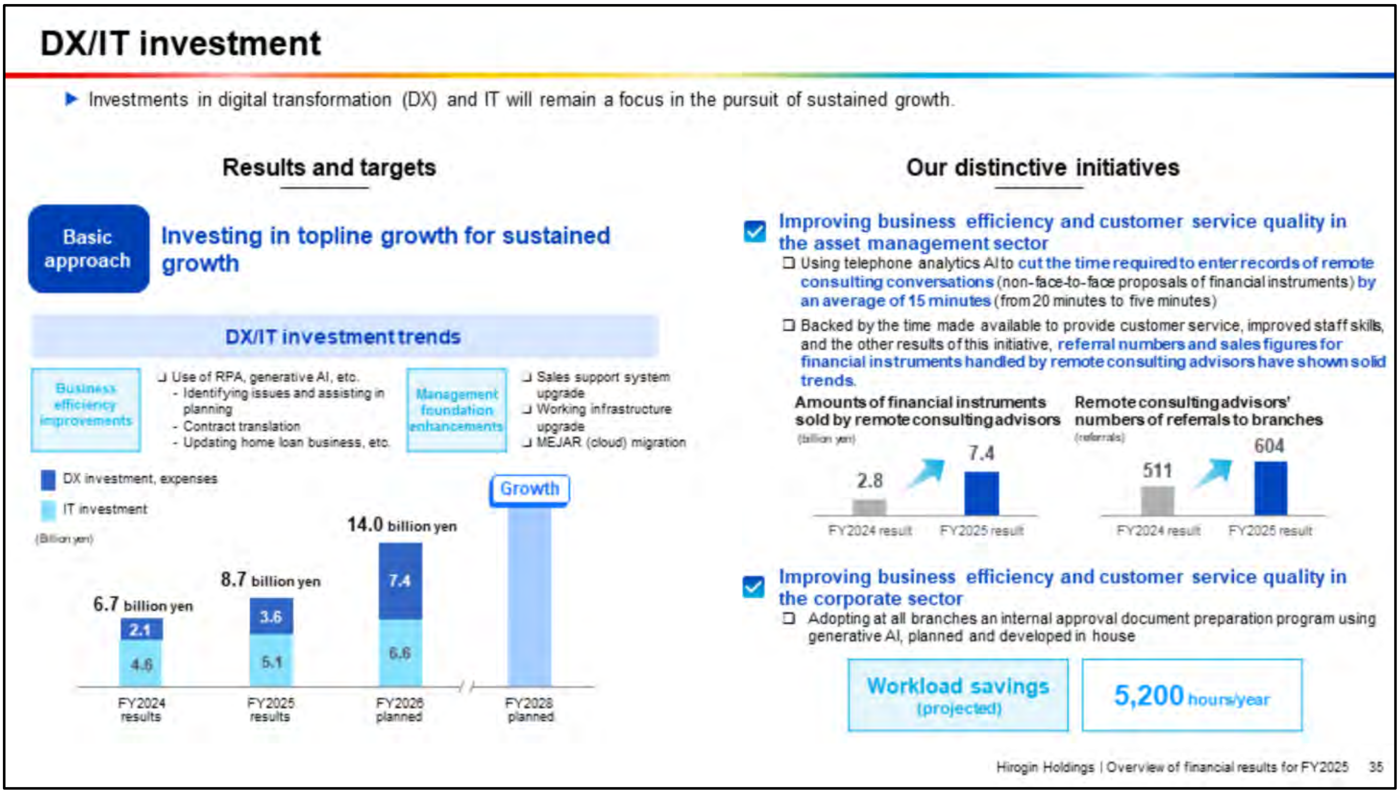
- These are our initiatives in the personal sector.
- We're establishing a stock-based revenue model through a higher level of cooperation between Hiroshima Bank and Hirogin Securities based on a goal-based approach, aiming for a percentage of 40% stock-based revenues in the final fiscal year of the Mid-Term Plan.
- We are also growing the Group customer base by enhancing convenience for clients through alliances with various firms.
- The Hirogin app can be used for nearly all Bank functions. It has been well received by customers, with total downloads reaching 1 million recently.



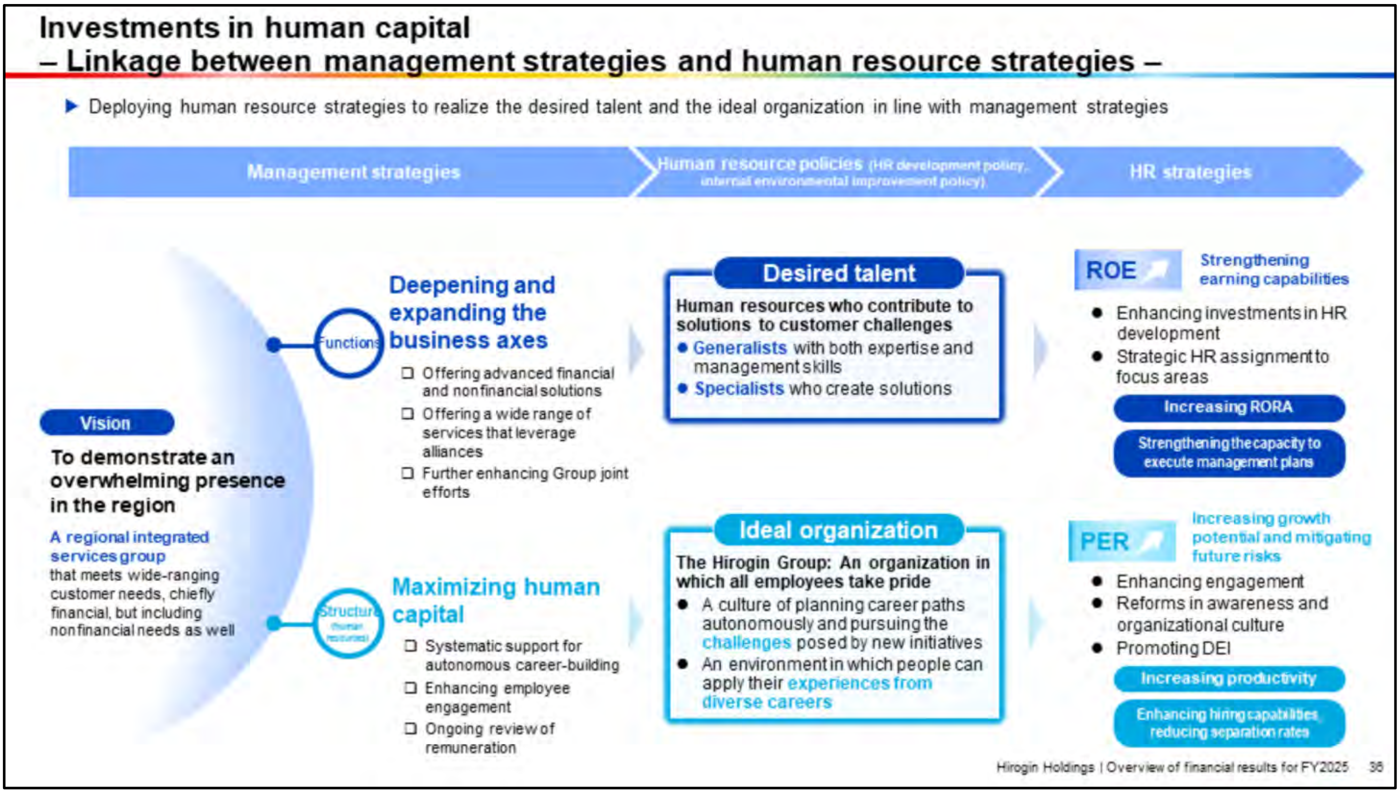
- Now let's look at our policies on shareholder returns.
- Together with a basic policy of targeting a payout ratio of approximately 40%, we will acquire treasury stock dynamically in line with the level of the capital adequacy ratio, targeting a consolidated capital adequacy ratio for Hirogin Holdings of about 10% (FY2026 target).
- Based on this policy, the annual dividend per share for FY2026 is scheduled to be 70 yen, for a payout ratio of 40.5%.
- On May 13, we announced acquisition of 7 billion yen in treasury stock, and we expect the total return ratio to be more than 50% for the fourth consecutive year.
- We aim to increase dividends per share in line with rising profit levels during the period of the Mid-Term Plan. With the recent revisions to the Mid-Term Plan, we're aiming for a dividend of 94 yen per share in FY2028 (the final fiscal year of the Mid-Term Plan), based on a net income target of 70 billion yen in that year.



- This slide shows our efforts concerning cross-shareholdings.
- We're making steady progress on reducing cross-shareholdings. At the end of March 2026, the balance of the total current value of listed shares, unlisted shares, and deemed share-holdings stood at 18.1% of consolidated net assets (17.4% without unlisted shares).
- Discussions with issuers will continue toward further reductions aimed at the March 31, 2029 (the final fiscal year of the Mid-Term Plan) target of less than 15% of consolidated net assets.
- Issuer consent has been secured for sale of all issues that qualify as pure investments included in those targeted for reduction.
- We continue to hold these issues in light of their dividend yields and potential for gains on future share price increases, and we will apply strict standards on exercise of voting rights on shares held as pure investments.



- Let's look at DX/IT investment.
- We continue to focus on investing in digital transformation and IT as bases for sustained growth.
- In the asset management sector, we're using telephone analytics AI to shorten the time required to enter records of remote consulting advisors' conversations (non-face-to-face proposals of financial instruments). This is a promising market, and the trend in the value of financial instruments secured is steady.
- In the corporate sector, we have adopted at all branches an internal approval document preparation program using generative AI, which was planned and developed in-house. The resulting workload saving is estimated at 5,200 hours/year.



- This is our basic approach to investing in human capital.

- Since migrating to a holding company structure in 2020, we have expanded our business axes, including nonfinancial fields. We have specifically defined desired talents to provide diversified, advanced solutions.

- Since it is the people who execute management plans that determine whether we can achieve our targets, we have systematically proceeded with development and placement of the desired generalist and specialist human resources.

- From a medium- to long-term perspective, we are certain that the time is approaching when employee preferences will determine the survival of a company, as the labor shortage advances further.

- Under such conditions, we're making substantial investments in enhancing engagement, awareness and organizational culture reforms, and promoting DEI, to achieve an organization in which all can play active roles and all Hirogin Group employees can take pride in working here.

- Going forward, we will focus even more on ROE and human capital, as two of the Group's strengths that must be sharpened further.

Investments in human capital– Enhancing investments in human resource development and assigning strategic human resources to focus areas –

▶ Focusing on development and strategic assignment of the desired talents of generalists with both expertise and management skills and specialists who create solutions

			FY2023 (Before)	FY2025 (As-is)	vs. FY2028 (Gap)	Main initiatives	FY2028 (To-be)
Generalists	Management skills	Human capital investment amount	155,000 yen/person	241,000 yen/person	-59,000 yen/person (vs. FY2030)	**Enhancing investments in management and supervisory posts** ✓ Enhancing training for managers and supervisors to improve their communication skills ✓ Upgrading management human resource development programs (Hirogin Management Juku)	300,000 yen/person (vs. FY2030)
		Management training for managers and supervisors (Participants)	510	1,316	-		-
		Engagement index	3.83pt / 5pt	3.90pt / 5pt	-0.10pt / 5pt		4.00pt / 5pt
Specialists	Revenue generation	Regional development business (Total number of certified specialists)	15	24	-3	**Developing specialist human resources** ✓ Enhancing focus-area specific specialist human resource development measures and investment	27
		Corporate advisory services (Total number of certified specialists)	30	63	-13		76
		Ship finance (Total number of certified specialists)	21	25	-1	**Optimizing the placement of specialist human resources** ✓ Increasing staffing in focus areas, through review of management structures, use of digital transformation (DX), etc. ✓ Transforming from job rotations led by personnel sections to allocation of human resources in cooperation with business sections	26
	Structural reforms	Securities, ALM (Total number of certified specialists)	42	44	-9		53
		Wealth management (Total number of certified specialists)	–	58	-17		75
	Growth investments	IT and digital (Total number of certified specialists)	62	112	-58		170

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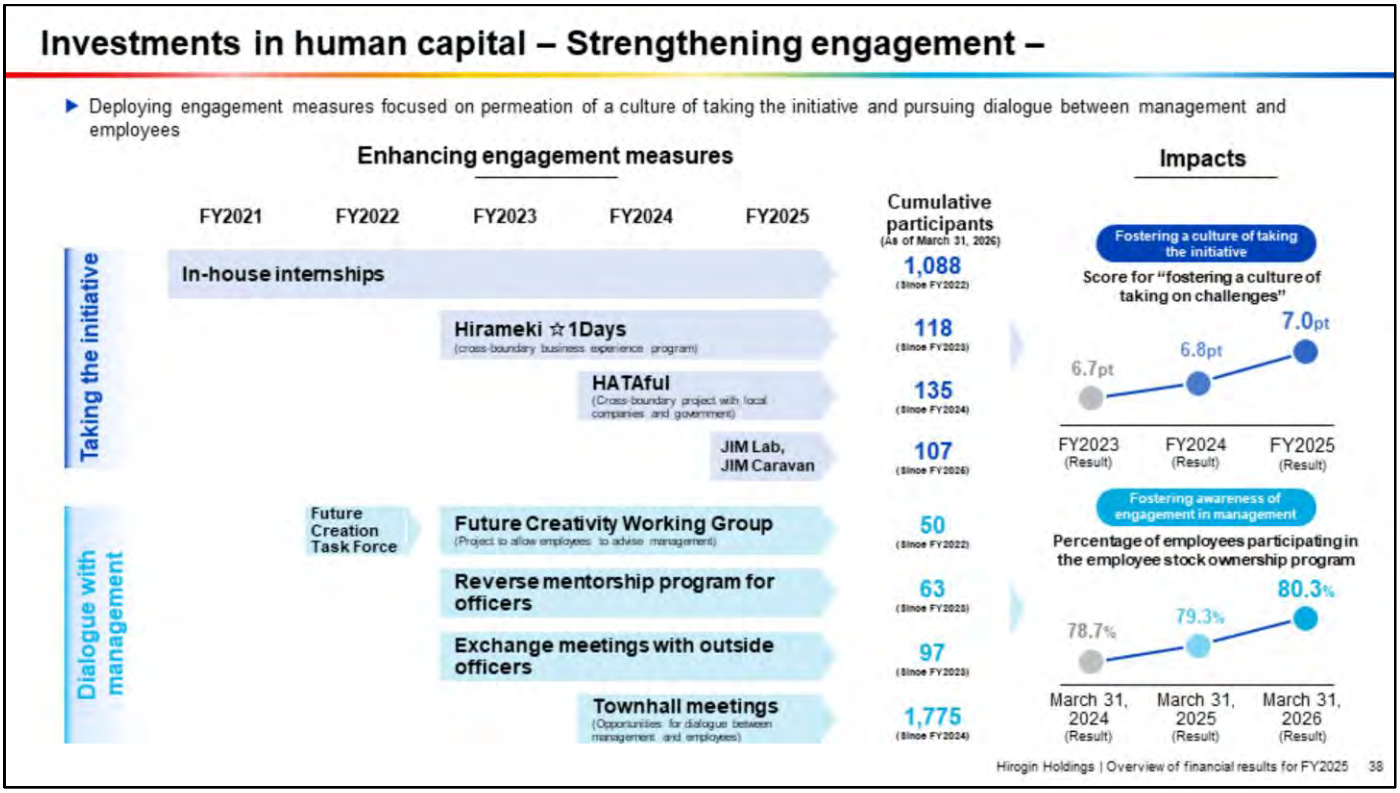
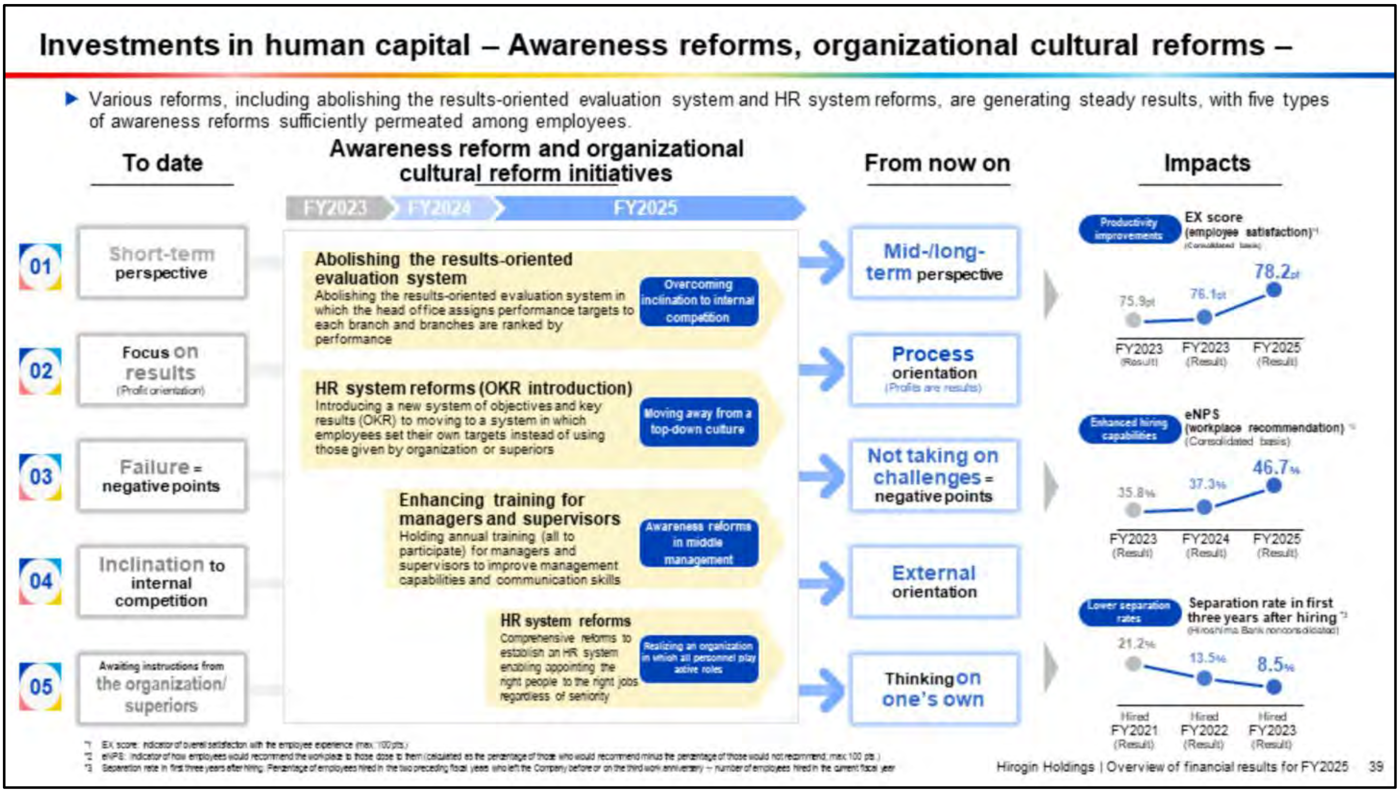
- Here you see the state of human capital management.
- We're focusing on developing generalists who serve on the frontlines of customer contact and represent a vital source of differentiation from the competition in a service industry like ours.
- Specifically, we plan to double the amount invested in human capital in the final fiscal year of the Mid-Term Plan (FY2028) compared to before the plan.
- In particular, we're enhancing human capital investments targeting managers and supervisors who can assume core roles in the field. We're making major investments in this area, including making management training mandatory for all managers and supervisors.
- For specialists, we're striving to develop specialized human resources in each focus area and to optimize assignments toward the target HR portfolio.
- Despite steady overall progress on developing specialized human resources in each focus area, numbers of specialists related to IT and digital fields remain inadequate. We plan to focus on this area through means including enhancement of midcareer hiring.



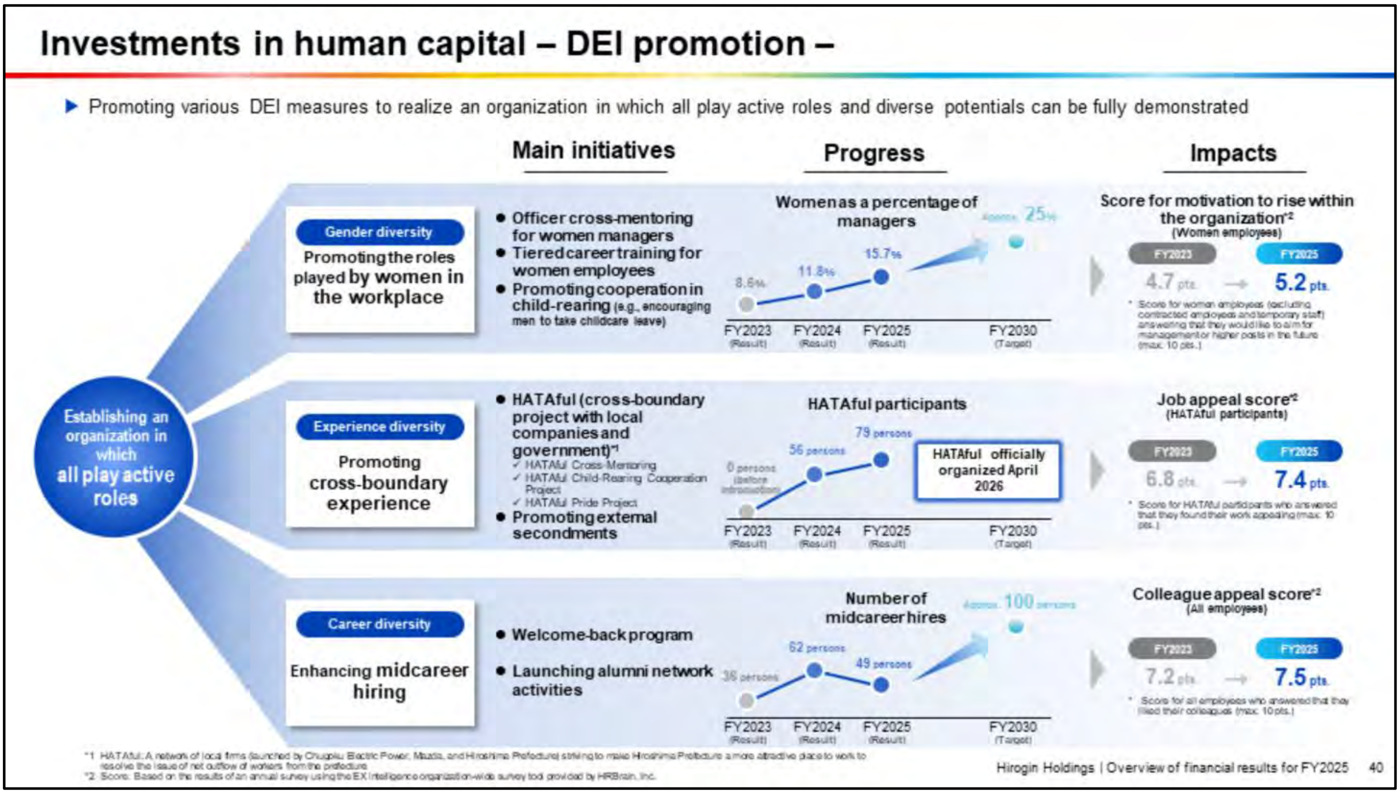
- Let's look at measures to strengthen engagement.
- Recognizing the importance of transforming the banking industry's deep-rooted culture of a demerit orientation and top-down management, we're focusing on fostering a culture of taking the initiative and pursuing dialogue between management and employees.

- Specifically, from year to year, we have expanded systems to enable employees to take the initiative without fear of failure to transform our culture from one in which failure is currently penalized.
- While it has taken some time, a culture of taking the initiative has taken root, as seen in the more than tenfold increase over five years in participants in programs for taking initiatives.

- To transform the top-down culture, we have sought to build an organization to align vectors among all employees based on dialogue instead of commands and instructions.
- Dialogue between management and employees has grown from year to year. Examples include the Future Creativity Working Group and the reverse mentorship program for officers.
- In these opportunities, we focus on listening to what employees have to say instead of unidirectional communication from managers alone. While it will take more time, we are seeking to achieve a deep-rooted organizational culture of two-way communication.



- This slide summarizes measures to reform awareness and the organizational culture.
- Various reforms, including abolishing the results-oriented evaluation system and HR system reforms are steadily taking root.
- These have led to steady improvements in internal engagement survey results from year to year. Separation rates, which had been low to begin with, have improved still further over the past three years.



- Now let's consider DEI efforts.

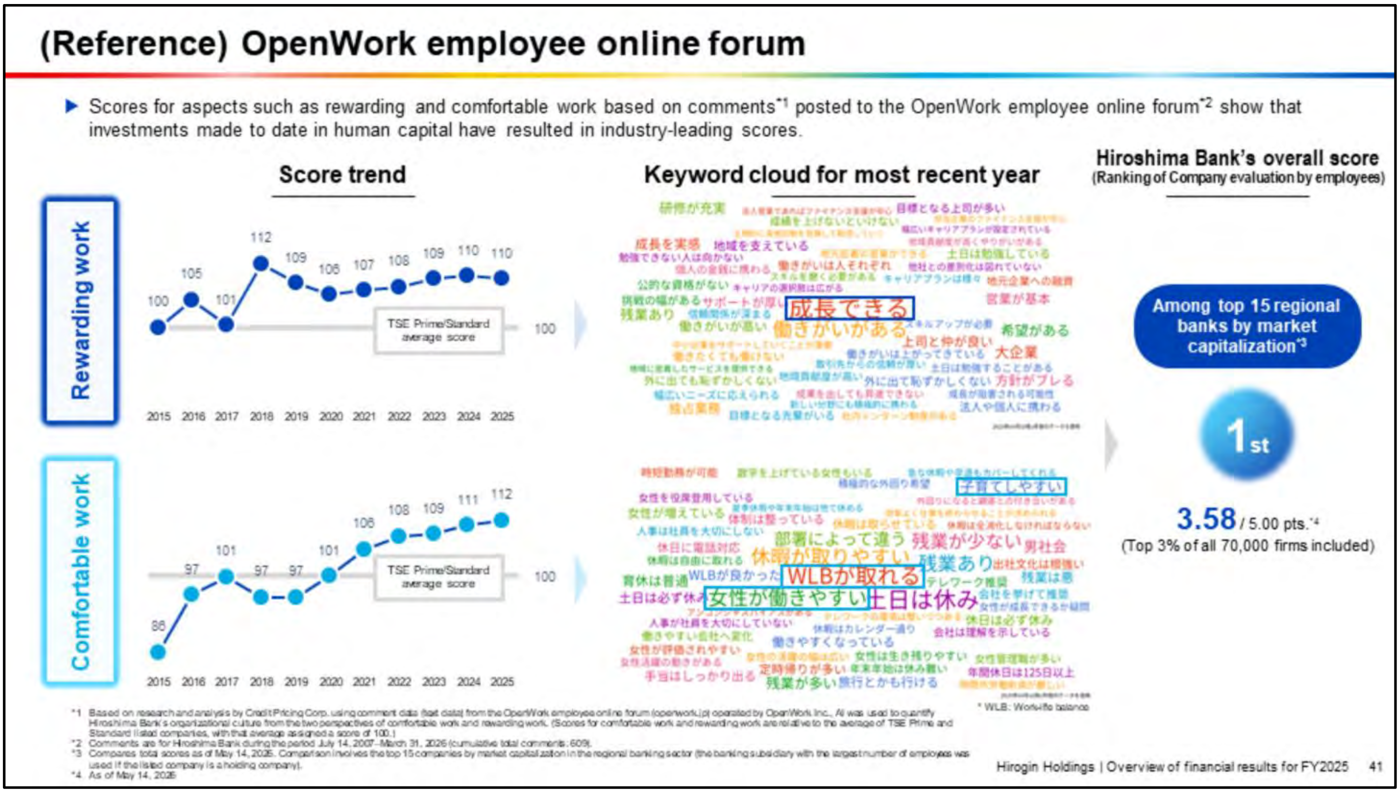
- We're promoting various DEI measures to build an organization in which all can play active roles and are capable of demonstrating their diverse potential to the fullest.

- In promoting the roles played by women in the workplace, we're aiming to have around 25% of managerial posts filled by women in 2030. While the attitude of women on their careers has changed substantially, room remains to improve the awareness of superiors and male employees. We plan to focus more on promoting cooperative childrearing by promoting the use of a childcare leave program intended especially for men, for example.

- From a DEI perspective, it's important to increase diversity in experience and values by lowering both internal and external barriers in the Company.

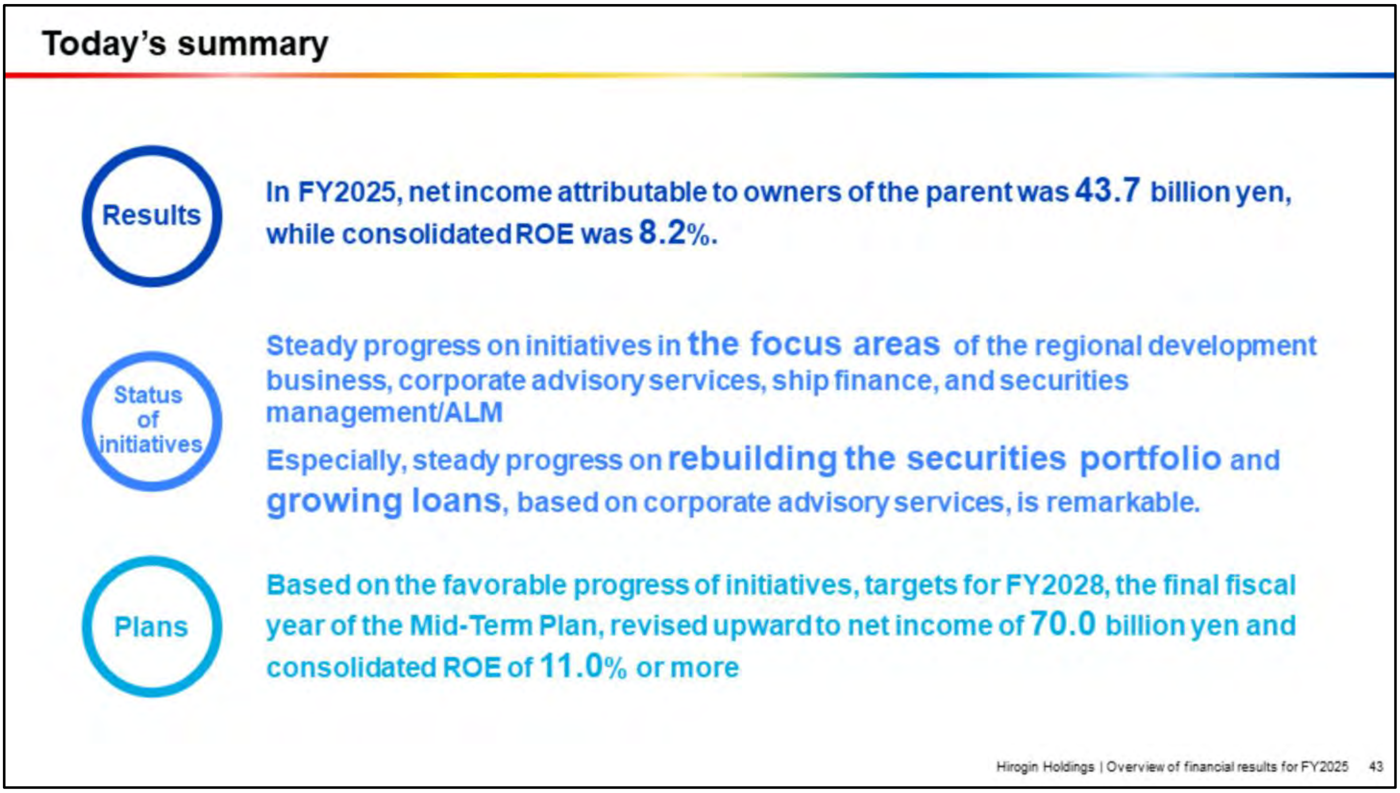
- HATAful, a network of local firms launched by Chugoku Electric Power, Mazda, and Hiroshima Prefecture, was officially organized in April. We plan to broaden the scope of cross-boundary experiences both inside and outside the Company while expanding the base of local firms participating in HATAful.

- We will also continue to focus on midcareer hiring as an important way not just to secure specialized talent in focus areas but to promote diversity in perspectives and values within the organization.



- Due to human capital investments made to date, our score for the OpenWork employee online forum rose to an industry-leading level.
- Since sites like this are used widely by young job hunters today, we expect this to have a positive impact on hiring.
- Ideally, since our score has improved less in rewarding work than in comfortable work, we will seek to improve our score for rewarding work.

V. Conclusions



- We'll conclude with a summary of today's presentation.
- FY2025 results:
  - Net income attributable to owners of the parent was 43.7 billion yen, and consolidated ROE was 8.2%.
- Regarding the status of initiatives under Mid-Term Plan 2024
  - We're making steady progress on initiatives in the focus areas of the regional development business, corporate advisory services, ship finance, and securities management/ALM.
  - We're steadily rebuilding the securities portfolio and growing loans, based in particular on corporate advisory services. In response, we increased our targets for FY2028, the final fiscal year of Mid-Term Plan 2024.
- Targets for FY2028
  - We have revised upward our targets to a net income of 70.0 billion yen and consolidated ROE, one of the Group's strengths, of 11.0%.

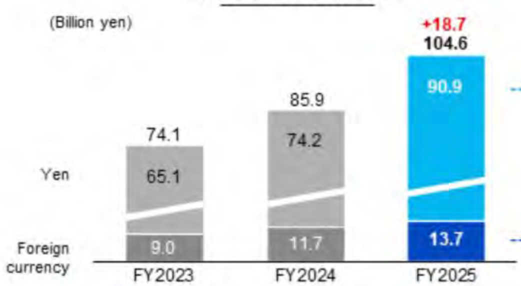
未来を、ひろげる。
Hirogin Holdings, Inc.

Appendix
(Explanatory materials on financial results)

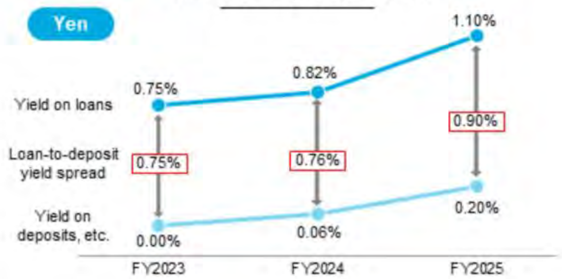
Net interest income

Hiroshima Bank nonconsolidated

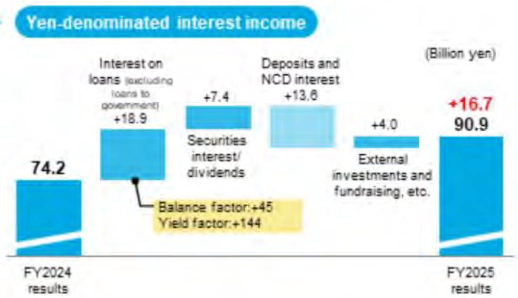
Net interest income

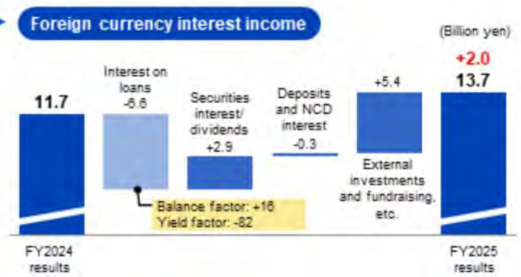


Yield on deposits/loans



Factors contributing to changes in net interest income

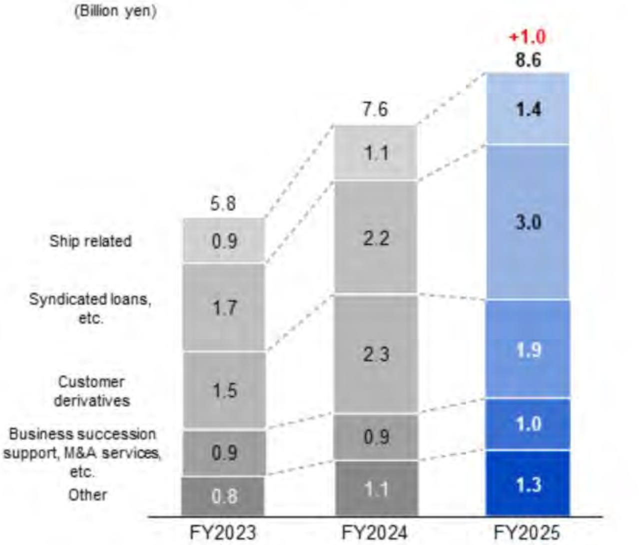




Net non-interest income

Hiroshima Bank nonconsolidated

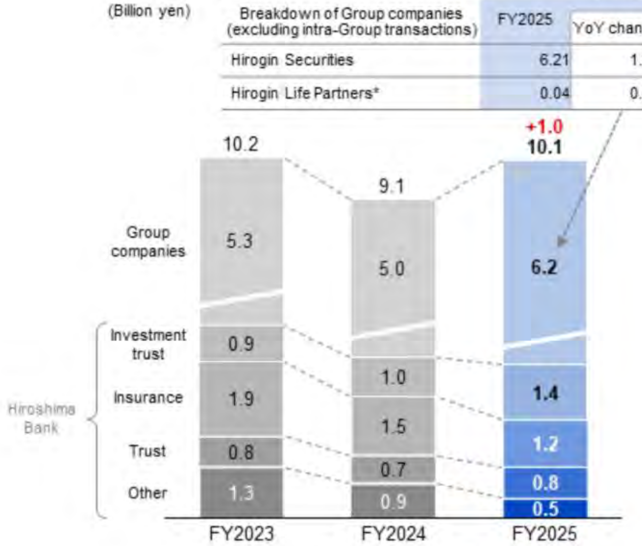
[Hiroshima Bank nonconsolidated] Corporate advisory services breakdown



[Hirogin Holdings consolidated] Asset management breakdown (Group totals)

(Billion yen)

Breakdown of Group companies (excluding intra-Group transactions)	FY2025	YoY change
Hirogin Securities	6.21	1.22
Hirogin Life Partners*	0.04	0.04



* Hirogin Life Partners began operating in July 2024.

Expenses, core OHR, net income

Hiroshima Bank nonconsolidated

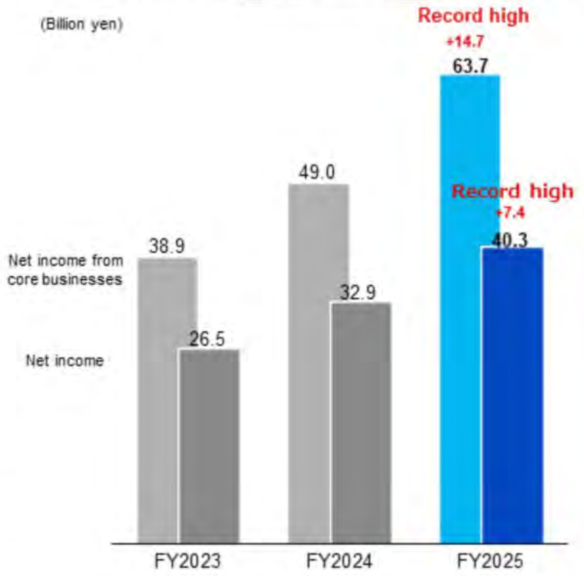
Expenses (excluding one-time disposal) / core OHR

Core OHR = Expenses / Gross profit on core businesses

(Reference) Major factors underlying changes in expenses

Labor costs	+2.5 billion yen	■ Human capital investments (HR system reforms, performance-linked bonuses, base pay raises, etc.): +2.3
Non-personnel expenses	+2.1 billion yen	■ DX and IT-related investments: +1.0 ■ Human capital investments (training, etc.): +0.1
Tax	-0.1 billion yen	
Total	+4.5 billion yen	

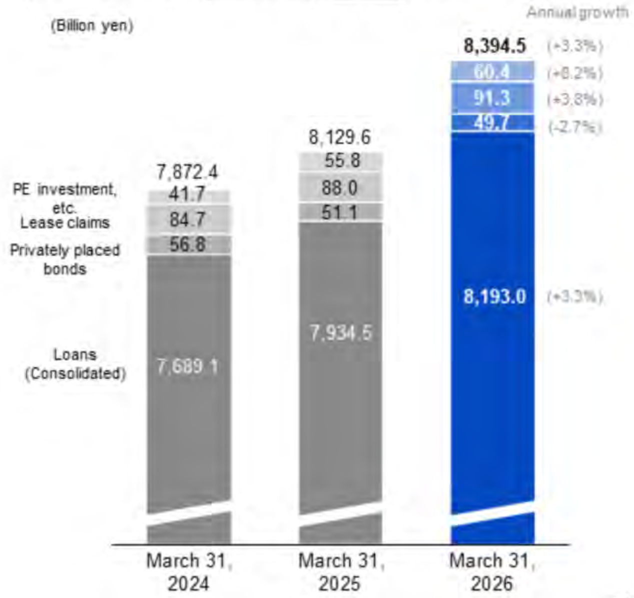
Net income from core businesses / net income



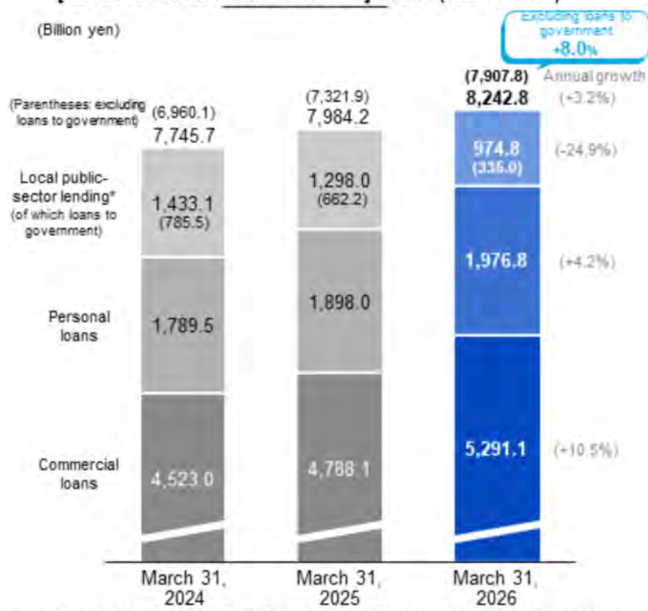
Group total credit (end balance), loans (end balance)

Hirogin Holdings consolidated | Hiroshima Bank nonconsolidated

[Hirogin Holdings consolidated] Group total credit (end balance)



[Hiroshima Bank nonconsolidated] Loans (end balance)



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

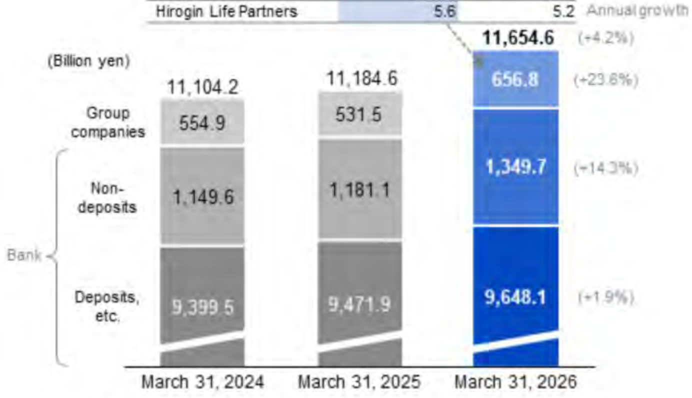
Total assets under management, deposits, etc. (end balance)

Hirogin Holdings consolidated | Hiroshima Bank nonconsolidated

[Hirogin Holdings consolidated] Total assets under management (Group total end balance)

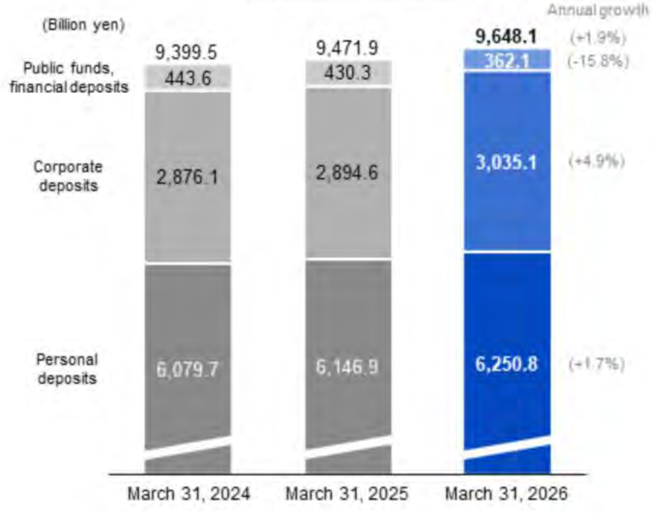
(Billion yen)

Breakdown of Group companies	March 31, 2026	vs. March 31, 2025
Hirogin Securities[1]	651.1	120.0
Hirogin Life Partners	5.6	5.2



*1 The balances of Hirogin Securities exclude financial instruments brokerage.
*2 Group company balances are shown on a mark-to-market basis.
*3 Excluding financial instruments brokerage through the Hirogin App (Rakuten Securities, SBI Deposits)

[Hiroshima Bank nonconsolidated] Deposits, etc. (end balance)

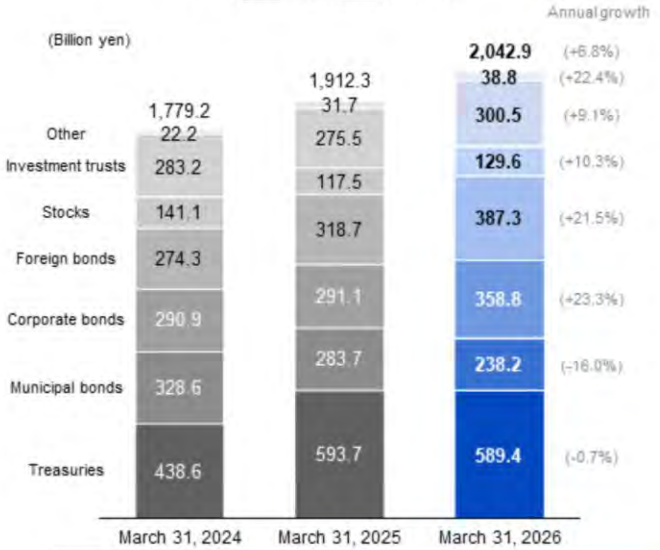


* Deposits, etc. include negotiable certificates of deposit (NCDs).

Securities (end balance), gains/losses on securities

Hiroshima Bank nonconsolidated

Securities (end balance)



	FY2025	YoY change
Securities yields (after deducting external fundraising costs)	1.00%	+0.33%

Initial targets of Mid-Term Plan 2024 (balance of 2 trillion yen, yield of 1% or above) achieved ahead of schedule

Gains/losses on securities

(Billion yen)

	March 31, 2026	vs. March 31, 2025
Held to maturity	-6.8	-3.7
Available-for-sale securities *	-12.8	15.0
Stocks	65.6	20.4
Bonds	-128.2	-59.3
Treasuries	-83.1	-41.1
Municipal bonds	-15.5	-3.0
Corporate bonds	-29.5	-15.2
Other	49.8	54.0
(Included) Foreign bonds	-6.7	7.7
(Included) Investment trusts	56.6	47.4
Total	-19.6	11.4

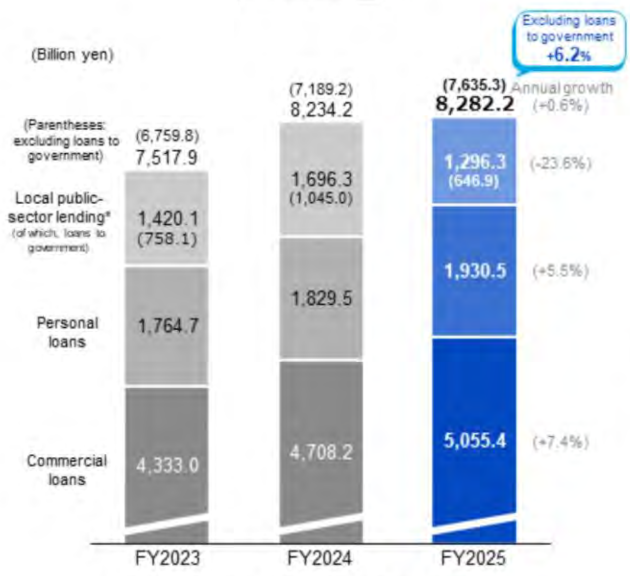
* Gains/losses after hedging

Other securities (before hedging)	-12.8	15.0
Interest rate swaps	49.3	41.0
Other securities (after hedging)	**36.4**	**55.9**

Loans (average)

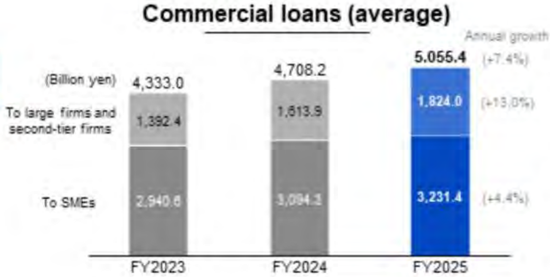
Hiroshima Bank nonconsolidated

Loans (average)



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

Commercial loans (average)



Breakdown of commercial loans by interest rate (March 31, 2026)

Fixed rate	41%
Variable rate	59%
Short-term prime	21%
Market-based loans	38%

Personal loans (average)

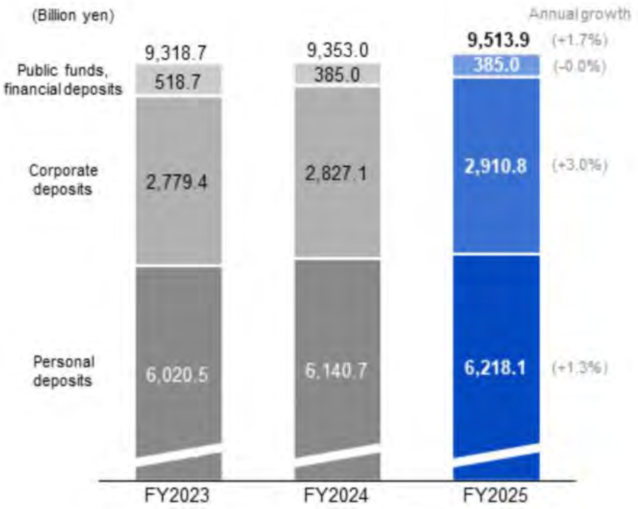
Home loan breakdown by interest ratee (March 31, 2026)

Fixed rate	24%
Variable rate	76%

Hiroshima Bank nonconsolidated

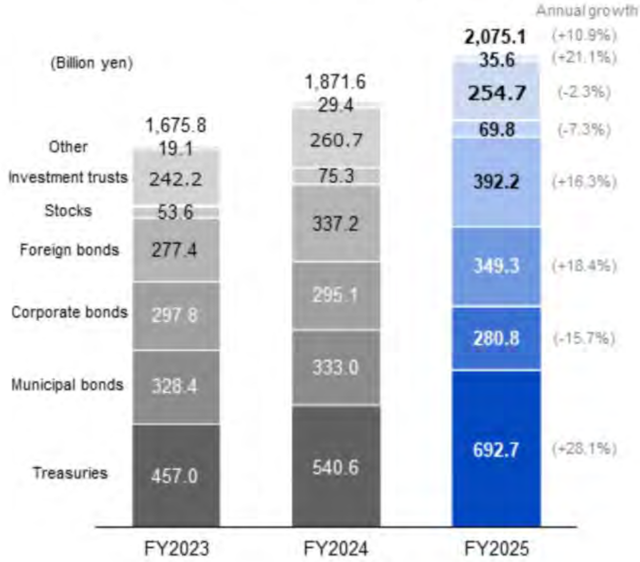
Deposits, etc. (average), securities (average)

Deposits, etc. (average)



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

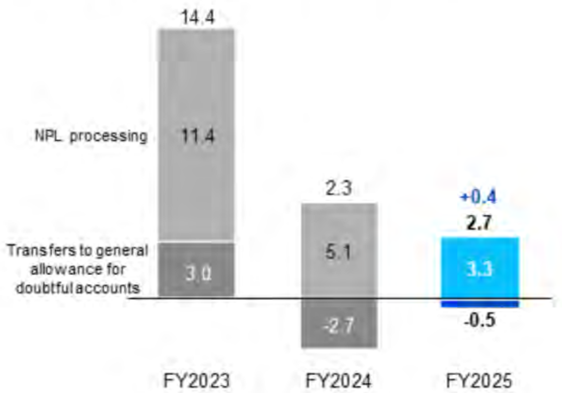
Securities (average)



Credit costs, NPLs

Hiroshima Bank nonconsolidated

Credit costs, credit cost ratio



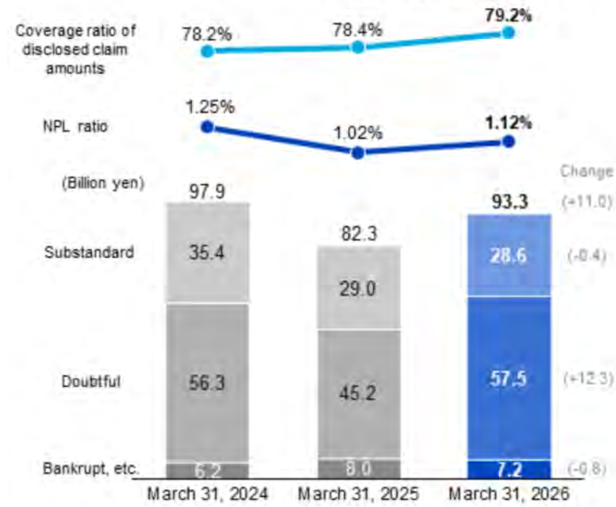
	FY2023	FY2024	FY2025
Credit cost ratio*	0.18%	0.02%	0.03%

* 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

NPL ratio = Figures for claims disclosed under the Act on Emergency Measures for the Revitalization of the Financial Functions / Total credit

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



Results for major Group companies – Excluding Hiroshima Bank –

Results for major Group companies

Financial consolidated subsidiaries	Hirogin Securities	Total assets under management	March 31, 2025 985.3 billion yen	➡	March 31, 2026 1.19 trillion yen	vs. March 31, 2025 (+204.7 billion yen)
	Hirogin Lease	Business assets (Total of lease assets, installment claims, and sales loans)	March 31, 2025 90.8 billion yen	➡	March 31, 2026 93.7 billion yen	vs. March 31, 2025 (+2.9 billion yen)
	Shimanami Servicer	Claims collections	FY2024 400 million yen	➡	FY2025 700 million yen	vs. FY2024 (+300 million yen)
	Hirogin Capital Partners	Amount invested (Total of fund and principal investment)	March 31, 2025 5.0 billion yen	➡	March 31, 2026 10.6 billion yen	vs. March 31, 2025 (+5.6 billion yen)
	Hirogin Credit Service	Guarantee balance	March 31, 2025 1,093.3 billion yen	➡	March 31, 2026 1.17 trillion yen	vs. March 31, 2025 (+76.7 billion yen)
	Hirogin Life Partners Established January 2024, with operations starting in July	Number of financial instruments brokerage accounts Cumulative total since July 2024	March 31, 2025 94 accounts	➡	March 31, 2026 293 accounts	vs. March 31, 2025 (+199 accounts)
Nonfinancial consolidated subsidiaries	Hirogin Human Resources Established April 2021	Number of companies with whom consulting contracts concluded	March 31, 2025 142 companies	➡	March 31, 2026 152 companies	vs. March 31, 2025 (+10 companies)
	Hirogin Area Design Established April 2021	Number of orders received Cumulative total since April 2021	March 31, 2025 115 orders	➡	March 31, 2026 164 orders	vs. March 31, 2025 (+49 orders)
	Hirogin IT Solutions Made subsidiary January 2021	Number of contracts concluded Cumulative total since January 2021	March 31, 2025 694 contracts	➡	March 31, 2026 902 contracts	vs. March 31, 2025 (+208 contracts)

Disclaimer

This document contains statements related to the future, including forecasts, outlooks, and plans concerning Hirogin Holdings, Inc. ("the Company" hereinafter) and its group companies ("the Group" hereinafter).
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 were made in preparing these statements. These statements and assumptions are subjective in nature and may prove to be inaccurate or may fail to materialize in the future. Various uncertainties and risks may lead to such outcomes. Please refer to the Company's financial results, securities reports, and integrated reports for additional information on these. In addition, future-oriented statements within this document are, as stated above, based on information deemed reasonable as of the date of this document or of any separately specified date. The Company has neither the obligation nor enforces a policy to update such information when changes occur. Any information contained in this document regarding companies or entities other than the Company or the Group has been obtained from publicly available sources. The Company has verified neither the accuracy nor the appropriateness of such information and makes no guarantees regarding its accuracy or appropriateness.

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