

Overview of Financial Results for FY2025 1H

– IR Presentation –

November 25, 2025



Hirogin Holdings, Inc.



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Today's agenda

Results

FY2025 interim net income attributable to owners of the parent was **20.3 billion yen**; consolidated ROE was **7.7%**.

Planned

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%**.

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

Status of initiatives

We made steady progress in the priority sectors of corporate solutions, the regional development business, ship finance, and securities asset management.

We are striving to strengthen income generation capabilities by boosting out risk-taking capacity through the issue of senior bonds by Hirogin Holdings and a capital increase in Hiroshima Bank, aiming for a consolidated **ROE of 10%**.

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- In the first half of FY2025, net income attributable to owners of the parent was 20.3 billion yen, while consolidated ROE was 7.7%.
- In FY2025, net income attributable to owners of the parent is projected to be 40 billion yen, reaching a record high for the second year in a row. Consolidated ROE is expected to be 7.8%.
- Mid-Term Plan 2024 calls for a consolidated ROE of 9.5% or higher.
- We will raise our risk-taking capacity by enhancing efforts in priority fields and deploying capital policies through the issue of bonds, targeting a consolidated ROE of 10%.

I. Highlights of financial results for FY2025 1H

Overview of financial results for FY2025 1H

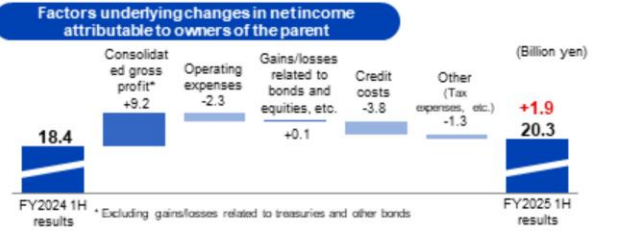
- ▶ Interim net income attributable to owners of the parent is 20.3 billion yen, up 1.9 billion yen year on year.
- ▶ We made steady progress in the first half toward 51% of the full-year forecast of 40.0 billion yen.

(Billion yen)				
	FY 2025 1H	YoY	(Change rate)	vs. Announced
Consolidated gross profit (excluding gains/losses related to treasuries and other bonds)	64.8	9.7	(17.6%)	
	1 66.7	9.2		
Net interest income	50.5	9.4		
Income on service transactions and other fees	12.8	0.3		
Income from specific transactions and other businesses (including gains/losses related to treasuries and other bonds)	1.4	0.0		
	2 -1.8	0.6		
Operating expenses	(-) 33.8	2.3		
	3			
Credit costs	(-) 3.3	3.8		
	4			
Gains/losses related to equities, etc.	2 1.4	-0.5		
Equity in earnings of affiliates	0.0	0.0		
Other	0.0	-0.5		
Ordinary profit	29.2	2.7	(10.2%)	1.7
Extraordinary gains/losses	-0.2	0.0		
Total income tax, etc.	(-) 8.6	0.7		
Interim net income attributable to non-controlling interests	(-) 0.0	0.1		
Interim net income attributable to owners of the parent	20.3	1.9	(10.7%)	1.3
(Ref.) Operating overhead ratio (*)	50.7%	- 4.1%		

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

Key points of financial results for FY2025 1H

- 1 Consolidated gross profit (excluding gains/losses related to treasuries and other bonds)**
 - Improvements in the difference on yields of deposits and loans and enhanced earnings from securities asset management led to sharp growth in the Bank's net interest income.
 - Group company earnings, centered on Hirogin Securities and Hirogin Lease, also contributed to higher income.
- 2 Gains/losses related to treasuries and other bonds**
 - Despite profits on sales of cross-shareholdings and pure investment holdings, we sold bonds and other instruments with low investment efficiency to improve the portfolio.
- 3 Credit costs**
 - Active investment in growth areas, primarily in human capital, digital transformation (DX), and IT initiatives
 - Topline growth powered improvement in operating expenses.
- 4 Net income attributable to owners of the parent**
 - Increased YoY in a rebound from the recording of gains on reversal from collection on large accounts in the previous year.
 - Despite the recording of sufficient and appropriate allowances based on the status of each customer, we enhanced management support initiatives, centered on the Management Support Office established this period.



- ▶ Interim net income attributable to owners of the parent is 20.3 billion yen, up 1.9 billion yen year on year. (This is up 1.3 billion yen from figures announced on May 12 at the start of the year.)
- ▶ We made steady progress in the first half to reach 51% of the full-year forecast of 40 billion yen.
- ▶ Key points of financial results for FY2025 1H.
 - ① Consolidated gross profit excluding gains/losses related to treasuries and other bonds**
 - The Bank's net interest income grew sharply due to various factors, including improvements in the difference on yields of deposits and loans and enhanced earnings from securities asset management.
 - YoY growth of 9.2 billion yen in earnings at Group companies other than the Bank, centered on Hirogin Securities and Hirogin Lease, also contributed.
 - ② Gains/losses related to treasuries and other bonds**
 - Alongside progress on replacing assets to achieve a securities portfolio capable of generating stable and ongoing high earnings from a medium- to long-term perspective, we recorded losses of 1.8 billion yen during the first half on sales of bonds and investment trusts with low investment efficiency. (YoY change: +0.6 billion yen)
 - 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 2.3 billion yen from the previous year.
 - Topline growth, centered on net interest income, powered a YoY improvement of 4.1 points in the operating expenses ratio.
 - ④ Credit Costs**
 - Increased by 3.8 billion yen YoY as a rebound from the recording of gains on reversal from collection on large accounts in the previous year.
 - We enhanced management support initiatives centered on the Management Support Office established this period while recording sufficient and appropriate allowances in light of the conditions of individual customers.
- ▶ Due to these initiatives, net income attributable to owners of the parent was 20.3 billion yen.

Results for major Group companies: Bank

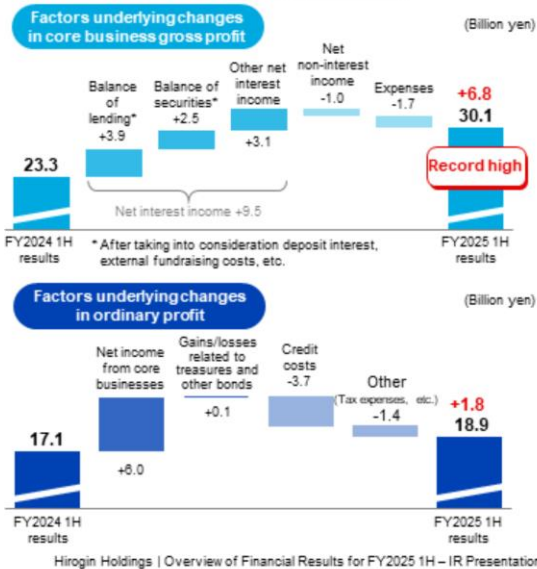
- ▶ Net income from core businesses (excluding gains/losses from cancellation of investment trusts) increased by 6.8 billion yen YoY to 30.1 billion yen, marking a new record high.
- ▶ Net income increased by 1.8 billion yen YoY to 18.9 billion yen.

Hiroshima Bank summary results

(Billion yen)

	FY2025 1H	YoY	(Change rate)
Core business gross profit	60.0	8.4	(16.4%)
Net interest income	50.7	9.5	
Net non-interest income	9.3	-1.0	
Corporate solutions	3.2	-0.6	
Asset management	1.8	-0.3	
Revenue from personal loans	1.6	0.2	
Other (domestic exchange, foreign exchange, etc.)	2.7	-0.3	
Expenses (excluding extraordinary disposal)	(-) 29.9	1.7	
Net income from core businesses	30.1	6.8	(28.9%)
Net income from core businesses (excluding gains/losses from cancellation of investment trusts)	30.1	6.8	(28.9%)
Gains/losses related to treasuries and other bonds	-1.8	0.6	
Effective net income from businesses	28.3	7.4	(35.0%)
Credit costs	(-) 2.9	3.7	
Gains/losses related to equities, etc.	1.4	-0.5	
Other temporary gains/losses	0.1	-0.8	
Ordinary profit	27.0	2.5	(9.8%)
Extraordinary gains/losses	-0.2	-0.1	
Total income tax, etc.	(-) 7.7	0.5	
Interim net income	18.9	1.8	(10.8%)

Factors underlying changes in core business gross profit and ordinary profit



- Net income from core businesses, and indicators of core business income, increased by 6.8 billion yen YoY to 30.1 billion yen, a new record high for the first half.
- Key factors were growth in the balance of lending and the balance of securities, with net interest income increasing by 9.5 billion yen YoY.
- Interim net income also increased by 1.8 billion yen YoY powered by positive performance.

Results for major Group companies: Excluding Hiroshima Bank

▶ The total net income for group companies was 1.542 billion yen, an increase of 187 million yen year on year, showing steady performance.

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)	FY2025 1H	YoY change	(Million yen)	FY2025 1H	YoY change	(Million yen)	FY2025 1H	YoY change	(Million yen)	FY2025 1H	YoY change	(Million yen)	FY2025 1H	YoY change
Gross income	2,673	304	Gross income	1,674	234	Gross income	315	-69	Gross income	126	44	Gross income	2,116	160
Ordinary profit	607	232	Ordinary profit	743	-61	Ordinary profit	57	26	Ordinary profit	34	30	Ordinary profit	990	29
Net income	412	166	Net income	504	-44	Net income	35	22	Net income	22	20	Net income	648	20
Hirogin Life Partners*			Hirogin Human Resources			Hirogin IT Solutions			Hirogin Area Design			Total net income for group companies*		
(Million yen)	FY2025 1H	YoY change	(Million yen)	FY2025 1H	YoY change	(Million yen)	FY2025 1H	YoY change	(Million yen)	FY2025 1H	YoY change	(Million yen)	FY2025 1H	YoY change
Gross income	21	20	Gross income	163	23	Gross income	407	-15	Gross income	43	28	Total net income for group companies	1,542	187
Ordinary profit	-5	33	Ordinary profit	5	34	Ordinary profit	-61	-12	Ordinary profit	-137	-52			
Net income	-4	23	Net income	2	29	Net income	-43	-13	Net income	-137	-45			

* Established January 2024, with operations starting in July

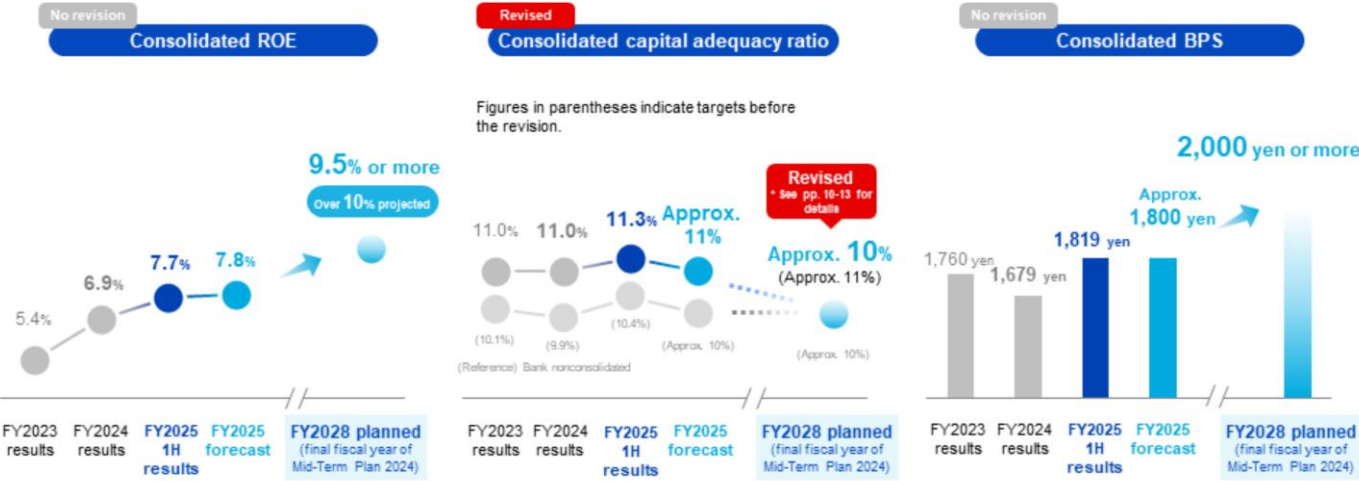
* Total amount obtained after multiplying interim net income for consolidated subsidiaries, etc. excluding Bank by ownership ratio

- Group companies other than the Bank also recorded favorable performance.
- The total net income for group companies was 1.542 billion yen, an increase of 187 million yen year on year.

Progress on Mid-Term Plan 2024: Group KPIs

- ▶ The Group is making steady progress according to plans on consolidated ROE and consolidated BPS.
- ▶ The consolidated capital adequacy ratio target has been revised as the Group will pursue additional risk-taking initiatives to enhance profitability through the issue of senior bonds.

Mid-Term Plan 2024 Group KPIs



- We achieved steady progress for all Mid-Term Plan 2024 KPIs.
- The Mid-Term Plan 2024 consolidated capital adequacy ratio target for FY2028 has been revised from about 11% to about 10%.

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

The Group is implementing various strategies to move toward its targets for regional revitalization KPIs in Mid-Term Plan 2024.

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)

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

The Group's initiatives

Involvement in community/ regional development projects

Involvement in public partnerships from scratch

Execution amount of environmental finance

Stimulating demand by enhancing dialogue with transaction counterparties

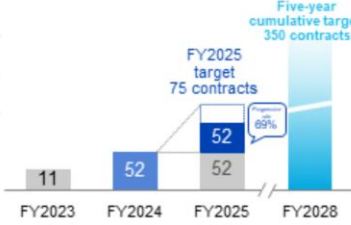
Cases of startup and VC support

Holding T SUNAGU Hiroshima 2025



HR referrals

Enhancing joint efforts with Hirogin World Business



Amount invested in tourism

Enhancing hotel development, cruise promotions, etc.



- I will share the Group initiatives to achieve KPIs for regional revitalization outlined in the Med-Term Plan 2024.
- While progress fell short of expectations, we plan to promote initiatives to achieve recovery in the second half.

II. Issue of senior bonds

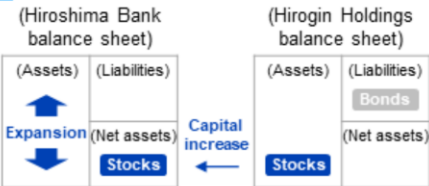
Expanding risk-taking capacity by issuing senior bonds

- ▶ We will expand our risk-taking capacity by increasing capital in Hiroshima Bank, a subsidiary, through the issue of Hirogin Holdings senior bonds and other measures.
- ▶ In addition to aggressive credit risk-taking in the region, we will switch to assets that offer higher earnings and efficiency (risk-asset control) to help improve RORA, aiming to strengthen our earning power.

Step 1 Issue of senior bonds by Hirogin Holdings

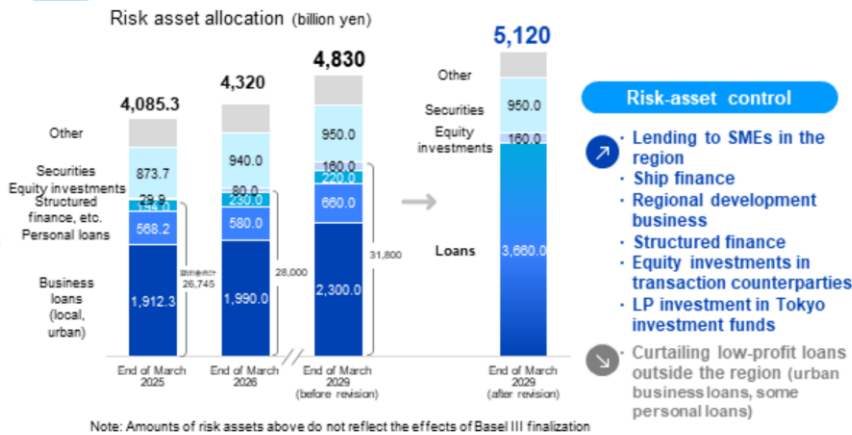


Step 2 Capital increase by Hirogin Holdings in Hiroshima Bank



Note: Bond payments and redemption will be allocated using Hiroshima Bank dividends.

Step 3 Expansion of risk-taking capacity



Enabling risk-taking on a scale of several hundreds of billions of yen (risk-asset basis)

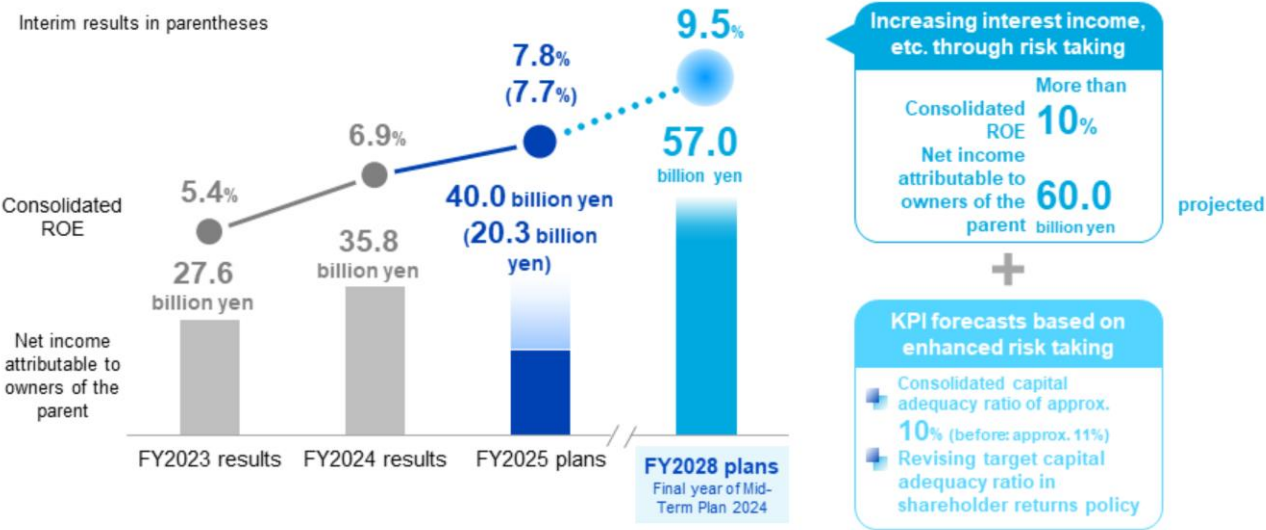
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- We will increase capital in the subsidiary Hiroshima Bank through this issue of senior bonds by Hirogin Holdings.
- Hiroshima Bank will use the increase in capital to proactively take credit risks.
- Specifically, in addition to lending to SMEs in the region, we will strengthen efforts in the priority fields of ship finance and structure finance related to the regional development business.
- We will also enhance equity investments to contribute to business success and to strengthen revitalization support for customer firms and support for startups.
- In the equity business, the Group aims to take a hands-on approach to raising the value of customer firms. We will also invest in Funds based in Tokyo to secure expertise on hands-on support and investment.
- At the same time, we will control risk assets based on the status of risk-taking for lending in urban markets and of personal loans and other low-profit loans.

Earnings targets for Mid-Term Plan 2024 and future prospects in response to issue of senior bonds

- ▶ In FY2028 (the final year of the Mid-Term Plan), to boost corporate value, we are targeting consolidated ROE of 9.5% or higher and net income attributable to owners of the parent of 57.0 billion yen.
- ▶ Based on risk-taking—specifically, the issue of senior bonds—we expect consolidated ROE to exceed 10%, and will revise the KPIs for Mid-Term Plan 2024 accordingly.

Interim results in parentheses

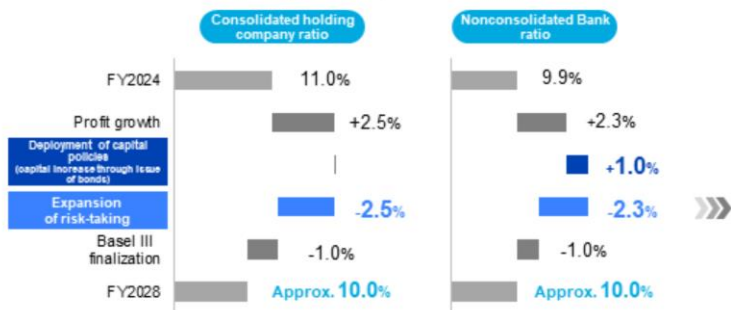


- Based on active credit risk-taking through bonds issues, we will aim to confidently achieve the Mid-Term Plan targets of 9.5% in consolidated ROE and 57 billion yen in net income attributable to owners of the parent.
- By focusing on loans and other transactions, we will continue to boost interest on loans. We expect consolidated ROE to exceed 10% and net income attributable to owners of the parent to exceed 60 billion yen.
- We will also revise the target capital adequacy ratio for the holding company and the shareholder returns policy.

KPI revisions in response to issue of senior bonds

▶ The KPI of the consolidated capital adequacy ratio for the holding company and the shareholder returns policy in the Mid-Term Plan 2024 have been revised since issue of senior bonds and other capital policies have made it possible to take risks to strengthen earnings power while maintaining financial soundness through enhancement of Hiroshima Bank's equity capital.

Balancing profitability and soundness through issue of senior bonds

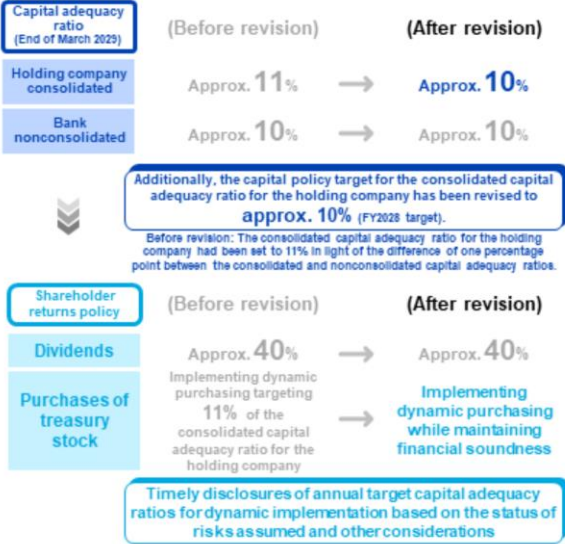


Allows risk-taking to enhance profitability while maintaining financial soundness through equity capital enhancements.

Capital policies through bonds issues and other measures will make it possible to secure a nonconsolidated Bank capital adequacy ratio of 10%, even after expanding risk-taking and implementing measures to reflect the effects of Basel III finalization.

Note: The effects of Basel III finalization consist mainly of adjustments associated with the fact that risk assets calculated through the internal rating method are below the capital floor (corresponding to 72.5% of risk assets calculated through the standard measurement method).

Revisions to the target consolidated capital adequacy ratio for the holding company and the shareholder returns policy

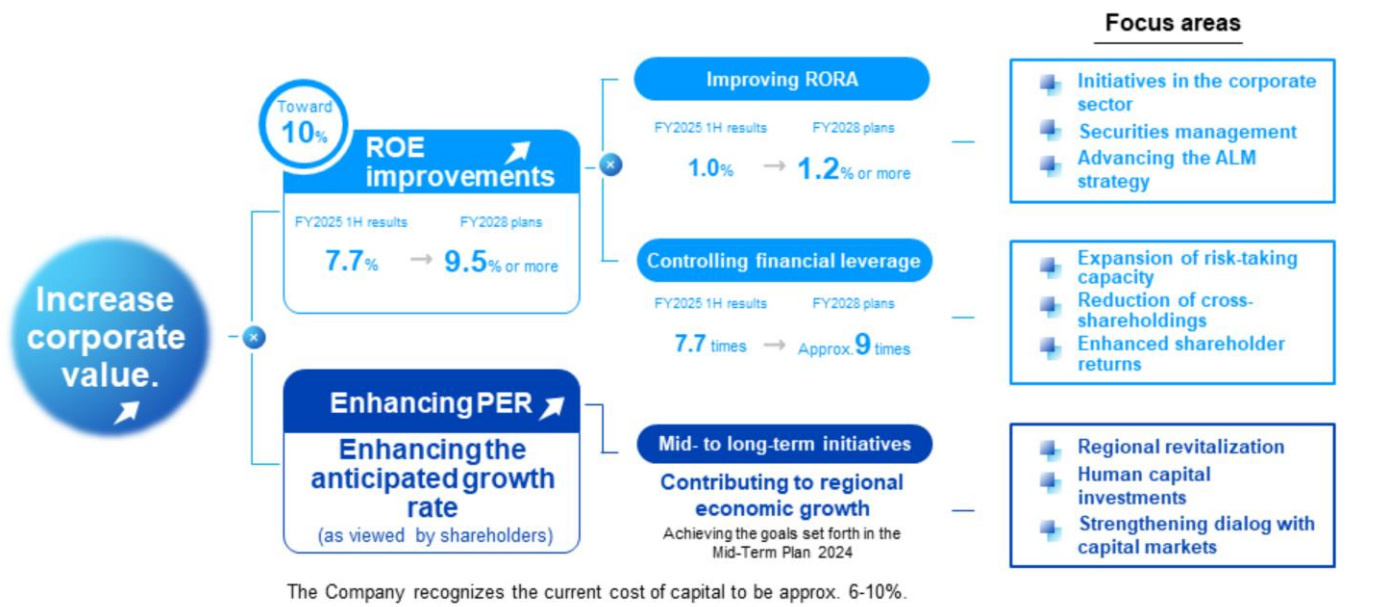


- The capital increase at the Bank achieved by issuing senior bonds will boost the Bank's nonconsolidated capital adequacy ratio.
- For this reason, we expect to achieve our target ratio of 10% at minimum for both the consolidated holding company and nonconsolidated Bank capital adequacy ratios.
- In light of these projections, we have revised our target consolidated holding company capital adequacy ratio for the final fiscal year of the Mid-Term Plan from 11% to 10%.
- As part of the shareholder returns policy, we have revised our policy on the acquisition of treasury stock to achieve a consolidated holding company capital adequacy ratio of about 11%.
- Despite the elimination of the capital adequacy ratio target, our capital management policy targeting the consolidated capital adequacy ratio remains unchanged.
- Regarding the acquisition of treasury stock, we will set annual capital adequacy ratio targets and implement a flexible approach to acquiring treasury stock. In doing so, we will consider various factors, including the status of the risks taken, and make timely disclosures of annual targets when issuing guidance and at other times.

III. Increasing corporate value

Increasing corporate value

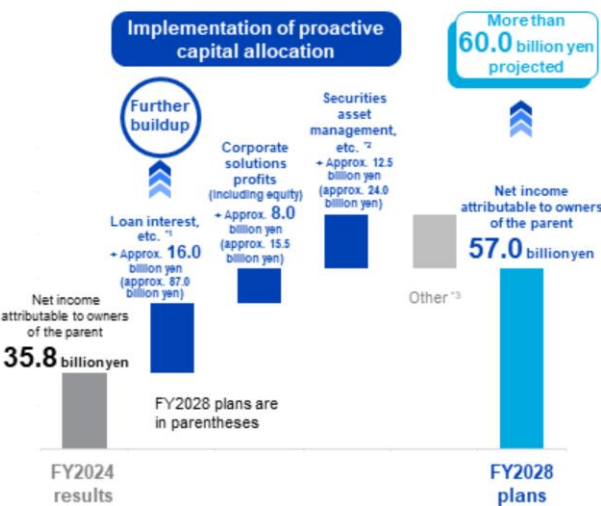
► To increase corporate value, the Group is promoting RORA improvements and strengthening financial leverage control to increase ROE.



- To increase PBR, in addition to reaching an ROE of 9.5% or higher, we expect this to rise above 10%.
- The Group is promoting improvement in RORA and strengthening financial leverage control.
- 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.

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

Mid-Term Plan 2024 profit plans



Details of profit plans

	FY2024	FY2025 1H	...	FY2028	vs. FY2024
Net interest income	85.9 billion yen	50.7 billion yen		121.5 billion yen	+35.6 billion yen
(Included) Loan interest, deposit interest, etc.	70.8 billion yen	50.3 billion yen		87.0 billion yen	+16.2 billion yen
(Included) Interest and dividends from securities	12.5 billion yen	9.8 billion yen		22.5 billion yen	+9.5 billion yen
Net non-interest income	20.5 billion yen	9.3 billion yen		26.5 billion yen	+6.0 billion yen
(Included) Corporate solutions	7.4 billion yen	3.2 billion yen		11.0 billion yen	+3.6 billion yen
(Included) Asset management	4.2 billion yen	1.8 billion yen		6.0 billion yen	+1.8 billion yen
Core business gross profit	106.5 billion yen	60.0 billion yen		148.0 billion yen	+41.5 billion yen
Expenses	57.5 billion yen	29.9 billion yen		66.5 billion yen	+9.0 billion yen
Net income from core businesses	49.0 billion yen	30.1 billion yen		86.5 billion yen	+37.5 billion yen
(Included) Credit costs	2.3 billion yen	2.9 billion yen		8.0 billion yen	+5.7 billion yen
Net income	32.9 billion yen	18.9 billion yen		52.0 billion yen	+19.1 billion yen
Nonbank					
Net income (Total)	3.0 billion yen	1.5 billion yen		4.8 billion yen	+1.9 billion yen
Net income attributable to owners of the parent	35.8 billion yen	20.3 billion yen		57.0 billion yen	+21.2 billion yen

*1 After deducting external fundraising costs (including deposits)

*2 After deducting external fundraising costs, including gain/loss on sale

*3 "Other" refers to all items other than the above.

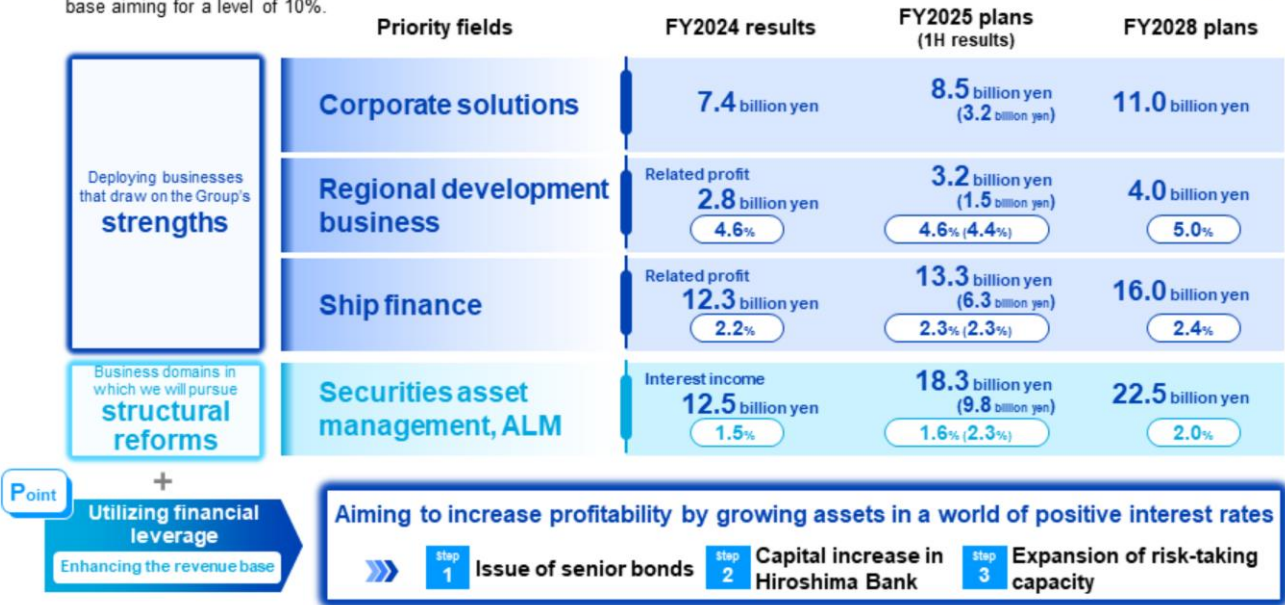
Notes: Loans: Average annual rate of 3% for business loans and personal loans
Rate at which loan interest follows policy interest rates: 80% long term, 50% short term for the short-term prime rate, 100% for market-linked and long-term fixed rates

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- For reference, this slide shows the Mid-Term Plan 2024 profit plans.
- We will seek to increase interest on loans still further through risk-taking initiatives in response to the issue of bonds. We expect net income attributable to owners of the parent to be 60 billion yen.

Profit plans in priority fields

- ▶ We will increase ROE by enhancing profitability through initiatives in priority fields.
- ▶ In addition to achieving an ROE of 9.5%, we will expand risk-taking capacity utilizing financial leverage, to enhance the revenue base aiming for a level of 10%. ○ ... RORA



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- This slide shows profit plans in priority fields.
- We have identified as priority fields areas in which we will engage in business by leveraging our strengths and areas in which we will promote structural reforms.
- We will make priority fields into drivers of profit growth by actively allocating personnel and risk assets.

Initiatives in priority fields: Corporate solutions

▶ The corporate solutions area, one of the group's key strengths, has continued to perform steadily.

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



Initiative details and numerical plans

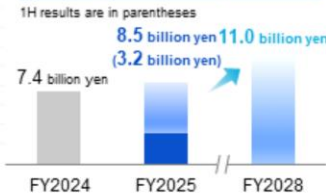
Enhancing solutions functions for regional firms

- Supporting business succession and growth M&As
Enhancement of business revitalization support conscious of industry reorganization and acquisition proposals for companies central to industry reorganization
- Expansion of domains in which solutions are provided
Enhancement of derivatives proposals, enhancement of finance for overseas corporations, enhancement of finance in SX domains

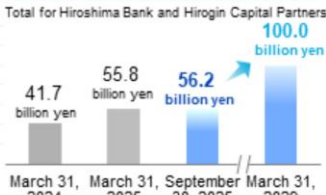
Expansion into new business domains

- Addressing growth M&As to connect overseas and urban markets with the local region
Incorporating projects outside of the region and overseas, through cooperation with funds in Tokyo and other partners
- Entering new domains through alliance transformation (AX)
Supporting manufacturing in cooperation with local public agencies and other industries, and regional innovation

Corporate solutions profit



Equity business investment balances



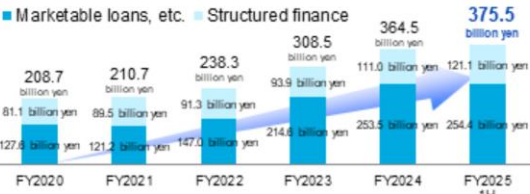
- This slide explains our initiatives in priority fields.
- The corporate solutions area, one of the group's key strengths, has continued to perform steadily.
- Specifically, to enhance solutions functions for regional firms, we will support business succession and growth M&A for purposes such as promoting industry reorganization in which the Group plays a central role, while also expanding the domains in which we provide solutions by enhancing cross-border loans and SX-related finance.
- Aiming to enhance profitability by meeting diverse customer needs, we will also promote growth in new business domains.
- We will promote mergers/acquisitions linked to urban and overseas markets with the local community in partnership with major urban GPs and other entities.
- In addition, drawing on partnerships with governments and major manufacturers in Hiroshima Prefecture, we will support diverse manufacturing industries through RM functions and promote regional innovation through support for startups.
- Through such initiatives, we will grow corporate solutions revenues to 11 billion yen by the final fiscal year of the Mid-Term Plan.

Initiatives in priority fields: Regional development business

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

Initiatives to date

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



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

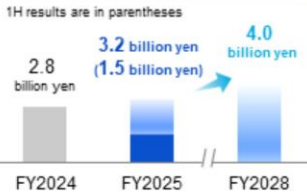
Initiative details and numerical plans

Expanding business development in the region

- ▶ **Involvement at the planning visualization (upstream) stage of redevelopment projects**
Increasing consulting fees from consulting for public and private development
- ▶ **Active debt finance services**
Growing profit through active risk taking in real estate-related finance
- ▶ **Studying asset management businesses to meet demand for real-estate securitization, etc.**
- NEW** ▶ **Planning to establish Hirogin Regional Advisors (an asset management firm for private real-estate investment funds)**

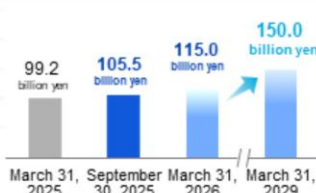
Expansion into new business domains

Profits related to the regional development business*



* Total of loan interest and fees

Balance of business loans in the regional development business



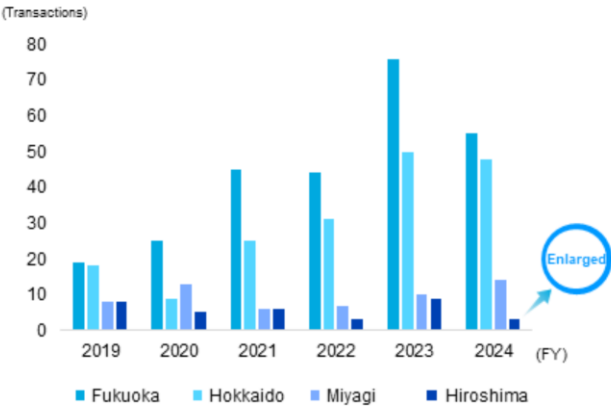
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- This slide concerns the regional development business.
- Numbers of redevelopment projects are increasing, as numerous office buildings and infrastructure in the city of Hiroshima and other major cities in the prefecture are approaching the redevelopment stage.
- In particular, the city of Hiroshima has many buildings built in the late 1960s-early 1970s, thus the market for the regional development business is expected to grow further in the future.
- Through urban development, the Group will seek to concentrate and enhance urban functions, enhance infrastructure, and make life more convenient, thereby creating employment and generating a virtuous cycle to stimulate the local economy.
- While the Group has long been active in the regional development business, our initiatives differ somewhat from traditional structured finance.
- The Group's strengths include its capacity to enable redevelopment reflecting regional issues and needs, as Hirogin Area Design and Hiroshima Bank participate in redevelopment planning from the upstream stage.
- To meet real estate liquidity needs centered on our customers, we have decided to establish Hirogin Regional Advisors to engage in real estate-related asset management.
- Through these real estate development project initiatives, we will enhance regional vitality and strengthen earnings by realizing communities that both residents and visitors to the region find appealing.

Initiatives in priority fields: Regional development business

- ▶ While Hiroshima's market size is limited at present compared to cities of similar size, the real-estate securitization market is expected to grow with increased redevelopment in the future, due to the large number of aged buildings in central Hiroshima.
- ▶ We plan to establish an asset-management firm to steadily meet this need.

Trend in acquisition of real estate eligible for securitization (by prefecture)



Reference: FY2024 results for other major urban areas: Tokyo 559, Osaka Prefecture 147, Aichi Prefecture 62
Note: The acquisition figures above are for REITs and special real estate partnerships and do not include other private funds
Source: Ministry of Land, Infrastructure, Transport and Tourism, "FY2024 Real-Estate Securitization Fact-Finding Survey"

NEW Establishment of Hirogin Regional Advisors (April 2026)

An asset management firm for private real-estate investment funds

Main lines of business (planned to begin business in July 2026)

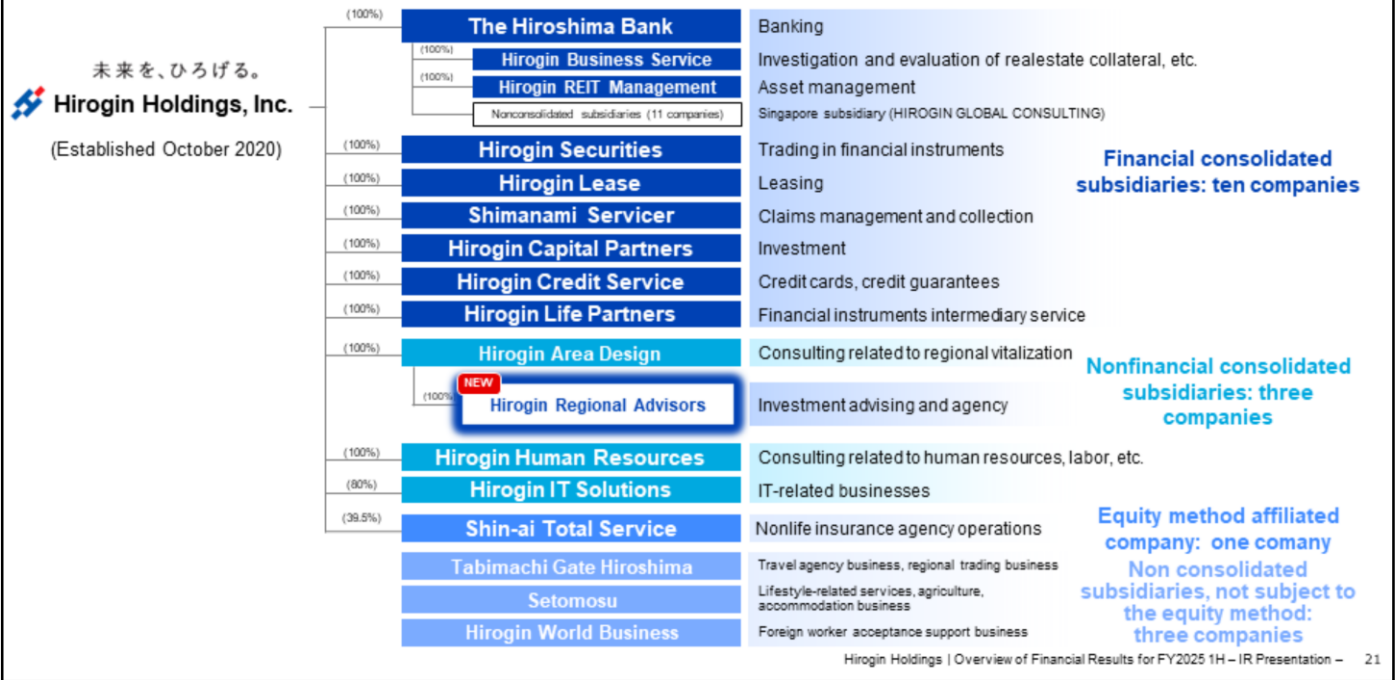
- | | |
|---------------------|---|
| 01 Structuring | <input type="checkbox"/> Investment strategy proposal and structure design
<input type="checkbox"/> Various types of due diligence
<input type="checkbox"/> Design and document preparation for various contracts |
| 02 Asset management | <input type="checkbox"/> Reporting on status of asset management to investors and financial institutions |
| 03 Sale | <input type="checkbox"/> Sale decisions |

Point Establishment of the new company will result in a structure in which the Group can be involved in various phases of redevelopment projects



- This slide looks at Hirogin Regional Advisors.
- Compared to the other major regional cities of Sapporo, Sendai, and Fukuoka, the real estate securitization business has not progressed as much in the region's central city of Hiroshima.
- Numerous buildings in central Hiroshima are aging, and redevelopment projects are expected to grow in the future.
- The real estate securitization market is likewise expected to grow.
- We plan to establish an asset management firm to meet such demand.
- Specifically, we will support operations ranging from investment strategizing based on structural design to organizing various due diligence initiatives, asset management, and sales.
- The new company, Hirogin Regional Advisors, will support area design in the development planning stage, provide support from regional advisors during commercialization, and manage REITs once the projects are in use based on a structure capable of supporting diverse phases of redevelopment.
- We will enhance earnings power by providing nonfinancial solutions to future redevelopment projects in Hiroshima.

(Reference) Group structure



➤ With the establishment of this new company, we will be able to provide a wide range of solutions through 11 financial and six nonfinancial affiliates.

Initiatives in priority fields: Ship finance

▶ We will build further strengths in ship finance by steadily responding to customer financing needs through flexible finance to meet customer needs.

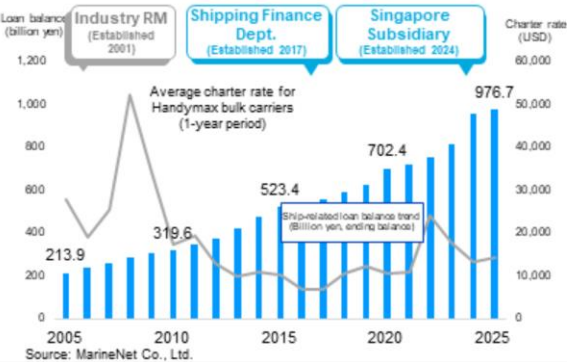
Initiatives to date

Global ship finance balance ranking by financial institution (2024)

Second among regional banks
Fourth among Japanese banks
19th in the world

Source: Petrofin Research

Ship-related loan balance trend (ending balance)



Initiative details and numerical plans

Support for ship-building

- Flexible finance to meet customer needs**
Funding for next-generation shipbuilding and replacement projects
Response to calls for funding capital investments expected to accelerate as the government seeks to double shipbuilding capacity
- Providing nonfinancial services to meet increasingly diverse customer needs**
Support for overseas advancement (e.g., development of rules and regulations for overseas representative staff) in cooperation with Hirogin Global Consulting (subsidiary in Singapore)
- Considering diversification of finance methods and new loan methods**
Advancing financing using unrealized gains on ships and ship appraisals and evaluations
Use of ship investment funds and establishing joint venture schemes, etc.

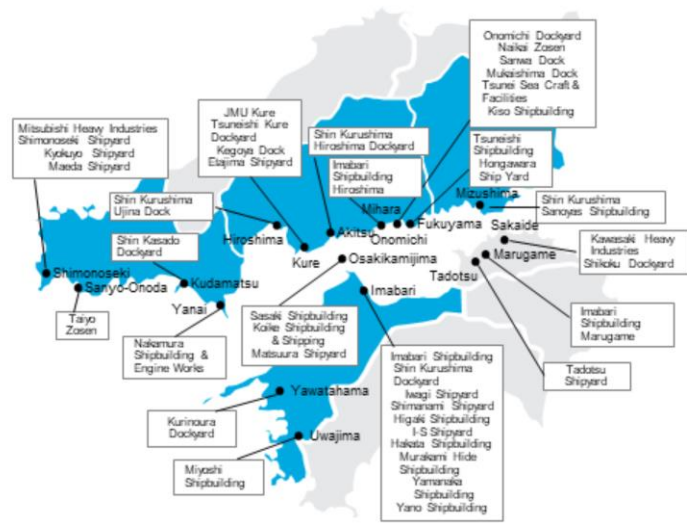
Support for marine shipping



- ▶ 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 these initiatives, we have become a financial institution with one of the world's highest ship finance balances.
- ▶ To continue to meet increasingly diverse customer needs, we will diversify financial methods and provide support through equity and investment funds.
- ▶ Since the shipbuilding industry is subject to priority investments by the Japanese government, we will address expected future growth in capital investment.
- ▶ Through such initiatives, by the final year of the Mid-Term Plan, we will increase ship-related finance to 1.1 trillion yen and related revenues to 16 billion yen.

(Reference) Impacts of government priority investments on major regional industries: Shipbuilding

Major shipyards in the four local prefectures



Toward revival of shipbuilding in Japan

- Announcing that the industry plans capital investments of 350 billion yen, the chair of the Shipbuilders' Association of Japan has called for the government to take various measures, including creating a fund to secure shipbuilding capacity*. (The government is expected to establish a fund of more than 1 trillion yen in the future.)
- A cluster accounting for about 40% of Japan's shipyards has been established along the Seto Inland Sea coast. Establishing this fund is expected to boost the industry's competitive strengths and lead to further and sustained growth and progress.

Shipbuilding and related industries in the four local prefectures

Prefecture	Sites (Percentage)	(Percentage)	Ships produced (billion yen)	(Percentage)
Hiroshima	367	(19%)	548.3	(15%)
Ehime	190	(9%)	443.7	(12%)
Okayama	61	(3%)	226.1	(7%)
Yamaguchi	58	(3%)	145.5	(4%)
Total for four local prefectures	676	(34%)	1,363.6	(39%)
Other prefectures	1,305	(66%)	2,146.1	(61%)
Total	1,981	(100%)	3,509.7	(100%)

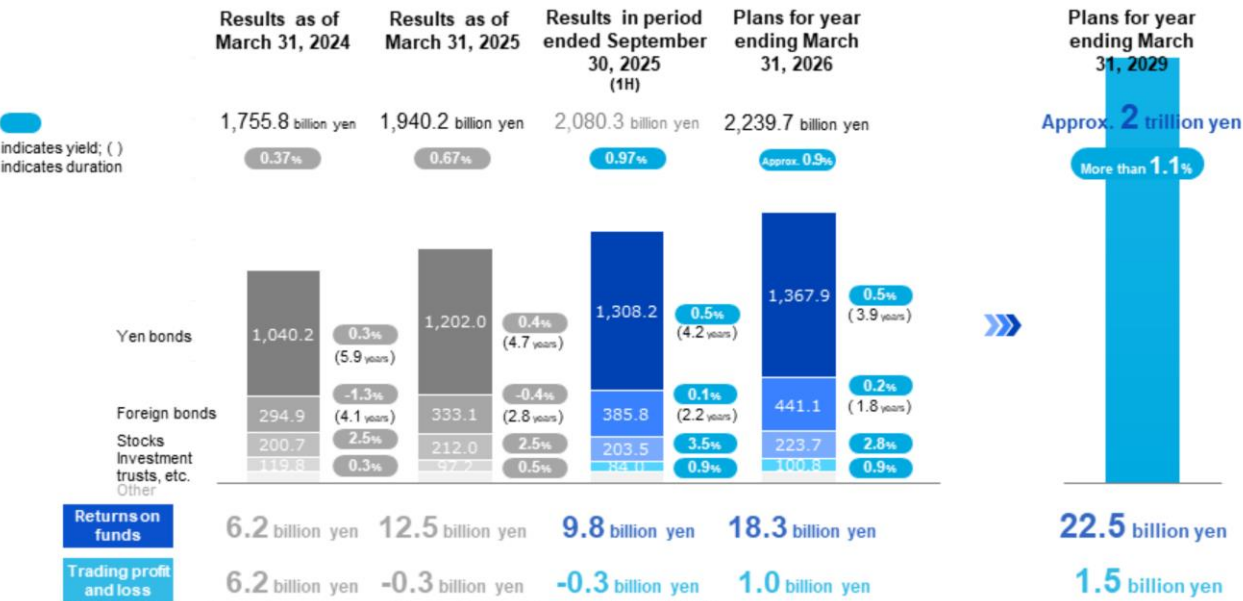
Assuming funds invested in proportion to the share of each of the Company's four local prefectures:
Capital investment of approx. 300-400 billion yen could be expected

* Request: Create a fund to enhance shipbuilding capacity, support for industry collaboration, and the development of systems to secure human resources and labor.
Source: 2024 Ministry of Economy, Trade and Industry survey

- The Japanese government has identified shipbuilding as an industry subject to priority investment. The chair of the Shipbuilders' Association of Japan has announced that the industry plans capital investment of 350 billion yen and called for the government to create a fund to secure shipbuilding capacity.
- In response, the government is expected to establish a fund of over 1 trillion yen.
- On the Seto Inland Sea coast, a cluster has formed that accounts for around 40% of Japan's shipyards. Establishing the fund is expected to strengthen industry competitiveness and generate sustained growth and progress.
- If the funds were invested corresponding to the share of our four local prefectures, we can expect capital investments of approximately 300-400 billion yen.
- We will take this opportunity to enhance earnings by demonstrating our strengths in ship finance.

Initiatives in priority fields: Securities asset management

▶ Making steady progress toward building a portfolio with a balance of 2 trillion yen and yields of more than 1.1%



Note: These figures are based on internal management figures. Balances are based on book values. Yield figures account for external fundraising costs; securities balances (total) include cross shareholdings; and investments, etc. include specified monetary trusts.

- Here you see our securities asset management initiatives.
- In securities asset management, we are seeking to build a portfolio with a balance of 2 trillion yen and a yield of 1.1% after deducting fundraising costs by the final year of the Mid-Term Plan.
- Recent steady progress in portfolio replacement is projected to result in improvements in net interest income of 18.3 billion yen with a yield of approximately 0.9% in FY2025.

Initiatives in priority fields: Securities asset management

► 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%.

Issues (As of September 2024)		Status of initiatives	Future policies
Overall policy	Asset management reflects a short-term approach and lacks a medium- to long-term perspective.	Implementing investments to achieve the targets for the final fiscal year of the Mid-Term Plan	Rebuilding the portfolio into one capable of securing stable, continuous high profitability from a medium-to long-term perspective
Portfolio	Yen bonds <ul style="list-style-type: none">□ Long durations, low yields□ Balances concentrated in specific maturities	□ Assuming rising interest rates, making investments to improve yields while shortening duration	□ Increasing yields by building a laddered portfolio while remaining conscious of duration
	Foreign bonds <ul style="list-style-type: none">□ Fixed rate bonds with negative spreads remain	□ Reducing fixed rate bonds with negative spreads and growing variable rate bonds less susceptible to fluctuations in fundraising costs	□ Investing chiefly in variable rate bonds to target stable returns
	Stocks, investment trusts, etc. <ul style="list-style-type: none">□ Goals of investing in stock assets (individual stocks, ETFs, etc.) are unclear□ Some poor-performing issues remain	□ Disposing of poor-performing issues in stages while investing in individual stocks aiming for dividends and unrealized gains	□ Putting risk assets to effective use and investing targeting excess returns from a medium-to long-term perspective
Asset management approach	Stance <ul style="list-style-type: none">□ Focusing on securing short-term gains under unclear investment policies□ Focusing on achieving single-year plans (formulating only single-year investment plans)	□ Formulating investment plans for multiple fiscal years (the coming three years), investing from a medium-to long-term perspective	□ Implementing investments with risk scenarios in mind while focusing on investments that promise strong and stable returns from the medium-to long-term perspective
	Structures, human capital <ul style="list-style-type: none">□ Inadequate development initiatives for market human resources□ Middle office in the Funds and Securities Division	□ Assigning human resources to priority fields, dispatching trainees to external firms	□ Maintaining strategic staff assignments and the active dispatch of trainees to external firms * Staff: increasing by seven persons; Investment in training: at least 180 million yen (during Mid-Term Plan period)
	Governance <ul style="list-style-type: none">□ Capital allocation not implemented from a medium-to long-term perspective□ Inadequate sharing of issues with management regarding securities asset management	□ Expanding capital allocation from a medium-to long-term perspective	□ Continuing to share the status of portfolio rebuilding and other information with management information

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- Until now, asset management has reflected only a short-term approach and has lacked a medium- to long-term perspective.
- Allocation of risk assets to securities has been limited due to the emphasis on prioritizing credit risk-taking in regional lending.
- In addition, since the 2008 financial crisis, we have enhanced risk management to focus asset management on interest risk that emphasizes liquidity and stability.
- We are formulating policies and strengthening our approaches to rebuild the portfolio into one capable of securing stable, continuous high profitability from a medium- to long-term perspective.

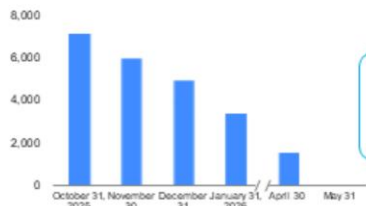
Initiatives in priority fields: ALM

- ▶ Excluding loans to the government, the ratio of deposits to loans remains at a reasonable level of 73.8%.
- ▶ We will continue to shift toward more profitable business loans while monitoring the ratio of deposits to loans.

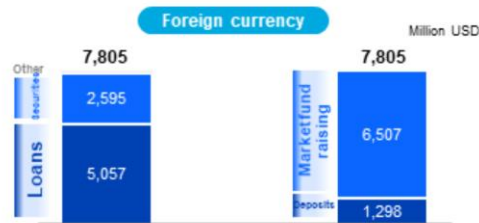
Balance sheet (September 30, 2025)



Plans to reduce loans to the government



Shifting toward more profitable business loans while considering the ratio of deposits to loans



Reference: RORA trends



Note: RORA is calculated based on the spread for loan interest and on interest and dividends received for securities, without considering expenses.

- The Group’s ratio of deposits to loans at the end of September 2025 in yen was 76%.
- However, yen loans include about 800 billion yen in loans to the government.
- Excluding loans to the government, the ratio of deposits to loans remains at a reasonable level of about 74%.
- Going forward, we will reduce the balance of loans to the government and shift to more profitable business loans while monitoring the ratio of deposits to loans to enhance profitability.

Initiatives in priority fields: ALM (Securing deposits)

▶ In addition to strengthening relationships with key customers while avoiding excessive competition on interest rates, we will strive to increase deposits by targeting testamentary trusts and promoting sports in the local Hiroshima area.

Initiative details and numerical plans

(Basic concept)

Maintaining and growing deposits from key customers while controlling rising deposit costs (avoiding excessive competition on interest rates)

Personal deposits

- Strengthening efforts to secure deposits through consulting for wealthy customers on trusts and other instruments
- Enhancing personal deposits by strengthening home loans and other basic transactions
- Deploying time deposit instruments and campaigns to secure new deposits

Corporate deposits

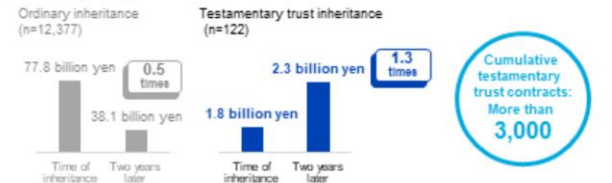
- Securing an appropriate share of deposits in light of our share of lending
- Strengthening relationships with pure depositors
- Using the business portal to capture demand for settlement functions

Hiroshima Bank: Trend in balances of deposits: Average balance



Distinctive initiatives

Enhancing testamentary trusts to enhance deposits (yields after inheritance)



Time deposit promotional campaigns based on the strong interest in sports in the region



- This slide looks at securing deposits.
- The basic idea is to prevent deposit outflows and expand deposits by capturing deposits from other banks while tolerating a certain degree of an interest premium for key customers and large customers, while also appropriately controlling increases in deposit costs and avoiding excessive competition on interest rates.
- An issue in personal deposits is the outflow of deposits after inheritance. Accordingly, we will use testamentary trusts that increase deposit retention rates after inheritance to secure deposits.
- Our cumulative total number of testamentary trust contracts exceeds 3000, and we will secure more in the future.
- In addition, professional sports are very popular in Hiroshima, and we are deploying promotional campaigns for time deposits reflecting the region's high interest in sports.
- For corporate deposits, we will steadily secure an appropriate share of deposits in light of our share of lending and strengthen relationships with pure depositors.

Financial leverage: Revised thinking on capital policies

- ▶ We have revised our thinking on capital policies in response to the revised consolidated capital adequacy target.
- ▶ We will implement management reflecting capital adequacy levels, targeting a consolidated capital adequacy ratio of about 10% (FY2028 target).

Basic concept



Disclosing annual targets as appropriate

FY2025 targets	
Holding company consolidated	Approx. 11%
Bank nonconsolidated	Mid-10% range

Shareholder returns policy



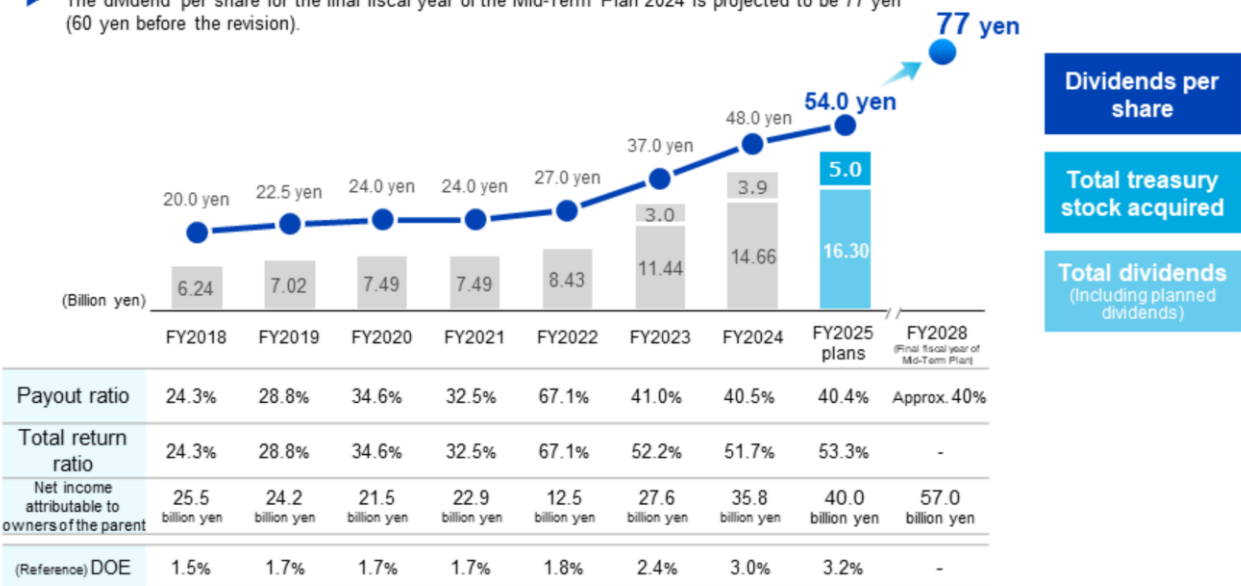
If the Bank can maintain a nonconsolidated capital adequacy ratio of approximately 10%, both the holding company consolidated and Bank nonconsolidated ratios can be maintained at or above regulatory levels, even under an economic downturn.

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- We have partially revised our policy on capital policies to reflect recent revisions in the holding company consolidated capital adequacy ratio target after the bonds issue.
- Until now, we've implemented capital policies targeting a holding company consolidated capital adequacy ratio of about 11% each year.
- While there will be no change in the practice of targeting the holding company consolidated capital adequacy ratio, we will disclose annual targets as appropriate.
- The FY2025 targets are a holding company consolidated capital adequacy ratio of about 11% and a Bank nonconsolidated capital adequacy ratio in the mid-10% range.
- As announced in May, we have acquired 5 billion yen in treasury stock.

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).



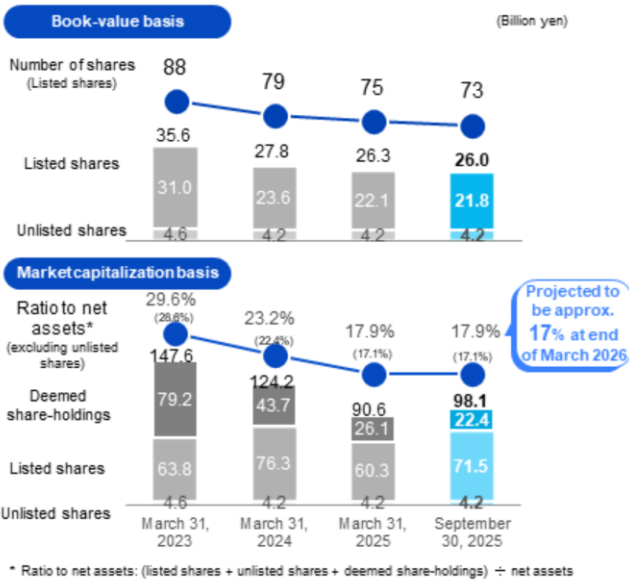
Note 1: Hirogin Holdings was established on October 1, 2020. The figures shown for FY2020 represent totals paid by Hiroshima Bank, including interim dividends of 12 yen per share (3,748 million yen in total).
Note 2: DOE is calculated as total dividends / equity capital (initial, ending average).

- 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.
- DOE is shown for reference. DOE has recently been reasonable, exceeding 3%.
- 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.

Financial leverage: Reducing cross-shareholdings

▶ 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



Targets for reducing cross-shareholdings

Basic policy on cross-shareholdings

- ❑ Our basic policy calls for refraining from cross-shareholdings unless such holdings contribute to the progress of the regional economy (the four local prefectures) or add to the Group's corporate value.
- ❑ We will maintain dialogue related to reducing shareholdings in companies with no strong links to the local region.

Reduction target (End of March 2029) **Less than 15% of consolidated net assets (MTM basis)**

Reference: Status of cross-shareholdings (listed) by category

As of September 30, 2025	Number of stocks	Market capitalization
Local counterparties	55 stocks	58.5 billion yen
Other counterparties	18 stocks	13.0 billion yen
(Total)	73 stocks	71.5 billion yen

Reference: Overview of share sales (implemented July 2025)

Shares sold	12,367,900 shares (of which OA 1,500,000 shares)
Sellers	Financial instructions (including nonlife insurers)
Eliminating cross-shareholdings with nonlife insurers	

- We are making steady progress on reducing cross-shareholdings. As of the end of September 2025, the total balance of listed, unlisted, and deemed shareholdings on an MTM basis accounted for about 18% of consolidated net assets. Current plans call for this figure to be about 17% at the end of March 2026.
- We will continue to reduce cross-shareholdings based on discussions with issuers, targeting a figure of less than 15% by the end of March 2029, the final fiscal year of the Mid-Term Plan.
- Sales of shares in June 2025 have eliminated cross-shareholdings with nonlife insurers.

IV. Performance projections (FY2025)

FY2025 performance projections

- ▶ Net income attributable to owners of the parent is expected to reach 40 billion yen, marking a record high for the second consecutive year.
(Unchanged from figures announced at start of year)

FY2025 performance forecasts

(Billion yen)

	1H results	FY2025 performance forecast	YoY change
Ordinary profit	29.2	57.0	4.9
Net income attributable to owners of the parent	20.3	40.0	4.2

Reference: FY2025 nonconsolidated forecast for Hiroshima Bank

(Billion yen)

	1H results	FY2025 performance forecast	YoY change
Net interest income	50.7	97.5	11.6
Net non-interest income	9.3	21.0	0.5
Core business gross profit	60.0	118.5	12.0
Expenses (-)	29.9	61.5	4.0
Net income from core business	30.1	57.0	8.0
Gains/losses related to securities, etc.	-0.3	1.0	1.7
Credit costs (-)	2.9	7.0	4.7
Ordinary profit	27.0	52.0	4.3
Net income	18.9	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 1.60%
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

Performance and shareholder returns



* Of the 5 billion yen in treasury stock repurchased, 1 million shares have been disposed of through a third-party allotment to support the Hiroshima Museum of Art. As a result, the effective amount of the treasury stock repurchase is estimated to be 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.
- Performance forecast scenarios reflect an assumed BoJ policy interest rate of 0.5%.
- The total return ratio, including the treasury stock acquisition announced on May 12, 2025, stands at 53.3%.

V. Conclusions

Today's summary

Strong business performance

- ❑ Interim net income attributable to owners of the parent was 20.3 billion yen, up 1.9 billion yen YoY.
- ❑ 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%.

Efforts toward profit KPIs of Mid-Term Plan 2024

- ❑ Expanding risk-taking capacity through capital policies (e.g., issue of senior bonds by the holding company, capital increase in the Bank) intended to strengthen the revenue base not merely to achieve Mid-Term Plan 2024's consolidated ROE target of 9.5%, but to reach a level of around 10%.
- ❑ Asset replacement and expansion to achieve the profit KPIs.

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. (DOE: approx. 3.2%)
- ❑ The total payout ratio is expected to exceed 50%.

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➤ Lastly, a summary of today's presentation.

➤ Business performance:

- Interim net income attributable to owners of the parent was 20.3 billion yen, up 1.9 billion yen YoY.
- At 40 billion yen, net income attributable to 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 of Mid-Term Plan 2024

- In addition to reliably achieving Mid-Term Plan 2024's consolidated ROE target of 9.5%, we will expand our risk-taking capacity through capital policies (e.g., issue of senior bonds by the holding company, capital increase at the Bank) to strengthen our earnings base, with a view to reaching an ROE level of around 10%.
- Asset replacement and expansion to achieve the profit KPIs.

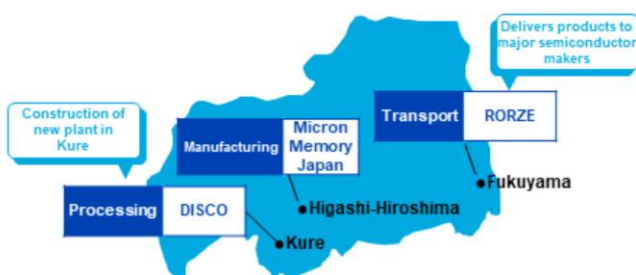
➤ Shareholder returns

- Following FY2024, a shares repurchase of 5 billion yen is planned to be carried out.
- In addition, in line with record revenues, the dividend per share for FY2025 is expected to reach a record high of 54 yen. The total payout ratio is expected to exceed 50%.

Appendix ①

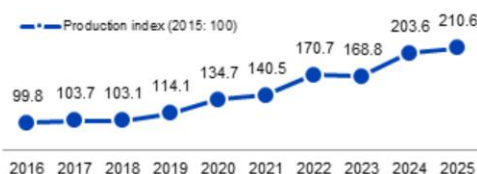
Impact of priority government investment on leading industries in the region: Semiconductors

The semiconductor industry in Hiroshima Prefecture



Development of an integrated value chain from manufacture through processing and transport

Production index of the electronics components and devices industry (Hiroshima Prefecture)



Note: Figures for 2025 are for January-February (source: Hiroshima Prefecture).

Proactive investments are underway at the Micron Memory Japan Hiroshima Plant.

- Micron Memory Japan is expanding its facilities at the Hiroshima Plant (in the city of Higashi-Hiroshima) with plans to mass-produce next-generation memory semiconductors for various markets, including generative AI, high-speed image processing, and automated driving.

Plans for the Micron Memory Japan Hiroshima Plant (Higashi-Hiroshima)

Main products	Next-generation DRAM
Production capacity	Equivalent to 40,000 12-inch wafers/month
Initial investment	April 2025
Equipment installation	April 2026-FY2029
Initial shipment	2028 4Q
Products delivered to	Automotive, medical devices, infrastructure, data center, 5G, security, and other industries
Capital investment	Approx. 1.5 trillion yen
Maximum government subsidies	536.0 billion yen

Expected results of large-scale investments

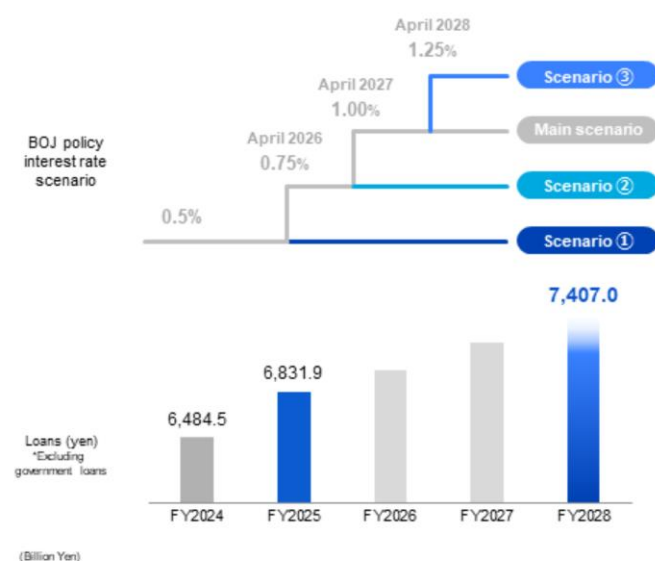
Increase in employees	Increase of approx. 800 Micron Memory Japan employees (from approx. 4,400 at the end of September 2025 to approx. 5,200 in FY2029)
Infrastructure improvements	Residential and living (medical, commercial) facilities, logistics facilities, transportation infrastructure expansion water construction
Suppliers coming to the region	Semiconductor equipment, materials, and facility maintenance firms (from Taiwan) coming to the region

Total population of Higashi-Hiroshima to grow by **23,000** people
(from 197,000 in 2022 to 220,000 in 2050)

Source: Ministry of Economy, Trade and Industry; city of Higashi-Hiroshima
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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)

Scenario	Net Interest Income (Billion Yen)	Interest on loans	Interest on deposits	Other asset management and fundraising
Scenario ① 0.50% * Remain unchanged	111.0 billion yen (-105)	114.0	25.0	-0.5
Scenario ② 0.75% * Since April 2026	117.5 billion yen (-40)	129.0	35.5	1.5
Main scenario 1.00% * Since April 2027	121.5 billion yen (±0)	140.0	45.0	4.0
Scenario ③ 1.25% * Since April 2028	123.5 billion yen (+20)	146.5	51.5	6.0

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

(Reference) Single-year impact of change in policy interest rates

Policy interest rate of 0.75%	Approx. 4 billion yen increase
Policy interest rate of 1.00%	Approx. 8 billion yen increase

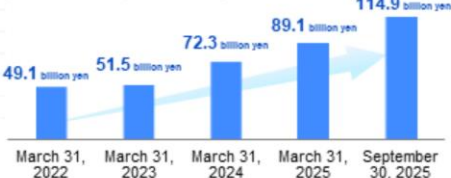
(Assumptions underlying estimates)

- Impact of one year of asset management while maintaining balances as of the end of September 2025 (reinvesting at same amount and interest type on redemption)
- Rate at which loan interest follows policy interest rates: 80% long term, 50% short term for the short-term prime rate, 100% for market-linked and long-term fixed rates
- Rate at which deposit interest follows policy interest rates: 40% of policy interest rate for liquid deposits, approx. 50% of long-term interest rate for time deposits etc.

Initiatives in the personal sector

Results through now

Trends in NISA balance for Hiroshima Bank and Hirogin Securities (MTM basis)



Trends in fund-wrap balance for Hiroshima Bank (MTM basis)



Initiative details and numerical plans

- Measures targeting existing customers
- Measures targeting new customers

- Advanced in-person consulting services
 - Enhancing profitability by sharing expertise and improving skills through the concentration of human resources at core branches
 - Advancing joint efforts between banking and securities functions using a goal-based approach; establishing a stock-based business model
- Initiatives to improve customer experience through partnerships
 - 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)
- Using Hirogin Life Partners to prevent the outflow of assets under management on inheritance

Projected to move into the black this fiscal year due to steady sales based on expanded joint efforts with alliance partners (Business commencement in July 2024)



Investment plans: Human capital investment and IT/DX investment

Human capital investment

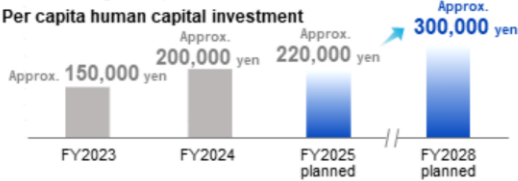
Large-scale revisions of HR systems

- Discontinuation of qualifications and senior post systems**
Revision to system enabling placement of the right people in the right posts and the flexible handling of promotions regardless of years and seniority
- Regular salary and initial salary revisions**
Regular salary increases, chiefly for younger employees
Reducing disparities among Group companies to improve Group solidarity and motivation

Annual total investment*: approx. 2.5 billion yen (pay increase of approx. 10% including bonuses)

Proactive investments in HR development

- Investments to develop the HR needed**
Proactive implementation of training to improve management skills, dispatching trainees to strengthen expertise, etc.



Note: HR systems were revised on April 1, 2025, at Hirogin Securities, Hirogin Lease, and Hirogin IT Solutions and on July 1, 2025, at Hiroshima Bank (initial pay revised April 1, 2025).

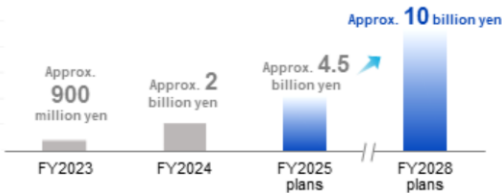
* Total of personnel costs, various allowances, etc.

Strategic IT / digital transformation (DX) investments for the future

Main investment domains

Field	Initiative details
Building and enhancing the management and sales bases	<ul style="list-style-type: none">Next-generation sales support systemMEJAR (cloud) migrationIntroduction of talent management system
Business efficiency improvements / cost-cutting	<ul style="list-style-type: none">Use of RPA, generative AI, etc.<ul style="list-style-type: none">Identifying and addressing issues in various plansContract translationHandling internal inquiriesPreparing applications for approvalUpdating home loan operationsImproving productivity of sales activities

DX investment (including IT investment centered on DX) trend



Enhancing Employee Engagement

Future Creativity Working Group
(Shadow board)

34 participants,
held **three times**

(cumulative total as of September 30, 2025)
Since FY2023 1H

Exchange of perspectives with outside directors

82 participants, held **14** times

(cumulative total as of September 30, 2025)
Since FY2023 1H

Reverse mentoring program

13 participants engaging **63** executives

(cumulative total as of September 30, 2025)
Since FY2023 1H

Town hall meetings

Approximately **1,360** participants, held **87** times

(cumulative total as of September 30, 2025)
Since FY2024 1H

Internal internship program

862 participants

(cumulative total as of September 30, 2025)
Since FY2022 1H

Cross-functional work experience

22 participants

(cumulative total as of September 30, 2025)
Since FY2023 1H

Post challenge program

42 positions filled out of **117** applicants

(Transferred in April and October 2025)

Employee stock ownership plan participation rate

80.3%

(As of September 30, 2025)

Appendix ②

(Explanatory materials on financial results)

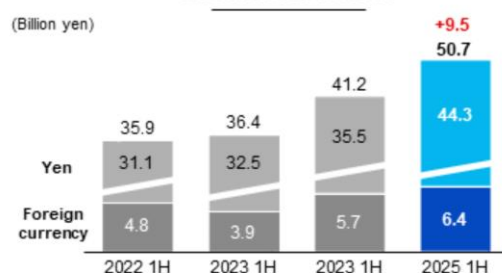
Net interest income

Hirogin Holdings
consolidated

Hiroshima Bank
nonconsolidated

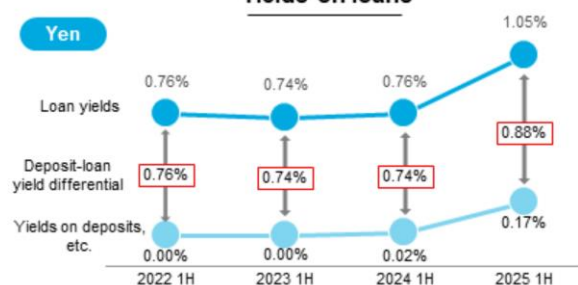
Net interest income

(Billion yen)



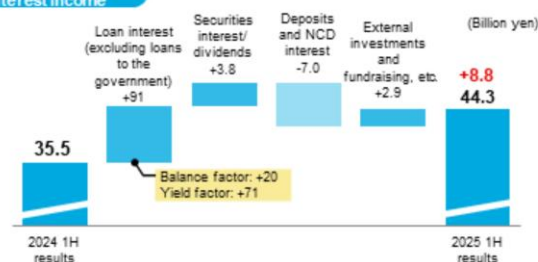
Yields on loans

Yen

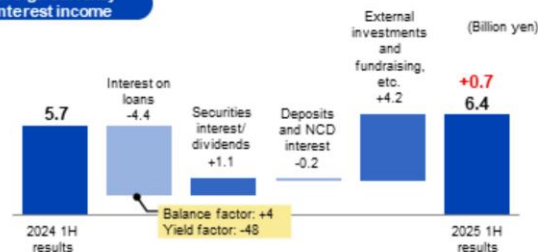


Factors contributing to changes in net interest income

Yen-denominated interest income



Foreign currency interest income



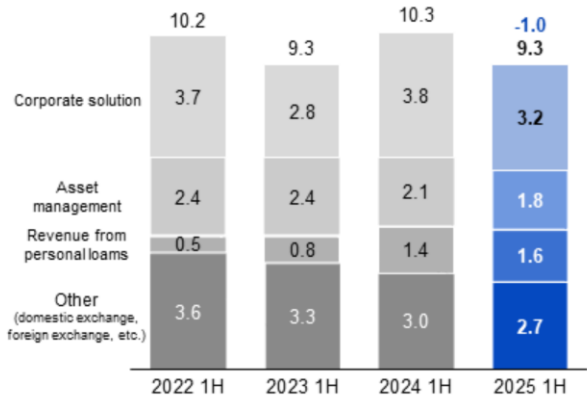
Hirogin Holdings | Overview of Financial Results for FY2025 1H – IR Presentation – 42

Net non-interest income

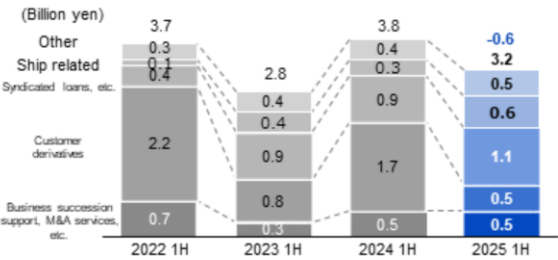
[Nonconsolidated] Net non-interest income

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)

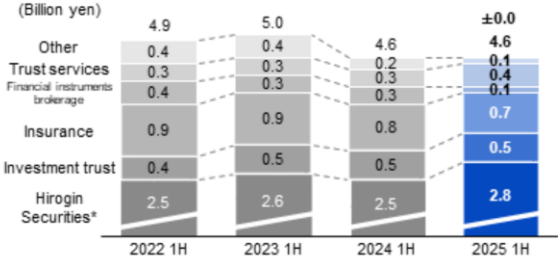
(Billion yen)



[Nonconsolidated] Corporate solution breakdown



[Holding company consolidated] Asset management breakdown (Hiroshima Bank and Hirogin Securities)



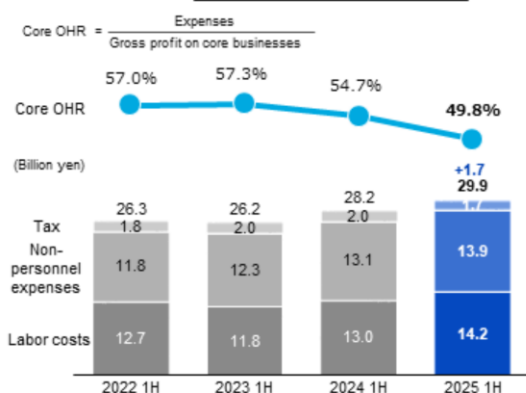
* Net operating revenue (after deducting intermediary fees paid to banks)

Expenses, core OHR, interim net income

Hirogin Holdings
consolidated

Hiroshima Bank
nonconsolidated

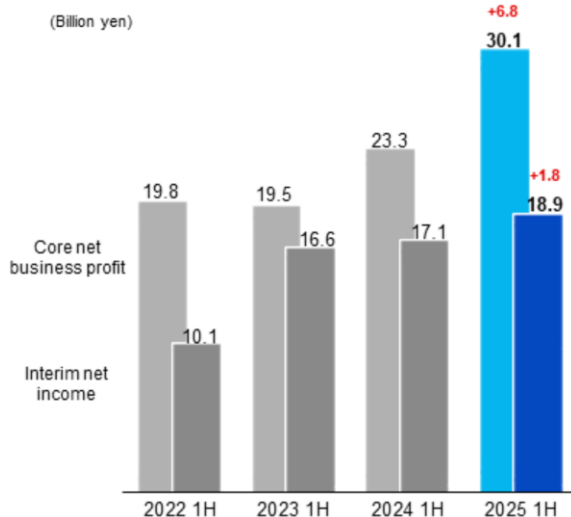
Expenses (excluding one-time disposal) / core OHR



(Reference) Major factors underlying changes in expenses

Labor costs	+1.2 billion yen	<ul style="list-style-type: none"> Human capital investment: +1.1 (HR system revisions, performance-linked bonuses, base pay hikes, etc.) Related to DX/IT investments: +0.3
Non-personal expenses	+0.8 billion yen	<ul style="list-style-type: none"> Management fees paid to holding company: +0.2 (offset in consolidation) Human capital investments (e.g., training): +0.1
Tax	-0.3 billion yen	
Total	+1.7 billion yen	

Core net business profit / Interim net income



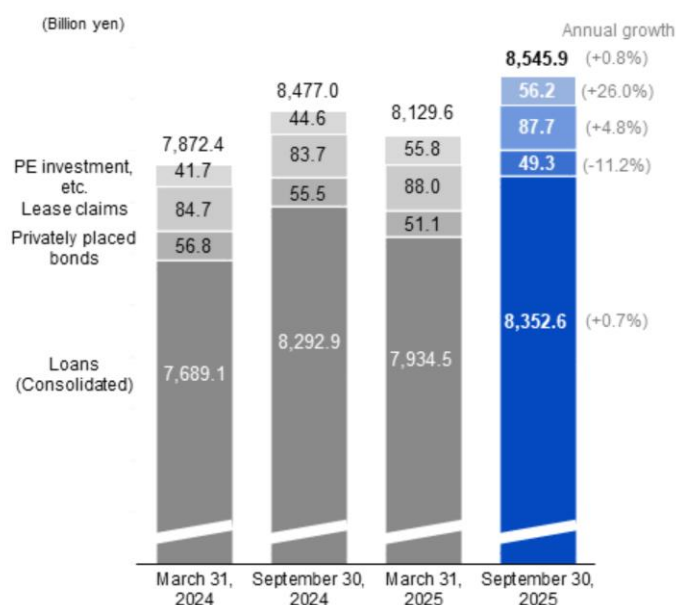
Hirogin Holdings | Overview of Financial Results for FY2025 1H – IR Presentation – 44

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

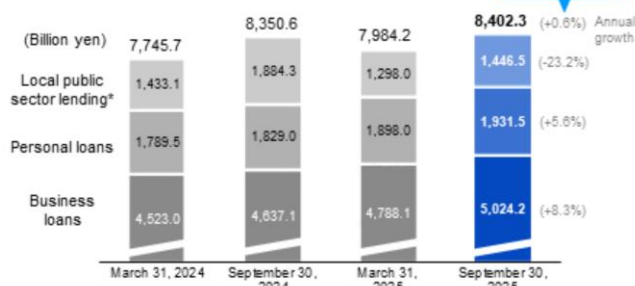
Hirogin Holdings
consolidated

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, 2024	September 30, 2024	March 31, 2025	September 30, 2025	vs. September 30, 2024	vs. March 31, 2025
Outstanding loan balance	7,745.7	8,350.6	7,984.2	8,402.3	51.7	418.1
Four local prefectures	5,815.9	5,876.6	6,007.2	6,113.8	237.2	106.6
Hiroshima	4,519.7	4,587.4	4,677.6	4,732.4	145.0	54.8
Okayama	372.1	373.6	397.7	408.7	35.1	11.0
Ehime	688.7	677.4	688.5	715.0	37.6	26.5
Yamaguchi	235.4	238.0	243.1	257.6	19.6	14.5
Other prefectures	1,929.8	2,473.9	1,977.0	2,288.5	-185.4	311.5
of which loans for the government	785.5	1,235.3	662.2	798.7	-436.6	136.5

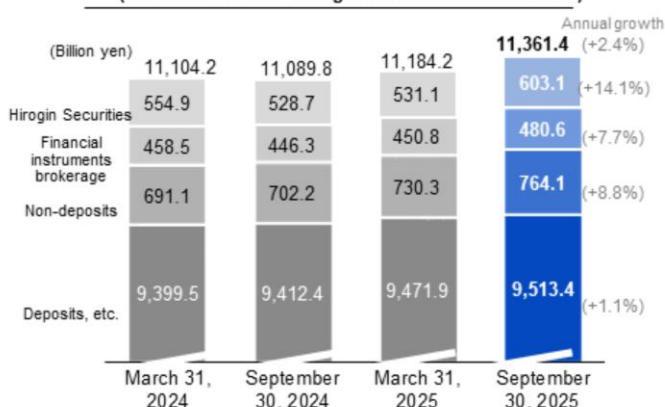
Hirogin Holdings | Overview of Financial Results for FY2025 1H - IR Presentation - 45

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

Hirogin Holdings consolidated

Hiroshima Bank nonconsolidated

[Holding company 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.

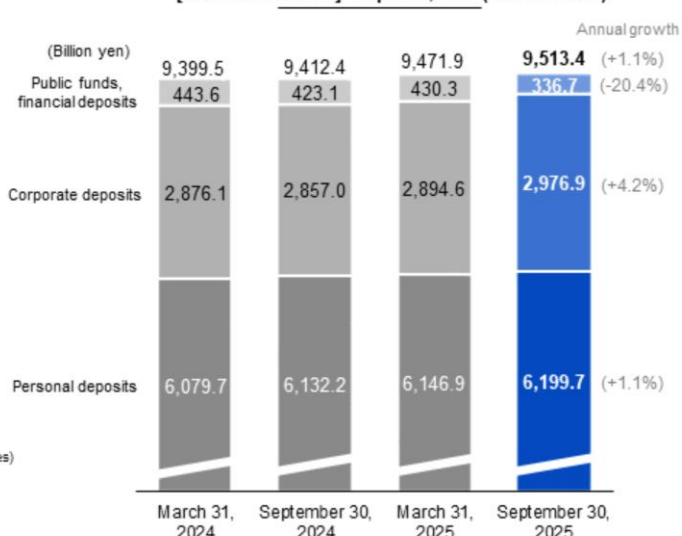
*2 Hirogin Securities balances are shown on a mark-to-market basis.

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

(Billion yen)

	March 31, 2024	September 30, 2024	March 31, 2025	September 30, 2025	vs. September 30, 2024	vs. March 31, 2025
Hirogin Securities balance (including financial instruments brokerage)*	1,022.0	985.0	985.3	1,102.0	117.0	116.7
(Reference) Nikkei Stock Average (yen)	4,036.9	3,792.0	3,561.8	4,493.3	701.3	931.5

[Nonconsolidated] Deposits, etc. (end balance)



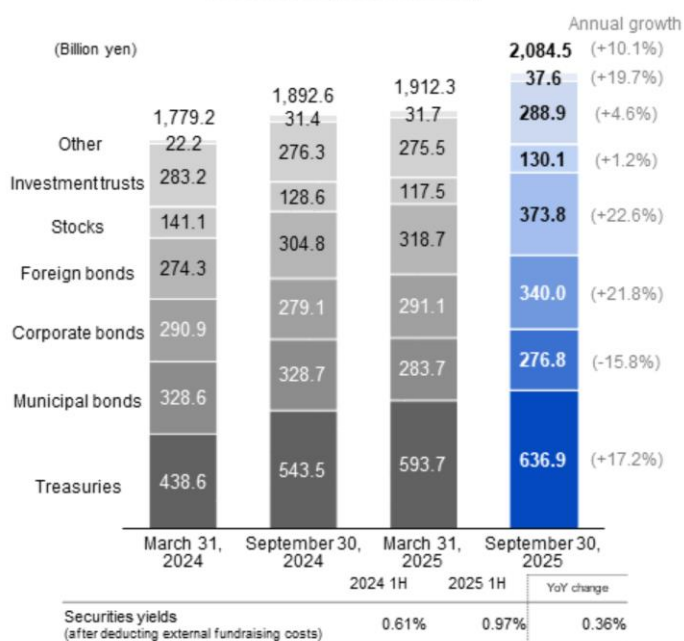
* Deposits, etc. include negotiable certificates of deposit (NCDs).

Securities (end balance) / Gains/losses on securities

Hirogin Holdings
consolidated

Hiroshima Bank
nonconsolidated

Securities (end balance)



Gains/losses on securities

(Billion yen)

	March 31, 2024	September 30, 2024	March 31, 2025	September 30, 2025	vs. March 31, 2025
Held to maturity	0.0	-0.2	-3.1	-3.8	-0.7
Available-for-sale securities*	33.4	25.7	-27.8	4.2	32.0
Stocks	61.0	54.8	45.2	59.3	14.1
Bonds	-28.7	-31.5	-68.9	-87.0	-18.1
Treasuries	-16.9	-17.5	-42.0	-57.1	-15.1
Municipal bonds	-6.0	-6.9	-12.5	-12.7	-0.2
Corporate bonds	-5.7	-6.9	-14.3	-17.1	-2.8
Other	1.2	2.4	-4.2	31.9	36.1
(Included) Foreign bonds	-20.6	-11.2	-14.4	-12.0	2.4
(Included) Investment trusts	21.6	12.6	9.2	43.1	33.9
Total	33.5	25.4	-31.0	0.4	31.4

* Gains/losses after hedging

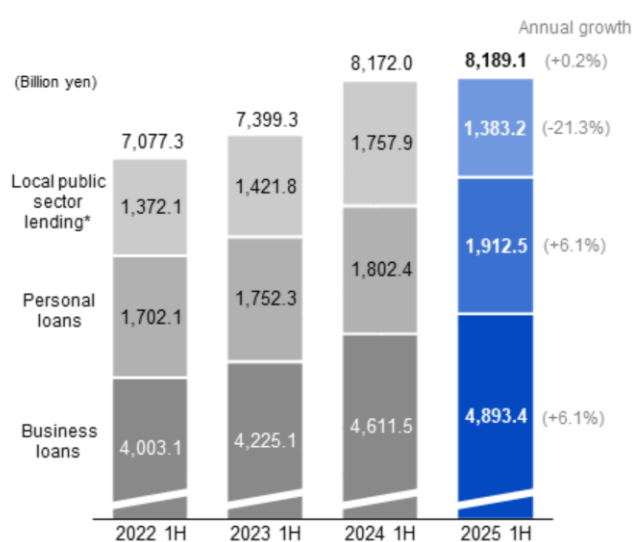
Other securities (before hedging)	33.4	25.7	-27.8	4.2	32.0
Interest rate swaps	-	-0.5	8.3	21.7	13.4
Other securities (after hedging)	33.4	25.2	-19.4	26.0	45.4

Loans (average)

Hirogin Holdings
consolidated

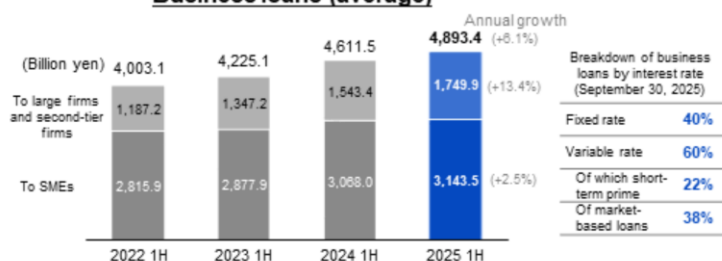
Hiroshima Bank
nonconsolidated

Loans (average)

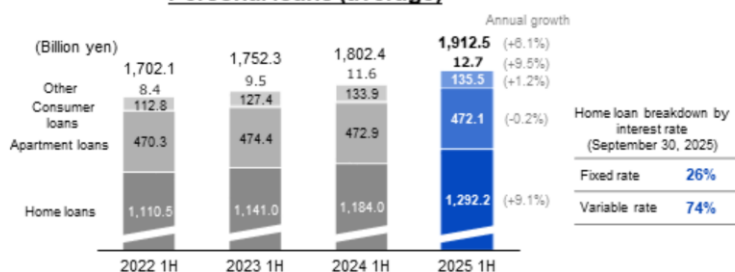


* Local public sector lending: Lending to local public agencies and public corporations

Business loans (average)



Personal loans (average)

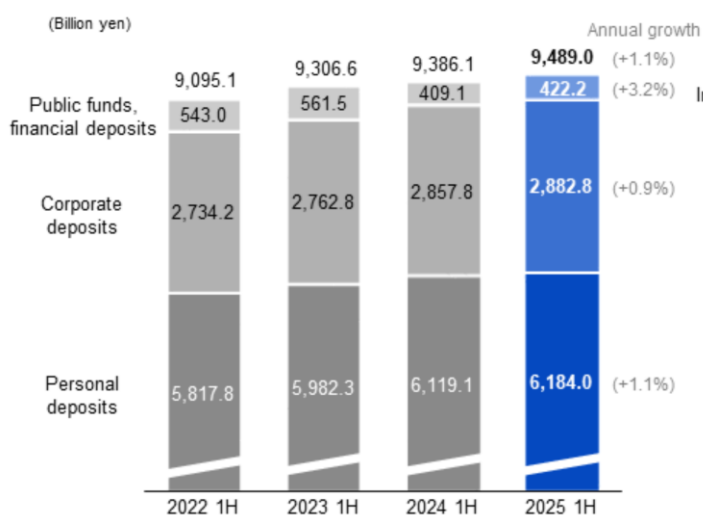


Deposits, etc. (average) / Securities (average)

Hirogin Holdings
consolidated

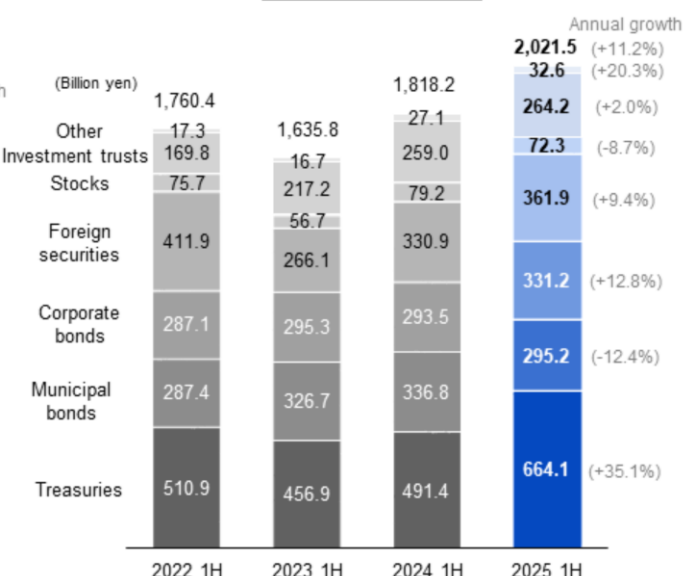
Hiroshima Bank
nonconsolidated

Deposits, etc. (average)



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

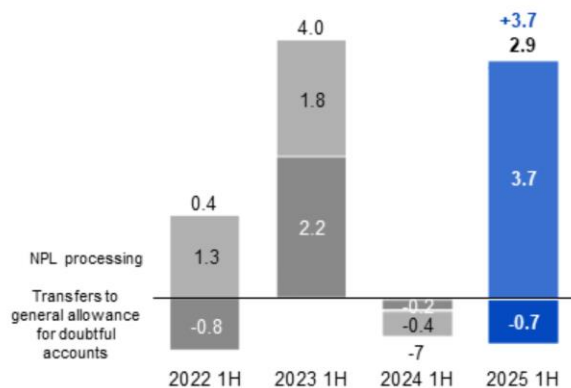
Securities (average)



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Credit costs, credit cost ratio

(Billion yen)



(Billion, %)

	FY2022	FY2023	FY2024	FY2025 forecast
Credit costs	0.3	14.4	2.3	7.0
Credit cost ratio*	0.00	0.18	0.02	0.08

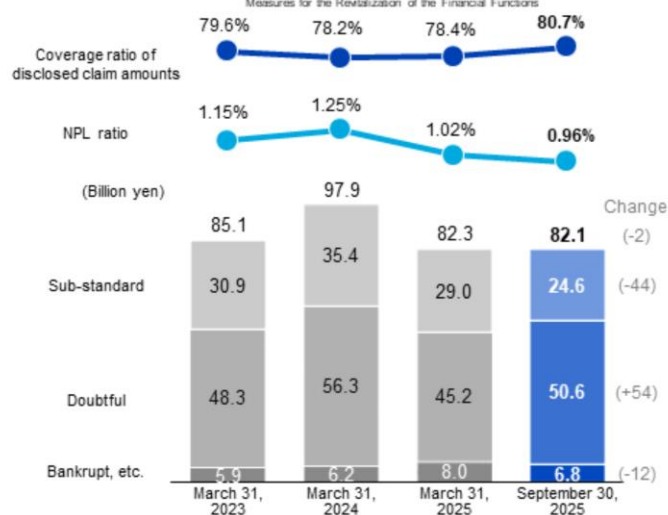
* Credit cost ratio = Credit costs ÷ Outstanding loan balance

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

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

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



* Figures are rounded to the nearest unit as displayed.

Results for major Group companies: Excluding Hiroshima Bank

Results for major Group companies

Financial consolidated subsidiaries	Hirogin Securities	Total assets under management	September 30, 2024 985 billion yen	→	September 30, 2025 1,102 billion yen	vs. September 30, 2024 (+117.0 billion yen)
	Hirogin Lease	Number of customers (Total of lease assets, installment receivables, and trade receivables)	September 30, 2024 83.7 billion yen	→	September 30, 2025 90.2 billion yen	vs. September 30, 2024 (+6.5 billion yen)
	Shimanami Servicer	Number of advisory contracts	September 30, 2025 2.1 billion yen	→	September 30, 2025 1.6 billion yen	vs. September 30, 2024 (-0.5 billion yen)
	Hirogin Capital Partners	Amount invested (* Total of fund and principal investment)	September 30, 2025 4.6 billion yen	→	September 30, 2025 8.0 billion yen	vs. September 30, 2024 (+3.4 billion yen)
	Hirogin Credit Service	Guarantee balance	September 30, 2025 1,023.7 billion yen	→	September 30, 2025 1,124.1 billion yen	vs. September 30, 2024 (+100.4 billion yen)
	Hirogin Life Partners Established January 2024, with operations starting in July.	Number of financial instruments brokerage accounts *Cumulative total since establishment	September 30, 2025 22 accounts	→	September 30, 2025 180 accounts	vs. September 30, 2024 (+158 accounts)
Nonfinancial consolidated subsidiaries	Hirogin Human Resources Established April 2021	Number of companies with whom consulting contracts concluded	September 30, 2024 128 companies	→	September 30, 2025 155 companies	vs. September 30, 2024 (+27 companies)
	Hirogin IT Solutions Made subsidiary January 2021	Number of contracts concluded *Cumulative total since becoming a subsidiary	September 30, 2024 609 contracts	→	September 30, 2025 780 contracts	vs. September 30, 2024 (+171 contracts)
	Hirogin Area Design Established April 2021	Number of orders received *Cumulative total since establishment	September 30, 2024 98 contracts	→	September 30, 2025 140 contracts	vs. September 30, 2024 (+42 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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