

March 31, 2026

Notice Concerning the Formulation of the Medium-Term Business Plan, "Co-Creating the Future 2029—Moving Forward Together—"

Nishi-Nippon Financial Holdings, Inc. (President: Hideyuki Murakami; hereinafter, the "NNFH") hereby announces that it has formulated a new Medium-Term Business Plan (hereinafter referred to as "MTBP"), "Co-Creating the Future 2029—Moving Forward Together—," which will guide the Company through the three-year period from April 2026 to March 2029, as follows.

Upon formulating the MTBP, the NNFH Group established a long-term vision of becoming the "regional financial group most supported and chosen by customers, host communities, employees, and shareholders" based on the Group Management Philosophy. With this in mind, we have adopted a backcasting approach in formulating our new MTBP, under which we will accelerate our initiatives over the three-year period to realize this vision.

The Group's main base of Fukuoka and other areas in the Kyushu Region has developed a strong economic ecosystem, offering abundant opportunities, including a series of large-scale urban redevelopment projects and a growing concentration of industries focused on semiconductors. At the same time, the issues and needs for both our customers and the region are becoming increasingly diverse and sophisticated given the accelerating changes in the socio-economic environment such as shrinking and aging of population driven by declining birthrates, rapid technological advancement, and the arrival of a world with interest rates.

Under these circumstances, we aim to enhance the NNFH Group's earning power and corporate value while striving to earn greater support and trust from our customers and host communities with this MTBP. To this end, we will provide solutions corresponding to social issues and pursue three basic strategies to reinforce the management foundation that underpins these initiatives: 1. Providing customer-oriented "One-to-One Solutions," 2. Supporting regional development, and 3. Strengthening the management foundation.

1. Basic Strategies and Priority Measures

Resolving social issues	Basic Strategies	1. Providing customer-oriented "One-to-One Solutions"
	Priority Measures	(1) Providing solutions to corporate customers (2) Providing solutions to retail customers (3) Building best-mix channels
	Basic Strategies	2. Supporting regional development
Strengthening the foundation	Priority Measures	(1) Contributing to solution of regional issues and community development (2) Supporting for business startups
	Basic Strategies	3. Strengthening the management foundation
	Priority Measures	(1) Advancing the risk appetite framework (2) Utilizing AI technologies for work reform (3) Enhancing human capital (4) Enhancing sustainability

2. Target Management Indices

		Estimates for year ending Mar.2026	Plan for year ending Mar.2029
Profitability	Consolidated profit Figures in parentheses indicate the contributions made by Group companies other than the Nishi-Nippon City Bank	¥40.0 billion* (¥4.3 billion)	¥60.0 billion (¥5.5 billion)
	Consolidated ROE	Approx. 6.8%	Approx. 9%
Efficiency	Consolidated OHR (excluding net gains (losses) related to bonds and gains (losses) related to cancellation of investment trust)	Approx. 60%	Lower 50% range
Soundness	Consolidated capital adequacy ratio (based on the full application of finalized Basel III reforms)	Approx. 10.3%	Lower 10% range

* As announced on March 31, 2026

3. Capital Policy

The NNFH Group actively makes forward-looking growth investments while maintaining a sufficient level of capital for sustainable growth and enhanced corporate value, and increases returns to shareholders and investors.

With respect to shareholder returns, we aim to increase dividends through profit growth, targeting a dividends ratio of around 40%, and will remain flexible on share buybacks, taking into account economic circumstances, financial conditions, earnings forecasts, and other parameters at the time.

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