



# Financial Results for the Fiscal Year Ended March 31, 2025

May 30, 2025

Nishi-Nippon Financial Holdings, Inc.

## Today's Agenda

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# I. Financial Results

# 1. Overview of Financial Results

- ◆ Profit attributable to owners of parent for the fiscal year ended March 31st, 2025 increased by 7.4 billion yen year-on-year (YoY) to 31.0 billion yen, mainly due to an increase in net interest income.

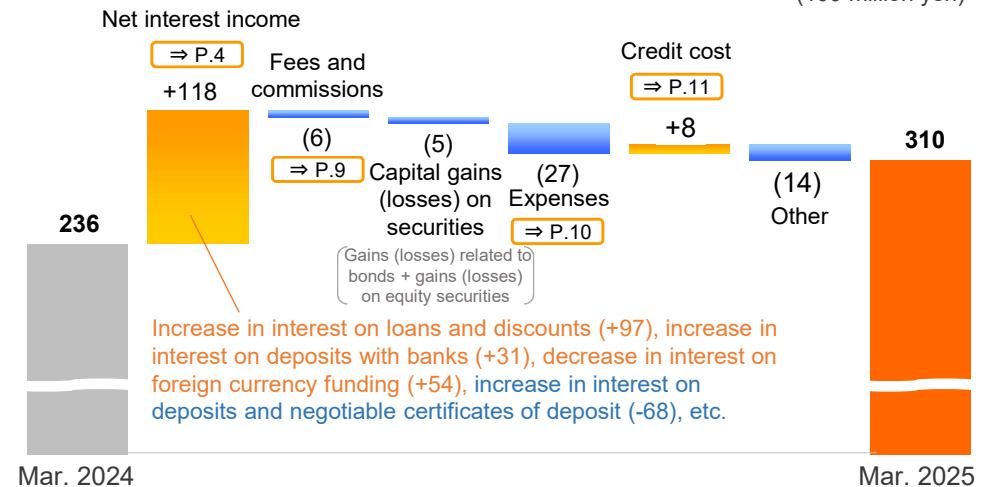
## ■ Profit and Loss (Consolidated)

(100 million yen)

	FYE Mar.31 2025		FYE Mar.31 2024
	A	A-B	B
<b>Gross operating profit</b>	<b>1,223</b>	125	<b>1,098</b>
(Core gross operating profit)	1,304	98	1,206
Net interest income	<b>1,028</b>	118	<b>910</b>
Fees and commissions	<b>234</b>	(6)	<b>240</b>
Trading income	<b>6</b>	(4)	<b>10</b>
Other operating income	<b>(45)</b>	18	<b>(63)</b>
(of which, net gains (losses) related to bonds)	<b>(81)</b>	27	<b>(108)</b>
<b>Expenses</b>	<b>829</b>	27	<b>802</b>
<b>Net business profits</b>	<b>394</b>	98	<b>296</b>
(Core business profits)	475	71	404
Gains (losses) on equity securities	<b>121</b>	(32)	<b>153</b>
Credit cost	<b>58</b>	(8)	<b>66</b>
Other extraordinary gains (losses)	<b>(2)</b>	24	<b>(26)</b>
<b>Ordinary profit</b>	<b>455</b>	99	<b>356</b>
Extraordinary profit (loss)	<b>(5)</b>	3	<b>(8)</b>
Income taxes	<b>135</b>	29	<b>106</b>
Profit attributable to non-controlling interest	<b>5</b>	(1)	<b>6</b>
<b>Profit attributable to owners of parent</b>	<b>310</b>	74	<b>236</b>

## <Profit attributable to owners of parent: Variance Factors YoY>

(100 million yen)



## ■ Profit and Loss (NCB)

(100 million yen)

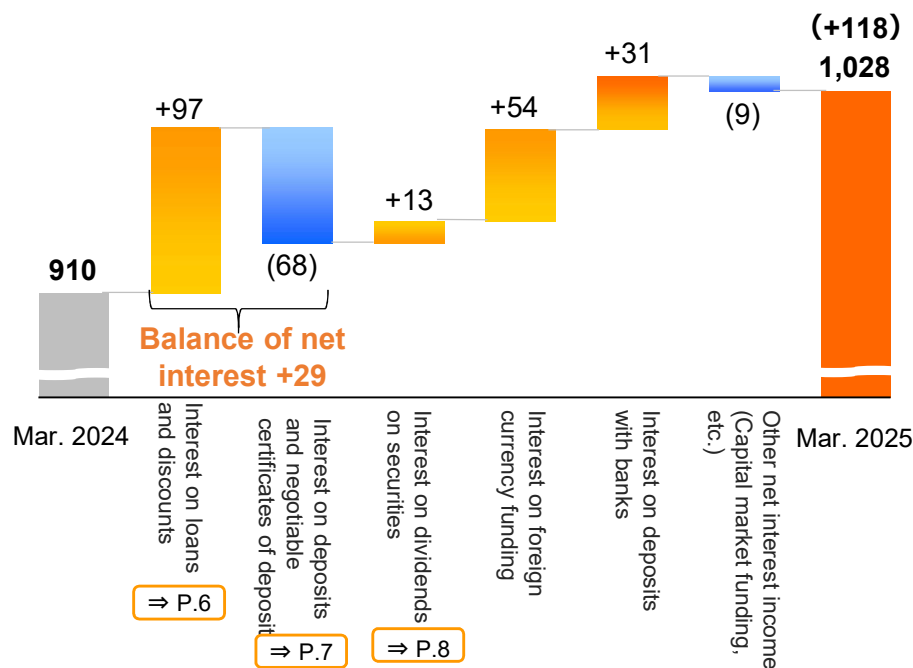
	FYE Mar.31 2025		FYE Mar.31 2024
	A	A-B	B
<b>Gross operating profit</b>	<b>1,016</b>	133	<b>883</b>
<b>Expenses</b>	<b>691</b>	26	<b>665</b>
<b>Net business profits</b>	<b>325</b>	107	<b>218</b>
Credit cost	<b>46</b>	(7)	<b>53</b>
<b>Ordinary profit</b>	<b>389</b>	110	<b>279</b>
<b>Profit attributable to owners of parent</b>	<b>270</b>	82	<b>188</b>

## 2. Net Interest Income

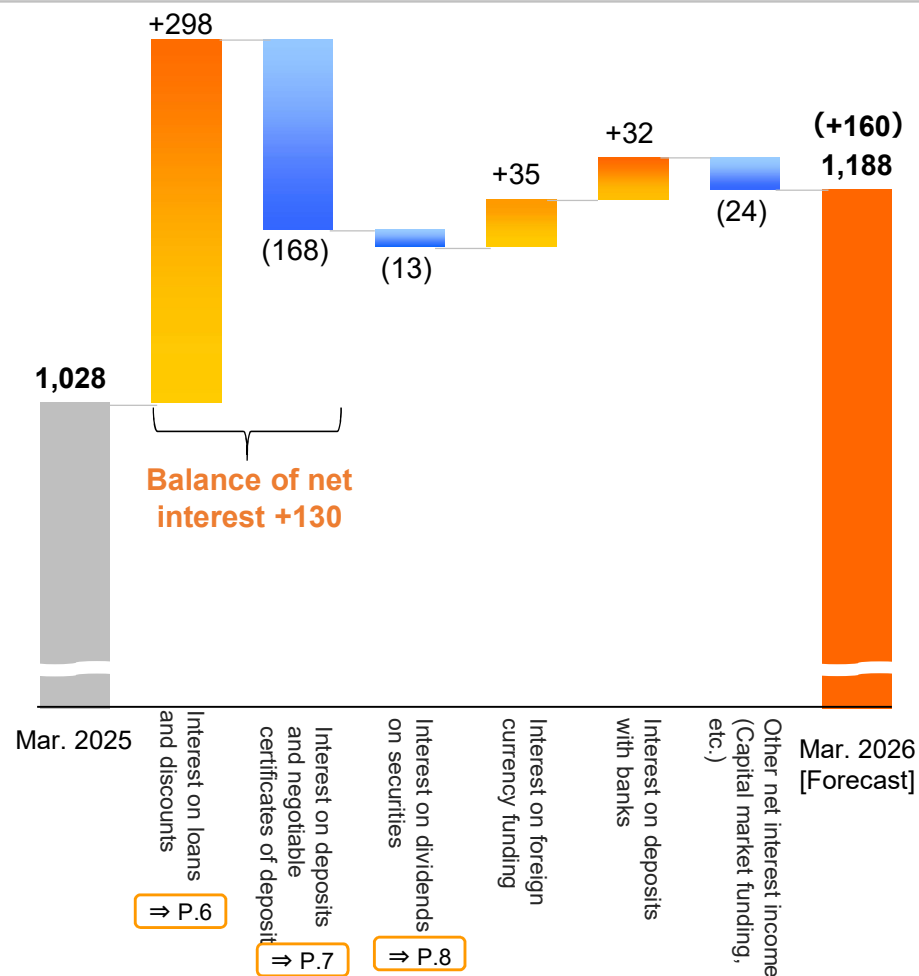
- ◆ Net interest income for the fiscal year ended March 31st, 2025 increased by 11.8 billion yen YoY to 102.8 billion yen, mainly due to an increase in the balance of net interest, as well as an increase in interest on deposits with banks and a decrease in interest on foreign currency funding.
- ◆ Net interest income for the fiscal year ending March 31, 2026 is expected to rise by 16.0 billion yen YoY to 118.8 billion yen, primarily due to an increase in the balance of net interest (+13.0 billion yen).

### ■ Changes in net interest income [by factors] / (Consolidated) (100 million yen)

Mar. 2024 ⇒ Mar. 2025



Mar. 2025 ⇒ Mar. 2026 [Forecast]

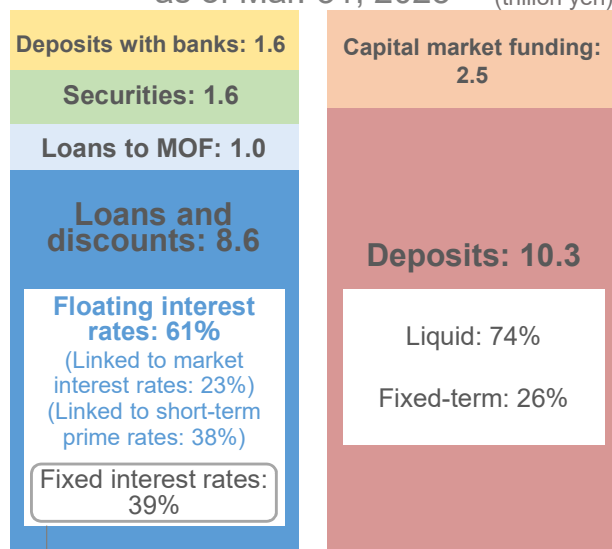


## <Appendix> Impact of Rising Interest Rates on Earnings (Estimate)

- ◆ The rise in market interest rates is expected to have a positive impact on our performance, mainly through the expansion of the loan-to-deposit spread.

### ■ The Nishi-Nippon City Bank's balance sheet structure

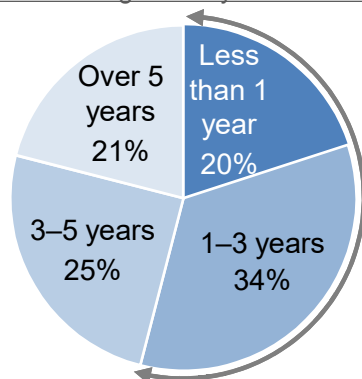
<Fund management / financing structures as of Mar. 31, 2025> (trillion yen)



Management

Financing

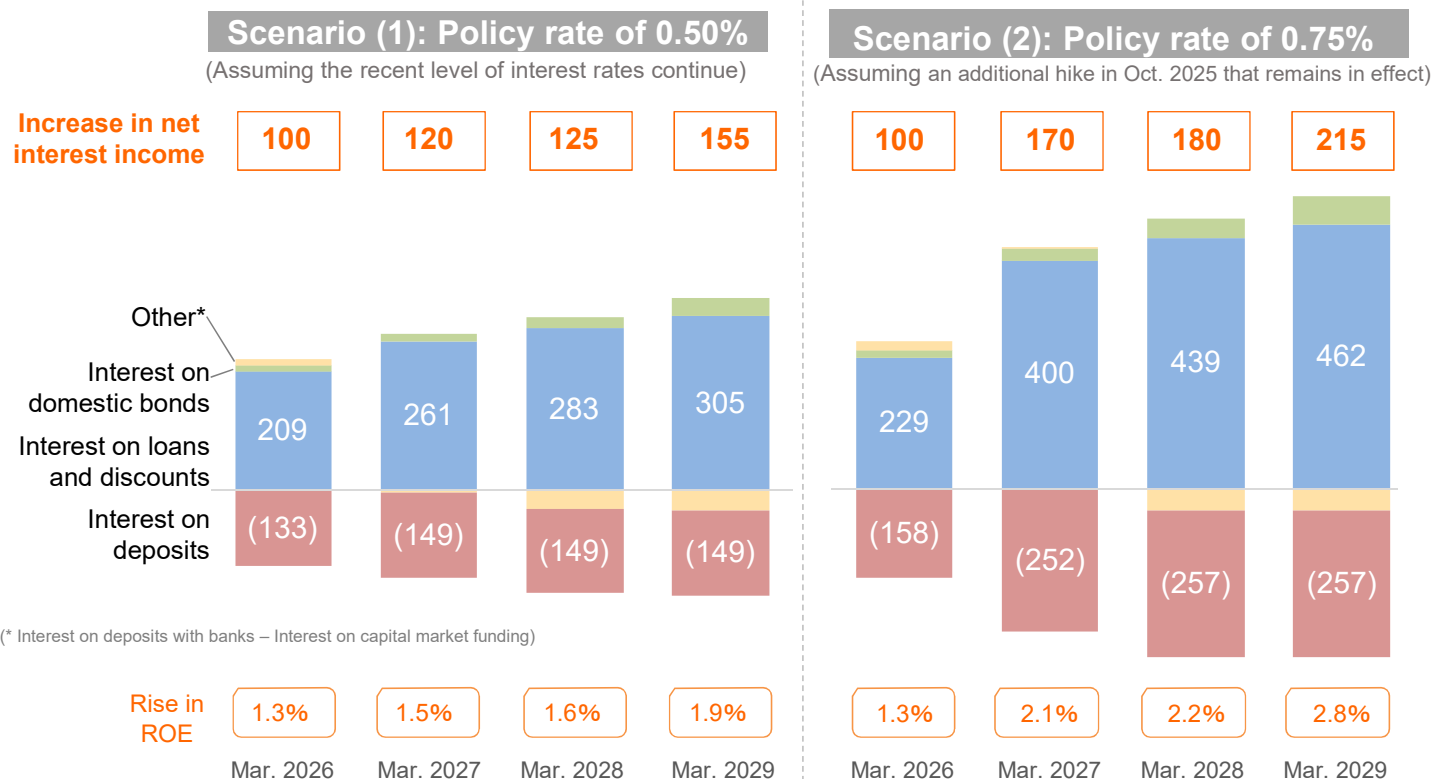
<Remaining maturity of fixed-rate loans>



About 50% of fixed-rate loans will either mature or have their interest rates renewed within three years.

### ■ Impact on earnings (net interest income) [vs. Mar. 31, 2025]

(100 million yen)



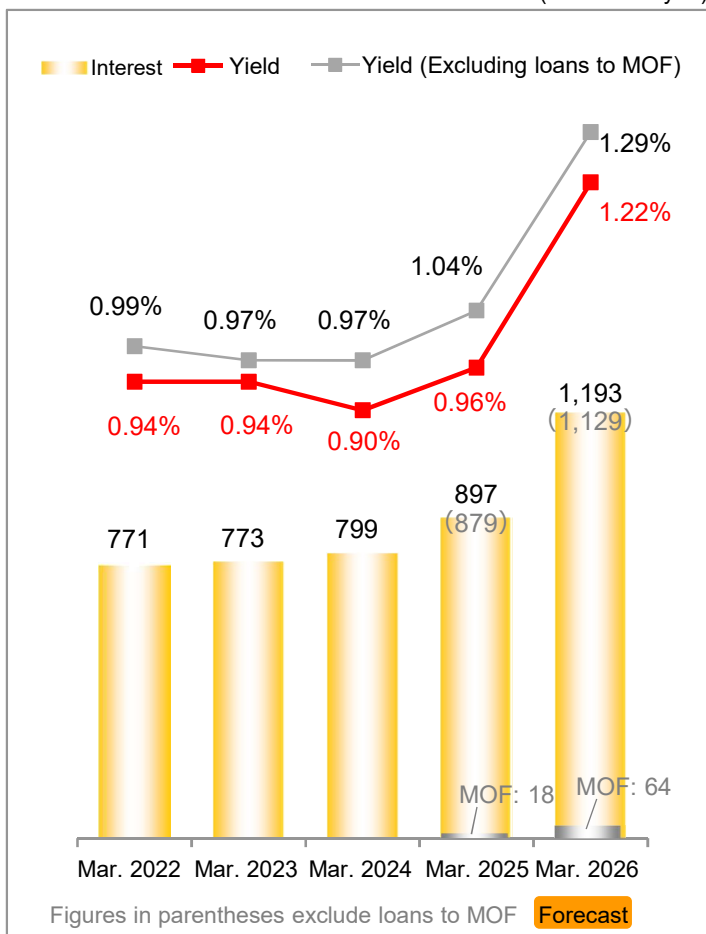
#### [Premises of the above calculation]

- The balance sheet structure will remain unchanged from that as of Mar. 31, 2025. However, for loans from the BOJ within capital market funding, payments at maturity and deposits with banks will decrease by the same amount.
- For assets and liabilities with upcoming payment dates, interest rates will be renewed to the level applicable on those dates.
- Pass-through rates of market changes are projected as follows: 75% for short-term loans, 100% for other loans, 40% for ordinary deposits, 55% for time deposits, and 100% for other assets and liabilities.
- A rise in ROE is calculated based on net assets as of Mar. 31, 2025 (only the impact of increased net interest income on ROE is considered.)

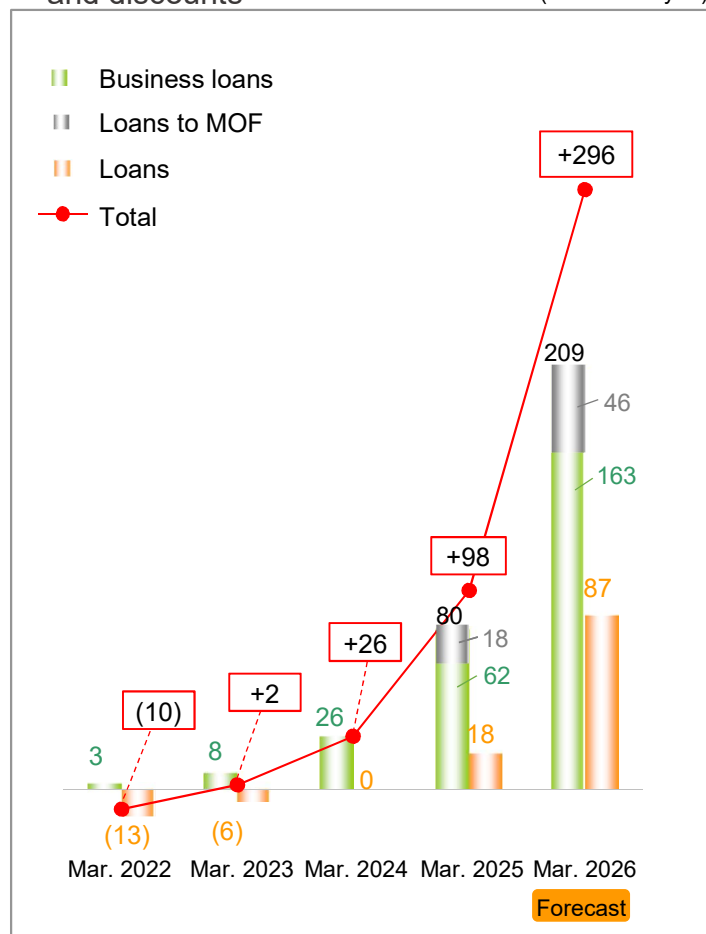
## 2. Net Interest Income (1) Interest on Loans and Discounts (NCB)

- ◆ Interest on loans and discounts for the fiscal year ended March 31st, 2025 increased by 9.8 billion yen YoY to 89.7 billion yen on the back of the rise in yield and solid growth of business loans and personal loans.
- ◆ Interest on loans and discounts for the fiscal year ending March 31, 2026 is expected to grow by 29.6 billion yen YoY to 119.3 billion yen.

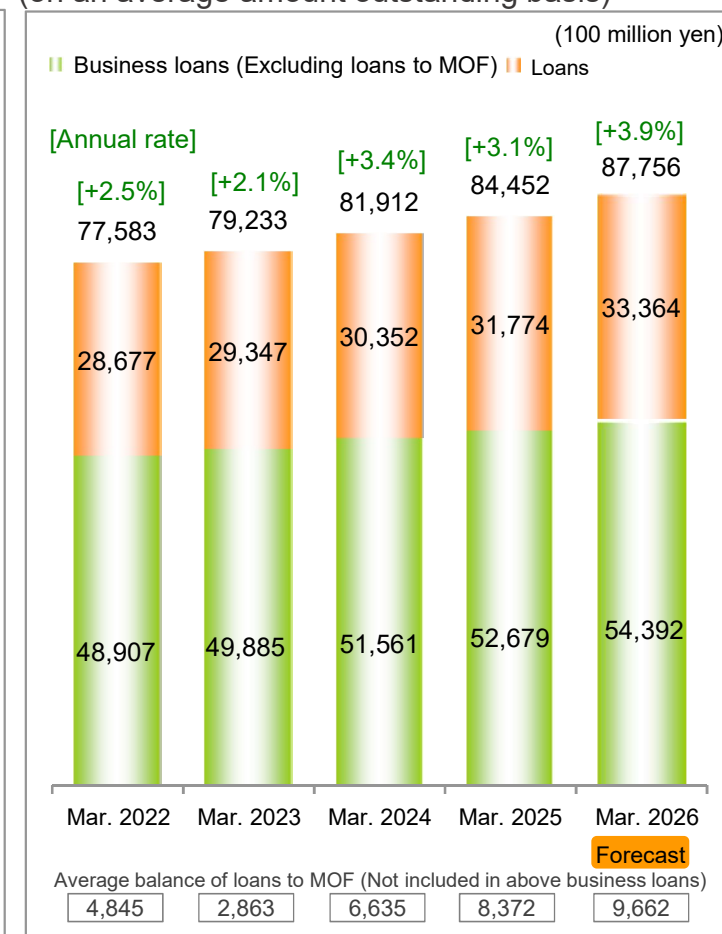
■ Interest and yield on loans and discounts  
(100 million yen)



■ Factors of YoY changes in interest on loans and discounts  
(100 million yen)



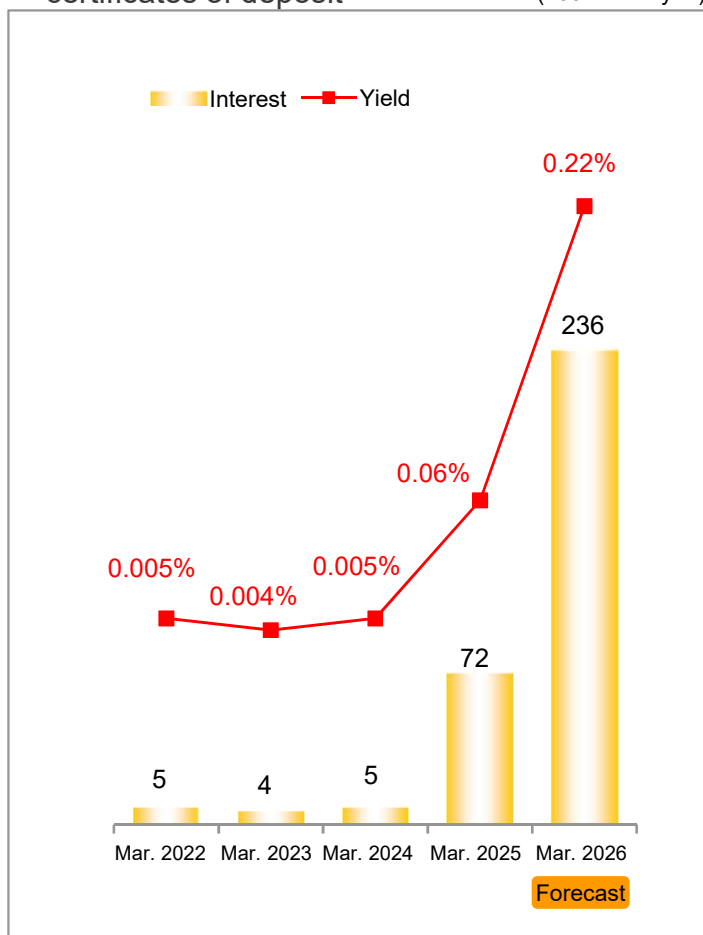
■ Loans and discounts (Excluding loans to MOF)  
(on an average amount outstanding basis)



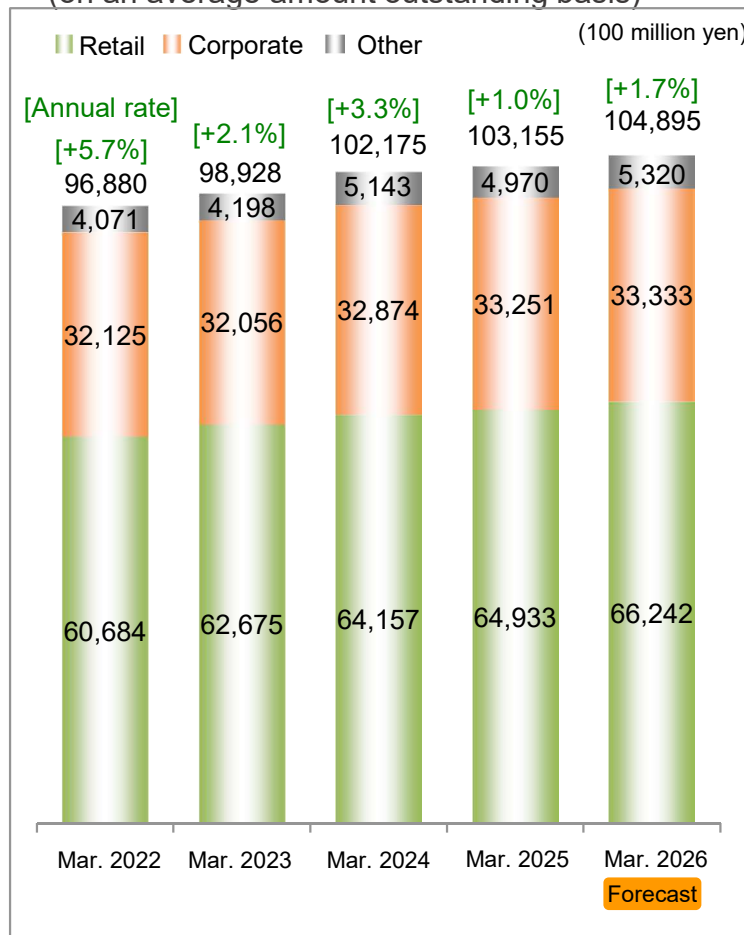
## 2. Net Interest Income (2) Interest on Deposits and Negotiable Certificates of Deposit (NCB)

- ◆ Interest on deposits and negotiable certificates of deposit for the fiscal year ended March 31st, 2025 increased by 6.7 billion yen YoY to 7.2 billion yen, chiefly driven by a rise in yield due to increasing deposit interest rates.
- ◆ Interest on deposits and negotiable certificates of deposit for the fiscal year ending March 31, 2026 is expected to grow by 16.4 billion yen YoY to 23.6 billion yen.
  - The balance of net interest is expected to expand, as interest on loans should grow more than interest on deposits.

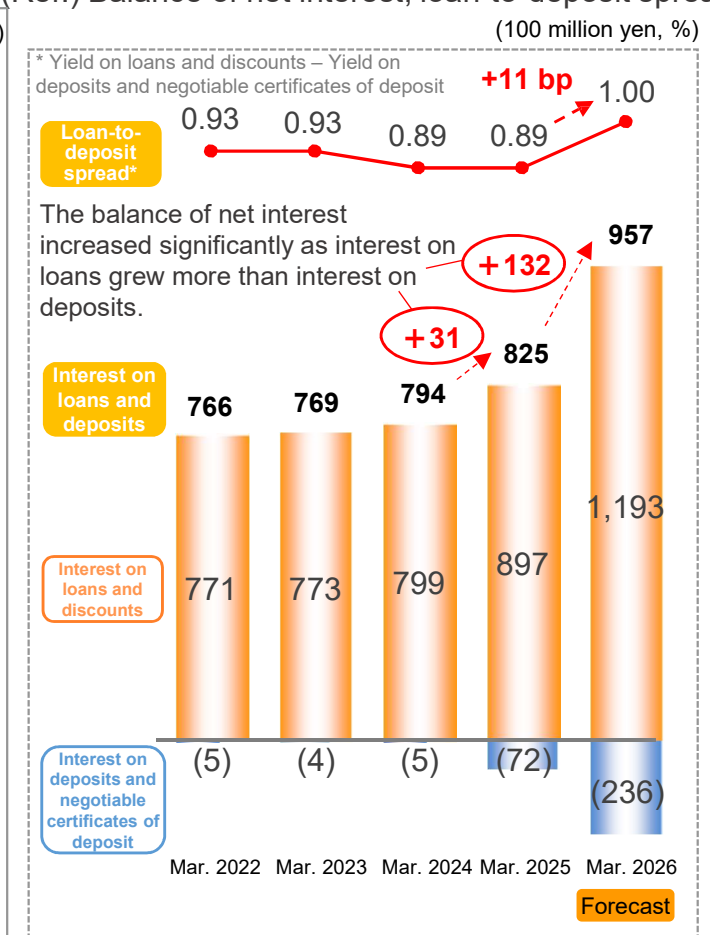
■ Interest and yield on deposits and negotiable certificates of deposit (100 million yen)



■ Deposits and negotiable certificates of deposit (on an average amount outstanding basis) (100 million yen)



(Ref.) Balance of net interest, loan-to-deposit spread (100 million yen, %)

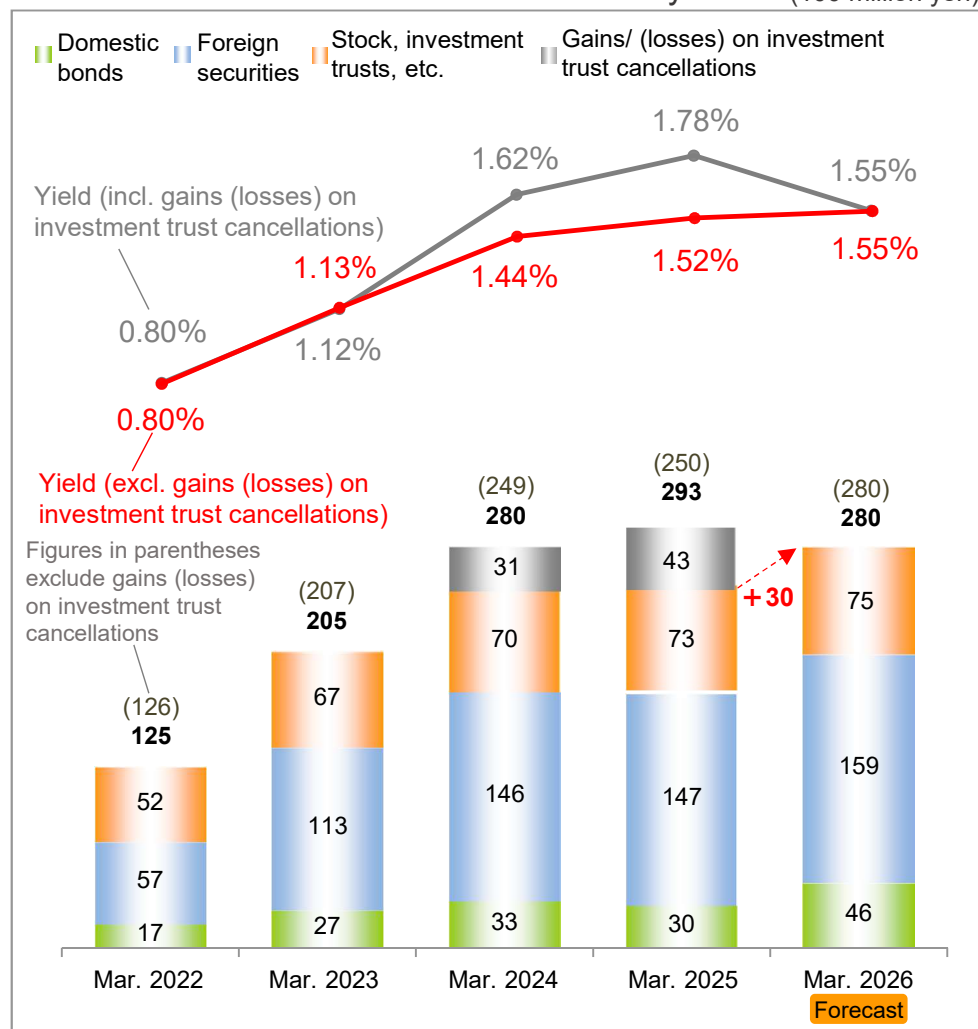




## 2. Net Interest Income (3) Interest and Dividends on Securities (NCB)

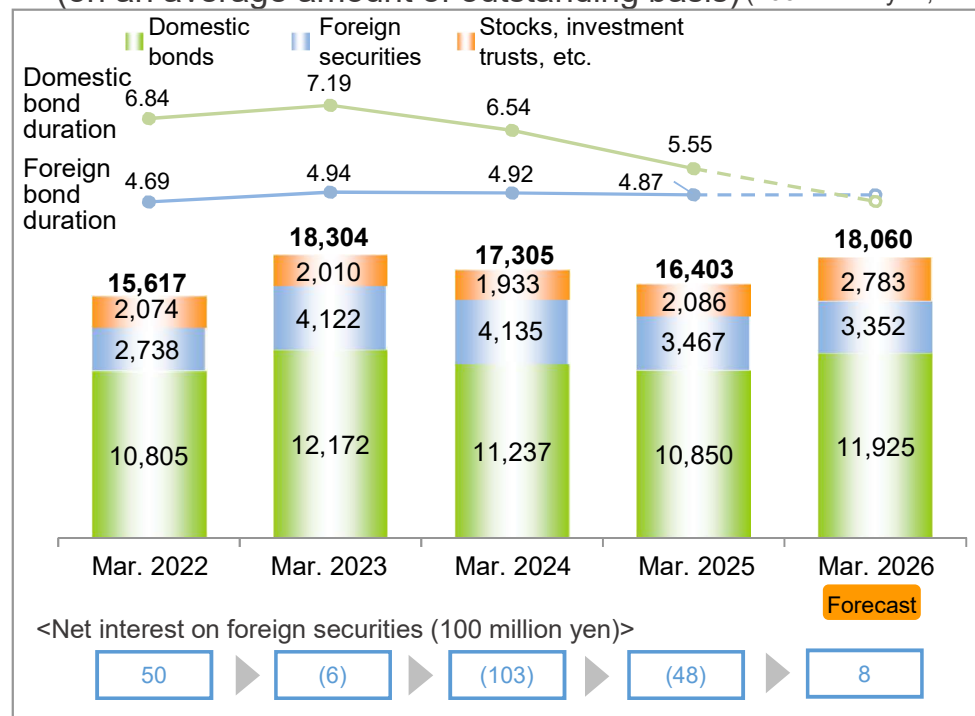
- ◆ Interest and dividends on securities for the fiscal year ended March 31st, 2025 increased by 1.3 billion yen YoY to 29.3 billion yen, mainly due to an increase in gains on investment trust cancellations.
- ◆ Interest and dividends on securities for the fiscal year ending March 31, 2026 are expected to decrease by 1.3 billion yen YoY (or increase by 3.0 billion yen YoY excluding gains (losses) on investment trust cancellations), bringing the total to 28.0 billion yen.

### ■ Interest and dividends on securities and yields (100 million yen)



### ■ Balance of securities

(on an average amount of outstanding basis) (100 million yen, Year)



### ■ Capital gains (losses) on securities

(100 million yen)	Mar. 2022	Mar. 2023	Mar. 2024	Mar. 2025
Net gains (losses) related to bonds	10	(104)	(108)	(81)
Gains (losses) on equity securities	(7)	25	146	120
<b>Total</b>	<b>3</b>	<b>(79)</b>	<b>38</b>	<b>39</b>

### ■ Gains (losses) on valuation of securities

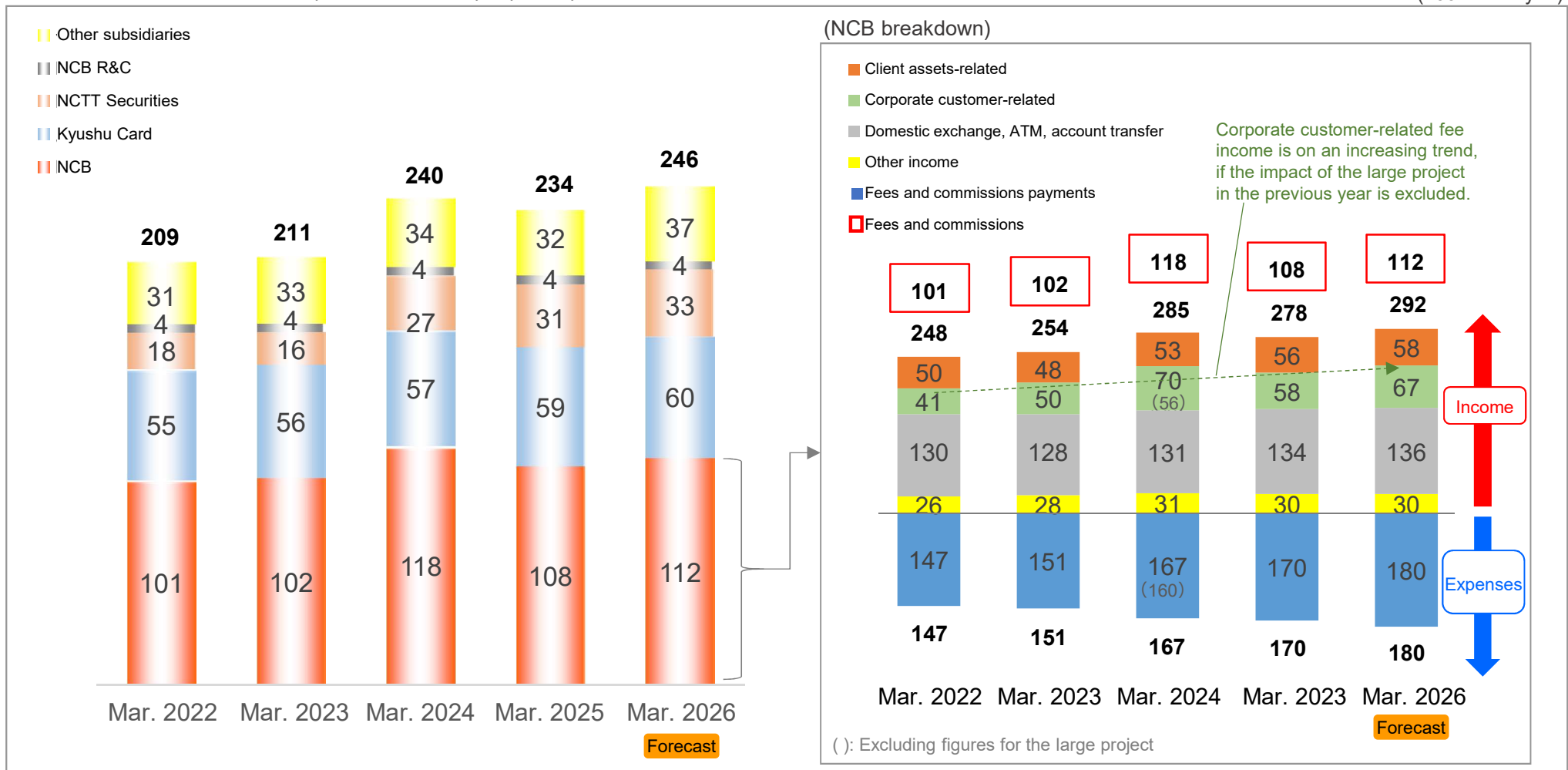
(100 million yen)	Mar. 2022	Mar. 2023	Mar. 2024	Mar. 2025
Domestic bonds	(91)	(213)	(368)	(703)
Foreign securities	(107)	(214)	(186)	(100)
Investment trusts, etc.	133	108	260	74
Stocks	577	643	847	609
<b>Total</b>	<b>512</b>	<b>324</b>	<b>553</b>	<b>(121)</b>

### 3. Fees and Commissions

- ◆ Fees and commissions for the fiscal ended March 31st, 2025 decreased by 0.6 billion yen YoY to 23.4 billion yen, mainly due to a decline in corporate customer-related fee income\* while client assets-related fee income grew steadily.  
(\* mainly due to the absence of fee income on a large project posted in the previous period)
- ◆ Fees and commissions for the fiscal year ending March 31, 2026 is expected to increase by 1.2 billion yen YoY to 24.6 billion yen.

#### ■ Fees and commissions (Consolidated) / (NCB)

(100 million yen)

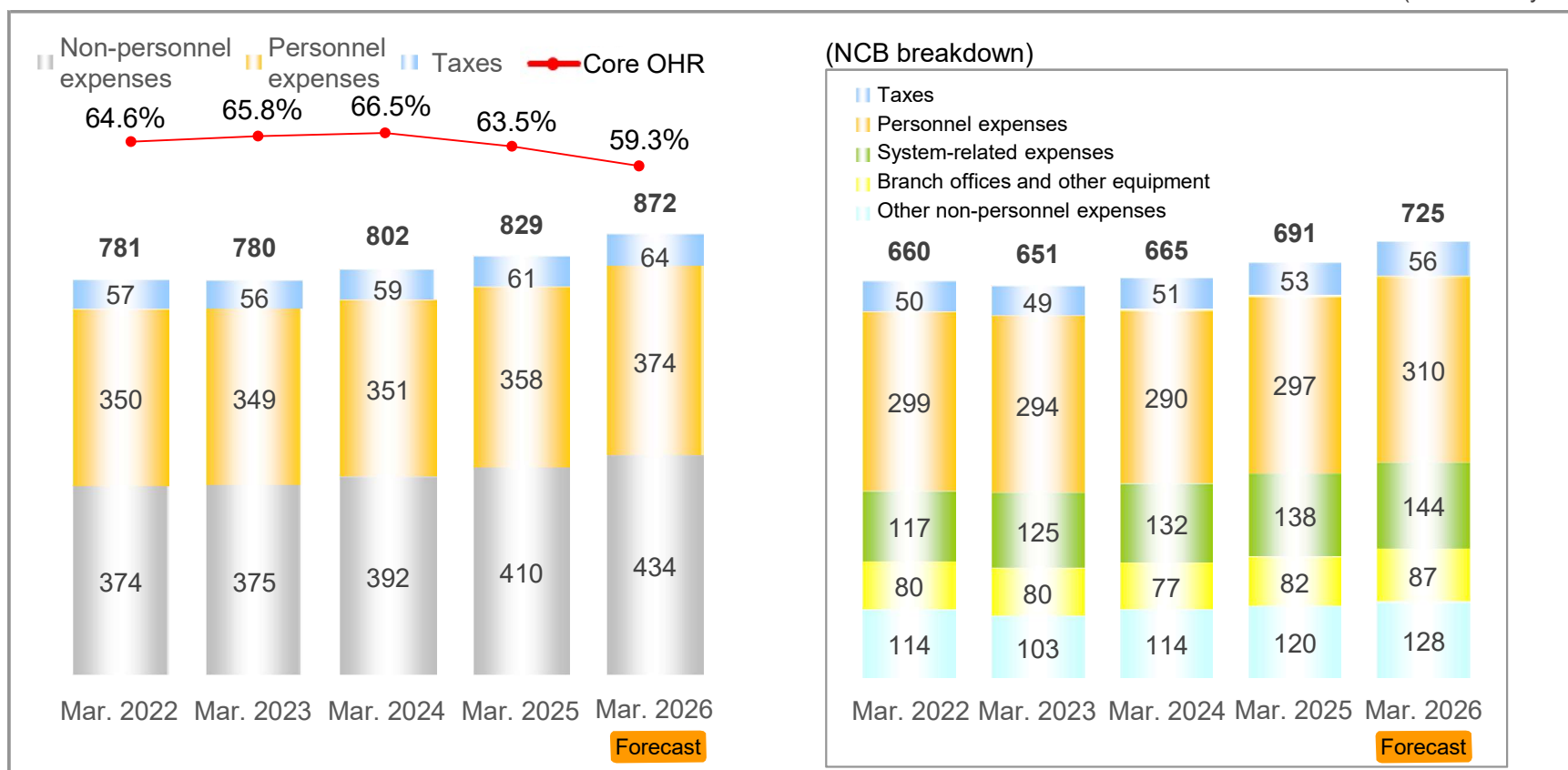


## 4. Expenses

- ◆ Expenses for the fiscal year ended March 31st, 2025 increased by 2.7 billion yen YoY to 82.9 billion yen, primarily due to pay raises and higher non-personnel costs, including those related to the new branch system.
- ◆ Expenses for the fiscal year ending March 31, 2026 are expected to increase by 4.3 billion yen YoY to 87.2 billion yen.
  - Core OHR is expected to improve by 4.2 pt. YoY for the fiscal year ending March 31, 2026, as the topline growth is expected to outweigh the rise in expenses.

### ■ Expenses (Consolidated) / (NCB)

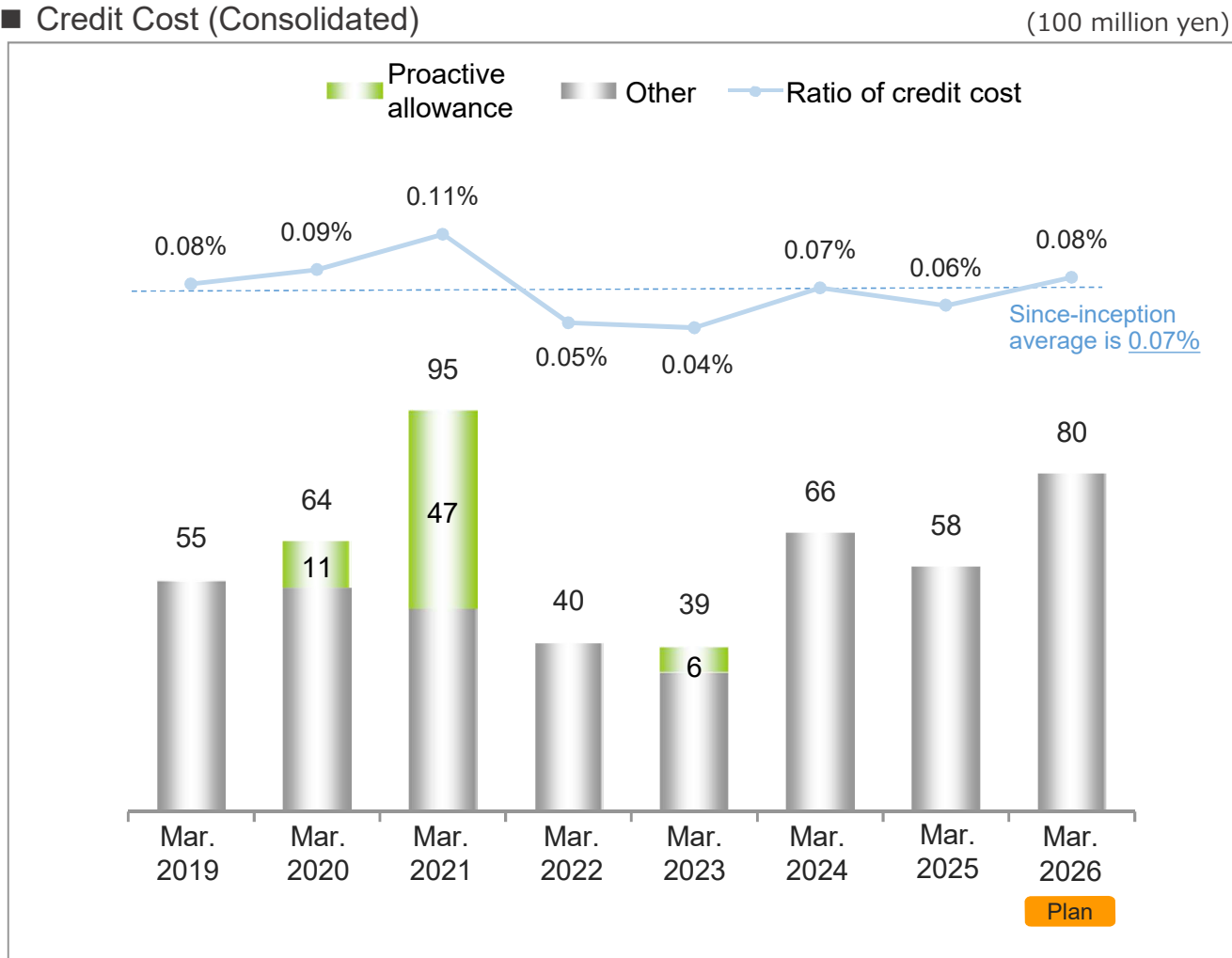
(100 million yen)



## 5. Credit Cost

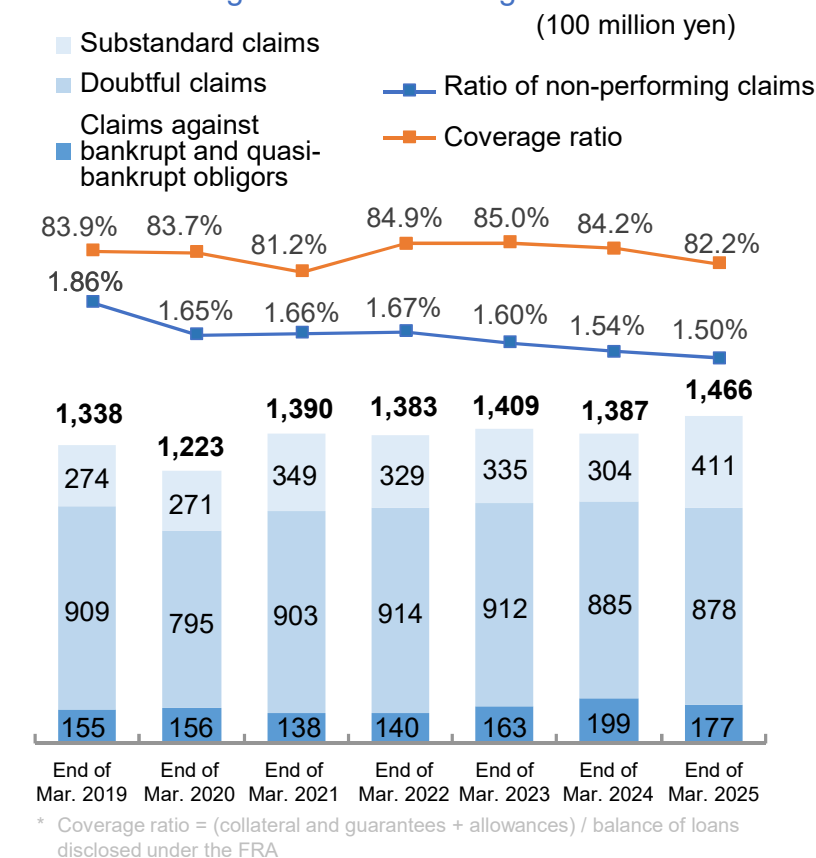
- ◆ Credit cost for the fiscal year ended March 31st, 2025 decreased by 0.8 billion yen YoY to 5.8 billion yen. While outstanding loans and discounts grew, the ratio of credit cost and the ratio of non-performing loans remained at low levels.
- ◆ Given the uncertain outlook, etc., credit cost for the fiscal year ended March 31st, 2026 is expected to increase by 2.2 billion yen YoY to 8 billion yen.

### ■ Credit Cost (Consolidated)



<Ref.> Loans disclosed based on the Financial Reconstruction Act (FRA) (NCB)

- ✓ While the ratio of non-performing claims is low, their coverage ratio\* remains high.



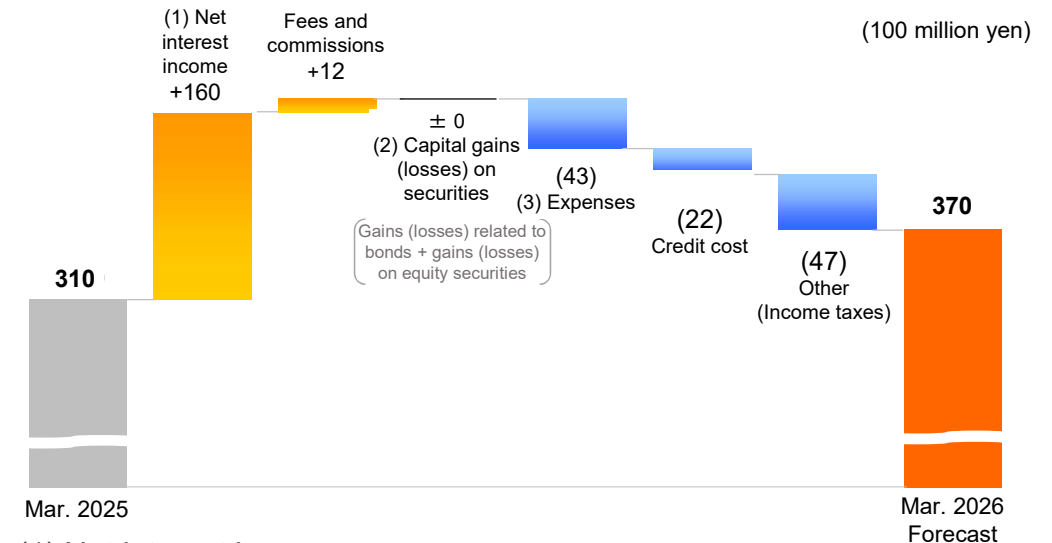
## 6. Financial Results Forecast

- ◆ Profit attributable to owners of parent for the fiscal year ending March 31, 2026 is expected to grow 6.0 billion yen YoY to 37.0 billion yen, primarily driven by higher net interest income resulting from an increase in the balance of net interest.

### ■ Profit and Loss (Consolidated)

	Year ending Mar.31, 2026		Year ended Mar.31, 2025
	Forecast A	A-B	Results B
(100 million yen)			
<b>Gross operating profit</b>	<b>1,467</b>	244	<b>1,223</b>
(Core gross operating profit)	1,467	163	1,304
Net interest income	<b>1,188</b>	160	<b>1,028</b>
Fees and commissions	<b>246</b>	12	<b>234</b>
Trading income	<b>6</b>	0	<b>6</b>
Other operating income	<b>27</b>	72	<b>(45)</b>
(of which net gains (losses) related to bonds)	-	81	<b>(81)</b>
<b>Expenses</b>	<b>872</b>	43	<b>829</b>
<b>Net business profits</b>	<b>595</b>	201	<b>394</b>
(Core net business profits)	595	120	475
Gains (losses) on equity securities	<b>40</b>	(81)	<b>121</b>
Credit cost	<b>80</b>	22	<b>58</b>
Other extraordinary gains (losses)	<b>(5)</b>	(3)	<b>(2)</b>
<b>Ordinary profit</b>	<b>550</b>	95	<b>455</b>
Extraordinary profit (loss)	<b>(10)</b>	(5)	<b>(5)</b>
Income taxes	<b>164</b>	29	<b>135</b>
Profit attributable to non-controlling interests	<b>6</b>	1	<b>5</b>
<b>Profit attributable to owners of parent</b>	<b>370</b>	60	<b>310</b>

### <Profit attributable to owners of parent(Forecast): Variance Factors YoY>



#### (1) Net interest income

- To increase by 16.0 billion yen YoY, mainly due to an increase in the balance of net interest (+13.0 billion yen) and a fall in interest on foreign currency funding (+3.5 billion yen)

#### (2) Capital gains (losses) on securities

- To remain flat YoY due to a decrease in gains (losses) on equity securities (-8.1 billion yen), while gains (losses) related to bonds are expected to increase (+8.1 billion yen)

#### (3) Expenses

- To increase by 4.3 billion yen YoY, mainly due to increases in personnel expenses resulting from pay raises, etc. (+1.6 billion yen) and non-personnel expenses (+2.4 billion yen)

## 7. Shareholder Returns (Dividend Forecast)

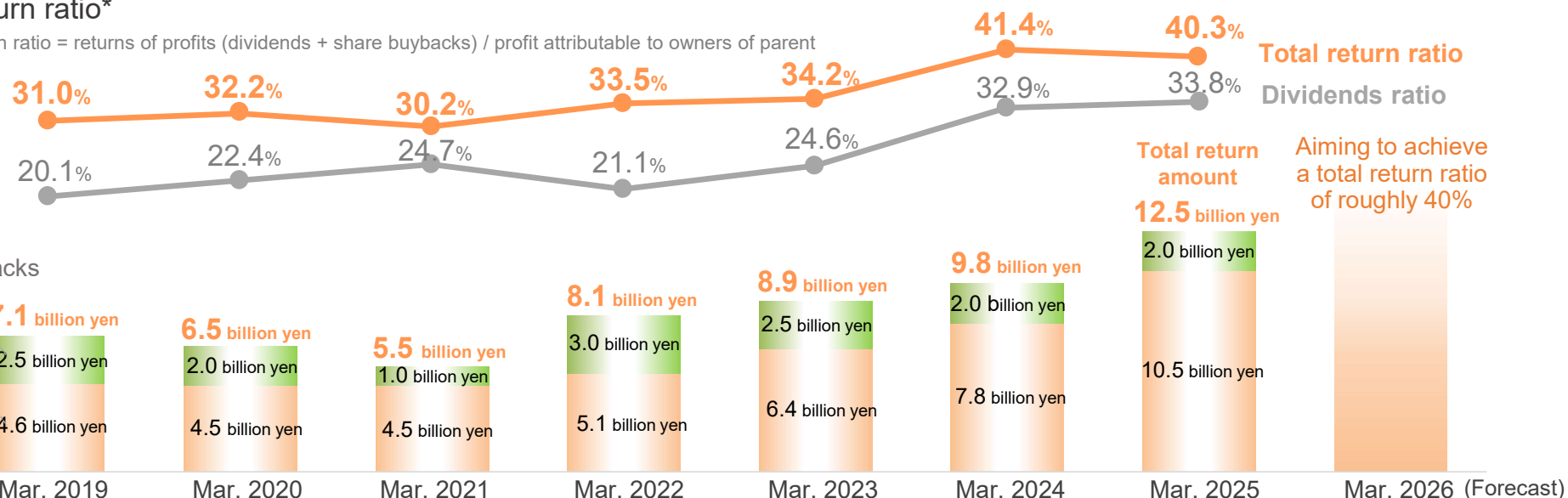
- ◆ Shareholder returns for the fiscal year ended March 31st, 2025 totaled 12.5 billion yen, an increase of 2.7 billion yen YoY, with a total return ratio of 40.3%.
- ◆ Plan to increase annual dividends per share from 75 yen to 90 yen (for five consecutive periods) in the fiscal year ending March 31, 2026.

### <Shareholder returns policy>

In light of the public nature of a bank holding company and the importance of maintaining its sound management, we strive to strengthen our financial resilience by retaining an appropriate level of internal reserves and providing stable dividend payments to our shareholders. Specifically, with roughly 40% of the ratio of total return to profit attributable to owners of parent as rough guidance for the time being, we decide what and how much to each term by taking into account the current economic circumstances, financial conditions, earnings forecasts and other parameters.

### ■ Total return ratio\*

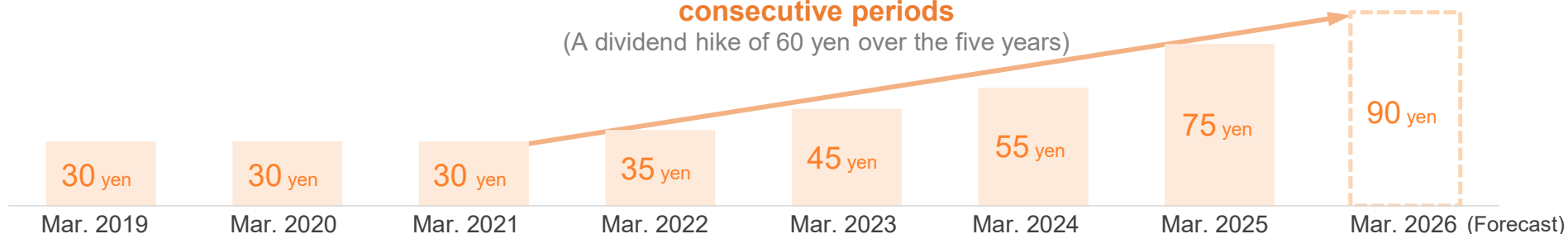
\* Total return ratio = returns of profits (dividends + share buybacks) / profit attributable to owners of parent



### ■ Dividend per share

### Plan to increase dividends for five consecutive periods

(A dividend hike of 60 yen over the five years)



## II. Management Strategies

- Initiatives to Enhance Corporate Value -



# 1. Local Market Environment in Kyushu/Fukuoka

- ◆ The Kyushu Region is seeing strong capital investment, led by the semiconductor industry and a series of large-scale urban redevelopment projects. Fukuoka City, home to our Head Office, is experiencing population growth, creating numerous business opportunities.

## The Kyushu Region

Kyushu accounts for 10% of Japan's economy  
Population: **10.2%** / Gross regional product: **8.3%**  
Kyushu hosts a diverse range of industries [2023]

- Auto** 15% of domestic auto production by unit
- Agriculture** 20% of domestic agricultural production value
- Semi-conductors** 54% of domestic IC production

Source: Kyushu Bureau of Economy, Trade and Industry

## Fukuoka Prefecture

**Over 40%** of Kyushu's GDP with **130,000** SMEs  
(2021, of 350,000 companies in the Kyushu Region)  
Source: Small and Medium Enterprise Agency

## Fukuoka City

**No. 1 ordinance-designated city** in population growth and business start-up rate

- Population growth: **4.8%** [2015–2020]
- Business startup rate: **5.3%** [2023]

## Kita-Kyushu City

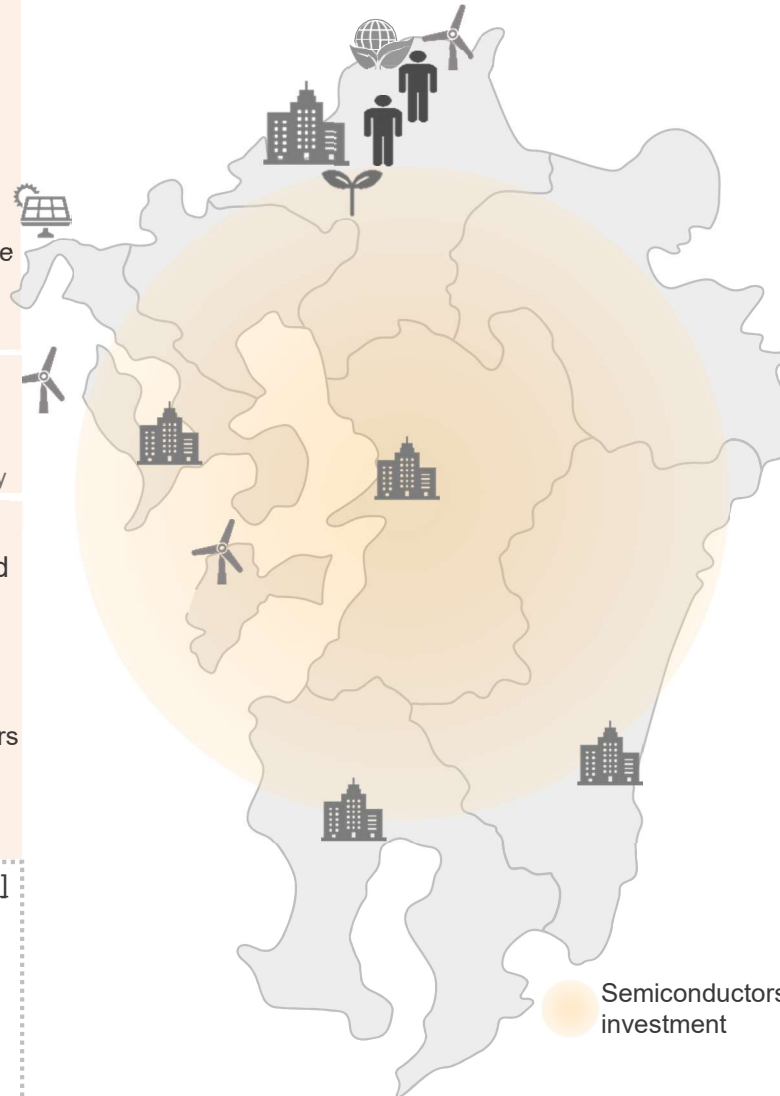
In 2024, **inflow exceeded outflow** for the first time in 60 years  
Approach to creating “harmony between industry and environment” **has been met with great acclaim in Japan and abroad**  
Source: Ministry of Internal Affairs and Communications (MIC), Fukuoka City Gov., Kita-Kyushu City Gov.

- Projected population [change between 2020 and 2040]

- Population decline in Fukuoka Prefecture is moderate compared to the national average. Population growth is expected to continue in Fukuoka City up to around 2040.

	Japan	Fukuoka Pref.	Fukuoka City
Projected population change	-10.6%	-7.3%	+5.5%

Source: MIC, National Institute of Population and Social Security Research, Fukuoka City Gov.



## Urban development

**Tenjin Big Bang / Hakata Connected**

Construction investment effect  
**290.0 billion yen/260.0 billion yen**  
Knock-on effect/year  
**850.0 billion yen/500.0 billion yen**  
Source: Fukuoka City Gov.

**Redevelopment of major cities in the Kyushu Region**

Progressing in core areas such as Nagasaki City, Kumamoto City, Kagoshima City, and Miyazaki City

## Semiconductors

**Capital expenditure by semiconductor-related industries**  
TSMC (Kikuyo-machi, Kumamoto Pref.) etc.

**Investment**  
**Over 4,790.0 billion yen**  
Number of semiconductor-related businesses in the Kyushu Region  
**Approx. 1,000**  
Source: Kyushu Bureau of Economy, Trade and Industry

## Renewable energy

**Capital expenditure in offshore wind and mega solar facilities, etc.**

**Hibikinada Offshore Wind Farm**  
(Kita-Kyushu City, Fukuoka Pref.)  
**175.0 billion yen**  
**Ukujima Mega Solar**  
(Sasebo City, Nagasaki Pref.)  
**200.0 billion yen** etc.

Source: Relevant municipality and company websites



# 1. Local Market Environment in Kyushu/Fukuoka (1) Economic Outlook in the Kyushu Region

- ◆ Kyushu's GDP is expected to grow at a rate exceeding the national average for five consecutive years, supported by a recovery in capital investment and sustained high investment levels.

## ■ Kyushu's economic outlook (GDP YoY change)

(%)	2020	2021	2022	2023	2024	2025
Kyushu	(4.9)	3.9	1.7	1.6	1.3	1.4
Japan	(3.9)	3.0	1.7	1.0	0.7	1.2

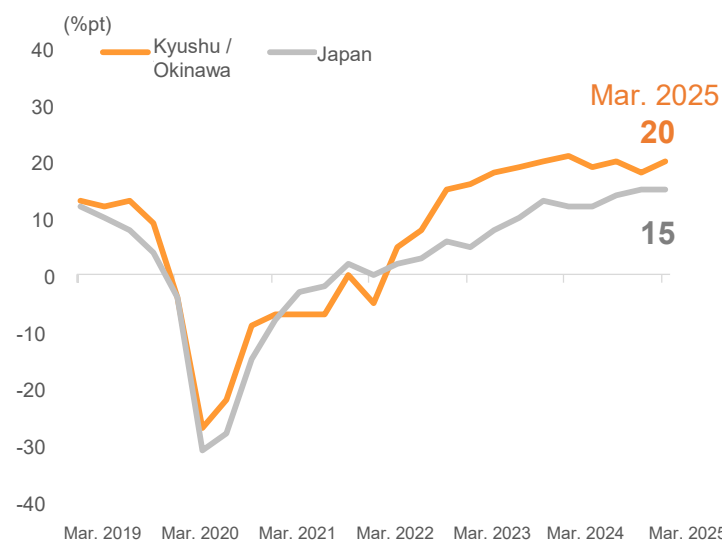
Source: Kyushu Economic Research Center (published in Dec. 2024)

- ✓ Current business sentiments exceed national average
- ✓ Capital investments expected to remain at high levels
- ✓ Recovery in inbound demand is providing a boost

(⇒ See the next slide for the estimated impact of the U.S. tariff policy on the Kyushu economy)

## Business sentiments (diffusion index (DI))

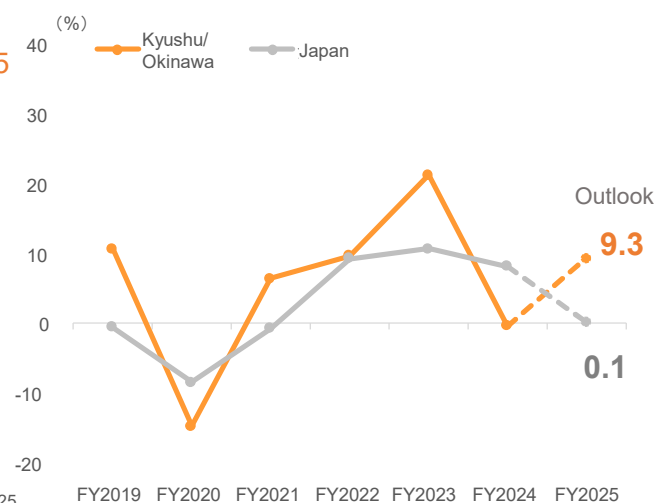
### - Exceeding the national average



Source: Bank of Japan Tankan

## Capital investments (YoY change)

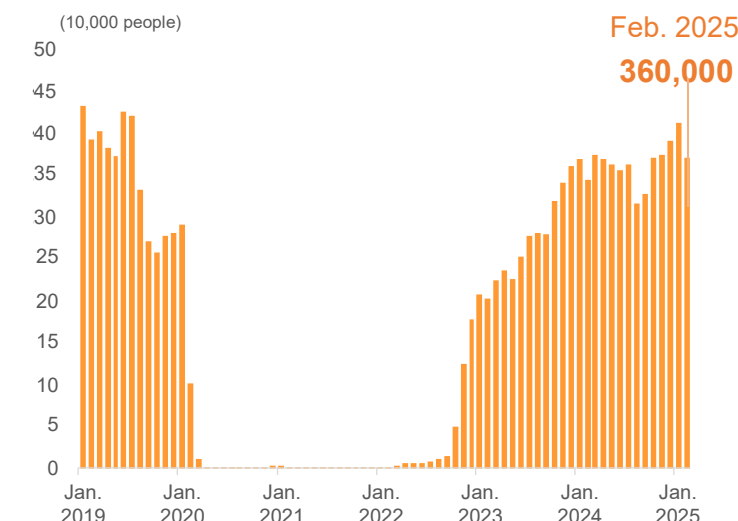
### - Growing faster than the national average



Source: Bank of Japan Tankan

## Inbound trend (overseas arrival)

### - Number of overseas visitors has almost returned to pre-COVID-19 pandemic levels



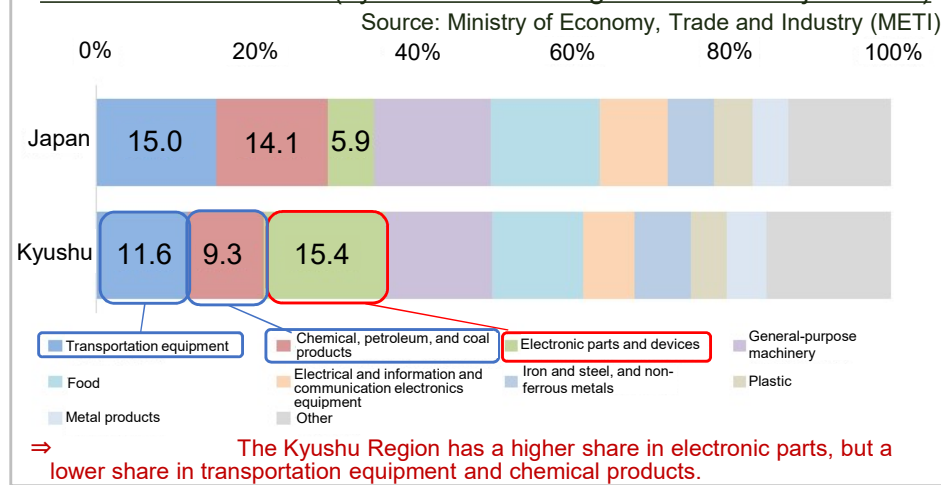
Source: Kyushu District Transport Bureau

## <Appendix> Impact of the U.S. Tariff Policy on Kyushu Economy (Estimate)

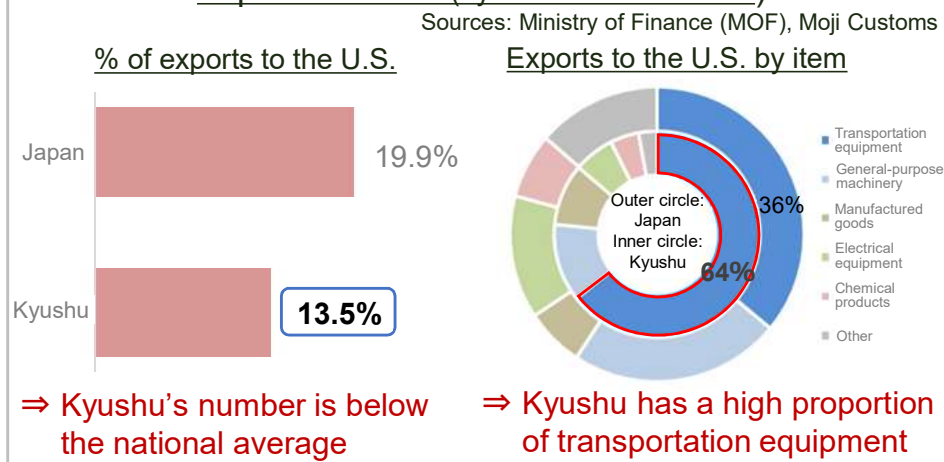
- ◆ The impact of the U.S. tariff policy on the Kyushu economy is expected to be broadly in line with its impact on the national economy.

### ■ Industry and export composition in the Kyushu Region (compared to the national average)

#### <Industrial structure (by value-added weights for each major sector)>

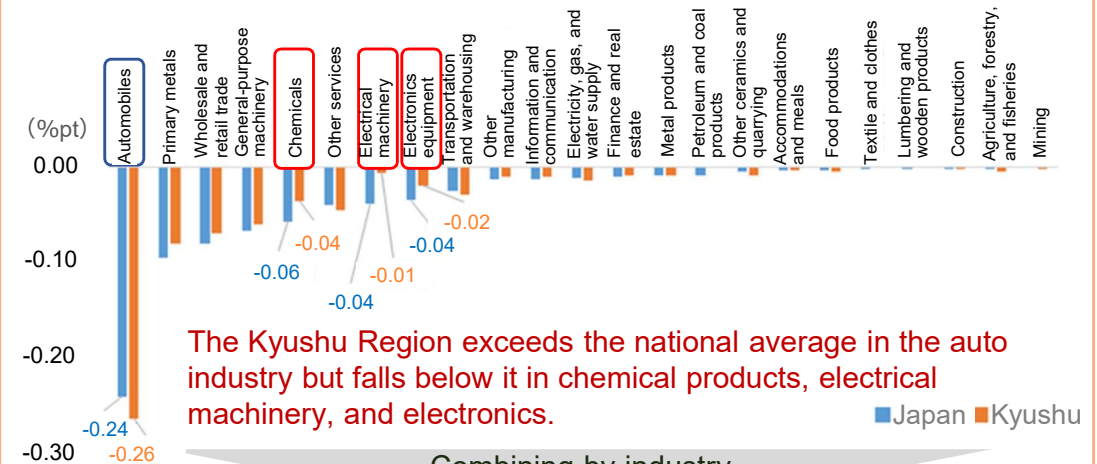


#### <Export structure (by destination and item)>



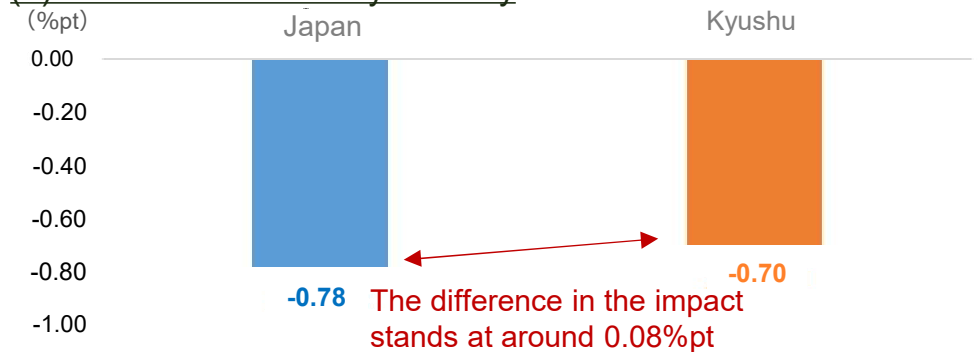
### - Impact of the U.S. tariff policy on GDP (Estimate\*) - (As compared to the national average)

#### (1) Contribution ratio to impact on GDP by industry



#### Combining by-industry contributions

#### (2) Total contributions by industry

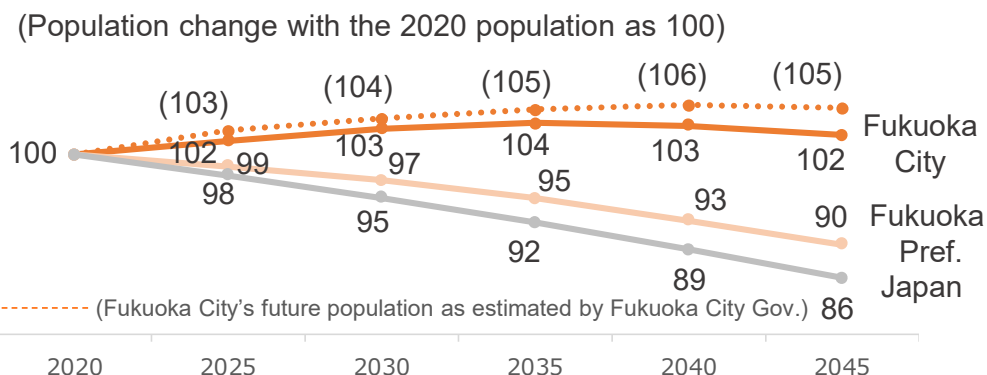


\* Estimates by Deloitte Tohmatsu Risk Advisory LLC (as of April 15, 2025), adapted by the Company. (Assumptions include the imposition of additional country-specific tariffs and 25% itemized tariffs on automobiles, etc. as announced on April 2, 2025)

# 1. Local Market Environment in Kyushu/Fukuoka (2) Potentials of Fukuoka Prefecture/Fukuoka City

- ◆ Population decline in Fukuoka Prefecture, where our Head Office is located, is moderate compared to the national average. In addition, Fukuoka City is forecasted to have a population growth and highly rated for its business and living environments.

- Population projection for Fukuoka Prefecture, Fukuoka City, and Japan
- Population growth is expected to continue in Fukuoka City until around 2035–2040

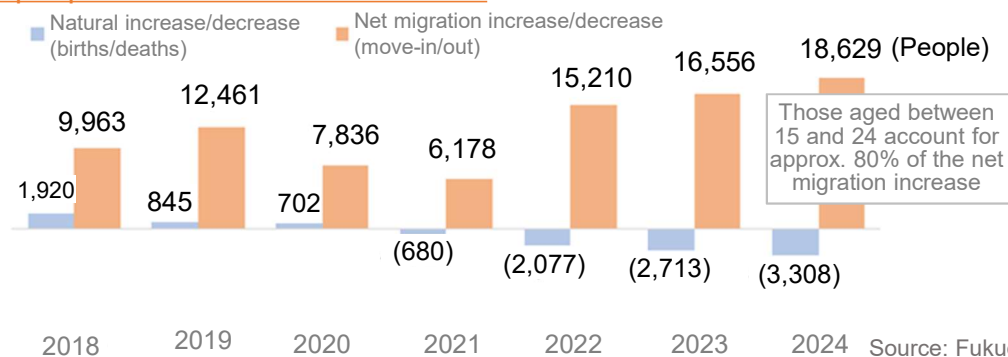


(1,000 people)	2020	2025	2030	2035	2040	2045
Fukuoka City	1,612	1,638	1,660	1,669	1,665	1,647
Fukuoka Pref.	5,135	5,073	4,989	4,886	4,762	4,623
Japan	126,146	123,262	120,116	116,639	112,837	108,801

Sources: National Institute of Population and Social Security Research, Fukuoka City Gov.

- Breakdown of Fukuoka City's population growth

- Fukuoka City's population growth is mainly due to a net migration increase in people in their teens and twenties



## Fukuoka City's appeals

- Overall high evaluation, especially for business environment and livability

### Third-party evaluations

#### - Japan Power Cities 2024 (Mori Memorial Foundation) -

**Fukuoka City 5<sup>th</sup>**  
Total score

Economy & Business **2<sup>nd</sup>**  
Accessibility **3<sup>rd</sup>**  
R&D **4<sup>th</sup> etc.**

1st Osaka City  
2nd Nagoya City  
3rd Yokohama City  
4th Kyoto City

### High startup rate

**Fukuoka City 1st (5.3%)**

Tokyo 23 wards 4th (4.5%)

Osaka City 4th (4.5%)

- FY2022  
- Among 21 major cities (Tokyo 23 wards + ordinance-designated cities)  
Source: Fukuoka City Economy, Tourism & Culture Bureau

### High ratio of young people

**Fukuoka City 1st (17.6%)**

Tokyo 23 wards 3rd (16.9%)

Osaka City 6th (16.5%)

- Ratio of residents aged 15-29 to total residents  
- Among 21 major cities (Tokyo 23 wards + ordinance-designated cities)  
Source: Fukuoka Growth 2022 by Fukuoka Asian Urban Research Center

### Accessibility from airport

**Fukuoka 1st (5 min.)**

Tokyo 31st (25 min.)

Osaka 44th (45 min.)

- Time taken to travel from an airport to city center  
Source: Institute for Urban Strategies, Mori Memorial Foundation (Out of 48 major global cities)

### Livability

**Fukuoka City 1st**

Kobe City 2nd

Shinjuku ward 3rd

- FY2024  
- Among all prefectural capitals (Shinjuku ward for Tokyo)  
Source: City Brand Ranking, Nikkei BP Intelligence Group



# 1. Local Market Environment in Kyushu/Fukuoka (3)Development Trend in Fukuoka City and its Vicinity

- ◆ In addition to large-scale redevelopment projects in the central part of Fukuoka City, development projects for housing and logistics facilities are progressing in the vicinity of Fukuoka City on the back of its growing population and robust economic environment.

## Development projects in Fukuoka urban central area

### Tenjin Big Bang (73 buildings)

Source: Fukuoka City Gov.  
\* End of Mar. 2024

- Project to promote reconstruction of aged buildings, etc. by taking advantage of deregulation measures in the National Strategic Special Zone
- NCB is actively involved in the Tenjin Business Center Project (Project #1) as the main bank

### Hakata Connected (29 buildings)

Source: Fukuoka City Gov.  
\* End of Mar. 2024

- Project to take advantage of the relaxed floor-area ratio to rebuild existing buildings into advanced, quake-proof buildings, along with the expansion of transport infrastructure, including extended subway lines
- NCB has commenced a series of redevelopment projects in the area in front of Hakata Station, including reconstruction of its Head Office building

### Redevelopment of the former site of Kyushu University's Hakozaki campus

- Redeveloping large area of approx. 50 ha
- Pioneering project of Fukuoka City's smart city planning

## Development in the vicinity of Fukuoka City

- With a relatively low natural disaster risk and a stable power supply, the Kyushu Region offers favorable conditions for data center locations.
- Data center construction plans are underway at multiple locations in the prefecture (Itoshima, Kita-Kyushu)

\* The Fukuoka metropolitan area refers to Chikushino City, Kasuga City, Ohnojo City, Munakata City, Dazaifu City, Koga City, Fukuoka City, Itoshima City, Nakagawa City, Umi-machi, Sasaguri-machi, Shime-machi, Sue-machi, Shingu-machi, Hisayama-machi, and Kasuya-machi

## Development in the vicinity of Fukuoka City

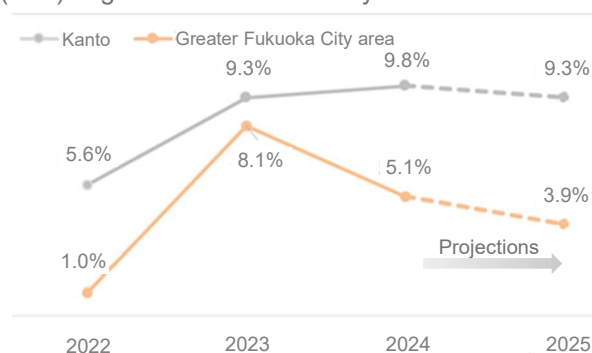
- Driven by population growth, rising land prices in the city center, etc., housing development projects have expanded to the areas surrounding Fukuoka City

(Ref.) (Residential) land price YoY change

	Jan. 2023	Jan. 2024	Jan. 2025
Fukuoka City	+8.0%	+9.6%	+9.0%
Fukuoka metropolitan area*	+6.3%	+7.9%	+6.7%
Japan	+1.4%	+2.0%	+2.1%

- With growing demand for logistics facilities near Fukuoka City, driven by the expansion of the EC market, etc., new logistics development projects are underway.

(Ref.) Logistics facilities vacancy rates



Source: CBRE

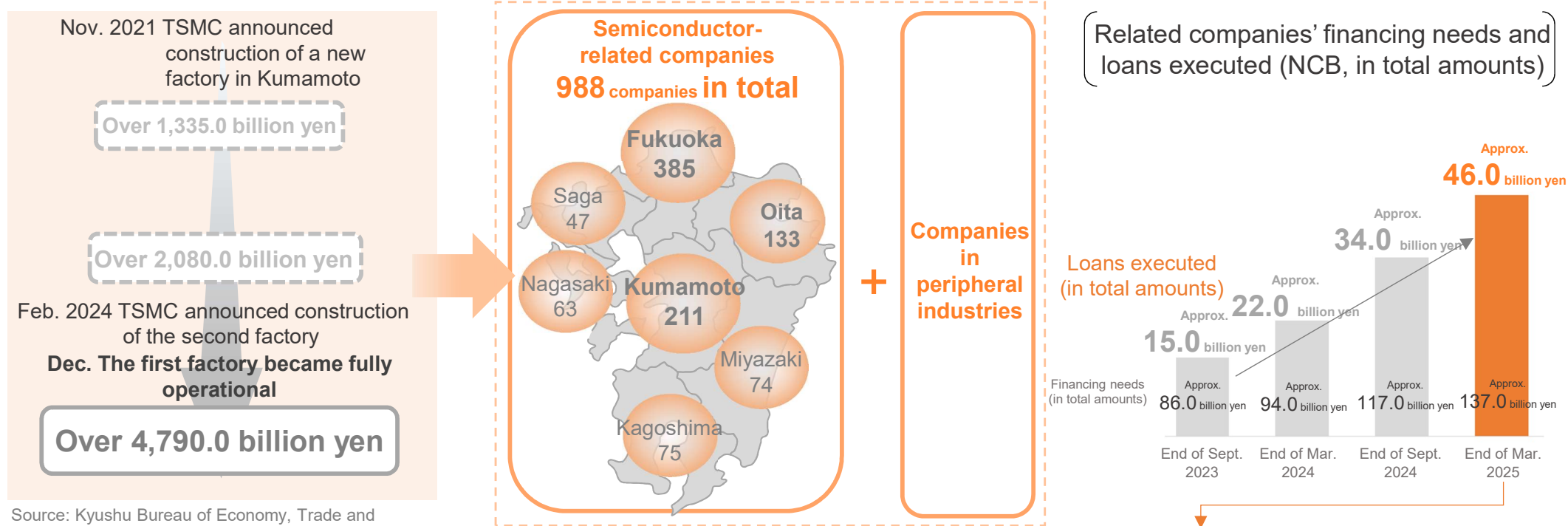
### Legend

- Urban central area redevelopment
- Residential land development
- Logistics facilities development
- Data centers

# 1. Local Market Environment in Kyushu/Fukuoka (4)Update on Semiconductor-related Investments

- ◆ Companies around the world are proactively making capital investments for semiconductor-related facilities in many prefectures in the Kyushu Region, most notably Taiwan Semiconductor Manufacturing Company Limited (TSMC) in Kumamoto.

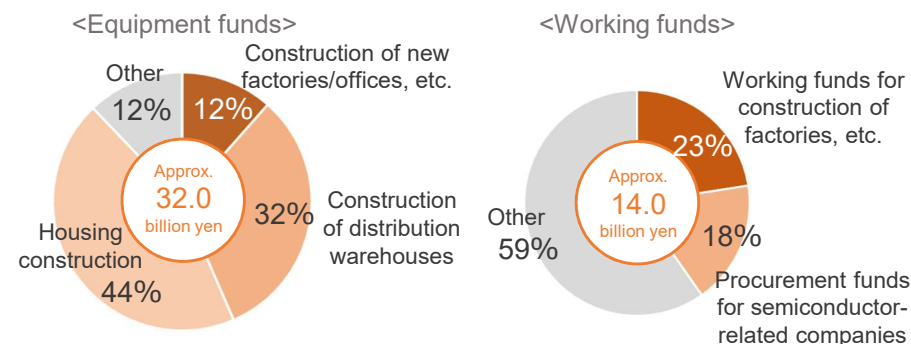
Scheduled/ongoing semiconductor-related capex in the Kyushu Region (publicly announced projects only)



- Special sponsorship of The Nishi-Nippon City Bank at the Semiconductor Technology Expo in Kyushu
- ✓ The Nishi-Nippon City Bank participated in the first Semiconductor Technology Expo in Kyushu held on Sept. 25–26, 2024, as a special sponsor.
- ✓ Jointly with partner businesses and Group companies, set up booths and organized seminars/lectures on semiconductors
- ⇒ Successfully built connections with semiconductor-related companies and enhanced the NNFH Group's presence in the industry



## ● Breakdown of semiconductor-related loans executed



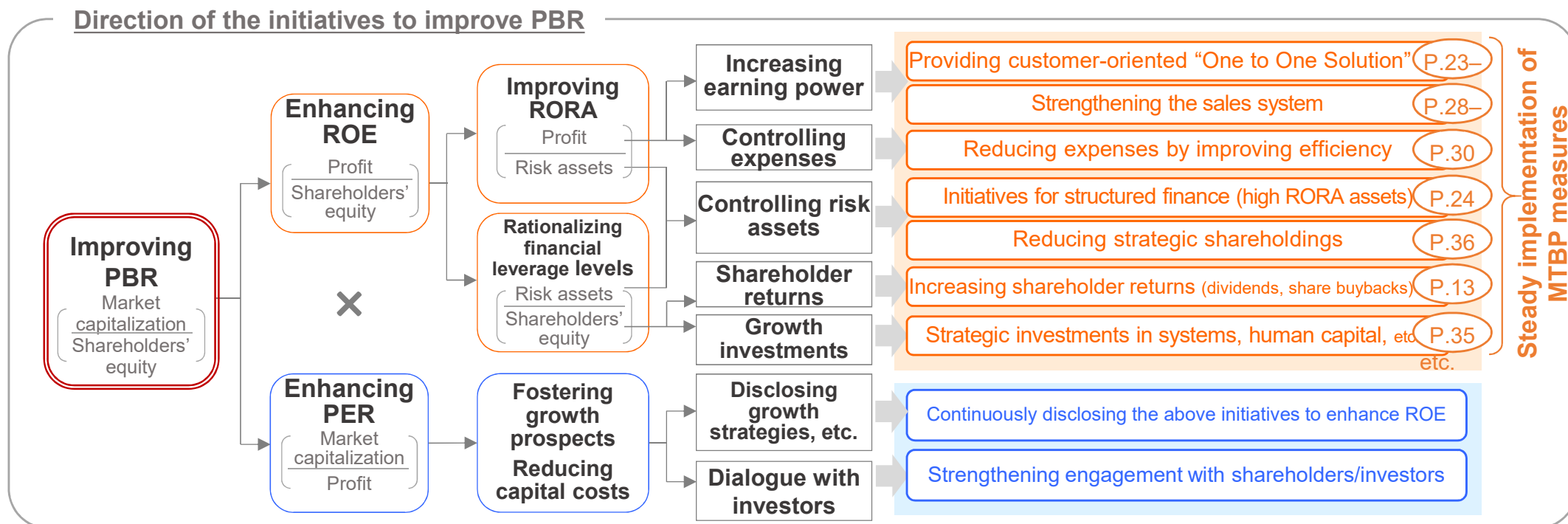
## 2. Initiatives to Enhance Corporate Value

- ◆ Key measures under the Medium-Term Business Plan (MTBP) are progressing steadily, and target management indices (MTBP KPIs) appear to be on track for achievement.

<b>Medium-Term Business Plan</b> <b>Leaping Forward 2026</b> <b>Connecting with Sincerity, Connecting with the Future</b> (from April 2023 to March 2026)	
Basic strategy #1	Providing customer-oriented “One to One Solution”
Basic strategy #2	Sales reform
Basic strategy #3	Human resource reform
Basic strategy #4	Sustainability initiatives

	Mar. 2023 Results	Mar. 2025 Results	Mar. 2026 KPIs (Targets)	Mar. 2026 Forecast
✓ Consolidated profit	26.1 billion yen	⇒ 31.0 billion yen	⇒ 32.0 billion yen	37.0 billion yen
✓ Consolidated ROE	4.95%	⇒ 5.51%	⇒ Approx. 6%	Approx. 6.5%
✓ Consolidated core OHR	65.8%	⇒ 63.5%	⇒ Approx. 60%	59.3%
✓ Consolidated capital adequacy ratio	12.10% (10.39%)	⇒ 12.59% (10.39%)	⇒ Mid-11% range (Low 10% range)	Approx. 11.5% (Approx. 10.3%)

Figures in brackets are based on full application of finalized Basel III reforms





## <Appendix> PBR, ROE, and Stock Prices

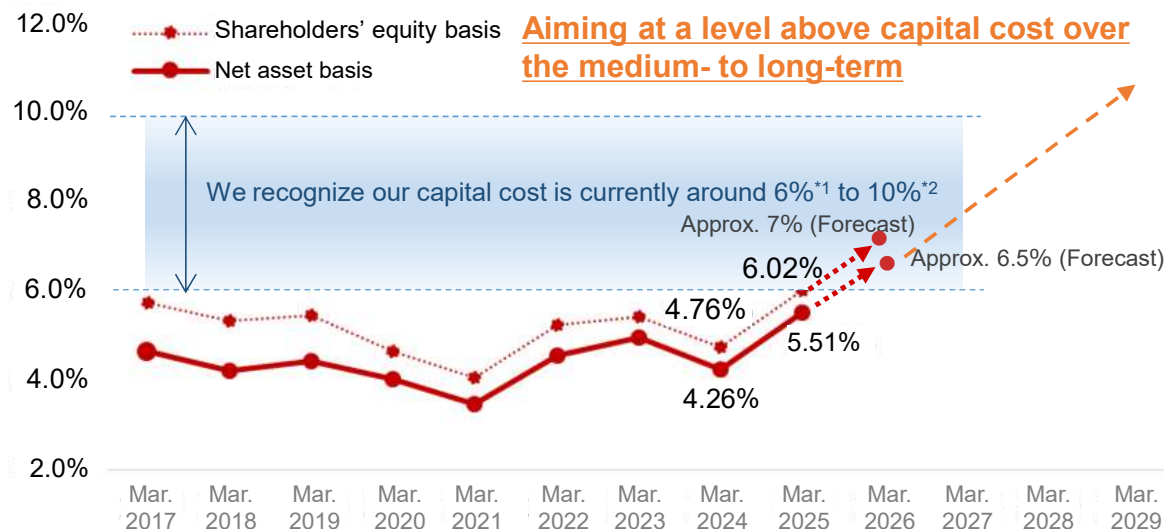
### ■ PBR

**After remaining very muted, PBR began rising but is yet to reach the level of 1.0**



### ■ Consolidated ROE

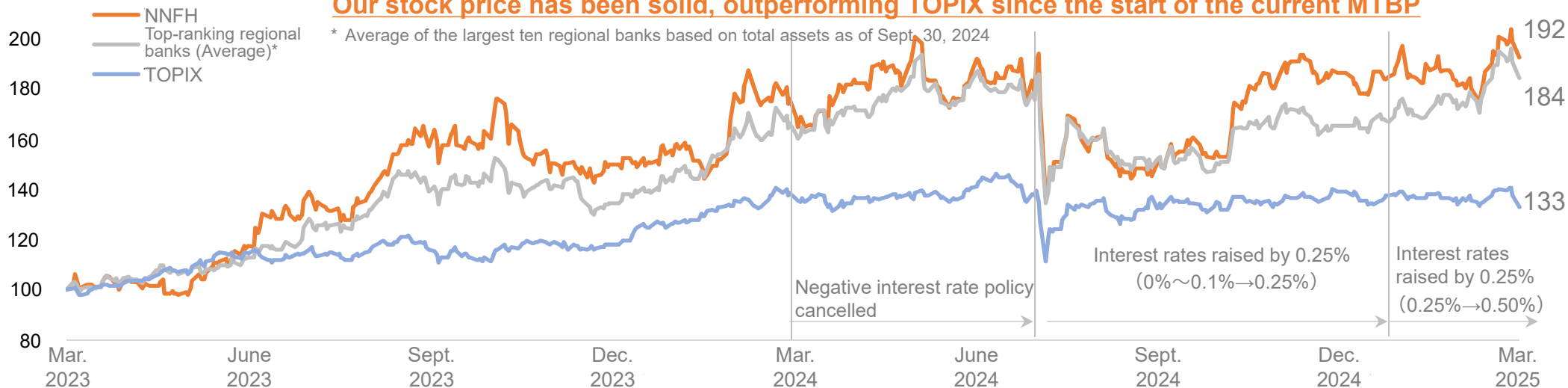
**Aiming at a level above capital cost over the medium- to long-term**



\*1 Calculated based on CAPM: [risk-free rate + our stock price  $\beta$  x market risk premium]  
(Following the calculation method of capital cost for the JPX Prime 150 index)  
\*2 Calculated based on earnings yield: [Reciprocal of our PER based on 0% growth rate]

### ■ Stock prices (indexed to Mar. 30, 2023 as 100)

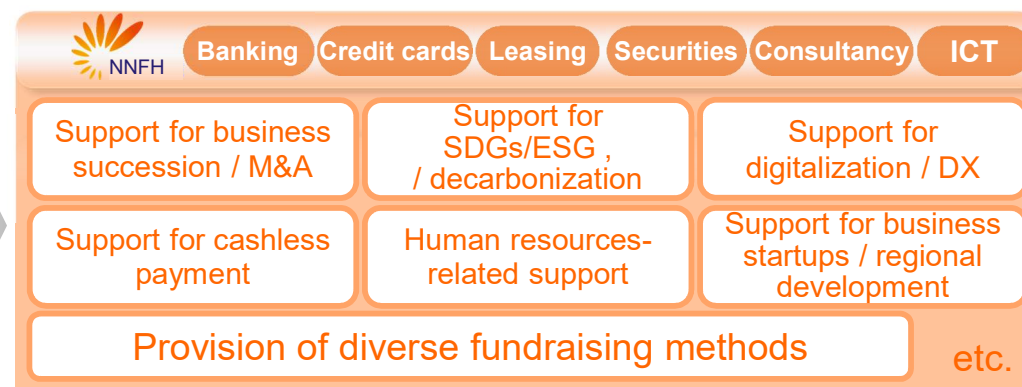
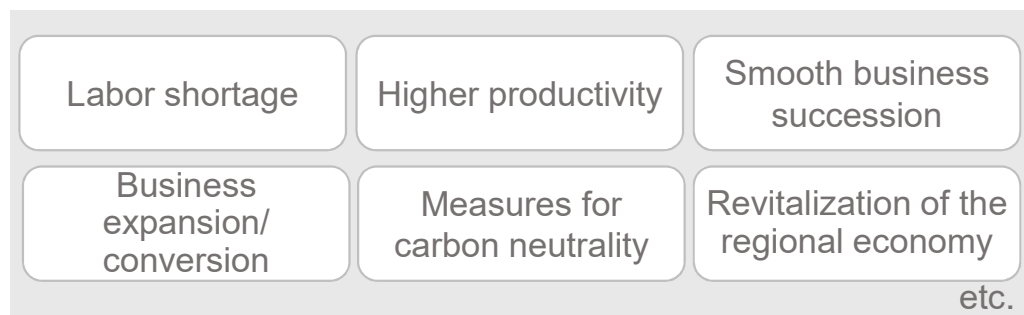
**Our stock price has been solid, outperforming TOPIX since the start of the current MTBP**



### 3. Providing Customer-Oriented “One to One Solutions” (1) Corporate Customers

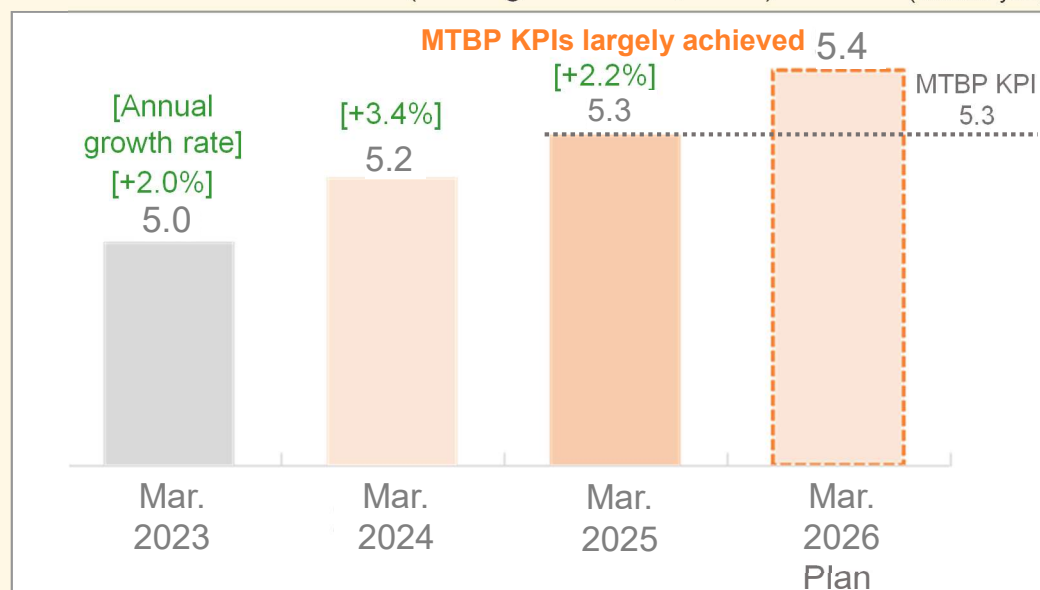
- ◆ Provide financial and non-financial solutions tailored to each corporate customer’s needs, which are becoming increasingly diverse and sophisticated.

#### Increasingly diverse and sophisticated issues and needs of corporate customers



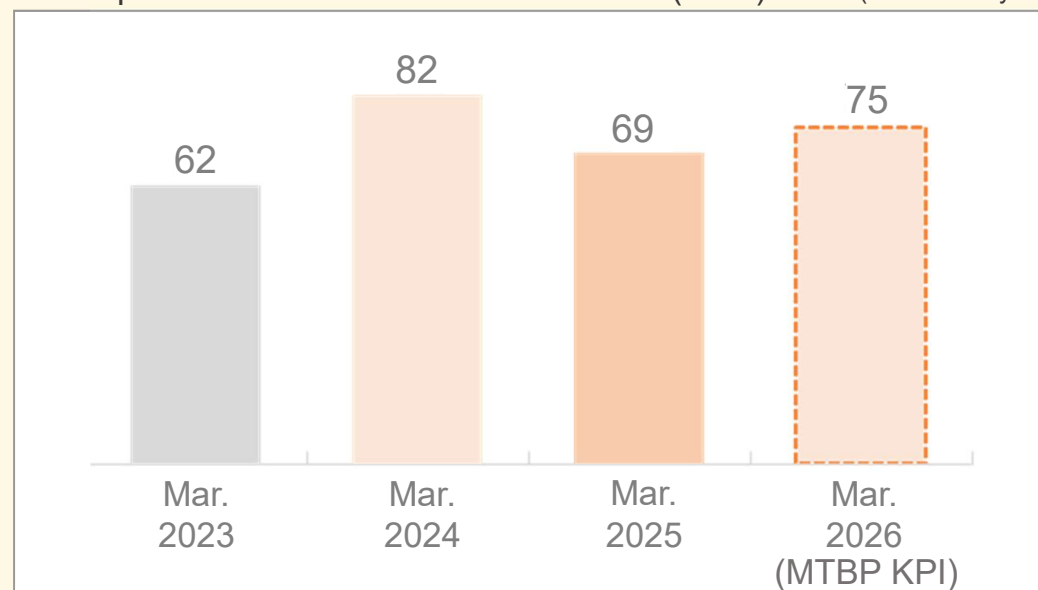
■ Business loan balance (average balance; NCB)

(Trillion yen)



■ Corporate customer-related fee income (NCB)

(100 million yen)





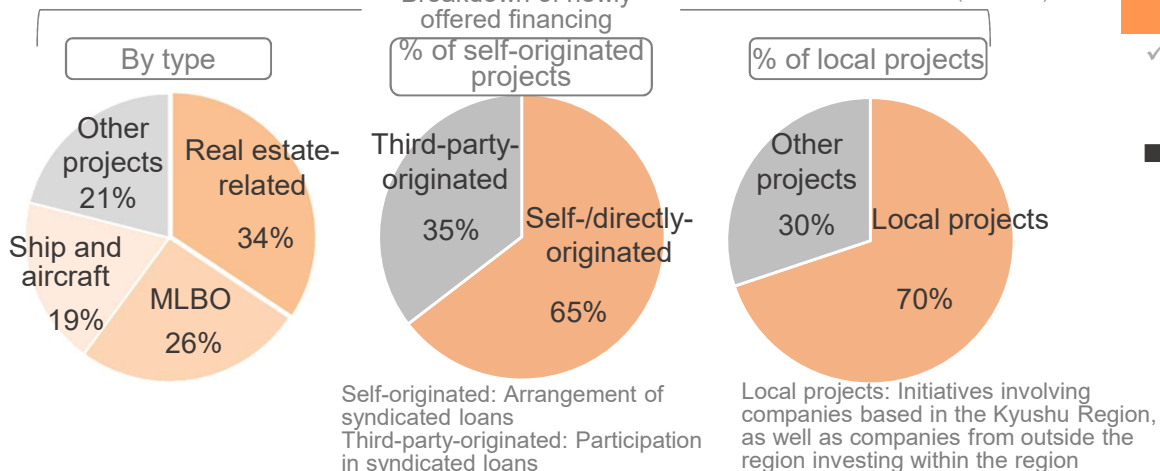
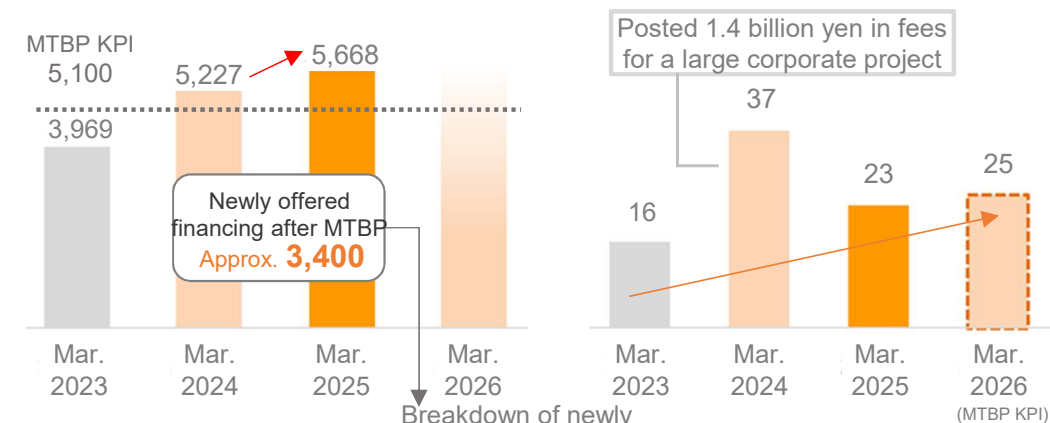
### 3. Providing Customer-Oriented “One to One Solutions” (1) Corporate Customers

- ◆ Provide diverse fundraising methods that meet customers’ individual needs using structured finance, funds, and other instruments.

#### Initiatives for structured finance

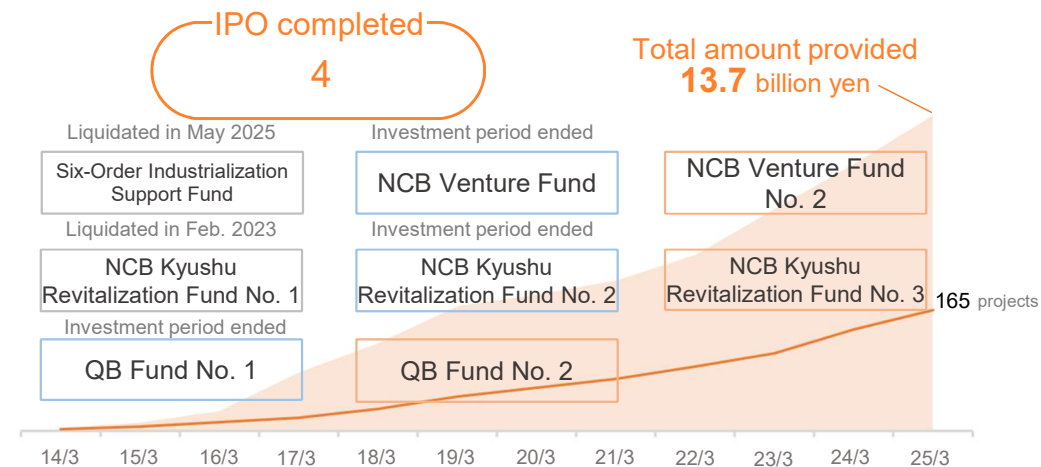
- ✓ Focusing on a diverse range of structured finance offerings, including real estate-related financing, MLBO (management and leveraged buyouts), and ship and aircraft financing, has led to an increase in both the structured finance balance and related fees.

- Structured finance balance (100 million yen)
- Credit-related fees (100 million yen)



#### Utilization of funds

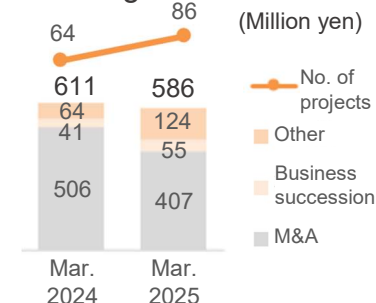
- ✓ Utilizing the funds we invest in, we support local startups with financing, business succession, and turnaround efforts. Two startups supported by the NCB Venture Fund have been listed on the TSE Growth Market.



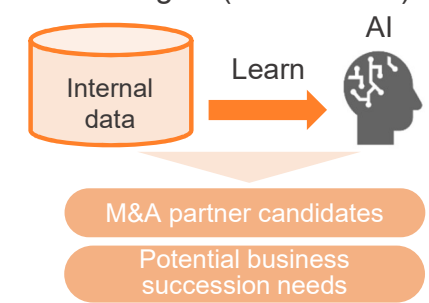
#### Support for business succession / M&A

- ✓ With backing from HQ, support a broad range of customers in their business succession and M&As, using professional and advanced techniques

- Consulting fees



- Utilizing AI (Feb. 2025–)

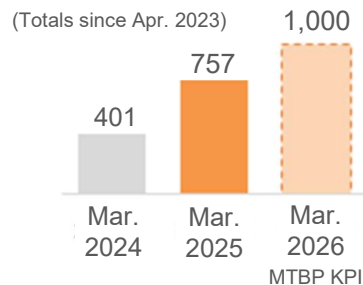


### 3. Providing Customer-Oriented “One to One Solutions” (1) Corporate Customers

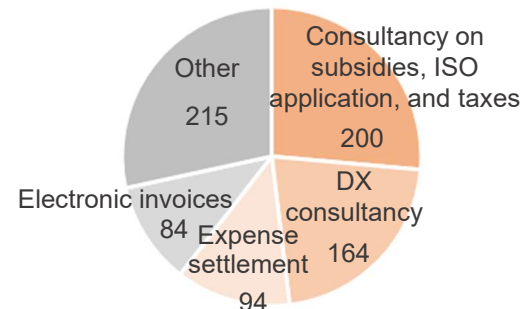
- ◆ Provide a diverse range of solutions that address immediate managerial issues of many corporate customers, including “digitalization/DX” and “recruitment”.

#### Support for digitalization/DX

- ✓ NCB, City Ascom, and IJGN Group to work as one to provide optimal solutions corresponding to the size and issues of customers
- Number of DX consultancy / digitalization support projects (Cases)



(Results from Apr. 2023 to Mar. 2025)



#### Support for cashless payment (The Kyushu Card Co., Ltd.)

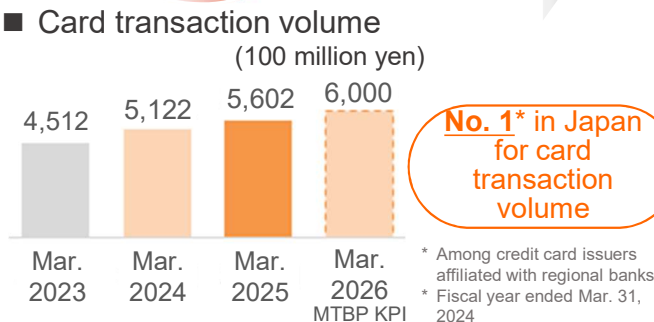
- ✓ Support cashless payment by corporate customers by providing corporate cards and business credit cards
- Number of corporate cards issued



#### Support for cashless payment

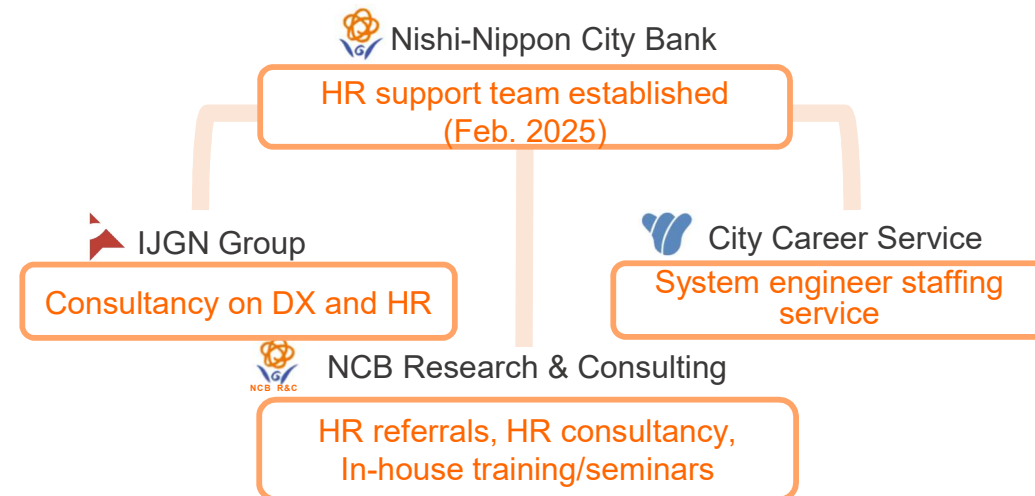
Efficient expense settlement  
Transparent cost management

- Number of member stores (1,000 stores)

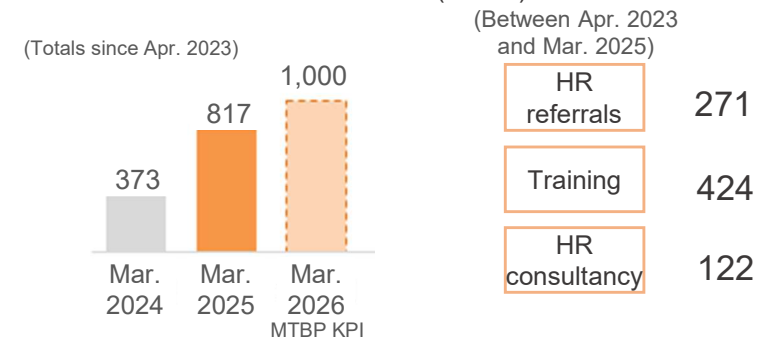


#### Human resource-related support

- ✓ NCB’s HR support team identifies customers’ true needs and works with Group companies with HR-related solution functions.
- Provide solutions that match the issues each customer has.



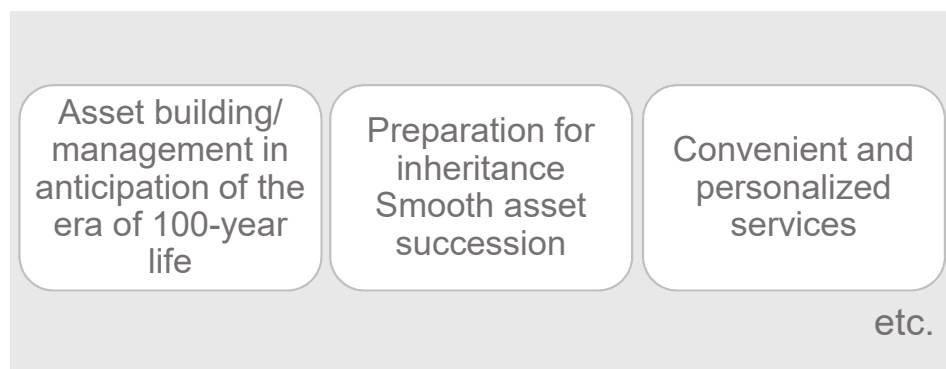
- Cases of HR-related solutions (Cases)



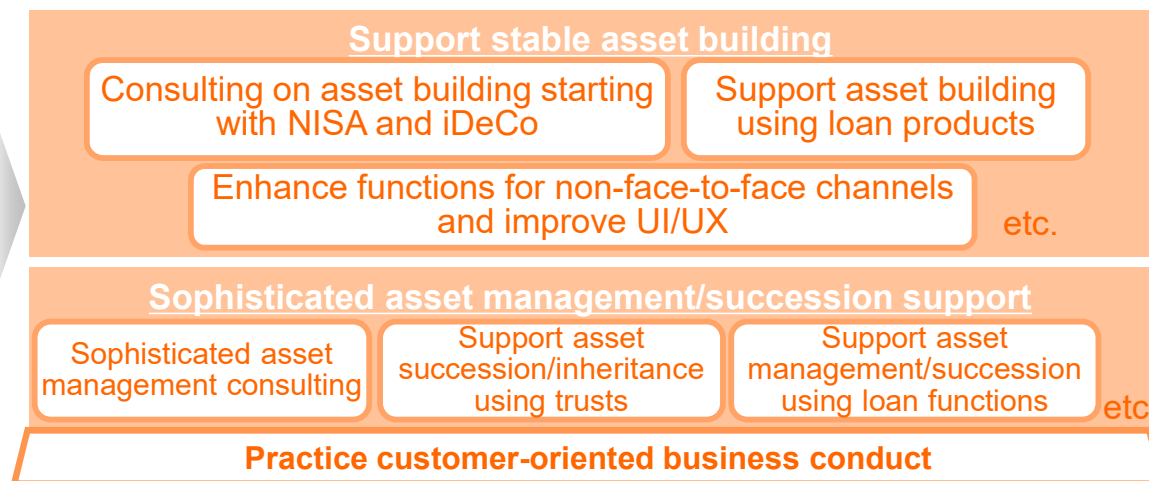
### 3. Providing Customer-Oriented “One to One Solutions” (2) Retail Customers

- ◆ Provide optimal solutions for each customer by practicing customer-oriented business operation and consulting on all assets and liabilities for a broad range of customers.

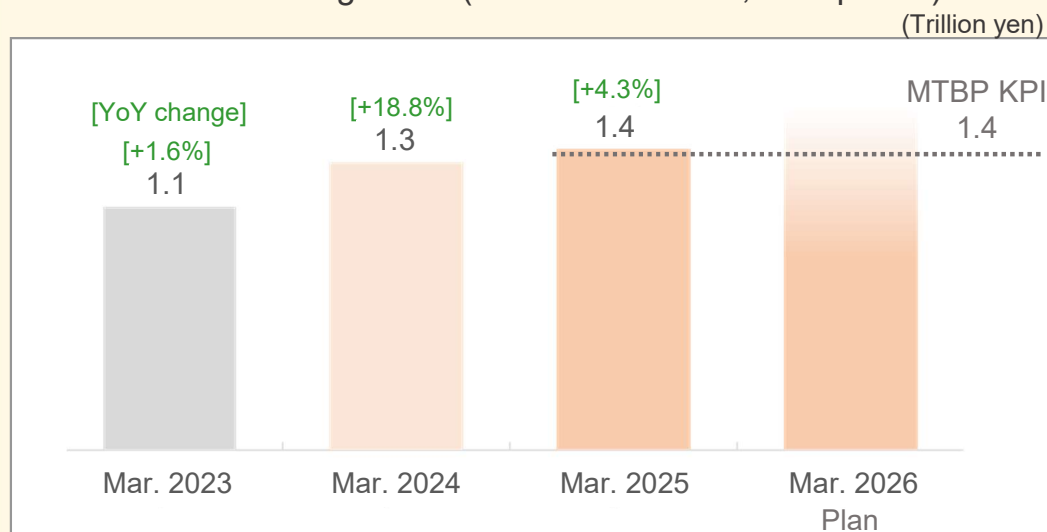
#### Issues and needs of retail customers



#### Consulting on a full range of assets and liabilities of customers



#### ■ Asset under management (term-end balance; Group total)



#### ■ Personal loan balance (average balance; Group total)

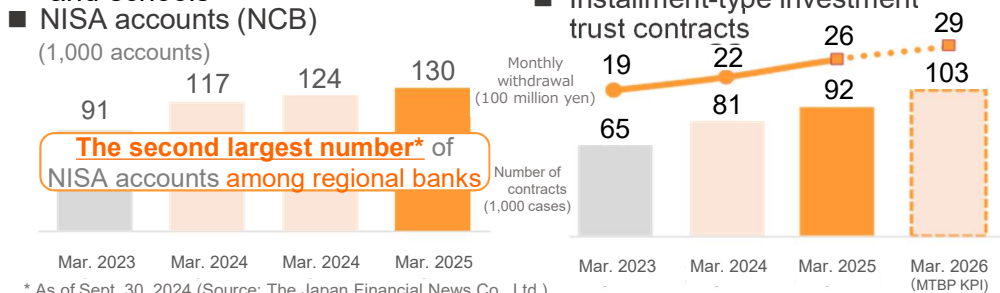


### 3. Providing Customer-Oriented “One to One Solutions” (2) Retail Customers

- ◆ Provide optimal solutions for every stage of customers’ lives by proposing asset-building options, starting with NISA, along with various loan products.

#### Consulting on asset building

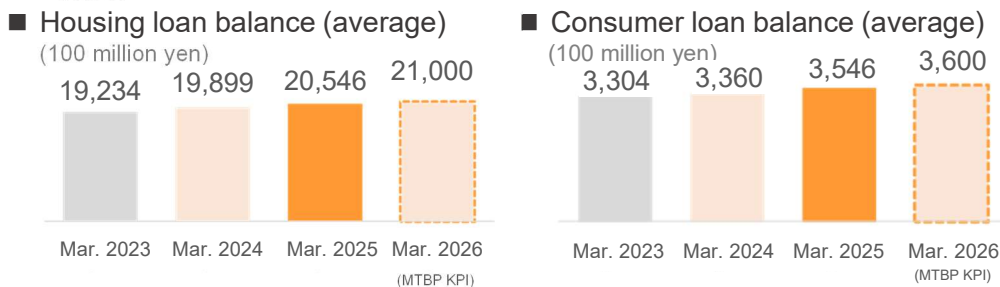
- ✓ Support customers in building assets by offering proposals on NISA, investment trusts, etc. NCB’s NISA account holdings are the second largest among regional banks.
- ✓ Proactively organize financial literacy workshops for partner businesses and schools



#### Financial economy workshops held in 2024

Partner businesses, etc.	357 times (Participants: 7,845)
Schools	214 times (Participants: 12,968)

- ✓ Loan balances growing steadily as we consistently captured demand in the brisk market through agile allocation of personnel to loan dedicated sites.



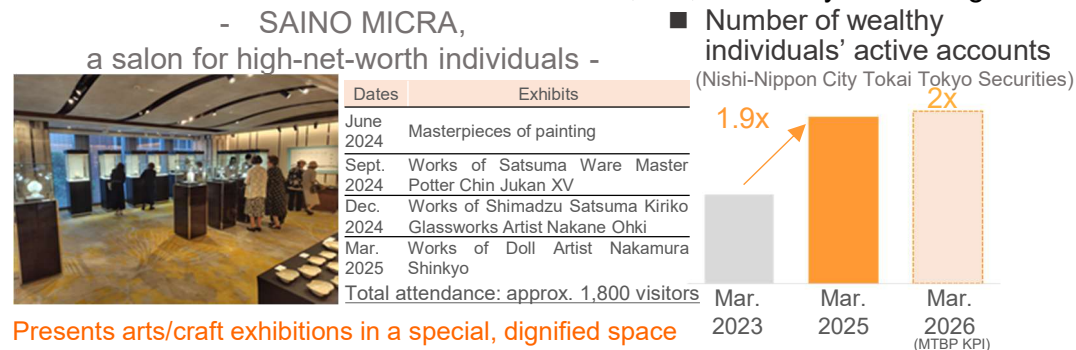
#### - Building a framework for customer-oriented business conduct -

In line with the Group Management Philosophy, we are working to build a framework for customer-oriented business conduct, particularly in services related to customers’ asset management and asset building. Our aim is to develop comprehensive financial services that exceed the expectations of customers and host communities.

(Details of the relevant initiatives are published on our corporate website)

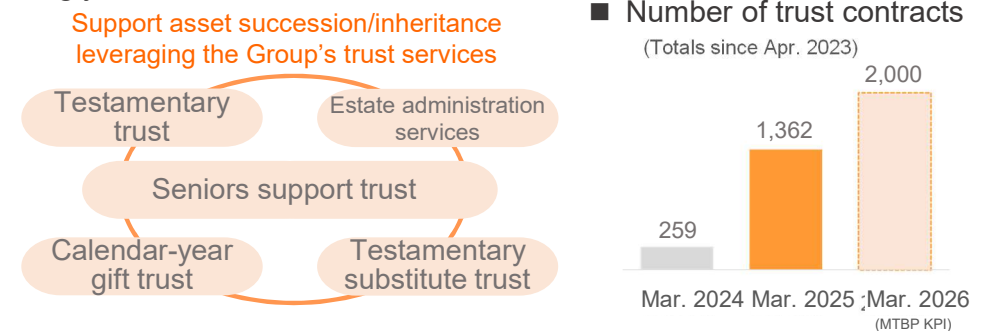
#### Provision of solutions for wealthy individuals

- ✓ Expand access to wealthy customers by enhancing banking-securities collaboration and leveraging SAINO MICRA, a salon for high-net-worth individuals. The number of active accounts, too, is steadily increasing.



#### Initiatives for asset succession/inheritance

- ✓ Focus on the trust business to assist customers with smooth asset succession/inheritance. The number of trust contracts is growing strongly.



#### <Third-party\* rating of our customer-oriented financial instruments provision>

In recognition of our customer-oriented provision of financial instruments, The Nishi-Nippon City Bank received an “SS” rating—the highest among domestic banks—while Nishi-Nippon City Tokai Tokyo Securities earned an “S+,” the highest among domestic securities firms.

\* Rating and Investment Information, Inc.



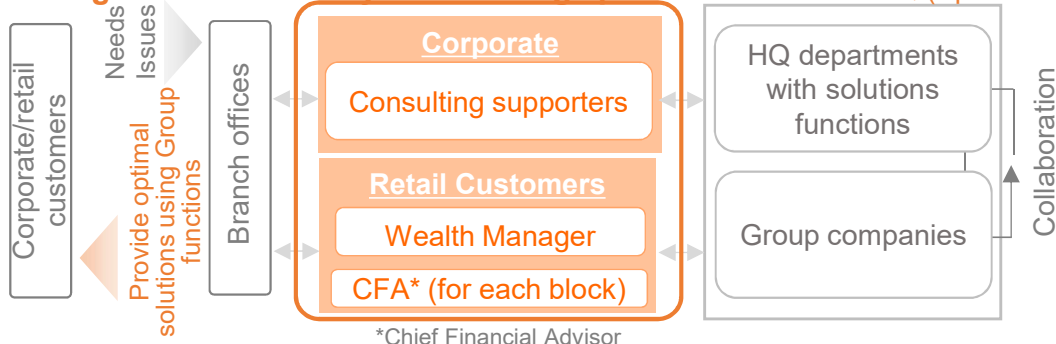
## 4. Sales Reform (1) Strengthening the Sales System

- ◆ With a strengthened HQ support system, information sharing among branch offices, HQ, and Group companies has improved significantly.
- ◆ Inter-Group collaboration has enabled the provision of diverse solutions, contributing to consolidated financial results.

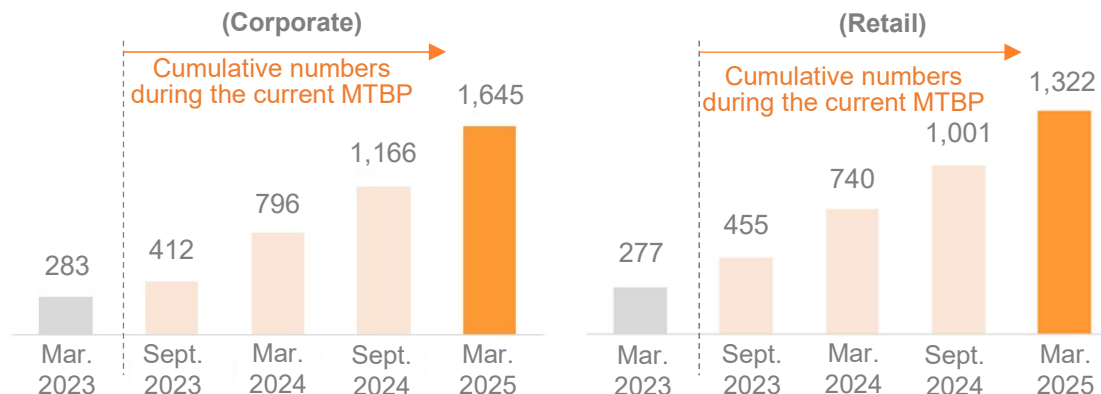
### Strengthen the HQ support system

- ✓ Establishment of specialized units in HQ to strengthen a hub connecting customer issues/needs with the Group's solution capabilities has accelerated solution delivery through enhanced collaboration between the Head Office and branch offices

#### Strengthen the "hub" by establishing specialist teams in HQ (Apr. 2023-)



<Number of data collaboration cases between the Head Office and branch offices >



Main outcomes from the above collaboration

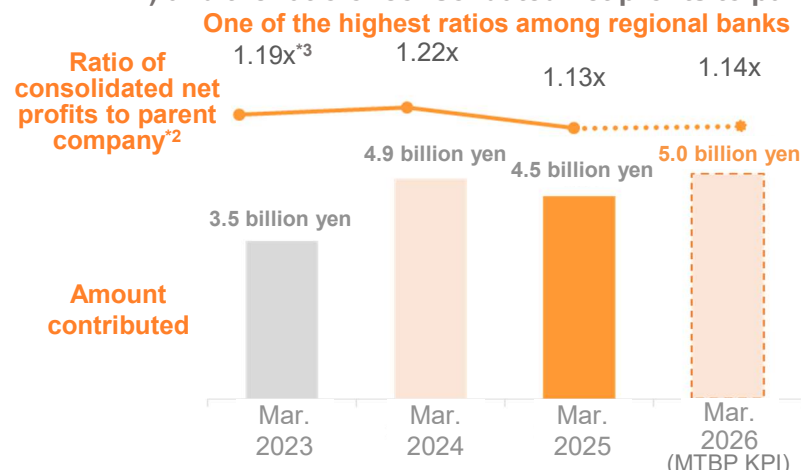
Loans executed Approx. 106.0 billion yen	Corporate fees & commissions Approx. 1.1 billion yen	AUM Approx. 2.5 billion yen
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### Enhance the Group collaboration system

- ✓ Rolled out cross-Group strategies through the Group Strategy Council, etc., resulting in contributions to consolidated results from Group companies, excluding NCB.



<Group companies' contribution to consolidated results\*1 (excl. NCB) and the ratio of consolidated net profits to parent company>



\*1Sum of the amounts calculated by multiplying profit of each company by the equity holding ratio (deducting gains on the sale of equities, etc. within the Group)

\*2Consolidated profit divided by profit of two subsidiary banks combined

\*3Excluding the gain on negative goodwill resulting from the consolidation of Kyushu Leasing Service and City Ascom



## 4. Sales Reform (2) Digital Strategy

- ◆ Both the user count and the share of transactions via digital channels are steadily rising among corporate and retail users.
- ◆ These digital channels are becoming increasingly important as key customer contact points.

### The Nishi-Nippon City Bank App, a digital channel for retail customers (Mar. 2015 -)

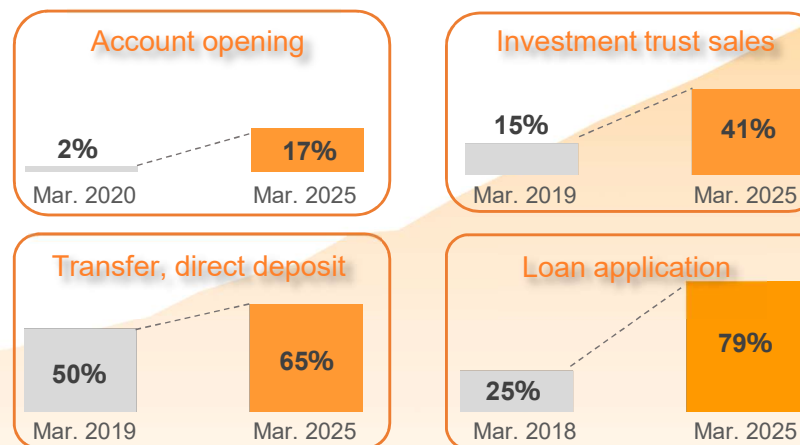
**Have a bank in your smartphone!**



Released in Mar. 2015

- Deposit balance and transaction history inquiries
- Life insurance policy inquiries
- Investment trust profit/loss management inquiries
- App-to-app transfer, small amount transfer COTRA
- Payment of taxes and public funds
- Investment trust / NISA account opening, investment trust transactions
- Foreign currency deposits and installments
- Online securities (CHEER Securities, Inc.)
- App card loans
- App car loans
- Ordinary savings account and foreign currency savings account opening
- Various procedures (address change), etc.

#### ■ % of transactions via NCB App or online



**1.17 million**  
registered accounts

Ratings

App store

★4.7

Google play

★4.5

(As of Apr. 30, 2025)

Mar. 2015

Mar. 2024 Mar. 2025

### NCB Business Station, a digital channel for corporate customers (Dec. 2020-)

**Always access to online support counter!**



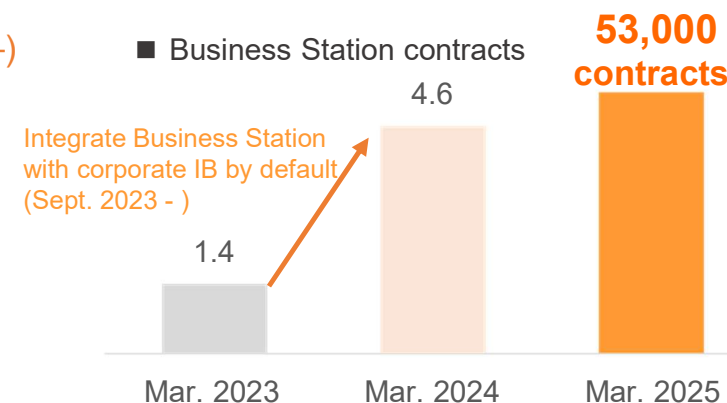
#### Financial service

- Single transfer
- Bundle transfer, salary transfer
- Deposit balance and account activity inquiries
- Other banks online inquiry services
- Online loan functions etc.

#### Non-financial service

- Business matching
- Provision of subsidy and grant information
- Provision of seminar and management information
- Employee benefits services
- Electronic form issuance services etc.

#### ■ Business Station contracts



Integrate Business Station with corporate IB by default (Sept. 2023 - )

## 4. Sales Reform (3) Work Reform

- ◆ Operational efficiency and productivity are steadily increasing through streamlined and digitalized operations at HQ and branch offices.
  - By rolling out the branch system to all locations, we significantly reduce branch administration to transform branch offices into “consulting-focused business locations”

### Initiatives to enhance operational efficiency and productivity

- ✓ Since initiating various work reform measures in 2018, the workload equivalent to 1,322 administrative personnel has been eliminated, resulting in increased per-employee operating profit.

Standardize support counter service

Digitalize paper documents

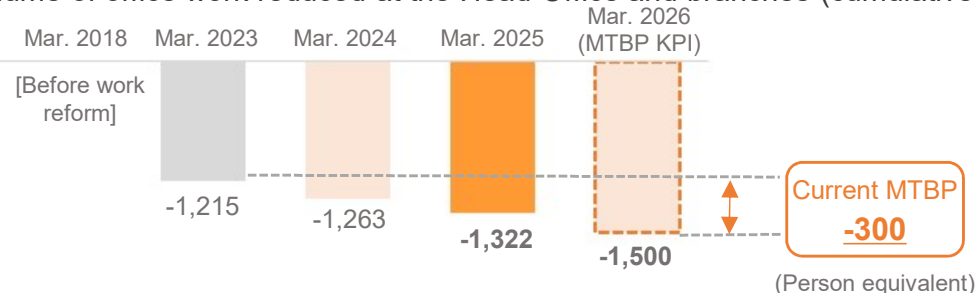
Reduce special administrative tasks unique to each branch office

Reduce cross-divisional operations

Increase efficiency in meetings and in the preparation of materials

Introduce the new branch system

### ■ Volume of office work reduced at the Head Office and branches (cumulative)



### ■ Per-employee operating profit from customer services\*

\* Calculated by dividing (average balance of loan x loan-deposit spread + fees and commissions – operating expenses) by the average number of employees during the period



### Introduction of a new branch system

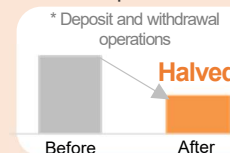
- ✓ Upgrade all branch systems by Mar. 2025. Shorter transaction times will allow employees to focus more on consulting services.

#### <Appearance of branches after system upgrade>



With careful guidance from employees, customers independently complete transactions using a tablet, etc.

#### <Time taken per transaction>



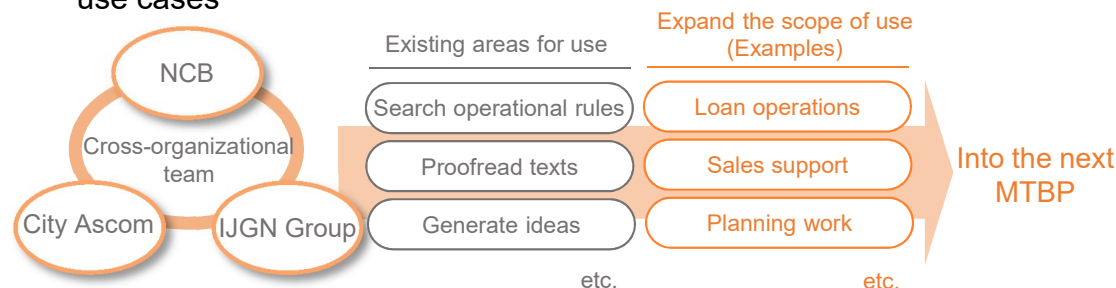
Volume of administrative work reduced

140 persons equivalent

Employees to focus on face-to-face consulting  
**“Branch offices to be focused on consulting”**

### Utilization of generative AI

- ✓ Expand the internal use of generative AI beyond the trial phase
- ✓ Form a cross-organizational team to establish infrastructure and explore use cases



## 5. Human Resources Reform (1) Human Resources Development

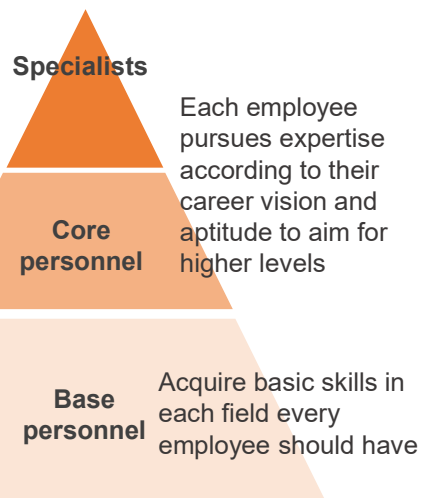
- Strongly support the growth of each employee by developing strategic human resources to lead the Group's future in consulting, DX, planning, etc., and expanding job class / business operation-based training and re-skilling training.

### Developing strategic HRs

- Systematically develop strategic HRs, who will lead the Group's future in consulting, DX, and other fields.

Approach to the development of strategic HRs

Mar. 2025 Results



Consulting personnel			(People)
Specialists	75		30
Core personnel	208		300
DX personnel			(MTBP KPIs)
Specialists	58		90
Core personnel	636		1,100
Planning personnel			
Specialists	86		100
Core personnel	97		90

Certification of "specialists," "core personnel," and "base personnel" requires meeting applicable criteria within the Company, such as the acquisition of professional qualifications, work experience.

### Job class / business operation-based training

- Provide seamless training opportunities tailored to the skills expected of each job class, as well as training to enhance operational capabilities across various functions.

Job class training

Business operation-based training

- Managerial personnel**
  - Tips on 1-on-1 meetings
  - 360° feedback, etc.
- Middle-ranking employees**
  - Management, team building, coaching, etc.
- Younger employees**
  - Selected for special training program (OJT and HQ training for their official assignment in their 2nd year)
  - Follow-up training (2nd-5th year employees), etc.
- New recruits**
  - New recruit training (for one month), etc.

#### Sales representatives

- Proposing loans and various other solutions according to their years of experience (through role-playing), etc.

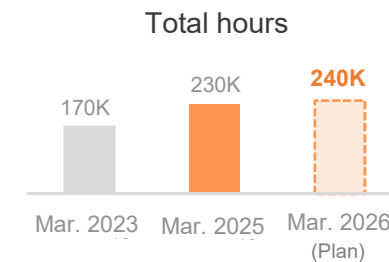
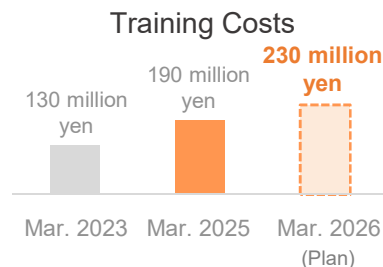
#### Retail sales

- Proposing various financial instruments and housing/apartment building loans according to their years of experience (through role-playing), etc.

#### Counter clerks

- Concrete proposal techniques for various financial instruments and over-the-counter sales, etc.

#### Training costs and time (NCB)





## 5. Human Resources Reform (2) Greater Job Satisfaction

- ◆ Build a corporate culture that promotes advancement of diverse human resources by establishing an environment that enhances job satisfaction through improved employee treatment, promotion of diversity & inclusion, two-way dialogue between the management and employees, etc.

### ● Review of treatment of employees

- ✓ Increase salary levels, including raising starting salaries for new graduate hires, based on the internal and external environment

#### Increase salary levels

Three consecutive years

**An average of roughly 5%**

On the annual salary basis including regular salary increases

#### Raise salaries for new graduate hires

Starting salaries for FY2026

**270,000 yen**

FY2023: 215,000 yen →  
FY2025: 260,000 yen  
(College graduates, generalist)

#### Raise subsidies for the Employee Shareholding Association

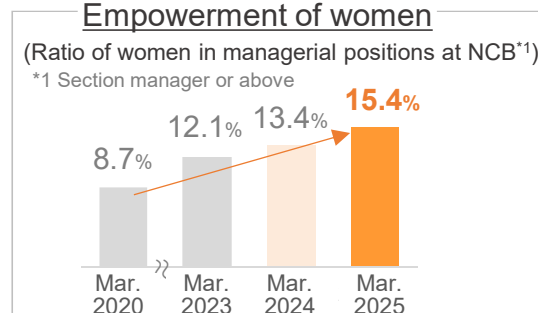
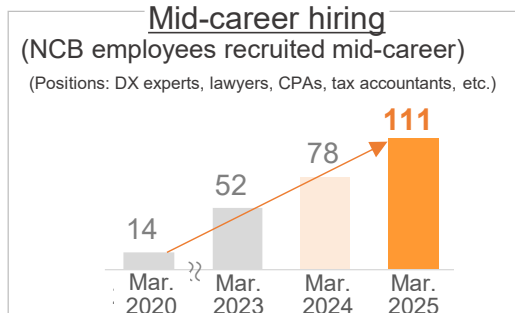
% of incentives

**10% of contributions**

Raised from 5%

### ● Diversity & inclusion

- ✓ Strengthen initiatives to ensure active participation of diverse HR through mid-career hiring and empowerment of female workers



### ● Establishment of workplace environment

- ✓ By reconstructing the Head Office building (detailed on the next slide), we will create an open office environment that allows greater flexibility in work styles, thereby accelerating the renovation of aging branches.

Completed (Apr. 2023–Mar. 2025)

Under plan (Apr. 2025–)

**New opening**  
Ito Branch

**Renovated**  
4 branches

**Reconstruction scheduled**  
Head Office  
Oita Branch

**Renovation scheduled**  
8 branches

### ● Two-way dialogue between management and staff

- Communication over “brunch” - (Feb.–June 2025)

- ✓ Management shares their experiences and passions with the staff through candid Q&A sessions to foster two-way dialogue.
- ✓ Since the era of the mutual bank, we have provided financial services specializing in SMEs and supported the growth of many such businesses. The “DNA of developing SMEs,” cultivated through the history of our two predecessor institutions, remains intact to this day.

Shared through two-way dialogue

- The Group Management Philosophy
- History of SME development carried on since earlier days
- Message behind the Group Brand Slogan
- Voices of customers with whom we have grown

In session



### ● Employee engagement (Dec. 2024)

- ✓ Key indices in the engagement survey improved YoY

Sense of self-growth

**64.4 pt** (+2.5 pt YoY)

Psychological safety

**73.3 pt** (+1.0 pt YoY)

Pride of being a member of the Group

**67.9 pt** (+3.3 pt YoY)

Sense of purpose  
(penetration of vision and philosophy)

**64.0 pt** (+2.7 pt YoY)

## <Appendix> Reconstruction of the Head Office Building

- ◆ A complex building featuring office floors and commercial facilities, along with The Nishi-Nippon City Bank's Head Office and HQ functions.
- ◆ Construction underway for the scheduled opening in the summer of 2026.

### Overview of the new Head Office building

Location	1-1, Hakata-ekimae 3-chome, Hakata-ku, Fukuoka
Site area	Approx. 5,230m <sup>2</sup> (Approx. 1,582 <i>tsubo</i> )
Gross floor area	Approx. 75,678m <sup>2</sup> (Approx. 22,893 <i>tsubo</i> )
Floors	14 stories above ground and 4 below ground

Artist's rendition of the new Head Office



### Key features of the new Head Office building

#### ● Large-scale multi-level plaza, "Connected Core"

- ✓ Built on the Hakata Station side of the site, a spacious multi-level plaza, "Connected Core", will serve as the central hub of above- and below-ground pedestrian networks.

- ✓ Easier access to/from Hakata Station

Designer's rendition of the ground-floor square



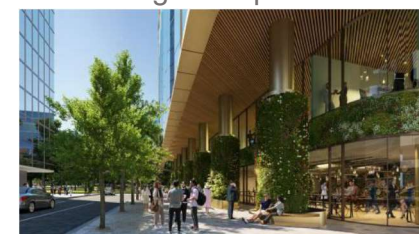
#### ● Eco-friendly initiative, creation of green space for greater freshness

- ✓ Aiming to reduce energy consumption by 50% or more through the active adoption of proven environmental technologies, with the goal of obtaining "ZEB Ready" certification\*1

\*1 Granted to buildings that achieve energy saving of 50% or more

- ✓ Gardens and greenery surrounding the ground-level pillars and walls, along with medium-to-small trees in the plaza, create a continuous green space that pleases the eyes of pedestrians.

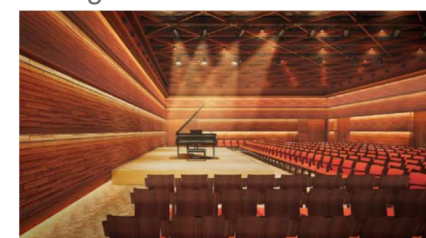
Designer's rendition of green space



#### ● Multipurpose NCB Hall

- ✓ A 400-seat multipurpose hall with superb acoustics for music concerts, seminars, and company information sessions will be built underground.
- ✓ It will also serve as a temporary shelter for people unable to return home following a major natural disaster.

Designer's rendition of the hall

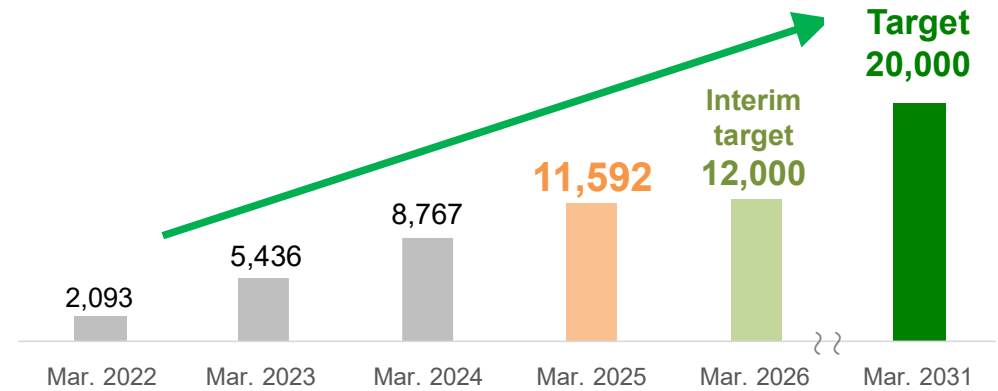


6. Sustainability Initiatives

- ◆ Contribute to the realization of a sustainable society by bolstering SDGs/ESG initiatives via means only available to a regional financial group.

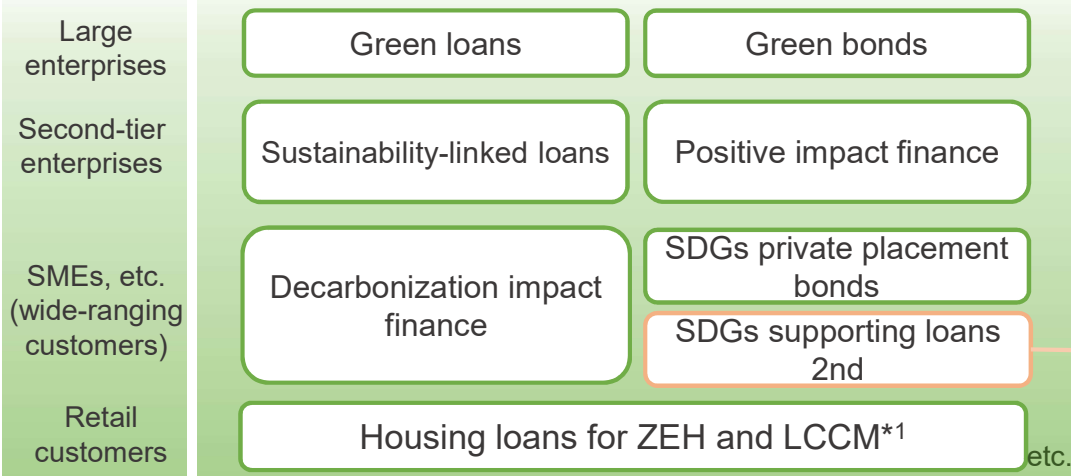
Supporting customers' initiatives

■ Amount of sustainable finance executed (two banks combined) (100 million yen)



● Offering sustainable finance tailored to diverse customer needs

- ✓ Supporting customers' efforts for the environment and climate change with optimal solutions by expanding the lineup of sustainable finance offerings

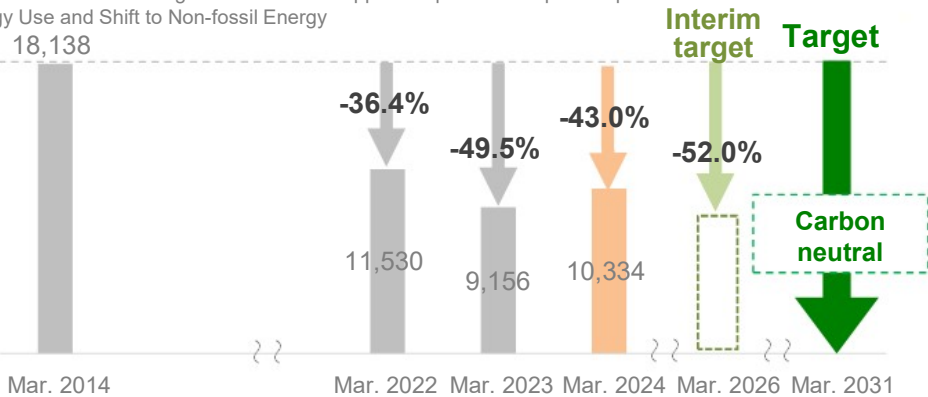


\*1 ZEH (Net Zero Energy Housing): Housing aiming to achieve net zero annual primary energy consumption  
LCCM (Life Cycle Carbon Minus Houses): Housing that reduces the balance of CO<sub>2</sub> emissions below zero during its life cycle (construction, usage, disposal)

Our initiatives

■ CO<sub>2</sub> emissions\*2 (NCB) (t-CO<sub>2</sub>)

\*2 As measured according to the standards applied to periodical reports stipulated in the Act on Rationalization of Energy Use and Shift to Non-fossil Energy



● Reconstructing the Head Office building [to be completed in 2026]

- ✓ Aim to acquire ZEB Ready certification through the proactive adoption of eco-friendly technologies

<NCB SDGs supporting loans 2nd - Supporting human-capital management ->

- Closely support customer companies' initiatives for human capital management through collaboration between NCB and the IJGN Group [Launched in Apr. 2025]

Companies



Analyze customers' human capital management initiatives and provide feedback on the findings



The Nishi-Nippon City Bank, Ltd.

Support via loans

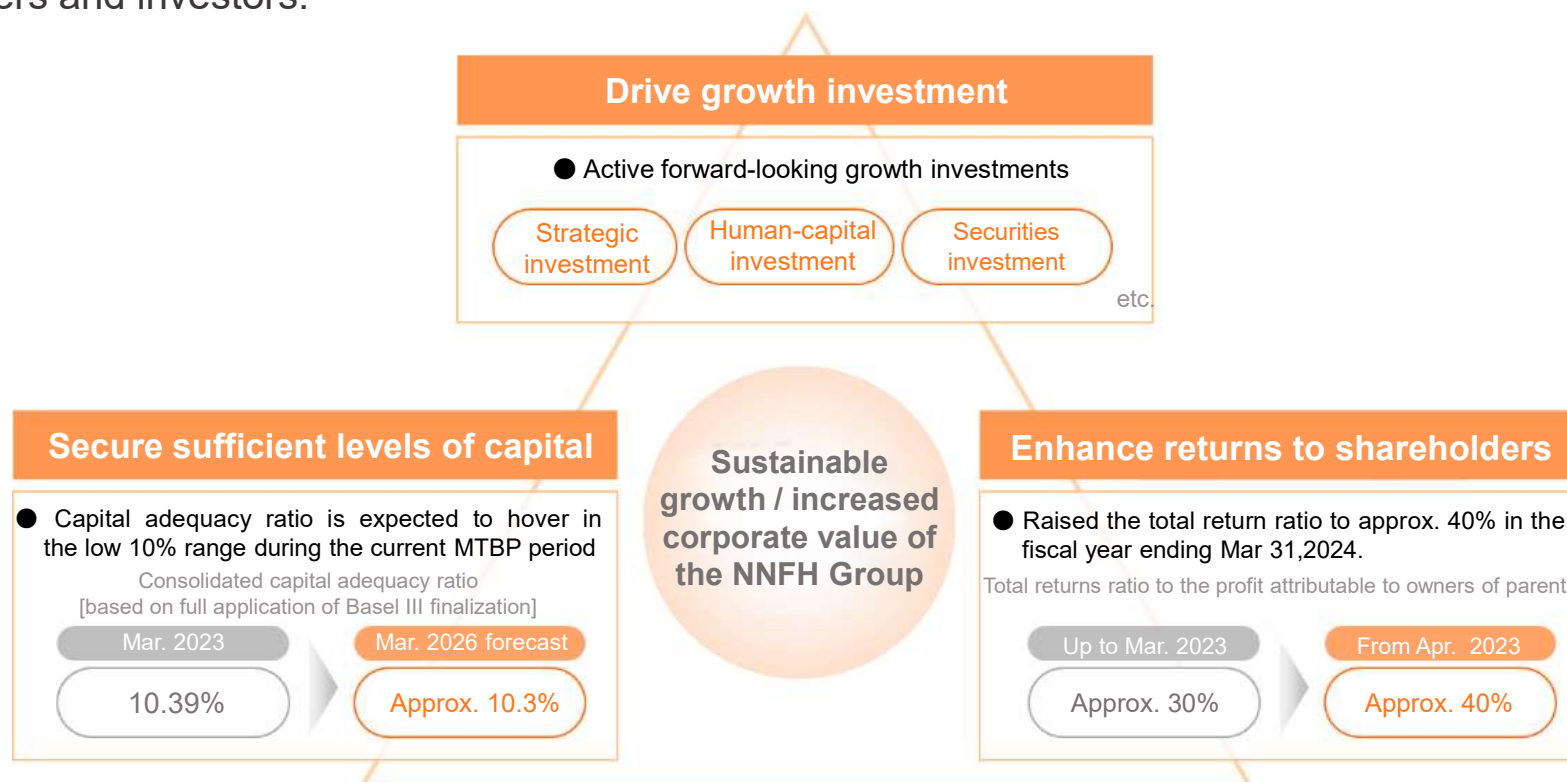


**IJGN GROUP**  
Provide solutions to human resource-related issues

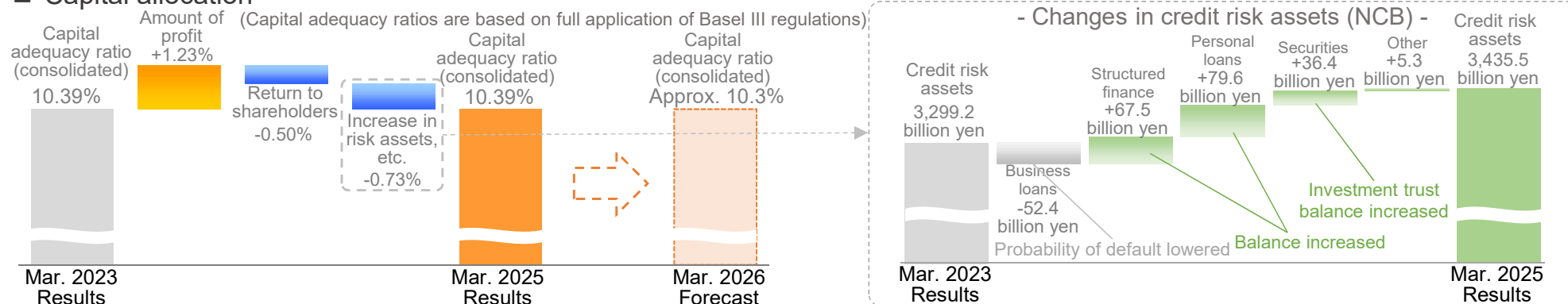
Provide solutions based on analysis findings

## 7. Capital Policy (1) Basic Approaches

- ◆ Actively make forward-looking growth investments while securing sufficient levels of capital for sustainable growth and improvement of the corporate value of the NNFH Group; at the same time, increase returns of profits to shareholders and investors.



### ■ Capital allocation





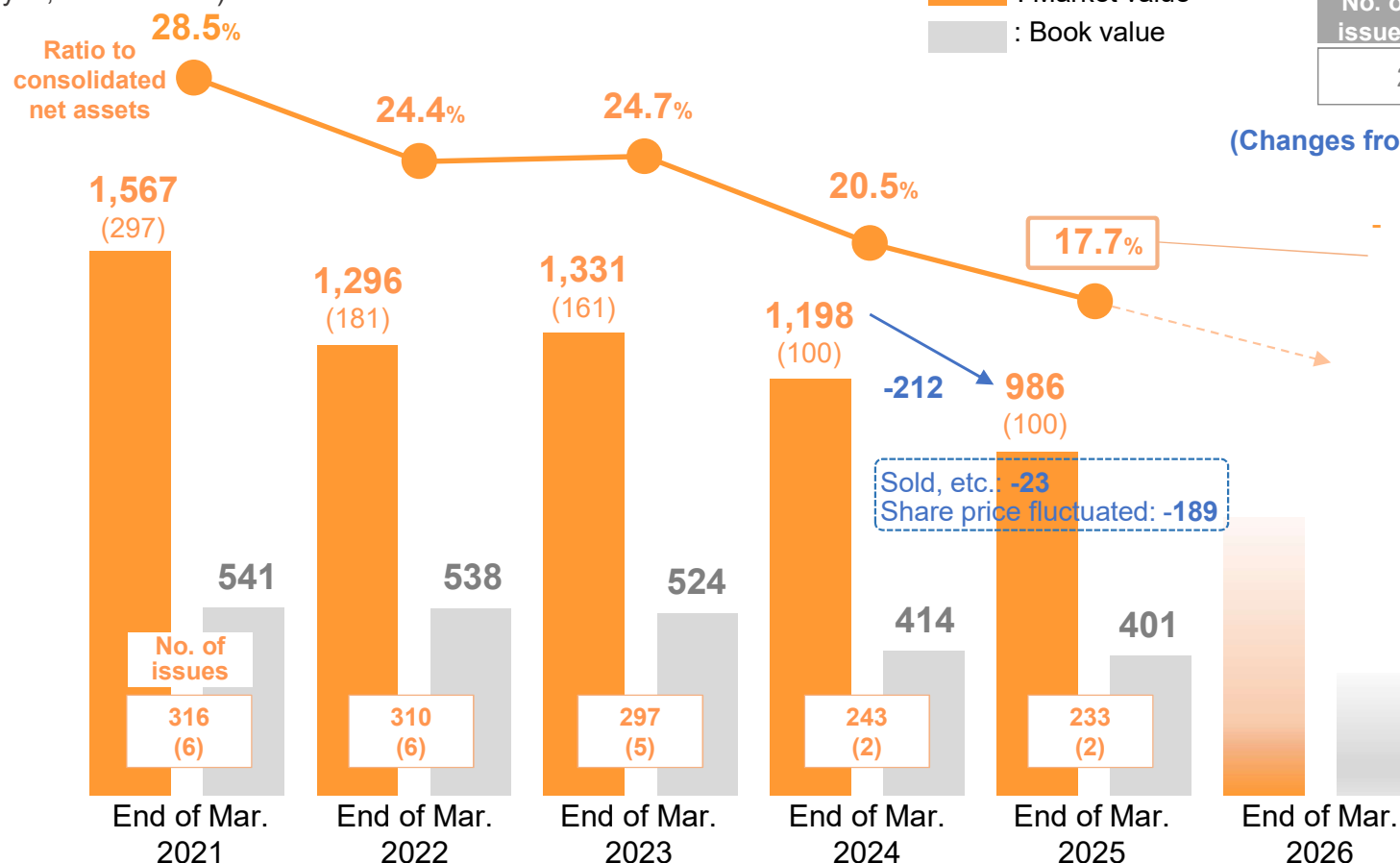
## 7. Capital Policy (2) Reduction of Strategic Shares

- ◆ The ratio of strategic shares to consolidated net assets lowered to 17.7% as of March 31, 2025.
- ◆ Continue reviewing whether it is appropriate to keep holding each issue and consider reduction.

### ■ Balance of strategic shares, number of issues, ratio to consolidated net assets

- Figures are for NCB who has the largest balance of strategic shares in the NNFH Group
- The figures in parentheses in the graph are the number of shares deemed to be held

(100 million yen, no. of issues)



### ■ Balance and number of pure investment stock issues

(100 million yen)

End of Mar. 2024		End of Mar. 2025	
No. of issues	Book value	No. of issues	Book value
27	107	18	64

(Changes from Mar. 2024)

(-9) (-43)



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# Supplementary Materials on Performance

# 1. Statement of Income (1) Fiscal Year Ended March 31, 2025 – YoY Comparisons

(100 million yen)

		Fiscal year ended March 31, 2025 Results			YoY change			Fiscal year ended March 31, 2024 Results		
		NNFH (A)	NCB (B)	(A) - (B)	NNFH (A)	NCB (B)	(A) - (B)	NNFH (A)	NCB (B)	(A) - (B)
		(consolidated)			(consolidated)			(consolidated)		
Ordinary income		1,964	1,685	279	108	110	(2)	1,856	1,575	281
Gross operating profit		1,223	1,016	207	125	133	(8)	1,098	883	215
[Core gross operating profit]		[1,304]	[1,097]	[207]	[98]	[106]	[(8)]	[1,206]	[991]	[215]
Net interest income		1,028	968	60	118	119	(1)	910	849	61
(Interest on loans and discounts)		936	897	39	98	98	0	838	799	39
(Interest and dividends on securities)		300	294	6	13	14	(1)	287	280	7
(Interest on deposits and negotiable certificates of deposit)		74	72	2	68	67	1	6	5	1
Fees and commissions		234	108	126	(6)	(10)	4	240	118	122
Trading income		6	0	6	(4)	0	(4)	10	0	10
Other operating income		(45)	(60)	15	18	24	(6)	(63)	(84)	21
(Net gains (losses) related to bonds)		(81)	(81)	0	27	27	0	(108)	(108)	0
Expenses		829	691	138	27	26	1	802	665	137
Net business profits		394	325	69	98	107	(9)	296	218	78
[Core net business profits]		[475]	[406]	[69]	[71]	[81]	[(10)]	[404]	[325]	[79]
Provision for general reserve for possible loan losses	A	11	14	(3)	1	11	(10)	10	3	7
Business profits		383	311	72	97	97	0	286	214	72
Extraordinary gains (losses)		72	79	(7)	2	15	(13)	70	64	6
Gains (losses) on equity securities (excluding losses on write-offs of DES)		121	120	1	(32)	(26)	(6)	153	146	7
Losses from disposal of non-performing loans	B	47	31	16	(9)	(18)	9	56	49	7
Other extraordinary gains (losses)		(2)	(10)	8	24	22	2	(26)	(32)	6
Ordinary profit		455	389	66	99	110	(11)	356	279	77
Extraordinary profit (loss)		(5)	(4)	(1)	3	3	0	(8)	(7)	(1)
Gains on disposition of fixed assets		(4)	(4)	0	(1)	(1)	0	(3)	(3)	0
Impairment loss on fixed assets		1	0	1	(3)	(4)	1	4	4	0
Other extraordinary profit (loss)		0	-	0	0	-	0	(0)	-	(0)
Profit before income taxes		450	385	65	101	114	(13)	349	271	78
Income taxes		135	115	20	29	32	(3)	106	83	23
Profit attributable to non-controlling interests		5	-	5	(1)	-	(1)	6	-	6
Profit attributable to owners of parent		310	270	40	74	82	(8)	236	188	48
Credit cost	A+B	58	46	12	(8)	(7)	(1)	66	53	13



# 1. Statement of Income (2) Fiscal Year Ended March 31, 2025 – Comparison with Previous Forecast

(100 million yen)

		Fiscal year ended March 31, 2025 Results			Comparison with previous forecast			Previous forecast for fiscal year ended March 31, 2025 <sup>(Note)</sup>		
		NNFH (A)	NCB (B)	(A) - (B)	NNFH (A)	NCB (B)	(A) - (B)	NNFH (A)	NCB (B)	(A) - (B)
		(consolidated)			(consolidated)			(consolidated)		
Ordinary income		1,964	1,685	279	45	35	10	1,919	1,650	269
Gross operating profit		1,223	1,016	207	(11)	(10)	(1)	1,234	1,026	208
[Core gross operating profit]		[1,304]	[1,097]	[207]	[7]	[8]	[(1)]	[1,297]	[1,089]	[208]
Net interest income		1,028	968	60	6	6	0	1,022	962	60
(Interest on loans and discounts)		936	897	39	4	3	1	932	894	38
(Interest and dividends on securities)		300	294	6	4	4	0	296	290	6
(Interest on deposits and negotiable certificates of deposit)		74	72	2	8	2	6	66	70	(4)
Fees and commissions		234	108	126	(2)	(1)	(1)	236	109	127
Trading income		6	0	6	0	0	(0)	6	-	6
Other operating income		(45)	(60)	15	(15)	(15)	0	(30)	(45)	15
(Net gains (losses) related to bonds)		(81)	(81)	0	(18)	(18)	0	(63)	(63)	-
Expenses		829	691	138	(2)	(1)	(1)	831	692	139
Net business profits		394	325	69	(9)	(9)	0	403	334	69
[Core net business profits]		[475]	[406]	[69]	[9]	[9]	[0]	[466]	[397]	[69]
Provision for general reserve for possible loan losses	A	11	14	(3)	10	17	(7)	1	(3)	4
Business profits		383	311	72	(19)	(26)	7	402	337	65
Extraordinary gains (losses)		72	79	(7)	37	45	(8)	35	34	1
Gains (losses) on equity securities (excluding losses on write-offs of DES)		121	120	1	18	22	(4)	103	98	5
Losses from disposal of non-performing loans	B	47	31	16	(16)	(22)	6	63	53	10
Other extraordinary gains (losses)		(2)	(10)	8	3	1	2	(5)	(11)	6
Ordinary profit		455	389	66	18	18	0	437	371	66
Extraordinary profit (loss)		(5)	(4)	(1)	1	1	0	(6)	(5)	(1)
Gains on disposition of fixed assets		(4)	(4)	0	1	1	0	(5)	(5)	-
Impairment loss on fixed assets		1	-	1	0	-	0	1	-	1
Other extraordinary profit (loss)		-	-	-	-	-	-	-	-	-
Profit before income taxes		450	385	65	19	19	0	431	366	65
Income taxes		135	115	20	9	9	0	126	106	20
Profit attributable to non-controlling interests		5	-	5	0	-	0	5	-	5
Profit attributable to owners of parent		310	270	40	10	10	0	300	260	40
Credit cost	A+B	58	46	12	(6)	(4)	(2)	64	50	14

(Note) Full-year forecast as of the end of the nine months ended December 31, 2024 (announced on Feb. 10, 2025)

# 1. Statement of Income (3) Forecast for the Fiscal Year Ending March 31, 2026 –YOY Comparisons

(100 million yen)

		Fiscal year ending March 31, 2026 Forecast			YoY change			Fiscal year ended March 31, 2025 Results		
		NNFH (A)	NCB (B)	(A) - (B)	NNFH (A)	NCB (B)	(A) - (B)	NNFH (A)	NCB (B)	(A) - (B)
		(consolidated)			(consolidated)			(consolidated)		
Ordinary income		2,192	1,902	290	228	217	11	1,964	1,685	279
Gross operating profit		1,467	1,245	222	244	229	15	1,223	1,016	207
[Core gross operating profit]		[1,467]	[1,245]	[222]	[163]	[148]	[15]	[1,304]	[1,097]	[207]
Net interest income		1,188	1,125	63	160	157	3	1,028	968	60
(Interest on loans and discounts)		1,234	1,193	41	298	296	2	936	897	39
(Interest and dividends on securities)		287	280	7	(13)	(14)	1	300	294	6
(Interest on deposits and negotiable certificates of deposit)		242	236	6	168	164	4	74	72	2
Fees and commissions		246	112	134	12	4	8	234	108	126
Trading income		6	0	6	0	0	0	6	0	6
Other operating income		27	8	19	72	68	4	(45)	(60)	15
(Net gains (losses) related to bonds)		-	-	-	81	81	0	(81)	(81)	0
Expenses		872	725	147	43	34	9	829	691	138
Net business profits		595	520	75	201	195	6	394	325	69
[Core net business profits]		[595]	[520]	[75]	[120]	[114]	[6]	[475]	[406]	[69]
Provision for general reserve for possible loan losses	A	12	10	2	1	(4)	5	11	14	(3)
Business profits		583	510	73	200	199	1	383	311	72
Extraordinary gains (losses)		(33)	(40)	7	(105)	(119)	14	72	79	(7)
Gains (losses) on equity securities (excluding losses on write-offs of DES)		40	40	0	(81)	(80)	(1)	121	120	1
Losses from disposal of non-performing loans	B	68	60	8	21	29	(8)	47	31	16
Other extraordinary gains (losses)		(5)	(20)	15	(3)	(10)	7	(2)	(10)	8
Ordinary profit		550	470	80	95	81	14	455	389	66
Extraordinary profit (loss)		(10)	(9)	(1)	(5)	(5)	0	(5)	(4)	(1)
Gains on disposition of fixed assets		(9)	(8)	(1)	(5)	(4)	(1)	(4)	(4)	0
Impairment loss on fixed assets		1	1	0	0	1	(1)	1	-	1
Other extraordinary profit (loss)		-	-	-	-	-	-	-	-	-
Profit before income taxes		540	461	79	90	76	14	450	385	65
Income taxes		164	141	23	29	26	3	135	115	20
Profit attributable to non-controlling interests		6	-	6	1	-	1	5	-	5
Profit attributable to owners of parent		370	320	50	60	50	10	310	270	40
Credit cost	A+B	80	70	10	22	24	(2)	58	46	12

## 2. Balance Sheet (1) Assets

(100 million yen)

### Assets

Cash and due from banks
Call loans and bills bought
Monetary claims bought
Trading account assets
Money held in trust
Securities
Loans and bills discounted (YoY % change)
Foreign exchanges
Other assets
Tangible fixed assets
Intangible fixed assets
Retirement benefit assets (prepaid pension costs)
Deferred tax assets
Customers' liabilities for acceptances and guarantees
Allowance for loan losses
Allowance for investment losses
Total assets

NNFH (Consolidated)				
Mar. 31, 2021	Mar. 31, 2022	Mar. 31, 2023	Mar. 31, 2024	Mar. 31, 2025
17,388	26,147	19,466	22,006	16,742
-	-	80	76	-
367	396	427	477	494
1	-	-	-	-
113	117	116	117	117
15,068	17,733	17,927	18,032	16,917
85,439	84,709	89,554	91,782	99,214
13.1%	(0.9%)	5.7%	2.5%	8.1%
111	228	173	94	79
1,156	903	991	1,019	938
1,176	1,162	1,169	1,160	1,150
35	42	52	52	63
178	75	80	250	252
5	21	64	11	144
166	176	164	186	141
(441)	(425)	(405)	(423)	(421)
(6)	(6)	(6)	(6)	(6)
120,756	131,279	129,852	134,831	135,825

NCB (Non-consolidated)				
Mar. 31, 2021	Mar. 31, 2022	Mar. 31, 2023	Mar. 31, 2024	Mar. 31, 2025
17,103	25,597	19,112	21,613	16,085
300	400	390	336	450
-	-	-	-	-
1	-	-	-	-
113	117	116	117	117
14,899	17,537	17,573	17,657	16,527
83,188	82,360	87,379	89,594	96,955
13.3%	(1.0%)	6.1%	2.5%	8.2%
111	228	173	94	79
1,026	781	816	848	787
1,135	1,118	1,109	1,101	1,092
30	37	46	48	58
233	259	267	268	286
-	-	-	-	110
146	158	147	170	126
(384)	(370)	(358)	(374)	(373)
(5)	(5)	(4)	(4)	(4)
117,895	128,217	126,767	131,468	132,297

## 2. Balance Sheet (2) Liabilities and Net Assets

(100 million yen)

### Liabilities and Net Assets

Deposits
(YoY % change)
Negotiable certificates of deposit
Call money and bills sold
Securities sold under repurchase agreements
Cash collateral received for securities lent
Borrowed money
Foreign exchanges
Bonds payable
Borrowed money from trust account
Other liabilities
Provision for stock-based payments for officers
Retirement benefit liability (Reserve for employee retirement benefits)
Provision for retirement benefits for directors (and other officers)
Provision for reimbursement of deposits
Provision for contingent losses
Provision under special laws
Deferred tax liabilities
Deferred tax liabilities for land revaluation
Acceptances and guarantees
<b>Total liabilities</b>
Share capital
Capital surplus
Retained earnings
Treasury shares
<b>Total shareholders' equity</b>
Valuation difference on available-for-sale securities
Deferred gains or losses on hedges
Revaluation reserve for land
Remeasurements of defined benefit plans
Total accumulated other comprehensive income (Total valuation and translation adjustment)
Non-controlling interests
<b>Total net assets</b>
<b>Total liabilities and net assets</b>

NNFH (Consolidated)				
Mar. 31, 2021	Mar. 31, 2022	Mar. 31, 2023	Mar. 31, 2024	Mar. 31, 2025
92,955	95,703	97,918	101,772	100,827
9.6%	3.0%	2.3%	3.9%	(0.9%)
1,885	2,643	1,674	2,477	4,243
2,081	5,100	5,125	1,045	247
1,943	2,511	2,659	2,262	2,214
411	872	2,939	2,382	1,075
14,377	17,552	12,497	17,591	19,787
1	2	5	7	5
-	-	-	-	-
32	48	52	53	77
1,076	1,140	1,202	936	1,427
-	-	0	0	0
5	48	46	20	18
3	2	2	2	2
12	8	5	4	2
13	11	12	12	12
0	0	0	0	0
138	8	11	73	16
147	147	146	146	150
166	176	164	186	141
<b>115,247</b>	<b>125,972</b>	<b>124,457</b>	<b>128,970</b>	<b>130,243</b>
500	500	500	500	500
1,272	1,211	1,187	1,176	1,165
2,845	3,042	3,255	3,426	3,653
(86)	(55)	(57)	(66)	(75)
<b>4,531</b>	<b>4,698</b>	<b>4,885</b>	<b>5,036</b>	<b>5,243</b>
652	386	258	433	(36)
(14)	(0)	10	7	0
296	294	294	297	292
(38)	(157)	(148)	(14)	(24)
897	523	414	723	233
81	86	96	102	106
<b>5,509</b>	<b>5,307</b>	<b>5,394</b>	<b>5,861</b>	<b>5,581</b>
<b>120,756</b>	<b>131,279</b>	<b>129,852</b>	<b>134,831</b>	<b>135,825</b>

NCB (Non-consolidated)				
Mar. 31, 2021	Mar. 31, 2022	Mar. 31, 2023	Mar. 31, 2024	Mar. 31, 2025
90,755	93,350	95,552	99,399	98,275
9.5%	2.9%	2.4%	4.0%	(1.1%)
1,873	2,570	1,672	2,449	4,224
2,081	5,100	5,125	1,045	247
1,943	2,511	2,659	2,262	2,214
411	872	2,939	2,382	1,075
14,191	17,325	12,422	17,500	19,716
1	2	5	7	5
-	-	-	-	-
32	48	52	53	77
759	791	805	481	992
-	-	-	-	-
2	2	2	2	2
-	-	-	-	-
11	8	5	4	2
12	11	12	11	12
157	59	16	80	-
145	144	144	143	147
146	158	147	170	126
<b>112,521</b>	<b>122,951</b>	<b>121,556</b>	<b>125,989</b>	<b>127,116</b>
857	857	857	857	857
857	857	857	857	857
2,751	2,899	2,964	3,068	3,254
-	-	-	-	-
<b>4,465</b>	<b>4,614</b>	<b>4,678</b>	<b>4,783</b>	<b>4,968</b>
627	358	229	393	(79)
(14)	(0)	10	7	0
296	294	294	297	292
909	653	533	697	213
5,374	5,266	5,212	5,479	5,181
<b>117,895</b>	<b>128,217</b>	<b>126,767</b>	<b>131,468</b>	<b>132,297</b>

### 3. Average Amount Outstanding, Yield, and Interest of Main Accounts (NCB)

(Fiscal year ended)																Forecast		
(100 million yen)																		
March 31, 2021			March 31, 2022			March 31, 2023			March 31, 2024			March 31, 2025			March 31, 2026			
Ave. amount outstanding	Yields	Interest	Ave. amount outstanding	Yields	Interest	Ave. amount outstanding	Yields	Interest	Ave. amount outstanding	Yields	Interest	Ave. amount outstanding	Yields	Interest	Ave. Amount outstanding	Yields	Interest	
■ Loans																		
Japan	79,335	0.97%	773	81,855	0.94%	766	81,522	0.93%	757	88,038	0.88%	775	92,204	0.94%	870	96,613	1.20%	1,160
Business loans	51,182	0.69%	353	53,179	0.67%	359	52,174	0.68%	356	57,686	0.64%	374	60,431	0.74%	451	63,248	1.03%	655
Housing loans and loans for apartment buildings (Housing loans)	25,198	1.09%	274	25,622	1.04%	268	26,197	1.01%	264	27,145	0.97%	265	28,396	0.98%	279	29,726	1.18%	352
(Loans for apartment buildings)	16,780	1.11%	186	17,435	1.05%	183	17,992	1.01%	181	18,640	0.96%	180	19,374	0.96%	187	20,050	1.19%	239
Consumer loans	8,418	1.04%	88	8,188	1.03%	84	8,205	1.01%	83	8,505	0.99%	85	9,022	1.01%	92	9,676	1.16%	113
	2,955	4.94%	146	3,055	4.56%	139	3,151	4.33%	137	3,207	4.24%	136	3,377	4.14%	140	3,638	4.23%	154
International	645	1.19%	8	574	0.99%	6	575	2.81%	16	511	4.72%	24	620	4.36%	27	806	4.02%	32
Total	79,980	0.98%	781	82,429	0.94%	771	82,096	0.94%	773	88,548	0.90%	799	92,824	0.95%	897	97,419	1.22%	1,193
Loan to deposit simple spread	0.97%		0.93%		0.93%		0.89%		0.89%		1.00%							
■ Securities																		
Japan	10,335	0.46%	47	12,879	0.53%	69	14,182	0.65%	92	13,170	1.01%	134	12,936	1.13%	147	14,708	0.82%	121
Bonds	8,594	0.18%	15	10,805	0.16%	17	12,172	0.22%	27	11,237	0.29%	33	10,850	0.27%	30	11,925	0.38%	46
Stocks	588	4.27%	25	594	5.71%	34	569	7.31%	42	552	6.68%	37	489	8.83%	43	465	10.65%	49
Other	1,153	0.57%	7	1,479	1.18%	17	1,441	1.62%	23	1,380	4.63%	64	1,597	4.58%	73	2,319	1.09%	25
International	2,281	2.22%	51	2,738	2.07%	57	4,122	2.74%	113	4,135	3.53%	146	3,467	4.23%	147	3,352	4.74%	159
Total	12,617	0.77%	98	15,617	0.80%	125	18,304	1.12%	205	17,305	1.62%	280	16,403	1.78%	294	18,060	1.55%	280
Gain or loss from cancellation of investment trust	(7)		(0)		(2)		31		44		-							
Excluding gain or loss from cancellation of investment trust																		
Japan: Other	1,153	1.20%	14	1,479	1.22%	18	1,441	1.76%	25	1,380	2.37%	33	1,597	1.83%	29	2,319	1.10%	25
Total	12,617	0.83%	105	15,617	0.80%	126	18,304	1.13%	207	17,305	1.44%	249	16,403	1.52%	250	18,060	1.55%	280
■ Deposits and negotiable certificates of deposit																		
Japan	91,336	0.01%	7	96,560	0.00%	4	98,672	0.00%	2	101,979	0.00%	3	102,957	0.06%	68	104,664	0.22%	232
Liquid	62,606	0.00%	0	68,749	0.00%	0	71,838	0.00%	0	76,526	0.00%	0	77,412	0.06%	48	79,147	0.19%	157
Small, fixed-term	16,116	0.01%	2	15,483	0.01%	1	14,693	0.00%	0	13,826	0.01%	0	13,017	0.04%	6	13,058	0.23%	31
Large + negotiable certificates of deposit	12,614	0.03%	4	12,328	0.02%	2	12,141	0.01%	1	11,628	0.01%	1	12,529	0.10%	13	12,459	0.35%	44
International	303	0.30%	0	320	0.19%	1	256	0.62%	2	195	1.40%	3	197	1.93%	4	231	1.63%	4
Total	91,639	0.01%	8	96,880	0.00%	5	98,928	0.00%	4	102,174	0.01%	5	103,154	0.06%	72	104,895	0.22%	236

## 4. Balance and Valuation Gains or Losses of Securities (NCB)

(100 million yen)

(Fiscal year ended)

March 31, 2021	March 31, 2022	March 31, 2023	March 31, 2024	March 31, 2025
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### ■ Balance sheet amount

Government bonds	3,655	5,006	4,959	4,440	3,590
Local government bonds	3,321	4,007	4,219	4,798	5,211
Corporate bonds	2,592	2,215	1,859	1,650	1,766
Stocks	1,313	1,147	1,206	1,368	1,074
Foreign securities	2,623	3,334	3,711	3,372	2,966
(of which, foreign bonds)	2,623	3,334	3,711	3,372	2,966
Other	1,394	1,828	1,619	2,029	1,919
Total securities	14,899	17,537	17,573	17,657	16,527

### ■ Valuation gains or losses

Government bonds	(4)	(78)	(179)	(301)	(503)
Local government bonds	(3)	(17)	(25)	(40)	(130)
Corporate bonds	15	4	(9)	(27)	(70)
Stocks	722	577	643	847	609
Foreign securities	71	(107)	(214)	(186)	(100)
(of which, foreign bonds)	71	(107)	(214)	(186)	(100)
Other	97	133	108	260	74
Total securities	898	512	324	553	(121)



## 5. Breakdown of Credit Cost by Cause (NCB)

(100 million yen)

(Fiscal year ended)

Provision for general reserve for possible loan losses (Reversal of allowance for loan losses)	A
Changes in loan-loss reserve ratio	
Changes in balance	
Cost of depreciation and specific provisions	B
Falling collateral value	
Downgrade: Lower borrower assessment	
Upgrade: Improved borrower assessment	
Collection	
Loss (gain) on removal from balance sheet	
Responsibility-sharing system	
Other	
Recoveries of written-off claims	C
Credit cost	D = A+B-C

Mar. 31, 2021	Mar. 31, 2022	Mar. 31, 2023	Mar. 31, 2024	Mar. 31, 2025
26	(18)	(6)	3	14
0	(3)	(3)	(2)	(2)
26	(14)	0	5	16
59	52	41	52	41
3	11	3	2	3
84	71	44	70	52
(23)	(0)	(0)	(7)	(1)
(16)	(28)	(13)	(17)	(18)
7	(2)	0	(0)	(2)
4	0	4	4	6
(0)	(0)	3	(0)	0
2	3	2	3	10
84	31	33	53	46

Average amount of loans outstanding	E
Credit cost rate	D / E

79,980	82,429	82,096	88,548	92,824
0.105%	0.038%	0.040%	0.060%	0.049%

## 6. Capital Adequacy Ratio (Consolidated)

### ■ Capital Adequacy Ratio (Consolidated)

		Mar. 31, 2025 (A)	(A) – (B)	Mar. 31, 2024 (B)
(100 million yen)				
Core capital: instruments and reserves	A	5,179	176	5,003
Directly issued qualifying common share capital		5,180	199	4,981
Accumulated other comprehensive income		(24)	(10)	(14)
Adjusted noncontrolling interests		2	(1)	3
Total of reserves		5	(8)	13
Eligible capital instruments subject to transitional arrangements		—	—	—
Land revaluation excess subject to transitional arrangements		—	—	—
Noncontrolling interests subject to transitional arrangements		17	(3)	20
Core capital: regulatory adjustments	B	297	46	251
(of which, shortfall of eligible provision to expected losses)		65	38	27
(of which, net defined benefit asset)		189	1	188
Capital	C = A-B	4,882	130	4,752
Risk-weighted assets, etc.	D	38,759	499	38,260
Credit risk-weighted asset		36,515	(313)	36,828
Operational risk adjustments		1,478	46	1,432
Risk-weighted assets, etc.		766	766	-
Capital adequacy ratio (consolidated)	C / D	12.59%	0.18pt	12.41%

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- These materials contain forward-looking statements regarding the future performance of the Group; however, such statements do not guarantee such future performance and may contain risks and uncertainties.  
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Nishi-Nippon Financial Holdings, Inc.