

# **FY2025 1<sup>st</sup> Quarter Financial Results Overview**

**August 1, 2025**



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consolidated, non-consolidated difference

(Note) “1Q” refers to the period from April to June, “2Q” refers to the period from July to September, “3Q” refers to the period from October to December, and “4Q” refers to the period from January to March.

# 1Q financial highlights

- ◆ An active domestic M&A market contributed to strong 1Q results, getting our Mid-term Plan off to a strong start
- ◆ Domestic earning assets\*<sup>1</sup> increased by approximately 120 billion yen, mainly in our Strategic Investments Business, compared to March 31, 2025

|  |  |   |
|--|--|---|
| <b>Net revenue</b><br><b>23.8 billion yen</b><br>3.0 billion yen increase<br>year-on-year<br>Progress rate:<br>25% | <b>Business-related profit*<sup>2</sup></b><br><b>9.1 billion yen</b><br>2.0 billion yen increase<br>year-on-year<br>Progress rate:<br>26% | <b>Profit attributable to owners of parent</b><br><b>6.3 billion yen</b><br>1.2 billion yen decrease<br>year-on-year<br>Progress rate:<br>29% |
|--|--|---|

\*<sup>1</sup> Total of loans and securities (excluding loans to the government, government bonds, etc.)

\*<sup>2</sup> Business profit + Gains/losses on stock transactions, etc. (Gains/losses on stock transactions, etc. = Gains/losses on stock transactions + Provisions of allowance for investment loss + Gains/losses on equity derivatives)

1.1 billion yen increase, excluding the one-time gain from the liquidation of an overseas subsidiary recorded in the previous year

## Business updates

### Strategic Investments Business

- Achieved strong performance mainly in LBO finance. Non-interest income such as loan-related fee income and gains/losses from limited partnerships also increased
- Domestic loan outstandings increased, mainly in corporate loans, which in part reflected the benefits of our alliance with Daiwa Securities Group

### GMO Aozora Net Bank (GANB)

- The number of corporate accounts exceeded 200,000 and deposit balances reached over 1 trillion yen. Achieved positive net income in 1Q due to strong growth in fee income

## Mid-term Plan “Aozora 2027” KPIs

|                   | Profit attributable to owners of parent | ROE        | CET1 ratio                      | Earning assets | Impact of alliance with Daiwa (business profit basis) |
|-------------------|---|------------|---------------------------------|----------------|---|
| FY2025 1Q results | 6.3 bn yen / 22.0 bn yen                | 5.6%       | (To be disclosed in mid-August) | 4.5 tn yen     | (To be disclosed at the time of interim results)      |
| FY2027 plan       | 33.0 bn yen                             | Approx. 7% | 8% or higher                    | 5.5 tn yen     | +10 bn yen  |

## 1Q dividend

**22 yen / share (+3 yen yoy)**

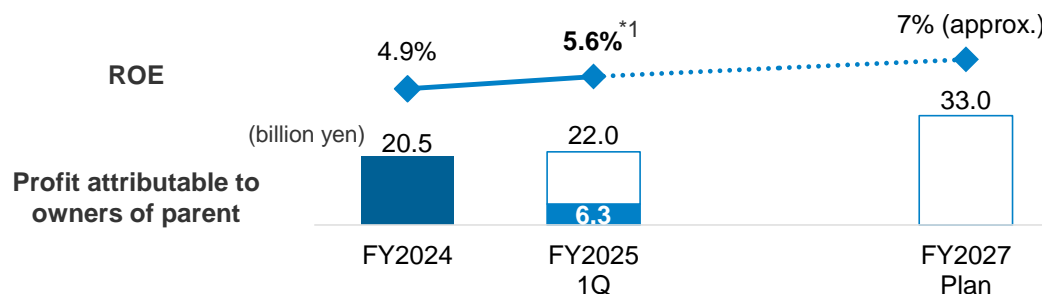
Full-year dividend forecast: 88 yen / share (+9 yen vs. FY2024)

|  | (billion yen) | FY2024<br>1Q<br>A | FY2025<br>1Q<br>B | Change<br>B - A | FY2025<br>Forecast | Progress |
|--|---------------|-------------------|-------------------|-----------------|--------------------|----------|
| <b>Net revenue</b>   | ①             | 20.7              | 23.8              | +3.0            | 95.0               | 25.1%    |
| Net interest income  |               | 12.0              | 11.6              | -0.4            |                    |          |
| Non-interest income  |               | 8.6               | 12.1              | +3.5            |                    |          |
| General & administrative expenses  |               | -14.9             | -15.7             | -0.7            |                    |          |
| Gains/losses on equity method investments  |               | 0.7               | 0.5               | -0.2            |                    |          |
| <b>Business profit</b>   | ②             | 6.4               | 8.6               | +2.1            | 32.0               | 26.9%    |
| Credit-related expenses  | ③             | -1.3              | -1.1              | +0.2            |                    |          |
| Gains/losses on stock transactions   |               | 0.7               | 0.6               | -0.0            |                    |          |
| <b>Ordinary profit</b>   |               | 5.8               | 8.0               | +2.1            | 30.0               | 26.7%    |
| Extraordinary profit/loss  |               | 3.4               | -0.0              | -3.4            |                    |          |
| <b>Profit before income taxes</b>  |               | 9.3               | 8.0               | -1.2            |                    |          |
| Taxes  |               | -2.0              | -1.6              | +0.4            |                    |          |
| Gains/losses attributable to non-controlling interests                                       |               | 0.2               | -0.0              | -0.3            |                    |          |
| <b>Profit attributable to owners of parent</b>   |               | 7.5               | 6.3               | -1.2            | 22.0               | 28.8%    |
| <b>Profit attributable to owners of parent</b><br>(excl. one-time gain in the previous year) | ④             | 5.2               | 6.3               | +1.1            |                    |          |
| <Reference>  |               |                   |                   |                 |                    |          |
| <b>Business-related profit</b>   | ②             | 7.1               | 9.1               | +2.0            | 35.0               | 26.2%    |

## Strong start for the first year of the Mid-term Plan

- 1 Net revenue: In line with the FY2025 plan, driven by steady growth in non-interest income mainly in the Strategic Investments Business
- 2 Business profit and business-related profit: Strong progress due to favorable business performance as well as ongoing cost control measures
  - G&A expenses represented 24% of the original budget, while the Bank remained focused on investments in human capital
- 3 Credit-related expenses: Workouts of U.S. office loans progressed, while additional credit costs were limited
- 4 Profit attributable to owners of parent: Strong progress with a year-on-year increase of 1.1 billion yen, excluding the one-time gain\*<sup>2</sup> recorded in the previous year

## Profit attributable to owners of parent and ROE



\*1 Annualized basis

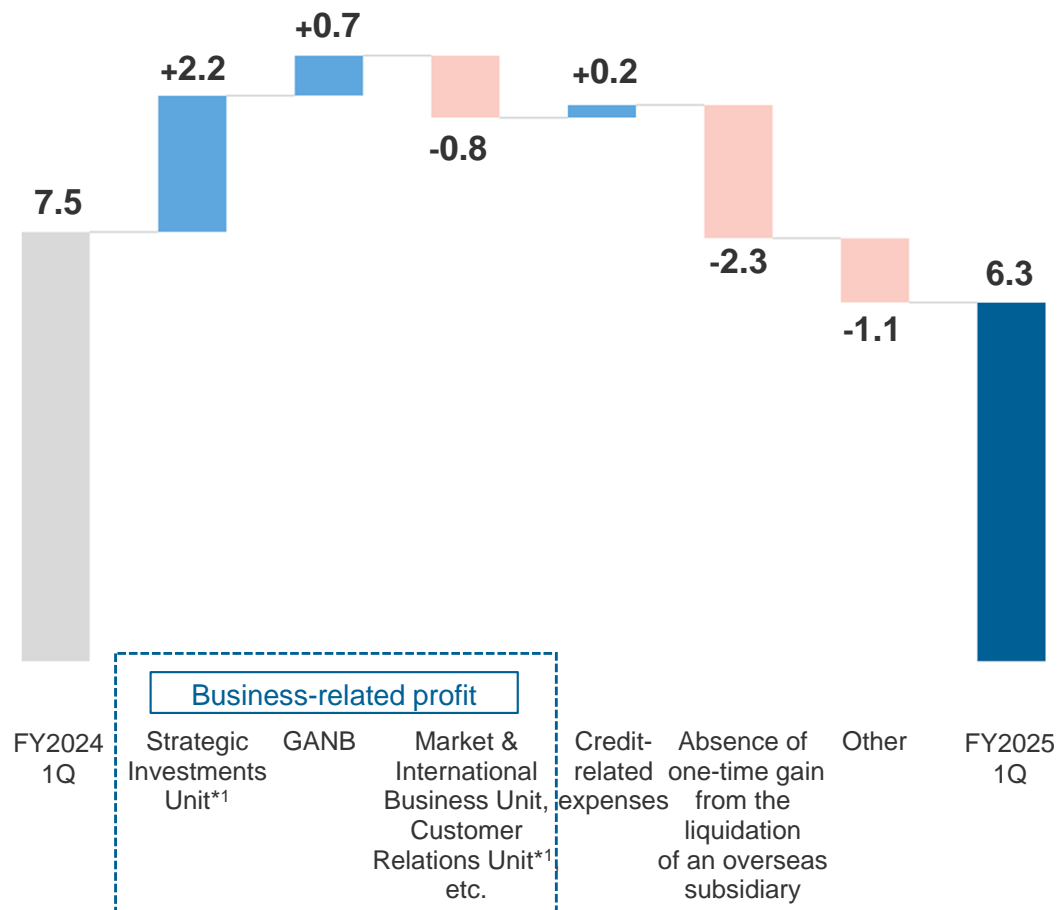
\*2 Foreign exchange gains of 2.3 billion yen (recorded in extraordinary profit) due to the liquidation of an overseas subsidiary, net of associated taxes

# P/L summary (2)

P/L

## Major factors for changes in profit attributable to owners of parent (FY2024 1Q vs FY2025 1Q)

(billion yen)



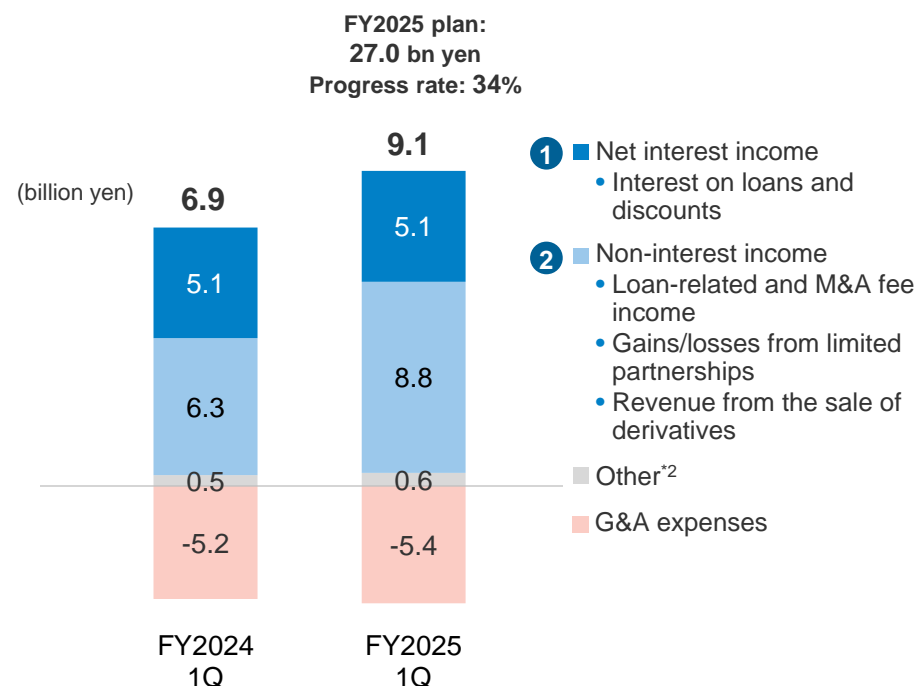
## Business-related profit by segment\*2

| (billion yen)                        | FY2024<br>1Q<br>A | FY2025<br>1Q<br>B | Change<br>A - B | FY2025<br>Plan | Progress   |
|--------------------------------------|-------------------|-------------------|-----------------|----------------|------------|
| Strategic Investments Unit           | 6.9               | 9.1               | +2.2            | 27.0           | 34%        |
| Market & International Bussines Unit | 3.9               | 2.7               | -1.1            | 10.4           | 26%        |
| Customer Relations Unit              | 0.6               | 0.1               | -0.4            | 0.3            | 33%        |
| GMO Aozora Net Bank                  | -0.5              | 0.1               | -               | -              | -          |
| Other                                | -3.8              | -3.1              | +7.1            | -              | -          |
| <b>Total</b>                         | <b>7.1</b>        | <b>9.1</b>        | <b>+20.2</b>    | <b>35.0</b>    | <b>26%</b> |

\*1 Under "Aozora 2027," the Bank's business groups were reorganized into the following three units: "Strategic Investments Unit," "Market & International Business Unit," and "Customer Relations Unit."

\*2 Management accounting basis. "Other" includes (i) business-related profit not included in the business units (e.g. G&A expenses not allocated to each business segment), (ii) gains on the sale of equities held solely for investment purposes, and (iii) revenue adjustment related to funding contribution.

## Business-related profit in the Strategic Investments Unit



## Non-interest income increased significantly mainly driven by the Strategic Investments Business, representing 34% progress towards the FY2025 plan

- 1 Domestic loan outstandings increased strongly mainly due to the expansion of corporate loans and LBO finance, including the benefits of our alliance with Daiwa Securities Group
- 2
  - Loan-related fee income, mainly from LBO financing transactions, as well as M&A fee income and revenue from the sale of derivatives grew strongly
  - Non-interest income increased, driven by growth in revenue from exit transactions associated with NPLs and buyouts (gains/losses from limited partnerships)

### Major businesses in the Strategic Investments Unit

- ◆ LBO finance ◆
- ◆ Environmental finance ◆
- ◆ Real estate finance ◆
- ◆ Business recovery finance ◆
- ◆ Domestic corporate business ◆
- ◆ M&A / business succession advisory services ◆
- ◆ Venture debt ◆
- ◆ Equity investments with a primary focus on engagement ◆

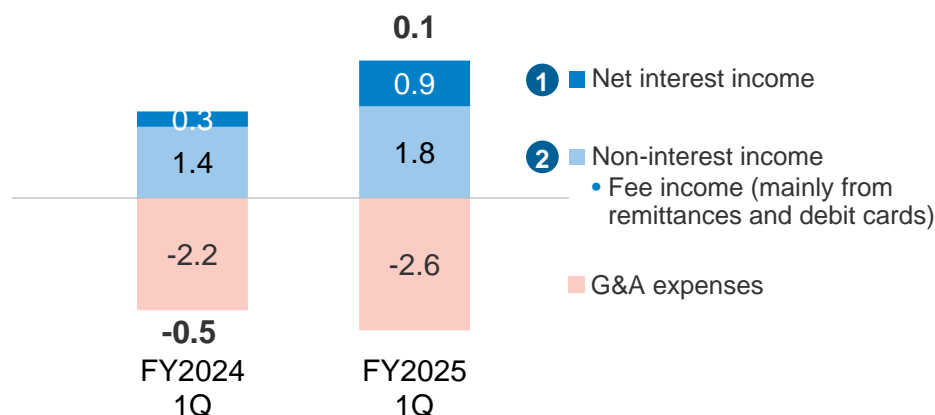
◆ Areas of collaboration with Daiwa Securities Group

\*1 Management accounting basis

\*2 "Other" included "Gains/losses on stock transactions, etc." and "Amount of revenue commensurate with the degree of contribution related to funding activity." Starting from the first quarter of FY2025, the amount of revenue commensurate with the degree of contribution related to funding activity, which is a growth base in "Aozora 2027," was included in net revenue of each unit. (Results for FY2024 have been revised retrospectively.)

## Business-related profit in GMO Aozora Net Bank

(billion yen)



### Major businesses in GMO Aozora Net Bank

- ◆ Remittance
- ◆ Debit card
- ◆ Loan
- ◆ BaaS

\* Management accounting basis

## Achieved positive net income in 1Q and maintained the growth trend of net earnings

- 1 Net interest income increased due to higher interest income (including interest on BOJ deposits) resulting from higher deposit balances, mainly from corporate customers
- 2 GANB performed strongly in its core businesses (remittances, debit cards, etc.), and made steady progress in generating revenues from BaaS (embedded finance services)

### Expansion of “BaaS byGMO Aozora” transactions

#### Advanced approach through “BaaS” to provide services and functions to a bank as GANB’s customer

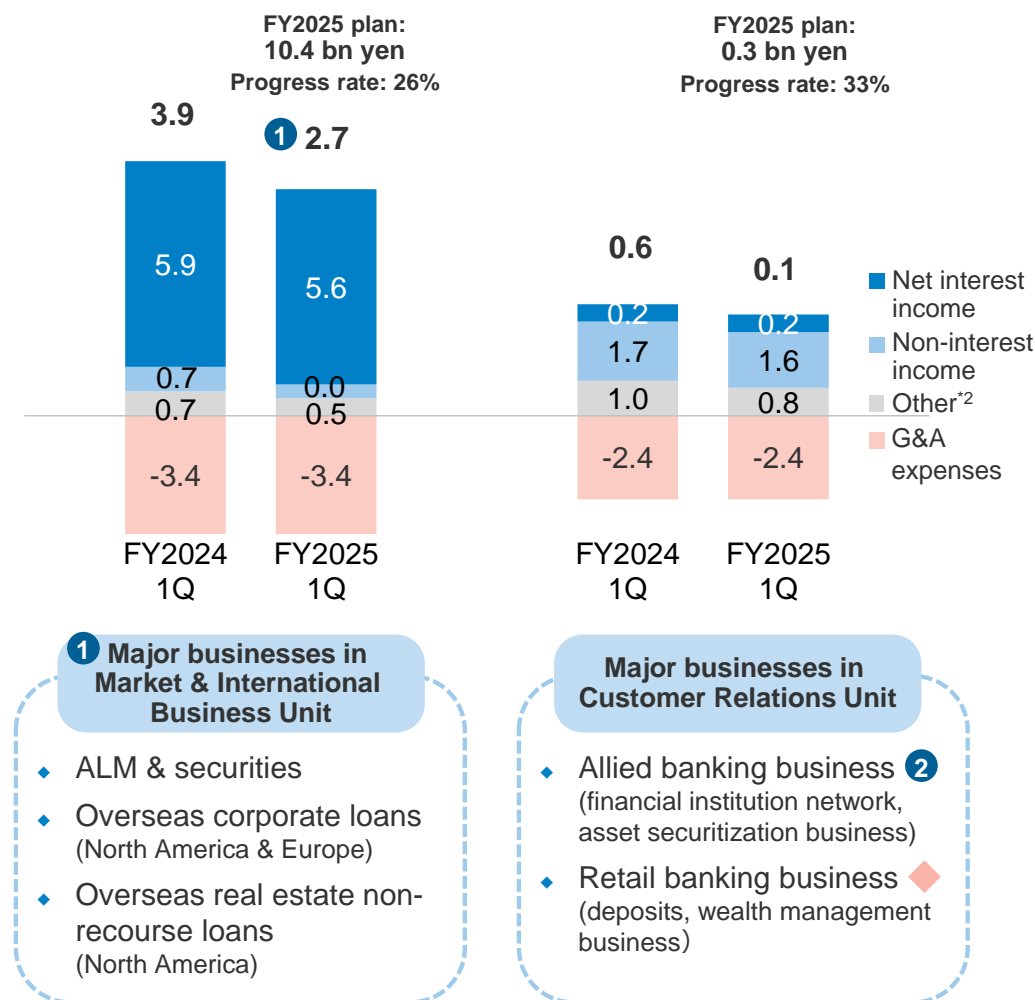
Provided BaaS to 01Bank, Ltd., a wholly-owned subsidiary of Senshu Ikeda Holdings, Inc., which launched its business in July 2025

#### Formed a partnership with RAKSUL BANK Inc. with the aim to provide a financial platform for SMEs within 2025

RAKSUL BANK will offer banking services under the central concept of “Offering Industry-Leading Low Transfer Fees and 2% Rewards (with some exceptions) to Empower SME Growth”

## Business-related profit in the Market & International Business Unit and the Customer Relations Unit

(billion yen)



## Maintained stable income through flexible rebalancing of assets

- 26% progress in the Market & International Business Unit
  - ALM and securities: Net interest income from yen-based ALMs improved due to higher interest rates, while the negative carry from legacy assets (foreign currency securities) still remained
  - Overseas loans: North American corporate loans remained high in quality while market spreads became tighter. Exposure to U.S. office loans declined steadily as workouts progressed
- Allied Banking Group: Established the ALM Solutions Division to enhance distribution capabilities for regional financial institutions and other investors with a view to expanding the asset securitization business mainly related to LBO finance and environmental finance, and to promote product development and origination designed to meet investor needs

◆ Areas of collaboration with Daiwa Securities Group

<sup>\*1</sup> Management accounting basis

<sup>\*2</sup> "Other" included "Gains/losses on stock transactions, etc." and "Amount of revenue commensurate with the degree of contribution related to funding activity."

Starting from the first quarter of FY2025, the amount of revenue commensurate with the degree of contribution related to funding activity, which is a growth base in "Aozora 2027," was included in net revenue of each unit. (Results for FY2024 have been revised retrospectively.)

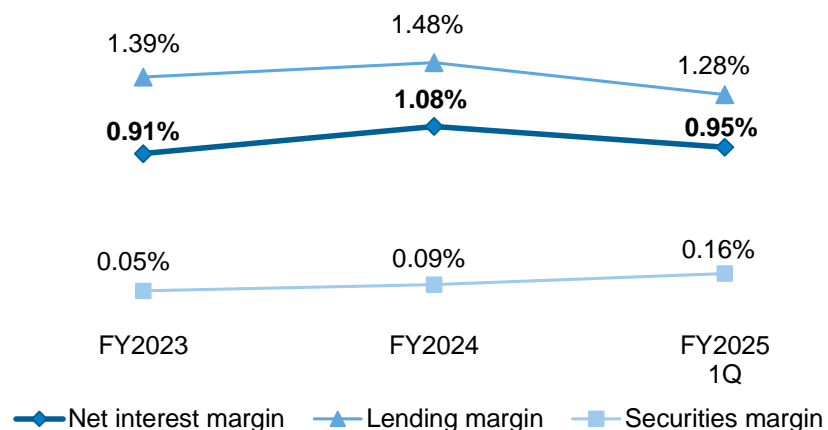


| (billion yen)                              | FY2024<br>1Q<br>A | FY2025<br>1Q<br>B | Change<br>B - A |
|--|-------------------|-------------------|-----------------|
| <b>Net interest income</b>                 | <b>12.0</b>       | <b>11.6</b>       | <b>-0.4</b>     |
| Domestic                                   | 4.5               | 6.0               | +1.4            |
| Overseas                                   | 7.4               | 5.5               | -1.9            |
| <b>Interest income</b>                     | <b>41.4</b>       | <b>38.5</b>       | <b>-2.9</b>     |
| Incl. interest on loans and discounts      | 33.9              | 29.2              | -4.7            |
| Incl. interest and dividends on securities | 5.1               | 5.9               | +0.8            |
| <b>Interest expenses</b>                   | <b>-29.3</b>      | <b>-26.9</b>      | <b>+2.4</b>     |
| Incl. interest on deposits and NCDs        | -3.0              | -6.8              | -3.7            |
| Incl. repurchase interest, etc.            | -4.1              | -4.0              | +0.1            |
| Incl. interest on swaps                    | -19.8             | -13.5             | +6.3            |

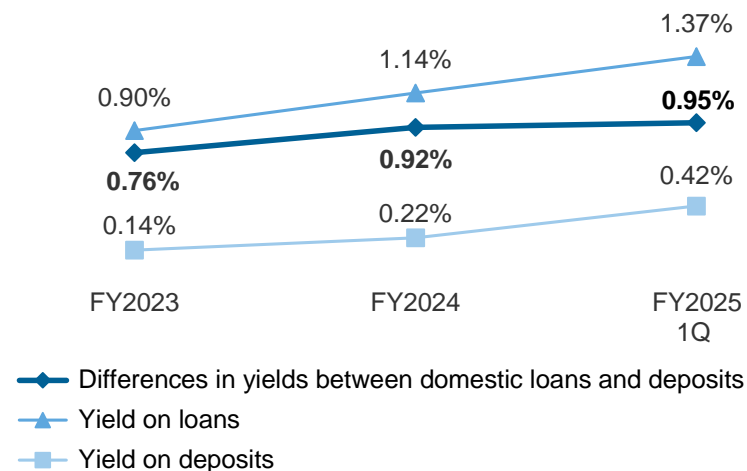
## Net interest income was 11.6 billion yen, almost even compared to the previous year, but continued to increase domestically

- Domestic net interest income increased by 1.4 billion yen year on year
  - Yields on loans and deposits both increased in response to the BOJ's policy rate hike. Differences in yields between loans and deposits continued to expand
  - Net interest income increased domestically mainly due to an increase in domestic loan outstandings (excluding loans to the government) and higher interest on BOJ deposits
- Overseas net interest income decreased by 1.9 billion yen year on year
  - Foreign currency funding costs decreased mainly due to lower U.S. interest rates, partly offset by redemption of the Bank's lower coupon U.S. dollar senior bonds
  - Net interest income declined overseas as interest income significantly decreased largely in line with the decrease in overseas loan outstandings

## Net interest margin, lending margin and securities margin



## Differences in yields between domestic loans and deposits



| (billion yen)                                 | FY2024<br>1Q<br>A | FY2025<br>1Q<br>B | Change<br>B - A |
|---|-------------------|-------------------|-----------------|
| <b>Non-interest income</b>                    | <b>8.6</b>        | <b>12.1</b>       | <b>+3.5</b>     |
| <b>Net fees and commissions</b>               | <b>5.6</b>        | <b>6.6</b>        | <b>+1.0</b>     |
| Incl. loan-related fee income                 | 2.4               | 2.5               | +0.1            |
| Incl. GANB fee income                         | 1.3               | 1.8               | +0.4            |
| Incl. investment trust fee income             | 1.0               | 1.1               | +0.0            |
| <b>Net trading revenues</b>                   | <b>1.2</b>        | <b>0.2</b>        | <b>-1.0</b>     |
| <b>Net other ordinary income</b>              | <b>1.7</b>        | <b>5.3</b>        | <b>+3.5</b>     |
| Incl. gains/losses on bond transactions       | 1.7               | 1.0               | -0.6            |
| Incl. gains/losses from limited partnerships* | 2.0               | 4.0               | +1.9            |
| Real estate/<br>Distressed loan-related       | 1.5               | 1.4               | -0.0            |
| Buyout/venture-related                        | -0.3              | 1.9               | +2.3            |
| Other   | 0.8               | 0.5               | -0.3            |

\* From FY2024 4Q results, gains/losses from limited partnerships include part of the gains/losses recorded by Aozora Loan Services (FY2023 results are restated retroactively).

|  |            |            |             |
|--|------------|------------|-------------|
| <b>Gains/losses on stock transactions</b>        | <b>0.7</b> | <b>0.6</b> | <b>-0.0</b> |
| Incl. gains/losses on equity investments         | 0.7        | 0.6        | -0.0        |
| <b>Gains/losses on equity method investments</b> | <b>0.7</b> | <b>0.5</b> | <b>-0.2</b> |

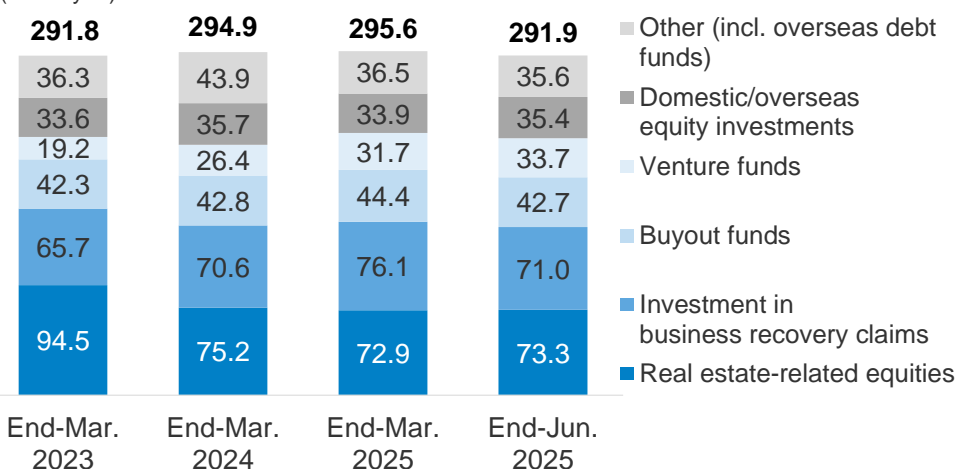
Aozora's FY2025 1Q results include 15% of OCB's net profit (incl. goodwill amortization) recorded in Jan-Mar. 2025

## Non-interest income increased by 3.5 billion yen year on year

- 1 Net fees and commissions increased year on year mainly due to strong loan-related fee income as well as GANB's steady progress in generating revenues from its core businesses (remittances and debit cards)
- 2 Gains/losses from limited partnerships were strong, driven by exit transactions associated with NPLs and buyouts

### <Reference> Equity investments

(billion yen)



\* Management accounting and mark-to-market basis. Capital gains were recorded in gains/losses from limited partnership, gains/losses on stock transactions and interest and dividends on securities

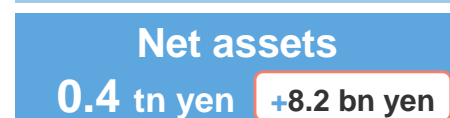
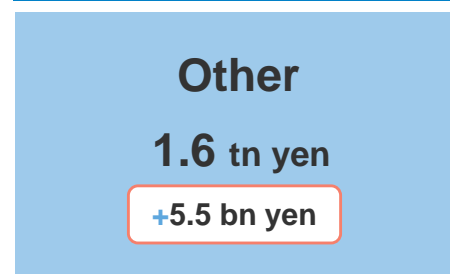
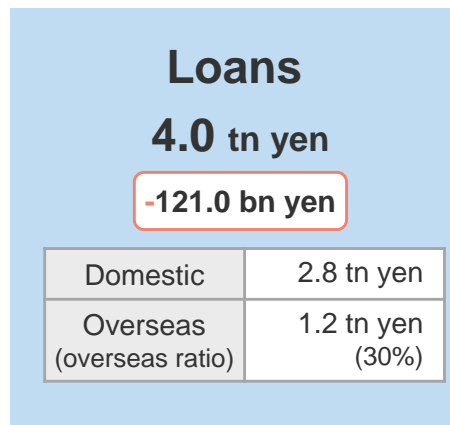
### —Orient Commercial Joint Stock Bank— Aozora's equity method affiliate (Vietnam)



| (billion yen)       | Jan. -Mar.<br>2024<br>A | Jan. -Mar.<br>2025<br>B | Change<br>B - A |
|---------------------|-------------------------|-------------------------|-----------------|
| <b>Net profit *</b> | <b>5.7</b>              | <b>4.2</b>              | <b>-1.4</b>     |

\* Uses an exchange rate of 0.0060 yen per 1 Vietnamese dong

**Total assets: 7.8 trillion yen** Vs. March 31, 2025  
**+116.9 bn yen**

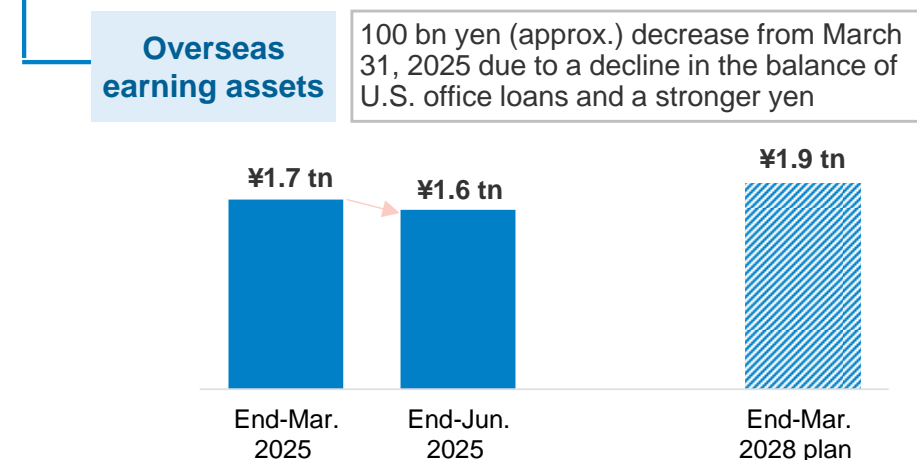
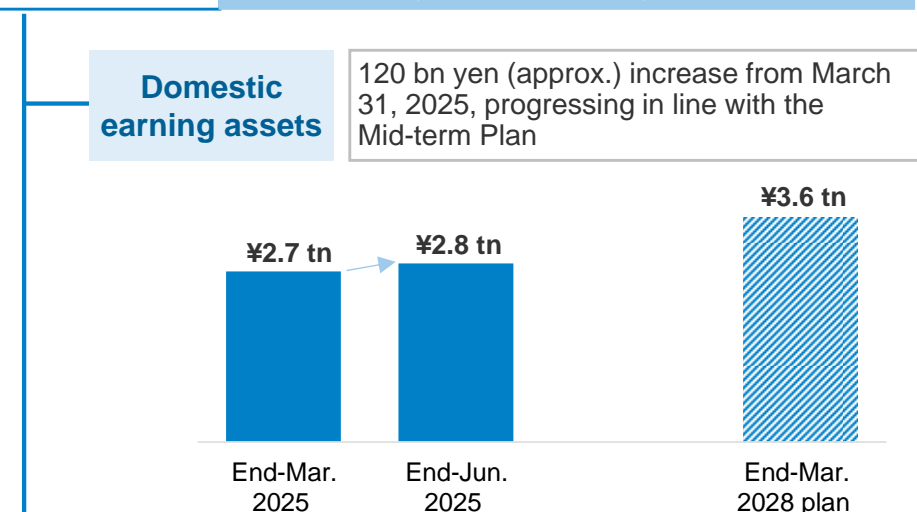


## Earning assets\*

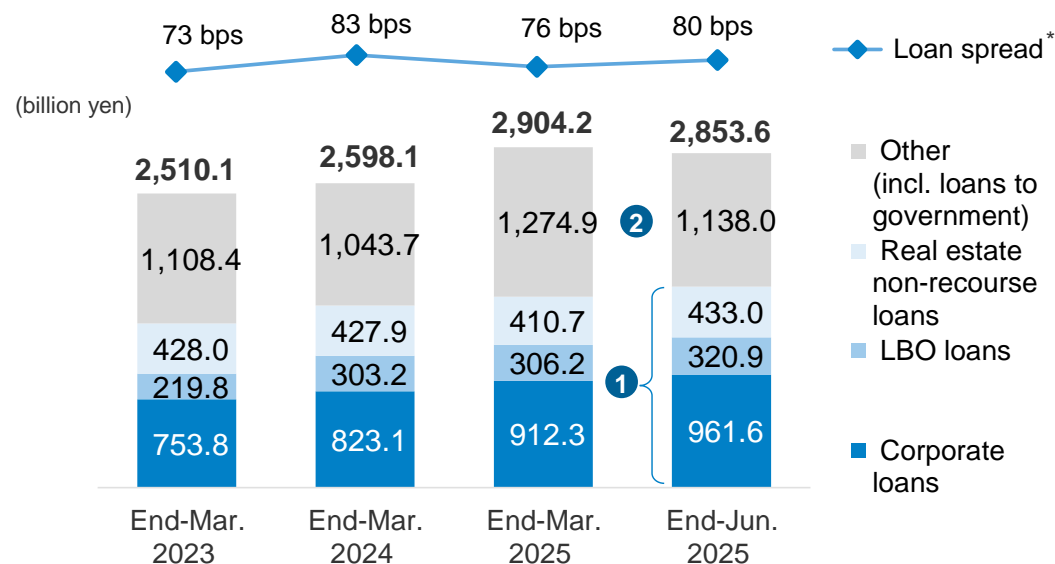
\* Total of loans and securities (excluding loans to the government, government bonds, etc.)

Aozora 2027

| Earning assets* | Mar. 31, 2025<br>4.5 tn yen | June 30, 2025<br>4.5 tn yen | Mar. 31, 2028 plan<br>5.5 tn yen |
|-----------------|-----------------------------|-----------------------------|----------------------------------|
|-----------------|-----------------------------|-----------------------------|----------------------------------|



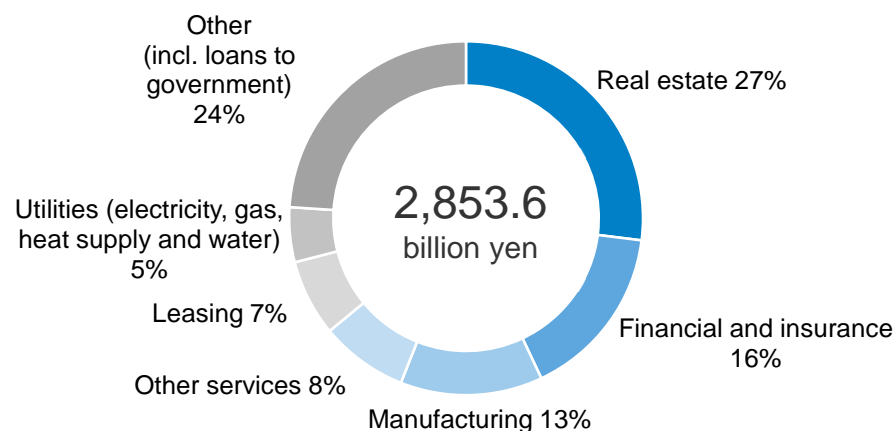
### Domestic loan outstandings and loan spread\*



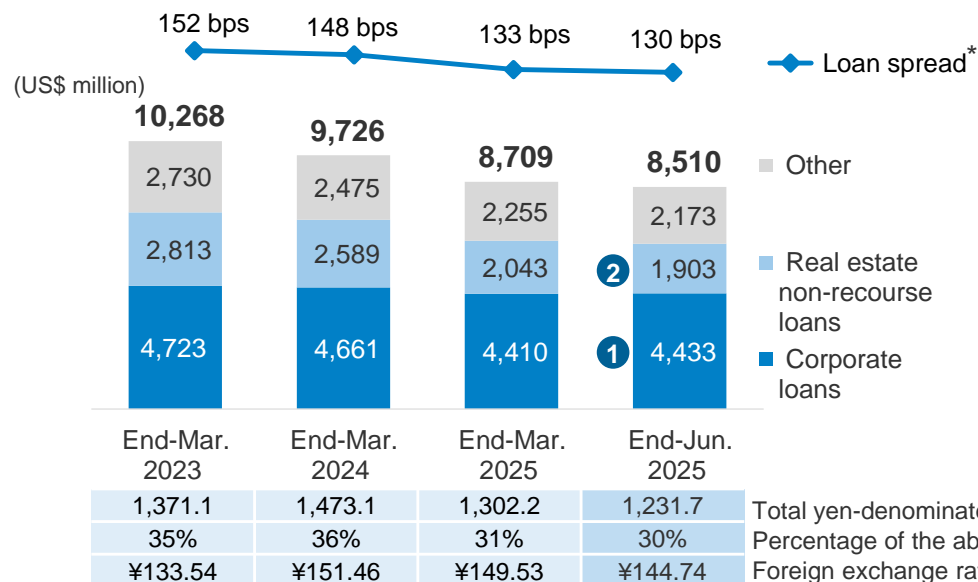
\* The loan spread is on non-consolidated and management accounting bases and does not include NPLs.

- 1 Corporate loans, reflecting the benefits of our alliance with Daiwa Securities Group, LBO loans, real estate non-recourse loans, in which our Strategic Investments Unit is engaged, all increased
- 2 Other loans declined mainly in loans to the government

### Domestic loans by industry



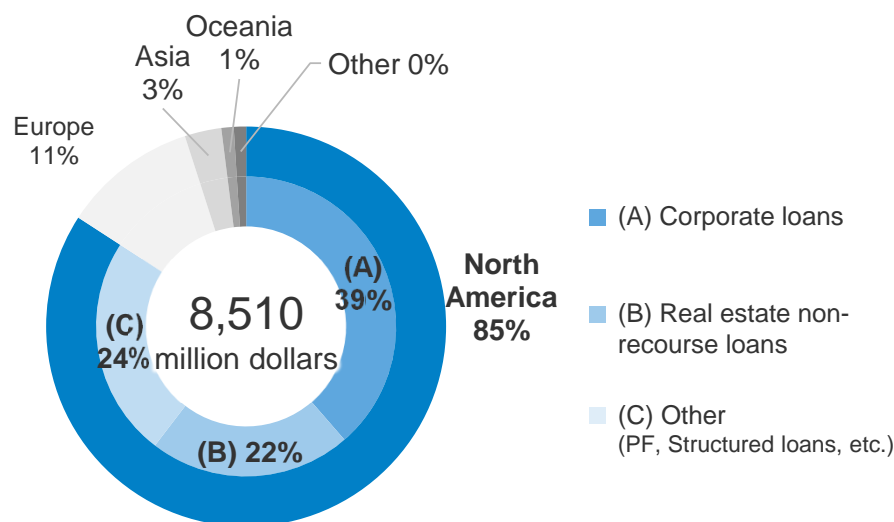
### Overseas loan outstandings and loan spread\*



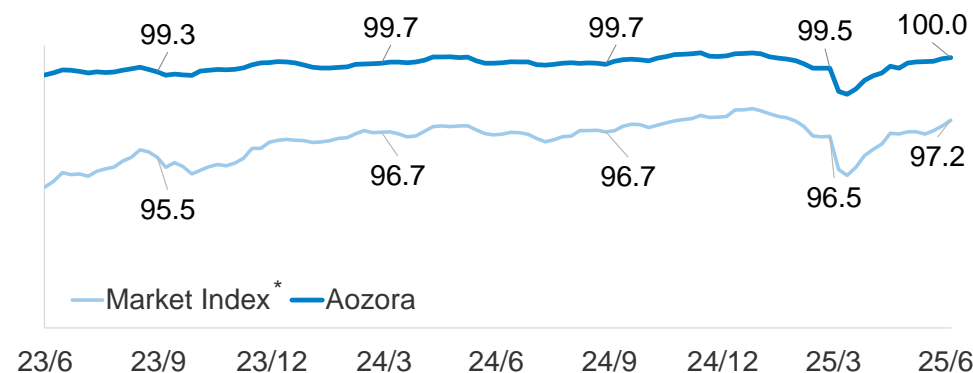
- 1 Overseas corporate loan outstandings remained flat on a U.S. dollar basis (decreased on a yen basis due to a stronger yen) while overall portfolio quality was maintained
- 2 Decreased due to the decline in overseas real estate non-recourse loans as the collection of U.S. office work-out loans continued to make progress

\* The loan spread is on non-consolidated and management accounting bases and does not include NPLs. The cost of forex forwards to which hedge accounting is not applied is included in funding costs.

### Overseas loans by region

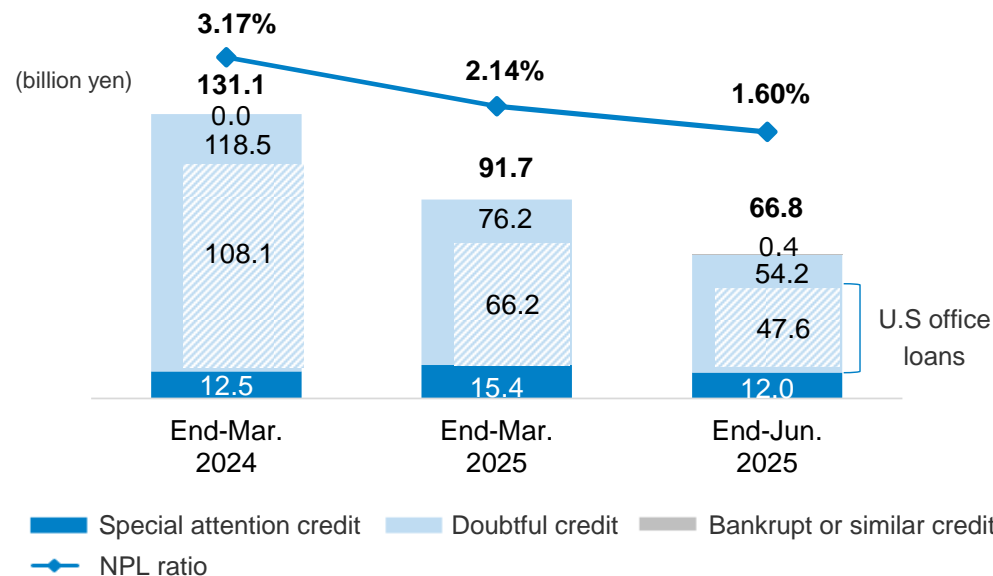


### <Reference> Average bid price —North American corporate loans—



\* Source: PitchBook Data, Inc.

### Non-performing loans based on the FRA\*



\* Financial Reconstruction Act

### U.S. office loans

|                       | End-Dec. 2023 |            |                |                     | End-Mar. 2024 |            |                |                     | End-Mar. 2025 |            |                |                     | End-Jun. 2025 |            |                |                     |
|-----------------------|---------------|------------|----------------|---------------------|---------------|------------|----------------|---------------------|---------------|------------|----------------|---------------------|---------------|------------|----------------|---------------------|
|                       | Balance       | Reserves   | Reserve ratio* | Number of borrowers | Balance       | Reserves   | Reserve ratio* | Number of borrowers | Balance       | Reserves   | Reserve ratio* | Number of borrowers | Balance       | Reserves   | Reserve ratio* | Number of borrowers |
| (US\$ million)        |               |            |                |                     |               |            |                |                     |               |            |                |                     |               |            |                |                     |
| LTV: less than 90%    | 1,082         | 23         | 2.2%           | 24                  | 785           | 22         | 2.8%           | 20                  | 762           | 16         | 2.2%           | 19                  | 731           | 23         | 3.2%           | 18                  |
| LTV: 90-100%          | 92            | 12         | 13.8%          | 2                   | 386           | 40         | 10.4%          | 6                   | 232           | 31         | 13.5%          | 4                   | 252           | 31         | 12.5%          | 5                   |
| LTV: over 100% (NPLs) | 719           | 320        | 44.5%          | 21                  | 714           | 310        | 43.5%          | 21                  | 442           | 187        | 42.3%          | 14                  | 329           | 130        | 39.6%          | 10                  |
| <b>Total</b>          | <b>1,893</b>  | <b>357</b> | <b>18.8%</b>   | <b>47</b>           | <b>1,886</b>  | <b>373</b> | <b>19.7%</b>   | <b>47</b>           | <b>1,437</b>  | <b>235</b> | <b>16.3%</b>   | <b>37</b>           | <b>1,313</b>  | <b>185</b> | <b>14.1%</b>   | <b>33</b>           |

\* Total exposure basis

### Credit-related expenses

|   | FY2024<br>1Q<br>A | FY2025<br>1Q<br>B | Change<br>B - A |
|---|-------------------|-------------------|-----------------|
| (billion yen)                                   |                   |                   |                 |
| <b>Credit-related expenses</b>                  | <b>-1.3</b>       | <b>-1.1</b>       | <b>+0.2</b>     |
| Specific loan loss reserves, etc.* <sup>1</sup> | -0.5              | -6.0              | -5.5            |
| General loan loss reserves, etc.* <sup>2</sup>  | -0.8              | 4.8               | +5.7            |
| <Reference>                                     |                   |                   |                 |
| U.S. office loans                               | -1.8              | -1.1              | +0.7            |
| Other than U.S. office loans                    | 0.4               | -0.0              | -0.5            |

\*1 Including specific loan loss reserves, write-off of loans, gains/losses on disposition of loans and recoveries of written-off receivables

\*2 Including general loan loss reserves and reserve for credit losses on off-balance-sheet instruments

In 1Q, the number of "In Danger of Bankruptcy" borrowers declined by 4 names and exposure decreased by US\$113 million

|   | Book value       |                       |                       |                 | Unrealized gains/losses |                       |                       |                 |
|---|------------------|-----------------------|-----------------------|-----------------|-------------------------|-----------------------|-----------------------|-----------------|
|   | End-Mar.<br>2024 | End-Mar.<br>2025<br>A | End-Jun.<br>2025<br>B | Change<br>B - A | End-Mar.<br>2024        | End-Mar.<br>2025<br>C | End-Jun.<br>2025<br>D | Change<br>D - C |
| (billion yen)   |                  |                       |                       |                 |                         |                       |                       |                 |
| JGBs  | 52.5             | 128.5                 | 148.7                 | +20.1           | -2.1                    | -4.8                  | -4.6                  | +0.1            |
| Municipal bonds   | 29.0             | 33.7                  | 34.6                  | +0.9            | -0.2                    | -0.7                  | -0.5                  | +0.1            |
| Corporate bonds /<br>short-term corporate bonds                               | 107.5            | 103.1                 | 109.2                 | +6.1            | -0.4                    | -1.1                  | -0.7                  | +0.4            |
| Equities  | 31.1             | 29.9                  | 32.1                  | +2.1            | 14.7                    | 12.5                  | 14.3                  | +1.7            |
| Foreign bonds   | 493.9            | 570.9                 | 559.1                 | -11.7           | -60.6                   | -49.6                 | -43.8                 | +5.8            |
| Foreign government bonds  | 262.6            | 347.3                 | 349.4                 | +2.1            | -32.1                   | -24.6                 | -20.6                 | +3.9            |
| MBS   | 99.2             | 91.7                  | 86.7                  | -4.9            | -28.6                   | -26.0                 | -25.1                 | +0.9            |
| Other   | 132.0            | 131.9                 | 122.9                 | -8.9            | 0.1                     | 1.0                   | 1.9                   | +0.8            |
| Other securities  | 472.3            | 489.0                 | 474.2                 | -14.8           | -10.0                   | -10.7                 | -10.5                 | +0.2            |
| ETFs  | 59.9             | 64.9                  | 64.9                  | -0.0            | -10.4                   | -10.5                 | -9.3                  | +1.1            |
| Investments in limited<br>partnerships  | 181.4            | 183.0                 | 180.8                 | -2.2            | 1.0                     | 2.0                   | 1.6                   | -0.4            |
| REITs   | 35.1             | 33.0                  | 33.8                  | +0.7            | 3.5                     | 2.6                   | 2.8                   | +0.2            |
| Investment trusts   | 153.9            | 162.5                 | 151.3                 | -11.2           | -4.7                    | -5.1                  | -5.7                  | -0.6            |
| Other   | 41.7             | 45.4                  | 43.2                  | -2.1            | 0.5                     | 0.1                   | 0.0                   | -0.0            |
| <b>Total</b>  | <b>1,186.5</b>   | <b>1,355.4</b>        | <b>1,358.2</b>        | <b>+2.7</b>     | <b>-58.7</b>            | <b>-54.5</b>          | <b>-45.9</b>          | <b>+8.5</b>     |
| Foreign exchange rate (US\$/JPY)  | 151.46           | 149.53                | 144.74                | -4.79           |                         |                       |                       |                 |
| Unrealized gains/losses, incl. unrealized gains/losses on hedging instruments |                  |                       |                       |                 | -51.1                   | -50.7                 | -44.2                 | +6.4            |

| Duration of bonds (non-consolidated) |                  |                  |                  |
|--------------------------------------|------------------|------------------|------------------|
|                                      | End-Mar.<br>2024 | End-Mar.<br>2025 | End-Jun.<br>2025 |
| JGBs                                 | 7 years          | 7 years          | 7 years          |
| Long-term JGBs                       | 16 years         | 11 years         | 11 years         |
| Short-term JGBs                      | 0.2 years        | 0.2 years        | 0.2 years        |
| Municipal bonds                      | 4 years          | 5 years          | 5 years          |
| U.S. government<br>bonds             | 5 years          | 4 years          | 4 years          |
| MBS                                  | 7 years          | 8 years          | 8 years          |

| Market risk (10 BPV)                    |                  |                  |                  |
|---|------------------|------------------|------------------|
|   | End-Mar.<br>2024 | End-Mar.<br>2025 | End-Jun.<br>2025 |
| (billion yen)                           |                  |                  |                  |
| ALM securities<br>operations            | +0.0             | -1.0             | -1.3             |
| Incl. U.S. dollar<br>interest rate risk | +0.0             | -0.6             | -0.7             |
| Incl. yen<br>interest rate risk         | +0.0             | -0.5             | -0.5             |

### Including legacy assets

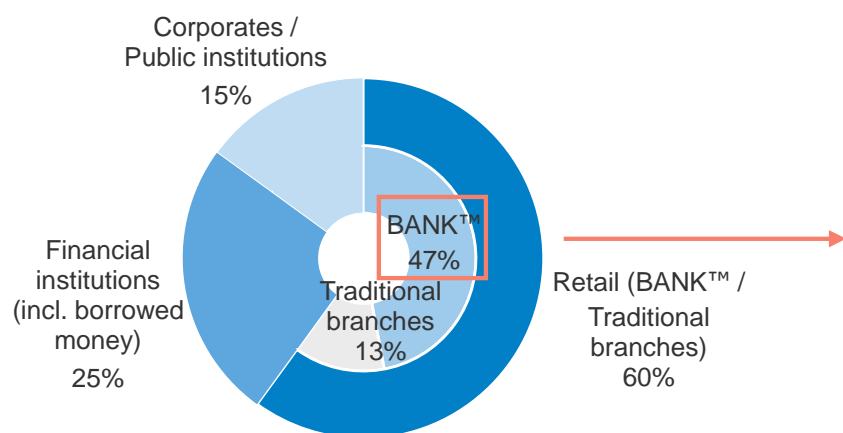
| (million in original currency)          |      |       |       | (billion yen) |              |              |              |
|---|------|-------|-------|---------------|--------------|--------------|--------------|
| U.S. government bonds                   | US\$ | 1,150 | 1,150 | 1,150         | -11.0        | -9.5         | -8.6         |
| European government<br>bonds            | EUR  | 350   | 315   | 315           | -9.1         | -6.4         | -6.3         |
| MBS                                     | US\$ | 823   | 767   | 753           | -30.7        | -27.2        | -26.7        |
| Credit ETFs<br>(investment grade bonds) | US\$ | 465   | 465   | 465           | -13.6        | -13.4        | -12.8        |
| <b>Total*</b>                           |      |       |       |               | <b>-64.7</b> | <b>-56.6</b> | <b>-54.6</b> |

\* Unrealized gains/losses on legacy assets including hedging instruments (derivatives, bear funds)

| (billion yen)   | End-Mar.<br>2024 | End-Mar.<br>2025<br>A | End-Jun.<br>2025<br>B | Change<br>B - A |
|---|------------------|-----------------------|-----------------------|-----------------|
| <b>Funding<br/>(consolidated basis)</b>                           | <b>6,421.0</b>   | <b>6,276.1</b>        | <b>6,378.8</b>        | <b>+102.6</b>   |
| Deposits / NCDs   | 5,776.3          | 5,672.9               | 5,776.1               | +103.2          |
| Borrowed money <sup>*1</sup>                                      | 463.3            | 478.6                 | 481.4                 | +2.8            |
| Bonds   | 181.3            | 124.6                 | 121.2                 | -3.3            |
| <b>Funding (excl. GANB) (A) <sup>*2</sup></b>                     | <b>5,808.9</b>   | <b>5,331.8</b>        | <b>5,351.1</b>        | <b>+19.3</b>    |
| Retail deposits (B)   | 3,560.8          | 3,181.7               | ① 3,220.5             | +38.8           |
| Corporate deposits<br>(incl. NCDs / borrowed money) <sup>*1</sup> | 2,066.7          | 2,025.4               | ② 2,009.2             | -16.1           |
| Bonds   | 181.3            | 124.6                 | 121.2                 | -3.3            |
| Retail funding ratio (B) / (A)                                    | 61%              | 60%                   | 60%                   |                 |
| Loan-to-deposit ratio <sup>*2</sup>                               | 66%              | 72%                   | 71%                   |                 |

- 1 Retail deposit balances maintained the same level as March 31, 2025 due to enhanced services at BANK™
- 2 Corporate deposits were flexibly managed in consideration of maintaining a balance between target funding levels and associated costs

### By customer segment (excl. GANB)<sup>\*2</sup>



### BANK™ deposit breakdown

|                   | End-Mar.<br>2024 | End-Mar.<br>2025<br>A | End-Jun.<br>2025<br>B | Change<br>B - A |
|-------------------|------------------|-----------------------|-----------------------|-----------------|
| Ordinary deposits | 75.1%            | 57.9%                 | 55.8%                 | -2.1%           |
| Time deposits     | 24.9%            | 42.1%                 | 44.2%                 | +2.1%           |

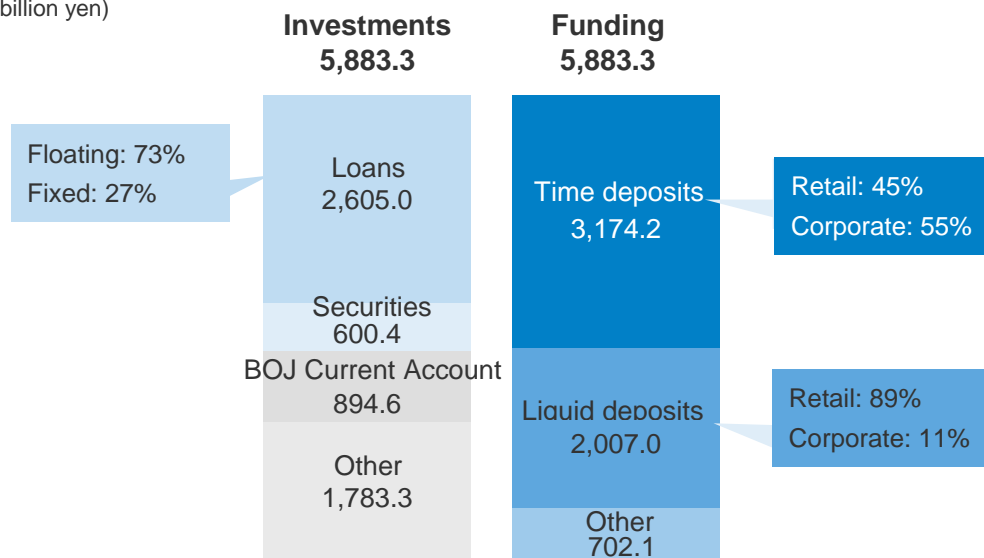
<sup>\*1</sup> Excluding borrowings from the BOJ

<sup>\*2</sup> Management accounting basis



**Yen currency balance sheet (non-consolidated)**

(billion yen)



Estimated impact of higher yen interest rates on annual net interest income

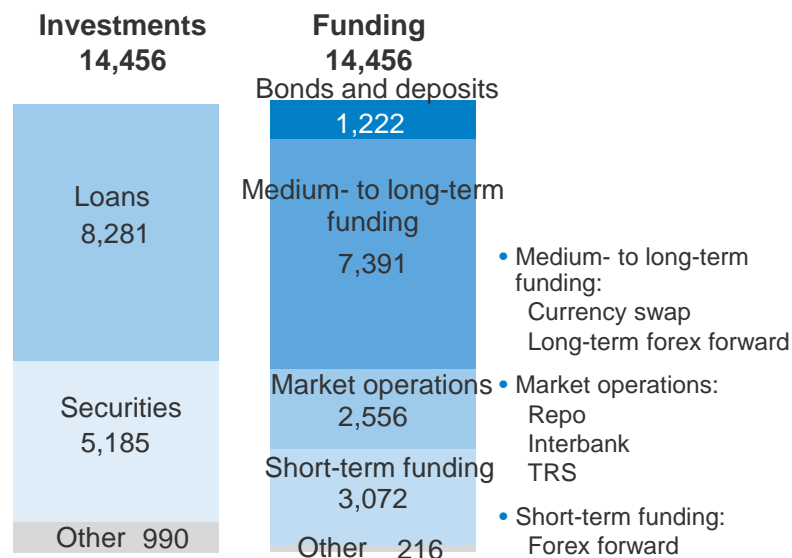
➔ **+2.9 billion yen**

Estimate assumptions:

- An interest rate increase of 0.25% for all terms
- No change in the balance sheet from June 30, 2025
- Pass-through to interest rates on deposits: 75%

**Foreign currency balance sheet (non-consolidated)**

(US\$ million)

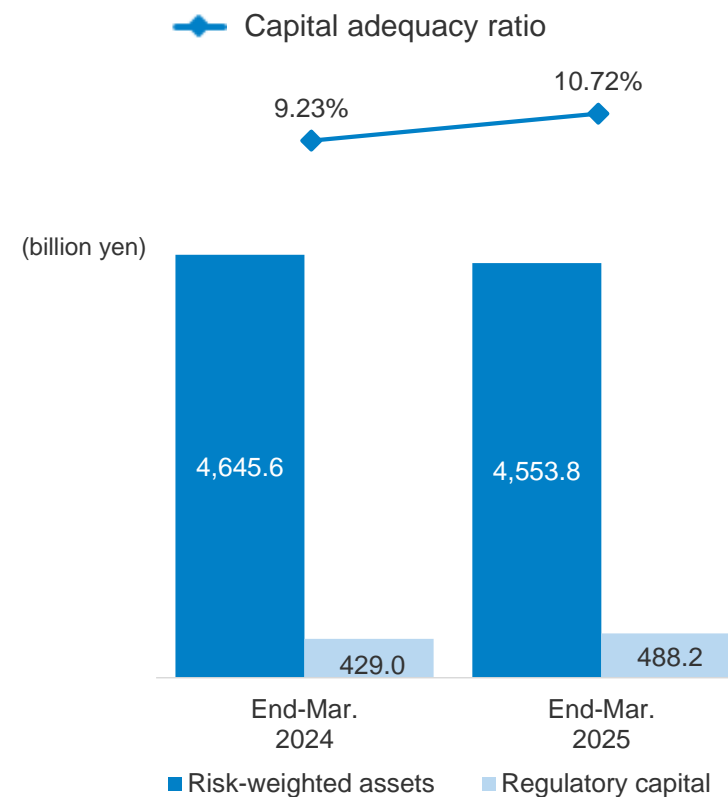


# Reference: Capital adequacy ratio (as of March 31, 2025)

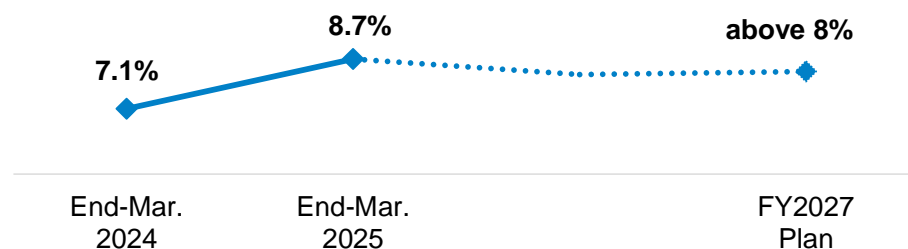
**Capital  
adequacy ratio**

## Domestic standard\*

| (billion yen)                | End-Mar.<br>2024<br>A | End-Mar.<br>2025<br>B | Change<br>B - A |
|------------------------------|-----------------------|-----------------------|-----------------|
| Capital adequacy ratio       | 9.23%                 | 10.72%                | +1.49%          |
| Regulatory capital (A - B)   | 429.0                 | 488.2                 | +59.2           |
| Instruments and reserves (A) | 467.5                 | 529.7                 | +62.1           |
| Shareholders' equity         | 413.1                 | 475.1                 | +62.0           |
| Other                        | 54.4                  | 54.5                  | +0.1            |
| Regulatory adjustment (B)    | 38.5                  | 41.4                  | +2.9            |
| Risk-weighted assets         | 4,645.6               | 4,553.8               | -91.8           |
| Credit risk assets           | 4,273.1               | 4,248.9               | -24.2           |
| Market risk                  | 238.9                 | 177.6                 | -61.3           |
| Operational risk             | 133.4                 | 127.2                 | -6.2            |



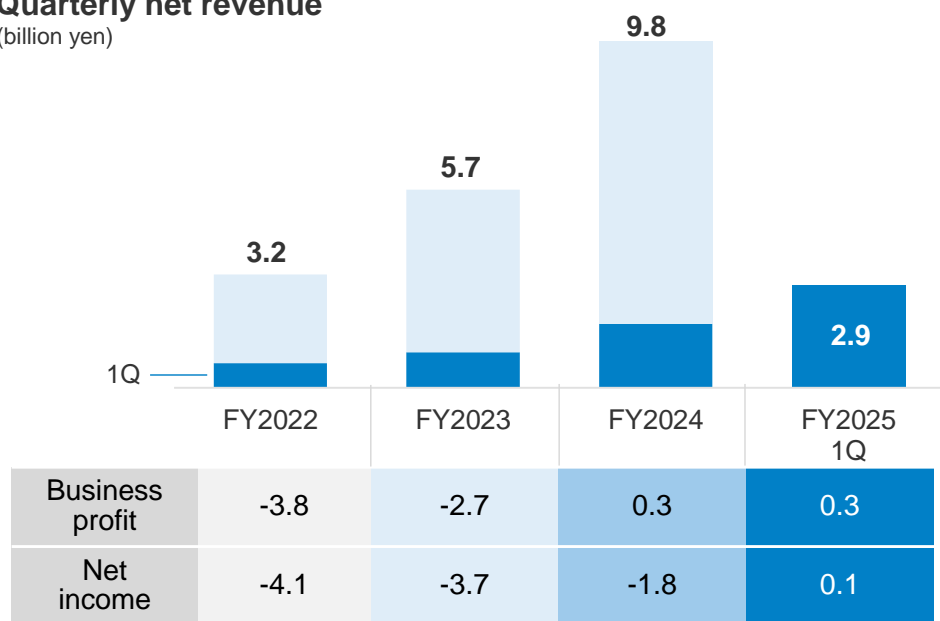
## CET1 ratio\* (Common Equity Tier 1 ratio)



\* The CET1 ratio as of June 30, 2025 will be announced in mid-August 2025.

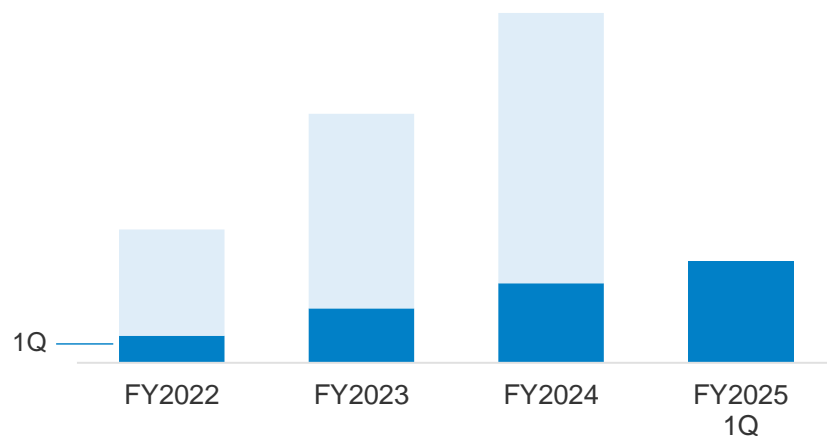
## Quarterly net revenue

(billion yen)



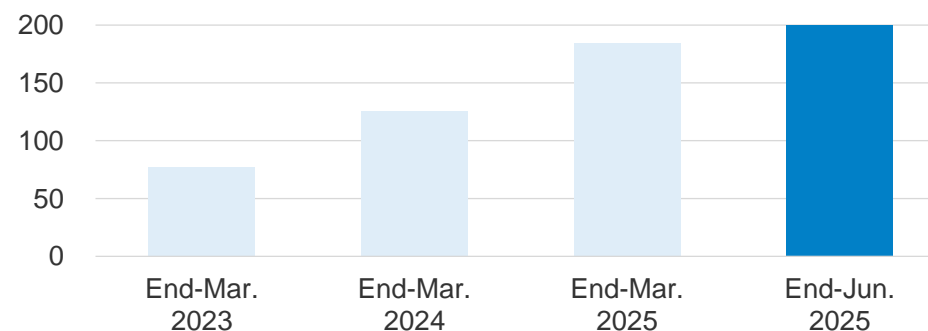
Achieved positive net income on a quarterly basis

## Number of transfer transactions



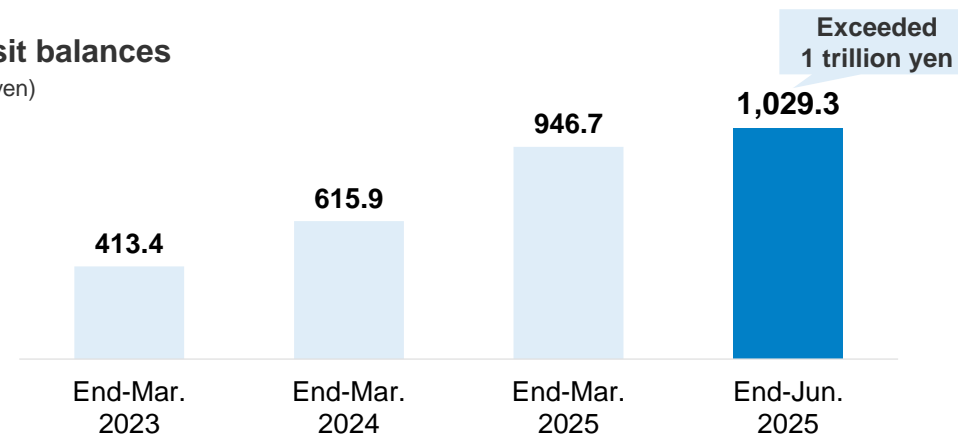
## Number of corporate accounts

(thousand)



## Deposit balances

(billion yen)

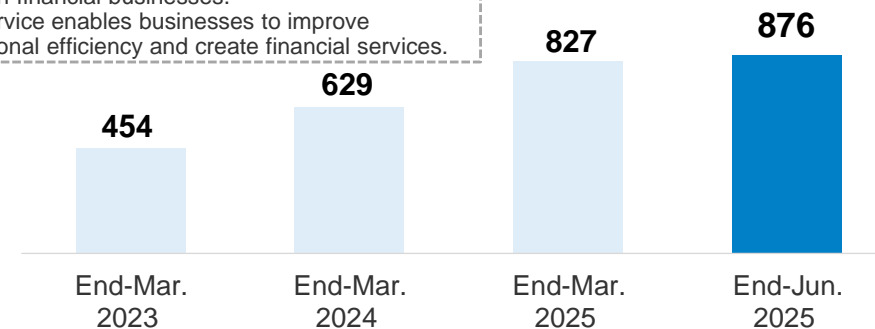


## Number of “BaaS byGMO Aozora” contracts

### BaaS byGMO Aozora

A service that provides banking functions to financial and non-financial businesses.

The service enables businesses to improve operational efficiency and create financial services.



(billion yen)

|  |            |
|--|------------|
| <b>(A) Non-consolidated net income</b>             | <b>5.6</b> |
| <b>(B) Profit attributable to owners of parent</b> | <b>6.3</b> |
| <b>(B) - (A) (a + b) Difference</b>                | <b>0.6</b> |

**Breakdown of the difference**

|   |            |
|---|------------|
| <b>(a) Consolidated subsidiaries/affiliates</b> | <b>0.9</b> |
|---|------------|

|  | Share of Earnings <sup>*1</sup> | Net Revenue | Net Income        |
|--|---------------------------------|-------------|-------------------|
| GMO Aozora Net Bank, Ltd.                        | 50.0% <sup>*2</sup>             | 2.9         | 0.1               |
| Aozora Loan Services Co., Ltd.                   | 67.6%                           | 2.1         | -0.0              |
| Aozora Securities Co., Ltd.                      | 100.0%                          | 0.0         | -0.2              |
| Aozora Regional Consulting Co., Ltd.             | 100.0%                          | 0.0         | 0.0               |
| Aozora Investment Management Co., Ltd.           | 100.0%                          | 0.5         | 0.2               |
| Aozora Real Estate Investment Advisors Co., Ltd. | 100.0%                          | 0.0         | -0.0              |
| ABN Advisors Co., Ltd.                           | 100.0%                          | 0.1         | 0.0               |
| Aozora Corporate Investment Co., Ltd.            | 100.0%                          | 0.1         | 0.0               |
| Aozora Asia Pacific Limited                      | 100.0%                          | 0.1         | 0.0               |
| Aozora Europe Limited                            | 100.0%                          | 0.1         | 0.0               |
| Aozora North America, Inc.                       | 100.0%                          | 1.1         | 0.5               |
| Other  | -                               | 0.2         | -0.4              |
| Orient Commercial Joint Stock Bank               | 15.0%                           | -           | 0.5 <sup>*3</sup> |

|                                      |             |
|--------------------------------------|-------------|
| <b>(b) Consolidation adjustments</b> | <b>-0.2</b> |
|--------------------------------------|-------------|

|   |   |      |
|---|---|------|
| Gains/losses attributable to non-controlling interests<br>(GMO Aozora Net Bank, Ltd.) | - | -0.0 |
| Other   | - | -0.2 |

\*1 Percentage of profit and loss attributable to owners of parent

\*2 Voting rights ratio is 85.1%

\*3 Revenue contribution from equity method investments

## Contact

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This presentation contains forward-looking statements regarding the Bank's financial condition and results of operations. These forward-looking statements, which include the Bank's views and assumptions with respect to future events, involve certain risks and uncertainties. Actual results may differ from forecasts due to changes in economic conditions and other factors including the effects of changes in general economic conditions, changes in interest rates, stock markets and foreign currency, and any ensuing decline in the value of our securities portfolio, incurrence of significant credit-related cost and the effectiveness of our operational, legal and other risk management policies