

Summary of the Financial Statements for the First Six Months of FY2025 [JGAAP] (Consolidated)

November 13, 2025

Company name	Aozora Bank, Ltd.	Listed exchange	Tokyo Stock Exchange
TSE code	8304	URL	https://www.aozorabank.co.jp/
Representative	Hideto Oomi, President and CEO		
Contact person	Yukie Tajima, Joint General Manager of Financial Control Division		
Scheduled filing date of securities report	November 27, 2025	Dividend payable date	December 15, 2025
Reference material	Affirmative	Trading accounts	Affirmative
Investor meeting	Affirmative	TEL	(03)6752-1111

(Unit: JPY millions, rounded down)

1. Business highlights for the first six months of FY2025

(1) Consolidated business results

(Note: Percentages show year-on-year rates of change)

	Ordinary income		Ordinary profit		Profit attributable to owners of parent	
Six months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%
September 30, 2025	117,144	1.8	15,380	53.9	13,613	14.2
September 30, 2024	115,128	(15.1)	9,994	(30.5)	11,919	(1.1)

(Note) Comprehensive income JPY 19,624 million 14.6 % (Six months ended September 30, 2025)
JPY 17,123 million — % (Six months ended September 30, 2024)

	Net income per common share (basic)	Net income per common share (diluted)
Six months ended	Yen	Yen
September 30, 2025	98.37	98.20
September 30, 2024	93.37	93.21

(2) Consolidated financial condition

	Total assets	Total net assets	Net assets to total assets ratio	Net assets per common share
	Millions of yen	Millions of yen	%	Yen
September 30, 2025	8,165,591	473,322	5.7	3,355.19
March 31, 2025	7,762,434	459,685	5.8	3,258.51

(Reference) Total net assets (less Share acquisition rights and Non-controlling interests) JPY 464,295 million (September 30, 2025)
JPY 450,916 million (March 31, 2025)

(Note) Net assets to total assets ratio = (Total net assets - Share acquisition rights - Non-controlling interests) / Total assets

The above Net assets to total assets ratio is different from the capital adequacy ratio prescribed in the notification of the Financial Services Agency.

2. Dividend

	Annual dividend				
	1Q end	2Q end	3Q end	Year-end	Annual
	Yen	Yen	Yen	Yen	Yen
FY2024 (common share)	19.00	19.00	19.00	22.00	79.00
FY2025 (common share)	22.00	22.00			
FY2025 (common share) (Forecast)			—	—	88.00

(Note) Revision of dividends forecast to the latest announcement None

Aozora will continue to pay dividends on a quarterly basis, although dividend payment forecast was announced only on an annual basis.

3. Consolidated earnings forecast for the year ending March 31, 2026 (FY2025)

(Note: Percentages show year-on-year rates of change)

	Ordinary profit		Profit attributable to owners of parent		Net income per common share
	Millions of yen	%	Millions of yen	%	Yen
FY2025 (Full Year)	30,000	70.8	22,000	7.2	158.98

(Note) Revision of consolidated earnings forecast to the latest announcement None

*Notes

(1) Significant changes in the scope of consolidation during the first six months None

(2) Changes in accounting policy, accounting estimates, or retrospective restatements

(a) Changes with revisions of accounting standards None

(b) Changes other than (a) above None

(c) Changes in accounting estimates None

(d) Retrospective restatements None

(3) The number of common shares issued

	September 30, 2025	March 31, 2025
(a) The number of common shares issued (including treasury shares)	139,789,418	139,789,418
(b) The number of treasury shares	1,408,278	1,408,328

	Six months ended September 30, 2025	Six months ended September 30, 2024
(c) The average number of common shares outstanding (6 months)	138,381,097	127,660,419

(Summary of non-consolidated financial statements)

Business highlights for the first six months of FY2025

(1) Business results

(Note: Percentages show year-on-year rates of change)

	Ordinary income		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended September 30, 2025	102,604	(0.2)	14,276	75.2	12,917	67.6
September 30, 2024	102,804	(17.4)	8,147	(28.5)	7,708	(9.4)

	Net income per common share (basic)
	Yen
Six months ended September 30, 2025	93.34
September 30, 2024	60.38

(2) Financial condition

	Total assets	Total net assets	Net assets to total assets ratio	Net assets per common share
	Millions of yen	Millions of yen	%	Yen
September 30, 2025	6,988,970	423,504	6.1	3,055.88
March 31, 2025	6,779,341	406,726	6.0	2,935.55

(Reference) Total net assets (less Share acquisition rights): JPY 422,877 million (September 30, 2025)

JPY 406,225 million (March 31, 2025)

(Note) Net assets to total assets ratio = (Total net assets - Share acquisition rights) / Total assets

The above Net assets to total assets ratio is different from the capital adequacy ratio prescribed in the notification of the Financial Services Agency.

※Summary of the Financial Statements for the First Six Months is out of scope of interim audit (by CPAs or audit firms) .

※Notes and remarks for the proper use of earnings projection

The above earnings forecast involves certain risks and uncertainties since the calculations are based on management's assumptions and beliefs in light of information currently available. This should not be interpreted as a promise or guarantee that the forecast will be achieved. Please be aware that actual results may be materially different from the forecast presented herein due to various factors.

[Attachment]

1. Overview of operating results	2
2. Interim consolidated financial statements and main notes	3
(1) Interim consolidated balance sheet	3
(2) Interim consolidated statement of income and Interim consolidated statement of comprehensive income	4
Interim consolidated statement of income	4
Interim consolidated statement of comprehensive income	4
(3) Interim consolidated statement of changes in net assets	5
(4) Notes to interim consolidated financial statements	7
(Information on going concern assumption)	7
(Additional information)	7
3. Interim non-consolidated financial statements	8
(1) Interim non-consolidated balance sheet	8
(2) Interim non-consolidated statement of income	10
(3) Interim non-consolidated statement of changes in net assets	11

1. Overview of operating results

For more details, please refer to 'FY2025 Interim Financial Results and Progress on the Mid-term Plan' that was announced today (November 13, 2025) on TDnet or the Bank's website (<https://www.aozorabank.co.jp/english/ir/library/results/>).

2. Interim consolidated financial statements and main notes

(1) Interim consolidated balance sheet

(Millions of yen)

	As of March 31, 2025	As of September 30, 2025
Assets		
Cash and due from banks	1,409,371	1,710,799
Call loans and bills bought	31,782	70,872
Monetary claims bought	58,530	53,275
Trading account assets	262,803	295,925
Money held in trust	12,728	8,844
Securities	1,355,458	1,401,835
Loans and bills discounted	4,206,564	4,163,123
Foreign exchanges	46,420	42,269
Other assets	331,054	360,243
Tangible fixed assets	22,385	21,890
Intangible fixed assets	19,075	18,459
Retirement benefit asset	9,430	9,611
Deferred tax assets	51,583	49,706
Customers' liabilities for acceptances and guarantees	18,711	18,450
Allowance for loan losses	(71,025)	(57,326)
Allowance for investment loss	(2,439)	(2,389)
Total assets	7,762,434	8,165,591
Liabilities		
Deposits	5,598,301	5,849,583
Negotiable certificates of deposit	74,600	49,200
Call money and bills sold	5,000	71,466
Securities sold under repurchase agreements	27,924	36,261
Cash collateral received for securities lent	345,719	351,988
Trading account liabilities	209,155	272,839
Borrowed money	726,300	740,100
Bonds payable	124,640	124,199
Other liabilities	155,993	163,712
Provision for bonuses	4,756	2,965
Provision for bonuses for directors (and other officers)	67	35
Retirement benefit liability	10,353	10,203
Provision for credit losses on off-balance-sheet instruments	1,218	1,254
Reserves under special laws	8	8
Acceptances and guarantees	18,711	18,450
Total liabilities	7,302,748	7,692,269
Net assets		
Share capital	125,966	125,966
Capital surplus	113,483	113,483
Retained earnings	241,485	249,009
Treasury shares	(2,894)	(2,894)
Total shareholders' equity	478,040	485,565
Valuation difference on available-for-sale securities	(39,532)	(26,727)
Deferred gains or losses on hedges	517	(2,438)
Foreign currency translation adjustment	9,604	5,948
Remeasurements of defined benefit plans	2,286	1,947
Total accumulated other comprehensive income	(27,123)	(21,270)
Share acquisition rights	501	626
Non-controlling interests	8,267	8,400
Total net assets	459,685	473,322
Total liabilities and net assets	7,762,434	8,165,591

(2) Interim consolidated statement of income and Interim consolidated statement of comprehensive income
(Interim consolidated statement of income)

(Millions of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
Ordinary income	115,128	117,144
Interest income	81,728	78,802
Interest on loans and discounts	66,362	59,082
Interest and dividends on securities	10,407	12,793
Trust fees	190	215
Fees and commissions	13,409	19,191
Gain on trading account transactions	1,981	1,922
Other ordinary income	13,139	13,991
Other income	4,679	3,021
Ordinary expenses	105,133	101,764
Interest expenses	56,995	54,484
Interest on deposits	6,282	13,980
Fees and commissions payments	3,177	3,656
Loss on trading account transactions	581	341
Other ordinary expenses	8,242	3,491
General and administrative expenses	30,117	31,653
Other expenses	6,018	8,136
Ordinary profit	9,994	15,380
Extraordinary income	3,408	—
Reversal of foreign currency translation adjustment	3,408	—
Extraordinary losses	260	6
Loss on disposal of non-current assets	—	6
Impairment losses	260	—
Profit before income taxes	13,143	15,374
Income taxes - current	691	807
Income taxes - deferred	1,236	822
Total income taxes	1,927	1,629
Profit	11,215	13,744
Profit (loss) attributable to non-controlling interests	(704)	130
Profit attributable to owners of parent	11,919	13,613

(Interim consolidated statement of comprehensive income)

(Millions of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
Profit	11,215	13,744
Other comprehensive income	5,908	5,879
Valuation difference on available-for-sale securities	12,967	12,831
Deferred gains or losses on hedges	(5,826)	(2,956)
Foreign currency translation adjustment	(3,737)	433
Remeasurements of defined benefit plans, net of tax	(185)	(339)
Share of other comprehensive income of entities accounted for using equity method	2,689	(4,089)
Comprehensive income	17,123	19,624
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	17,836	19,467
Comprehensive income attributable to non-controlling interests	(712)	156

(3) Interim consolidated statement of changes in net assets
For the six months ended September 30, 2024

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	100,000	87,498	228,444	(3,015)	412,928
Changes during period					
Issuance of new shares	25,966	25,966			51,933
Dividends of surplus			(2,219)		(2,219)
Profit attributable to owners of parent			11,919		11,919
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares		18		121	139
Net changes in items other than shareholders' equity					
Total changes during period	25,966	25,984	9,700	120	61,772
Balance at end of period	125,966	113,483	238,145	(2,894)	474,700

	Accumulated other comprehensive income					Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of period	(45,803)	4,332	10,137	2,277	(29,056)	532	6,673	391,078
Changes during period								
Issuance of new shares								51,933
Dividends of surplus								(2,219)
Profit attributable to owners of parent								11,919
Purchase of treasury shares								(0)
Disposal of treasury shares								139
Net changes in items other than shareholders' equity	12,976	(5,826)	(1,047)	(185)	5,916	(31)	1,770	7,656
Total changes during period	12,976	(5,826)	(1,047)	(185)	5,916	(31)	1,770	69,428
Balance at end of period	(32,826)	(1,494)	9,089	2,091	(23,139)	501	8,444	460,506

For the six months ended September 30, 2025

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	125,966	113,483	241,485	(2,894)	478,040
Changes during period					
Dividends of surplus			(6,088)		(6,088)
Profit attributable to owners of parent			13,613		13,613
Disposal of treasury shares				0	0
Net changes in items other than shareholders' equity					
Total changes during period	—	—	7,524	0	7,524
Balance at end of period	125,966	113,483	249,009	(2,894)	485,565

	Accumulated other comprehensive income					Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of period	(39,532)	517	9,604	2,286	(27,123)	501	8,267	459,685
Changes during period								
Dividends of surplus								(6,088)
Profit attributable to owners of parent								13,613
Disposal of treasury shares								0
Net changes in items other than shareholders' equity	12,805	(2,956)	(3,656)	(339)	5,853	125	133	6,112
Total changes during period	12,805	(2,956)	(3,656)	(339)	5,853	125	133	13,637
Balance at end of period	(26,727)	(2,438)	5,948	1,947	(21,270)	626	8,400	473,322

(4) Notes to interim consolidated financial statements

(Information on going concern assumption)

None

(Additional information)

(Allowance for Loan Losses for Overseas Real Estate Non-Recourse Loans)

For overseas real estate non-recourse loans, the Bank assumes a decrease in market liquidity mainly due to the deteriorating environment of the U.S. real estate market, and particularly U.S office market are expected to stabilize during the FY2025, considering the market trends.

In line with this, for all borrowers of overseas real estate non-recourse loans that require careful monitoring in the future, the loan loss amount mainly estimated by the DCF method is reflected as an addition to the allowance for loan losses determined based on the estimated loan loss ratio.

In addition, for non-recourse loans backed by underperforming office properties in the U.S. due to the changes in working styles in the post-COVID-19 period, in order to prepare for the disposal of these properties, for cases where there is a possibility of debt recovery in the future, the Bank evaluates the property considering the risk of price decline during the FY2025 and determines individual borrower category considering the possibility of the debt recovery through the disposal of properties. The allowance for loan losses is made based on the estimated disposal price assuming the price decline risk.

The above assumptions, which are the basis for the estimates, have a high degree of uncertainty, and depending on the situation, future profits and losses may fluctuate.

3. Interim non-consolidated financial statements

(1) Interim non-consolidated balance sheet

(Millions of yen)

	As of March 31, 2025	As of September 30, 2025
Assets		
Cash and due from banks	879,959	858,358
Call loans	31,782	70,872
Monetary claims bought	31,379	28,559
Trading account assets	262,803	295,925
Money held in trust	5,216	3,400
Securities	1,324,991	1,366,246
Loans and bills discounted	3,852,978	3,930,267
Foreign exchanges	46,420	42,269
Other assets	302,413	341,380
Other	302,413	341,380
Tangible fixed assets	21,278	20,666
Intangible fixed assets	9,004	8,076
Prepaid pension costs	6,651	7,275
Deferred tax assets	52,039	49,493
Customers' liabilities for acceptances and guarantees	24,711	24,450
Allowance for loan losses	(69,850)	(55,882)
Allowance for investment loss	(2,439)	(2,389)
Total assets	6,779,341	6,988,970
Liabilities		
Deposits	4,681,677	4,742,371
Negotiable certificates of deposit	74,600	49,200
Call money	5,000	71,466
Securities sold under repurchase agreements	27,924	36,261
Cash collateral received for securities lent	345,719	351,988
Trading account liabilities	209,155	272,839
Borrowed money	726,300	740,100
Bonds payable	124,640	124,199
Other liabilities	137,532	139,046
Income taxes payable	1,184	555
Lease liabilities	1,099	963
Asset retirement obligations	2,033	2,137
Other	133,214	135,391
Provision for bonuses	4,018	2,486
Provision for bonuses for directors (and other officers)	67	35
Provision for retirement benefits	10,187	9,907
Provision for credit losses on off-balance-sheet instruments	1,080	1,113
Acceptances and guarantees	24,711	24,450
Total liabilities	6,372,614	6,565,466

(Millions of yen)

	As of March 31, 2025	As of September 30, 2025
Net assets		
Share capital	125,966	125,966
Capital surplus	113,483	113,483
Legal capital surplus	113,280	113,280
Other capital surplus	203	203
Retained earnings	208,631	215,459
Legal retained earnings	12,686	12,686
Other retained earnings	195,944	202,772
Retained earnings brought forward	195,944	202,772
Treasury shares	(2,894)	(2,894)
Total shareholders' equity	445,186	452,015
Valuation difference on available-for-sale securities	(39,478)	(26,699)
Deferred gains or losses on hedges	517	(2,438)
Total valuation and translation adjustments	(38,961)	(29,138)
Share acquisition rights	501	626
Total net assets	406,726	423,504
Total liabilities and net assets	6,779,341	6,988,970

(2) Interim non-consolidated statement of income

(Millions of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
Ordinary income	102,804	102,604
Interest income	77,351	73,988
Interest on loans and discounts	61,905	54,138
Interest and dividends on securities	10,946	14,670
Trust fees	190	215
Fees and commissions	7,822	11,345
Gain on trading account transactions	1,914	1,921
Other ordinary income	12,544	13,430
Other income	2,981	1,703
Ordinary expenses	94,657	88,327
Interest expenses	57,198	53,593
Interest on deposits	6,485	13,088
Fees and commissions payments	968	833
Loss on trading account transactions	581	341
Other ordinary expenses	8,934	4,980
General and administrative expenses	22,246	22,894
Other expenses	4,728	5,683
Ordinary profit	8,147	14,276
Extraordinary losses	260	5
Loss on disposal of non-current assets	—	5
Impairment losses	260	—
Profit before income taxes	7,886	14,271
Income taxes - current	80	45
Income taxes - deferred	98	1,309
Total income taxes	178	1,354
Profit	7,708	12,917

(3) Interim non-consolidated statement of changes in net assets

For the six months ended September 30, 2024

(Millions of yen)

	Shareholders' equity								
	Share capital	Capital surplus			Retained earnings			Treasury shares	Total shareholders' equity
		Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings	Other retained earnings Retained earnings brought forward	Total retained earnings		
Balance at beginning of period	100,000	87,313	185	87,498	12,686	187,724	200,411	(3,015)	384,894
Changes during period									
Issuance of new shares	25,966	25,966		25,966					51,933
Dividends of surplus						(2,219)	(2,219)		(2,219)
Profit						7,708	7,708		7,708
Purchase of treasury shares								(0)	(0)
Disposal of treasury shares			18	18				121	139
Net changes in items other than shareholders' equity									
Total changes during period	25,966	25,966	18	25,984	—	5,488	5,488	120	57,560
Balance at end of period	125,966	113,280	203	113,483	12,686	193,212	205,899	(2,894)	442,455

	Valuation and translation adjustments			Share acquisition rights	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Total valuation and translation adjustments		
Balance at beginning of period	(45,754)	4,332	(41,422)	532	344,004
Changes during period					
Issuance of new shares					51,933
Dividends of surplus					(2,219)
Profit					7,708
Purchase of treasury shares					(0)
Disposal of treasury shares					139
Net changes in items other than shareholders' equity	12,985	(5,826)	7,158	(31)	7,127
Total changes during period	12,985	(5,826)	7,158	(31)	64,688
Balance at end of period	(32,769)	(1,494)	(34,263)	501	408,693

For the six months ended September 30, 2025

(Millions of yen)

	Shareholders' equity								
	Share capital	Capital surplus			Retained earnings			Treasury shares	Total shareholders' equity
		Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings	Other retained earnings	Total retained earnings		
						Retained earnings brought forward			
Balance at beginning of period	125,966	113,280	203	113,483	12,686	195,944	208,631	(2,894)	445,186
Changes during period									
Dividends of surplus						(6,088)	(6,088)		(6,088)
Profit						12,917	12,917		12,917
Disposal of treasury shares								0	0
Net changes in items other than shareholders' equity									
Total changes during period	—	—	—	—	—	6,828	6,828	0	6,828
Balance at end of period	125,966	113,280	203	113,483	12,686	202,772	215,459	(2,894)	452,015

	Valuation and translation adjustments			Share acquisition rights	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Total valuation and translation adjustments		
Balance at beginning of period	(39,478)	517	(38,961)	501	406,726
Changes during period					
Dividends of surplus					(6,088)
Profit					12,917
Disposal of treasury shares					0
Net changes in items other than shareholders' equity	12,779	(2,956)	9,823	125	9,948
Total changes during period	12,779	(2,956)	9,823	125	16,777
Balance at end of period	(26,699)	(2,438)	(29,138)	626	423,504

Financial Results
for the First Six Months
of FY2025



【 INDEX 】

I . Overviews of the Financial Results for the Six Months Ended September 30, 2025

1.	Summary of Revenue and Expenses	【Consolidated】		1
		【Non-consolidated】		2
2.	Profit Margins	【Non-consolidated】		3
3.	Business Profit	【Non-consolidated】		
4.	ROE	【Non-consolidated】		
5.	Gains (losses) on Securities Transactions	【Non-consolidated】		
6.	Investments and Funding	【Consolidated】	【Non-consolidated】	4
7.	Unrealized Gains and Losses on Securities	【Consolidated】	【Non-consolidated】	5
8.	Sales of investment trusts and annuity insurance to retail customers	【Non-consolidated】		
9.	Employees' Retirement Benefits	【Consolidated】	【Non-consolidated】	6
10.	Capital Adequacy Ratio (under Japanese domestic standards)	【Consolidated】	【Non-consolidated】	7

II . Status of Loans, etc.

1.	NPLs based on the Banking Act and the FRA, and coverage	【Consolidated】	【Non-consolidated】	8
2.	Allowance for Loan Losses	【Consolidated】	【Non-consolidated】	9
3.	Coverage for NPLs based on the FRA by Borrowers' Category	【Consolidated】		1 0
4.	Off-Balancing of NPLs based on the FRA	【Non-consolidated】		1 1
5.	Breakdown of Loans and Bills Discounted Classified by Industry	【Consolidated】		1 2

* NPLs : Non-performing loans

* FRA : Financial Reconstruction Act

III.	Deferred Tax Assets		1 3
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I. Overviews of the Financial Results for the Six Months Ended September 30, 2025

1. Summary of Revenue and Expenses

[Consolidated]

(Millions of yen)

	For the six months ended September 30, 2025		For the six months ended September 30, 2024
	(A)	(A)-(B)	(B)
Consolidated net revenue ※1	52,149	10,697	41,451
Net interest income	24,317	(415)	24,733
Net fees and commissions	15,750	5,328	10,422
Net gains on trading account transactions	1,580	181	1,399
Net other ordinary income	10,500	5,603	4,896
General and administrative expenses	(32,102)	(1,758)	(30,344)
Gains (losses) on equity method investments	1,015	(195)	1,211
Business profit ※2	21,062	8,744	12,318
Credit-related expenses	(6,047)	(2,442)	(3,605)
Write-off of loans	(5,537)	(5,459)	(78)
Provision of specific allowance for loan losses	(2,231)	1,262	(3,494)
Provision of general allowance for loan losses	2,683	3,445	(761)
Provision of allowance for loans to restructuring countries	-	-	-
Loss on disposition of loans	(1,067)	(884)	(183)
Recoveries of written-off receivables	141	53	87
Provision of allowance for credit losses on off-balance-sheet instruments	(36)	(859)	823
Gains (losses) on stock transactions	535	(1,343)	1,878
Other	(169)	427	(597)
Ordinary profit	15,380	5,385	9,994
Extraordinary profit (loss)	(6)	(3,154)	3,148
Profit before income taxes	15,374	2,231	13,143
Income taxes-current	(807)	(116)	(691)
Income taxes-deferred	(822)	413	(1,236)
Profit	13,744	2,528	11,215
(Profit) loss attributable to non-controlling interests	(130)	(835)	704
Profit attributable to owners of parent	13,613	1,693	11,919

※1 Consolidated net revenue = (Interest income - Interest expenses)

+ (Trust fees + Fees and commissions - Fees and commissions payments)

+ (Gain on trading account transactions - Loss on trading account transactions)

+ (Other ordinary income - Other ordinary expenses)

※2 Business profit = Consolidated net revenue - General and administrative expenses + Gains (losses) on equity method investments

(Note) The amounts are rounded down to the nearest million yen.

(Scope of Consolidation and Equity-Method Application)

(Number of companies)

	For the six months ended September 30, 2025		For the six months ended September 30, 2024
	(A)	(A)-(B)	(B)
Consolidated subsidiaries	24	0	24
Subsidiaries and affiliated companies applying equity-method	1	0	1

【Non-consolidated】

(Millions of yen)

	For the six months ended September 30, 2025		For the six months ended September 30, 2024
	(A)	(A)-(B)	(B)
Net revenue	41,162	9,016	32,145
(Excluding gains (losses) on bond transactions)	40,448	10,689	29,759
Net interest income	20,406	248	20,158
Net fees and commissions ※1	10,727	3,682	7,045
Net gains on trading account transactions	1,579	247	1,332
Net other ordinary income	8,449	4,838	3,610
(Gains (losses) on bond transactions)	713	(1,672)	2,386
General and administrative expenses	(23,343)	(870)	(22,473)
Personnel	(11,805)	(294)	(11,510)
Property and equipment	(10,503)	(534)	(9,968)
Taxes	(1,034)	(40)	(993)
Business profit before provision of general allowance for loan losses	17,819	8,146	9,672
Core business profit ※2	17,105	9,819	7,285
Core business profit excluding cancellation on investment trusts	16,476	9,233	7,242
Credit-related expenses	(3,936)	(789)	(3,146)
Write-off of loans	(4,362)	(4,316)	(45)
Provision of specific allowance for loan losses	(1,998)	1,281	(3,279)
Provision of general allowance for loan losses	2,756	3,410	(654)
Provision of allowance for loans to restructuring countries	-	-	-
Loss on disposition of loans	(348)	(283)	(64)
Recoveries of written-off receivables	49	(29)	78
Provision of allowance for credit losses on off-balance-sheet instruments	(32)	(851)	818
Gains (losses) on stock transactions	535	(1,343)	1,878
Other	(141)	116	(257)
Ordinary profit	14,276	6,129	8,147
Extraordinary profit (loss)	(5)	254	(260)
Profit before income taxes	14,271	6,384	7,886
Income taxes-current	(45)	35	(80)
Income taxes-deferred	(1,309)	(1,211)	(98)
Profit	12,917	5,209	7,708
Business profit	17,786	8,767	9,018

※1 Trust fees are included.

※2 Core business profit = Business profit before provision of general allowance for loan losses - Gains (losses) on bond transactions

(Note) The amounts are rounded down to the nearest million yen.

2. Profit Margins [Non-consolidated]

(Total)

	For the six months ended September 30, 2025		For the six months ended September 30, 2024
	(A)	(A)-(B)	(B)
(1) Yield on total investments (A)	2.55%	(0.24%)	2.79%
Yield on loans (B)	2.82%	(0.40%)	3.22%
Yield on securities	2.11%	0.42%	1.69%
(2) Rate of funding cost (including general and administrative expenses) (C)	2.52%	(0.04%)	2.56%
Cost of deposits & certificates of deposit (including general and administrative expenses) (D)	1.51%	0.37%	1.14%
Yield on deposits & certificates of deposit (E)	0.55%	0.30%	0.25%
Yield on borrowings	0.66%	0.30%	0.36%
(3) Profit margins (A) - (C)	0.03%	(0.20%)	0.23%
(4) Loan margin (B) - (D)	1.31%	(0.77%)	2.08%
(5) Yield spread (B) - (E)	2.27%	(0.70%)	2.97%

(Note) The figures are calculated in the method specified in 'Kessan Jokyohyo.'

(Domestic operations)

	For the six months ended September 30, 2025		For the six months ended September 30, 2024
	(A)	(A)-(B)	(B)
(1) Yield on total investments (A)	1.12%	0.39%	0.73%
Yield on loans (B)	1.49%	0.38%	1.11%
Yield on securities	1.36%	0.49%	0.87%
(2) Rate of funding cost (including general and administrative expenses) (C)	1.30%	0.33%	0.97%
Cost of deposits & certificates of deposit (including general and administrative expenses) (D)	1.41%	0.37%	1.04%
Yield on deposits & certificates of deposit (E)	0.49%	0.28%	0.21%
Yield on borrowings	0.64%	0.28%	0.36%
(3) Profit margins (A) - (C)	(0.18%)	0.06%	(0.24%)
(4) Loan margin (B) - (D)	0.08%	0.01%	0.07%
(5) Yield spread (B) - (E)	1.00%	0.10%	0.90%

(Note) The figures are calculated in the method specified in 'Kessan Jokyohyo.'

3. Business Profit [Non-consolidated]

(Millions of yen)

	For the six months ended September 30, 2025		For the six months ended September 30, 2024
	(A)	(A)-(B)	(B)
Core net business profit	17,819	8,146	9,672
per employee (thousand yen)	9,100	4,225	4,875

4. ROE [Non-consolidated]

	For the six months ended September 30, 2025		For the six months ended September 30, 2024
	(A)	(A)-(B)	(B)
Core net business profit basis	8.57%	3.44%	5.13%
Profit basis	6.21%	2.12%	4.09%

$$\text{ROE} = \frac{\text{Profit} \times 365 \div \text{number of days elapsed}}{\{(\text{Total net assets at beginning of term} - \text{Share acquisition rights}) + (\text{Total net assets at end of term} - \text{Share acquisition rights}) \} \div 2}$$

5. Gains (losses) on Securities Transactions [Non-consolidated]

(Millions of yen)

	For the six months ended September 30, 2025		For the six months ended September 30, 2024
	(A)	(A)-(B)	(B)
Gains (losses) on bond transactions	713	(1,672)	2,386
Gain on sale of bonds	1,978	(636)	2,615
Gain on redemption of bonds	-	-	-
Loss on sale of bonds	(1,137)	(944)	(192)
Loss on redemption of bonds	(121)	(85)	(36)
Loss on devaluation of bonds	(5)	(5)	-
Gains (losses) on stock transactions	535	(1,343)	1,878
Gain on sale of equity securities	629	(1,249)	1,878
Loss on sale of equity securities	(32)	(32)	-
Loss on devaluation of equity securities	(60)	(60)	-

6. Investments and Funding

【Consolidated】

(Total)

(Millions of yen)

	For the six months ended September 30, 2025				For the six months ended September 30, 2024	
	(A)		(A) - (B)		(B)	
	Average balance	Yield	Average balance	Yield	Average balance	Yield
Total investments	5,973,277	2.49%	308,003	(0.34%)	5,665,274	2.83%
Due from banks	49,283	1.57%	(14,957)	(0.42%)	64,240	1.99%
Call loans and bills bought	37,475	0.65%	(7,220)	(0.10%)	44,695	0.75%
Securities purchased under resale agreements	9	0.46%	(0)	0.46%	9	0.00%
Cash collateral provided for securities borrowed	-	-	-	-	-	-
Securities	1,413,111	1.80%	148,096	0.16%	1,265,014	1.64%
Loans and bills discounted	4,160,438	2.83%	137,504	(0.46%)	4,022,934	3.29%
Total funding	7,083,729	1.53%	211,809	(0.12%)	6,871,920	1.65%
Deposits	5,763,862	0.48%	127,998	0.26%	5,635,863	0.22%
Negotiable certificates of deposit	53,152	0.62%	(45,284)	0.50%	98,437	0.12%
Call money and bills sold	30,492	0.99%	29,171	0.83%	1,320	0.16%
Securities sold under repurchase agreements	26,759	4.51%	(3,097)	(0.96%)	29,856	5.47%
Cash collateral received for securities lent	335,750	4.32%	54,194	(0.94%)	281,556	5.26%
Borrowed money	733,964	0.64%	116,799	0.28%	617,165	0.36%
Bonds payable	122,261	4.81%	(55,297)	1.37%	177,558	3.44%

【Non-consolidated】

(Total)

(Millions of yen)

	For the six months ended September 30, 2025				For the six months ended September 30, 2024	
	(A)		(A) - (B)		(B)	
	Average balance	Yield	Average balance	Yield	Average balance	Yield
Total investments	5,607,193	2.55%	141,077	(0.24%)	5,466,115	2.79%
Due from banks	15,930	4.27%	(5,753)	(0.94%)	21,683	5.21%
Call loans	37,475	0.65%	(5,689)	(0.12%)	43,165	0.77%
Securities purchased under resale agreements	9	0.46%	(0)	0.46%	9	0.00%
Cash collateral provided for securities borrowed	-	-	-	-	-	-
Securities	1,383,687	2.11%	99,015	0.42%	1,284,672	1.69%
Loans and bills discounted	3,882,623	2.78%	8,842	(0.40%)	3,873,780	3.18%
Total funding	6,066,795	1.76%	(111,978)	(0.08%)	6,178,774	1.84%
Deposits	4,746,928	0.54%	(195,789)	0.28%	4,942,718	0.26%
Negotiable certificates of deposit	53,152	0.62%	(45,284)	0.50%	98,437	0.12%
Call money	30,492	0.99%	29,171	0.83%	1,320	0.16%
Securities sold under repurchase agreements	26,759	4.51%	(3,097)	(0.96%)	29,856	5.47%
Cash collateral received for securities lent	335,750	4.32%	54,194	(0.94%)	281,556	5.26%
Borrowed money	733,964	0.64%	116,799	0.28%	617,165	0.36%
Bonds payable	122,261	4.81%	(55,297)	1.37%	177,558	3.44%

(Domestic operations)

(Millions of yen)

	For the six months ended September 30, 2025				For the six months ended September 30, 2024	
	(A)		(A) - (B)		(B)	
	Average balance	Yield	Average balance	Yield	Average balance	Yield
Total investments	5,003,748	1.12%	131,424	0.39%	4,872,323	0.73%
Due from banks	301	0.46%	(88)	0.43%	390	0.03%
Call loans	35,535	0.55%	(2,060)	0.37%	37,595	0.18%
Securities purchased under resale agreements	9	0.46%	(0)	0.46%	9	0.00%
Cash collateral provided for securities borrowed	-	-	-	-	-	-
Securities	457,895	1.36%	41,273	0.49%	416,621	0.87%
Loans and bills discounted	2,570,410	1.49%	204,637	0.38%	2,365,772	1.11%
Total funding	5,505,182	0.51%	(133,818)	0.27%	5,639,001	0.24%
Deposits	4,669,490	0.49%	(215,686)	0.28%	4,885,176	0.21%
Negotiable certificates of deposit	53,152	0.62%	(45,284)	0.50%	98,437	0.12%
Call money	27,451	0.58%	26,130	0.42%	1,320	0.16%
Securities sold under repurchase agreements	-	-	-	-	-	-
Cash collateral received for securities lent	-	-	-	-	-	-
Borrowed money	733,959	0.64%	116,799	0.28%	617,159	0.36%
Bonds payable	20,000	0.39%	(8,852)	0.09%	28,852	0.30%

7. Unrealized Gains and Losses on Securities

【Consolidated】

(Millions of yen)

	September 30, 2025				March 31, 2025		
	Unrealized gains and losses				Unrealized gains and losses		
	(A)	(A)-(B)	gains	losses	(B)	gains	losses
Held-to-maturity bonds	-	-	-	-	-	-	-
Available-for-sale securities	(39,212)	15,386	30,056	69,268	(54,598)	22,874	77,473
Japanese stocks	17,189	4,612	17,391	202	12,576	13,044	468
Japanese debt securities	(7,202)	(552)	216	7,418	(6,649)	205	6,855
Other	(49,199)	11,326	12,448	61,647	(60,525)	9,624	70,149

(Note) A portion of beneficial interests in investment trust within 'Monetary claims bought' is included in the table above.

【Non-consolidated】

(Millions of yen)

	September 30, 2025				March 31, 2025		
	Unrealized gains and losses				Unrealized gains and losses		
	(A)	(A)-(B)	gains	losses	(B)	gains	losses
Held-to-maturity bonds	-	-	-	-	-	-	-
Available-for-sale securities	(39,124)	15,343	30,056	69,181	(54,468)	22,871	77,340
Japanese stocks	17,189	4,612	17,391	202	12,576	13,044	468
Japanese debt securities	(7,114)	(595)	216	7,331	(6,519)	202	6,721
Other	(49,199)	11,326	12,448	61,647	(60,525)	9,624	70,149

(Note) A portion of beneficial interests in investment trust within 'Monetary claims bought' is included in the table above.

8. Sales of investment trusts and annuity insurance to retail customers **【Non-consolidated】**

(Sales Total)

(Billions of yen)

	For the six months ended September 30, 2025		For the six months ended September 30, 2024
	(A)	(A)-(B)	(B)
Investment trusts	45.8	(19.1)	64.9
Annuity insurance	8.2	(1.4)	9.6

9. Employees' Retirement Benefits

① Provision for retirement benefits

【Consolidated】

(Millions of yen)

			September 30, 2025		March 31, 2025
			(A)	(A) - (B)	(B)
	Defined retirement benefit obligation	(A)	(34,825)	425	(35,250)
	Fair value of plan assets	(B)	34,232	(94)	34,327
	Unfunded retirement benefit obligation	(C)=(A)+(B)	(592)	330	(922)
	Retirement benefit asset	(D)	9,611	180	9,430
	Retirement benefit liability	(C)-(D)	(10,203)	149	(10,353)
	Unrecognized actuarial losses	(E)	2,843	(495)	3,338
	Unrecognized prior-service cost	(F)	-	-	-
	Remeasurements of defined benefit plans (before income tax effect)	(E)+(F)	2,843	(495)	3,338

【Non-consolidated】

(Millions of yen)

			September 30, 2025		March 31, 2025
			(A)	(A) - (B)	(B)
	Defined retirement benefit obligation	(A)	(34,021)	503	(34,524)
	Fair value of plan assets	(B)	34,232	(94)	34,327
	Unfunded retirement benefit obligation	(C)=(A)+(B)	211	408	(196)
	Unrecognized actuarial losses	(D)	(2,843)	495	(3,338)
	Unrecognized prior-service cost	(E)	-	-	-
	Net liability recognized	(F)=(C)+(D)+(E)	(2,631)	903	(3,535)
	Prepaid pension costs	(G)	7,275	623	6,651
	Provision for retirement benefits	(F)-(G)	(9,907)	280	(10,187)

② Net periodic retirement benefit costs

【Consolidated】

(Millions of yen)

			For the six months ended September 30, 2025		For the six months ended September 30, 2024
			(A)	(A) - (B)	(B)
	Net periodic retirement benefit costs regarding defined benefit pension plans		89	(145)	235

【Non-consolidated】

(Millions of yen)

			For the six months ended September 30, 2025		For the six months ended September 30, 2024
			(A)	(A) - (B)	(B)
	Net periodic retirement benefit costs		(11)	(161)	149
	Service cost		589	(55)	645
	Interest cost		323	101	221
	Expected return on plan assets		(429)	20	(449)
	Amortization of prior-service cost		-	-	-
	Recognized actuarial losses		(495)	(227)	(267)
	Other		-	-	-

10. Capital Adequacy Ratio (under Japanese domestic standards)**■Basel III****【Consolidated】**

(Millions of yen)

	September 30, 2025			March 31, 2025	September 30, 2024
	preliminary (A)	(A) - (B)	(A) - (C)	(B)	(C)
(1) Capital adequacy ratio (4)/(5)	10.44%	(0.28%)	(0.40%)	10.72%	10.84%
(2) Core capital: instruments and reserves	530,795	1,058	3,522	529,736	527,273
(3) Core capital: regulatory adjustments	42,995	1,512	2,747	41,483	40,248
(4) Regulatory capital (2)-(3)	487,800	(453)	775	488,253	487,024
(5) Risk-weighted assets	4,672,184	118,370	183,394	4,553,814	4,488,790
(6) Total required capital (5)*4%	186,887	4,734	7,335	182,152	179,551

【Non-consolidated】

(Millions of yen)

	September 30, 2025			March 31, 2025	September 30, 2024
	preliminary (A)	(A) - (B)	(A) - (C)	(B)	(C)
(1) Capital adequacy ratio (4)/(5)	9.91%	(0.23%)	(0.35%)	10.14%	10.26%
(2) Core capital: instruments and reserves	484,949	4,232	6,071	480,717	478,878
(3) Core capital: regulatory adjustments	29,186	2,115	3,203	27,070	25,982
(4) Regulatory capital (2)-(3)	455,763	2,116	2,867	453,646	452,895
(5) Risk-weighted assets	4,594,692	123,890	184,584	4,470,802	4,410,107
(6) Total required capital (5)*4%	183,787	4,955	7,383	178,832	176,404

The 'Composition of Capital Disclosure' is available on our website at

<https://www.aozorabank.co.jp/english/ir/library/results/>

II. Status of Loans, etc.

- * NPLs : Non-performing loans
- * FRA : Financial Reconstruction Act

1. NPLs based on the Banking Act and the FRA, and coverage

☐ After partial and direct write-off

【Consolidated】

(Millions of yen)

	September 30, 2025			March 31, 2025	September 30, 2024
	(A)	(A) - (B)	(A) - (C)	(B)	(C)
Bankrupt and similar credit	393	393	387	-	6
Doubtful credit	50,057	(26,183)	(44,619)	76,241	94,677
Special attention credit	15,703	231	(3,178)	15,472	18,882
Loans overdue for three months or more	3,474	(2,613)	(2,523)	6,088	5,998
Restructured loans	12,228	2,845	(654)	9,383	12,883
Subtotal (a)	66,155	(25,558)	(47,410)	91,713	113,565
Normal credit	4,164,532	(11,662)	250,771	4,176,195	3,913,760
Total credit (b)	4,230,688	(37,220)	203,361	4,267,908	4,027,326
NPL ratio (a/b)	1.6%	(0.5%)	(1.2%)	2.1%	2.8%

	September 30, 2025			March 31, 2025	September 30, 2024
	(A)	(A) - (B)	(A) - (C)	(B)	(C)
Allowance & Coverage (c)	56,708	(27,337)	(47,766)	84,045	104,474
Allowance for loan losses (d)	28,457	(13,191)	(20,154)	41,648	48,612
Collateral / guarantee coverage (e)	28,250	(14,146)	(27,612)	42,397	55,862
Coverage ratio (c/a)	85.7%	(5.9%)	(6.3%)	91.6%	92.0%
Allowance ratio (d/(a-e))	75.1%	(9.4%)	(9.1%)	84.5%	84.2%

(Note) Allowance for loan losses (d) is the sum of specific allowance and general allowance for NPL credit (a).

☐ After partial and direct write-off

【Non-consolidated】

(Millions of yen)

	September 30, 2025			March 31, 2025	September 30, 2024
	(A)	(A) - (B)	(A) - (C)	(B)	(C)
Bankrupt and similar credit	393	393	387	-	6
Doubtful credit	49,234	(26,323)	(45,040)	75,558	94,275
Special attention credit	15,630	216	(3,211)	15,413	18,842
Loans overdue for three months or more	3,474	(2,613)	(2,523)	6,088	5,998
Restructured loans	12,155	2,830	(688)	9,325	12,843
Subtotal (a)	65,258	(25,713)	(47,864)	90,972	113,123
Normal credit	3,944,174	109,568	205,495	3,834,605	3,738,678
Total credit (b)	4,009,433	83,854	157,631	3,925,578	3,851,801
NPL ratio (a/b)	1.6%	(0.7%)	(1.3%)	2.3%	2.9%

	September 30, 2025			March 31, 2025	September 30, 2024
	(A)	(A) - (B)	(A) - (C)	(B)	(C)
Allowance & Coverage (c)	55,847	(27,485)	(48,206)	83,333	104,054
Allowance for loan losses (d)	27,597	(13,394)	(20,607)	40,991	48,204
Collateral / guarantee coverage (e)	28,250	(14,091)	(27,599)	42,341	55,849
Coverage ratio (c/a)	85.6%	(6.0%)	(6.4%)	91.6%	92.0%
Allowance ratio (d/(a-e))	74.6%	(9.7%)	(9.6%)	84.3%	84.2%

(Note) Allowance for loan losses (d) is the sum of specific allowance and general allowance for NPL credit (a).

2. Allowance for Loan Losses☐ After partial and direct write-off

【Consolidated】

(Millions of yen)

	September 30, 2025			March 31, 2025	September 30, 2024
	(A)	(A) - (B)	(A) - (C)	(B)	(C)
Allowance for loan losses	57,326	(13,699)	(19,731)	71,025	77,057
General allowance	35,125	(2,683)	(3,111)	37,809	38,237
Specific allowance	22,200	(11,016)	(16,619)	33,216	38,820
Allowance for loans to restructuring countries	-	-	-	-	-

☐ After partial and direct write-off

【Non-consolidated】

(Millions of yen)

	September 30, 2025			March 31, 2025	September 30, 2024
	(A)	(A) - (B)	(A) - (C)	(B)	(C)
Allowance for loan losses	55,882	(13,967)	(20,379)	69,850	76,262
General allowance	34,505	(2,756)	(3,326)	37,261	37,831
Specific allowance	21,377	(11,211)	(17,053)	32,589	38,431
Allowance for loans to restructuring countries	-	-	-	-	-

3. Coverage for NPLs based on the FRA by Borrowers' Category

☐ After partial and direct write-off

【Consolidated】

(Billions of yen)

Borrower categories for self-assessment	NPLs based on the FRA		Allowance & Coverage	Allowance ratio	Coverage ratio	
	Loans	other				
Bankrupt borrowers	Bankrupt and similar credit 0.3		Collateral / Guarantee coverage0.3		100.0%	100.0%
De facto bankrupt borrowers						
In Danger of Bankruptcy borrowers	Doubtful credit 50.0		Collateral / Guarantee coverage27.8 Allowance22.2 Estimated collections-		100.0%	100.0%
Need Attention borrowers						
	Special attention credit 15.7		Collateral / Guarantee coverage- Allowance6.2 Estimated collections9.4		39.8%	39.8%
Normal borrowers	(Normal credit) (4,164.5)					

NPL credit 66.1	Collateral / Guarantee coverage 28.2 Allowance 28.4 Estimated collections 9.4	NPLs based on the FRA Allowance ratio 75.1%	NPLs based on the FRA Coverage ratio 85.7%
Total credit 4,230.6	Total allowance 57.3	Allowance ratio = Allowance / (NPL credit – Collateral, Guarantees, etc.) Coverage ratio = (Collateral, Guarantees + Allowance) / NPL credit	
Allowance ratio for the unsecured portion of special attention credit		39.6%	
Allowance ratio for the need attention credit		8.0%	
Allowance ratio for the normal credit		0.3%	

(Note) Japanese yen figures of less than 100 million yen are truncated.

4. Off-Balancing of NPLs based on the FRA [Non-consolidated]

① Balance of doubtful credit, and bankrupt and similar credit

(Billions of yen)

	As of March 31, 2023	As of March 31, 2024	As of March 31, 2025 (B)	As of September 30, 2025	
				increase (decrease) (A)-(B)	(A)
Amount Categorized as above up to FY2022	32.8	26.6	5.9	(4.0)	1.8
Amount Newly Categorized as above for FY2023		91.6	55.3	(19.5)	35.7
Amount Newly Categorized as above for FY2024			14.3	(2.6)	11.6
Amount Newly Categorized as above for the six months ended September 30, 2025				0.4	0.4

(Note1) Japanese yen figures of less than 100 million yen are truncated.

(Note2) Balance as of September 30, 2025 includes those borrowers (0.3 billion yen) for whom measures are undertaken which will lead to eventual off-balancing.

② Off-balancing of doubtful credit, and bankrupt and similar credit

(Billions of yen)

	For the six months ended September 30, 2025
Total	(20.3)
Liquidation-type disposition	-
Restructuring-type disposition	(3.5)
Loan sales	(9.3)
Direct write-off	(2.7)
Other	(4.7)

(Note1) Japanese yen figures of less than 100 million yen are truncated.

(Note2) Liquidation-type disposition : debt waiver in event of bankruptcy or special liquidation

Restructuring-type disposition : debt waiver in event of restructuring-type proceedings, such as corporate reorganization, civil rehabilitation, composition and winding-up; or debt forgiveness

Other : collection by disposition of collateral, business improvement of debtor, etc.

(Note3) If legal proceedings such as debt waiver, forgiveness, collection and so on, occur after direct write-off of book cost, relevant amounts are reentered in 'Liquidation-type disposition', 'Restructuring-type disposition' or 'Other' where appropriate and subtracted from 'Direct write-off.'

5. Breakdown of Loans and Bills Discounted Classified by Industry [Consolidated]

□ After partial and direct write-off

① Loans and Bills Discounted Classified by Industry

(Millions of yen)

	September 30, 2025	March 31, 2025
Loans by domestic offices (excluding Japan offshore market accounts)	3,252,878	3,298,786
Manufacturing	403,142	369,666
Agriculture, forestry and fisheries	845	883
Mining, quarry and gravel extraction	-	-
Construction	26,152	25,765
Electricity, gas, heat supply and water	132,618	140,184
Information and communications	114,306	117,077
Transport and postal service	68,551	58,669
Wholesale and retail trade	132,218	75,646
Finance and insurance	442,128	411,033
Real estate	783,326	748,573
Leasing	213,672	208,079
Various services	229,372	168,009
Local government	1,890	4,931
Others	704,650	970,263
Loans by overseas offices (including Japan offshore market accounts)	910,245	907,777
Government	-	-
Financial institutions	-	-
Others	910,245	907,777
Total	4,163,123	4,206,564

② NPLs based on the FRA Classified by Industry

(Millions of yen)

	September 30, 2025	March 31, 2025
NPL credit by domestic offices (excluding Japan offshore market accounts)	64,519	90,039
Manufacturing	10,222	12,556
Agriculture, forestry and fisheries	0	0
Mining, quarry and gravel extraction	-	-
Construction	129	119
Electricity, gas, heat supply and water	0	0
Information and communications	108	80
Transport and postal service	147	59
Wholesale and retail trade	794	404
Finance and insurance	0	0
Real estate	53	39
Leasing	-	-
Various services	451	354
Local government	-	-
Others	52,611	76,423
NPL credit by overseas offices (including Japan offshore market accounts)	1,635	1,674
Government	-	-
Financial institutions	-	-
Others	1,635	1,674
Total	66,155	91,713

(Note) NPL credit includes accrued interest and suspense payments in other assets and customers' liabilities for acceptances and guarantees.

Ⅲ. Deferred Tax Assets

1. Decision on Recoverability of Deferred Tax Asset

We have categorized the Bank under Category 3 in accordance with Paragraph 29 of 'Guidance on Recoverability of Deferred Tax Assets' (ASBJ Guidance on Corporate Accounting Standard No.26) and have calculated recoverable deferred tax assets based on a scheduling of the reversals of temporary differences and the estimation of future taxable income for the next 5 years.

Reference) Past Taxable income

(Billions of yen)

	FY 2022	FY 2023	FY 2024
Taxable income (before offsetting of tax loss carryforwards)	(2.7)	(*) (59.5)	10.4

(*) The tax-losses were recognized mainly due to the liquidation of an overseas subsidiary. For accounting purposes, the impairment losses have already been recorded in the past profit and loss statements.

2. Temporary Differences and Loss Carryforwards [Non-consolidated]

(Billions of yen)

	September 30, 2025		March 31, 2025
	(A)	(A) - (B)	(B)
Deferred tax assets	53.0	(2.6)	55.6
Provision of allowance for loan losses	19.7	(2.3)	22.1
Provision for retirement benefits	3.1	(0.0)	3.2
Write-offs for securities	4.2	(0.1)	4.4
Valuation difference on available-for-sale securities	13.2	(4.8)	18.1
Tax loss carryforwards	20.1	2.4	17.7
Other	14.6	(2.5)	17.2
Subtotal	75.2	(7.5)	82.8
Less valuation allowance	(22.2)	4.9	(27.1)
Deferred tax liabilities	3.5	(0.0)	3.6
Valuation difference on available-for-sale securities	0.8	0.0	0.7
Net deferred tax assets	49.4	(2.5)	52.0