

## Overview of the Japanese regional banks' financial results for the fiscal year ended March 31, 2026

### 1. Profitability

- Net income for the fiscal year ending March 31, 2026 increased by 38% year on year, mainly due to higher net interest income and gains on sales of equities, despite increased losses on sales of government bonds and higher operating expenses.

(Unit: 100 million yen)

	Fiscal Year ended Mar 31, 2024	Fiscal Year ended Mar 31, 2025	Fiscal Year ended Mar 31, 2026	YoY
Gross profits	40,253	44,126	45,698	1,572
Net interest income	38,835	42,367	49,747	7,381
Net fees and commissions	6,726	6,916	7,233	317
Net other business profits	(5,346)	(5,203)	(11,328)	(6,125)
Net gains on debt securities	(4,767)	(4,750)	(11,557)	(6,807)
Operating expenses	(28,610)	(29,292)	(30,886)	(1,593)
Pre-provision operating profit	11,643	14,833	14,812	(21)
Core net business profits	16,409	19,582	26,368	6,786
Core net business profits (excluding gains and losses from cancellation of investment trusts)	15,983	19,101	25,304	6,203
Credit costs*	(2,299)	(1,895)	(2,196)	(300)
Net gains on equity securities	4,276	4,397	11,500	7,103
Net income	9,582	13,088	18,043	4,956

\* Positive figures on credit costs indicate gains such as a reversal of loan loss reserves.

	Mar 31, 2024	Mar 31, 2025	Mar 31, 2026
Loans (Period-end balance) (¥ trillion)	322.9	333.2	349.1

## 2. Non-Performing Loans

○The NPL balance and ratio both decreased year on year.

	Mar 31, 2024	Mar 31, 2025	Mar 31, 2026
NPL balance (¥ trillion)	5.7	5.5	5.4
NPL ratio (%)	1.73	1.64	1.54

## 3. Capital adequacy ratio

○ The total capital adequacy ratio of internationally active banks increased year on year, while the capital adequacy ratio of domestically active banks decreased.

(Internationally active banks: 10 banks)

	Mar 31, 2025	Mar 31, 2026
Total capital ratio (%)	13.45	13.90
Tier I capital ratio (%)	13.20	13.60
Common Equity Tier I capital ratio (%)	13.16	13.54

(Domestically active banks: 87 banks)

	Mar 31, 2025	Mar 31, 2026
Capital ratio (%)	10.23	10.16

1. Figures are rounded off.
2. Non-consolidated basis in general, but the credit costs and the NPL-related data partially incorporate the information of a bank's subsidiary company established for restructuring its corporate clients.