

ANNUAL REPORT *2025*

Fiscal Year Ended March 31, 2025



JOHOKU SHINKIN BANK

Profile

The defining characteristics of a *shinkin* bank are that it is a regional financial institution with a limited geographic area of operations, and that it has a mandate to serve the small and medium-sized enterprises and the individual residents of its region. Where large urban banks and regional banks are corporate in structure and issue stock for capitalization, a *shinkin* bank exists to serve its members as a cooperative financial organization. Given this public-service character, it is a matter of course that a *shinkin* bank puts the interests of its members and the businesses of the region ahead of the untrammelled pursuit of profits. For this reason, Johoku Shinkin Bank's management philosophy is based on the following statement: "Our mission is to contribute to the happiness of local residents, the prosperity of local companies, and the prosperity of local society." The bank wants to be like a "family doctor" who knows the local characteristics and needs, and is available at any time for consultation.

Johoku Shinkin Bank was established in 1921 as the Oji Shinkumi Bank. In 1951, with the enactment of the Shinkin Bank Law, the Oji Shinkumi Bank was re-established as Oji Shinkin Bank. On January 13, 2005, four *shinkin* banks operating in the northern parts of Tokyo and the adjacent southern part of Saitama, including Oji Shinkin Bank, Nikko Shinkin Bank, Taiyo Shinkin Bank, and Arakawa Shinkin Bank, joined together in a merger to form Johoku Shinkin Bank. Total assets at the Johoku Shinkin Bank as of the end of March 2025 were ¥2,790.0 billion (US\$18,659 million), making it one of the largest *shinkin* banks in Japan. The number of employees and officers at the end of the fiscal year was 1,771. The bank had 89 branches (including 6 sub-branches) as of March 31, 2025.

Non-Consolidated Financial Highlights

The Johoku Shinkin Bank
As of March 31, 2025 and 2024

	Millions of yen		Thousands of U.S. dollars
	2025	2024	2025
For the Fiscal Year:			
Total Income	¥ 39,240	¥ 38,510	\$ 262,443
Total Expenses	32,982	31,983	220,590
Income Before Income Taxes	6,257	6,526	41,853
Net Income	4,381	4,988	29,303
At Year-End:			
Deposits	¥2,657,088	¥2,677,061	\$17,770,788
Loans and Bills Discounted	1,309,487	1,307,667	8,757,940
Securities	831,102	893,480	5,558,468
Total Assets	2,790,034	2,925,230	18,659,938
Total Net Assets	114,210	128,943	763,849

Note: Figures stated in U.S. dollars are translated solely for convenience at ¥149.52 to U.S.\$1, the rate prevailing on March 31, 2025.

Letter from the President



Business Environment and Business Performance

In fiscal 2024, a recovery in the economic environment was expected, as the depreciation in the yen pushed up the financial performance of major companies, and the Nikkei Stock Average marked a record high closing price in July. The trend of moderate recovery continued overall on the back of firm inbound tourist demand and other factors. However, as there are currently several factors putting pressure on corporate profits, including severe labor shortages, soaring costs including labor costs and raw material prices, and the impact of the Trump tariffs, the outlook for the regional economy is uncertain.

In fiscal 2024, the Johoku Shinkin Bank recorded a balance of deposits of ¥2,657.0 billion and a balance of loans and bills discounted of ¥1,309.4 billion. On the profit and loss front, despite factors that increased costs such as replacement of equipment, reconstruction of branches, and rising deposit yields, items equivalent to sales including interest on loans and bills and fees and commissions increased, and the Bank posted a net profit from banking operations of ¥5.8 billion and ordinary income of ¥5.9 billion, exceeding the initial plan. In addition, the dividend ratio on common shares was 2%.

The Johoku Shinkin Bank wishes to express its deep gratitude to all of you who provided so much assistance throughout the fiscal year.

Initiatives in the Fiscal Year Ended March 31, 2025

For the final fiscal year of the Seventh Medium-Term Management Plan, the Bank took on the challenge of fulfilling the plan's "BREAKTHROUGH" slogan in a wide range of ways.

As initiatives in the area of providing solutions, following the acquisition of approval for regional trading company operations, the Bank developed and released a new business called "Trust Linkage" as a service for business owners. This service provides a scheme in which JS Partners Co, Ltd., a consulting subsidiary of the Bank, acts as intermediary for customer transactions in comprehensively supporting both the flow of products and cash flow management as a regional trading company. In addition to improving cash flow management, the

service also helps to facilitate transactions with initiatives such as digitalization of ordering.

In services for individual customers, the Bank moved forward with preparations to strengthen functions in the asset succession area. Based on the achievements of the "Yui" living support service for senior citizens to date, we intend to further improve services, going forward.

In efforts to strengthen communication, the Bank has been working to ensure greater efficiency leveraging the branch-in-branch approach, while also incorporating new initiatives during refurbishments in its branches. In August 2024, the Oji Sales Division's Oji Kitamoto Street Sub-Branch (ATM corner) was opened near Oji Station. The sub-branch has an adjoining facility, the Asukayama Souvenir Shop "SMART SHOP," established in collaboration with the Tokyo Kita-ku Tourism Association. The shop features a cutting-edge unmanned payment system and serves as a hub for sharing the attractions of the region.

Meanwhile, on the public relations front, with the issue of new Japanese banknotes last summer, the Bank planned and organized diverse local promotions related to the revered entrepreneur Eiichi Shibusawa, whose portrait is featured on the new 10,000 yen note, in collaboration with branches, the internet, local government, and local shopping streets. In addition, *Shibusawa-kun* FM, a community-based internet radio station, steadily expanded its content throughout the fiscal year and went beyond audio broadcasting to hold real-world events related to its programs, such as festivals and public recordings. The Bank hopes it will continue to connect people in the local community while creating new culture in the future.

Outlook and Issues

In spring 2025, the Bank launched a new Medium-Term Management Plan. Under this Medium-Term Management Plan, which has as its slogan, "Boost! Acceleration Toward Becoming a Platformer," we are planning to further accelerate the establishment of an organizational framework that supports our efforts to "become a platform that creates diverse value based on connections with everyone in the community."

Going forward, we will focus on developing services, creating branches, and improving the professional skills of each employee to ensure we can meet increasingly diverse and complex needs with precision, serving a useful role as a *shinkin* bank for our members and everyone else in the community.

In terms of ongoing efforts to strengthen our management base, we will strive to improve profitability and capital adequacy, and maintain and reinforce our comprehensive risk management system, our anti money laundering (AML) and countering financing of terrorism (CFT) system, and our compliance system, all for the benefit of members. In addition, we will strengthen customer protection and security supervision systems, and make use of complaints and consultations to improve our operations, with the aim of building systems that incorporate the feedback of even more members and users into management. We will do our utmost to further improve services and enhance functions.

Thus, we ask each of our members, customers, and business partners for even more support in this time of rebuilding.

Kotaro Omae
President

Eighth Medium-Term Management Plan

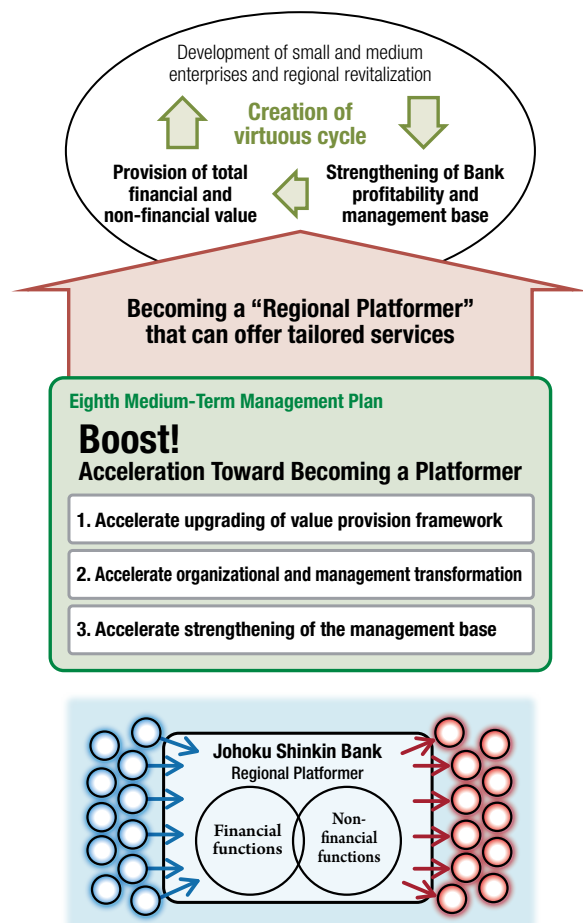
Boost! Acceleration Toward Becoming a Platformer

Leveraging the medium-term management plans up to this point, the Bank has presented its long-term vision of “creating a virtuous cycle of vitality in the region starting with the creation and provision of total financial and non-financial value,” along with its aspiration to become a “Regional Platformer” to achieve this vision, while working to foster shared awareness among officers and employees.

We are seeing solid progress from our initiatives so far. However, the business environment is changing significantly, including the return to a financial landscape where interest rates matter. In aiming to achieve our long-term vision while responding flexibly to changes such as the advent of a super-aging society, a decrease in the number of business locations, the accelerating social implementation of AI, digitalization, and the shift to a cashless society, we must further accelerate the establishment of our organizational framework.

Under the Eighth Medium-Term Management Plan, starting in fiscal 2025, with the slogan “Boost! Acceleration Toward Becoming a Platformer,” the Bank seeks to build many close relationships with members of the community and to encourage them to consult with us about any matter. We will gain a deeper understanding of our customers’ issues and needs, and based on these insights we will develop an array of high quality, unique services and offer them in optimal combinations. In addition, we will bring the various perspectives we gain via our connections with the community to our work to foster regional business revitalization.

To facilitate the execution of these activities at an even higher level, we will take initiatives on multiple fronts, including enhancing our service lineup, streamlining operational work flow, and taking measures to promote multi-skilling and up-skilling of employees.

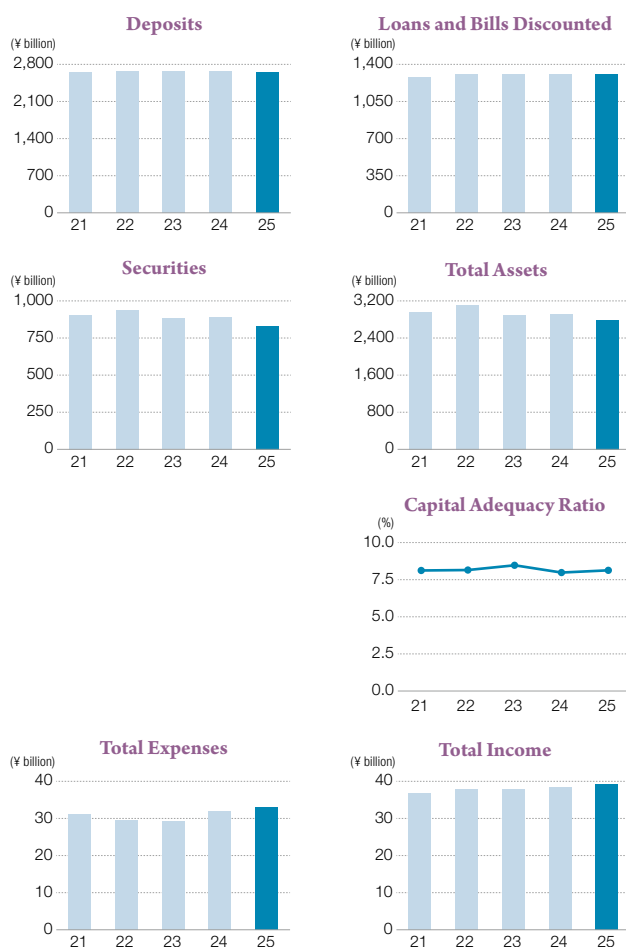


Financial Review

Sources and Applications of Funds

Johoku Shinkin Bank’s extensive network is primarily in northern Tokyo and southern Saitama Prefecture. The Bank possesses assets of more than ¥2.7 trillion, which it employs to the maximum extent possible to provide dependable financing and services to the region’s small- and medium-sized businesses and citizens, who are its most important customers.

Cash and due from banks decreased 13.1% year on year to ¥564,078 million, while call loans were not posted in the fiscal year under review, as was also the case in the previous fiscal year. Monetary claims reversed the downward trend seen up until the previous fiscal year, increasing by 26.8% to ¥2,055 million. Securities decreased by 7.0% to ¥831,102 million. Loans and bills discounted increased by 0.1% to ¥1,309,487 million, and foreign exchange assets reversed the downward trend seen up until the previous fiscal year, with a significant almost four-fold increase to ¥5,369 million. Deferred tax assets increased significantly once more reversing a significant downturn in the previous fiscal year, increasing by approximately 13 times from ¥575 million in the previous fiscal year to ¥7,280 million in the fiscal year under review. Customers’ liabilities for acceptances and guarantees this fiscal year continued the downward trend seen in the previous fiscal year, decreasing by 21.4% to ¥5,430 million. The reserve for possible loan losses decreased 13.7% to ¥1,922 million. As a result of the foregoing, total assets fell 4.6% to ¥2,790,034 million.



Loans by Category of Borrower (%)

As of March 31, 2025
¥1,309,487 million (100.00%)



Deposits were ¥2,657,088 million, a decrease of 0.7%. In the fiscal year under review, the Bank once again did not record borrowed money, as also seen in the previous fiscal year. The Bank did not record payables under securities lending transactions, which were recorded at ¥98,192 million in the previous fiscal year. Other liabilities decreased by 4.5% to ¥7,773 million. The reserve for employee bonuses increased by 0.2% to ¥662 million, while the reserve for employee retirement benefits decreased from the previous fiscal year by 49.5% to ¥587 million. The reserve for executive retirement allowances increased by 20.8% to ¥177 million. The reserve for reimbursement of deposits decreased by 19.0% to ¥13 million. Deferred tax liabilities were again not posted in the fiscal year under review. Acceptances and guarantees continued on a downward trend, decreasing, by 21.4%, to ¥5,430 million. After these and other changes, total liabilities fell 4.3% to ¥2,675,823 million.

Share capital decreased by 1.4% to ¥34,902 million. The capital surplus was unchanged at ¥5,000 million, and retained earnings increased 5.1% to ¥79,231 million. Total members' equity rose 2.9% to ¥119,132 million. Unrealized losses on other securities were ¥12,157 million, compared with unrealized gains of ¥5,772 million posted in the previous fiscal year. Land revaluation excess decreased 1.8% to ¥7,235 million, and total valuation, translation adjustments and others posted a negative balance of ¥4,922 million in the fiscal year under review, reversing the positive balance posted in the previous fiscal year. Total net assets, therefore, decreased 11.4% to ¥114,210 million, and total liabilities and net assets fell 4.6% to ¥2,790,034 million.

Financial institutions are expected to comply with international regulatory standards for maintaining capital adequacy ratios above levels specified under the Basel II Accord, effective from March 2007, and the Basel III Accord, effective from March 2014. Accordingly, Japan has adopted these standards for credit unions (*shinkin* banks) since the time these respective accords went into effect.

As of March 31, 2025, the Bank's amount of capital totaled ¥117,990 million and the capital adequacy ratio was 8.13%, calculated on the basis of the Basel III Accord. These levels fully meet the standards set in Japan. Looking ahead, Johoku Shinkin Bank plans to increase the amount of capital by transferring some of its profit into internal reserves. The Bank will work to secure sufficient amounts of profit over the fiscal year through transactions by a greater number of customers and operational management based on one-year and medium-to long-term income and expenditure plans.

Operating Results

Interest income was ¥32,899 million, down 0.3% from the previous fiscal year. Fees and commissions continued to increase as seen in the previous fiscal year, and were up by 2.0% to ¥3,799 million. Other operating income, which reversed a prior downward trend with an increase in the previous fiscal year, reversed again and decreased significantly, down 53.4%

to ¥49 million. Other income continued its upward trend, increasing by 49.5% to ¥2,493 million, which was attributable to a significant gain on disposal of fixed assets that more than offset a decrease in reversal of allowance for loan losses. These and other factors brought a 1.9% increase in total income, to ¥39,240 million.

Due principally to an increase in interest on deposits, interest expenses increased 561.7% to ¥1,500 million, and fees and commissions fell 3.7% to ¥2,009 million. Other operating expenses reversed an upward trend and decreased 37.1% to ¥3,272 million. The principal reasons for this decrease were a significant decrease in losses on foreign exchange transactions, which had been a factor for the increase in the previous fiscal year, and the absence of losses on redemption of bonds. General and administrative expenses were up 1.7% to ¥23,696 million, and other expenses reversed the downward trend, approximately doubling to ¥2,502 million. The principal reasons for this increase were significant increases in both write off of loans and losses on sales of stocks and other securities. As a result, at ¥32,982 million, total expenses were up 3.1% from a year earlier.

Income before income taxes fell from ¥6,526 million in the previous fiscal year, to ¥6,257 million. The amount of income taxes imposed on the financial results increased from ¥1,436 million in the previous fiscal year to ¥1,479 million, while deferred income taxes increased to ¥396 million from ¥101 million in the previous fiscal year. As result, net income decreased by 12.2%, from ¥4,988 million in the previous fiscal year to ¥4,381 million.

Retained earnings at the beginning of the fiscal year were 7.6% higher than a year earlier, totaling ¥55,574 million. Total appropriations decreased 14.5% year-on-year to ¥1,106 million. They comprised transfers to legal reserves of ¥499 million and cash dividends on common shares of ¥607 million. As a result, the balance of retained earnings at the end of the fiscal year was ¥58,896 million after appropriations, up 6.0% from a year earlier.

Non-Performing Assets

Johoku Shinkin Bank is keenly aware of the public mission of a *shinkin* bank, and it takes great pride in fulfilling this role. The Bank is guided in its lending operations by the fundamental philosophy of "using the funds deposited by the region to provide the financing the region needs," as well as by the principle of providing many small-denomination loans. The Bank does not concentrate on any specific industry or industries but works to manage and reduce lending risks by maintaining a balance between the number of borrowers and the balance of loans.

The Bank maintains a precise knowledge of the total amount of its non-performing loans through strict self-assessments, and it conducts write-offs and maintains reserves in accordance with regulations. In addition, the Bank enhances transparency by disclosing the results of asset assessments conducted under the Financial Reconstruction Law and the status of their coverage, as well as the status of risk-monitored loans under the Shinkin Bank Law standard and the status of their coverage.

Turning to problem assets under the Financial Reconstruction Law standard, the Bank's non-performing loans at March 31, 2025 totaled ¥41.1 billion, and the non-performing loan ratio was 3.13%. Of this, bankrupt and quasi-bankrupt assets accounted for ¥8.2 billion, all of which is covered by collateral, guarantee, or the reserve for possible loan losses. Collateral, guarantees and the reserve for possible loan losses cover 84.1% of the Bank's doubtful assets of ¥28.5 billion and 45.6% of its ¥4.4 billion in substandard loans.

Johoku Shinkin Bank has taken all possible measures, through its efforts to revitalize businesses, to establish a system to reduce the occurrence of non-performing loans. Furthermore, not all non-performing assets that emerged will immediately become losses, as they are adequately covered by collateral or guarantee, or, in accordance with the level of credit risk, by the reserve for possible loan losses.

Capital Adequacy Ratio (Calculated by domestic standards)

Years ended March 31, 2025, 2024, 2023, 2022 and 2021

	Millions of yen				
	2025	2024	2023	2022	2021
Total Capital	¥ 117,990	¥ 115,042	¥ 117,396	¥ 112,884	¥ 108,211
Total Risk Weighted Assets	1,450,023	1,440,831	1,384,845	1,384,337	1,332,098
Capital Adequacy Ratio	8.13%	7.98%	8.47%	8.15%	8.12%

Note: The standard for judging the suitability of the capital adequacy ratio of shinkin banks and the Federation of Shinkin Banks in light of their asset holdings (Financial Services Agency Notification No. 21 of 2006), based on Article 89-1 of the Shinkin Bank Law applied mutatis mutandis to the provisions of Article 14-2 of the Banking Law, was revised on March 8, 2013, and the Notification was applied following its revision from March 31, 2014.

Compliance with the New BIS Regulations

Calculation of the capital adequacy ratio complies with the new BIS regulations based on Basel II beginning with the fiscal year ended March 31, 2007 and Basel III beginning with the fiscal year ended March 31, 2014.

Under the BIS regulations, when calculating the capital adequacy ratio, the denominator includes total credit risk assets as before, but now the amount obtained by dividing operational risk equivalent assets by 8% is also added.

Operational risk is the risk of loss resulting from system fault, administrative error, or similar cause. There are three methods for calculating operational risk equivalent assets: (1) the basic indicator approach; (2) the standardized approach; and (3) the advanced measurement approach, but the Bank will use the basic indicator approach, where operational risk equivalent assets are equal to the average of 15% of annual gross profit for the most recent three years.

There are also three methods for calculating credit risk under the BIS regulations: (1) the standardized approach (2) the foundation internal rating-based approach (3) advanced internal ratings-based approach. From these the Bank selected the standardized approach.

Under Basel III, the numerator is now calculated as core capital composed of capital that is available to absorb losses on a going-concern basis with low liquidity assets such as intangible fixed assets deducted.

Problem Assets under the Financial Reconstruction Law Standard

Year ended March 31, 2025

	Millions of yen		
	Total amount (A)	Total Coverage amounts (B)	Coverage ratio (B)/A
Bankrupt and Quasi-Bankrupt Assets	¥ 8,205	¥ 8,205	100.00%
Doubtful Assets	28,591	24,067	84.17%
Substandard Loans	4,403	2,010	45.65%
Problem Assets under the Financial Reconstruction Law Standard	¥ 41,199	¥34,282	83.21%
Normal Assets	1,274,274		
Total	¥1,315,474		

Non-Consolidated Balance Sheets

The Johoku Shinkin Bank
As of March 31, 2025 and 2024

	Millions of yen		Thousands of U.S. dollars (Note 1)
	2025	2024	2025
ASSETS			
Cash and Due from Banks (Notes 2, 11 and 25)	¥ 564,078	¥ 649,468	\$ 3,772,597
Monetary Claims Purchased (Note 25)	2,055	1,620	13,746
Securities (Notes 3, 11, 25 and 26)	831,102	893,480	5,558,468
Loans and Bills Discounted (Notes 4, 25 and 27)	1,309,487	1,307,667	8,757,940
Foreign Exchange (Note 5)	5,369	1,513	35,910
Tangible Fixed Assets (Note 6)	43,871	42,742	293,417
Intangible Fixed Assets (Note 6)	1,229	1,287	8,223
Other Assets (Note 7)	22,050	22,198	147,478
Deferred Tax Assets (Note 28)	7,280	575	48,694
Customers' Liabilities for Acceptances and Guarantees (Note 12)	5,430	6,904	36,317
Reserve for Possible Loan Losses (Note 8)	(1,922)	(2,228)	(12,856)
Total Assets	¥2,790,034	¥2,925,230	\$18,659,938
LIABILITIES AND NET ASSETS			
Liabilities:			
Deposits (Notes 9, 11 and 25)	¥2,657,088	¥2,677,061	\$17,770,788
Payables Under Securities Lending Transactions	—	98,192	—
Foreign Exchange (Note 5)	97	79	653
Other Liabilities (Note 10)	7,773	8,144	51,992
Reserve for Employee Bonuses	662	661	4,429
Reserve for Employee Retirement Benefits	587	1,161	3,928
Reserve for Executive Retirement Allowances	177	146	1,187
Reserve for Reimbursement of Deposits	13	16	89
Reserve for Contingencies	12	7	82
Deferred Tax Liabilities for Land Revaluation	3,980	3,910	26,620
Acceptances and Guarantees (Note 12)	5,430	6,904	36,317
Total Liabilities	2,675,823	2,796,287	17,896,089
Net Assets:			
Members' Equity:			
Share Capital (Note 13)	34,902	35,391	233,427
Capital Surplus (Note 13)	5,000	5,000	33,440
Retained Earnings (Note 14)	79,231	75,411	529,907
Disposal of Outstanding Equities	(1)	(0)	(7)
Total Members' Equity	119,132	115,801	796,768
Valuation, Translation Adjustments and Others:			
Unrealized Gains (Losses) on Other Securities (Notes 25 and 26)	(12,157)	5,772	(81,308)
Land Revaluation Excess	7,235	7,369	48,389
Total Valuation, Translation Adjustments and Others	(4,922)	13,142	(32,918)
Total Net Assets (Note 23)	114,210	128,943	763,849
Total Liabilities and Net Assets	¥2,790,034	¥2,925,230	\$18,659,938

The accompanying notes are an integral part of these financial statements.

Non-Consolidated Statements of Income and Retained Earnings

The Johoku Shinkin Bank
Years ended March 31, 2025 and 2024

	Millions of yen		Thousands of U.S. dollars (Note 1)
	2025	2024	2025
Income:			
Interest on:			
Interest on Loans and Bills Discounted (Note 15)	¥19,695	¥19,362	\$131,728
Interest on Due from Banks	1,370	730	9,166
Interest on Call Loans	44	25	299
Interest and Dividends on Securities	10,730	11,809	71,767
Other Interest Income	1,057	1,083	7,069
Fees and Commissions (Note 16)	3,799	3,724	25,409
Other Operating Income (Note 17)	49	105	328
Other Income (Note 18)	2,493	1,667	16,674
Total Income	39,240	38,510	262,443
Expenses:			
Interest on:			
Interest on Deposits	1,476	199	9,873
Provision for Reserve for Replenishing Benefits	4	1	33
Interest on Borrowings and Rediscounts	0	0	0
Interest on Payables under Securities Lending Transactions	4	9	30
Other Interest Expenses	14	15	99
Fees and Commissions (Note 16)	2,009	2,086	13,440
Other Operating Expenses (Note 19)	3,272	5,199	21,888
General and Administrative Expenses (Note 20)	23,696	23,295	158,485
Other Expenses (Note 21)	2,502	1,175	16,737
Total Expenses	32,982	31,983	220,590
Income Before Income Taxes (Note 22)	6,257	6,526	41,853
Income Taxes (Note 28):			
Current	1,479	1,436	9,897
Deferred	396	101	2,652
Total Income Taxes	1,876	1,538	12,549
Net Income (Note 23)	4,381	4,988	29,303
Unappropriated Earnings in Retained Earnings:			
Balance at Beginning of the Year	55,574	51,626	371,685
Transfer from Land Revaluation Excess	46	254	313
	60,002	56,868	401,302
Appropriations:			
Transfer to Legal Reserve	499	629	3,337
Dividends			
Common Shares (2.0% per year)	607	615	4,065
Preferred Shares (0.7% per year)	—	35	—
Transfer to Voluntary Reserves	—	14	—
Total Appropriations	1,106	1,294	7,402
Balance at End of the Year (Note 30)	¥58,896	¥55,574	\$393,905

The accompanying notes are an integral part of these financial statements.

Notes to Non-Consolidated Financial Statements

The Johoku Shinkin Bank

1. Significant Accounting Policies

a. Basis of presentation

The accompanying financial statements of The Johoku Shinkin Bank (the Bank) are prepared in accordance with requirements of Shinkin Bank Law, Ordinance for Enforcement of Shinkin Bank Law and accounting principles generally accepted in Japan. The information for 2024 is for reference only and is not subject to audit.

In preparing these financial statements, certain reclassifications and rearrangements have been made to the financial statements issued in Japan. All yen figures have been rounded down to millions of yen by dropping the final six digits. For convenience only, U.S. dollar amounts presented in the accompanying financial statements have been translated from yen at the rate of ¥149.52 to US\$1, the exchange rate prevailing in Tokyo on March 31, 2025.

b. Valuation of trading account securities

Trading account securities which are held for the short term in anticipation of market gains are recorded at fair value. Realized gains and losses on sales of such securities are computed using the moving-average method.

c. Valuation of securities

As for securities other than those in trading portfolio, debt securities that the Bank has the intent and ability to hold to maturity (held-to-maturity securities) are carried at amortized cost using the moving-average method.

Investments in subsidiaries and affiliates that are not accounted for by the equity method are carried at cost using the moving-average method.

Securities excluding those classified as trading securities, held-to-maturity or investments in non-consolidated subsidiaries and affiliates are defined as other securities. Other securities that are valued at fair value are valued as such based on market prices and other factors as of the last day of the fiscal year. Non-marketable debt securities in other securities are carried at amortized cost using the moving-average method. Non-marketable equity securities in other securities are carried at cost using the moving-average method.

Unrealized gains and losses on other securities are reported on a net-of-tax basis within changes in equity from non-owner sources, which is a component of net assets.

d. Valuation of derivatives for nontrading purposes

Derivative transactions, excluding those classified as trading derivatives, are carried at fair value.

e. Depreciation and amortization method

Tangible fixed assets are stated at cost less accumulated depreciation. Tangible fixed assets excluding Leased Assets of the Bank are depreciated using the declining-balance method. However, buildings acquired on or after April 1, 1998 excluding facilities installed in buildings, and facilities installed in buildings and structures that are acquired on or after April 1, 2016 are depreciated using the straight-line method.

The estimated useful lives of major items are as follows:

Buildings	10 to 50 years
Others	2 to 20 years

The amortization of the Bank's intangible fixed assets is computed by the straight-line method. Capitalized software for internal use is amortized by the straight-line method based on the Bank's estimate of useful life (five years).

Leased assets for finance lease transactions that transfer ownership in tangible fixed assets and intangible fixed assets are depreciated using the same method of depreciation applied to owned fixed assets. Moreover, leased assets for finance leases without transfer of ownership in tangible fixed assets and intangible fixed assets are mainly depreciated using the straight-line method over the lease term, assuming that there will be no residual value unless the residual value is guaranteed.

f. Foreign currency transactions

The financial statements of the Bank are maintained in or translated into Japanese yen. Foreign currency assets and liabilities are translated into yen at the prevailing rates on the Tokyo Foreign Exchange Market on the last business day of each fiscal year, and incorporated into the Bank's financial statements.

g. Reserve for possible loan losses

The reserve for possible loan losses of the Bank has been provided in accordance with the Bank's internal rules for establishing a reserve for possible loan losses.

Based on the results of the self-assessment, customers are classified into five categories: such as "Normal Borrowers," "Borrowers Requiring Caution," "Potentially Bankrupt Borrowers," "Effectively Bankrupt Borrowers" and "Bankrupt Borrowers," as defined by the report of the Japan Institute of Certified Public Accountants.

The reserve for possible loan losses was calculated based on the specific actual past loss ratio for Normal Borrowers and Borrowers Requiring Caution categories as a general reserve. Reserves for losses on loans of Potentially Bankrupt Borrowers are based on an overall evaluation of the estimated amount of recoveries from collateral or guarantees, and the borrowers' ability to meet their loan obligations. Reserves for losses on loans to Effectively Bankrupt Borrowers and Bankrupt

Borrowers are calculated by deducting the estimated value of collateral or guarantees from those claims which remain after the write-offs. For collateral or guaranteed claims of Effectively Bankrupt Borrowers and Bankrupt Borrowers, the amount exceeding the estimated value of collateral or guarantees was deducted, as deemed uncollectible, directly from those claims. The write-off amount was ¥11,005 million (US\$73,606 thousand) for the fiscal year ended March 31, 2025.

All claims are being assessed by the branches and the Management Department based on the Bank's internal rules for the self-assessment of asset quality. These assessments are verified by the Asset Auditing Group of the Inspection Department, a division independent from branches and the Management Department.

h. Reserve for employee bonuses

Reserve for employee bonuses is provided, in provision for payment of bonuses to employees, by the amount of estimated bonuses, which are attributable to this fiscal year.

i. Reserve for employee retirement benefit

Under the terms of the Bank's retirement plan, substantially all employees are entitled to a lump-sum payment at the time of retirement. The amount of reserve for employee retirement benefit is generally calculated based on length of service, basic salary at the time of retirement and reason for retirement.

In addition, the Bank has defined benefit pension plans which substantially cover all employees. Annual contributions, which consist of normal costs and amortization of prior service costs, are included in general and administrative expenses.

The reserve for employee retirement benefit is recorded based on actuarial computations of present values of the projected benefit obligation and pension assets, and employees' credited years of service at the balance sheet date. Prior service costs are amortized using the straight-line method over certain years (10 years) within the average remaining service period of active employees. Unrecognized net actuarial differences are amortized from the next fiscal year using the straight-line method over certain years (10 years) within the average remaining service period of active employees.

The Bank participates in a corporate pension plan (a general-type Employees' Pension Fund) set up by multiple businesses including *shinkin* banks, and as it is not possible to reasonably compute the amount of pension assets that corresponds to the Bank's contributions, the amount of contributions to the pension plan is treated as retirement benefit expenses.

The most recent data on the reserves of the corporate pension plan and the Bank's share in total contributions to the plan and supplementary explanations about them were as follows.

	Millions of yen		Thousands of U.S. dollars
	2025	2024	2025
Latest calculation period-end	March 31, 2024	March 31, 2023	March 31, 2024
Pension plan assets	¥1,832,300	¥1,680,937	\$12,254,551
Related benefit obligation under the program	1,853,684	1,770,192	12,397,571
Difference, primarily resulting from unamortized past service cost (a)	(21,384)	(89,255)	(143,019)
Ratio of the Bank's contributions to the total contributions to the entire plan (b)	2.1840%	2.1507%	

(Supplementary explanations)

The principle factors in the balance in (a) above are ¥134,623 million (US\$900,372 thousand) in past service liabilities based on pension plan finance calculations and ¥113,239 million (US\$757,353 thousand) in reserve fund. The pension plan uses the equal payment fixed rate method for amortizing past service costs over a period of 19 years and 0 months, and the Bank charged ¥412 million (US\$2,759 thousand) in special premiums allocated to amortize in the financial statements for the fiscal year ended March 31, 2025.

As the amount of special premiums is computed by multiplying the amount of standard pay at the time of contributions by the predetermined premium rate, the percentage shown in (b) does not correspond to the actual ratio of contributions by the Bank.

j. Reserve for executive retirement allowances

The reserve for executive retirement allowances is calculated in accordance with the Bank's rules, and is equal to the amount that would be needed if all executives voluntarily retired at the end of the year.

k. Reserve for reimbursement of deposits

The reserve for reimbursement of deposits that were derecognized as liabilities under certain conditions is provided for possible losses on future claims of withdrawal based on historical reimbursement experience.

l. Reserve for contingencies

The reserve for contingencies is provided for future payments to credit guarantee companies based on the amount reasonably calculated.

m. Income on fees and commissions businesses

Income on fees and commissions businesses is revenue received as compensation for services rendered and is broken down into commissions on exchange transactions, other fees received, and other fees and commissions. Of these, commissions on exchange transactions are those received from exchange operations and includes commissions based on domestic exchange operations, including remittances and collections, and commissions based on foreign exchange operations, such as export and import fees and foreign exchange remittance fees. As performance obligations related to exchange operations and other fees and commissions is generally satisfied at the same time the compensation is received, income is recognized in principle at a single point in time. With respect to fees related to commitment lines, though contract liabilities are recorded as unearned income and allocated on a pro rata basis over the period of use, there are no transactions where the performance of obligations exceeds one year.

n. Income taxes

The provision for income taxes is computed based on the pretax income included in the non-consolidated statements of income. The asset and liability approach is used to recognize deferred tax assets and liabilities for the expected future tax consequences of temporary differences between the carrying amounts and the tax bases of assets and liabilities and deficit carried forward.

(Additional information)

Revision in the amounts of deferred tax assets and deferred tax liabilities due to changes in income tax rates Following the enactment of the Act for Partial Revision of the Income Tax Act, etc. (Act No. 13, 2025) on March 31, 2025, a special defense corporation tax will be imposed from fiscal years beginning on or after April 1, 2026. As a result, the statutory effective tax rate used in the calculation of deferred tax assets and deferred tax liabilities will change from the previous 27.99% to 28.63% for temporary differences expected to be resolved in or after the fiscal years beginning on or after April 1, 2025. Calculated at the new tax rate, deferred tax assets increased by ¥144 million (US\$963 thousand); unrealized gains on other securities decreased by ¥109 million (US\$729 thousand); and deferred income taxes decreased by ¥35 million (US\$234 thousand). Deferred tax liabilities for land revaluation increased by ¥87 million (US\$585 thousand), and land revaluation excess decreased by the same amount.

o. Consumption taxes

Non-deductible consumption taxes, etc. imposed on fixed assets are included in Other Assets and amortized on a straight-line basis over five years.

p. Significant Accounting Estimates

Items for which the amount was recorded in the financial statements for the current fiscal year based on accounting estimates, and which may have a material impact on the financial statements for the following fiscal year, are as follows.

	Millions of yen		Thousands of U.S. dollars
	2025	2024	2025
Reserve for possible loan losses	¥1,922	¥2,228	\$12,856

The method for calculating the reserve for possible loan losses is described in g., above. The main assumption is the "outlook for the future performance of borrowers in determining the classification of borrowers." The outlook is established by individually evaluating the financial position, profitability, and other factors affecting each borrower's business. If the assumptions used in the initial estimates change due to changes in the business performance of individual borrowers or other factors, there may be a material impact on the reserve for possible loan losses in the financial statements for the following fiscal year.

q. Land revaluation excess

Pursuant to the Enforcement Ordinance for the Act concerning Land Revaluation (the "Act"), effective March 31, 1998, the Bank recorded its own land at fair value on March 31, 1998. In accordance with the Act, net unrealized gains are reported in net assets separately as land revaluation excess, and the related deferred tax liabilities are reported in liabilities as deferred tax liabilities for land revaluation.

The excess of book value over current value was ¥368 million (US\$2,463 thousand) as of March 31, 2025 and ¥2,479 million as of March 31, 2024.

r. Monetary claims and other notes as of March 31, 2025

There are no monetary claims against directors or auditors as a result of transactions with directors and auditors.

Total capitalization of subsidiaries: ¥190 million (US\$1,270 thousand)

Total monetary claims against subsidiaries: ¥819 million (US\$5,479 thousand)

Total monetary liabilities to subsidiaries: ¥440 million (US\$2,944 thousand)

2. Cash and Due from Banks

Cash and due from banks as of March 31, 2025 and 2024, consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2025	2024	2025
Cash	¥ 21,374	¥ 22,723	\$ 142,953
Due from Banks	542,704	626,744	3,629,643
Total	¥564,078	¥649,468	\$3,772,597

3. Securities

Securities as of March 31, 2025 and 2024, consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2025	2024	2025
National Government Bonds	¥153,312	¥165,074	\$1,025,367
Local Government Bonds	92,528	113,868	618,837
Corporate Bonds	165,877	175,155	1,109,398
Stocks	32,901	36,221	220,046
Other Securities	386,482	403,159	2,584,819
Total	¥831,102	¥893,480	\$5,558,468

4. Loans and Bills Discounted

Loans and bills discounted as of March 31, 2025 and 2024, consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2025	2024	2025
Bills Discounted	¥ 8,319	¥ 13,089	\$ 55,642
Loans on Bills	67,804	67,139	453,480
Loans on Deeds	1,219,608	1,217,541	8,156,826
Overdrafts	13,754	9,896	91,990
Total	¥1,309,487	¥1,307,667	\$8,757,940

Loans as defined by the Shinkin Bank Law and the Act on Emergency Measures for Revitalization of Financial Functions are presented below. Loans include corporate bonds in "securities" (limited to those issued in private placement of securities prescribed in Paragraph 3 of Article 2 in the Financial Instruments and Exchange Act, for which the redemption of the principal and payment of the interest are either partially or wholly guaranteed); loans and bills discounted; foreign exchange; as well as interest receivables, suspense payments, and customers' liabilities for acceptances and guarantees in "other assets" presented in the non-consolidated balance sheet; and securities loaned under a loan for use or lease contract recorded in the notes.

	Millions of yen		Thousands of U.S. dollars
	2025	2024	2025
Bankrupt and Quasi-Bankrupt Assets	¥ 8,205	¥ 7,448	\$ 54,876
Doubtful Assets	28,591	34,383	191,219
Loans Past Due Three Months or More	93	152	623
Restructured Loans	4,310	8,091	28,828
Total	¥41,199	¥50,076	\$275,547

Bankrupt and quasi-bankrupt assets are loans to debtors who have fallen into bankruptcy for certain specified reasons, including initiation of bankruptcy or reorganization proceedings, or submission of an application to initiate rehabilitation proceedings and equivalent assets.

Doubtful assets are those loans for which the loan principal is highly unlikely to be recovered and interest cannot be received according to the contract because of the financial difficulties and struggling business performance of debtors who are not yet bankrupt, excluding those loans classified as bankrupt and quasi-bankrupt assets.

Loans past due three months or more are those loans for which principal or interest payments are more than three months past due (calculated from the day following the contractual payment date), excluding those loans classified as bankrupt and quasi-bankrupt assets and doubtful assets.

Restructured loans are those loans whose terms have been modified by reducing or waiving interest, granting interest payment extensions, granting principal repayment extensions, forgiving debt, or otherwise providing arrangements favorable to the borrower in connection with the borrower's business restructuring or to otherwise provide support, excluding those loans classified as bankrupt and quasi-bankrupt assets, doubtful assets or loans past due three months or more.

The above loans are presented at the amounts prior to deduction of allowances for loan losses.

Bills discounted are treated as financial transactions in accordance with Treatment as per Accounting and Auditing of Application of Accounting Standard for Financial Instruments in Banking Industry (Japanese Institute of Certified Public Accountants, Industry Audit Committee Report No. 24). The Bank has rights to sell or (re) pledge bank acceptances bought, commercial bills discounted, documentary bills and foreign exchange positions bought without restrictions. Their total face value at March 31, 2025 and 2024 was ¥8,319 million (US\$55,642 thousand) and ¥13,089 million, respectively.

5. Foreign Exchange

Foreign exchange assets and liabilities as of March 31, 2025 and 2024, consisted of the following:

a. Assets

	Millions of yen		Thousands of U.S. dollars
	2025	2024	2025
Due from Foreign Banks	¥5,369	¥1,513	\$35,910
Total	¥5,369	¥1,513	\$35,910

b. Liabilities

	Millions of yen		Thousands of U.S. dollars
	2025	2024	2025
Foreign Bills of Exchange Sold	¥53	¥75	\$357
Foreign Bills of Exchange Payable	44	3	295
Total	¥97	¥79	\$653

6. Fixed Assets

Fixed assets as of March 31, 2025 and 2024, consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2025	2024	2025
Tangible Fixed Assets:			
Building	¥ 7,508	¥ 7,458	\$ 50,215
Land	33,236	32,897	222,287
Lease Assets	218	280	1,464
Construction in Progress	1,693	252	11,327
Other Tangible Fixed Assets	1,214	1,853	8,122
Total	¥43,871	¥42,742	\$293,417
Accumulated Depreciation	¥25,052	¥26,664	\$167,554
Intangible Fixed Assets:			
Software	¥ 613	¥ 519	\$ 4,102
Lease Assets	0	0	0
Other Intangible Fixed Assets	616	768	4,121
Total	¥ 1,229	¥ 1,287	\$ 8,223

7. Other Assets

Other assets as of March 31, 2025 and 2024, consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2025	2024	2025
Domestic Exchange Settlement Account, Debit	¥ 1,465	¥ 1,784	\$ 9,799
Investment in the Shinkin Central Bank	15,465	15,465	103,434
Prepaid Expenses	86	103	581
Accrued Income	2,676	3,167	17,902
Derivative Financial Instruments	685	7	4,583
Others	1,671	1,670	11,176
Total	¥22,050	¥22,198	\$147,478

8. Reserve for Possible Loan Losses

Reserve for possible loan losses includes specific reserve for possible loan losses of ¥1,588 million (US\$10,624 thousand) and ¥1,452 million at March 31, 2025 and 2024, respectively.

9. Deposits

Deposits as of March 31, 2025 and 2024, consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2025	2024	2025
Current Deposits	¥ 99,864	¥ 103,466	\$ 667,898
Ordinary Deposits	1,553,060	1,542,135	10,386,977
Savings Deposits	32,330	32,937	216,226
Deposits at Notice	2,108	2,313	14,103
Time Deposits	892,222	920,781	5,967,243
Installment Savings	51,471	57,329	344,245
Other Deposits	26,030	18,097	174,093
Total	¥2,657,088	¥2,677,061	\$17,770,788

10. Other Liabilities

Other liabilities as of March 31, 2025 and 2024, consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2025	2024	2025
Domestic Exchange Settlement Account, Credit	¥1,360	¥1,999	\$ 9,098
Accrued Expenses	1,269	887	8,492
Reserve for Replenishing Benefits	13	11	92
Income Taxes Payable	556	508	3,725
Unearned Income	546	435	3,655
Unsettled Refunds	551	421	3,690
Unsettled Equity Refunds	0	0	1
Deposits from Employees	1,057	1,128	7,072
Derivative Financial Instruments	37	1,803	247
Lease Obligations	246	310	1,648
Asset Retirement Obligations	143	72	961
Others	1,989	565	13,305
Total	¥7,773	¥8,144	\$51,992

11. Assets Pledged as Collateral

Assets pledged as collateral at March 31, 2025 and 2024, consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2025	2024	2025
Assets Pledged as Collateral			
Securities	¥69,551	¥119,480	\$465,167
Liabilities Corresponding to Assets Pledged as Collateral			
Deposits	6,067	597	40,576

Due from banks of ¥36,700 million (US\$245,452 thousand) as of March 31, 2025 and ¥36,700 million as of March 31, 2024, respectively, are secured as collateral for exchange settlement transactions or futures, etc. or as a substitute for margin money in futures transactions, etc.

Other assets include guarantee deposits, amounting to ¥1,049 million (US\$7,018 thousand) as of March 31, 2025. There were no such guarantee deposits to report as of March 31, 2024.

12. Acceptances and Guarantees

All contingent liabilities arising from acceptances and guarantees are reflected in "Acceptances and Guarantees." As a contra account, "Customers' Liabilities for Acceptances and Guarantees" is shown under assets, representing the Bank's right of indemnity from the applicants.

13. Share Capital and Capital Surplus

The Bank issued ¥500 par value common shares with a minimum investment of ¥10,000 per member. The amount of common shares was ¥29,902 million (US\$199,986 thousand) as of March 31, 2025 and ¥30,391 million as of March 31, 2024.

Capital surplus is the portion which was not issued as share capital of the issued value of preferred shares. Capital surplus includes legal capital surplus of ¥5,000 million (US\$33,440 thousand) and ¥5,000 million at March 31, 2025 and 2024, respectively.

(Additional information)

Other shares include ¥5,000 million (US\$33,440 thousand) transferred from preferred equity following its cancellation, which was carried out in accordance with the provisions of Article 15, paragraph 1, item 1 of the Act on Preferred Equity Investment by Cooperative Structured Financial Institutions (Law No. 44 of May 12, 1993).

14. Retained Earnings

The Shinkin Bank Law requires that an amount equal to at least 10 percent of each year's unappropriated profit shall be appropriated as a legal reserve until such reserve equals 100 percent of the Bank's stated capital.

This reserve is not available for dividends or capitalization. It may be used to only reduce a deficit, by resolution of the members.

	Millions of yen		Thousands of U.S. dollars
	2025	2024	2025
Legal Reserve	¥14,335	¥13,836	\$ 95,873
Voluntary Reserve	6,000	6,000	40,128
Unappropriated Profits	58,896	55,574	393,905
Total	¥79,231	¥75,411	\$529,907

Voluntary reserves include a reserve for strengthening management foundation, a reserve for facility improvements, and a reserve for cancellation of preferred shares. The amount of reserve for strengthening management foundation was ¥1,000 million (US\$6,688 thousand) and ¥1,000 million at March 31, 2025 and 2024, respectively. The amount of reserve for facility improvements was ¥1,500 million (US\$10,032 thousand) and ¥1,500 million at March 31, 2025 and 2024, respectively. The amount of reserve for cancellation of preferred shares was ¥883 thousand at March 31, 2024. There were no such reserve for cancellation of preferred shares to report as of March 31, 2025.

15. Interest on Loans and Bills Discounted

Interest on Loans and Bills Discounted includes the amount of interest subsidies arising from the governmental Emergency Economic Measures to Cope with COVID-19 and Emergency Loans to Cope with the Ukraine Situation and Yen Depreciation.

16. Fees and Commissions

Fees and commissions for the year ended March 31, 2025 and 2024 were as follows:

	Millions of yen		Thousands of U.S. dollars
	2025	2024	2025
Commission on Exchange Transactions	¥1,324	¥1,248	\$ 8,858
Other Fees and Commissions	2,474	2,476	16,550
Income on Fees and Commissions Businesses	¥3,799	¥3,724	\$25,409
Commission on Exchange Transactions	¥ 372	¥ 364	\$ 2,490
Other Fees and Commissions	1,637	1,721	10,950
Expenses on Fees and Commissions Businesses	¥2,009	¥2,086	\$13,440

Basic information for understanding income is presented in the notes to the non-consolidated financial statements, together with significant accounting policies.

17. Other Operating Income

Other operating income for the year ended March 31, 2025 and 2024 were as follows:

	Millions of yen		Thousands of U.S. dollars
	2025	2024	2025
Gains on Sales of Bonds	¥ 0	¥ —	\$ 0
Other	49	105	328
Total	¥49	¥105	\$328

18. Other Income

Other income for the year ended March 31, 2025 and 2024 were as follows:

	Millions of yen		Thousands of U.S. dollars
	2025	2024	2025
Gains on Reversal of Reserve for Possible Loan Losses	¥ 69	¥ 859	\$ 466
Recoveries of Written-off Claims	878	545	5,878
Gains on Sales of Stocks and Other Securities	350	—	2,343
Gain on Disposal of Fixed Assets (Note 22)	1,125	139	7,526
Other	68	124	460
Total	¥2,493	¥1,667	\$16,674

19. Other Operating Expenses

Other operating expenses for the year ended March 31, 2025 and 2024 were as follows:

	Millions of yen		Thousands of U.S. dollars
	2025	2024	2025
Losses on Foreign Exchange Transactions	¥3,265	¥4,342	\$21,837
Losses on Redemption of Bonds	—	851	—
Other	7	5	51
Total	¥3,272	¥5,199	\$21,888

20. General and Administrative Expenses

General and administrative expenses for the year ended March 31, 2025 and 2024 were as follows:

	Millions of yen		Thousands of U.S. dollars
	2025	2024	2025
Personnel Expenses	¥15,124	¥15,132	\$101,155
Nonpersonnel Expenses	7,612	7,281	50,915
Taxes	959	881	6,414
Total	¥23,696	¥23,295	\$158,485

21. Other Expenses

Other expenses for the year ended March 31, 2025 and 2024 were as follows:

	Millions of yen		Thousands of U.S. dollars
	2025	2024	2025
Written-off of Loans	¥1,518	¥ 585	\$10,153
Losses on Sale of Stocks and Other Securities	7	139	53
Losses on Devaluation of Stocks and Other Securities	81	—	546
Amortization of Other Assets	0	3	2
Losses on Disposal of Fixed Assets (Note 22)	807	328	5,399
Other	86	119	581
Total	¥2,502	¥1,175	\$16,737

22. Income Before Income Taxes

The multiple-step income statements for the fiscal years ended March 31, 2025 and 2024 in disclosure in Japan based on the Shinkin Bank Act standards were as follows:

	Millions of yen		Thousands of U.S. dollars
	2025	2024	2025
Ordinary Income	¥38,115	¥38,312	\$254,916
Ordinary Expenses	32,175	31,655	215,190
Ordinary Profit	5,939	6,657	39,726
Extraordinary Income	1,125	197	7,526
Extraordinary Losses	807	328	5,399
Income Before Income Taxes	¥ 6,257	¥ 6,526	\$ 41,853

Extraordinary income includes gain on disposal of fixed assets of ¥1,125 million (US\$7,526 thousand) and ¥139 million for the fiscal years ended March 31, 2025 and 2024, respectively. Extraordinary losses includes losses on disposal of fixed assets of ¥807 million (US\$5,399 thousand) and ¥328 million for the fiscal years ended March 31, 2025 and 2024, respectively.

23. Per Share Data

Net assets per share and net income per share for the year ended March 31, 2025 and 2024 were as follows:

	Yen		U.S. dollars
	2025	2024	2025
Net Assets per Share	¥1,909.81	¥2,121.45	\$12,772
Net Income per Share	72.53	81.48	0.485

24. Matters Concerning Financial Instruments

1) Policy for dealing with financial instruments

The Bank is involved in finance business including deposits, loans and also marketplace investments.

Therefore, the Bank performs comprehensive risk management of financial assets and liabilities to ensure that fluctuation in interest rates does not have a disadvantageous impact.

2) Nature and risk of financial instruments

The main financial assets of the Bank are loans to customers within its business district.

The Bank also holds securities, mainly bonds, investment trusts as well as stocks for held-to-maturity purposes or investment purposes.

These financial instruments involve issuers' credit risk, interest rate fluctuation risk, and market risk.

Foreign currency-denominated securities are also exposed to the risk of exchange rate fluctuations, but the Bank avoids this risk using such methods as currency swap transactions at the time of acquisition of the securities.

Meanwhile, financial liabilities are mainly deposits received from customers, which are exposed to liquidity risk.

3) Risk management systems for financial instruments

a) Credit risk management

In accordance with the management rules for credit risk, the Bank has established and operates structures for credit management that include credit screening for individual loans, the establishment of credit ceilings, management of credit information, assignment of guarantees and collateral, and measures against nonperforming loans.

Credit management is carried out by each of the Bank's branches as well as the Bank's Inspection Department. Senior management also regularly holds meetings of the Risk Management Committee and the Board of Directors for deliberation and reporting.

Credit risk related to securities issuers is managed by the International & Treasury Division, which regularly monitors credit information and market prices.

b) Market risk management

i. Interest rate risk management

The Bank uses the asset liability management (ALM) method to manage interest rate fluctuation risk.

The details of the risk management methods and procedures are clearly stipulated in the regulations and guidelines concerning ALM, and, based on the risk management policies determined by the ALM Committee, the Board of Directors monitors and confirms the implementation status and discusses future responses.

The interest rates and terms of financial assets and liabilities are identified in the Risk Management Division on a routine basis, and are monitored through interest rate sensitivity analysis and reported to the Risk Management Committee monthly.

ii. Exchange rate risk management

The Bank manages exchange rate fluctuation risk for individual financial assets and liabilities and applies deferral hedge accounting using currency swaps and other methods.

iii. Market price fluctuation risk management

Holdings of market investment instruments including securities are managed in accordance with the fundraising and investment rules under the supervision of the Board of Directors.

The International & Treasury Division purchases market investment instruments and attempts to mitigate market price fluctuation risk through continuous monitoring and the setting of investment limits.

Most of the stocks held by the General Affairs Division are held for business purposes. The International & Treasury Division monitors the market environment and financial position of business partners.

iv. Derivative transactions

The basic principles of the fundraising and investment rules stipulate that the Bank primarily performs derivative transactions for the hedging of its own ALM positions, and such transactions are performed prudently.

v. Quantitative information regarding market risk

The Bank measures the market risk amount of securities, deposits and other financial assets and liabilities monthly using the value at risk (VaR) analysis and ensures that the acquired risk amount is within the range of its risk limits.

The Bank's VaR is calculated according to the variance-covariance method (holding period conditions: 1 year; confidence interval: 99%; observation period: 1 year). As of March 31 2025, the Bank's interest rate risk was ¥23,371 million (US\$156,311 thousand), the equity risk was ¥18,928 million (US\$126,597 thousand), the credit risk was ¥2,390 million (US\$15,987 thousand), and the exchange rate risk was ¥453 million (US\$3,034 thousand), for a total risk amounting to ¥45,144 million (US\$301,931 thousand).

The Bank executes backtesting to verify the validity of the VaR measurement model. However, the VaR measures the market risk amount with a certain probability that is calculated statistically based on historical market movements, and therefore, VaR may be unable to determine risk in the case of unexpectedly drastic change in the market environment.

c) Management of liquidity risk related to fundraising

The Bank manages liquidity risk through ALM based on such activities as managing its cash position in a timely manner, diversifying fundraising methods, and adjusting the balance between short- and long-term fundraising in line with the market environment.

4) Supplementary explanations of matters relating to the fair values of financial instruments

In addition to values based on market price, the fair values of financial instruments shown in these statements include values based on reasonable estimates when no market prices are available. Since value estimates are based on certain assumptions, the values may vary if the assumptions change.

25. Fair Value of Financial Instruments

With respect to amounts recorded on the Bank's non-consolidated balance sheet at March 31, 2025, the fair values and net unrealized gains (losses) of financial instruments were as follows. Stocks, etc. and investments in partnerships without market prices are not included in the following table. Notes are omitted for cash and foreign exchange (assets/liabilities) as the fair value approximates the book value since they are settled within a short period of time.

In addition, immaterial items have also been omitted.

	Millions of yen		
	Non-consolidated balance sheet amount	Fair value	Net unrealized gains (losses)
March 31, 2025			
Due from Banks	¥ 542,704	¥ 534,590	¥(8,114)
Monetary Claims Purchased	2,055	2,062	—
Less: Reserve for Possible Loan Losses (*1)	(0)	—	—
Net Monetary Claims Purchased	2,055	2,062	7
Securities:			
Bonds Classified as Held-to-Maturity	74	74	—
Other Securities (*2)	830,632	830,632	—
Total Securities	830,706	830,706	—
Loans and Bills Discounted	1,309,487	1,307,571	—
Less: Reserve for Possible Loan Losses (*3)	(1,830)	—	—
Net Loans and Bills Discounted	1,307,656	1,307,571	(85)
Total Assets	¥2,683,122	¥2,674,929	¥(8,192)
Deposits	¥2,657,088	¥2,656,558	¥ (529)
Borrowed Money	—	—	—
Total Liabilities	¥2,657,088	¥2,656,558	¥ (529)
Derivative Transactions (*4)			
Hedge Accounting Not Applied	¥ 648	¥ 648	¥ —
Hedge Accounting Applied	—	—	—
Total Derivatives	¥ 648	¥ 648	¥ —

March 31, 2025	Thousands of U.S. dollars		
	Non-consolidated balance sheet amount	Fair value	Net unrealized gains (losses)
Due from Banks	\$ 3,629,643	\$ 3,575,375	\$(54,268)
Monetary Claims Purchased	13,746	13,794	—
Less: Reserve for Possible Loan Losses (*1)	(0)	—	—
Net Monetary Claims Purchased	13,746	13,794	48
Securities:			
Bonds Classified as Held-to-Maturity	494	494	—
Other Securities (*2)	5,555,324	5,555,324	—
Total Securities	5,555,819	5,555,819	—
Loans and Bills Discounted	8,757,940	8,745,125	—
Less: Reserve for Possible Loan Losses (*3)	(12,242)	—	—
Net Loans and Bills Discounted	8,745,697	8,745,125	(\$72)
Total Assets	\$17,944,907	\$17,890,114	\$(54,793)
Deposits	\$17,770,788	\$17,767,246	\$(3,542)
Borrowed Money	—	—	—
Total Liabilities	\$17,770,788	\$17,767,246	\$(3,542)
Derivative Transactions (*4)			
Hedge Accounting Not Applied	\$ 4,336	\$ 4,336	\$ —
Hedge Accounting Applied	—	—	—
Total Derivatives	\$ 4,336	\$ 4,336	\$ —

(*1) Reserve for possible loan losses corresponding to monetary claims purchased is deducted here.

(*2) Other Securities includes investment trusts to which paragraphs 24-3 and 24-9 of ASBJ Guidance No. 31 Implementation Guidance on Accounting Standard for Fair Value Measurement (June 17, 2021) applies, under which the net asset value is deemed to be the fair value.

(*3) Reserve for possible loan losses corresponding to loans and bills discounted is deducted here.

(*4) Derivative transactions stated in other assets and liabilities are shown here collectively. Net receivables or payables derived from derivatives are presented on a net basis.

1) Calculation method for fair values of financial instruments

Financial Assets

a) Due from banks

For due from banks without maturity, the carrying amount is presented as fair value because it approximates fair value. The fair value of due from banks with maturity classified by its remaining maturity is estimated by discounting at the applicable discount rate for new similar transactions. For due from banks with maturity that includes derivative transactions, the fair value is the price provided by the financial institution.

b) Monetary claims purchased

The fair value of monetary claims purchased for investment purposes is based on the price provided by the financial institution. The fair value of other monetary claims purchased is the amount obtained by deducting an amount corresponding to credit risk from the carrying amount.

c) Securities

The fair values of equities are based on their market prices quoted on the stock exchange, while the fair values of bonds are based on either market prices or prices obtained from financial institutions. The fair values of investment trust funds are based on their published reference prices.

Notes on securities classified by the purpose for which they are held are listed in 1) through 6) of note 26.

d) Loans and bills discounted

Among loans to Normal Borrowers and Borrowers Requiring Caution, the carrying amount of bills discounted, notes receivable, and overdrafts is presented as fair value because it approximates fair value, reflecting market interest rates in the short term. For loans on deed, fair values are estimated by discounting the total amount of principal and interest at the profitable interest rate calculated based on the procurement cost and credit cost for each category of the type of loan, internal rating, and term of loan.

For loans to Bankrupt Borrowers, Effectively Bankrupt Borrowers, and Potentially Bankrupt Borrowers, the reserve amount for possible loan losses is estimated based on the forecasted recoverable amounts of collateral and guarantees. So their fair values approximate their balance sheet amount minus the reserve amount, and that amount is the figure used in this statement as the fair value.

Financial Liabilities

a) Deposits

For on-demand deposits, the amount payable on demand as of the closing date (book value) is considered to be the fair value. Time deposits are classified by period, and the present value is calculated by discounting the future cash flow. The discount rate is the rate used for newly accepted deposits.

b) Borrowed money

Because borrowed money for a short term reflects market interest rates, the fair value approximates the book value, so the Bank uses the book value as the fair value.

Derivative transactions

Derivative transactions are currency-related transactions (forward exchange contracts), and the fair values are based on a value calculated using the discounted present value.

2) The non-consolidated balance sheet amounts of stocks and investments in partnerships with no market price are as follows. These are not included in information on the fair value of financial instruments.

March 31, 2025	Millions of yen	Thousands of U.S. dollars
	Non-consolidated balance sheet amount	Non-consolidated balance sheet amount
Stocks of Subsidiaries (*1)	¥ 190	\$ 1,270
Unlisted Stocks (*1)	168	1,128
Investment in the Shinkin Central Bank (*1)	15,465	103,434
Investments in Partnerships (*2)	37	249
Total	¥15,861	\$106,083

(*1) Stocks of subsidiaries, unlisted stocks, and investment in the Shinkin Central Bank are not subject to fair value disclosure in accordance with Paragraph 5 of ASBJ Guidance No. 19 Implementation Guidance on Disclosures about Fair Value of Financial Instruments (March 31, 2020).

(*2) Investments in partnerships are not subject to fair value disclosure in accordance with Paragraph 24-16 of ASBJ Guidance No. 31 Implementation Guidance on Accounting Standard for Fair Value Measurement (June 17, 2021).

3) Redemption schedule for money claims and other securities with maturity dates after the non-consolidated balance sheet date

March 31, 2025	Millions of yen			
	1 year or less	1 to 5 years	5 to 10 years	Over 10 years
Due from Banks (*1)	¥439,204	¥ 46,500	¥ 4,000	¥ 53,000
Monetary Claims Purchased (*2)	—	2,000	—	—
Securities	80,602	282,744	312,766	61,064
Bonds Classified as Held-to-Maturity	—	74	—	—
Other Securities with Maturity Dates	80,602	282,670	312,766	61,064
Loans and Bills Discounted (*3)	286,260	439,918	224,375	339,408
Total	¥806,067	¥771,162	¥541,141	¥453,472

March 31, 2025	Thousands of U.S. dollars			
	1 year or less	1 to 5 years	5 to 10 years	Over 10 years
Due from Banks (*1)	\$2,937,428	\$ 310,995	\$ 26,752	\$ 354,467
Monetary Claims Purchased (*2)	—	13,376	—	—
Securities	539,071	1,891,014	2,091,806	408,401
Bonds Classified as Held-to-Maturity	—	494	—	—
Other Securities with Maturity Dates	539,071	1,890,519	2,091,806	408,401
Loans and Bills Discounted (*3)	1,914,530	2,942,203	1,500,635	2,269,986
Total	\$5,391,031	\$5,157,588	\$3,619,194	\$3,032,855

(*1) On-demand deposits are included in due from banks within 1 year.

(*2) Monetary claims purchased that have no definite term are not included.

(*3) Loans and bills discounted does not include indefinite-term delinquent loans or loans and bills for which no term has been set.

4) Repayment schedule for borrowed money and other interest-bearing debts after the non-consolidated balance sheet date

March 31, 2025	Millions of yen			
	1 year or less	1 to 5 years	5 to 10 years	Over 10 years
Deposits (*)	¥2,546,670	¥110,037	¥3	¥376
Borrowed Money	—	—	—	—
Total	¥2,546,670	¥110,037	¥3	¥376

March 31, 2025	Thousands of U.S. dollars			
	1 year or less	1 to 5 years	5 to 10 years	Over 10 years
Deposits (*)	\$17,032,307	\$735,935	\$26	\$2,518
Borrowed Money	—	—	—	—
Total	\$17,032,307	\$735,935	\$26	\$2,518

(*) On-demand deposits are included in deposits due within 1 year.

26. Fair Value of Marketable Securities

The fair value and unrealized holding gains (losses) of marketable securities as of March 31, 2025, were as follows.

In addition to securities in the non-consolidated balance sheets and trading account securities are included in the following amounts:

1) Securities classified as trading

March 31, 2025	Millions of yen
Securities Classified as Trading	Gains included in profit/loss ¥—

March 31, 2025	Thousands of U.S. dollars
Securities Classified as Trading	Gains included in profit/loss \$—

2) Bonds classified as held-to-maturity

March 31, 2025	Millions of yen		
	Non-consolidated balance sheet amount	Fair value	Net unrealized gains (losses)
Bonds with Unrealized Gains:			
National Government Bonds	¥—	¥—	¥—
Local Government Bonds	—	—	—
Corporate Bonds	—	—	—
Other Securities	—	—	—
Subtotal	—	—	—
Bonds with Unrealized Losses:			
National Government Bonds	—	—	—
Local Government Bonds	—	—	—
Corporate Bonds	74	74	—
Other Securities	—	—	—
Subtotal	74	74	—
Total	¥74	¥74	¥—

March 31, 2025	Thousands of U.S. dollars		
	Non-consolidated		Net unrealized gains (losses)
	balance sheet amount	Fair value	
Bonds with Unrealized Gains:			
National Government Bonds	\$ —	\$ —	\$ —
Local Government Bonds	—	—	—
Corporate Bonds	—	—	—
Other Securities	—	—	—
Subtotal	—	—	—
Bonds with Unrealized Losses:			
National Government Bonds	—	—	—
Local Government Bonds	—	—	—
Corporate Bonds	494	494	—
Other Securities	—	—	—
Subtotal	494	494	—
Total	\$494	\$494	\$—

3) Other securities

March 31, 2025	Millions of yen		
	Non-consolidated		Net unrealized gains (losses)
	balance sheet amount	Acquisition cost	
Other Securities with Unrealized Gains:			
Stocks	¥ 29,514	¥ 15,584	¥ 13,930
Bonds	6,890	6,885	5
National Government Bonds	1,000	996	3
Local Government Bonds	2,400	2,400	0
Corporate Bonds	3,490	3,489	1
Other Securities	88,474	61,868	26,606
Subtotal	124,879	84,337	40,542
Other Securities with Unrealized Losses:			
Stocks	3,028	3,546	(518)
Bonds	404,753	432,903	(28,149)
National Government Bonds	152,312	164,154	(11,841)
Local Government Bonds	90,128	95,447	(5,319)
Corporate Bonds	162,312	173,301	(10,988)
Other Securities	297,970	326,878	(28,908)
Subtotal	705,752	763,328	(57,576)
Total	¥830,632	¥847,666	¥(17,034)

(*) Net unrealized losses on other securities of ¥12,157 million (after deducting ¥4,876 million in deferred tax assets from the above ¥17,034 million in net unrealized losses) are included in "Unrealized Gains on Other Securities."

March 31, 2025	Thousands of U.S. dollars		
	Non-consolidated		Net unrealized gains (losses)
	balance sheet amount	Acquisition cost	
Other Securities with Unrealized Gains:			
Stocks	\$ 197,394	\$ 104,227	\$ 93,167
Bonds	46,087	46,052	34
National Government Bonds	6,689	6,666	22
Local Government Bonds	16,053	16,051	2
Corporate Bonds	23,344	23,334	9
Other Securities	591,723	413,777	177,945
Subtotal	835,205	564,057	271,147
Other Securities with Unrealized Losses:			
Stocks	20,252	23,719	(3,466)
Bonds	2,707,020	2,895,287	(188,266)
National Government Bonds	1,018,677	1,097,875	(79,197)
Local Government Bonds	602,783	638,361	(35,577)
Corporate Bonds	1,085,559	1,159,050	(73,491)
Other Securities	1,992,845	2,186,185	(193,339)
Subtotal	4,720,118	5,105,191	(385,072)
Total	\$5,555,324	\$5,669,249	\$ (113,924)

(*) Net unrealized losses on other securities of US\$81,308 thousand (after deducting US\$32,616 thousand in deferred tax assets from the above US\$113,924 thousand in net unrealized losses) are included in "Unrealized Gains on Other Securities."

4) Bonds sold during fiscal year ended March 31, 2025 that are classified as held-to-maturity

There are no applicable items.

5) Other securities sold during the fiscal year ended March 31, 2025

March 31, 2025	Millions of yen		
	Sales amount	Gains on sale	Losses on sale
	Stocks	¥776	¥350
Bonds	—	—	—
National Government Bonds	—	—	—
Local Government Bonds	—	—	—
Corporate Bonds	—	—	—
Other Securities	0	0	—
Total	¥776	¥350	¥7

March 31, 2025	Thousands of U.S. dollars		
	Sales amount	Gains on sale	Losses on sale
	Stocks	\$5,193	\$2,343
Bonds	—	—	—
National Government Bonds	—	—	—
Local Government Bonds	—	—	—
Corporate Bonds	—	—	—
Other Securities	0	0	—
Total	\$5,193	\$2,343	\$53

6) Impairment of Securities

For securities other than securities-trading, excluding those for which it is extremely difficult to ascertain a market price, when the market price of securities has declined significantly compared with the acquisition cost, and there is deemed to be no prospect that the market price will recover to the acquisition cost, the Bank uses the market price as the amount to be recorded on the balance sheet and treats the valuation difference as a loss in the current fiscal year ("impairment loss"). The amount of impairment loss in the current fiscal year is ¥81 million (US\$546 thousand) for listed shares. The criteria for determining that the market price "has declined significantly" are when the market value has fallen by 50% or more compared with the acquisition cost or the amortized cost

and when there is deemed to be no prospect of a recovery of the market price considering market price trends over a certain period of time, the financial position of the issuing company, and other factors in cases where the rate of decline is 30% or more and less than 50%.

7) Money held in trust classified as trading

There are no applicable items.

8) Money held in trust classified as held-to-maturity

There are no applicable items.

9) Other money held in trust

There are no applicable items.

10) Securities lent under repurchase transactions

There are no applicable items.

27. Loan Commitments

Commitment line contracts on overdrafts and loans are legally binding agreements to lend to customers up to a prescribed amount when they apply to borrow, as long as there is no violation of any condition established in the contracts. The amount of unused commitments was ¥110,212 million (US\$737,108 thousand), and the amount of unused commitments whose remaining contract terms are within one year was ¥27,310 million (US\$182,652 thousand) as of March 31, 2025.

As many of these contracts terminate with no money lent, the amount of unused commitments itself does not necessarily affect the Bank's future cash flow. Many of the contracts contain clauses that allow the Bank to reject a loan application or to reduce the amount lent in the event of changes to financial circumstances, the need for protection of receivables, or other adequate reason. In addition, at the time a contract is signed, the Bank secures collateral such as real estate and marketable securities as necessary, and during the contract period, regularly monitors the business conditions of the customer in accordance with its internal standard procedures, reviews the contract as necessary, and takes credit protection measures.

28. Deferred Tax Assets and Liabilities

Significant components of deferred tax assets and liabilities at March 31, 2025 and 2024 were as follows:

	Millions of yen		Thousands of U.S. dollars
	2025	2024	2025
Deferred Tax Assets:			
Reserve for Possible Loan Losses	¥ 2,756	¥ 2,942	\$ 18,434
Losses on Impairment of Fixed Assets	503	533	3,365
Accrued Interest	34	35	232
Reserve for Employee Bonuses	185	185	1,239
Reserve for Employee Retirement Benefits	168	325	1,124
Reserve for Executive Retirement Allowances	50	41	339
Accrued Business Tax	91	87	608
Unrealized Gains on Other Securities	4,876	—	32,616
Others	602	374	4,030
Subtotal	9,269	4,523	61,992
Valuation Allowances	(1,987)	(1,700)	(13,290)
Total Deferred Tax Assets	¥ 7,281	¥ 2,823	\$ 48,701
Deferred Tax Liabilities:			
Unrealized Gains on Other Securities	¥ —	¥ 2,243	\$ —
Others	0	4	6
Total Deferred Tax Liabilities	¥ 0	¥ 2,247	\$ 6
Net Deferred Tax Assets	¥ 7,280	¥ 575	\$ 48,694

29. Related Party Transactions

During the years ended March 31, 2025 and 2024, the Bank had operational transactions with its subsidiaries. A summary of the material transactions with its subsidiaries for the years ended March 31, 2025 and 2024 were as follows.

	Millions of yen		Thousands of U.S. dollars
	2025	2024	2025
For the Fiscal Year:			
Operating Revenue	¥109	¥116	\$ 732
Operating Expenses	¥81	¥72	\$ 888

30. Subsequent Events

The following appropriation of retained earnings applicable to the year ended March 31, 2025, was approved at the members' meeting held on June 25, 2025.

	Millions of yen	Thousands of U.S. dollars
	2025	2025
Unappropriated Retained Earnings at End of the Year	¥58,896	\$393,905
Appropriations:		
Legal Reserve	439	2,936
Dividends	598	3,999
Common Shares (2.0% per year)	598	3,999
Unappropriated Retained Earnings Carried Forward	¥57,859	\$386,970

Independent Auditor and Independent Auditor's Report

In accordance with the provisions of Article 38-2-3 of the Shinkin Bank Act, Grant Thornton Taiyo LLC has audited Johoku Shinkin Bank's Balance Sheet, Statements of Income, and Statements of Appropriation of Profit in fiscal 2024 and fiscal 2025.

Five-Year Summary (Non-Consolidated Basis)

The Johoku Shinkin Bank

Years ended March 31, 2025, 2024, 2023, 2022 and 2021

	Millions of yen					Thousands of U.S. dollars
	2025	2024	2023	2022	2021	2025
For the Years Ended March 31						
Total Income	¥ 39,240	¥ 38,510	¥ 37,992	¥ 37,753	¥ 36,741	\$ 262,443
Interest on Loans and Bills Discounted	19,695	19,362	19,229	19,078	18,939	131,728
Interest and Dividends on Securities	10,730	11,809	11,578	11,681	11,133	71,767
Total Expenses	32,982	31,983	29,220	29,538	31,074	220,590
Income Before Income Taxes	6,257	6,526	8,771	8,215	5,666	41,853
Net Income	4,381	4,988	6,285	6,140	4,084	29,303
As of March 31						
Total Assets	¥2,790,034	¥2,925,230	¥2,902,132	¥3,117,342	¥2,953,933	\$18,659,938
Securities	831,102	893,480	881,616	940,834	905,726	5,558,468
Loans and Bills Discounted	1,309,487	1,307,667	1,310,039	1,301,955	1,282,126	8,757,940
Total Liabilities	2,675,823	2,796,287	2,789,783	2,995,179	2,823,617	17,896,089
Deposits	2,657,088	2,677,061	2,667,715	2,668,092	2,643,369	17,770,788
Total Net Assets	114,210	128,943	112,349	122,162	130,316	763,849
Number of Branches	89	90	90	90	94	
Number of Employees	1,759	1,804	1,864	1,892	1,930	
Deposits						
Per Branch	¥ 29,854	¥ 29,745	¥ 29,641	¥ 29,645	¥ 28,120	\$ 199,671
Per Employee	1,510	1,483	1,431	1,410	1,369	10,102
Loans and Bills Discounted						
Per Branch	14,713	14,529	14,555	14,466	13,639	98,403
Per Employee	744	724	702	688	664	4,978

Note: Figures stated in U.S. dollars are translated solely for convenience at ¥149.52 to U.S.\$1, the rate prevailing on March 31, 2025.

Supplemental Consolidated Financial Information (Unaudited)

The Johoku Shinkin Bank and Consolidated Subsidiaries

Years ended March 31, 2025 and 2024

	Millions of yen		Thousands of U.S. dollars
	2025	2024	2025
For the Fiscal Year:			
Total Income	¥ 39,293	¥ 38,570	\$ 262,796
Total Expenses	32,968	32,008	220,496
Income Before Income Taxes and Others	6,324	6,562	42,299
Profits Attributable to Owners of Parent	4,433	5,007	29,653
At Year-End:			
Deposits	¥2,656,677	¥2,676,671	\$17,768,041
Loans and Bills Discounted	1,309,069	1,307,352	8,755,143
Securities	830,912	893,290	5,557,198
Total Assets	2,789,874	2,924,950	18,658,872
Total Net Assets	114,320	129,001	764,585
Per Share Data:			
	Yen		U.S. dollars
Earnings Per Share (EPS)	¥ 73.40	¥ 81.79	\$ 0.490
Book-value Per Share (BPS)	1,911.66	2,122.41	12.785

Notes: 1. The supplemental consolidated financial information includes the accounts of the Bank and its three consolidated subsidiaries as of March 31, 2025.

2. Figures stated in U.S. dollars are translated solely for convenience at ¥149.52 to U.S.\$1, the rate prevailing on March 31, 2025.

Board of Directors and Auditors

As of June 25, 2025

President

Kotaro Omae

Senior Managing Director

Yuji Ishikawa

Managing Directors

Naoki Terada

Chiharu Yaginuma

Directors

Harunobu Edamura

Yoshinao Hamada

Akihiro Oyamada

Toshiaki Hosoya

Akihiko Taguchi

Tomokazu Maruyama

Takeshi Suzuki

Yukari Takahashi

Masakazu Sasaki (external)

Statutory Auditor

Masashi Sakamaki

Auditor

Takahiko Tai (external)

Bank Data

As of March 31, 2025

Date of Establishment:

May 31, 1921

Common Shares (Paid-in Capital):

¥34,902 million

Number of Members:

146,083

Number of Branches:

89

Number of Employees and Officers:

1,771

Head Office:

79-7, Arakawa 3-chome, Arakawa-ku,

Tokyo 116-0002, Japan

International & Treasury Division:

11-1, Toshima 1-chome, Kita-ku,

Tokyo 114-8521, Japan

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JOHOKU SHINKIN BANK

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