



Consolidated Summary Report (Under Japanese GAAP) for the Three Months Ended June 30, 2025

July 31, 2025

Company name: Kyoto Financial Group, Inc.
 Listing: Tokyo Stock Exchange
 Securities code: 5844
 URL: <https://www.kyoto-fg.co.jp/>
 Representative: Nobuhiro Doi Director and President
 Inquiries: Hideki Onishi Executive Officer, General Manager, Corporate Planning Division
 Scheduled date to commence dividend payments: -
 Trading accounts: None
 Preparation of supplementary material on financial results: Yes (Japanese only)
 Holding of financial results briefing: None

(Yen amounts and percentages are rounded down to millions and the first decimal place, unless otherwise noted.)

1. Consolidated Financial Results for the Three Months Ended June 30, 2025 (April 1, 2025 to June 30, 2025)

(1) Consolidated Operating Results

(Percentages indicate year-on-year changes.)

	Ordinary income		Ordinary profit		Net income attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%
For the three months ended June 30, 2025	52,779	10.6	17,646	(23.7)	12,996	(23.2)
June 30, 2024	47,703	-	23,137	-	16,939	-

(Note) Comprehensive income: Three months ended June 30, 2025: ¥ 167,280 million [443.4%]
 Three months ended June 30, 2024: ¥ 30,780 million [-%]

	Net income per share	Diluted net income per share
	Yen	Yen
For the three months ended June 30, 2025	45.12	45.12
June 30, 2024	57.98	57.94

(Note) The Company was incorporated on October 2, 2023. Therefore, the percentage change from the same quarter of the previous year is not stated.

(2) Consolidated Financial Position

	Total assets	Total net assets	Equity-to-asset ratio
	Millions of yen	Millions of yen	%
As of June 30, 2025	12,328,672	1,233,335	10.0
March 31, 2025	12,161,140	1,083,193	8.9

(Reference) Equity: As of June 30, 2025: ¥ 1,232,935 million
 As of March 31, 2025: ¥ 1,082,794 million

(Note) The Equity-to-asset ratio is computed by the formula shown below.

(Total net assets - Share acquisition rights - Non-controlling interests) / Total net assets

The figures for the equity-to-asset ratio on the above table were not based on the regulations on the equity-to-asset ratio.

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
For the fiscal year Ended March 31, 2025	-	30.00	-	30.00	60.00
Ending March 31, 2026	-				
Ending March 31, 2026(Forecast)		35.00	-	35.00	70.00

(Note) Revision to the forecast for dividends announced most recently: None

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2026(April 1, 2025 to March 31, 2026)

(Percentages indicate year-on-year changes.)

	Ordinary income		Ordinary profit		Net income attributable to owners of parent		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending September 30, 2025	101,500	22.6	31,400	5.7	21,800	2.5	75.17
Full year	199,700	19.3	58,100	14.1	40,000	9.4	137.94

(Note) Revision to the financial results forecast announced most recently: None

* Notes:

(1) Significant changes in the scope of consolidation during the period: None

(2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: None

(3) Changes in accounting policies, changes in accounting estimates, and restatement

A) Changes in accounting policies due to revisions to accounting standards and other regulations: None

B) Changes in accounting policies due to other reasons: None

C) Changes in accounting estimates: None

D) Restatement: None

(4) Number of issued shares (common shares)

A) Total number of issued shares at the end of the period (including treasury shares):

June 30, 2025: 301,362,752 shares

March 31, 2025: 301,362,752 shares

B) Number of treasury shares at the end of the period:

June 30, 2025: 15,247,897 shares

March 31, 2025: 11,388,209 shares

C) Average number of shares outstanding during the period:

Three months ended June 30, 2025: 287,986,358 shares

Three months ended June 30, 2024: 292,163,483 shares

* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: None

* Proper use of earnings forecasts, and other special matters

The description of future performance of this report is based on information which is presently available and certain assumptions which are considered to be reasonable, and it does not guarantee future performance.

Please take note that future performance may differ from forecasts depending on various future factors.

Supplementary information for quarterly financial statements is attached to the Consolidated Summary Report (Japanese only).

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1. Overview of Operating Results, etc.

(1) Overview of Operating Results for Three Months Ended June 30, 2025.

As for consolidated operating results, ordinary income increased by 5,075 million yen year-on-year to 52,779 million yen, due to an increase in interest on loans and bills discounted.

Ordinary expenses increased 10,566 million yen year-on-year to 35,133 million yen, due to an increase in deposit interest and operating expenses.

As a result, ordinary profit decreased by 5,491 million yen year-on-year to 17,646 million yen and net income attributable to owners of the parent decreased by 3,943 million yen year-on-year to 12,996 million yen.

(2) Overview of Financial Position for Three Months Ended June 30, 2025.

As for the consolidated financial position, deposits and negotiable certificates of deposit increased 54.4 billion yen from the end of the previous fiscal year to 9,626.4 billion yen, and loans and bills discounted increased 58.0 billion yen from the end of the previous fiscal year to 7,326.3 billion yen. Securities increased by 73.6 billion yen from the end of the previous fiscal year to 3,378.5 billion yen, of which valuation differences (unrealized gains) resulting from mark-to-market accounting amounted to 1,050.5 billion yen.

Total assets increased 167.5 billion yen from the end of the previous fiscal year to 12,328.6 billion yen, and net assets increased 150.1 billion yen from the end of the previous fiscal year to 1,233.3 billion yen.

(3) Explanation of Forward-Looking Statements, including Consolidated Earnings Forecast.

The consolidated earnings forecast for the fiscal year ending March 2026 remains unchanged from the forecast announced on May 15, 2025.

2. Quarterly Consolidated Financial Statements and Primary Notes

(1) Quarterly Consolidated Balance Sheet

(Millions of yen)

	As of March 31, 2025	As of June 30, 2025
Assets		
Cash and due from banks	1,341,005	1,090,995
Call loans and bills bought	58,666	303,659
Monetary claims bought	15,007	14,338
Trading securities	277	275
Money held in trust	6,306	6,385
Securities	3,304,862	3,378,546
Loans and bills discounted	7,268,234	7,326,305
Foreign exchanges	8,725	9,074
Lease receivables and investments in leases	38,137	39,647
Other assets	52,503	90,376
Tangible fixed assets	78,421	78,793
Intangible fixed assets	7,449	7,475
Retirement benefit asset	127	129
Deferred tax assets	1,064	1,050
Customers' liabilities for acceptances and guarantees	13,504	15,143
Allowance for loan losses	(33,153)	(33,524)
Total assets	12,161,140	12,328,672
Liabilities		
Deposits	9,261,131	9,491,327
Negotiable certificates of deposit	310,899	135,150
Call money and bills sold	64,293	18,501
Cash collateral received for securities lent	634,502	567,813
Borrowed money	437,330	437,320
Foreign exchanges	225	243
Borrowed money from trust account	3,727	3,603
Other liabilities	92,530	94,903
Retirement benefit liability	12,092	11,661
Provision for reimbursement of deposits	97	97
Provision for contingent loss	956	960
Reserves under special laws	0	0
Deferred tax liabilities	243,209	315,183
Deferred tax liabilities for land revaluation	3,445	3,429
Acceptances and guarantees	13,504	15,143
Total liabilities	11,077,946	11,095,337
Net assets		
Share capital	40,000	40,000
Capital surplus	37,473	37,473
Retained earnings	458,718	463,053
Treasury shares	(25,195)	(33,637)
Total shareholders' equity	510,997	506,889
Valuation difference on available-for-sale securities	566,698	720,990
Deferred gains or losses on hedges	430	500
Revaluation reserve for land	(2,766)	(2,802)
Remeasurements of defined benefit plans	7,434	7,356
Total accumulated other comprehensive income	571,796	726,045
Share acquisition rights	193	193
Non-controlling interests	205	205
Total net assets	1,083,193	1,233,335
Total liabilities and net assets	12,161,140	12,328,672

(2) Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statement of Income

For the three months ended June 30, 2025

	(Millions of yen)	
	For the three months ended June 30, 2024	For the three months ended June 30, 2025
Ordinary income	47,703	52,779
Interest income	34,663	38,032
Interest on loans and discounts	14,851	18,189
Interest and dividends on securities	18,214	17,651
Trust fees	0	0
Fees and commissions	6,613	7,079
Other ordinary income	3,354	6,744
Other income	3,072	923
Ordinary expenses	24,566	35,133
Interest expenses	5,893	9,912
Interest on deposits	3,714	6,284
Fees and commissions payments	1,008	936
Other ordinary expenses	2,066	6,515
General and administrative expenses	15,322	16,756
Other expenses	276	1,011
Ordinary profit	23,137	17,646
Extraordinary income	44	112
Gain on disposal of non-current assets	44	112
Extraordinary losses	52	99
Loss on disposal of non-current assets	28	99
Impairment losses	24	-
Provision of reserve for financial instruments transaction liabilities	0	0
Net income before income taxes	23,129	17,659
Income taxes - current	5,080	3,723
Income taxes - deferred	1,109	939
Total income taxes	6,190	4,662
Net income	16,939	12,997
Net income attributable to non-controlling interests	-	0
Net income attributable to owners of parent	16,939	12,996

Quarterly Consolidated Statement of Comprehensive Income
For the three months ended June 30, 2025

	(Millions of yen)	
	For the three months ended June 30, 2024	For the three months ended June 30, 2025
Net income	16,939	12,997
Other comprehensive income	13,840	154,283
Valuation difference on available-for-sale securities	13,460	154,291
Deferred gains or losses on hedges	255	70
Remeasurements of defined benefit plans, net of tax	125	(78)
Comprehensive income	30,780	167,280
(Break down)		
Comprehensive income attributable to owners of parent	30,780	167,280
Comprehensive income attributable to non-controlling interests	-	0

(3) Notes to Quarterly Consolidated Financial Statements

(Segment Information)

The Group's reportable segment is only banking business.

Other business segments have been omitted because they are not significant enough to be included in the reportable segments.

(Notes on significant Changes in the Amounts of Shareholders' Equity)

None

(Notes on Going Concern Assumption)

None

(Notes to Statements of Cash Flows)

The quarterly consolidated statements of cash flows for the first quarter of the current fiscal year have not been prepared.

Depreciation (includes amortization related to intangible assets excluding goodwill) and amortization of goodwill for the first quarter of the fiscal year are as follows.

	(Millions of yen)	
	For the three months ended June 30, 2024	For the three months ended June 30, 2025
Depreciation	892	1,075
Amortization of goodwill	-	23

(Significant Subsequent Events)

At its Board of Directors meeting held on March 31, 2025, the Company approved a plan for a company split (simplified incorporation-type company split) to transfer the "M&A advisory business" of its consolidated subsidiary, The Bank of Kyoto, Ltd., to the newly established Kyoto M&A Advisory Co., Ltd. As part of this plan, Kyoto M&A Advisory Co., Ltd. will become a wholly-owned subsidiary of the Company. The company split became effective on July 1, 2025.

A. Purpose of the company split

Amid a rising interest in M&A as an effective measure to prevent business closures of local companies due to the absence of a successor and to accelerate company growth, the Company's corporate group, leveraging its strong connection to the local region, will aim to achieve further growth, expand its business, and improve its services. This will be accomplished by establishing a subsidiary specializing in M&A advisory services to support our customers' aspirations and make those aspirations a reality in the future.

B. Summary of the company split

(A) Method of the company split

This company split is an incorporation-type company split in which The Bank of Kyoto is the splitting company and the newly established Kyoto M&A Advisory Co., Ltd is the successor company.

(B) Schedule of establishment of subsidiary and the company split

Board of Directors meeting for the approval of the plan for
incorporation-type company split March 31, 2025

Effective date of the incorporation-type company split July 1, 2025

* This incorporation-type company split is planned to be carried out without obtaining approval from a general meeting of shareholders because it is a simplified incorporation-type company split under Article 805 of the Companies Act.

(C) Allotment of shares in connection with the company split

Upon the incorporation-type company split, the successor Company will newly issue 10,000 shares of its common stock and allocate all of them to the splitting company. Simultaneously with this transaction, the splitting company will deliver all those shares to the Company, its wholly owning parent company.

(D) Outline of the business to be split off

Business description of the division to be split	M&A advisory business
Operating results of the division to be split (FY2025)	Net sales 969 million yen
Items and amounts of assets and liabilities to be split	Assets 203 million yen Liabilities -

(E) Outline of the newly established company from incorporation-type company split

Name	Kyoto M&A Advisory Co., Ltd.
Business description	M&A advisory business
Location of head office	731, Higashishiokoji-cho, Karasuma-dori, Shichijo-Sagaru, Shimogyo-ku, Kyoto, Japan
Name and title of representative	Motoyoshi Tanaka, Director and President
Capital	100 million yen

C. Overview of accounting treatment

The company split was treated as a transaction under common control in accordance with the "Accounting Standard for Business Combinations" (Accounting Standards Board of Japan ("ASBJ") Statement No. 21, January 16, 2019), the "Accounting Standard for Business Divestitures, etc." (ASBJ Statement No. 7, September 13, 2013) and the "Implementation Guidance on Accounting Standard for Business Combinations and Accounting Standard for Business Divestitures" (ASBJ Guidance No. 10, September 13, 2024).