

# FY2026 1st Quarter Financial Results Overview

July 31, 2026



Aozora launched a new brand communications campaign “**Creating Possibilities**” in July 2026.

In this era of accelerating change, we are committed to taking the next step forward together with our customers, society, and the financial world. “Creating Possibilities” expresses the future we aspire to create by putting into practice our management philosophy.

Through providing financing, we aim to create possibilities for our customers’ businesses and lives, to create possibilities for the growth and careers of each employee, and to create possibilities for society and the financial industry. We will actively pursue business opportunities that contribute to solving social issues.



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

# 1Q Financial Highlights

*01*

# Key points

## Profit attributable to owners of parent: **11.4 billion yen** (Progress rate: 43% / +82% year-on-year)

### 1. Enhanced core earnings —increased net interest income—

- Domestic net interest income increased to **10.8 billion yen (+41% yoy)**, driven by wider loan-to-deposit interest rate spreads. This was supported by maintaining higher loan yields mainly through our Strategic Investments Business, and by disciplined funding management focused on costs, leveraging a mix of corporate and retail deposits. Domestic loan outstandings declined by 11.3 billion yen from March 31, 2026, but increased by **66.2 billion yen** when excluding loans to the government
- Overseas net interest income was **4.9 billion yen (+27% yoy)**, supported by a weaker yen and lower foreign currency funding costs. Overseas loans increased slightly by USD 36 billion compared with March 31, 2026

### 2. Expansion of M&A market —increased non-interest income—

- Against the backdrop of a long-running and active M&A market, non-interest income increased to **15.9 billion yen (+30% yoy)**, driven by loan-related fees from LBO loans and gains from limited partnerships, supported by sizable exit gains in 1Q from buyout-related transactions

### 3. Growth drivers

- GMO Aozora Net Bank: The number of corporate accounts now exceeds **260,000**, while deposit balances increased to approximately 1.4 trillion yen. Net income for the period was **1.1 billion yen** (up from 0.1 billion yen a year earlier)
- Alliance with Daiwa Securities Group: Both corporate and retail businesses progressed steadily, with the scope of collaboration expanding into new areas such as financing for battery storage and aircraft leasing businesses
- AUM business: Sales of fund wrap products and investment trusts to retail customers were strong. AUM, including Aozora Investment Management's products, increased by **102.4 billion yen (+14%)** compared to March 31, 2026
- Legacy assets: We continued to sell legacy securities without maturity dates (credit ETFs), reducing the balance by **USD 51 million** in 1Q to **USD 235 million** (a **49%** decrease from the level at the start of the disposal process)
- CET1 ratio: Unrealized losses on securities\* improved by 13.9 billion yen from March 31, 2026, and our CET1 ratio is expected to improve to nearly 10%

### 4. 1Q dividend

- 25 yen per share (full-year dividend forecast: 100 yen per share)

\* Including hedging instruments

# Enhancing ROE

Mid-term Plan “Aozora 2027”

FY2027 ROE: approx. 7%

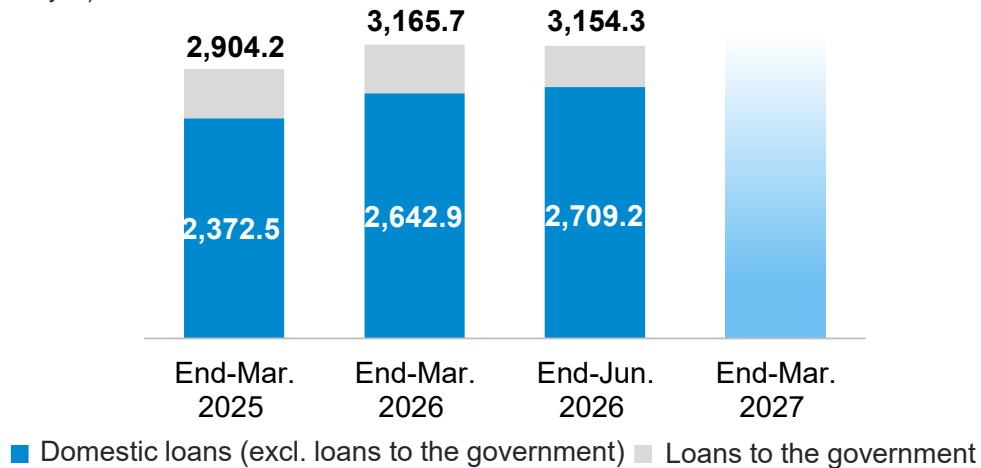
## Strengthening profitability

### Strategic Investments Business

Collaboration with  
Daiwa Securities Group

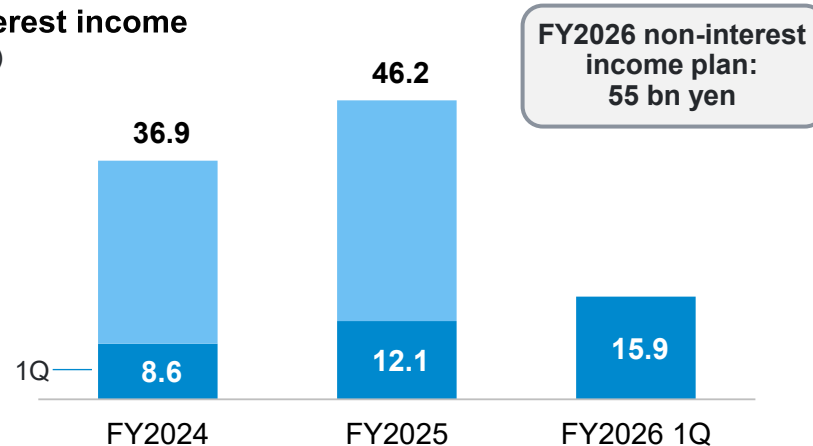
#### Domestic loan outstandings

(billion yen)



#### Non-interest income

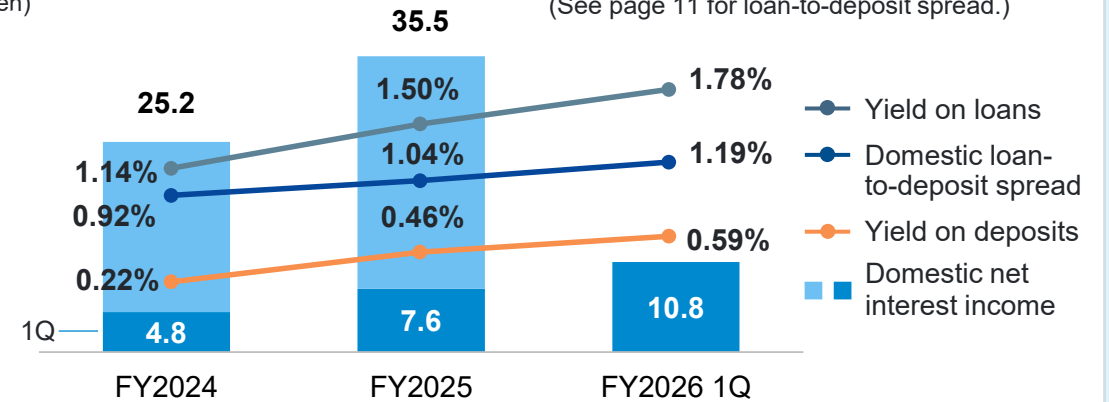
(billion yen)



#### Domestic net interest income and loan-to-deposit spread

(billion yen)

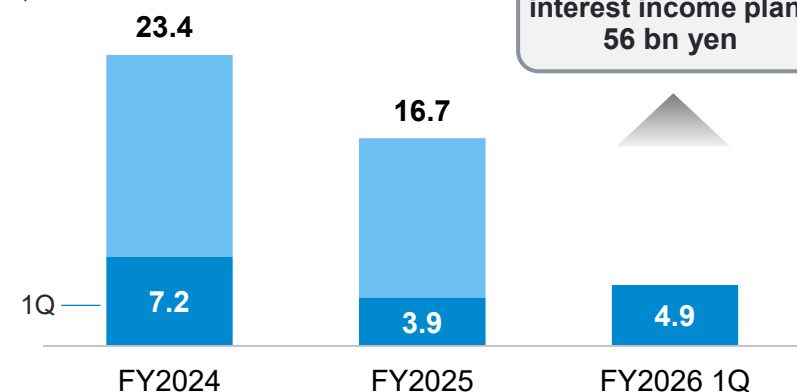
(See page 11 for loan-to-deposit spread.)



### Overseas investments and loans

#### Overseas net interest income

(billion yen)



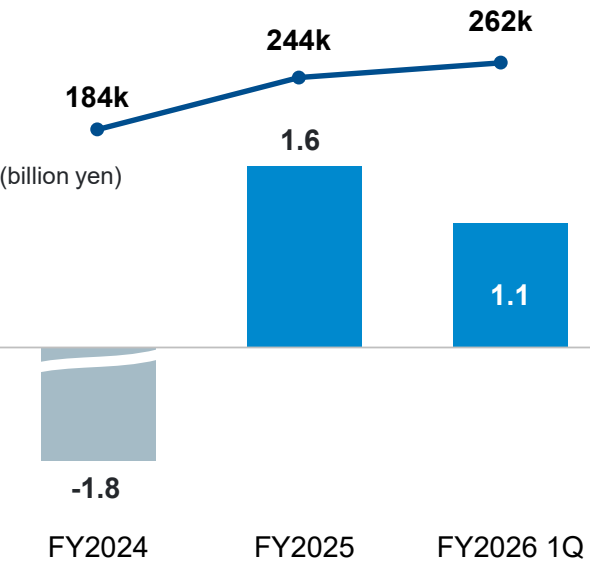
# Enhancing ROE

Mid-term Plan “Aozora 2027”  
FY2027 ROE: approx. 7%

## Strengthening profitability

### GMO Aozora Net Bank

Net income and number of corporate accounts\*1

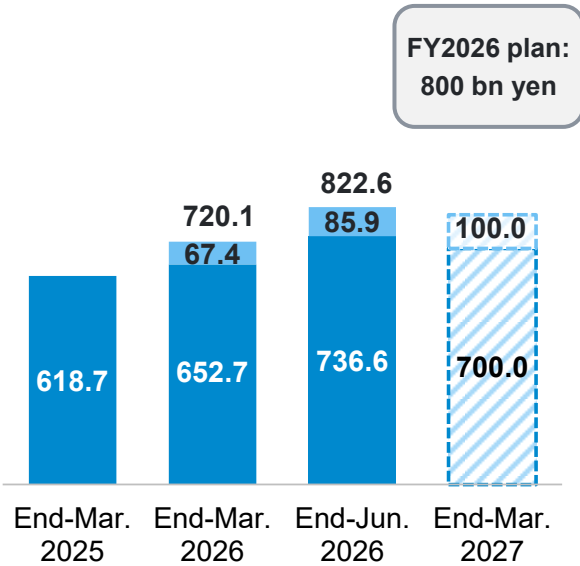


### AUM business

Collaboration with Daiwa Securities Group

AUM of investment trusts and fund wrap products for retail customers

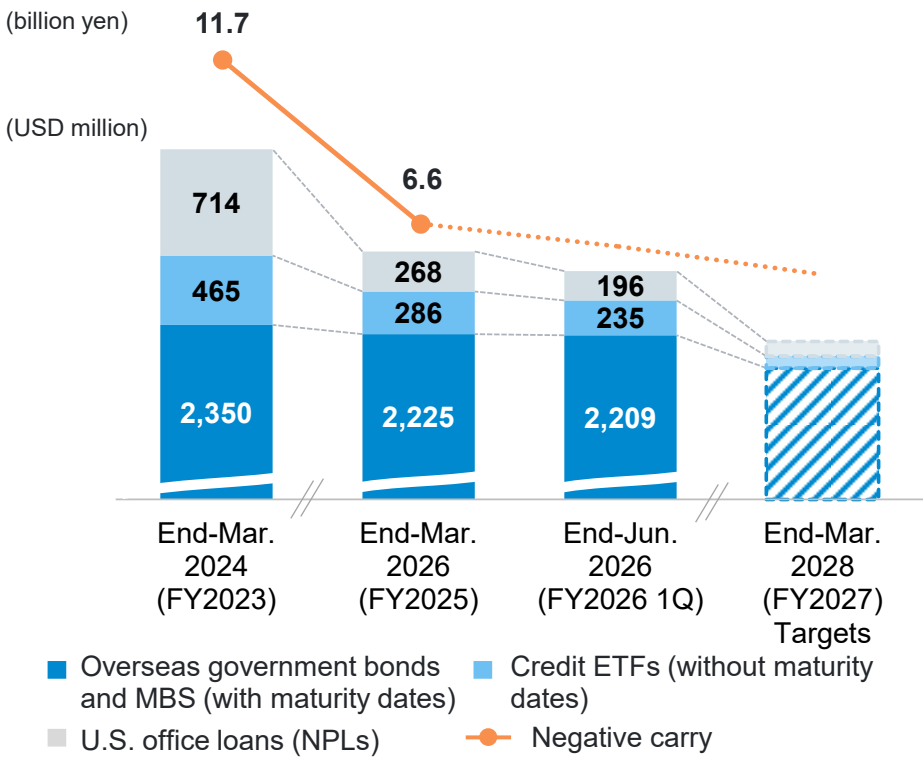
(billion yen)



## Improving profitability

### Reduction in legacy assets\*3

Outstanding balance of legacy securities and outlook



\*1 Number of corporate accounts as of the end of each period

\*2 Including AUM of Aozora Investment Management's products

\*3 Legacy assets refer to: (i) securities that Aozora acquired before the U.S. and European interest rate hikes in FY2022 and to which Aozora intends to reduce unrealized losses over the medium to long term; and (ii) NPLs in our U.S. office loans.

# 1Q Financial Results Overview

02

# P/L summary

|                                                       | (billion yen) | FY2025<br>1Q<br>A | FY2026<br>1Q<br>B    | Change<br>B - A | FY2026<br>Forecast | Progress   |
|-------------------------------------------------------|---------------|-------------------|----------------------|-----------------|--------------------|------------|
| <b>Net revenue</b>                                    |               | <b>23.8</b>       | <b>1</b> <b>31.7</b> | <b>+7.9</b>     | <b>111.0</b>       | <b>29%</b> |
| Net interest income                                   |               | 11.6              | 15.8                 | +4.2            |                    |            |
| Non-interest income                                   |               | 12.1              | 15.9                 | +3.7            |                    |            |
| General & administrative expenses                     |               | -15.7             | <b>2</b> -16.6       | -0.8            |                    |            |
| Gains/losses on equity method investments             |               | 0.5               | 0.7                  | +0.2            |                    |            |
| Gains/losses on stock transactions, etc.              |               | 0.5               | 0.3                  | -0.2            |                    |            |
| <b>Business profit*</b>                               |               | <b>9.1</b>        | <b>1</b> <b>16.2</b> | <b>+7.0</b>     | <b>44.0</b>        | <b>37%</b> |
| Credit-related expenses                               |               | -1.1              | <b>3</b> -2.5        | -1.3            |                    |            |
| <b>Ordinary profit</b>                                |               | <b>8.0</b>        | <b>13.9</b>          | <b>+5.9</b>     | <b>37.0</b>        | <b>38%</b> |
| Extraordinary profit/loss                             |               | -0.0              | -                    | -               |                    |            |
| <b>Profit before income taxes</b>                     |               | <b>8.0</b>        | <b>13.9</b>          | <b>+5.9</b>     |                    |            |
| Taxes                                                 |               | -1.6              | -1.9                 | -0.3            |                    |            |
| Profit/loss attributable to non-controlling interests |               | -0.0              | -0.4                 | -0.3            |                    |            |
| <b>Profit attributable to owners of parent</b>        |               | <b>6.3</b>        | <b>4</b> <b>11.4</b> | <b>+5.1</b>     | <b>27.0</b>        | <b>43%</b> |

- 1 Net revenue and business profit increased by 33% and 77% year-on-year, respectively, as net interest income and non-interest income remained strong mainly driven by the Strategic Investments Business
- 2 G&A expenses slightly increased year-on-year in association with GMO Aozora Net Bank's business expansion, representing 23% of the original budget (71 billion yen for FY2026)
- 3 Credit-related expenses were 2.5 billion yen, mainly related to domestic transactions, and were within the expected range of the full-year forecast (7 billion yen)
- 4 Profit attributable to owners of parent increased by 5.1 billion yen, or 82% year-on-year. Our tax burden was somewhat lower in 1Q, but it is expected to normalize over the full year

\* Formerly referred to as "business-related profit." Starting from full-year financial results for FY2025, business profit includes gains/losses on equity method investments and gains/losses on stock transactions, etc. (Gains/losses on stock transactions, etc. = Gains/losses on stock transactions + Net provision of allowance for investment loss + Gains/losses on equity derivatives). Results for 1Q of FY2025 have been revised retrospectively.

# Net interest income

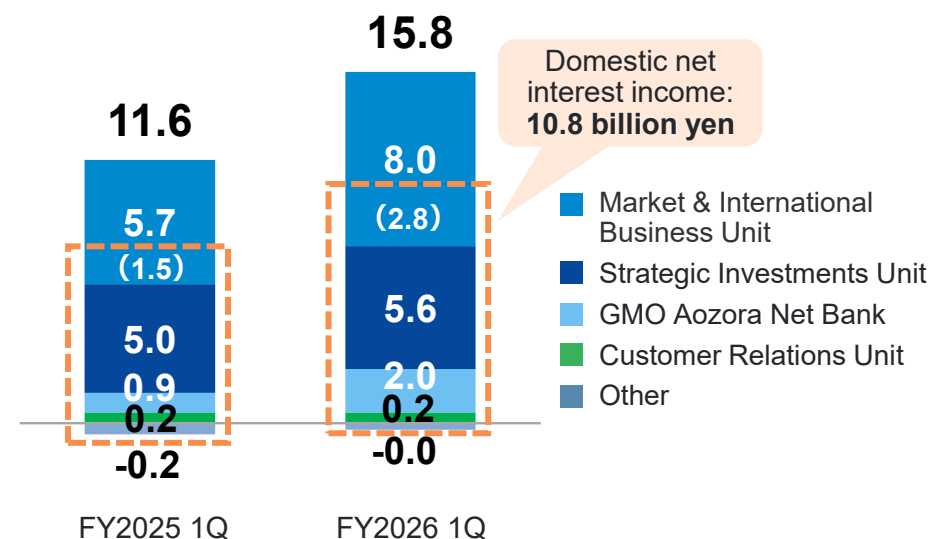
- Overall net interest income has now exceeded the preceding quarter's level for five consecutive quarters since 1Q of FY2025
- Domestic net interest income increased by 3.1 billion yen, or 41% year-on-year partly due to the positive effect of higher yen interest rates as well as higher average loan outstandings
- Overseas net interest income was a year-on-year increase of 1 billion yen (+27%), benefiting from a weaker yen and lower foreign currency funding costs

|                                            | FY2025<br>1Q<br>A | FY2026<br>1Q<br>B | Change<br>B - A |
|--------------------------------------------|-------------------|-------------------|-----------------|
| (billion yen)                              |                   |                   |                 |
| <b>Net interest income</b>                 | <b>11.6</b>       | <b>15.8</b>       | <b>+4.2</b>     |
| Domestic                                   | 7.6               | 10.8              | +3.1            |
| Overseas                                   | 3.9               | 4.9               | +1.0            |
| <b>Interest income</b>                     | <b>38.5</b>       | <b>42.6</b>       | <b>+4.1</b>     |
| Incl. interest on loans and discounts      | 29.2              | 31.9              | +2.7            |
| Incl. interest and dividends on securities | 5.9               | 6.7               | +0.8            |
| <b>Interest expenses</b>                   | <b>-26.9</b>      | <b>-26.7</b>      | <b>+0.1</b>     |
| Incl. interest on deposits and NCDs        | -6.8              | -9.8              | -3.0            |
| Incl. repurchase interest, etc.            | -4.0              | -4.0              | -0.0            |
| Incl. interest on swaps                    | -13.5             | -10.4             | +3.0            |

## Net interest income breakdown by business segment\*

(billion yen)

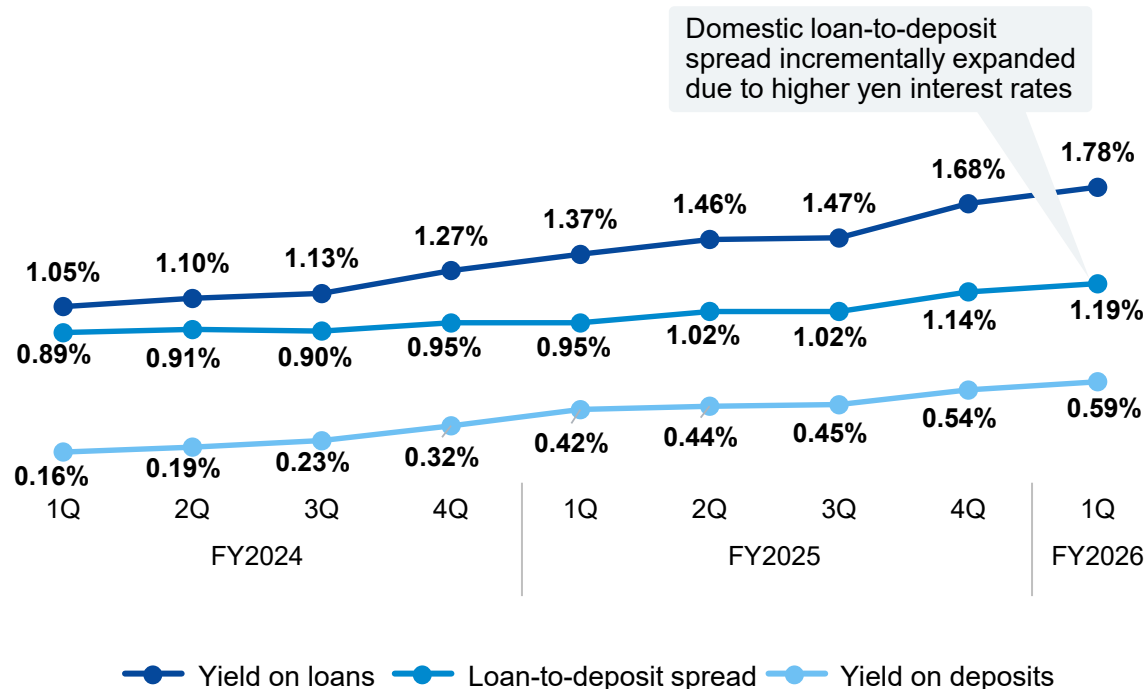
(See pages 24 and onward for results by business segment.)



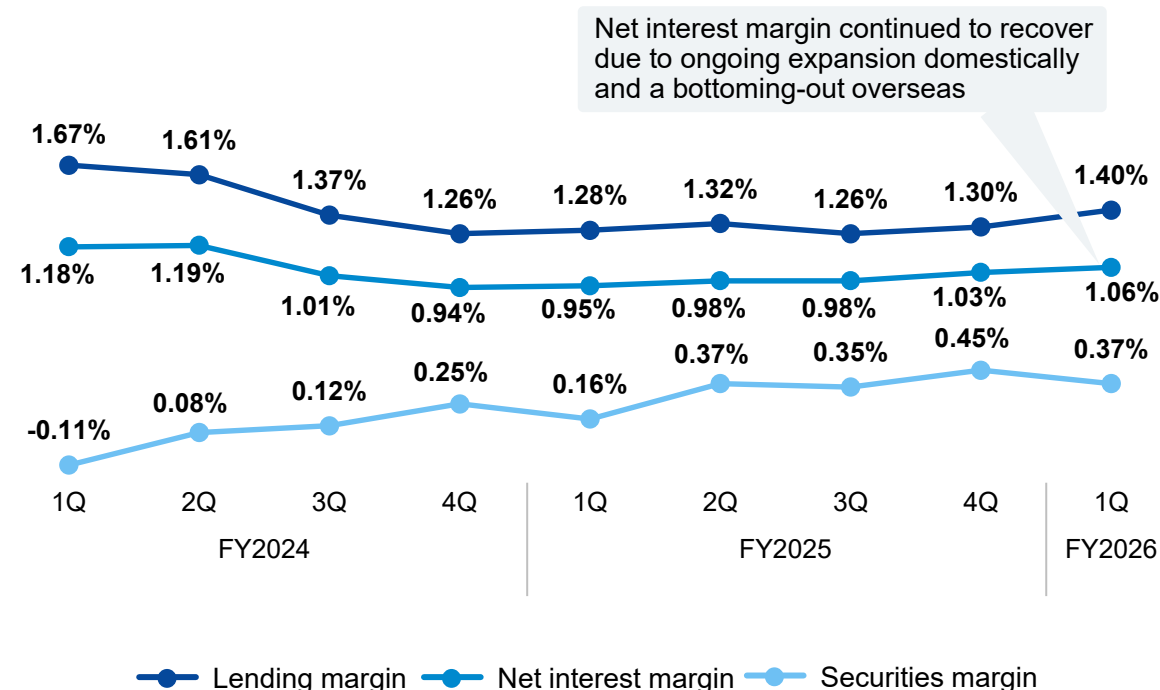
\* Management accounting basis

# Net interest income: detailed breakdown

## Domestic loan-to-deposit spread



## Net interest margin, lending margin and securities margin



## Impact of higher yen interest rates

Estimated impact of higher yen interest rates on annual net interest income: **+3.1 billion yen**

### Estimate assumptions:

- Non-consolidated and management accounting basis
- An interest rate increase of 0.25% for all terms
- No change in the balance sheet from June 30, 2026
- Pass-through to interest rates on deposits: 75%

## Non-interest income / Gains/losses on stock transactions / Gains/losses on equity method investments

- Non-interest income performed strongly, driven by loan-related fee income, GMO Aozora Net Bank's fee income, and gains/losses from limited partnerships
- Overall non-interest income increased by 3.7 billion yen, or 30% year-on-year, offsetting a net loss on bond transactions mainly from the sale of legacy assets (securities)

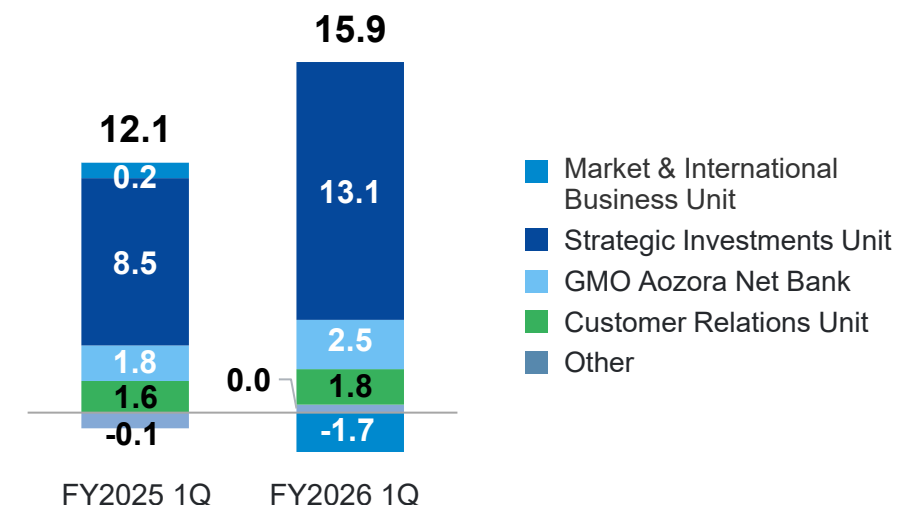
|                                                  | FY2025<br>1Q<br>A | FY2026<br>1Q<br>B | Change<br>B - A |
|--------------------------------------------------|-------------------|-------------------|-----------------|
| (billion yen)                                    |                   |                   |                 |
| <b>Non-interest income</b>                       | <b>12.1</b>       | <b>15.9</b>       | <b>+3.7</b>     |
| <b>Net fees and commissions</b>                  | <b>6.6</b>        | <b>8.4</b>        | <b>+1.7</b>     |
| Incl. loan-related fee income                    | 2.5               | 3.7               | +1.1            |
| Incl. GMO Aozora Net Bank fee income             | 1.8               | 2.5               | +0.7            |
| Incl. investment trust fee income                | 1.1               | 1.2               | +0.1            |
| Incl. M&A fee income                             | 0.5               | 0.1               | -0.3            |
| <b>Net trading revenues</b>                      | <b>0.2</b>        | <b>1.5</b>        | <b>+1.3</b>     |
| <b>Net other ordinary income</b>                 | <b>5.3</b>        | <b>5.8</b>        | <b>+0.5</b>     |
| Incl. gains/losses on bond transactions          | 1.0               | -2.5              | -3.5            |
| Incl. gains/losses from limited partnerships     | 4.0               | 7.1               | +3.1            |
| Real estate/Distressed loan-related              | 1.4               | 0.9               | -0.5            |
| Buyout/venture-related                           | 1.9               | 5.9               | +3.9            |
| Other                                            | 0.5               | 0.2               | -0.2            |
| <b>Gains/losses on stock transaction</b>         | <b>0.6</b>        | <b>0.4</b>        | <b>-0.1</b>     |
| <b>Gains/losses on equity method investments</b> | <b>0.5</b>        | <b>0.7</b>        | <b>+0.2</b>     |

Aozora's results included 15% of OCB's January–March net profit (incl. goodwill amortization).

### Non-interest income breakdown by business segment\*

(billion yen)

(See pages 24 and onward for results by business segment.)



\* Management accounting basis

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

\* The exchange rate of VND 1 = JPY 0.0060 was used.



(billion yen)

Net profit \*

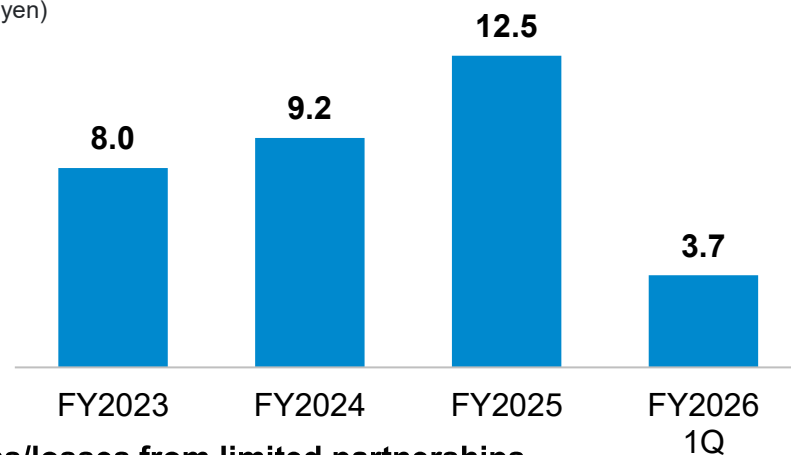
| Jan.-Mar.<br>2025<br>A | Jan.-Mar.<br>2026<br>B | Change<br>B - A |
|------------------------|------------------------|-----------------|
| 4.2                    | 5.8                    | +1.5            |

# Non-interest income: detailed breakdown

- Loan-related fee income increased mainly from LBO finance against the backdrop of the ongoing active M&A market
- Gains from limited partnerships increased significantly in 1Q, driven by sizable exit gains from buyout-related transactions that were concentrated in the period. These gains are expected to normalize over the full year

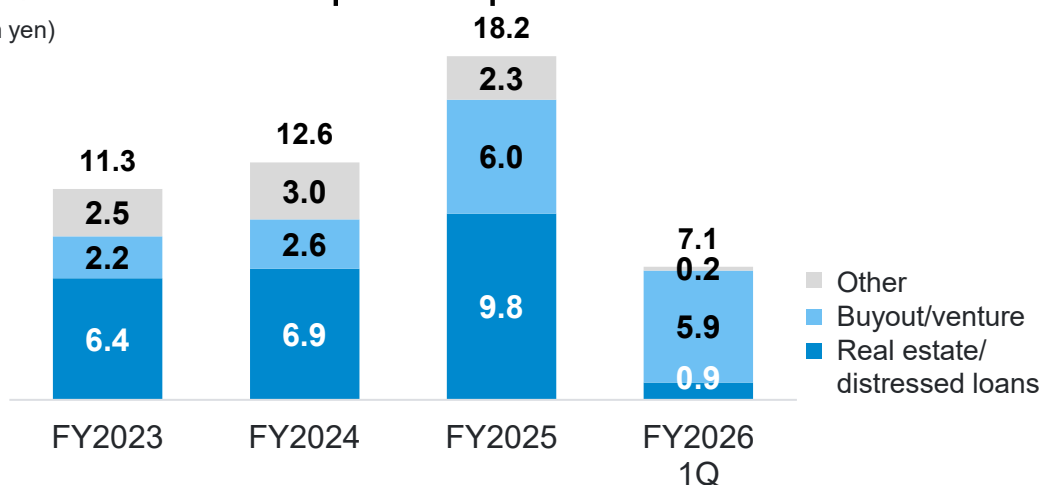
## Loan-related fee income

(billion yen)



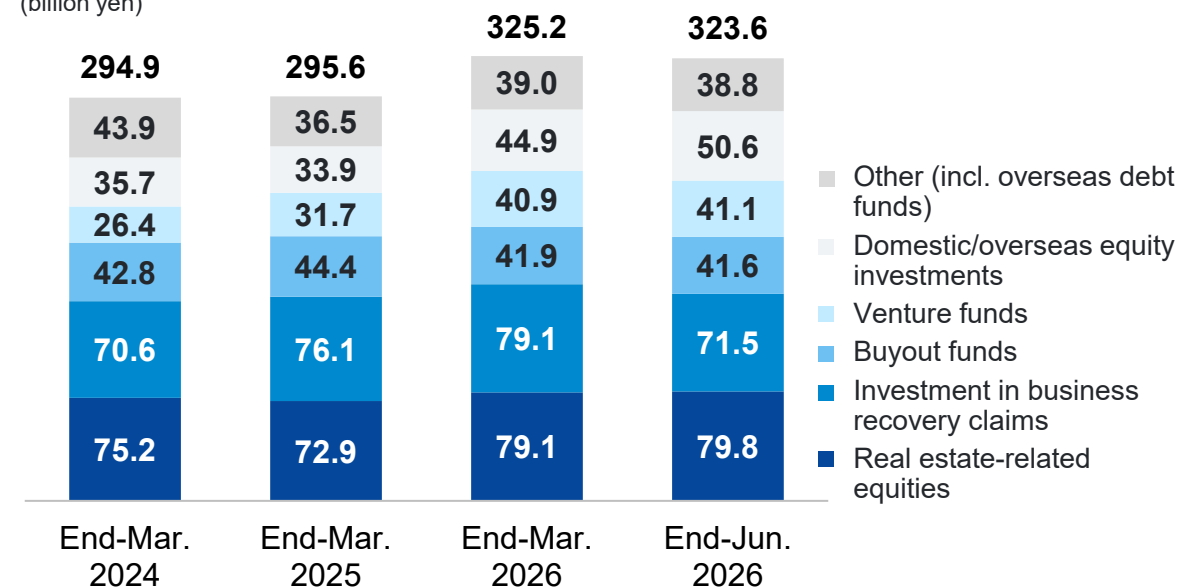
## Gains/losses from limited partnerships

(billion yen)



## Equity investments

(billion yen)



# Balance sheet summary

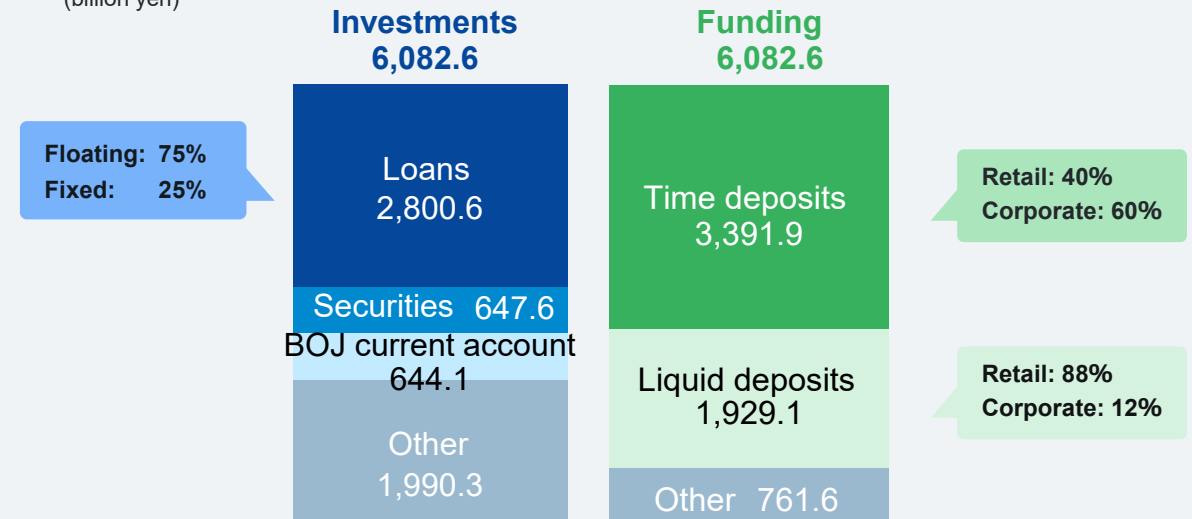
Vs. March 31, 2026

**Total assets: 8.6 trillion yen** **+43.7 bn yen**



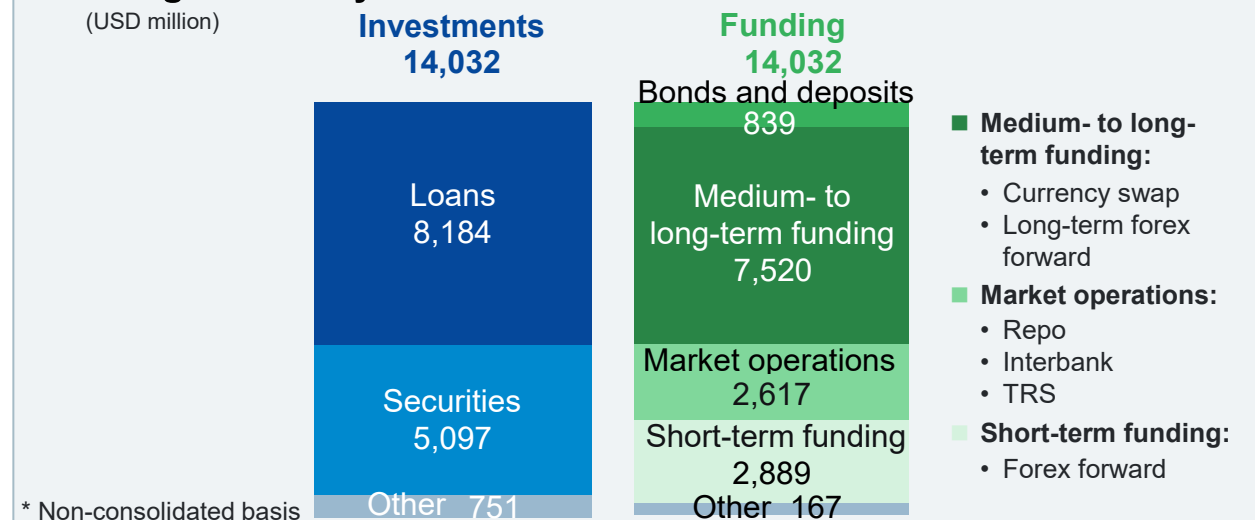
## Yen currency balance sheet\*

(billion yen)



## Foreign currency balance sheet\*

(USD million)

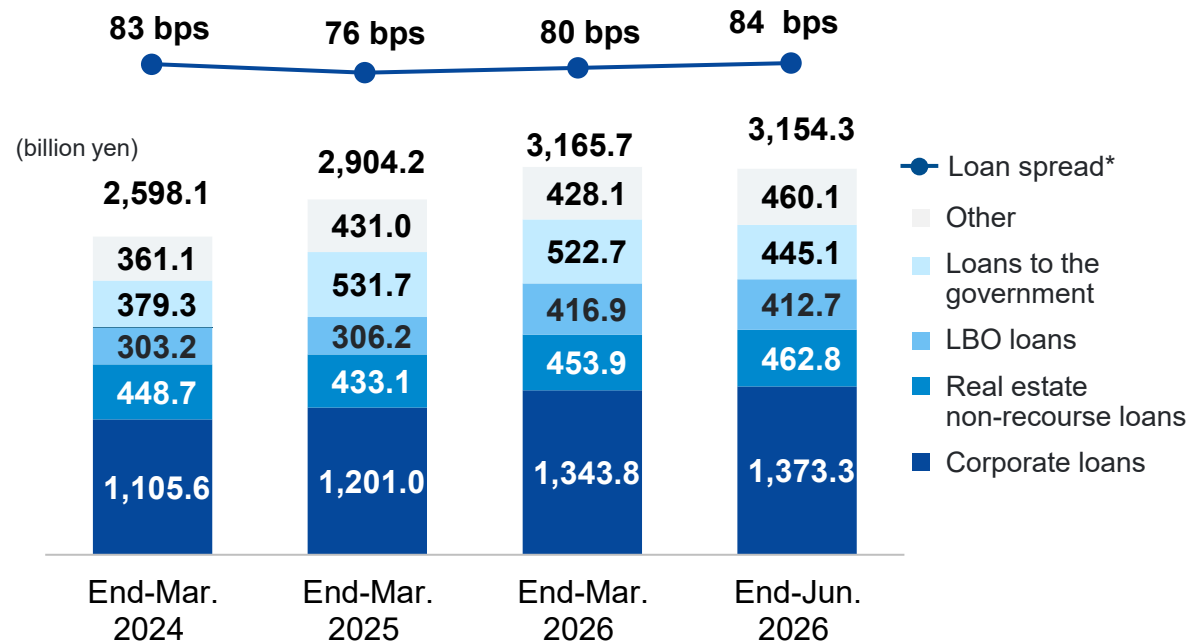


\* Non-consolidated basis

# Domestic loans

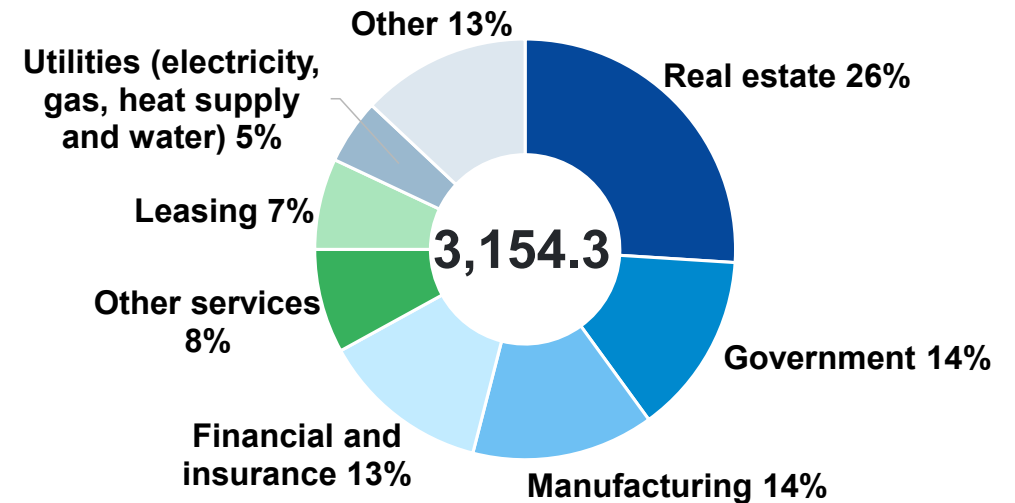
- Domestic loan outstandings (excluding loans to the government) increased by 66.2 billion yen compared to March 31, 2026, mainly in corporate loans
- LBO loan exposure remained almost unchanged compared to March 31, 2026. While our LBO loans saw some large repayments, new originations continued to be active due to strong market conditions

Domestic loan outstandings and loan spread\*



Domestic loans by industry

(billion yen)

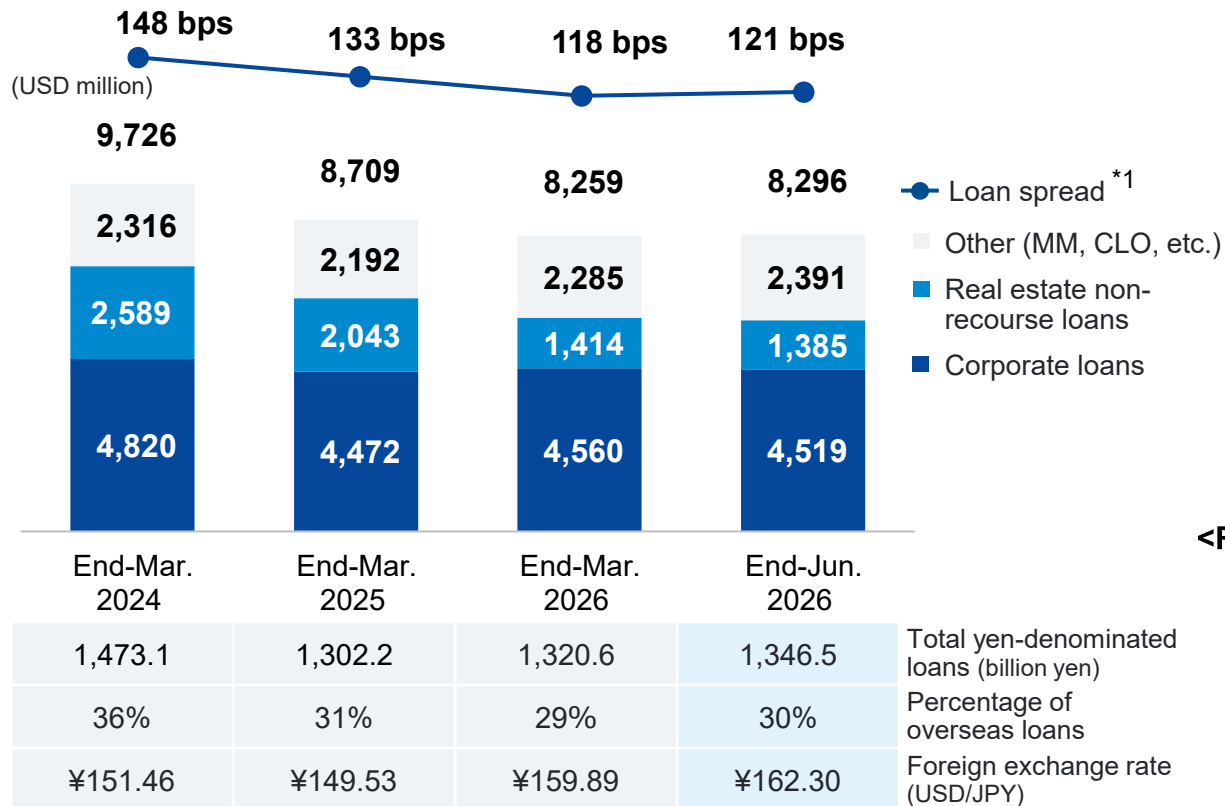


\* Non-consolidated and management accounting basis. As of the end of each period

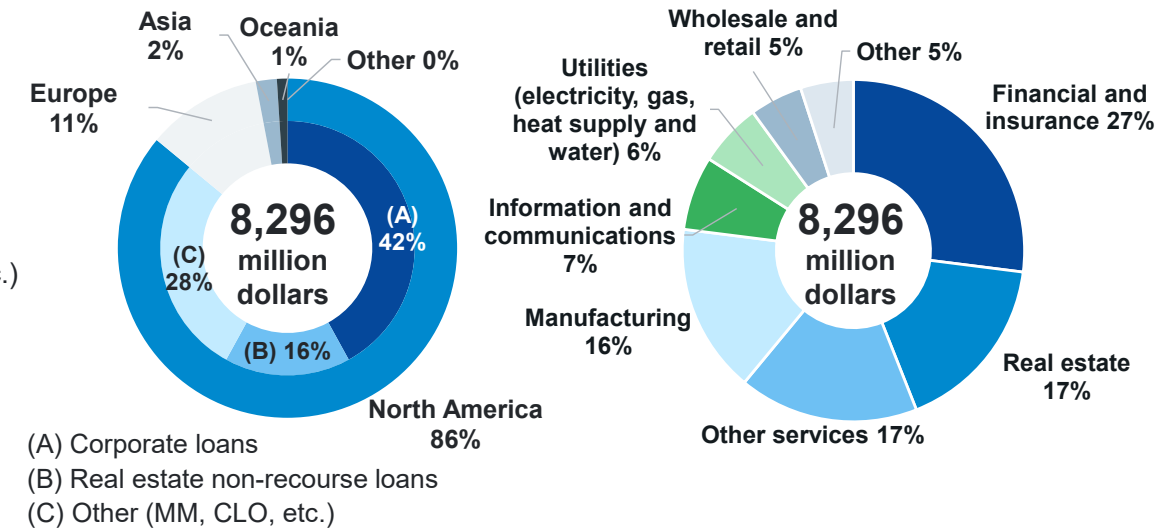
# Overseas loans

- Overseas corporate loan outstandings decreased slightly by USD 41 million compared to March 31, 2026 under our ongoing focus on the credit quality of our loan portfolio
- Overseas real estate non-recourse loan outstandings were reduced by USD 30 million compared to March 31, 2026 as we continued to focus on collecting repayments of U.S. office loans

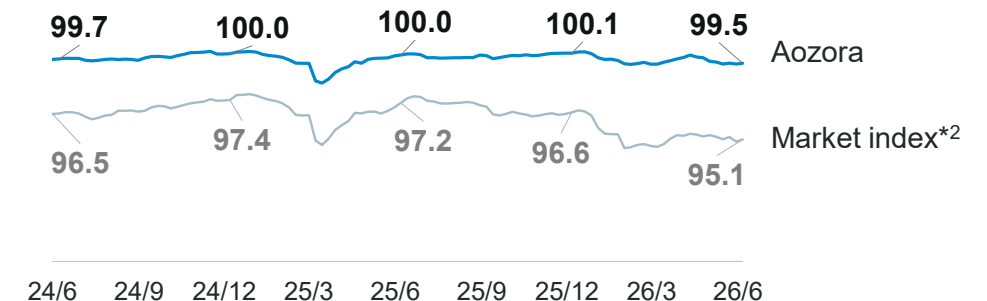
## Overseas loan outstandings and loan spread\*1



## Overseas loans by region and industry



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



\*1 Non-consolidated and management accounting basis. As of the end of each period

\*2 Source: PitchBook Data, Inc.

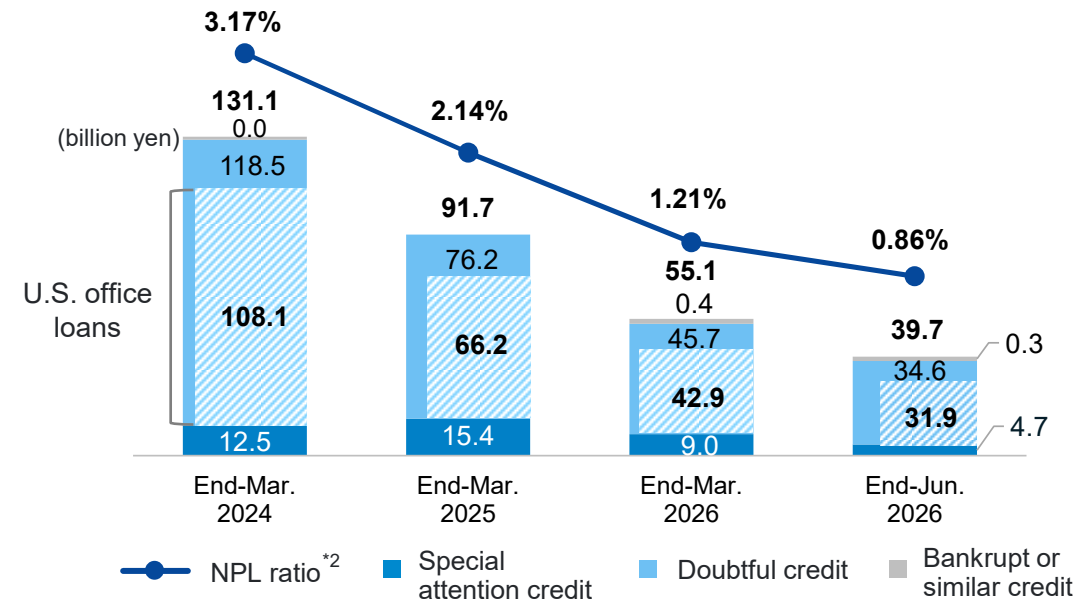
# Asset quality

- The number of “In Danger of Bankruptcy” borrowers was reduced by 2 names and exposure by USD 71 million compared to March 31, 2026 as we continued the recovery of our legacy U.S. office loans
- The NPL ratio declined to below 1%

## Credit-related expenses

|                                | FY2025<br>1Q<br>A | FY2026<br>1Q<br>B | Change<br>B - A |
|--------------------------------|-------------------|-------------------|-----------------|
| (billion yen)                  |                   |                   |                 |
| <b>Credit-related expenses</b> | <b>-1.1</b>       | <b>-2.5</b>       | <b>-1.3</b>     |
| U.S. office loans              | -1.1              | 0.2               | +1.3            |
| Other than U.S. office loans   | -0.0              | -2.7              | -2.7            |

## Non-performing loans based on the FRA\*1



## U.S. office loans

|                       | End-Dec. 2023 |            |                 |                     | End-Mar. 2025 |            |                 |                     | End-Mar. 2026 |            |                 |                     | End-Jun. 2026 |            |                 |                     |
|-----------------------|---------------|------------|-----------------|---------------------|---------------|------------|-----------------|---------------------|---------------|------------|-----------------|---------------------|---------------|------------|-----------------|---------------------|
|                       | Balance       | Reserves   | Reserve ratio*3 | Number of borrowers | Balance       | Reserves   | Reserve ratio*3 | Number of borrowers | Balance       | Reserves   | Reserve ratio*3 | Number of borrowers | Balance       | Reserves   | Reserve ratio*3 | Number of borrowers |
| (USD million)         |               |            |                 |                     |               |            |                 |                     |               |            |                 |                     |               |            |                 |                     |
| LTV: less than 100%   | 1,174         | 37         | 3.1%            | 26                  | 994           | 48         | 4.8%            | 23                  | 719           | 41         | 5.7%            | 17                  | 722           | 48         | 6.6%            | 17                  |
| LTV: over 100% (NPLs) | 719           | 320        | 44.5%           | 21                  | 442           | 187        | 42.3%           | 14                  | 268           | 110        | 41.2%           | 8                   | 196           | 73         | 37.5%           | 6                   |
| <b>Total</b>          | <b>1,893</b>  | <b>357</b> | <b>18.8%</b>    | <b>47</b>           | <b>1,437</b>  | <b>235</b> | <b>16.3%</b>    | <b>37</b>           | <b>987</b>    | <b>151</b> | <b>15.3%</b>    | <b>25</b>           | <b>918</b>    | <b>121</b> | <b>13.2%</b>    | <b>23</b>           |

Legacy assets

\*1 Financial Reconstruction Act

\*2 Ratio of NPLs to total exposure

\*3 Total exposure basis

# Securities

- Unrealized gains/losses, including unrealized gains/losses on hedging instruments, were a net loss of 15.6 billion yen, an improvement of 13.9 billion yen compared to March 31, 2026, benefiting from a strong equity market

## Book value

| (billion yen)                                                                 | End-Mar.<br>2025 | End-Mar.<br>2026<br>A | End-Jun.<br>2026<br>B | Change<br>B - A |
|-------------------------------------------------------------------------------|------------------|-----------------------|-----------------------|-----------------|
| JGBs                                                                          | 265.4            | 331.7                 | 348.8                 | +17.0           |
| Equities                                                                      | 29.9             | 37.7                  | 47.9                  | +10.2           |
| Foreign bonds                                                                 | 570.9            | 600.8                 | 631.1                 | +30.2           |
| Other *1                                                                      | 489.0            | 464.4                 | 471.2                 | +6.7            |
| <b>Total</b>                                                                  | <b>1,355.4</b>   | <b>1,434.8</b>        | <b>1,499.1</b>        | <b>+64.3</b>    |
| USD/JPY                                                                       | ¥149.53          | ¥159.89               | ¥162.30               | ¥2.41           |
| Unrealized gains/losses, incl. unrealized gains/losses on hedging instruments |                  |                       |                       |                 |

## Unrealized gains/losses

| End-Mar.<br>2025 | End-Mar.<br>2026<br>C | End-Jun.<br>2026<br>D | Change<br>D - C |
|------------------|-----------------------|-----------------------|-----------------|
| -6.6             | -8.6                  | -10.4                 | -1.7            |
| 12.5             | 18.5                  | 27.1                  | +8.5            |
| -49.6            | -45.1                 | -45.6                 | -0.5            |
| -10.7            | -1.3                  | 6.3                   | +7.6            |
| <b>-54.5</b>     | <b>-36.6</b>          | <b>-22.6</b>          | <b>+13.9</b>    |
| <b>-50.7</b>     | <b>-29.5</b>          | <b>-15.6</b>          | <b>+13.9</b>    |

## Market risk (10 BPV) \*2

| (billion yen)                        | End-Mar.<br>2025 | End-Mar.<br>2026 | End-Jun.<br>2026 |
|--------------------------------------|------------------|------------------|------------------|
| ALM securities operations            | -1.0             | -1.5             | -1.6             |
| Incl. yen interest rate risk         | -0.5             | -0.5             | -0.5             |
| Incl. U.S. dollar interest rate risk | -0.6             | -0.9             | -0.9             |

## Duration of bonds \*2

|                  | End-Mar.<br>2025 | End-Mar.<br>2026 | End-Jun.<br>2026 |
|------------------|------------------|------------------|------------------|
| JGBs             | 7 years          | 7 years          | 5 years          |
| Municipal bonds  | 5 years          | 8 years          | 8 years          |
| U.S. govt. bonds | 4 years          | 4 years          | 4 years          |
| MBS              | 8 years          | 8 years          | 7 years          |

\*1 Including ETFs, investments in limited partnerships, REITs, and investment trusts

\*2 Non-consolidated basis

# Legacy and non-legacy securities\*1

- We continued the sale of our legacy securities without maturity dates (credit ETFs), reducing the outstanding balance to USD 235 million, half the level at the start of the disposal process. Unrealized losses were reduced to 7.8 billion yen

## Book value and unrealized gains/losses of non-legacy/legacy assets

|                   | Book value<br>(billion yen) |                  |                  | Unrealized gains/losses <sup>*2</sup><br>(billion yen) |                  |                  |
|-------------------|-----------------------------|------------------|------------------|--------------------------------------------------------|------------------|------------------|
|                   | End-Mar.<br>2025            | End-Mar.<br>2026 | End-Jun.<br>2026 | End-Mar.<br>2025                                       | End-Mar.<br>2026 | End-Jun.<br>2026 |
| Non-legacy assets | 940.5                       | 1,020.2          | 1,089.7          | 5.8                                                    | 18.3             | 31.3             |
| Domestic bonds    | 265.4                       | 331.7            | 348.8            | -5.9                                                   | -6.9             | -8.0             |
| Equities          | 29.9                        | 37.7             | 47.9             | 12.5                                                   | 18.5             | 27.1             |
| Foreign bonds     | 281.4                       | 288.4            | 316.1            | -1.2                                                   | -0.2             | -0.8             |
| Other             | 363.7                       | 362.3            | 376.8            | 0.4                                                    | 7.0              | 13.0             |

|                                            | Book value<br>(billion yen)                                |                  |                  | Unrealized gains/losses <sup>*2</sup><br>(billion yen) |                  |                  |
|--------------------------------------------|------------------------------------------------------------|------------------|------------------|--------------------------------------------------------|------------------|------------------|
|                                            | End-Mar.<br>2025                                           | End-Mar.<br>2026 | End-Jun.<br>2026 | End-Mar.<br>2025                                       | End-Mar.<br>2026 | End-Jun.<br>2026 |
| Legacy assets                              | 414.8                                                      | 414.5            | 409.4            | -56.6                                                  | -47.9            | -46.9            |
| Bear funds                                 | 65.9                                                       | 63.4             | 62.2             |                                                        |                  |                  |
|                                            | Book value <sup>*3</sup><br>(million in original currency) |                  |                  | Unrealized gains/losses <sup>*2</sup><br>(billion yen) |                  |                  |
| U.S. govt. bonds (USD)                     | 1,150                                                      | 1,150            | 1,150            | -9.5                                                   | -7.5             | -7.1             |
| European govt. bonds (EUR)                 | 315                                                        | 315              | 315              | -6.4                                                   | -5.5             | -5.1             |
| MBS (USD)                                  | 767                                                        | 713              | 700              | -27.2                                                  | -25.8            | -26.7            |
| Credit ETFs (investment grade bonds) (USD) | 465                                                        | 286              | 235              | -13.4                                                  | -8.9             | -7.8             |

\*1 Securities that Aozora acquired before the U.S. and European interest rate hikes in FY2022 and to which Aozora intends to reduce unrealized losses over the medium to long term

\*2 Unrealized gains/losses including hedging instruments (derivatives, bear funds)

\*3 Face or book value basis, excluding hedging instruments

# Funding

- Retail deposits slightly decreased compared to March 31, 2026, but are now on an upward trend as a result of our recent promotional time deposit campaign for new customers as well as higher interest rates on ordinary deposits started in July
- A portion of GMO Aozora Net Bank's deposits has been placed with Aozora Bank in order to enhance efficiency in the Group's funding positions

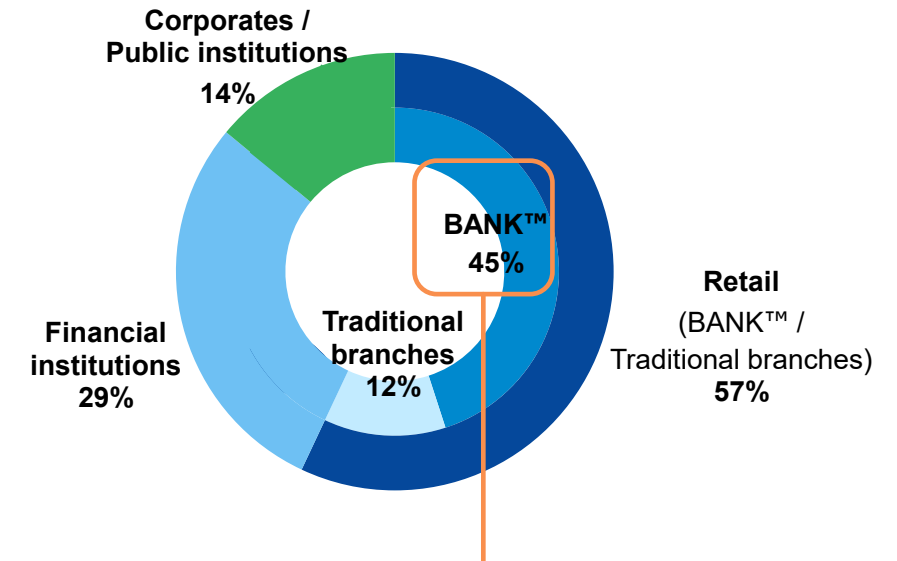
|                                                    | End-Mar.<br>2025 | End-Mar.<br>2026<br>A | End-Jun.<br>2026<br>B | Change<br>B - A |
|----------------------------------------------------|------------------|-----------------------|-----------------------|-----------------|
| (billion yen)                                      |                  |                       |                       |                 |
| <b>Funding<br/>(consolidated basis)</b>            | <b>6,276.1</b>   | <b>6,645.7</b>        | <b>6,598.6</b>        | <b>-47.0</b>    |
| Deposits / NCDs                                    | 5,672.9          | 6,094.4               | 6,053.1               | -41.2           |
| Borrowed money *1                                  | 478.6            | 493.3                 | 496.8                 | +3.5            |
| Bonds                                              | 124.6            | 57.9                  | 48.6                  | -9.2            |
| <b>Funding<br/>(non-consolidated basis) *2 (A)</b> | <b>5,359.5</b>   | <b>5,457.2</b>        | <b>5,457.9</b>        | <b>+0.7</b>     |
| Retail deposits (B)                                | 3,181.7          | 3,081.5               | 3,075.6               | -5.9            |
| Corporate deposits *3                              | 2,053.1          | 2,317.6               | 2,333.6               | +15.9           |
| Bonds                                              | 124.6            | 57.9                  | 48.6                  | -9.2            |
| Retail funding ratio (B) / (A)                     | 59%              | 56%                   | 56%                   |                 |
| Loan-to-deposit ratio                              | 71%              | 74%                   | 75%                   |                 |

\*1 Excluding borrowings from the BOJ

\*2 Management accounting basis

\*3 Including NCDs and borrowed money, and excluding borrowings from the BOJ

## By customer segment (non-consolidated basis)\*2



## BANK deposit breakdown

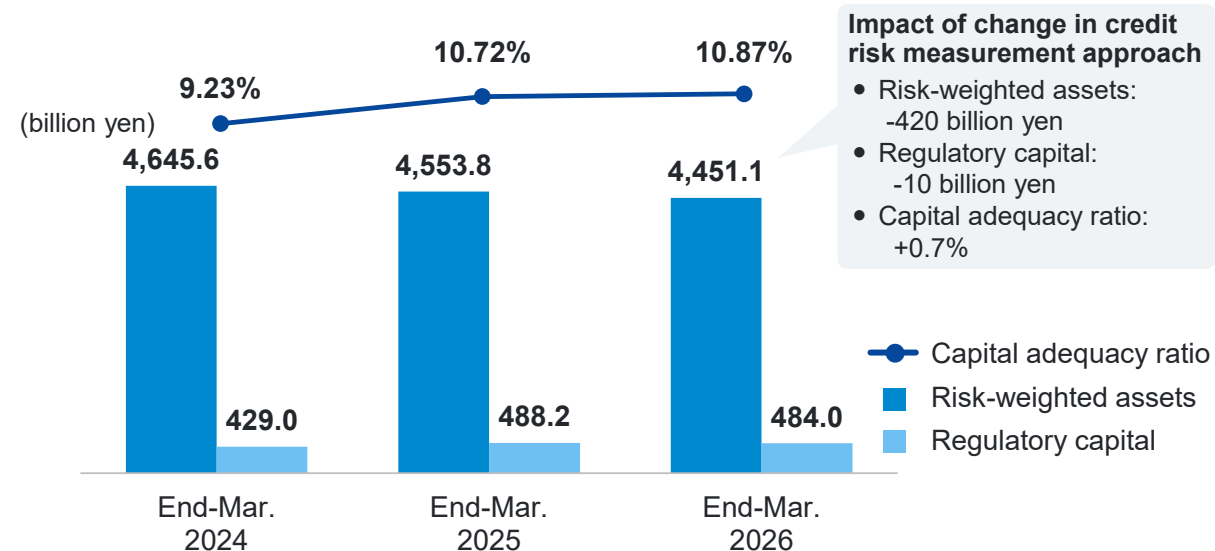
|                 | End-Mar.<br>2025 | End-Mar.<br>2026 | End-Jun.<br>2026 |
|-----------------|------------------|------------------|------------------|
| Liquid deposits | 57.9%            | 57.1%            | 57.2%            |
| Time deposits   | 42.1%            | 42.9%            | 42.8%            |

# Reference: Capital adequacy ratio (as of March 31, 2026)\*

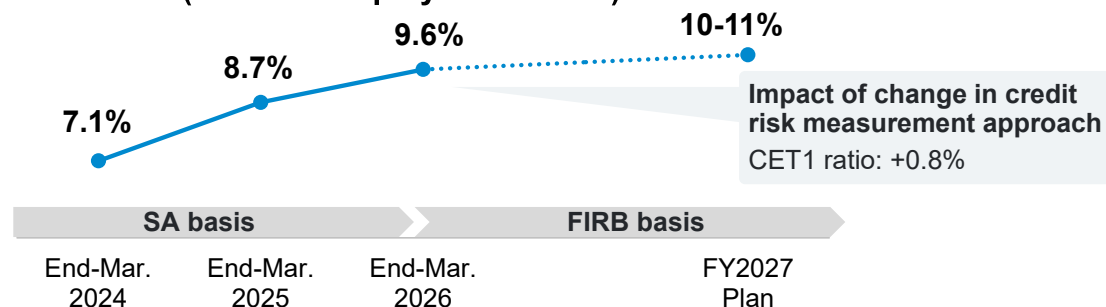
- The CET1 ratio as of June 30, 2026 is expected to increase to nearly 10% due to the reduction in unrealized losses on securities

## Domestic standard

| (billion yen)                | End-Mar.<br>2024 | End-Mar.<br>2025<br>A | End-Mar.<br>2026<br>B | Change<br>B - A |
|------------------------------|------------------|-----------------------|-----------------------|-----------------|
| Capital adequacy ratio       | 9.23%            | 10.72%                | 10.87%                | +0.15%          |
| Regulatory capital (A) - (B) | 429.0            | 488.2                 | 484.0                 | -4.1            |
| Instruments and reserves (A) | 467.5            | 529.7                 | 529.3                 | -0.4            |
| Shareholders' equity         | 413.1            | 475.1                 | 488.1                 | +13.0           |
| Other                        | 54.4             | 54.5                  | 41.1                  | -13.4           |
| Regulatory adjustment (B)    | 38.5             | 41.4                  | 45.2                  | +3.7            |
| Risk-weighted assets         | 4,645.6          | 4,553.8               | 4,451.1               | -102.6          |
| Credit risk assets           | 4,273.1          | 4,248.9               | 3,568.3               | -680.5          |
| Market risk                  | 238.9            | 177.6                 | 165.5                 | -12.0           |
| Operational risk             | 133.4            | 127.2                 | 125.4                 | -1.8            |
| Floor adjustment             | -                | -                     | 591.7                 | +591.7          |



## CET1 ratio (Common Equity Tier 1 ratio)



- Effective as of March 31, 2026, we have changed our credit risk measurement approach from the "Standardized Approach (SA)" to the "Foundation Internal Ratings-Based Approach (FIRB)"
- Although the Bank is classified as a domestic standard bank for regulatory purposes (required capital adequacy ratio of 4% or higher), given the scale of our overseas lending and our commitment to more advanced risk and capital management, we manage our operations with a focus on the CET1 ratio under the international standards

\* Definite value (disclosed on June 16, 2026)

# Group companies / consolidated, non-consolidated difference

(billion yen)

|                                                              |             |
|--------------------------------------------------------------|-------------|
| <b>A: Non-consolidated net income</b>                        | <b>9.3</b>  |
| <b>B: Profit attributable to owners of parent</b>            | <b>11.4</b> |
| <b>B - A (a + b) Difference</b>                              | <b>2.1</b>  |
| <b>Breakdown of the difference</b>                           |             |
| <b>a: Consolidated subsidiaries/equity-method affiliates</b> | <b>2.0</b>  |

|                                                  | Share of Earnings <sup>*1</sup> | Net Revenue | Net Income        |
|--------------------------------------------------|---------------------------------|-------------|-------------------|
| GMO Aozora Net Bank, Ltd.                        | 50.0% <sup>*2</sup>             | 4.7         | 1.1               |
| Aozora Loan Services Co., Ltd.                   | 67.6%                           | 0.3         | -0.1              |
| Aozora HR Lab. & Consulting Co., Ltd.            | 100.0%                          | 0.0         | 0.0               |
| Aozora Investment Management Co., Ltd.           | 100.0%                          | 0.6         | 0.3               |
| Aozora Real Estate Investment Advisors Co., Ltd. | 100.0%                          | 0.0         | -0.0              |
| Aozora Corporate Advisory Co., Ltd.              | 100.0%                          | 0.0         | -0.0              |
| Aozora Corporate Investment Co., Ltd.            | 100.0%                          | 0.1         | 0.0               |
| Aozora Europe Limited                            | 100.0%                          | 0.2         | 0.0               |
| Aozora North America, Inc.                       | 100.0%                          | 1.2         | 0.8               |
| Other                                            | -                               | -0.2        | -1.0              |
| Orient Commercial Joint Stock Bank               | 15.0%                           | -           | 0.7 <sup>*3</sup> |

## **b: Consolidation adjustments** **0.0**

|                                                                                      |   |                   |
|--------------------------------------------------------------------------------------|---|-------------------|
| Profit/loss attributable to non-controlling interests<br>(GMO Aozora Net Bank, Ltd.) | - | -0.5              |
| Other                                                                                | - | 0.6 <sup>*4</sup> |

<sup>\*1</sup> Percentage of profit and loss attributable to owners of parent

<sup>\*2</sup> Voting rights ratio is 85.1%.

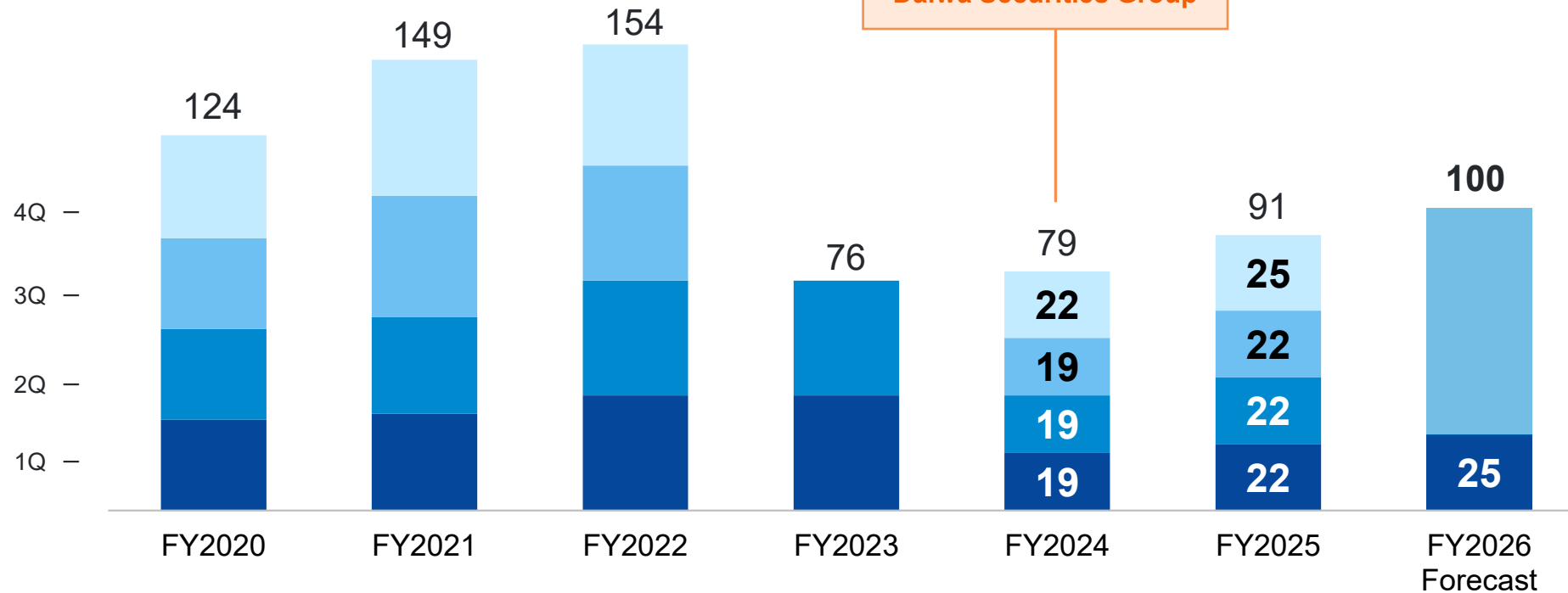
<sup>\*3</sup> Revenue contribution from equity method investments

<sup>\*4</sup> Including a consolidation adjustment associated with dividends received from group companies

# Dividend summary

## Full-year dividend per share

(yen)



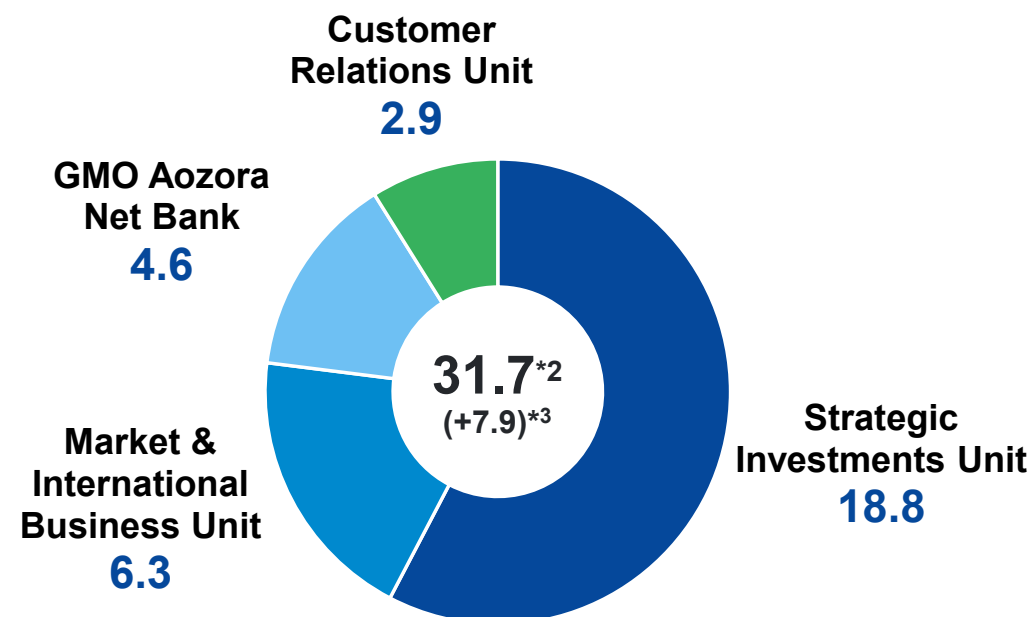
|                                                  |       |       |        |       |       |       |       |
|--------------------------------------------------|-------|-------|--------|-------|-------|-------|-------|
| Dividend payout ratio (%)                        | 49.9% | 49.7% | 206.2% | -     | 51.2% | 49.0% | 51.3% |
| Profit attributable to owners of parent (bn yen) | 25.9  | 35.0  | 8.7    | -49.9 | 20.5  | 25.7  | 27.0  |

# Results by business segment

*03*

# Results by business segment\*1

Net revenue by business segment  
(billion yen)



Business profit by business segment

|                                      | FY2025<br>1Q<br>A | FY2026<br>1Q<br>B | Change<br>B - A | FY2026<br>Plan | Progress   |
|--------------------------------------|-------------------|-------------------|-----------------|----------------|------------|
| (billion yen)                        |                   |                   |                 |                |            |
| Strategic Investments Unit           | 8.8               | 13.0              | +4.2            | 34.5           | 38%        |
| Market & International Business Unit | 3.0               | 3.7               | +0.7            | 16.0           | 23%        |
| Incl. legacy assets                  | -1.6              | -3.1              | -1.5            | -              | -          |
| Customer Relations Unit              | 0.1               | 0.6               | +0.4            | 1.8            | 35%        |
| GMO Aozora Net Bank                  | 0.1               | 1.0               | +0.9            | -              | -          |
| Other <sup>*4</sup>                  | -3.1              | -2.3              | +0.7            | -              | -          |
| <b>Total</b>                         | <b>9.1</b>        | <b>16.2</b>       | <b>+7.0</b>     | <b>44.0</b>    | <b>37%</b> |

\*1 Management accounting basis

\*2 Including gains/losses that were included in any units

\*3 Year-on-year comparison

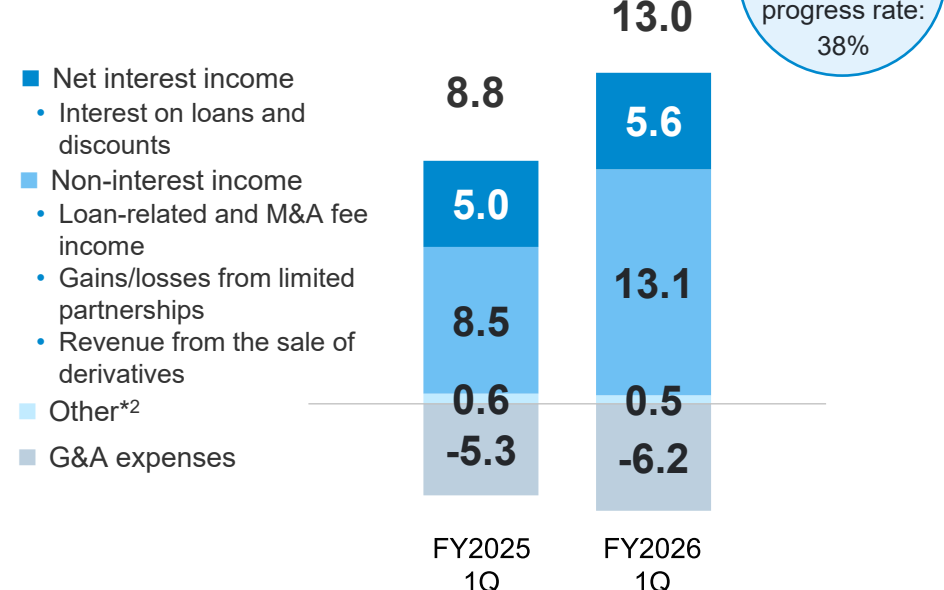
\*4 "Other" includes (i) business-related profit not included in the business units (e.g., G&A expenses not allocated to each unit, gains/losses on the sale of equities not included in any units), (ii) gains/losses on the sale of equities held solely for investment purposes, and (iii) revenue adjustment related to funding contribution.

# Results by business segment\*1 —Strategic Investments Unit—

- Net interest income increased mainly due to growth in loan outstandings. Non-interest income also increased significantly, driven by loan-related fee income from LBO finance and gains from limited partnerships from 1Q buyout-related transactions

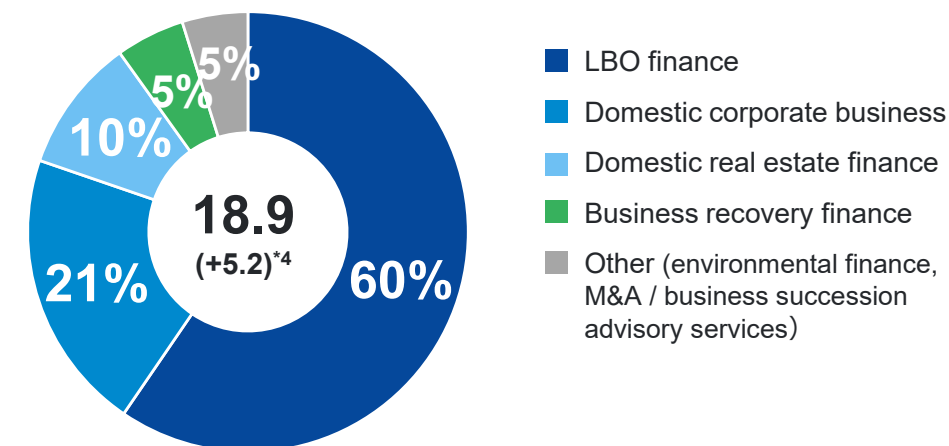
## Business profit

(billion yen)



## Net revenue by business\*3

(billion yen)



## Major businesses in the Strategic Investments Unit

- ◆ LBO finance
- ◆ Domestic real estate finance
- ◆ Business recovery finance
- ◆ Environmental finance
- ◆ M&A / business succession advisory services
- <Domestic corporate business>
  - ◆ Domestic corporate
  - ◆ Equity investments with a primary focus on engagement
  - ◆ Venture debt
- ◆ ... Areas of collaboration with Daiwa Securities Group

\*1 Management accounting basis

\*2 "Other" includes "Gains/losses on equity method investments," "Gains/losses on stock transactions, etc.," and "Amount of revenue commensurate with the degree of contribution related to funding activity."

\*3 Based on the net revenue for each business segment

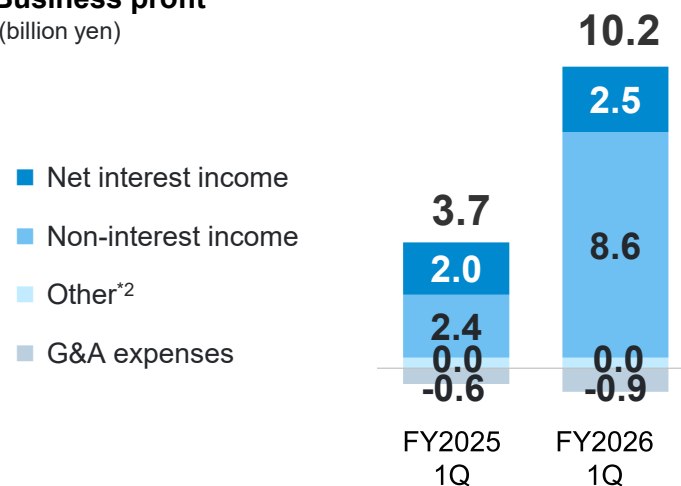
\*4 Year-on-year comparison

# Results by business segment\*1 —Major business operations in the Strategic Investments Unit—

## LBO finance

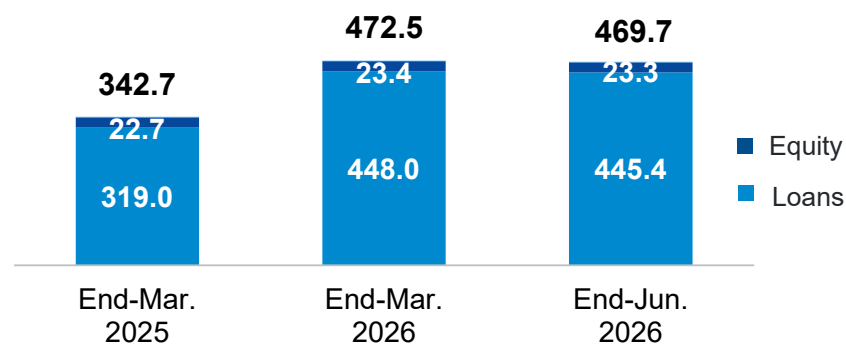
### Business profit

(billion yen)



### Earning assets\*3

(billion yen)

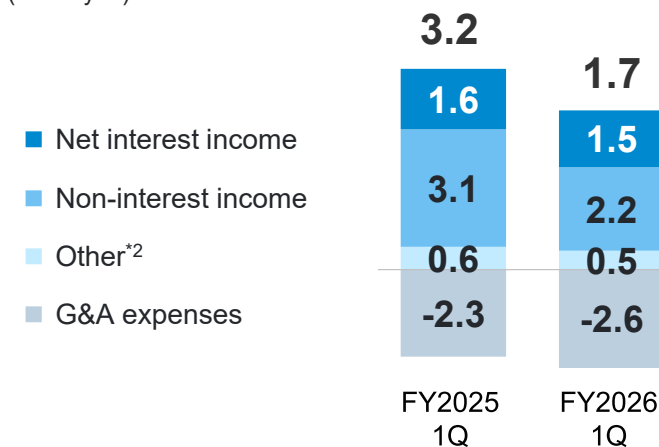


## Domestic corporate business

(domestic corporate loans, venture debt, equity investments with a primary focus on engagement)

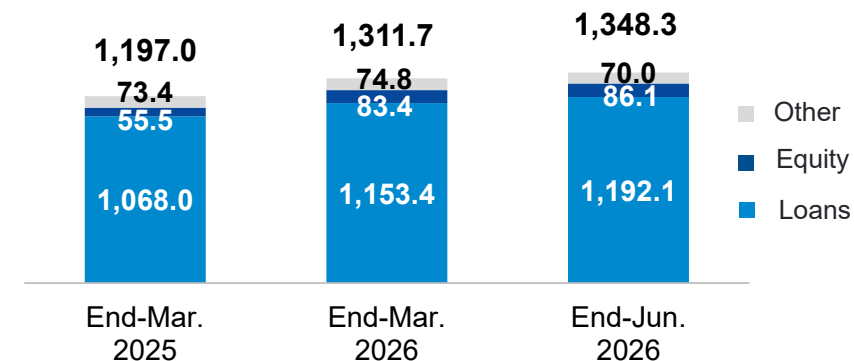
### Business profit

(billion yen)



### Earning assets\*3

(billion yen)



\*1 Management accounting basis

\*2 "Other" includes "Gains/losses on equity method investments," "Gains/losses on stock transactions, etc.," and "Amount of revenue commensurate with the degree of contribution related to funding activity."

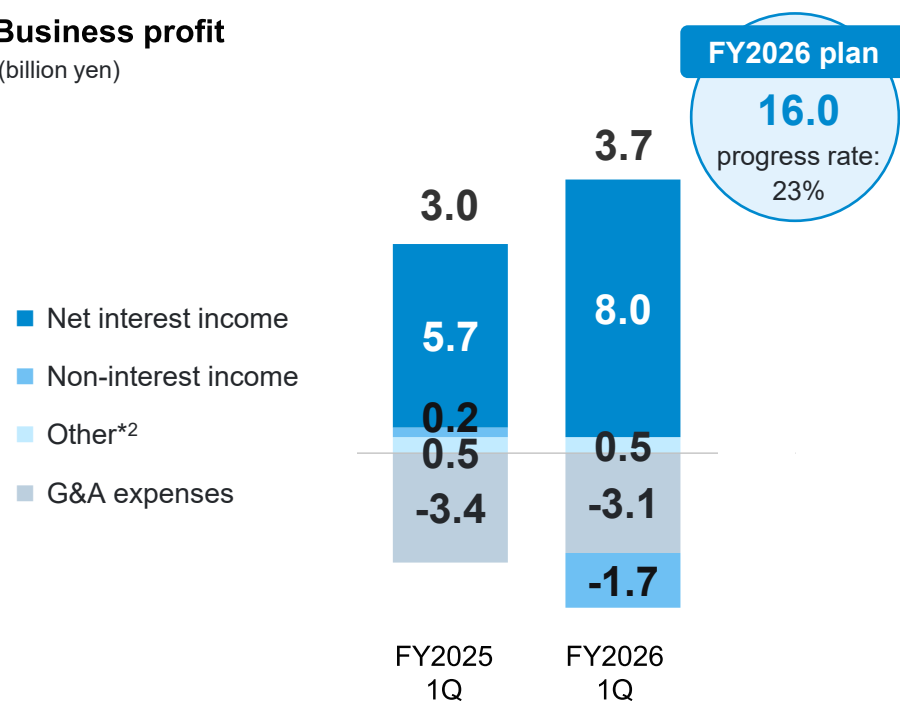
\*3 Based on the net revenue for each business segment

# Results by business segment\*1 —Market & International Business Unit—

- In the market business, net interest income from the ALM position increased due to the positive impact of higher yen interest rates. We also completed the sale of legacy securities (credit ETFs) in 1Q
- With regard to overseas corporate loans, we continued disciplined portfolio management focused on credit quality and recorded stable net interest income

## Business profit

(billion yen)



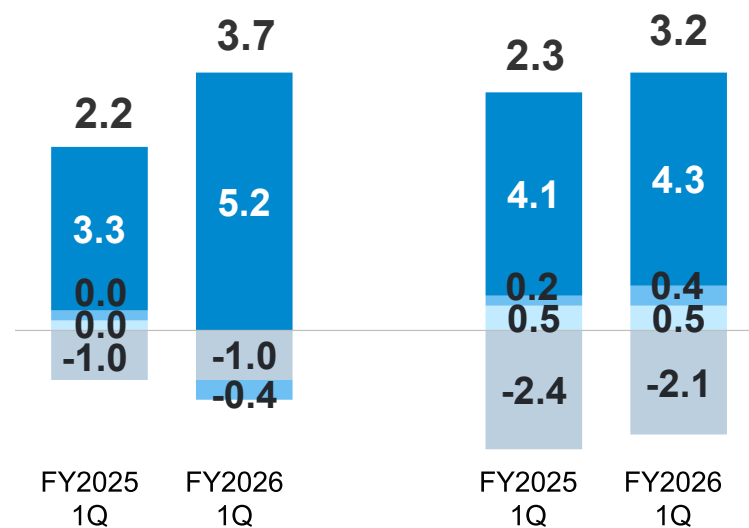
## Major businesses in the Market & International Business Unit

- ◆ Market business
- ◆ Overseas corporate loans
- ◆ Overseas real estate non-recourse loans

## Business profit breakdown by business operation (excl. legacy assets)

- Market business
- Overseas investments and loans business

(billion yen)



Business profit  
of legacy assets

FY2025 1Q: -1.6 billion yen

FY2026 1Q: -3.1 billion yen

\*1 Management accounting basis

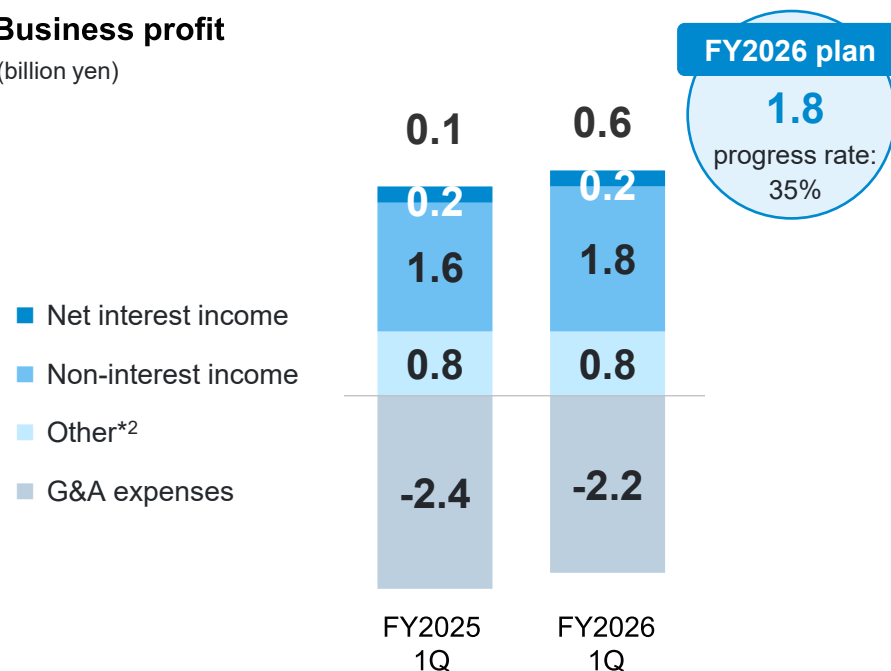
\*2 "Other" includes "Gains/losses on equity method investments," "Gains/losses on stock transactions, etc.," and "Amount of revenue commensurate with the degree of contribution related to funding activity."

# Results by business segment\*1 —Customer Relations Unit—

- AUM for retail investors (total of investment trusts and fund wrap products) increased strongly
- Focused on balancing between corporate and retail deposits as our core funding sources while appropriately managing deposit rates

## Business profit

(billion yen)



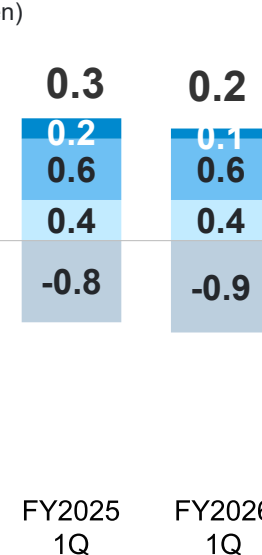
## Major businesses in the Customer Relations Unit

- ◆ Financial institutions and public corporations business (financial institution network, asset securitization business)
- ◆ Retail banking business (deposits, wealth management business)
- ◆ ... Areas of collaboration with Daiwa Securities Group

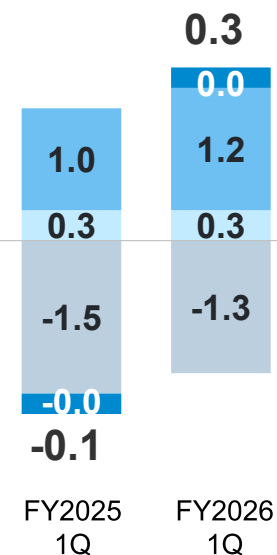
## Business profit breakdown by business operation

### Financial institutions and public corporations business

(billion yen)



### Retail banking business



\*1 Management accounting basis

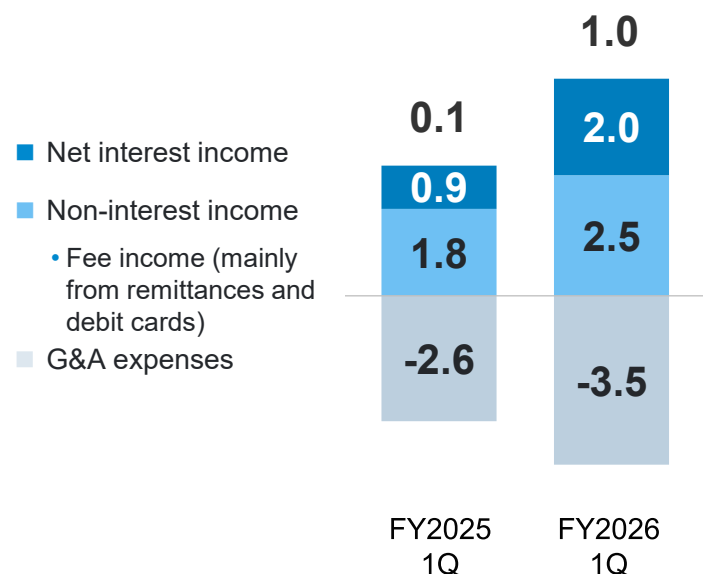
\*2 "Other" includes "Gains/losses on equity method investments," "Gains/losses on stock transactions, etc.," and "Amount of revenue commensurate with the degree of contribution related to funding activity."

# Results by business segment —GMO Aozora Net Bank—

- Maintained an increasing trend in both the number of corporate accounts and deposit balances despite intensifying competition in the corporate customer market
- Business profit grew significantly, driven by an increase in net interest income due to both higher interest rates and growth in deposit balances in addition to an increase in non-interest income (fee income) due to business expansion

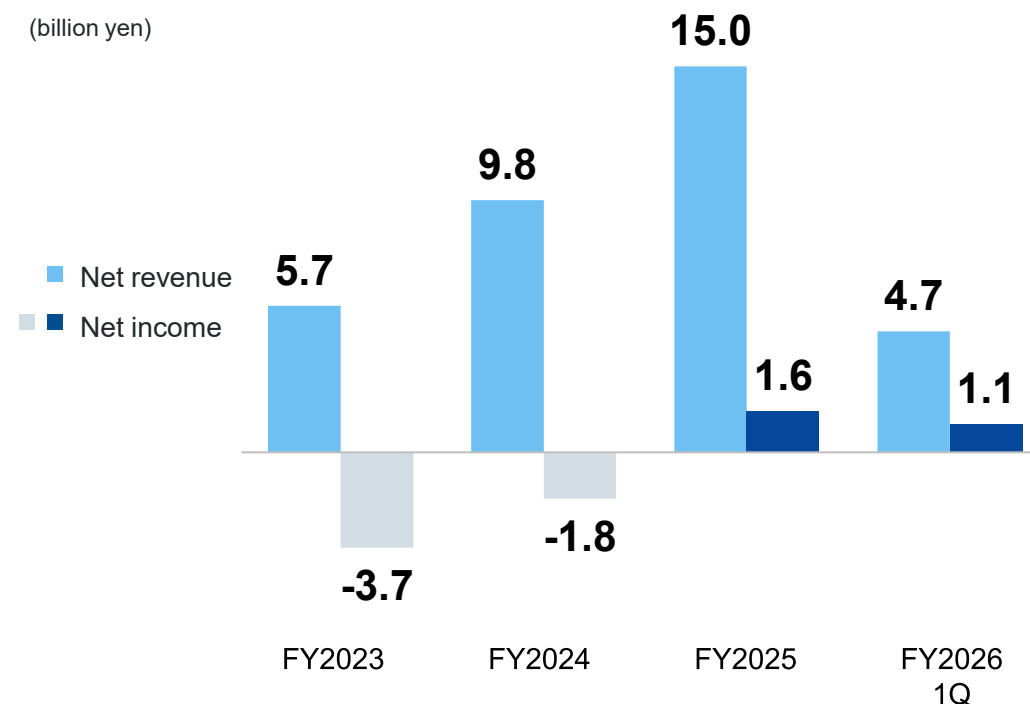
## Business profit\*1

(billion yen)



## Net revenue and net income\*2

(billion yen)

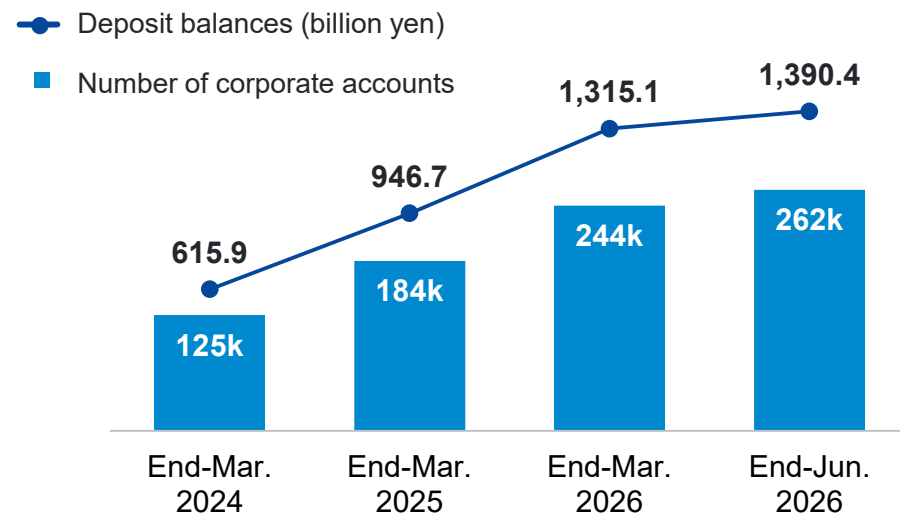


\*1 Management accounting basis

\*2 GMO Aozora Net Bank's non-consolidated results

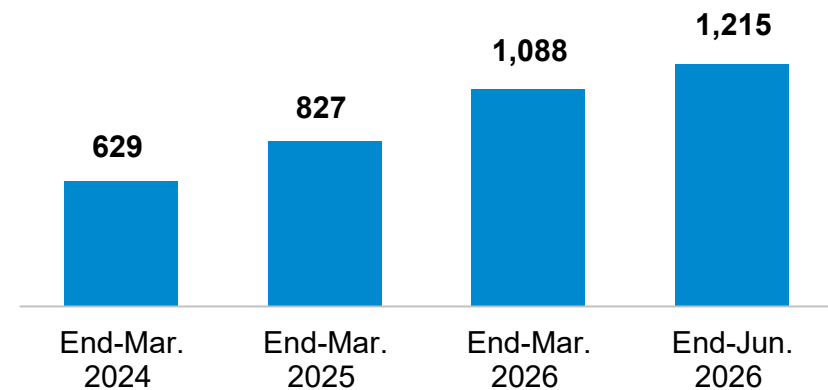
# Results by business segment —GMO Aozora Net Bank—

## Number of corporate accounts and deposit balances

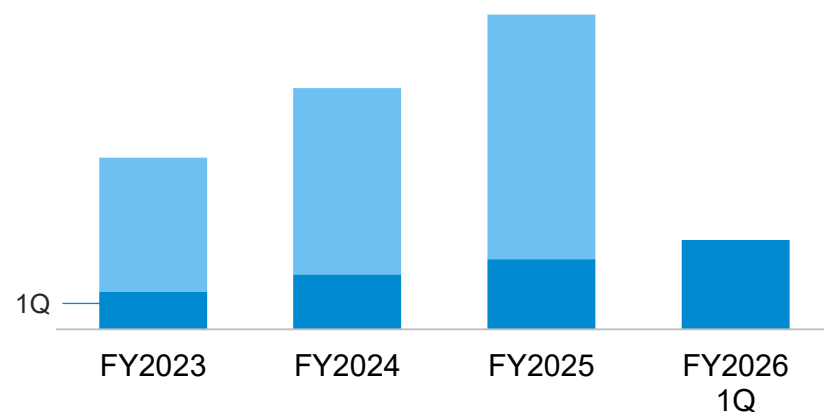


## Total number of “BaaS byGMO Aozora”<sup>\*\*</sup> contracts

A standalone service that offers GMO Aozora Net Bank's banking functions to financial and non-financial businesses, allowing them to promote operational efficiency and create financial services



## Number of transfer transactions





**Aozora Bank, Ltd.**  
**Corporate Communication Division**

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URL: <https://www.aozorabank.co.jp/>



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