Creating Possibilities
AOZORA BANK

FY2026 Interim Financial Results and Progress on the Mid-term Plan

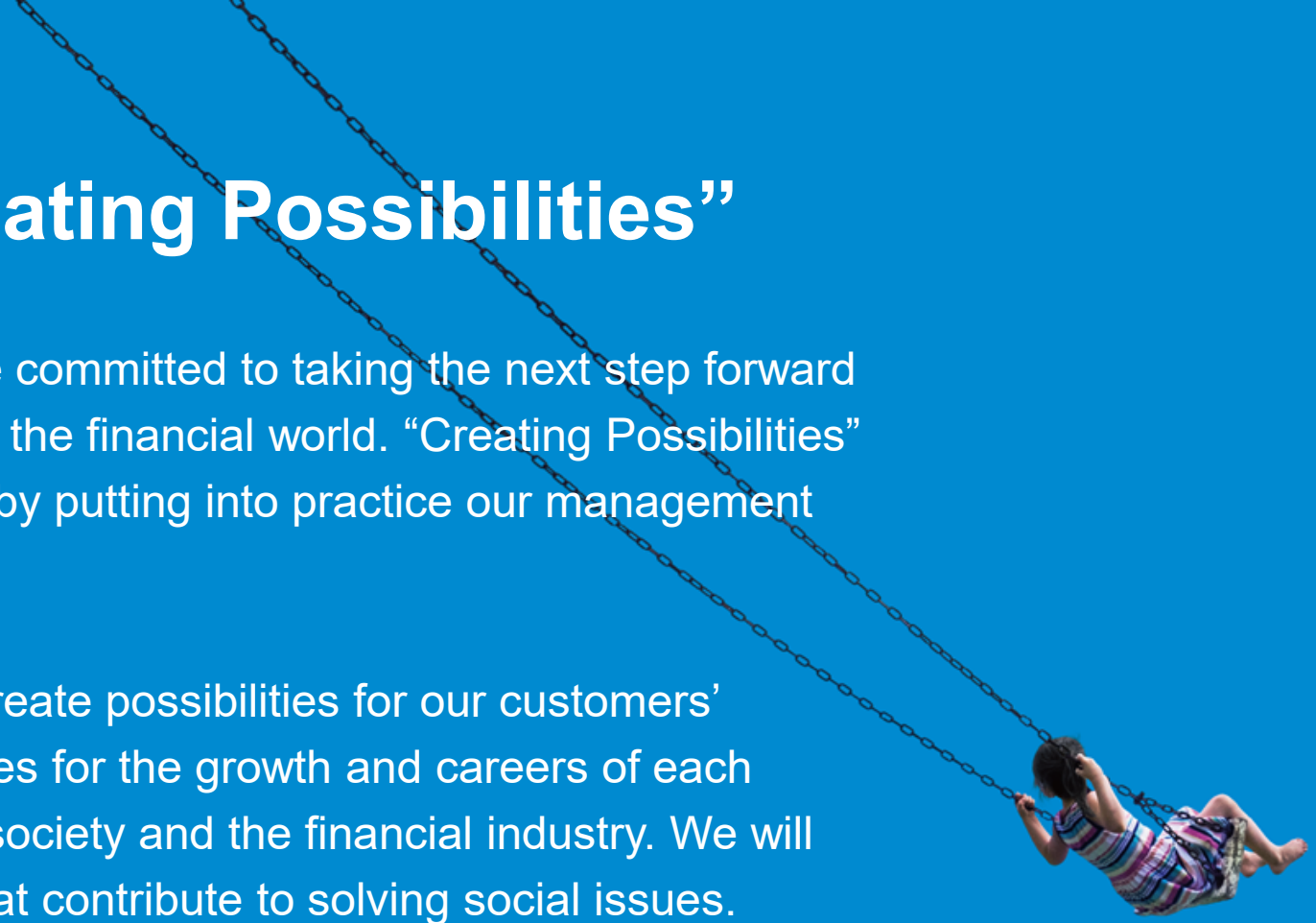
November 11, 2026



Our new brand communications **“Creating Possibilities”**

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.



Creating Possibilities

AOZORA BANK

© 2026 Aozora Bank, Ltd.

Contents

01 **Interim Financial Highlights** 4

02 **Interim Financial Results Overview** 8

- **P/L summary** 9
- **Net interest income** 10
- **Non-interest income** 11
- **Balance sheet summary** 13
  - Domestic loans 14
  - Overseas loans 16
  - Asset quality 17
  - Securities 18
  - Funding 20
  - Dividend summary 24
  - Capital adequacy ratio (preliminary basis) 25

03 **Progress on the Mid-term Plan "Aozora 2027"** 26

- **Progress on the Mid-term Plan "Aozora 2027"** 27
  - Strategic Investments Business —LBO loans— 28
  - Strategic Investments Business —Corporate loans and equity investments— 29
  - Alliance with Daiwa Securities Group 30
  - GMO Aozora Net Bank 31

04 **Results of business segments and group companies** 32

- **Results by business segment** 33
  - Strategic Investments Unit 34
  - Market & International Business Unit 36
  - Customer Relations Unit 37
  - GMO Aozora Net Bank 38
- **Group companies / consolidated, non-consolidated difference** 40

(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.

© 2026 Aozora Bank, Ltd.

Interim Financial Highlights

01

Key points

From recovery to the next phase of growth

—Ordinary profit: 23.3 billion yen (+52% year-on-year), Profit attributable to owners of parent: 18.9 billion yen (+39% year-on-year)—

Enhanced core earnings

1. Domestic net interest income increased year-on-year, driven by growth in both loan outstandings and loan-to-deposit spreads

- Domestic loan outstandings*1 increased by approximately 220 billion yen, up 8%, compared to March 31, 2026. New loans to companies focused on capital costs and share prices increased, supported by our alliance with Daiwa Securities Group.
- Retail deposit balances began to grow again, while the domestic loan-to-deposit spread expanded to 1.32% in 2Q, up 30bps year-on-year, as a result of effective ALM management.

2. Legacy assets*2 declined, and overseas net interest income recovered

- In addition to our ongoing sales of foreign securities and U.S. office loans classified as NPLs, lower funding costs and other factors also contributed to the recovery in overseas net interest income on a year-on-year basis.
- During 1H, we sold USD 238 million of foreign securities and aim to complete the sale of credit ETFs within FY2026. We also reduced two U.S. office loans in 1H and one additional loan in October.

Demonstrating our established strengths

1. Revenue growth driven by an active M&A market

- Loan-related fee income from LBO loans and gains from limited partnerships associated with buyout-related exits both remained at high levels.

2. Expansion of asset management business

- In our wealth management business, AUM for retail customers in fund wrap products and investment trusts increased by approximately 150 billion yen, or 20%, from March 31, 2026.
- The focus on our origination and distribution (O&D) business drove the sale of syndicated loans and other products in 1H at a higher pace than the previous year's level.

3. Growth of GMO Aozora Net Bank

- The number of corporate accounts increased by approximately 30,000, or 13%, from March 31, 2026. Net interest income increased due to growth in deposit balances and a pass-through rate of approximately 40%, resulting in net income of 2.5 billion yen, compared with 0.1 billion yen in the same period of the previous fiscal year.

Toward the next phase of growth

1. Capturing growth in the Japanese economy

- To accommodate the increasing number and larger scale of M&A transactions, we jointly established with five other Japanese banks a private debt fund to provide domestic LBO loans.
- To support companies facing resource and funding constraints in formulating and executing growth strategies, we established an investment company jointly with Arthur D. Little to provide both strategic advisory services and financing.

2. Identifying new growth opportunities

- We established a Growth Strategy Office in July to evaluate inorganic growth opportunities.

*1 Excluding loans to the government

*2 Foreign 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 U.S. office loans (NPLs)

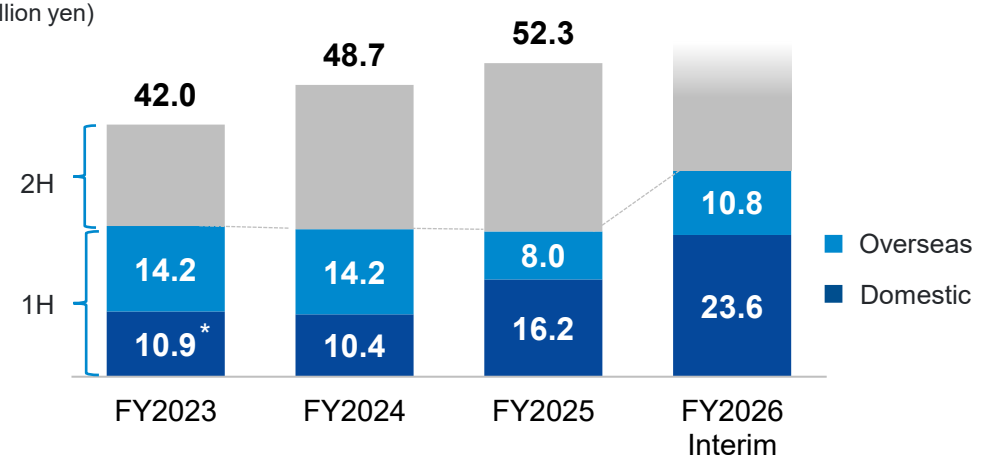
© 2026 Aozora Bank, Ltd.

From recovery to the next phase of growth

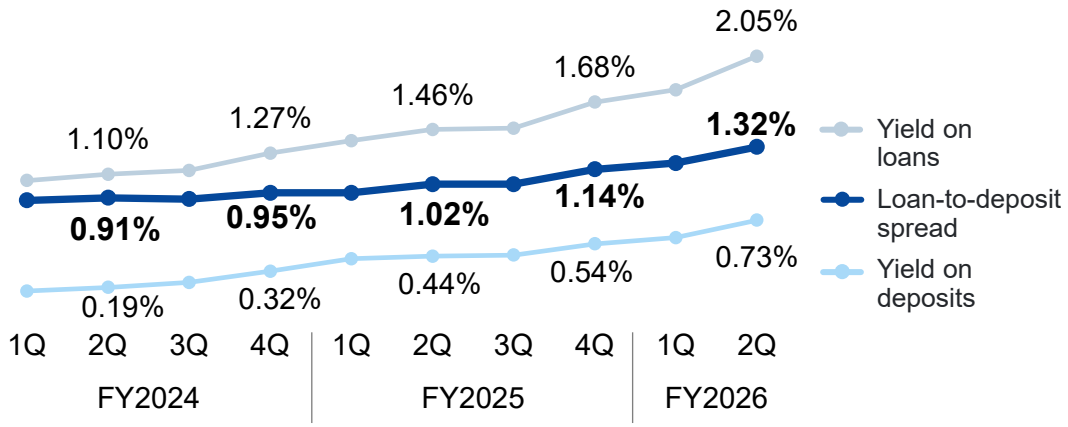
Enhanced core earnings

Net interest income

(billion yen)

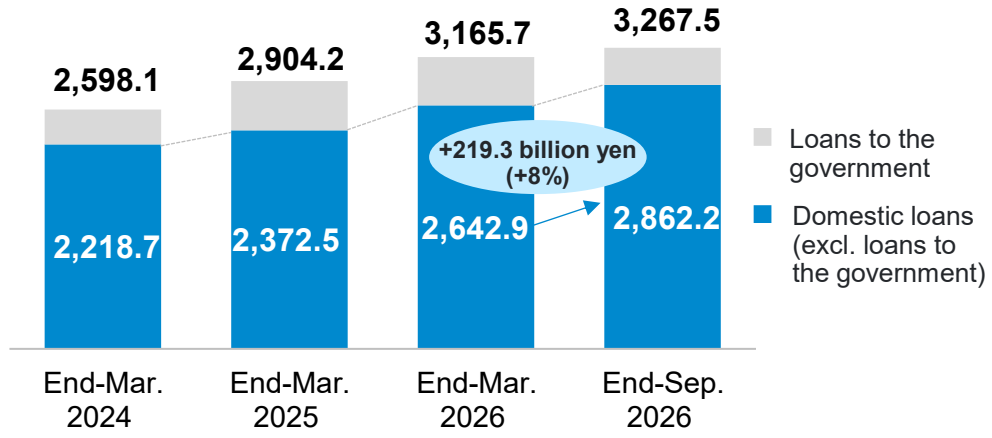


Domestic loan-to-deposit spread



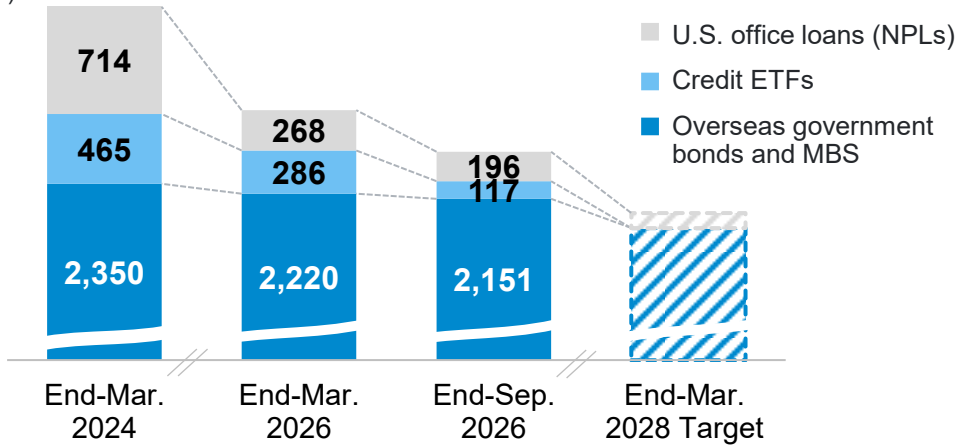
Domestic loan outstandings

(billion yen)



Target balance of legacy assets

(USD million)



* Including gains on cancellation of investment trusts of 3.3 billion yen

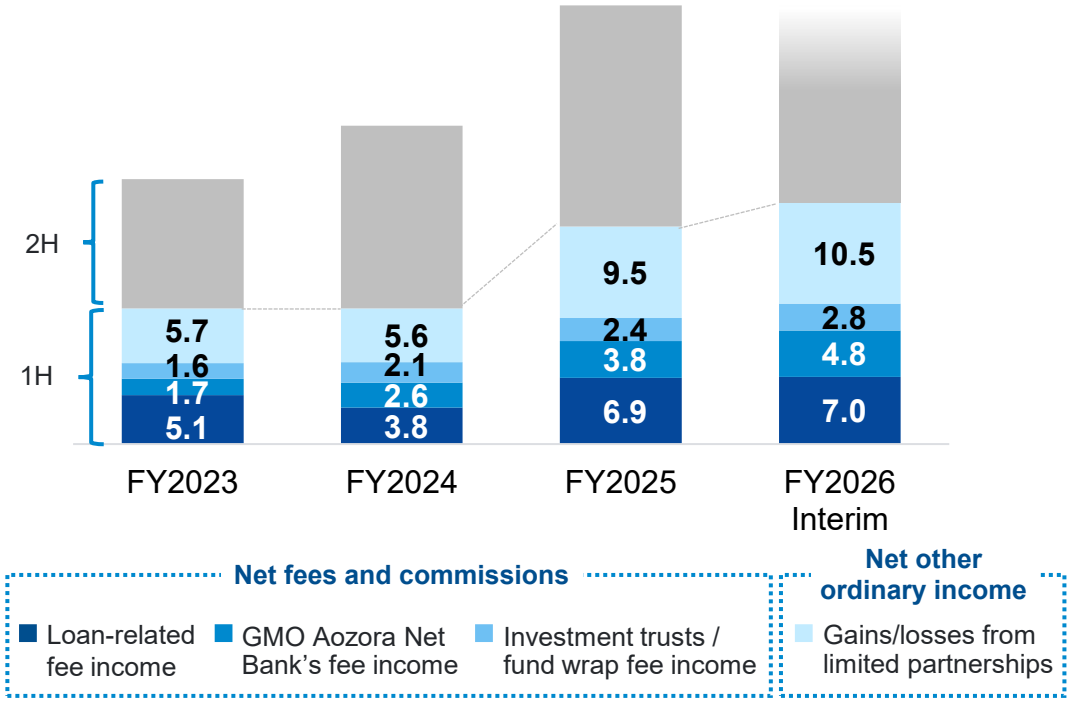
© 2026 Aozora Bank, Ltd.

From recovery to the next phase of growth

Demonstrating our established strengths

Loan-related fee income, gains from limited partnerships, investment trusts / fund wrap fee income, and GMO Aozora Net Bank's fee income

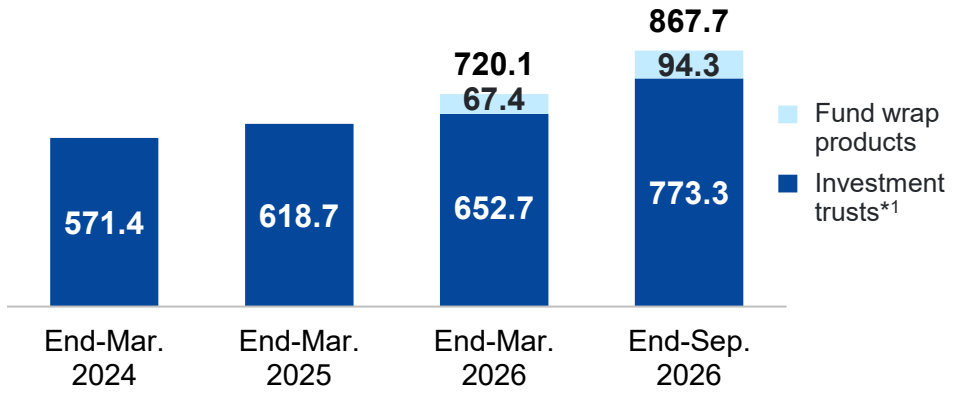
(billion yen)



Wealth management business
—AUM of investment trusts*1 and fund wrap products—

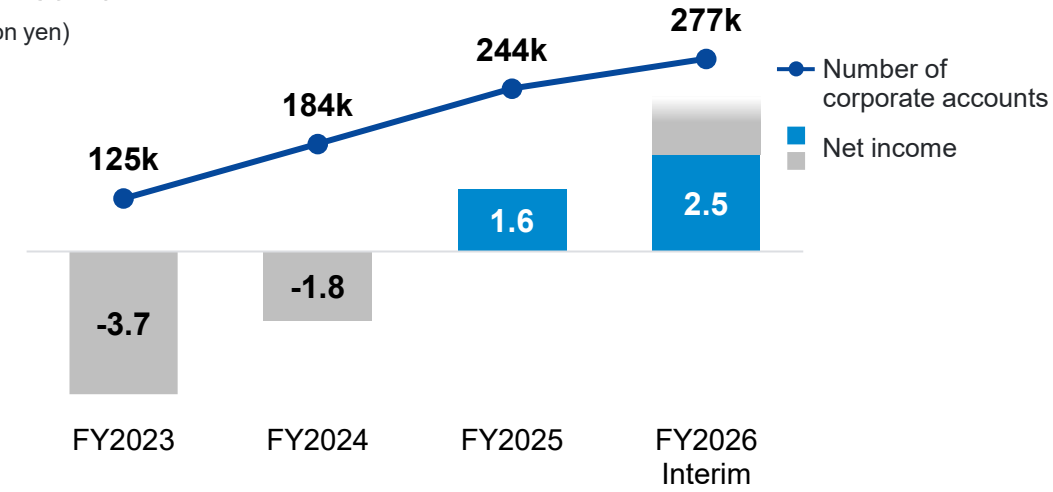
Collaboration with Daiwa Securities Group

(billion yen)



GMO Aozora Net Bank's number of corporate accounts*2 and net income*3

(billion yen)



*1 Including AUM of Aozora Investment Management's products
*2 Number of corporate accounts as of the end of each period
*3 GMO Aozora Net Bank's non-consolidated results

© 2026 Aozora Bank, Ltd.

Interim Financial Results Overview

02

P/L summary

(billion yen)	FY2025 Interim	FY2026 Interim	YoY Change + / -	YoY Change %	FY2026 Forecast	Progress
Net revenue	**52.1**	**58.6**	**+6.5**	**+12%**	**111.0**	**53%**
Net interest income	24.3	① 34.5	+10.2	+42%		
Non-interest income	27.8	24.1	-3.6	-13%		
Net fees and commissions	15.7	16.8	+1.0	+7%		
Net trading revenue	1.5	② 2.0	+0.4	+27%		
Net other ordinary income*1	9.7	14.5	+4.7	+48%		
Gains/losses on bond transactions	0.7	③ -9.1	-9.8	-		
General & administrative expenses	-32.1	④ -33.8	-1.7	+5%		
Gains/losses on equity method investments	1.0	1.4	+0.4	+42%		
Gains/losses on stock transactions, etc.	0.3	0.4	+0.0	+27%		
Business profit*2	**21.3**	**26.6**	**+5.2**	**+25%**	**44.0**	**61%**
Credit-related expenses	-6.0	-4.0	+1.9	-		
Ordinary profit	**15.3**	**23.3**	**+7.9**	**+52%**	**37.0**	**63%**
Extraordinary profit/loss	-0.0	-0.0	+0.0	-		
Profit before income taxes	**15.3**	**23.3**	**+7.9**	**+52%**		
Taxes	-1.6	⑤ -3.1	-1.5	-		
Profit/loss attributable to non-controlling interests	-0.1	-1.1	-1.0	-		
Profit attributable to owners of parent	**13.6**	**18.9**	**+5.3**	**+39%**	**27.0**	⑥ **70%**

① Net interest income significantly increased both domestically (+46%) and overseas (+34%)

② Net fees and commissions grew as loan-related fee income from LBO loans and GMO Aozora Net Bank's fee income both increased. Net other ordinary income*1 increased significantly year-on-year as a result of contributions from gains from limited partnerships partly due to sizable gains from buyout-related exit transactions that were concentrated in 1H

③ We sold securities with unrealized losses. The losses from the sale of our legacy securities were 7 billion yen

④ OHR improved to 58% (from 62% in 1H of FY2025) due to an increase in net revenue

⑤ The effective tax rate remained low due to tax effects, but is expected to increase over the full year

⑥ Profit attributable to owners of parent represented a progress rate of 70% toward our full-year forecast. Taking into consideration the impact of selling legacy securities and tax effects, the forecast remained unrevised in this interim period

*1 Excluding gains/losses on bond transactions

*2 Including gains/losses on equity method investments and gains/losses on stock transactions, etc. (= Gains/losses on stock transactions + Net provision of allowance for investment loss + Gains/losses on equity derivatives)

© 2026 Aozora Bank, Ltd.

Net interest income

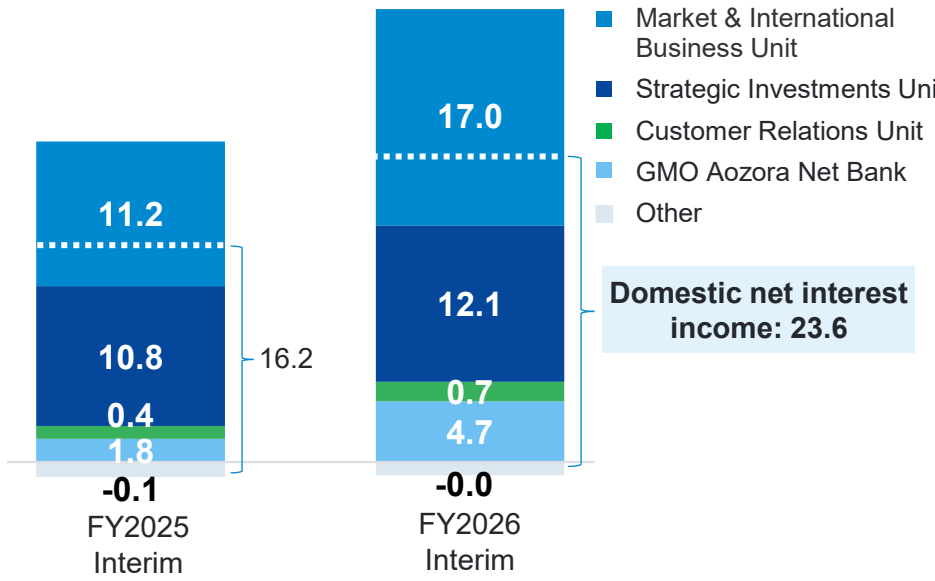
(billion yen)	FY2025 Interim	FY2026 Interim	YoY Change +/-	YoY Change %
Net interest income	**24.3**	**34.5**	**+10.2**	**+42%**
Domestic	16.2	23.6	+7.4	+46%
Overseas	8.0	10.8	+2.7	+34%
Interest income	**78.8**	**90.2**	**+11.4**	**+15%**
Incl. interest on loans and discounts	59.0	66.7	+7.7	+13%
Incl. interest and dividends on securities	12.7	14.5	+1.7	+14%
Interest expenses	**-54.4**	**-55.7**	**-1.2**	**-**
Incl. interest on deposits and NCDs	-14.1	-21.7	-7.5	-
Incl. repurchase interest, etc.	-8.0	-8.1	-0.0	-
Incl. interest on swaps	-26.9	-20.7	+6.2	-

* Management accounting basis

Breakdown by business segment*

(billion yen)

(See pages 33 and onward for results by business segment.)



Estimated impact of higher yen interest rates

Impact of higher yen interest rates on annual net interest income: **+3.5 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 September 30, 2026
- Pass-through to interest rates on deposits: 75%

© 2026 Aozora Bank, Ltd.

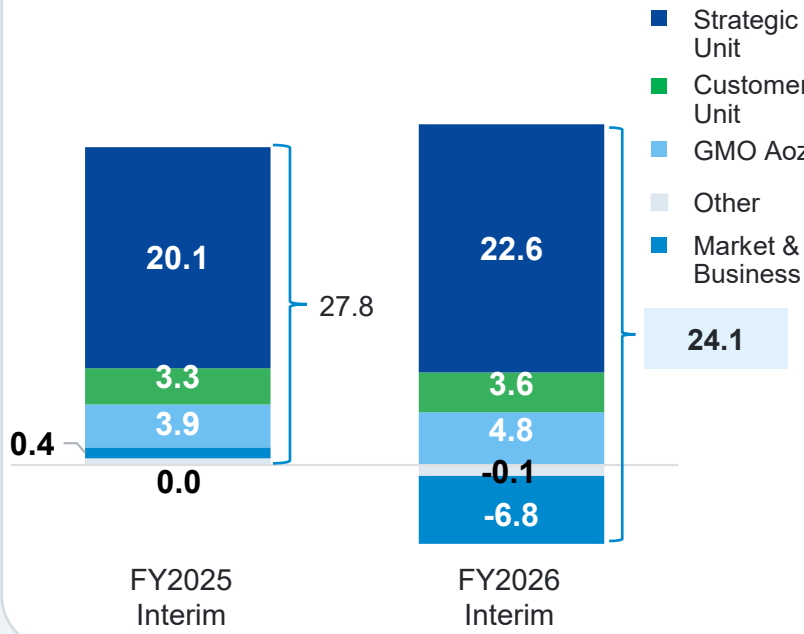
Non-interest income (1)

(billion yen)	FY2025 Interim	FY2026 Interim	YoY Change +/-	YoY Change %
Non-interest income	**27.8**	**24.1**	**-3.6**	**-13%**
Net fees and commissions	**15.7**	**16.8**	**+1.0**	**+7%**
Incl. loan-related fee income	6.9	7.0	+0.0	+1%
Incl. GMO Aozora fee income	3.8	4.8	+1.0	+26%
Incl. investment trust / fund wrap fee income	2.4	2.8	+0.4	+20%
Net trading revenues	**1.5**	**2.0**	**+0.4**	**+27%**
Incl. revenue from sales of derivatives	0.7	1.2	+0.4	+60%
Net other ordinary income[*1]	**9.7**	**14.5**	**+4.7**	**+48%**
Incl. gains/losses from limited partnerships	9.5	10.5	+1.0	+11%
Real estate/distressed loan-related	5.6	2.6	-2.9	-53%
Buyout/venture-related	2.6	7.2	+4.5	+171%
Other	1.2	0.7	-0.5	-45%
Incl. revenue from sales of derivatives	1.5	2.5	+0.9	+61%
Gains/losses on bond transactions	**0.7**	**-9.1**	**-9.8**	**-**
Incl. legacy securities	0.1	-7.0	-7.2	-

Breakdown by business segment[*2]

(billion yen)

(See pages 33 and onward for results by business segment.)

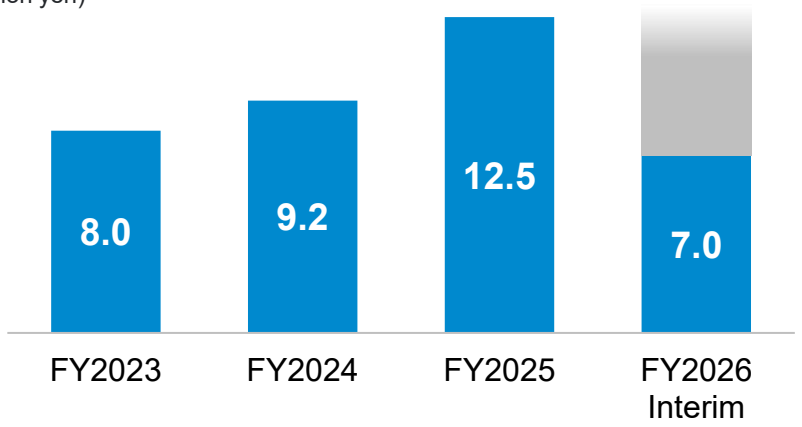


*1 Excluding gains/losses on bond transactions
*2 Management accounting basis

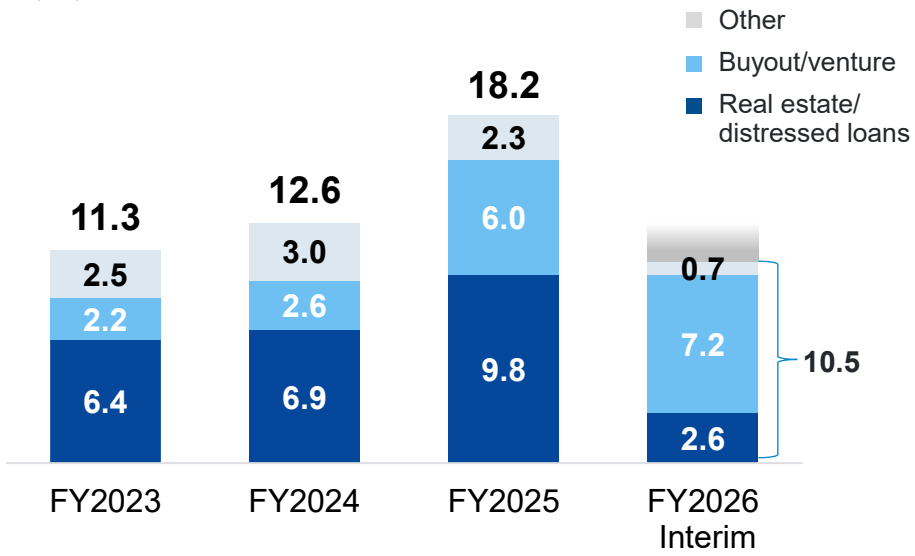
© 2026 Aozora Bank, Ltd.

Non-interest income (2)

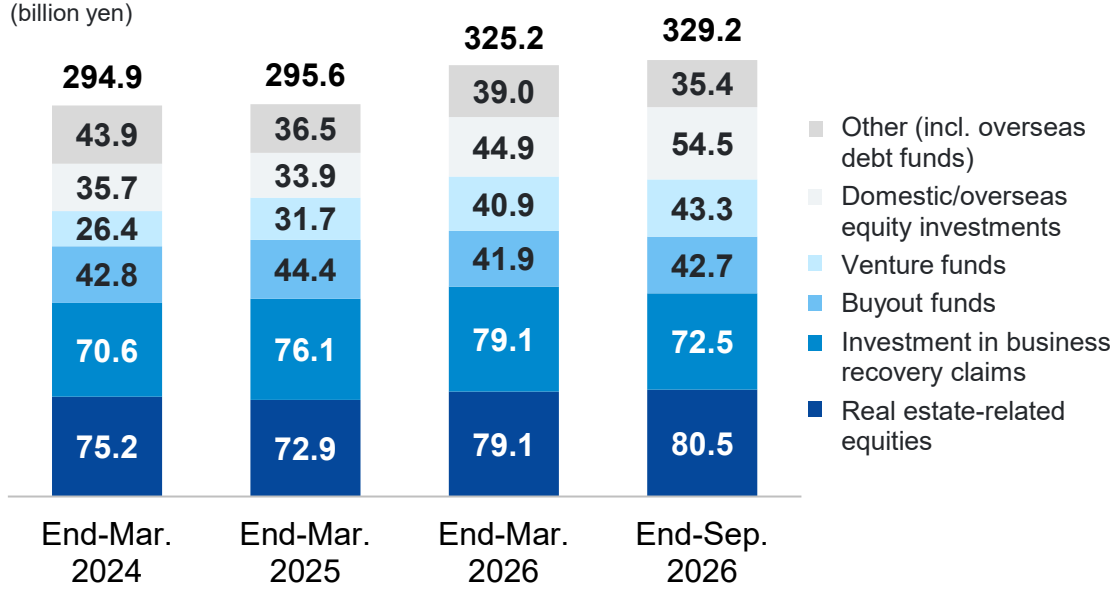
Loan-related fee income
(billion yen)



Gains/losses from limited partnerships
(billion yen)



Carrying amount of equity investments
(billion yen)



© 2026 Aozora Bank, Ltd.

Balance sheet summary

Vs. March 31, 2026

Total assets: 8.9 trillion yen +326.5 bn yen

Loans
4.5 tn yen +82.4 bn yen

Domestic	3.2 tn yen	+101.8 bn yen
Overseas (overseas ratio)	1.3 tn yen (28.5%)	-19.3 bn yen

Securities
1.5 tn yen +80.9 bn yen

Other
(current assets, etc.)
2.8 tn yen +163.1 bn yen

Deposit, etc.
6.7 tn yen +137.7 bn yen

Incl. NCDs, borrowed money (excl. borrowings from the BOJ), and bonds

Other
1.6 tn yen +161.6 bn yen

Net assets
0.5 tn yen +27.0 bn yen

*1 Non-consolidated basis
*2 Corporate deposits include deposits from corporations, public institutions, and financial institutions.

Yen currency balance sheet*1

(billion yen)

Investments 6,307.8

Floating: 75%
Fixed: 25%

Loans 2,896.3
Securities 686.6
BOJ current account 676.8
Other 2,048.1

Funding 6,307.8

Time deposits 3,580.7
Retail: 43%
Corporate*2: 57%

Liquid deposits 1,966.1
Retail: 86%
Corporate*2: 14%

Other 761.0

Foreign currency balance sheet*1

(USD million)

Investments 14,020

Loans 8,148
Securities 4,974
Other 898

Funding 14,020

Bonds and deposits 528
Medium- to long-term funding 8,032
Market operations 2,552
Short-term funding 2,689
Other 218

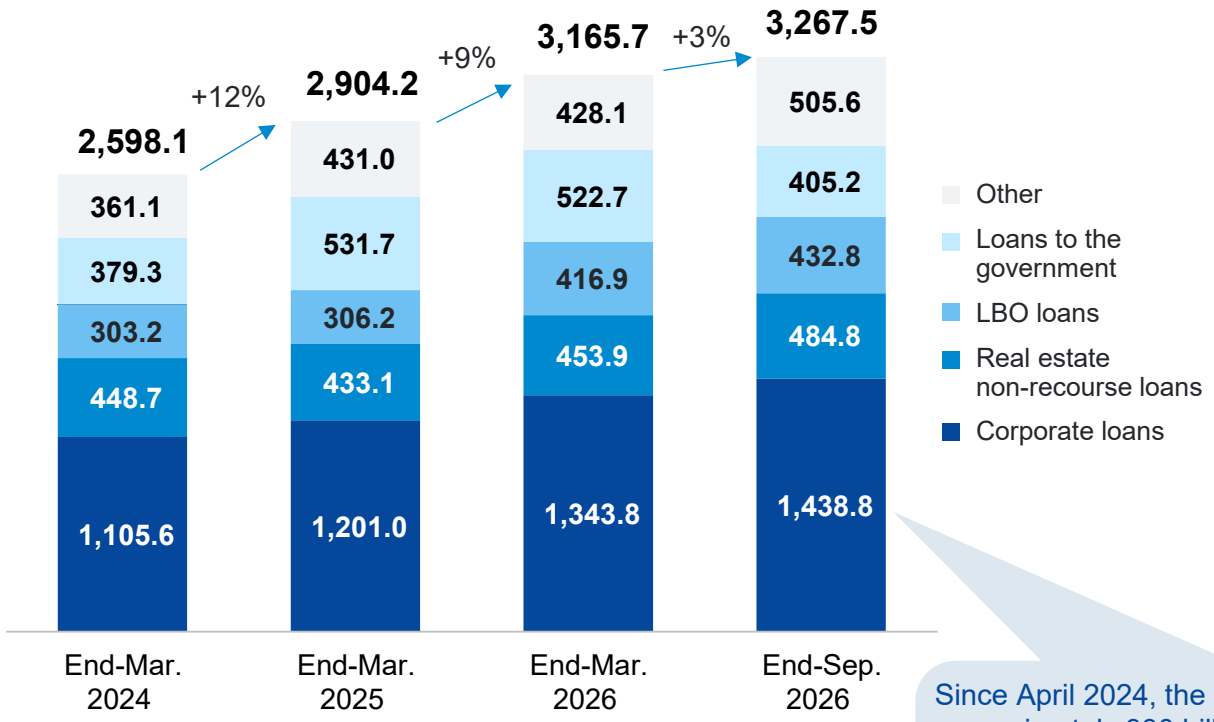
- **Medium- to long-term funding:**
  - Currency swap
  - Long-term forex forward
- **Market operations:**
  - Repo
  - Interbank
  - TRS
- **Short-term funding:**
  - Forex forward

© 2026 Aozora Bank, Ltd.

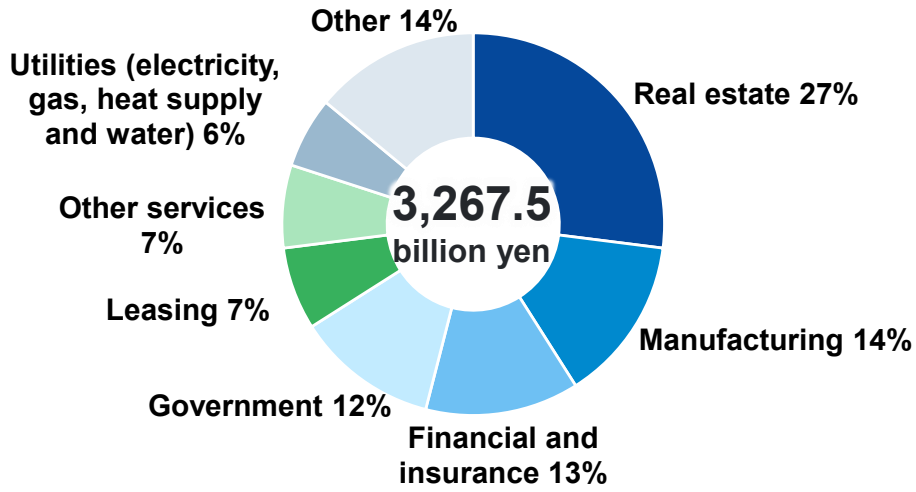
Domestic loans

Domestic loan outstandings*

(billion yen)



Domestic loans by industry



Since April 2024, the balance has increased by approximately 330 billion yen.
The outstanding balance for customers newly acquired during the period was approximately 290 billion yen.
The alliance with Daiwa Securities Group has contributed to our growing customer base.

* Management accounting basis

© 2026 Aozora Bank, Ltd.

Domestic loans —Management policy on domestic real estate loans—

Domestic real estate credit risk management framework

- Set exposure limits for real estate-related lending and investments based on their impact on the overall portfolio
- Simulate real estate market risks—including changes in expected returns driven by inflation and interest rate movements, as well as rising construction costs—to assess available lending capacity under changing market conditions
- Monitor trends in rental and sales markets from both investor-demand and end-user perspectives, along with the effects of sales restrictions, to identify early signs of change in the real estate market
- Manage collateral appropriately using conservative appraisals that reflect property-specific factors, such as asset type, regional characteristics, and the property's competitive strengths
- For non-recourse loans, maintain diversification across asset types and limit exposure to more volatile asset types (e.g., hotels) and data centers

Domestic Real Estate Portfolio Overview

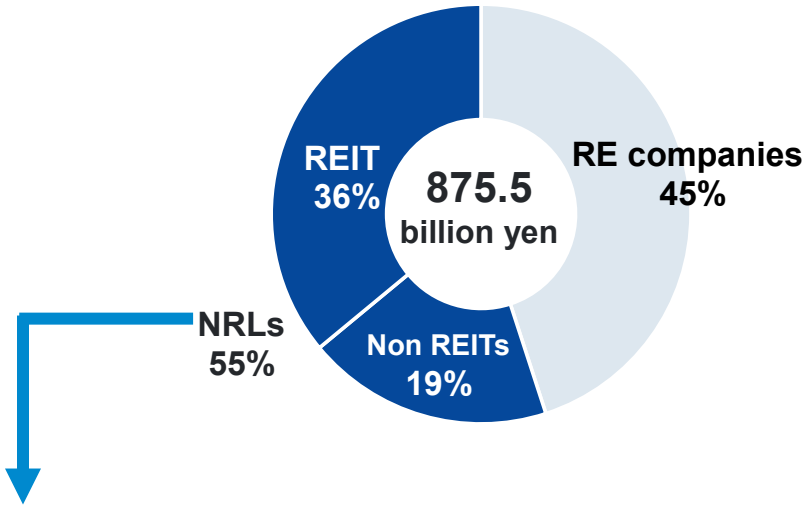
Non-Recourse Loans (NRLs)

- Loans are exclusively senior loans. Loans to REITs have an LTV ratio of approximately 50%
- 85% of the portfolio is invested in Tokyo Metropolitan Area, with the remainder in other liquid markets, including the Kansai region and designated major cities

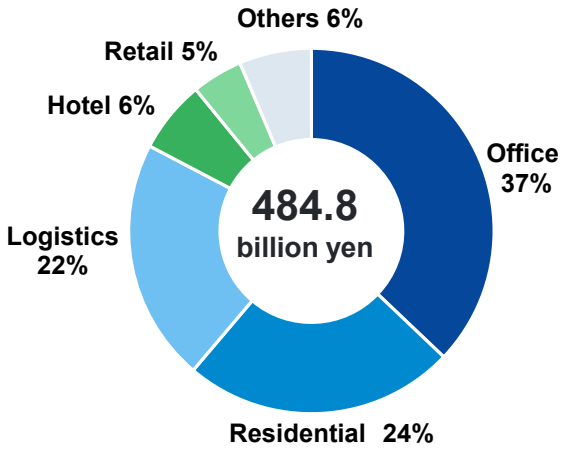
Corporate Loans

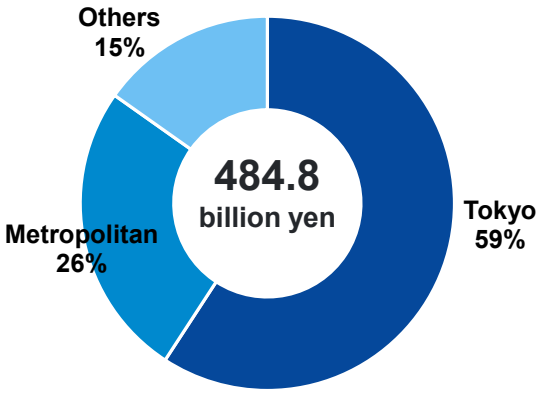
- Loans are generally secured, with an exception of specific major general developers. Lending decisions place emphasis on financial metrics, including the equity-to-asset ratio

Real estate loans by asset type



NRLs: Breakdown by asset type and region



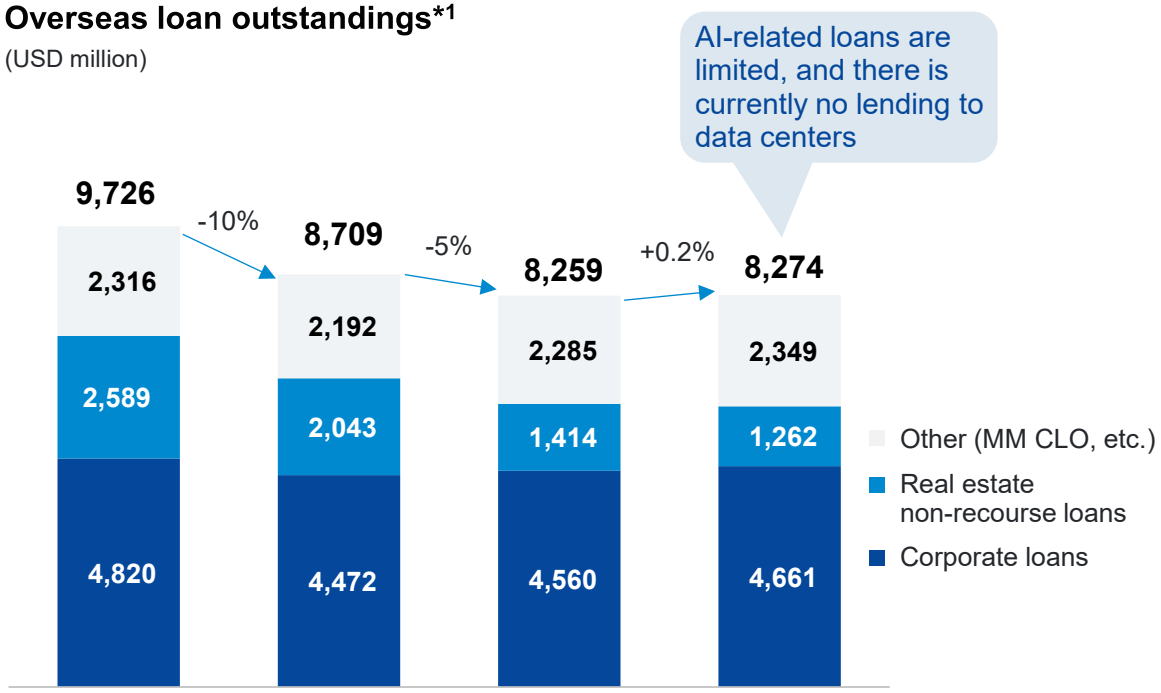


© 2026 Aozora Bank, Ltd.

Overseas loans

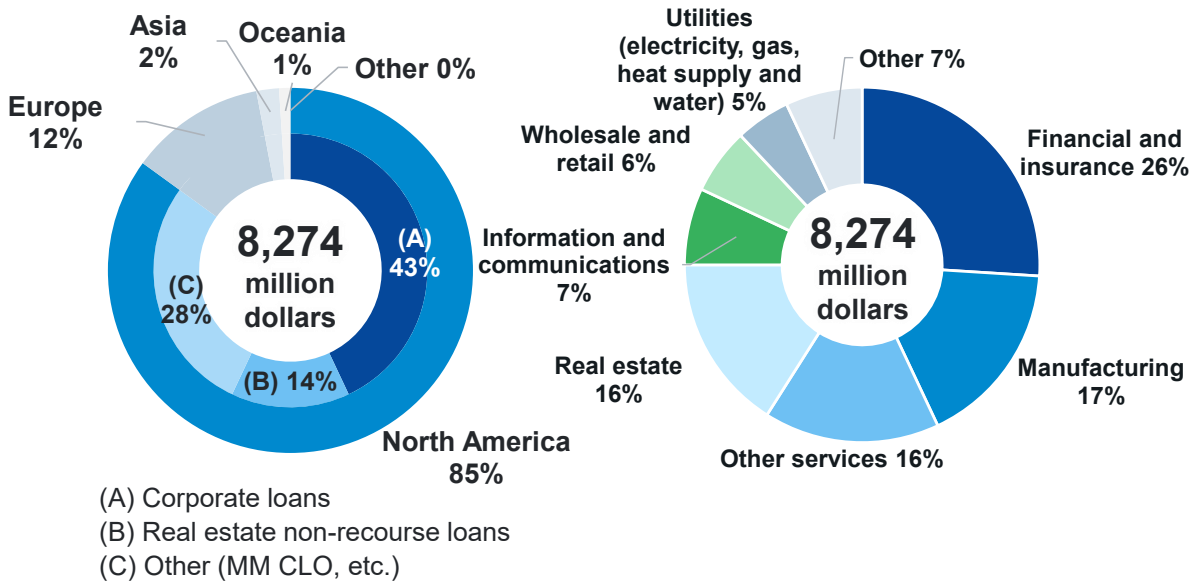
Overseas loan outstandings*1

(USD million)



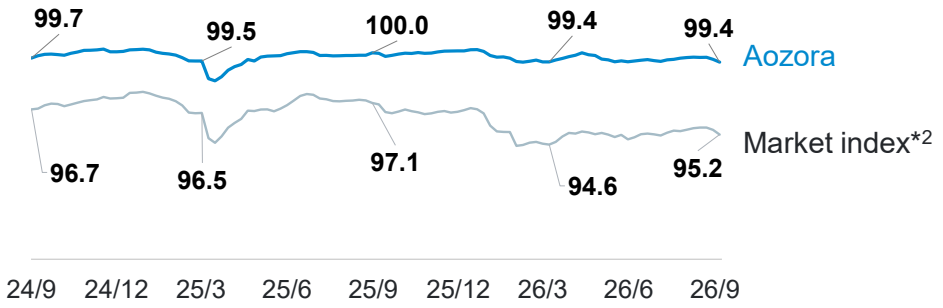
End-Mar. 2024	End-Mar. 2025	End-Mar. 2026	End-Sep. 2026	
1,473.1	1,302.2	1,320.6	1,301.3	Total yen-denominated loans (billion yen)
36%	31%	29%	28%	Percentage of overseas loans
¥151.46	¥149.53	¥159.89	¥157.27	Foreign exchange rate (USD/JPY)

Overseas loans by region and industry



(A) Corporate loans
(B) Real estate non-recourse loans
(C) Other (MM CLO, etc.)

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



*1 Management accounting basis
*2 Source: PitchBook Data, Inc.

© 2026 Aozora Bank, Ltd.

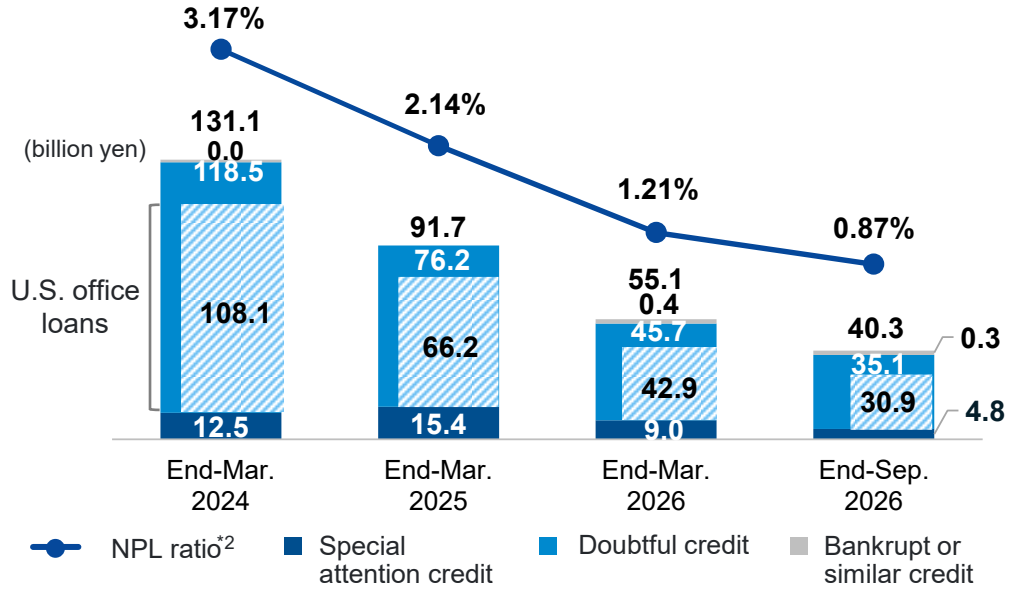
Asset quality

Credit-related expenses

	FY2025 Interim	FY2026 Interim	Change
Credit-related expenses	**-6.0**	**-4.0**	**+1.9**
U.S. office loans	-4.2	0.9	+5.2
Other than U.S. office loans	-1.7	-5.0	-3.2

Mainly provisions to general loan loss reserves associated with new domestic LBO loans

Non-performing loans based on the FRA*1



U.S. office loans

The number of NPL borrowers was reduced by one name in October, and their exposure declined to USD 150 million

	(USD million)	End-Dec. 2023 Balance	Reserves	Reserve ratio*3	Number of borrowers	End-Mar. 2025 Balance	Reserves	Reserve ratio*3	Number of borrowers	End-Mar. 2026 Balance	Reserves	Reserve ratio*3	Number of borrowers	End-Sep. 2026 Balance	Reserves	Reserve ratio*3	Number of borrowers
Legacy assets	LTV: less than 100%	1,174	37	3.1%	26	994	48	4.8%	23	719	41	5.7%	17	606	44	7.3%	15
	LTV: over 100% (NPLs)	719	320	44.5%	21	442	187	42.3%	14	268	110	41.2%	8	196	74	37.8%	6
	Total	**1,893**	**357**	**18.8%**	**47**	**1,437**	**235**	**16.3%**	**37**	**987**	**151**	**15.3%**	**25**	**802**	**118**	**14.7%**	**21**

*1 Financial Reconstruction Act
*2 Ratio of NPLs to total exposure
*3 Total exposure basis

© 2026 Aozora Bank, Ltd.

Securities

Carrying amount

(billion yen)	End-Mar. 2025	End-Mar. 2026 A	End-Sep. 2026 B	Change B - A
Domestic bonds	265.4	331.7	398.9	+67.1
Equities	29.9	37.7	57.6	+19.9
Foreign bonds	570.9	600.8	597.6	-3.2
Other*1	489.0	464.4	461.5	-2.8
Total	**1,355.4**	**1,434.8**	**1,515.7**	**+80.9**
USD/JPY	*¥149.53*	*¥159.89*	*¥157.27*	*¥-2.62*
Unrealized gains/losses, incl. unrealized gains/losses on hedging instruments				

Unrealized gains/losses

End-Mar. 2025	End-Mar. 2026 C	End-Sep. 2026 D	Change D - C
-6.6	-8.6	-13.5	-4.8
12.5	18.5	35.7	+17.1
-49.6	-45.1	-63.0	-17.8
-10.7	-1.3	15.4	+16.8
-54.5	**-36.6**	**-25.4**	**+11.1**
-50.7	**-29.5**	**-8.1**	**+21.4**

Market risk (10 BPV)*2

(billion yen)	End-Mar. 2025	End-Mar. 2026	End-Sep. 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. 2025	End-Mar. 2026	End-Sep. 2026
JGBs	7 years	7 years	5 years
Municipal bonds	5 years	8 years	9 years
U.S. govt. bonds	4 years	4 years	4 years
MBS	8 years	8 years	8 years

*1 Including ETFs, investments in limited partnerships, REITs, and investment trusts
*2 Non-consolidated basis

© 2026 Aozora Bank, Ltd.

Legacy and non-legacy securities*1

Carrying amount and unrealized gains/losses of non-legacy/legacy assets

	Carrying amount (billion yen)			Unrealized gains/losses*2 (billion yen)		
	End-Mar. 2025	End-Mar. 2026	End-Sep. 2026	End-Mar. 2025	End-Mar. 2026	End-Sep. 2026
Non-legacy assets	**940.5**	**1,020.2**	**1,152.2**	**5.8**	**18.3**	**30.5**
Domestic bonds	265.4	331.7	398.9	-5.9	-6.9	-9.0
Equities	29.9	37.7	57.6	12.5	18.5	35.7
Foreign bonds	281.4	288.4	309.3	-1.2	-0.2	-9.7
Other	363.7	362.3	386.3	0.4	7.0	13.6

	Carrying amount (billion yen)			Unrealized gains/losses*2 (billion yen)		
	End-Mar. 2025	End-Mar. 2026	End-Sep. 2026	End-Mar. 2025	End-Mar. 2026	End-Sep. 2026
Legacy assets	**414.8**	**414.5**	**363.5**	**-56.6**	**-47.9**	**-38.7**
Bear funds	65.9	63.4	60.6			

	Face / book value*3 (million in original currency)			Unrealized gains/losses*2 (billion yen)		
	End-Mar. 2025	End-Mar. 2026	End-Sep. 2026	End-Mar. 2025	End-Mar. 2026	End-Sep. 2026
U.S. govt. bonds (USD)	1,150	1,150	1,150	-9.5	-7.5	-5.9
European govt. bonds (EUR)	315	315	315	-6.4	-5.5	-5.4
MBS (USD)	767	713	644	-27.2	-25.8	-23.6
Credit ETFs (investment grade bonds) (USD)	465	286	118	-13.4	-8.9	-3.6

*1 Foreign 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 value of bonds and book value of ETFs, excluding hedging instruments

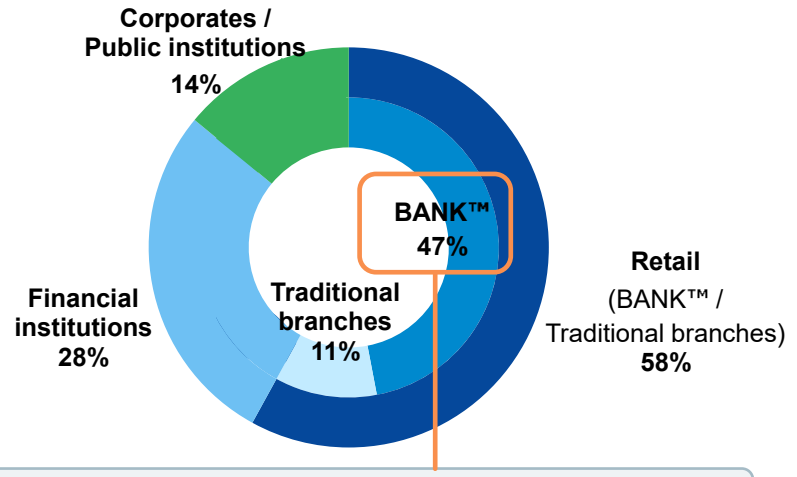
© 2026 Aozora Bank, Ltd.

Funding

(billion yen)	End-Mar. 2025	End-Mar. 2026 A	End-Sep 2026 B	Change B - A
Funding (consolidated basis)	**6,276.1**	**6,645.7**	**6,783.5**	**+137.7**
Deposits / NCDs	5,672.9	6,094.4	6,288.7	+194.2
Borrowed money *1	478.6	493.3	494.8	+1.5
Bonds	124.6	57.9	-	-57.9
Funding (non-consolidated basis)*2 (A)	**5,359.5**	**5,457.2**	**5,630.6**	**+173.3**
Retail deposits (B)	3,181.7	3,081.5	3,260.5	+178.9
Corporate deposits*3	2,053.1	2,317.6	2,370.0	+52.3
Bonds	124.6	57.9	-	-57.9
Retail funding ratio (B) / (A)	59%	56%	58%	
Loan-to-deposit ratio	71%	74%	73%	

A portion of GMO Aozora Net Bank's deposits has been placed with Aozora Bank to improve Group-wide funding efficiency

By customer segment (non-consolidated basis)*2



BANK™ deposit breakdown

	End-Mar. 2025	End-Mar. 2026	End-Sep. 2026
Liquid deposits	57.9%	57.1%	53.8%
Time deposits	42.1%	42.9%	46.2%

*1 Excluding borrowings from the BOJ
*2 Management accounting basis
*3 Corporate deposits include deposits from corporations, public institutions, and financial institutions, as well as NCDs and borrowed money, but exclude borrowings from the BOJ.

© 2026 Aozora Bank, Ltd.

Funding policy in light of interest rate normalization

Environment

- Households are increasingly investing in equities and investment trusts. With advancement of digitalization making deposits more mobile and increasing their sensitivity to interest rates, we expect the growth rate of deposits to slow going forward
- Under these conditions, it is important to normalize asset-liability management by combining deposit funding with market-based funding such as straight bonds

Aozora's funding policy

We aim to achieve a well-balanced funding mix of retail deposits, corporate deposits, and corporate bonds, while remaining attentive to funding costs

Management of retail deposits

- **Increase savings-type deposits by expanding our customer base and steadily accumulating small-lot new accounts**
- **Manage deposits by striking the right balance between effective deposit terms and funding costs**
  - ✓ Set interest rates with careful consideration of timing, market interest rates, and other banks' interest rates on liquid and time deposits
  - ✓ Implement effective campaigns and marketing initiatives

Management of corporate deposits

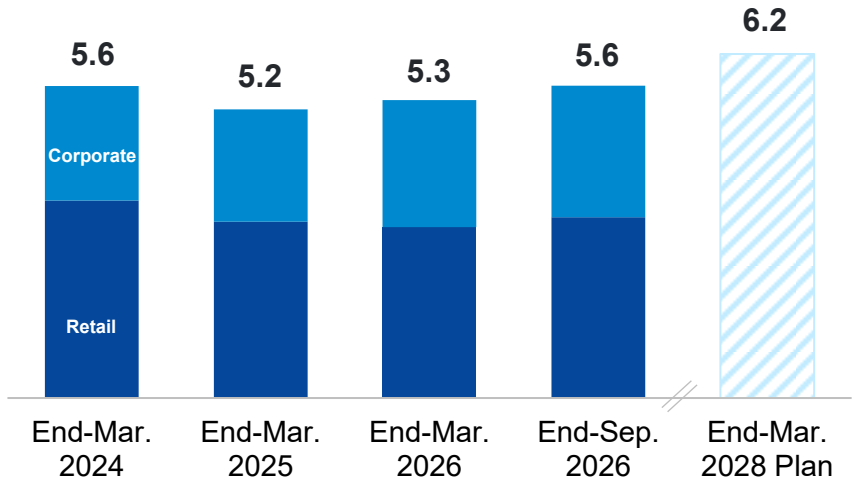
- **Continue attracting corporate deposits by leveraging referrals from Daiwa Securities Group in addition to approaching both existing and new customers, capturing their fund management needs**
- **Enhance the efficiency of fund management across the Group, including a portion of GMO Aozora Net Bank's deposits**

Issuance of corporate bonds

- **Closely monitor market conditions while considering the resumption of corporate bond issuance**

Deposit balances: results and plan*

(trillion yen)



* Non-consolidated basis

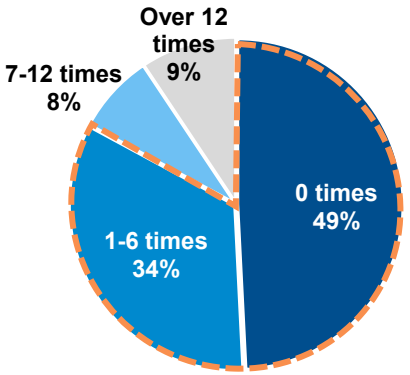
© 2026 Aozora Bank, Ltd.

Reference: Characteristics of Aozora's retail deposits*1

1. High proportion of savings-type deposits

- As our retail deposit accounts are not primarily used for daily transactions, nearly half experience no withdrawals over the course of a year

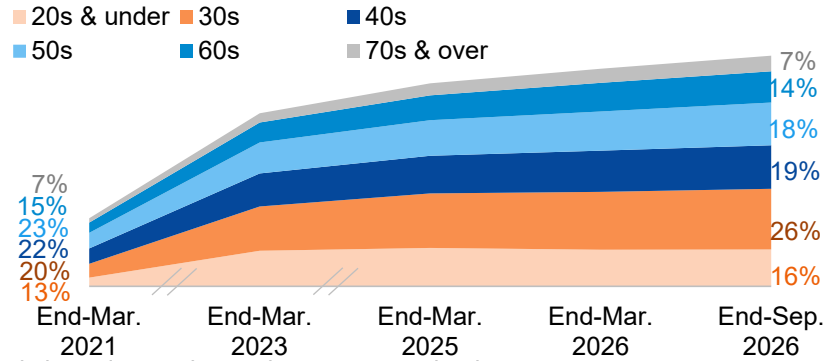
Withdrawal frequency ratio of BANK™ ordinary deposits over one year
(by account, October 2025–September 2026)



2. Diverse depositor base ranging from younger generation and working adults to seniors

- Customer base expanded due to the extensive use of BANK™

BANK™ customer accounts and ratio by age group

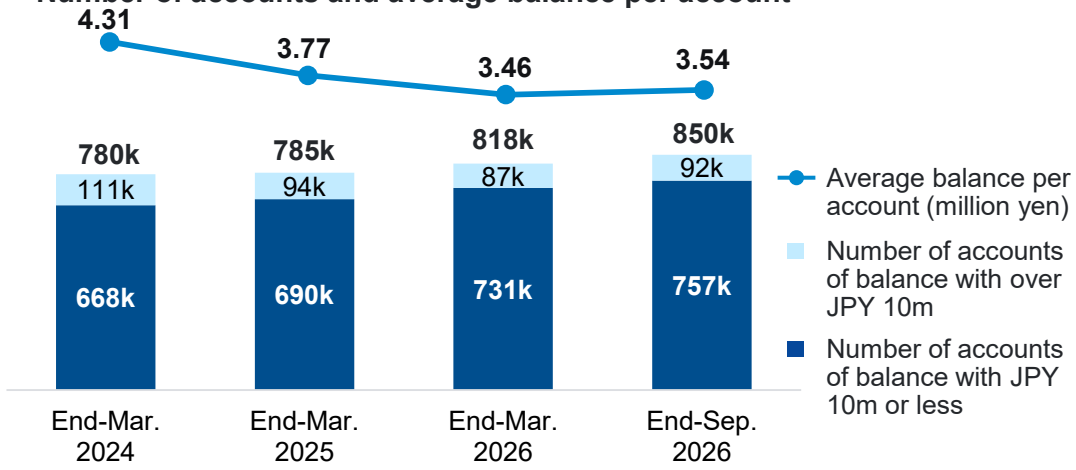


*1 Data is based on an internal management basis
*2 Excludes DC time deposits

3. Progress in diversification into small-lot accounts

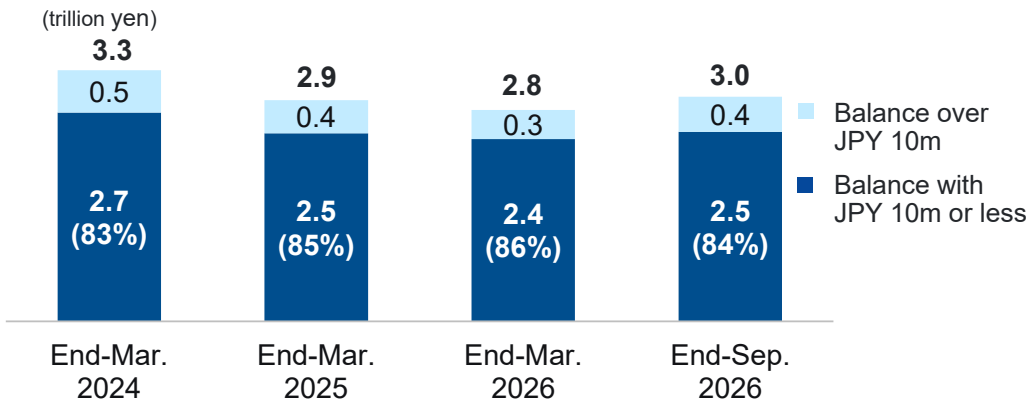
- The average balance per account is becoming smaller as a result of an increase in the number of accounts

Number of accounts and average balance per account



- Accounts with balances of JPY 10m or less remain stable, primarily deposited for saving purposes

Trends in balances*2 for accounts with JPY 10m or less / over JPY 10m



© 2026 Aozora Bank, Ltd.

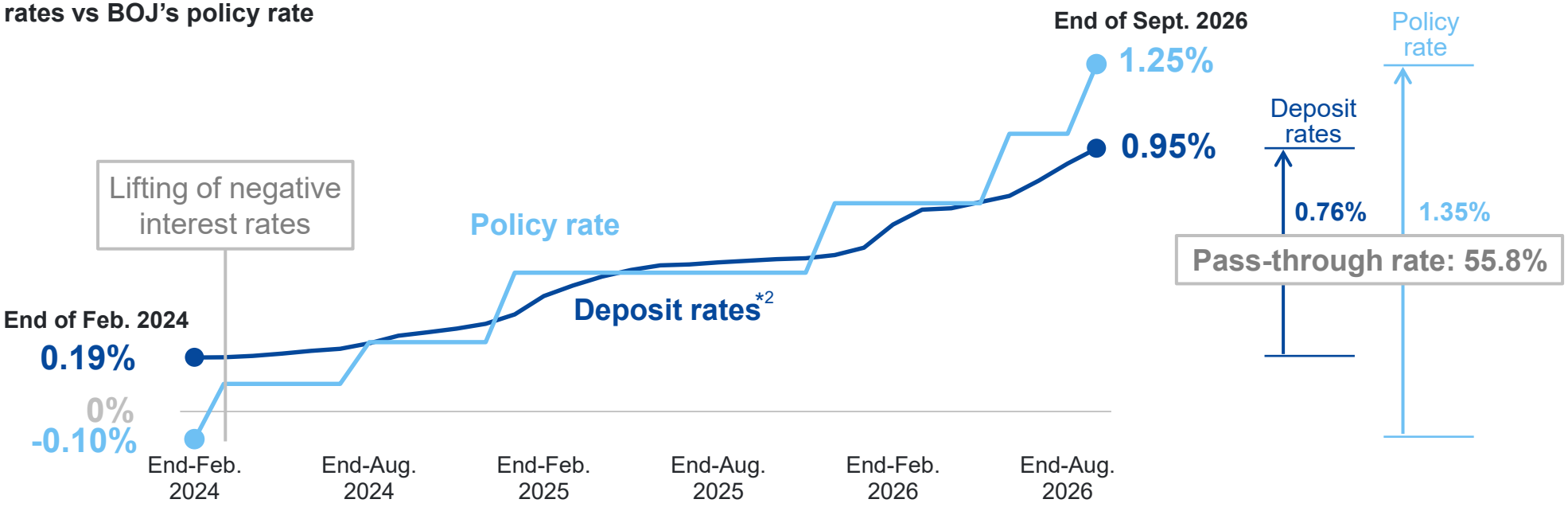
Reference: Aozora's pass-through to interest rates on deposits

Pass-through to interest rates on deposits*1

	End-Feb. 2024	End-Mar. 2024	End-Aug. 2026	End-Sep. 2026
Interest rate on deposits*2	0.19%	0.19%	0.89%	0.95%
Incl. liquid deposits of BANK™	0.20%	0.20%	0.75%	0.75%
BOJ's policy rate	-0.10%	0.10%	1.00%	1.25%
Pass-through rate*3	**-**	**0.3%**	**63.5%**	**55.8%**
Pass-through rate of liquid deposits of BANK™	-	0.0%	49.7%	40.6%

- To expand the number of retail deposit accounts, the planned pass-through rate has been set at 75%, enabling us to offer attractive interest rates, including on BANK™ ordinary deposits
- Since the negative interest rate policy was lifted in March 2024, the pass-through rate has been managed at approximately 60%, with deposit rates increasing by 0.76%, compared with a 1.35% increase in the policy rate through the end of September

Aozora's deposit rates vs BOJ's policy rate



*1 Interest rates as of the end of each month
*2 Non-consolidated basis, internal management basis including borrowed money
*3 Calculated as follows: The increase in funding costs from the end of February 2024 divided by the increase in the policy rate over the same period

© 2026 Aozora Bank, Ltd.

Dividend summary

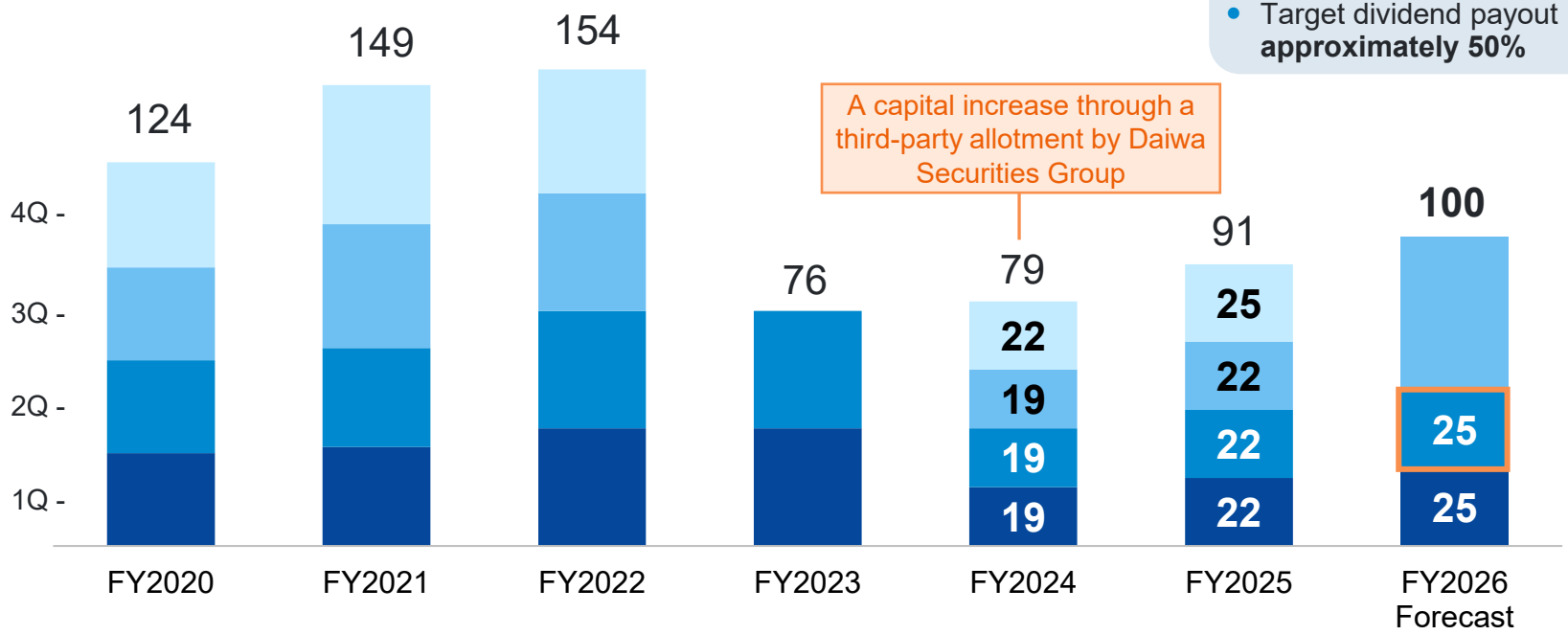
- The dividend declared for 2Q of FY2026 was **25 yen** (representing 25% of the full-year dividend forecast of 100 yen)

Shareholder return policy under the Mid-term Plan

"Stable shareholder returns"

- Shareholder returns through dividends based on business performance
- Target dividend payout ratio of **approximately 50%**

Full-year dividend per share



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**
Number of shares issued (as of fiscal year-end)	118m	118m	118m	118m	139m	139m	-

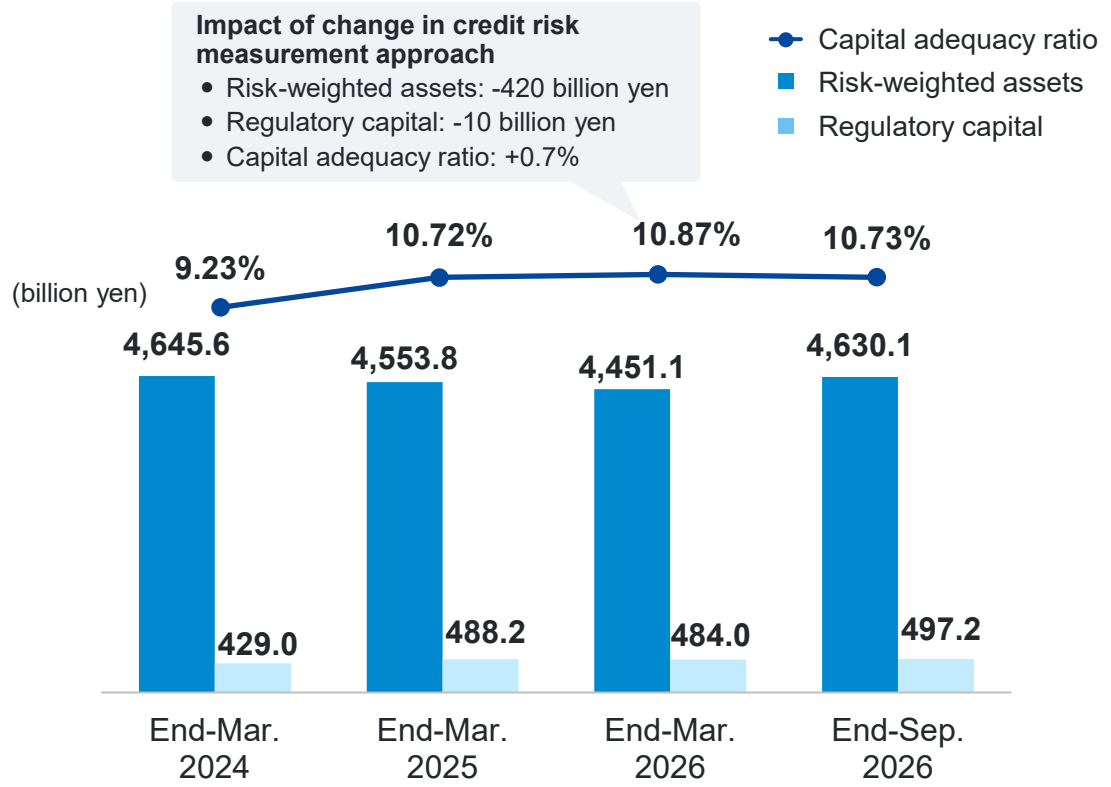
© 2026 Aozora Bank, Ltd.

Capital adequacy ratio (preliminary basis)

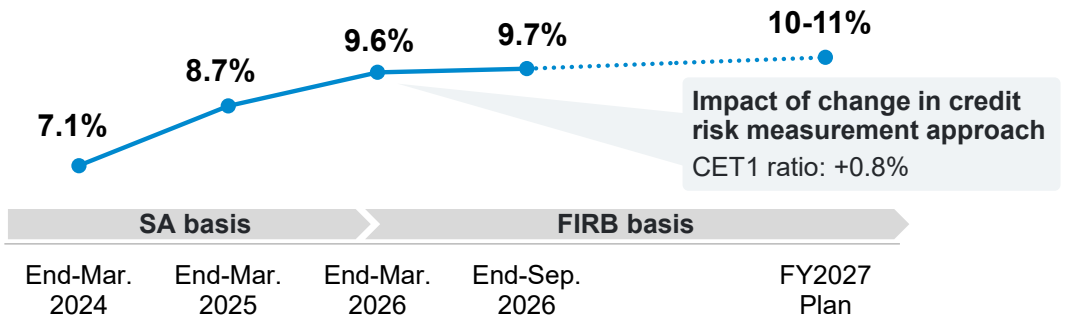
Domestic standard

(billion yen)	End-Mar. 2025	End-Mar. 2026 A	End-Sep 2026 B	Change B - A
Capital adequacy ratio	10.72%	10.87%	10.73%	-0.14%
Regulatory capital (A) - (B)	488.2	484.0	497.2	+13.2
Instruments and reserves (A)	529.7	529.3	544.8	+15.5
Shareholders' equity	475.1	488.1	500.4	+12.3
Other	54.5	41.1	44.4	+3.3
Regulatory adjustment (B)	41.4	45.2	47.6	+2.4
Risk-weighted assets	4,553.8	4,451.1	4,630.1	+179.0
Credit risk assets	4,248.9	3,568.3	3,727.6	+159.3
Market risk	177.6	165.5	167.1	+1.6
Operational risk	127.2	125.4	139.3	+13.9
Floor adjustment	-	591.7	596.0	+4.3

Impact of change in credit risk measurement approach
- Risk-weighted assets: -420 billion yen
- Regulatory capital: -10 billion yen
- Capital adequacy ratio: +0.7%



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

© 2026 Aozora Bank, Ltd.

Progress on the Mid-term Plan “Aozora 2027”

03

Progress on the Mid-term Plan “Aozora 2027”

Progress on KPIs

	FY2024 Results	FY2025 Results	FY2026 Plan	Interim results	FY2027 Plan	FY2029 Targets
Profit attributable to owners of parent (JPY)	20.5 bn	25.7 bn	**27.0 bn**	**18.9 bn**	**33.0 bn**	50.0 bn
ROE	4.9%	5.5%	-	-	**Approx. 7%**	8% or higher
CET1 ratio (FIRB basis from FY2025 results)	8.7%	9.6%	-	**9.7%**	**10-11%**	10-11%
Earning assets *1 (JPY)	4.5 tn	4.7 tn	-	**4.9 tn**	**5.5 tn**	-
Impact of alliance with Daiwa (business profit basis) (JPY)	-	3.5 bn	**6.5 bn**	**6.4 bn** *2	**10.0 bn**	-

Three growth drivers

1. **Growth of the Strategic Investments Business mainly in the Japan domestic market**
2. **Realization of synergies through the alliance with Daiwa Securities Group**
3. **Growth of GMO Aozora Net Bank**

*1 Total of loans and securities, excluding loans to the government, government bonds, etc. Management accounting basis
*2 Contract basis

© 2026 Aozora Bank, Ltd.

1 Strategic Investments Business —LBO loans—

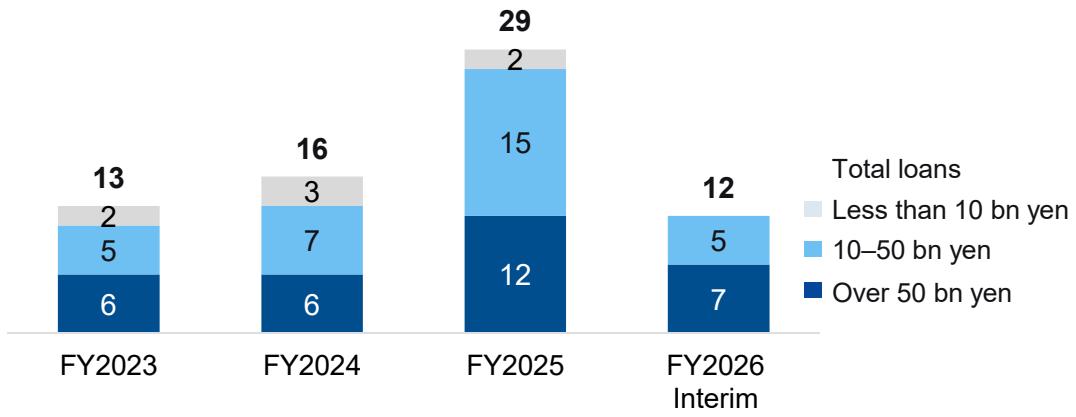
Environment

- The LBO market continued to expand as domestic companies increased corporate actions such as M&A
- The market expansion led to an increase in the number of LBO financings. The total amount of LBO loans originated also expanded due to an increase in large-sized financing transactions

Interim achievements

- Leveraging our strong relationship with PE funds as a key sourcing channel, we maintained a leading domestic market share in the number of large-sized transaction, with **12 transactions** arranged in 1H of FY2026
- Our collaboration with Daiwa Securities Group progressed in multiple transactions
- We established and launched a **private debt fund**, jointly with five other Japanese banks, to provide domestic LBO loans

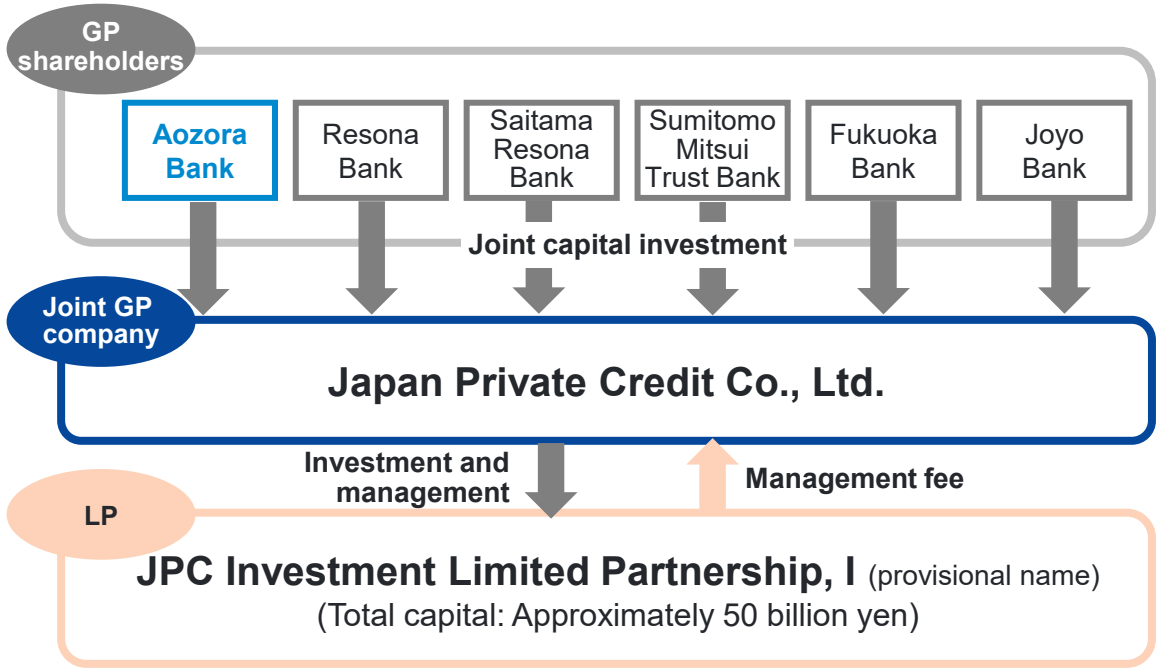
Number of transactions arranged by Aozora



Establishment of a private debt fund

- In the domestic market, demand for LBO loans has grown both in scale and complexity. While further growth is anticipated over the medium to long term, there is an issue that fund suppliers are limited to specific financial institutions
- With the participation of the private debt fund as a new provider of LBO loans, we aim to support corporate restructuring and growth investments from a financial perspective, promote the sound development of the LBO loan market, and contribute to the revitalization of the Japanese economy

Fund structure



© 2026 Aozora Bank, Ltd.

1 Strategic Investments Business —Corporate loans and equity investments—

Corporate loans

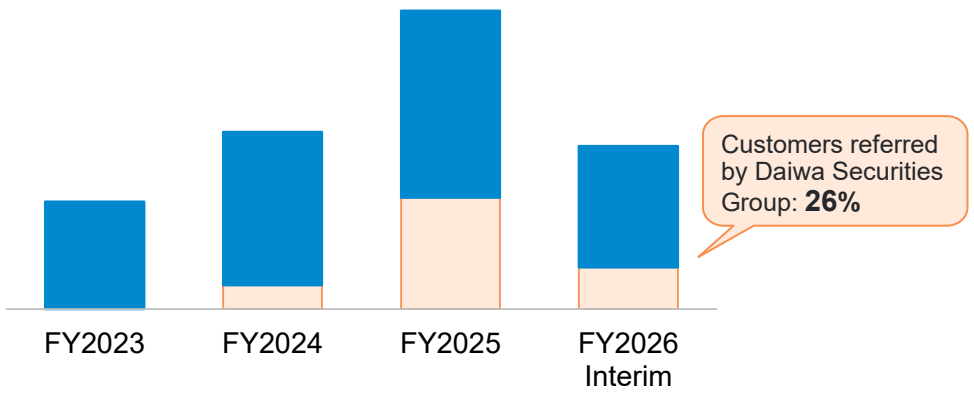
Environment

- An increasing number of companies explored an optimal funding structure and diversified sources of funding as a result of higher domestic interest rates and business structural changes, driven by growing funding needs for expanding investments and addressing higher prices
- As equity investment in start-ups slows, demand for debt financing as a new source of risk capital is growing
- Regional banks are entering the start-up lending market in increasing numbers, intensifying competition among lenders

Interim achievements

- The number of customers increased (+6.5% from March 31, 2026) due to Daiwa Securities Group' customer referrals as well as our approach to former borrowers. Loans were made mainly to customers with high credit quality
- We closed an M&A advisory transaction referred by Daiwa Securities Group for the first time
- We established a venture debt fund for start-ups "AOZORA HYBRID Investment Limited Partnership, IV" (total capital: 15 billion yen)

Number of new customers



Equity investments

Environment

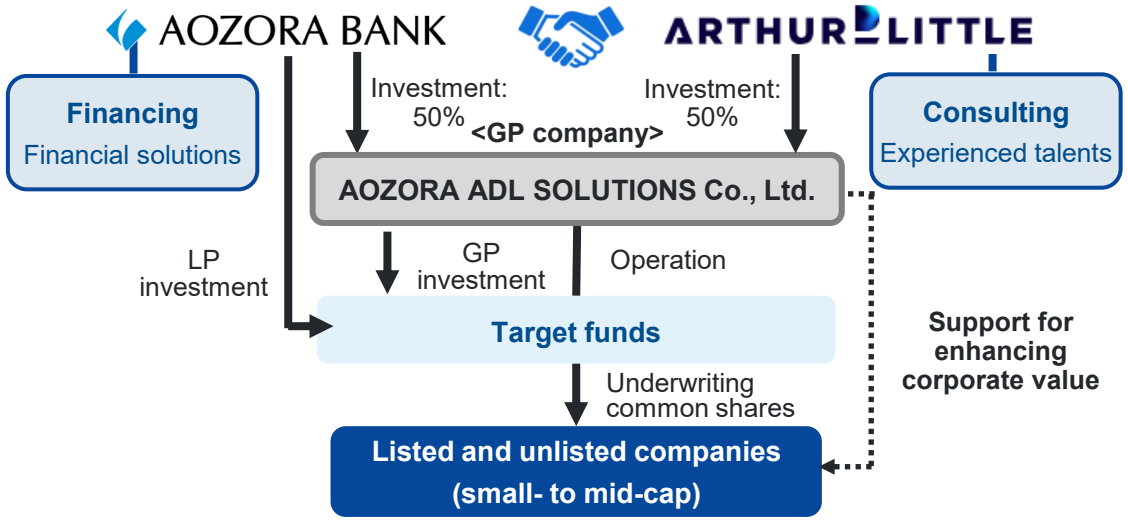
- The number and sale value of buyout-related exit transactions remained at high levels in the active M&A market environment

Interim achievements

- Large-sized buyout-related exit transactions were a driver for gains from limited partnerships. We intend to increase investment exposures while also remaining attentive to vintage diversification

Establishment of joint venture with Arthur D. Little

- We established "AOZORA ADL SOLUTIONS Co., Ltd.," a fund operator that aims to help small- to mid-cap companies enhance their corporate value. By providing capital funds and consulting, the company supports the growth of investee companies while maintaining their management structure



© 2026 Aozora Bank, Ltd.

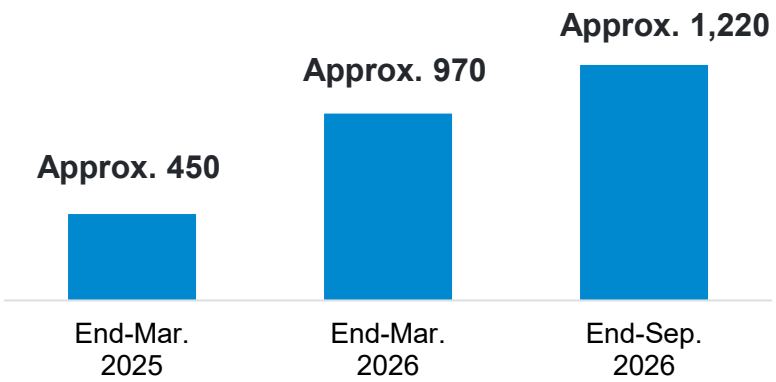
② Alliance with Daiwa Securities Group

Major areas of collaboration					
	Corporate business	Corporate (incl. support for growing companies)	Real estate-related business	**Retail business**	Wealth management
		Other (asset finance, trust business, etc.)	M&A		

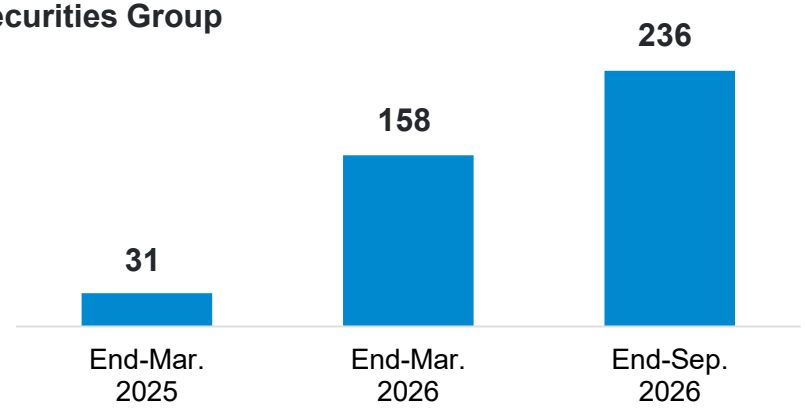
Positive impact of alliance	FY2025 Results	**FY2026 Interim Results**	**FY2026 Plan**	**FY2027 Targets**
Business profit	3.5 bn yen	**6.4 bn yen (contract basis)**	**6.5 bn yen**	**10.0 bn yen**
Financing amount (total)	286.0 bn yen	**531.4 bn yen**	**560.0 bn yen**	**730.0 bn yen**
Fund wrap balances (total)	67.4 bn yen	**94.3 bn yen**	**100.0 bn yen**	**- *1**

- Our customer base expanded, driven by the increasing number of information sharing agreements*2 and new contracts (total)
- Our sales of a fund wrap product offered by Daiwa Securities in October 2025 made faster progress than expected. We expect AUM to exceed the FY2026 plan soon

Number of information sharing agreements*2 received



Number of new contracts (total) for customers referred by Daiwa Securities Group



*1 To be set

*2 In accordance with the firewall regulations between securities firms and banks, the information sharing agreements are obtained from customers in advance of customer referrals between the two companies.

© 2026 Aozora Bank, Ltd.

③ GMO Aozora Net Bank

Achievements and initiatives in 1H

- Ranked No. 1 in the “Main Bank Growth Rate Ranking,” a survey conducted by Tokyo Shoko Research, for three consecutive years (2024–2026)
- Began providing business loans and factoring services to meet the diverse financing needs of SMEs and start-ups in collaboration with outside partners

Measures and policy going forward

- “AI Bank” concept: To be a “bank of choice” by both corporate customers and AI

Area 1
AI Bank for customers

- One AI agent per customer
- Ultimate personalized services

Area 2
AI transformation of GMO Aozora

- 400 employees → Capacity of 40,000 people
- Deploying AI agents to all internal tasks
- Business transformation and organizational restructuring

Area 3
AI Bank for AI

- AI-driven API (Agentic API)
- Release MCP (Model Context Protocol)

Simultaneous announcement of AI agent initiatives across three areas

Ai 銀行 by GMOあおぞら

As of May 2026

1. **Net revenue:** 15 billion yen
2. **Number of corporate accounts:** 250,000
3. **Number of BaaS contracts:** 1,100 contracts (approx.)

Doubling

In five years (ending March 31, 2031)

1. **Net revenue:** 30 billion yen
2. **Number of corporate accounts:** 500,000
3. **Number of BaaS contracts:** 2,000 contracts (approx.)

ROE: 20% or higher

© 2026 Aozora Bank, Ltd.

Results of business segments and group companies

04

Results by business segment*1

(billion yen)	Net Revenue				Business Profit					
	FY2025 Interim	FY2026 Interim	YoY Change		FY2025 Interim	FY2026 Interim	YoY Change		FY2026 Plan	Progress
			+/-	%			+/-	%		
Strategic Investments Unit	31.2	**35.0**	+3.7	+12%	20.7	**23.1**	+2.3	+12%	34.5	67%
Market & International Business Unit	11.6	**10.2**	-1.4	-12%	5.3	**5.0**	-0.2	-6%	16.0	32%
Incl. legacy assets	-3.1	-9.9	-6.8	-	-3.1	-9.9	-6.8	-	-	-
Customer Relations Unit	5.4	**6.0**	+0.5	+10%	0.4	**1.4**	+0.9	+192%	1.8	79%
GMO Aozora Net Bank	5.7	**9.5**	+3.7	+66%	0.2	**2.2**	+2.0	+948%	-	-
Other*2	-1.9	**-2.1**	-0.1	-	-5.4	**-5.2**	+0.1	-	-	-
Total	**52.1**	**58.6**	**+6.5**	**+12%**	**21.3**	**26.6**	**+5.2**	**+25%**	**44.0**	**61%**

*1 Management accounting basis

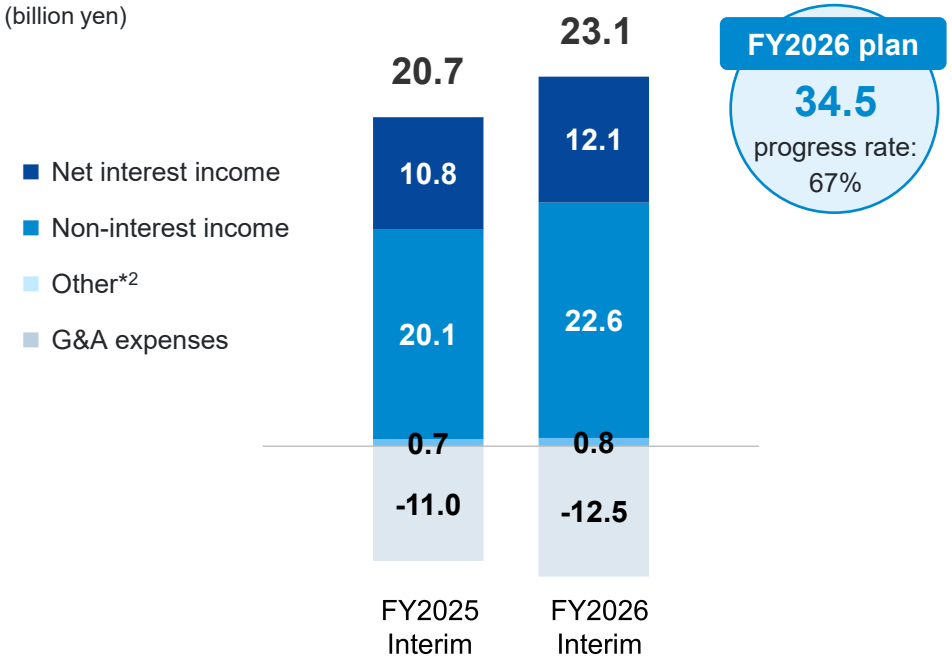
*2 "Other" includes (i) business-related profit not included in the business units (e.g., G&A expenses not allocated to each unit, gains/losses on the sale of equities not included in any units), (ii) gains/losses on the sale of equities held solely for investment purposes, and (iii) revenue adjustment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

© 2026 Aozora Bank, Ltd.

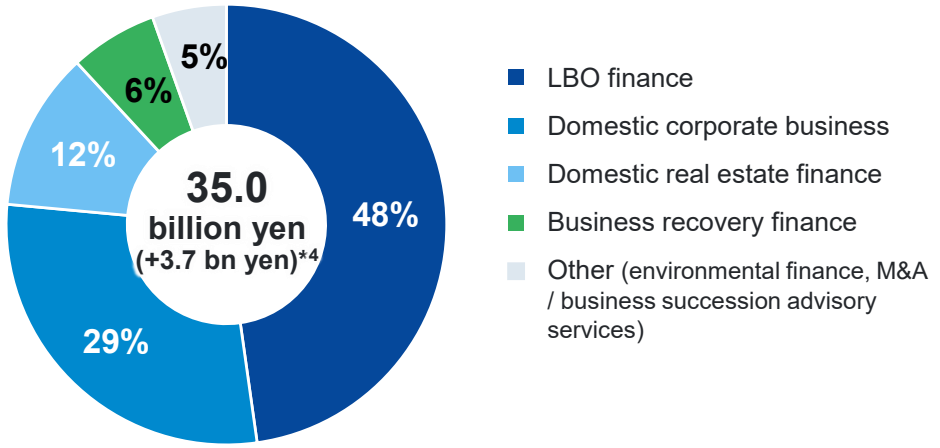
Results by business segment*1 —Strategic Investments Unit—

- Net interest income increased mainly due to growth in loan outstandings. Non-interest income also increased steadily as revenue from the sale of derivatives generated by meeting customer needs and gains from limited partnerships from buyout-related transactions both expanded. Loan-related fee income from LBO finance remained high

Business profit
(billion yen)



Net revenue by business*3



Major businesses in the Strategic Investments Unit

- LBO finance
- Environmental finance
- Domestic corporate loans
- Domestic real estate finance
- M&A / business succession advisory services
- Venture debt
- Business recovery finance
- Equity investments with a primary focus on engagement

◆··· Areas of collaboration with Daiwa Securities Group

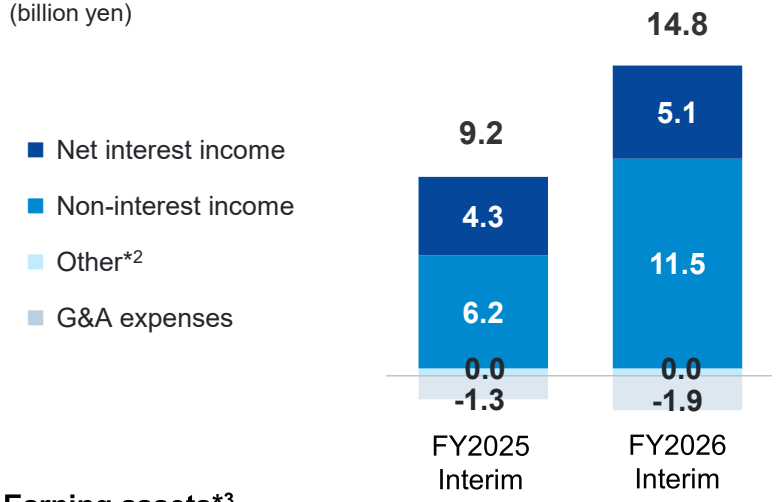
*1 Management accounting basis
*2 "Other" includes "Gains/losses on equity method investments," "Gains/losses on stock transactions, etc.," and "Amount of revenue commensurate with the degree of contribution related to funding activity."
*3 Based on the net revenue for each business segment
*4 Year-on-year comparison

© 2026 Aozora Bank, Ltd.

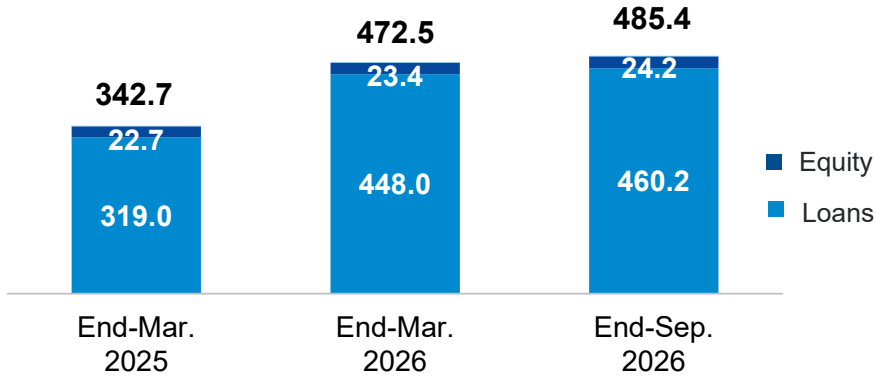
Results by business segment*1 —Major business operations in the Strategic Investments Unit—

LBO finance

Business profit
(billion yen)

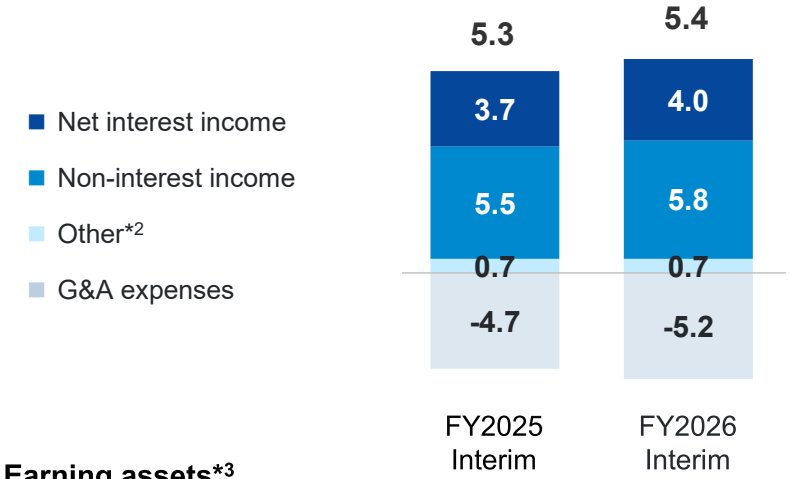


Earning assets*3
(billion yen)

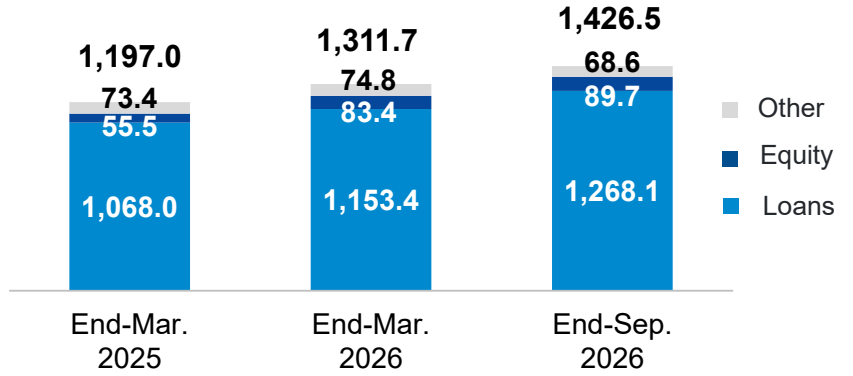


Domestic corporate business
(domestic corporate loans, venture debt, equity investments with a primary focus on engagement)

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."

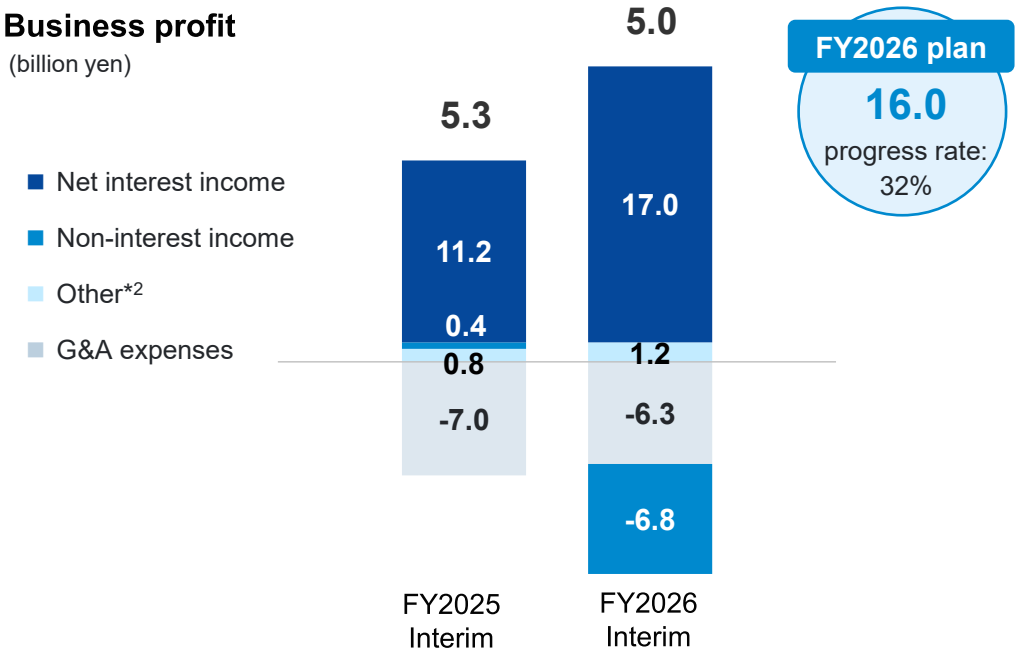
*3 Earning assets of each business segment

© 2026 Aozora Bank, Ltd.

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

- In the market business, net interest income increased significantly as a result of our ALM operations amid higher yen interest rates, enabling us to accelerate the sale of our legacy credit ETFs
- For overseas corporate loans, we continued disciplined portfolio management focused on credit quality resulting in stable net interest income

Business profit
(billion yen)

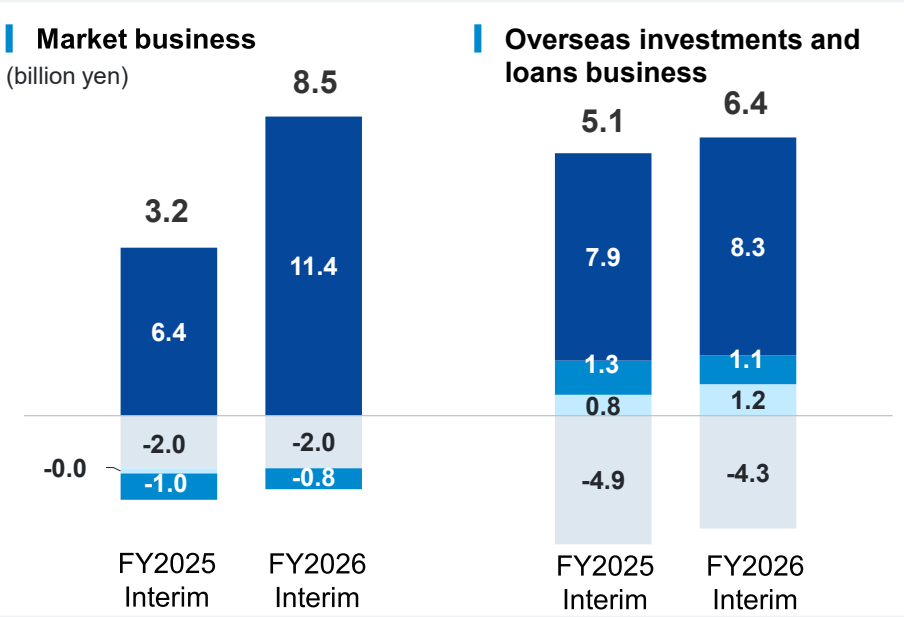


FY2026 plan
16.0
progress rate: 32%

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)



Business profit from legacy assets	FY2025 Interim: -3.1 billion yen
	FY2026 Interim: -9.9 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."

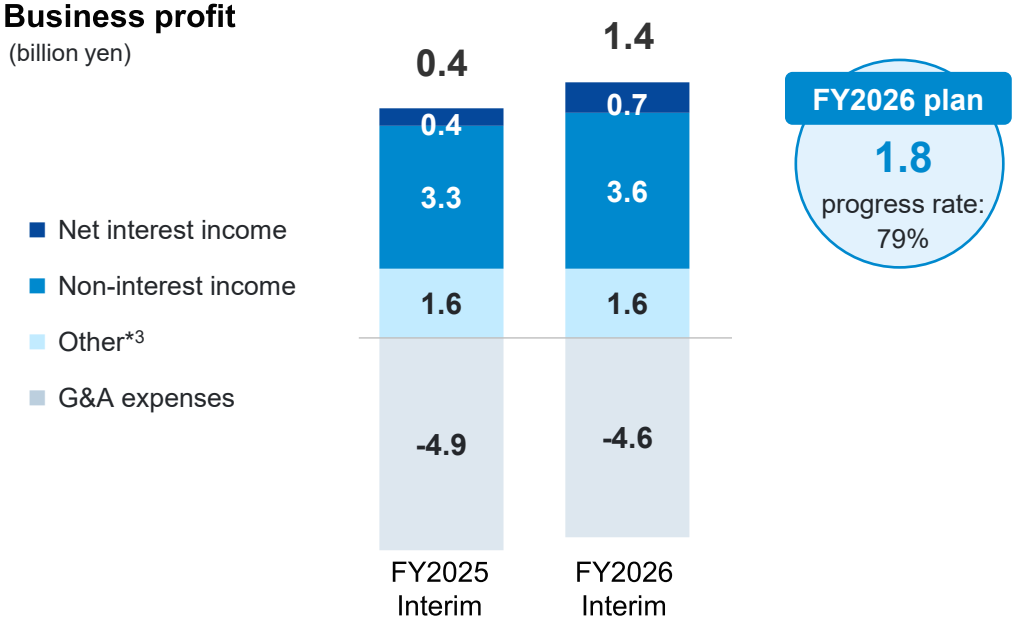
© 2026 Aozora Bank, Ltd.

Results by business segment*1 —Customer Relations Unit—

- Leveraging our regional financial institution network, we ranked second only to the megabanks in terms of syndicated loan transaction volume (ranked fourth in the FY2025 league table*2)
- AUM for retail customers (total of investment trusts and fund wrap products) increased strongly, resulting in higher non-interest income

Business profit

(billion yen)



FY2026 plan
1.8
progress rate: 79%

Major businesses in the Customer Relations Unit

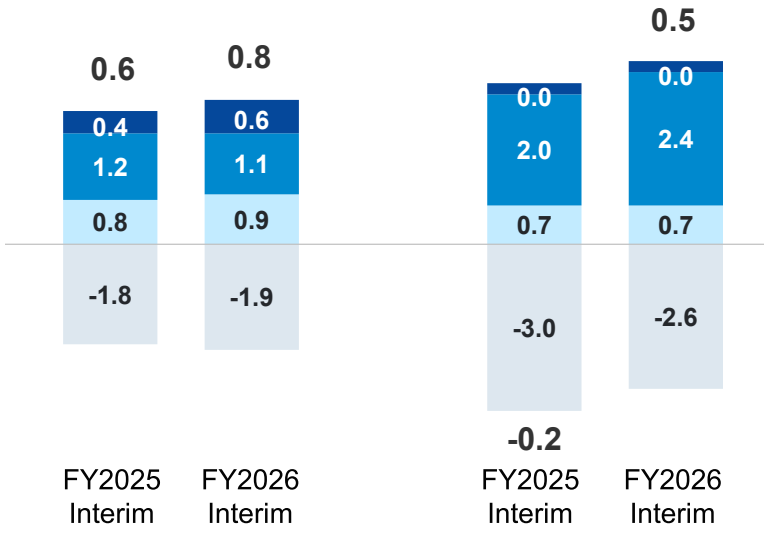
- Financial institutions and public corporations business (financial institution network, asset securitization business)
- Retail banking business (deposits, wealth management business)
- ··· Areas of collaboration with Daiwa Securities Group

Business profit breakdown by business operation

Financial institution and public corporation businesses

Retail banking business

(billion yen)



*1 Management accounting basis
*2 Source: LSEG (mandated arranger category)
*3 "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."

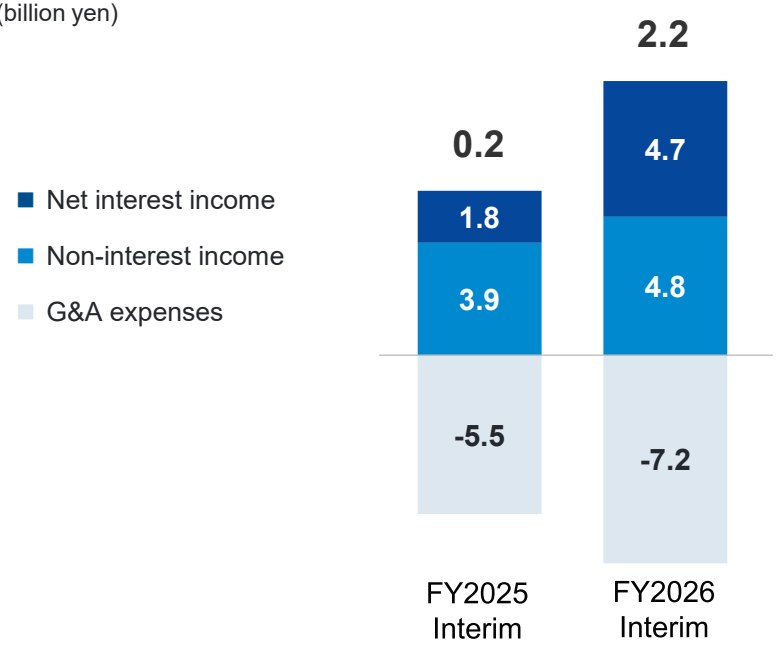
© 2026 Aozora Bank, Ltd.

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 solid non-interest income from business expansion, which more than offset the impact of lower transfer fees
- Net income*1 progressed strongly

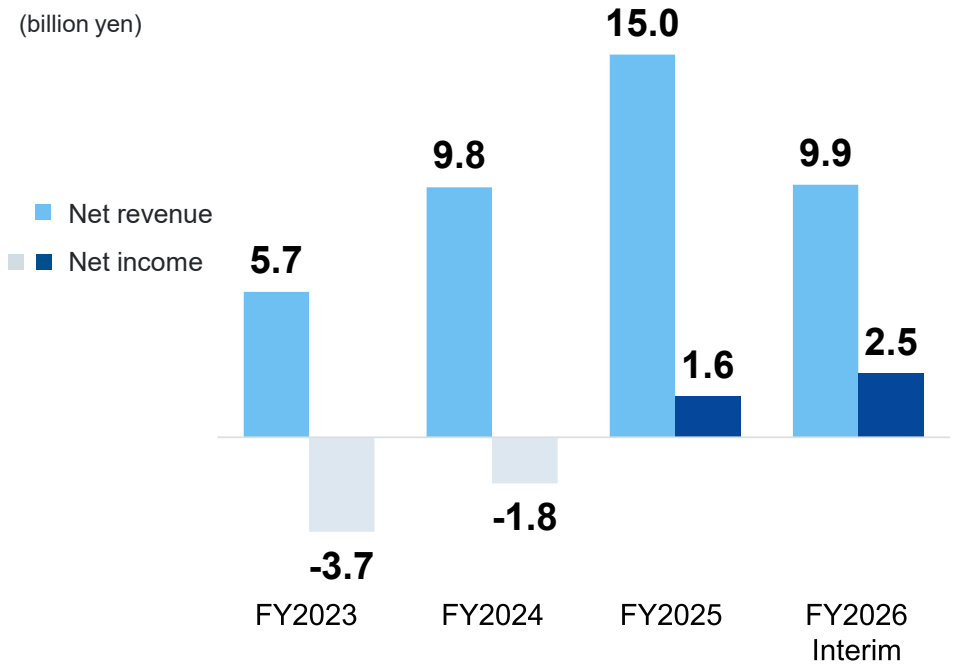
Business profit*2

(billion yen)



Net revenue and net income*1

(billion yen)

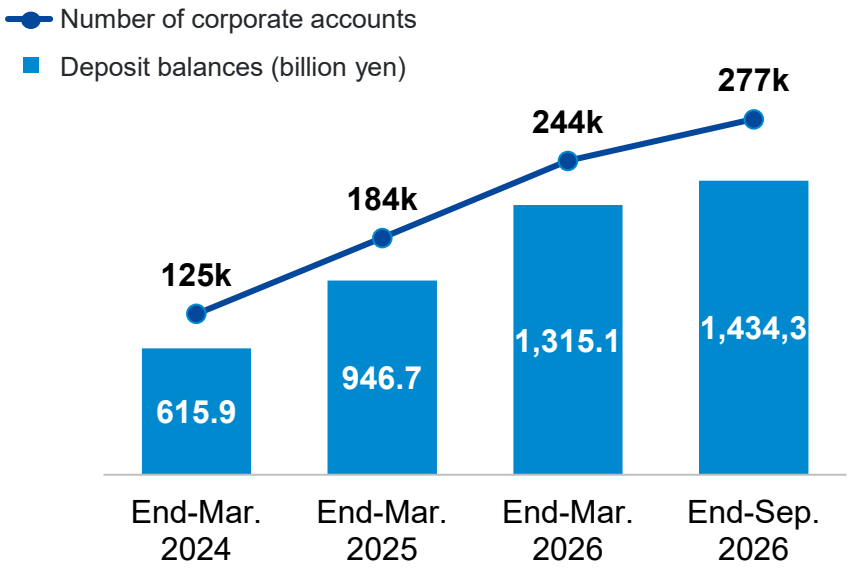


*1 GMO Aozora Net Bank's non-consolidated results
*2 Management accounting basis

© 2026 Aozora Bank, Ltd.

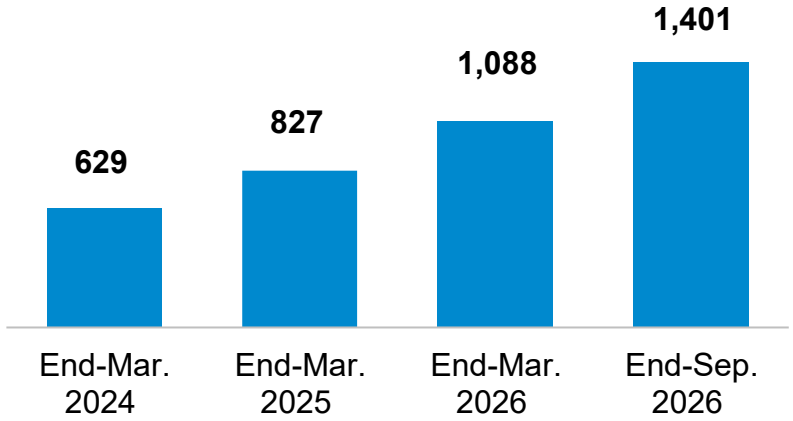
Results by business segment —GMO Aozora Net Bank—

Number of corporate accounts and deposit balances

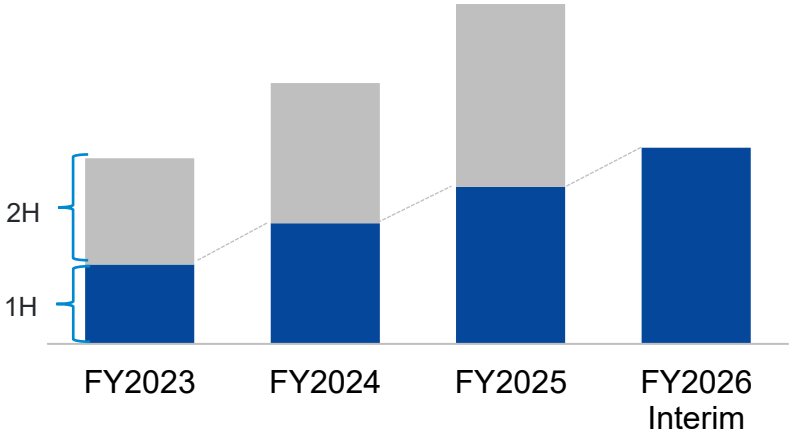


Total number of "BaaS byGMO Aozora" contracts

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



© 2026 Aozora Bank, Ltd.

Group companies / consolidated, non-consolidated difference

(billion yen)

A: Non-consolidated net income	**12.9**
B: Profit attributable to owners of parent	**18.9**
B - A Difference	**6.0**

Breakdown of the difference

	Share of Earnings[*1]	Net Revenue	Net Income	
GMO Aozora Net Bank, Ltd.	50.0% [*2]	9.9	2.5	
Aozora Loan Services Co., Ltd.	67.6%	0.5	-0.1	
Aozora HR Lab. & Consulting Co., Ltd.	100.0%	0.0	-0.0	
Aozora Investment Management Co., Ltd.	100.0%	1.3	0.5	
Aozora Real Estate Investment Advisors Co., Ltd.	100.0%	0.1	0.0	
Aozora Corporate Advisory Co., Ltd.	100.0%	0.2	0.0	
Aozora Corporate Investment Co., Ltd.	100.0%	0.4	0.2	
Aozora Europe Limited	100.0%	0.4	0.1	
Aozora North America, Inc.	100.0%	2.5	1.5	
Orient Commercial Joint Stock Bank	15.0%	-	1.4	[*3]
Profit/loss attributable to non-controlling interests (GMO Aozora Net Bank, Ltd.)		-	-1.1	
Other		-	0.7	[*4]

*1 Percentage of profit and loss attributable to owners of parent
*2 Voting rights ratio is 85.1%.
*3 Revenue contribution from equity method investments
*4 Including other consolidated subsidiaries and consolidation adjustments

© 2026 Aozora Bank, Ltd.

Reference: Annual Report 2026

“Annual Report 2026” was published in September 2026, showcasing our established strengths





Please visit our website from here. ⬇

QR code:

URL:
https://www.aozorabank.co.jp/english/ir/library/disclosure/pdf/annualReport2026_main.pdf

© 2026 Aozora Bank, Ltd.

Creating Possibilities

AOZORA BANK

Aozora Bank, Ltd.
Corporate Communication Division

Address: 6-1-1 Kojimachi, Chiyoda-ku, Tokyo 102-8660, Japan
Tel: 03-6752-1218
Mail: azbk001@aozorabank.co.jp
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

© 2026 Aozora Bank, Ltd.