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**Results for the First Half of  
Fiscal Year Ending  
March 31, 2026  
IR Presentation**

**77 BANK**

Materials were prepared for the Bank's presentation of its results for first half of the fiscal year ending March 31, 2026 held on December 2, 2025.

Point  
**01**

## **Posted the highest profit ever recorded for a first half and revised upward the full-year projected performance for FY2025**

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- ✓ Achieved a record-high profit for a first half as a result of the increase in income from customer services and total gains (losses) from securities
- ✓ Revised upward the full-year projected performance for FY2025 based on the current earnings environment and other factors with the expectation of achieving a record-high profit

Point  
**02**

## **Initiated a review of “Vision 2030,” scheduled for release next spring**

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- ✓ New financial targets, Policy of Return of Profits to Shareholders, etc., will be released in conjunction with the review of Vision 2030
- ✓ Strategies and KPIs are currently under review, while we take into consideration the external environment and other factors in anticipation of the release next spring

Point  
**03**

## **Increased interim dividends and revised upward the year-end dividends forecast**

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- ✓ Increased interim dividends (up JPY 8) and revised upward the year-end dividends forecast (up JPY 8) in view of performance and other factors
- ✓ Expected to achieve the dividend ratio target of 35% or more as stated in the Policy of Return of Profits to Shareholders

1. Financial Summary	...	3
2. Projected Performance	...	13
3. The 77 Bank Group's Value Enhancement	...	18
4. Key Business Strategies	...	29
5. Status of Vision 2030 Initiatives	...	38

01

| Financial  
Summary

Non-consolidated	(Unit: JPY bn, %)	FY2024	FY2025	YoY change	
		1H	1H	Amount	%
Gross operating profit		45.9	<b>51.3</b>	5.4	11.8
Net interest income		54.4	<b>55.5</b>	1.1	1.9
Net fees and commissions income		7.3	<b>8.3</b>	1.0	14.3
Net other operating income		(15.8)	<b>(12.5)</b>	3.3	
Expenses		23.5	<b>24.8</b>	1.3	5.6
Substantial net operating income		22.4	<b>26.5</b>	4.1	18.2
[ Core net operating income ]	[ 31.8 ]	[ 35.2 ]	[ 3.4 ]	[ 10.5 ]	
[ Core net operating income (excl. gains (losses) on cancellation of investment trusts) ]	[ 23.6 ]	[ 29.2 ]	[ 5.6 ]	[ 23.8 ]	
Provision of general reserve for loan losses	-	(0.1)	(0.1)		
Net operating income	22.4	<b>26.6</b>	4.2	18.8	
Special income and losses	6.0	<b>7.8</b>	1.8		
<b>Ordinary profits</b>	28.4	<b>34.3</b>	5.9	20.7	
Extraordinary gains/losses	(0.0)	(0.1)	(0.1)		
<b>Profit</b>	19.9	<b>24.0</b>	4.1	20.7	
Credit-related expenses	(0.3)	<b>2.7</b>	3.0		
Total gains (losses) from securities	23.3	<b>27.3</b>	4.0		
After excluding procurement costs	17.0	<b>21.0</b>	4.0		
Income from customer services	11.2	<b>14.8</b>	3.6		
After excluding foreign currency-denominated procurement costs	9.1	<b>13.3</b>	4.2		
<b>Consolidated</b>					
<b>Ordinary profits</b>	28.7	<b>35.2</b>	6.5	22.6	
<b>Profit attributable to owners of the parent</b>	19.8	<b>24.3</b>	4.5	22.8	

**Net interest income increased as a result of capturing demand for loans and bills discounted and the increase in yields on these assets, despite the increase in interest rate on deposits**

### Net interest income

(Unit: JPY bn, %)

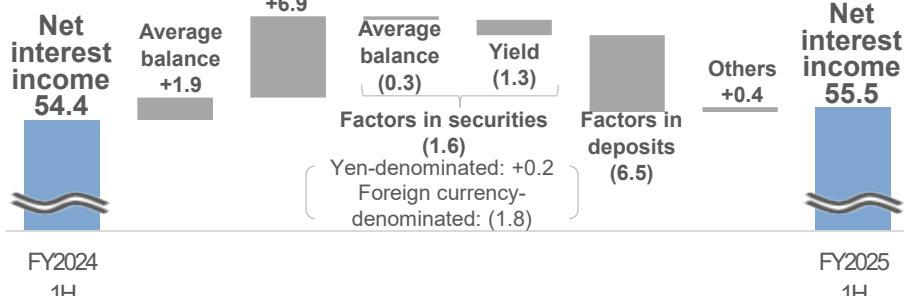
	FY2024 1H	FY2025 1H	YoY change	
			Amount	%
Net interest income	54.4	55.5	1.1	1.9
Interest income	56.5	64.7	8.2	14.4
(Interest on loans and bills discounted)	28.4	37.2	8.8	31.0
(Interest and dividends on investment securities)	26.9	25.3	(1.6)	(6.0)
Interest expenses	2.1	9.3	7.2	342.7
(Interest on deposits)	1.4	7.9	6.5	476.5

### (Reference) Change factors in net interest income

(Unit: JPY bn)

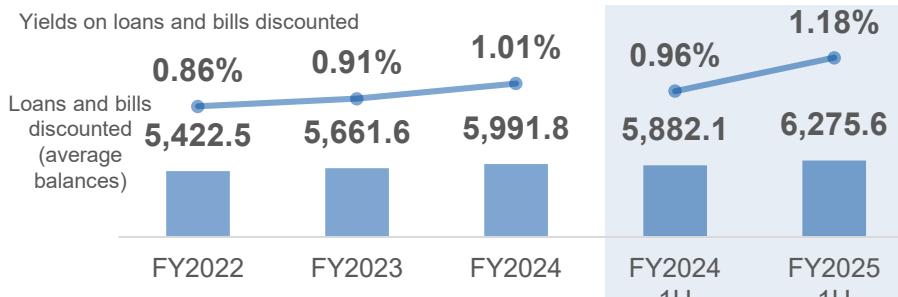
#### Factors in loans

+8.8

Yen-denominated: +9.1  
Foreign currency-denominated: (0.3)

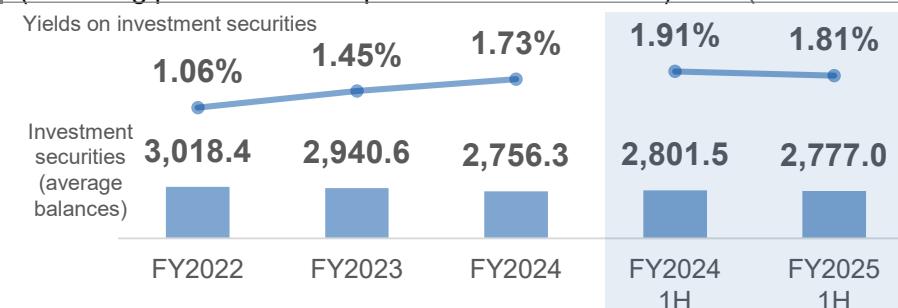
### Average balances and yields of loans and bills discounted

(Unit: JPY bn)



### Average balances and yields of investment securities

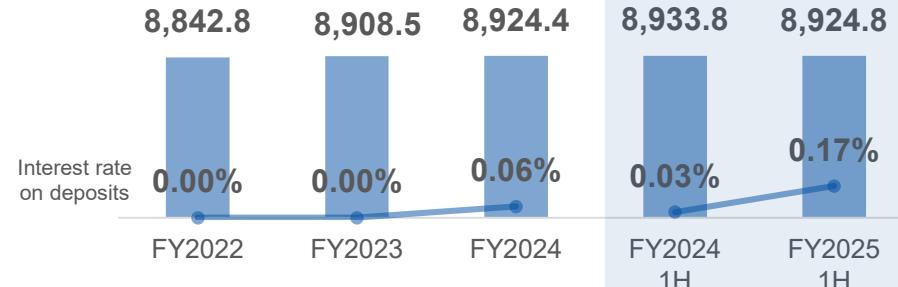
(Unit: JPY bn)



### Average balances and yields of deposits

(Unit: JPY bn)

#### Average balances of deposits



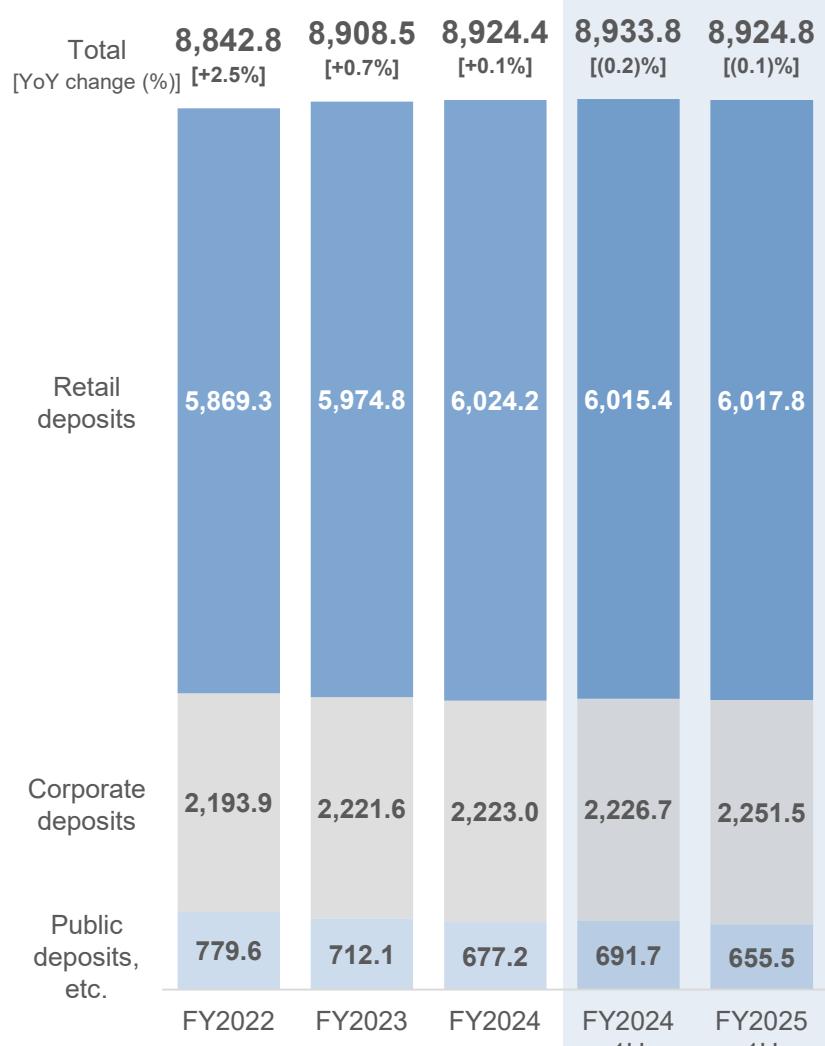
**Average balances of deposits decreased due to a decrease in public deposits, etc., despite increases in both retail and corporate deposits**

**Overall interest rate on deposits increased due to rising deposit interest rates**

**Deposits (average balances)**

(including negotiable certificates of deposits)

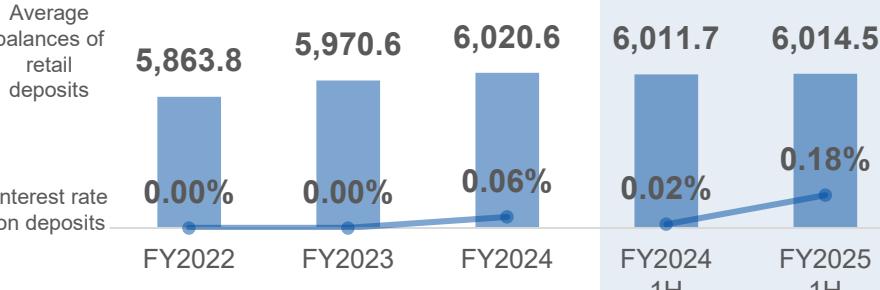
(Unit: JPY bn)



**Average balances and yields of retail deposits**

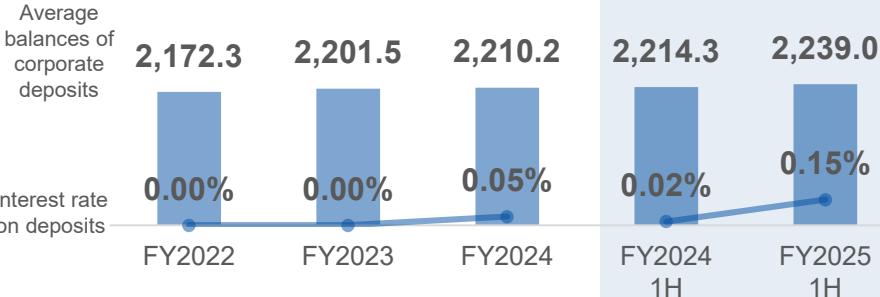
(yen-denominated)

(Unit: JPY bn)



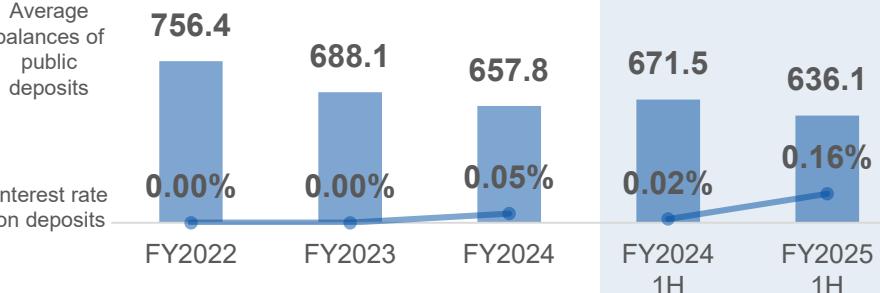
**Average balances and yields of corporate deposits (yen-denominated, including negotiable certificates of deposits)**

(Unit: JPY bn)



**Average balances and yields of public deposits (yen-denominated, including negotiable certificates of deposits)**

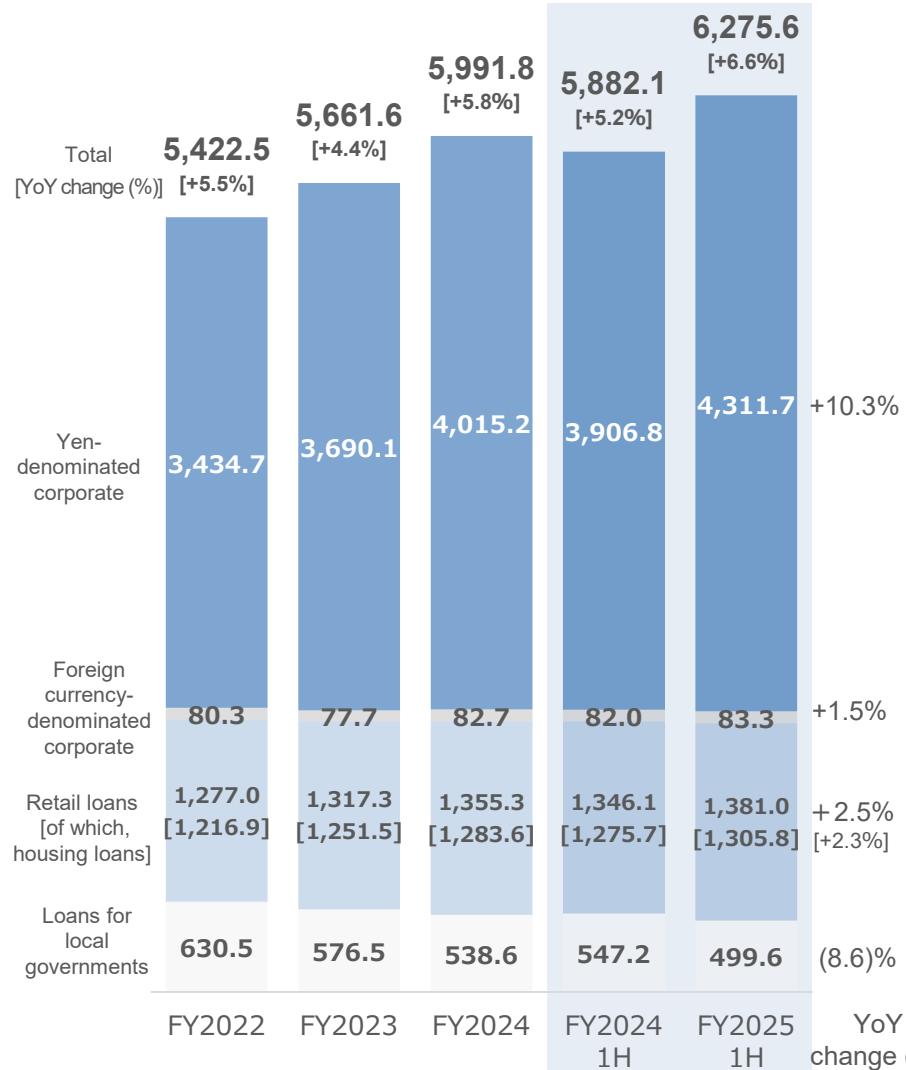
(Unit: JPY bn)



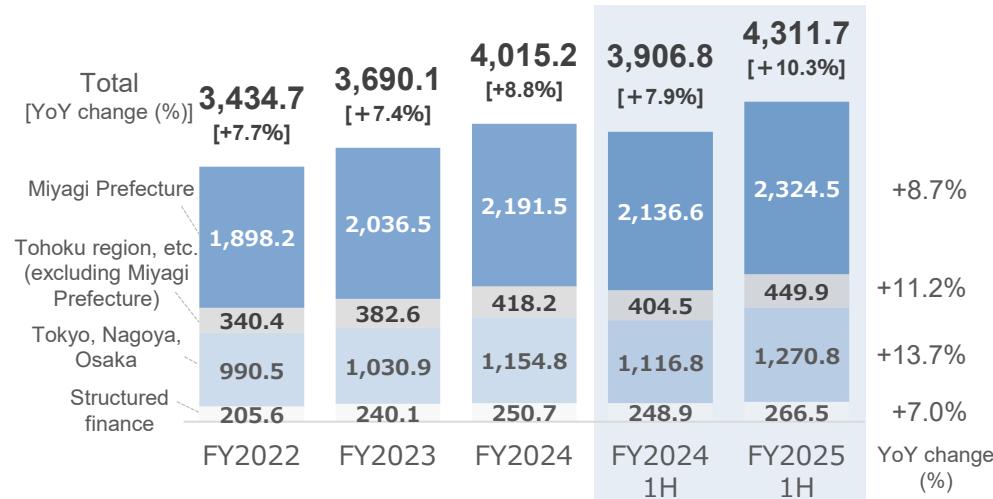
# Loans and Bills Discounted

Captured working capital and capital expenditure needs and maintained a high growth rate for corporate loans  
Yields on yen-denominated loans and bills discounted increased by 0.24 percentage points year on year,  
leading to an improvement in overall yields on such assets

## Loans and bills discounted (average balances) (Unit: JPY bn)



## Corporate loans (average balances) (yen-denominated) (Unit: JPY bn)

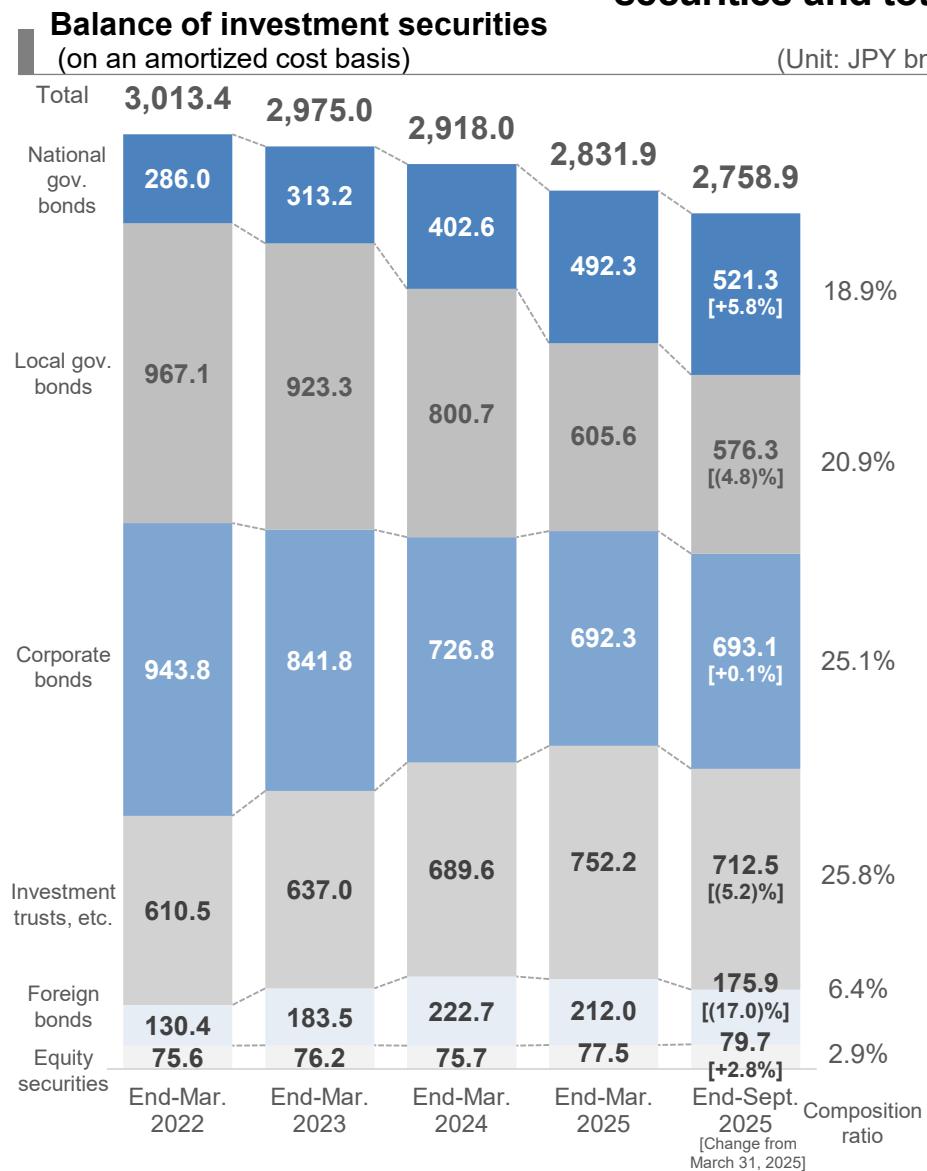


## Yields on loans and bills discounted



# Securities (1)

Proceeded with sales primarily focused on low-yield bonds while executing sales of equity, etc., that capitalized on the rise in stock prices, resulting in improvements in both the total gains (losses) from securities and total yield on securities



**Total gains (losses) from securities**

(Unit: JPY bn, %)

	FY2024 1H	FY2025 1H	YoY change Amount
Interest and dividends on investment securities [A]	26.9	25.3	(1.6)
Interest on yen-denominated bonds	2.9	4.4	1.5
Interest on foreign currency-denominated bonds	6.6	4.8	(1.8)
Stock dividends	4.4	4.9	0.5
Distributions from investment trusts	4.8	5.2	0.4
Gains on cancellation of investment trusts	8.2	6.0	(2.2)
Gain (losses) on debt securities [B]	(9.4)	(8.7)	0.7
Gain on sales	2.7	0.3	(2.4)
Gain on redemption	0.0	0.0	0.0
Losses on sales	10.1	6.2	(3.9)
Losses on redemption	2.0	2.8	0.8
(Losses on cancellation of investment trusts)	1.9	2.6	0.7
Write-offs	0.0	-	(0.0)
Gain (losses) on equity securities [C]	5.4	7.0	1.6
Gain on sales	5.5	7.0	1.5
Losses on sales	0.1	0.0	(0.1)
Write-offs	0.0	-	(0.0)
Gains (losses) on investments in money held in trust [D]	0.4	3.7	3.3
Total gains (losses) from securities [A+B+C+D]	23.3	27.3	4.0
After excluding procurement costs	17.0	21.0	4.0
(Reference) Total yield from securities (After excluding procurement costs)	1.15	1.44	0.29

## Securities (2)

Executed sales primarily focused on low-yield bonds and purchases of bonds with an eye toward evening out the redemption period, in order to raise the yield of the yen-denominated bond portfolio

## Gains (losses) from evaluation of securities

(Unit: JPY bn)

	End-Mar. 2024	End-Mar. 2025	End-Sept. 2025
Debt securities	(34.9)	(63.7)	<b>(62.2)</b>
National gov. bonds	(16.8)	(27.3)	<b>(27.3)</b>
Local gov. bonds	(9.6)	(18.8)	<b>(17.5)</b>
Corporate bonds	(8.5)	(17.6)	<b>(17.4)</b>
Others	60.0	32.7	<b>68.9</b>
Investment trusts, etc.	61.3	33.7	<b>70.9</b>
Foreign bonds	(1.3)	(1.0)	<b>(2.0)</b>
Equity securities	143.3	124.3	<b>166.7</b>
Investment securities total	168.4	93.3	<b>173.4</b>
Money held in trusts	7.8	5.8	<b>6.7</b>
<b>Total</b>	<b>176.2</b>	<b>99.1</b>	<b>180.1</b>

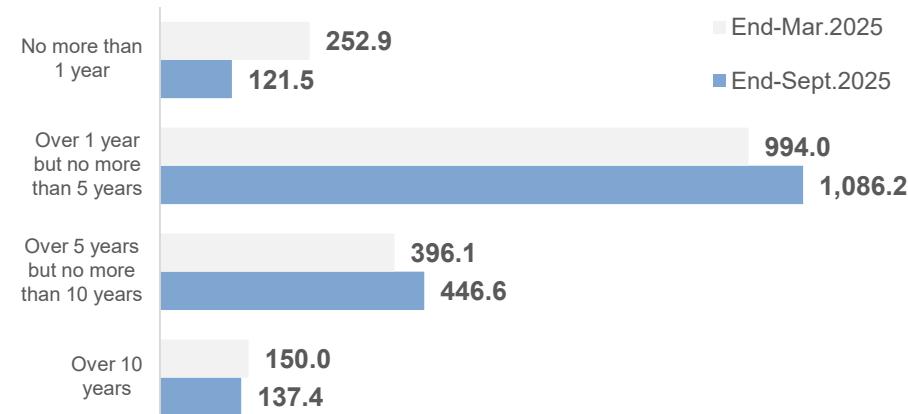
## (Reference) Changes in Nikkei Average, etc.

(Unit: JPY, %)

Nikkei Stock Average	40,369	35,617	<b>44,932</b>
10-year JGB yield	0.72	1.48	<b>1.64</b>
10-year US Treasury yield	4.20	4.20	<b>4.15</b>

## Yen-denominated bonds balance by remaining period

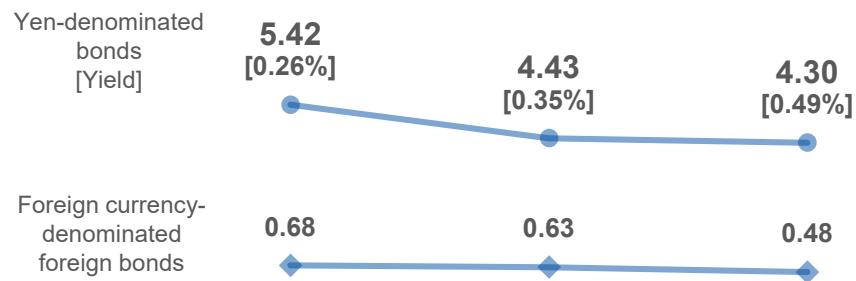
(Unit: JPY bn)



## (Reference) Sales and redemptions of yen-denominated bonds

	Sales [Average remaining period]	Redemptions
FY2024	JPY 321.3 bn [7.7 years]	JPY 215.3 bn
FY2025 1H	JPY 74.7 bn [7.6 years]	JPY 137.0 bn

## Modified duration of yen-denominated bonds and foreign currency-denominated foreign bonds



## Fees and commissions from corporate clients increased thanks to consulting sales, in addition to the increase in commission income from financing fee-type housing loans launched in October 2024

### Fees and commissions

	FY2024	FY2025	YoY change
	1H	1H	Amount
Fees and commissions income	10.4	11.5	1.1
Fees and commissions from payments	4.2	4.4	0.2
Fees and commissions from corporate clients	2.2	2.3	0.1
Sales commissions of assets in custody	1.4	1.3	(0.1)
Financing fee-type housing loans	0.0	1.0	1.0
Fees and commissions payments	3.1	3.2	0.1
Fees and commissions from payments	0.2	0.3	0.1
Loan repayment guarantee fees and insurance premiums	2.2	2.1	(0.1)
Fees and commissions	7.3	8.3	1.0
Corporate non-interest income (including foreign exchange derivatives income, etc.)	3.0	2.9	(0.1)

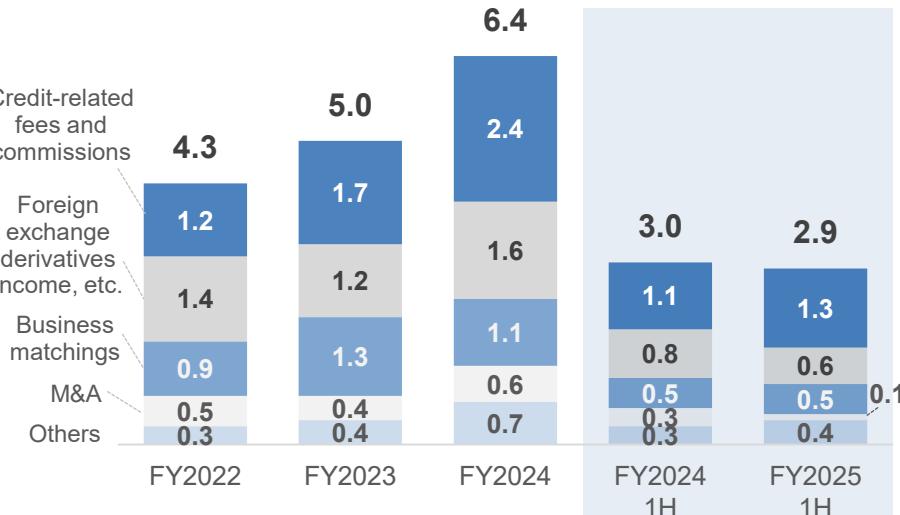
\*1. Financing fee-type housing loans launched in October 2024

\*2. Corporate non-interest income: Fees and commissions from corporate clients + foreign exchange derivatives income, etc.

### Corporate non-interest income

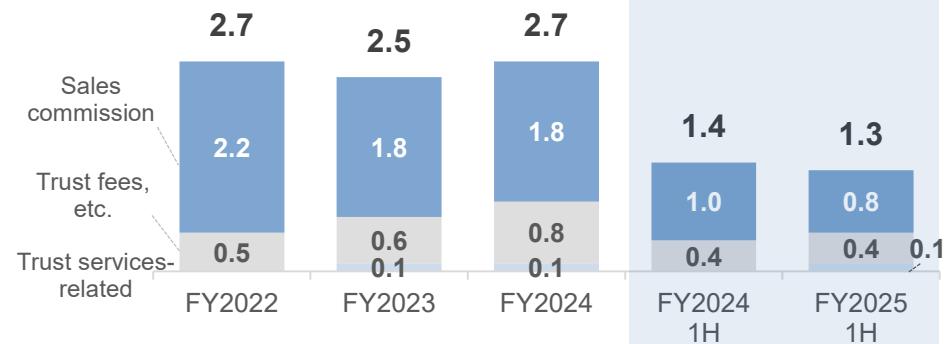
(including foreign exchange derivatives income, etc.)

(Unit: JPY bn)



### Sales commissions of assets in custody

(Unit: JPY bn)



(Reference) Balance of assets in custody

556.8	567.5	633.5	595.4	694.9
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**System-related expenses increased due to establishment of support system for sales and lending, etc.**  
**Core OHR improved due to growth in top-line revenue**

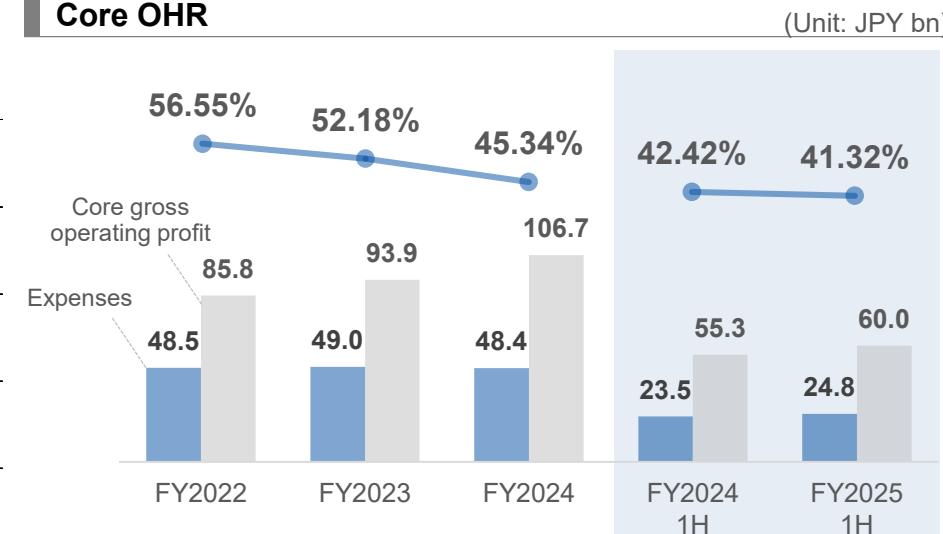
**Expenses**

	FY2024 1H	FY2025 1H	YoY change Amount
Expenses	23.5	<b>24.8</b>	1.3
Personnel expenses	12.7	<b>12.7</b>	0.0
Non-personnel expenses	9.1	<b>10.1</b>	1.0
(of which, system-related expenses)	3.6	<b>4.3</b>	0.7
Tax	1.7	<b>2.0</b>	0.3

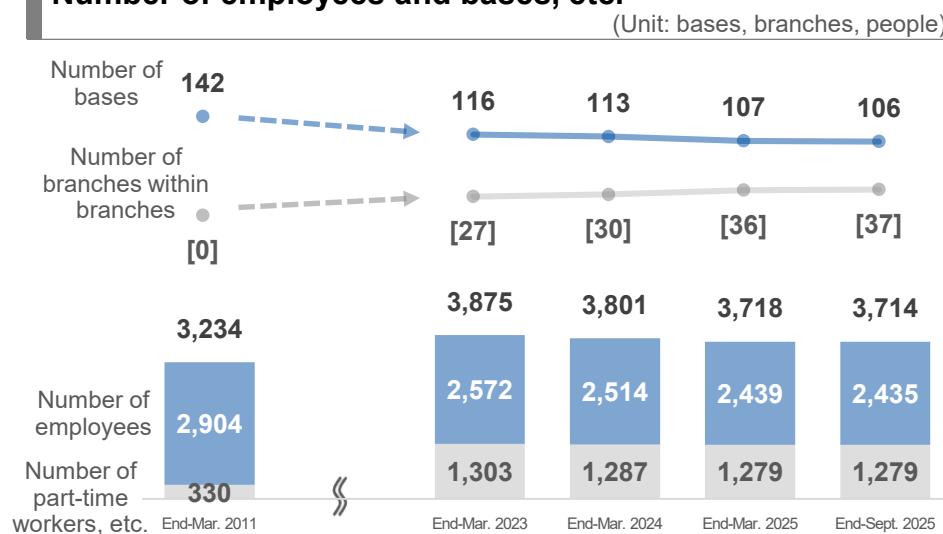
**(Reference) Key change factors in expenses**

	Change factor	Amount
Non-personnel expenses	System-related expenses (establishment of support system for sales and lending, etc.)	<b>0.6</b>
	System-related expenses (system renewal expenses, etc.)	<b>0.1</b>
	Others (training expenses, etc.)	<b>0.3</b>

**Core OHR**



**Number of employees and bases, etc.**



# Credit-Related Expenses

**Credit-related expenses increased due to an increase in provision of specific reserve for loan losses as a result of credit downgrades at borrowers for which such provision applies, among other factors**

## Credit-related expenses

Numbers in square brackets indicate figures before factoring in gains on reversal of reserve for loan loss

	FY2024 1H	FY2025 1H	YoY change Amount
Credit-related expenses	(0.3)	2.7	3.0
Provision of general reserve for loan losses	- [(1.3)]	(0.1)	(0.1) [1.2]
Bad debt disposals	0.1 [1.0]	2.8	2.7 [1.8]
of which provision of specific reserve for loan losses	- [1.0]	2.6	2.6 [1.6]
Reversal of reserve for loan losses	0.4 [-]	-	(0.4) [-]

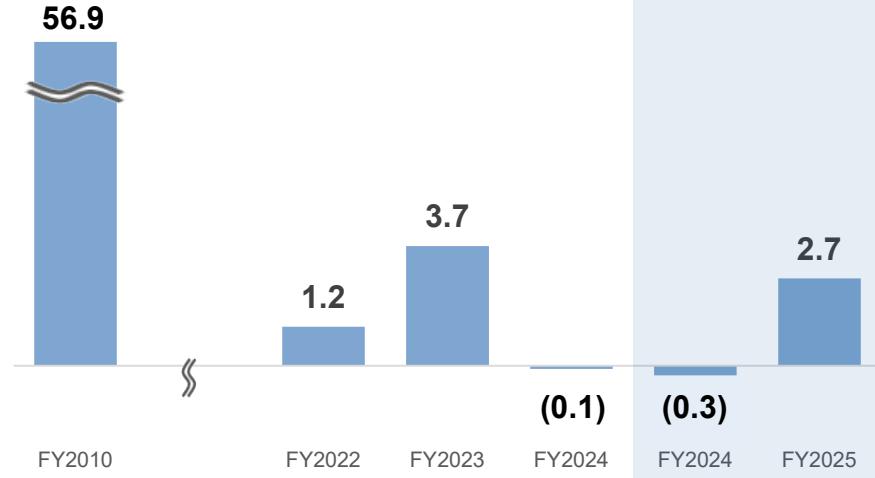
## Reserve for loan losses

(Unit: JPY bn)

	End-Mar. 2022	End-Mar. 2023	End-Mar. 2024	End-Mar. 2025	End-Sept. 2025
Ratio of reserve for loan losses (Term-end balance of reserve for loan losses / loans and bills discounted)	1.1%	1.0%	1.0%	0.9%	0.9%
General reserve for loan losses	59.2	57.6	58.6	54.8	56.9
Specific reserve for loan losses	25.3	26.7	23.7	25.1	27.4

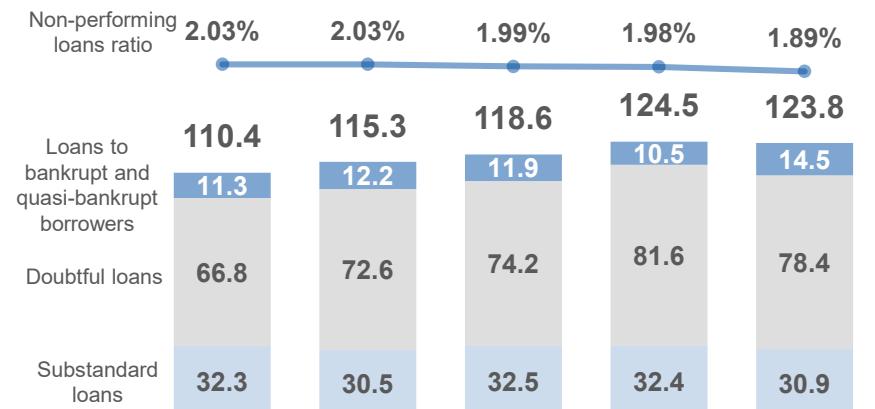
## Credit-related expenses

(Unit: JPY bn)



## Disclosed claims under the Financial Reconstruction Law

(Unit: JPY bn)



02



## Projected Performance

Non-consolidated	(Unit: JPY bn, %)	FY2024	FY2025 Forecast	YoY change		FY2026 Simulation
				Amount	%	
Gross operating profit	85.6	109.1	23.5	27.4		118.5
Net interest income	103.9	110.6	6.7	6.4		115.5
Net fees and commissions income	14.5	15.4	0.9	6.2		16.2
Net other operating income	(32.8)	(16.9)	15.9			(13.2)
Expenses	48.4	50.4	2.0	4.1		50.1
Substantial net operating income	37.2	58.7	21.5	57.7		68.4
[ Core net operating income ]	[ 58.3 ]	[ 68.6 ]	[ 10.3 ]	[ 17.6 ]		[ 77.2 ]
[ Core net operating income (excl. gains (losses) on cancellation of investment trusts) ]	[ 47.2 ]	[ 57.9 ]	[ 10.7 ]	[ 22.6 ]		[ 69.4 ]
Provision of general reserve for loan losses	-	1.1	1.1			0.0
Net operating income	37.2	57.6	20.4	54.8		68.4
Special income and losses	17.7	8.6	(9.1)			8.4
Ordinary profits	54.8	66.0	11.2	20.4		76.5
Extraordinary gains/losses	(0.0)	(0.1)	(0.1)			(0.1)
Profit	38.6	46.0	7.4	19.2		52.5
Credit-related expenses	(0.1)	6.0	6.1			5.0
Total gains (losses) from securities	44.1	53.1	9.0			53.4
After excluding procurement costs	31.6	40.6	9.0			39.2
Income from customer services	22.5	29.9	7.4			42.0
After excluding foreign currency-denominated procurement costs	18.7	26.9	8.2			39.3
Consolidated						
Ordinary profits	56.3	68.0	11.7	20.8		79.0
Profit attributable to owners of the parent	39.3	47.0	7.7	19.6		54.0

## Net interest income

(Unit: JPY bn, %)

	FY2024	FY2025 Forecast	YoY change		FY2026 Simulation
			Amount	%	
Net interest income	103.9	<b>110.6</b>	6.7	6.4	<b>115.5</b>
Interest income	111.4	<b>130.1</b>	18.7	16.7	<b>145.0</b>
(Interest on loans and bills discounted)	60.5	<b>77.4</b>	16.9	27.9	<b>94.0</b>
(Interest and dividends on investment securities)	47.8	<b>48.7</b>	0.9	1.8	<b>49.9</b>
Interest expenses	7.5	<b>19.7</b>	12.2	162.6	<b>29.8</b>
(Interest on deposits)	5.8	<b>16.4</b>	10.6	182.7	<b>25.3</b>

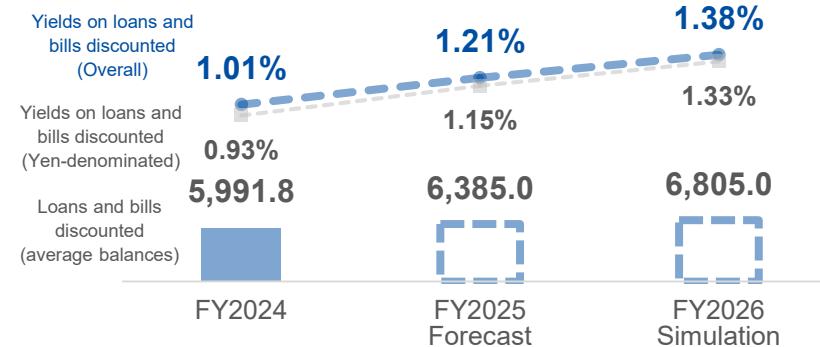
\* Interest expenses include expenses associated with corporate investment funds

## (Interest rate terms)

Unsecured call rate O/N	0.47	<b>0.48</b>	0.01		<b>0.73</b>
Ordinary deposits	0.200	<b>0.200</b>	0.000		<b>0.300</b>
5-year time deposits	0.375	<b>0.375</b>	0.000		<b>0.525</b>
Short-term prime rate	2.375	<b>2.375</b>	0.000		<b>2.625</b>
3-month TIBOR	0.82	<b>0.79</b>	(0.03)		<b>0.95</b>
10-year JGB	1.48	<b>1.45</b>	(0.03)		<b>1.50</b>
3-month SOFR	4.28	<b>4.17</b>	(0.11)		<b>3.72</b>
10-year US Treasury	4.20	<b>4.22</b>	0.02		<b>4.03</b>

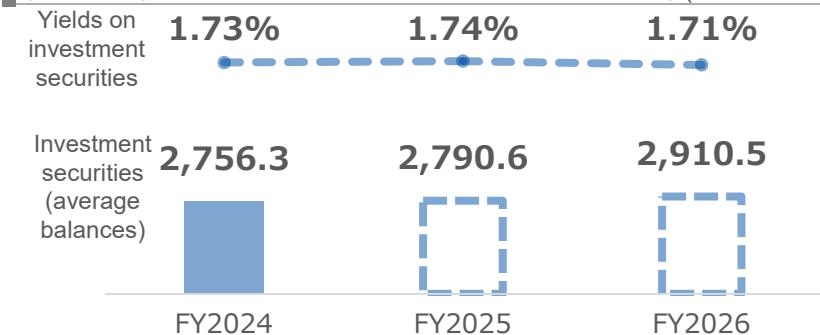
## Average balances and yields of loans and bills discounted

(Unit: JPY bn)



## Average balances and yields of investment securities

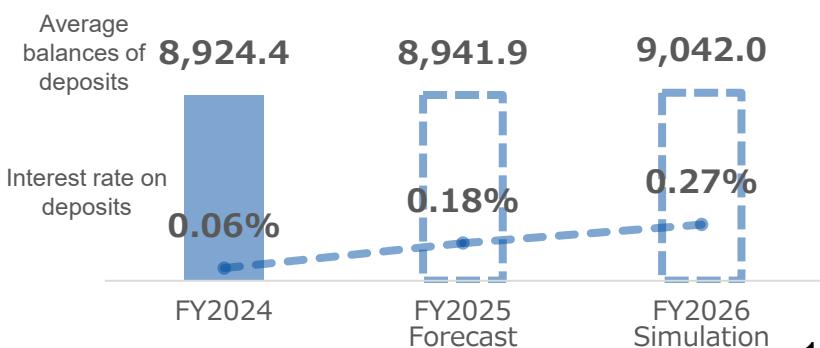
(excluding products and corporate investment funds) (Unit: JPY bn)



## Average balances and yields of deposits

(including negotiable certificates of deposits)

(Unit: JPY bn)



Balance of investment securities (on an amortized cost basis)					(Unit: JPY bn)	Total gains (losses) from securities (Unit: JPY bn, %)				
	Total	2,831.9	2,872.7	2,867.0		FY2024	FY2025 Forecast	YoY change Amount	FY2026 Simulation	
National gov. bonds	492.3	17.4%	617.2	21.5%	673.6	23.5%	47.8	48.7	0.9	49.9
Local gov. bonds	605.6	21.4%	523.3	18.2%	462.4	16.1%	6.3	9.8	3.5	13.8
Corporate bonds	692.3	24.4%	697.6	24.3%	705.1	24.6%	12.4	9.4	(3.0)	8.2
Investment trusts, etc.	752.2	26.6%	766.4	26.7%	778.2	27.1%	7.4	8.2	0.8	8.5
Foreign bonds	212.0	7.5%	184.0	6.4%	156.1	5.5%	10.6	10.6	0.0	11.6
Equity securities	77.5	2.7%	84.2	2.9%	91.6	3.2%	11.1	10.7	(0.4)	7.8
End-Mar. 2025		Composition ratio	End-Mar. 2026	Composition ratio	End-Mar. 2027	Composition ratio	Gains (losses) on investment securities			
Composition ratio		Forecast	Forecast	Forecast	Simulation	Forecast	FY2024	FY2025 Forecast	YoY change Amount	
							47.8	48.7	0.9	49.9
							6.3	9.8	3.5	13.8
							12.4	9.4	(3.0)	8.2
							7.4	8.2	0.8	8.5
							10.6	10.6	0.0	11.6
							11.1	10.7	(0.4)	7.8
							(21.1)	(9.9)	11.2	(8.8)
							2.8	0.5	(2.3)	0.5
							0.0	0.0	0.0	-
							19.8	7.1	(12.7)	5.0
							4.1	3.3	(0.8)	4.3
							3.6	2.8	(0.8)	3.7
							0.0	-	(0.0)	-
							16.4	10.3	(6.1)	9.5
							16.5	11.3	(5.2)	11.5
							0.1	1.0	0.9	2.0
							0.0	-	(0.0)	-
							1.0	4.0	3.0	2.8
							44.1	53.1	9.0	53.4
							31.6	40.6	9.0	39.2
							1.09	1.39	0.30	1.29
							(Reference) Total yield from securities (After excluding procurement costs)	(Reference) Total yield from securities (After excluding procurement costs)		

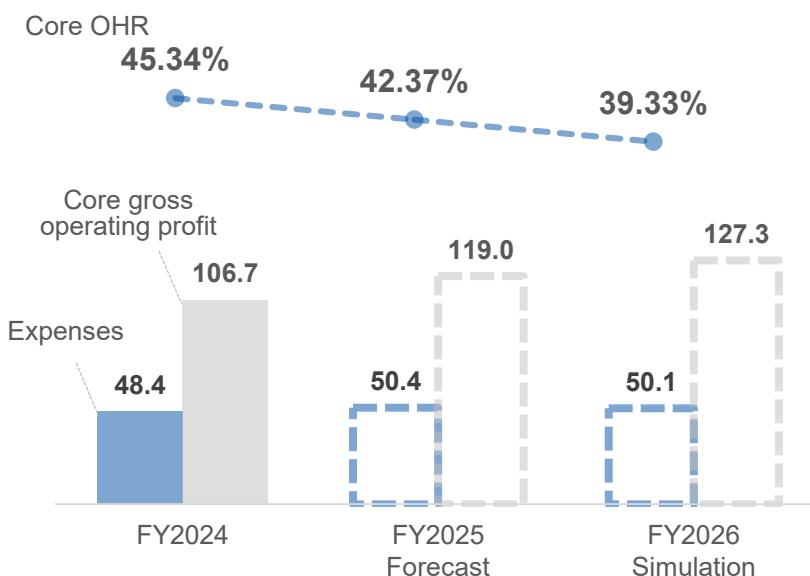
## Expenses

(Unit: JPY bn)

	FY2024	FY2025 Forecast	YoY change Amount	FY2026 Simulation
Expenses	48.4	<b>50.4</b>	2.0	<b>50.1</b>
Personnel expenses	25.4	<b>25.4</b>	0.0	<b>25.5</b>
Non-personnel expenses	19.5	<b>21.0</b>	1.5	<b>20.7</b>
(of which, system-related expenses)	8.3	<b>9.1</b>	0.8	<b>8.3</b>
Tax	3.5	<b>4.0</b>	0.5	<b>3.9</b>

## Core OHR

(Unit: JPY bn)



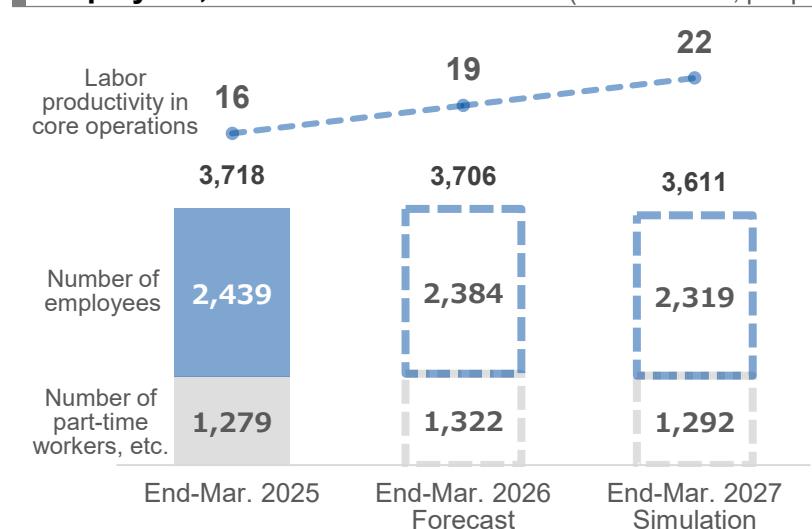
## (Reference) Key change factors in expenses (FY2025 forecast)

(Unit: JPY bn)

	Change factor	Amount
Personnel expenses	Wage increases, etc.	<b>0.3</b>
	Natural attrition of employees, etc.	<b>(0.3)</b>
Non-personnel expenses	System-related expenses (establishment of support system for sales and lending, etc.)	<b>0.6</b>
	System-related expenses (system renewal expenses, etc.)	<b>0.2</b>
	Others (training expenses, depreciation, etc.)	<b>0.7</b>

## Labor productivity and the number of employees, etc.

(Unit: JPY mn, people)



03

The 77 Bank  
Group's Value  
Enhancement

PBR remains below 1x despite improvements due to improved ROE and recent growth in stock prices, and we are considering a review of financial targets, etc., to further improve returns on capital

## Indicators relating to returns on capital

		FY2020 Results	FY2025 Forecast	“Vision 2030” Financial targets, etc.
<b>Improve PBR</b>	<b>PBR</b>	0.22x	0.77x	Greater than 1.0x
<b>Improve ROE</b>	<b>ROE (consolidated)</b>	3.42%	7.58%	7% or more
<b>Improve profitability</b>	<b>Profit (consolidated)</b>	JPY 16.5 bn	JPY 47.0 bn	JPY 45.0 bn
<b>Improve RORA</b>	<b>Core OHR</b>	62.27%	42.37%	No more than 40%
<b>Control costs</b>	<b>Capital adequacy ratio (consolidated)</b>	10.39%	10.28%	Roughly 10% [10.0%–10.5%]
<b>Optimally distribute capital</b>	<b>Ratio of cross-shareholdings to net assets (consolidated)</b>	14.0%	Continue to reduce (Below 10%)	Continue to reduce (Below 10%)
<b>Control financial leverage</b>	<b>Dividend ratio (consolidated)</b>	22.4%	35.7%	35% or more (End-Mar. 2026)
<b>Improve PER</b>	<b>PER</b>	7.00x	10.88x	14.3x or more (Theoretical value)

\* The Bank's stock price used in PBR and PER calculations is based on the closing price on November 14, 2025

Through the implementation of various measures under Vision 2030, earnings power has improved significantly, along with improved profitability and returns on capital

## Achievements of Vision 2030

### □ Strengthened finance & consulting

Loans and bills discounted (average balances):  
JPY 6,385.0 bn  
(+28.5% from FY2020)

Fees and commissions:  
JPY 15.4 bn  
(+57.1% from FY2020)

### □ Expanded the 77 economic zone

Number of corporate loan borrowers:  
15,059  
(+19.6% from FY2020)  
\* End-Sept. 2025

Number of Group companies: 12  
(+6 companies from FY2020)  
\* End-Sept. 2025

### □ Dramatically improved productivity

Income from customer services:  
JPY 26.9 bn  
(JPY +27.9 bn from FY2020)

Labor productivity:  
JPY 19 mn  
(JPY +10 mn from FY2020)

### □ Established an ambitious corporate culture

Ratio of female managers:  
20.4%  
(+7.0 percentage points from FY2020)  
\* End-Sept. 2025

Number of persons dispatched externally (cumulative):  
327  
(+172 employees from FY2020)  
\* End-Sept. 2025

### □ Provided stakeholder returns through growth

Dividend ratio:  
35.7%  
(+13.3 percentage points from FY2020)

Total dividends:  
JPY 16.9 bn  
(JPY +13.2 bn from FY2020)

Figures not accompanied by asterisks are FY2025 forecasts

### Profit (consolidated)



### ROE (consolidated)

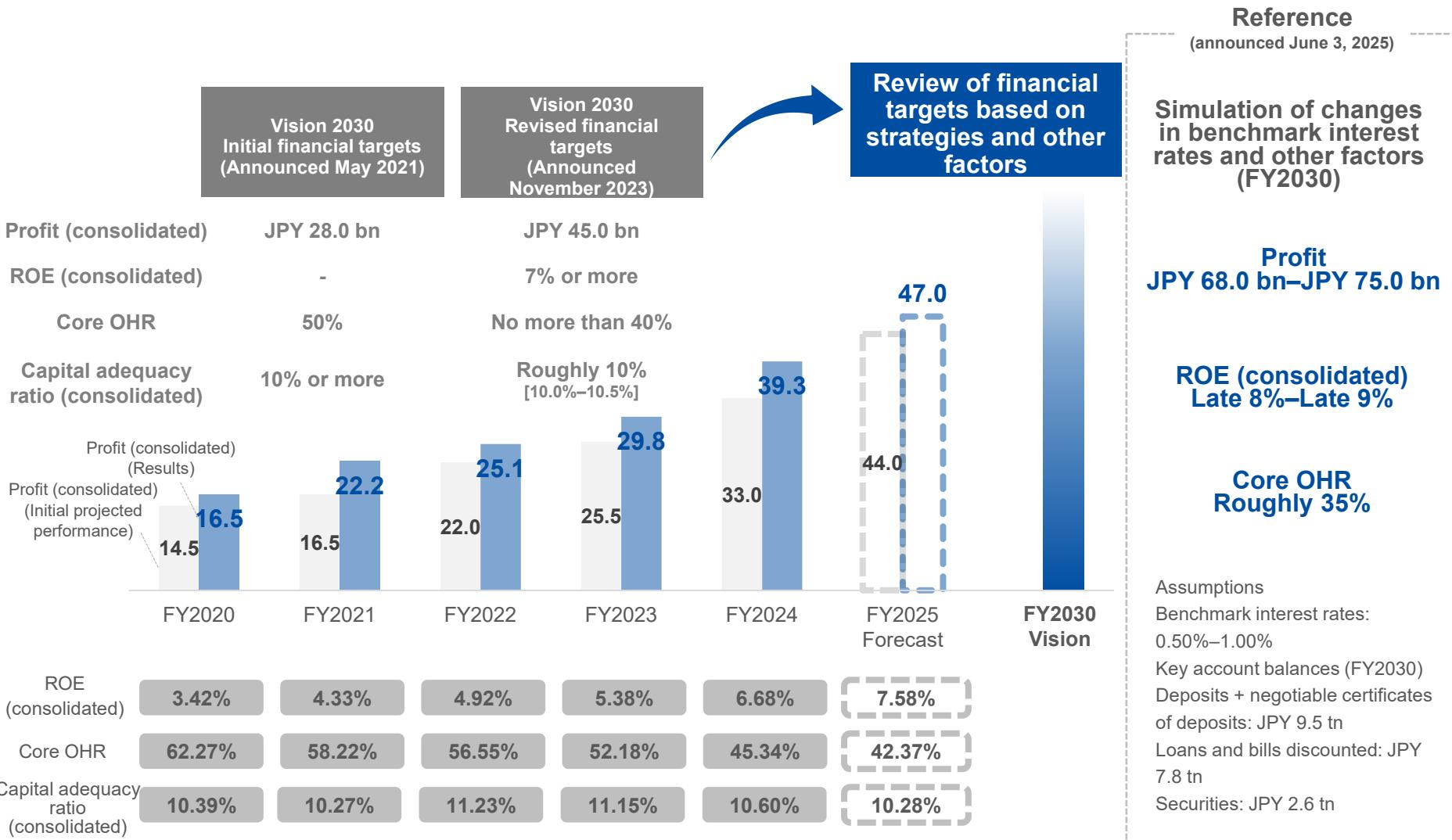


### PBR



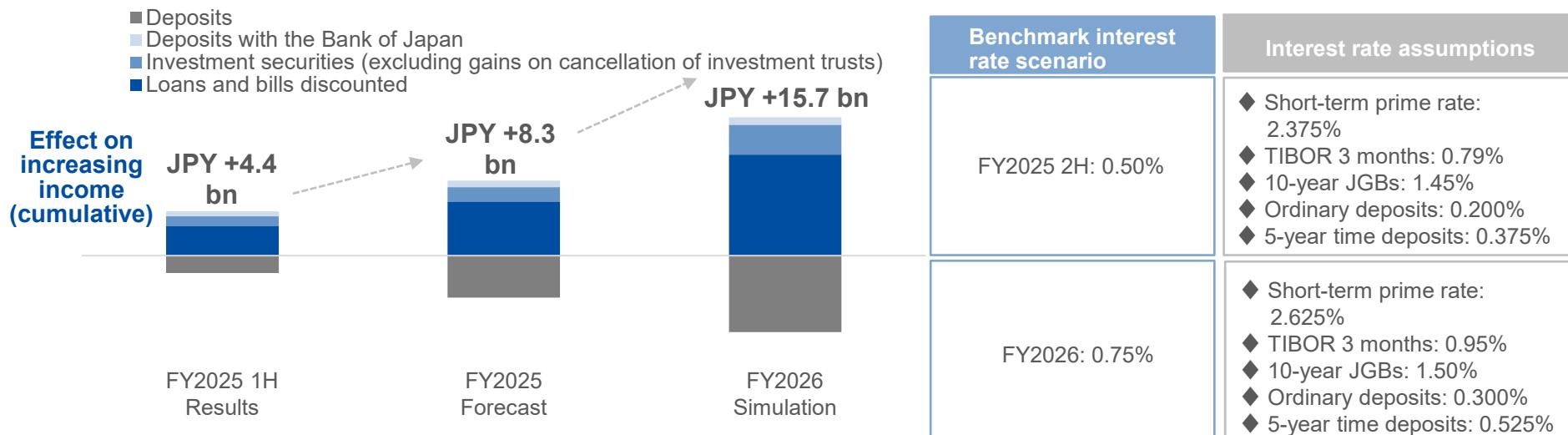
Considering a review of financial targets based on trends in the external environment, etc.,  
progress of strategies, and other factors

Revisions to Vision 2030 financial targets

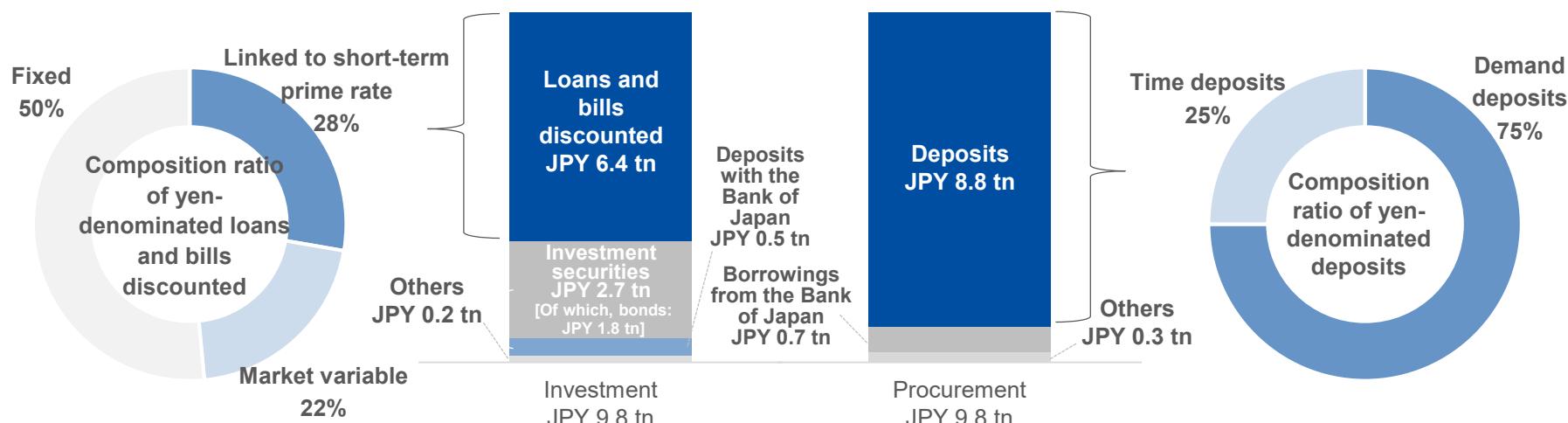


## Effect of changes in financial policy and other factors in increasing yen-denominated net interest income (vs. FY2024)

- Effect of an increase in the main yield factors on yen-denominated net interest income vs. FY2024, premised on our benchmark interest rate scenario (excluding the effect of balances)



## (Reference) Composition ratio of yen-denominated investment and procurement (as of end-Sept. 2025)



**Aiming to improve shareholder value and returns on capital through aggressive growth investments while preserving financial soundness and enhancing shareholder returns**

### Approach to capital allocation



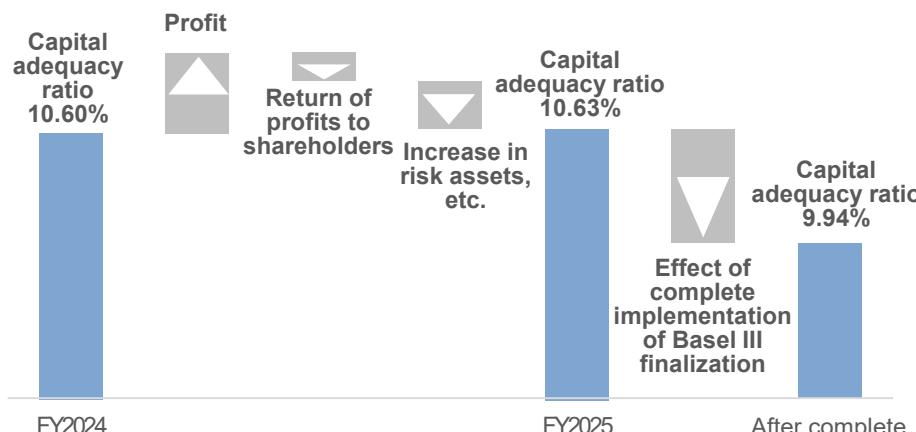
### Growth investment



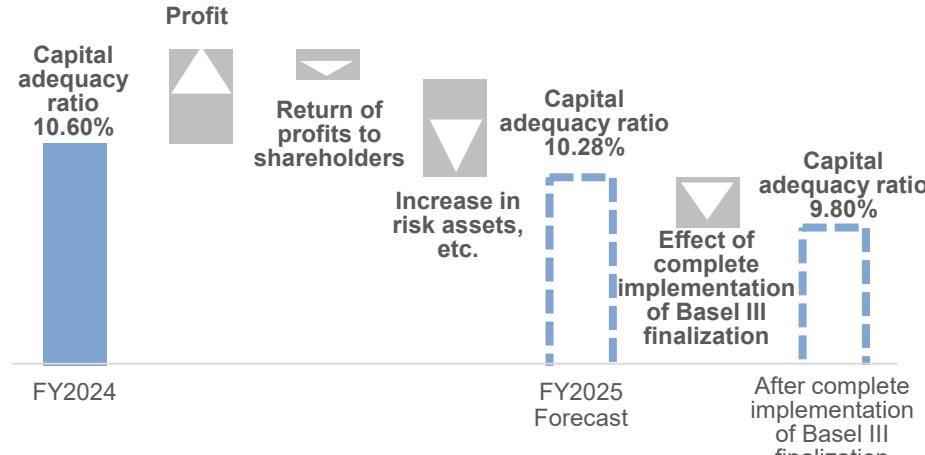
## Implementing capital control for shareholder returns and risk assets based on our earnings position, with an awareness of the management range during the plan

### Change factors in capital adequacy ratio (consolidated)

#### □ FY2025 1H results



#### □ FY2025 forecast



### Target and management range for capital adequacy ratio (consolidated)

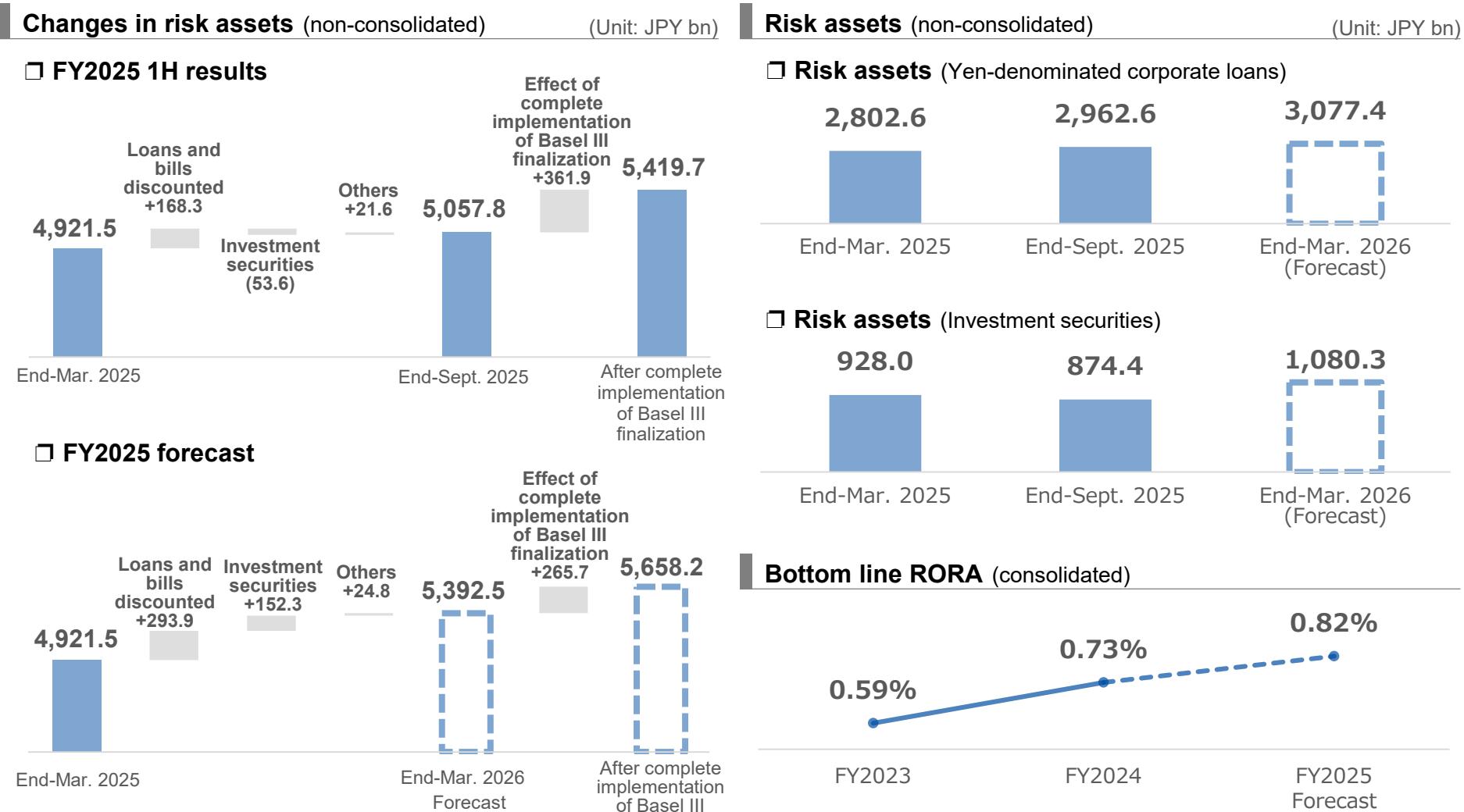
#### □ Background to the setting of capital adequacy ratio target

Capital adequacy ratio must be sufficient for supporting the region during emergencies in light of the **impact of the Great East Japan Earthquake (capital adequacy ratio decreased by roughly 1.6%)**. Accordingly, the target for FY2030 has been set to be around 10% (10.0% to 10.5%).

#### □ Management range during the plan



**Risk assets are forecast to increase against the backdrop of strong growth in corporate loans**  
**We aim to improve profitability through strengthening pricing that takes into consideration**  
**procurement costs and other factors**



\* Applicable risk weight for equity securities as of end of March 2026: 190%  
 (To be gradually increased to 250% by FY2027)

\*1. Bottom line RORA (consolidated) = Profit (consolidated) / Risk assets (consolidated)  
 \*2. Figures are based on complete implementation of Basel III finalization

## Reducing Cross-Shareholdings

Achieved our target of maintaining the ratio of cross-shareholdings to consolidated net assets below 10% and continued to reduce it

We have established voting rights exercise criteria for cross-shareholdings and will continue to manage these shareholdings appropriately

### Cross-shareholdings trend

(Unit: clients, JPY bn)

Ratio to consolidated net assets  
(market value basis)

13.2%

11.3%

10.4%

9.4%

Continue to  
reduce

Number of  
tickers

167

162

156

145

Cross-shareholdings  
(book value basis)

21.9

20.0

18.5

16.9

End-Mar. 2022 End-Mar. 2023 End-Mar. 2024 End-Mar. 2025 End-Mar. 2026 Target

### Addressing cross-shareholdings and pure investments

#### □ Stance on cross-shareholdings and pure investments

Classified by division in charge

**Cross-shareholdings**  
(Division in charge: Consulting  
Promotion Div.)

Curtailment policy

**Pure investments**  
(Division in charge: Treasury Div.)

Held for the purposes of stable dividend  
income, capital gains, and the diversification  
of our securities portfolio

#### □ Addressing the exercise of voting rights

- The Bank has established and clarified the criteria for voting on each main kind of resolution item, including proposals for the appointment of Directors (setting performance standards, etc.), based on the significance of the cross-shareholdings and pure investment shares held, from the perspectives of ensuring the sustainable growth of investees and enhancing their corporate value.

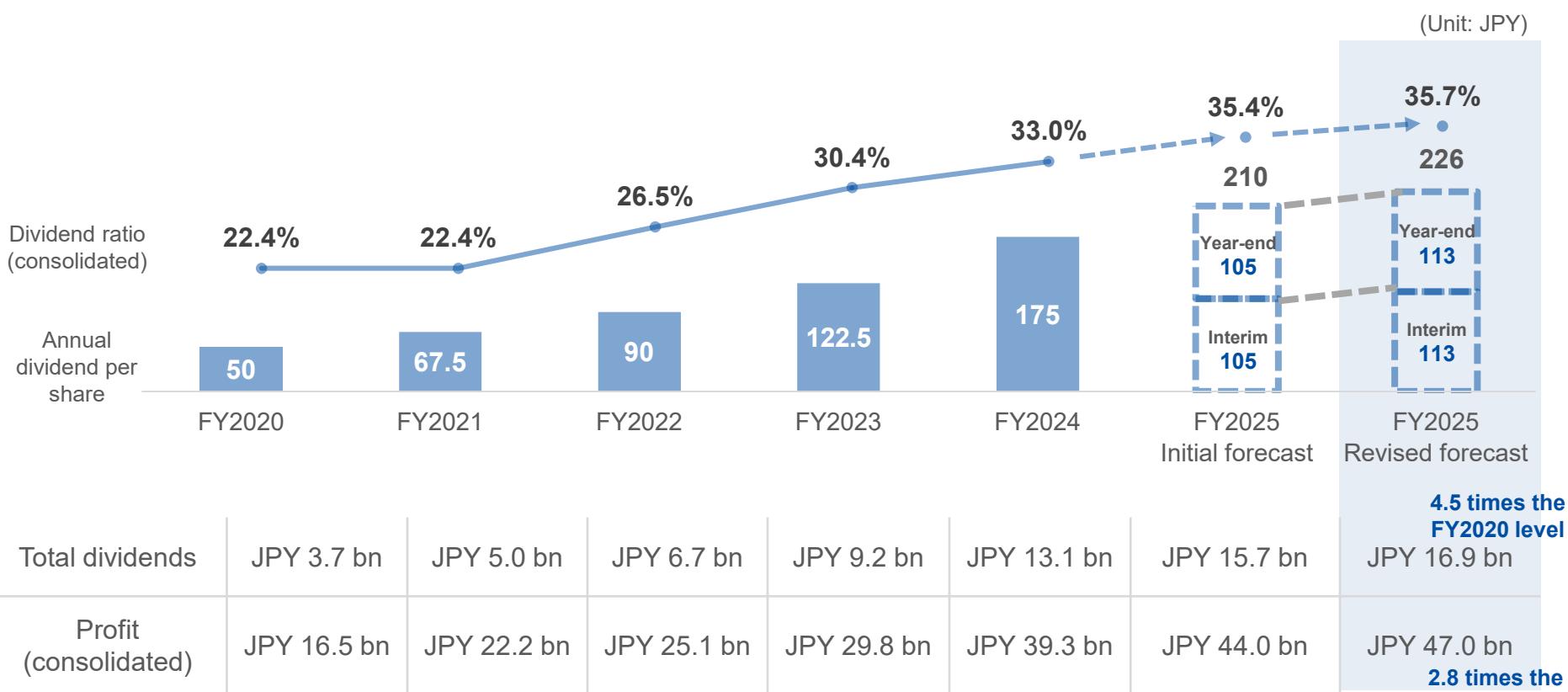
From next fiscal  
year onward

We will consider disclosing voting results  
based on the exercise of voting rights

**Increased interim dividends while revising upward the year-end dividends forecast**  
**Policy of Return of Profits to Shareholders to be reviewed in conjunction with mid-term**  
**review of Vision 2030**

### Policy of Return of Profits to Shareholders

While taking factors such as its public character as a bank business and the preservation of the soundness of its management into consideration, and based on the premise of strengthening its financial foundation, the Bank will **use progressive dividends to elevate** its dividend payout ratio relative to profit attributable to owners of the parent **to at least 35% by FY2025 and consider responsive acquisition of treasury shares with the aim of improving shareholder returns and returns on capital.**



# Initiating our mid-term review of Vision 2030 as originally planned

## Matters under review include strategy refinement, financial targets, KPIs, etc.

### Direction of the review of Vision 2030

#### Direction of the review



Driving steady growth and evolution by stating our long-term direction and major targets

#### Maintain the broad framework of Vision 2030

Aim to be a leading company that fulfills our mission to enrich the region even amid the falling population

Further improve the organization and individuals

Strengthen both taking on challenges and risk management

Reaffirm the 77 Bank Group's philosophy and history

Ensure every individual embraces the management mindset to create new value!

Take on challenges in diverse fields and break new ground!

Strengthen branding as we move toward the Bank's 150th anniversary!

#### Outline of strategy

##### Business model

###### ► Strengthening of finance & consulting

Further enhance financial services and consulting to contribute to solving issues of customers

###### ► Further improvement of productivity

Pursue productivity per person in view of our less favorable market environment compared with other banks

###### ► Expansion of networks

Grow alongside local communities by expanding business opportunities in Japan and overseas



##### Diversification strategy

###### ► Strengthening of specific fields to meet the expectations of local communities and customer needs

Expand non-financial businesses by leveraging human resource development, know-how acquisition, partnerships and M&As, etc.

# 04

## Key Business Strategies

# Establishing two new corporate offices and a wide-area network to promote sustainable development in the Tohoku region

## Revitalization of economic exchange

### □ Opening of Saitama Corporate Office

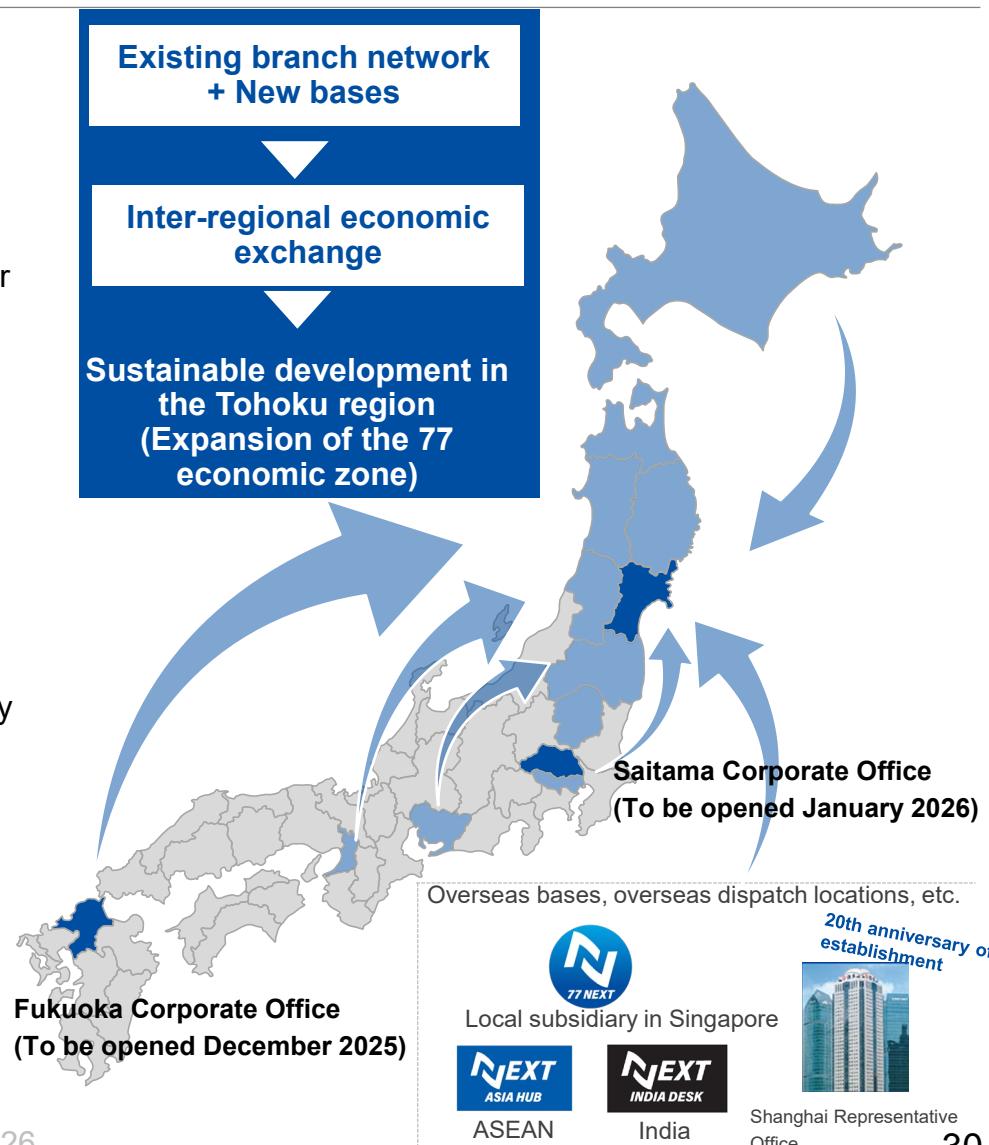
- With many companies establishing manufacturing and sales bases in the Tohoku region in view of its transportation infrastructure network, covering the previously untapped area between Miyagi and Tokyo will enable us to address management issues pertaining to our customers in the Tohoku region

### □ Opening of Fukuoka Corporate Office

- Attracting people, investment, information, etc., to the Tohoku region and contributing to the revitalization of economic exchange through matchings and other initiatives

(Reference) Branches, corporate offices, etc., opened recently

- September 2022 Opened Aomori Branch
- August 2023 Opened Utsunomiya Corporate Office
- January 2025 Established 77 NEXT CONSULTING (local subsidiary in Singapore)  
Established the Tokyo Satellite Desk
- April 2025



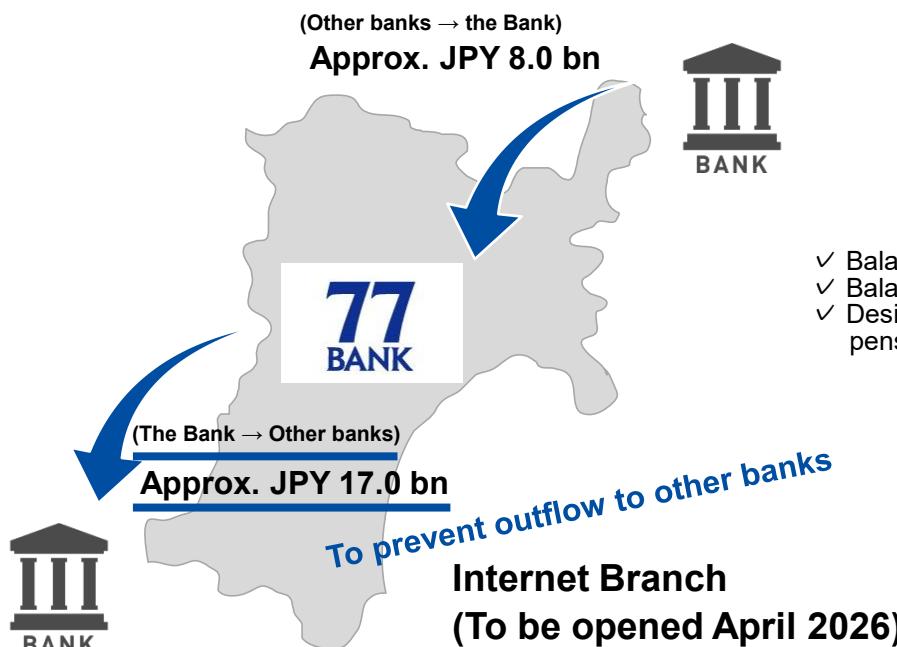
# Strengthening efforts to acquire retail deposits by enhancing convenience provided by the Bank, etc.

## Strengthening customer contact points

### □ Opening of Internet Branch

- Amid the growing importance of acquiring deposits, we will establish an Internet Branch, which will serve as the primary bank for corporate customers transacting with the Fukuoka Corporate Office, as part of our efforts to expand non-face-to-face transactions in order to prevent the outflow of inheritance deposits to other banks due to the relocation of younger generations to the Tokyo metropolitan area and other factors

(Reference) Inflow/outflow of inheritance deposits (FY2024)



### □ Launch of 77 Point Service

- As digitalization gains traction and cashless payments become more widespread, we will launch "77 Point Service" (scheduled for April 2026) as a new point service that allows customers to feel closer to the Bank and enjoy tangible benefits from their transactions

#### Name of points



#### 77 Points (nicknamed "Nana-po")

#### Point-earning transactions

- ✓ Balance of deposits (JPY 500 k or more)
- ✓ Balance of loans (JPY 500 k or more)
- ✓ Designation as an account for salary or pension transfers

- ✓ Utilization of 77 Card or 77 JCB Debit (JPY 10 k or more)
- ✓ Payment of public utility bills (electricity, telephone, water)

#### Point redemption partners



\* The above are examples and are subject to change in the future

# Improvement of productivity through rebalancing of resources, etc., to build a foundation for the 77 Bank Group's sustainable growth

## Progress in enhancing productivity

### □ Reduction in expenses

- Establishment of branches within branches



- Time created through paperwork-free operations, etc.

\* As of end-Sept. 2025

Approx. 950 thousand hours reduced (vs. FY2019)

Time created when converted into number of personnel members  
Approx. 270 members created (Operations group only)

Corporate 38%

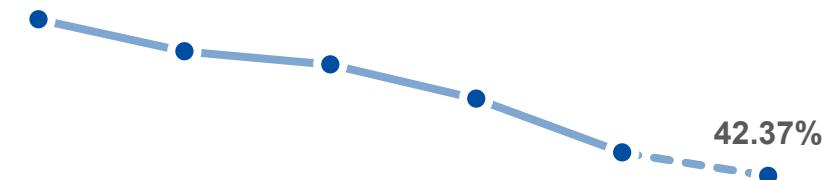
Retail 36%

- Expansion of non-face-to-face channels (Usage of non-face-to-face channels)

\* Target for end-Mar. 2026

### □ Core OHR

62.27%



### □ Strengthening consulting sales

- Creation of sales personnel (Ratio of public relations personnel)

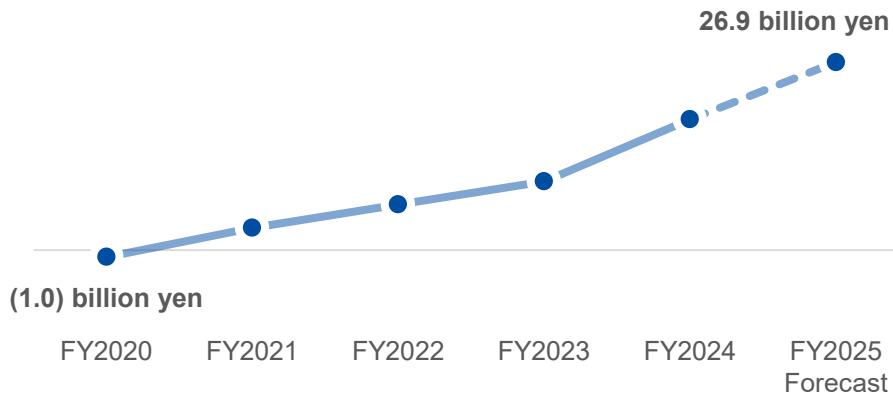


- Improvement of labor productivity in core operations



### □ Income from customer services (after excluding foreign currency-denominated procurement costs)

26.9 billion yen



# Advancing digital technology reforms for the banking business through the strategic utilization of digital technology and generative AI

## Digital technology reforms for the banking business

### □ Non-face-to-face channel reform

Number of customers using non-face-to-face channels (Retail)	Number of customers using non-face-to-face channels (Corporate)
<b>599,000 clients</b> (+139.4% vs. FY2020)	<b>31,500 clients</b> (+33.5% vs. FY2020)

### □ Bank branch reform

Personnel members created (Operations group)	Ratio of investment trust accounts opened online
<b>About 270 members</b> (cumulative since FY2020)	<b>46.3%</b> (introduced in March 2025)

### □ Paperwork-free reform

Reduction rate of administrative work at bank branches	Cases of abolition, substitution, and digitalization of operations
<b>(46)%</b> (vs. FY2019)	<b>72 cases</b>

### □ Data utilization reform

Cases of data analysis support	Examples of results
<b>85 cases</b> (cumulative)	<ul style="list-style-type: none"> <li>✓ Improved efficiency of results aggregation</li> <li>✓ Impact study on relocation of sales branches</li> </ul>

### □ Digital reforms for employees

Number of certified digital technology human resources	Number of people with an "IT Passport"
<b>1,680 employees</b>	<b>1,688 employees</b>

\* Results as of end-Sept. 2025

### □ Status of utilization of generative AI

#### Phase 1 (present)

##### Basic functions of generative AI + Data analysis

- Generate responses based on specific work instructions

Effect of improvement of work efficiency

Estimate for end-Mar. 2026  
Approx. 10 thousand hours

Planning and paperwork

Data analysis



#### Phase 2

Search and inquiry function for administrative procedures, etc., utilizing RAG technology currently under development

Inquiries



##### Linking internal and external information

- Generate answer based on linking internal and external information

#### Phase 3

##### AI agents

- Complete tasks autonomously based on the objectives provided

Bank branch operations



### □ Review of digital strategy

- Executed strategic investments of approx. JPY 10.0 bn in the digital domain since the launch of Vision 2030
- Digital strategy to be reviewed in conjunction with Vision 2030 to leverage AI and other digital technologies

# Considering entry into new businesses to solve issues facing local communities

## Launch of new operations

### □ Launch of demonstration tests for car-sharing and parking management services

- Launching demonstration tests for car-sharing and parking management services in collaboration with TIMES24 CO., LTD. and TIMES MOBILITY CO., LTD. (December 2025)

#### Car-sharing services

First in Japan for a bank

Name of service

#### 77 Mobility (Nana Mobi)

Establishment, operation, and management of car-sharing spots at the Bank's branch parking lots and other locations

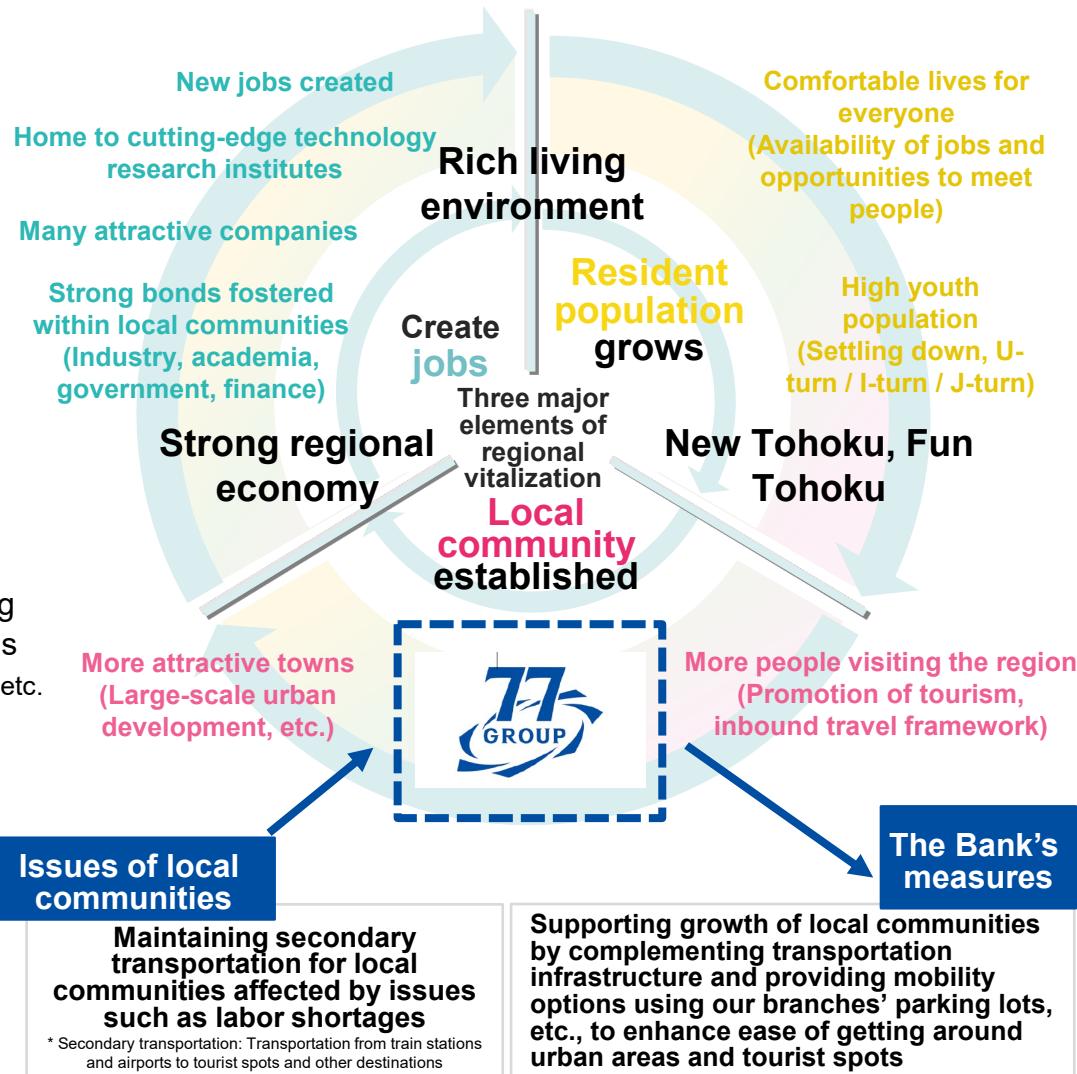
\* Reservations and utilization possible via the Times Car app, website, etc.

#### Parking management services

Name of service

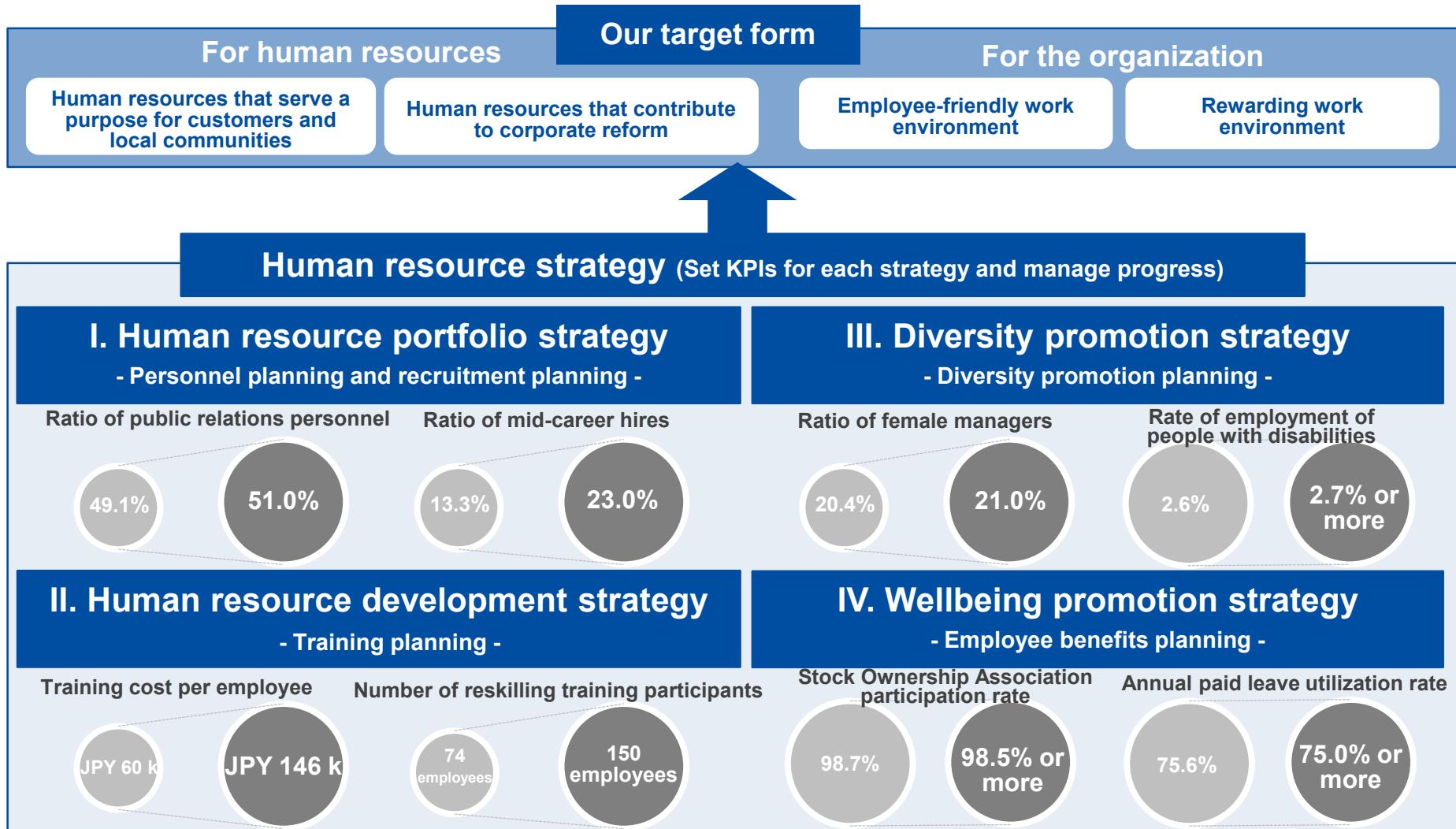
#### 77 Park (Nana Park)

Operation and management of paid parking lots at some of the Bank's branches



# Establishing KPIs for each strategy and strengthening efforts for human capital management

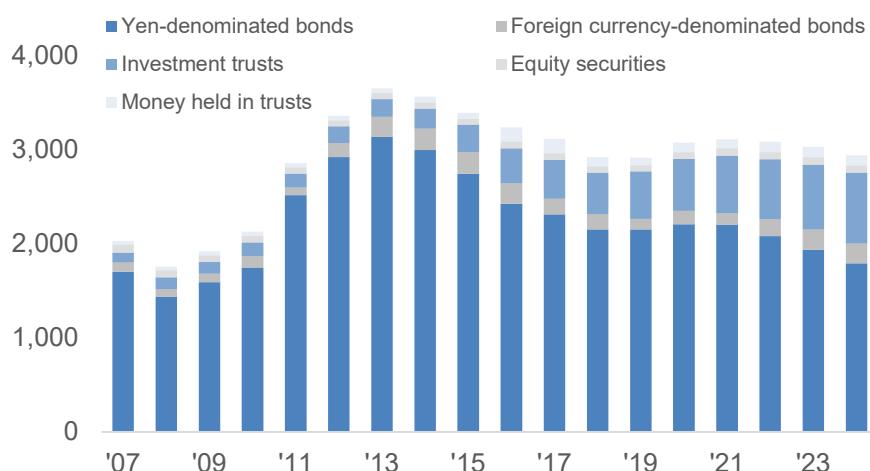
## Our efforts for human capital management



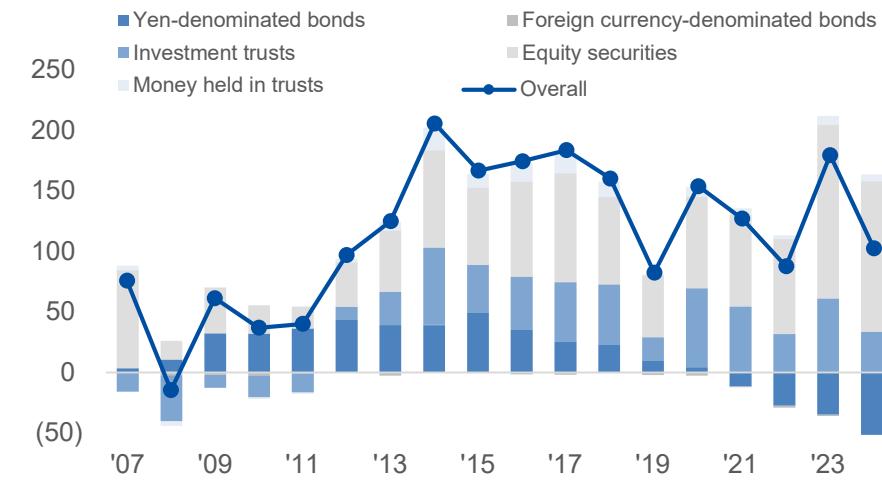
## We appropriately managed securities, including related structures, as our second pillar of revenue

### Achievements in marketable securities trading

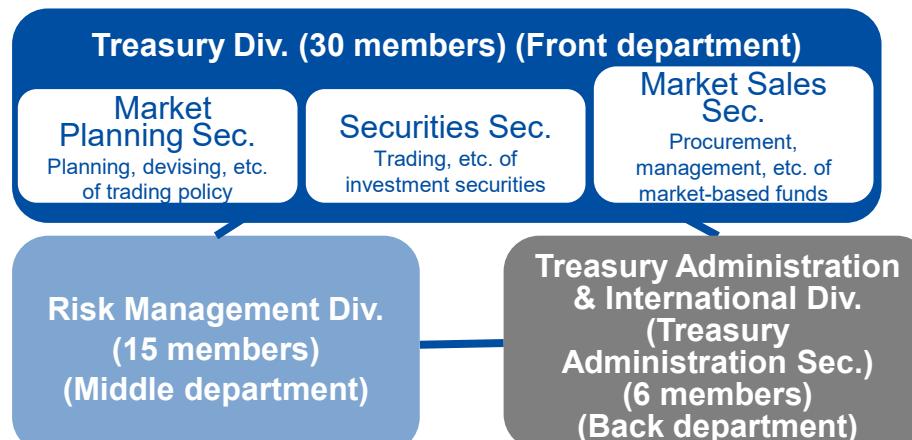
#### □ Balance of investment securities (book value) (Unit: JPY bn)



#### □ Gains (losses) from evaluation of securities (Unit: JPY bn)



#### □ Structure for marketable securities trading



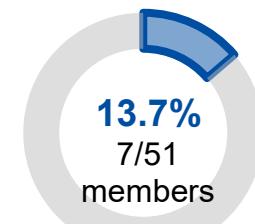
Percentage of employees with experience as external trainees



Percentage of female employees



Percentage of young employees (in their 20s)



# Strengthening initiatives aimed at realizing a decarbonized society for local communities, in order to contribute to sustainable growth of stakeholders

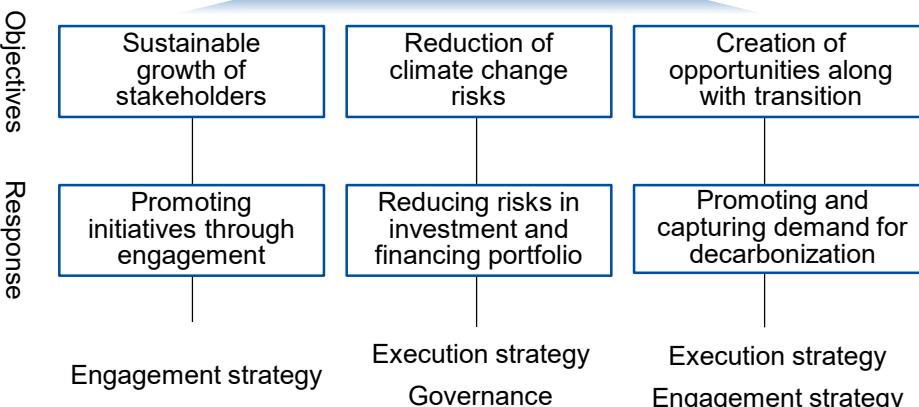
## Formulation of transition plan

### Initiatives aimed at achieving net zero Scope 1, 2, and 3 emissions by 2050

- Defining the transition plan as the “Transition Strategy for Realizing a Decarbonized Society” and positioning it as our business strategy for addressing climate change
- Driving decarbonization for customers and local communities through the execution of the transition plan, thereby contributing to sustainable growth of stakeholders
- Aiming to reduce climate change-related risks for the 77 Bank Group and create opportunities along with the transition



**Achieve net zero Scope 1, 2, and 3 emissions by 2050**

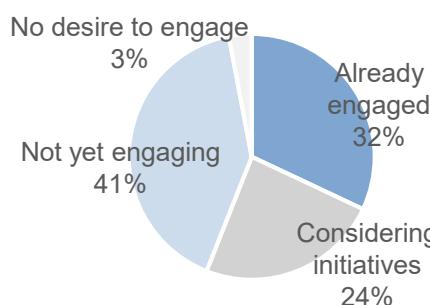


### Status of engagement

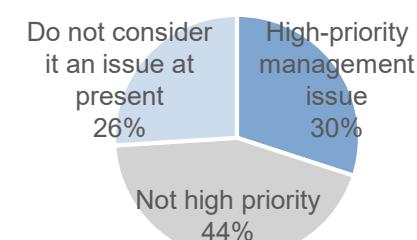
Engaged with major FE (financed emissions: Scope 3 Category 15) emitters in Miyagi Prefecture

Issues include calculating and determining the companies' own emissions and fostering awareness of taking action

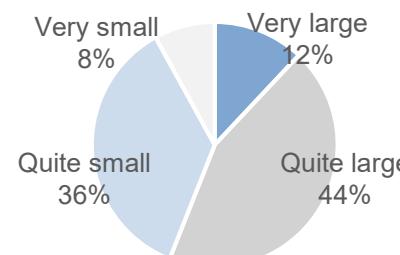
### Status of decarbonization initiatives



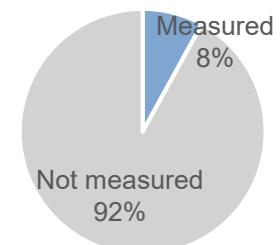
### Priority as a management issue



### Impact of decarbonization on own company



### Measuring own company's GHG emissions



**Contributing to a decarbonized society through continuous engagement and the provision of a solution menu**

05

## Status of Vision 2030 Initiatives

What is our vision for the 77 Bank Group? We set forth our ideas in a new management plan



“Our target form”  
to aim for over  
the long-term

The 77 Bank Group aims to be a leading company that works to achieve prosperity in the local community, by continuing to offer the optimal solutions, which inspire and build trust, and at the same time working with our stakeholders to tap new areas of opportunity in Miyagi and Tohoku.

- ◆ Create the highest level of financial functions and consulting, while also expanding the scope of our businesses in the non-financial sector

Financial Consulting Non-financial Optimal solutions

- ◆ Create networks that combine the potential of Miyagi and the Sendai area with influential customers in the Tohoku region as a whole and elsewhere

Miyagi and Sendai area Whole Tohoku region, etc. Expand scope of operations

- ◆ Deepen capabilities as a leading company (a collection of people with the same aspiration, and a group of companies that act as leaders for local communities)

Leading bank Vision 2030 Leading company

The 77 Bank Group will take steps to move beyond our existing trajectory, by establishing a “Our target form,” enhancing our strengths, improving our weaknesses, and revitalizing our organization

Stimulate demand among  
customers and local communities  
Expand the scope of operations

Dramatic improvements  
in productivity

Establish an ambitious  
corporate culture

Enhance!



77 Bank Group strengths

Customer base  
Consulting system  
Trust from customers and  
local community

Improve!



77 Bank Group weaknesses

Profitability (low-profitability structure)  
Cost consciousness  
(high-cost structure)  
Competitiveness with other companies

Establish!



Revitalization points

Appetite for new challenges  
Speed and flexibility  
Cross-organization  
(vertical, horizontal, diagonal)

Key factors

An engine (key factors) will be  
necessary to go beyond our existing  
trajectory, and unlock a new future

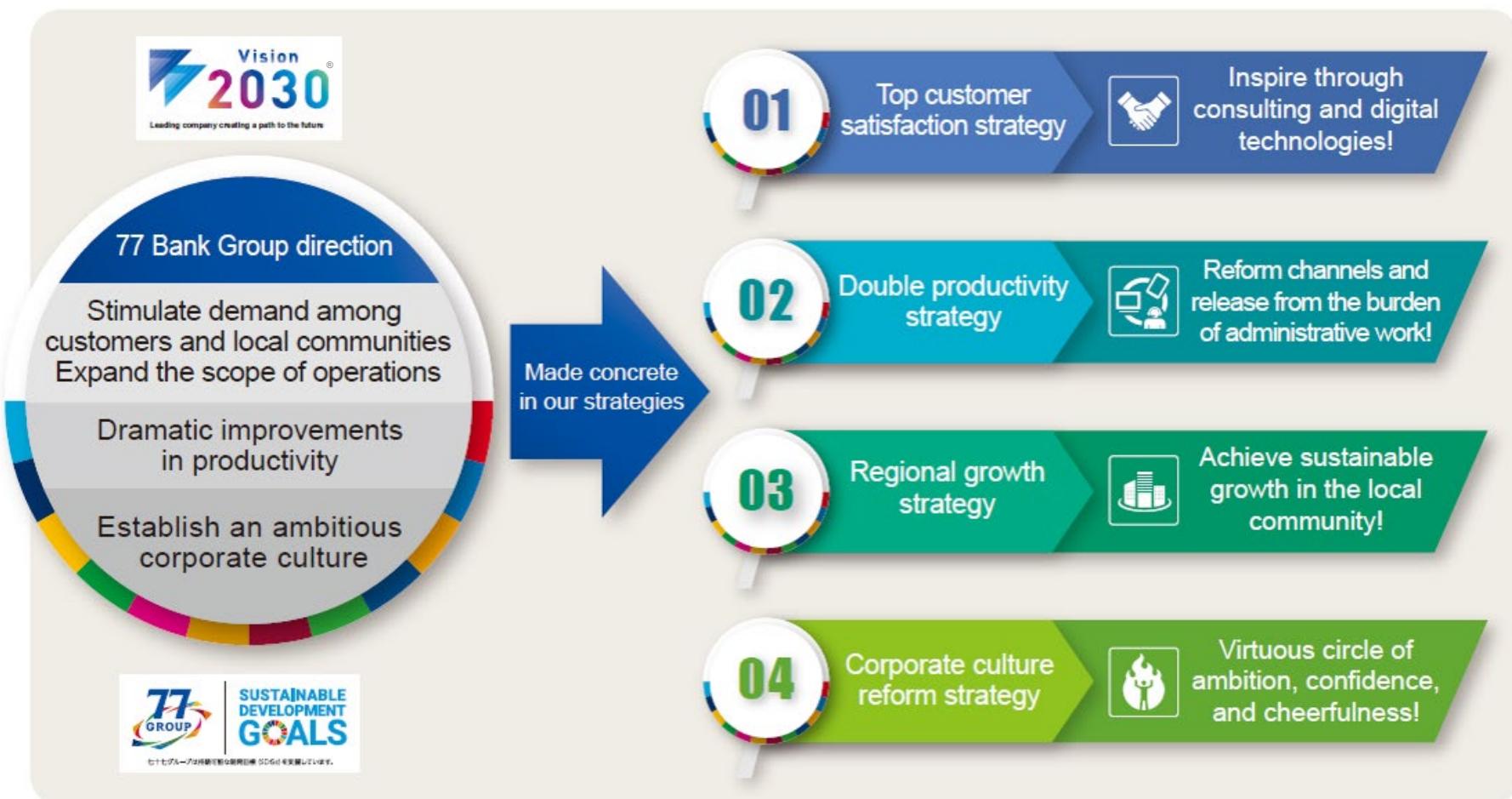
Digital  
transformation

New  
businesses  
and sectors

Human  
resources

Financial  
foundations

In “Vision 2030,” we set forth the direction the 77 Bank Group should take to grow sustainably together with local communities, based on our SDG Declaration, i.e., stimulating the regional economy and promoting active participation by a diverse range of personnel



Top customer  
satisfaction  
strategy

Double  
productivity  
strategy

Regional  
growth strategy

Corporate  
culture reform  
strategy

## Deployed and developed specialized human resources to implement finance & consulting services

### Deployment and development of specialized human resources

#### Assignment of various specialist personnel to headquarters

End-Mar. 2021  
72 members

End-Sept. 2025  
138 members

Regional Support Team	33 members
Business Succession and M&A Team	13 members
Healthcare Team	5 members
Business Consulting Team	6 members
Sustainability Promotion Team	2 members
Structured Finance Section	17 members
Management Improvement Advisors	4 members
Business Transition and Exit Support Team	4 members
Regional Vitalization Promotion Desk	3 members
Start-up Support Desk	2 members
Information Development Section	5 members
Asia Business Support Office	14 members
Wealth Management Office	30 members

#### Sales structure of Group companies for expanding business domain

End-Mar. 2021  
76 members

End-Sept. 2025  
130 members

77 Lease	20 members
77 Card	10 members
77 Securities	37 members
77 Research and Consulting	12 members
77 Partners	5 members
77 Human Design	9 members
77 Digital Solutions	7 members
77 Insurance Service	21 members
77 Business With	1 member
77 NEXT CONSULTING	3 members
77 Capital	5 members

#### External dispatchment for the development of specialist human resources

End-Mar. 2021  
(cumulative)  
155 members

End-Sept. 2025  
(cumulative)  
327 members

Digital	4 members
International business and markets	7 members
Solutions	14 members
Regional vitalization	5 members

Of whom, 5 members are currently dispatched to other industries

Number of persons dispatched externally  
(cumulative from Apr. 2012)

259  
members

297  
members

327  
members

End-Mar. 2024 End-Mar. 2025 End-Sept. 2025

\*1. As of end-Sept. 2025

\*2. Number of people in sales departments are listed for Group companies

Top customer  
satisfaction  
strategy

Double  
productivity  
strategy

Regional  
growth strategy

Corporate  
culture reform  
strategy

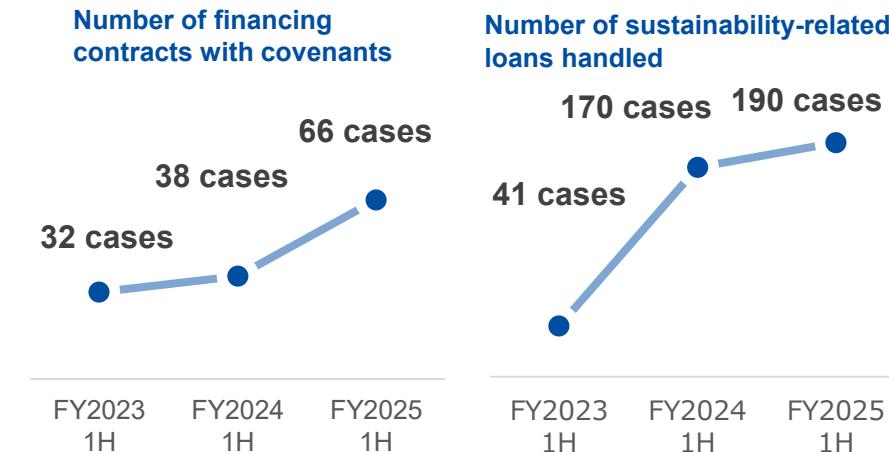
## Expanding our scope of business to provide a wide range of consulting services that address customer needs

### Initiatives for the corporate sector

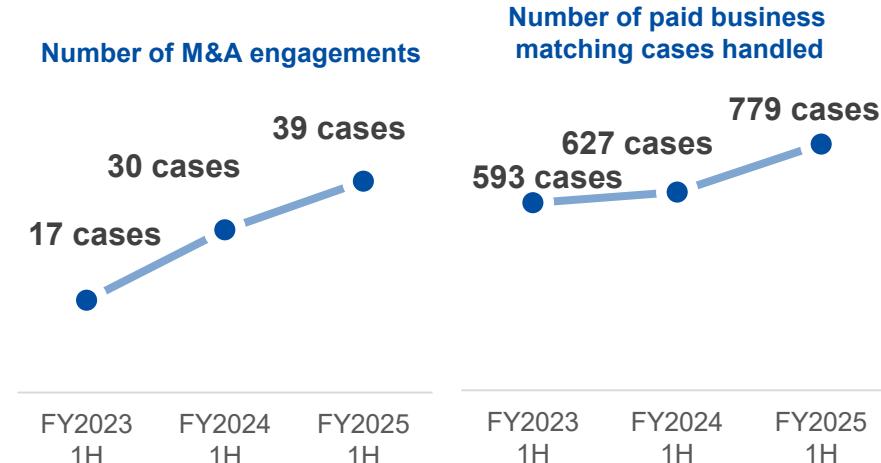
#### □ Corporate non-interest income

	FY2023	FY2024	FY2025 1H	FY2025 Forecast
Corporate non-interest income (including foreign exchange derivatives income, etc.)	5.0	6.4	2.9	5.8
Credit-related fees and commissions	1.7	2.4	1.3	2.5
Of which, syndicated loans and CL	0.8	1.0	0.6	1.1
Of which, financing with covenants	0.4	0.6	0.4	0.7
Of which, apartment loan handling fees	0.2	0.7	0.2	0.6
Business support-related fees and commissions	2.1	2.4	1.0	2.5
Of which, business matchings	1.3	1.1	0.5	1.3
Of which, M&As	0.4	0.6	0.1	0.4
Of which, SDGs-related fees and commissions, etc.	0.2	0.4	0.3	0.6
Foreign exchange derivatives income, etc.	1.2	1.6	0.6	0.8

#### □ Handling of loan applications



#### □ Initiatives for business support



## Strengthening our approach based on customers to contribute to supporting the asset formation of customers

### Initiatives for the retail sector

#### □ Changes in sales commissions of assets in custody

	FY2023	FY2024	FY2025 1H	FY2025 Forecast
<b>Sales commissions of assets in custody</b>	2.5	2.7	1.3	2.5
<b>Sales commission</b>	1.8	1.8	0.8	1.5
Of which, investment trusts	0.5	0.7	0.3	0.6
Of which, insurance	1.2	0.8	0.3	0.7
Of which, public bonds	0.1	0.1	0.1	0.1
<b>Trust fees, etc.</b>	0.6	0.8	0.4	0.8
Of which, investment trusts	0.5	0.7	0.4	0.8
<b>Trust services-related</b>	0.1	0.1	0.1	0.2
<b>77 Securities</b>	1.0	1.0	0.6	1.3

#### □ Strengthening our approach to high-net-worth individuals

- In addition to promotion by the Wealth Management Office (established June 2021), we strengthened our approach based on customers through customer referrals to 77 Securities
- Besides enhancing each individual's proposal capabilities through the accumulation of know-how, we aim to nurture private bankers by dispatching employees to external institutions for the acquisition of specialized knowledge on an ongoing basis (5 employees currently dispatched)

#### Cases of customer profiling\* (cumulative)



#### Number of trust products or services handled (cumulative)



FY2024 1H    FY2024 2H    FY2025 1H

\* Analyzed information regarding customers' total assets and attributes

FY2024 1H    FY2024 2H    FY2025 1H

Top customer satisfaction strategy

Double productivity strategy

Regional growth strategy

Corporate culture reform strategy

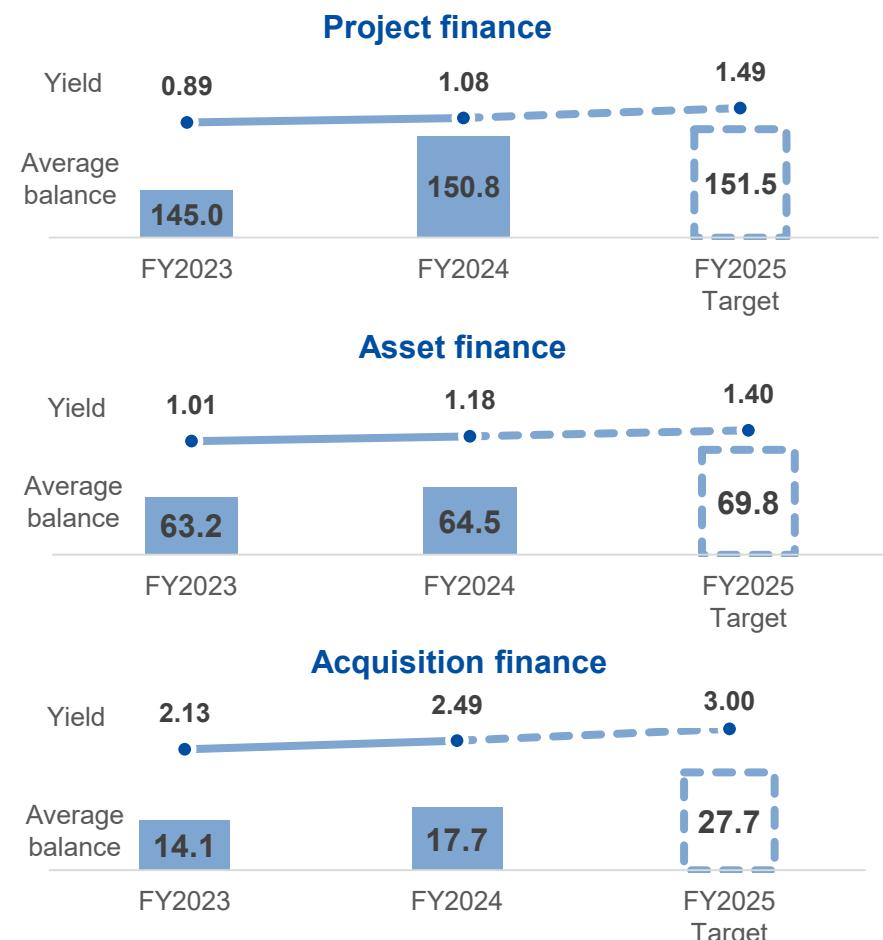
## Promoting diversification of income through the expansion of financing methods

### Results for structured finance

(Unit: JPY bn, %)

### Results for funds

#### □ Average balances and yields of structured finance



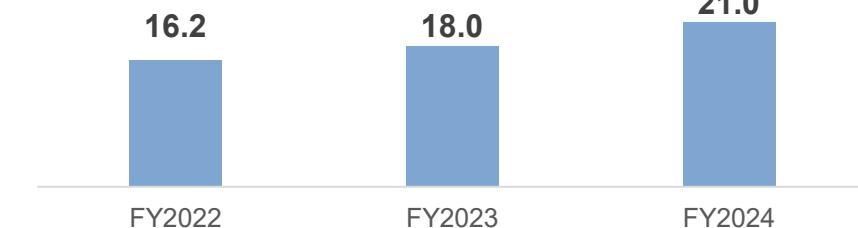
#### □ Policy on funds

##### Basic policy

Expanding financing methods for business succession and M&A, capturing structured finance through the development of information networks, and securing medium-to long-term investment returns

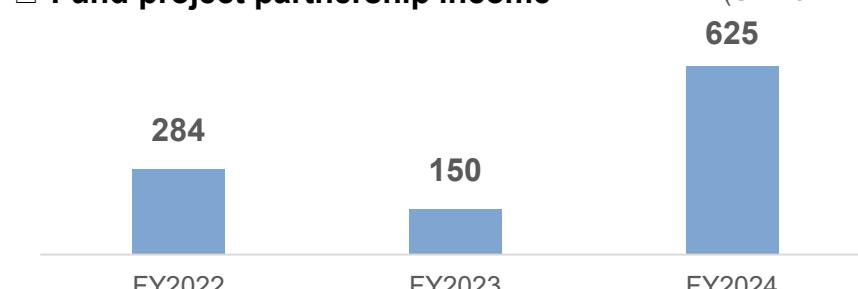
#### □ Total fund investment commitment (outstanding balance and unused portion)

(Unit: JPY bn)



#### □ Fund project partnership income

(Unit: JPY mn)



\* Total amount of interest on loans and bills discounted as well as fees and commissions generated through project partnerships with funds

Top customer satisfaction strategy

Double productivity strategy

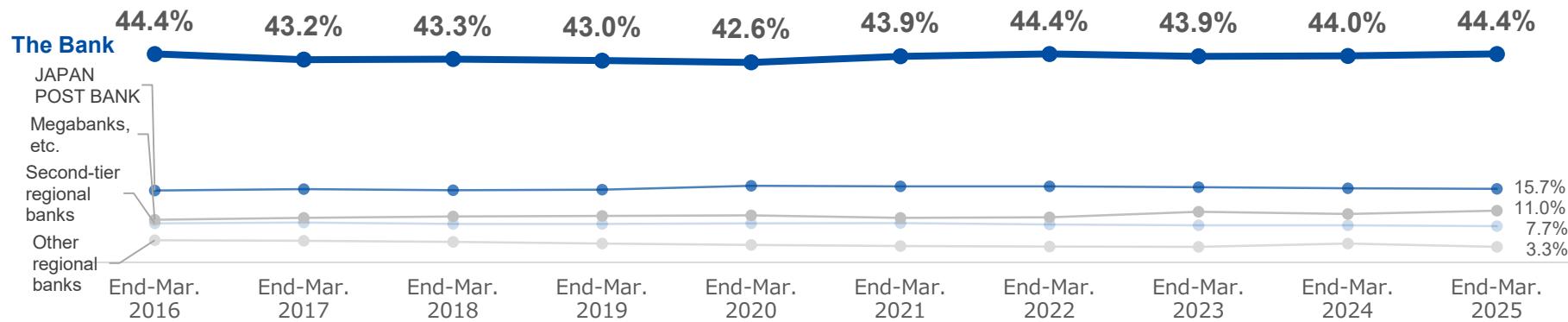
Regional growth strategy

Corporate culture reform strategy

## Focusing on the acquisition of highly sticky deposits by strengthening our approach to corporate and retail customers

### Status of initiatives aimed at acquiring deposits

#### Deposit share within Miyagi Prefecture



Source: Financial Journal

#### Strengthening our approach to corporate and retail customers

Corporate

##### Approaches based on settlement accounts

###### Expand the number of corporate loan borrowers

End-Mar. 2024

14,122

End-Sept. 2025

15,059  
[+6.6%]

###### Increase the number of companies using us for salary transfers

End-Mar. 2024

11,803

End-Sept. 2025

12,108  
[+2.5%]

Retail

##### Approaches through comprehensive transactions and enhanced convenience

###### Increase the number of pension recipients

End-Mar. 2024

302  
thousand

End-Sept. 2025

303  
thousand  
[+0.3%]

###### Increase the number of active e-banking service accounts

End-Mar. 2024

495  
thousand

End-Sept. 2025

599 thousand  
[+20.8%]

###### Increase the number of companies with e-banking service contracts

End-Mar. 2024

30,694

End-Sept. 2025

35,121  
[+14.4%]

###### Increase the balance of housing loans

End-Mar. 2024

JPY 1,270.3 bn

End-Sept. 2025

JPY 1,318.5 bn  
[+3.7%]

###### Increase the Group balance of assets in custody

End-Mar. 2024

JPY 724.3  
bn

End-Sept. 2025

JPY 903.5 bn  
[+24.7%]

Top customer  
satisfaction  
strategy

Double  
productivity  
strategy

Regional  
growth strategy

Corporate  
culture reform  
strategy

## Expanding our business foundation to achieve Vision 2030 for each company

### Earnings position of Group companies (1)

(Unit: JPY mn)

#### 77 Lease (Established November 1974)

A leading company in the region that is in charge of leasing business of the 77 Bank Group

	FY2024	YoY change Amount
Profit	274	(95)
	FY2025 Forecast	YoY change Amount
Profit	306	32

Balance of lease receivables and installment receivables  
FY2020  
**JPY 27.0 bn**  
FY2024  
**JPY 36.8 bn**

#### 77 Shin-Yo Hosyo (Established October 1978)

Realizing “SSS (Share up/Streamline/Social responsibility)” that empowers the region

	FY2024	YoY change Amount
Profit	868	(123)
	FY2025 Forecast	YoY change Amount
Profit	816	(52)

Balance of housing loan guarantees  
FY2020  
**JPY 868.7 bn**  
FY2024  
**JPY 1,001.7 bn**

#### 77 Card (Established February 1983)

A company that promotes cashless payments in the region

	FY2024	YoY change Amount
Profit	194	12
	FY2025 Forecast	YoY change Amount
Profit	195	(4)

Volume of shopping transactions (annual)  
FY2020  
**JPY 88.2 bn**  
FY2024  
**JPY 133.5 bn**

#### 77 Securities (Established July 2016)

A securities company that is rooted in the region and leads asset management of clients in the region

	FY2024	YoY change Amount
Profit	86	1
	FY2025 Forecast	YoY change Amount
Profit	150	64

Balance of assets in custody  
FY2020  
**JPY 108.9 bn**  
FY2024  
**JPY 176.1 bn**

#### 77 Research and Consulting (Established July 2018)

A group of professionals who contribute to the growth and development of companies in the region and the activation of the economy, as a self-reliant think tank and consulting firm

	FY2024	YoY change Amount
Profit	130	70
	FY2025 Forecast	YoY change Amount
Profit	113	(17)

Number of consulting and commissioned research projects (annual)  
FY2020  
**94 cases**  
FY2024  
**180 cases**

#### 77 Partners (Established December 2021)

Region's No. 1 buyout fund

	FY2024	YoY change Amount
Profit	3	(2)
	FY2025 Forecast	YoY change Amount
Profit	35	32

Cumulative investment amount  
**JPY 1,020 mn**  
NEW  
No. 2 Fund formed with a total of **JPY 10.0 bn**

Top customer satisfaction strategy

Double productivity strategy

Regional growth strategy

Corporate culture reform strategy

## Earnings position of Group companies (2)

(Unit: JPY mn)

### 77 Human Design (Established August 2022)

Human resources strategy partner who sets forth the region's future

	FY2024	YoY change Amount
Profit	22	(12)
	<b>FY2025 Forecast</b>	YoY change Amount
Profit	4	(19)

Number of human resources placement contracts (annual)

FY2022

**40 cases**

FY2024

**257 cases**

### 77 Digital Solutions (Established May 2023)

A leading digital company in the region

	FY2024	YoY change Amount
Profit	(9)	37
	<b>FY2025 Forecast</b>	YoY change Amount
Profit	20	29

Number of IT support contracts (annual)

FY2023

**87 cases**

FY2024

**141 cases**

### 77 Insurance Service (Established March 2024)

An insurance agency that offers No. 1 insurance services in the region

	FY2024	YoY change Amount
Profit	(99)	(85)
	<b>FY2025 Forecast</b>	YoY change Amount
Profit	12	111

Number of insurance consultation contracts

FY2024

**924 cases**

### 77 Business With (Established September 2024)

A BPO consulting company that designs the future of business "with" customers

	FY2024	YoY change Amount	Number of outsourced projects
Profit	(21)	-	FY2024
	<b>FY2025 Forecast</b>	YoY change Amount	<b>11 cases</b>
Profit	4	25	

### 77 NEXT CONSULTING (Established January 2025)

Global hub connecting business partners, regions, the 77 Bank Group, and overseas markets

	FY2024	YoY change Amount	Number of contracts
Profit	-	-	As of end-Sept. 2025
	<b>FY2025 Forecast</b>	YoY change Amount	<b>16 cases</b>
Profit	12	-	

### 77 Capital (Established July 2016)

High-value equity solution provider

	FY2024	YoY change Amount	Cumulative investment amount
Profit	8	(2)	FY2020
	<b>FY2025 Forecast</b>	YoY change Amount	<b>JPY 2,485 mn</b>
Profit	6	(1)	FY2024
			<b>JPY 4,870 mn</b>

Top customer  
satisfaction  
strategy

Double  
productivity  
strategy

Regional  
growth strategy

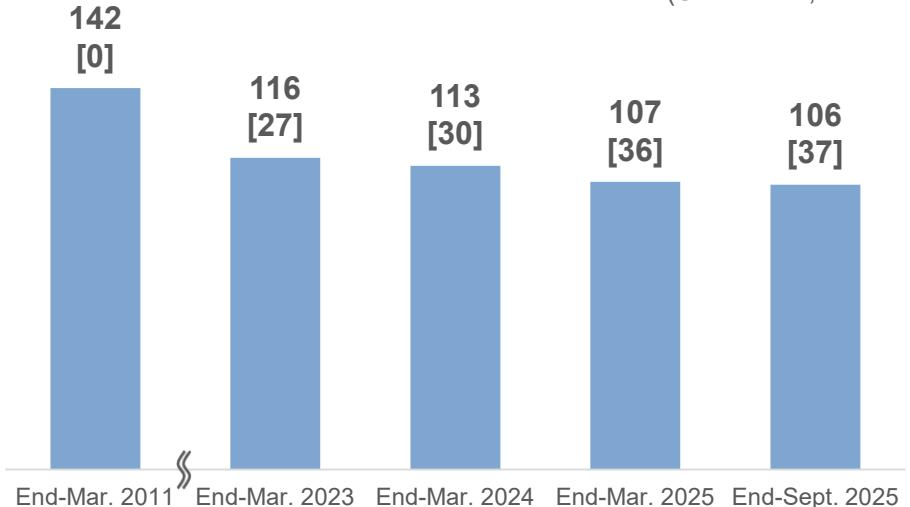
Corporate  
culture reform  
strategy

## Strengthening the consulting system through a strategic review of the store network and the redeployment of employees, and other means

### Status of transition to branches within branches

**Number of bases** [ ] represents the number of branches within branches

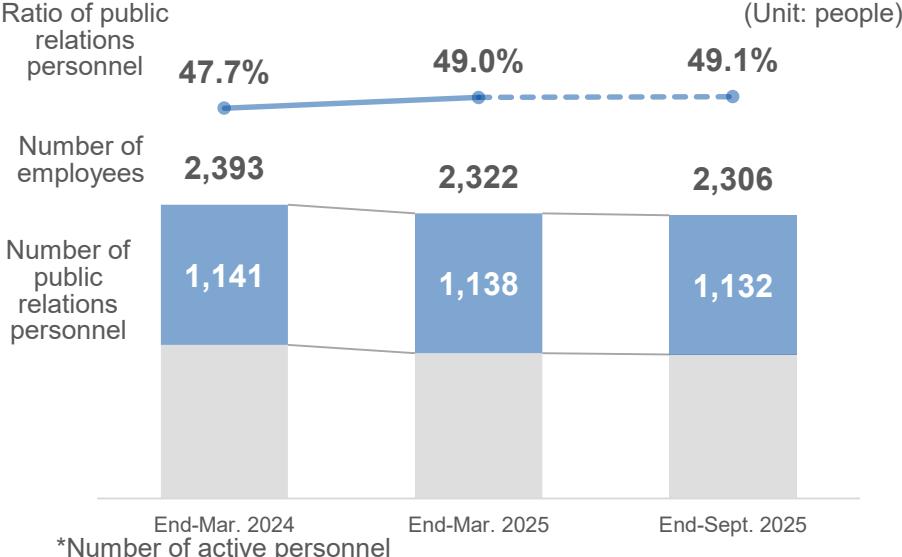
(Unit: bases, branches)



### Creation of sales personnel

**Ratio of public relations personnel**

(Unit: people)

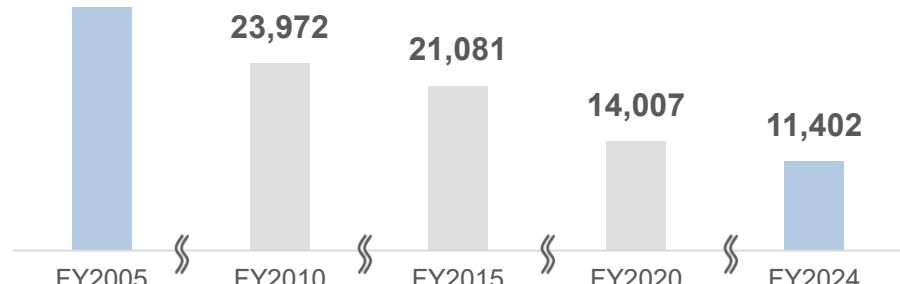


\*Number of active personnel

(Reference) Number of branch counter visits (in Miyagi Prefecture, daily average)

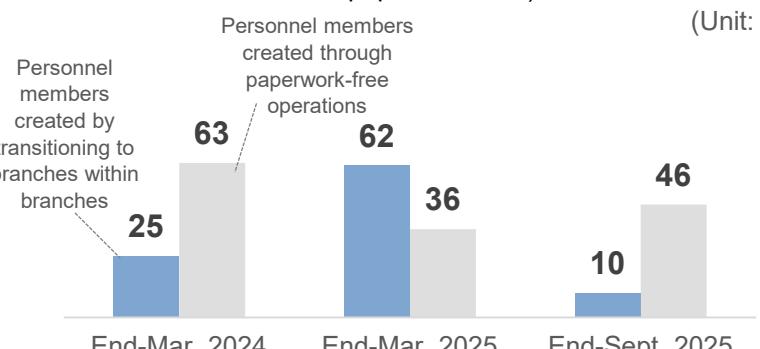
31,164

(Unit: cases)



(Reference) Personnel members created (through branches within branches, paperwork-free)

(Unit: people)

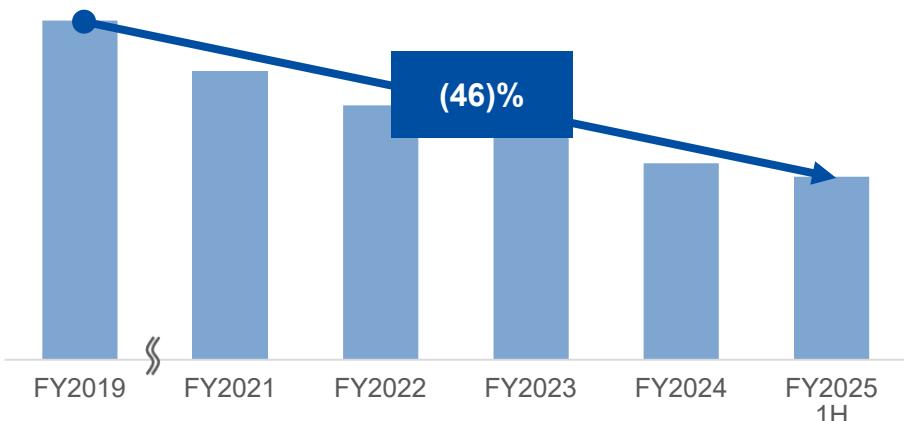


## Reducing and streamlining paperwork at sales branches and headquarters operations, and enhancing productivity

### Initiatives for paperwork-free operations

#### □ Reduction of administrative work at bank branches

(FY2019 = 100)



#### □ Improvement of HQ work efficiency

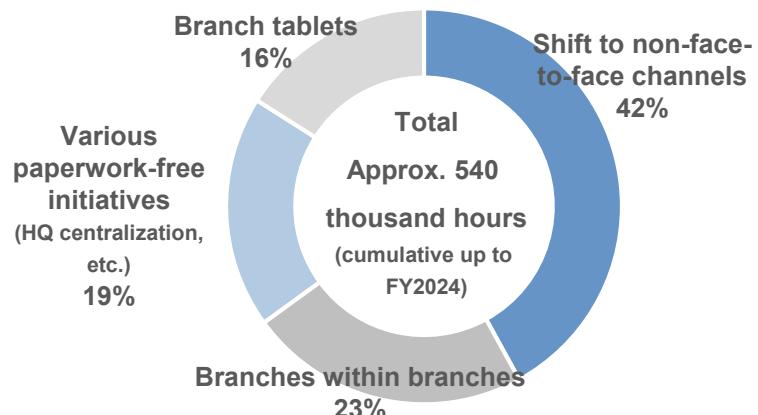
- Established the D3 Working Group in February 2025 with the aim of promoting digitalization and headquarters business process reengineering (BPR) as well as building a robust operational system

\*D3: Digitally Driven Direction

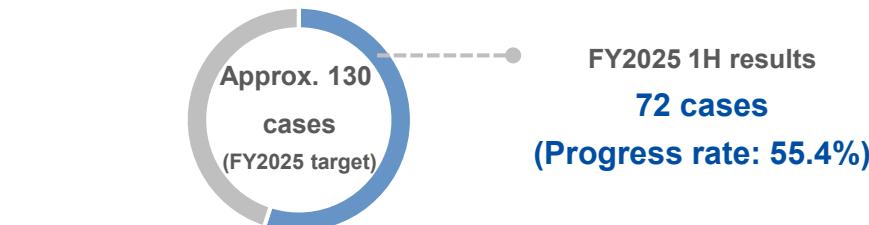
#### Key details

- ✓ Substitution of manual document creation with generative AI
- ✓ Digitalization of data aggregation tasks
- ✓ Substitution of certain roles with part-time workers, etc.

#### □ Breakdown of administrative work reduced at bank branches



Cases of abolition, substitution, and digitalization of headquarters operations



Top customer  
satisfaction  
strategy

Double  
productivity  
strategy

Regional  
growth strategy

Corporate  
culture reform  
strategy

## Defining four key items of implementation in order to strengthen regional vitalization efforts

### Regional vitalization mission

#### I Support for startups and new businesses

- ▶ Support for startups and new businesses
- ▶ Support for various funding by venture capital funds, etc.
- ▶ 77 New Business Subsidies      ▶ Cooperation for various events

#### II Support for and development of regional core businesses

- ▶ Support for growth of local enterprises
- ▶ Support for cultivating and expanding sales channels
- ▶ Support for industry-academia cooperation
- ▶ Support for overseas businesses
- ▶ Support for business succession, M&A, and IPOs

#### III Promotion of urban development projects

- ▶ Participation in regional development projects
- ▶ Promotion of public-private partnership projects
- ▶ Collaboration with external institutions

#### IV Assistance with promotion of tourism, etc.

- ▶ Support for feasibility and growth of the tourism-related industry
- ▶ Assistance with promotion of inbound travel
- ▶ Assistance with preparation of tourist intake framework

CHECK!

Details of initiatives related to regional vitalization, etc., are published in "Creating with Local Communities." (2025 ed.)



### Formation of the Miyagi Wide-area PPP Platform (nicknamed "MAPP")

#### □ Initiatives of MAPP

- As a part of our efforts based on the Agreement on Comprehensive Cooperation Aimed at Regional Revitalization with local governments and other agreements, we have formed a space for continual information sharing and encouraging dialogue between the public and private sectors for the utilization of private-sector funds and know-how.

**The 77 Bank**  
(Secretariat: Regional Development Promotion Division)

77 Research and Consulting



**MAPP**

**Cooperation partner financial institutions, universities, etc.**

Government-affiliated financial institutions, think tanks, Tohoku PPP/PFI Association, Tohoku University, Miyagi University, Tohoku Institute of Technology, etc.



#### Full utilization of six functions

- ✓ Human resource development function
- ✓ Information dissemination function
- ✓ Execution support function
- ✓ Dissemination and awareness-raising function
- ✓ Public-private dialogue function
- ✓ Exchange function

MAPP core members



#### Local governments

Miyagi Prefecture and all 35 municipalities (36 in total)  
Two municipalities in Fukushima Prefecture



#### Private companies

Real estate, trading, IT and DX services, communications, construction, lease, consulting, media



Top customer satisfaction strategy

Double productivity strategy

Regional growth strategy

Corporate culture reform strategy

By adding depth to our various initiatives, we will fulfill our role as a regional financial institution

## Supporting startups

### □ Sponsorship of the Startup World Cup 2025 Tohoku Qualifier

- The Bank participated as a Special Platinum Sponsor in the qualifier held for the first time in Sendai City in August 2025

#### What is the Startup World Cup?

- The world's largest pitch contest for innovative startups, with qualifiers held in over 100 countries and regions around the world



Remarks delivered at the event

### □ Co-hosting “DATERISE! 2025”

- Co-hosted Sendai City's first-ever startup event and presented the 77 Bank Award with the goal of fostering startups from Tohoku that can play active roles internationally

#### Recipient of the 77 Bank Award

Company name

**Phytochem Products Inc.**  
(Tohoku University-based startup)

Business description

Manufacturing and sales of plant-derived functional materials



Presentation of the 77 Bank Award

Support for collaboration with industry, academia, and external institutions

### □ Collaboration with universities

- Collaborating with universities in Miyagi Prefecture to support business partners in solving R&D-related issues
- Has been dispatching employees to the Industrial Liaison Division of the Head Office of Enterprise Partnerships, Tohoku University, since April 2025

Partner universities in Miyagi Prefecture

Tohoku University



Miyagi University



Tohoku Institute of Technology



Tohoku Gakuin University



Source: Tohoku University, Miyagi University, Tohoku Institute of Technology, and Tohoku Gakuin University

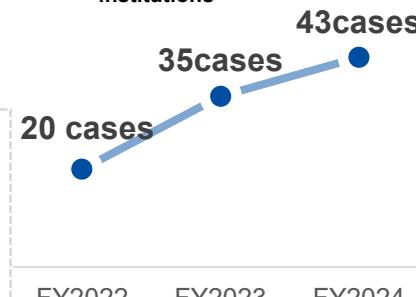
### □ Collaboration with external institutions

- Collaborating with various external partner organizations to promote regional industries and support the resolution of diverse management issues, etc., facing business partners

Number of consultation cases regarding support for collaboration with industry, academia, and external institutions

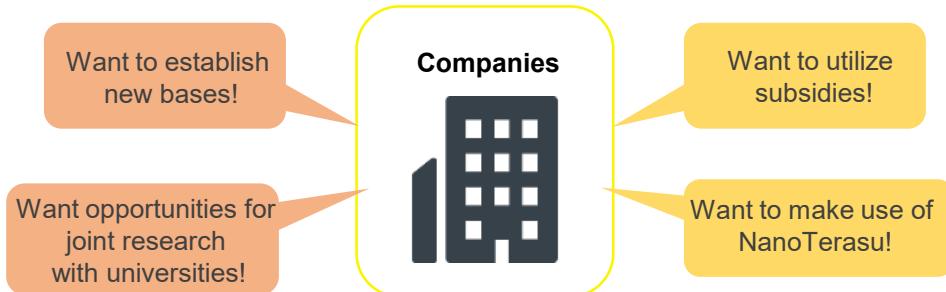
(Examples of matters consulted)

- ✓ Business plan formulation
- ✓ Financing
- ✓ Support for sales channel cultivation
- ✓ Sales strategy
- ✓ Acquisition of intellectual property
- ✓ Social media utilization, etc.



## Support for attracting companies

### □ Illustration of support provided



### The 77 Bank responds to various needs!

The 77 Bank Group



Cases of support related to  
corporate location  
and industrial promotion  
**110 cases**  
(cumulative since FY2022)

The Bank's state of  
collaboration

- (i) Participation as an auditor of Photon Science Innovation Center
  - (ii) Provision of financial support through loans and donations
  - (iii) Organization of various seminars, etc., to promote utilization
- Participating companies and organizations: 160 (total);  
Individual participants: 300 (total)

Private companies

Local governments

Academic institutions

Human resources, land, suppliers,  
expansion of sales channels

Industrial parks,  
subsidies and grants

NanoTerasu, joint research



Aerial view

Number of companies  
expressing an intention to  
utilize NanoTerasu  
**More than 150 companies**

Economic spillover effect  
\* Estimated by Tohoku Economic Federation

**Approx. JPY 1.9 tn**  
(10-year period following  
start of operation)

Source: Photon Science Innovation Center

Top customer satisfaction strategy

Double productivity strategy

Regional growth strategy

Corporate culture reform strategy

## Developments regarding regional development projects

### □ Sendai Urban Restructuring Project

- A project announced by Sendai City to improve the urban environment of the city center (at present, eight buildings are utilizing this project)
- The Bank collaborates with and provides information to companies, etc., with construction needs, while also offering assistance with funding, leasing, etc.

Number of cases of involvement in regional development projects

Approx. 150 cases  
(as of end-Sept. 2025)

### Projects utilizing measures under the Sendai Urban Restructuring Project

Sendai Dai-ichi Life Insurance Building



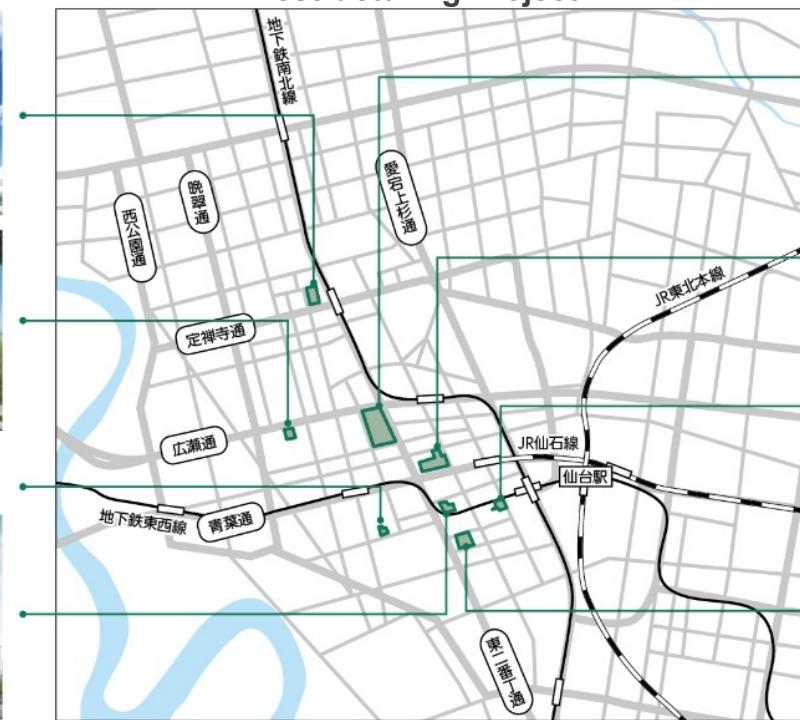
Woodrise Sendai



Sendai Aoba Ward Ichibancho Office Building Development Plan (tentative)



NANT Sendai Minamimachi



Ichibancho 3-chome 7-banchi District Development Project (tentative)



Yomiuri Sendai Building Replacement Project (tentative)



T-PLUS Sendai



Urbannet Sendai-Chuo Building

Source: NTT Urban Development Corporation, Mizuho Real Estate Management Co., Ltd., Tokyo Tatemono Co., Ltd., Kajima Corporation, Ichibancho 3-chome 7-banchi District Redevelopment Preparation Association, and The Dai-ichi Life Insurance Company, Limited

Top customer  
satisfaction  
strategy

Double  
productivity  
strategy

Regional  
growth strategy

Corporate  
culture reform  
strategy

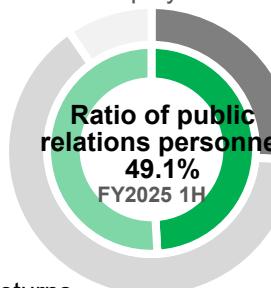
## Building a responsive human resource portfolio aligned with our management strategy

### Human resource portfolio strategy

#### Building a human resource portfolio based on our management strategy

- Create public relations personnel through visualizing individual growth and clarifying roles, as well as productivity improvements
- Ensure Group-wide specialization and flexibility in anticipation of our entry into new businesses and sectors and the expansion of business domains

- Headquarters
- Branches
- Employees on secondment



Responding flexibly to new businesses and sectors, expansion of business domain, etc.

#### Measurement and management of the effects of human capital investments

- Measure the effects of human capital investments in terms of skills, endeavor, and returns

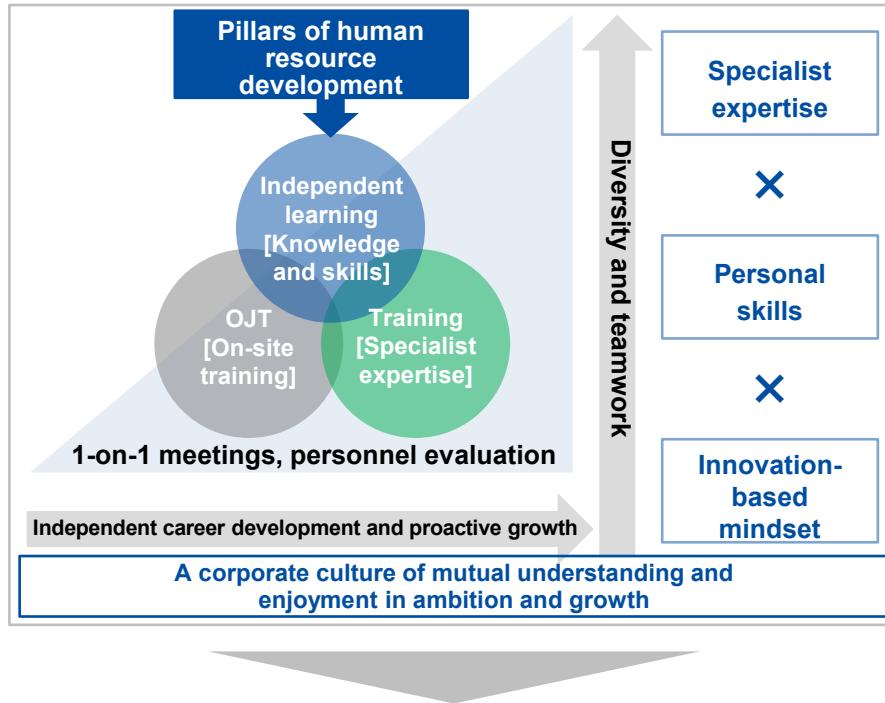
Measurement and management targets	Matters for judgment	FY2024	FY2025 1H	FY2025 Target
Skills	Average corporate public relations skill level (max. 5.0)	2.7	2.8	3.0
	Average retail public relations skill level (max. 5.0)	2.0	2.0	2.2
	No. of individuals with higher qualifications (1st Grade Financial Planner, Certified Financial Planner, Small and Medium-sized Enterprise Management Consultant)	274 employees	283 employees	330 employees
	No. of certified digital technology human resources	1,612 employees	1,680 employees	1,800 employees
Endeavor	Engagement score (indicator of ambition) (max. 5.0)*	3.6	3.6	3.6 or higher
	No. of participants in job trial system	194 employees	154 employees	250 employees or more
	No. of applicants for job entry system	7 employees	(Recruitment scheduled for 2H)	21 employees or more
Returns	Ratio of public relations personnel	49.0%	49.1%	51.0%
	Labor productivity in core operations	JPY 16 mn	JPY 9 mn	JPY 19 mn
	Consulting income	JPY 8.4 bn	JPY 4.4 bn	JPY 9.0 bn

\* Benchmark for good conditions: 3.5 or higher (extracted ambition-related items)

## Nurturing human resources who serve a purpose for customers and local communities and who contribute to corporate reform through support for career development

### Human resource development strategy

#### □ Human resource development framework



Establishment of career ownership

Maximization of excellent personal skills and teamwork

Development of diverse specialist human resources

Reinforcement of reskilling

#### □ Establishment of the new SEVEN PACK independent learning support package

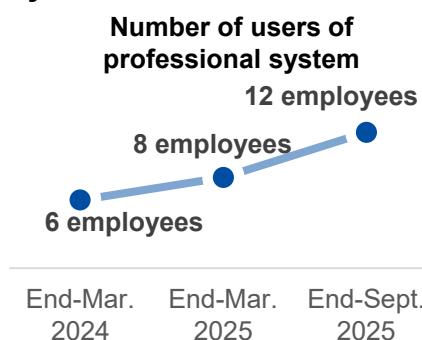
- We have introduced a package centered on a career mileage system, combined with the provision of self-development tools and a cost subsidy system

#### Overview of SEVEN PACK



#### □ Introduction of professional system

- We introduced a professional system in April 2023 to enable employees to concentrate on specialized fields in which we expect them to demonstrate advanced expertise



Top customer  
satisfaction  
strategy

Double  
productivity  
strategy

Regional  
growth strategy

Corporate  
culture reform  
strategy

## Providing an employee-friendly environment for each and every employee in order to build a foundation for human capital

### Diversity promotion strategy

#### Further promotion of the active participation of women (Developing female officer and management candidates)

- Launched initiatives aimed at developing female officer and management candidates

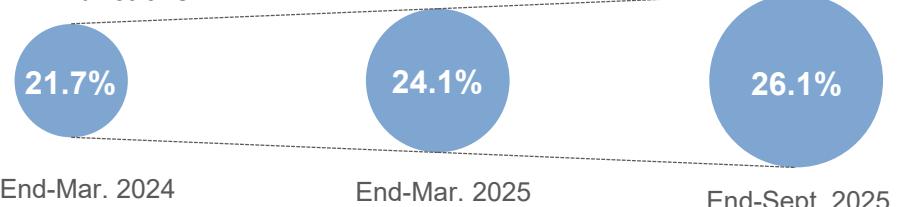
#### Initiatives

- ✓ Expanded opportunities for interaction with management and role models active both internally and externally
- ✓ Seminars aimed at fostering career awareness among employees with children in the childrearing stage, etc.

#### Number of female division and branch general managers and outside directors of Group companies



#### Ratio of female employees in corporate public relations, trained by the Bank, and headquarters corporate planning functions



### Wellbeing promotion strategy

#### Approach to promotion of wellbeing

- Fostering an environment where every employee can maximize their potential through initiatives such as the promotion of health and productivity management, the enhancement of employee benefits, etc.

#### Promotion of health and productivity management

#### Creation of employee-friendly work environments

#### Proactive support for the maintenance and improvement of health

#### Reinforcement of initiatives for financial wellness

#### Certified as a KENKO Investment for Health Outstanding Organization 2025—White 500—

- Recognized as among the top 500 companies for outstanding practices in KENKO Investment for Health



#### Absenteeism (Percentage of employees on sick leave exceeding a certain period)



#### Presenteeism (Percentage of employees without physical or mental health issues)



## (Reference) KPIs (Let's Try!)

	FY2023 Results	FY2024 Results	FY2025 1H Results	FY2025 Target	FY2030 Vision
Proportion of companies in Miyagi Prefecture whose main bank is the 77 Bank	56%	56%	<b>56%</b>	57%	62%
Number of corporate lending clients outside Miyagi Prefecture (Vs. FY2020)	1.33x	1.45x	<b>1.51x</b>	1.47x	1.5x
Proportion of households in Miyagi Prefecture holding assets <sup>*1</sup>	-	-	-	-	35% or more
Number of clients for which the Group holds assets in custody	91,373	101,399	<b>105,278</b>	111,000	180,000
Proportion of individuals in Miyagi Prefecture using loans from the 77 Bank	15.1%	15.3%	<b>15.6%</b>	17.0%	20.0%
Group companies profit	JPY 1.7 bn	JPY 1.5 bn	<b>JPY 1.0 bn</b>	JPY 1.7 bn	JPY 3.0 bn
Labor productivity in core operations <sup>*2</sup>	JPY 14 mn	JPY 16 mn	<b>JPY 9 mn</b>	JPY 19 mn	JPY 24 mn
Administrative work at bank branches (Vs. FY2019)	(33)%	(42)%	<b>(46)%</b>	(50)%	(50)%
Usage of non-face-to-face channels	(Corporate) 32% (Retail) 27%	(Corporate) 35% (Retail) 32%	<b>(Corporate) 36% (Retail) 34%</b>	(Corporate) 38% (Retail) 36%	(Corporate) 50% (Retail) 50%
Cases of growth support for business founders	2,061 cases	2,264 cases	<b>1,364 cases</b>	2,500 cases	3,000 cases
CO <sub>2</sub> emissions <sup>*3</sup>	8,433 t-CO <sub>2</sub>	6,803 t-CO <sub>2</sub>	<b>2,618 t-CO<sub>2</sub></b>	5,700 t-CO <sub>2</sub>	0 t-CO <sub>2</sub>
Proportion of female managers	17.5%	19.4%	<b>20.4%</b>	21.0%	30.0%

- ◆ Establish 10 projects in new businesses or sectors (by FY2023)  
10 projects established. Continue development of new businesses and sectors with promise for future commercialization.

## Other items

- ◆ Support increased rate of economic growth in Miyagi Prefecture
- ◆ Aim for 100% participation in regional development projects in Miyagi Prefecture
- ◆ Implement various initiatives to foster an ambitious spirit
- ◆ Increase the number of specialist personnel that serve a purpose for customers and local communities

<sup>\*1</sup>. National Survey of Family Income, Consumption and Wealth<sup>\*2</sup>. (Interest on loans and bills discounted + fees and commissions – interest on deposits – expenses + personnel expenses + depreciation) / number of employees (part-time employees counted as 0.4)<sup>\*3</sup>. The FY2025 1H result is an estimate calculated using emissions coefficients for FY2024

**Please note that the projections described in this document do not guarantee future performance. Future performance projections may differ from actual results due to uncertainty caused by factors such as changes in the business environment.**

