

TSE Prime: 8359

Fiscal Year 2025 Financial Highlights

May 15, 2026



Hachijuni Nagano Bank

● **Ordinary profit**

Ordinary profit increased by ¥17.6bn year on year, due mainly to increases in profit on interest and gain or loss on stocks and other securities at Hachijuni Nagano Bank on a non-consolidated basis.

● **Profit attributable to owners of parent**

Profit attributable to owners of parent increased by ¥16.5bn year on year, reflecting the increase in ordinary profit.

◆ Consolidated	(100 million yen)	March 2025	March 2026	YoY
Consolidated gross business profit		1,132	1,280	147
Profit on interest		1,043	1,167	124
Profit on fees & commissions		177	203	25
Trading profit		2	4	2
Profit from other business transactions		(91)	(95)	(4)
General & administrative expenses		725	811	85
Credit related expenses		15	3	(12)
Gains/losses related to stocks		305	350	44
Gains/losses on money held in trust		(2)	(3)	(0)
Ordinary profit		638	815	176
Extraordinary gains/losses		10	(16)	(26)
Profit attributable to owners of parent		479	645	165

Record profit

<FY2025 financial results>

Ordinary profit

Previous record
63.8 billion yen (Fiscal Year 2024)

Profit

Previous record
47.9 billion yen (Fiscal Year 2024)

◆ Hachijuni Nagano Bank standalone (100 million yen)	* March 2025	March 2026	YoY	
Gross business profit (A)	963	1,100	137	
Profit on interest	958	1,114	156	
Profit on fees & commissions	104	127	22	
Profit from other business transactions	▲101	▲146	▲44	
Gains/losses related to bonds (B)	▲119	▲163	▲44	
General & administrative expenses (C)	614	718	104	
Actual net business profit (A-C)	348	381	32	
Core net business profit (A-B-C)	467	545	77	
Excl. gains/losses on cancellation of investment trusts	481	544	63	
Transfer of general allowance for credit losses (D)	▲5	—	5	
Net business profit (A-C-D)	353	381	27	
Special profit/losses	Gains/losses related to stocks (E)	295	352	56
	Gains/losses on money held in trust (F)	▲2	▲3	▲1
	Disposal of NPLs	22	5	▲17
	Gains on reversal of allowance for credit losses	—	8	8
Ordinary profit	599	758	158	
Extraordinary gains/losses	11	42	31	
Gains/losses on disposal of non-current assets	12	▲0	▲13	
Impairment losses	1	14	13	
Gain on extinguishment of tie-in shares	—	57	57	
Profit	459	665	205	
Profit/losses related to securities (B+E+F)	173	184	10	
Credit related expenses	17	▲3	▲20	

* 'Hachijuni Bank' standalone

● Profit on interest

Profit on interest increased by ¥15.6bn year on year, due to increases in interest on loans and discounts and interest and dividends on securities in the domestic business division.

* The accounting treatment for investment partnerships has been changed since Fiscal Year 2025.
As a result, profit on interest decreased by approximately 5.6 billion yen, but since one-time expenses decreased by the same amount, ordinary profit remains unaffected.

● Core net business profit

Although general & administrative expenses increased, the increases in profit on interest and profit on fees and commissions resulted in a +7.7 billion yen change from the previous period.

Ordinary profit and Profit

All-time highest Profit

● Ordinary profit

Due primarily to the increase in core net business profit on bonds and gain on sale of equity securities, it increased by 15.8 billion yen compared to the previous period.

Record high profit
59.9 billion yen (Fiscal Year 2024)

● Profit

It increased by 20.5 billion yen compared to the previous period, reaching 66.5 billion yen.

Record high profit
45.9 billion yen (Fiscal Year 2024)

◆ Nagano Bank

Standalone (100 million yen)	March 2024	*December 2025
Gross business profit (A)	42	50
Profit on interest	85	51
Profit on fees & commissions	▲0	▲0
Profit from other business transactions	▲42	▲0
Gains/losses related to bonds (B)	▲41	▲0
General & administrative expenses (C)	85	58
Actual net business profit (A-C)	▲43	▲7
Core net business profit (A-B-C)	▲1	▲7
Excl. gains/losses on cancellation of investment trusts	▲4	▲7
Transfer to general allowance for credit losses (D)	—	—
Net business profit (A-C-D)	▲43	▲7
Special profit/losses		
Gains/losses related to stocks (E)	22	2
Gains/losses on money held in trust (F)	▲0	—
Disposal of NPLs	0	▲0
Gains on reversal of allowance for credit losses	3	4
Ordinary profit	▲15	6
Extraordinary gains/losses	1	▲1
Profit	▲15	5
Profit/losses related to securities (B+E+F)	▲19	2
Credit related expenses	▲3	▲4

* Irregular fiscal year : Fiscal year ended December 2025

* Merged with The Hachijuni Bank, with The Hachijuni Bank as the surviving company, effective January 1, 2026.

- In the domestic sector, profit on interest grew ¥14.2bn year-on-year due mainly to increases in interest on loans and interest and dividends on securities, reflecting improvements in yields.
- In the international sector, profit on interest grew ¥1.5bn year-on-year due to factors such as an expansion of the loan-deposit gross margin.

◆ Profit on interest (100 million yen)

	Hachijuni		Hachijuni Nagano		<2-bank combined>	
	March 2025	March 2026	March 2025	March 2026	March 2025	March 2026
			Hachijuni + Nagano	HachijuniNagano + Nagano※		
Domestic sector	836	978	921	1,030		
Interest income	930	1,230	1,021	1,293		
Interest on loans	472	657	540	704		
Interest and dividends on securities	365	386	384	394		
Funding costs (-)	94	253	100	264		
Interest on deposits (-)	47	165	53	176		
International sector	121	136	121	136		
Interest income	472	432	472	432		
Interest on loans	188	168	188	168		
Interest and dividends on securities	270	259	270	259		
Funding costs (-)	350	296	350	296		
Interest on deposits (-)	41	26	41	26		

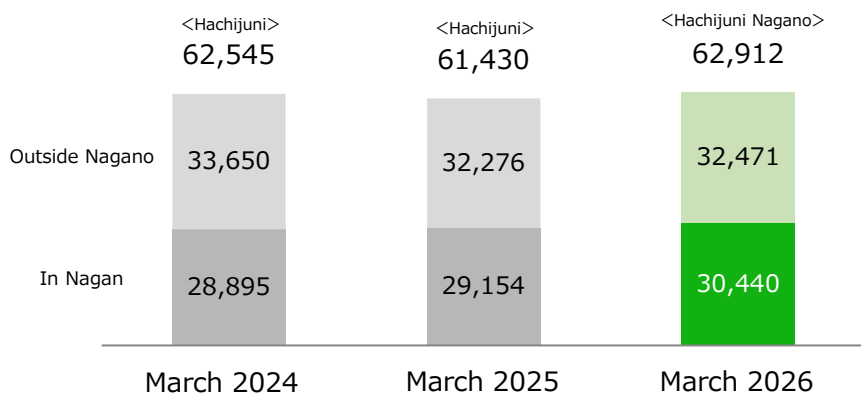
◆ Yield/Spread (%)

	Hachijuni		YoY
	March 2025	March 2026	
Domestic sector			
Yield	0.81	1.07	0.26
Yield on loans	0.81	1.10	0.29
Yield on securities	1.57	1.65	0.08
Funding yield	0.08	0.22	0.14
Yield on deposits	0.05	0.18	0.13
Loan gross margin (A-B)	0.76	0.92	0.16
International sector			
Yield	4.81	4.46	(0.35)
Yield on loans	5.28	4.64	(0.64)
Yield on securities	4.58	4.44	(0.14)
Funding yield	3.62	3.11	(0.51)
Yield on deposits	3.61	2.70	(0.91)
Loan gross margin (C-D)	1.67	1.94	0.27

* Non-standard fiscal period December 2025

- Although loans to the central government decreased, the average balance of loans increased overall due to increases in corporate and consumer loans. The average balance of deposits continued increasing steadily.

◆ Average Balance of loans (Unit: 100 million yen)

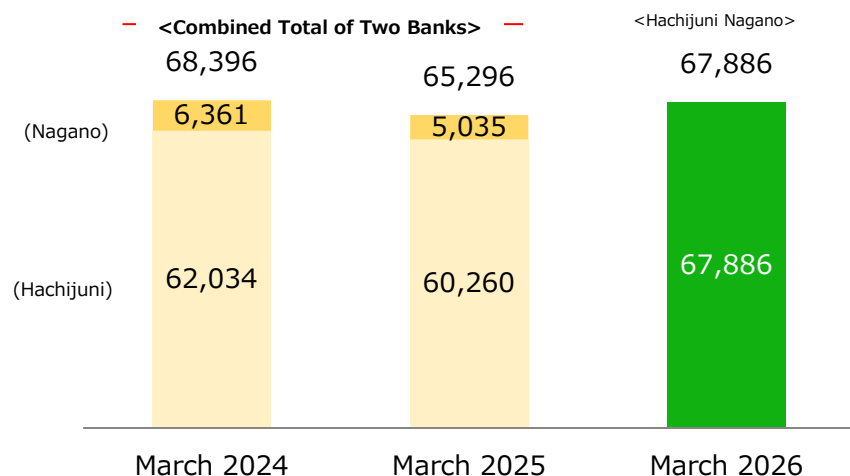


(Reference)

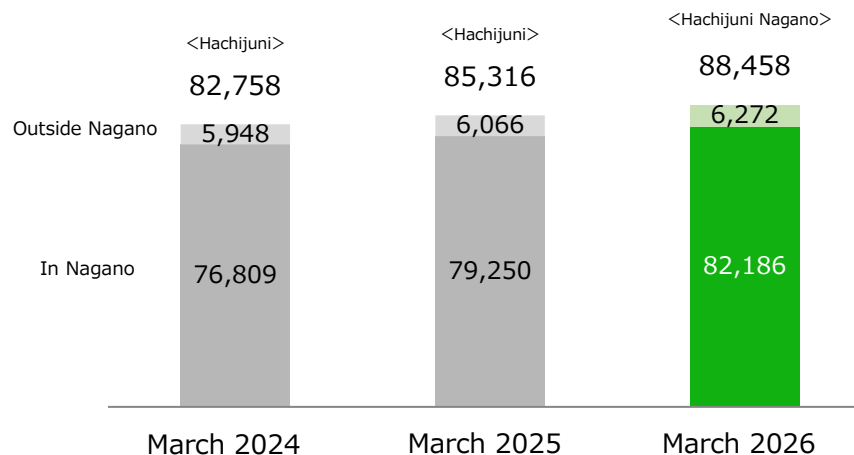
Average Balance of loans to Central government

March 2024	March 2025	March 2026
513.3 billion yen	283.5 billion yen	23.1 billion yen

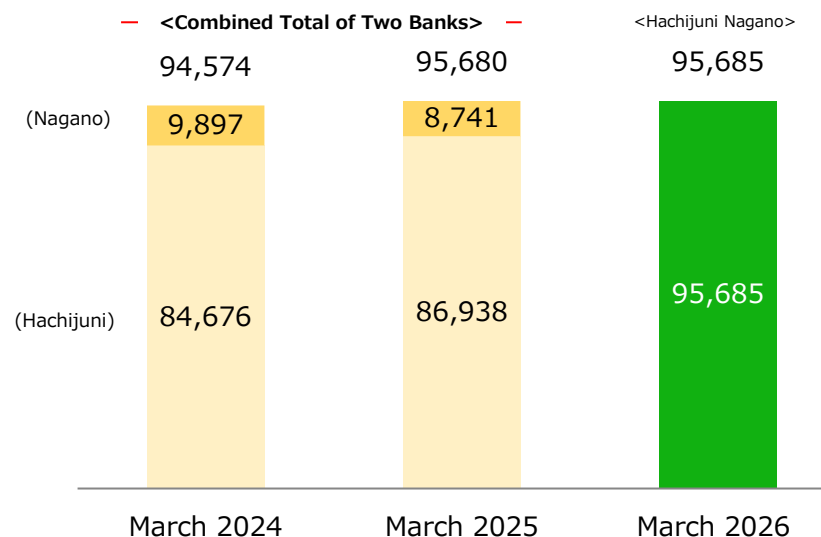
◆ Ending Balance of loans (Unit: 100 million yen)



◆ Average Balance of deposits (Unit: 100 million yen)

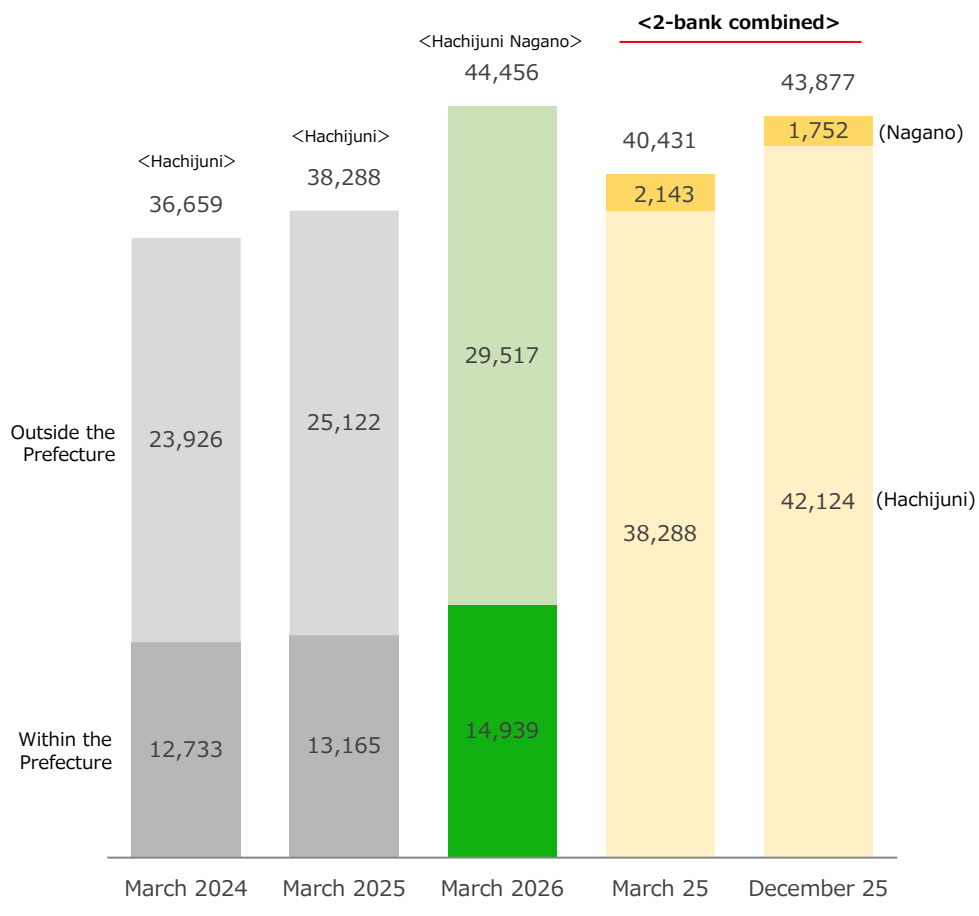


◆ Ending Balance of deposits (Unit: 100 million yen)



- Due to the merger with the Nagano Bank, both business loan balances and the number of borrowers increased.
- The balance of both business loans and SME loans grew due to steady demand for capital investment and working capital.

◆ Ending balance of business loans(Unit: 100 million yen)



◆ Number of borrowers(Unit: clients)

	Hachijuni March 2024	Hachijuni March 2025	Hachijuni Nagano March 2026
All branches	28,420	28,604	31,980
Outside Nagano	3,767	3,807	3,906
In Nagano	24,653	24,797	28,074

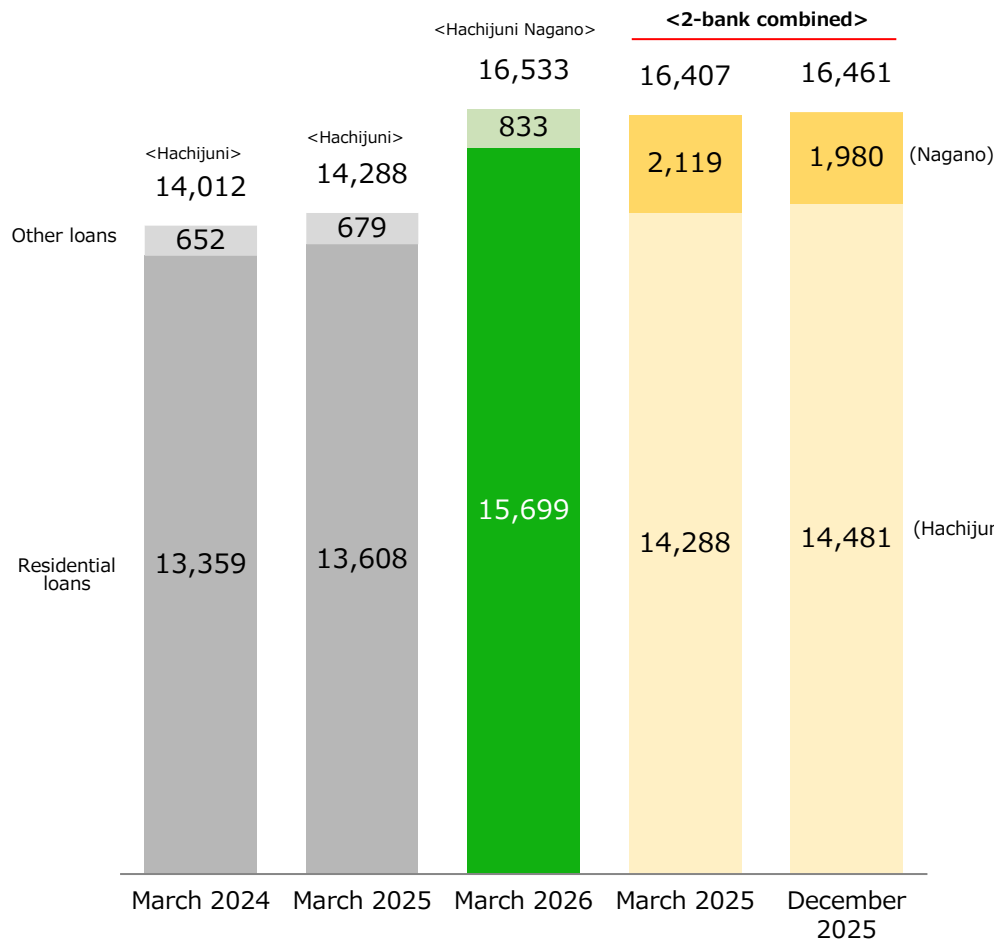
◆ Ending balance of business loans for SMEs *(Unit: 100 million yen)

	Hachijuni March 2024	Hachijuni March 2025	Hachijuni Nagano March 2026
Balance	17,203	18,302	21,422
Ratio of SME loans to total business loans	46.9%	47.8%	48.1%

*Small and medium enterprises (excluding local governments and public corporations) and sole proprietorships

- The balance of personal loans reached a record.
- Product updates aimed at enhancing competitiveness were effective, and new housing loan originations turned upward.

◆ **Ending balance of personal loans (Unit: 100 million yen)**



◆ **New home loan amounts (Unit: 100 million yen)**

	Hachijuni March 2024	Hachijuni March 2025	Hachijuni Nagano March 2026
New loan amounts	1,177	1,137	1,148
Variable (% of total)	1,147 (97.4%)	1,119 (98.4%)	1,117 (97.2%)
10-year fixed (% of total)	21 (1.7%)	9 (0.7%)	19 (1.6%)

◆ **Ending balance of home loans by interest rate (Closing Balance) (Unit: 100 million yen)**

	Hachijuni March 2024	Hachijuni March 2025	Hachijuni Nagano March 2026
Ending balance	12,866	13,142	15,221
Variable (% of total)	7,479 (58.1%)	8,450 (64.2%)	10,347 (67.9%)
10-year fixed (% of total)	4,658 (36.2%)	4,030 (30.6%)	4,209 (27.6%)

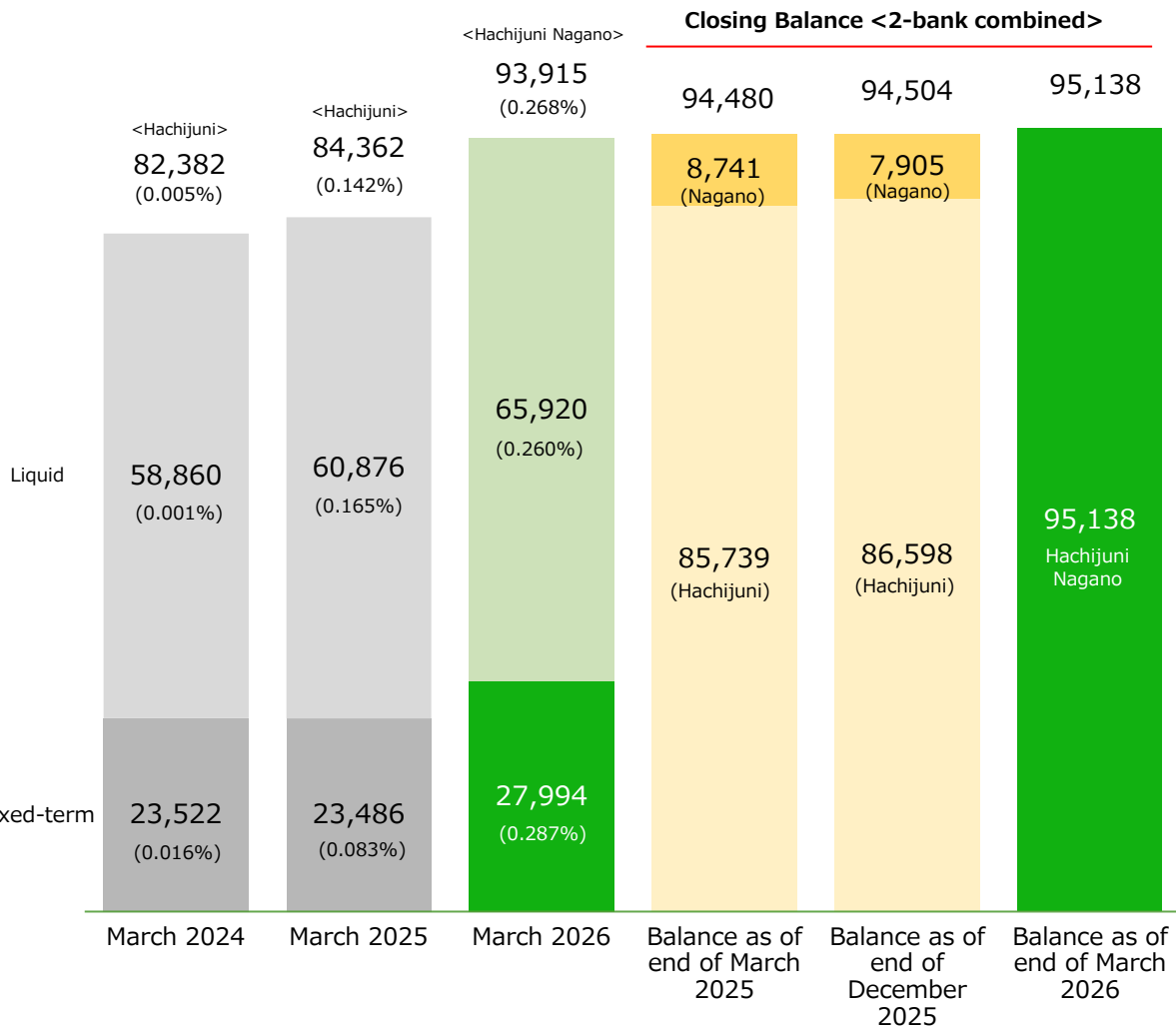
Yen-Denominated Deposits (Average Balance and Average Interest Rate)

* Excluding NCDs and non-resident deposits

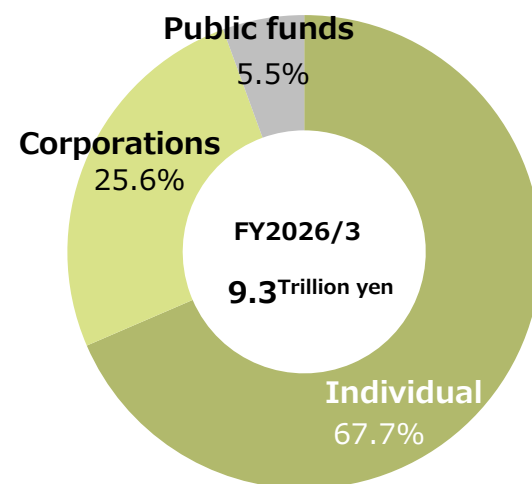
- Yen-denominated deposits are increasing steadily
- Average interest rates are increasingly gradually due to the influence of the increased policy rate.

◆ Monthly average balance of yen-denominated deposits (Unit: 100 million yen)

(Note) The figures in parentheses below the balance represent the average monthly interest rate.



◆ Deposits by Customer Segment (based on average Yen deposit balance)



■ For Your Reference ■

- March 2024
 - ... End of negative interest rate policy
- July 2024
 - ... Policy rate raised to around 0.25%
- January 2025
 - ... Policy rate raised to around 0.50%
- December 2025
 - ... Policy rate raised to around 0.75%

- Profit on fees & commissions grew ¥2.3bn year-on-year to ¥12.7bn due to increases in fees related to syndicated loans and investment trusts.

(100 million yen)		<2-bank combined>					
		Hachijuni March 2024	Hachijuni March 2025	Hachijuni Nagano March 2026	March 2024 Hachijuni + Nagano	March 2025 Hachijuni + Nagano	March 2026 Hachijuni Nagano + Nagano*
Profit on fees & commissions		103	104	127	106	103	126
Fee & commission income		186	192	221	204	204	228
<Major Items>	Deposit / loan services	92	99	121	99	104	123
	Exchange services	51	54	57	55	57	60
	Securities-related services	20	20	23	20	20	23
	Agency services	10	6	7	12	8	8
	Credit-related operations	6	6	7	6	6	7
Fee & commission payments		83	88	94	97	101	102
<Major Items>	Fees related to payment of loans	63	67	70	75	78	77
	Exchange services	6	7	6	6	7	7

* Irregular fiscal year : Fiscal year ended December 2025

◆ Corporate banking (major items)*

(100 million yen)		Hachijuni March 2024	Hachijuni March 2025	Hachijuni Nagano March 2026
Key Items (Total)		34.2	42.3	62.2
	Syndicated loans, private placement bonds, etc.	12.7	16.1	31.0
	Derivatives	10.1	14.4	13.5
	M&A ,consulting	11.3	11.7	17.6

* The above figures show revenue from consulting services and also include amounts other than profit on fees & commissions, such as profit from other business transactions.

◆ Personal banking: Investment product income

(The Hachijuni Bank and Hachijuni Securities: excluding intermediary fees to The Hachijuni Bank)

(100 million yen)		Hachijuni March 2024	Hachijuni March 2025	Hachijuni Nagano March 2026
Hachijuni Nagano Bank and Hachijuni Securities		54.0	42.4	49.7
Hachijuni Nagano Bank		29.9	26.0	28.3
(Major items)	Public bonds	0.5	0.7	1.1
	Life & non-life insurance	8.0	4.1	4.9
	Investment trusts	14.1	16.3	18.5
	Financial instruments intermediation/referral	1.8	0.2	0
	Foreign currency deposits	5.3	4.5	3.7
Hachijuni Securities		24.1	16.3	21.4
(Major items)	Structured bonds	1.4	0.2	0.2
	Trust fees	3.9	4.4	4.8
	Investment trust sales	3.6	1.9	1.7
	Stocks	15.0	9.7	14.5

- Despite recording losses on bond sales due to the sale of ultra-long-term bonds and other factors, profit/losses related to securities (trading) increased by ¥1.1bn year on year, due to an increase in profit on stock sales.
- Although valuation losses on bonds increased due to a rise in domestic interest rates, valuation gains on securities increased by ¥194.9bn year on year (net), due to an increase in domestic stock prices.

◆ Profit/losses related to securities (trading) (Unit: 100 million yen)

	Hachijuni March 2024	Hachijuni March 2025	Hachijuni Nagano March 2026	March 2024 Hachijuni + Nagano	March 2025 Hachijuni + Nagano	March 2026 Hachijuni Nagano +Nagano*
Profit/losses related to stocks	100	295	352	133	318	355
Profit/losses related to bonds	(62)	(119)	(163)	(186)	(161)	(163)
Profit/losses on money held in trust	(9)	(2)	(3)	(9)	(2)	(3)
Total	28	173	184	(62)	154	187

◆ Valuation profit/losses on securities (Unit: 100 million yen)

	Hachijuni March 2024	Hachijuni March 2025	Hachijuni Nagano March 2026	March 2024 Hachijuni +Nagano	March 2025 Hachijuni +Nagano
Stocks	6,416	4,671	6,670	6,479	4,701
Strategic shareholdings	5,663	1,116	1,608	5,707	1,145
Bonds	(509)	(1,208)	(1,961)	(589)	(1,302)
Others	(28)	(70)	36	(26)	(70)
Total	5,878	3,393	4,745	5,863	3,328
Valuation P/L on hedged interest rate swaps	500	815	1,412	500	815
NET	6,378	4,208	6,157	6,364	4,143

*Non-standard / Irregular fiscal year

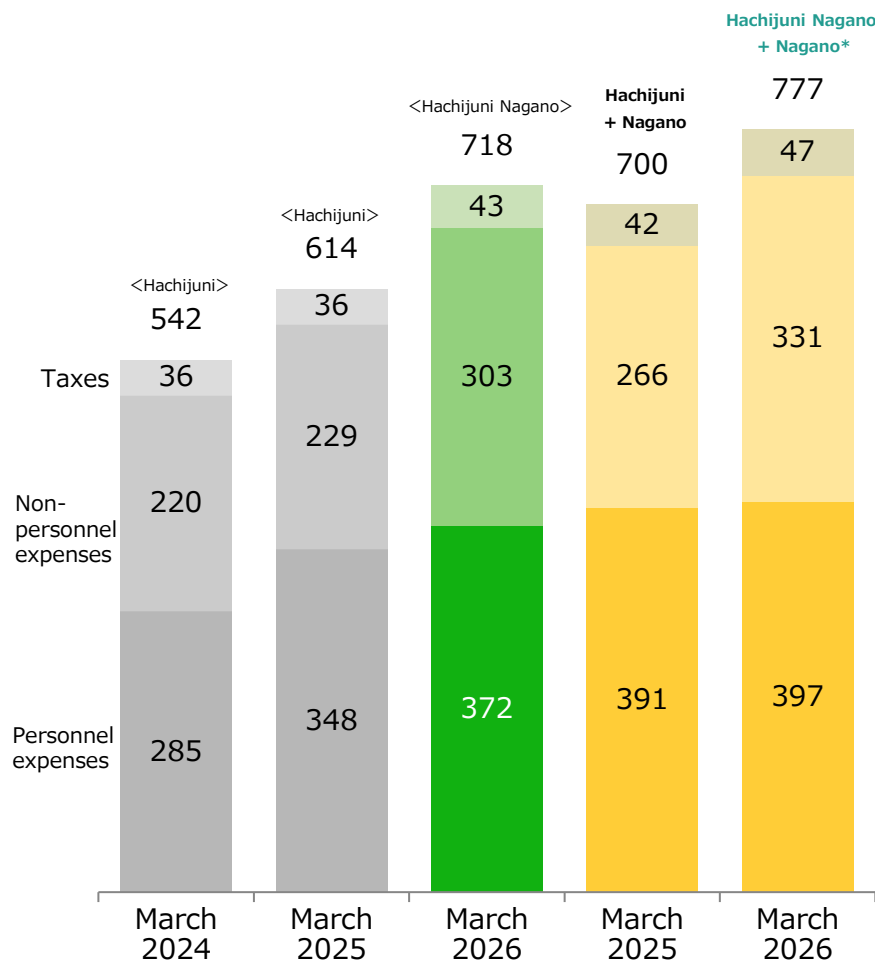
- Non-personnel expenses increased ¥7.4bn year-on-year due mainly to increases in system-related costs, etc. associated with the merger and a donation to the Hachijuni Mirai Foundation.
- Personnel expenses increased ¥2.4bn year-on-year due mainly to an increase in personnel resulting from the merger and base pay increases.

◆ General & Administrative Expenses

(Unit: 100 million yen)

<2-bank combined>

Hachijuni Nagano
+ Nagano*



◆ Main causes of expense increases (Unit: 100 million yen)

	Hachijuni March 2025	Hachijuni Nagano March 2026	Main causes
Non-personnel expenses	229	303	<ul style="list-style-type: none"> • Donation to the Hachijuni Mirai Foundation (up ¥3.0bn year-on-year) • Outsourcing expenses for system-related costs, etc. associated with the merger (up ¥2.4bn year-on-year) • Postage expenses (up ¥0.4bn year-on-year)
Personnel expenses	348	372	<ul style="list-style-type: none"> • Salaries reflecting base pay increases and merger-related headcount increases (up ¥1.5bn year-on-year) • Temporary personnel expenses, including secondments from The Nagano Bank before the merger (up ¥1.1bn year-on-year)

◆ Investment Amount (Unit: 100 million yen)

	Hachijuni March 2025	Hachijuni Nagano March 2026	Main investments
Investment amount	49	54	<ul style="list-style-type: none"> • Merger-related (branch renovations, system upgrades, replacement of signage, etc.) • New construction of Inakita Branch

* Non-standard / Irregular fiscal year

- Although the number of downgraded borrowers increased, credit related expenses amounted to ¥0.3bn due to gains on reversal of allowance for loan losses.

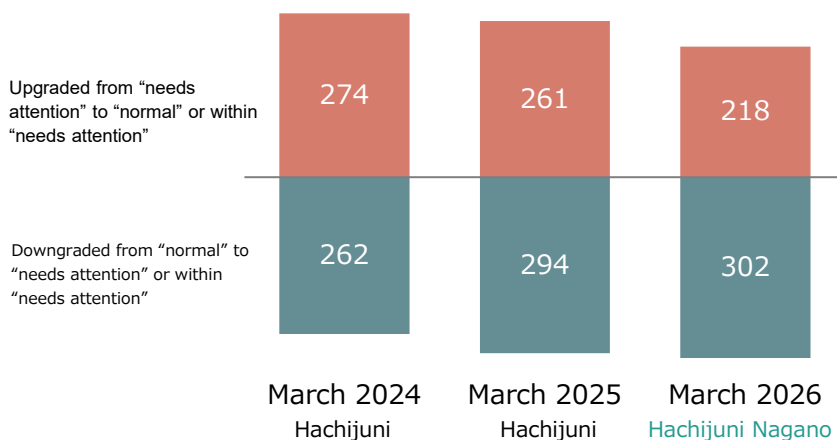
◆ Credit Related Expenses (Unit: 100 million yen)

	<Combined for 2 banks>					
	Hachijuni March 2024	Hachijuni March 2025	Hachijuni Nagano March 2026	March 2024 Hachijuni + Nagano	March 2025 Hachijuni + Nagano	March 2026 Hachijuni Nagano + Nagano*
Transfer to general allowance for credit losses	2	(5)	—	6	(5)	—
Disposal of non-performing loans	11	22	5	41	23	4
Gains on reversal of allowance for loan losses (▲)	-	-	8	-	3	12
Total credit related expenses	13	17	(3)	48	14	(7)
Impact from large borrowers (with changes of ±1.0 billion yen or more)	(12)	-	-	1	-	-

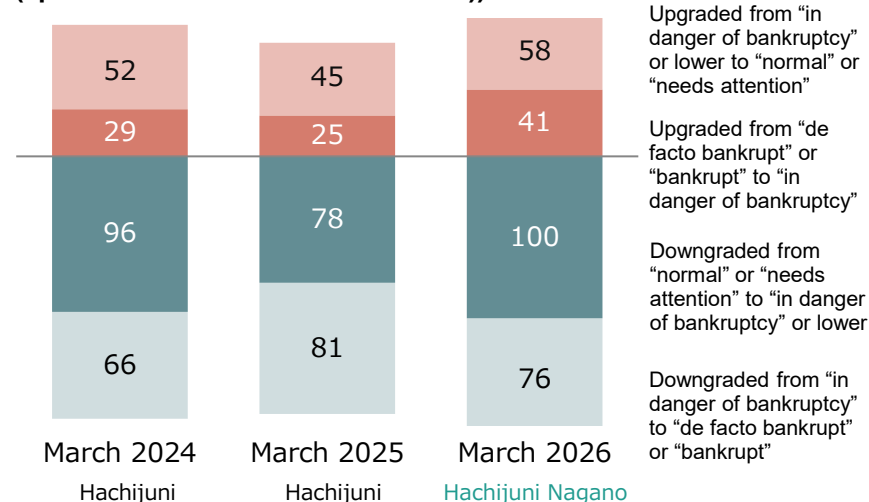
◆ Number of upgraded/downgraded borrowers (Unit: counterparties)

* Irregular fiscal year: Fiscal year ended December 2025

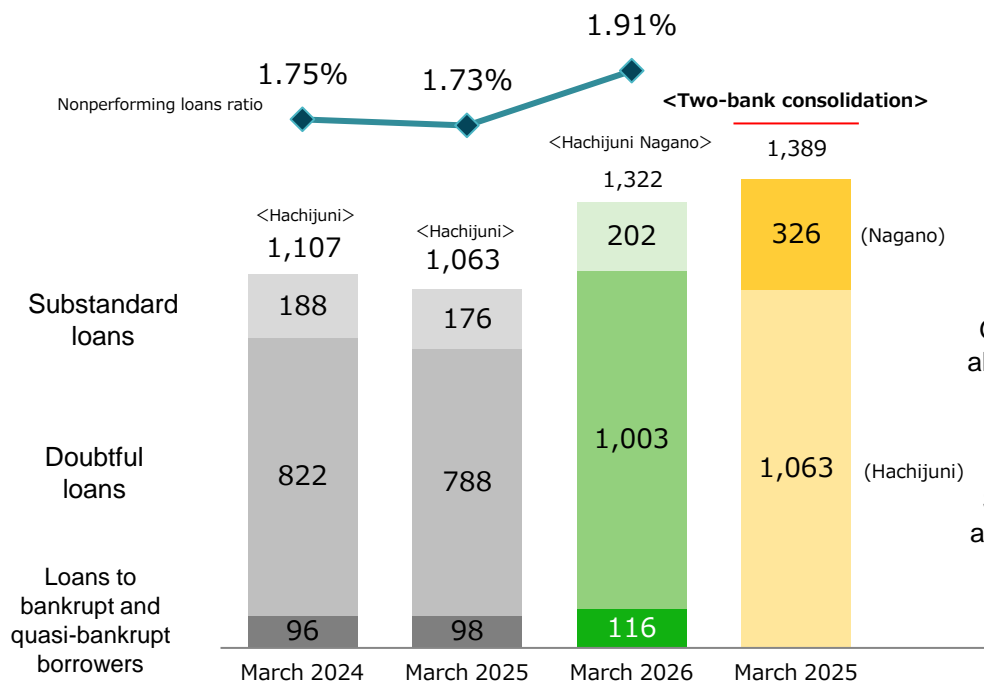
(No. of borrowers subject to general allowance for credit losses)



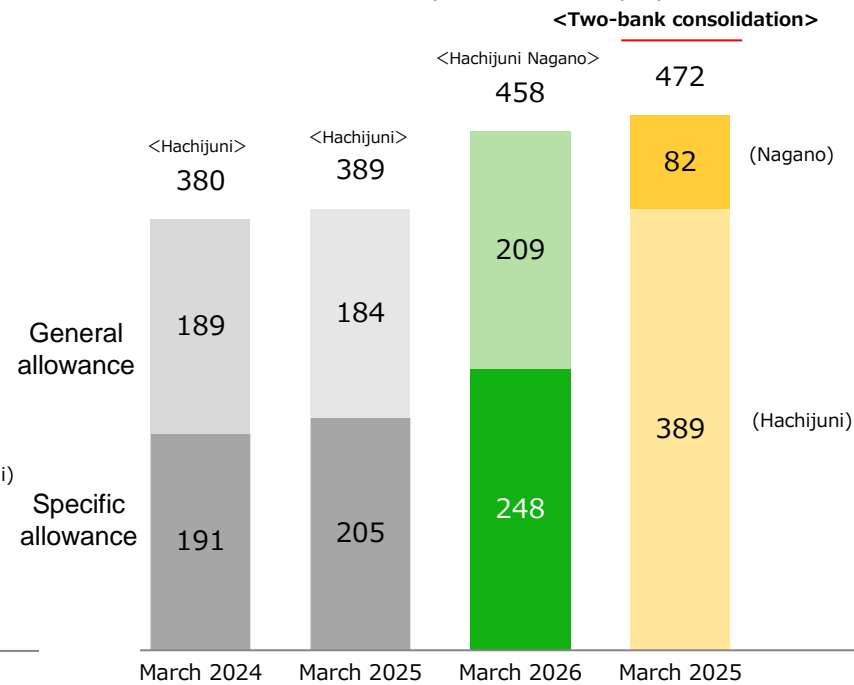
(No. of borrowers subject to disposal of NPLs (specific allowance for credit losses))



◆ Non-Performing Loans (Unit: 100 million yen)



◆ Allowance for credit Losses (Unit: 100 million yen)



	Hachijuni March 2024	Hachijuni March 2025	Hachijuni Nagano March 2026
Substandard loans	188	176	202
Doubtful loans	822	788	1,003
Loans to bankrupt and quasi-bankrupt borrowers	96	98	116
Total	1,107	1,063	1,322
Non-performing loan ratio	1.75%	1.73%	1.91%

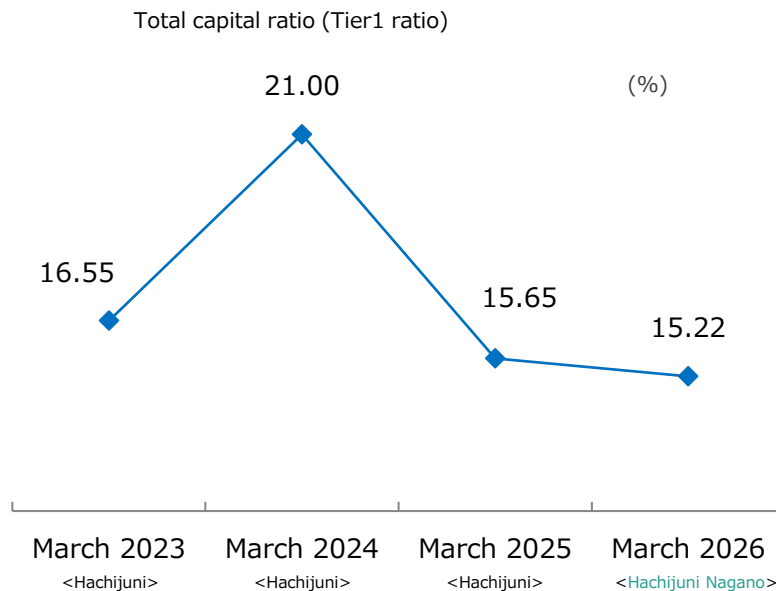
	Hachijuni March 2024	Hachijuni March 2025	Hachijuni Nagano March 2026
General allowance for credit losses	189	184	209
Normal	72	76	87
Other needing attention	54	63	75
Needing special attention	61	43	47
Specific allowance for credit losses	191	205	248
In danger of bankruptcy	165	169	207
Bankrupt and de facto bankrupt	25	36	41
Total	380	389	458

- Under Basel III standards, our capital adequacy ratio, tier 1 ratio, and common equity tier 1 ratio are all 15.22%.
- These three ratios are the same because we have not procured funds through means such as subordinated debt.

◆ Basel III Standards

	Hachijuni March 2025	Hachijuni Nagano March 2026	Increase/ Decrease
Capital adequacy ratio	15.65%	15.22%	(0.43)%
Tier 1 ratio	15.65%	15.22%	(0.43)%
Common equity tier 1 ratio	15.65%	15.22%	(0.43)%
Total capital (100 million yen)	7,407	9,056	1,648
Tier1	7,407	9,056	1,648
[Common equity Tier 1]	[7,407]	[9,056]	1,648
Tier2	—	—	—
Risk assets (100 million yen)	47,319	59,476	12,156
Credit risk	45,229	56,630	11,400
Operational risk	2,090	2,845	755

◆ Capital adequacy ratio (non-consolidated)



Reference: Consolidated capital adequacy ratio

	March 2023	March 2024	March 2025	March 2026
Capital adequacy ratio	18.36%	20.74%	16.29%	16.72%
Tier1 ratio	18.36%	20.74%	16.29%	16.72%

Summary of Group Company Financial Results

Group company name	Total investment ratio (Hachijuni Nagano Bank and subsidiaries, etc.)	March 2025		March 2026		Notes
		Ordinary profit (million yen)	Net income (million yen)	Ordinary profit (million yen)	Net income (million yen)	
Nagano Bank	Merged on January 1, 2026 <Irregular fiscal year: Fiscal year ended December 2025> 100.0%	(1,513)	(1,501)	665	506	Net income turned positive due to factors such as a decrease in losses on sale of bonds.
Hachijuni Securities	100.0%	(292)	(504)	204	166	Turned profitable, supported in part by a firm stock market.
Hachijuni Lease	100.0%	875	624	691	495	Although outstanding receivables increased and yields improved, profit decreased due to an increase in provision of allowance for loan losses.
Nagagin Lease	Scheduled to merge with Hachijuni Lease in January 2027 100.0%	264	159	356	237	Although new business decreased due to the consolidation of transactions with Hachijuni Lease, profit increased due to gains on reversal of allowance for loan losses.
Hachijuni Card	100.0%	158	106	150	98	Although transaction volume increased, profit decreased due to the recording of extraordinary losses.
Nagano Card	100.0%	(51)	(74)	(84)	(107)	Revenue declined due to the suspension of new applications and a decrease in members, while impairment losses widened the loss.
Hachijuni Credit Guarantee	100.0%	2,116	1,419	2,061	1,362	Revenue declined due to lower guarantee fee rates, and profit decreased due to an increase in credit costs.
Hachijuni Capital	41.0%	218	166	247	247	Revenue and profit increased due to higher dividend income and increased fund management fees.
Hachijuni Staff Service	100.0%	33	21	30	22	Although revenue declined due to a decrease in staffing income, profit increased due to an increase in recruitment services.
Yamabiko Services	99.0%	147	104	7	(41)	Although revenue increased due to higher debt collections, the company recorded a loss due to higher credit costs from an increase in purchased receivables and a greater tax burden.
Hachijuni Auto Lease	100.0%	1,078	714	1,130	749	Revenue and profit increased due to an increase in outstanding receivables and improved yields.
Hachijuni Asset Management	100.0%	83	56	97	67	Revenue and profit increased due to higher fees from funds under management.
Hachijuni Investment	100.0%	23	14	17	11	Although management fees remained stable, profit decreased due to an increase in expenses.
Hachijuni Link Nagano	100.0%	35	34	(30)	(62)	Although revenue increased in the trading and electric power businesses, the company recorded a loss due to upfront payments in the subsidy business and a greater tax burden in the electric power business.

◆ Consolidated (100 million yen)

	March 2026	<Estimate> March 2027	Year-on-year
Ordinary profit	815	Record profit 1,060	245
Net income attributable to owners of parent	645	Record profit 730	85

◆ Non-consolidated

(100 million yen)

The Bank merged with The Nagano Bank effective January 1, 2026.

	March 2026	<Estimate> March 2027	Year-on-year	
Gross business profit (A)	1,100	1,294	194	
Profit on interest	1,114	1,181	67	
Profit on fees and commissions	127	133	6	
Profit from other business transactions	(146)	(38)	108	
Gains (Losses) related to bonds (B)	(163)	(47)	116	
General & administrative expenses (C)	718	702	(16)	
Personnel expenses	372	377	5	
Non-personnel expenses	303	271	(32)	
Actual net business profit (A-C)	381	592	211	
Core net business profit(A-B-C)	545	639	94	
Transfer to general allowance for credit losses (D)	-	11	11	
Net business profit (A-C-D)	381	581	200	
Special profit/losses	Gains/losses related to stocks (E)	352	389	37
	Gains/losses on money held in trust (F)	(3)	-	3
	Disposal of NPLs	5	38	33
Ordinary profit	758	Record profit 1,010	252	
Profit	665	Record profit 700	35	
Profit/losses related to securities (B+E+F)	184	342	158	
Credit related expenses	(3)	50	53	

Shareholder Return Policy (published on February 20, 2026)

We aim to maintain or increase dividends, with a target consolidated dividend payout ratio of at least 40%.

We will also acquire treasury stock in a flexible manner, taking into consideration market conditions and other factors.

	Hachijuni March 2024	Hachijuni March 2025	Hachijuni Nagano March 2026	<Forecast> March 2027	
Annual dividend amount	11.6 billion yen	19.5 billion yen	27.3 billion yen	29.5 billion yen	<Estimated>
Annual dividends per share	24.0 yen	42.0 yen	Including commemorative dividend (5 yen) 60.0 yen	65.0 yen	Six consecutive fiscal years of dividend increases
Interim dividends per share	10.0 yen	13.0 yen	20.0 yen	30.0 yen	
Amount of shares repurchased	10.0 billion yen	20.5 billion yen	10.0 billion yen	10.0 billion yen	
Shareholder returns	21.6 billion yen	40.0 billion yen	37.3 billion yen	39.5 billion yen	<Estimated>
Consolidated net income	37.0 billion yen	47.9 billion yen	64.5 billion yen	73.0 billion yen	Four consecutive fiscal years of record profit
Consolidated dividend payout ratio	31.4%	41.4%	42.4%	40.4%	
Consolidated shareholder return ratio	58.4%	83.5%	57.8%	54.1%	

Reference FY2024/3 : Figures excluding the effects of business integration Dividend payout ratio (consolidated) 40.9% Shareholder return ratio (consolidated) 76.3%

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