



Tokyo Kiraboshi Financial Group
Summary of Business Results for the
Fiscal Year Ended March 31, 2025
[Summary]

Summary of Business Results for the Fiscal Year Ended March 31, 2025

Tokyo Kiraboshi FG (consolidated)

		(¥100 million)				
		^A 2024/3 (Actual)	^B 2025/3 (Actual)	YoY (B – A)	^C 2025/3 * (Forecast)	Rate of progress (B / C)
1	Ordinary profit	329	416	+86	321	129.7%
2	Profit attributable to owners of parent	256	313	+57	245	128.0%

Ordinary profit

Percent change +26.3% YoY
(¥32.9 billion → ¥41.6 billion)

Net income

Percent change +22.2% YoY
(¥25.6 billion → ¥31.3 billion)

*Based on information published on May 1, 2024. On March 19, 2025, the forecast of the Group's full-year consolidated operating performance was revised (net income revised from ¥24.5 billion to ¥30.5 billion)

Kiraboshi Bank (non-consolidated)

		A	B		C	(¥100 million)
		2024/3 (Actual)	2025/3 (Actual)	YoY (B – A)	2025/3 * (Forecast)	Rate of progress (B / C)
1	Gross core business profit	919	948	+29	876	108.3%
2	Net interest income	814	852	+37	799	—
3	Interest on loans and discounts	665	715	+50	676	—
4	Interest on securities	197	222	+25	181	—
5	Other interest income	(47)	(85)	(37)	(58)	—
6	Non-interest income	104	96	(8)	77	—
7	Expenses	(531)	(549)	(17)	(530)	—
8	Net core business income	387	399	+11	346	115.3%
9	Credit-related costs	(19)	(29)	(10)	(50)	—
10	Gains (losses) on bonds	(36)	(63)	(27)	6	—
11	Gains (losses) on stocks and other securities	63	99	+35	28	—
12	Other non-recurring profit (loss)	(24)	(2)	+22	(26)	—
13	Ordinary profit	369	402	+32	304	132.3%
14	Extraordinary profit (loss)	(1)	31	+33	24	—
15	Income taxes	(65)	(131)	(66)	(100)	—
16	Net income	303	302	(0)	228	132.7%

Note: For signs used in year-on-year comparison, "+" indicates increase in income, "-" indicates decrease in income

Highlights of the key points

► Interest on deposits and loans + ¥0.9 billion YoY

	2024/3 (Actual)	2025/3 (Actual)	YoY (B - A)
Interest on loans and discounts	665	715	+50
Interest on deposits, etc.*	(14)	(55)	(41)
Interest on deposits and loans (net)	650	659	+9

Note 1: "Interest on deposits, etc." is a component of "Other interest income" shown in the table on the left

Note 2: Factors behind increases and decreases in the above table include the impact of change in the deposit and loan balances

→ Yield on both deposits and loans increased due partly to policy rate hike.

Loan yield (2024/3: 1.38% → 2025/3: 1.47%)

Yield on deposits, etc. (2024/3: 0.02% → 2025/3: 0.09%)

→ The effect of interest rate increases will be limited to a few hundred million yen in FY2024 because the impact of higher interest rates on ordinary and term deposits appears ahead of others partly due to the timing of interest rate revision on loans.

* Please refer to p12 for estimation of the impact in the event the policy rate is raised in FY2025 or later

Ordinary profit

Percent change +8.8% YoY
(¥36.9 billion → ¥40.2 billion)

Net income

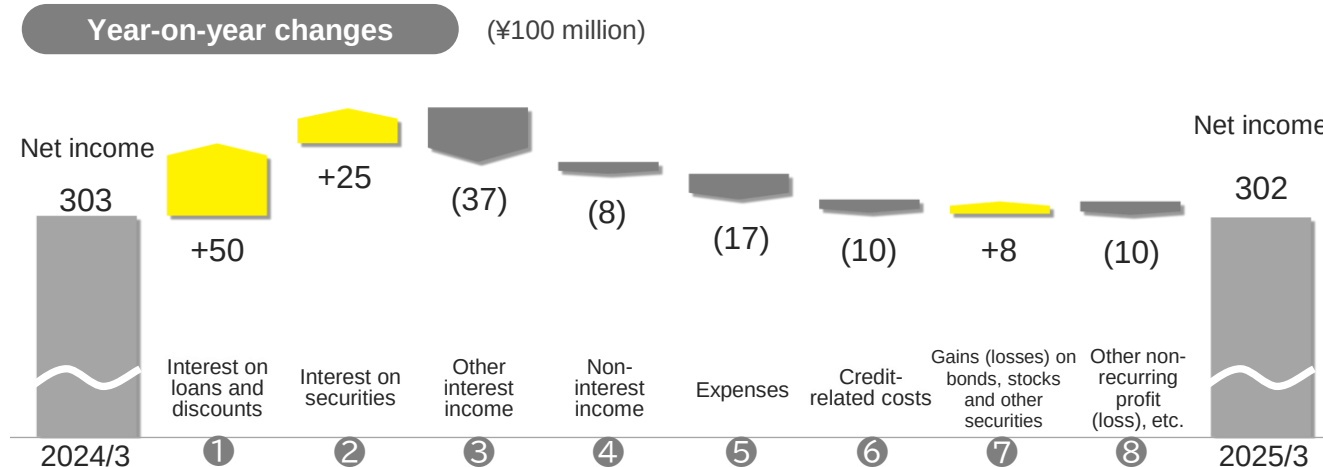
Percent change (0.0)% YoY
(¥30.3 billion → ¥30.2 billion)

*Based on information published on May 1, 2024.

Factors Affecting Net Income (Kiraboshi Bank)

	Main Items	YoY	Points
①	Interest on loans and discounts	+¥5.0 billion	+¥5.0 billion YoY reflecting continued increase in loan balances resulting largely from promotion of transactions for main bank relationship building and efforts in strengthening customer relations, combined with rising yields
②	Interest and dividends on securities	+¥2.5 billion	+¥2.5 billion YoY due largely to an increase in fund income despite a decrease of ¥3.5 billion in dividend from an equity method affiliate (*1)
③	Other interest income	¥(3.7) billion	¥(3.7) billion YoY due largely to an increase in deposit interest (¥(4.1) billion) accompanying rise in interest rates
④	Net non-interest income	¥(0.8) billion	¥(0.8) billion YoY due largely to an increase in foreign currency funding costs and a decrease in commission income from corporate customers (¥(0.9) billion)
⑤	Expenses	¥(1.7) billion	¥(1.7) billion YoY due largely to an increase in non-personnel expenses (¥(3.0) billion).
⑥	Credit-related costs	¥(1.0) billion	¥(1.0) billion YoY due largely to a decrease in reversal of allowance for loan losses due to an increase in the historical credit loss rate
⑦	Gains (losses) on bonds, stocks and other securities	+¥0.8 billion	+¥0.8 billion YoY due largely to an increase in gain on sale of REITs and on sale of cross-held shares, despite an increase in loss from sale of bonds (Sold ¥70.1 billion of yen bonds, primarily super long-term bonds, and posted ¥(9.5) billion of realized gain (loss))
⑧	Other non-recurring profit (loss) Total of extraordinary income (loss) and income taxes	¥(1.0) billion	¥(1.0) billion YoY due largely to an increase in total income taxes (+¥6.6 billion) reflecting an increase in taxable income and a decrease in the decline rate of valuation allowance, despite ¥1.7 billion in reversal of retirement benefit expenses, a decrease in fund costs (+¥0.7 billion), and posting of ¥3.3 billion as extraordinary income from sale of land
	Total	¥(0.0) billion	

*1: Dividend received from an equity-method affiliate sourced from sale of real estate by the said equity-method affiliate
(¥3.5 billion in 24/3 → none in 25/3)



Diff. b/w consolidated and non-consolidated

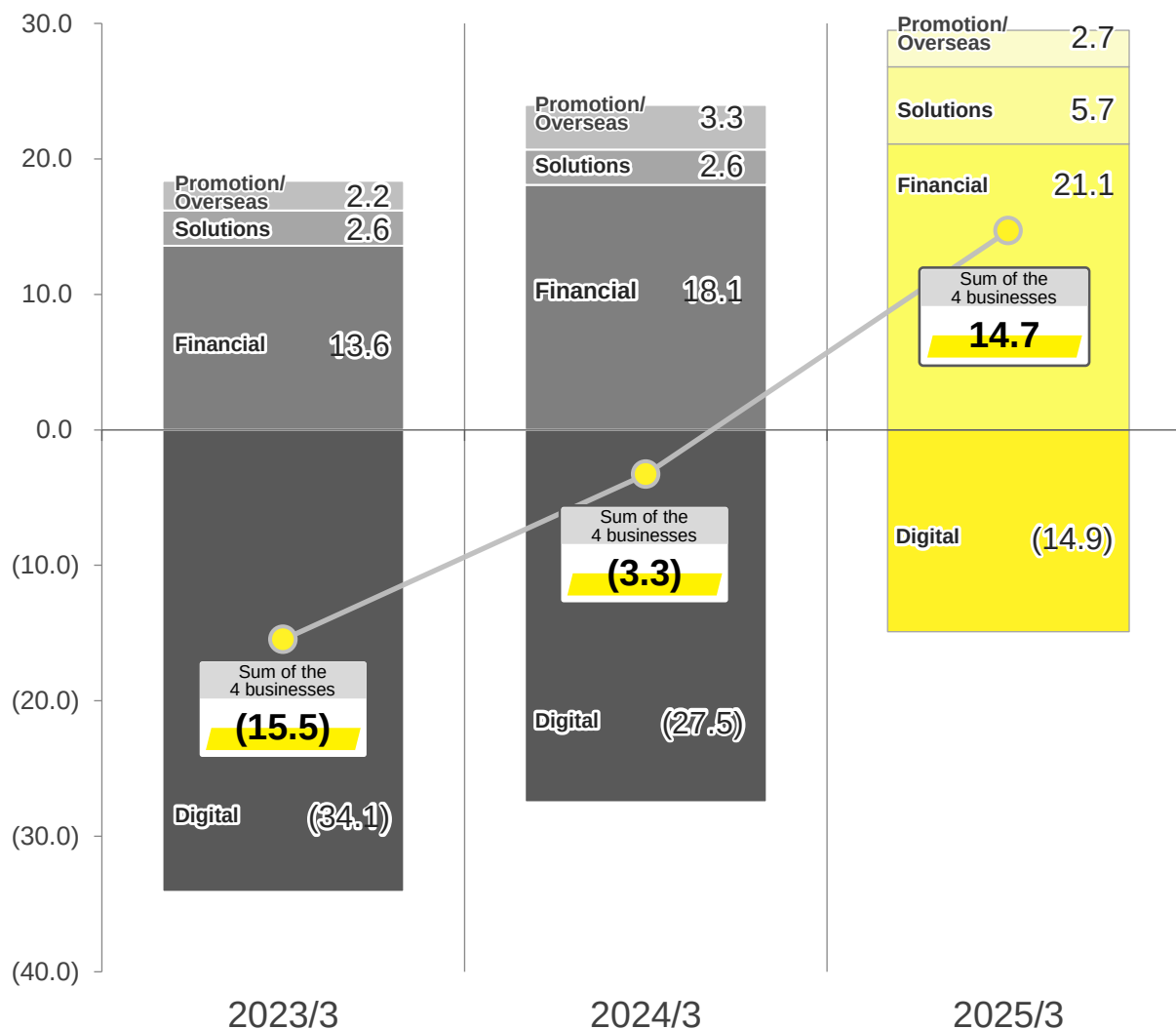
(¥100 million)	
Kiraboshi Bank (non-consolidated) net income	302
Group consolidated net income (of which, effects of start-up deficit of newly established companies, etc.: ¥(1.4) billion)	+14
Elimination of internal transactions between consolidated Group companies, etc.	(3)
Tokyo Kiraboshi FG (consolidated) net income	313

Group Company Profit (excluding Kiraboshi Bank)

Deficit in digital business decreased as Kiraboshi Tech turned profitable. Challenge remains to make UI profitable
Aim to expand customer base and improve contribution of Promotion/Overseas and Solutions businesses with problem solving through Group-wide collaboration

Changes in Group profit by business

(¥100 million)



Digital Business

UI Bank Co., Ltd.

Kiraboshi Tech, Inc.

Financial Business

Tokyo Kiraboshi Lease, Inc.

Kiraboshi Capital Co., Ltd.

Kiraboshi Life Design Securities Co., Ltd.

Kiraboshi Servicer Co., Ltd.

Kiraboshi Insurance Agency CO., LTD.

Kiraboshi JCB Co., Ltd.

Kiraboshi Credit Guarantee Co., Ltd.

Yachiyo Credit Guarantee Co., Ltd.

Solutions Business

Kiraboshi Consulting Co., Ltd.

Kiraboshi System, Inc.

ITC Co., Ltd.

Kiraboshi business office service, Inc.

Promotion/Overseas Business

Be.Brave, Inc.

Kiraboshi Business Service Co., Ltd.

Kiraboshi Business Consulting Shanghai Co., Ltd.

StarBridge business consulting (Beijing) Co., Ltd.

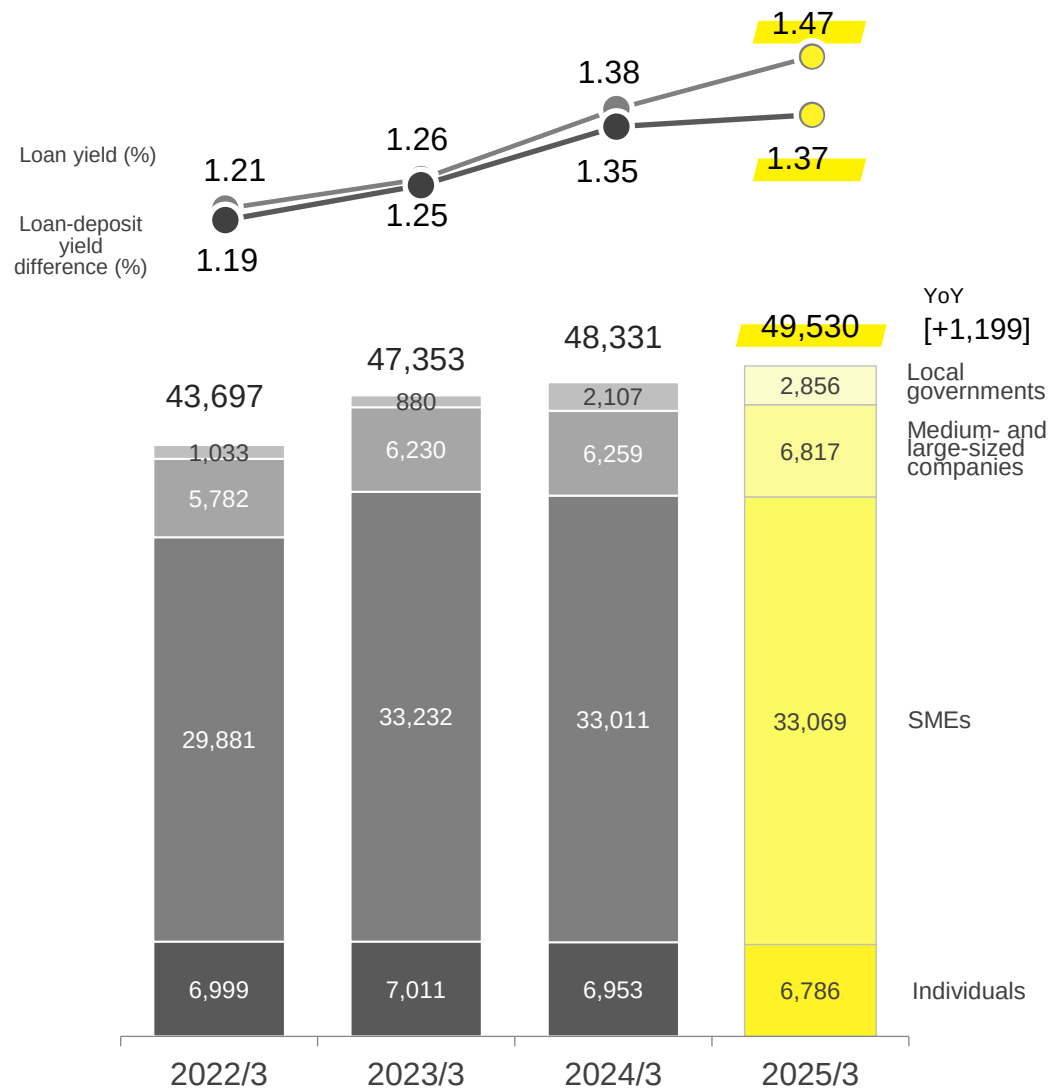
KIRABOSHI BUSINESS CONSULTING VIETNAM CO., Ltd.

Loans and Trust Assets (Kiraboshi Bank)

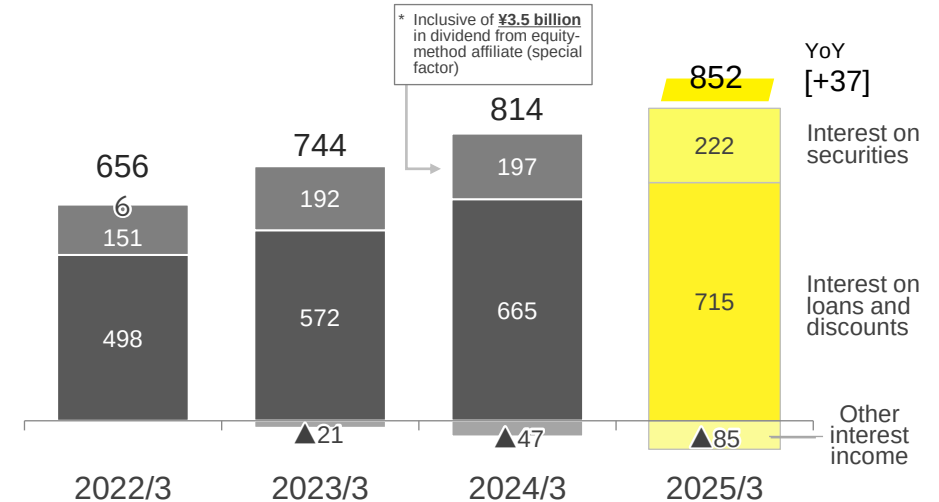
Increases in loan balance and yield due to efforts in strengthening customer relations, including promotion of main bank relationship building

As a result, interest on loans and discounts increased steadily, and overall net interest income continued on the rise

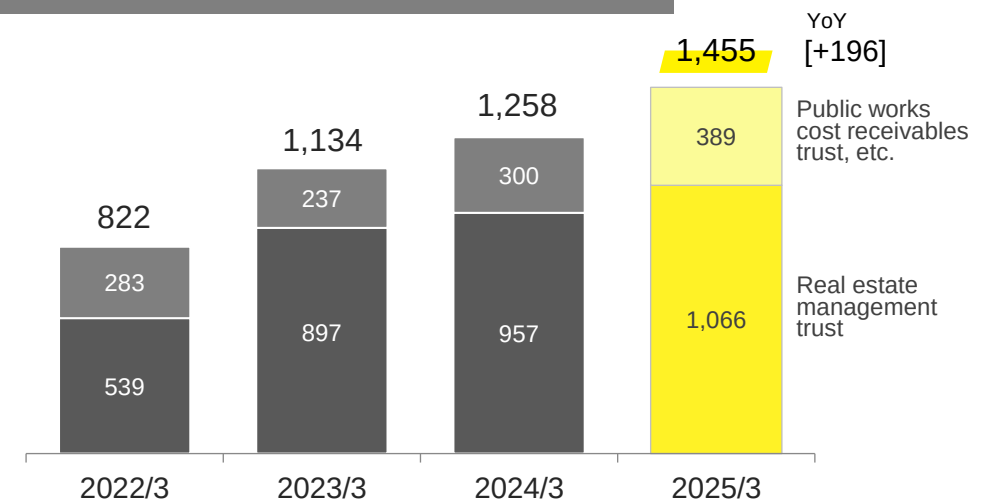
1. Loan balance by type of customer (¥100 million)



2. Net interest income (¥100 million)



3. Balance of trust assets (¥100 million)

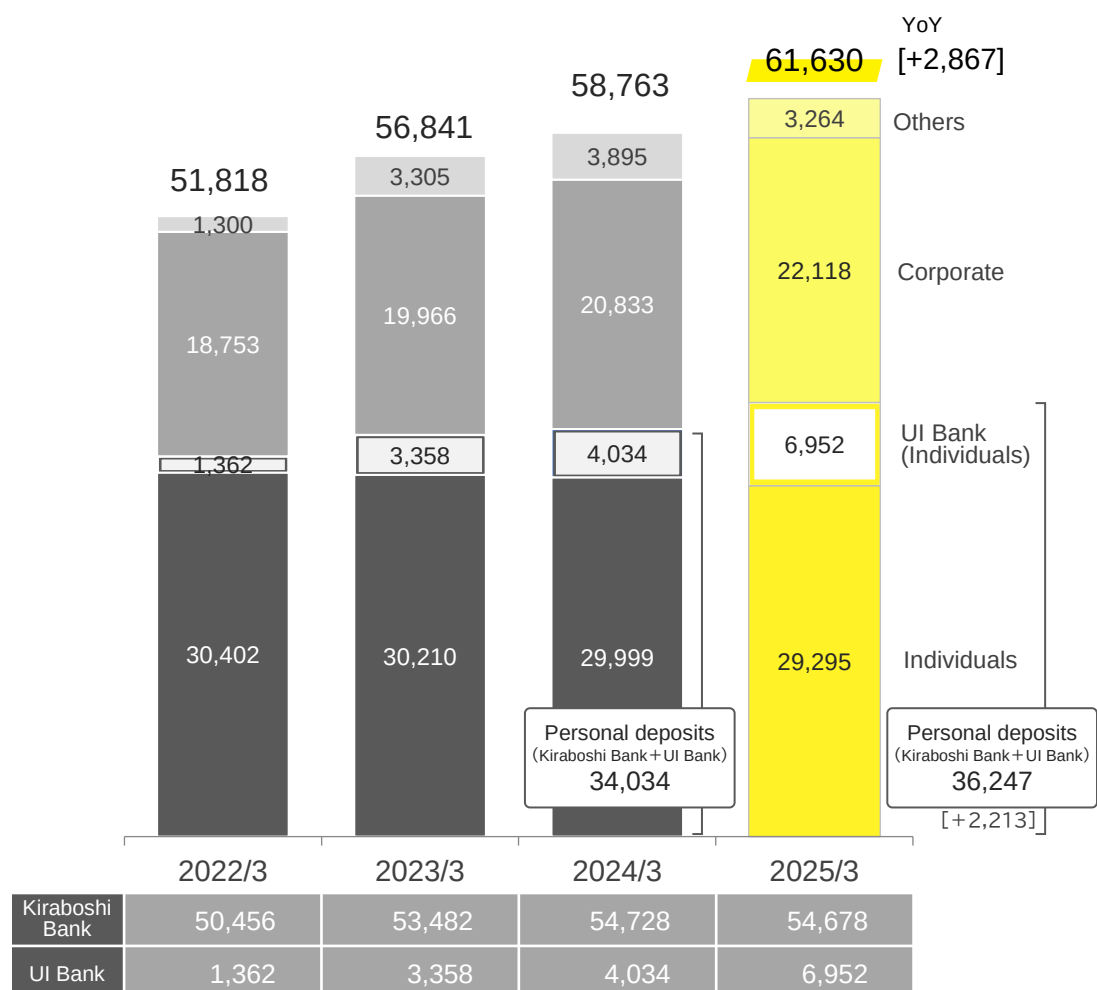


Balance of Deposits and Assets under Management (Kiraboshi Bank + UI Bank + KLD Securities)

The Group's combined deposit balance increased by ¥286.7 billion YoY notably in personal deposits even in a rising interest rate environment

Balance of assets under management continued to increase in KLD Securities, but for the Group as a whole, the combined balance was more or less unchanged

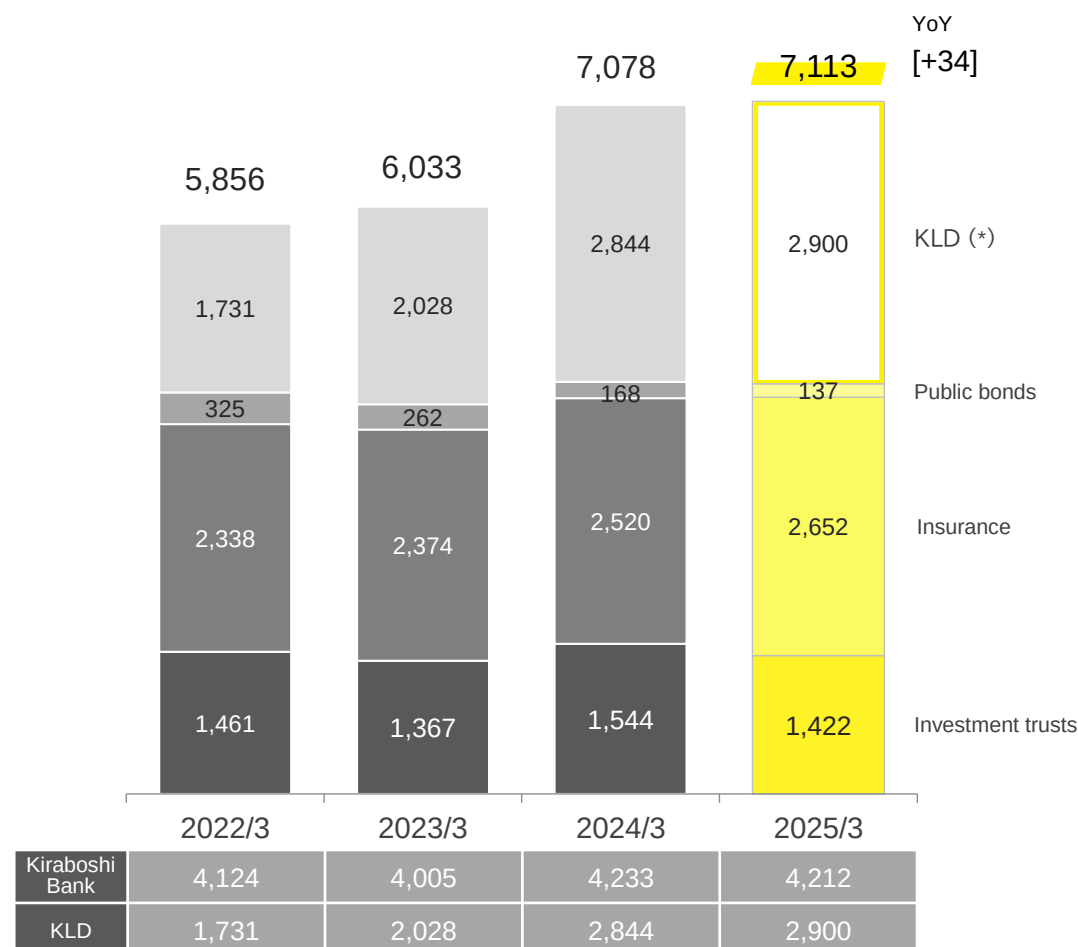
1. Deposit balance by type of customer (Kiraboshi Bank + UI Bank) (¥100 million)



* Negotiable certificates of deposit not included

* UI Bank started operation in January 2022

2. Balance of assets under management by item (Kiraboshi Bank + KLD) (¥100 million)



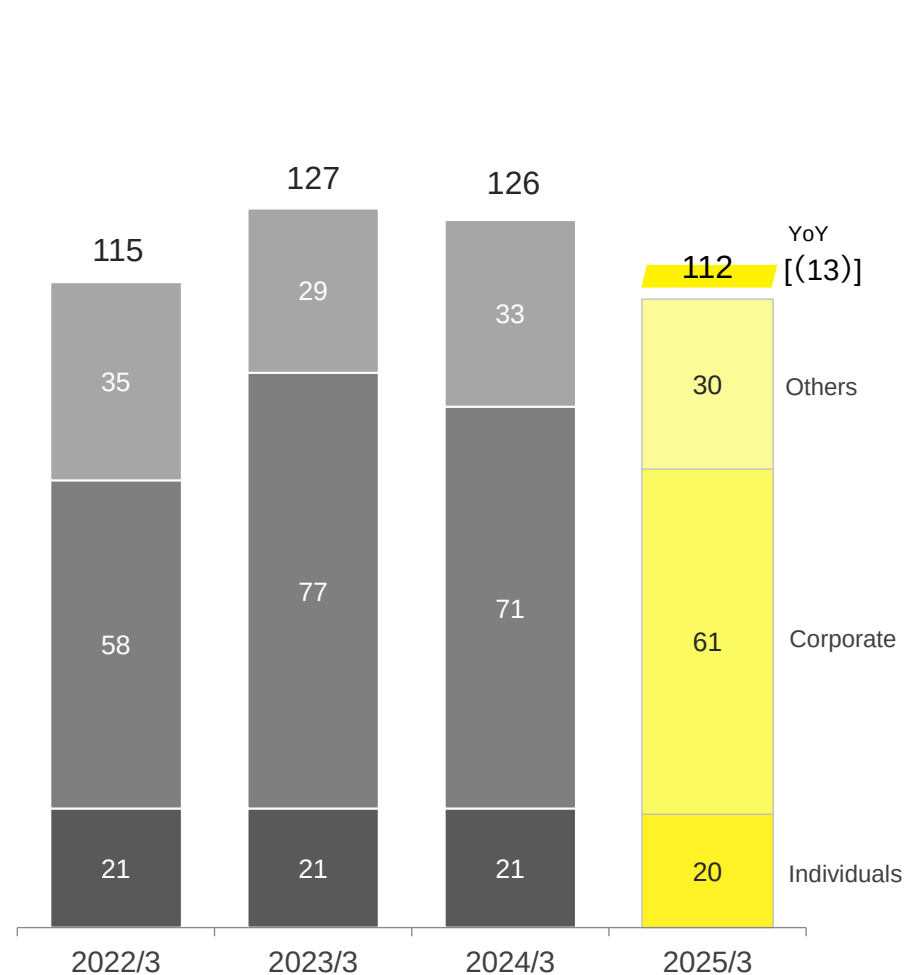
* KLD: Kiraboshi Life Design Securities Co., Ltd.

Income from Fees and Commissions (Kiraboshi Bank)

Commission income from corporate customers declined in comparison with the previous fiscal year when revenues grew significantly due to business financing, etc.

While commission income from retail customers was generally flat, commission income in KLD Securities continued to rise steadily

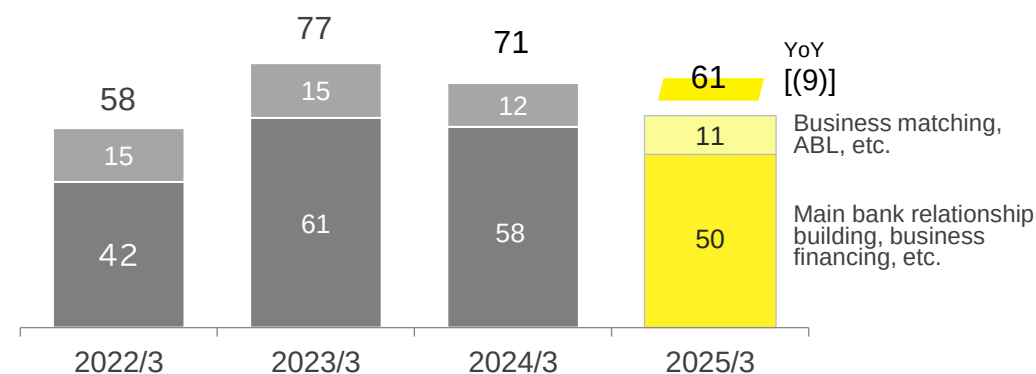
1. Income from fees and commissions (¥100 million)



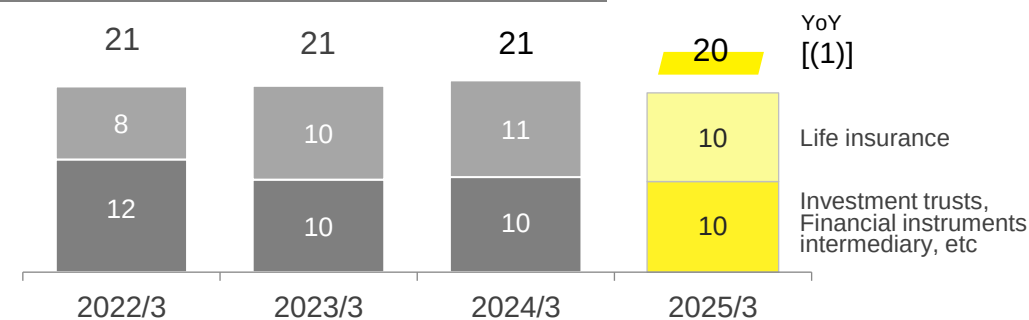
* Trust fees included

2. Commission income from corporate customers (¥100 million)

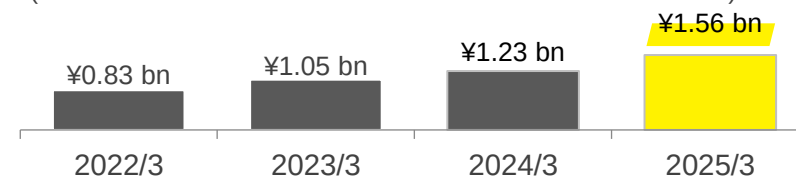
* Breakdown for "2." and "3." is based on management accounting figures



3. Commission income from retail customers (¥100 million)



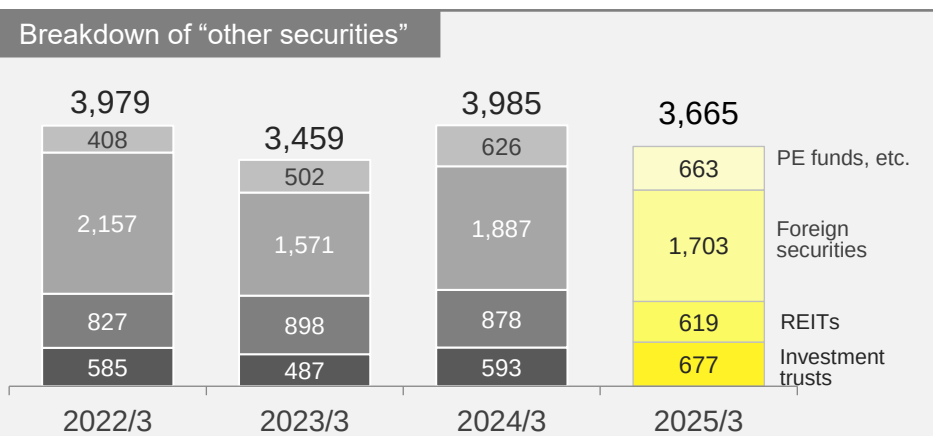
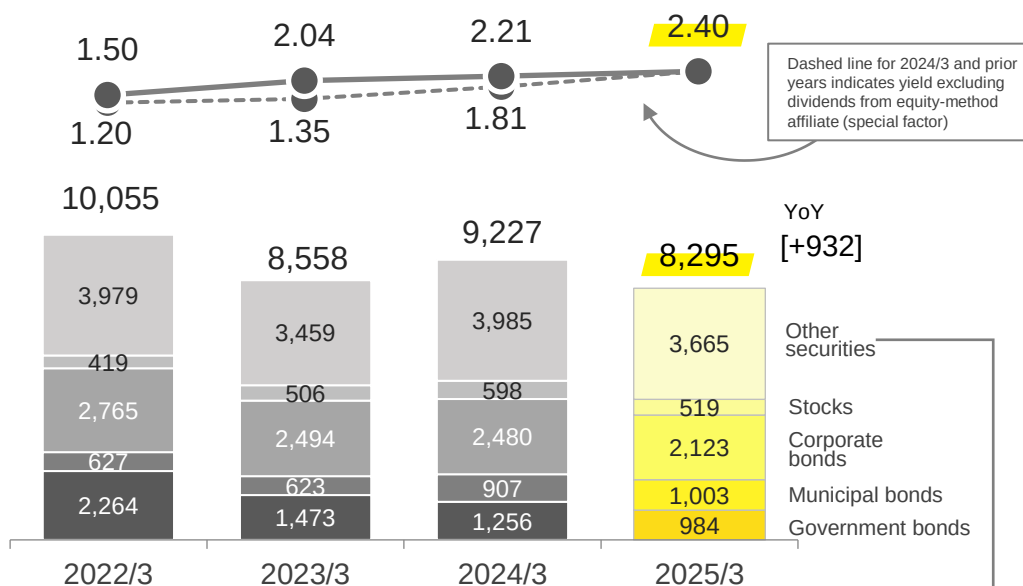
[Ref] Kiraboshi Life Design Securities' commission income
(* not included in commission income from retail customers above)



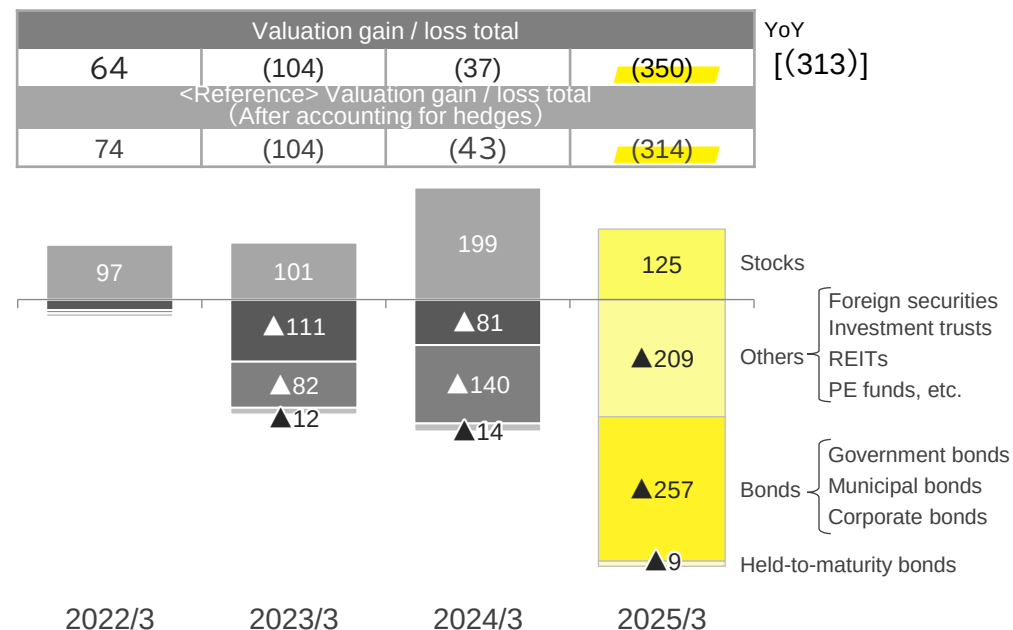
Securities (Kiraboshi Bank)

Shortened duration of yen bonds and reduced interest rate risk with disposal of super long-term bonds
Sold ¥70.1 billion of yen bonds in FY2024 and posted ¥(9.5) billion of realized gain (loss). Also, implemented risk control through hedge operation to prepare for further interest rate hikes

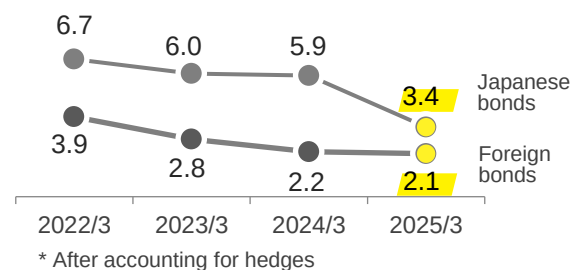
1. Securities balance / yield (¥100 million, %)



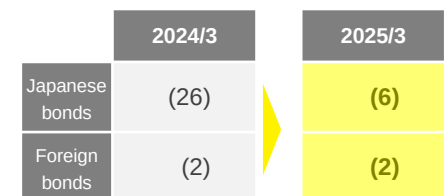
2. Valuation gain/loss on securities (¥100 million)



3. Duration (years)



4. Interest rate sensitivity (¥100 million)

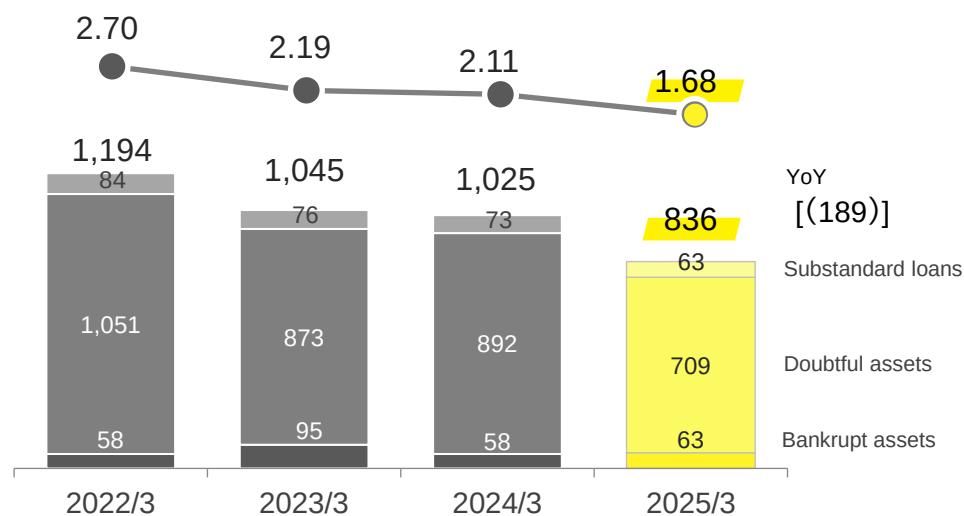


* Effect of an upward parallel shift of interest rate by 10bp (Excluding investment trusts)
* After accounting for hedges

Problem Assets Subject to Disclosure under the Financial Reconstruction Act and Capital Ratio

While risk-weighted assets increased, equity capital increased due to accumulation of profits, and the capital ratio rose in comparison with the previous fiscal year

1. Value and ratio of problem assets subject to disclosure (Kiraboshi Bank) (¥100 million, %)

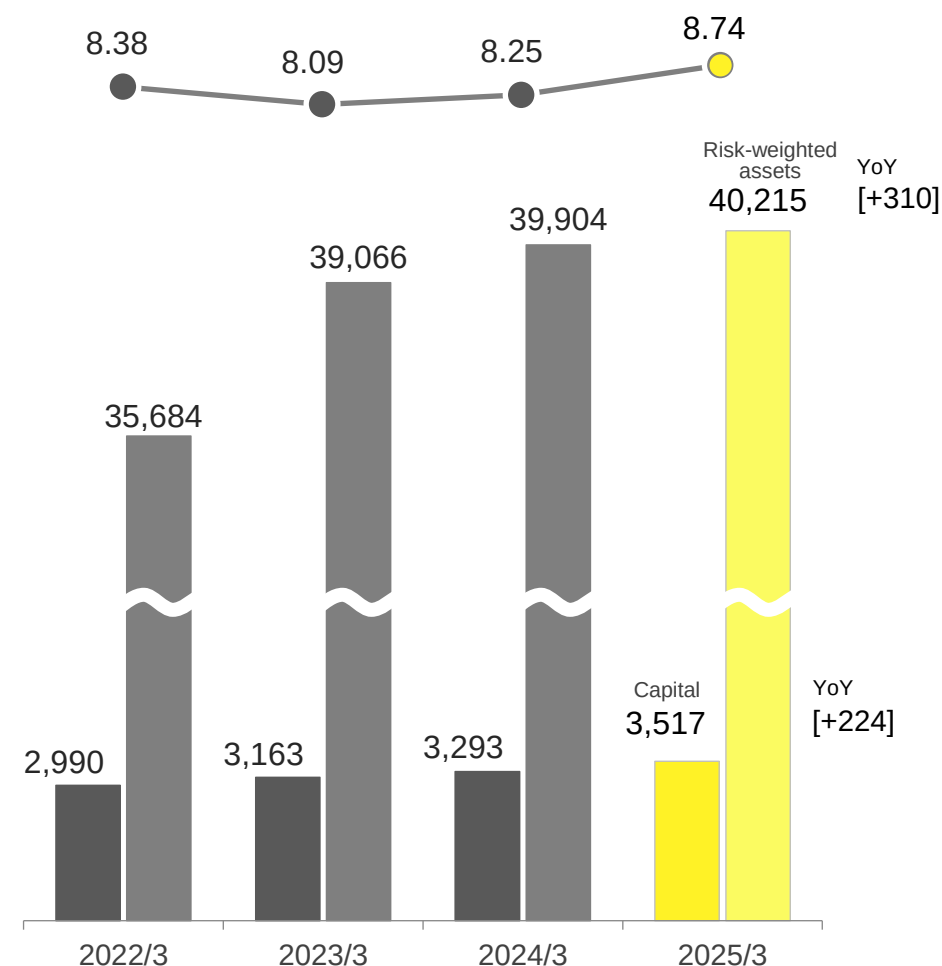


* Figures are after partial direct write-offs.

2. Credit-related costs (¥100 million)

	2024/3	2025/3	YoY
A Provision of general allowance for loan losses	(29)	(10)	+18
B Disposal of non-performing loans	48	40	(8)
Of which, provision of allowance for individual loan losses	41	34	(6)
C Reversal of allowance for loan losses	—	—	—
Credit-related costs (A+B-C)	19	29	+10

3. Capital ratio (Tokyo Kiraboshi FG consolidated) (¥100 million, %)



Core OHR/ROE/Dividends

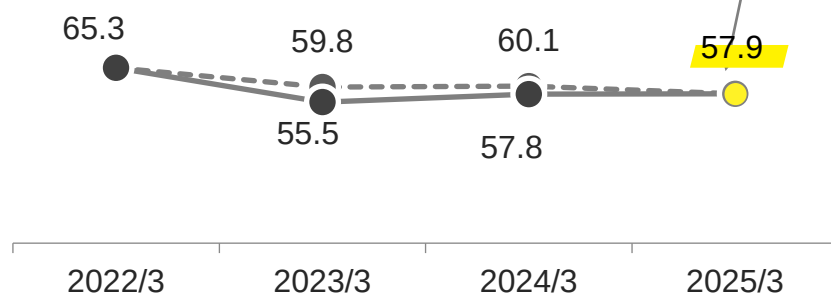
OHR was more or less flat YoY as a result of an increase in gross core business profit and a rise in non-personnel and other expenses

ROE remained on the rise due to continued accumulation of profits, up 1.1 %pt YoY to 8.5% in FY2025/3

1. Core OHR (Kiraboshi Bank) (%)

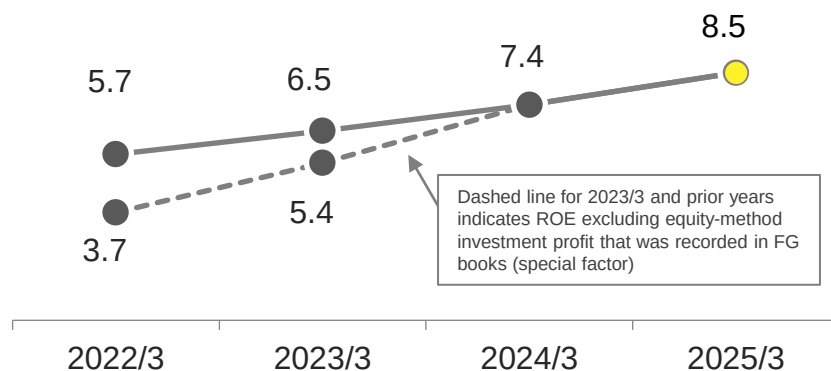
$$\text{Core OHR} = \frac{\text{Expenses}}{\text{Gross core business profit}} \times 100$$

Dashed line for 2024/3 and prior years indicates core OHR excluding dividends from equity-method affiliate (special factor)



2. ROE (Tokyo Kiraboshi FG consolidated) (%)

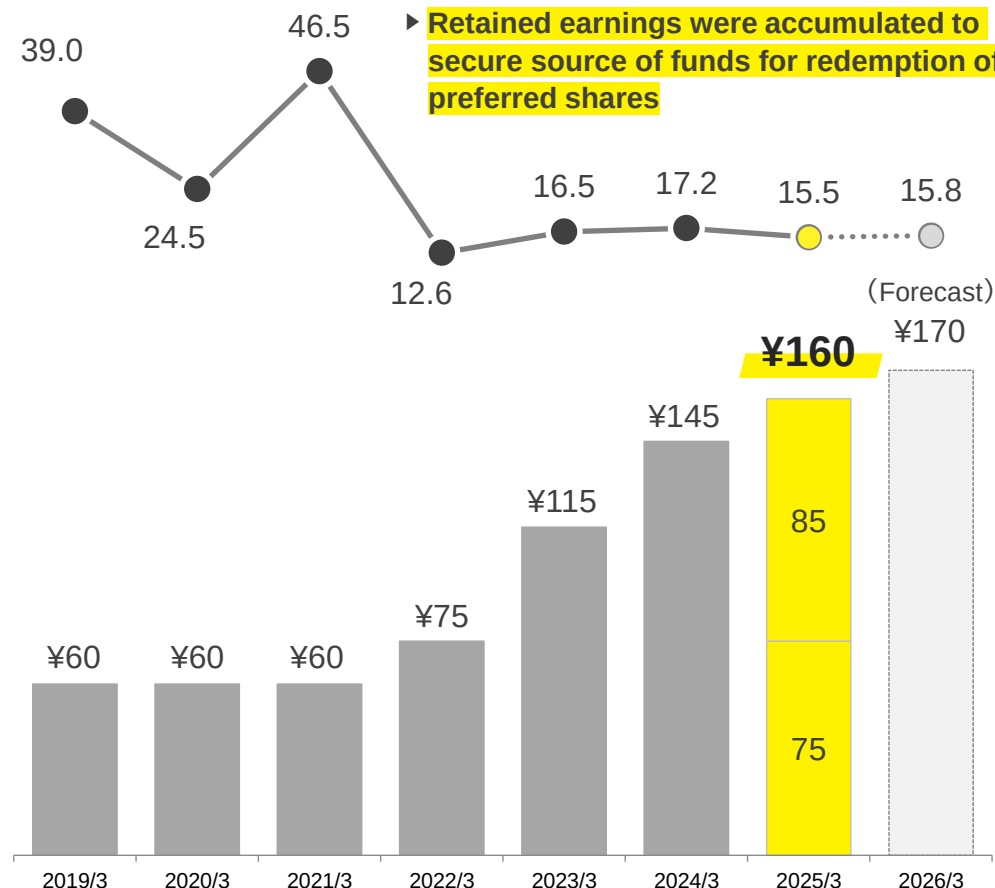
Dashed line for 2023/3 and prior years indicates ROE excluding equity-method investment profit that was recorded in FG books (special factor)



3. Annual dividend per share / Payout ratio (Tokyo Kiraboshi FG) (yen, %)

▶ Annual dividend per share **increased for the fourth consecutive year, to 160 yen. Payout ratio stayed at a low level.**

▶ **Retained earnings were accumulated to secure source of funds for redemption of preferred shares**



Plan for the Fiscal Year Ending March 31, 2026

Tokyo Kiraboshi FG (consolidated)

(¥100 million)

	A	B	
	2025/3 (Actual)	2026/3 (Plan)	YoY (B - A)
1 Ordinary profit	416	470	+54
2 Profit attributable to owners of parent	313	330	+16

Kiraboshi Bank (non-consolidated)

(¥100 million)

	A	B	
	2025/3 (Actual)	2026/3 (Plan)	YoY (B - A)
1 Gross core business profit	948	950	+1
2 Net interest income	852	880	+28
3 Interest on loans and discounts	715	857	+142
4 Interest on securities	222	204	(18)
5 Other interest income	(85)	(181)	(96)
6 Non-interest income	96	70	(26)
7 Expenses	(549)	(549)	+0
8 Net core business income	399	401	+2
9 Credit-related costs	(29)	(50)	(20)
10 Gains (losses) on bonds	(63)	11	+75
11 Gains (losses) on stocks and other securities	99	60	(39)
12 Other non-recurring profit (loss)	(2)	(1)	+1
13 Ordinary profit	402	421	+19
14 Extraordinary profit (loss)	31	(2)	(33)
15 Income taxes	(131)	(128)	+2
16 Net income	302	291	(11)

Note: For signs used in this page, "+" indicates increase in income, "(" indicates decrease in income

Key points in the plan for FY2026/3

Note: Figures in () are YoY

Tokyo Kiraboshi FG (consolidated)

■ Net income ¥33.0 billion (+¥1.6 billion)



Of which, ¥3.0 billion in profit of Group companies (+¥1.5 billion)

- ▶ Work on increasing Group companies' contribution to profit through such measures as expansion of customer base and creation of income-generating opportunities by enhancing collaboration among Group companies
- ▶ UI Bank expected to turn profitable for the full year with the loan business, which was launched in the previous fiscal year, contributing to income throughout the year

Kiraboshi Bank (non-consolidated)

■ Interest on loans and discounts **¥85.7 billion** [+¥14.2 billion]

Other interest income **¥(18.1) billion** [¥(9.6) billion]

→ Of which, interest on deposits, etc. **¥(14.5) billion** [¥(9.0) billion]

Anticipating a rise in yield on deposits and loans given full-year contribution of the impact of the gradual increase in the policy rate during FY2024

* Calculated assuming policy rate of 0.50% in FY2026/3 No further impact of rate hike is factored in.

■ Interest on securities **¥20.4 billion** [¥(1.8) billion]

Reflecting absence of the large fund income (¥(2.6) billion) posted in FY2025/3

■ Credit-related costs **¥(5.0) billion** [¥(2.0) billion]

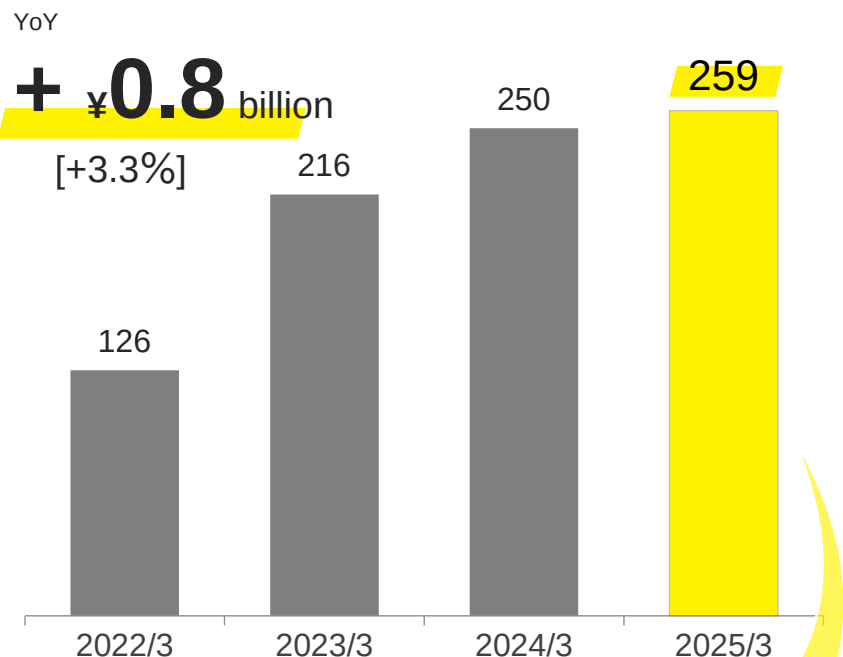
Loan balance of approximately ¥5 trillion is estimated conservatively at a 10bp level

■ Extraordinary profit (loss) **¥(0.2) billion** [¥(3.3) billion]

Reflecting absence of ¥3.3 billion gain on sale of land posted in FY2025/3

<Reference> Profit from Customer Business / Estimation of the impact of increases in interest rates

Profit from customer business*1 (¥100 million)



Main change factors

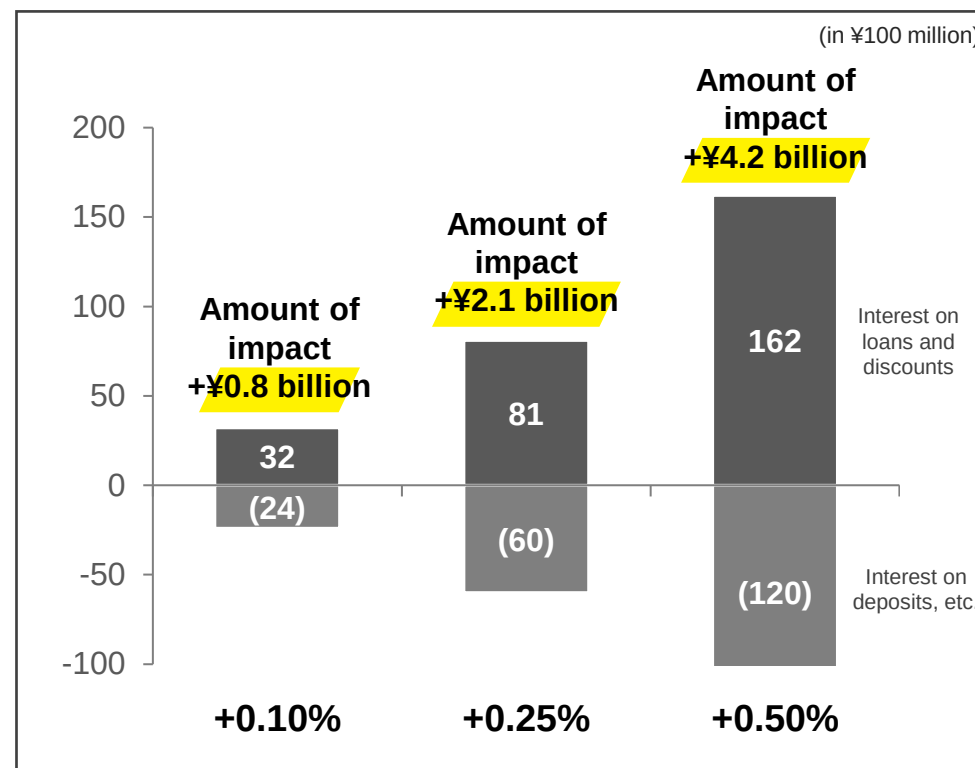
- Increase:** Loan balance [+¥119.9 billion YoY]
Loan-deposit yield difference [+0.02 %pt YoY]
- Decrease:** Income from fees and commissions [¥(1.3) billion YoY]
 ➔ Decrease in commission income from corporate customers [¥(0.9) billion YoY]

*1 Calculation method: (loan balance x loan-deposit yield difference) + income from fees and commissions - general and administrative expenses

*2 Income from fees and commissions includes trust fees

Estimation of the impact of increases in interest rates (in 100 million yen)

Impact on deposits and loans in the event of policy rate hike



[Assumptions]

- Annual estimates (12 months) in the event of a 0.1% increase in the policy rate
- Impact on Kiraboshi Bank non-consolidated (impact on UI Bank deposits and loans is not taken into account)
- Loan and deposit balances are estimates of FY2025 ending balances

<Reference> Approach to Preferred Shares

Approach to preferred shares

After assessing the Company's business environment and with consideration for the status of internal reserve accumulation and capital ratio,

- with respect to **First Series Class I preferred shares***1

Redeem the shares over the period from FY2026 to FY2029, and aim to complete redemption

- with respect to **Class II preferred shares***2

Redeem the shares in FY2026 and FY2028, and aim to complete redemption

Consider completing redemption ahead of schedule depending on market environment

*1 Sumitomo Mitsui Trust Bank, Limited ¥15 billion

*2 Tokyo Metropolitan Government ¥40 billion

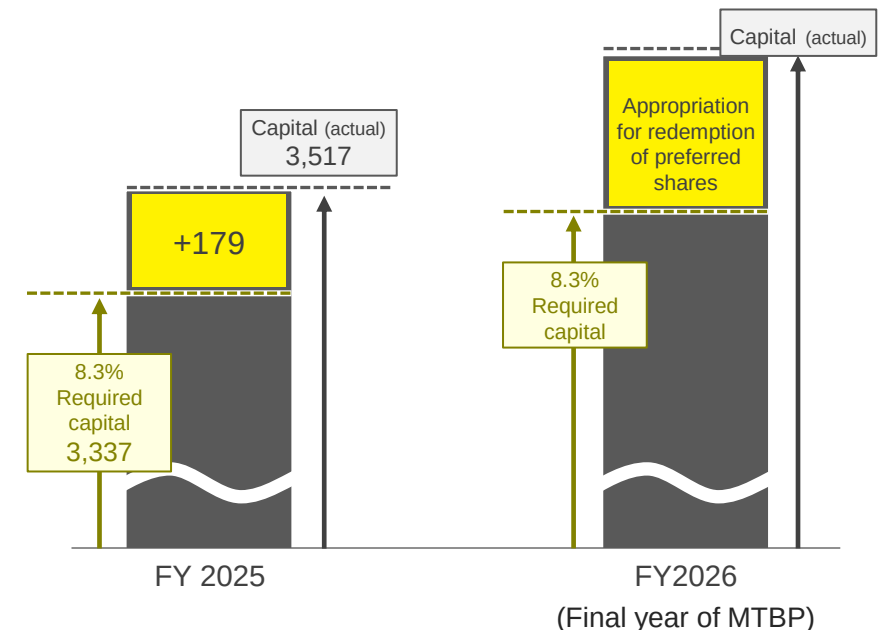
Medium-Term Business Plan Management Targets

Goals

Capital ratio 8.3% (FY2026)



Out of accumulated capital, **excess** of “required capital over capital ratio of 8.3%” **will be appropriated for future redemption of preferred shares** (in ¥100 million)



From 4Q of FY2024, loan balance increased substantially, leading to improvement in income and expenditure situation
Projected to achieve profitability for the full year in FY2025

FY2025/3 Performance Summary

		2024/3 (Actual)	2025/3 (Actual)	YoY
1	Gross core business profit	13	24	+10
2	Net interest income	13	16	+2
3	Of which, loan interest	27	31	+3
4	Of which, deposit interest	(13)	(18)	(4)
5	Net non-interest income	(0)	9	+9
6	Expenses	(33)	(39)	(5)
7	Net core business income	(20)	(15)	+5
8	Credit-related costs	(0)	(0)	+0
9	Ordinary profit	(21)	(14)	+7
10	Net income	(22)	(14)	+7

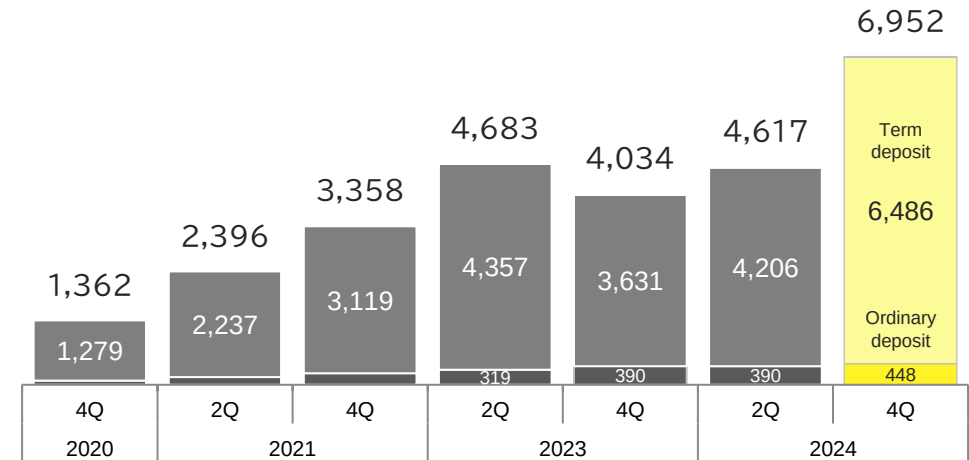
Changes in half-year net income

2024/3		
¥(2.2) bn	1~2Q (1.1)	3~4Q (1.0)
↓		
2025/3		
¥(1.4) bn	1~2Q (1.0)	3~4Q (0.4)

Increase in commission income and interest income due to execution of secured loans and increase in the balance thereof

FY2026/3 Anticipating full-year profitability

Changes in deposit balance (quarterly) (in 100 million yen)



Changes in loan balance (monthly) (in 100 million yen)

