



Company Briefings for the Fiscal Year Ended March 2026

May 27, 2026

**Michiro Ueguri, President and
Representative Director**

Securities
Code 7327

* Daishi Hokuetsu Financial Group is referred
to as "Daishi Hokuetsu FG" or "FG"

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Highlights of Fiscal Year Ended March 2026



“Stage for a leap forward”

Medium-Term Management Plan III

(3rd Stage: FYE2025/3–FYE2027/3)

FYE2026/3

Met the profit target for the final fiscal year of the Medium-Term Management Plan III (FYE2027/3) one year ahead of schedule



FG’s consolidated profit increased by ¥12.7 billion year on year, reaching ¥42.1 billion

- ✓ Bank’s non-consolidated profit increased by ¥13.3 billion year on year, with both net interest income and non-interest income rising
- ✓ Consolidated ROE increased by 2.0 points from the previous year, reaching 8.0%



Annual dividends per share for the fiscal year ended March 2026 were 63 yen, up 19.33 yen from the previous year (converted after share split)

- ✓ Based on the shareholder return policy, the year-end dividend increased by 9 yen, from 27 yen to 36 yen
- ✓ Dividend payout ratio for the fiscal year ended March 2026 was 40.0%



FG consolidated profit for the fiscal year ending March 2027 (forecast) is expected to be ¥50.0 billion

- ✓ FG’s consolidated profit for the fiscal year ending March 2027 is forecast to increase by ¥10.0 billion from the amount announced in March 2025
(See page 19 for details of upward revisions)

Financial Results for the Fiscal Year Ended March 2026

Summary of Financial Results for the Fiscal Year Ended March 2026

<Highlights of the financial results>

◆ FG's consolidated profit increased by ¥12.7 billion year on year, reaching ¥42.1 billion

<Bank non-consolidated>

- Bank's profit (non-consolidated) amounted to ¥38.5 billion, up ¥13.3 billion year on year.
- Core gross profit, which is the top line, increased by ¥22.6 billion year on year to ¥120.9 billion.
Net interest income and non-interest income (fees and commissions as well as profit from other businesses) increased by ¥16.9 billion and ¥5.7 billion, respectively.
- Expenses increased by ¥2.7 billion year on year to ¥61.3 billion, mainly due to wage increases and higher strategic investments.

<Group companies excluding the Bank>

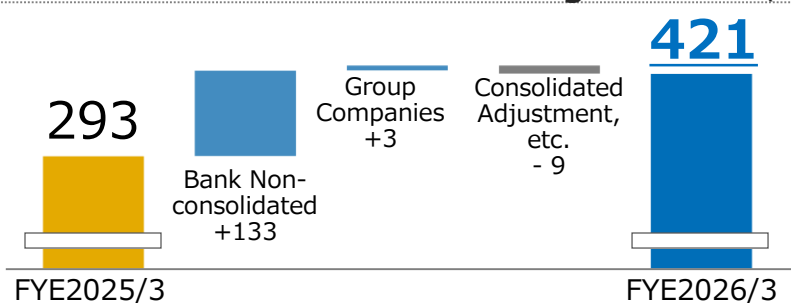
- Total profit for all Group companies amounted to ¥4.0 billion, up ¥0.3 billion year on year.

FG's Consolidated (¥100M)	FYE2026/3 Financial Results		Earnings forecast (revised upward in 2025/9)	
	Year on Year			Vs. Forecast
Ordinary profit	611	200	523 (480 ^{*2})	88 (131 ^{*2})
Profit* ¹	421	127	360 (330 ^{*2})	61 (91 ^{*2})
Consolidated ROE (%)	8.0	2.0		

*1 Profit attributable to owners of parent

*2 Initial earnings forecast announced in May 2025 and relative to initial earnings forecast

<FG's Consolidated Profit> Change Factors (¥100M)



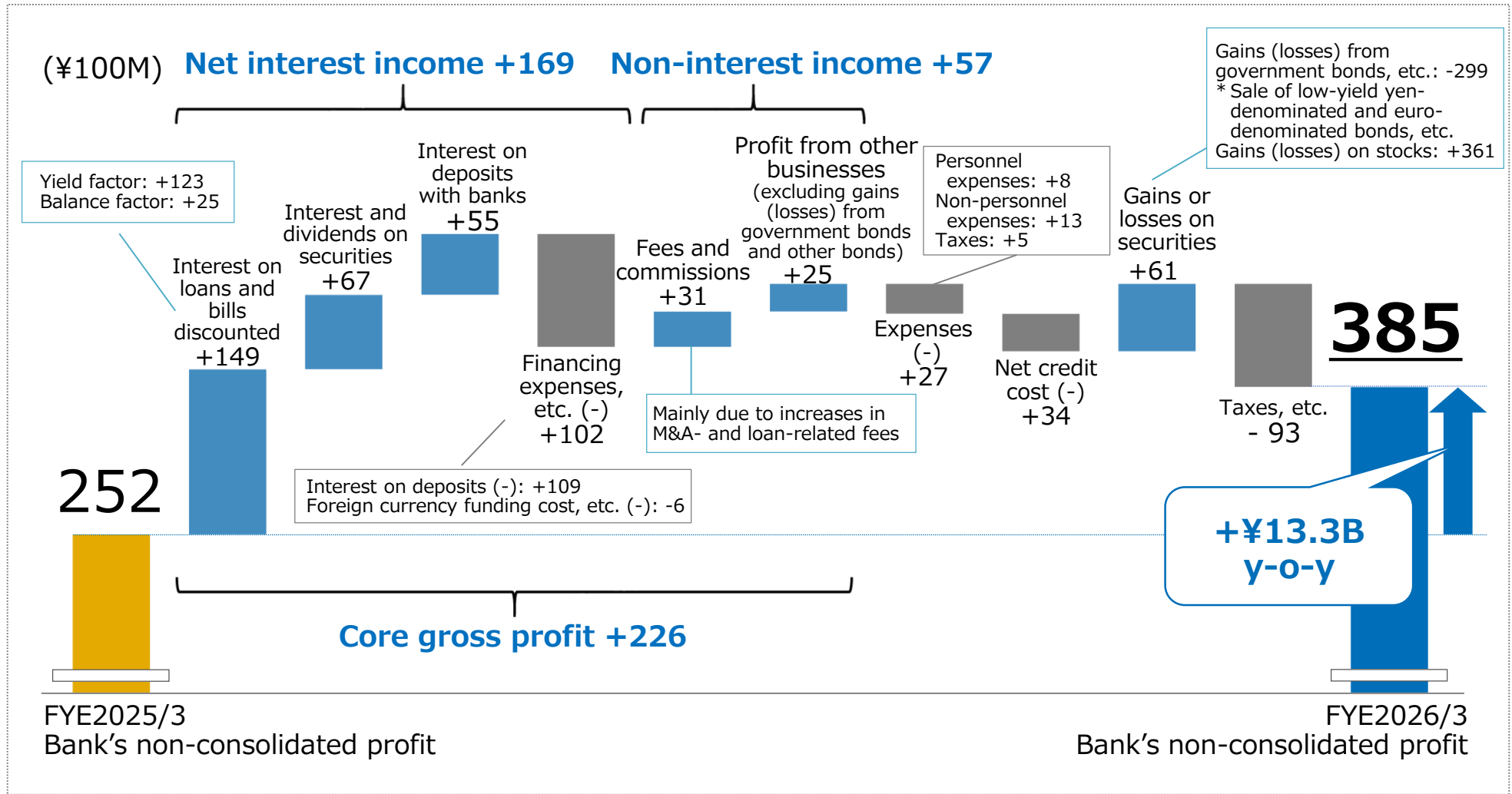
Bank Non-consolidated (¥100M)	FYE2026/3 Financial Results		FYE2025/3 Financial Results
	Year on Year		
Core gross profit	1,209	226	983
Net interest income	895	169	726
(Of which, interest on loans and bills discounts)	697	149	548
(Of which, interest and dividends on securities)	528	67	460
(Of which, financing expenses)	474	59	414
Fees and commissions	186	31	154
Profit from other businesses (excluding	127	25	101
Expenses	613	27	585
Core business profit	596	198	397
(Excluding gains (losses) from cancellation of investment trust)	596	219	377
Ordinary profit	567	215	351
Extraordinary income (losses)	- 20	- 20	0
Profit	385	133	252
<Net credit cost>	69	34	35
<Gains or losses on securities>	16	61	- 45

Group companies excluding the Bank (¥100M)	FYE2026/3 Financial Results		FYE2025/3 Financial Results
	Year on Year		
Profit* ³	40	3	37

*3 Total profit of Group companies, excluding the Bank, attributable to owners of parent, excluding losses due to special factors (see page 6)

Bank Non-Consolidated: Factors Behind the Change in Profit

Bank's profit (non-consolidated) amounted to ¥38.5 billion, up ¥13.3 billion year on year.

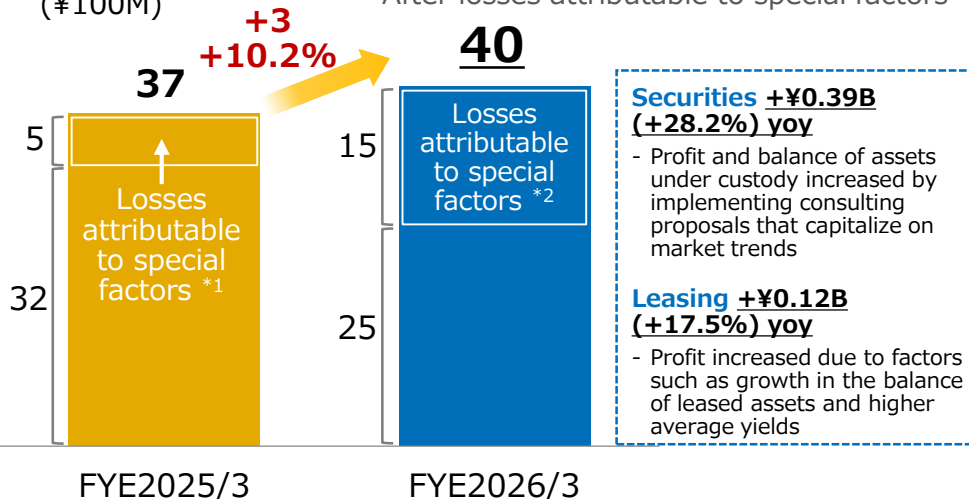


*Group companies excluding the Bank

- Total profit for all Group companies excluding the Bank increased by ¥0.3 billion, reaching ¥4.0 billion (on an underlying basis, excluding losses due to special factors).

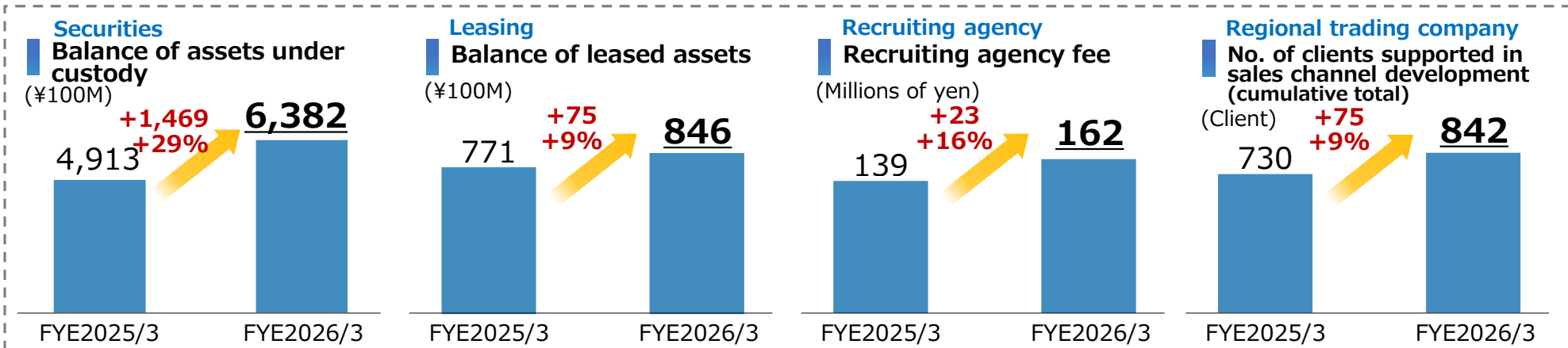
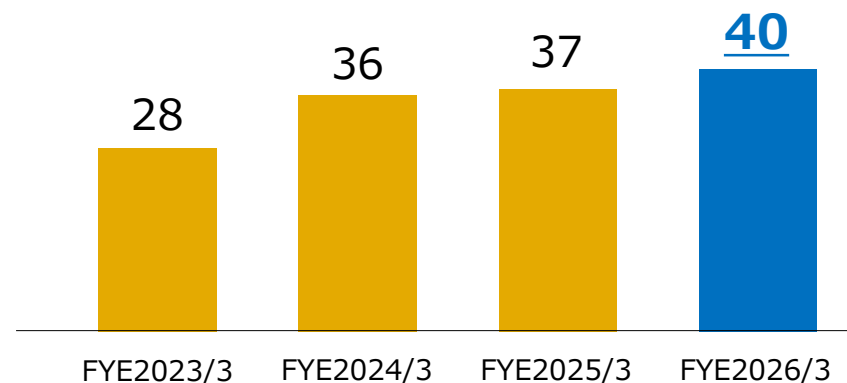
Total profit for all Group companies

(¥100M) After losses attributable to special factors



Performance of Group companies

(¥100M) After losses attributable to special factors



*1 Impairment loss of ¥0.5 billion associated with the decision to sell the Hokuetsu Card headquarters building (deducted from the results for the fiscal year ended March 2025)

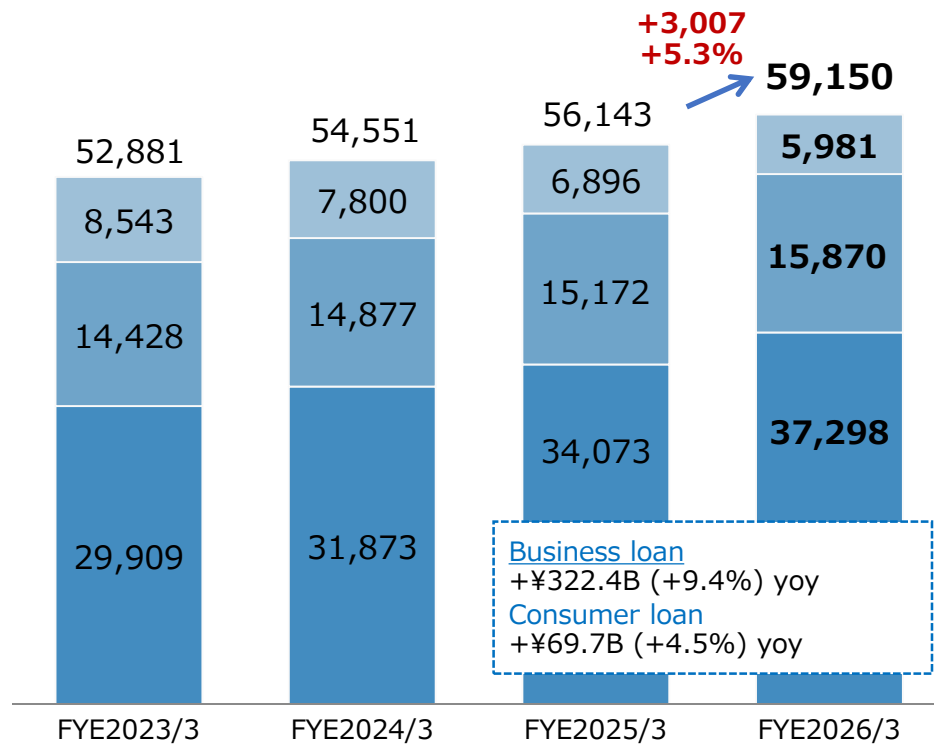
*2 Impairment loss of ¥0.7 billion resulting from the decision to relocate the headquarters of Daishi Hokuetsu Lease, and an increase in credit costs of ¥0.7 billion due to forward-looking provisioning for specific borrowers, aligned with the Bank

- End-balance of loans and bills discounted increased by ¥300.7 billion year on year, primarily due to an increase in business loans outside the prefecture.
- Yield on loans and bills discounted rose due to higher market interest rates and a hike in the short-term prime rate.

Balance and yield of loans and bills discounted

(¥100M)

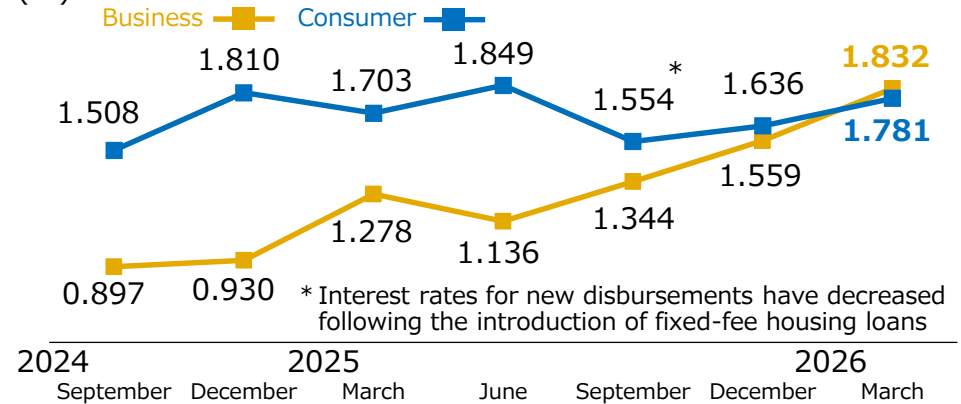
■ Business ■ Consumer ■ Public Money and Finance



Business loan
+¥322.4B (+9.4%) yoy
Consumer loan
+¥69.7B (+4.5%) yoy

Changes in interest rates for new disbursements

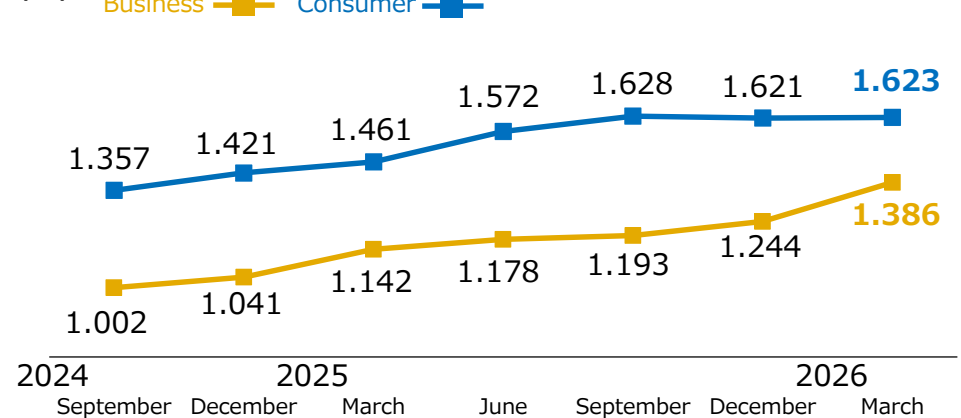
(%) Based on new disbursements from loans on deeds (yen-denominated)



* Interest rates for new disbursements have decreased following the introduction of fixed-fee housing loans

Changes in yield on loans and bills discounted

(%) Before non-accrued interest



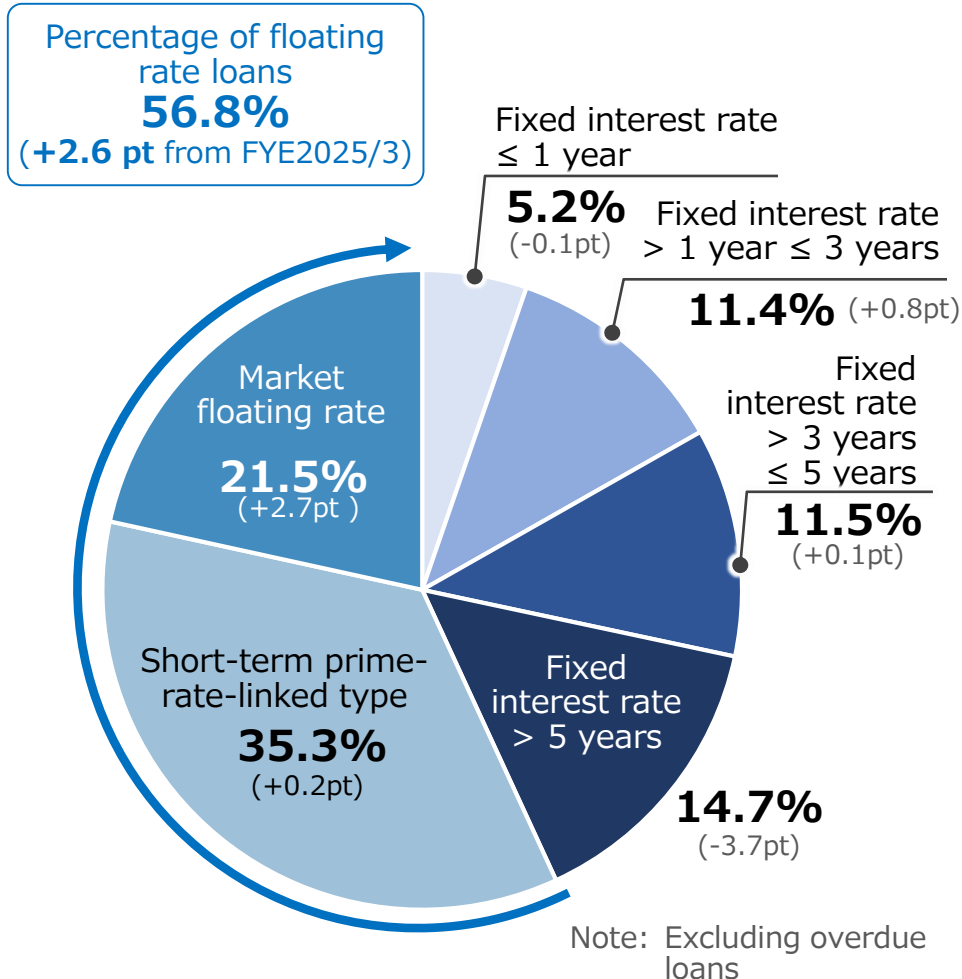
Average balance	52,004	53,559	54,936	57,459
Yield	0.90%	0.91%	0.99%	1.21%

+2,523

- The percentage of floating rate loans in the total loan portfolio increased primarily due to an increase in market floating rate loans.

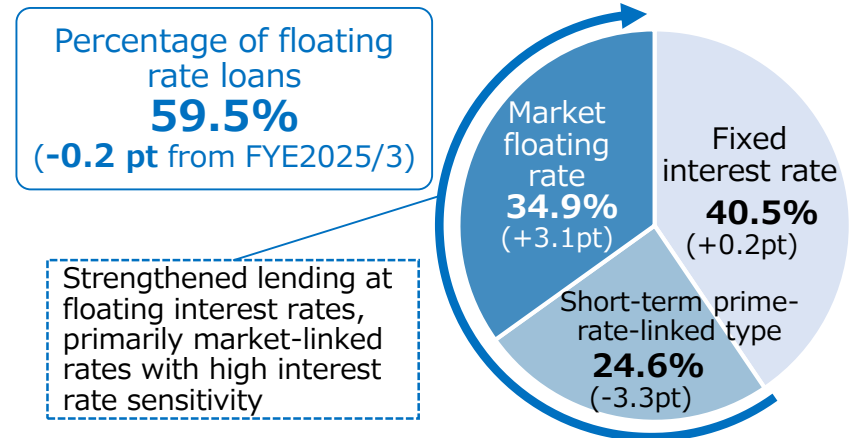
Composition of overall loans and bills discounted (2026/3 End)

Figures in parentheses denote changes from FYE2025/3



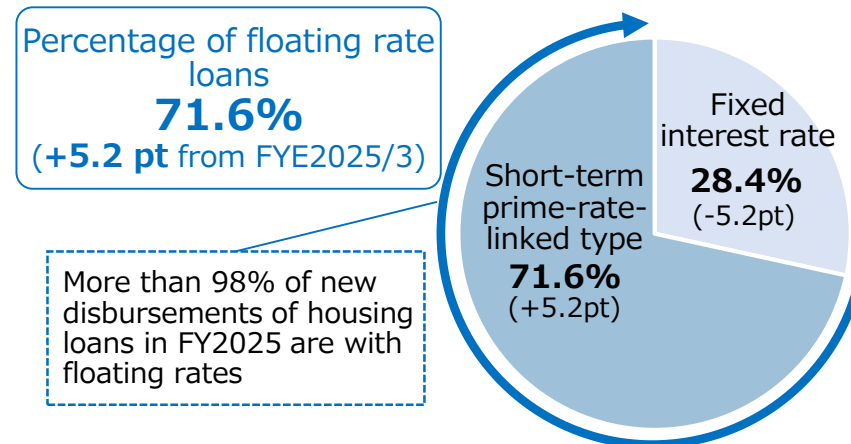
Composition of loans and bills discounted (business loans) (2026/3 End)

Figures in parentheses denote changes from FYE2025/3



Composition of loans and bills discounted (consumer loans) (2026/3 End)

Figures in parentheses denote changes from FYE2025/3



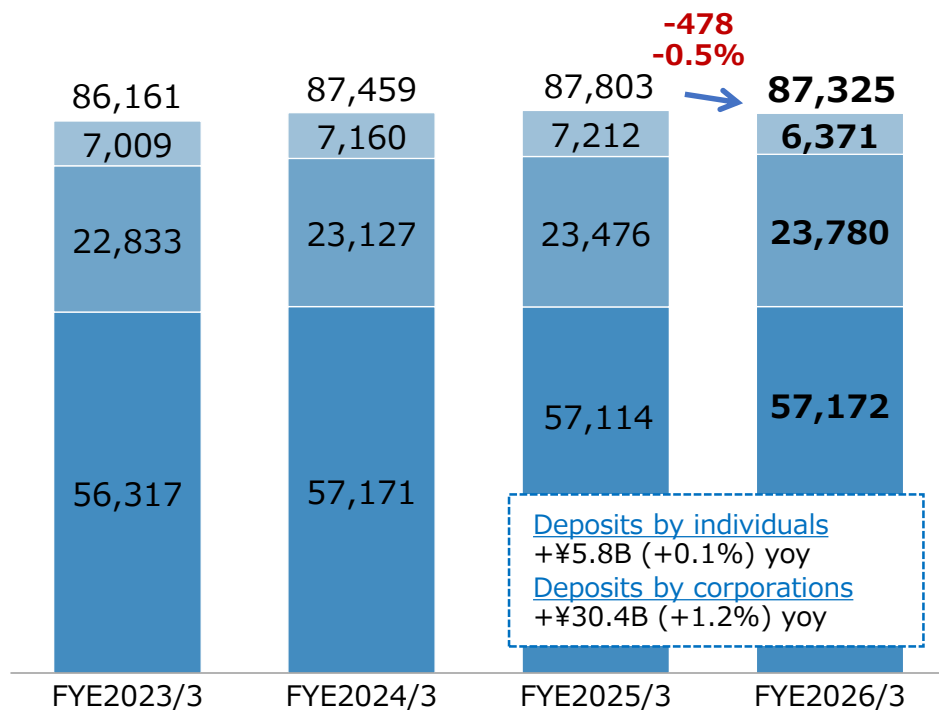
Balance of Deposits, etc., and Assets in Custody

- Although the end-balance of deposits, etc., increased year on year for both deposits by individuals and corporations, the overall balance decreased, primarily due to a decline in public money and other accounts.
- The ending balance of assets under custody increased across insurance, investment trusts, and public bonds.

End-balance of deposits, etc.

(¥100M)

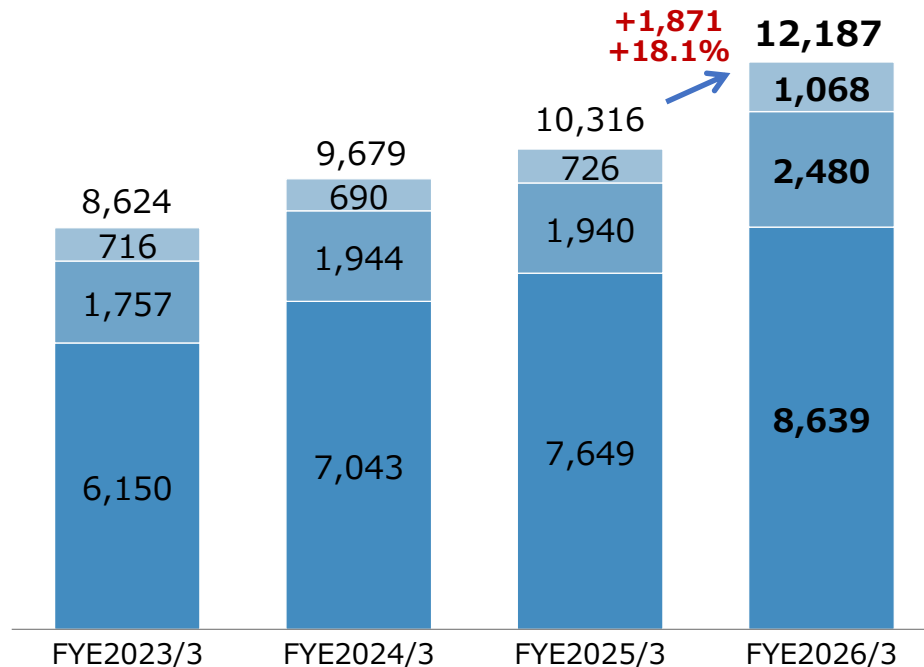
■ Individuals ■ Corporations ■ Other (public funds, etc.)



Ending balance of assets in custody

(¥100M)

■ Insurance ■ Investment trust (Including fund wraps) ■ Public bonds



Average balance	84,777	85,773	85,939	86,056
Yield	0.00%	0.00%	0.05%	0.18%

Change from FYE2025/3 to FYE2026/3: **+117**

[Reference]
Total balance of deposits, etc., and assets in custody (ending balance)

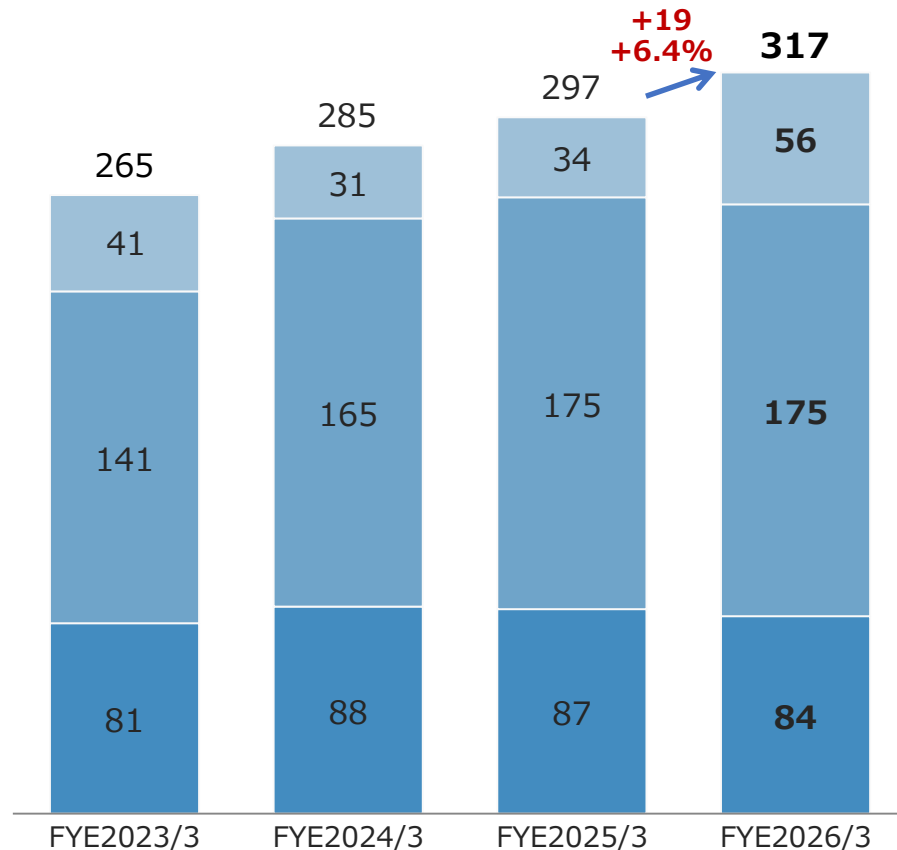
Fiscal Year	94,786	97,139	98,120	99,512
FYE2023/3	94,786	97,139	98,120	99,512
FYE2024/3	97,139	98,120	99,512	
FYE2025/3	98,120	99,512		
FYE2026/3	99,512			

■ Non-interest income (Sales) increased by ¥1.9 billion year on year to ¥31.7 billion.

Non-interest income

(¥100M)

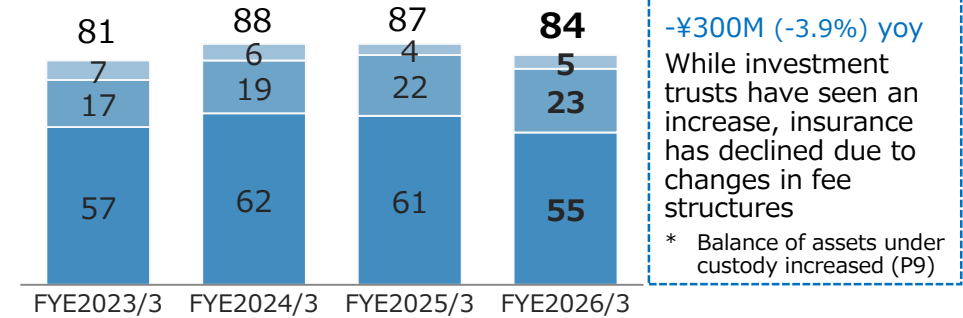
■ Asset management advice ■ Financial solutions ■ Others



Income from asset management advice

(¥100M)

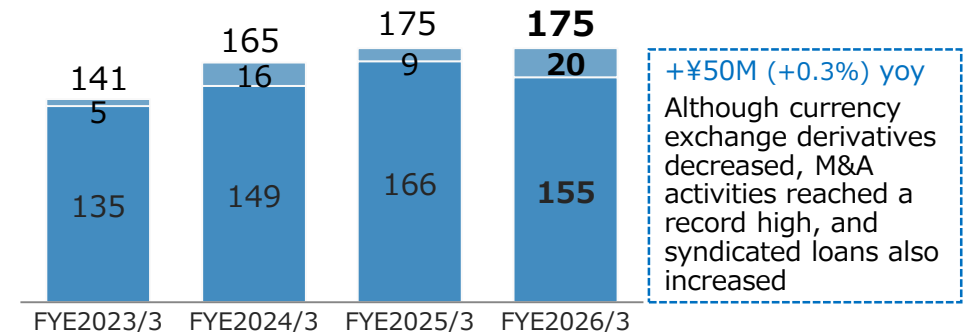
■ Insurance ■ Investment trust ■ Others



Income from financial solutions

(¥100M)

■ Equity solutions revenue (M&A and business succession, etc.)
■ Financial planning revenue (Syndicated loans and currency exchange derivatives, etc.)

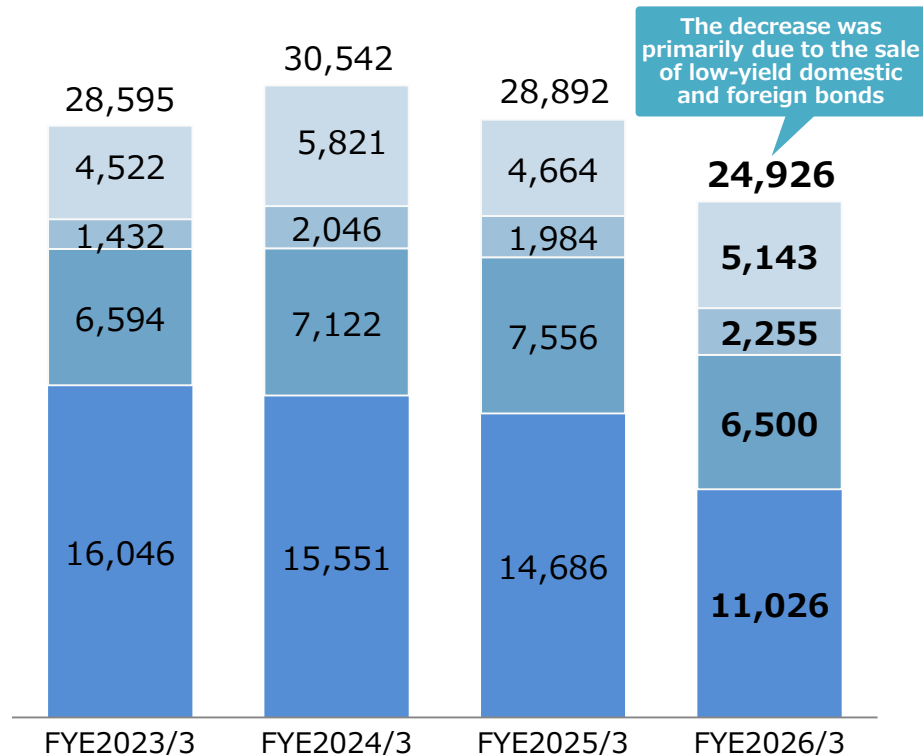


- Gains on the sale of stocks, etc., were used to reduce our holdings of low-yielding domestic and foreign bonds to improve the portfolio.
- Even after recording ¥39.1 billion in “gains (losses) on stocks,” valuation gains or losses on securities amounted to ¥75.2 billion, which is an increase of ¥68.6 billion year on year.

End-balance of securities

(¥100M)

■ Domestic bonds ■ Foreign securities ■ Stocks ■ Other securities



Yield

1.09%

1.39%

1.58%

2.02%

Gains or losses on securities

(¥100M)

	FYE2025/3	FYE2026/3	Year on Year
[1] + [2]	- 45	16	61
[1] Gains (losses) from government bonds and other bonds	- 74	- 374	- 299
[2] Gains (losses) on stocks	29	391	361

Valuation gains or losses on securities

(¥100M)

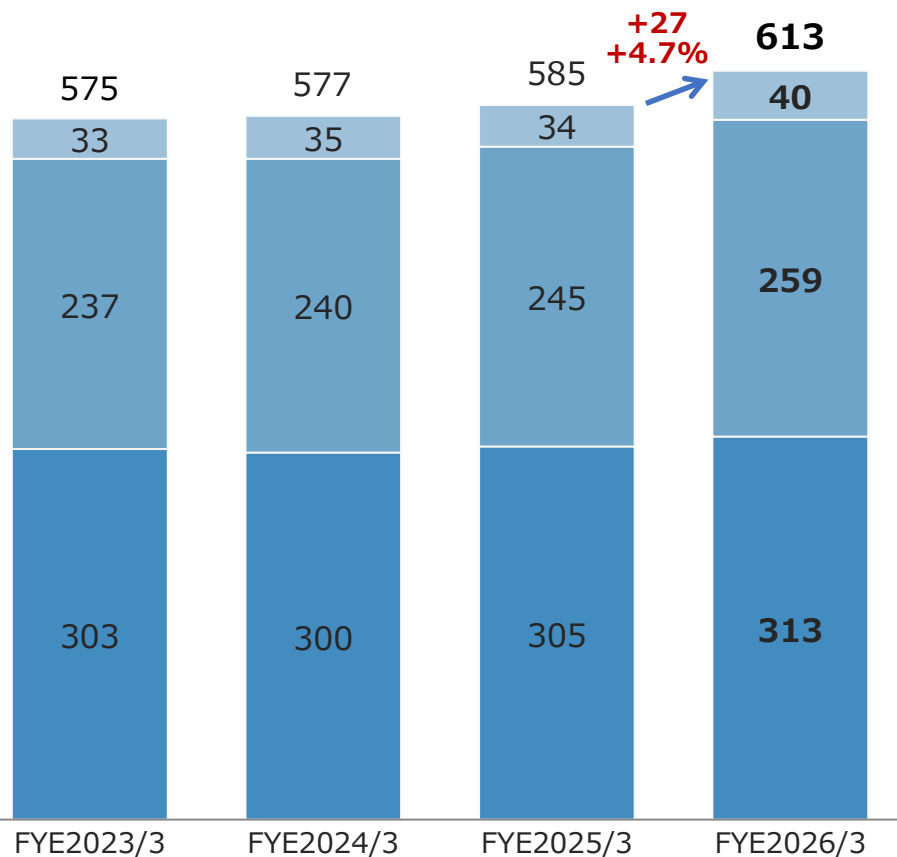
After taking deferred hedging into account

	FYE2025/3	FYE2026/3	Year on Year
Valuation gains or losses	65	752	686
Domestic bonds	- 675	- 697	- 22
Foreign securities	- 182	- 9	172
Stocks	938	1,253	314
Other securities	- 15	207	222

- Expenses increased by ¥2.7 billion year on year, mainly due to investment aimed at enhancing human capital value, including a wage increase, and strategic investments in the digital and other fields.
- We will continue to increase investments that enhance human capital (talent development) by at least 5% annually. (See p. 41) (Talent development investments for FY2025 rose 8.1% year on year.)

(¥100M)

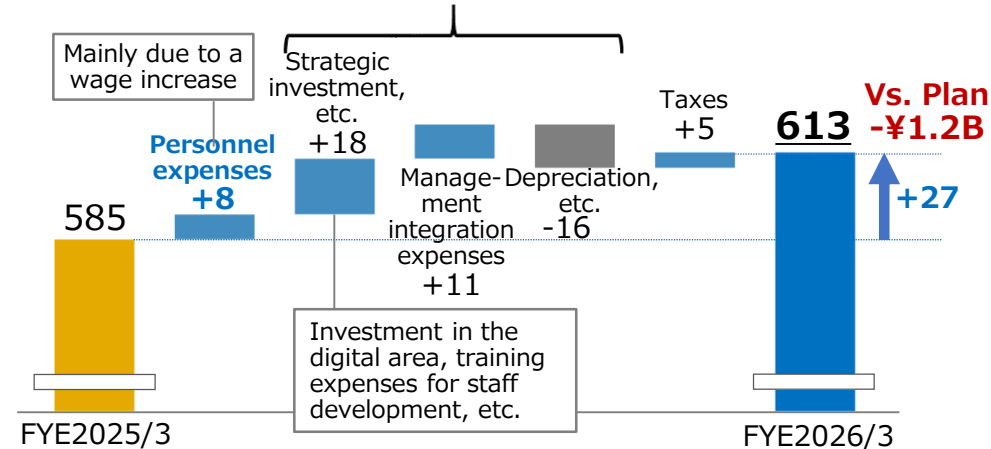
■ Personnel expenses ■ Non-personnel expenses ■ Taxes



Factors behind changes in expenses

(¥100M)

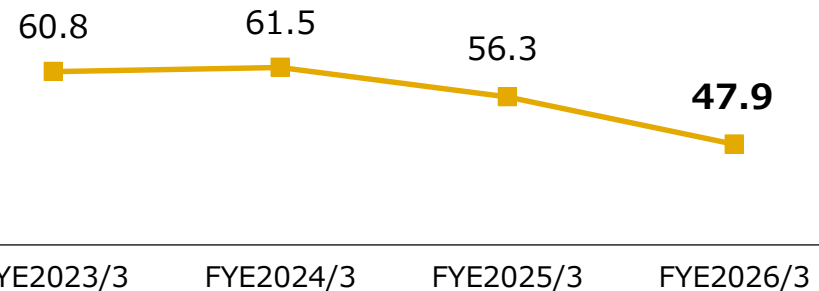
Non-personnel expenses +13



Consolidated OHR

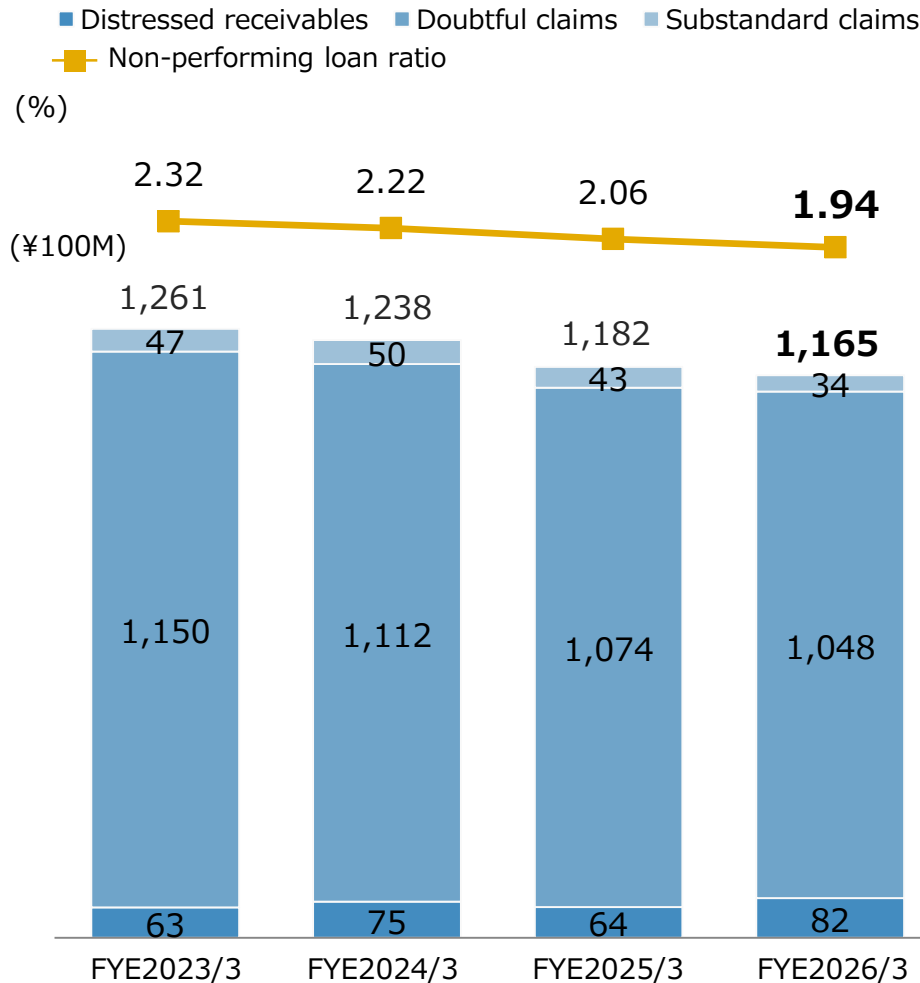
(%)

Calculated on FG's consolidated basis, excluding gains (losses) from government bonds, etc

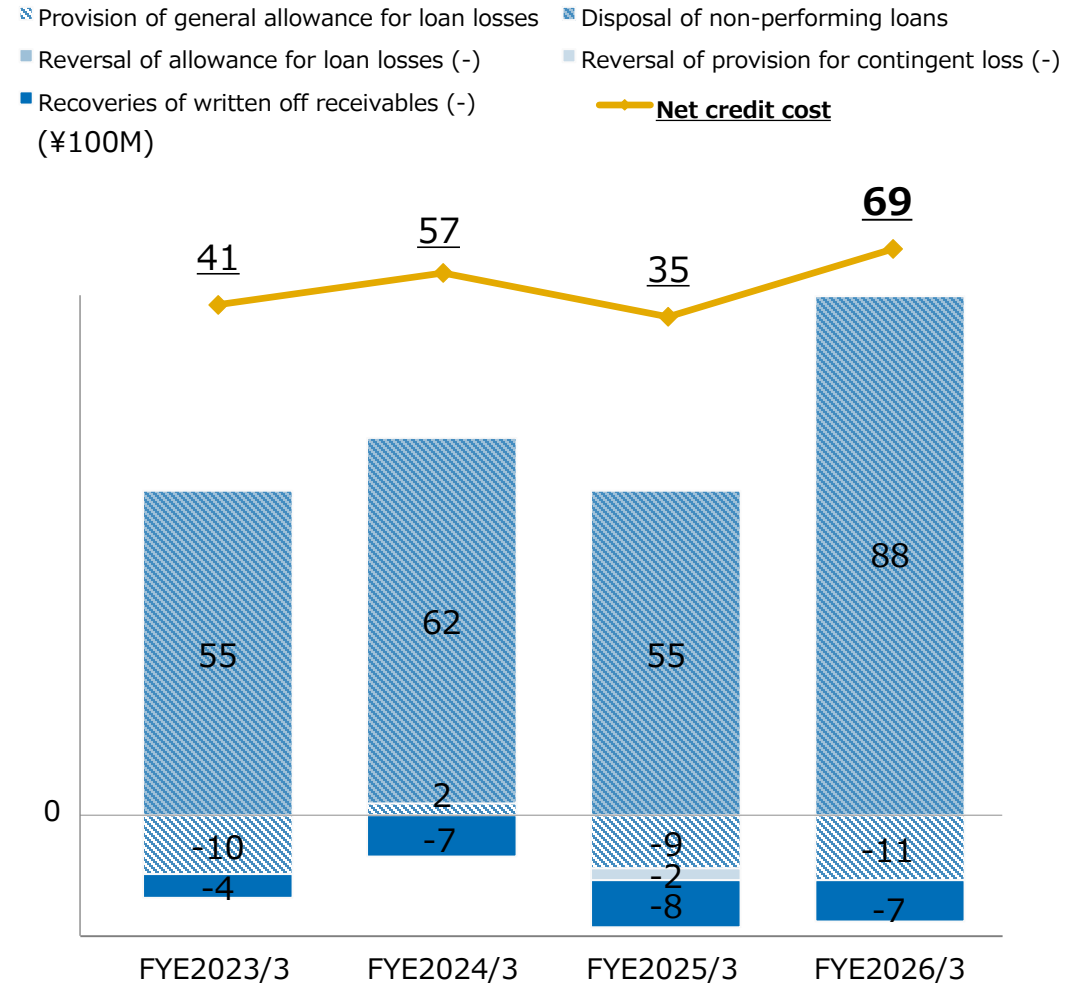


- Non-performing loan ratio stood at 1.94%, down 0.12 percentage points year on year.
- Net credit cost rose by ¥3.4 billion year on year to ¥6.9 billion, driven by an increase in credit cost associated with forward-looking provisioning for specific borrowers.

Non-performing loan ratio and amount



Net credit cost



Management Integration Synergy (Single FY)

Synergies from management integration of Daishi Bank and Hokuetsu Bank exceeded the initial plan (formulated in October 2018) to reach 13.6 billion yen

Synergy effect
(Vs. FYE 2018/3 before Management Integration)

FYE2026/3 (Single FY)

Result

+¥13.6B
(+¥2.1B vs. Plan)

Breakdown (Unit: ¥100M)	Result	Vs. Plan
		+136
Top-line Synergy	+76	+17
Cost Synergy	+76	-0
Negative Synergy	-17	+4

<Details of Each Synergy>

Top-line Synergy

- Loans and bills discounted and financial solutions
- Asset management advice
- Commissions, etc.

Cost Synergy

- Decrease in personnel expenses (downsizing)
- Decrease in system administration costs
- Decrease in outsourcing expenses, etc.

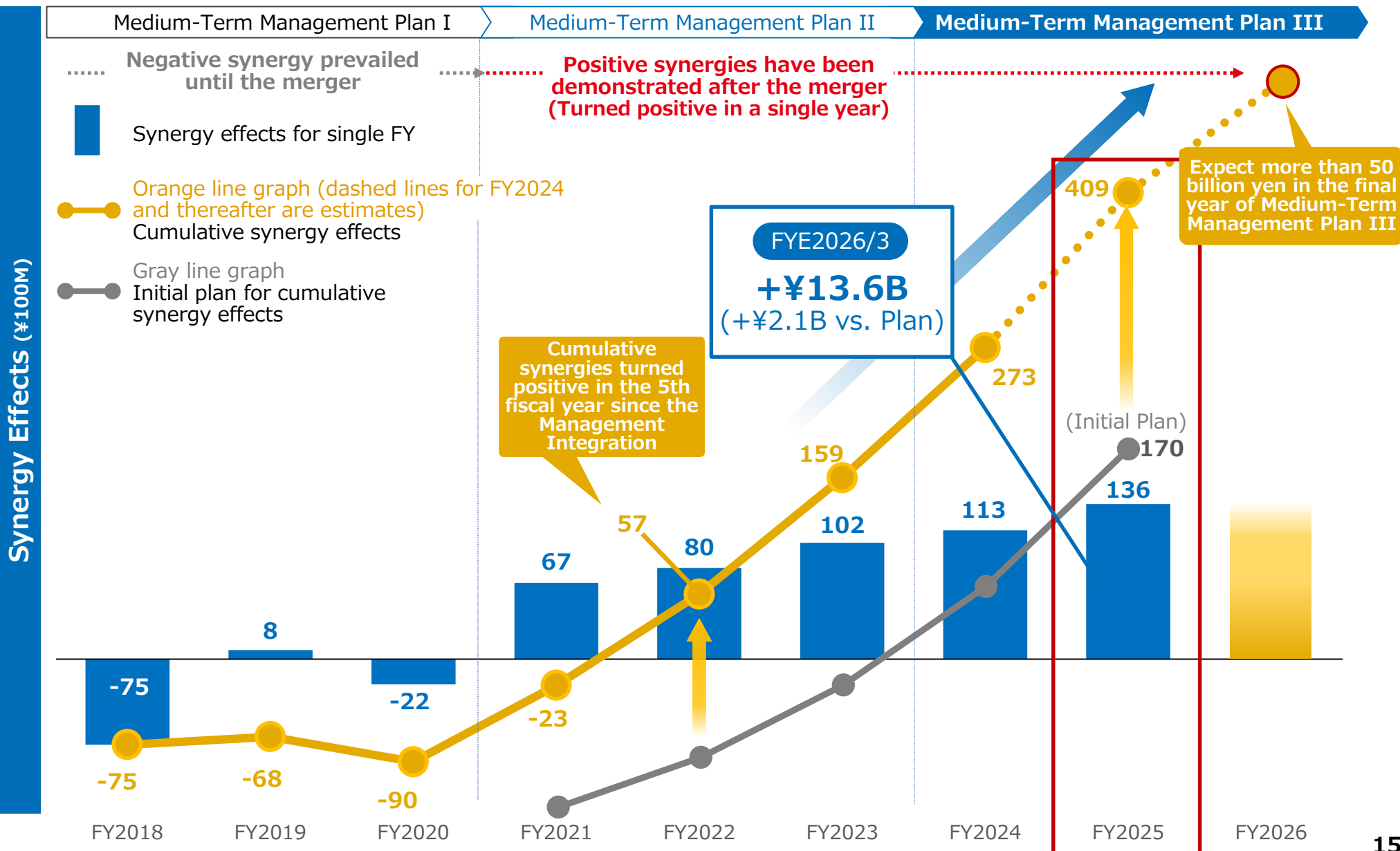
Negative Synergy

- Management integration expenses

Management Integration of Daishi Bank and Hokuetsu Bank (October 2018)

Management Integration Synergy

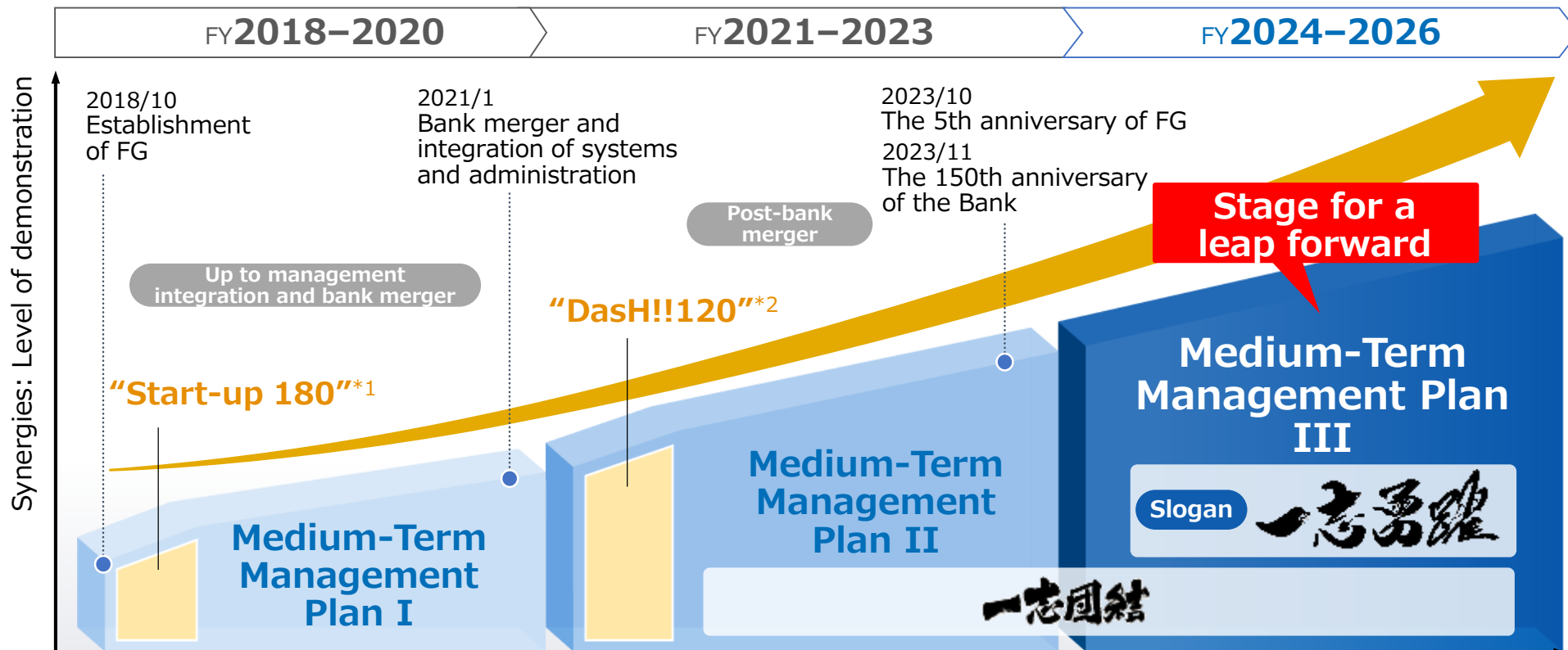
(Cumulative Total Since October 2018)



Plan period: 2024/4 – 2027/3

Medium-Term Management Plan III

“Medium-Term Management Plan III” (2024/4 to 2027/3)



[Basic Approach during Each Plan Period]

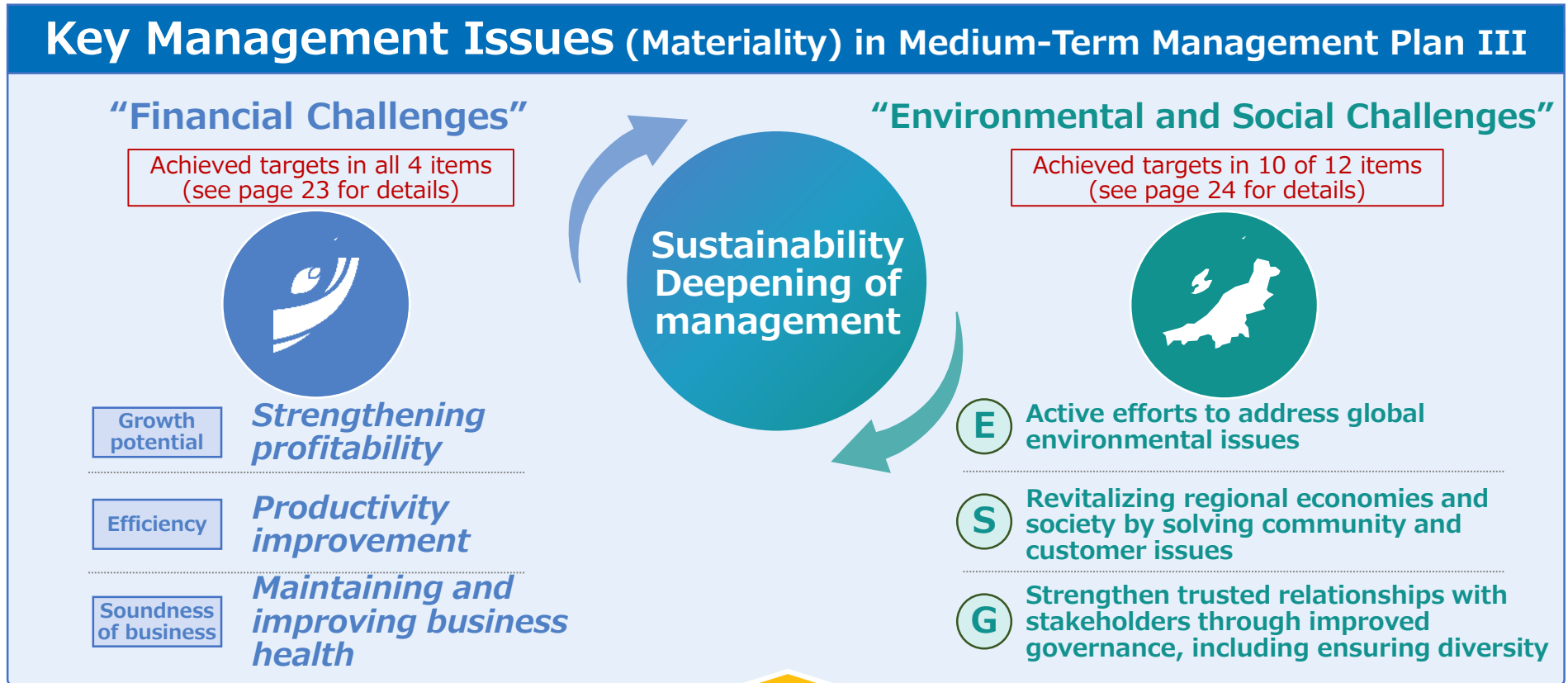


*1: Period of rapid and intensive implementation of various measures to realize synergies from management integration (180 days)

*2: Period during which various measures were implemented quickly and intensively as the main activity period for the early realization of synergies from the bank merger (120 days)

Key Management Issues(Materiality) in Medium-Term Management Plan III

- We pursue sustainability management aimed at creating a virtuous circle of sustainable growth for the region and the Company by concurrently addressing “Financial Challenges” and “Environmental and Social Challenges”



Significant change with increasing complexity and uncertainty

Changes in the Business Environment

- Progress of declining population, low birth rate, and aging population
- Changes in social and industrial structure through DX, including AI
- Advances in online banking and cashless transactions
- Changes in people’s lifestyles and consumption behaviors

- Acceleration of globalization
- Deregulation
- Entry of non-financial companies into the financial services industry

- Acceleration of carbon neutrality
- Growing importance of sustainability management
- Further rise in geopolitical risk
- Shifts in monetary policy between Japan, the U.S. and Europe
- etc.

Earnings Forecast for Fiscal Year Ending March 2027

Upward revision

[Interest rate assumption] Policy interest rate to increase from 0.75% to 1.00% in December 2026

“Consolidated profit to reach **50 billion yen** in the final year of the Medium-Term Management Plan III”

Key Performance Indicators to be Revised (KPI)	Final Year of the Medium-Term Management Plan III FY2026 (FYE2027/3)					
	Initial target (2024/4)	1st time Revised target (2024/11)	2nd time Revised target (2025/3)	Latest target (Announced in 2026/4)	Vs. Initial target	2nd time Vs. Revised target
Consolidated Profit*1	¥27B	¥35B	¥40B	¥50B	+¥23.0B	+¥10.0B
Consolidated OHR*2	61% level	57% level	54% level	50% level	- 11pt	- 4pt
Consolidated ROE	≥ 5%	≥ 6.5%	≥ 7.5%	≥ 8.7%	+3.7pt	+1.2pt

*1: Profit attributable to owners of parent *2: Ratio of consolidated operating expenses to consolidated gross profit (excluding gains (losses) from government bonds and other bonds)

Main reasons



Medium-Term Management Plan III is progressing well, exceeding the plan

- ✓ Group-wide consultative sales activities have driven steady growth in both net interest income and service revenue



Domestic market interest rates have recently surpassed expectations

- ✓ We have factored in domestic market interest rates, which exceeded expectations made in the previous upward revision



Further accumulation of risk assets accompanying the change to the Foundation Internal Ratings Based (FIRB) approach

- ✓ We have factored in a further accumulation of risk assets in anticipation of the transition to the FIRB approach effective March 31, 2025



Growth in the Market Division revenue driven by improvements to the securities portfolio

- ✓ We have incorporated the revenue improvement effects resulting from recent portfolio enhancements

Earnings Forecast for Fiscal Year Ending March 2027

Upward revision

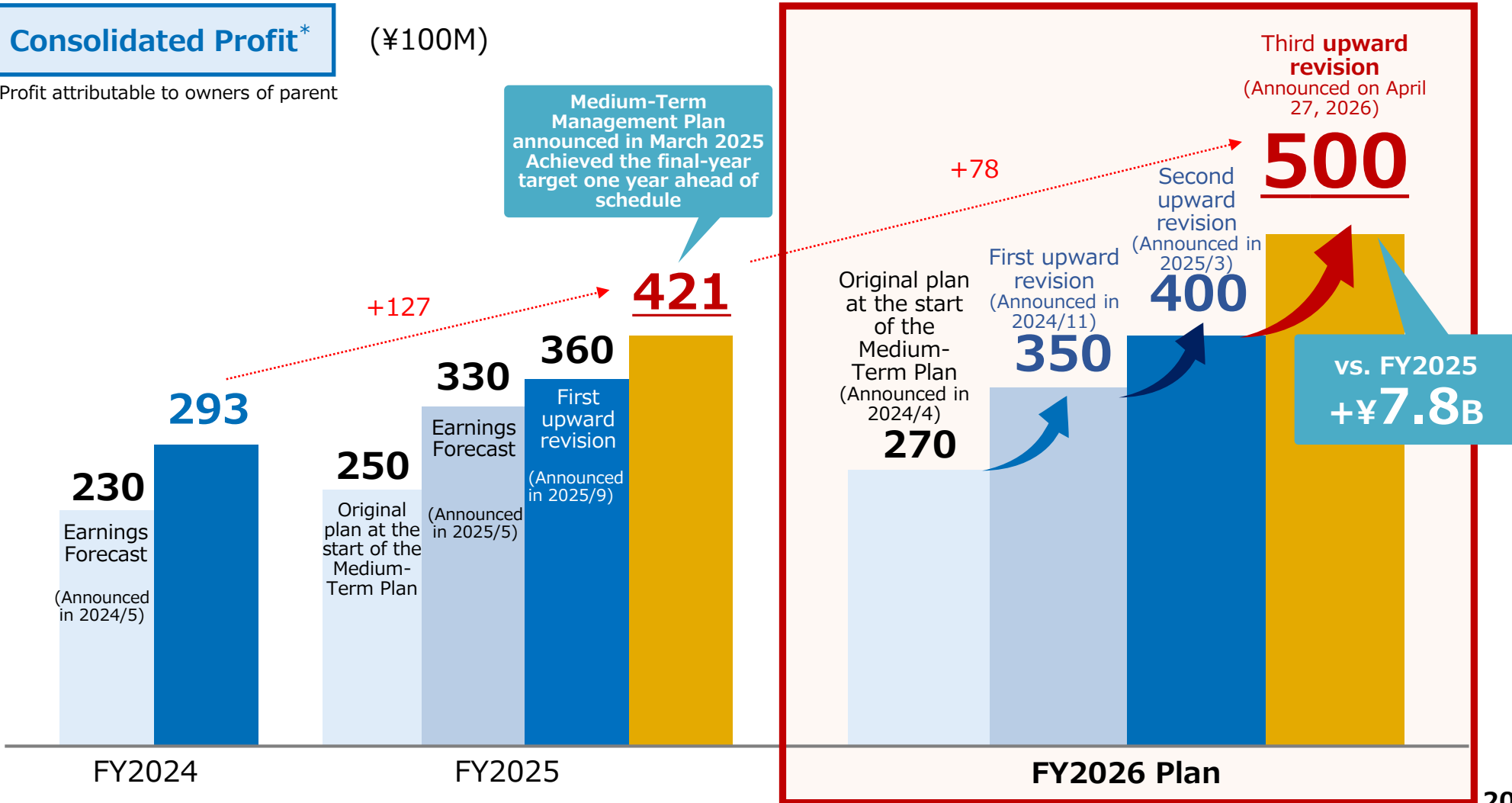
- The Medium-Term Management Plan III is on track, and we have successfully met the targets set for the final fiscal year of the plan (FY2026), which were announced in March 2025, one year ahead of schedule.

Medium-Term Management Plan III (FY2024–FY2026)

Consolidated Profit*

(¥100M)

*Profit attributable to owners of parent



Earnings Forecast for Fiscal Year Ending March 2027

- For the fiscal year ending March 2027, the final year of the Medium-Term Management Plan, FG's consolidated profit is projected to be ¥50 billion, an increase of ¥7.8 billion from the previous year.

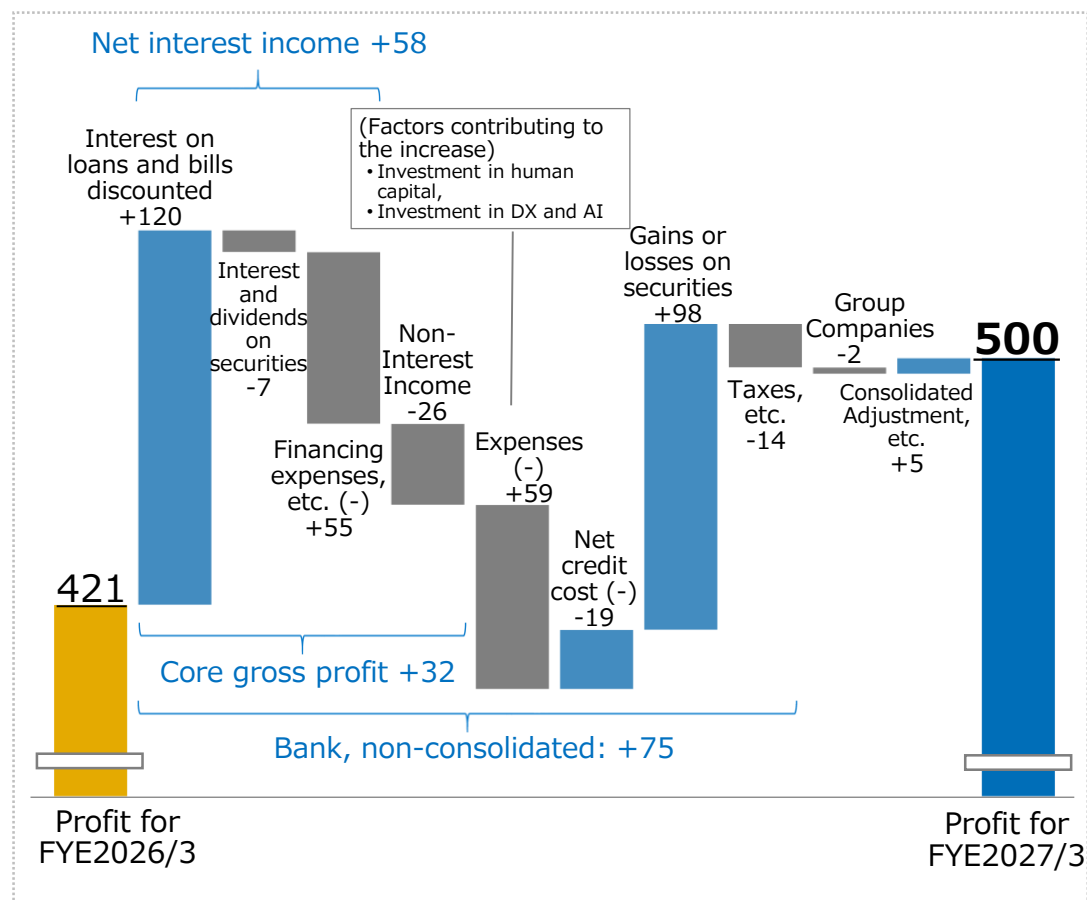
FG's Consolidated	Earnings Forecast for Fiscal Year Ending March 2027 (¥100M)	
	Year on Year	
Ordinary profit	736	124
Profit* ¹	500	78

*1 Profit attributable to owners of parent

Bank Non-consolidated	Earnings Forecast for Fiscal Year Ending March 2027 (¥100M)	
	Year on Year	
Core gross profit	1,242	32
Net interest income	954	58
Net fees and commissions and profits from other businesses, etc., excluding gains (losses) from government bonds and other bonds	287	-26
Expenses	672	59
Personnel expenses	325	12
Non-personnel expenses	297	38
Core business profit	569	-26
Ordinary profit	676	109
Profit	461	75
<Net credit cost>	50	-19
<Gains or losses on securities>	115	98

Group companies excluding the Bank	Earnings Forecast for Fiscal Year Ending March 2027 (¥100M)	
	Year on Year	
Group company revenue	37	-2

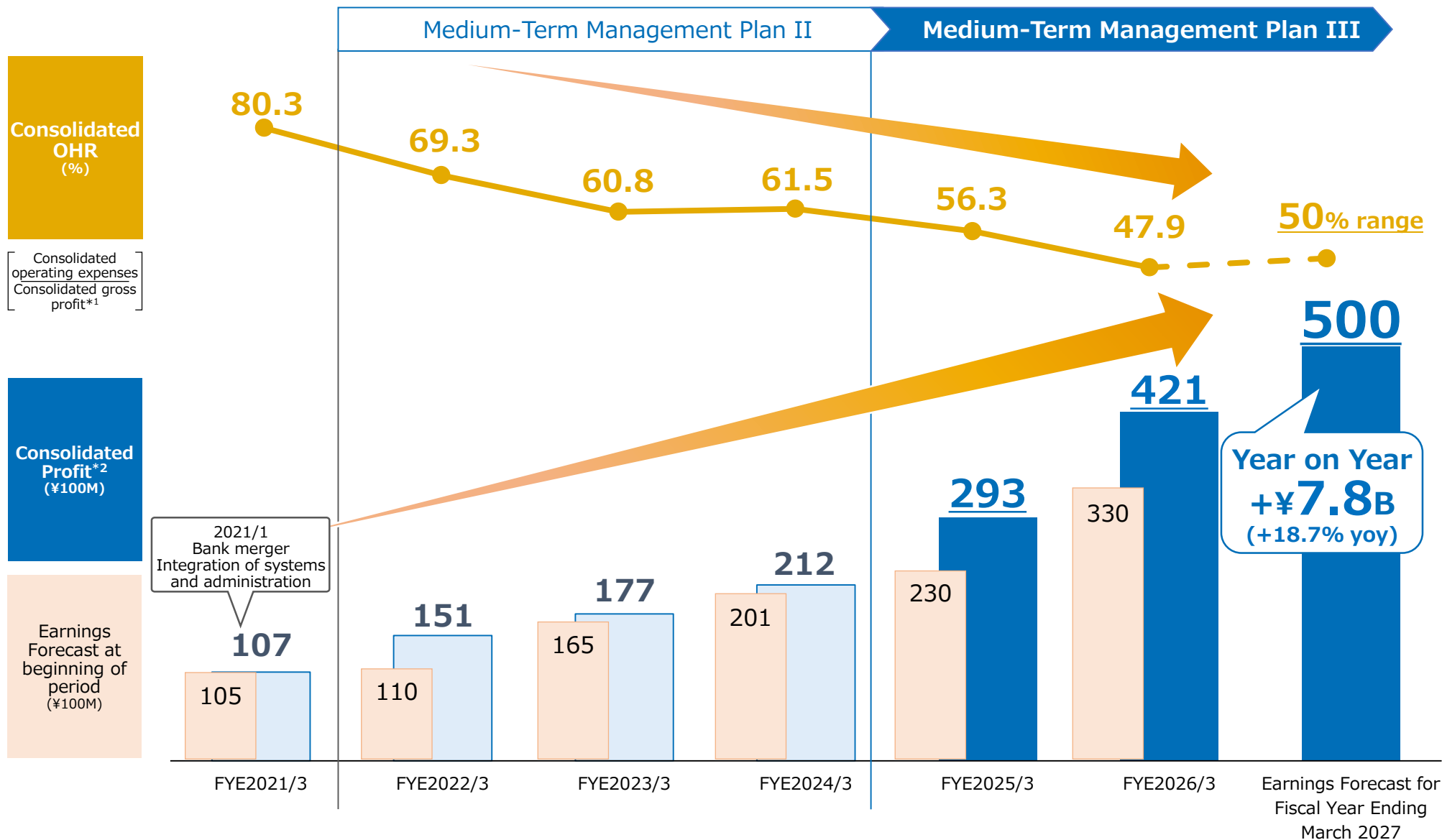
<FG's Consolidated> Change Factors (¥100M)



[Interest rate assumption] Policy interest rate to increase from 0.75% to 1.00% in December 2026

Reference

Changes in Consolidated Profit and OHR

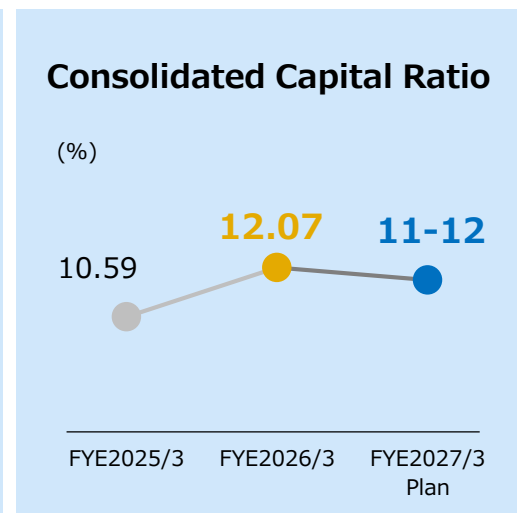
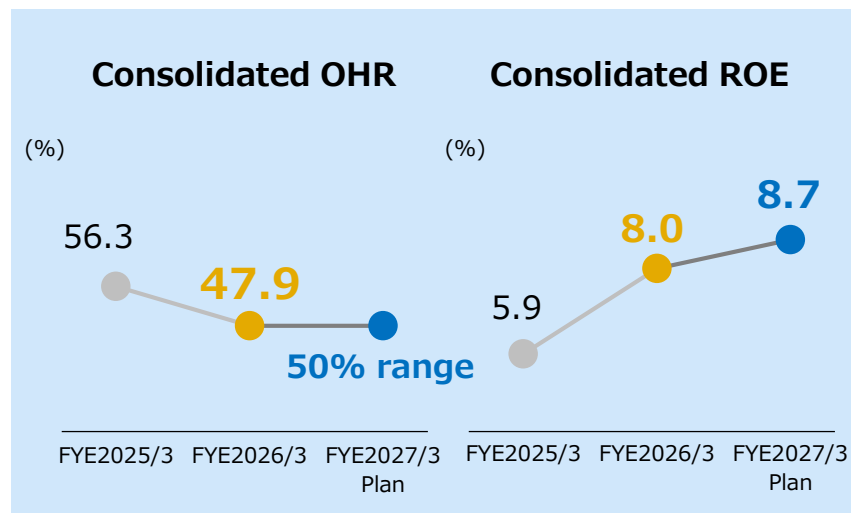
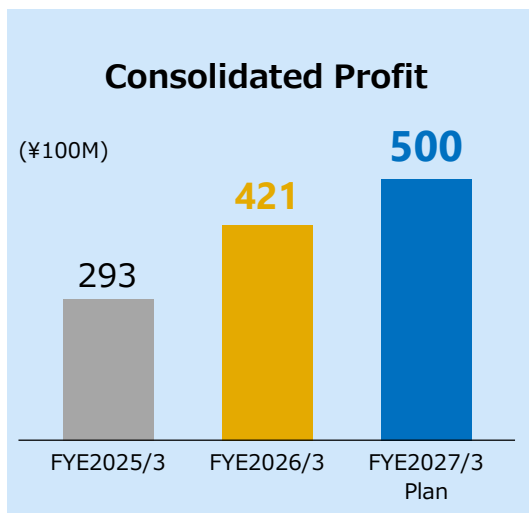


*1: Excluding gains (losses) from government bonds and other bonds *2: Profit attributable to owners of parent

Key Performance Indicators (Financial Challenges)

“Financial Challenges” KPI		FYE2025/3 Results	FYE2026/3 Results	FY2027/3 Plan	
				Vs. target	
Strengthening profitability	Consolidated Profit*1	¥29.3B	¥42.1B	+¥6.1B	¥50.0B
	Consolidated OHR*2	56.3%	47.9%	- 4.1pt	50% range
Productivity improvement	Consolidated ROE	5.9%	8.0%	+0.9pt	≥ 8.7%
	Consolidated Capital Ratio	10.59%	12.07%	+1.07pt	11-12%

*1: Profit attributable to owners of parent *2 : Ratio of consolidated operating expenses to consolidated gross profit (excluding gains (losses) from government bonds and other bonds)



Key Performance Indicators (Environmental/Social Challenges)

“Environmental and Social Challenges” KPI	FYE2026/3 Results		FYE2027/3 Target
		Vs. target	
E Active efforts to address global environmental issues			
CO ₂ emissions reduction rate (vs. FY2013, annual forecast, preliminary figures)	-74.3%	-4.3pt	78% range
Executed amounts for Sustainable Finance (Cumulative total since FY2021)	¥1,180.5B	¥100.5B	¥1,520.0B
S Revitalizing regional economies and society by solving community and customer issues			
Number of start-up and business succession support cases	3,478 transactions	528 transactions	3,280 transactions
Number of cases of DX and Productivity Improvement Support (Cumulative total since FY2024)	319 transactions	99 transactions	470 transactions
Ratio of business clients with improved indicators, etc.	73.4%	-1.6pt	≥ 75%
Number of cases supported to develop a business improvement plan	436 transactions	6 transactions	440 transactions
Number of digital customers* ¹	542,000 clients	-78,000 clients	800,000 clients
Balance of Group assets under custody	¥1,856.9B	¥269.9B	¥1,857.0B
No. of clients supported in sales channel development (Regional trading company)* ²	842 clients	22 clients	930 clients
Number of HR solutions supported (Cumulative total since FY2024)	517 transactions	57 transactions	760 transactions
G Strengthen trusted relationships with stakeholders through improved governance, including ensuring diversity			
% of women managers* ³	26.8%	0.3pt	≥ 27.0%
Total number of Group business clients* ⁴	66,206 clients	206 clients	69,400 clients

*1: Number of Daishi Hokuetsu ID holders (e.g., Little Bank and My Page users) and individual e-net banking users

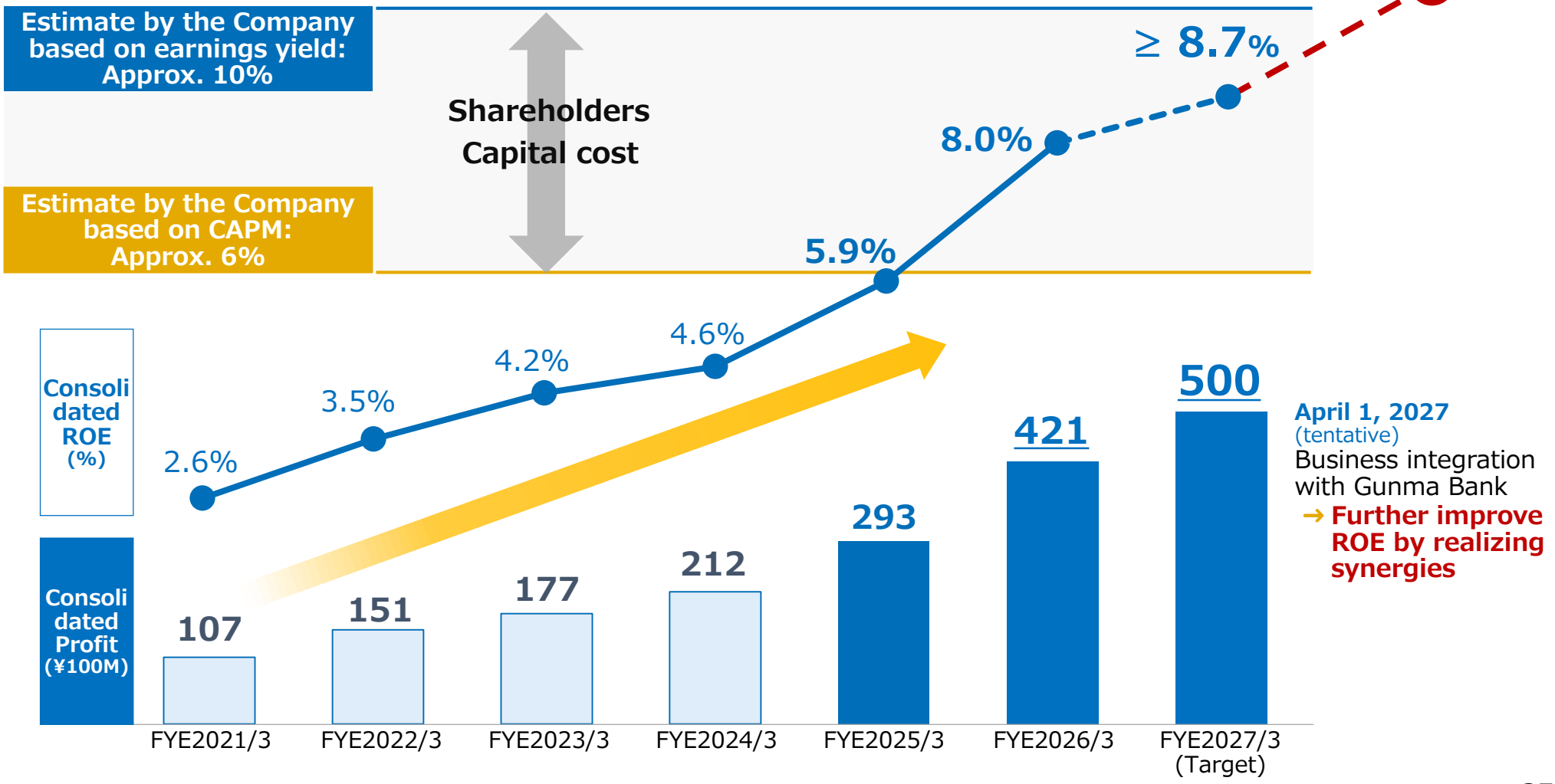
*2: Cumulative total since the opening of the Nihonbashi Branch in October 2019 (the branch closed in November 2025)

*3: Ratio of women managers (Assistant General Manager level and above) (Bank alone) *4: Number of corporate clients with recurring business with FG Group companies (total)

Target ROE Level

- In the fiscal year ending March 2027, our goal is to reach a consolidated profit of ¥50 billion and a consolidated ROE of 8.7% or higher.
- With a focus on increasing profit, we aim to achieve ROE that exceeds the cost of equity and reach a level of 10% or higher early on.

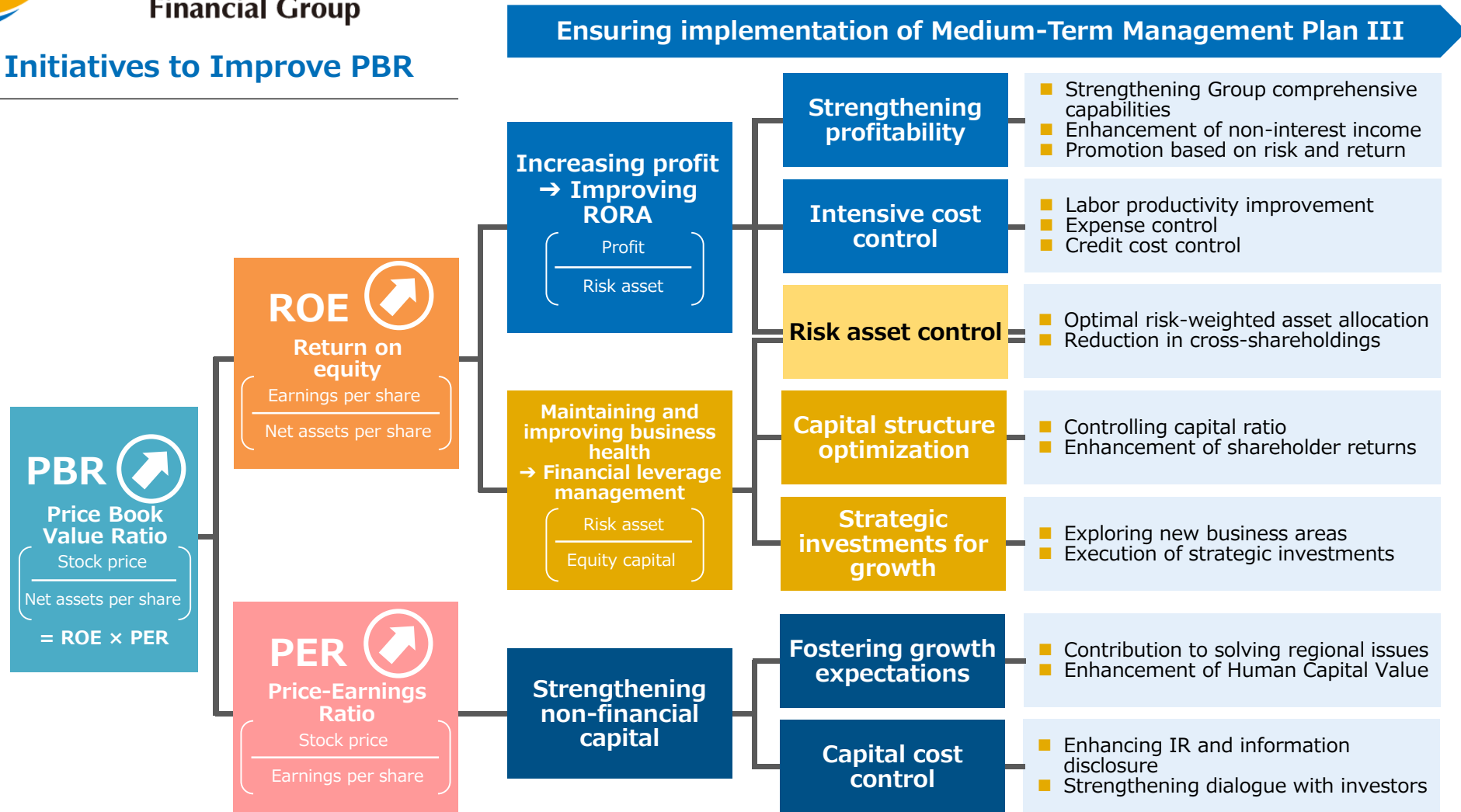
Achieve over 10% early on



(Reference) Initiatives to Enhance Corporate Value



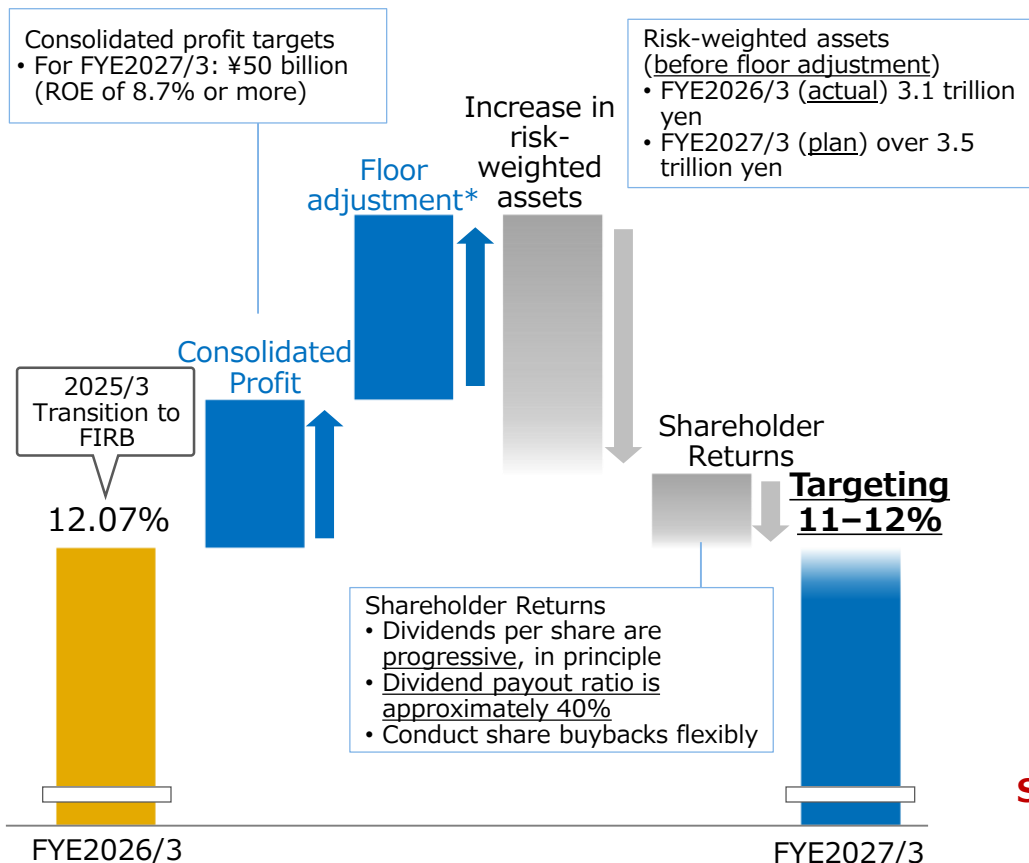
Initiatives to Improve PBR



Capital Management

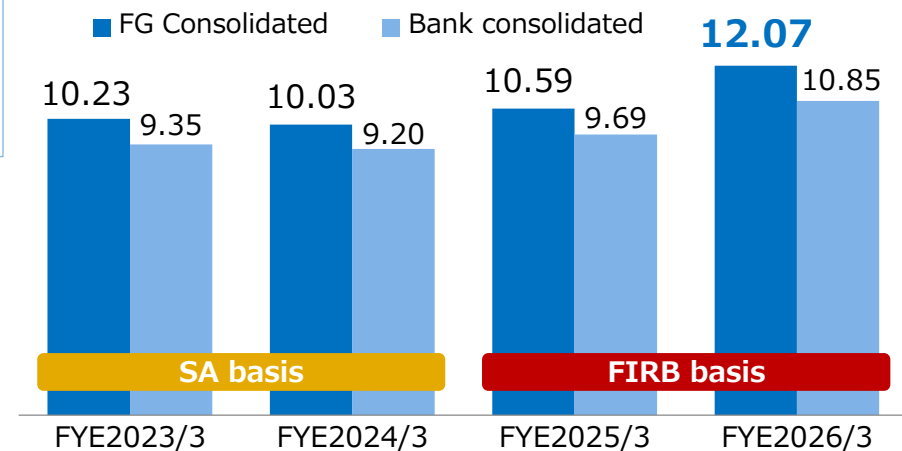
- Implement capital management with the goal of maintaining a consolidated equity ratio of 11% to 12%.
- From the fiscal year ended March 2025, our credit risk measurement method has been changed from the Standardized Approach (SA) to the Foundation Internal Ratings Based (FIRB) approach. Under a sophisticated risk management system, we will expand risk-taking, including investment in growth areas.

Change factors in capital ratio



* Under the Foundation Internal Ratings-Based (FIRB) approach, risk assets are lower compared to the Standardized Approach (SA). However, regulations require that this reduction be recognized gradually over multiple fiscal years, rather than all at once.

Consolidated Capital Ratio (%)



Invest management resources in growth areas / Expand risk-taking

- Accumulate high-quality assets by practicing RORA management
- Strengthen efforts in structured finance
- Improve productivity through digital investments
- Invest in human capital and more

Strengthen profitability and enhance shareholder returns

Improve ROE: 8.7% or higher (FYE2027/3)
Achieve over 10% early on

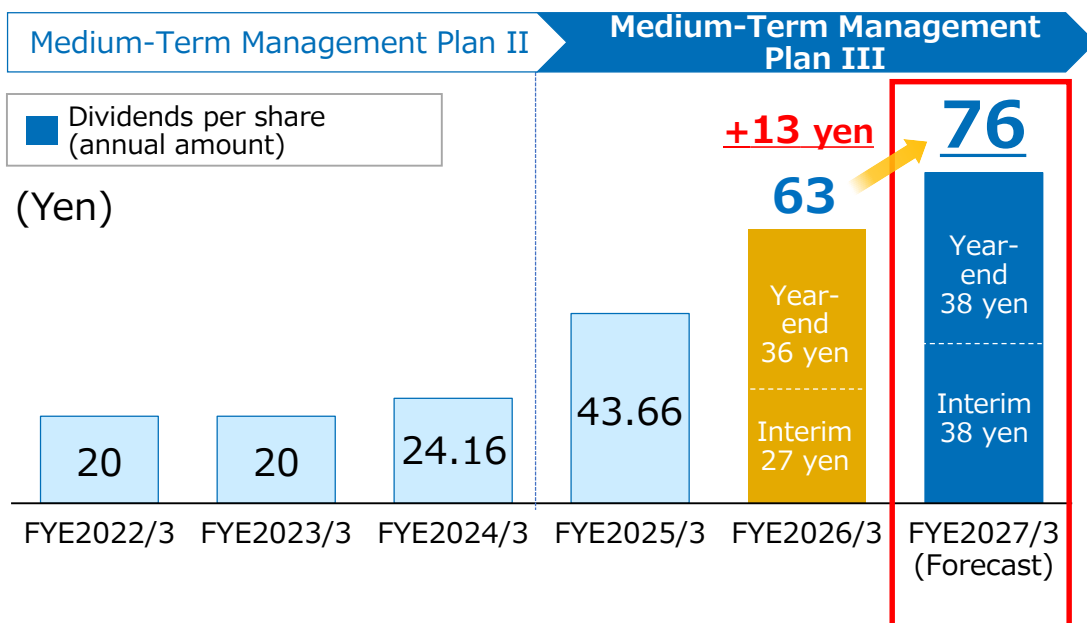
Shareholder Returns

* Converted retroactively to the dividend amount after the stock split, based on the stock split implemented in October 2024 and October 2025

FYE2026/3 dividends*

Details of Dividends	Annual dividend per share				
	Interim dividend [Completed]	Year-end dividend			Annual total
		Initial forecast Announced in May 2025	Revised forecast Announced in September 2025	Final amount	
FYE2026/3	27.00 yen	25.00 yen	27.00 yen	36.00 yen	63.00 yen (+19.33 yen yoy)
FYE2025/3	18.66 yen	25.00 yen			43.66 yen

FYE2027/3 dividend forecast*



Shareholder Return Policy

Considering the public nature of the financial group, our basic policy shall be to continue providing stable returns to shareholders while increasing retained earnings to strengthen our base. Our goal is to continue to meet the expectations of shareholders in the future.

Specifically, **dividends per share shall, in principle, be progressive and the payout ratio will be around 40%**. The Company will flexibly repurchase its own shares in light of overall business performance and market conditions.

Our policy is to work to improve ROE based on the increase in profit, with the goal of achieving 10% or more as soon as possible, and then increasing ROE to an even higher level.

* The shareholder return policy of the new financial group, which is set to be established in April 2027, will be determined in consultation with Gunma Bank

Reduction in Cross-shareholdings

Changes in Cross-shareholdings Reduction Policy (May 2026)

From FY2020 (when Daishi Hokuetsu Bank was established through the merger) to the final fiscal year of Medium-term Management Plan III (from the end of March 2021 to the end of March 2027), Daishi Hokuetsu Bank will **reduce its cross-shareholdings by ¥20 billion (book value)**.

Reduce the ratio of cross-shareholdings (market value) to consolidated net assets (cross-shareholdings ratio) **to less than 20% by FY2027 (by the end of March 2028)**, and **further reduce it to less than 10% as soon as possible**.

Change

Percentage of cross-shareholdings (market value) to consolidated net assets

Before change

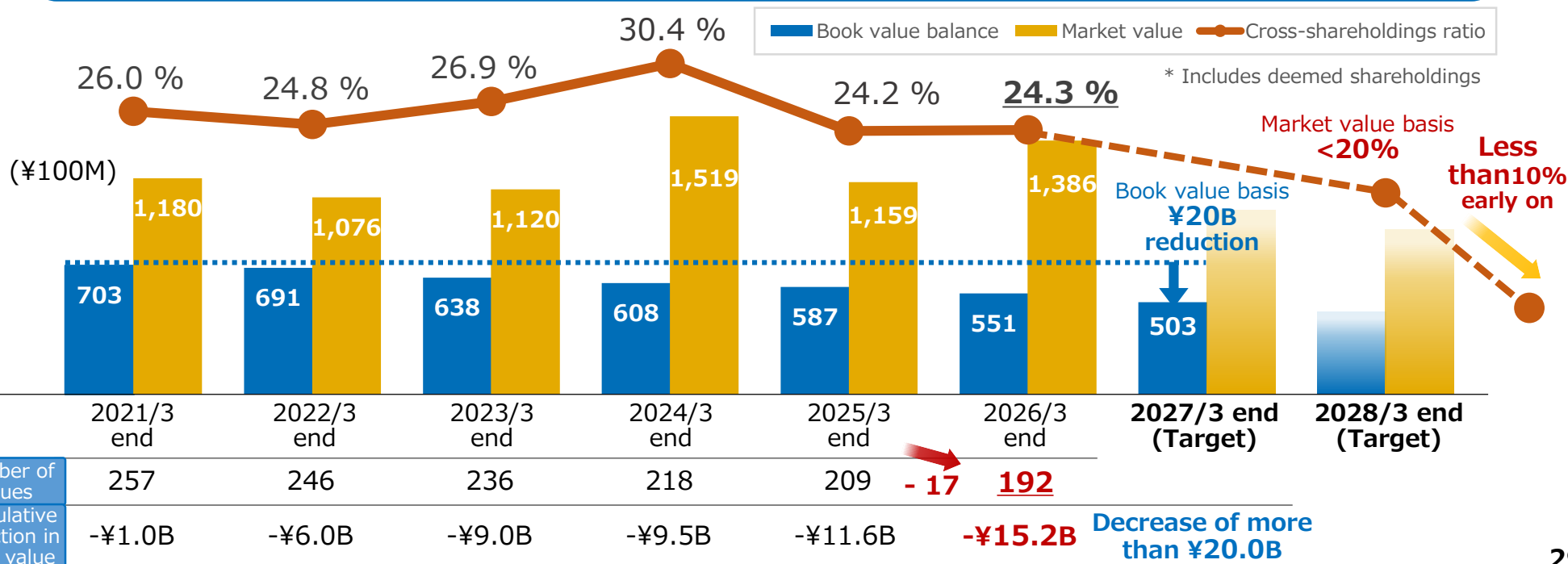
Less than 20% by FY2029
(by the end of March 2030)

After change

Bring the target date forward by two years

Less than 20% by FY2027 (by the end of March 2028)
Furthermore, reduce this ratio to less than 10% early on

Changes in cross-shareholdings



(Reference) Stock Split

- Develop an environment that makes it easier for investors to invest, with the aim of expanding our investor base and further increasing the number of shareholders.

Implementation of stock split

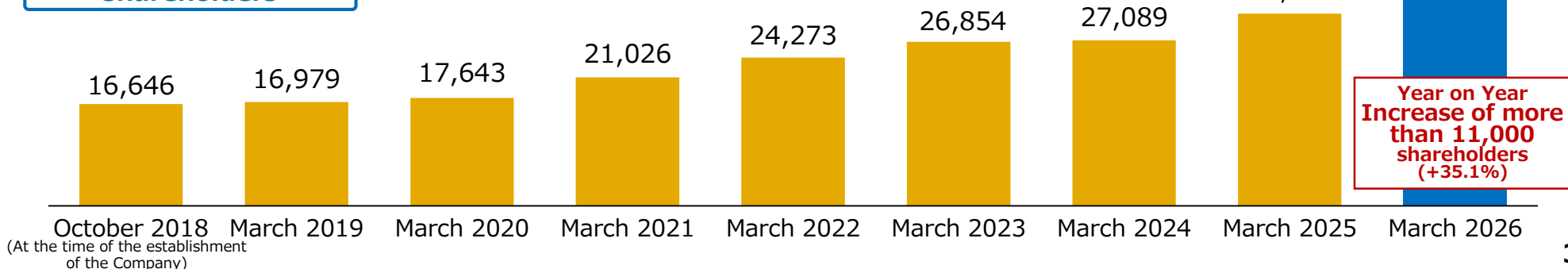
■ Three-for-one stock split (October 2025)

- By reducing the amount per unit price of investment of the Company's shares (the minimum investment amount), we develop an environment that makes it easier for investors to invest with the aim to expand our investor base and further increase the number of shareholders.

<Number of shares to be increased by stock split>

Total number of issued shares before stock split	91,885,956 shares
Number of shares to be increased by stock split	183,771,912 shares
Total number of issued shares after stock split	275,657,868 shares
Total number of authorized shares after stock split	600,000,000 shares

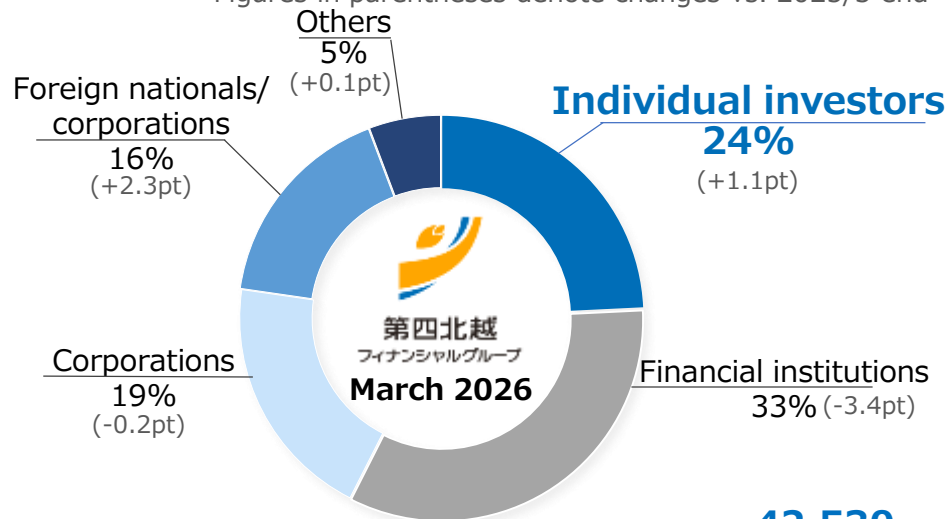
Changes in number of individual shareholders



Shareholder composition (Percentage of the number of shares held)

- Total number of issued shares: 275,657,868 shares
- Number of shareholders at the end of March 2026: 44,493

Figures in parentheses denote changes vs. 2025/3 end



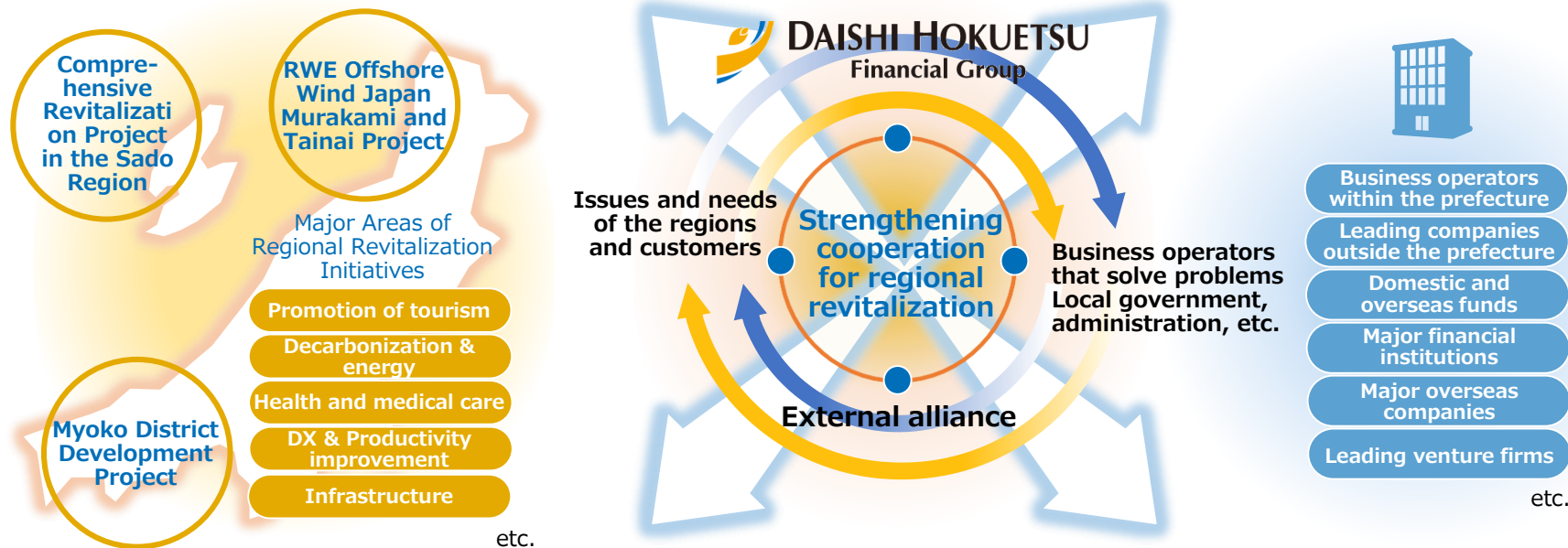
Medium-Term Management Plan III

Major Initiatives for Sustainable Growth

Initiatives for Regional Revitalization [1]

- We are committed to promoting comprehensive regional revitalization as the lead organizer of the regional economic ecosystem, in collaboration with government agencies, companies inside and outside the prefecture, and

Support for comprehensive regional revitalization



Strengthening of structure for sustainable growth of regions and the FG

- **New establishment of “Regional Strategy Division” and “Regional Revitalization Business Headquarters”** (June 2025)
 - Design, plan and execute new projects for regional revitalization
 - Concentrate management resources to strengthen initiatives for regional revitalization

- **Establishment of the Tokyo Head Office** (November 2025)

- A strategic hub for regional revitalization, connecting customers in Niigata Prefecture with both domestic and international information and networks

Approx. 80 in total
(including those who hold concurrent posts within the headquarters)

* As of March 2026

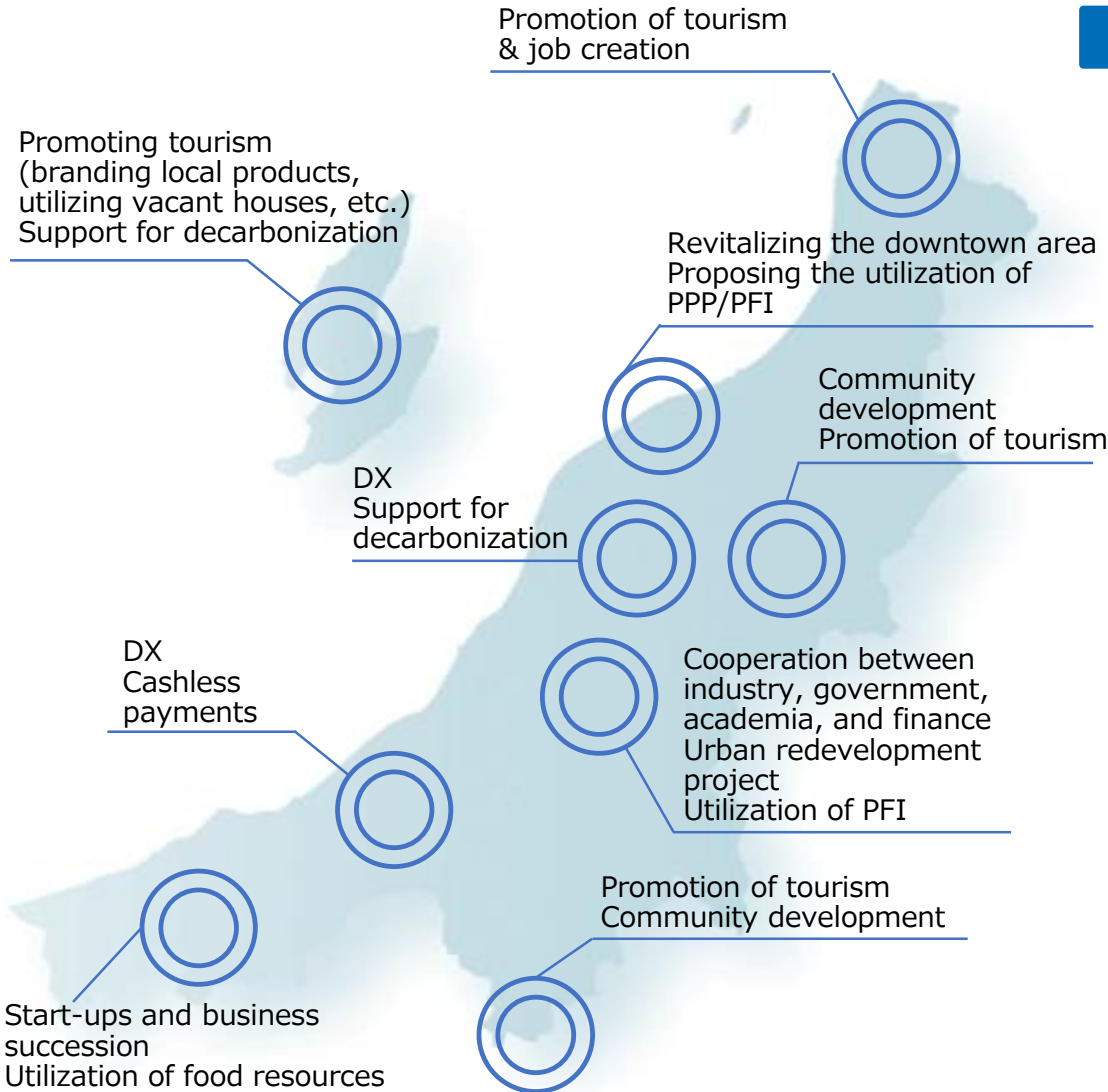
→ **Strategically allocate human capital**



▲ Tokyo Head Office
(6th Floor, Dai-ichi Seimei Kyobashi Kino Terrace)

Initiatives for Regional Revitalization [2]

- Each sales office of the Daishi Hokuetsu Bank is actively engaged in regional revitalization efforts, working collaboratively with local governments and other stakeholders in their communities.



Regional Revitalization Initiatives by Sales Offices

- “Regional revitalization activities” are included in the sales office awards

(FY2022-)



DAISHI HOKUETSU BANK

- Sales offices that have achieved particularly remarkable results and activities are given commendations to encourage each office’s autonomous and proactive regional revitalization efforts
- In addition to regional revitalization activities, sales offices are commended for promoting digital transformation that helps improve productivity for local communities and customers

- Collaboration with local governments and other stakeholders in Niigata Prefecture

Participation in and support of the planning process

Proposal of ideas and opinions

Cooperation in organizing events

Support during the implementation phase

Financial support (PPP/PFI, etc.)

etc.

- We are allocating more management resources and deepening our engagement. We will further expand our collaboration with stakeholders across industry, government, and academia

Initiatives to Improve RORA

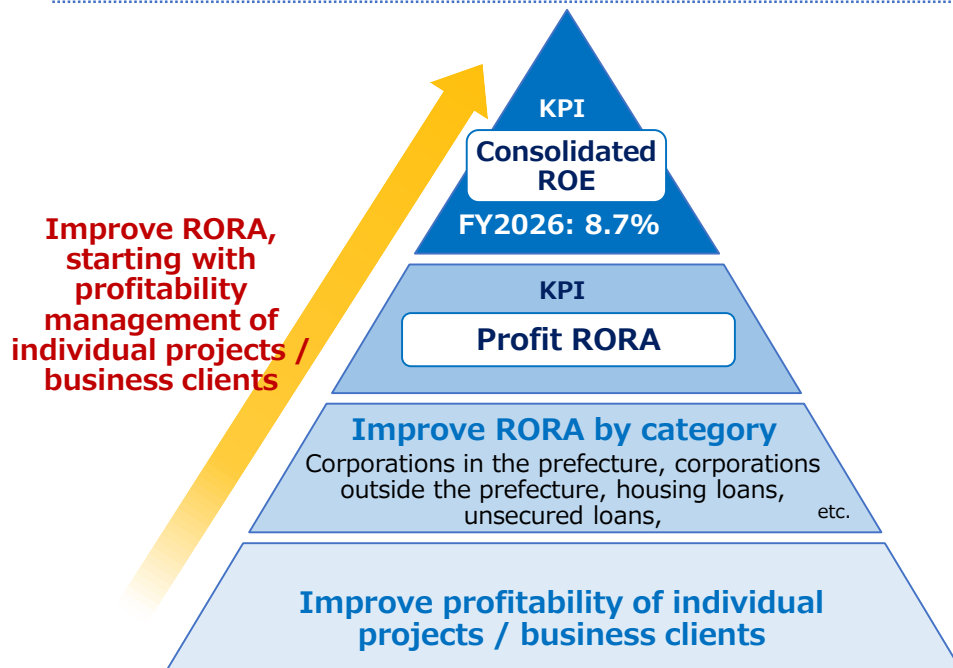
- Build a highly profitable balance sheet through integrated management of profit, risks and soundness using RORA (Return on Risk Assets) as an indicator.

Enhancement of RORA-based profitability management framework

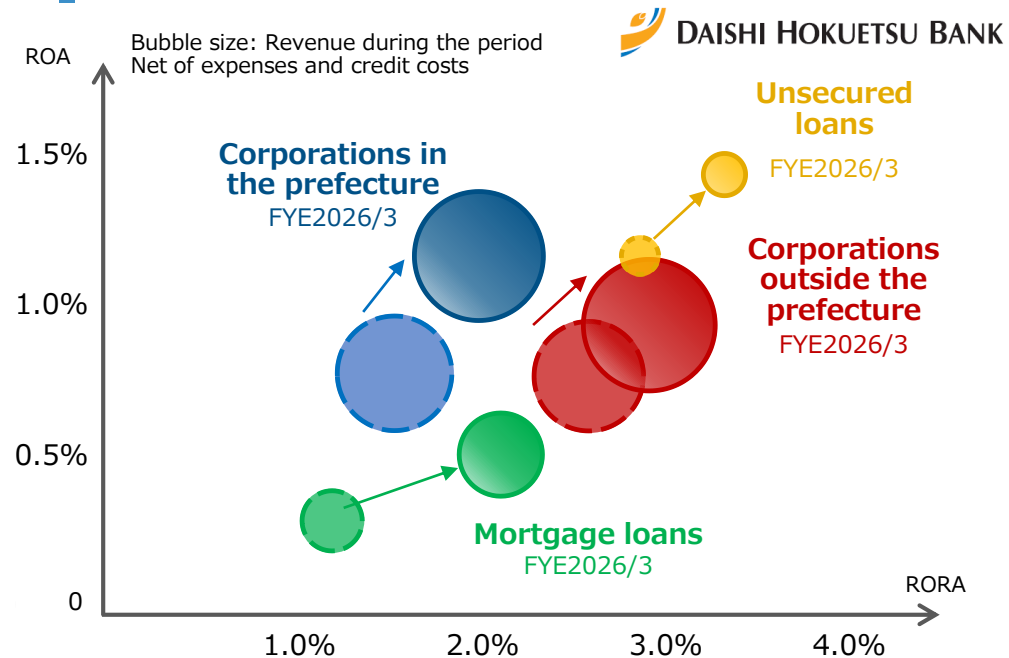
■ New profitability management framework to improve RORA

<Operation began at all Bank branches in April 2026>

- We will improve the overall profitability of our business partners by managing the profitability of individual projects.
- To achieve our target profit RORA, we will implement a PDCA cycle, including efforts to improve RORA by category.



■ RORA by category (FYE2026/3 (Vs. FYE2025/3))



	FYE2025/3		FYE2026/3		Year on Year	
	RORA	ROA	RORA	ROA	RORA	ROA
Corporations in the prefecture	1.52%	0.77%	1.98%	1.16%	+0.47%	+0.40%
Corporations outside the prefecture	2.58%	0.76%	2.91%	0.93%	+0.33%	+0.17%
Mortgage loans	1.18%	0.28%	2.10%	0.50%	+0.92%	+0.22%
Unsecured loans	2.86%	1.16%	3.32%	1.43%	+0.46%	+0.28%

Enhancement of Loans and Bills Discounted

- In light of rising interest rates, we will continue to increase loan balances while ensuring appropriate profitability.

Average Balance of Loans and Bills Discounted Trends and Plan *1

(Balance: in 100 million yen; yield: %)

	FYE2024/3	FYE2025/3	FYE2026/3	Year on Year	FY2027/3 (Plan)	Year on Year
Loans and bills discounted	53,650	55,042	57,556	+2,514	59,914	+2,358
Business loan	30,341	32,395	35,364	+2,969	38,164	+2,800
Outside the prefecture	13,384	15,635	18,532	+2,897	21,401	+2,868
Structured finance*2	6,435	7,759	9,970	+2,212	-	-
Consumer loan	14,646	15,027	15,464	+434	15,998	+534
Mortgage loans	13,382	13,677	14,031	+354	14,501	+470
Unsecured loans	1,264	1,350	1,433	+83	1,497	+64
Public Money and Finance	8,664	7,620	6,729	-891	5,753	-976

Business loan

- We have enhanced consulting capabilities centered on the Tokyo Head Office, established in November 2025, and expanded business loans outside the prefecture with a focus on structured finance

Consumer loan

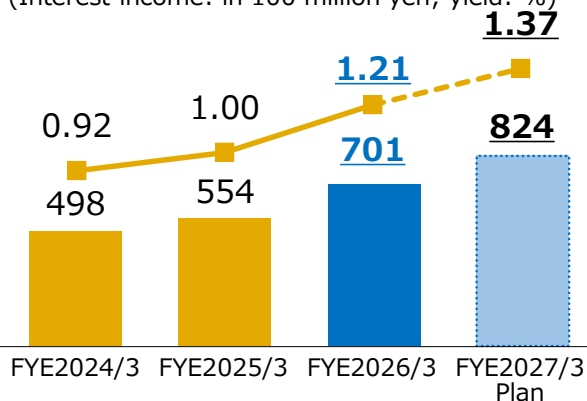
- We have increased the balance by utilizing digital channels and expanding our product lineup
- We introduced a "fixed-fee mortgage loan" in April 2025 and revised the product in July 2025 to allow for a maximum loan term of 50 years

*1: Before partial direct write-offs,

*2: Project finance, real estate non-recourse loans, LBO loans, etc. (on an ending balance basis)

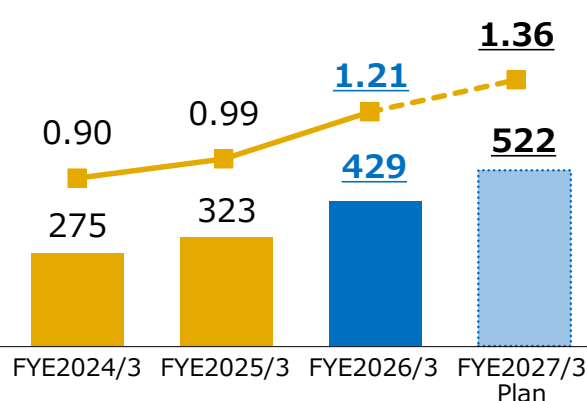
Interest and yield on loans and bills discounted

(Interest income: in 100 million yen; yield: %)



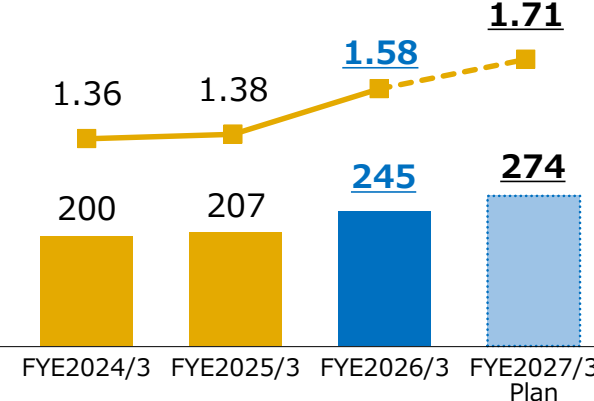
Interest and yield on business loans

(Interest income: in 100 million yen; yield: %)



Interest and yield on consumer loans

(Interest income: in 100 million yen; yield: %)



Increase in Deposits, etc.

- We aim to nurture a base of sticky deposits by enhancing the convenience of digital channels and offering comprehensive banking services.

Average balance of deposits, etc. trends and plan

(Balance: in 100 million yen)

	FYE2024/3	FYE2025/3	FYE2026/3	Year on Year	FY2027/3 (Plan)	Year on Year
Total Deposits, etc.	85,774	85,939	86,057	+118	86,237	+180
Corporations and individuals	80,203	80,742	80,852	+110	81,025	+173
Public funds, etc.	5,571	5,197	5,204	+8	5,212	+8

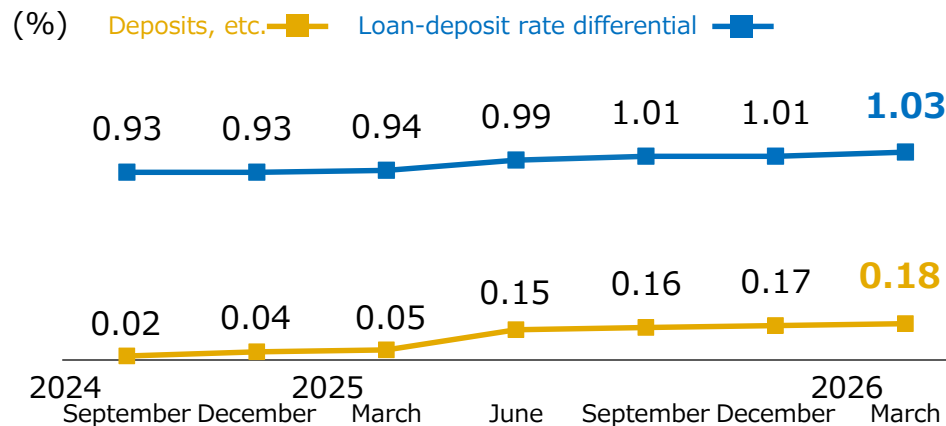
Deposits by corporations

- We will expand our transaction base by acquiring settlement accounts and further enhancing our digital channels
- We will implement advanced consulting sales and strengthen relationships with business owners

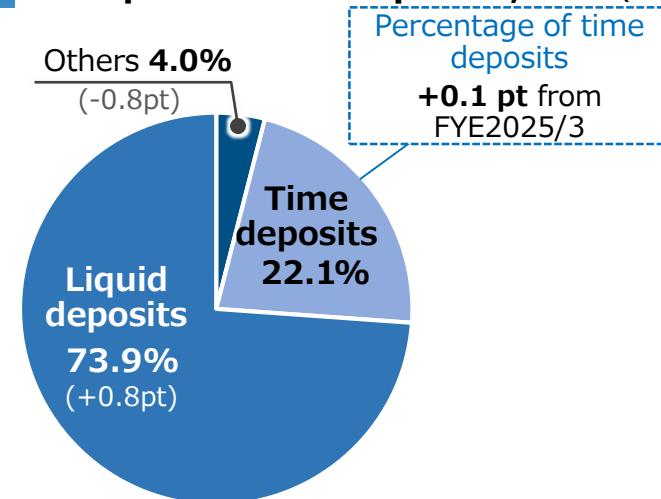
Deposits by individuals

- We will provide comprehensive banking services by improving the convenience of the "Little Bank" app for individual customers and encouraging the opening of primary accounts

Changes in yields on deposits and loan-deposit rate differential



Composition of deposits, etc. (2026/3 End)



Deepen Investment in Securities

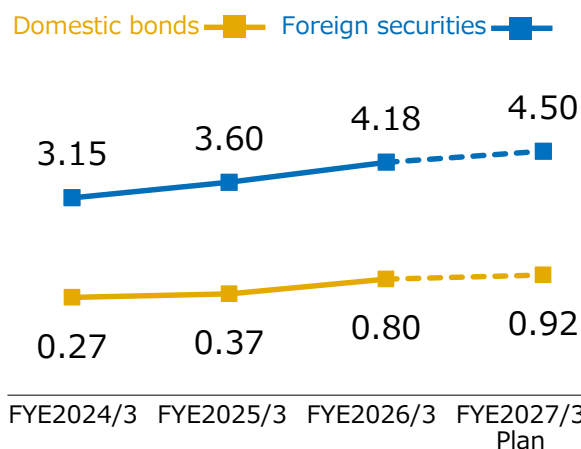
- Gains on the sale of stocks, etc., were used to reduce our holdings of low-yielding domestic and foreign bonds to improve the portfolio. Yield rose to 2.02%, up 0.44% year on year.
- We will build up the securities balance while monitoring future market trends and interest rates carefully.

Balances and yields of securities trends and plan

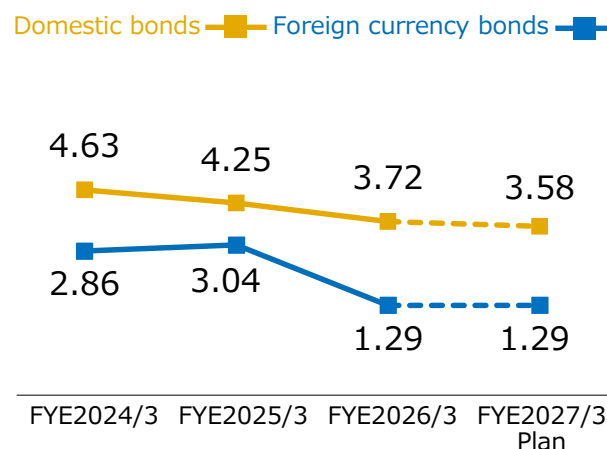
(Balance: in 100 million yen; yield: %)

	FYE2024/3		FYE2025/3		FYE2026/3				FY2027/3 (Plan)	
	Balance	Yield	Balance	Yield	Balance	Year on Year	Yield	Year on Year	Balance	Yield
Domestic bonds	15,551	0.27	14,686	0.37	11,026	-3,660	0.80	+0.43	13,243	0.92
Foreign securities	7,122	3.15	7,556	3.60	6,500	-1,056	4.18	+0.57	6,032	4.50
Stocks	2,046	4.77	1,984	5.17	2,255	+271	5.47	+0.30	2,333	4.70
Other securities	5,821	1.66	4,664	1.59	5,143	+479	1.64	+0.04	3,922	1.62
Total	30,542	1.39	28,892	1.58	24,926	-3,966	2.02	+0.44	25,530	2.23

Yields on securities (%)

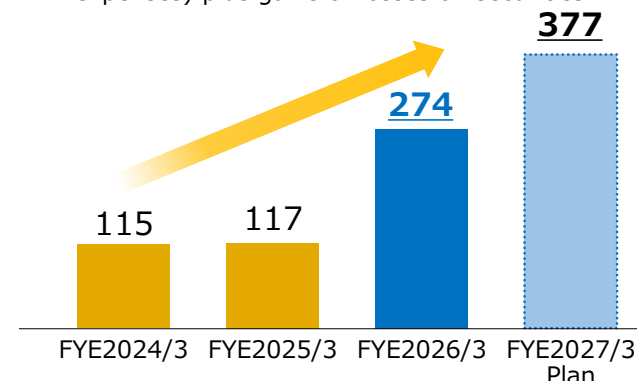


Change in duration (Year)



Investment gains or losses on securities (¥100M)

* Total interest and dividends on securities (net of foreign currency funding costs and other expenses) plus gains or losses on securities.



FYE2024/3 FYE2025/3 FYE2026/3 FYE2027/3 Plan

FYE2024/3 FYE2025/3 FYE2026/3 FYE2027/3 Plan

FYE2024/3 FYE2025/3 FYE2026/3 FYE2027/3 Plan

Strengthening Initiatives for Non-Interest Income (Sales Division)

- We will continue to provide optimal solutions to address the increasingly complex and sophisticated challenges and needs of our regions and customers.

Non-interest income trends and plan

(Income: in 100 million yen)

	FYE2024/3	FYE2025/3	FYE2026/3	Year on Year	FY2027/3 (Plan)	Year on Year
Non-interest income	285	297	317	+19	294	-22
Income from asset management advice	88	87	84	-3	88	+4
Corporate wealth management advisory	22	21	22	+1	25	+2
Personal wealth management advisory	43	44	38	-5	41	+2
Stock-type revenue	21	21	23	+1	22	-0
Income from financial solutions	165	175	175	+0	150	-24
Equity solutions revenue	16	9	20	+11	19	-1
Financial planning revenue	149	166	155	-10	131	-24
Others	31	34	56	+22	55	-1

Income from asset management advice

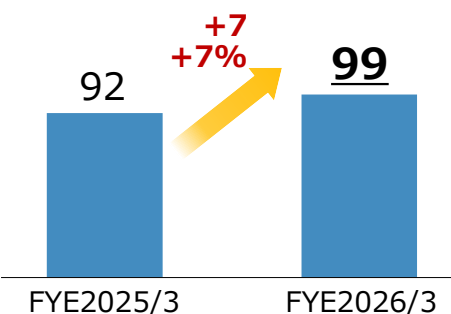
- We are committed to customer-centric business operations and provide consulting services tailored to our clients' needs
- * Profit declined in FYE2026/3, primarily due to a revision of the insurance commission structure

Income from financial solutions

- We provide comprehensive consulting services to corporations and their owners, strengthening relationships with owners
- We will continue to grow our M&A business, which generated record revenue in the FYE2026/3. Due to uncertain market trends, we are conservatively factoring in a decline in foreign exchange derivatives

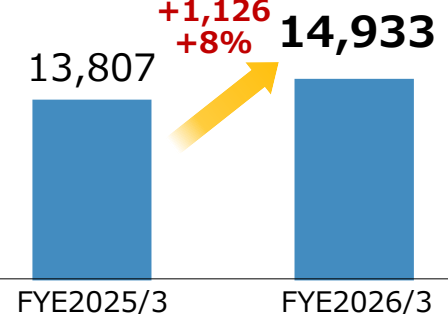
Number of NISA accounts

(1,000 cases)



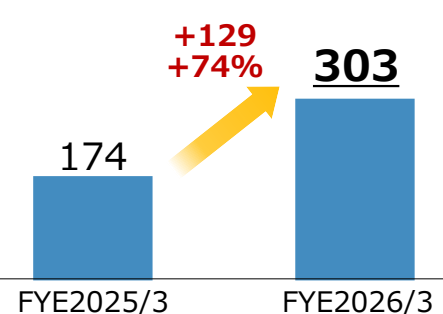
Number of iDeCo accounts

(Cases)



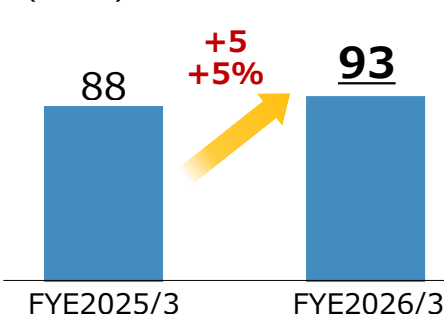
Number of will trusts and estate settlement cases

(Cases)



Number of M&A advisory contracts

(Client)



Initiatives to Improve Productivity [1]

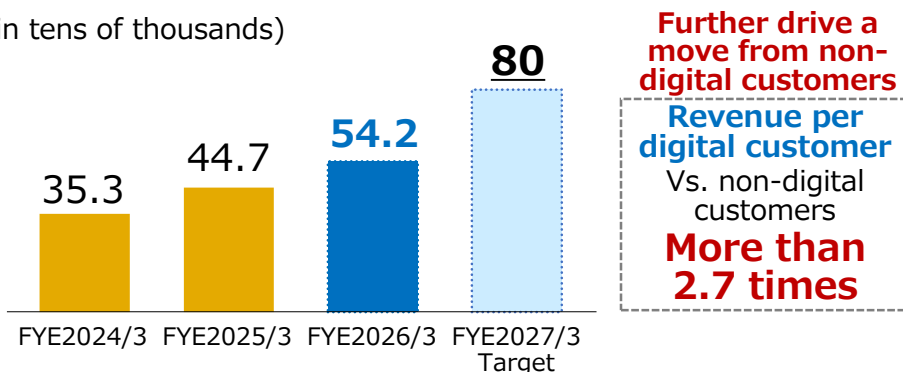
Expansion of “digital customers”

- Strive to improve productivity by increasing the number of digital customers that form the basis for non-face-to-face transactions

Number of digital customers*

* Total of Daishi Hokuetsu ID holders (e.g., Little Bank and My Page users) and individual e-net banking users

(in tens of thousands)



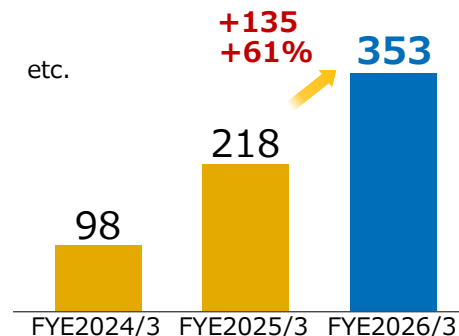
Smartphone application “Daishi Hokuetsu Little Bank”

— Newly added features (March 2026)

Opening time deposit accounts, making deposits, and canceling time deposits
Re-selecting the fixed rate for mortgage loans
Partial prepayment of a loan etc.



[Number of users]
(In 1,000 users)



Strategic utilization of AI

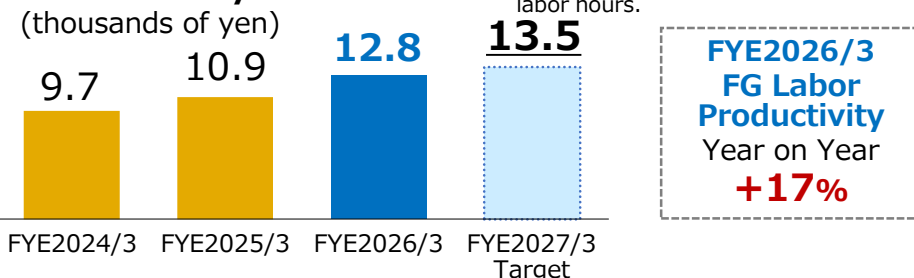
- We accelerate the implementation of AI in businesses to ensure a competitive advantage

- Establishment of “AI Promotion Planning Office” (at Daishi Hokuetsu Bank) (February 2026)

- Formulation of AI Policy and Management Rules for AI (in collaboration with Gunma Bank) (April 2026)

<Reference> FG Labor Productivity*

* Calculated by dividing core gross profit (excluding the market division) by total labor hours.

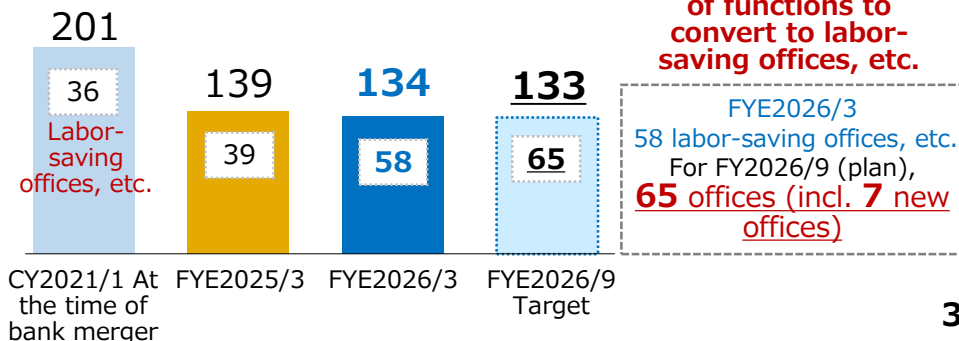


Optimization of office network

- Optimize office network through office integration and review of office functions

<Bank Division> Number of bases

(Number of bases)



Initiatives to Improve Productivity [2]

Support for DX of business clients

- We provide group-wide support for DX initiatives that improve business clients' productivity

Daishi Hokuetsu DX Consulting Service

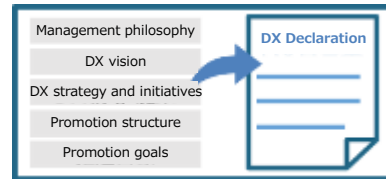
- **"Support Service for DX Declaration Formulation"** (Launched in April 2024)

Number of contracts

130
transactions


(As of the end of March 2026)

- Creation of DX Declaration & Plan
- Creation of DX Declaration movie etc.



- **Launched a pilot program for "BPO* service" focusing on payroll processing** (April 2026)

- We handle clients' back-office operations to help drive operational efficiency and digital transformation

Service Name	Daishi Hokuetsu BPO Service "Kyuyo Marugoto Outsource"
Contractor	 第四北越銀行
Scope of services	<p>[1] Payroll processing (Salary and bonus calculations, payments, social insurance premium calculations, and payslip preparation)</p> <p>[2] Year-end tax adjustment (Confirmation and calculation of year-end tax adjustments)</p> <p>[3] Personnel and labor affairs (Hiring and termination procedures, changes in personal status, etc.)</p>

* Business Process Outsourcing (BPO) is the outsourcing of part of a company's business processes to an external service provider

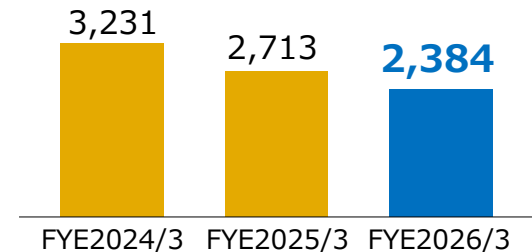
Promotion of cashless payments in regional economy

- In cooperation with local communities, we promote cashless payments aiming to improve convenience

- **"Project to Promote Simultaneous Cashless Payment in Niigata Prefecture"** (Launched in October 2024)

- Established in cooperation with the Niigata Tax Office, the Niigata Prefectural Federation of Tax Payment and Savings Associations, etc. (Secretariat: Daishi Hokuetsu Bank, etc.)
- Promoting cashless payments within the prefecture

Number of tax payment slips accepted (Daishi Hokuetsu Bank)
(1000 receipts)



- **"TSUBASA Daishi Hokuetsu Cashless Franchise Service"**

Number of franchisees acquired

2,565
franchisees

(As of the end of March 2026)

- **"Daishi Hokuetsu JCB Debit"**

Number of cardholders

74,561
cardholders

(As of the end of March 2026)



▲ TSUBASA Daishi Hokuetsu Cashless Service



▲ Daishi Hokuetsu JCB Debit (debit card)

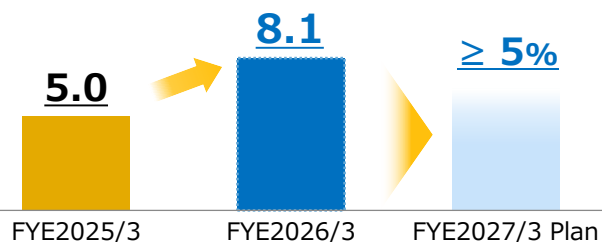
Initiatives for Enhancement of Human Capital Value [1]

Enhancement of human capital value for sustainable value creation

- We plan to continue increasing investment that helps to enhance human capital value (human capital investment) by 5% or more per year as before.

Investment for the enhancement of human capital value

Rate of year-on-year increase in human capital investment (%)

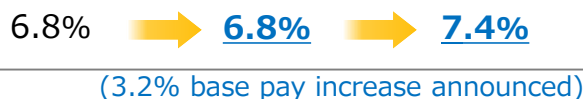


Training cost per person*

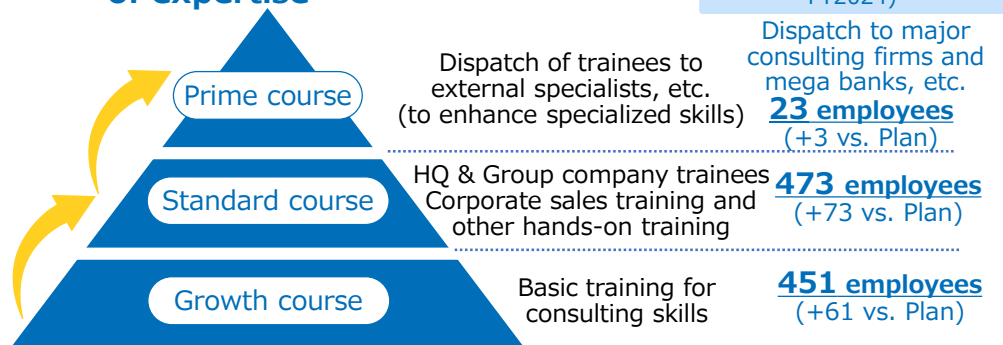


* These do not include costs related to training facilities or personnel expenses incurred during training.

Real wage raise rate



Program for development of human resources with high level of expertise



Number of FG specialists (as of the end of March 2026)

Certification	Number of holders	Number of new holders in FY2025
FP Grade 1	207	14
Small and Medium Enterprises Management Consultant	52	3
TOEIC score of 800 or higher	28	3
Securities Analyst	49	3
Information Security Management	170	14
IT Coordinator	43	12
IT Passport	1,391	121
Generative AI Passport	784	783
G-Certificate	46	39
Basic-Level Advisor for Decarbonization	1,763	335
Advanced-Level Advisor for Decarbonization	192	192

Launch of the "FG Job Trial Program" (March 2026)

- A program that enables employees to experience the operations of headquarters and other Group companies while staying in their current department or branch. This program aims to revitalize the organization by supporting employee growth and increasing motivation

Initiatives for Enhancement of Human Capital Value [2]

Deepening "DE&I"* initiatives

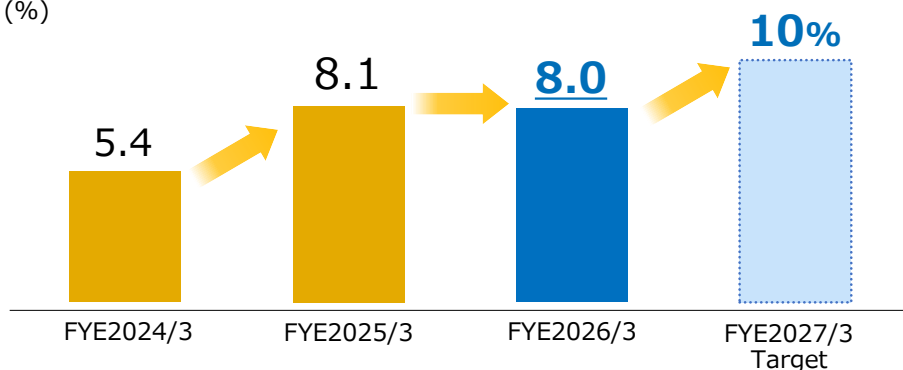
* Diversity, Equity & Inclusion

- We will deepen DE&I initiatives and develop an environment where diverse human resources can play an active role.

Daishi Hokuetsu FG

Ratio of women in positions equivalent to General Manager (Executive Officers, General Managers, Major Branch Managers, etc.)

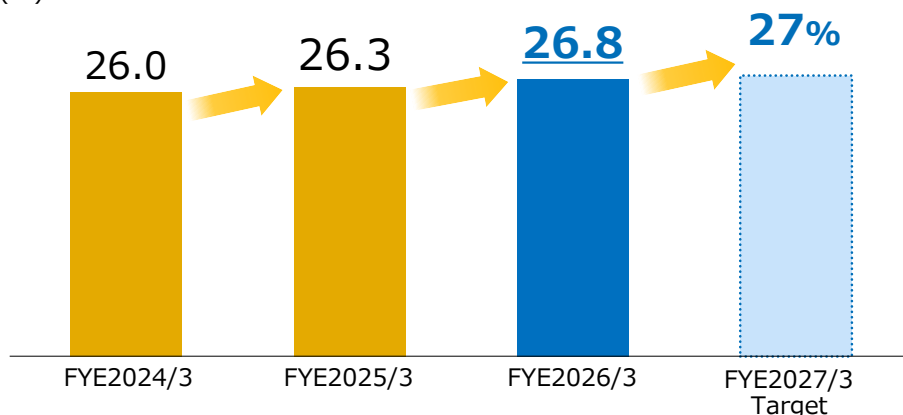
(%)



Daishi Hokuetsu Bank

Ratio of women in management positions (Assistant General Manager level and above)

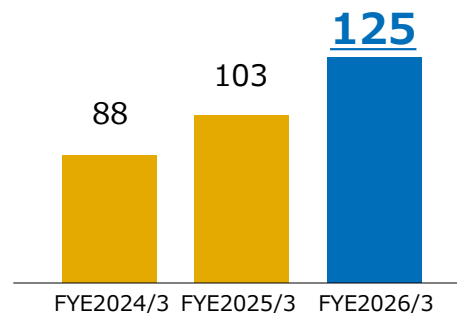
(%)



Daishi Hokuetsu Bank

Number of participants in the Female Director Development Program and the Women's Empowerment Program (Cumulative total from FY2021)

(People)

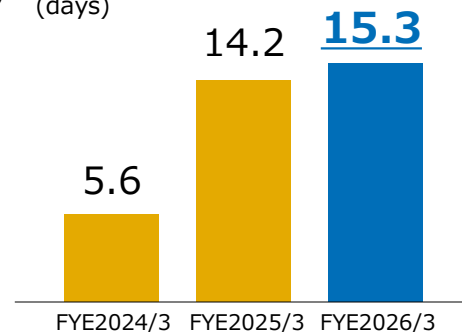


The percentage of male employees taking childcare leave has been at **100% or higher** (a rate over 100% can occur when some employees take multiple periods of leave within a year)

Daishi Hokuetsu Bank

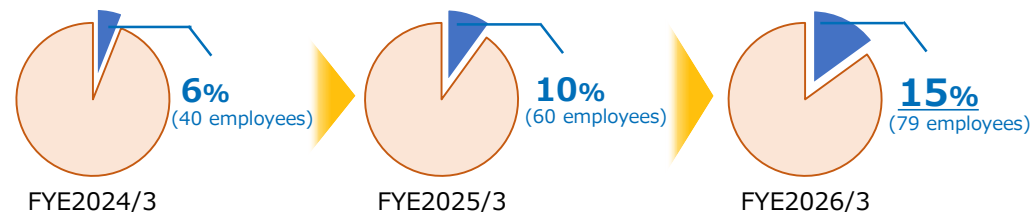
Average number of days of childcare leave taken by male employees

(days)



<Increase the proportion of female corporate sales representatives>

Daishi Hokuetsu Bank



Daishi Hokuetsu Bank

Promotion of active participation by diverse talent

Mid-career hiring ratio: **15.5%** (FYE2026/3)

Number of users of the "Side Job and Concurrent Employment System" (cumulative total from March 2023): **Over 60 employees**

Initiatives for Enhancement of Human Capital Value [3]

Development of a work environment that realizes well-being

- We endeavor to realize well-being by actively hosting dialogue between the management and FG employees, and through other measures.

Conducted dialogue and exchange between management and staff

Attended by
approx. 26,000
people in
approx. 1,060
venues.

(Cumulative total from FY2021)

Regular meetings with employees of FG Group companies on various topics



▲ "Isshi Koryukai Next"

Dialogue and exchange meetings with officers

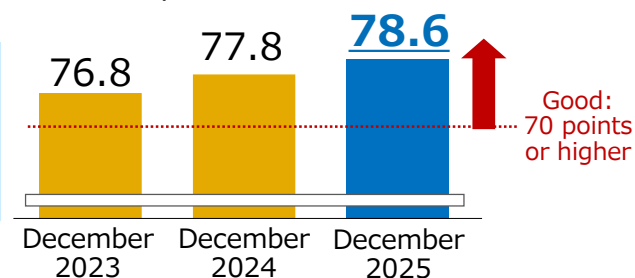
FG President's briefing for managers
"Isshi Koryukai"

39 times
Attended by
approx. 1,900 people
(Cumulative total from FY2021)

FG President's briefing for young employees
"Isshi Koryukai Next"

5 times
Attended by
approx. 210 employees
in total
(Cumulative total from FY2022)

FG employee overall engagement score (points)



The Bank received for nine consecutive years



"White 500" certification for the Excellent Corporations for Health Management 2026

Major certification systems under which the Group receives certification



Platinum Kurumin Plus certification



Platinum Eruboshi certification



Sports Yell Company 2026



"Ni-ful" Gold certification*

The Bank received the highest "Governor's Award"

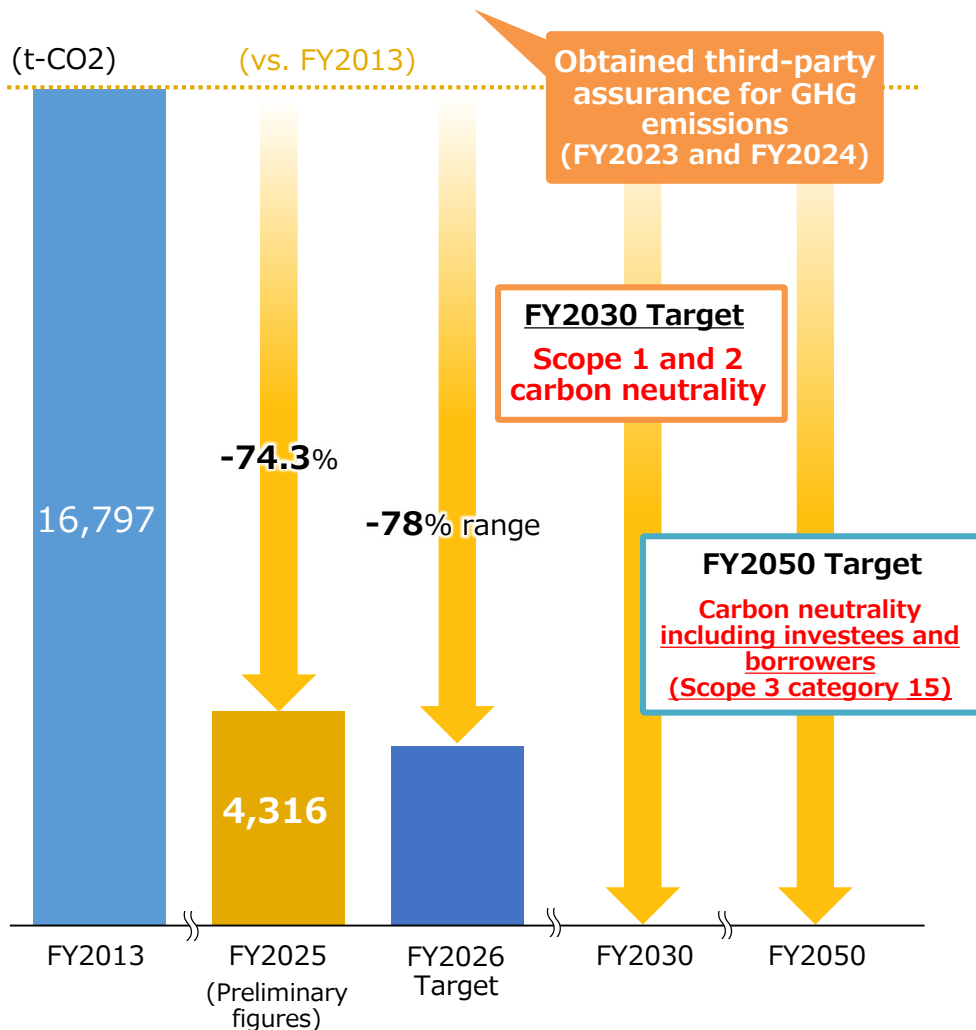
* Niigata Prefecture certification system for companies that practice diverse and flexible workstyles and women's empowerment

Sustainability Initiatives [1]

Reduction of CO₂ emissions

- Contribute to sustainable regional growth by working toward decarbonization on a continuing basis

CO₂ emission reduction target and results



Rated on the "A List," the highest ranking, in the CDP* climate change survey

- Daishi Hokuetsu FG was recognized for its efforts to address climate change and the transparency of its information disclosure, earning the highest rating, "A List" certification



* An international environmental nonprofit organization that operates the world's only independent environmental disclosure system. CDP comprehensively evaluates companies' climate change targets, greenhouse gas reduction efforts and others on an eight-point scale, from A to D-.



Launch of environmental value-related products and services (March 2026)

- Create a supply system enabling local companies to purchase carbon credits
- Support rice farmers in generating carbon credits
 - Aiming to facilitate the local circulation of regionally generated carbon credits

Introduction of carbon-offset city gas (Head Office Building)

- The seventh office to adopt carbon-offset city gas

Daishi Hokuetsu Bank and Daishi Hokuetsu Securities Joint Office

New acquisition of "ZEB*" certification

- The fifth office to acquire ZEB certification

* Abbreviation for Net Zero Energy Building. A building designed to achieve zero energy consumption through the use of energy-efficient systems and renewable energy sources, while ensuring a comfortable indoor environment.



▲ Niitsu Branch, a newly constructed office that actively incorporates locally sourced Niigata lumber

Sustainability Initiatives [2]

Initiatives to promote sustainability and SDGs

- Support sustainability management of customers who work to address SDGs and ESG Issues

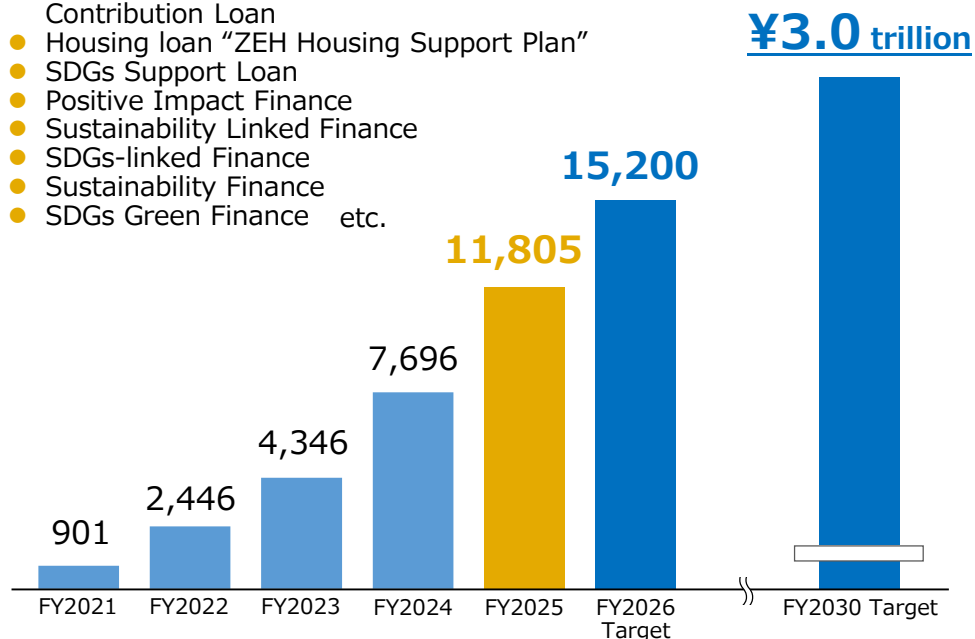
Cumulative total of executed amounts for Sustainable Finance

(¥100M)

Strengthen promotion by utilizing diverse product lineup



- Biz-Ecology, Regional Decarbonization Contribution Loan
- Housing loan "ZEH Housing Support Plan"
- SDGs Support Loan
- Positive Impact Finance
- Sustainability Linked Finance
- SDGs-linked Finance
- Sustainability Finance
- SDGs Green Finance etc.



Implementation of "GX all-office campaign" (July 2024-)



Number of cases for the introduction of GHG emission calculation tools: **2,757 cases** (Cumulative total from FY2022) (Business matching)

Efforts for Sustainable Finance with the third party evaluation

- Third-party certification provided by an external specialized organization
- Objectively verifies that a business client's initiatives contribute to sustainability, thereby enhancing credibility and financing capabilities

Results in FY2025
142 transactions
¥97.3B

(+17 transactions, +¥24.3 billion yoy)

第四北越リサーチ&コンサルティング

Launch of Sustainability Management Policy Development Service (April 2026)

- In addition to environmental assessments, we help formulate sustainability management policies by conducting value chain analyses, identifying key material issues, and establishing KPIs tailored to those materiality issues
- We also help develop value creation processes tailored to a company's specific characteristics. We assist in formulating a sustainability vision

Sustainability Initiatives [3]

Communication with regional communities

■ Joint donation by Daishi Hokuetsu FG and Gunma Bank to Niigata and Gunma prefectures (July 2025)

- Donated jointly with Gunma Bank, with which we concluded the Memorandum of Understanding regarding Business Integration (in April 2025), a total of 30 million yen (15 million yen from each company) to Niigata Prefecture and another 30 million yen (15 million yen from each company) to Gunma Prefecture



Daishi Hokuetsu FG President Ueguri
Niigata Prefecture Governor Hanazumi
Gunma Bank Deputy President Irisawa



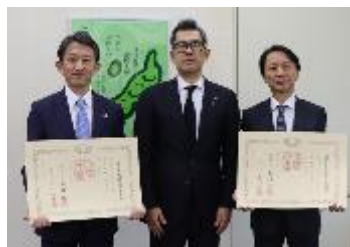
Gunma Bank President Fukai
Gunma Prefecture Governor Yamamoto
Daishi Hokuetsu FG Senior Managing Director Takahashi

■ Awarded the Medal with Dark Blue Ribbon (December 2025)

(Jointly with Meiji Yasuda Asset Management Company Ltd.)



- We received a certificate of commendation from the Cabinet Office for our donation to Niigata Prefecture in August 2024
- We donate a portion of the management fees from our proprietary donation-based mutual fund



▲ Presentation ceremony

■ Granting scholarships through the “Daishi Hokuetsu Scholarship Society”



(from 1962)

Number of scholarship recipients (cumulative total)

(Period: FYE1963/3 – FYE2026/3)

1,336 people

■ “Daishi Hokuetsu Academy” financial education activities



(from 2013)

Number of participating children (cumulative total)

(Period: FYE2014/3 – FYE2026/3)

17,724 people



■ Volunteer activities of “Daishi Hokuetsu Magokoro no Kai” (from 1993)



(Fundraising organization with voluntary participation by officers and employees)

- Participated in volunteer activities for nature conservation in Niigata Prefecture, and continuing donations to local government and environmental protection and social welfare organizations



▲ Donation of banners with traffic safety slogans (April 2026)



▲ Volunteer for Sado crested ibis conservation (September 2025)

TSUBASA Alliance

Common Theme Across Strategies: Deepening the TSUBASA Alliance

TSUBASA Alliance



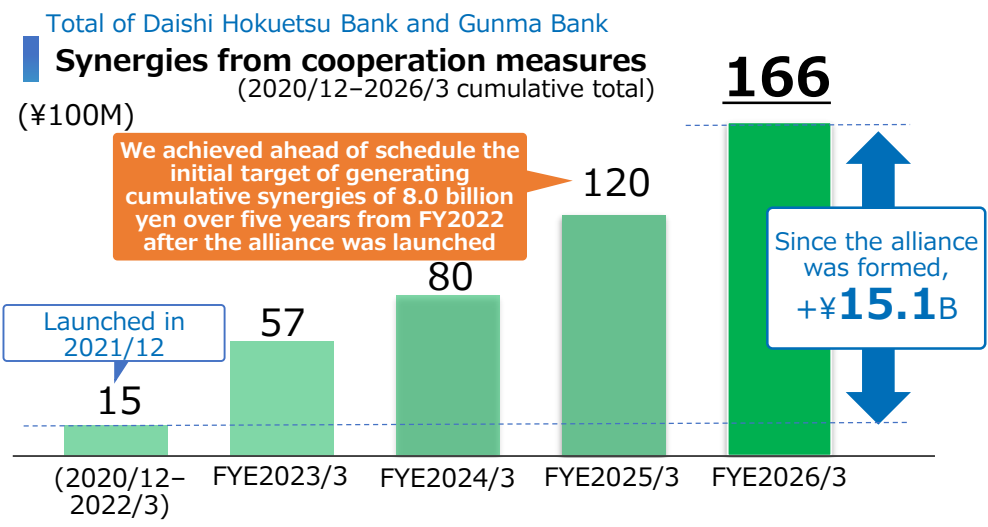
Participating financial institutions **10 banks** (As of 2026/3 end)

Synergies from cooperation measures **¥20.3B** (2015/10-2026/3 cumulative total)

Daishi Hokuetsu Bank on a non-consolidated basis

- Establishment of the "TSUBASA Joint Operations Center Co., Ltd."** (Scheduled for July 2026)
- A new company will be established to consolidate back-office operations
 - The new company will develop a system to consolidate inheritance procedures
 - Operations are scheduled to begin in April 2027, and the inheritance system is expected to go live during the first half of FY2027

Gunma-Daishi Hokuetsu Alliance



- Our Maebashi-Higashi Office will be relocated within Gunma Bank Maebashi-Higashi Office**
- The third joint office, following the Takasaki and Ikebukuro offices (Around spring 2027)
 - Bringing and sharing strengths such as expertise, information, and networks
-
- ▲ Rendering of the new Maebashi East Office

Progress regarding Business Integration with Gunma Bank

Overview and Philosophy of the New Financial Group

Overview of Business Integration

Trade Name **Gunma Niigata Financial Group, Inc. (GNFG)**

Representative directors (planned) **Chairman and Representative Director Michiro Ueguri**
(Currently President and Representative Director of Daishi Hokuetsu Financial Group)

President and Representative Director (Group CEO) Akihiko Fukai
(Currently President and Representative Director of Gunma Bank)

Head Office location **Tekko Building, 1-8-2 Marunouchi, Chiyoda-ku, Tokyo**

[Corporate Mark]



The logo features a crane, symbolizing the shape of Gunma, and a crested ibis soaring through the skies of Niigata, meeting in the open sky and setting off on a new journey together.

This design reflects our commitment to crossing regional boundaries, connecting communities to the future, and delivering value beyond finance.

GNFG



* These values emerged from extensive discussions between the two companies and insights gathered from more than 3,400 employee surveys—each reflecting their views on the goals and values the new financial group should pursue.

Philosophy of the New Financial Group

MISSION: Our Purpose
With two wings, we shape the future of our region

VISION: Our Aspiration

We build on trust to become a regional solutions group—transcending traditional finance and creating connections that deliver value

VALUES (Our Values)

Mutual Benefit for All

We act to enhance the well-being and prosperity for all our customers and communities, our Company, our colleagues and business partners, and our shareholders

Integrity

We work with integrity as professionals, steadily building unwavering trust

Challenge

We continue to take on challenges without fear of failure, bringing fresh ideas and energy to our communities' future

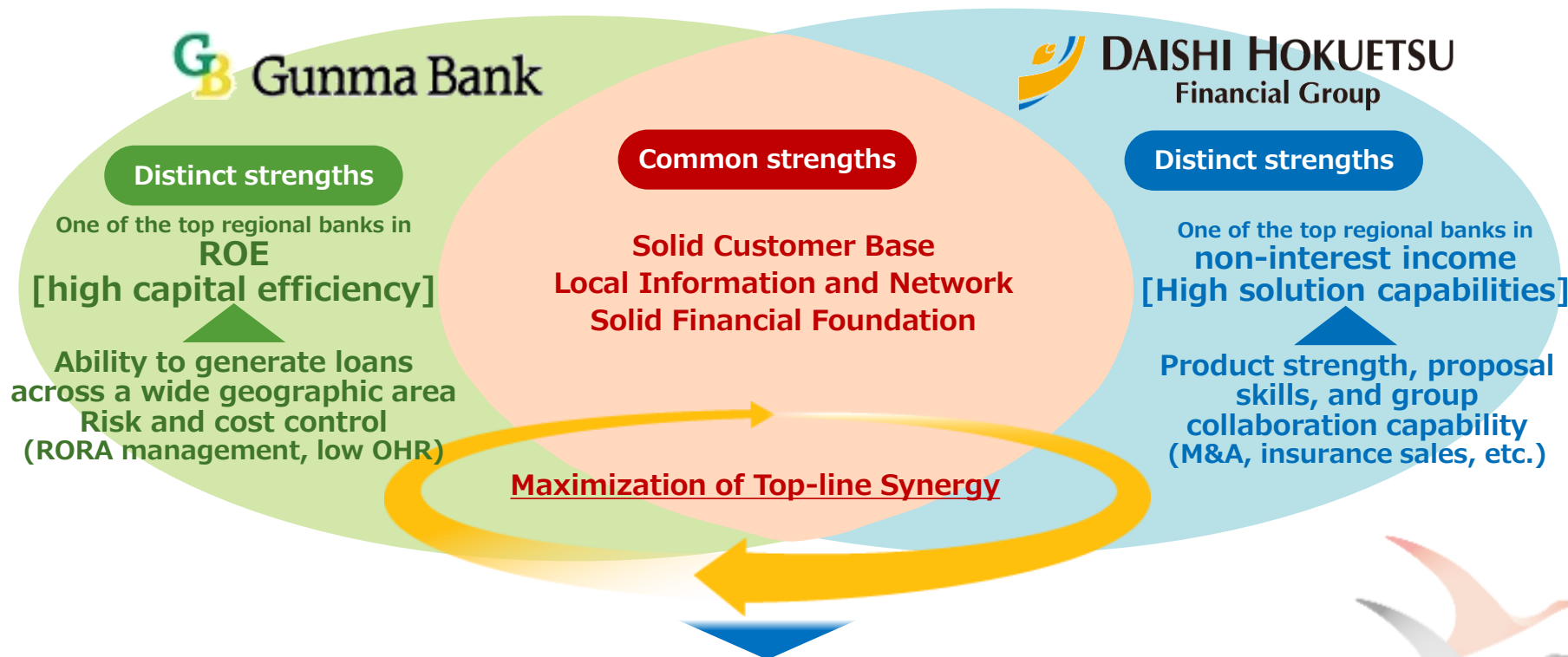
Co-creation

We connect people, products, and services across regions, creating new value through the power of solutions

Objectives of Business Integration

Maximization of top-line synergy

By building on our shared strengths and complementing each other's unique strengths, we aim to achieve top-line synergy and enhance management capabilities, **thereby elevating ourselves to a financial group that ranks among the top regional banks in both scale and quality**



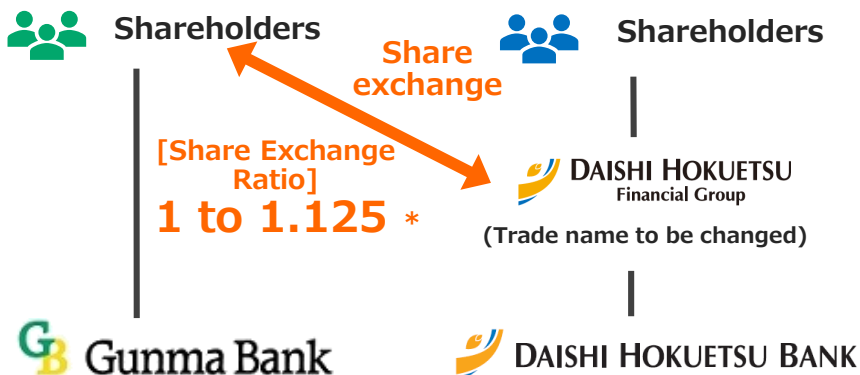
Our ultimate goal is to improve the well-being and prosperity of all our stakeholders, including customers and local communities, employees and business partners, as well as shareholders



Overview of Business Integration

Share exchange

Before the Business Integration

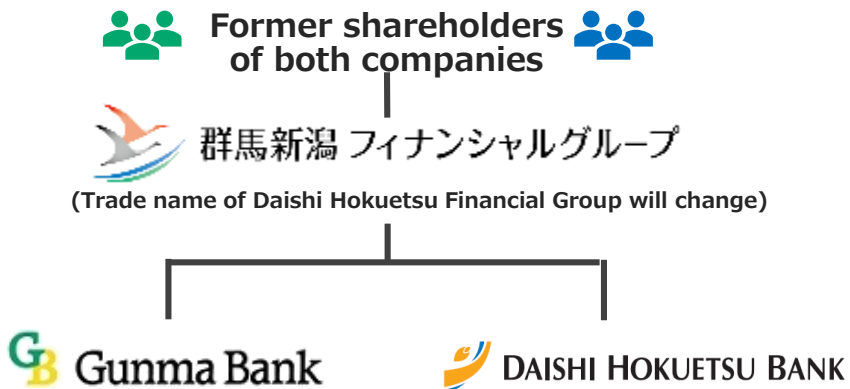


*For each share of Gunma Bank common stock, 1.125 shares of Daishi Hokuetsu Financial Group common stock will be allocated and delivered.

[Schedule of Share Exchange]

March 26, 2026	Board resolutions of both companies Signing of Share Exchange Agreement and Business Integration Agreement
September 30, 2026 (tentative)	Record date for extraordinary general meeting of shareholders of both companies
December 23, 2026 (tentative)	Extraordinary general meeting of shareholders of both companies
March 29, 2027 (tentative)	Last trading date of Gunma Bank's shares
March 30, 2027 (tentative)	Delisting date of Gunma Bank
April 1, 2027 (tentative)	Effective date of share exchange

After the Business Integration



- A merger of Gunma Bank and Daishi Hokuetsu Bank is not planned.
- Both banks will continue to operate as subsidiaries of the integrated holding company. Also, we have no plans to consolidate or close any branches due to the business integration.
- Neither bank's trade name, corporate mark, nor head office location will change.
- After the business integration, we will optimize the group structure and strive for more sophisticated management.

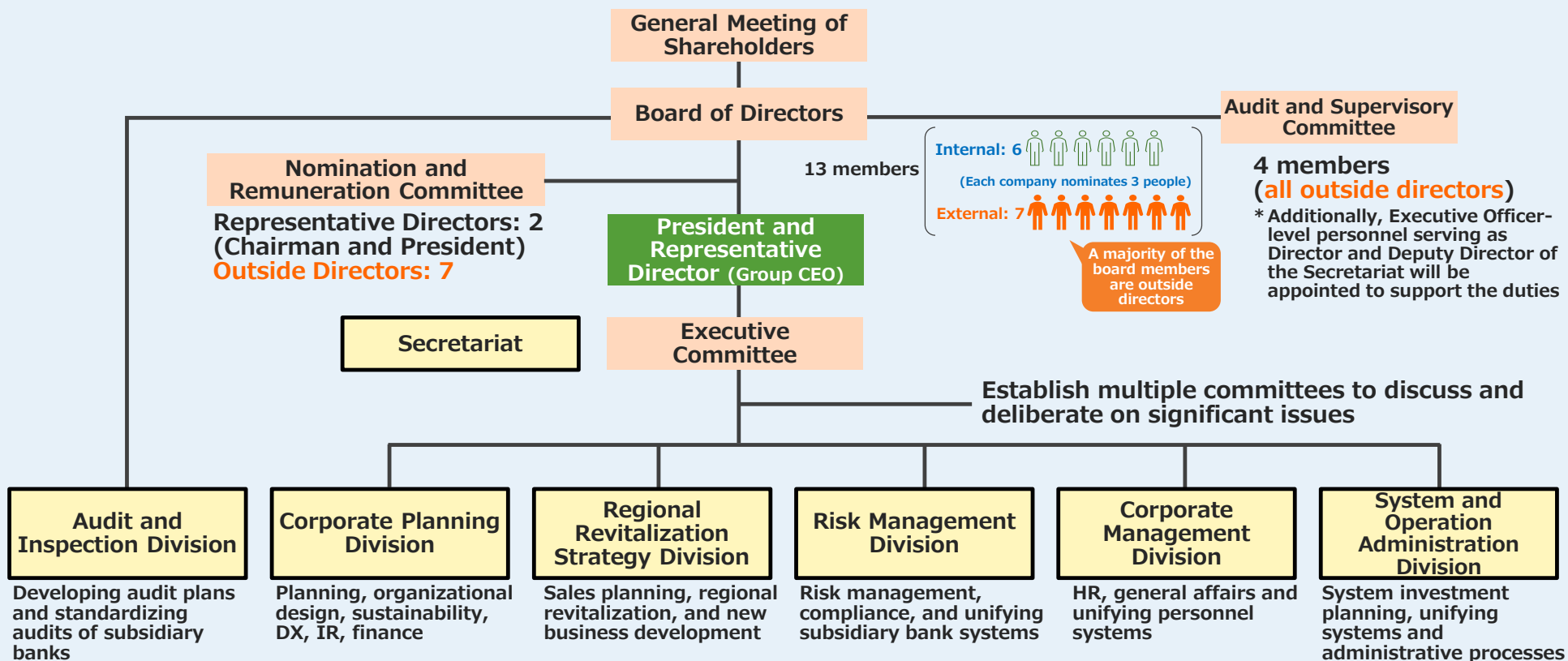
Governance and Organizational Structure of the New Financial Group

Governance and Organizational Structure

Based on the fundamental principles of mutual trust and equal integration, we will strive to optimize our governance and organizational structure, thereby enhancing corporate value.

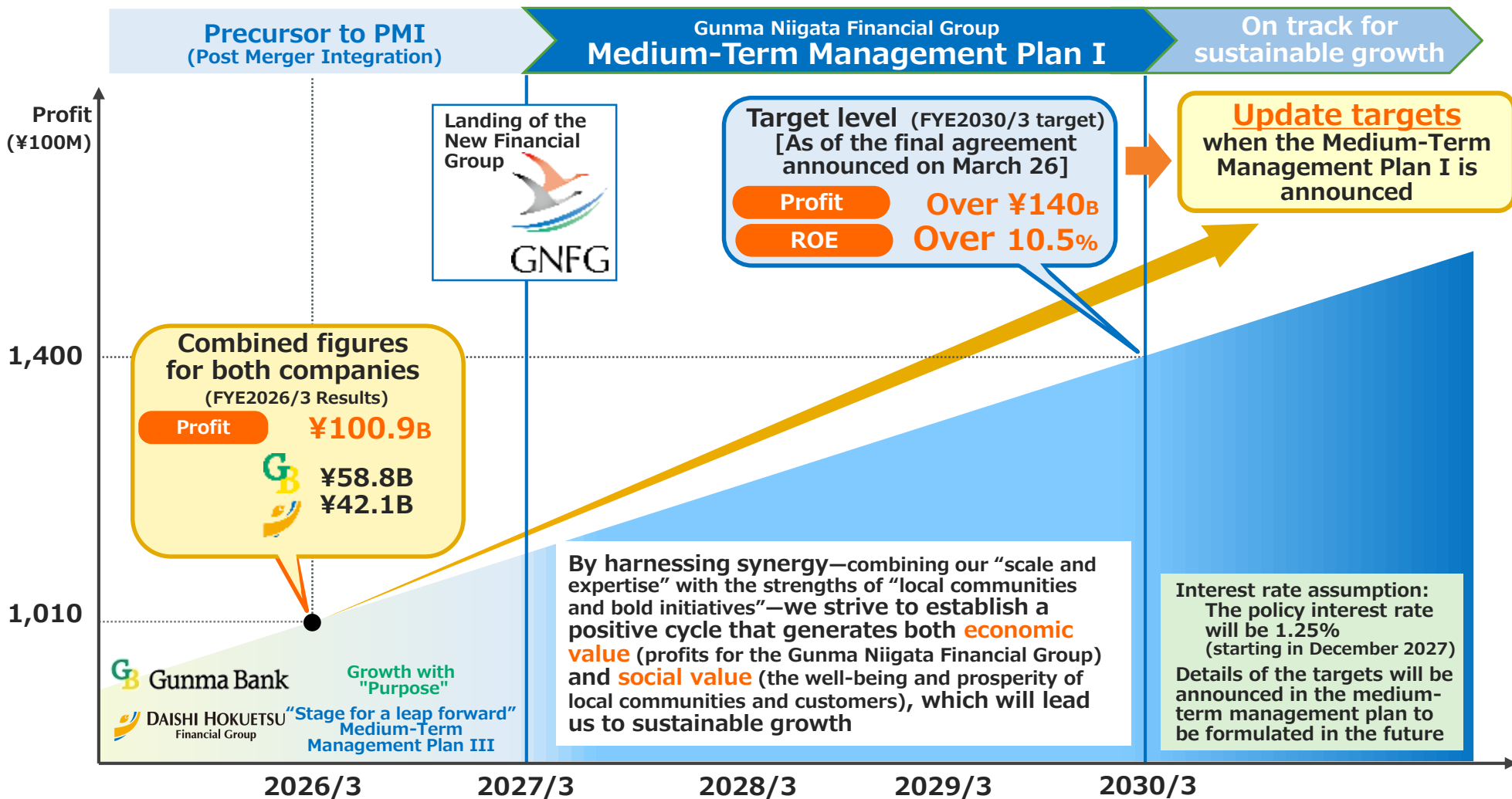
Structure Chart of the Integrated Holding Company

We will deploy a staff of approximately 100 people, primarily dedicated to the operations of the integrated holding company, and lead the entire group by enhancing management functions, including formulating group management policies and plans and overseeing risk management



Financial Projections of the New Financial Group

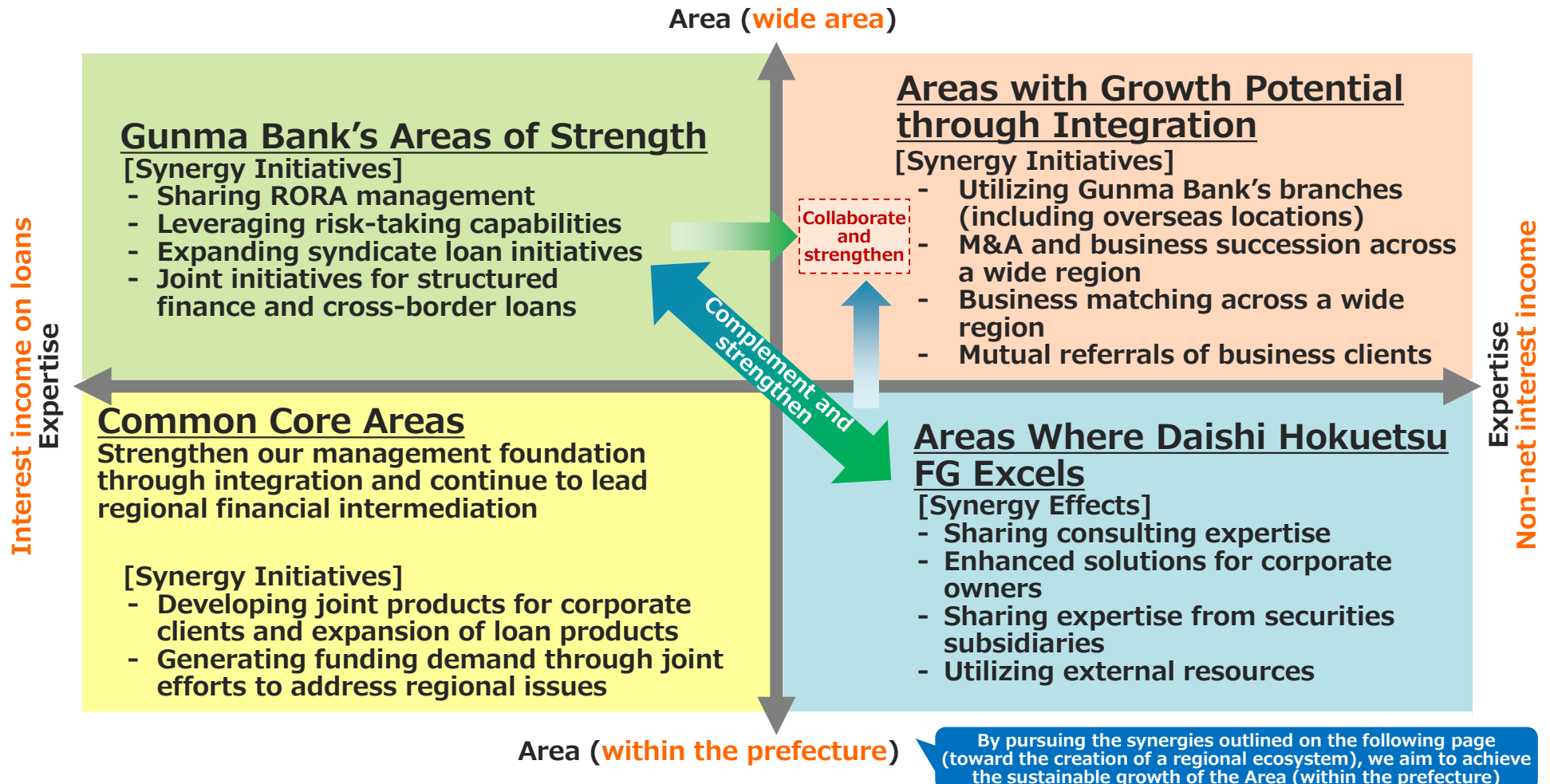
To achieve one of the key objectives of this business integration—maximizing top-line synergy—we aim to achieve **a profit exceeding ¥140 billion and an ROE of over 10.5%** for the fiscal year ending March 2030, three years after the integration.



(Reference) Synergy I (Scale × Expertise)

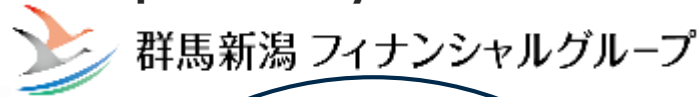
Scale × Expertise = Synergy

Our goal is to **expand our scale** through business integration (including alignment of our service areas, total assets, risk-taking capabilities, and human capital) and combine our respective strengths (**expertise**) to boost both net interest income and non-net interest income (leveraging **top-line synergy**).



(Reference) Synergy II (Local Communities × Bold Initiatives)

Building a regional ecosystem: The new financial group will act as a hub, collaborating with external partners to create a positive cycle that benefits the region.



[1] Ecosystem to enhance the sustainability of local industries

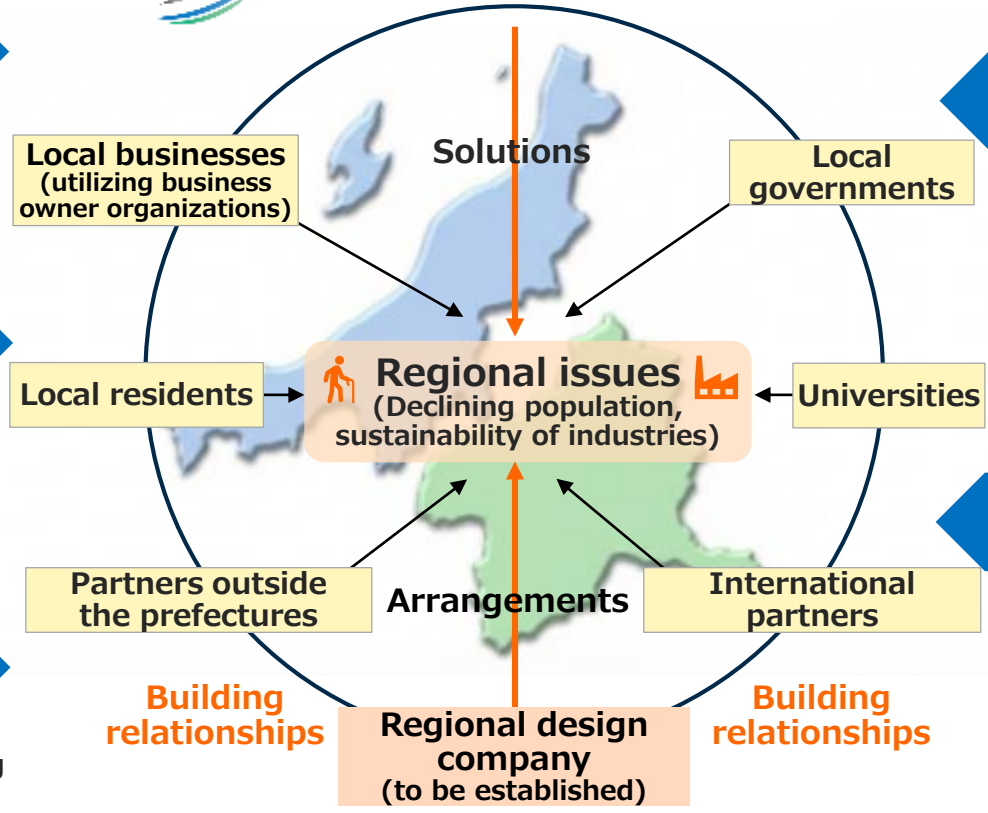
- Business succession, recruiting agency, and industry restructuring
- Establishment and utilization of regional funds
- Open innovation

[2] Ecosystems that boost regional productivity

- Development of BPO services
- Digital transformation support and AI implementation
- Shared administrative services for regional financial institutions

[3] Ecosystems that enrich local life

- Promotion of cashless payments
- Use of settlement data, circulating local information
- Promotion of regional products (acting as a regional trading company)



[4] Ecosystems for sustainable regional infrastructure

- Wide-area and cross-sectoral collaboration with local governments
- Promotion of renewable energy
- Restructuring of regional healthcare systems
- Enhancement of tourism infrastructure (transportation, human resources, revitalization, etc.)

[5] Ecosystem that brings global resources to the local community

- Leveraging international talent and expertise → matching with local projects
- Investments and financing in overseas markets, and attracting foreign investment
- Support for overseas expansion and development of new business channels
- Approaching and attracting foreign companies

Key mechanism for accelerating ecosystem development

[Vision]
We will collaborate with external partners **from the early stages** to address regional challenges. We enhance regional sustainability while creating new needs and revenue opportunities.

(Reference) Initiatives Since the Basic Agreement (April 24, 2025)

- Discussions have been conducted at various levels within both companies to finalize an agreement and achieve integration synergy (the number of meetings mentioned below reflects data as of the end of April).

Integration Preparation Committee

Top executives from both companies have engaged in discussions on critical issues. A total of **eight meetings** held so far.

Specialized Subcommittees

Ten subcommittees were formed, including Corporate Planning, Sales, Systems and Administration, and Risk Management. These subcommittees are tasked with conducting studies on fit-and-gap analysis, standardizing operations, and realizing synergy. In total, there have been **101 meetings** held to date.



- As a precursor to PMI aimed at realizing synergies early on, the period from October 2025 to March 2026 was designated as **“Pre-Action 180”**. During this period, the two companies examined initiatives to promote **“integration of awareness”** among their officers and employees and **“integration of operations”** aimed at enhancing business operations.

Integration of awareness

Joint training sessions and events were organized, along with an employee survey that attracted over 3,400 respondents regarding the integration



Joint training programs by management level and business area
(Branch manager training, women’s leadership training, overseas training, etc.)



Regular distribution of joint news releases



Joint viewing of local sports events (over 1,200 participants)



Co-organization of the “Gunma-Niigata Marche”



Integration of operations

Considerations have commenced on standardizing shared functions such as risk management, revenue management, and auditing, while also initiating collaborative research in the realm of generative AI

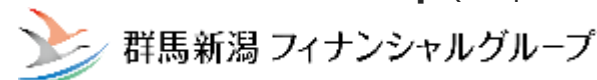
Following a final agreement (from April 2026), we will accelerate the planning of joint initiatives, beginning with the sales field, to ensure that we realize **top-line synergy** immediately after the integration.

(Reference) Overview of Both Companies



- The group is on the path to becoming one of the foremost regional banks

	 Gunma Bank	 DAISHI HOKUETSU Financial Group
Head Office location	Maebashi, Gunma	Niigata, Niigata
Establishment	Established in September 1932	Founded in November 1873
Total assets (consolidated)	10,855.9 billion yen	10,840.2 billion yen
Deposits	8,789.1 billion yen	8,732.5 billion yen
Loans	7,226.1 billion yen	5,915.0 billion yen
Assets under custody (consolidated)	1,487.0 billion yen	1,874.9 billion yen
Profit (consolidated)	58.8 billion yen	42.1 billion yen
Market Capitalization	780.6 billion yen	490.5 billion yen
Employees (consolidated)	2,899 people	3,456 people
Locations (banks)	Japan: 103 Overseas: 4	Japan: 134 Overseas: 1
Group Companies	<Financial Area> Bank, securities, lease, credit card, credit guarantee, fund management <Non-Financial Area> Consulting/regional trading, system development, transportation & maintenance	<Financial Area> Bank, securities, lease, credit card, credit guarantee, fund management <Non-Financial Area> Consulting/research, system development, recruiting agency, regional trading

New Financial Group (simple sum)



Total assets (consolidated)	21,696.2 billion yen
Deposits	17,521.6 billion yen
Loans	13,141.1 billion yen
Assets under custody (consolidated)	3,361.9 billion yen
Profit (consolidated)	100.9 billion yen
Market Capitalization	1,271.1 billion yen
Employees (consolidated)	6,355 people
Locations (banks)	Japan: 237 Overseas: 5
Group Companies (Business Areas)	11 businesses

 Gunma Bank	Share of deposits	38%
	Market Share within Gunma Prefecture	Share of loans
 DAISHI HOKUETSU BANK	Share of deposits	43%
	Market Share within Niigata Prefecture	Share of loans

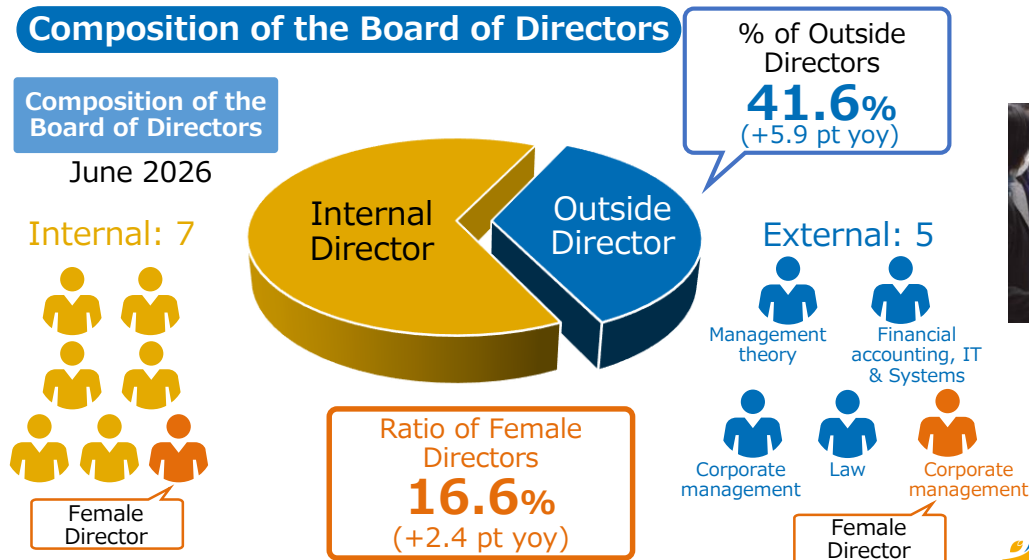
* As of the end of March 2026

* Prefectural share: (Source) Financial Journal "Financial Map 2026" (as of the end of March 2025) 58

Appendix

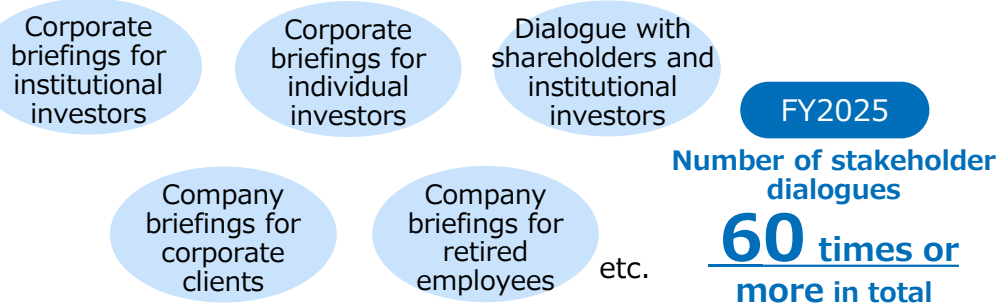
Governance Structure Supporting Sustainable Growth

Governance System of the Board of Directors



* Assuming election at the Company's 8th Annual General Meeting of Shareholders to be held on June 24, 2026

Stakeholder dialogue to increase corporate value



Ensuring diversity, Diversity Initiatives



DAISHI HOKUETSU Financial Group **Two female directors** (one internal and one outside)

DAISHI HOKUETSU BANK **One female director and one executive officer** (Scheduled for June 2026)

Women in management and executive positions

(As of the end of March 2026)

FG	Female Director: 1 (internal Director)
Bank Division	Female Director: 1 (concurrently served by the above FG officer) Female Executive Officer: 1 Female General Manager: 3 Female Branch Manager: 27
Group Company Division	Female President and Representative Director: 1 第四北越キャリアブリッジ Female Director: 1 DAISHI HOKUETSU SECURITIES

Training Program for Enhancement of Human Capital Value (Daishi Hokuetsu Bank)

In-house training, Trainee Program/Project, External dispatch					
Target tier	Entry-level banker (Beginner)	Middle-level banker (Mid-level)	Executive banker (Executive)	Executive banker (Manager) (Professional, etc.)	Senior level
Human skills	Motivation Membership	Orientation for new bankers Junior employees	New/Mid-career		
	Management			New assistant general manager Development of executive candidates Development of women executive candidates Branch manager/Management Keio Business School, etc.	
	Career design		Mid-career design	Middle career	Career design
	Diversity	DE&I, unconscious bias			
	Communication and problem-solving skills		Project 2030		Communication skill improvement
	Group comprehensive capabilities		Group company trainee Recruiting agency, recruiting agency, regional trading companies, credit card, IT, etc.		
Technical skills (Banking business)	Corporate consulting	Corporate sales basics Corporate owner (Beginner)	Corporate banking (Feasibility assessment, sustainability) Corporate owner (Middle and Advanced level)	Human Capital Value Enhancement PT Corporate consulting leader	
	Personal consulting	External relations starter Asset management advice Pension, nursing care, inheritance, gift, asset management advice	(External) Courses by Regional Banks Association of Japan, Trainees dispatched to TSUBASA banks		
	Screening	Loan beginner	Support for business improvement Loan Examination Division trainee (short-term)	Loan Examination Division trainee (long-term)	
	Administration/operations	Various administration basics	Improvement of administration level	Manager position	
	Risk management Compliance			Audit and Inspection Division trainee Office Manager Training	
		Compliance at Dept./Branch			

Major Reskilling Programs

Sustainability Conference

Online course (Business Breakthrough)

FP Grade 1

Small and Medium Enterprises Management Consultant

Securities Analyst

External courses for IT passport holders

IT Coordinator

etc.

<Number of participants per training program>

* The individual training programs in the chart are color-coded according to the following participation scale

Attendance scale: All employees

Attendance scale ≥ 100 people

Attendance scale ≥ 10 people

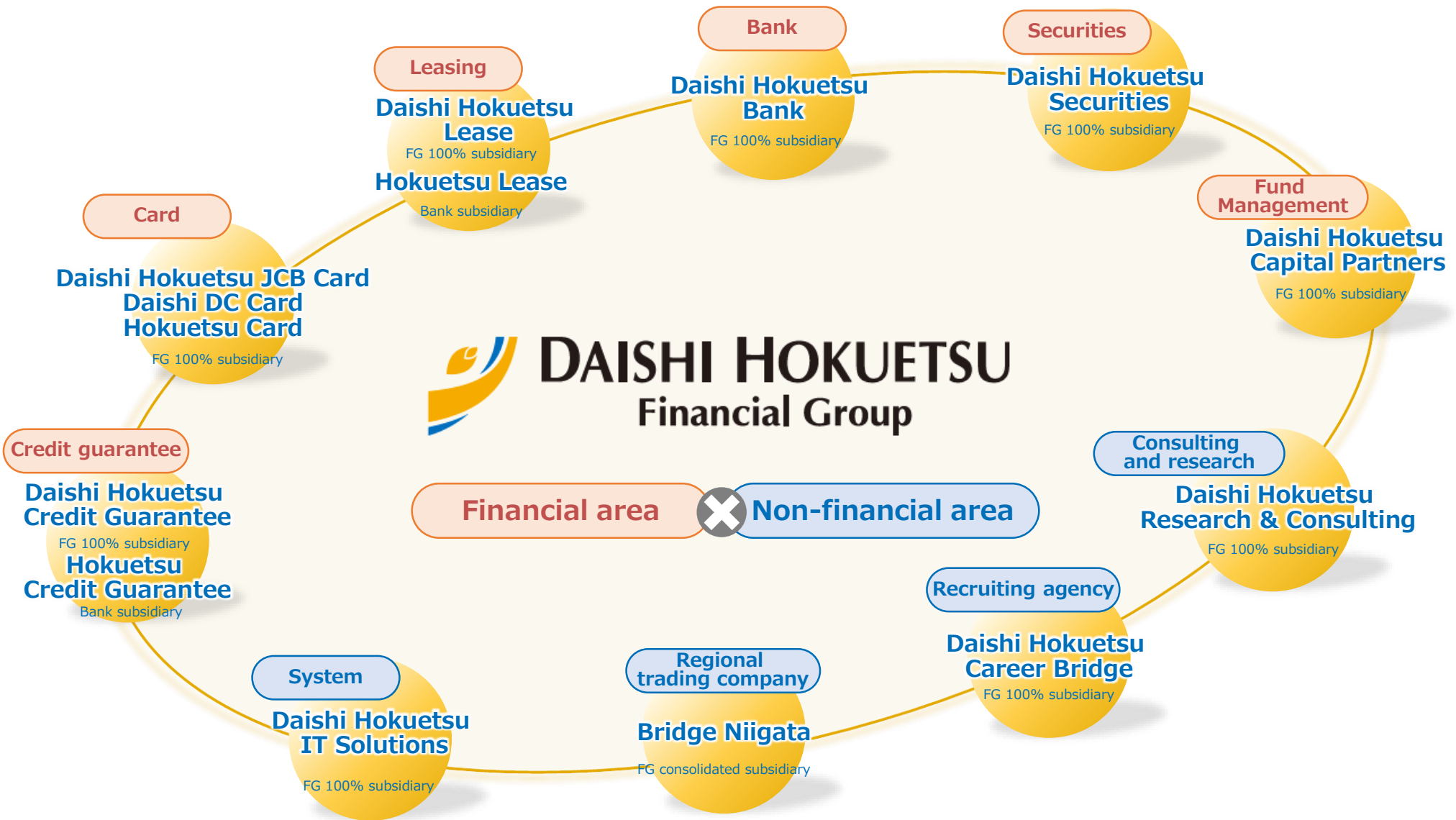
Attendance scale <10 people

R Menu designed for reskilling both men and women

R Menu designed primarily for reskilling women

(External) External dispatch

Overall Picture of Daishi Hokuetsu Financial Group



Financial Position of Group Companies

(Millions of yen)

Company	Core Business	Share capital	Net sales (ordinary revenue)			Ordinary profit			Profit		
			FYE2024/3	FYE2025/3	FYE2026/3	FYE2024/3	FYE2025/3	FYE2026/3	FYE2024/3	FYE2025/3	FYE2026/3
Daishi Hokuetsu Bank, Ltd.	Banking business	32,776	149,027	160,834	225,506	25,417	35,127	56,707	16,062	25,242	38,561
Daishi Hokuetsu Securities Co., Ltd.	Securities business	600	5,219	5,174	5,899	2,039	1,948	2,409	1,157	1,386	1,778
Daishi Hokuetsu Leasing Co., Ltd.	Leasing business	100	17,771	19,567	21,437	709	857	1,057	469	575	703
Hokuetsu Leasing Co., Ltd.	Leasing business	100	2,956	2,090	1,277	213	203	194	163	134	131
Daishi Hokuetsu JCB Card Co., Ltd.	Credit card and credit guarantee services	30	1,648	1,765	2,168	532	640	705	349	425	480
Daishi DC Card Co., Ltd.	Credit card services	30	920	1,006	877	68	59	89	43	41	60
Hokuetsu Card Co., Ltd.	Credit card services	20	670	654	199	48	108	-40	31	31	-46
Daishi Hokuetsu IT Solutions Co., Ltd.	System-related operations	100	3,260	2,974	3,609	188	74	169	109	55	107
Daishi Hokuetsu Research & Consulting Co., Ltd.	Consulting business and research/study, information provision services related to economy and society	30	416	462	533	53	80	128	34	53	97
Daishi Hokuetsu Capital Partners Co., Ltd.	Fund creation and management	20	55	67	100	15	19	45	10	13	34
Daishi Hokuetsu Career Bridge Co., Ltd.	Recruiting agency and consulting business related to corporate human resources	30	239	242	264	62	72	72	43	50	50
Bridge Niigata, Ltd.	Sales channel development, tourism promotion	70	292	364	436	15	6	90	10	28	55
Daishi Hokuetsu Credit Guarantee Co., Ltd.	Credit guarantee business	50	1,906	1,943	1,961	1,203	1,072	518	791	719	359
Hokuetsu Credit Guarantee Co., Ltd.	Credit guarantee business	210	594	446	436	533	261	371	384	171	271

*After losses attributable to special factors



Contact for Inquiries

Daishi Hokuetsu Financial Group

Corporate Planning Division

TEL 025-224-7111

E-mail g113001@dhbk.co.jp

This document contains forward-looking statements. Such statements are not guarantees of future performance and involve risks and uncertainties. Please note that future results may differ due to changes in the business environment and other factors.