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Consolidated Financial Results for the Year Ended March 31, 2025 [Japanese GAAP]

May 14, 2025

Company name: Chugin Financial Group, Inc.

Listing: Prime Market of the TSE

Securities code: 5832

URL: <https://www.chugin-fg.co.jp/>

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Scheduled date of annual general meeting of shareholders: June 26, 2025

Scheduled date to commence dividend payments: June 27, 2025

Scheduled date to file annual securities report: June 19, 2025

Trading accounts: None

Preparation of supplementary material on financial results: Yes

Holding of financial results briefing: Yes

President Representative Director

General Manager, Corporate Planning Department

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2025 (April 1, 2024 to March 31, 2025)

(1) Consolidated Operating Results

(Percentages indicate year-on-year changes.)

	Ordinary revenues		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended March 31, 2025	211,734	14.6	38,308	22.8	27,434	28.2
March 31, 2024	184,661	2.6	31,191	5.3	21,389	4.4

(Note) Comprehensive income: Fiscal year ended March 31, 2025: ¥ (23,301) million [-%]
Fiscal year ended March 31, 2024: ¥ 60,719 million [-%]

	Basic earnings per share	Diluted earnings per share	Rate of return on equity	Ordinary profit to total assets ratio	Ordinary profit to ordinary revenues ratio
	Yen	Yen	%	%	%
Fiscal year ended March 31, 2025	152.61	152.46	4.8	0.3	18.0
March 31, 2024	117.06	116.90	3.8	0.3	16.8

(Reference) Equity in earnings (losses) of affiliated companies: Fiscal year ended March 31, 2025: ¥ - million
Fiscal year ended March 31, 2024: ¥ - million

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2025	11,045,576	542,366	4.9	3,030.68
March 31, 2024	10,763,804	581,115	5.3	3,192.39

(Reference) Equity: As of March 31, 2025: ¥ 542,224 million
As of March 31, 2024: ¥ 580,894 million

(3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Fiscal year ended March 31, 2025	46,944	(265,073)	4,214	1,201,718
March 31, 2024	115,595	(198,394)	(7,930)	1,415,632

2. Dividends

	Annual dividends					Total dividends	Payout ratio (consolidated)	Dividends to net assets (consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total			
Fiscal year ended	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
March 31, 2024	-	15.00	-	32.00	47.00	8,561	40.0	1.5
March 31, 2025	-	26.50	-	35.50	62.00	11,095	40.4	2.0
Fiscal year ending March 31, 2026 (Forecast)	-	37.00	-	37.00	74.00		40.1	

(Note) Breakdown of the year-end dividend for the fiscal year ended March 31, 2025 :

Commemorative dividend	- yen
Special dividend	- yen

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2026 (April 1, 2025 to March 31, 2026)

(Percentages indicate year-on-year changes.)

	Ordinary revenues		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending September 30, 2025	112,600	9.4	23,400	11.5	15,800	8.0	88.31
Full year	231,000	9.0	47,600	24.2	33,000	20.2	184.44

* Notes:

(1) Significant changes in the scope of consolidation during the period: Yes
 Newly included: 1 (Company name: Chugin Energy Fund Investment Limited Partnership)

(2) Changes in accounting policies, changes in accounting estimates, and restatement
 1) Changes in accounting policies due to revisions to accounting standards and other regulations: Yes
 2) Changes in accounting policies due to other reasons: None
 3) Changes in accounting estimates: None
 4) Restatement: None

(3) Number of issued shares (common shares)
 1) Total number of issued shares at the end of the period (including treasury shares):
 March 31, 2025: 184,771,461 shares
 March 31, 2024: 184,771,461 shares
 2) Number of treasury shares at the end of the period:
 March 31, 2025: 5,860,146 shares
 March 31, 2024: 2,809,715 shares
 3) Average number of shares outstanding during the period:
 Fiscal Year ended March 31, 2025: 179,758,509 shares
 Fiscal Year ended March 31, 2024: 182,712,332 shares

* Financial results reports are exempt from audit conducted by certified public accountants or an audit firm.

Consolidated Financial Statements

Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2024	As of March 31, 2025
Assets		
Cash and due from banks	1,418,224	1,203,294
Call loans	192,117	193,782
Monetary claims bought	23,797	20,092
Trading securities	1,017	510
Money held in trust	32,000	11,700
Securities	2,596,411	2,776,089
Loans and bills discounted	6,231,363	6,571,458
Foreign exchanges	14,078	25,485
Lease receivables and investments in leases	30,456	33,365
Other assets	198,940	144,413
Tangible fixed assets	35,622	42,315
Buildings, net	9,391	9,123
Land	19,030	19,043
Construction in progress	177	255
Leased assets, net	1,344	1,095
Other tangible fixed assets	5,679	12,796
Intangible fixed assets	2,301	2,523
Software	1,994	2,063
Software in progress	213	333
Other intangible fixed assets	93	126
Retirement benefit asset	9,010	9,195
Deferred tax assets	4,582	28,534
Customers' liabilities for acceptances and guarantees	34,450	55,491
Allowance for loan losses	(60,570)	(72,674)
Total assets	10,763,804	11,045,576

(Millions of yen)

	As of March 31, 2024	As of March 31, 2025
Liabilities		
Deposits	8,211,551	8,256,715
Negotiable certificates of deposit	98,020	107,075
Call money	145,023	165,426
Securities sold under repurchase agreements	158,022	149,768
Cash collateral received for securities lent	604,049	765,678
Borrowed money	744,106	763,697
Foreign exchanges	440	409
Bonds payable	10,000	30,000
Borrowed money from trust account	9,988	11,933
Other liabilities	163,073	192,454
Provision for bonuses	1,573	1,779
Provision for bonuses for directors (and other officers)	44	43
Retirement benefit liability	429	1,625
Provision for retirement benefits for directors (and other officers)	54	53
Provision for reimbursement of deposits	800	650
Provision for point card certificates	133	143
Reserves under special laws	8	8
Deferred tax liabilities	918	255
Acceptances and guarantees	34,450	55,491
Total liabilities	10,182,689	10,503,210
Net assets		
Share capital	16,000	16,000
Capital surplus	7,292	7,314
Retained earnings	494,988	511,855
Treasury shares	(2,812)	(7,637)
Total shareholders' equity	515,468	527,533
Valuation difference on available-for-sale securities	55,647	(8,643)
Deferred gains or losses on hedges	6,024	20,852
Remeasurements of defined benefit plans	3,754	2,481
Total accumulated other comprehensive income	65,426	14,690
Share acquisition rights	220	141
Total net assets	581,115	542,366
Total liabilities and net assets	10,763,804	11,045,576

Consolidated Statements of Income and Comprehensive Income

Consolidated Statements of Income

(Millions of yen)

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Ordinary income	184,661	211,734
Interest income	124,120	150,045
Interest on loans and discounts	84,185	98,846
Interest and dividends on securities	35,845	43,358
Interest on call loans	2,797	4,357
Interest on deposits with banks	944	2,932
Other interest income	347	550
Trust fees	0	9
Fees and commissions	22,034	24,163
Other ordinary income	28,046	28,832
Other income	10,459	8,682
Recoveries of written off receivables	37	21
Other	10,421	8,661
Ordinary expenses	153,469	173,425
Interest expenses	61,843	74,680
Interest on deposits	11,641	18,130
Interest on negotiable certificates of deposit	19	110
Interest on call money	5,845	7,059
Interest expenses on securities sold under repurchase agreements	6,974	8,361
Interest expenses on cash collateral received for securities lent	454	1,636
Interest expenses on commercial papers	908	-
Interest on borrowings and rediscounts	4,386	3,783
Interest expenses on bonds	78	180
Other interest expenses	31,533	35,418
Fees and commissions payments	3,491	3,920
Other ordinary expenses	17,133	19,245
General and administrative expenses	57,850	59,526
Other expenses	13,150	16,051
Provision of allowance for loan losses	8,942	14,034
Other	4,207	2,017
Ordinary profit	31,191	38,308
Extraordinary income	48	119
Gain on disposal of non-current assets	48	119
Extraordinary losses	339	145
Loss on disposal of non-current assets	216	45
Impairment losses	122	100
Provision of reserve for financial instruments transaction liabilities	0	-
Profit before income taxes	30,899	38,282
Income taxes - current	13,326	13,450
Income taxes - deferred	(3,816)	(2,601)
Total income taxes	9,510	10,848
Profit	21,389	27,434
Profit attributable to non-controlling interests	-	-
Profit attributable to owners of parent	21,389	27,434

Consolidated Statements of Comprehensive Income

(Millions of yen)

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Profit	21,389	27,434
Other comprehensive income	39,329	(50,735)
Valuation difference on available-for-sale securities	21,412	(64,290)
Deferred gains or losses on hedges	9,344	14,828
Remeasurements of defined benefit plans, net of tax	8,573	(1,273)
Comprehensive income	60,719	(23,301)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	60,719	(23,301)
Comprehensive income attributable to non-controlling interests	-	-

Consolidated Statements of Changes in Equity

For the fiscal year ended March 31, 2024

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	16,000	7,302	479,276	(1,000)	501,579
Changes during period					
Dividends of surplus			(5,678)		(5,678)
Profit attributable to owners of parent			21,389		21,389
Purchase of treasury shares				(2,000)	(2,000)
Disposal of treasury shares		(10)		187	177
Net changes in items other than shareholders' equity					
Total changes during period	-	(10)	15,711	(1,812)	13,888
Balance at end of period	16,000	7,292	494,988	(2,812)	515,468

	Accumulated other comprehensive income				Share acquisition rights	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	34,234	(3,320)	(4,818)	26,096	272	527,948
Changes during period						
Dividends of surplus						(5,678)
Profit attributable to owners of parent						21,389
Purchase of treasury shares						(2,000)
Disposal of treasury shares						177
Net changes in items other than shareholders' equity	21,412	9,344	8,573	39,329	(51)	39,278
Total changes during period	21,412	9,344	8,573	39,329	(51)	53,167
Balance at end of period	55,647	6,024	3,754	65,426	220	581,115

For the fiscal year ended March 31, 2025

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	16,000	7,292	494,988	(2,812)	515,468
Changes during period					
Dividends of surplus			(10,566)		(10,566)
Profit attributable to owners of parent			27,434		27,434
Purchase of treasury shares				(5,000)	(5,000)
Disposal of treasury shares		22		176	198
Net changes in items other than shareholders' equity					
Total changes during period	-	22	16,867	(4,824)	12,065
Balance at end of period	16,000	7,314	511,855	(7,637)	527,533

	Accumulated other comprehensive income				Share acquisition rights	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	55,647	6,024	3,754	65,426	220	581,115
Changes during period						
Dividends of surplus						(10,566)
Profit attributable to owners of parent						27,434
Purchase of treasury shares						(5,000)
Disposal of treasury shares						198
Net changes in items other than shareholders' equity	(64,290)	14,828	(1,273)	(50,735)	(79)	(50,814)
Total changes during period	(64,290)	14,828	(1,273)	(50,735)	(79)	(38,748)
Balance at end of period	(8,643)	20,852	2,481	14,690	141	542,366

Consolidated Statements of Cash Flows

(Millions of yen)

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Cash flows from operating activities		
Profit before income taxes	30,899	38,282
Depreciation	3,312	4,249
Impairment losses	122	100
Share-based payment expenses	97	89
Provision of allowance for doubtful accounts	8,942	14,034
Increase (decrease) in provision for bonuses	26	205
Increase (decrease) in provision for bonuses for directors (and other officers)	18	(1)
Increase (decrease) in retirement benefit liability	288	(763)
Increase (decrease) in provision for retirement benefits for directors (and other officers)	5	(0)
Increase (decrease) in provision for reimbursement of deposits	550	(150)
Increase (decrease) in provision for point card certificates	18	9
Interest income	(124,120)	(150,045)
Interest expenses	61,843	74,680
Loss (gain) related to securities	(5,713)	(3,534)
Loss (gain) on money held in trust	134	266
Foreign exchange losses (gains)	(49,425)	5,980
Loss (gain) on disposal of non-current assets	7	(104)
Net decrease (increase) in trading securities	1,005	506
Decrease (increase) in other assets	(34,707)	54,963
Net decrease (increase) in lease receivables and investments in leases	(3,446)	(2,908)
Increase (decrease) in other liabilities	14,421	52,540
Net decrease (increase) in loans and bills discounted	(678,242)	(342,025)
Net increase (decrease) in deposits	313,518	45,163
Net increase (decrease) in negotiable certificates of deposit	(57,468)	9,054
Net increase (decrease) in borrowed money (excluding subordinated borrowings)	423,263	19,591
Net decrease (increase) in call loans	(14,677)	2,039
Net increase (decrease) in payables under repurchase agreements	64,108	(8,254)
Net increase (decrease) in call money	(34,964)	20,402
Net increase (decrease) in cash collateral received for securities lent	180,619	161,628
Net decrease (increase) in due from banks (excluding due from Bank of Japan)	1,440	1,016
Net increase (decrease) in commercial papers	(46,530)	-
Net decrease (increase) in foreign exchanges - assets	664	(11,406)
Net increase (decrease) in foreign exchanges - liabilities	(51)	(31)
Net increase (decrease) in borrowed money from trust account	1,492	1,945
Interest received	120,079	148,850
Interest paid	(52,933)	(73,896)
Subtotal	124,599	62,481
Income taxes paid	(9,008)	(15,536)
Income taxes refund	4	-
Net cash provided by (used in) operating activities	115,595	46,944

(Millions of yen)

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Cash flows from investing activities		
Purchase of securities	(806,215)	(837,497)
Proceeds from sale of securities	413,801	359,821
Proceeds from redemption of securities	205,573	203,445
Increase in money held in trust	(7,562)	-
Decrease in money held in trust	28	20,300
Purchase of tangible fixed assets	(3,500)	(11,006)
Proceeds from sale of tangible fixed assets	524	762
Purchase of intangible fixed assets	(1,044)	(899)
Net cash provided by (used in) investing activities	(198,394)	(265,073)
Cash flows from financing activities		
Issuance of subordinated bonds	-	20,000
Dividends paid	(5,678)	(10,566)
Purchase of treasury shares	(2,000)	(5,000)
Repayments of lease liabilities	(251)	(218)
Proceeds from sale of treasury shares	0	0
Proceeds from exercise of employee share options	0	0
Net cash provided by (used in) financing activities	(7,930)	4,214
Effect of exchange rate change on cash and cash equivalents	-	-
Net increase (decrease) in cash and cash equivalents	(90,729)	(213,913)
Cash and cash equivalents at beginning of period	1,506,361	1,415,632
Cash and cash equivalents at end of period	1,415,632	1,201,718

(Segment Information)**(1) Description of reportable segments**

The Group's reportable segments are components of the Group for which separate information is available and evaluated regularly by the Board of Directors in deciding how to allocate management resources and evaluating operating segment performance. Each operating segment is controlled by each consolidated subsidiary since each company provides different services.

Accordingly, the Group consists of operating segments differentiated by the services each company provides, and the reportable segments are mainly "Banking," "Leasing," and "Securities."

The "Banking" segment provides diversified financial services such as deposit-taking and lending. The "Leasing" segment is engaged in leasing services and installment sales of properties and goods. The "Securities" segment provides brokerage services for financial instruments.

(2) Methods of measurement for the amounts of ordinary income, profit or loss, assets, liabilities and other items for each reportable segment

Intersegment income is based on arm's length prices.

(3) Information about ordinary income, profit or loss, assets, liabilities and other items
was as follows:

Millions of Yen								
2025								
Reportable segments							Consolidated financial statements	
	Banking	Leasing	Securities	Total	Other	Total	Adjustments	
Ordinary income:								
External customers	190,249	14,552	3,878	208,680	3,053	211,734	—	211,734
Intersegment income	1,783	162	96	2,043	21,347	23,391	(23,391)	—
Total	192,033	14,715	3,975	210,724	24,401	235,125	(23,391)	211,734
Segment profit	35,796	685	868	37,351	19,482	56,833	(18,525)	38,308
Segment assets	11,004,719	62,021	10,618	11,077,359	519,088	11,596,447	(550,871)	11,045,576
Segment liabilities	10,507,883	40,134	4,959	10,552,977	20,922	10,573,899	(70,689)	10,503,210
Other items:								
Depreciation	2,825	1,299	12	4,138	38	4,176	72	4,249
Interest income	150,095	63	9	150,168	18,730	168,898	(18,852)	150,045
Interest expense	74,688	180	1	74,871	104	74,975	(295)	74,680

Notes: 1. Ordinary income and ordinary profit (segment profit) are presented in place of net sales and operating profit of non-financial industries.
Ordinary income and ordinary profit are calculated by deducting non-recurring items from total income or income before income taxes and non-controlling interests.

2. "Other" represents business segments that are not included in the reportable segments and includes the credit card business and investment management and advisory services in accordance with the Financial Instruments and Exchange Act, etc.

3. Chugin Energy Fund Investment Limited Partnership (newly established on October 1, 2024) is included in "Other" as its business is related to investment management business.

Millions of Yen								
2024								
Reportable segments							Consolidated financial statements	
	Banking	Leasing	Securities	Total	Other	Total	Adjustments	
Ordinary income:								
External customers	166,215	11,918	3,895	182,029	2,631	184,661	—	184,661
Intersegment income	1,865	162	80	2,107	8,945	11,053	(11,053)	—
Total	168,081	12,080	3,975	184,137	11,577	195,714	(11,053)	184,661
Segment profit	28,749	821	809	30,380	7,749	38,129	(6,937)	31,191
Segment assets	10,712,497	52,597	19,477	10,784,571	494,297	11,278,869	(515,064)	10,763,804
Segment liabilities	10,173,916	29,882	14,128	10,217,928	5,529	10,223,457	(40,768)	10,182,689
Other items:								
Depreciation	2,573	623	13	3,210	10	3,220	91	3,312
Interest income	124,093	62	1	124,158	7,057	131,216	(7,096)	124,120
Interest expense	61,818	119	1	61,939	0	61,940	(96)	61,843

Notes: 1. Ordinary income and ordinary profit (segment profit) are presented in place of net sales and operating profit of non-financial industries.
Ordinary income and ordinary profit are calculated by deducting non-recurring items from total income or income before income taxes and non-controlling interests.

2. "Other" represents business segments that are not included in the reportable segments and includes the credit card business and investment management and advisory services in accordance with the Financial Instruments and Exchange Act, etc.

3. Chugin Energy Co., Ltd. (newly established on April 3, 2023) is included in "Other" as its business is related to regional energy and decarbonization.

Fiscal Year 2024 Financial Highlights



Our challenges build our future.

Chugin Financial Group, Inc.

Earnings Results —Summary (Consolidated for the FG)—

*Forecast published on November 8, 2024

Consolidated financial results for the Chugin Financial Group

(billion yen)	FY2022	FY2023	FY2024		
				YoY	vs. Initial plan*
Consolidated gross profit	73.2	91.7	105.2	13.5	-
(excluding profits and losses related to bonds)	93.0	92.5	108.0	15.5	-
Net interest income	65.0	62.2	75.3	13.1	-
Net fee income	17.1	18.5	20.2	1.7	-
Net other operating profits	(8.8)	10.9	9.5	(1.4)	-
Of which, profits and losses related to bonds	(19.7)	(0.7)	(2.8)	(2.1)	-
Expenses (-)	55.6	57.8	59.5	1.7	-
Credit cost (-)	5.7	8.9	14.0	5.1	-
Profits and losses related to equity	18.0	5.9	5.3	(0.6)	-
Other	(0.3)	0.2	1.3	1.1	-
Ordinary profit	29.6	31.1	38.3	7.2	2.8
Extraordinary profits and losses	(0.0)	(0.2)	(0.0)	0.2	-
Profit attributable to owners of parent	20.4	21.3	27.4	6.1	2.4

Summary —Status of the Group Companies (Non-consolidated for the Bank)—

Non-consolidated for The Chugoku Bank

*Forecast published on November 8, 2024

(billion yen)	FY2022	FY2023	FY2024		
				YoY	vs. Initial plan*
Core business gross profit	86.7	84.3	99.7	15.4	2.4
Net interest income	65.5	62.2	76.3	14.1	-
Net fee income	18.2	20.1	21.6	1.5	-
Net other operating profits	2.9	1.9	1.7	(0.2)	-
Expenses (-)	51.3	52.8	55.2	2.4	(0.4)
OHR	59.1%	62.7%	55.3%	(7.4pt)	-
Core business net profit	35.4	31.4	44.5	13.1	2.8
Excl. gains or losses on cancellation of investment trusts	31.9	31.4	44.3	12.9	-
Credit cost (-)	5.0	8.5	13.4	4.9	(1.4)
Profits and losses related to securities	(1.7)	4.8	2.5	(2.3)	(2.0)
Other	(1.0)	(1.0)	0.9	1.9	-
Ordinary profit	27.5	26.6	34.5	7.9	2.5
Net income	19.3	18.4	25.2	6.8	2.2

Summary —Status of the Group Companies (Excluding the Bank)—

Group companies	(billion yen)	Ordinary profit	YoY	Net income	YoY
The Chugin Lease		0.68	(0.13)	0.45	(0.07)
The Chugin Card		0.31	0.02	0.21	0.03
Chugin Human Innovations (Employment placement)		0.02	(0.02)	0.01	(0.01)
Chugin Capital Partners (Fund management and administration)		0.05	(0.00)	0.03	(0.00)
C Cube Consulting (DX, SX and other consulting services)		0.17	0.13	0.16	0.12
Chugin Energy (Decarbonization support such as renewable energy power generation)		(0.06)	(0.01)	(0.07)	(0.02)
Chugin Securities		0.86	0.05	0.60	0.01
Chugin Asset Management		0.21	0.04	0.15	0.03
The Chugin Operation Center		0.04	0.01	0.03	0.00
CBS (Contracted administrative work related to banks)		0.20	0.03	0.13	0.02
The Chugin Credit Guarantee		1.88	0.02	1.23	0.02
Group companies total		4.40	0.15	2.97	0.14

Earnings Forecasts

Consolidated for the Chugin Financial Group

	(billion yen)	FY2024	FY2025	
		Results	Forecasts	Change
Consolidated ordinary profit		38.3	47.6	9.3
Profit attributable to owners of parent		27.4	33.0	5.6

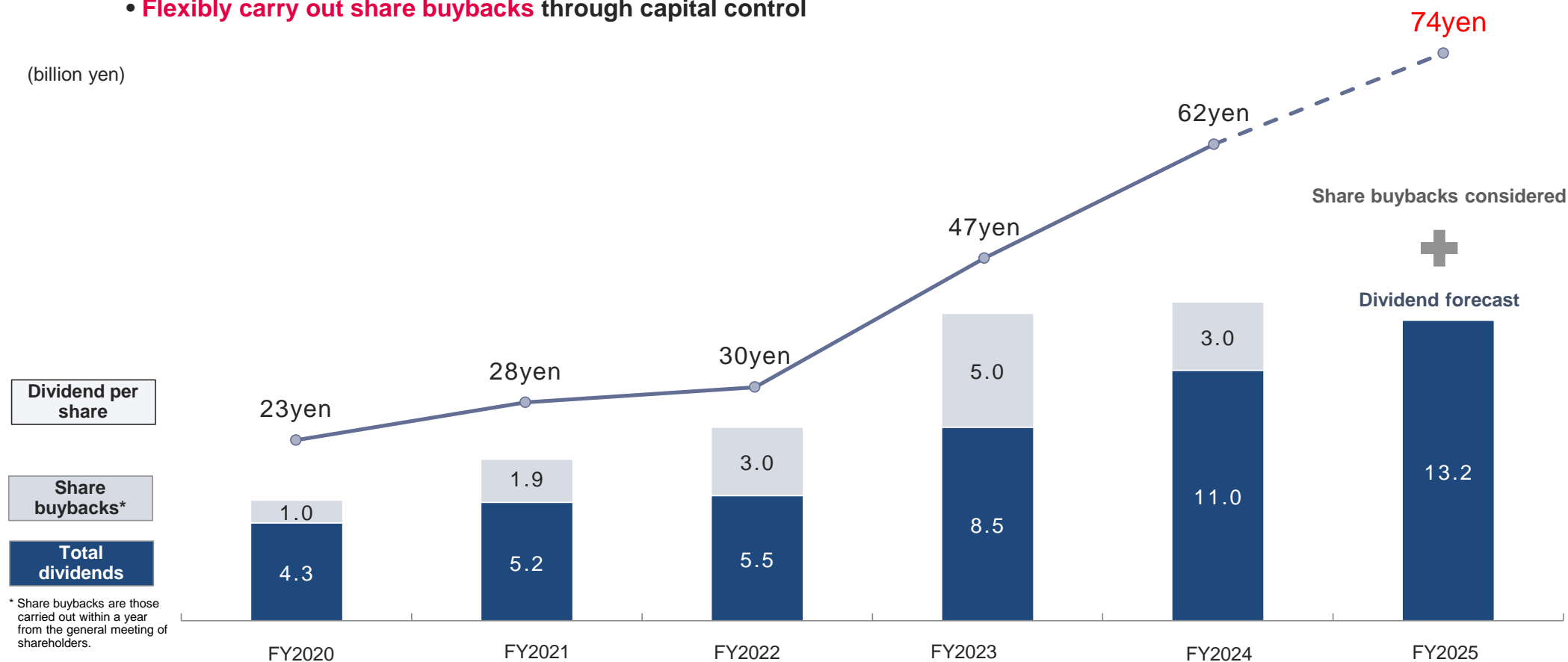
<Reference: Non-consolidated for The Chugoku Bank>

Core business gross profit	99.7	111.1	11.4
Expenses (-)	55.2	62.7	7.5
Core business net profit	44.5	48.4	3.9
Of which, credit cost (-)	13.4	7.5	(5.9)
Of which, profits and losses related to securities	2.5	1.5	(1.0)
Ordinary profit	34.5	43.3	8.8
Net income	25.2	30.3	5.1

Shareholder Return

- [FY2025] • **Aiming for a dividend payout ratio of around 40%**, increase dividends through profit growth
• **Flexibly carry out share buybacks** through capital control

(billion yen)



Shareholder return ratio	36.9%	38.9%	41.6%	63.4%	51.3%	Not yet determined
Dividend payout ratio	29.8%	28.4%	26.9%	40.0%	40.4%	Approx. 40%

On a Chugoku Bank-consolidated basis since FY2020

On a Chugin Financial Group-consolidated basis since FY2022

Explanatory Materials on Financial Report for Fiscal Year 2024 (Ended March 31, 2025)

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Our challenges build our future.

Chugin Financial Group, Inc.

1.Profit and Loss

[Consolidated financial results for the Chugin Financial Group]

(Million yen)

	No	For the fiscal year ended Mar. 31, 2025		For the fiscal year ended Mar. 31, 2024
			YoY (amount)	
Ordinary income	1	211,734	27,073	184,661
Consolidated gross profit (3+4+5)	2	105,236	13,492	91,744
Net interest income	3	75,396	13,108	62,288
Net fee income	4	20,252	1,709	18,543
Net other operating profits	5	9,587	(1,325)	10,912
Expenses (-)	6	59,526	1,676	57,850
Credit cost (-)	7	14,105	5,129	8,976
Provision of general allowance for loan losses	8	2,036	(4,458)	6,494
Provision of specific allowance for loan losses	9	11,997	9,549	2,448
Written-off of loans	10	31	31	-
Loss on sale of loans	11	39	6	33
Recoveries of written off claims	12	21	(16)	37
Profits and losses related to equity	13	5,330	(614)	5,944
Other	14	1,353	1,061	292
Ordinary profit (2-6-7+12+13+14)	15	38,308	7,117	31,191
Extraordinary gains	16	119	71	48
Extraordinary losses (-)	17	145	(194)	339
Impairment loss (-)	18	100	(22)	122
Profit before income taxes (15+16-17)	19	38,282	7,383	30,899
Income taxes - current (-)	20	13,450	124	13,326
Income taxes - deferred (-)	21	(2,601)	1,215	(3,816)
Profit (19-20-21)	22	27,434	6,045	21,389
Profit attributable to non-controlling interests	23	-	-	-
Profit attributable to owners of parent (22-23)	24	27,434	6,045	21,389

Profit (24)	25	27,434	6,045	21,389
Other comprehensive income	26	(50,735)	(90,064)	39,329
Valuation difference on available-for-sale securities	27	(64,290)	(85,702)	21,412
Deferred gains or losses on hedges	28	14,828	5,484	9,344
Remeasurements of defined benefit plans, net of tax	29	(1,273)	(9,846)	8,573
Comprehensive income (25+26)	30	(23,301)	(84,020)	60,719
Comprehensive income attributable to owners of parent	31	(23,301)	(84,020)	60,719
Comprehensive income attributable to non-controlling interests	32	-	-	-

(Number of consolidated companies)

	For the fiscal year ended Mar. 31, 2025	For the fiscal year ended Mar. 31, 2024
Number of consolidated subsidiaries	13	12
Number of companies accounted for by the equity method	0	0

(Note: As of October 1, 2024, Chugin Energy Fund Investment Limited Partnership was newly established through 100% investment by The Chugoku Bank, Ltd. and Chugin Capital Partners Ltd. and became a consolidated subsidiary of the Company.

[Non-consolidated for The Chugoku Bank]

(Million yen)

	No	For the fiscal year ended Mar. 31, 2025	YoY (amount)	For the fiscal year ended Mar. 31, 2024
Ordinary income	1	190,625	24,839	165,786
Gross profit (4+5+6)	2	96,969	13,425	83,544
Core business gross profit (2-7)	3	99,798	15,477	84,321
Net interest income	4	76,356	14,083	62,273
Net fee income	5	21,672	1,546	20,126
Net other operating profits	6	(1,058)	(2,202)	1,144
Profits and losses related to bonds	7	(2,829)	(2,053)	(776)
Net other operating profits excluding profits and losses related to bonds	8	1,770	(151)	1,921
Expenses (-)	9	55,251	2,370	52,881
Personnel expenses	10	28,431	791	27,640
Property expenses	11	23,273	1,412	21,861
Taxes	12	3,546	167	3,379
Net profit before general allowance for loan losses (2-9)	13	41,718	11,055	30,663
Core business net profit (3-9)	14	44,547	13,108	31,439
Excl. gains and losses on cancellation of investment trusts	15	44,332	12,893	31,439
(1) Provision of general allowance for loan losses	16	2,113	(4,308)	6,421
Banking income (13-16)	17	39,605	15,363	24,242
Profits and losses related to bonds	18	(2,829)	(2,053)	(776)
Extraordinary income and expenses (25+26+27-20)	19	(5,006)	(7,452)	2,446
(2) Disposal of non-performing loans (-)	20	11,357	9,236	2,121
Provision of specific allowance for loan losses	21	11,311	9,223	2,088
Written-off of loans	22	31	31	-
Loss on sale of loans	23	14	(18)	32
(Allowance for loan losses (1) + (2)) (-)	24	13,470	4,928	8,542
Recoveries of written off claims	25	21	(16)	37
Profits and losses related to equity	26	5,350	(234)	5,584
Other	27	978	2,032	(1,054)
Ordinary profit (17+19)	28	34,598	7,910	26,688
Extraordinary gains	29	113	55	58
Extraordinary losses (-)	30	145	(193)	338
Impairment loss	31	100	(22)	122
Profit before income taxes (28+29-30)	32	34,566	8,158	26,408
Income taxes - current (-)	33	12,061	1,152	10,909
Income taxes - deferred (-)	34	(2,749)	180	(2,929)
Profit (32-33-34)	35	25,254	6,827	18,427
Credit cost (- is reversal) (16+20-25)	36	13,449	4,945	8,504

2. Banking income [Non-consolidated]

(Million yen)

	For the fiscal year ended Mar. 31, 2025	YoY (amount)	For the fiscal year ended Mar. 31, 2024
Net profit before general allowance for loan losses	41,718	11,055	30,663
Per employee (thousand yen)	15,665	4,254	11,411
Banking income	39,605	15,363	24,242
Per employee (thousand yen)	14,872	5,851	9,021

3. Gains or Losses of Securities [Non-consolidated]

(Million yen)

	For the fiscal year ended Mar. 31, 2025	YoY (amount)	For the fiscal year ended Mar. 31, 2024
Bond-related gains/losses	(2,829)	(2,053)	(776)
Gains on sales of bonds	3,347	(2,551)	5,898
Gains on redemption of bonds	12	(28)	40
Loss on sales of bonds	6,188	40	6,148
Loss on redemption of bonds	-	(565)	565
Loss on devaluation of stocks and other securities	-	(2)	2
Equity-related gains/losses	5,350	(234)	5,584
Gains on sales of stocks and other securities	6,178	(1,325)	7,503
Losses on sales of stocks and other securities	795	(1,124)	1,919
Losses on devaluation of securities	32	32	-

4. Interest Margin [Non-consolidated]

(%)

Total for all branches	For the fiscal year ended Mar. 31, 2025	YoY (amount)	For the fiscal year ended Mar. 31, 2024
(1) Interest-bearing asset yield	1.42	0.08	1.34
Loan yield	1.55	0.09	1.46
Securities yield	1.67	0.15	1.52
(2) Fundraising expense	1.28	0.08	1.20
Deposit yield	0.22	0.08	0.14
Total net interest income (1-2)	0.14	-	0.14

(%)

Domestic banking operations	For the fiscal year ended Mar. 31, 2025	YoY (amount)	For the fiscal year ended Mar. 31, 2024
(1) Interest-bearing asset yield	0.76	0.09	0.67
Loan yield	0.91	0.12	0.79
Securities yield	0.97	0.11	0.86
(2) Fundraising expense	0.67	0.07	0.60
Deposit yield	0.06	0.06	0.00
Total net interest income (1-2)	0.09	0.02	0.07

5.Unrealized gains/losses of securities

[Consolidated]

(billion yen)

	As of Mar.31, 2025					Mar. 31, 2024			
	Book value	Unrealized gains/losses of securities	YoY	Gains	Losses	Book value	Unrealized gains/losses of securities	Gains	Losses
Held-to-maturity securities	73	(2)	(2)	0	2	58	(0)	0	0
Available-for-sale securities	2,673	(12)	(93)	121	133	2,515	80	139	59
Equity securities	169	69	(9)	73	3	162	79	79	1
Debt securities	1,765	(104)	(74)	0	105	1,687	(30)	3	34
Other	739	23	(10)	48	25	666	32	56	24
Total	2,745	(15)	(95)	121	136	2,573	80	139	59
Asset swap		31	21				10		

(Notes) 1. Beneficiary interests in trusts included in "Securities" and "Monetary claims bought" are recorded as those with market value.

2. "Stocks of subsidiaries and affiliates" have no market value.

[Non-consolidated]

(billion yen)

	As of Mar.31, 2025					Mar. 31, 2024			
	Book value	Unrealized gains/losses of securities	YoY	Gains	Losses	Book value	Unrealized gains/losses of securities	Gains	Losses
Held-to-maturity securities	73	(2)	(2)	0	2	58	(0)	0	0
Available-for-sale securities	2,669	(16)	(90)	118	133	2,509	75	133	59
Equity securities	166	66	(7)	69	3	157	73	74	1
Debt securities	1,765	(104)	(74)	0	105	1,687	(30)	3	34
Other	738	22	(10)	48	25	665	32	56	24
Total	2,741	(18)	(93)	118	136	2,566	75	133	59
Asset swap		31	21				10		

(Notes) 1. Beneficiary interests in trusts included in "Securities" and "Monetary claims bought" are recorded as those with market value.

2. "Stocks of subsidiaries and affiliates" have no market value.

6.Capital Adequacy [International unified standards]

[Consolidated]

(billion yen)

	For the fiscal year ended Mar. 31, 2025	YoY	For the fiscal year ended Mar. 31, 2024
(1)Overall capital adequacy ratio	12.89%	(1.16%)	14.05%
(2)Tier 1 ratio (5/7)	11.87%	(1.83%)	13.70%
(3)Tier 1 ratio including common shares (6/7)	11.87%	(1.83%)	13.70%
(4)Overall capital adequacy	565	(15)	580
(5)Tier 1 capital	520	(45)	565
(6)Tier 1 capital including common shares	520	(45)	565
(7)Risk-weighted assets	4,380	258	4,122

[Non-consolidated]

(billion yen)

	For the fiscal year ended Mar. 31, 2025	YoY	For the fiscal year ended Mar. 31, 2024
(1)Overall capital adequacy ratio	11.51%	(1.54%)	13.05%
(2)Tier 1 ratio (5/7)	10.57%	(2.16%)	12.73%
(3)Tier 1 ratio including common shares (6/7)	10.57%	(2.16%)	12.73%
(4)Overall capital adequacy	497	(33)	530
(5)Tier 1 capital	456	(61)	517
(6)Tier 1 capital including common shares	456	(61)	517
(7)Risk-weighted assets	4,310	252	4,058