

## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Resona Bank, Limited:

### <Audit of Consolidated Financial Statements>

#### Opinion

We have audited the consolidated financial statements of Resona Bank, Limited and its consolidated subsidiaries (the "Group"), which comprise the consolidated balance sheet as of March 31, 2025, and the consolidated statement of income, consolidated statement of comprehensive income, consolidated statement of changes in net assets and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, all expressed in Japanese yen.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of March 31, 2025, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with accounting principles generally accepted in Japan.

#### Convenience Translation

Our audit also comprehended the translation of Japanese yen amounts into U.S. dollar amounts and, in our opinion, such translation has been made in accordance with the basis stated in Note 1 to the consolidated financial statements. Such U.S. dollar amounts are presented solely for the convenience of readers outside Japan.

#### Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the provisions of the Code of Professional Ethics in Japan, and we have fulfilled our other ethical responsibilities as auditors. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Key Audit Matter

A key audit matter is a matter that, in our professional judgment, was of most significance in our audit of the consolidated financial statements of the current period. The matter was addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on the matter.

Determination of the reserve for loan losses	
Key Audit Matter Description	How the Key Audit Matter Was Addressed in the Audit
<p>Resona Bank, Limited (hereinafter the "Bank") aims to contribute to local communities by thoroughly treating customers in local areas with excellent services under the group management philosophy. As loans to small-to-mid-size companies and individual mortgages comprise a significant proportion in the Bank's lending business, which is one of its core businesses, the Bank attempts to diversify its credit portfolio into smaller loans. The Bank also attempts to strengthen its credit risk management system by promoting initiatives for predictive management and risk diversification against deterioration of loan assets. As stated in Note 2, "SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (11) Reserve for loan losses" in the consolidated financial statements (hereinafter the "Reserve for loan losses"), in order to prepare for the risk of bad loan losses from default or bankruptcy of borrowers, the Bank determines borrower classification in accordance with the Bank's internal standards for self-assessment of asset quality as well as the Bank's accounting rules for write-offs and reserves. The Bank then determines reserves for loan losses by estimating the expected loan losses based on historical loan loss ratios, the collectable amounts from the disposal of collateral, and the recoverable amounts from guarantees. As of March 31, 2025, reserves for loan losses of ¥107.5 billion were reported in the consolidated balance sheet.</p> <p>The Bank recognizes the possibility that credit cost may increase due to changes in the environment surrounding its obligors, and accordingly, it describes "Future business outlook of borrowers in determining obligors' classification" as a major assumption of the reserve for loan losses in Note 3, "SIGNIFICANT ACCOUNTING ESTIMATES." The Bank sets the future business outlook of borrowers by assessing each obligor's ability to earn profits individually, mainly considering factors such as the obligor's business performance, fulfillment of obligation, the nature of the industry, and the obligor's business plan and progress thereof, as well as external and internal factors that may significantly affect the aforementioned factors. If significant changes in external factors, such as rising raw material prices and labor costs, or internal factors, such as business structural reforms and restructuring, significantly affect credit risk of loans, in particular, the degree of estimation uncertainty and subjective judgment made by management of the Bank becomes higher.</p>	<p>We tested the effectiveness of internal controls over inspections and approvals for whether reserves for loan losses are appropriately determined in accordance with internal rules and guidance. We also performed analyses of the state of the borrowers' finances and revenue as well as analyses of actual losses that served as the basis for loss estimates.</p> <ul style="list-style-type: none"> <li>• In our audit procedures related to the Bank's self-assessment of asset quality, we selected obligors for whom external factors, such as rising raw material prices and labor costs, and internal factors, such as business structural reforms and restructuring, in particular, were presumed to significantly affect credit risk of loans based on the risk assessment that considered both quantitative information, such as business performance and financial position of the obligors, and qualitative information.</li> <li>• For the obligors selected, we examined the borrower classification by identifying the significant assumptions applied by management of the Bank to the obligors' future business outlook, and comparing such assumptions with available external information, such as external economic reports, to determine whether the assumptions were based on reasonable and supportable information and whether the effects of the aforementioned factors on the obligors' business activities were considered without bias.</li> <li>• In addition, we inquired of relevant departments of the Bank about estimation uncertainty, inspected research documents related to the effects of external and internal factors and documents related to the determination of borrower classifications prepared by the parent company and the Bank and examined the assessment results of the reasonableness of the business plans of the obligors concerned, including comparative analyses of future business outlook and recent performance.</li> </ul>

<p>If the significant estimates related to the above, as well as assumptions used in the estimates do not appropriately reflect credit risk inherent in the loans, there is a potential risk that reserves for loan losses may not be appropriately calculated. Therefore, we have determined the reasonableness of these significant estimates and assumptions used in the estimates as a key audit matter.</p>	
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## Other Information

Management is responsible for the other information. The Audit and Supervisory Committee is responsible for overseeing the Directors' execution of duties relating to the design and operating effectiveness of the controls over the other information. The other information comprises the information included in the Group's disclosure documents accompanying the audited consolidated financial statements, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Responsibilities of Management and the Audit and Supervisory Committee for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern in accordance with accounting principles generally accepted in Japan and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The Audit and Supervisory Committee is responsible for overseeing the Directors' execution of duties relating to the design and operating effectiveness of the controls over the Group's financial reporting process.

## Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in Japan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks. The procedures selected depend on the auditor's judgment. In addition, we obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain, when performing risk assessment procedures, an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate whether the overall presentation and disclosures of the consolidated financial statements are in accordance with accounting principles generally accepted in Japan, as well as the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Audit and Supervisory Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit and Supervisory Committee with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with it all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Audit and Supervisory Committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **<Fee-Related Information>**

Fees for audit and other services for the year ended March 31, 2025, which were charged by us and our network firms to Resona Bank, Limited and its subsidiaries were ¥319 million and ¥108 million, respectively.

**Interest Required to Be Disclosed by the Certified Public Accountants Act of Japan**

Our firm and its designated engagement partners do not have any interest in the Group which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

*Deloitte Touche Tohmatsu LLC*

July 31, 2025

## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Resona Bank, Limited:

### <Audit of Nonconsolidated Financial Statements>

#### Opinion

We have audited the nonconsolidated financial statements of Resona Bank, Limited (the "Company"), which comprise the nonconsolidated balance sheet as of March 31, 2025, and the nonconsolidated statement of income and nonconsolidated statement of changes in net assets for the year then ended, and notes to the nonconsolidated financial statements, including a summary of significant accounting policies, all expressed in Japanese yen.

In our opinion, the accompanying nonconsolidated financial statements present fairly, in all material respects, the financial position of the Company as of March 31, 2025, and its financial performance for the year then ended in accordance with accounting principles generally accepted in Japan.

#### Convenience Translation

Our audit also comprehended the translation of Japanese yen amounts into U.S. dollar amounts and, in our opinion, such translation has been made in accordance with the basis stated in Note 1 to the nonconsolidated financial statements. Such U.S. dollar amounts are presented solely for the convenience of readers outside Japan.

#### Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Nonconsolidated Financial Statements section of our report. We are independent of the Company in accordance with the provisions of the Code of Professional Ethics in Japan, and we have fulfilled our other ethical responsibilities as auditors. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Key Audit Matter

A key audit matter is a matter that, in our professional judgment, was of most significance in our audit of the nonconsolidated financial statements of the current period. The matter was addressed in the context of our audit of the nonconsolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on the matter.

#### Determination of the reserve for loan losses

This information is omitted because it is identical to the key audit matter (Determination of the reserve for loan losses) included in the independent auditor's report on the consolidated financial statements.

## **Other Information**

Management is responsible for the other information. The Audit and Supervisory Committee is responsible for overseeing the Directors' execution of duties relating to the design and operating effectiveness of the controls over the other information. The other information comprises the information included in the Company's disclosure documents accompanying the audited nonconsolidated financial statements, but does not include the nonconsolidated financial statements and our auditor's report thereon.

Our opinion on the nonconsolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the nonconsolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the nonconsolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## **Responsibilities of Management and the Audit and Supervisory Committee for the Nonconsolidated Financial Statements**

Management is responsible for the preparation and fair presentation of the nonconsolidated financial statements in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of nonconsolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the nonconsolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern in accordance with accounting principles generally accepted in Japan and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Audit and Supervisory Committee is responsible for overseeing the Directors' execution of duties relating to the design and operating effectiveness of the controls over the Company's financial reporting process.

## **Auditor's Responsibilities for the Audit of the Nonconsolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the nonconsolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in Japan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these nonconsolidated financial statements.

As part of an audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the nonconsolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks. The procedures selected depend on the auditor's judgment. In addition, we obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain, when performing risk assessment procedures, an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the nonconsolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate whether the overall presentation and disclosures of the nonconsolidated financial statements are in accordance with accounting principles generally accepted in Japan, as well as the overall presentation, structure and content of the nonconsolidated financial statements, including the disclosures, and whether the nonconsolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Audit and Supervisory Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit and Supervisory Committee with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with it all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Audit and Supervisory Committee, we determine those matters that were of most significance in the audit of the nonconsolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **<Fee-Related Information>**

Fees-related Information is described in the independent auditor's report on the consolidated financial statements.



**Interest Required to Be Disclosed by the Certified Public Accountants Act of Japan**

Our firm and its designated engagement partners do not have any interest in the Company which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

*Deloitte Touche Tokumatsu LLC*

July 31, 2025

**CONSOLIDATED BALANCE SHEET**  
**Resona Bank, Limited and consolidated subsidiaries**  
**March 31, 2025**

	Millions of yen		Millions of U.S. dollars (Note 1)
	2025	2024	2025
<b>Assets:</b>			
Cash and due from banks (Notes 4, 12 and 29)	¥ 11,202,346	¥ 12,440,150	\$ 74,917
Call loans and bills bought (Note 29)	143,556	104,688	960
Receivables under securities borrowing transactions (Note 29)	1,529	8,448	10
Monetary claims bought (Note 29)	328,510	279,652	2,196
Trading assets (Notes 5, 12, 29 and 30)	444,843	344,944	2,974
Money held in trust	336	—	2
Securities (Notes 6, 7, 12 and 29)	5,539,081	5,339,241	37,043
Loans and bills discounted (Notes 7, 12, 13, 29 and 36)	25,674,091	23,940,604	171,698
Foreign exchange assets (Notes 7, 8 and 29)	176,627	125,935	1,181
Other assets (Notes 7, 9, 12, 29, and 30)	437,421	767,825	2,925
Tangible fixed assets (Notes 10, 20 and 28)	192,332	204,426	1,286
Intangible fixed assets (Notes 11 and 28)	44,138	36,905	295
Net defined benefit asset (Note 31)	57,658	44,405	385
Deferred tax assets (Note 27)	1,373	1,140	9
Customers' liabilities for acceptances and guarantees (Note 7 and 19)	244,114	256,870	1,632
Reserve for loan losses (Note 29)	(107,517)	(123,372)	(719)
<b>Total assets</b>	<b>¥ 44,380,447</b>	<b>¥ 43,771,867</b>	<b>\$ 296,799</b>
<b>Liabilities and Net assets:</b>			
<b>Liabilities:</b>			
Deposits (Notes 12, 14 and 29)	¥ 34,418,465	¥ 35,192,616	\$ 230,177
Negotiable certificates of deposit (Note 29)	537,500	550,110	3,594
Call money and bills sold (Note 29)	1,687,160	826,279	11,283
Payables under securities lending transactions (Notes 12 and 29)	1,662,680	1,364,159	11,119
Trading liabilities (Notes 5, 29 and 30)	184,790	78,511	1,235
Borrowed money (Notes 12, 15 and 29)	2,290,343	1,863,397	15,316
Foreign exchange liabilities (Notes 8 and 29)	12,261	11,088	81
Bonds (Notes 16 and 29)	80,859	36,000	540
Due to trust account (Note 29)	1,026,603	1,314,105	6,865
Other liabilities (Notes 12, 15, 17, 29, 30 and 36)	448,804	427,442	3,001
Reserve for employees' bonuses	10,022	9,378	67
Net defined benefit liability (Note 31)	272	189	1
Other reserves (Note 18)	11,150	12,206	74
Deferred tax liabilities (Note 27)	58,022	90,750	388
Deferred tax liabilities for land revaluation (Note 20)	15,396	17,589	102
Acceptances and guarantees (Note 19)	244,114	256,870	1,632
<b>Total liabilities</b>	<b>42,688,449</b>	<b>42,050,696</b>	<b>285,484</b>
<b>Net assets (Notes 21 and 33):</b>			
Capital stock	279,928	279,928	1,872
Capital surplus	428,554	428,554	2,866
Retained earnings	622,427	550,407	4,162
Total stockholders' equity	1,330,909	1,258,889	8,900
Net unrealized gains on available-for-sale securities (Note 6)	316,072	405,864	2,113
Net deferred gains (losses) on hedges	(21,143)	3,252	(141)
Revaluation reserve for land (Note 20)	32,573	38,239	217
Foreign currency translation adjustments	6,505	(137)	43
Remeasurements of defined benefit plans (Note 31)	14,495	6,382	96
Total accumulated other comprehensive income	348,503	453,601	2,330
Noncontrolling interests	12,584	8,680	84
<b>Total net assets</b>	<b>1,691,997</b>	<b>1,721,171</b>	<b>11,315</b>
<b>Total liabilities and net assets</b>	<b>¥ 44,380,447</b>	<b>¥ 43,771,867</b>	<b>\$ 296,799</b>

See accompanying notes to the consolidated financial statements.

**CONSOLIDATED STATEMENT OF INCOME**  
**Resona Bank, Limited and consolidated subsidiaries**  
**For the fiscal year ended March 31, 2025**

	Millions of yen		Millions of U.S. dollars (Note 1)
	2025	2024	2025
<b>Income:</b>			
Interest income (Notes 22 and 36)	¥ 367,804	¥ 301,483	\$ 2,459
Trust fees (Note 34)	25,629	25,371	171
Fees and commissions (Note 34)	160,359	146,757	1,072
Trading income (Note 23)	3,568	823	23
Other operating income (Note 24)	19,528	18,935	130
Other income (Note 26)	88,471	62,422	591
<b>Total Income</b>	<b>665,361</b>	<b>555,794</b>	<b>4,449</b>
<b>Expenses:</b>			
Interest expenses (Notes 22 and 36)	99,182	75,904	663
Fees and commissions	64,625	61,403	432
Trading expenses	15	111	0
Other operating expenses (Note 24)	36,641	21,073	245
General and administrative expenses (Note 25)	236,149	220,083	1,579
Other expenses (Note 26)	42,223	44,633	282
<b>Total Expenses</b>	<b>478,837</b>	<b>423,209</b>	<b>3,202</b>
<b>Income before income taxes</b>	<b>186,523</b>	<b>132,585</b>	<b>1,247</b>
<b>Income taxes</b> (Note 27):			
Current	49,728	39,721	332
Deferred	1,802	(1,470)	12
<b>Total income Taxes</b>	<b>51,531</b>	<b>38,251</b>	<b>344</b>
<b>Net income</b>	<b>134,991</b>	<b>94,334</b>	<b>902</b>
<b>Net income (losses) attributable to noncontrolling interests</b>	<b>1,053</b>	<b>(858)</b>	<b>7</b>
<b>Net income attributable to owners of parent</b>	<b>¥ 133,937</b>	<b>¥ 95,192</b>	<b>\$ 895</b>
	Yen		U.S. dollars (Note 1)
<b>Per common share information:</b>			
Net income per share (Basic) (Note 33)	¥ 0.99	¥ 0.70	\$ 0.00
Cash dividends per share applicable to the fiscal year (Notes 21)	0.5919	0.4279	0.0039

See accompanying notes to the consolidated financial statements.

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**Resona Bank, Limited and consolidated subsidiaries**  
**For the fiscal year ended March 31, 2025**

	<b>Millions of yen</b>		<b>Millions of U.S. dollars (Note 1)</b>
	<b>2025</b>	<b>2024</b>	<b>2025</b>
<b>Net income</b>	¥ 134,991	¥ 94,334	\$ 902
<b>Other comprehensive income</b> (Note 32):			
Net unrealized gains (losses) on available-for-sale securities	(89,688)	113,634	(599)
Net deferred gains (losses) on hedges	(24,395)	1,878	(163)
Revaluation reserve for land	(444)	—	(2)
Foreign currency translation adjustments	9,526	1,043	63
Remeasurements of defined benefit plans	8,061	13,886	53
Share of other comprehensive income (losses) of affiliates accounted for using the equity method	(85)	26	(0)
Total other comprehensive income (losses)	(97,026)	130,470	(648)
<b>Total comprehensive income</b> (Note 32)	<b>¥ 37,965</b>	<b>¥ 224,804</b>	<b>\$ 253</b>
<b>Total comprehensive income attributable to</b> (Note 32):			
Owners of parent	¥ 34,061	¥ 225,379	\$ 227
Noncontrolling interests	3,903	(575)	26

See accompanying notes to the consolidated financial statements.

**CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS**  
**Resona Bank, Limited and consolidated subsidiaries**  
**For the fiscal year ended March 31, 2025**

	Millions of yen											
	Stockholders' equity				Accumulated other comprehensive income							
	Capital stock	Capital surplus	Retained earnings	Total stockholders' equity	Net unrealized gains (losses) on available-for-sale securities	Net deferred gains (losses) on hedges	Revaluation reserve for land	Foreign currency translation adjustments	Remeasure-ments of defined benefit plans	Total accumula-ted other comprehen-sive income	Non -controlling interests	Total net assets
<b>Balance at April 1, 2023</b>	¥ 279,928	¥ 428,554	¥ 502,445	¥ 1,210,927	¥ 292,233	¥ 1,374	¥ 39,385	¥ (880)	¥ (7,552)	¥ 324,560	¥ 9,296	¥ 1,544,784
Changes during the fiscal year												
Dividends paid			(48,376)	(48,376)								(48,376)
Net income attributable to owners of parent			95,192	95,192								95,192
Reversal of revaluation reserve for land			1,146	1,146								1,146
Net changes except for stockholders' equity during the fiscal year					113,630	1,878	(1,146)	743	13,934	129,040	(616)	128,424
<b>Total changes during the fiscal year</b>	—	—	47,962	47,962	113,630	1,878	(1,146)	743	13,934	129,040	(616)	176,386
<b>Balance at March 31, 2024</b>	279,928	428,554	550,407	1,258,889	405,864	3,252	38,239	(137)	6,382	453,601	8,680	1,721,171
Changes during the fiscal year												
Dividends paid			(67,138)	(67,138)								(67,138)
Net income attributable to owners of parent			133,937	133,937								133,937
Reversal of revaluation reserve for land			5,220	5,220								5,220
Net changes except for stockholders' equity during the fiscal year					(89,791)	(24,395)	(5,665)	6,643	8,112	(105,097)	3,903	(101,193)
<b>Total changes during the fiscal year</b>	—	—	72,020	72,020	(89,791)	(24,395)	(5,665)	6,643	8,112	(105,097)	3,903	(29,173)
<b>Balance at March 31, 2025</b>	¥ 279,928	¥ 428,554	¥ 622,427	¥ 1,330,909	¥ 316,072	¥ (21,143)	32,573	¥ 6,505	¥ 14,495	¥ 348,503	¥ 12,584	¥ 1,691,997

	Millions of U.S. dollars (Note1)											
	Stockholders' equity				Accumulated other comprehensive income							
	Capital stock	Capital surplus	Retained earnings	Total stockholders' equity	Net unrealized gains (losses) on available-for-sale securities	Net deferred gains (losses) on hedges	Revaluation reserve for land	Foreign currency translation adjustments	Remeasure-ments of defined benefit plans	Total accumula-ted other comprehen-sive income	Non -controlling interests	Total net assets
<b>Balance at April 1, 2024</b>	\$ 1,872	\$ 2,866	\$ 3,680	\$ 8,418	\$ 2,714	\$ 21	\$ 255	\$ (0)	\$ 42	\$ 3,033	\$ 58	\$ 11,510
Changes during the fiscal year												
Dividends paid			(448)	(448)								(448)
Net income attributable to owners of parent			895	895								895
Reversal of revaluation reserve for land			34	34								34
Net changes except for stockholders' equity during the fiscal year					(600)	(163)	(37)	44	54	(702)	26	(676)
<b>Total changes during the fiscal year</b>	—	—	481	481	(600)	(163)	(37)	44	54	(702)	26	(195)
<b>Balance at March 31, 2025</b>	\$ 1,872	\$ 2,866	\$ 4,162	\$ 8,900	\$ 2,113	\$ (141)	\$ 217	\$ 43	\$ 96	\$ 2,330	\$ 84	\$ 11,315

See accompanying notes to the consolidated financial statements.

**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**Resona Bank, Limited and consolidated subsidiaries**  
**For the fiscal year ended March 31, 2025**

	Millions of yen		Millions of U.S. dollars (Note 1)
	2025	2024	2025
<b>Cash flows from operating activities:</b>			
Income before income taxes	¥ 186,523	¥ 132,585	\$ 1,247
Adjustments for:			
Depreciation and amortization	30,296	30,204	202
Impairment losses on fixed assets	2,489	1,887	16
Equity in earnings of investments in affiliates	(185)	(50)	(1)
Increase (decrease) in reserve for loan losses	(15,854)	11,639	(106)
Increase (decrease) in reserve for employees' bonuses	643	194	4
(Increase) decrease in net defined benefit asset	(13,252)	(20,543)	(88)
Increase (decrease) in net defined benefit liability	83	41	0
Interest income	(367,804)	(301,483)	(2,459)
Interest expenses	99,182	75,904	663
Net (gains) losses on securities	(36,769)	(28,953)	(245)
Net foreign exchange (gains) losses	(11,643)	(101,763)	(77)
Net (gains) losses on disposal of fixed assets	(310)	(1,196)	(2)
Net (increase) decrease in trading assets	(99,898)	(127,407)	(668)
Net increase (decrease) in trading liabilities	106,278	27,455	710
Net (increase) decrease in loans and bills discounted	(1,733,487)	(1,200,901)	(11,592)
Net increase (decrease) in deposits	(774,150)	1,009,104	(5,177)
Net increase (decrease) in negotiable certificates of deposit	(12,610)	(181,140)	(84)
Net increase (decrease) in borrowed money (excluding subordinated borrowed money)	426,945	(371,318)	2,855
Net (increase) decrease in due from banks (excluding those deposited at the Bank of Japan)	(50,849)	(10,810)	(340)
Net (increase) decrease in call loans, bills bought and monetary claims bought	(87,726)	412,010	(586)
Net (increase) decrease in receivables under securities borrowing transactions	6,919	(87)	46
Net increase (decrease) in call money and other	860,881	399,026	5,757
Net increase (decrease) in payables under securities lending transactions	298,520	(607,241)	1,996
Net (increase) decrease in foreign exchange assets	(50,692)	50,577	(339)
Net increase (decrease) in foreign exchange liabilities	1,173	(632)	7
Issuance (redemption) of straight bonds	44,859	—	300
Net increase (decrease) in due to trust account	(287,501)	323,617	(1,922)
Interest receipts	362,761	297,582	2,426
Interest payments	(95,652)	(72,941)	(639)
Other - net	333,280	98,635	2,228
Subtotal	(877,552)	(156,002)	(5,868)
Income taxes paid	(44,696)	(29,406)	(298)
Net cash provided by (used in) operating activities	(922,249)	(185,409)	(6,167)
<b>Cash flows from investing activities:</b>			
Purchases of securities	(2,545,628)	(2,100,467)	(17,024)
Proceeds from sales of securities	1,544,584	1,471,206	10,329
Proceeds from redemption of securities	698,655	329,013	4,672
Increase in money held in trust	(330)	—	(2)
Purchases of tangible fixed assets	(8,428)	(7,034)	(56)
Proceeds from sales of tangible fixed assets	14,593	2,620	97
Purchases of intangible fixed assets	(8,853)	(6,537)	(59)
Proceeds from sales of intangible fixed assets	—	6	—
Other - net	(500)	(158)	(3)
Net cash provided by (used in) investing activities	(305,908)	(311,351)	(2,045)
<b>Cash flows from financing activities:</b>			
Dividends paid	(67,138)	(48,376)	(448)
Dividends paid to noncontrolling interests of consolidated subsidiaries	—	(41)	—
Net cash provided by (used in) financing activities	(67,138)	(48,418)	(448)
<b>Effect of exchange rate changes on cash and cash equivalents</b>	6,643	743	44
<b>Net increase (decrease) in cash and cash equivalents</b>	(1,288,653)	(544,436)	(8,618)
<b>Cash and cash equivalents at the beginning of the fiscal year</b>	12,310,190	12,854,627	82,325
<b>Cash and cash equivalents at the end of the fiscal year (Note 4)</b>	¥ 11,021,537	¥ 12,310,190	\$ 73,707

See accompanying notes to the consolidated financial statements.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

### Resona Bank, Limited and consolidated subsidiaries

Fiscal year ended March 31, 2025

#### 1. BASIS OF PRESENTATION

The accompanying consolidated financial statements have been prepared from the accounts maintained by Resona Bank, Limited (the "Bank") and its consolidated subsidiaries (together, the "Group") in accordance with the provisions set forth in the Financial Instruments and Exchange Act of Japan and its related accounting regulations concerning the preparation of consolidated financial statements, Ordinance for Enforcement of the Banking Act and in accordance with accounting principles generally accepted in Japan ("Japanese GAAP"), which are different in certain respects as to application and disclosure requirements from International Financial Reporting Standards ("IFRSs").

In preparing these consolidated financial statements, certain reclassifications and rearrangements have been made to the consolidated financial statements issued domestically in order to present them in a form which is more familiar to readers outside Japan. Certain reclassifications have been made in the 2024 consolidated financial statements to conform to the classifications used in 2025.

In addition, the notes to the consolidated financial statements include certain information, which is not required under Japanese GAAP, but is presented herein as additional information.

The consolidated financial statements are stated in Japanese yen, the currency of the country in which the Bank is incorporated and operates. The translations of Japanese yen amounts into U.S. dollar amounts are included solely for the convenience of the readers outside Japan and have been made at the rate of ¥149.53 to U.S. \$1.00, the rate of exchange prevailing on the Tokyo Foreign Exchange Market on March 31, 2025. The inclusion of such amounts is not intended to imply that yen amounts have been or could be readily converted, realized or settled in U.S. dollars at that or any other rate.

Amounts of less than one million yen and one million U.S. dollars have been rounded down to the nearest million in the presentation of the accompanying consolidated financial statements. As a result, the totals in yen and U.S. dollars do not necessarily agree with the sum of the individual amounts.

#### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

##### (1) Use of estimates

The preparation of consolidated financial statements in accordance with Japanese GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of income and expenses during the reporting period. Actual results could differ from those estimates.

##### (2) Principles of consolidation

The Bank defines its consolidation scope using the control and influence concept. Under the control and influence concept, those entities in which the Bank, directly or indirectly, is able to exercise control over finance and operations through voting interest and/or other means are fully consolidated, and those entities over which the Bank has the ability to exercise significant influence are accounted for by the equity method.

In order to apply the control and influence criteria for certain collective investment vehicles, such as Tousei Jigyo Kumiai (investment associations), limited partnerships, Tokumei Kumiai (silent partnership) structures and other entities with similar characteristics, the Bank looks to the proportionate share of decision-making authority over such vehicles, together with other factors indicating substantial control and influence, in accordance with the guidance of Practical Issues Task Force No. 20, "Practical Solution on Application of Control Criteria and Influence Criteria to Investment Associations," issued by the Accounting Standards Board of Japan (the "ASBJ").

##### (a) Scope of consolidation

The number of consolidated subsidiaries as of March 31, 2025 and 2024 was four and three, respectively. Resona Real Estate Asset Management, Limited was newly established and was included in the scope of consolidation from the fiscal year ended March 31, 2025.

The Group excludes accounts of certain subsidiaries from consolidation when the total assets, total income, net income or loss (applicable for the owned interest), retained earnings (applicable for the owned interest) and accumulated other comprehensive income (applicable for the owned interest) of these subsidiaries would not have a material effect on the consolidated financial statements.

**(b) Application of the equity method of accounting**

The number of affiliates accounted for by the equity method as of March 31, 2025 and 2024 was one.

The equity method of accounting has not been applied to investments in certain non-consolidated subsidiaries and affiliates, as the net income or loss (applicable for the owned interest), retained earnings (applicable for the owned interest) and accumulated other comprehensive income (applicable for the owned interest) are immaterial in relation to the consolidated financial statements.

**(c) Balance sheet dates of consolidated subsidiaries**

The balance sheet date of the consolidated subsidiaries as of March 31, 2025 and 2024 were as follows:  
(Number of consolidated subsidiaries)

	<u>2025</u>	<u>2024</u>
End of December .....	3	3

Subsidiaries have been consolidated based on their accounts at their respective balance sheet dates. Appropriate adjustments have been made for significant intervening transactions occurring during the period from the respective balance sheet dates of the above subsidiaries to the consolidated balance sheet date.

**(d) Eliminations of intercompany balances and transactions**

All significant intercompany balances and transactions have been eliminated in consolidation. All material unrealized profit or loss included in assets and liabilities resulting from transactions within the Group is also eliminated.

**(e) Unification of accounting policies applied to foreign subsidiaries for the consolidated financial statements**

The accounting policies and procedures applied to the Bank and its subsidiaries for similar transactions and events under similar circumstances should, in principle, be unified for the preparation of the consolidated financial statements.

Financial statements prepared by foreign subsidiaries in accordance with IFRSs may be tentatively used for the consolidation process; however, the following items should be adjusted in the consolidation process so that net income or loss is accounted for in accordance with Japanese GAAP unless they are not material:

- (i) Amortization of goodwill
- (ii) Actuarial gains and losses of defined benefit plans recognized outside profit or loss
- (iii) Expensing capitalization of intangible assets arising from development phases
- (iv) Cancellation of fair value accounting model for tangible fixed assets and investment properties and incorporation of the cost accounting model
- (v) Reclassification adjustments for the subsequent change in fair value of equity instruments which is disclosed as a component of other comprehensive income

**(3) Trading assets and trading liabilities**

Transactions whose purposes are to earn a profit by taking advantage of short-term fluctuations in the market or arbitrage opportunities in interest rates, currency exchange rates, share prices or other market indices on different markets ("transactions for trading purposes") are included in "trading assets" or "trading liabilities," as appropriate, on the consolidated balance sheet on a trade-date basis.

Securities and monetary claims, etc. held for trading purposes are stated at fair value as of the consolidated balance sheet date. Derivatives including swaps, futures and options, held for trading purposes are stated at the fair values, which are determined using the exit price as if the respective contracts were closed out at the consolidated balance sheet date.

**(4) Trading income and trading expenses**

Income and expenses on transactions for trading purposes are included in "trading income" or "trading expenses," as appropriate, in the consolidated statement of income on a trade-date basis.

Trading income and trading expenses include interest received and paid during the fiscal year, net changes in fair value of securities and monetary claims, etc., and changes in the close-out value of derivatives during the fiscal year.



## **(5) Securities**

Securities other than investments in non-consolidated subsidiaries and affiliates which are accounted for by the equity method are classified and accounted for, depending on management's intent, as follows:

- (i) held-to-maturity debt securities, which management has the positive intent and ability to hold to maturity, are stated at amortized cost determined by the moving-average method (the amortization/accumulation is calculated by the straight-line method).
- (ii) investments in non-consolidated subsidiaries and affiliates which are not accounted for by the equity method are stated at cost determined by the moving-average method.
- (iii) marketable available-for-sale securities are stated at fair value with unrealized gains and losses, net of applicable tax effects, reported in a separate component of net assets (the cost of those securities sold is determined mainly by the moving-average method).
- (iv) non-marketable equity securities, etc. are stated at cost. The cost of these securities sold is determined by the moving-average method.

Investment securities other than trading securities are written down to estimated fair value when the decline in fair value is determined to be other-than-temporary based on the assessment of the severity and duration of the decline in value, the issuers' credit standing and certain other factors. Impairment losses are recognized by a charge against income.

## **(6) Derivatives and hedge accounting**

Derivatives are classified and accounted for as follows:

- (i) all derivatives other than those used for hedging purposes are recognized as either assets or liabilities and measured at fair value, with gains or losses recognized currently in the consolidated statement of income.
- (ii) derivatives used for hedging purposes, if they meet certain hedging criteria, including high correlation and effectiveness between the hedging instruments and the hedged items, are recognized as either assets or liabilities and measured at fair value. Gains or losses on derivatives used for hedging purposes are generally deferred over the terms of the hedged items and are reclassified into income or expenses when gains and losses on the hedged items are recognized. Net deferred gains or losses on qualifying hedges are reported as a separate component of net assets. Fair value hedge accounting can be applied for certain hedged items, including available-for-sale securities.

A special accounting treatment is applicable to certain hedging relationships with interest rate swaps. Interest rate swaps which qualify for hedge accounting and meet specific matching criteria, requiring certain critical terms of the swaps and the hedged items to be substantially the same, are not remeasured at fair value and the interest differentials paid or received are recognized over the term of the swap agreements and netted with the interest income or expenses of the hedged transactions in the consolidated statement of income.

Generally, a specific hedging relationship is designated between a stand-alone derivative and a single asset or liability (or a group of identical assets or liabilities) as a condition for the application of hedge accounting. However, bank industry-specific hedge accounting may be applied as follows:

### **(a) Hedges of interest rate risk**

In order to hedge an interest rate risk associated with financial assets and liabilities, the Bank applies deferral hedge accounting as stipulated in the Industry Committee Practical Guidelines No. 24, "Accounting and Auditing Treatments on the Application of Accounting Standards for Financial Instruments in the Banking Industry," issued by the Japanese Institute of Certified Public Accountants (the "JICPA") on March 17, 2022 (the "Industry Committee Practical Guidelines No. 24"), as well as individual hedge accounting in part.

The Industry Committee Practical Guidelines No. 24 permits banks to designate a group of derivatives as a hedge of a group of financial assets or financial liabilities, taking into consideration the nature of derivative activities in the banking industry. Under the Industry Committee Practical Guidelines No. 24, hedges to offset changes in fair value of fixed rate instruments (such as loans or deposits) ("fair value hedges") and changes in anticipated cash flows from variable rate instruments ("cash flow hedges") are applied by grouping hedging instruments and hedged items by their maturities.

For fair value hedges, a group of hedging instruments are designated as a hedge of a group of assets or liabilities which are grouped by their maturities in the same manner as the group of hedging instruments. The assessment of hedge effectiveness is generally based on the analysis of the changes in interest rate factors affecting the respective fair values of the groups of hedging instruments and hedged items rather than the assessment based on the accumulated changes in relevant fair values.

For cash flow hedges, the hedging instruments and hedged items are grouped based on their index repricing dates and/or maturities. A regression analysis is applied to test the correlations between interest rate indices underlying the hedging instruments and hedged items to determine the effectiveness of the hedge. A hedge is, however, assumed to be effective and the assessment can be omitted when the interest rate indices are the same for each of the hedging instruments and hedged items, and the repricing dates and intervals are substantially identical for the hedging instruments and hedged items.

For individual hedge, material terms for hedged items and hedging instruments are virtually the same, and this is used as a substitute for the assessment of effectiveness.

Certain assets and liabilities were accounted for using deferral hedge accounting or fair value hedge accounting, designating a stand-alone derivative as a hedge of a specific asset (group of assets) or specific liability (group of liabilities).

**(b) Hedges of foreign currency risk**

In order to hedge a foreign currency risk associated with financial assets and liabilities denominated in foreign currencies, the Bank applies deferral hedge accounting as stipulated in the Industry Committee Practical Guidelines No. 25 "Accounting and Auditing Treatments for Foreign Currency Transactions in the Banking Industry" issued by the JICPA on October 8, 2020 (the "Industry Committee Practical Guidelines No. 25").

In accordance with the Industry Committee Practical Guidelines No. 25, the Bank designates certain currency swaps and foreign exchange swaps as hedges for the exposure to changes in foreign exchange rates associated with receivables or payables denominated in foreign currencies when the foreign currency positions of the hedged receivables or payables including principal and the related accrued interest are expected to exceed the principal and related accrued interest on the hedging instruments over the terms of the hedging instruments. Hedges are assessed as effective when it is determined that the Bank continues to hold foreign currency positions of the hedging derivatives corresponding to the positions of the hedged items denominated in foreign currencies.

For hedges of available-for-sale securities (other than bonds) denominated in foreign currencies, the Bank adopts deferral hedge accounting and fair value hedge accounting on a portfolio basis to hedge the foreign currency risk attributable to such securities. The hedging criteria include specific designation of hedged securities and the on- and off-balance sheet liabilities denominated in foreign currencies positions covering the costs of the hedged securities denominated in the same foreign currencies.

**(c) Inter-company and intra-company derivative transactions**

For inter-company and intra-company derivative transactions ("internal derivatives"), including currency and interest rate swaps, the Bank currently recognizes gains and losses on internal derivatives or defers them as assets or liabilities without elimination in accordance with the Industry Committee Practical Guidelines No. 24 and No. 25, which permit a bank to retain the gains and losses on internal derivatives without elimination in the financial statements if the bank establishes and follows the strict hedging criteria for external transactions, requiring mirror-image transactions to be entered into within three business days with external parties after the designation of the internal derivatives as hedging instruments.

**(7) Depreciation and amortization**

**(a) Tangible fixed assets (except for leased assets)**

Depreciation of tangible fixed assets (except for leased assets) is mainly computed using the straight-line method for buildings and using the declining-balance method for equipment over the estimated useful lives. The estimated useful lives of major tangible fixed assets are as follows:

Buildings:	3 - 50 years
Equipment:	2 - 20 years

**(b) Intangible fixed assets (except for leased assets and goodwill)**

Amortization of intangible fixed assets (except for leased assets and goodwill) is computed using the straight-line method. Costs of software developed and obtained for internal use are capitalized and amortized using the straight-line method over the estimated useful lives (mainly five years).

**(c) Leased assets**

Leased assets other than those under finance lease transactions that are deemed to transfer ownership of the leased property to the lessee are depreciated using the straight-line method over the lease term. Residual value of those leased assets is zero unless any guaranteed amount is prescribed in the lease agreement.

Depreciation of leased assets deemed to transfer ownership to the lessee is computed by the same method used for owned assets.

**(d) Goodwill**

Goodwill is amortized over an appropriate period to be affected not to exceed 20 years using the straight-line method. Goodwill that has no material impact is fully expensed as incurred.

**(8) Deferred charges**

Bond issuance costs are charged to expense as incurred.

**(9) Long-lived assets**

The Group reviews its long-lived assets for impairment whenever events or changes in circumstance indicate the carrying amount of an asset or asset group may not be recoverable. An impairment loss would be recognized if the carrying amount of an asset or asset group (identified as a cash-generating unit) exceeds the sum of the undiscounted future cash flows expected to result from the continued use and eventual disposition of the asset or asset group. The impairment loss would be measured as the amount by which the carrying amount of the asset or asset group exceeds its recoverable amount, which is the higher of the discounted cash flows from the continued use and eventual disposition of the asset or asset group (i.e., value in use) or the net selling price at disposition.

For the purpose of testing impairment, the Bank recognizes individual branch offices as cash-generating units for which it identifies specific cash flows. Assets which do not have identifiable cash flows such as corporate headquarters, training centers, computer centers and welfare facilities are treated as corporate assets as a whole. Branch offices to be closed and facilities not used in operations are individually assessed for impairment.

Recoverable amounts are generally measured by net realizable value, which is principally determined at appraisal values less estimated disposal costs. For certain branch offices used in operations, recoverable amounts are measured by value in use, which is calculated based on the present value of future cash flows using a reasonable discount rate.

**(10) Reserve for reimbursement of deposits**

The Bank generally reimburses derecognized customer deposits if a legitimate claimant appears, and such reimbursement of deposit is accounted for as a charge against income.

The Bank provides a reserve for future losses on estimated reimbursements in response to the legitimate claims subsequent to the period of derecognition of the related deposit liabilities.

**(11) Reserve for loan losses**

The Bank has provided a reserve for loan losses in accordance with its internal standards for write-offs and reserves as follows:

For claims to insolvent borrowers who are undergoing bankruptcy, special liquidation or bankrupt obligors ("bankrupt obligors") or who are in substantially the same deteriorating financial condition although not yet in formal bankruptcy proceedings ("effectively bankrupt obligors"), a reserve is provided at the full amount of claims after deducting any direct write-offs and excluding the collectable amounts from the disposal of collateral and the recoverable amounts from guarantees.

For claims to borrowers who are not currently in the condition of bankruptcy or insolvency but with a high probability of becoming insolvent ("potentially bankrupt obligors") and certain identified claims subject to close watch, the discounted cash flow method (the "DCF method") is applied to determine the amount of reserve for individually large balances which exceed a certain pre-established threshold amount. The DCF method is applied only when future cash flows from collection of principal and interest can be reasonably estimated. Under the DCF method, a reserve is provided for the difference between the present value of future cash flows discounted by the original interest rate and the carrying value of the claim.

Borrowers who have problems with lending conditions or performance status, borrowers whose business conditions are sluggish or unstable, and borrowers who have problems with financial conditions are classified as "watch obligors", and if all or part of their claims are requiring special management, those borrowers are classified as "special attention obligors".

For the claims to the potentially bankrupt obligors other than noted above and to the special attention obligors, a reserve is provided for the expected loan losses for the next three years. For the claims to the watch obligors other than the special attention obligors and borrowers who keep good business performance and don't have any specific problems with financial conditions ("normal obligors"), a reserve is provided for the expected loan losses for the next one year. The expected loan loss ratios used as the basis of calculating the expected loan losses are computed by using the loan loss ratios derived from the average of historical loan loss ratios for the period of one or three years, and necessary modifications, such as future projection, are added. If the loan loss

ratios computed as the historical average over a longer period of time considering the business cycle, etc., are higher than the expected loan loss ratios, the expected loan loss ratios are adjusted by the differences.

The expected loan loss ratios for watch obligors, special attention obligors and potentially bankrupt obligors are computed by considering the rate of increasing the loan loss ratios for the recent period in order to properly factor in the uncertainty of loan losses in the future.

For claims to certain foreign borrowers with country risk exposure, a reserve is provided for the estimated losses determined by considering the political and economic situation of respective countries.

The operating divisions initially assess all claims based on the internal standards for self-assessment of asset quality. The Internal Audit Division of the Bank, which is independent from the operating divisions, examines their assessments. The reserve for loan losses is provided based on the results of these assessments of the operating divisions and the examination of the Internal Audit Division of the Bank.

For collateralized or guaranteed claims to bankrupt obligors and effectively bankrupt obligors, uncollectible amounts (i.e., the carrying value less the amounts collectible from the disposal of collateral and execution of guarantees) are directly written-off. Such uncollectible amounts as of March 31, 2025 and 2024 were ¥63,544 million (\$424 million) and ¥65,639 million, respectively.

#### **(12) Reserve for employees' bonuses**

A reserve for employees' bonuses is provided for the payment of performance bonuses to employees at an estimated amount accrued as of the consolidated balance sheet dates.

#### **(13) Employees' retirement benefits**

Net defined benefit liability and/or asset are provided for the payment of retirement benefits to employees in the amount deemed necessary based on the projected benefit obligation and the fair value of plan assets as of the consolidated balance sheet date.

Regarding determination of retirement benefit obligations, the benefit formula basis is adopted as the method of attributing expected benefit to the respective periods until the current fiscal year end.

Prior service cost is charged to expense as incurred. Unrecognized actuarial gains and losses are amortized from the following year of incurrence by the straight-line method over a period (ten years) defined within the average remaining service period of eligible employees.

#### **(14) Other reserves**

Other reserves are provided to cover future expenses and losses that can be reasonably estimated.

#### **(15) Revenue recognition**

The Bank applies "Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29, March 31, 2020), etc. and recognizes revenue when it transfers control of promised goods or services to a customer in the amount expected to receive upon exchange of the goods or services.

Revenue from contracts with customers to which the accounting standards are applied is included in "trust fees" and "fees and commissions".

"Trust fees" is the revenue from managing and operating the trust assets entrusted by customers and recognized mainly over the period of the services.

"Fees and commissions" is the revenue mainly from providing the services, such as deposit and lending operation and currency exchange operation. Service revenue associated with the deposit and lending operation includes the revenue from bank transfer, internet banking service, syndicated loan and commitment line agreements. Revenue from the bank transfer and internet banking service is recognized mainly at the time of the service provided. Revenue from the syndicated loan and commitment line agreements is recognized either at the time of the service provided or over the period of the service. Service revenue associated with the currency exchange operation is mainly the revenue from domestic and international money transfer fees and recognized mainly at the time of the service provided.

#### **(16) Translation of foreign currencies**

The financial statements of foreign subsidiaries are translated into Japanese yen at the exchange rates as of the respective balance sheet dates, except for net assets accounts, which are translated at historical exchange rates. Differences arising from such translations are shown as "foreign currency translation adjustments" as a separate component of net assets.

The Bank translates assets and liabilities denominated in foreign currencies into Japanese yen primarily at the exchange rates at the consolidated balance sheet date, with the exception of investments in affiliates which are translated at historical exchange rates.

## **(17) Income taxes**

The Bank is a wholly owned subsidiary of Resona Holdings, Inc. (the "Holdings"). The Bank applies the group tax sharing system, with the Holdings as the aggregate parent company.

The provision for income taxes is computed based on the pre-tax income included in the consolidated statement of income. The asset and liability approach is used to recognize deferred tax assets and liabilities for the expected future tax consequences of temporary differences between the amounts on consolidated balance sheet and the tax bases of assets and liabilities. Deferred taxes are measured by applying currently enacted tax rates to the temporary differences.

The Bank assesses the realizability of deferred tax assets based on an assessment of the available evidence, including future taxable income, future reversal of existing temporary differences and tax planning strategies. A valuation allowance reduces the carrying amount of deferred tax assets to the extent that it is not probable that sufficient taxable income will be available to allow the benefit of part or all of the deferred tax assets to be realized. Such valuation allowance may be reversed to the extent that it becomes probable that sufficient taxable income will be available and warrant the realization of tax benefits.

## **(18) Cash and cash equivalents**

Cash and cash equivalents in the consolidated statement of cash flows include cash and the balances due from the Bank of Japan.

## **(19) Per share information**

Basic net income per share of common stock is computed by dividing net income attributable to common stock by the weighted-average number of shares of common stock outstanding during the fiscal year, retroactively adjusted for any stock splits.

Net assets per share of common stock is computed by dividing net assets attributable to common stock by the number of common stock outstanding at the end of the fiscal year.

## **(20) Accounting policy disclosure, accounting changes and error corrections**

The Group applies "Accounting Standard for Accounting Policy Disclosures, Accounting Changes and Error Corrections" (ASBJ Statement No. 24, March 31, 2020). Accounting treatments under the standard are as follows:

### **(i) Changes in accounting policies**

When a new accounting policy is applied following revision of an accounting standard, a new policy is applied retrospectively unless the revised accounting standard includes specific transitional provisions, in which case the entity shall comply with the specific transitional provisions.

### **(ii) Changes in presentations**

When the presentation of financial statements is changed, prior period financial statements are restated in accordance with the new presentation.

### **(iii) Changes in accounting estimates**

A change in an accounting estimate is accounted for in the period of the change if the change affects that period only, and is accounted for prospectively if the change affects both the period of the change and future periods.

### **(iv) Corrections of prior period error**

When a material error in prior period financial statements is discovered, those statements are restated.

### **(v) Provisions of relevant accounting standards are not clarified**

When provisions of relevant accounting standards are not clarified, adopted accounting policies and procedures are disclosed.

## **(21) New accounting pronouncements**

***Accounting Standard for Leases (ASBJ Statement No. 34, September 13, 2024)***

***Implementation Guidance on Accounting Standard for Leased (ASBJ Guidance No. 33, September 13, 2024), etc.***

### **(i) Overview**

As part of efforts by the Accounting Standards Board of Japan (ASBJ) to align Japanese accounting standards with international standards, ASBJ has examined lease accounting based on international standards. The result is a new accounting standard for leases that requires lessees to recognize assets and liabilities for all leases.

While the new standard is based on the single accounting model of IFRS 16, it does not adopt all provisions of IFRS 16. Instead, it incorporates only the key provisions, aiming to create a simplified and

user-friendly standard. This approach ensures that, when applying IFRS 16 to separate financial statements, minimal adjustments are generally required.

Under the lessee accounting treatment, regardless of whether a lease is classified as a finance lease or operating lease, a single accounting model will be applied. This model involves recognizing depreciation expenses on right-of-use assets and interest expenses on lease liabilities, consistent with IFRS 16.

(ii) Scheduled date of application

The Bank is going to apply the accounting standards from the beginning of the fiscal year ending March 31, 2028.

(iii) Effects of application

Effects of application of the accounting standards are currently being examined.

### 3. SIGNIFICANT ACCOUNTING ESTIMATES

Item whose amount is recorded in the consolidated financial statements for the current fiscal year based on accounting estimates, and which would have a significant impact on the consolidated financial statements for the following fiscal year, is "Reserve for loan losses".

#### (1) Amount in the consolidated financial statements for the fiscal year

	Millions of yen		Millions of U.S. dollars
	2025	2024	2025
Reserve for loan losses .....	<u>¥ 107,517</u>	<u>¥ 123,372</u>	<u>\$ 719</u>

#### (2) Other information contributing to the understanding of the significant accounting estimates

(i) Determination method

In calculating reserve for loan losses, regarding claims including loans, the Bank, in principle, conducts credit rating of the obligors and determines their classification. Then the Bank examines the purpose and other details of claims individually, and considers the status of collateral and guarantee, etc. On that basis, the Bank assesses the classification of claims based on the degree of claim collection risk or risk of damage to the value of claims.

Details of the determination method of "Reserve for loan losses" is described on "2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (11) Reserve for loan losses".

(ii) Major assumptions

The major assumptions of reserve for loan losses are "The future business outlook of borrowers in determining obligors' classification" and "The future outlook in calculating the amounts of expected loan losses". The Bank sets "The future business outlook of borrowers in determining obligors' classification" by assessing each obligor's ability to earn profits individually. "The future outlook in calculating the amounts of expected loan losses" is set by using the loan loss ratio based on historical average with necessary adjustments.

These assumptions have a possibility of being affected by changes in various circumstances, including future economic conditions, etc.

(iii) Effects on the consolidated financial statements for the following fiscal year

In case the assumptions used for initial estimates change due to the change in the business performance of individual borrowers, etc., there would be a possibility of material effect on the consolidated financial statements for the following fiscal year.

### 4. CASH AND CASH EQUIVALENTS

The reconciliation between "Cash and cash equivalents" in the consolidated statement of cash flows and "Cash and due from banks" in the consolidated balance sheet as of March 31, 2025 and 2024 were as follows:

	Millions of yen		Millions of U.S. dollars
	2025	2024	2025
Cash and due from banks .....	<u>¥ 11,202,346</u>	<u>¥ 12,440,150</u>	<u>\$ 74,917</u>
Less: Due from banks except for the Bank of Japan .....	<u>(180,808)</u>	<u>(129,959)</u>	<u>(1,209)</u>
Cash and cash equivalents .....	<u>¥ 11,021,537</u>	<u>¥ 12,310,190</u>	<u>\$ 73,707</u>

## 5. TRADING ASSETS AND TRADING LIABILITIES

Trading assets and liabilities as of March 31, 2025 and 2024 consisted of the following:

	Millions of yen		Millions of U.S. dollars
	2025	2024	2025
Trading assets:			
Trading securities.....	¥ 244,018	¥ 246,532	\$ 1,631
Trading-related financial derivatives.....	200,822	98,410	1,343
Derivatives of securities related to trading transactions ...	2	2	0
Total .....	¥ 444,843	¥ 344,944	\$ 2,974
Trading liabilities:			
Trading-related financial derivatives.....	¥ 184,790	¥ 78,511	\$ 1,235
Total .....	¥ 184,790	¥ 78,511	\$ 1,235

## 6. SECURITIES

Securities as of March 31, 2025 and 2024 consisted of the following:

	Millions of yen		Millions of U.S. dollars
	2025	2024	2025
Japanese government bonds .....	¥ 3,090,098	¥ 2,579,043	\$ 20,665
Japanese local government bonds .....	150,474	147,888	1,006
Japanese corporate bonds .....	583,881	702,640	3,904
Japanese stocks .....	742,224	878,192	4,963
Other securities .....	972,403	1,031,477	6,503
Total .....	¥ 5,539,081	¥ 5,339,241	\$ 37,043

As of March 31, 2025 and 2024, securities included equity investments in non-consolidated subsidiaries and affiliates, accounted for by the equity method or the cost method, of ¥20,158 million (\$134 million) and ¥20,068 million, respectively, and capital subscriptions to entities such as limited liability companies of ¥705 million (\$4 million) and ¥302 million, respectively.

There were no securities loaned without collateral, securities borrowed without collateral, securities purchased under resale agreements or securities received under securities borrowing transactions collateralized with cash as of March 31, 2025 and 2024.

As of March 31, 2025 and 2024, securities accepted under cash-secured bond lending transactions and that have the right to be freely disposed of by selling or repledged amounts to ¥1,551 million (\$10 million) and ¥8,838 million, respectively.

The amount of guarantee obligations for bonds offered through private placements (Article 2, Paragraph 3 of the Financial Instruments and Exchange Act) among the bonds included in "securities" were ¥464,511 million (\$3,106 million) and ¥491,543 million as of March 31, 2025 and 2024, respectively.

### I. Securities related information

In addition to the "securities" disclosed in the consolidated balance sheet, the following tables contain information relating to trading securities and short-term bonds in "trading assets".

#### (1) Held-to-maturity debt securities

The amounts on the consolidated balance sheet, estimated fair value and unrealized gains (losses) on held-to-maturity debt securities as of March 31, 2025 and 2024 were as follows:

	Millions of yen		
	Amount on consolidated balance sheet	Estimated fair value	Net unrealized gains (losses)
March 31, 2025			

	Millions of yen		
	Amount on consolidated balance sheet	Estimated fair value	Net unrealized gains (losses)
Fair value below amount on consolidated balance sheet:			
Held-to-maturity debt securities:			
Japanese government bonds .....	2,581,772	2,356,828	(224,943)
Japanese local government bonds .....	500	463	(36)
Japanese corporate bonds .....	71,557	66,133	(5,423)
Other .....	14,953	14,298	(654)
Total .....	<u>¥ 2,668,782</u>	<u>¥ 2,437,723</u>	<u>¥ (231,058)</u>

	Millions of yen		
	Amount on consolidated balance sheet	Estimated fair value	Net unrealized gains (losses)
March 31, 2024			
Fair value exceeding amount on consolidated balance sheet:			
Held-to-maturity debt securities:			
Japanese government bonds .....	¥ 649,304	¥ 650,567	¥ 1,262
Japanese local government bonds .....	100	101	1
Japanese corporate bonds .....	6,514	6,553	39
Subtotal .....	655,919	657,223	1,303
Fair value below amount on consolidated balance sheet:			
Held-to-maturity debt securities:			
Japanese government bonds .....	1,613,429	1,507,492	(105,937)
Japanese local government bonds .....	300	294	(5)
Japanese corporate bonds .....	44,822	44,020	(801)
Other .....	15,142	13,923	(1,218)
Subtotal .....	1,673,693	1,565,730	(107,962)
Total .....	<u>¥ 2,329,613</u>	<u>¥ 2,222,954</u>	<u>¥ (106,659)</u>

	Millions of U.S. dollars		
	Amount on consolidated balance sheet	Estimated fair value	Net unrealized gains (losses)
March 31, 2025			
Fair value below amount on consolidated balance sheet:			
Held-to-maturity debt securities:			
Japanese government bonds .....	17,265	15,761	(1,504)
Japanese local government bonds .....	3	3	(0)
Japanese corporate bonds .....	478	442	(36)
Other .....	100	95	(4)
Total .....	<u>\$ 17,847</u>	<u>\$ 16,302</u>	<u>\$ (1,545)</u>



## (2) Available-for-sale securities

The amounts on the consolidated balance sheet, acquisition or amortized cost and unrealized gains (losses) on available-for-sale securities as of March 31, 2025 and 2024 were as follows:

	Millions of yen		
	Amount on consolidated balance sheet	Acquisition/ amortized cost	Net unrealized gains (losses)
<b>March 31, 2025</b>			
Amount on consolidated balance sheet exceeding acquisition or amortized cost:			
Japanese stocks .....	¥ 681,919	¥ 162,063	¥ 519,856
Bonds:			
Japanese government bonds .....	88,098	87,891	206
Japanese corporate bonds .....	38,334	37,844	490
Total bonds .....	126,432	125,735	697
Other .....	326,195	320,416	5,779
Subtotal .....	¥ 1,134,548	¥ 608,215	¥ 526,333
Amount on consolidated balance sheet below acquisition or amortized cost:			
Japanese stocks .....	¥ 17,389	¥ 21,369	¥ (3,979)
Bonds:			
Japanese government bonds .....	420,228	472,384	(52,156)
Japanese local government bonds .....	149,974	156,259	(6,285)
Japanese corporate bonds .....	473,989	479,173	(5,184)
Total bonds .....	1,044,191	1,107,817	(63,626)
Other .....	572,853	593,966	(21,112)
Subtotal .....	¥ 1,634,435	¥ 1,723,153	¥ (88,718)
Total .....	¥ 2,768,983	¥ 2,331,369	¥ 437,614
	Millions of yen		
	Amount on consolidated balance sheet	Acquisition/ amortized cost	Net unrealized gains (losses)
<b>March 31, 2024</b>			
Amount on consolidated balance sheet exceeding acquisition or amortized cost:			
Japanese stocks .....	¥ 820,004	¥ 188,286	¥ 631,717
Bonds:			
Japanese corporate bonds .....	123,415	122,810	604
Total bonds .....	123,415	122,810	604
Other .....	182,786	176,184	6,602
Subtotal .....	¥ 1,126,205	¥ 487,281	¥ 638,924
Amount on consolidated balance sheet below acquisition or amortized cost:			
Japanese stocks .....	¥ 15,168	¥ 17,625	¥ (2,456)
Bonds:			
Japanese government bonds .....	316,309	347,695	(31,386)
Japanese local government bonds .....	147,488	149,893	(2,405)
Japanese corporate bonds .....	527,887	538,704	(10,817)
Total bonds .....	991,685	1,036,293	(44,608)
Other .....	789,123	823,205	(34,081)
Subtotal .....	¥ 1,795,977	¥ 1,877,124	¥ (81,146)
Total .....	¥ 2,922,182	¥ 2,364,405	¥ 557,777

	Millions of U.S. dollars		
	Amount on consolidated balance sheet	Acquisition/ amortized cost	Net unrealized gains (losses)
<b>March 31, 2025</b>			
Amount on consolidated balance sheet exceeding acquisition or amortized cost:			
Japanese stocks .....	\$ 4,560	\$ 1,083	\$ 3,476
Bonds:			
Japanese government bonds .....	589	587	1
Japanese corporate bonds .....	256	253	3
Total bonds .....	845	840	4
Other .....	2,181	2,142	38
Subtotal .....	\$ 7,587	\$ 4,067	\$ 3,519
Amount on consolidated balance sheet below acquisition or amortized cost:			
Japanese stocks .....	\$ 116	\$ 142	\$ (26)
Bonds:			
Japanese government bonds .....	2,810	3,159	(348)
Japanese local government bonds .....	1,002	1,045	(42)
Japanese corporate bonds .....	3,169	3,204	(34)
Total bonds .....	6,983	7,408	(425)
Other .....	3,831	3,972	(141)
Subtotal .....	\$ 10,930	\$ 11,523	\$ (593)
Total .....	\$ 18,517	\$ 15,591	\$ 2,926

### (3) Securities sold during the fiscal year

There were no held-to-maturity debt securities sold during the fiscal years ended March 31, 2025 and 2024.

Proceeds from sales of available-for-sale securities, gains on sales and losses on sales for the fiscal years ended March 31, 2025 and 2024 were as follows:

	Millions of yen			Millions of U.S. dollars		
	Proceeds from sales	Gains on sales	Losses on sales	Proceeds from sales	Gains on sales	Losses on sales
<b>March 31, 2025</b>						
Available-for-sale securities:						
Japanese stocks .....	¥ 85,339	¥ 63,033	¥ 151	\$ 570	\$ 421	\$ 1
Bonds:						
Japanese government bonds ..	265,358	66	5,273	1,774	0	35
Japanese local government bonds .....	880	—	—	5	—	—
Japanese corporate bonds .....	105,368	204	15,312	704	1	102
Total bonds .....	371,607	270	20,585	2,485	1	137
Other .....	1,084,342	8,361	12,835	7,251	55	85
Total .....	¥ 1,541,289	¥ 71,665	¥ 33,572	\$ 10,307	\$ 479	\$ 224
<b>March 31, 2024</b>						
Available-for-sale securities:						
Japanese stocks .....	¥ 59,098	¥ 42,034	¥ 70			
Bonds:						
Japanese government bonds ..	618,093	684	960			
Japanese local government bonds .....	20,620	52	24			
Japanese corporate bonds .....	27,718	118	20			
Total bonds .....	666,432	855	1,005			
Other .....	763,557	9,110	20,598			
Total .....	¥ 1,489,089	¥ 52,000	¥ 21,674			

#### (4) Change in classification of securities

For the fiscal years ended March 31, 2025 and 2024, the Bank did not reclassify any securities.

#### (5) Impairment of securities

An impairment of securities is recognized if the decline in fair values is substantial and the decline is determined to be other than temporary.

For the fiscal years ended March 31, 2025 and 2024, impairment losses of ¥1,316 million (\$8 million) and ¥1,336 million, respectively, were recorded with respect to securities with fair values except for trading securities (excluding non-marketable equity securities, etc. and investment in partnerships).

To assess whether or not a decline in fair values is substantial, the Group considers not only the severity and duration of the decline in value but also the classification of the security issuer used in the self-assessment of asset quality as follows:

- (i) For issuers who are classified as bankrupt obligors, effectively bankrupt obligors and potentially bankrupt obligors: where the fair value is lower than the amortized cost or acquisition cost.
- (ii) For issuers who are classified as watch obligors: where the fair value declines by 30% or more compared to the amortized cost or acquisition cost.
- (iii) Other: where the fair value declines by 50% or more compared to the amortized cost or acquisition cost.

## II. Net unrealized gains (losses) on available-for-sale securities

Reconciliation of net unrealized gains on available-for-sale securities to the amounts included in “net unrealized gains on available-for-sale securities”, presented as a separate component of net assets in the consolidated balance sheet as of March 31, 2025 and 2024, were as follows:

	Millions of yen		Millions of U.S. dollars
	2025	2024	2025
Net unrealized gains before taxes on available-for-sale securities.....	¥ 438,251	¥ 557,985	\$ 2,930
Deferred tax liabilities .....	(122,075)	(152,121)	(816)
Net unrealized gains on available-for-sale securities (before adjustment).....	316,175	405,863	2,114
The Bank's portion of unrealized gains (losses) on available-for-sale securities of equity method investees .....	(102)	0	(0)
Amounts recorded in the consolidated balance sheet .....	¥ 316,072	¥ 405,864	\$ 2,113

## 7. LOANS AND BILLS DISCOUNTED

Loans and bills discounted as of March 31, 2025 and 2024 consisted of the following:

	Millions of yen		Millions of U.S. dollars
	2025	2024	2025
Bills discounted.....	¥ 25,268	¥ 40,053	\$ 168
Loans on notes .....	245,208	241,716	1,639
Loans on deeds .....	22,739,756	21,078,943	152,074
Overdrafts.....	2,663,859	2,579,890	17,814
Total .....	¥ 25,674,091	¥ 23,940,604	\$ 171,698

Loans pursuant to The Banking Act and the Act on Emergency Measures for the Revitalization of the Financial Functions are as follows:

The loans include: Japanese corporate bonds in “securities” (limited to those redemption of the principal and the payment of interest are guaranteed in whole or in part, and that issued as private placement bonds pursuant to the provision of Article 2-3 of the Financial Instruments and Exchange Act), “loans and bills discounted”, “foreign exchange assets”, accrued interest and suspense payment in “other assets” and “customers’ liabilities for acceptances and guarantees” on the consolidated balance sheet and the securities for loan (limited to those under a loan contract for use or a lease contract).

	Millions of yen		Millions of U.S. dollars
	2025	2024	2025
Bankrupt or De Facto Bankrupt Loans .....	¥ 19,658	¥ 21,127	\$ 131
Doubtful Loans .....	150,246	199,404	1,004
Loans in arrears by 3 months or more .....	897	662	5
Restructured Loans .....	102,799	98,278	687
Total .....	¥ 273,603	¥ 319,472	\$ 1,829

The above amounts are stated before the deduction of the reserve for loan losses.

- (a) "Bankrupt or De Facto Bankrupt Loans" are the claims held against debtors with failed business status due to the grounds such as commencement of bankruptcy proceedings, commencement of reorganization proceedings, or commencement of rehabilitation proceedings, and any other type of claim equivalent.
- (b) "Doubtful Loans" are the claims (excluding the loans classified as (a)) whose debtor is not yet in the status of failure in business although such debtor's financial status and business performance are worsening, and for which it is highly likely that the collection of principal or receipt of interest in accordance with the contract is impossible.
- (c) "Loans in arrears by 3 months or more" are the loan (excluding the loans classified as (a) and (b)) for which the payment of the principal and interest is delinquent for three months or more from the day immediately after the contracted due date.
- (d) "Restructured Loans" are loans (excluding the loans classified as (a) (b) and (c)) that entered into an agreement to exempt or reduce interest rate, defer payment of interest, defer payment of principal, waiver claim, or other agreements advantageous to a debtor, for the purpose of facilitating reorganization of a debtor's management or support of the debtor.

Bills discounted are recorded as lending transactions in accordance with the Industry Committee Practical Guidelines No. 24. The Bank has a right to sell or repledge as collateral such discounted bills at its discretion. The total face value of bank acceptance bills, commercial bills, documentary bills and foreign currency bills bought, which were obtained at a discount, were ¥31,651 million (\$211 million) and ¥48,033 million as of March 31, 2025 and 2024, respectively.

The total principal balance of loans accounted for as sold to participants under loan participation arrangements, in accordance with the "Accounting Treatment and Presentation of Loan Participation" (Transfer Guidance No. 1, July 1, 2024), was ¥2,600 million (\$17 million) as of March 31, 2025.

## 8. FOREIGN EXCHANGE

Foreign exchange assets and liabilities as of March 31, 2025 and 2024 consisted of the following:

	Millions of yen		Millions of U.S. dollars
	2025	2024	2025
<b>Assets:</b>			
Due from foreign banks .....	¥ 131,980	¥ 81,347	\$ 882
Foreign bills of exchange bought .....	6,383	7,980	42
Foreign bills of exchange receivable .....	38,264	36,607	255
Total .....	¥ 176,627	¥ 125,935	\$ 1,181
<b>Liabilities:</b>			
Due to foreign banks .....	¥ 8,014	¥ 8,038	\$ 53
Foreign bills of exchange sold .....	475	145	3
Foreign bills of exchange payable .....	3,772	2,904	25
Total .....	¥ 12,261	¥ 11,088	\$ 81

## 9. OTHER ASSETS

Other assets as of March 31, 2025 and 2024 consisted of the following:

	Millions of yen		Millions of U.S. dollars
	2025	2024	2025
Prepaid expenses .....	¥ 8,023	¥ 8,256	\$ 53
Accrued income .....	59,567	52,215	398
Initial margins for futures transactions .....	41,029	39,362	274
Financial derivatives, principally including option premiums and contracts under hedge accounting .....	99,744	87,515	667
Guarantee deposits .....	12,254	12,554	81
Cash collateral paid for financial instruments .....	37,412	43,947	250
Other receivable on sales of securities .....	55,883	55,128	373
Other .....	123,506	468,847	825
Total .....	¥ 437,421	¥ 767,825	\$ 2,925

## 10. TANGIBLE FIXED ASSETS

Tangible fixed assets as of March 31, 2025 and 2024 consisted of the following:

	Millions of yen		Millions of U.S. dollars
	2025	2024	2025
Land, buildings and leased assets .....	¥ 403,029	¥ 410,683	\$ 2,695
Construction in progress .....	560	1,356	3
Subtotal .....	403,589	412,039	2,699
Accumulated depreciation .....	(211,257)	(207,613)	(1,412)
Total .....	¥ 192,332	¥ 204,426	\$ 1,286

Under certain conditions such as exchanges of tangible fixed assets of similar kinds and sales and purchases resulting from expropriation, Japanese tax laws permit companies to effectively defer the recognition of taxable profit arising from such transactions by reducing the cost of the assets acquired. Such deferred profit amounted to ¥27,413 million (\$183 million) and ¥28,680 million as of March 31, 2025 and 2024, respectively.

## 11. INTANGIBLE FIXED ASSETS

Intangible fixed assets as of March 31, 2025 and 2024 consisted of the following:

	Millions of yen		Millions of U.S. dollars
	2025	2024	2025
Software .....	¥ 17,422	¥ 14,858	\$ 116
Leased assets .....	24,644	19,983	164
Other intangible fixed assets .....	2,070	2,064	13
Total .....	¥ 44,138	¥ 36,905	\$ 295

## 12. ASSETS PLEDGED AS COLLATERAL

Assets pledged as collateral and debt collateralized as of March 31, 2025 and 2024 were as follows:

	Millions of yen		Millions of U.S. dollars
	2025	2024	2025
Assets pledged as collateral:			
Cash and due from banks .....	¥ —	¥ 1,007	\$ —
Securities .....	2,992,169	3,120,482	20,010
Loans and bills discounted .....	1,343,763	449,281	8,986
Other assets .....	3,996	4,089	26
Total .....	4,339,929	3,574,860	29,023
Debt collateralized:			
Deposits .....	¥ 86,554	¥ 74,423	\$ 578
Payables under securities lending transactions .....	1,662,680	1,364,159	11,119
Borrowed money .....	2,283,490	1,833,450	15,271
Other liabilities .....	12,634	9,003	84

In addition to the pledged assets shown above, the following assets were pledged as collateral for settlements of domestic exchanges or for futures transactions as of March 31, 2025 and 2024.

	Millions of yen		Millions of U.S. dollars
	2025	2024	2025
Assets pledged as collateral:			
Cash and due from banks .....	¥ 280	¥ —	\$ 1
Securities .....	992,467	191,253	6,637
Other assets .....	555	350,555	3

In addition to the above, following initial margins for futures transactions, cash collateral paid for financial instruments and guarantee deposits were included in other assets as of March 31, 2025 and 2024.

	Millions of yen		Millions of U.S. dollars
	2025	2024	2025
Initial margins for futures transactions .....	¥ 41,029	¥ 39,362	\$ 274
Cash collateral paid for financial instruments .....	37,412	43,947	250
Guarantee deposits .....	12,254	12,554	81

## 13. COMMITMENT LINE AGREEMENTS

Overdraft agreements on current accounts and commitment line agreements for loans are agreements to extend loans up to the prearranged amount at a quoted rate during a specific future period upon customers' requests, unless any terms or conditions in the agreements are violated.

Unused balances related to these agreements as of March 31, 2025 and 2024 amounted to ¥9,292,627 million (\$6,145 million) and ¥8,831,250 million, respectively, including ¥8,561,986 million (\$57,259 million) and ¥8,130,707 million, respectively, of agreements with original terms of one year or less or those that are unconditionally cancellable by the Group at any time without penalty.

The unused balances do not necessarily affect future cash flows of the Group because most of these agreements are expected to expire without being exercised. In addition, most agreements contain provisions which stipulate that the Group may decline to extend loans or reduce the prearranged commitment amount when there are adverse changes in the financial conditions of the borrowers or for other reasons.

When extending loans to customers, the Group may request collateral or guarantees such as real estate and securities if deemed necessary. After originating loans, the Group periodically checks the financial condition of the borrowers based on its internal rules and, if necessary, takes measures to ensure the security of the loans.

## 14. DEPOSITS

Deposits as of March 31, 2025 and 2024 consisted of the following:

	Millions of yen		Millions of U.S. dollars
	2025	2024	2025
Current deposits .....	¥ 4,240,062	¥ 4,710,493	\$ 28,355
Ordinary deposits .....	23,594,280	23,637,687	157,789
Savings deposits .....	130,460	132,602	872
Notice deposits .....	46,243	49,974	309
Time deposits .....	5,324,102	5,474,398	35,605
Other deposits .....	1,083,316	1,187,460	7,244
Total .....	¥ 34,418,465	¥ 35,192,616	\$ 230,177

## 15. BORROWED MONEY AND LEASE OBLIGATIONS

### (1) Borrowed money

Borrowed money included borrowings from the Bank of Japan and other financial institutions. The weighted average annual interest rates applicable to borrowed money were 0.02% and 0.22% for the fiscal years ended March 31, 2025 and 2024, respectively.

The following is a summary of maturities of borrowed money subsequent to March 31, 2025:

Fiscal Year Ending March 31	Millions of yen	Millions of U.S. dollars
2026 .....	¥ 987,812	\$ 6,606
2027 .....	79,358	530
2028 .....	1,222,737	8,177
2029 .....	42	0
2030 .....	15	0
2031 and thereafter .....	378	2
Total .....	¥ 2,290,343	\$ 15,316

### (2) Obligations under finance lease transactions

The weighted average annual interest rates applicable to the finance lease obligations were 0.15% and 0.20% for the fiscal years ended March 31, 2025 and 2024, respectively.

The following is a summary of maturities of the finance lease obligations subsequent to March 31, 2025:

Fiscal Year Ending March 31	Millions of yen	Millions of U.S. dollars
2026 .....	¥ 15,378	\$ 102
2027 .....	11,541	77
2028 .....	9,899	66
2029 .....	6,705	44
2030 .....	2,926	19
2031 and thereafter .....	696	4
Total .....	¥ 47,148	\$ 315

The finance lease obligations were included in other liabilities in the consolidated balance sheet.

## 16. BONDS

Bonds as of March 31, 2025 and 2024 consisted of the following:

	Rate	Maturity	Millions of yen	Millions of U.S. dollars
<b>March 31, 2025</b>				
The Bank:				
Subordinated bonds .....	2.44% to 2.46%	December 22, 2026 to March 15, 2027	¥ 36,000	\$ 240
Foreign currency straight bonds (*2) .....	4.98%	January 22, 2028	44,859	300
Total .....			¥ 80,859	\$ 540

	Rate	Maturity	Millions of yen
March 31, 2024			
The Bank:			
Subordinated bonds .....	2.44% to 2.46%	December 22, 2026 to March 15, 2027	¥ 36,000
Total .....			¥ 36,000

Notes: (\*1) All of the outstanding bonds are unsecured.

(\*2) These bonds were issued in a foreign country and amount to \$300 million.

The following is a summary of the maturities of bonds subsequent to March 31, 2025:

<b>Fiscal Year Ending March 31</b>	Millions of yen	Millions of U.S. dollars
2026 .....	¥ —	\$ —
2027 .....	36,000	240
2028 .....	44,859	300
2029 .....	—	—
2030 .....	—	—
Total .....	¥ 80,859	\$ 540

Note: The above amounts are stated at carrying amounts.

## 17. OTHER LIABILITIES

Other liabilities as of March 31, 2025 and 2024 consisted of the following:

	Millions of yen		Millions of U.S. dollars
	2025	2024	2025
Accrued income taxes .....	¥ 30,885	¥ 26,075	\$ 206
Accrued consolidated taxes .....	1,145	668	7
Accrued expenses .....	30,807	22,088	206
Unearned income .....	5,602	4,911	37
Cash collateral received for financial instruments .....	57,101	93,369	381
Lease obligations .....	47,148	40,454	315
Other payable on purchases of securities .....	20,000	30,178	133
Financial derivatives, principally including option premiums and contracts under hedge accounting .....	128,272	80,782	857
Other .....	127,840	128,913	854
Total .....	¥ 448,804	¥ 427,442	\$ 3,001

## 18. OTHER RESERVES

- (i) A reserve for reimbursement of deposits is provided for the estimated future losses resulting from reimbursements of deposits subsequent to the period of derecognition of the related liabilities, and amounted to ¥6,270 million (\$41 million) and ¥7,630 million as of March 31, 2025 and 2024, respectively.
- (ii) A reserve for Resona Club points is provided for the estimated future expense by usage of the points awarded to the Resona Club members and amounted to ¥2,383 million (\$15 million) and ¥1,891 million as of March 31, 2025 and 2024, respectively.
- (iii) A reserve for expense on burden charge under the credit guarantee system is provided for the estimated future losses to be charged by the credit guarantee corporation under the burden sharing system for credit losses on loans to certain small and medium-sized companies, and amounted to ¥1,822 million (\$12 million) and ¥1,847 million as of March 31, 2025 and 2024, respectively.

## 19. CUSTOMERS' LIABILITIES FOR ACCEPTANCES AND GUARANTEES

All contingent liabilities arising from acceptances and guarantees are reflected in "acceptances and guarantees." As a contra account, "customers' liabilities for acceptances and guarantees" are shown on the assets side of the consolidated balance sheet, representing the Bank's right of indemnity from the applicants.



In addition to the acceptances and guarantees described above, the Bank guarantees the principals on certain jointly managed trust products. The guaranteed principal amounts held in such trusts were ¥1,029,397 million (\$6,884 million) and ¥1,320,288 million as of March 31, 2025 and 2024, respectively.

## 20. REVALUATION RESERVE FOR LAND

Effective March 31, 1998, the Bank adopted a special one-time measure to revalue its land used in operations in accordance with the “Act Concerning Land Revaluation” (Act 34, announced on March 31, 1998). The land revaluation differences have been recorded in “revaluation reserve for land” as a separate component of net assets with the related income taxes included in “deferred tax liabilities for land revaluation”.

In accordance with Article 3, Item 3 of the Act, the revaluation was based on the official notice prices stated in the “Act of Public Notice of Land Prices” (assessment date, January 1, 1998) as stipulated in Article 2, Item 1 of the “Ordinance for the Act Concerning Land Revaluation” (Government Ordinance No. 119, announced on March 31, 1998) after making reasonable adjustments for the location and quality of the sites.

## 21. NET ASSETS

### (1) Capital requirement

The significant provisions in the Companies Act and the Banking Act that affect financial and accounting matters are summarized below:

#### (i) Dividends

Under the Companies Act, companies can pay dividends at any time during the fiscal year in addition to the year-end dividend upon resolution at the shareholders’ meeting. For companies that meet certain criteria such as: (1) having a Board of Directors, (2) having independent auditors, (3) having a Board of Corporate Auditors, an Audit and Supervisory Committee or a Nominating Committee, and (4) the term of service of the directors is prescribed as one year rather than two years of normal term by its articles of incorporation, the Board of Directors may declare dividends (except for dividends-in-kind) at any time during the fiscal year if the company has prescribed so in its articles of incorporation. The Bank is organized as a company with an Audit and Supervisory Committee, meets all of the above criteria.

The Companies Act permits companies to distribute dividends-in-kind (non-cash assets) to stockholders subject to a certain limitation and additional requirements. Interim dividends may also be paid once a year upon resolution by the Board of Directors if the articles of incorporation of the company so stipulate.

The Companies Act provides certain limitations on the amounts available for dividends or the purchase of treasury stock. The limitation is defined as the amount available for distribution to the stockholders, but the amount of net assets after dividends must be maintained at no less than ¥3 million.

#### (ii) Increase, decrease and transfer of stated capital, reserve and surplus

The Banking Act requires that an amount equal to 20% of dividends must be appropriated as a capital reserve (a component of capital surplus) or as a legal reserve (a component of retained earnings) depending on the net assets account charged upon the payment of such dividends until the total of the aggregate amount of the capital reserve and the legal reserve equals 100% of stated capital.

Under the Companies Act, the total amount of the capital reserve and the legal reserve may be available for dividends upon resolution of the stockholders after transferring the amount to retained earnings without limitation. The Companies Act also provides that stated capital, the capital reserve, the legal reserve, other capital surplus (capital surplus other than the capital reserve) and other retained earnings (retained earnings other than the legal reserve) can be transferred among the accounts under certain conditions upon resolution of the stockholders. In addition, a company can do so without resolution of the stockholders when it meets certain other conditions under Articles 447-3 and 448-3.

#### (iii) Treasury stock and treasury stock acquisition rights

The Companies Act also provides for companies to acquire treasury stock and dispose such treasury stock by resolution of the Board of Directors. The amount of treasury stock acquired cannot exceed the amount available for distribution to the stockholders which is determined by specific formula.

Under the Companies Act, stock acquisition rights are presented as a separate component of net assets. The Companies Act also provides that companies can acquire both treasury stock acquisition rights and treasury stock. Such treasury stock acquisition rights are presented as a separate component of net assets or deducted directly from stock acquisition rights.

(iv) Accounting standards for treasury shares and appropriation of legal reserve

The ASBJ Statement No. 1, "Accounting Standards for Treasury Shares and Appropriation of Legal Reserve," and the ASBJ Guidance No. 2, "Guidance on Accounting Standards for Treasury Shares and Appropriation of Legal Reserve," clarify the accounting treatment for retirement of treasury stock, requiring the cost of retired treasury stock to be first deducted from other capital surplus (capital surplus other than the capital reserve). These standards also require that when the other capital surplus at the end of the fiscal year would become negative as a result of retirement of treasury stock, the negative balance of other capital surplus shall be zero and the negative balance shall be deducted from other retained earnings (retained earnings other than the legal reserve).

(2) Capital stock - Changes during the fiscal year

The changes in the number and class of shares issued and treasury stock for the fiscal years ended March 31, 2025 and 2024 were as follows:

	(Shares in thousands)			As of March 31
	As of April 1	Changes during the fiscal year Increase	Decrease	
<b>March 31, 2025</b>				
Issued stock:				
Common stock .....	<b>134,979,383</b>	—	—	<b>134,979,383</b>
<b>March 31, 2024</b>				
Issued stock:				
Common stock .....	134,979,383	—	—	134,979,383

(3) Capital stock - Number of shares

Number of shares of common stock as of March 31, 2025 was as follows:

Class of stock	Number of shares	
	Authorized	Issued
Common stock .....	<b>405,000,000,000</b>	<b>134,979,383,058</b>

(4) Cash dividends per share

Fiscal year March 31, 2025

(a) Dividends paid during the fiscal year

Resolution	Type of stock	Total dividend	Dividend per share	Record date	Effective date
May 14, 2024 The Board of Directors	Common stock	(Millions of yen) <b>¥ 33,569</b> (Millions of U.S. dollars) <b>\$ 224</b>	(Yen) <b>¥0.2487</b> (U.S. dollars) <b>\$ 0.0016</b>	March 31, 2024	May 15, 2024
November 12, 2024 The Board of Directors	Common stock	(Millions of yen) <b>¥ 33,569</b> (Millions of U.S. dollars) <b>\$ 224</b>	(Yen) <b>¥0.2487</b> (U.S. dollars) <b>\$ 0.0016</b>	September 30, 2024	November 13, 2024

(b) Dividends of which the record date falls in the current fiscal year but the effective date falls in the following fiscal year

Resolution	Type of stock	Total dividend	Dividend per share	Source of dividends	Record date	Effective date
May 13, 2025 The Board of Directors	Common stock	(Millions of yen) <b>¥ 46,324</b> (Millions of U.S. dollars) <b>\$ 309</b>	(Yen) <b>¥0.3432</b> (U.S. dollars) <b>\$ 0.0022</b>	Retained earnings	March 31, 2025	May 14, 2025

## Fiscal year March 31, 2024

### (a) Dividends paid during the fiscal year

Resolution	Type of stock	Total dividend	Dividend per share	Record date	Effective date
May 12, 2023 The Board of Directors	Common stock	(Millions of yen) ¥ 24,188	(Yen) ¥0.1792	March 31, 2023	May 15, 2023
November 10, 2023 The Board of Directors	Common stock	(Millions of yen) ¥ 24,188	(Yen) ¥0.1792	September 30, 2023	November 13, 2023

### (b) Dividends of which the record date falls in the current fiscal year but the effective date falls in the following fiscal year

Resolution	Type of stock	Total dividend	Dividend per share	Source of dividends	Record date	Effective date
May 14, 2024 The Board of Directors	Common stock	(Millions of yen) ¥ 33,569	(Yen) ¥0.2487	Retained earnings	March 31, 2024	May 15, 2024

## 22. INTEREST INCOME AND EXPENSES

Interest income and expenses for the fiscal years ended March 31, 2025 and 2024 consisted of the following:

	Millions of yen		Millions of U.S. dollars
	2025	2024	2025
Interest income:			
Interest on loans and bills discounted .....	¥ 234,176	¥ 199,646	\$ 1,566
Interest and dividends on securities .....	76,247	60,453	509
Interest on call loans and bills bought .....	5,914	5,339	39
Interest on receivables under securities borrowing transactions .....	367	545	2
Interest on due from banks .....	31,206	13,380	208
Other interest income .....	19,892	22,118	133
Total .....	¥ 367,804	¥ 301,483	\$ 2,459
Interest expenses:			
Interest on deposits .....	¥ 46,938	¥ 29,073	\$ 313
Interest on negotiable certificates of deposit .....	802	26	5
Interest on call money and bills sold .....	10,199	7,805	68
Interest on payables under repurchase agreements .....	9	0	0
Interest on payables under securities lending transactions ..	34,980	28,976	233
Interest on borrowed money .....	935	4,745	6
Interest on bonds .....	1,334	883	8
Other interest expenses .....	3,981	4,392	26
Total .....	¥ 99,182	¥ 75,904	\$ 663

## 23. TRADING INCOME

Trading income for the fiscal years ended March 31, 2025 and 2024 consisted of the following:

	Millions of yen		Millions of U.S. dollars
	2025	2024	2025
Trading income:			
Income from trading securities .....	¥ 91	—	\$ 0
Income from trading-related financial derivatives .....	¥ 2,459	692	\$ 16
Income from securities and derivatives related to trading transactions .....	—	19	—
Other trading income .....	1,017	111	6
Total .....	¥ 3,568	¥ 823	\$ 23

Trading income includes net valuation gains of ¥83 million (\$0 million) and net valuation losses of ¥6 million for the fiscal years ended March 31, 2025 and 2024, respectively.

## 24. OTHER OPERATING INCOME AND EXPENSES

Other operating income and expenses for the fiscal years ended March 31, 2025 and 2024 consisted of the following:

	Millions of yen		Millions of U.S. dollars
	2025	2024	2025
Other operating income:			
Gains on foreign exchange transactions .....	¥ 11,064	¥ 12,256	\$ 73
Gains on sales of Japanese government bonds and other ..	8,212	3,899	54
Income from derivatives other than for trading or hedging...	—	2,556	—
Other .....	251	223	1
Total .....	¥ 19,528	¥ 18,935	\$ 130
Other operating expenses:			
Losses on sales of Japanese government bonds and other	¥ 34,512	¥ 21,073	\$ 230
Losses on financial derivatives .....	1,843	—	12
Other .....	285	—	1
Total .....	¥ 36,641	¥ 21,073	\$ 245

## 25. GENERAL AND ADMINISTRATIVE EXPENSES

General and administrative expenses for the fiscal years ended March 31, 2025 and 2024 included following:

	Millions of yen		Millions of U.S. dollars
	2025	2024	2025
Salaries and allowances .....	¥ 77,264	¥ 73,607	\$ 516
Depreciation expense .....	30,296	30,204	202

## 26. OTHER INCOME AND EXPENSES

Other income and expenses for the fiscal years ended March 31, 2025 and 2024 consisted of the following:

	Millions of yen		Millions of U.S. dollars
	2025	2024	2025
Other income:			
Gains on sales of stocks and other securities .....	¥ 63,453	¥ 48,101	\$ 424
Gains on disposal of fixed assets .....	2,155	1,922	14
Reversal of reserve for possible loan losses .....	4,206	—	28
Recoveries of written-off loans .....	10,606	6,480	70
Other .....	8,048	5,917	53
Total .....	¥ 88,471	¥ 62,422	\$ 591
Other expenses:			
Write-offs of loans .....	¥ 15,624	¥ 12,156	\$ 104
Provision to reserve for loan losses .....	—	17,966	—
Losses on sales of stocks and other securities .....	175	1,765	1
Impairment losses on stocks and other securities .....	208	208	1
Losses on disposal of fixed assets .....	1,845	725	12
Impairment losses on fixed assets .....	2,489	1,887	16
Other .....	21,880	9,922	146
Total .....	¥ 42,223	¥ 44,633	\$ 282

“Other” in the “Other expenses” for the fiscal year ended March 31, 2025 included a one-time expense of ¥8,768 million (\$58 million) arising from system integration and related activities at the consolidated subsidiary.

## 27. INCOME TAXES

The Bank is subject to Japanese national and local income taxes which, in the aggregate, resulted in a normal effective statutory tax rate of approximately 30.58% for the fiscal years ended March 31, 2025 and 2024.

The tax effects of significant temporary differences which resulted in deferred tax assets and liabilities as of March 31, 2025 and 2024 were as follows:

	Millions of yen		Millions of U.S. dollars
	2025	2024	2025
Deferred tax assets:			
Reserve for loan losses and write-offs of loans .....	¥ 40,325	¥ 44,214	\$ 269
Write-downs of securities .....	23,124	25,377	154
Net defined benefit liability .....	—	5,836	—
Deferred losses on hedges .....	9,709	—	64
Other .....	43,203	39,170	288
Gross deferred tax assets .....	116,362	114,599	778
Less: valuation allowance (*) .....	(42,651)	(43,708)	(285)
Total deferred tax assets .....	¥ 73,710	¥ 70,890	\$ 492
Deferred tax liabilities:			
Unrealized gains on available-for-sale securities .....	¥ (122,075)	¥ (152,121)	\$ (816)
Deferred gains on hedges .....	—	(1,432)	—
Net defined benefit asset .....	(1,245)	—	(8)
Gains on securities transferred to employees' retirement benefit trust .....	(2,421)	(2,400)	(16)
Other .....	(4,616)	(4,545)	(30)
Total deferred tax liabilities .....	¥ (130,359)	¥ (160,500)	\$ (871)
Net deferred tax liabilities .....	¥ (56,648)	¥ (89,610)	\$ (378)

Note: (\*) Valuation allowance total has not changed significantly.

Reconciliations between the normal effective statutory tax rate and the actual effective tax rate reflected in the accompanying consolidated statement of income for the fiscal years ended March 31, 2025 and 2024 were as follows:

	2025	2024
Normal effective statutory tax rate .....	30.58%	30.58%
Change in valuation allowance .....	(1.21)	(1.13)
Lower tax rates applicable to income of subsidiaries .....	(0.14)	0.18
Dividends exempted for income tax purposes .....	(1.10)	(0.89)
Other .....	(0.49)	0.11
Actual effective tax rate .....	27.62%	28.85%

The Bank applies the group tax sharing system. Regarding the accounting treatment and disclosure of income taxes and local income taxes or tax effect accounting, the Company complies with the "Practical Solution on the Accounting and Disclosure Under the Group Tax Sharing System" (ASBJ PITF No. 42, August 12, 2021).

Following the enactment of the "Act for Partial Amendment of the Income Tax Act, etc." (Act No. 13 of 2025) on March 31, 2025, "Corporate Tax for Defense Purposes" will be imposed starting from fiscal years beginning on or after April 1, 2026. As a result, the statutory effective tax rate used for calculating deferred tax assets and deferred tax liabilities will be changed from the previous 30.58% to 31.47% for temporary differences expected to be reversed in fiscal years beginning on or after April 1, 2026. Due to this change in the tax rate, deferred tax liabilities increased by ¥2,104 million (\$14 million), net unrealized gains on available-for-sale securities decreased by ¥3,452 million (\$23 million), net deferred gains on hedges increased by ¥274 million (\$1 million), and income taxes – deferred decreased by ¥1,262 million (\$8 million) for the fiscal year ended March 31, 2025. In addition, deferred tax liabilities related to land revaluation increased by ¥444 million (\$2 million), resulting in an equivalent decrease in the revaluation reserve for land.

## 28. LEASE TRANSACTIONS

### (1) Lessee

#### (a) Finance lease transactions

The Group mainly leases electronic calculators, cash dispensers and software.

#### (b) Operating lease transactions

As of March 31, 2025 and 2024, future minimum lease payments including interest expense under non-cancellable operating lease transactions were as follows:

	Millions of yen		Millions of U.S. dollars
	2025	2024	2025
Due within one year .....	¥ 2,243	¥ 2,134	\$ 15
Due after one year .....	5,659	4,221	37
Total .....	¥ 7,903	¥ 6,355	\$ 52

## 29. FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES

### I. Conditions of financial instruments

#### (1) Policies and objectives for using financial instruments

The Bank aims to render useful financial services to customers and provide various financial instruments corresponding to customer needs. In addition, the Bank utilizes financial instruments for risk-taking and risk-control in order to improve its profitability and secure sound operations.

The Bank responds to customers' funding needs by providing credit such as lending, loans, and undertaking private placement bonds and guarantees to individuals and corporate customers. It holds bonds such as Japanese government bonds as stable investments and securities such as stocks for maintaining strong relationships with customers. Recently the Bank began providing interest rate-related and currency-related derivatives to meet sophisticated and diversified customer needs.

To provide these financial services, the Bank raises funds by using financial instruments such as customer deposits, issuance of bonds and funding from the inter-bank market.

Asset and Liability Management (ALM) is in place to manage the interest rate gap between short-term and long-term and interest fluctuation risks resulting from its investment and funding activities, and to improve profitability management across business divisions. As part of ALM, the Bank executes derivative transactions, which are designated to hedge the interest rate gap between short-term and long-term and interest fluctuation risks, as well as covering transactions related to customers' derivative contracts.

Certain consolidated subsidiaries and affiliates conduct foreign banking services under foreign regulations.

#### (2) Type of and risks associated with financial instruments

##### (a) Type of and risks associated with loans and bills discounted

Loans to small-to-mid-size companies and individual mortgages comprise a significant portion of the Bank's credit portfolio. These loans are exposed to credit risks in which the Bank may suffer losses due to a decline or the disappearance of an asset's value as a result of deterioration of the financial position of obligors.

##### (b) Type of and risks associated with securities

Securities, which the Bank holds, are bonds, stocks, investment trusts in partnerships and investment limited partnership, etc. The Bank holds them to promote business in addition to generating investment income and capital appreciation, and smooth cash flow operation.

Securities are exposed to market risks in which the Bank may suffer losses due to changes in values of assets and liabilities or revenues generated from them by variance of risk factors such as interest rate, stock market and foreign exchange market, and credit risks in which the Bank may suffer losses due to a decline or the disappearance of an asset's value as a result of deterioration of the financial position of obligors.

##### (c) Type of and risks associated with derivative transactions

The Bank utilizes derivative instruments such as interest rate-related products, currency-related products, stock-related products and bond-related products.

- Interest rate-related products: futures, future options, forward rate agreements, swaps and options
- Currency-related products: forward exchange contracts, swaps and options
- Stock-related products: index futures, index options and over-the-counter options
- Bond-related products: futures, future options and over-the-counter options

Derivative transactions are essential to satisfy the sophisticated and diverse financial needs of customers and to control various risks to which the Bank is exposed. The Bank's basic policy is to execute derivative transactions in line with its business strategy and resources under the appropriate risk management system after accurately identifying risks associated with the transactions.

The Bank executes derivative transactions in order to respond to customers' risk hedging needs, hedging risks of financial assets and liabilities, and for trading purposes as follows.

(i) Customers' risk hedging needs

Customers are exposed to various risks and, accordingly, their needs to hedge these risks are essential and diverse. One of the primary purposes of derivative transactions for the Bank is to provide customers with financial products which enable them to achieve their objectives of hedging and mitigating risks. The Bank develops a variety of derivatives and makes an effort to increase its ability to provide those financial products in order to offer sophisticated financial solutions to customers.

Derivative transactions may, however, result in significant losses to customers depending upon the design and nature of the products. Accordingly, in offering such products to customers, the Bank follows strict guidelines which ensure that:

- Sufficient explanation of the products and associated risks

Customers are given sufficient explanation on the nature of products and their risks in writing. A description of the product, structure, hedge effectiveness (including explanation of which customers would not be able to gain expected economic effects and which the economic effects from the hedge transactions would be against customers' interests), market risk and credit risk associated with the product are required to be included in the explanation documents (proposal, written explanation of derivative risks).

Customers are given explanation in accurate and simplified terms instead of difficult technical terms. Customers are given cooperation to confirm completeness of the explanation and full understanding by using designated documents with check column.

- Customers' responsibility and capability to enter into a transaction

Customers are ready to take responsibility for the products fully, and are capable and willing to enter into the transactions based on their own judgment.

Customers are not engaged in transactions which are recognized as improper from the points of transaction amount, term, and level of risk of view, according to customers' knowledge, experience, assets, purpose of transaction, capacity to meet loss and internal management systems.

- Providing relevant fair value information

Customers are provided with relevant fair value information (i.e., unrealized gains and losses on customers' positions) to assist them in evaluating the products and transactions, periodically or whenever considered necessary.

(ii) Hedging risks of financial assets and liabilities

The Bank uses derivatives to manage interest rate and foreign currency risks associated with various financial assets and liabilities, such as loans and deposits. The Bank uses fair value hedges to protect the fair value of assets and liabilities against risks such as interest rate fluctuations, and cash flow hedges to ensure future cash flows from their variability on an individual and a portfolio basis. As for foreign currency risks, the Bank uses foreign currency hedges to protect future fair value of assets and liabilities against risks such as foreign currency fluctuations.

Derivative transactions designated as hedges are strictly monitored by assessing hedge effectiveness periodically in accordance with the relevant hedge accounting guidelines.

For a portfolio hedge of interest rate risks, hedge effectiveness is assessed by grouping hedging instruments and hedged items according to their maturities to determine that certain critical conditions are satisfied, or confirming high correlation between the changes in interest rate factors underlying the hedging instruments and hedged items by means of regression analyses. For an individual hedge of interest rate risks, hedge effectiveness is assessed by confirming that the interest rate and other conditions of hedging instruments and hedged items match.

For a portfolio hedge of foreign currency risks, hedge effectiveness is assessed by confirming that the principal and interest amount of receivables and liabilities denominated in foreign currencies exceed the principal and interest amount of hedging instruments. For an individual hedge of foreign currency risks, hedge effectiveness is assessed by confirming that the interest rate and other conditions of hedging instruments and hedged items match, as same as an individual hedge of interest rate risks.

(iii) Trading activities

The Bank engages in trading activities to earn profits by taking advantage of short-term fluctuations in market indices or market gaps, as well as to hedge against risks to which the Bank is exposed and to cover the transactions between the Bank and customers at the market, etc.

Risks associated with derivative transactions are credit risks and market risks. The Bank determines and monitors credit exposures by measuring credit risks based on the SA-CCR method periodically, adding the credit exposure together with the on-balance sheet transactions such as loans, and the Loan and Credit Division, independent from Market Divisions and Operation Divisions, establishing individual credit limits. The division reviews the transaction and credit limits applicable to each of the counterparties, on an on-going basis, in response to the changes in creditworthiness of the counterparties. Refer to following (3) (b) "Market risk management".

**(d) Type of and risks associated with financial liabilities**

The Bank raises funds through acceptance of customer deposits, funding in the market and issuing bonds. Liabilities are exposed to liquidity risk and may be difficult to fund depending upon the interest and exchange rate fluctuation, and change in the financial economic environment.

**(3) Risk management system related to financial instruments**

The Holdings has established the Bank Risk Management Policy that serves as the basic risk management policy. Based on the policy and operational characteristics, the Bank established its own risk management policy "Basic Policy for Risk Management," approved by the Board of Directors of the Bank, including basic policies for credit risk management, market risk management and liquidity risk management. In accordance with the Basic Policy for Risk Management, the Bank manages risks and establishes detailed rules over risk management activities.

The Bank plans and conducts internal audits depending on the degree of intrinsic risks and the risk management system of each division.

**(a) Credit risk management**

In accordance with the Basic Policy for Risk Management, Credit Risk Management-related Departments, independent from sales promotion-related divisions, are responsible for determining and monitoring credit exposures. As an organization responsible for credit risk management, the Bank sets up the Credit Committee and Credit Risk Management-related Departments, which include the Credit Risk Management Division, Credit Analysis Division and Administration of Problem Loans. The Credit Committee has been established to resolve, discuss and report significant credit matters as a whole. The Credit Risk Management Division is a division to propose policies and procedures over credit rating and a framework necessary for appropriate credit risk management such as credit analysis. The Credit Analysis Division is a division to review operational and financial conditions, qualitative factors, funding purposes, repayment plans, etc., of counterparties, and determines credit exposures by considering the nature of risks associated with the transaction appropriately. The Administration of Problem Loans is a division to understand the business condition of the counterparties with problems and engages in rehabilitation, resolution and correction of the business.

Under the foregoing organizational structure, the Bank makes an effort to control and reduce credit risks. For instance, the Bank applies strict controls to credit concentration risk for a specific customer (or customer group) through measures such as establishing a credit limit (credit ceiling), as the risk may materially affect the Bank's operation.

The Bank controls credit risks within certain amounts by measuring credit risks from the perspective of managing the whole credit portfolio and setting credit limits.

**(b) Market risk management**

**(i) Market risk management system**

In accordance with the Basic Policy for Risk Management, the Bank established the Risk Management Division (middle-office) and the Office Management Division (back-office), independent from Transaction Divisions (front-office), to enable mutual checks and balances. The ALM Committee has been established to manage changes and conditions of funding, revenue, risk and cost, and to discuss and report corresponding actions to the circumstances.

The Bank establishes policies such as the "Market Risk Management Policy" to manage market risk appropriately and strictly in accordance with the Basic Policies for Risk Management.

As for market risks resulting from fair market valuation of transactions or changes in risk factors such as interest, market prices, and foreign currency exchange, the Bank measures risk exposures by Value at Risk ("VaR"), establishes limits of risk exposure, limits of loss and limits of sensitivity by product, and



monitors those observance conditions. In addition, the Bank regularly measures potential loss amounts based on stress-scenario testing.

The Bank monitors and reports to management about risk exposures and profit/loss conditions, including observance of the conditions of the credit limits. It also leads checks and balances by the Risk Management Division (middle-office) to the Transaction Divisions (front-office).

(ii) Quantitative information on market risk

The Bank measures VaR of market risks based on the purpose of holding financial instruments: trading, banking and securities held for the purpose of cross-shareholdings. For banking, CVA (credit valuation adjustment) is included in the risk. Risk exposures of certain products, subsidiaries and affiliates are excluded from the market risk exposure of the Group, as the effect is confirmed to be immaterial.

*(Trading)*

The Group adopts a historical simulation method (holding period is 10 business days, confidence interval is 99%, observation period is 250 business days) in order to measure VaR associated with securities held for trading and derivative instruments. The market risk exposures of the Group in the trading operation as of March 31, 2025 and 2024 were ¥708 million (\$4 million) and ¥349 million, respectively.

*(Banking)*

In the banking operation, the Bank deals with financial instruments other than those held for trading and securities held for the purpose of cross-shareholdings, and any other assets and liabilities. The Group adopts a historical simulation method (holding period is 20 business days and 125 business days, confidence interval is 99%, observation period is 1,250 business days) in order to measure VaR associated with the banking operation. The market risk exposures of the Group in the banking operation as of March 31, 2025 and 2024 were ¥47,345 million (\$316 million) and ¥48,527 million, respectively.

*(Securities held for the purpose of cross-shareholdings)*

The Bank measures VaR or manages risks associated with securities held for the purpose of cross-shareholdings separately from the trading and the banking operation. The Group adopts a historical simulation method (holding period is 125 business days, confidence interval is 99%, observation period is 1,250 business days) in order to measure VaR associated with securities held for the purpose of cross-shareholdings, and measures risk exposure by considering impairment risks. The market risk exposures of the Group on the securities held for the purpose of cross-shareholdings as of March 31, 2025 and 2024 were ¥10,078 million (\$67 million) and ¥8,344 million, respectively.

*(Verification system of VaR)*

The Bank performs a backtesting which reconciles VaR measured by the model for each measurement unit with actual market fluctuations in order to verify reliability and effectiveness of the risk measurement model.

VaR represents a risk exposure under a certain probability calculated statistically based on the historical market movements. In the case that the actual market fluctuates over the ranges anticipated by the historical market movements, fair market values may fluctuate over VaR.

**(c) Liquidity risk management**

In accordance with the Basic Policy for Risk Management, the Bank has established the Cash Management Division and the Liquidity Risk Management Division, to enable mutual checks and balances. The ALM Committee and the Liquidity Risk Management Committee monitor and report to management timely and appropriately.

The Bank establishes policies such as the “Liquidity Risk Management Policy” to manage liquidity risk appropriately and strictly in accordance with the Basic Policies for Risk Management.

For cash flow management, the Bank establishes liquidity risk phases (normal and 3 levels under emergency condition) and carries out corresponding actions at each phase determined in advance.

The Bank monitors liquidity risks by defining a key indicator for liquidity risk management based on its size and nature of the business and circumstances over a liquidity risk. The Bank establishes guidelines of a key indicator for liquidity risk management as necessary.

As for market liquidity risks in which the Bank may suffer losses because it cannot make transactions on market or is forced to make significantly unfavorable transactions due to market turmoil, the Bank manages the risk appropriately by examining and reporting conditions of market liquidity relating to the market transactions handled, as well as establishing guidelines as necessary and monitoring on a daily basis.

**(4) Supplementary explanation relating to fair value of financial instruments and other**

Certain assumptions are used for the calculation of the fair value of financial instruments. Accordingly, the result of the calculation may vary if different assumptions are used.

## II. Fair value of financial instruments

Amount on consolidated balance sheet, fair values and differences between them as of March 31, 2025 and 2024 were as follows. The below table does not include non-marketable equity securities, etc. and investment in partnerships (Refer to Note 1).

Notes to the following accounts are omitted since these items are settled in short term and their fair values approximate carrying amounts.

Cash and due from banks, Call loans and bills bought, Receivables under securities borrowing transactions, Foreign exchange assets, Foreign exchange liabilities, Call money and bills sold, Payables under repurchase agreements, Payables under securities lending transactions and Due to trust accounts.

Millions of yen			
	Amount on consolidated balance sheet	Fair value	Difference
<b>March 31, 2025</b>			
Monetary claims bought (*1).....	¥ 328,450	¥ 324,323	¥ (4,127)
Trading assets:			
Trading securities.....	244,018	244,018	—
Securities:			
Held-to-maturity debt securities .....	2,668,782	2,437,723	(231,058)
Available-for-sale securities (*2) .....	2,768,983	2,768,983	—
Loans and bills discounted .....	25,674,091		
Reserve for loan losses (*1).....	(103,220)		
	25,570,871	25,501,227	(69,643)
Total assets .....	¥ 31,581,107	¥ 31,276,277	¥ (304,829)
Deposits .....	¥ 34,418,465	¥ 34,409,397	¥ (9,068)
Negotiable certificates of deposit.....	537,500	537,495	(4)
Borrowed money .....	2,290,343	2,290,343	—
Bonds .....	80,859	81,927	1,068
Total liabilities .....	¥ 37,327,168	¥ 37,319,163	¥ (8,004)
Derivative transactions (*3)			
Hedge accounting not applied.....	¥ 16,799	¥ 16,799	¥ —
Hedge accounting applied.....	(29,291)	(29,291)	—
Total derivative transactions .....	¥ (12,492)	¥ (12,492)	¥ —
Millions of yen			
	Amount on consolidated balance sheet	Fair value	Difference
<b>March 31, 2024</b>			
Monetary claims bought (*1).....	¥ 279,528	¥ 276,400	¥ (3,128)
Trading assets:			
Trading securities.....	246,532	246,532	—
Securities:			
Held-to-maturity debt securities .....	2,329,613	2,222,954	(106,659)
Available-for-sale securities (*2) .....	2,922,182	2,922,182	—
Loans and bills discounted .....	23,940,604		
Reserve for loan losses (*1).....	(118,830)		
	23,821,773	23,822,148	375
Total assets .....	¥ 29,599,630	¥ 29,490,218	¥ (109,411)
Deposits .....	¥ 35,192,616	¥ 35,192,511	¥ (105)
Negotiable certificates of deposit.....	550,110	550,111	1
Borrowed money .....	1,863,397	1,863,397	—
Bonds .....	36,000	37,414	1,414
Total liabilities .....	¥ 37,642,124	¥ 37,643,435	¥ 1,310
Derivative transactions (*3)			
Hedge accounting not applied.....	¥ 19,616	¥ 19,616	¥ —
Hedge accounting applied.....	7,043	7,043	—
Total derivative transactions .....	¥ 26,659	¥ 26,659	¥ —

	Millions of U.S. dollars		
	Amount on consolidated balance sheet	Fair value	Difference
<b>March 31, 2025</b>			
Monetary claims bought (*1).....	\$ 2,196	\$ 2,168	\$ (27)
Trading assets:			
Trading securities.....	1,631	1,631	—
Securities:			
Held-to-maturity debt securities .....	17,847	16,302	(1,545)
Available-for-sale securities (*2) .....	18,517	18,517	—
Loans and bills discounted .....	171,698		
Reserve for loan losses (*1).....	(690)		
	171,008	170,542	(465)
Total assets .....	\$ 211,202	\$ 209,163	\$ (2,038)
Deposits .....	\$ 230,177	\$ 230,117	\$ (60)
Negotiable certificates of deposit.....	3,594	3,594	(0)
Borrowed money .....	15,316	15,316	—
Bonds .....	540	547	7
Total liabilities.....	\$ 249,629	\$ 249,576	\$ (53)
Derivative transactions (*3)			
Hedge accounting not applied.....	\$ 112	\$ 112	\$ —
Hedge accounting applied.....	(195)	(195)	—
Total derivative transactions.....	\$ (83)	\$ (83)	\$ —

Notes: (\*1) General and individually assessed for loan losses and specific reserve for overseas loan losses corresponding to loans and bills discounted are deducted. Specific reserve for loan losses corresponding to monetary claims bought is excluded from the amount on consolidated balance sheet directly due to immateriality.

(\*2) Available-for-sale securities include investment trusts, of which the reference value is deemed to be the fair value in accordance with the Paragraph 24-9 of "Implementation Guidance on Accounting Standard for Fair Value Measurement" (ASBJ Guidance No. 31, June 17, 2021).

(\*3) Derivative financial instruments included in trading assets/liabilities and other assets/liabilities are presented in total. Assets (positive amount) and liabilities (negative amount) arising from derivative transactions are presented on a net basis.

#### (Note 1) Non-marketable equity securities, etc. and investment in partnerships

Carrying amounts of non-marketable equity securities, etc. and investment in partnerships on the consolidated balance sheet are as follows.

These are not included in "other securities" on above table "II. Fair value of financial instruments."

	Millions of yen		Millions of U.S. dollars
	2025	2024	2025
Unlisted stocks (*1) (*2).....	¥ 43,379	¥ 43,372	\$ 290
Investments in partnerships (*3).....	57,936	44,072	387

Notes: (\*1) The fair values of unlisted stocks are not disclosed in accordance with the Paragraph 5 of "Implementation Guidance on Disclosures about Fair Value of Financial Instruments" (ASBJ Guidance No.19, March 31, 2020)".

(\*2) Impairment losses of unlisted stocks were ¥7 million (\$0 million) and ¥36 million for the fiscal years ended March 31, 2025 and 2024, respectively.

(\*3) The fair values of investments in partnerships are not disclosed in accordance with the Paragraph 24-16 of "Implementation Guidance on Disclosures about Fair Value of Financial Instruments" (ASBJ Guidance No.31, June 17, 2021).

**(Note 2) Maturity analysis for financial assets and liabilities with contractual maturities**

	Millions of yen					
	One year or less	One to three years	Three to five years	Five to seven years	Seven to ten years	Over ten years
<b>As of March 31, 2025</b>						
Due from banks .....	¥ 10,871,487	¥ —	¥ —	¥ —	¥ —	¥ —
Call loans and bills bought .....	143,556	—	—	—	—	—
Monetary claims bought .....	28,286	47,589	40,127	34,567	42,689	134,488
Securities:						
Held-to-maturity debt securities .....	1,826	19,323	784,319	594,344	276,678	990,518
Japanese government bonds. ....	—	—	780,000	590,000	270,000	940,000
Available-for-sale securities. ....	200,305	303,637	468,250	142,965	269,678	722,635
Japanese government bonds. ....	—	—	110,000	40,000	160,000	250,000
Japanese local government bonds. ....	19,082	29,378	44,582	45,506	17,740	—
Japanese corporate bonds. ....	163,379	244,765	92,613	14,712	1,395	153
Loans and bills discounted (*1) .....	6,911,417	4,474,863	3,327,455	2,173,975	2,522,734	6,247,392
Foreign exchange assets .....	176,627	—	—	—	—	—
Total assets .....	¥ 18,333,508	¥ 4,845,414	¥ 4,620,153	¥ 2,945,852	¥ 3,111,780	¥ 8,095,034
Deposits (*2) .....	¥ 33,000,544	¥ 984,651	¥ 433,270	¥ —	¥ —	¥ —
Negotiable certificates of deposit .....	465,000	72,500	—	—	—	—
Call money and bills sold .....	1,687,160	—	—	—	—	—
Payables under repurchase agreements	—	—	—	—	—	—
Payables under securities lending						
transactions .....	1,662,680	—	—	—	—	—
Borrowed money .....	987,812	1,302,095	57	378	—	—
Foreign exchange liabilities .....	12,261	—	—	—	—	—
Bonds .....	—	80,859	—	—	—	—
Due to trust account .....	1,026,603	—	—	—	—	—
Total liabilities .....	¥ 38,842,063	¥ 2,440,106	¥ 433,327	¥ 378	¥ —	¥ —

	Millions of yen					
	One year or less	One to three years	Three to five years	Five to seven years	Seven to ten years	Over ten years
<b>As of March 31, 2024</b>						
Due from banks .....	¥ 12,171,222	¥ —	¥ —	¥ —	¥ —	¥ —
Call loans and bills bought .....	104,688	—	—	—	—	—
Monetary claims bought .....	23,163	38,993	32,001	26,856	33,259	124,517
Securities:						
Held-to-maturity debt securities .....	351,287	18,139	303,146	408,103	269,759	976,442
Japanese government bonds. ....	350,000	—	300,000	405,000	265,000	940,000
Available-for-sale securities. ....	215,277	381,069	327,672	275,729	70,513	883,746
Japanese government bonds. ....	—	—	—	90,000	—	254,000
Japanese local government bonds. ....	15,608	42,182	14,968	50,718	26,452	—
Japanese corporate bonds. ....	172,486	257,112	110,430	21,451	13,850	86,187
Loans and bills discounted (*1) .....	6,181,040	3,894,552	3,218,235	2,082,440	2,435,687	6,109,754
Foreign exchange assets .....	125,935	—	—	—	—	—
Total assets .....	¥ 19,172,616	¥ 4,332,755	¥ 3,881,055	¥ 2,793,130	¥ 2,809,220	¥ 8,094,461
Deposits (*2) .....	¥ 33,850,158	¥ 939,911	¥ 402,547	¥ —	¥ —	¥ —
Negotiable certificates of deposit .....	452,610	97,500	—	—	—	—
Call money and bills sold .....	826,279	—	—	—	—	—
Payables under repurchase agreements	—	—	—	—	—	—
Payables under securities lending						
transactions .....	1,364,159	—	—	—	—	—
Borrowed money .....	475,433	165,149	1,222,814	—	—	—
Foreign exchange liabilities .....	11,088	—	—	—	—	—
Bonds .....	—	36,000	—	—	—	—
Due to trust account .....	1,314,105	—	—	—	—	—
Total liabilities .....	¥ 38,293,833	¥ 1,238,560	¥ 1,625,362	¥ —	¥ —	¥ —

		Millions of U.S. dollars					
		One year or less	One to three years	Three to five years	Five to seven years	Seven to ten years	Over ten years
<b>As of March 31, 2025</b>							
Due from banks .....	\$	72,704	\$ —	\$ —	\$ —	\$ —	\$ —
Call loans and bills bought .....		960	—	—	—	—	—
Monetary claims bought .....		189	318	268	231	285	899
Securities:							
Held-to-maturity debt securities .....		12	129	5,245	3,974	1,850	6,624
Japanese government bonds .....		—	—	5,216	3,945	1,805	6,286
Available-for-sale securities .....		1,339	2,030	3,131	956	1,803	4,832
Japanese government bonds .....		—	—	735	267	1,070	1,671
Japanese local government bonds .....		127	196	298	304	118	—
Japanese corporate bonds .....		1,092	1,636	619	98	9	1
Loans and bills discounted (*1) .....		46,220	29,926	22,252	14,538	16,871	41,780
Foreign exchange assets .....		1,181	—	—	—	—	—
Total assets .....	\$	122,607	\$ 32,404	\$ 30,897	\$ 19,700	\$ 20,810	\$ 54,136
Deposits (*2) .....	\$	220,695	\$ 6,584	\$ 2,897	\$ —	\$ —	\$ —
Negotiable certificates of deposit .....		3,109	484	—	—	—	—
Call money and bills sold .....		11,283	—	—	—	—	—
Payables under repurchase agreements .....		—	—	—	—	—	—
Payables under securities lending transactions .....		11,119	—	—	—	—	—
Borrowed money .....		6,606	8,707	0	2	—	—
Foreign exchange liabilities .....		81	—	—	—	—	—
Bonds .....		—	540	—	—	—	—
Due to trust account .....		6,865	—	—	—	—	—
Total liabilities .....	\$	259,761	\$ 16,318	\$ 2,897	\$ 2	\$ —	\$ —

Notes: (\*1) Loans and bills discounted, for which it is difficult to estimate the redemption amount, amounted to ¥16,252 million (\$108 million) and ¥18,892 million as of March 31, 2025 and 2024, respectively, and are excluded from the above table. The estimated uncollectable amount, which is deducted from loans directly, is excluded.

(\*2) Demand deposits are included and presented in "one year or less" in the above table.

### III. Financial instruments categorized by fair value hierarchy

The fair value of financial instruments is categorized into the following three levels, depending on the observability and significance of the inputs used in making fair value measurements:

Level 1: Fair values measured by using quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Fair values measured by using inputs other than quoted prices included within Level 1 that are observable for the assets or liabilities, either directly or indirectly.

Level 3: Fair values measured by using unobservable inputs for the assets or liabilities.

If multiple inputs are used that have a significant impact on the measurement of fair value, fair value is classified at the lowest level in the fair value measurement among the levels to which each of these inputs belongs.

(1) The financial assets and liabilities measured at the fair values in the consolidated balance sheet

		Millions of yen						
		Level 1	Level 2	Level 3	Total			
<b>As of March 31, 2025</b>								
Trading assets								
Trading securities								
Japanese government bonds.....	¥	41	¥	—	¥	41		
Japanese local government bonds.....		—		—		—		
Other .....		—	243,976	—		243,976		
Securities								
Available-for-sale securities								
Japanese stocks.....		699,309		—		699,309		
Japanese government bonds .....		508,326		—		508,326		
Japanese local government bonds.....		—	149,974	—		149,974		
Japanese corporate bonds .....		—	48,634	463,689		512,323		
Other .....		204,365	685,736	85		890,187		
Total assets .....	¥	1,412,043	¥	1,128,321	¥	463,774	¥	3,004,139
Derivative transactions								
Interest rate-related products .....		—	(14,337)	—		(14,337)		
Currency-related products.....		—	2,464	—		2,464		
Stock-related products .....		—	—	—		—		
Bond-related products.....		(620)	—	—		(620)		
Total derivatives .....	¥	(620)	¥	(11,872)	¥	—	¥	(12,492)
		Millions of yen						
		Level 1	Level 2	Level 3	Total			
<b>As of March 31, 2024</b>								
Trading assets								
Trading securities								
Japanese government bonds.....	¥	39	¥	—	¥	39		
Japanese local government bonds....		—		—		—		
Other .....		—	246,492	—		246,492		
Securities								
Available-for-sale securities								
Japanese stocks.....		835,172		—		835,172		
Japanese government bonds .....		316,309		—		316,309		
Japanese local government bonds.....		—	147,488	—		147,488		
Japanese corporate bonds .....		—	159,207	492,095		651,303		
Other .....		202,418	761,708	31		964,158		
Total assets. ....	¥	1,353,939	¥	1,314,896	¥	492,127	¥	3,160,964
Derivative transactions								
Interest rate-related products .....		—	21,864	—		21,864		
Currency-related products.....		—	4,792	—		4,792		
Stock-related products .....		—	—	—		—		
Bond-related products.....		2	—	—		2		
Total derivatives .....	¥	2	¥	26,657	¥	—	¥	26,659

	Millions of U.S. dollars			
	Level 1	Level 2	Level 3	Total
<b><u>As of March 31, 2025</u></b>				
Trading assets				
Trading securities				
Japanese government bonds.....	\$ 0	\$ —	\$ —	\$ 0
Japanese local government bonds.....	—	—	—	—
Other.....	—	1,631	—	1,631
Securities				
Available-for-sale securities				
Japanese stocks.....	4,676	—	—	4,676
Japanese government bonds.....	3,399	—	—	3,399
Japanese local government bonds.....	—	1,002	—	1,002
Japanese corporate bonds.....	—	325	3,100	3,426
Other	1,366	4,585	0	5,953
Total assets	\$ 9,443	\$ 7,545	\$ 3,101	\$ 20,090
Derivative transactions				
Interest rate-related products.....	—	(95)	—	(95)
Currency-related products.....	—	16	—	16
Stock-related products.....	—	—	—	—
Bond-related products.....	(4)	—	—	(4)
Total derivatives.....	\$ (4)	\$ (79)	\$ —	\$ (83)

Notes: Securities do not include investment trusts, of which the reference value is deemed to be the fair value in accordance with the Paragraph 24-9 of "Implementation Guidance on Accounting Standard for Fair Value Measurement" (ASBJ Guidance No. 31, June 17, 2021). The investment trusts applying the Paragraph 24-9 amounted to ¥8,862 million (\$59 million) and ¥7,750 million as of March 31, 2025 and 2024, respectively.

**(2) The financial assets and liabilities not measured at the fair values in the consolidated balance sheet**

	Millions of yen							
	Level 1		Level 2		Level 3		Total	
<b>As of March 31, 2025</b>								
Monetary claims bought .....	¥	—	¥	—	¥	324,323	¥	324,323
Securities								
Held-to-maturity debt securities								
Japanese government bonds.....		2,356,828		—		—		2,356,828
Japanese local government bonds .....		—		463		—		463
Japanese corporate bonds .....		—		66,133		—		66,133
Other.....		—		14,298		—		14,298
Loans and bills discounted .....		—		—		25,501,227		25,501,227
Total assets.....	¥	2,356,828	¥	80,895	¥	25,825,551	¥	28,263,275
Deposits .....		—		34,409,397		—		34,409,397
Negotiable certificates of deposit .....		—		537,495		—		537,495
Borrowed money .....		—		2,290,343		—		2,290,343
Bonds .....		—		81,927		—		81,927
Total liabilities.....	¥	—	¥	37,319,163	¥	—	¥	37,319,163

		Millions of yen			
		Level 1	Level 2	Level 3	Total
<b>As of March 31, 2024</b>					
Monetary claims bought .....	¥	—	¥	—	¥ 276,400
Securities					
Held-to-maturity debt securities					
Japanese government bonds .....		2,158,059	—	—	2,158,059
Japanese local government bonds .....		—	396	—	396
Japanese corporate bonds .....		—	50,574	—	50,574
Other .....		—	13,923	—	13,923
Loans and bills discounted .....		—	—	23,822,148	23,822,148
Total assets .....	¥	2,158,059	¥ 64,894	¥ 24,098,548	¥ 26,321,502
Deposits .....		—	35,192,511	—	35,192,511
Negotiable certificates of deposit .....		—	550,111	—	550,111
Borrowed money .....		—	1,863,397	—	1,863,397
Bonds .....		—	37,414	—	37,414
Total liabilities .....	¥	—	¥ 37,643,435	¥ —	¥ 37,643,435

		Millions of U.S. dollars			
		Level 1	Level 2	Level 3	Total
<b>As of March 31, 2025</b>					
Monetary claims bought .....	\$	—	\$	—	\$ 2,168
Securities					
Held-to-maturity debt securities					
Japanese government bonds .....		15,761	—	—	15,761
Japanese local government bonds .....		—	3	—	3
Japanese corporate bonds .....		—	442	—	442
Other .....		—	95	—	95
Loans and bills discounted .....		—	—	170,542	170,542
Total assets .....	\$	15,761	\$ 540	\$ 172,711	\$ 189,014
Deposits .....		—	230,117	—	230,117
Negotiable certificates of deposit .....		—	3,594	—	3,594
Borrowed money .....		—	15,316	—	15,316
Bonds .....		—	547	—	547
Total liabilities .....	\$	—	\$ 249,576	\$ —	\$ 249,576

**(Note 1) Valuation techniques and inputs used in the fair value measurement**

**Assets**

**Monetary claims bought**

Fair values for deed of beneficiary certificate of loan trust are based on the values provided by third parties (brokers) or calculated by a similar method used for loans and bills discounted, and are classified as Level 3. Regarding loans and bills discounted other than noted above, since contractual terms of these items are short by its nature, the carrying amounts are deemed to approximate fair value, and are classified as Level 3.

**Trading assets**

Trading assets which used unadjusted quoted market price in an active market are classified as Level 1, and Japanese government bonds are mainly included. Trading assets for which the quoted market price in a non-active market is used are classified as Level 2, and Japanese local government bonds and short-term Japanese corporate bonds are included.

**Securities**

Securities for which unadjusted quoted market price in an active market is used are classified as Level 1, and mainly listed stocks and Japanese government bonds are included.

Securities for which the quoted market price in a non-active market is used are classified as Level 2, and Japanese local government bonds and Japanese corporate bonds are included.

Investment trusts for which quoted market price does not exist and its reference value is deemed as fair value as far as there is no material restriction with respect to cancellation or repurchase requests that would require compensation for the risk from market participants, are classified as Level 2.

Fair values of private placement bonds are, in principle, determined by discounting the principal and interest amount with the interest rate used for new issuances for each category based on the internal rating, and are classified as Level 3 since discounted rates are unobservable.



Fair values of stock acquisition rights are determined by the option model and classified as Level 3 since its inputs, such as probability of listing, expected PER, and stock price volatility, cannot be observed.

Refer to Note "6. Securities" for the purpose of holding those securities.

#### Loans and bills discounted

Fair values of loans are mainly determined by discounting the principal and interest amount with the interest rate used for each category of loan, internal rating and loan period with reflecting the market interest rates to credit risks. For value of loans with floating interest rates, the carrying amounts approximate fair value, unless creditworthiness of borrowers has changed significantly since the loan was executed, etc. For fair values of loans to bankrupt obligors, effectively bankrupt obligors and potentially bankrupt obligors, reserve for loan losses is estimated by DCF based on the present value of future cash flows and recoverable amounts of collateral or guarantees. These are classified as Level 3.

### Liabilities

#### Deposits and negotiable certificates of deposit

For demand deposits, the Group deems the payment amounts required on the consolidated balance sheet date (i.e., carrying amounts) to be fair values. Fair values of time deposits and negotiable certificates of deposit are calculated by classifying them based on their terms and discounting the future cash flows. Discount rates used in such calculations are the market interest rates. For fair values of deposits with maturity within one year, the carrying amounts are considered to approximate fair value due to the short maturity. These are classified as Level 2.

#### Borrowed money

For borrowed money with floating interest rates reflecting the market interest rates in a short-term period, the carrying amounts are considered to approximate fair value when the creditworthiness of the Bank and its consolidated subsidiaries have not changed significantly since the borrowing was made. For borrowed money with fixed interest rates, fair values are determined by discounting the principal and interest amount with the market interest rates adjusted with a premium of either the Bank or its consolidated subsidiaries. For borrowed money with maturity within one year, the carrying amounts are considered to approximate fair value due to the short maturity. These are classified as Level 2.

#### Bonds

Fair values of corporate bonds issued by the Bank and its consolidated subsidiaries are calculated by quoted market price and based on prices quoted by financial institutions for certain bonds. These are classified as Level 2.

### Derivative transactions

Derivative transactions for which unadjusted quoted market price in an active market is used are classified as Level 1, and mainly bond futures and interest futures are included. However, since most derivative transactions are over-the-counter and there is no quoted market price, the fair value are determined based on the category of transactions and remaining term of maturity by present value method and Black-Scholes model. Major inputs used in the methods are interest rate, currency exchange rate and volatility. The fair value is adjusted based on credit risks of the business partners and the Bank itself. Derivative transactions those either unobservable inputs are not used for or the effect is immaterial are classified as Level 2, and plain vanilla swap and forward exchange contracts are included.

**(Note 2) Fair values classified as Level 3 of which the financial assets and liabilities measured at the fair values in the consolidated balance sheet**

(1) Fair values measured by using unobservable inputs as of March 31, 2025 and 2024.

	Valuation technique	Significant unobservable inputs	Range of inputs	Weighted average of inputs
<b>March 31, 2025</b>				
Securities				
Bonds				
Private placement bonds	Present value	Discount rate	<b>0.7%—15.4%</b>	<b>1.4%</b>
Others				
Stock acquisition rights	Option model	Probability of listing	<b>10.0%</b>	—
		Expected PER	<b>15.0%—22.0%</b>	—
		Stock price volatility	<b>52.3%—105.2%</b>	—
<b>March 31, 2024</b>				
Securities				
Bonds				
Private placement bonds	Present value	Discount rate	0.3% - 14.7%	0.8%
Others				
Stock acquisition rights	Option model	Probability of listing	10.0%	—
		Expected PER	19.0% - 22.0%	—
		Stock price volatility	69.8% -143.6%	—

(2) Reconciliation from the beginning balance to ending balance and valuation gains (losses) recognized for the fiscal years ended March 31, 2025 and 2024.

	Millions of yen			
	Securities			
	Available-for-sales securities			
	Bonds		Other	
<b>March 31, 2025</b>				
Balance at the beginning of the fiscal year	¥	492,095	¥	31
Valuation gains (losses) recognized				
Recognized in net income (loss) (*1)		(911)		—
Recognized in comprehensive income (*2)		(2,053)		(0)
Net of purchase, sales, issue and settlement		(25,441)		54
Reclassify to Level 3		—		—
Reclassify from Level 3		—		—
Balance at the end of the fiscal year	¥	463,689	¥	85
Valuation gains (losses) on financial assets and liabilities held at the consolidated balance sheet date recognized in current net income (loss)		—		—

	Millions of yen			
	Securities			
	Available-for-sales securities			
	Bonds		Other	
<b>March 31, 2024</b>				
Balance at the beginning of the fiscal year	¥	502,432	¥	—
Valuation gains (losses) recognized				
Recognized in net income (loss) (*1)		(1,046)		—
Recognized in comprehensive income (*2)		(581)		—
Net of purchase, sales, issue and settlement		(8,707)		31
Reclassify to Level 3		—		—
Reclassify from Level 3		—		—
Balance at the end of the fiscal year	¥	492,095	¥	31
Valuation gains (losses) on financial assets and liabilities held at the consolidated balance sheet date recognized in current net income (loss)		—		—

Millions of U.S. dollars			
Securities			
Available-for-sales securities			
	Bonds		Other
<b>March 31, 2025</b>			
Balance at the beginning of the fiscal year	\$ 3,290	\$	0
Valuation gains (losses) recognized			
Recognized in net income (loss) (*1)	(6)		—
Recognized in comprehensive income (*2)	(13)		(0)
Net of purchase, sales, issue and settlement	(170)		0
Reclassify to Level 3	—		—
Reclassify from Level 3	—		—
Balance at the end of the fiscal year	\$ 3,100	\$	0
Valuation gains (losses) on financial assets and liabilities held at the consolidated balance sheet date recognized in current net income (loss)	—		—

Notes: (\*1) The amount included in other operating income and other operating expenses in the consolidated statement of income.

(\*2) The amount included in other comprehensive income and other unrealized gains (losses) on available-for-sales securities in the consolidated statement of comprehensive income.

### (3) Processes for fair value valuation

The Group established the basic policy and procedures for fair value calculation in middle-office and each related division calculates the fair value. The calculated values are verified by the independent evaluation division in the appropriateness of valuation techniques, inputs, and fair value hierarchy.

In calculating the fair value, the Group uses a valuation model that can most appropriately reflect the nature, characteristics and risks of each asset. In case it uses market price obtained from third parties, the Group verifies the appropriateness of the price by confirmation of the valuation techniques and inputs used and comparison with the fair value of similar financial products.

### (4) Effect on fair value in case of changing the significant unobservable inputs

Significant unobservable input used for calculating fair value of private placement bonds is discount rate. The discount rate is the factor for discounting the future cash flow, and mainly consists with risk premium, which is the amount of compensation required by market participants for the uncertainty of cash flows of financial instruments resulting from credit risk. In general, as the discount rate increases (decreases), the present value decreases (increases).

Significant unobservable inputs used for calculating fair value of stock acquisition rights are probability of listing, expected PER and stock price volatility. As the probability of listing increases (decreases), the present value increases (decreases). As the expected PER increases (decreases), the present value increases (decreases). As the stock price volatility increases (decreases), the present value increases (decreases).

## 30. DERIVATIVES

### (1) Derivative transactions to which hedge accounting is not applied

The notional principal or contract amounts, fair values and unrealized gains or losses on derivative transactions to which hedge accounting is not applied as of March 31, 2025 and 2024 were as follows:

#### (a) Interest rate-related transactions

Millions of yen				
Notional or contract amount				
			Unrealized gains (losses)	
			Maturity over 1 year	Fair value
			Total	
<b>March 31, 2025</b>				
Over-the-counter	Swaps	Receive fixed/pay floating.....	¥ 13,451,363	¥ 8,101,308
		Receive floating/pay fixed.....	¥ 13,901,257	¥ 177,811
		Receive floating/pay floating.....	¥ 2,697,869	¥ 6,499
	Floors	Sold .....	—	—
		Bought .....	—	—
	Swaptions	Sold .....	¥ 318,500	¥ 136,000
		Bought .....	¥ 120,500	¥ 71
Total.....			¥ 15,956	¥ 15,977

			Millions of yen			
			Notional or contract amount			Unrealized gains (losses)
			Total	Maturity over 1 year	Fair value	
<u>March 31, 2024</u>						
Over-the-counter	Swaps	Receive fixed/pay floating.....	¥ 11,502,234	¥ 7,383,744	¥ (25,564)	¥ (25,564)
		Receive floating/pay fixed.....	10,533,382	7,098,846	39,898	39,898
		Receive floating/pay floating.....	2,376,336	1,899,055	1,553	1,553
	Floors	Sold .....	—	—	—	—
		Bought .....	515	—	1	1
	Swaptions	Sold .....	196,600	78,000	(605)	768
		Bought .....	46,000	—	(130)	(130)
	Total.....				¥	16,363

			Millions of U.S. dollars			
			Notional or contract amount			Unrealized gains (losses)
			Total	Maturity over 1 year	Fair value	
<b>March 31, 2025</b>						
Over-the-counter	Swaps	Receive fixed/pay floating.....	\$ 89,957	\$ 54,178	\$ (1,129)	(1,129)
		Receive floating/pay fixed.....	92,966	53,615	1,189	1,189
		Receive floating/pay floating.....	18,042	12,325	43	43
	Floors	Sold .....	—	—	—	—
		Bought .....	—	—	—	—
	Swaptions	Sold .....	2,130	909	(3)	3
		Bought .....	805	46	0	0
	Total.....				\$ 106	\$ 106

Note: The above transactions are stated at fair value and unrealized gains or losses are charged to income or expenses in the consolidated statement of income.

## (b) Currency-related transactions

		Millions of yen				
		Notional or contract amount			Unrealized gains (losses)	
		Total	Maturity over 1 year	Fair value		
<b>March 31, 2025</b>						
Over-the-counter	Currency swaps	¥ 173,211	¥ 136,644	¥ (119)	(759)	
	Forward contracts	Sold.....	677,472	213,091	(22,236)	(22,236)
		Bought.....	1,031,607	429,777	46,465	46,465
	Currency options	Sold.....	927,791	644,784	37,297	(1,028)
		Bought.....	616,074	393,730	14,650	(6,023)
Total.....				¥ 1,463	¥ 16,416	

March 31, 2024									
Over-the-counter	Currency swaps	.....¥	171,364	¥	126,893	¥	3,205	¥	(898)
	Forward contracts	Sold.....	646,642		191,162		(30,204)		(30,204)
		Bought.....	822,769		321,218		48,650		48,650
	Currency options	Sold.....	478,447		283,390		25,691		(5,899)
		Bought.....	347,564		222,771		7,290		(5,714)
Total.....					¥	3,250	¥	5,933	

		Millions of U.S. dollars			
		Notional or contract amount			Unrealized gains (losses)
		Total	Maturity over 1 year	Fair value	
<b>March 31, 2025</b>					
Over-the-counter	Currency swaps	\$ 1,158	\$ 913	\$ (0)	(5)
	Forward contracts				
	Sold	4,530	1,425	(148)	(148)
	Bought	6,898	2,874	310	310
	Currency options				
	Sold	6,204	4,312	249	(6)
	Bought	4,120	2,633	97	(40)
Total			\$ 9	\$	109

Note: The above transactions are stated at fair value and unrealized gains or losses are charged to income or expenses in the consolidated statement of income.

### (c) Stock-related transactions

There were no stock-related transactions for the fiscal year ended March 31, 2025 and 2024, respectively

### (d) Bond-related transactions

			Millions of yen			Unrealized gains (losses)
			Notional or contract amount		Fair value	
			Total	Maturity over 1 year		
<u>March 31, 2025</u>						
Listed	Futures	Sold .....	¥ 85,721	¥ —	¥ (623)	¥ (623)
		Bought .....	247	—	2	2
	Futures options	Sold .....	—	—	—	—
		Bought .....	—	—	—	—
Over-the-counter	Options	Sold .....	—	—	—	—
		Bought .....	—	—	—	—
Total .....					¥ (620)	¥ (620)
<u>March 31, 2024</u>						
Listed	Futures	Sold .....	¥ —	¥ —	¥ —	—
		Bought .....	1,506	—	2	2
	Futures options	Sold .....	—	—	—	—
		Bought .....	—	—	—	—
Over-the-counter	Options	Sold .....	—	—	—	—
		Bought .....	—	—	—	—
Total .....					¥ 2	¥ 2

			Millions of U.S. dollars			
			Notional or contract amount		Unrealized gains (losses)	
			Total	Maturity over 1 year		
<b>March 31, 2025</b>						
Listed	Futures	Sold .....	\$ 573	\$ —	\$ (4)	\$ (4)
		Bought .....	1	—	0	0
	Futures options	Sold .....	—	—	—	—
		Bought .....	—	—	—	—
Over-the-counter	Options	Sold .....	—	—	—	—
		Bought .....	—	—	—	—
Total .....				\$	(4)	(4)

Note: The above transactions are stated at fair value and unrealized gains or losses are charged to income or expenses in the consolidated statement of income.

## (2) Derivative transactions to which hedge accounting is applied

The notional principal or contract amounts, fair values and unrealized gains or losses on derivative transactions to which hedge accounting is applied as of March 31, 2025 and 2024 were as follows:

### (a) Interest rate-related transactions

			Millions of yen		
Accounting method for hedge	Hedging instruments	Hedged items	Notional or contract amount		Fair value
			Total	Over 1 year	
<b><u>March 31, 2025</u></b>					
Deferral hedge accounting	Swaps				
	Receive fixed/pay floating	Financial assets and	¥ 2,232,559	¥ 2,132,559	¥ (50,227)
	Receive floating/pay fixed	liabilities with interests	247,000	220,000	19,898
	Receive floating / pay floating	(e.g., loans and deposits)	50,000	—	35
Total.....					¥ (30,293)
<b><u>March 31, 2024</u></b>					
Deferral hedge accounting	Swaps	Financial assets and			
	Receive fixed/pay floating	liabilities with interests	¥ 2,115,200	¥ 2,015,200	¥ (3,690)
	Receive floating/pay fixed	(e.g., loans and deposits)	327,000	247,000	9,191
Total.....					¥ 5,501

Accounting method for hedge	Hedging instruments	Hedged items	Millions of U.S. dollars		
			Notional or contract amount		Fair value
			Total	Over 1 year	
<b>March 31, 2025</b>					
Deferral hedge accounting	Swaps				
	Receive fixed/pay floating	Financial assets and	\$ 14,930	\$ 14,261	\$ (335)
	Receive floating/pay fixed	liabilities with interests	1,651	1,471	133
	Receive floating /	(e.g., loans and deposits)			
	pay floating		334	-	0
Total .....					\$ (202)

Note: Deferral hedge accounting is applied mainly in accordance with the Industry Committee Practical Guidelines No. 24.

## (b) Currency-related transactions

Accounting method for hedge	Hedging instruments	Hedged items	Millions of yen		
			Notional or contract amount		Fair value
			Total	Over 1 year	
<b>March 31, 2025</b>					
Deferral hedge accounting	Currency swaps	Financial assets and liabilities denominated in foreign currency (e.g., loans and deposits)	¥ 543,675	¥ 20,531	¥ 1,001
<b>March 31, 2024</b>					
Deferral hedge accounting	Currency swaps	Financial assets and liabilities denominated in foreign currency (e.g., loans and deposits)	¥ 533,705	¥ 3,448	¥ 1,542

Accounting method for hedge	Hedging instruments	Hedged items	Millions of U.S. dollars		
			Notional or contract amount		Fair value
			Total	Over 1 year	
<b>March 31, 2025</b>					
Deferral hedge accounting	Currency swaps	Financial assets and liabilities denominated in foreign currency (e.g., loans and deposits)	\$ 3,635	\$ 137	\$ 6

Note: Deferral hedge accounting is applied mainly in accordance with the Industry Committee Practical Guidelines No. 25.

## 31. RETIREMENT BENEFIT PLANS

### (1) Outline of the plans

The Bank has lump-sum retirement benefit plans, contributory funded defined benefit pension plans and defined contribution retirement plans. On occasion, the Bank may also provide programs that entitle employees to additional retirement benefits which are not subject to the actuarial calculation required by the accounting standards for retirement benefits. The Bank maintains certain plan assets in a segregated retirement benefit trust established at a third-party trustee to fund its lump-sum retirement benefit plans and defined benefit pension plans.

Certain consolidated subsidiaries have lump-sum retirement benefit plans as defined benefit plan.

### (2) Defined benefit plan (including the plan using the simplified method)

#### (a) The changes in defined benefit obligation for the fiscal years ended March 31, 2025 and 2024

	Millions of yen		Millions of U.S. dollars
	2025	2024	2025
Balance at the beginning of the fiscal year .....	¥ 253,477	¥ 274,211	\$ 1,695
Current service cost .....	5,449	5,892	36
Interest cost .....	3,536	2,643	23
Actuarial (gains) losses .....	(19,909)	(13,378)	(133)
Benefits paid .....	(15,157)	(15,945)	(101)
Other .....	(28)	54	(0)
Balance at the end of the fiscal year .....	¥ 227,367	¥ 253,477	\$ 1,520

**(b) The changes in plan assets for the fiscal years ended March 31, 2025 and 2024**

	Millions of yen		Millions of U.S. dollars
	2025	2024	2025
Balance at the beginning of the fiscal year .....	¥ 297,693	¥ 297,925	\$ 1,990
Expected return on plan assets .....	4,154	3,627	27
Actuarial gains (losses) .....	(10,073)	3,337	(67)
Contribution from the employer .....	3,009	2,990	20
Benefits paid .....	(10,058)	(10,228)	(67)
Others .....	29	42	0
Balance at the end of the fiscal year .....	¥ 284,753	¥ 297,693	\$ 1,904

**(c) Reconciliation between the liability and/or asset recorded in the consolidated balance sheet and the balances of defined benefit obligation and plan assets as of March 31, 2025 and 2024**

	Millions of yen		Millions of U.S. dollars
	2025	2024	2025
Funded plans defined benefit obligation .....	¥ 227,362	¥ 253,472	\$ 1,520
Plan assets .....	(284,753)	(297,693)	(1,904)
Subtotal .....	(57,390)	(44,220)	(383)
Unfunded defined benefit obligation .....	5	5	0
Net asset (liability) for defined benefit obligation .....	¥ (57,385)	¥ (44,215)	\$ (383)
Net defined benefit liability .....	272	189	1
Net defined benefit asset .....	(57,658)	(44,405)	(385)
Net asset (liability) for defined benefit obligation .....	¥ (57,385)	¥ (44,215)	\$ (383)

**(d) The components of net periodic benefit costs for the fiscal years ended March 31, 2025 and 2024**

	Millions of yen		Millions of U.S. dollars
	2025	2024	2025
Service cost .....	¥ 5,449	¥ 5,892	\$ 36
Interest cost .....	3,536	2,643	23
Expected return on plan assets .....	(4,154)	(3,627)	(27)
Recognized actuarial (gains) losses .....	2,060	3,292	13
Other (Supplemental benefits which are not subject to defined benefit obligation) .....	425	472	2
Net periodic benefit costs .....	¥ 7,318	¥ 8,673	\$ 48

**(e) The components of remeasurements of defined benefit plans (prior to deducting income taxes and tax effect) for the fiscal years ended March 31, 2025 and 2024**

	Millions of yen		Millions of U.S. dollars
	2025	2024	2025
Actuarial gains (losses) .....	¥ 11,896	¥ 20,008	\$ 79

**(f) Accumulated other comprehensive income (prior to deducting income taxes and tax effect) on defined retirement benefit plans as of March 31, 2025 and 2024**

	Millions of yen		Millions of U.S. dollars
	2025	2024	2025
Unrecognized actuarial gains (losses) .....	¥ 20,976	¥ 9,079	\$ 140

**(g) Plan assets as of March 31, 2025 and 2024**

(i) Components of plan assets

	2025	2024
Bonds .....	66%	72%
Stocks.....	14%	9%
Cash and Deposits and other .....	20%	19%
Total.....	100%	100%

Note: Total plan assets include 19% and 22% for the fiscal years ended March 31, 2025 and 2024 of a segregated retirement benefit trust which is set up for corporate pension fund and lump-sum retirement benefit plans.

(ii) Method of determining the expected rate of return on plan assets

The expected rate of return on plan assets is determined considering the long-term rates of return which are expected currently and in the future from the various components of the plan assets.

**(h) Assumptions used for the fiscal years ended March 31, 2025 and 2024**

	2025	2024
Discount rate (weighted average) .....	2.11%	1.38%
Expected rate of return on plan assets.....	1.20%~1.50%	0.50 – 1.50%

**(3) Defined contribution retirement plan**

Contribution paid to the defined contribution plan of the Bank was ¥840 million (\$5 million) and ¥817 million for the fiscal years ended March 31, 2025 and 2024, respectively.



### 32. COMPREHENSIVE INCOME

Reclassification adjustment, income taxes and tax effect of other comprehensive income for the fiscal years ended March 31, 2025 and 2024 were as follows:

	Millions of yen		Millions of U.S. dollars
	2025	2024	2025
Net unrealized gains (losses) on available-for-sale securities			
Amount incurred during the fiscal year .....	¥ (84,691)	¥ 194,859	\$ (566)
Reclassification adjustment .....	(35,042)	(30,069)	(234)
Prior to deducting income taxes and tax effect .....	(119,734)	164,790	(800)
Income taxes and tax effect .....	30,045	(51,155)	200
Net unrealized gains (losses) on available-for-sale securities.	¥ (89,688)	¥ 113,634	\$ (599)
Net deferred gains (losses) on hedges			
Amount incurred during the fiscal year .....	¥ (32,120)	¥ 6,239	\$ (214)
Reclassification adjustment .....	(3,417)	(3,533)	(22)
Prior to deducting income taxes and tax effect .....	(35,538)	2,706	(237)
Income taxes and tax effect .....	11,142	(827)	74
Net deferred gains (losses) on hedges .....	¥ (24,395)	¥ 1,878	\$ (163)
Revaluation reserve for land			
Amount incurred during the fiscal year .....	¥ —	¥ —	\$ —
Reclassification adjustment .....	—	—	—
Prior to deducting income taxes and tax effect .....	—	—	—
Income taxes and tax effect .....	444	—	2
Revaluation reserve for land .....	¥ 444	¥ —	\$ 2
Foreign currency translation adjustments			
Amount incurred during the fiscal year .....	¥ 9,526	¥ 1,043	\$ 63
Reclassification adjustment .....	—	—	—
Prior to deducting income taxes and tax effect .....	9,526	1,043	63
Income taxes and tax effect .....	—	—	—
Foreign currency translation adjustments .....	¥ 9,526	¥ 1,043	\$ 63
Remeasurements of defined benefit plans			
Amount incurred during the fiscal year .....	¥ 9,835	¥ 16,715	\$ 65
Reclassification adjustment .....	2,060	3,292	13
Prior to deducting income taxes and tax effect .....	11,896	20,008	79
Income taxes and tax effect .....	(3,834)	(6,122)	(25)
Remeasurements of defined benefit plans .....	¥ 8,061	¥ 13,886	\$ 53
Share of other comprehensive income of affiliates accounted for using equity method			
Amount incurred during the fiscal year .....	¥ (85)	¥ 20	\$ (0)
Reclassification adjustment .....	(0)	5	(0)
Share of other comprehensive income of affiliates accounted for using equity method .....	(85)	26	(0)
Total other comprehensive income (loss) .....	¥ (96,136)	¥ 130,470	\$ (642)

### 33. PER SHARE INFORMATION

#### (1) Net income per share of common stock

Basic net income per share of common stock ("EPS") for the fiscal years ended March 31, 2025 and 2024 were as follows:

	Millions of yen		Millions of U.S. dollars
	2025	2024	2025
Basic EPS			
Net income attributable to owners of parent.....	¥ 133,937	¥ 95,192	\$ 895
Amount not attributable to owners of common stock ....	—	—	—
Net income attributable to owners of parent for common stock .....	¥ 133,937	¥ 95,192	\$ 895
Weighted average shares (shares in thousand).....	134,979,383	134,979,383	134,979,383
Basic EPS .....	0.99 yen	0.70 yen	US\$ 0.006

Note: Diluted EPS per share is not disclosed because there are no potentially dilutive common shares for the fiscal years ended March 31, 2025 and 2024.

#### (2) Net assets per share of common stock

Net assets per share of common stock as of March 31, 2025 and 2024 were as follows:

	Millions of yen		Millions of U.S. dollars
	2025	2024	2025
Total net assets.....	¥ 1,691,997	¥ 1,721,171	\$ 11,315
Deductions from total net assets:			
Noncontrolling interests .....	12,584	8,680	84
Net assets attributable to common stock at the end of the fiscal year .....	¥ 1,679,413	¥ 1,712,491	\$ 11,231
Number of shares of common stock at the end of the fiscal year used for the calculation of net assets per share of common stock (shares in thousand) .....	134,979,383	134,979,383	134,979,383
Net assets per share of common stock.....	12.44 yen	12.68 yen	US\$ 0.083

### 34. REVENUE RECOGNITION

Disaggregation of revenue from contracts with customers for the fiscal years ended March 31, 2025 and 2024 were as follows:

	Millions of yen		Millions of U.S. dollars
	2025	2024	2025
Total income .....	¥ 663,205	¥ 553,872	\$ 4,435
Of which Trust fee .....	25,629	25,371	171
Of which Fees and commissions.....	160,359	146,757	1,072
Deposit and lending operation .....	49,115	45,263	328
Currency exchange operation.....	24,893	23,909	166
Trust-related operation .....	36,144	31,638	241
Security-related operation.....	14,619	13,182	97
Agent service.....	4,427	5,250	29
Safe custody and safe-deposit box service .....	1,594	1,662	10
Warranty operation .....	1,922	2,151	12

Note: Trust fee and fees and commissions generated from the Consumer banking unit and the Corporate banking unit. The revenue which in accordance with "Accounting Standard for Financial Instruments" (ASBJ Statement No.10) included in the table. The principal businesses are presented for disaggregation of fees and commissions.

### 35. SEGMENT INFORMATION

#### (1) Description of segments

##### (a) General information about segments

Segments are components of the Group for which discrete financial information is available and whose operating results are regularly reviewed by the chief operating decision maker, the Board of Directors in the case of the Bank, to make decisions about resources to be allocated to the segment and assess its performance.

Principal operating activities of the segments are as follows:

Segment	Principal operating activity
Consumer banking	Mainly for individual customers, provide consulting services regarding consumer loan, asset management and asset succession
Corporate banking	Mainly for corporate customers, support their business growth by providing services regarding corporate loan, trust asset management, real estate business, corporate pension and asset succession
Market trading	In financial markets, transact in short-term lending, borrowing, bond purchase and sale, and derivatives trading

##### (b) Overview of segment profit and loss

###### (i) Gross operating profit

Gross operating profit includes “net interest income” representing net interest income on deposits, loans and securities and “fees and commissions” representing various net commission fees. It is equal to the amount of “income” except “other income,” such as gain on sales of securities, less “expenses” except “general and administrative expenses” and “other expenses,” such as provision to reserve for loan losses, in the consolidated statement of income.

###### (ii) General and administrative expenses

General and administrative expenses are personnel and other operating expenses for the banking business. They are equal to the amount of “general and administrative expenses” less a part of “retirement benefit expenses” in the consolidated statement of income.

###### (iii) Actual net operating profit

Actual net operating profit is equal to the amount of gross operating profit (excluding disposal of bad loans for trust accounts) less general and administrative expenses. It represents the primary operating profit from the banking business.

###### (iv) Credit cost

Credit cost is the amount of credit-related expenses such as provision to reserve for loan losses and write-off of loans, less credit-related gains such as gain on recovery of written-off loans.

###### (v) Net operating profit less credit cost

Net operating profit less credit cost is equal to the amount of actual net operating profit less credit cost. It represents segment net income of the Group.

#### (2) Basis for measurement of segment profit and loss

Accounting policies and methods used to determine profit and loss of the segments are the same as those applied to the consolidated financial statements, described in Note “2. Summary of significant accounting policies”.

In cases where funds are raised by the market trading segment and are utilized in the consumer banking or the corporate banking segments, certain profit and loss determined by internal accounting rule is allocated to each operating segment for performance measurement purpose.

Disclosure of segment assets is omitted because the Group does not allocate assets to each segment.

### (3) Information about profit and loss of each segment

Profit and loss of each segment for the fiscal years ended March 31, 2025 and 2024 were as follows:

Millions of yen						
	Consumer banking (*1)	Corporate banking (*1) (*2)	Market trading (*3)(*4)	Subtotal	Other (*5)	Total
<b>March 31, 2025</b>						
Gross operating profit (loss).....	¥ 160,059	¥ 289,365	¥ (64,867)	¥ 384,557	¥ (6,278)	¥ 378,278
General and administrative expenses (*6) ..	(110,763)	(116,594)	(3,335)	(230,693)	—	(230,693)
Actual net operating profit (loss) .....	49,295	172,751	(68,202)	153,844	(6,278)	147,565
Credit gain (cost) .....	1,478	(7,558)	—	(6,079)	—	(6,079)
Net operating profit (loss) less credit cost ...	¥ 50,774	¥ 165,192	¥ (68,202)	¥ 147,764	¥ (6,278)	¥ 141,485
<b>March 31, 2024</b>						
Gross operating profit (loss).....	¥ 107,523	¥ 221,521	¥ 13,555	¥ 342,600	¥ (1,616)	¥ 340,983
General and administrative expenses (*6) ..	(99,628)	(108,225)	(5,844)	(213,697)	—	(213,697)
Actual net operating profit (loss) .....	7,895	113,285	7,711	128,892	(1,616)	127,275
Credit gain (cost) .....	1,635	(20,137)	—	(18,502)	—	(18,502)
Net operating profit (loss) less credit cost ...	¥ 9,530	¥ 93,148	¥ 7,711	¥ 110,390	¥ (1,616)	¥ 108,773

  

Millions of U.S. dollars						
	Consumer banking (*1)	Corporate banking (*1) (*2)	Market trading (*4)	Subtotal	Other (*5)	Total
<b>March 31, 2025</b>						
Gross operating profit (loss).....	\$ 1,070	\$ 1,935	\$ (433)	\$ 2,571	\$ (41)	\$ 2,529
General and administrative expenses (*6) ..	(740)	(779)	(22)	(1,542)	—	(1,542)
Actual net operating profit (loss) .....	329	1,155	(456)	1,028	(41)	986
Credit gain (cost) .....	9	(50)	—	(40)	—	(40)
Net operating profit (loss) less credit cost ...	\$ 339	\$ 1,104	\$ (456)	\$ 988	\$ (41)	\$ 946

Notes: (\*1) The consumer banking unit and the corporate banking unit contain operating results of the credit guarantee company, which is a subsidiary of the Holdings.

(\*2) Gross operating profit of corporate banking unit excludes gain on disposal of bad loans for trust accounts amounting to ¥20 million (\$0 million) of gain and ¥10 million of gain for the fiscal years ended March 31, 2025 and 2024, respectively.

(\*3) Gross operating profit of the market trading unit contains some portion of gains/losses on equity securities.

(\*4) Gross operating profit (loss) of the market trading unit contains some portion of gains/losses on equity securities. In addition, the amount includes a revenue transfer impact of ¥(98,051) million (\$655 million) resulting from a change in the internal transfer pricing rate for the fiscal year ended March 31, 2025.

(\*5) "Other" includes all other departments, such as management office, which are not operating segments.

(\*6) Depreciation expense is included in general and administrative expenses.

### (4) Reconciliation between the segment information and the consolidated financial statements

Reconciliation between the segment information and the consolidated financial statements for the fiscal years ended March 31, 2025 and 2024 was as follows:

	Millions of yen		Millions of U.S. dollars
	2025	2024	2025
Total amount of segments .....	¥ 147,764	¥ 110,390	\$ 988
Net gains (losses) of "Other".....	(6,278)	(1,616)	(41)
Net non-recurring gains (losses) other than credit cost (*1) ..	53,487	36,996	357
Net extraordinary gains (losses) (*2).....	(2,179)	(690)	(14)
Net profit on credit guarantee companies .....	(9,457)	(10,237)	(63)
Net other reconciliation items.....	3,185	(2,257)	21
Income before income taxes.....	¥ 186,523	¥ 132,585	\$ 1,247

Notes: (\*1) Non-recurring gains (losses) other than credit cost include some portion of gains (losses) on securities and retirement benefit expenses.

(\*2) Net extraordinary gains (losses) include impairment loss.

## (5) Additional information

### (a) Information on services for the fiscal years ended March 31, 2025 and 2024

Information on services has been omitted because the Group classifies operating segments by service.

### (b) Geographic information for the fiscal years ended March 31, 2025 and 2024

Since the ordinary income and total tangible fixed assets attributable to the "Japan" segment account for more than 90% of the total of all geographic segments, geographical segment information has not been presented.

### (c) Information on major customers for the fiscal years ended March 31, 2025 and 2024

Since there has been no specific customer to which the Group sells more than 10% of total ordinary income in the consolidated statement of income, information on major customers has not been presented.

## 36. RELATED PARTY TRANSACTIONS

Major transactions and major balances for the fiscal years ended and as of March 31, 2025 and 2024 with related parties were as follows:

### (1) Affiliates of the Bank and subsidiary of the parent

#### Fiscal Year March 31, 2025

Name	Location	Capital or Contribution (Millions of yen)	Nature of Business	Voting Rights Holding or Held (%)	Relation with the Party
Resona Guarantee Co., Ltd.	Urawa city, Saitama	¥ 14,000	Credit Guarantee	—	Entrustment of guarantee, deposit transaction and interlocking directors

  

Name	Description of the transactions	Transaction amount for the fiscal year		Account name	Balance at the end of the fiscal year	
		Millions of yen	Millions of U.S. dollar		Millions of yen	Millions of U.S. dollar
Resona Guarantee Co., Ltd.	Guarantee on residential mortgage loans (*)	¥ 6,636,769	\$ 44,384	—	¥ —	\$ —
	Guarantee fees (*)	5,405	36	Other liabilities	445	2
	Guarantee payment	2,905	19	—	—	—

#### Fiscal Year March 31, 2024

Name	Location	Capital or Contribution (Millions of yen)	Nature of Business	Voting Rights Holding or Held (%)	Relation with the Party
Resona Guarantee Co., Ltd.	Urawa city, Saitama	¥ 14,000	Credit Guarantee	—	Entrustment of guarantee, deposit transaction and interlocking directors

  

Name	Description of the transactions	Transaction amount for the fiscal year (Millions of Yen)	Account name	Balance at the end of the fiscal year (Millions of Yen)
Resona Guarantee Co., Ltd.	Guarantee on residential mortgage loans (*)	¥ 6,543,869	—	¥ —
	Guarantee fees (*)	5,598	Other liabilities	459
	Guarantee payment	2,953	—	—

Note: (\*) Transaction amounts of guarantee on residential mortgage loans for the fiscal year are shown by the guaranteed amounts at the end of the fiscal year. Contractual terms and conditions of guarantees vary with underlying credit risks and are negotiated every year.

### **Information of the Parent**

Resona Holdings, Inc., the Parent, is listed on Tokyo Stock Exchange.

**37. SUBSEQUENT EVENTS**

Not Applicable.

**NON-CONSOLIDATED BALANCE SHEET**  
**Resona Bank, Limited**  
**March 31, 2025**

	<b>Millions of yen</b>		<b>Millions of U.S. dollars (Note 1)</b>
	<b>2025</b>	<b>2024</b>	<b>2025</b>
<b>Assets:</b>			
Cash and due from banks (Note 7) :			
Cash	¥ 332,096	¥ 274,453	\$ 2,220
Due from banks	10,862,657	12,162,569	72,645
Total cash and due from banks	11,194,754	12,437,022	74,866
Call loans	126,716	92,536	847
Monetary claims bought	328,510	279,652	2,196
Trading assets (Note 7) :			
Trading securities	41	39	0
Derivatives of securities related to trading transactions	2	2	0
Trading-related financial derivatives	200,822	98,410	1,343
Other trading assets	243,976	246,492	1,631
Total trading assets	444,843	344,944	2,974
Money held in trust	336	—	2
Securities (Notes 4, 5 and 7) :			
Japanese government bonds	3,090,098	2,579,043	20,665
Japanese local government bonds	150,474	147,888	1,006
Japanese corporate bonds	583,881	702,640	3,904
Stocks	739,365	875,123	4,944
Other securities	979,818	1,041,932	6,552
Total securities	5,543,637	5,346,628	37,073
Loans and bills discounted (Notes 5, 7 and 8) :			
Bills discounted	25,268	40,053	168
Loans on notes	132,670	144,924	887
Loans on deeds	22,745,721	21,089,584	152,114
Overdrafts	2,663,300	2,579,197	17,811
Total loans and bills discounted	25,566,959	23,853,760	170,982
Foreign exchange assets (Note 5):			
Due from foreign banks	120,565	68,780	806
Foreign bills of exchange bought	5,514	7,859	36
Foreign bills of exchange receivable	38,264	36,607	255
Total foreign exchange assets	164,343	113,247	1,099
Other assets (Notes 5 and 7) :			
Domestic exchange settlement account, debit	33	31	0
Prepaid expenses	7,854	8,079	52
Accrued income	58,150	50,961	388
Initial margins for futures transactions	41,029	39,362	274
Variation margins of futures markets	475	13	3
Financial derivatives	99,646	87,238	666
Cash collateral paid for financial instruments	37,412	43,947	250
Other receivable on sales of securities	55,883	55,128	373
Other	132,032	480,147	882
Total other assets	432,519	764,911	2,892
Tangible fixed assets (Note 6):			
Buildings, net	62,464	63,656	417
Land	106,746	116,731	713
Leased assets, net	15,454	13,284	103
Construction in progress	560	1,356	3
Other tangible fixed assets, net	6,162	8,155	41
Total tangible fixed assets	191,387	203,184	1,279
Intangible fixed assets:			
Software	17,108	14,510	114
Leased assets	24,401	19,701	163
Other intangible fixed assets	2,064	2,064	13
Total intangible fixed assets	43,574	36,276	291
Prepaid pension costs	36,381	35,109	243
Customers' liabilities for acceptances and guarantees (Notes 5 and 11)	239,682	250,305	1,602
Reserve for loan losses	(98,638)	(114,506)	(659)
<b>Total assets</b>	<b>¥ 44,215,010</b>	<b>¥ 43,643,074</b>	<b>\$ 295,693</b>

**NON-CONSOLIDATED BALANCE SHEET**  
**Resona Bank, Limited**  
**March 31, 2025**

	<b>Millions of yen</b>		<b>Millions of U.S. dollars (Note 1)</b>
	<b>2025</b>	<b>2024</b>	<b>2025</b>
<b>Liabilities and Net assets:</b>			
<b>Liabilities:</b>			
Deposits (Note 7) :			
Current deposits	¥ 4,188,730	¥ 4,663,855	\$ 28,012
Ordinary deposits	23,594,554	23,637,674	157,791
Savings deposits	130,460	132,602	872
Notice deposits	42,950	46,868	287
Time deposits	5,268,779	5,428,139	35,235
Other deposits	1,083,316	1,187,460	7,244
Total deposits	34,308,791	35,096,601	229,444
Negotiable certificates of deposit	537,500	550,110	3,594
Call money and bills sold	1,687,160	826,279	11,283
Payables under securities lending transactions (Note 7)	1,662,680	1,364,159	11,119
Trading liabilities:			
Trading-related financial derivatives	184,790	78,511	1,235
Total trading liabilities	184,790	78,511	1,235
Borrowed money (Note 7) :			
Borrowed money	2,289,756	1,862,199	15,313
Total borrowed money	2,289,756	1,862,199	15,313
Foreign exchange liabilities:			
Due to foreign banks	7,958	9,170	53
Foreign bills of exchange sold	475	145	3
Foreign bills of exchange payable	3,772	2,904	25
Total foreign exchange liabilities	12,205	12,220	81
Bonds (Note 9)	80,859	36,000	540
Due to trust account	1,026,603	1,314,105	6,865
Other liabilities (Note7):			
Domestic exchange settlement account, credit	2	4	0
Accrued income taxes	30,870	26,070	206
Accrued expenses	30,450	21,837	203
Unearned revenue	5,601	4,911	37
Financial derivatives	127,919	80,677	855
Cash collateral received for financial instruments	56,940	93,221	380
Lease obligations	46,234	39,391	309
Asset retirement obligations	1,374	2,056	9
Other payable on purchases of securities	20,000	30,178	133
Other	126,758	126,900	847
Total other liabilities	446,152	425,249	2,983
Reserve for employees' bonuses	9,785	9,180	65
Other reserves (Note 10)	11,150	12,206	74
Deferred tax liabilities (Note 13)	50,973	87,892	340
Deferred tax liabilities for land revaluation	15,734	17,589	105
Acceptances and guarantees (Note 11)	239,682	250,305	1,602
<b>Total liabilities</b>	<b>42,563,826</b>	<b>41,942,610</b>	<b>284,650</b>
<b>Net assets:</b>			
Capital stock	279,928	279,928	1,872
Capital surplus :			
Legal capital surplus	279,928	279,928	1,872
Other capital surplus	97,250	97,250	650
Total capital surplus	377,178	377,178	2,522
Retained earnings:			
Other capital surplus			
Retained earnings brought forward	666,419	595,949	4,456
Total Other retained earnings	666,419	595,949	4,456
Total retained earnings	666,419	595,949	4,456
Total stockholders' equity	1,323,527	1,253,056	8,851
Net unrealized gains on available-for-sale securities	316,225	405,914	2,114
Net deferred gains (losses) on hedges	(21,143)	3,252	(141)
Revaluation reserve for land	32,573	38,239	217
Valuation and translation adjustments	327,656	447,406	2,191
<b>Total net assets</b>	<b>1,651,183</b>	<b>1,700,463</b>	<b>11,042</b>
<b>Total liabilities and net assets</b>	<b>¥ 44,215,010</b>	<b>¥ 43,643,074</b>	<b>\$ 295,693</b>

See accompanying notes to the non-consolidated financial statements.



**NON-CONSOLIDATED STATEMENT OF INCOME**  
**Resona Bank, Limited**  
**For the fiscal year ended March 31, 2025**

	<b>Millions of yen</b>		<b>Millions of U.S. dollars (Note 1)</b>
	<b>2025</b>	<b>2024</b>	<b>2025</b>
<b>Ordinary Income:</b>			
Interest income:			
Interest on loans and bills discounted	225,971	192,351	1,511
Interest and dividends on securities	75,466	59,809	504
Interest on call loans	4,790	4,656	32
Interest on receivables under securities borrowing transactions	36	10	0
Interest on due from banks	31,176	13,346	208
Interest income on interest rate swaps	2,905	5,342	19
Other interest income	16,980	16,760	113
Total interest income	357,326	292,276	2,389
Trust fees	25,629	25,371	171
Fees and commissions:			
Fees and commissions on domestic and foreign exchanges	24,690	23,707	165
Other fees and commissions	135,225	122,815	904
Total fees and commissions	159,916	146,523	1,069
Trading income:			
Income from trading securities	91	—	0
Income from securities and derivatives related to trading transactions	—	19	—
Income from trading-related financial derivatives	2,459	692	16
Other trading income	1,017	111	6
Total trading income	3,568	823	23
Other operating income:			
Gains on foreign exchange transactions	10,820	11,951	72
Gains on sales of Japanese government bonds and other	8,210	3,896	54
Income from derivatives other than for trading or hedging	—	2,638	—
Other	0	0	0
Total other operating income	19,031	18,487	127
Other income:			
Reversal of reserve for loan losses	4,219	—	28
Recoveries of written-off loans	9,569	5,884	63
Gains on sales of stocks and other securities	63,453	48,101	424
Other	7,836	5,764	52
Total other income	85,079	59,751	568
<b>Total ordinary Income</b>	<b>¥ 650,552</b>	<b>¥ 543,233</b>	<b>\$ 4,350</b>

**NON-CONSOLIDATED STATEMENT OF INCOME**  
**Resona Bank, Limited**  
**For the fiscal year ended March 31, 2025**

	<b>Millions of yen</b>		<b>Millions of U.S. dollars (Note 1)</b>
	<b>2025</b>	<b>2024</b>	<b>2025</b>
<b>Ordinary expenses:</b>			
Interest expenses:			
Interest on deposits	44,673	27,539	298
Interest on negotiable certificates of deposit	802	26	5
Interest on call money	10,192	7,794	68
Interest on payables under repurchase agreements	9	0	0
Interest on payables under securities lending transactions	34,980	28,976	233
Interest on borrowed money	799	4,651	5
Interest on bonds	1,334	883	8
Other interest expenses	3,965	4,380	26
Total Interest expenses	96,757	74,253	647
Fees and commissions :			
Fees and commissions on domestic and foreign exchanges	4,353	3,864	29
Other fees and commissions	60,000	57,339	401
Total fees and commissions	64,354	61,203	430
Trading expenses:			
Net loss on trading securities	—	111	—
Net loss on trading account securities	15	—	0
Total trading expenses	15	111	0
Other operating expenses:			
Losses on sales of Japanese government bonds and other	33,397	19,909	223
Loss on devaluation of bonds	1,115	1,163	7
Amortization of bond issuance costs	285	—	1
Losses on financial derivatives	1,688	—	11
Total other operating expenses	36,486	21,703	244
General and administrative expenses	231,484	215,833	1,548
Other expenses:			
Provision to reserve for loan losses	—	14,935	—
Write-offs of loans	13,796	8,473	92
Losses on sales of stocks and other securities	151	1,765	1
Losses on devaluation of equity securities	208	208	1
Losses on money held in trust	0	—	0
Other (Note 12)	21,782	9,843	145
Total other expenses	35,938	35,226	240
<b>Total ordinary expenses</b>	<b>¥ 465,035</b>	<b>¥ 407,701</b>	<b>3,109</b>
<b>Ordinary profit</b>	<b>185,516</b>	<b>135,532</b>	<b>1,240</b>
<b>Extraordinary gains or losses:</b>			
Extraordinary gains:			
Gains on disposal of fixed assets	2,155	1,922	14
Total extraordinary gains	2,155	1,922	14
Extraordinary losses:			
Losses on disposal of fixed assets	1,845	725	12
Impairment losses	2,489	1,887	16
Total extraordinary losses	4,334	2,612	28
<b>Income before income taxes</b>	<b>183,337</b>	<b>134,842</b>	<b>1,226</b>
<b>Income taxes (Note 13):</b>			
Current	48,979	39,678	327
Deferred	1,969	(762)	13
Total income Taxes	50,948	38,915	340
<b>Net income</b>	<b>¥ 132,388</b>	<b>¥ 95,926</b>	<b>\$ 885</b>

See accompanying notes to the non-consolidated financial statements.

**NON-CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS**  
**Resona Bank, Limited**  
**For the fiscal year ended March 31, 2025**

	Millions of yen										
	Stockholders' equity					Total stockholders' equity	Valuation and translation adjustments				
	Capital surplus				Retained earnings		Net unrealized gains (losses) on available-for-sale securities	Net deferred gains (losses) on hedges	Revaluation reserve for land	Total valuation and translation adjustments	Total net assets
	Capital stock	Legal capital surplus	Other capital surplus	Total capital surplus	Other retained earnings Retained earnings brought forward						
Balance at April 1, 2023	¥ 279,928	¥ 279,928	¥ 97,250	¥ 377,178	¥ 547,252	¥ 1,204,360	¥ 292,329	¥ 1,374	¥ 39,385	¥ 333,089	¥ 1,537,449
Changes during the period											
Dividends paid					(48,376)	(48,376)					(48,376)
Net income					95,926	95,926					95,926
Reversal of revaluation reserve for land					1,146	1,146					1,146
Net changes except for stockholders' equity during the period							113,584	1,878	(1,146)	114,317	114,317
Total changes during the period	—	—	—	—	48,696	48,696	113,584	1,878	(1,146)	114,317	163,013
<b>Balance at March 31, 2024</b>	<b>¥ 279,928</b>	<b>¥ 279,928</b>	<b>¥ 97,250</b>	<b>¥ 377,178</b>	<b>¥ 595,949</b>	<b>¥ 1,253,056</b>	<b>¥ 405,914</b>	<b>¥ 3,252</b>	<b>¥ 38,239</b>	<b>¥ 447,406</b>	<b>¥ 1,700,463</b>
Changes during the period											
Dividends paid					(67,138)	(67,138)					(67,138)
Net income					132,388	132,388					132,388
Reversal of revaluation reserve for land					5,220	5,220					5,220
Net changes except for stockholders' equity during the period							(89,688)	(24,395)	(5,665)	(119,750)	(119,750)
Total changes during the period	—	—	—	—	70,470	70,470	(89,688)	(24,395)	(5,665)	(119,750)	(49,280)
<b>Balance at March 31, 2025</b>	<b>¥ 279,928</b>	<b>¥ 279,928</b>	<b>¥ 97,250</b>	<b>¥ 377,178</b>	<b>¥ 666,419</b>	<b>¥ 1,323,527</b>	<b>¥ 316,225</b>	<b>¥ (21,143)</b>	<b>¥ 32,573</b>	<b>¥ 327,656</b>	<b>¥ 1,651,183</b>

	Millions of U.S. dollars (Note1)										
	Stockholders' equity					Total stockholders' equity	Valuation and translation adjustments				
	Capital surplus				Retained earnings		Net unrealized gains (losses) on available-for-sale securities	Net deferred gains (losses) on hedges	Revaluation reserve for land	Total valuation and translation adjustments	Total net assets
	Capital stock	Legal capital surplus	Other capital surplus	Total capital surplus	Other retained earnings Retained earnings brought forward						
<b>Balance at March 31, 2024</b>	\$ 1,872	\$ 1,872	\$ 650	\$ 2,522	\$ 3,985	\$ 8,379	\$ 2,714	\$ 21	\$ 255	\$ 2,992	\$ 11,372
Changes during the period											
Dividends paid					(448)	(448)					(448)
Net income attributable to owners of parent					885	885					885
Reversal of revaluation reserve for land					34	34					34
Net changes except for stockholders' equity during the period							(599)	(163)	(37)	(800)	(800)
Total changes during the period	—	—	—	—	471	471	(599)	(163)	(37)	(800)	(329)
<b>Balance at March 31, 2025</b>	<b>\$ 1,872</b>	<b>\$ 1,872</b>	<b>\$ 650</b>	<b>\$ 2,522</b>	<b>\$ 4,456</b>	<b>\$ 8,851</b>	<b>\$ 2,114</b>	<b>\$ (141)</b>	<b>\$ 217</b>	<b>\$ 2,191</b>	<b>\$ 11,042</b>

## NOTES TO NON-CONSOLIDATED FINANCIAL STATEMENTS

Resona Bank, Limited

Fiscal year ended March 31, 2025

### 1. BASIS OF PRESENTATION

The accompanying non-consolidated financial statements have been prepared from the accounts maintained by Resona Bank, Limited (the "Bank") in accordance with the provisions set forth in the Financial Instruments and Exchange Act of Japan and its related accounting regulations concerning the preparation of non-consolidated financial statements, Ordinance for Enforcement of the Banking Act and in accordance with accounting principles generally accepted in Japan ("Japanese GAAP"), which are different in certain respects as to application and disclosure requirements from International Financial Reporting Standards ("IFRSs").

In preparing these non-consolidated financial statements, certain reclassifications and rearrangements have been made to the non-consolidated financial statements issued domestically in order to present them in a form which is more familiar to readers outside Japan. Certain reclassifications have been made in the 2024 non-consolidated financial statements to conform to the classifications used in 2025.

In addition, the notes to the non-consolidated financial statements include certain information, which is not required under Japanese GAAP, but is presented herein as additional information.

The non-consolidated financial statements are stated in Japanese yen, the currency of the country in which the Bank is incorporated and operates. The translations of Japanese yen amounts into U.S. dollar amounts are included solely for the convenience of the readers outside Japan and have been made at the rate of ¥149.53 to U.S. \$1.00, the rate of exchange prevailing on the Tokyo Foreign Exchange Market on March 31, 2025. The inclusion of such amounts is not intended to imply that yen amounts have been or could be readily converted, realized or settled in U.S. dollars at that or any other rate.

Amounts of less than one million yen and one million U.S. dollars have been rounded down to the nearest million in the presentation of the accompanying non-consolidated financial statements. As a result, the totals in yen and U.S. dollars do not necessarily agree with the sum of the individual amounts.

The non-consolidated statement of cash flows is not presented, as the consolidated statement of cash flows for the fiscal years ended March 31, 2025 and 2024 have been disclosed.

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### (1) Use of estimates

The preparation of non-consolidated financial statements in accordance with Japanese GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the non-consolidated financial statements, and the reported amounts of income and expenses during the reporting period. Actual results could differ from those estimates.

#### (2) Trading assets and trading liabilities

Transactions whose purposes are to earn a profit by taking advantage of short-term fluctuations in the market or arbitrage opportunities in interest rates, currency exchange rates, share prices or other market indices on different markets ("transactions for trading purposes") are included in "trading assets" or "trading liabilities," as appropriate, on the non-consolidated balance sheet on a trade-date basis.

Securities and monetary claims, etc. held for trading purposes are stated at fair value as of the non-consolidated balance sheet date. Derivatives including swaps, futures and options, held for trading purposes are stated at the fair values, which are determined using the exit price as if the respective contracts were closed out at the non-consolidated balance sheet date.

#### (3) Trading income and trading expenses

Income and expenses on transactions for trading purposes are included in "trading income" or "trading expenses," as appropriate, in the non-consolidated statement of income on a trade-date basis.

Trading income and trading expenses include interest received and paid during the fiscal year, net changes in fair value of securities and monetary claims, etc., and changes in the close-out value of derivatives during the fiscal year.

#### **(4) Securities**

Securities other than investments in non-consolidated subsidiaries and affiliates which are accounted for by the equity method are classified and accounted for, depending on management's intent, as follows:

- (i) held-to-maturity debt securities, which management has the positive intent and ability to hold to maturity, are stated at amortized cost determined by the moving-average method (the amortization/accumulation is calculated by the straight-line method).
- (ii) investments in non-consolidated subsidiaries and affiliates which are not accounted for by the equity method are stated at cost determined by the moving-average method.
- (iii) marketable available-for-sale securities are stated at fair value with unrealized gains and losses, net of applicable tax effects, reported in a separate component of net assets (the cost of those securities sold is determined mainly by the moving-average method).
- (iv) non-marketable equity securities, etc. are stated at cost. The cost of these securities sold is determined by the moving-average method.

Investment securities other than trading securities are written down to estimated fair value when the decline in fair value is determined to be other-than-temporary based on the assessment of the severity and duration of the decline in value, the issuers' credit standing and certain other factors. Impairment losses are recognized by a charge against income.

#### **(5) Derivatives and hedge accounting**

Derivatives are classified and accounted for as follows:

- (i) all derivatives other than those used for hedging purposes are recognized as either assets or liabilities and measured at fair value, with gains or losses recognized currently in the non-consolidated statement of income.
- (ii) derivatives used for hedging purposes, if they meet certain hedging criteria, including high correlation and effectiveness between the hedging instruments and the hedged items, are recognized as either assets or liabilities and measured at fair value. Gains or losses on derivatives used for hedging purposes are generally deferred over the terms of the hedged items and are reclassified into income or expenses when gains and losses on the hedged items are recognized. Net deferred gains or losses on qualifying hedges are reported as a separate component of net assets. Fair value hedge accounting can be applied for certain hedged items, including available-for-sale securities.

A special accounting treatment is applicable to certain hedging relationships with interest rate swaps. Interest rate swaps which qualify for hedge accounting and meet specific matching criteria, requiring certain critical terms of the swaps and the hedged items to be substantially the same, are not remeasured at fair value and the interest differentials paid or received are recognized over the term of the swap agreements and netted with the interest income or expenses of the hedged transactions in the non-consolidated statement of income.

Generally, a specific hedging relationship is designated between a stand-alone derivative and a single asset or liability (or a group of identical assets or liabilities) as a condition for the application of hedge accounting. However, bank industry-specific hedge accounting may be applied as follows:

##### **(a) Hedges of interest rate risk**

In order to hedge an interest rate risk associated with financial assets and liabilities, the Bank applies deferral hedge accounting as stipulated in the Industry Committee Practical Guidelines No. 24, "Accounting and Auditing Treatments on the Application of Accounting Standards for Financial Instruments in the Banking Industry," issued by the Japanese Institute of Certified Public Accountants (the "JICPA") on March 17, 2022 (the "Industry Committee Practical Guidelines No. 24"), as well as individual hedge accounting in part.

The Industry Committee Practical Guidelines No. 24 permits banks to designate a group of derivatives as a hedge of a group of financial assets or financial liabilities, taking into consideration the nature of derivative activities in the banking industry. Under the Industry Committee Practical Guidelines No. 24, hedges to offset changes in fair value of fixed rate instruments (such as loans or deposits) ("fair value hedges") and changes in anticipated cash flows from variable rate instruments ("cash flow hedges") are applied by grouping hedging instruments and hedged items by their maturities.

For fair value hedges, a group of hedging instruments are designated as a hedge of a group of assets or liabilities which are grouped by their maturities in the same manner as the group of hedging instruments. The assessment of hedge effectiveness is generally based on the analysis of the changes in interest rate factors affecting the respective fair values of the groups of hedging instruments and hedged items rather than the assessment based on the accumulated changes in relevant fair values.

For cash flow hedges, the hedging instruments and hedged items are grouped based on their index repricing dates and/or maturities. A regression analysis is applied to test the correlations between interest rate indices underlying the hedging instruments and hedged items to determine the effectiveness of the

hedge. A hedge is, however, assumed to be effective and the assessment can be omitted when the interest rate indices are the same for each of the hedging instruments and hedged items, and the repricing dates and intervals are substantially identical for the hedging instruments and hedged items.

For individual hedge, material terms for hedged items and hedging instruments are virtually the same, and this is used as a substitute for the assessment of effectiveness.

Certain assets and liabilities were accounted for using deferral hedge accounting or fair value hedge accounting, designating a stand-alone derivative as a hedge of a specific asset (group of assets) or specific liability (group of liabilities).

**(b) Hedges of foreign currency risk**

In order to hedge a foreign currency risk associated with financial assets and liabilities denominated in foreign currencies, the Bank applies deferral hedge accounting as stipulated in the Industry Committee Practical Guidelines No. 25 "Accounting and Auditing Treatments for Foreign Currency Transactions in the Banking Industry" issued by the JICPA on October 8, 2020 (the "Industry Committee Practical Guidelines No. 25").

In accordance with the Industry Committee Practical Guidelines No. 25, the Bank designates certain currency swaps and foreign exchange swaps as hedges for the exposure to changes in foreign exchange rates associated with receivables or payables denominated in foreign currencies when the foreign currency positions of the hedged receivables or payables including principal and the related accrued interest are expected to exceed the principal and related accrued interest on the hedging instruments over the terms of the hedging instruments. Hedges are assessed as effective when it is determined that the Bank continues to hold foreign currency positions of the hedging derivatives corresponding to the positions of the hedged items denominated in foreign currencies.

For hedges of available-for-sale securities (other than bonds) denominated in foreign currencies, the Bank adopts deferral hedge accounting and fair value hedge accounting on a portfolio basis to hedge the foreign currency risk attributable to such securities. The hedging criteria include specific designation of hedged securities and the on- and off-balance sheet liabilities denominated in foreign currencies positions covering the costs of the hedged securities denominated in the same foreign currencies.

**(c) Inter-company and intra-company derivative transactions**

For inter-company and intra-company derivative transactions ("internal derivatives"), including currency and interest rate swaps, the Bank currently recognizes gains and losses on internal derivatives or defers them as assets or liabilities without elimination in accordance with the Industry Committee Practical Guidelines No. 24 and No. 25, which permit a bank to retain the gains and losses on internal derivatives without elimination in the financial statements if the bank establishes and follows the strict hedging criteria for external transactions, requiring mirror-image transactions to be entered into within three business days with external parties after the designation of the internal derivatives as hedging instruments.

**(6) Depreciation and amortization**

**(a) Tangible fixed assets (except for leased assets)**

Depreciation of tangible fixed assets (except for leased assets) is mainly computed using the straight-line method for buildings and using the declining-balance method for equipment over the estimated useful lives. The estimated useful lives of major tangible fixed assets are as follows:

Buildings:	3 - 50 years
Equipment:	2 - 20 years

**(b) Intangible fixed assets (except for leased assets and goodwill)**

Amortization of intangible fixed assets (except for leased assets and goodwill) is computed using the straight-line method. Costs of software developed and obtained for internal use are capitalized and amortized using the straight-line method over the estimated useful lives (mainly five years).

**(c) Leased assets**

Leased assets other than those under finance lease transactions that are deemed to transfer ownership of the leased property to the lessee are depreciated using the straight-line method over the lease term. Residual value of those leased assets is zero unless any guaranteed amount is prescribed in the lease agreement.

Depreciation of leased assets deemed to transfer ownership to the lessee is computed by the same method used for owned assets.

**(7) Deferred charges**

Bond issuance costs are charged to expense as incurred.

## **(8) Long-lived assets**

The Bank reviews its long-lived assets for impairment whenever events or changes in circumstance indicate the carrying amount of an asset or asset group may not be recoverable. An impairment loss would be recognized if the carrying amount of an asset or asset group (identified as a cash-generating unit) exceeds the sum of the undiscounted future cash flows expected to result from the continued use and eventual disposition of the asset or asset group. The impairment loss would be measured as the amount by which the carrying amount of the asset or asset group exceeds its recoverable amount, which is the higher of the discounted cash flows from the continued use and eventual disposition of the asset or asset group (i.e., value in use) or the net selling price at disposition.

For the purpose of testing impairment, the Bank recognizes individual branch offices as cash-generating units for which it identifies specific cash flows. Assets which do not have identifiable cash flows such as corporate headquarters, training centers, computer centers and welfare facilities are treated as corporate assets as a whole. Branch offices to be closed and facilities not used in operations are individually assessed for impairment.

Recoverable amounts are generally measured by net realizable value, which is principally determined at appraisal values less estimated disposal costs. For certain branch offices used in operations, recoverable amounts are measured by value in use, which is calculated based on the present value of future cash flows using a reasonable discount rate.

## **(9) Reserve for reimbursement of deposits**

The Bank generally reimburses derecognized customer deposits if a legitimate claimant appears, and such reimbursement of deposit is accounted for as a charge against income.

The Bank provides a reserve for future losses on estimated reimbursements in response to the legitimate claims subsequent to the period of derecognition of the related deposit liabilities.

## **(10) Reserve for loan losses**

The Bank has provided a reserve for loan losses in accordance with its internal standards for write-offs and reserves as follows:

For claims to insolvent borrowers who are undergoing bankruptcy, special liquidation or bankrupt obligors ("bankrupt obligors") or who are in substantially the same deteriorating financial condition although not yet in formal bankruptcy proceedings ("effectively bankrupt obligors"), a reserve is provided at the full amount of claims after deducting any direct write-offs and excluding the collectable amounts from the disposal of collateral and the recoverable amounts from guarantees.

For claims to borrowers who are not currently in the condition of bankruptcy or insolvency but with a high probability of becoming insolvent ("potentially bankrupt obligors") and certain identified claims subject to close watch, the discounted cash flow method (the "DCF method") is applied to determine the amount of reserve for individually large balances which exceed a certain pre-established threshold amount. The DCF method is applied only when future cash flows from collection of principal and interest can be reasonably estimated. Under the DCF method, a reserve is provided for the difference between the present value of future cash flows discounted by the original interest rate and the carrying value of the claim.

Borrowers who have problems with lending conditions or performance status, borrowers whose business conditions are sluggish or unstable, and borrowers who have problems with financial conditions are classified as "watch obligors", and if all or part of their claims are requiring special management, those borrowers are classified as "special attention obligors".

For the claims to the potentially bankrupt obligors other than noted above and to the special attention obligors, a reserve is provided for the expected loan losses for the next three years. For the claims to the watch obligors other than the special attention obligors and borrowers who keep good business performance and don't have any specific problems with financial conditions ("normal obligors"), a reserve is provided for the expected loan losses for the next one year. The expected loan loss ratios used as the basis of calculating the expected loan losses are computed by using the loan loss ratios derived from the average of historical loan loss ratios for the period of one or three years, and necessary modifications, such as future projection, are added. If the loan loss ratios computed as the historical average over a longer period of time considering the business cycle, etc., are higher than the expected loan loss ratios, the expected loan loss ratios are adjusted by the differences.

The expected loan loss ratios for watch obligors, special attention obligors and potentially bankrupt obligors are computed by considering the rate of increasing the loan loss ratios for the recent period in order to properly factor in the uncertainty of loan losses in the future.

For claims to certain foreign borrowers with country risk exposure, a reserve is provided for the estimated losses determined by considering the political and economic situation of respective countries.

The operating divisions initially assess all claims based on the internal standards for self-assessment of asset quality. The Internal Audit Division of the Bank, which is independent from the operating divisions, examines

their assessments. The reserve for loan losses is provided based on the results of these assessments of the operating divisions and the examination of the Internal Audit Division of the Bank.

For collateralized or guaranteed claims to bankrupt obligors and effectively bankrupt obligors, uncollectible amounts (i.e., the carrying value less the amounts collectible from the disposal of collateral and execution of guarantees) are directly written-off. Such uncollectible amounts as of March 31, 2025 and 2024 were ¥63,544 million (\$424 million) and ¥65,639 million, respectively.

**(11) Reserve for employees' bonuses**

A reserve for employees' bonuses is provided for the payment of performance bonuses to employees at an estimated amount accrued as of the non-consolidated balance sheet dates.

**(12) Employees' retirement benefits**

Net defined benefit liability and/or asset are provided for the payment of retirement benefits to employees in the amount deemed necessary based on the projected benefit obligation and the fair value of plan assets as of the non-consolidated balance sheet date.

Regarding determination of retirement benefit obligations, the benefit formula basis is adopted as the method of attributing expected benefit to the respective periods until the current fiscal year end.

Prior service cost is charged to expense as incurred. Unrecognized actuarial gains and losses are amortized from the following year of incurrence by the straight-line method over a period (ten years) defined within the average remaining service period of eligible employees.

**(13) Other reserves**

Other reserves are provided to cover future expenses and losses that can be reasonably estimated.

**(14) Revenue recognition**

The Bank applies "Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29, March 31, 2020), etc. and recognizes revenue when it transfers control of promised goods or services to a customer in the amount expected to receive upon exchange of the goods or services.

Revenue from contracts with customers to which the accounting standards are applied is included in "trust fees" and "fees and commissions".

"Trust fees" is the revenue from managing and operating the trust assets entrusted by customers and recognized mainly over the period of the services.

"Fees and commissions" is the revenue mainly from providing the services, such as deposit and lending operation and currency exchange operation. Service revenue associated with the deposit and lending operation includes the revenue from bank transfer, internet banking service, syndicated loan and commitment line agreements. Revenue from the bank transfer and internet banking service is recognized mainly at the time of the service provided. Revenue from the syndicated loan and commitment line agreements is recognized either at the time of the service provided or over the period of the service. Service revenue associated with the currency exchange operation is mainly the revenue from domestic and international money transfer fees and recognized mainly at the time of the service provided.

**(15) Translation of foreign currencies**

The Bank translates assets and liabilities denominated in foreign currencies into Japanese yen primarily at the exchange rates at the non-consolidated balance sheet date, with the exception of investments in affiliates which are translated at historical exchange rates.

**(16) Accounting treatment related to retirement benefits**

The Bank applies accounting treatment of unrecognized actuarial differences and unrecognized prior service costs related to retirement benefits that differs from the method applied in the consolidated financial statements.

**(17) Income taxes**

The Bank is a wholly owned subsidiary of Resona Holdings, Inc. (the "Holdings"). The Bank applies the group tax sharing system, with the Holdings as the aggregate parent company.

**3. SIGNIFICANT ACCOUNTING ESTIMATES**

Item whose amount is recorded in the non-consolidated financial statements for the current fiscal year based on accounting estimates, and which would have a significant impact on the non-consolidated financial statements for the following fiscal year, is "Reserve for loan losses".



**(1) Amount in the non-consolidated financial statements for the fiscal year**

	Millions of yen		Millions of U.S. dollars
	2025	2024	2025
Reserve for loan losses .....	¥ 98,638	¥ 114,506	\$ 659

**(2) Other information contributing to the understanding of the significant accounting estimates****(i) Determination method**

In calculating reserve for loan losses, regarding claims including loans, the Bank, in principle, conducts credit rating of the obligors and determines their classification. Then the Bank examines the purpose and other details of claims individually, and considers the status of collateral and guarantee, etc. On that basis, the Bank assesses the classification of claims based on the degree of claim collection risk or risk of damage to the value of claims.

Details of the determination method of "Reserve for loan losses" is described on "2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (10) Reserve for loan losses".

**(ii) Major assumptions**

The major assumptions of reserve for loan losses are "The future business outlook of borrowers in determining obligors' classification" and "The future outlook in calculating the amounts of expected loan losses". The Bank sets "The future business outlook of borrowers in determining obligors' classification" by assessing each obligor's ability to earn profits individually. "The future outlook in calculating the amounts of expected loan losses" is set by using the loan loss ratio based on historical average with necessary adjustments.

These assumptions have a possibility of being affected by changes in various circumstances, including future economic conditions, etc.

**(iii) Effects on the non-consolidated financial statements for the following fiscal year**

In case the assumptions used for initial estimates change due to the change in the business performance of individual borrowers, etc., there would be a possibility of material effect on the non-consolidated financial statements for the following fiscal year.

**4. SECURITIES**

As of March 31, 2025 and 2024, securities included shares of subsidiaries and affiliates of ¥17,300 million (\$115 million) and ¥17,000 million, respectively, and capital subscriptions to entities such as limited liability companies of ¥23,976 million (\$160 million) and ¥23,573 million, respectively.

As of March 31, 2025 and 2024, carrying amount of non-marketable equity securities of subsidiaries were ¥24,070 million (\$160 million) and ¥23,367 million, and carrying amount of non-marketable equity securities of affiliates were ¥17,205 million (\$115 million) and ¥17,205 million, respectively.

There were no securities loaned without collateral, securities borrowed without collateral, securities purchased under resale agreements or securities received under securities borrowing transactions collateralized with cash as of March 31, 2025 and 2024.

The amount of guarantee obligations for bonds offered through private placements (Article 2, Paragraph 3 of the Financial Instruments and Exchange Act) among the bonds included in "securities" were ¥464,511 million (\$3,106 million) and ¥491,543 million as of March 31, 2025 and 2024, respectively.

**5. LOANS AND BILLS DISCOUNTED**

Loans pursuant to The Banking Act and the Act on Emergency Measures for the Revitalization of the Financial Functions are as follows:

The loans include: Japanese corporate bonds in "securities" (limited to those redemption of the principal and the payment of interest are guaranteed in whole or in part, and that issued as private placement bonds pursuant to the provision of Article 2-3 of the Financial Instruments and Exchange Act), "loans and bills discounted", "foreign exchange assets", accrued interest and suspense payment in "other assets" and "customers' liabilities for acceptances and guarantees" on the non-consolidated balance sheet and the securities for loan (limited to those under a loan contract for use or a lease contract).

	Millions of yen		Millions of U.S. dollars
	2025	2024	2025
Bankrupt or De Facto Bankrupt Loans .....	¥ 13,742	¥ 15,326	\$ 91

	Millions of yen		Millions of U.S. dollars
Doubtful Loans .....	<b>146,582</b>	194,566	<b>980</b>
Loans in arrears by 3 months or more .....	<b>897</b>	662	<b>5</b>
Restructured Loans .....	<b>95,265</b>	89,508	<b>637</b>
Total .....	<b>¥ 256,488</b>	<b>¥ 300,064</b>	<b>\$ 1,715</b>

The above amounts are stated before the deduction of the reserve for loan losses.

- (a) "Bankrupt or De Facto Bankrupt Loans" are the claims held against debtors with failed business status due to the grounds such as commencement of bankruptcy proceedings, commencement of reorganization proceedings, or commencement of rehabilitation proceedings, and any other type of claim equivalent.
- (b) "Doubtful Loans" are the claims (excluding the loans classified as (a)) whose debtor is not yet in the status of failure in business although such debtor's financial status and business performance are worsening, and for which it is highly likely that the collection of principal or receipt of interest in accordance with the contract is impossible.
- (c) "Loans in arrears by 3 months or more" are the loan (excluding the loans classified as (a) and (b)) for which the payment of the principal and interest is delinquent for three months or more from the day immediately after the contracted due date.
- (d) "Restructured Loans" are loans (excluding the loans classified as (a) (b) and (c)) that entered into an agreement to exempt or reduce interest rate, defer payment of interest, defer payment of principal, waiver claim, or other agreements advantageous to a debtor, for the purpose of facilitating reorganization of a debtor's management or support of the debtor.

Bills discounted are recorded as lending transactions in accordance with the Industry Committee Practical Guidelines No. 24. The Bank has a right to sell or repledge as collateral such discounted bills at its discretion. The total face value of bank acceptance bills, commercial bills, documentary bills and foreign currency bills bought, which were obtained at a discount, were ¥30,782 million (\$205 million) and ¥47,912 million as of March 31, 2025 and 2024, respectively.

The total principal balance of loans accounted for as sold to participants under loan participation arrangements, in accordance with the "Accounting Treatment and Presentation of Loan Participation" (Transfer Guidance No. 1, July 1, 2024), was ¥2,600 million (\$17 million) as of March 31, 2025.

## 6. TANGIBLE FIXED ASSETS

Under certain conditions such as exchanges of tangible fixed assets of similar kinds and sales and purchases resulting from expropriation, Japanese tax laws permit companies to effectively defer the recognition of taxable profit arising from such transactions by reducing the cost of the assets acquired. Such deferred profit amounted to ¥27,413 million (\$183 million) and ¥28,680 million as of March 31, 2025 and 2024, respectively.

## 7. ASSETS PLEDGED AS COLLATERAL

Assets pledged as collateral and debt collateralized as of March 31, 2025 and 2024 were as follows:

	Millions of yen		Millions of U.S. dollars
	2025	2024	2025
Assets pledged as collateral:			
Securities .....	<b>¥ 2,992,169</b>	¥ 3,120,482	<b>\$ 20,010</b>
Loans and bills discounted .....	<b>1,343,763</b>	449,281	<b>8,986</b>
Other assets .....	<b>3,996</b>	4,089	<b>26</b>
Total .....	<b>4,339,929</b>	<b>3,573,852</b>	<b>29,023</b>
Debt collateralized:			
Deposits .....	<b>¥ 86,554</b>	¥ 74,423	<b>\$ 578</b>
Payables under securities lending transactions .....	<b>1,662,680</b>	1,364,159	<b>11,119</b>
Borrowed money .....	<b>2,283,490</b>	1,832,534	<b>15,271</b>
Other liabilities .....	<b>12,634</b>	9,003	<b>84</b>

In addition to the pledged assets shown above, the following assets were pledged as collateral for settlements of domestic exchanges or for futures transactions as of March 31, 2025 and 2024.

	Millions of yen		Millions of U.S. dollars
	2025	2024	2025
Assets pledged as collateral:			
Securities .....	¥ 992,467	¥ 191,253	\$ 6,637
Other assets .....	555	350,555	3

In addition, guarantee deposits amounted to ¥12,124 million (\$81 million) and ¥12,387 million were included in other assets as of March 31, 2025 and 2024.

## 8. COMMITMENT LINE AGREEMENTS

Overdraft agreements on current accounts and commitment line agreements for loans are agreements to extend loans up to the prearranged amount at a quoted rate during a specific future period upon customers' requests, unless any terms or conditions in the agreements are violated.

Unused balances related to these agreements as of March 31, 2025 and 2024 amounted to ¥9,287,379 million (\$62,110 million) and ¥8,838,906 million, respectively, including ¥8,493,352 million (\$56,800 million) and ¥8,075,049 million, respectively, of agreements with original terms of one year or less or those that are unconditionally cancellable by the Bank at any time without penalty.

The unused balances do not necessarily affect future cash flows of the Bank because most of these agreements are expected to expire without being exercised. In addition, most agreements contain provisions which stipulate that the Bank may decline to extend loans or reduce the prearranged commitment amount when there are adverse changes in the financial conditions of the borrowers or for other reasons.

When extending loans to customers, the Bank may request collateral or guarantees such as real estate and securities if deemed necessary. After originating loans, the Bank periodically checks the financial condition of the borrowers based on its internal rules and, if necessary, takes measures to ensure the security of the loans.

## 9. BONDS

Bonds included subordinated bonds with a covenant that the performance of the bonds will be later than the performance of the other debts amounted to ¥36,000 million (\$240 million) and ¥36,000 million as of March 31, 2025 and 2024, respectively.

## 10. OTHER RESERVES

- (i) A reserve for reimbursement of deposits is provided for the estimated future losses resulting from reimbursements of deposits subsequent to the period of derecognition of the related liabilities, and amounted to ¥6,270 million (\$41 million) and ¥7,630 million as of March 31, 2025 and 2024, respectively.
- (ii) A reserve for Resona Club points is provided for the estimated future expense by usage of the points awarded to the Resona Club members and amounted to ¥2,383 million (\$15 million) and ¥1,891 million as of March 31, 2025 and 2024, respectively.
- (iii) A reserve for expense on burden charge under the credit guarantee system is provided for the estimated future losses to be charged by the credit guarantee corporation under the burden sharing system for credit losses on loans to certain small and medium-sized companies, and amounted to ¥1,822 million (\$12 million) and ¥1,847 million as of March 31, 2025 and 2024, respectively.

## 11. CUSTOMERS' LIABILITIES FOR ACCEPTANCES AND GUARANTEES

All contingent liabilities arising from acceptances and guarantees are reflected in "acceptances and guarantees." As a contra account, "customers' liabilities for acceptances and guarantees" are shown on the assets side of the non-consolidated balance sheet, representing the Bank's right of indemnity from the applicants.

In addition to the acceptances and guarantees described above, the Bank guarantees the principals on certain jointly managed trust products. The guaranteed principal amounts held in such trusts were ¥1,029,397 million (\$6,884 million) and ¥1,320,288 million as of March 31, 2025 and 2024, respectively.

## 12. OTHER INCOME AND EXPENSES

Other ordinary expenses for the fiscal year ended March 31, 2025 included a one-time expense of ¥8,768 million (\$58 million) arising from system integration and related activities at group banks, in addition to the aforementioned items.

## 13. INCOME TAXES

The Bank is subject to Japanese national and local income taxes which, in the aggregate, resulted in a normal effective statutory tax rate of approximately 30.58% for the fiscal years ended March 31, 2025 and 2024.

The tax effects of significant temporary differences which resulted in deferred tax assets and liabilities as of March 31, 2025 and 2024 were as follows:

	Millions of yen		Millions of U.S. dollars
	2025	2024	2025
Deferred tax assets:			
Reserve for loan losses and write-offs of loans .....	¥ 40,340	¥ 44,230	\$ 269
Write-downs of securities .....	23,124	25,377	154
Provision for retirement benefits .....	5,450	8,679	36
Deferred losses on hedges .....	9,709	—	64
Other .....	42,166	38,029	281
Gross deferred tax assets .....	120,791	116,317	807
Less: valuation allowance (*) .....	(42,650)	(43,708)	(285)
Total deferred tax assets .....	¥ 78,140	¥ 72,608	\$ 522
Deferred tax liabilities:			
Unrealized gains on available-for-sale securities .....	¥ (122,075)	¥ (152,121)	\$ (816)
Gains on securities transferred to employees' retirement benefit trust .....	(2,421)	(2,400)	(16)
Deferred gains on hedges .....	—	(1,432)	—
Other .....	(4,616)	(4,545)	(30)
Total deferred tax liabilities .....	¥ (129,114)	¥ (160,500)	\$ (863)
Net deferred tax liabilities .....	¥ (50,973)	¥ (87,892)	\$ (340)

Note: (\*) Valuation allowance total has not changed significantly.

Reconciliations between the normal effective statutory tax rate and the actual effective tax rate reflected in the accompanying non-consolidated statement of income for the fiscal years ended March 31, 2025 and 2024 were as follows:

	2025	2024
Normal effective statutory tax rate .....	30.58%	30.58%
Withholding tax and per capita inhabitant tax, etc. ....	0.07	0.20
Change in valuation allowance .....	(1.23)	(1.11)
Dividends exempted for income tax purposes .....	(1.12)	(0.88)
Other .....	(0.51)	0.07
Actual effective tax rate .....	27.78%	28.86%

The Bank applies the group tax sharing system. Regarding the accounting treatment and disclosure of income taxes and local income taxes or tax effect accounting, the Company complies with the "Practical Solution on the Accounting and Disclosure Under the Group Tax Sharing System" (ASBJ PITF No. 42, August 12, 2021).

Following the enactment of the "Act for Partial Amendment of the Income Tax Act, etc." (Act No. 13 of 2025) on March 31, 2025, "Corporate Tax for Defense Purposes" will be imposed starting from fiscal years beginning on or after April 1, 2026. As a result, the statutory effective tax rate used for calculating deferred tax assets and deferred tax liabilities will be changed from the previous 30.58% to 31.47% for temporary differences expected to be reversed in fiscal years beginning on or after April 1, 2026. Due to this change in tax rate, deferred tax liabilities increased by ¥1,914 million (\$12 million), net unrealized gains on available-for-sale securities decreased by ¥3,452 million (\$23 million), net deferred gains on hedges increased by ¥274 million (\$1 million), and income taxes - deferred decreased by ¥1,262 million (\$8 million) for the fiscal year ended March 31, 2025. In addition, deferred tax liabilities related to land revaluation increased by ¥444 million (\$2 million), resulting in an equivalent decrease in revaluation reserve for land.

## 14. SUBSEQUENT EVENTS

Not Applicable

## 15. SUPPLEMENTARY SCHEDULE

### (1) Details of Fixed assets

	Millions of Yen					
	Tangible fixed assets					Total
	Buildings	Land	Leased assets	Construction in progress	Other	
<b>March 31, 2025</b>						
Balance at the beginning of the fiscal year	¥ —	¥ —	¥ —	¥ —	¥ —	¥ —
Increase during the fiscal year	—	—	—	—	—	—
Decrease during the fiscal year	—	—	—	—	—	—
Balance at the end of the fiscal year	179,353	106,746	79,533	560	32,992	399,187
Accumulated depreciation	116,889	—	64,079	—	26,830	207,799
Depreciation during the fiscal year	5,332	—	7,040	—	1,689	14,062
Net Balance at the end of the fiscal year	¥ 62,464	¥ 106,746	¥ 15,454	¥ 560	¥ 6,162	¥ 191,387

	Intangible fixed assets			
	Software	Leased assets	Other	Total
Balance at the beginning of the fiscal year	¥ —	¥ —	¥ —	¥ —
Increase during the fiscal year	—	—	—	—
Decrease during the fiscal year	—	—	—	—
Balance at the end of the fiscal year	29,999	188,182	2,064	220,245
Accumulated depreciation	12,890	163,780	0	176,671
Depreciation during the fiscal year	5,976	10,110	0	16,087
Net Balance at the end of the fiscal year	¥ 17,108	¥ 24,401	¥ 2,064	¥ 43,574

	Millions of U.S. dollars					
	Tangible fixed assets					Total
	Buildings	Land	Leased assets	Construction in progress	Other	
<b>March 31, 2025</b>						
Balance at the beginning of the fiscal year	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Increase during the fiscal year	—	—	—	—	—	—
Decrease during the fiscal year	—	—	—	—	—	—
Balance at the end of the fiscal year	1,199	713	531	3	220	2,669
Accumulated depreciation	781	—	428	—	179	1,389
Depreciation during the fiscal year	35	—	47	—	11	94

	Millions of U.S. dollars					
	Tangible fixed assets					
	Buildings	Land	Leased assets	Construction in progress	Other	Total
Net Balance at the end of the fiscal year	\$ 417	\$ 713	\$ 103	\$ 3	\$ 41	\$ 1,279

  

	Millions of U.S. dollars			
	Intangible fixed assets			
	Software	Leased assets	Other	Total
Balance at the beginning of the fiscal year	\$ —	\$ —	\$ —	\$ —
Increase during the fiscal year	—	—	—	—
Decrease during the fiscal year	—	—	—	—
Balance at the end of the fiscal year	200	1,258	13	1,472
Accumulated depreciation	86	1,095	0	1,181
Depreciation during the fiscal year	39	67	0	107
Net Balance at the end of the fiscal year	\$ 114	\$ 163	\$ 13	\$ 291

Note: Since the amount of tangible fixed assets and intangible fixed assets are less than or equal to 1% of total assets, "Balance at the beginning of the fiscal year," "Increase during the fiscal year" and "Decrease during the fiscal year" are omitted.

## (2) Details of reserves

March 31, 2025

	Millions of yen				
	Balance at the beginning of the fiscal year	Increase during the fiscal year	Decrease during the fiscal year (purposeful use)	Decrease during the fiscal year (other use)	Balance at the end of the fiscal year
Reserve for loan losses	¥ 114,506	¥ 98,638	¥ 11,648	¥ 102,858	¥ 98,638
General reserve for loan losses	62,172	66,733	6,544	55,628	66,733
Individual reserve for loan losses	52,333	31,905	5,104	47,229	31,905
Of which claims for non-residents	37	35	—	37	35
Reserve for specific overseas claims	0	0	—	0	0
Reserve for employees' bonuses	9,180	9,785	7,489	1,690	9,785
Other reserves	12,206	11,150	4,090	8,115	11,150
Total	¥ 135,892	¥ 119,574	¥ 23,228	¥ 112,664	¥ 119,574

**March 31, 2025**

Millions of U.S. dollars

	Balance at the beginning of the fiscal year	Increase during the fiscal year	Decrease during the fiscal year (purposeful use)	Decrease during the fiscal year (other use)	Balance at the end of the fiscal year
Reserve for loan losses	\$ 765	\$ 659	\$ 77	\$ 687	\$ 659
General reserve for loan losses	415	446	43	372	446
Individual reserve for loan losses	349	213	34	315	213
Of which claims for non-residents	0	0	—	0	0
Reserve for specific overseas claims	0	0	—	0	0
Reserve for employees' bonuses	61	65	50	11	65
Other reserves	81	74	27	54	74
Total	\$ 908	\$ 799	\$ 155	\$ 753	\$ 799

Notes: (\*1) The amount of decreasing on "Decrease during the fiscal year (other use)" was the reversal reduction amount by reversal method.

(\*2) The major components of other reserves are described on "2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES".

**(3) Accrued income taxes****March 31, 2025**

Millions of yen

	Balance at the beginning of the fiscal year	Increase during the fiscal year	Decrease during the fiscal year (purposeful use)	Decrease during the fiscal year (other use)	Balance at the end of the fiscal year
Accrued income taxes	¥ 26,070	¥ 30,870	¥ 26,070	¥ —	¥ 30,870
Accrued income taxes	20,420	24,370	20,420	—	24,370
Accrued corporate enterprise tax	5,650	6,500	5,650	—	6,500

**March 31, 2025**

Millions of U.S. dollars

	Balance at the beginning of the fiscal year	Increase during the fiscal year	Decrease during the fiscal year (purposeful use)	Decrease during the fiscal year (other use)	Balance at the end of the fiscal year
Accrued corporate tax, etc.	\$ 174	\$ 206	\$ 174	\$ —	\$ 206
Accrued corporate tax, etc.	136	162	136	—	162
Accrued corporate enterprise tax	37	43	37	—	43

**(4) Major assets and liabilities**

Disclosure is omitted since the information is already disclosed in the consolidated financial statements.

## 16. OTHER

### (1) Balance sheets of trust assets

Millions of yen					
	2025		2024		
	Amount	Component ratio (%)	Amount	Component ratio (%)	
Assets					
Loans and bills discounted	¥ 5,065	0.02	¥ 6,981	0.02	
Securities	20	0.00	20	0.00	
Beneficiary right in trust	25,896,644	91.41	27,058,706	90.82	
Entrusted securities	12,779	0.04	13,654	0.05	
Monetary claims	795,206	2.81	885,393	2.97	
Tangible fixed assets	390,981	1.38	308,962	1.04	
Intangible fixed assets	13,068	0.05	13,003	0.04	
Other claims	10,218	0.03	4,101	0.01	
Credits to bank accounts	1,026,603	3.62	1,314,105	4.41	
Cash and due from banks	180,658	0.64	189,771	0.64	
Total	¥ 28,331,246	100.00	¥ 29,794,700	100.00	
Liabilities					
Money held in trust	¥ 12,503,211	44.13	¥ 12,364,468	41.50	
Pension trust	2,769,102	9.77	2,604,253	8.74	
Asset formation benefit trust	1,079	0.00	1,073	0.00	
Investment trust	11,206,438	39.56	12,923,073	43.37	
Other cash or money trust	391,617	1.38	442,969	1.49	
Securities trust	12,781	0.05	13,656	0.05	
Monetary claims in trust	798,442	2.82	887,273	2.98	
Land and fixtures trust	—	—	—	—	
Including trust	648,573	2.29	557,931	1.87	
Total	¥ 28,331,246	100.00	¥ 29,794,700	100.00	

Millions of U.S. dollars		
2025		
	Amount	Component ratio (%)
Assets		
Loans and bills discounted	\$ 33	0.02
Securities	0	0.00
Beneficiary right in trust	173,186	91.41
Entrusted securities	85	0.04
Monetary claims	5,318	2.81
Tangible fixed assets	2,614	1.38
Intangible fixed assets	87	0.05
Other claims	68	0.03
Credits to bank accounts	6,865	3.62
Cash and due from banks	1,208	0.64
Total	\$ 189,468	100.00
Liabilities		
Money held in trust	\$ 83,616	44.13
Pension trust	18,518	9.77
Asset formation benefit trust	7	0.00
Investment trust	74,944	39.56
Other cash or money trust	2,618	1.38
Securities trust	85	0.05
Monetary claims in trust	5,339	2.82
Land and fixtures trust	—	—
Including trust	4,337	2.29
Total	\$ 189,468	100.00

Notes: (\*1) Trusts for which monetary valuation is difficult are excluded from the above balance sheets.

(\*2) Beneficiary right in trust in which re-trusted for the purpose of asset management amounts as of March 31, 2025 and 2024 were ¥25,896,644 million (\$173,186 million) and ¥27,058,706 million, respectively.

(\*3) Joint trust managed by other companies amounts as of March 31, 2025 and 2024 were ¥143,320 million (\$958 million) and ¥136,905 million, respectively.



- (\*4) As of March 31, 2024, of which ¥6,981 million in loans to trusts with contracts to cover losses in principals, doubtful loans was ¥134 million and normal loans was ¥6,846 million.  
Bankrupt or de facto bankrupt loans, loans in arrears by 3 months or more and restructured loans were not applicable.  
Total amount of bankrupt or de facto bankrupt loans, doubtful loans, loans in arrears by 3 months or more and restructured loans was ¥134 million.
- (\*5) As of March 31, 2025, of which ¥5,066 million (\$33 million) in loans to trusts with contracts to cover losses in principals, Bankrupt or De Facto Bankrupt was ¥8 million (\$0 million) and doubtful loans was ¥108 million (\$0 million) and normal loans was ¥4,948 million (\$33 million).  
Loans in arrears by 3 months or more and restructured loans were not applicable.  
Total amount of bankrupt or de facto bankrupt loans, doubtful loans, loans in arrears by 3 months or more and restructured loans was ¥116 million (\$0 million).

## (Reference material)

This document has been prepared as reference material for overseas investors, with the aim of deepening their understanding of the Bank's financial situation and operating results. This document contains selected and organized figures deemed useful for investment decisions, extracted from the information disclosed in the Japanese-language Annual Securities Report pursuant to Article 24, Paragraph 1 of the Financial Instruments and Exchange Act.

Please note that this document is provided for reference purposes only. Unlike the financial statements and accompanying notes, this document has not been audited by an auditing firm. Accordingly, we kindly ask that you use this document solely as supplementary information and not as formal financial disclosure.

## 1. Affiliated Companies

Name	Address	Share capital or Investments in capital (Millions of yen)	Main Business	Voting rights ownership (or Owned by) Ratio (%)	Relationship details	
					Concurrent executives (Persons)	Other
<b>(Parent company)</b>  Resona Holdings Inc. (*1)	Koto-ku, Tokyo	50,552	Bank holding company	Owned by 100.0	14 (2)	Business transactions: Business management, Deposit transactions, Loans and borrowings Lease of equipment: Leased part of the building from the Bank
<b>(Consolidated subsidiary)</b>  P.T.Bank Resona Perdania (*5)	Jakarta, Indonesia	405,000 (Millions of Indonesian Rupiah)	Banking	48.4	4	Business transactions: Correspondent relationship, Deposit transactions Loans and borrowings
P.T. Resona Indonesia Finance	Jakarta, Indonesia	25,000 (Millions of Indonesian Rupiah)	Leasing	100.0 (99.9)	3	Business transactions: Loans and borrowings
Resona Merchant Bank Asia Limited	Singapore	194,845 (Thousands of Singapore dollars)	Financing, M&A	100.0	4	Business transactions: Loans and borrowings
Resona Real Estate Asset Management, Limited (*7)	Koto-ku, Tokyo	300	Real estate investment corporation, Asset management	100.0	2	Deposit transactions
<b>(Affiliates accounted for by the equity method)</b>  Custody Bank of Japan, Ltd. (*6)	Chuo-ku, Tokyo	51,000	Securities custody, Trust services related to asset management, Banking	16.6	—	—

Notes: (\*1) Among the above affiliated companies, Resona Holdings, Inc. is the company filing the Securities report.

(\*2) Among the above affiliated companies, there were no companies with capital deficits that have a material impact on the consolidated financial statements.

(\*3) Figures in parentheses in "Voting rights ownership (or Owned by) Ratio (%)" column indicate the indirect ownership ratio through subsidiaries included in above ratio.

(\*4) Figures in parentheses in "Concurrent executives" column under "Relationship details" indicate the executive officers of the Bank included in above persons.

(\*5) Although the voting rights ownership ratio is 50% or less, the company is considered as a subsidiary due to substantive control.

(\*6) Although the voting rights ownership ratio is less than 20%, the company is considered as an affiliate due to substantive influence.

(\*7) Resona Real Estate Asset Management, Limited was established on April 1, 2024.

(\*8) There are no companies corresponding to specified subsidiaries.

## 2. Employees

### (1) Status of the Group

(As of March 31, 2025)

Number of employees (Persons)	<b>8,606</b> <b>(3,573)</b>
-------------------------------	--------------------------------

Notes: (\*1) The number of employees includes locally hired overseas employees and excludes 3,836 contract and temporary employees.

(\*2) Figure in parentheses in "Number of employees" is the annual average number of temporary employees.

(\*3) A breakdown by segment is omitted because some employees are engaged in multiple segments.

### (2) Status of the Bank

(As of March 31, 2025)

Number of employees (Persons)	Average age (Years)	Average years of service (Years)	Average annual salary	
			Thousands of yen	Thousands of U.S. dollars
<b>8,216</b> <b>(3,562)</b>	<b>41.3</b>	<b>16.9</b>	<b>7,270</b>	<b>48</b>

Notes: (\*1) Number of employees includes seconded employees to the Bank and locally hired overseas employees and excludes 3,659 contract and temporary employees. In addition, 31 executive officers not concurrently serving as directors are excluded.

(\*2) Figure in parentheses in "Number of employees" is the annual average number of temporary employees.

(\*3) A breakdown by segment is omitted because some employees are engaged in multiple segments.

(\*4) "Average age", "Average years of service" and "Average annual salary" exclude seconded employees to the Bank and locally hired overseas employees.

(\*5) "Average annual salary" includes extra wages.

(\*6) The labor union of the Bank is called the Resona Bank Employees' Union, and the number of union member is 8,875 persons (including secondees). There are no notable matters concerning labor-management relations.

### (3) Ratio of Female Employees in Management Positions, Childcare Leave Acquisition Rate of Male Employees, and Wage Gap Between Male and Female Employees

Fiscal year ended March 31, 2025

Name	Ratio of female employees in manageme nt positions (%) (*1) (*2)	Childcare leave acquisition rate of male employees (%) (*3)	Wage gap between male and female employees (%) (*1) (*4)			
			All employees	Regular employees	Part-time/ Fixed-term employees	Full-time employees included in Part- time/ Fixed-term employees
Resona Bank, Limited	<b>33.6</b> (32.0)	<b>97</b> (102)	<b>54.8</b> (52.4)	<b>67.0</b> (64.4)	<b>57.4</b> (56.2)	<b>80.6</b> (79.3)

Notes: (\*1) The ratio is calculated in accordance with the provisions of the "Act on Promotion of Women's Participation and Advancement in the Workplace" (Act No. 64, 2015). Figure in parentheses indicates the previous fiscal year.

(\*2) Employees seconded to Resona Holdings, Inc. are included in the Bank's calculation considering the labor management circumstances.

(\*3) The rate represents the percentage of childcare leave and time off acquired for childcare stipulated in Article 71-6, item 1 of the "Ordinance for Enforcement of the Act on Childcare Leave, Caregiver Leave, and Other Measures for the Welfare of Workers Caring for Children or Other Family Members" (Ordinance of Ministry of Labor No. 25, 1991) in accordance with the provisions of the "Act on Childcare Leave, Caregiver Leave, and Other Measures for the Welfare of Workers Caring for Children or Other Family Members" (Act No. 76, 1991). Figure in parentheses indicates the previous fiscal year.

The rate may exceed 100% depending on the fiscal year, because it is calculated as "those who started taking childcare leave during the fiscal year" divided by "those who had a child born during the fiscal year".

(\*4) No wage gap exists between male and female employees in equivalent positions and with equivalent duties, etc. The wage difference between male and female employees is primarily due to the low ratio of female employees in the higher-level positions with relatively higher wages. The Bank has been making efforts to develop and promote female leaders and the overall wage difference has shown a narrowing trend compared to the previous fiscal year. The Bank recognizes that it is necessary to strengthen its efforts to further narrow the difference.

## (REFERENCES)

### 3. Overview of operating results and financial position

#### (1) Domestic and Overseas Income and Expenditures

During the fiscal year ended March 31, 2025, net interest income in domestic operations increased by ¥42.5 billion (\$0.2 billion) compared to the previous fiscal year, to ¥260.5 billion (\$1.7 billion), due to an increase in loan-to-deposit interest margins, including an increase in the average loan balance and loan yields. In overseas operations, net interest income increased by ¥0.4 billion (\$0.0 billion) to ¥8.0 billion (\$0.0 billion). As a result, the total net interest income (after offsetting, same applies hereinafter) increased by ¥43.0 billion (\$0.2 billion) to ¥268.6 billion (\$1.7 billion).

Trust fees increased by ¥0.2 billion (\$0.0 billion) to ¥25.6 billion (\$0.1 billion), and net trading income increased by ¥2.8 billion (\$0.0 billion) to ¥3.5 billion (\$0.0 billion). Both trust fees and net trading income are recorded entirely in domestic operations.

In addition, net fees and commissions and net other operating income are primarily generated in domestic operations. Net fees and commissions increased by ¥10.3 billion (\$0.0 billion) year on year to ¥95.7 billion (\$0.6 billion), and net other operating income deteriorated by ¥14.9 billion (\$0.0 billion) to a loss of ¥17.1 billion (\$0.1 billion). The deterioration in net other operating income in domestic operations was mainly due to an increase in losses on bond-related transactions, primarily resulting from strategic portfolio rebalancing carried out in preparation for rising interest rates.

Categories	Fiscal year	Millions of yen			
		Domestic	Overseas	Offsetting	Total
Net interest income .....	2024	¥ 218,009	¥ 7,572	¥ 2	¥ 225,579
	2025	260,561	8,048	(13)	268,623
Of which interest income .....	2024	292,262	9,915	693	301,483
	2025	357,317	10,921	434	367,804
Of which interest expenses .....	2024	74,253	2,342	691	75,904
	2025	96,755	2,873	448	99,180
Trust fees .....	2024	25,371	—	—	25,371
	2025	25,629	—	—	25,629
Net fees and commissions .....	2024	85,319	34	—	85,354
	2025	95,745	(11)	—	95,733
Of which fee and commission income. ....	2024	146,523	257	22	146,757
	2025	160,100	259	—	160,359
Of which fee and commission expenses .....	2024	61,203	223	22	61,403
	2025	64,355	270	—	64,625
Net trading income .....	2024	711	—	—	711
	2025	3,553	—	—	3,553
Of which trading income .....	2024	823	—	—	823
	2025	3,568	—	—	3,568
Of which trading expenses .....	2024	111	—	—	111
	2025	15	—	—	15
Net other operating income .....	2024	(2,585)	448	—	(2,137)
	2025	(17,610)	496	—	(17,113)

Of which other operating income.....	2024	18,487	448	—	18,935
	2025	19,031	496	—	19,528
Of which other operating expenses.....	2024	21,073	—	—	21,073
	2025	36,641	—	—	36,641

Categories	Fiscal year	Millions of dollars			
		Domestic	Overseas	Offsetting	Total
Net interest income .....	2025	\$ 1,742	\$ 53	\$ (0)	\$ 1,796
Of which interest income .....	2025	2,389	73	2	2,459
Of which interest expenses .....	2025	647	19	2	663
Trust fees .....	2025	171	—	—	171
Net fees and commissions .....	2025	640	0	—	640
Of which fee and commission income.....	2025	1,070	1	—	1,072
Of which fee and commission expenses .....	2025	430	1	—	432
Net trading income .....	2025	23	—	—	23
Of which trading income .....	2025	23	—	—	23
Of which trading expenses .....	2025	0	—	—	0
Net other operating income .....	2025	(117)	3	—	(114)
Of which other operating income .....	2025	127	3	—	130
Of which other operating expenses.....	2025	245	—	—	245

Notes: (\*1) “Domestic” refers to the Bank and the domestic subsidiaries and “Overseas” refers to the foreign subsidiaries.

(\*2) “Offsetting” are intercompany transactions and other adjustments for consolidation purpose.

(\*3) “Interest expenses” are net of interest corresponding to money in trust.

## (2) Fund Management and Procurement by Domestic and Overseas Operations

The average balance of fund management accounts in the fiscal year ended March 31, 2025 was ¥40,235.8 billion (\$269.0 billion) (before offsetting), an increase of ¥5,828.9 billion (\$38.9 billion) compared to the previous fiscal year. Of this amount, domestic and overseas operations accounted for ¥40,041.2 billion (\$267.7 billion) and ¥194.6 billion (\$1.3 billion), respectively. The increase in the average balance of fund management accounts was mainly due to increase in due from banks.

The average balance of fund procurement accounts was ¥40,314.7 billion (\$269.6 billion) (before offsetting), a increase of ¥965.0 billion (\$6.4 billion) compared to the previous fiscal year. Of this amount, domestic and overseas operations accounted for ¥40,159.5 billion (\$268.5 billion) and ¥155.2 billion (\$1.0 billion), respectively. The increase in the average balance of the fund procurement accounts was mainly due to an increase in borrowings from the Bank of Japan.

The average balance of loans and bills discounted in domestic operations increased and interest income increased, and the yield on loans increased by 0.08 percentage point.

The yield on the fund management accounts was 0.89% in domestic operations (an increase of 0.03 percentage points year on year), 5.61% in overseas operations (an increase of 0.12 percentage points), and 0.91% in total (an increase of 0.03 percentage points).

The yield on the fund procurement accounts was 0.24% in domestic operations (an increase of 0.05 percentage points year on year), 1.85% in overseas operations (an increase of 0.22 percentage points), and 0.24% in total (an increase of 0.05 percentage points).

(i) Domestic

Categories	Fiscal year	Millions of yen		
		Average balances	Interests	Yield (%)
Fund management accounts .....	2024	¥ 34,226,304	¥ 292,262	0.85
	2025	40,041,260	357,317	0.89
Of which loans and bills discounted .....	2024	22,978,647	192,351	0.83
	2025	24,561,461	225,971	0.92
Of which securities .....	2024	4,575,722	59,795	1.30
	2025	5,106,563	75,456	1.47
Of which call loans and bills bought .....	2024	548,634	4,656	0.84
	2025	96,488	4,790	4.96
Of which securities purchased under resale agreements .....	2024	—	—	—
	2025	—	—	—
Of which cash collateral provided for securities borrowed .....	2024	102,463	10	0.01
	2025	25,205	36	0.14
Of which due from banks .....	2024	5,591,814	13,346	0.23
	2025	9,795,666	31,176	0.31
Fund procurement accounts .....	2024	39,205,474	74,253	0.18
	2025	40,159,500	96,757	0.24
Of which deposits .....	2024	33,925,602	27,539	0.08
	2025	33,893,485	44,672	0.13
Of which negotiable certificates of deposit.....	2024	626,679	26	0.00
	2025	689,591	802	0.11
Of which call money and bills sold .....	2024	415,163	7,794	1.87
	2025	390,741	10,192	2.60
Of which securities sold under repurchase agreements .....	2024	7,076	0	0.00
	2025	3,976	9	0.24
Of which cash collateral received for securities lent .....	2024	1,540,163	28,976	1.88
	2025	1,544,503	34,980	2.26
Of which commercial papers .....	2024	—	—	—
	2025	—	—	—
Of which borrowed money .....	2024	1,278,117	4,651	0.36
	2025	2,195,047	799	0.03

Categories	Fiscal year	Millions of dollars		
		Average balances	Interests	Yield (%)
Fund management accounts .....	2025	\$ 267,780	\$ 2,389	0.89
Of which loans and bills discounted .....	2025	164,257	1,511	0.92
Of which securities .....	2025	34,150	504	1.47
Of which call loans and bills bought .....	2025	645	32	4.96
Of which securities purchased under resale agreements .....	2025	—	—	—
Of which cash collateral provided for securities borrowed .....	2025	168	0	0.14
Of which due from banks .....	2025	65,509	208	0.31
Fund procurement accounts .....	2025	268,571	647	0.24
Of which deposits .....	2025	226,666	298	0.13
Of which negotiable certificates of deposit.....	2025	4,611	5	0.11
Of which call money and bills sold .....	2025	2,613	68	2.60
Of which securities sold under repurchase agreements .....	2025	26	0	0.24
Of which cash collateral received for securities lent .....	2025	10,329	233	2.26
Of which commercial papers .....	2025	—	—	—
Of which borrowed money .....	2025	14,679	5	0.03

Notes: (\*1) "Domestic" refers to the Bank and the domestic subsidiaries.

(\*2) In principle, average balances are calculated based on the daily average balances. For certain domestic consolidated subsidiaries, average balances are based on month-end or semi-annual-end balances.

(\*3) For the fund management accounts, the average balance excludes non-interest-bearing deposits. For the fund procurement accounts, the average balance and interest exclude amounts corresponding to the operation of money in trust.

(ii) Overseas

Categories	Fiscal year	Millions of yen		
		Average balances	Interests	Yield (%)
Fund management accounts .....	2024	¥ 180,580	¥ 9,915	5.49
	<b>2025</b>	<b>194,613</b>	<b>10,921</b>	<b>5.61</b>
Of which loans and bills discounted .....	2024	136,362	7,948	5.82
	<b>2025</b>	<b>144,236</b>	<b>8,627</b>	<b>5.98</b>
Of which securities .....	2024	12,476	698	5.60
	<b>2025</b>	<b>13,803</b>	<b>790</b>	<b>5.72</b>
Of which call loans and bills bought .....	2024	7,799	682	8.75
	<b>2025</b>	<b>13,380</b>	<b>1,132</b>	<b>8.46</b>
Of which securities purchased under resale agreements .....	2024	—	—	—
	<b>2025</b>	—	—	—
Of which cash collateral provided for securities borrowed .....	2024	7,023	534	7.61
	<b>2025</b>	<b>6,779</b>	<b>330</b>	<b>4.87</b>
Of which due from banks .....	2024	1,717	33	1.94
	<b>2025</b>	<b>626</b>	<b>34</b>	<b>5.51</b>
Fund procurement accounts .....	2024	144,318	2,342	1.62
	<b>2025</b>	<b>155,294</b>	<b>2,873</b>	<b>1.85</b>
Of which deposits .....	2024	89,493	1,533	1.71
	<b>2025</b>	<b>103,405</b>	<b>2,272</b>	<b>2.19</b>
Of which negotiable certificates of deposit .....	2024	—	—	—
	<b>2025</b>	—	—	—
Of which call money and bills sold .....	2024	529	10	2.06
	<b>2025</b>	—	<b>6</b>	—
Of which securities sold under repurchase agreements .....	2024	—	—	—
	<b>2025</b>	—	—	—
Of which cash collateral received for securities lent .....	2024	—	—	—
	<b>2025</b>	—	—	—
Of which commercial papers .....	2024	—	—	—
	<b>2025</b>	—	—	—
Of which borrowed money .....	2024	52,987	786	1.48
	<b>2025</b>	<b>50,635</b>	<b>577</b>	<b>1.14</b>

Categories	Fiscal year	Millions of dollars		
		Average balances	Interests	Yield (%)
Fund management accounts .....	<b>2025</b>	<b>\$ 1,301</b>	<b>\$ 73</b>	<b>5.61</b>
Of which loans and bills discounted .....	<b>2025</b>	<b>964</b>	<b>57</b>	<b>5.98</b>
Of which securities .....	<b>2025</b>	<b>92</b>	<b>5</b>	<b>5.72</b>
Of which call loans and bills bought .....	<b>2025</b>	<b>89</b>	<b>7</b>	<b>8.46</b>
Of which securities purchased under resale agreements .....	<b>2025</b>	—	—	—
Of which cash collateral provided for securities borrowed .....	<b>2025</b>	<b>45</b>	<b>2</b>	<b>4.87</b>
Of which due from banks .....	<b>2025</b>	<b>4</b>	<b>0</b>	<b>5.51</b>
Fund procurement accounts .....	<b>2025</b>	<b>1,038</b>	<b>19</b>	<b>1.85</b>
Of which deposits .....	<b>2025</b>	<b>691</b>	<b>15</b>	<b>2.19</b>
Of which negotiable certificates of deposit .....	<b>2025</b>	—	—	—

Categories	Fiscal year	Millions of dollars		
		Average balances	Interests	Yield (%)
Of which call money and bills sold .....	<b>2025</b>	—	<b>0</b>	—
Of which securities sold under repurchase agreements .....	<b>2025</b>	—	—	—
Of which cash collateral received for securities lent .....	<b>2025</b>	—	—	—
Of which commercial papers .....	<b>2025</b>	—	—	—
Of which borrowed money .....	<b>2025</b>	<b>338</b>	<b>3</b>	<b>1.14</b>

Notes: (\*1) “Overseas” refers to the foreign subsidiaries.

(\*2) In principle, average balances are calculated based on the daily average balances. For certain domestic consolidated subsidiaries, average balances are based on month-end or semi-annual-end balances.

(\*3) For the fund management accounts, the average balance excludes non-interest-bearing deposits. For the fund procurement accounts, the average balance and interest exclude amounts corresponding to the operation of money in trust.

(iii) Total

Categories	Fiscal year	Average balances (Millions of yen)		
		Sub total	Offsetting	Total
Fund management accounts .....	2024	¥ 34,406,884	¥ 78,371	¥ 34,328,512
	<b>2025</b>	<b>40,235,873</b>	<b>74,471</b>	<b>40,161,402</b>
Of which loans and bills discounted .....	2024	23,115,009	52,145	23,062,864
	<b>2025</b>	<b>24,705,697</b>	<b>48,305</b>	<b>24,657,392</b>
Of which securities .....	2024	4,588,199	25,200	4,562,999
	<b>2025</b>	<b>5,120,366</b>	<b>25,200</b>	<b>5,095,166</b>
Of which call loans and bills bought .....	2024	556,433	—	556,433
	<b>2025</b>	<b>109,868</b>	—	<b>109,868</b>
Of which securities purchased under resale agreements .....	2024	—	—	—
	<b>2025</b>	—	—	—
Of which cash collateral provided for securities borrowed .....	2024	109,487	—	109,487
	<b>2025</b>	<b>31,984</b>	—	<b>31,984</b>
Of which due from banks .....	2024	5,593,532	—	5,593,532
	<b>2025</b>	<b>9,796,292</b>	—	<b>9,796,292</b>
Fund procurement accounts .....	2024	39,349,792	52,129	39,297,663
	<b>2025</b>	<b>40,314,794</b>	<b>50,805</b>	<b>40,263,988</b>
Of which deposits .....	2024	34,015,095	—	34,015,095
	<b>2025</b>	<b>33,996,890</b>	—	<b>33,996,890</b>
Of which negotiable certificates of deposit .....	2024	626,679	—	626,679
	<b>2025</b>	<b>689,591</b>	—	<b>689,591</b>
Of which call money and bills sold .....	2024	415,692	—	415,692
	<b>2025</b>	<b>390,741</b>	—	<b>390,741</b>
Of which securities sold under repurchase agreements .....	2024	7,076	—	7,076
	<b>2025</b>	<b>3,976</b>	—	<b>3,976</b>
Of which cash collateral received for securities lent .....	2024	1,540,163	—	1,540,163
	<b>2025</b>	<b>1,544,503</b>	—	<b>1,544,503</b>
Of which commercial papers .....	2024	—	—	—
	<b>2025</b>	—	—	—
Of which borrowed money .....	2024	1,331,104	51,098	1,280,006
	<b>2025</b>	<b>2,245,683</b>	<b>49,846</b>	<b>2,195,836</b>



Categories	Fiscal year	Interests (Millions of yen)			Yield %
		Sub total	Offsetting	Total	
Fund management accounts .....	2024	¥ 302,177	¥ 693	¥ 301,483	0.87
	2025	368,238	434	367,804	0.91
Of which loans and bills discounted .....	2024	200,300	653	199,646	0.86
	2025	234,598	422	234,176	0.94
Of which securities .....	2024	60,493	40	60,453	1.32
	2025	76,247	—	76,247	1.49
Of which call loans and bills bought .....	2024	5,339	—	5,339	0.95
	2025	5,922	8	5,914	5.38
Of which securities purchased under resale agreements .....	2024	—	—	—	—
	2025	—	—	—	—
Of which cash collateral provided for securities borrowed .....	2024	545	—	545	0.49
	2025	367	—	367	1.14
Of which due from banks .....	2024	13,380	—	13,380	0.23
	2025	31,211	4	31,206	0.31
Fund procurement accounts .....	2024	76,595	691	75,904	0.19
	2025	99,630	448	99,182	0.24
Of which deposits .....	2024	29,073	—	29,073	0.08
	2025	46,945	7	46,938	0.13
Of which negotiable certificates of deposit .....	2024	26	—	26	0.00
	2025	802	—	802	0.11
Of which call money and bills sold .....	2024	7,805	—	7,805	1.87
	2025	10,199	—	10,199	2.61
Of which securities sold under repurchase agreements .....	2024	0	—	0	0.00
	2025	9	—	9	0.24
Of which cash collateral received for securities lent .....	2024	28,976	—	28,976	1.88
	2025	34,980	—	34,980	2.26
Of which commercial papers .....	2024	—	—	—	—
	2025	—	—	—	—
Of which borrowed money .....	2024	5,437	691	4,745	0.37
	2025	1,376	441	935	0.04

Categories	Fiscal year	Average balances (Millions of dollars)		
		Sub total	Offsetting	Total
Fund management accounts .....	2025	\$ 269,082	\$ 498	\$ 268,584
Of which loans and bills discounted .....	2025	165,222	323	164,899
Of which securities .....	2025	34,243	168	34,074
Of which call loans and bills bought .....	2025	734	—	734
Of which securities purchased under resale agreements .....	2025	—	—	—
Of which cash collateral provided for securities borrowed .....	2025	213	—	213
Of which due from banks .....	2025	65,513	—	65,513
Fund procurement accounts .....	2025	269,610	339	269,270
Of which deposits .....	2025	227,358	—	227,358
Of which negotiable certificates of deposit .....	2025	4,611	—	4,611
Of which call money and bills sold .....	2025	2,613	—	2,613
Of which securities sold under repurchase agreements .....	2025	26	—	26
Of which cash collateral received for securities lent .....	2025	10,329	—	10,329
Of which commercial papers .....	2025	—	—	—
Of which borrowed money .....	2025	15,018	333	14,684

Categories	Fiscal year	Interests (Millions of dollars)			Yield %
		Sub total	Offsetting	Total	
Fund management accounts .....	<b>2025</b>	<b>\$ 2,462</b>	<b>\$ 2</b>	<b>\$ 2,459</b>	<b>0.91</b>
Of which loans and bills discounted .....	<b>2025</b>	<b>1,568</b>	<b>2</b>	<b>1,566</b>	<b>0.94</b>
Of which securities .....	<b>2025</b>	<b>509</b>	<b>—</b>	<b>509</b>	<b>1.49</b>
Of which call loans and bills bought .....	<b>2025</b>	<b>39</b>	<b>0</b>	<b>39</b>	<b>5.38</b>
Of which securities purchased under resale agreements .....	<b>2025</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
Of which cash collateral provided for securities borrowed .....	<b>2025</b>	<b>2</b>	<b>—</b>	<b>2</b>	<b>1.14</b>
Of which due from banks .....	<b>2025</b>	<b>208</b>	<b>0</b>	<b>208</b>	<b>0.31</b>
Fund procurement accounts .....	<b>2025</b>	<b>666</b>	<b>2</b>	<b>663</b>	<b>0.24</b>
Of which deposits .....	<b>2025</b>	<b>313</b>	<b>0</b>	<b>313</b>	<b>0.13</b>
Of which negotiable certificates of deposit .....	<b>2025</b>	<b>5</b>	<b>—</b>	<b>5</b>	<b>0.11</b>
Of which call money and bills sold .....	<b>2025</b>	<b>68</b>	<b>—</b>	<b>68</b>	<b>2.61</b>
Of which securities sold under repurchase agreements .....	<b>2025</b>	<b>0</b>	<b>—</b>	<b>0</b>	<b>0.24</b>
Of which cash collateral received for securities lent .....	<b>2025</b>	<b>233</b>	<b>—</b>	<b>233</b>	<b>2.26</b>
Of which commercial papers .....	<b>2025</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
Of which borrowed money .....	<b>2025</b>	<b>9</b>	<b>2</b>	<b>6</b>	<b>0.04</b>

Notes: (\*1) For the fund management accounts, the average balance excludes non-interest-bearing deposits. For the fund procurement accounts, the average balance and interest exclude amounts corresponding to the operation of money in trust.

(\*2) "Offsetting" are intercompany transactions and other adjustments for consolidation purpose.

### (3) Banking Operation

#### (i) Deposit Balances by Domestic and Overseas

##### Deposits by type (as of the fiscal year end)

Categories	Fiscal year	Millions of yen			
		Domestic	Overseas	Offsetting	Total
Deposits .....	2024	¥ 35,096,601	¥ 96,015	¥ —	¥ 35,192,616
	<b>2025</b>	<b>34,308,500</b>	<b>109,965</b>	<b>—</b>	<b>34,418,465</b>
Of which liquid deposits .....	2024	28,481,001	49,756	—	28,530,758
	<b>2025</b>	<b>27,956,404</b>	<b>54,641</b>	<b>—</b>	<b>28,011,046</b>
Of which term deposits .....	2024	5,428,139	46,258	—	5,474,398
	<b>2025</b>	<b>5,268,779</b>	<b>55,323</b>	<b>—</b>	<b>5,324,102</b>
Of which other deposits .....	2024	1,187,460	—	—	1,187,460
	<b>2025</b>	<b>1,083,316</b>	<b>—</b>	<b>—</b>	<b>1,083,316</b>
Negotiable certificates of deposit .....	2024	550,110	—	—	550,110
	<b>2025</b>	<b>537,500</b>	<b>—</b>	<b>—</b>	<b>537,500</b>
Total.....	2024	35,646,711	96,015	—	35,742,726
	<b>2025</b>	<b>34,846,000</b>	<b>109,965</b>	<b>—</b>	<b>34,955,965</b>

Categories	Fiscal year	Millions of dollars			
		Domestic	Overseas	Offsetting	Total
Deposits .....	<b>2025</b>	\$ 229,442	\$ 735	\$ —	\$ 230,177
Of which liquid deposits .....	<b>2025</b>	<b>186,961</b>	<b>365</b>	<b>—</b>	<b>187,327</b>
Of which term deposits .....	<b>2025</b>	<b>35,235</b>	<b>369</b>	<b>—</b>	<b>35,605</b>
Of which other deposits .....	<b>2025</b>	<b>7,244</b>	<b>—</b>	<b>—</b>	<b>7,244</b>
Negotiable certificates of deposit .....	<b>2025</b>	<b>3,594</b>	<b>—</b>	<b>—</b>	<b>3,594</b>
Total .....	<b>2025</b>	<b>233,036</b>	<b>735</b>	<b>—</b>	<b>233,772</b>

Notes: (\*1) Liquid deposits = Current deposits + Ordinary deposits + Savings deposits + Notice deposits  
Term deposits = Time deposits

(\*2) "Domestic" refers to the Bank and "Overseas" refers to the foreign subsidiaries.

(\*3) "Offsetting" are intercompany transactions and other adjustments for consolidation purpose.

(ii) **Loan Balances by Domestic and Overseas**

**Loans by industry (as of the fiscal year end and composition ratio)**

Industries	Millions of Yen			
	As of March 31, 2025		As of March 31, 2024	
	Amounts	Composition ratio (%)	Amounts	Composition ratio (%)
Domestic (Excluding special international financial transactions account).....	¥ 25,521,564	100.00	¥ 23,806,265	100.00
Manufacturing .....	2,802,623	10.98	2,554,513	10.73
Agriculture and Forestry .....	7,996	0.03	7,980	0.03
Fishery .....	1,874	0.01	1,520	0.01
Mining, Stone quarrying and Gravel quarrying .....	9,125	0.04	10,022	0.04
Construction .....	561,523	2.20	529,224	2.22
Electric, Gas, Heating and Water supplies .....	404,589	1.59	395,041	1.66
Information and communication .....	414,163	1.62	386,788	1.62
Transportation and Postal services .....	676,219	2.65	607,914	2.55
Wholesale and Retail trade .....	2,453,467	9.61	2,319,693	9.74
Finance and Insurance .....	1,156,489	4.53	1,052,140	4.42
Real estate .....	5,457,674	21.38	5,345,760	22.47
Of which apartment/mansion loans....	1,515,682	5.94	1,550,712	6.51
Of which real estate leasing .....	3,315,106	12.99	3,164,996	13.29
Goods rental and leasing .....	587,546	2.30	500,796	2.10
Services (various) .....	1,774,439	6.95	1,620,735	6.81
National and Local governments.....	1,886,310	7.39	1,328,318	5.58
Other .....	7,327,518	28.72	7,145,814	30.02
Of which residential housing loans....	6,868,688	26.91	6,691,362	28.10
Overseas and special international financial transactions account .....	¥ 152,527	100.00	¥ 134,338	100.00
Government, etc. ....	—	—	—	—
Financial institutions .....	2,004	1.31	2,395	1.78
Others .....	150,522	98.69	131,942	98.22
Total .....	¥ 25,674,091	—	¥ 23,940,604	—

Industries	Millions of U.S. dollars	
	As of March 31, 2025	
	Amounts	Composition ratio (%)
Domestic (Excluding special international financial transactions account).....	\$ 170,678	100.00
Manufacturing .....	18,742	10.98
Agriculture and Forestry .....	53	0.03
Fishery .....	12	0.01
Mining, Stone quarrying and Gravel quarrying .....	61	0.04
Construction .....	3,755	2.20
Electric, Gas, Heating and Water supplies .....	2,705	1.59
Information and communication .....	2,769	1.62
Transportation and Postal service .....	4,522	2.65
Wholesale and Retail trade .....	16,407	9.61
Finance and Insurance .....	7,734	4.53
Real estate .....	36,498	21.38
Of which apartment/mansion loans....	10,136	5.94
Of which real estate leasing.....	22,170	12.99
Goods rental and leasing .....	3,929	2.30
Services (various) .....	11,866	6.95
National and Local governments.....	12,614	7.39
Other .....	49,003	28.72
Of which residential housing loans.	45,935	26.91
Overseas and special international financial transactions account.....	\$ 1,020	100.00
Government, etc. ....	—	—
Financial institutions .....	13	1.31
Others .....	1,006	98.69
Total .....	\$ 171,698	—

Note: (\*) "Domestic" refers to the Bank and "Overseas" refers to the foreign subsidiaries.

#### 4. Capital Adequacy Ratio

The capital adequacy ratios are calculated on both a consolidated and non-consolidated basis in accordance with the formula prescribed in the Standards for Determining Adequacy of Capital Adequacy of Banks in Light of their Assets, etc. (Financial Services Agency No. 19 of 2006) established under Article 14-2 of the Banking Act.

The Bank adopts domestic standards and uses the Advanced Internal Ratings-Based approach for the calculation of credit risk-weighted assets, the Standardized approach for the calculation of equivalent amount of operational risk, and the Standardized method for the calculation of equivalent amount of market risk.

##### Consolidated capital adequacy ratio (Domestic standard)

	Billions of yen		Billions of U.S. dollars	
	As of March 31, 2025		As of March 31, 2025	
1. Consolidated capital adequacy ratio (2/3) .....		12.11%		12.11%
2. Amount of consolidated equity capital .....	¥	1,245.3	\$	8.3
3. Amount of risk assets .....		10,274.7		68.7
4. Total requirement of consolidated equity capital .....		821.9		5.4

## Non-consolidated capital adequacy ratio (Domestic standard)

	Billions of yen	Billions of U.S. dollars
	As of March 31, 2025	As of March 31, 2025
1. Non-consolidated capital adequacy ratio (2/3) .....	11.90%	11.90%
2. Amount of non-consolidated equity capital.....	¥ 1,223.7	\$ 8.1
3. Amount of risk assets .....	10,277.9	68.7
4. Total requirement of non-consolidated equity capital	822.2	5.4

## 5. Asset Assessment

Asset assessments are conducted in accordance with Article 6 of the Act on Emergency Measures for Early Strengthening of Financial Functions ("Financial Reconstruction Act") (Act No. 132 of 1998). The assessment covers corporate bonds (limited to those guaranteed in whole or in part of the redemption of principal and the payment of interest by the financial institutions and privately placed as defined in Article 2, Paragraph 3 of the Financial Instruments and Exchange Act (Law No. 25 of 1948)), loans, foreign exchange, accrued interest and advances recorded under other assets, items recorded under the accounts corresponding to acceptance guarantees and securities subject to lending arrangements (limited to those under loan-for-use or lease agreements) that are required to be disclosed in the notes to the balance sheet.

These assets are classified based on the financial condition and business performance of the obligors as follows:

- (i) Bankrupt or De Facto Bankrupt Loans  
Loans to debtors who have effectively fallen into bankruptcy due to the commencement of bankruptcy, civil rehabilitation, or corporate reorganization proceedings, or other loans deemed equivalent.
- (ii) Doubtful Loans  
Loans to debtors who are not legally bankrupt but whose financial condition and performance have deteriorated to the extent that it is highly probable that principal and/or interest will not be collected in accordance with the contractual terms.
- (iii) Special attention loans  
Loans that are either delinquent for three months or more or have been restructured under relaxed repayment terms.
- (iv) Normal loans  
Loans classified as sound, where the debtor's financial condition and business performance present no particular concerns, and which do not fall under categories (i) through (iii) above.

## Assessed value of assets

	Billions of yen	Billions of U.S. dollars
Classification of loans	As of March 31, 2025	As of March 31, 2025
Bankrupt or De Facto Bankrupt Loans .....	¥ 13.7	\$ 0.0
Doubtful Loans .....	146.5	0.9
Special Attention Loans .....	96.1	0.6
Normal Loans .....	26,066.6	174.3

**(Reference) Aggregation of banking and trust accounts**

Classification of loans	Billions of yen		Billions of U.S. dollars
	As of March 31, 2025	As of March 31, 2024	As of March 31, 2025
Bankrupt or De Facto Bankrupt Loans .....	¥ 13.7	¥ 15.3	\$ 0.0
Doubtful Loans .....	146.6	194.7	0.9
Special Attention Loans .....	96.1	90.1	0.6
Normal Loans .....	26,071.5	24,357.4	174.3

**6. Analysis of Operating Results**

**(1) Overview of operating results (Consolidated)**

	Billions of yen		Billions of U.S. dollars
	2025	2024	2025
Consolidated gross profit .....	¥ 376.4	¥ 334.8	\$ 2.5
Of which Interest income .....	268.6	225.5	1.7
Of which interest income from domestic loans and deposits .....	191.5	172.8	1.2
Of which interest income on yen bonds ...	18.9	18.1	0.1
Of which trust fees .....	25.6	25.3	0.1
(Disposal of non-performing loans in trust account).....	0.0	0.0	0.0
Of which other fees and commissions.....	95.7	85.3	0.6
General expenses (excluding extraordinary items related to banking operation) .....	(233.7)	(216.3)	(1.5)
Net core banking profit.....	142.8	118.5	0.9
Provision of general reserve for loan losses .....	—	(3.4)	—
Extraordinary gains (losses) .....	45.9	18.1	0.3
Of which gains (losses) on stock-related transaction .....	63.0	46.1	0.4
Of which disposal of non-performing loans . ...	(22.6)	(29.1)	(0.1)
Of which provision of credit costs .....	14.8	6.4	0.0
Ordinary income .....	188.7	133.2	1.2
Extraordinary gains .....	2.1	1.9	0.0
Extraordinary losses .....	(4.3)	(2.6)	(0.0)
Income before income taxes .....	186.5	132.5	1.2
Income taxes – current .....	(49.7)	(39.7)	(0.3)
Income taxes – deferred .....	(1.8)	1.4	(0.0)
Net income .....	134.9	94.3	0.9
Net income (losses) attributable to noncontrolling interests .....	(1.0)	0.8	(0.0)
Net income attributable to owners of parent .....	133.9	95.1	0.8
Total credit costs .....	¥ (7.8)	¥ (26.0)	\$ (0.0)

Notes: (\*1) Loss is shown in parentheses.

(\*2) Consolidated gross profit

- (i) Consolidated gross profit increased by ¥41.5 billion (\$0.2 billion) from the fiscal year ended March 31, 2024 to ¥376.4 billion (\$2.5 billion).
- (ii) Domestic loans and deposit gains increased by ¥18.7 billion (\$0.1 billion) from the fiscal year ended March 31, 2024 driven by increasing in loan balance and yields of loans, Net fees and commissions increased by ¥10.3 billion (\$0.0 billion) from the fiscal year ended March 31, 2024 to ¥95.7 billion (\$0.6 billion), driven by income from corporate solutions business.

(\*3) General expenses (excluding extraordinary items related to banking operation)

- (i) Expenses increased 17.3 billion (\$0.1 billion) from the fiscal year ended March 31, 2024 to ¥233.7 billion (\$1.5 billion), with personnel expenses increasing ¥4.2 billion (\$0.0 billion) and non-personnel expenses increasing ¥10.6 billion (\$0.0 billion).

**(2) Overview of operating results (Non-consolidated)**

	Billions of yen		Billions of U.S. dollars
	2025	2024	2025
Non-consolidated gross profit .....	¥ 367.8	¥ 326.8	\$ 2.4
Of which Interest income .....	260.5	218.0	1.7
Of which trust fees .....	25.6	25.3	0.1
Of which other fees and commissions .....	95.5	85.3	0.6
General expenses (excluding extraordinary items related to banking operations).....	(229.0)	(212.0)	(1.5)
Net core banking profit.....	138.8	114.7	0.9
Provision of general reserve for loan losses .....	—	(3.6)	—
Operational net profit .....	138.8	111.0	0.9
Extraordinary gains (losses) .....	46.6	24.4	0.3
Ordinary income .....	185.5	135.5	1.2
Extraordinary gains (losses).....	(2.1)	(0.6)	(0.0)
Income before income taxes .....	183.3	134.8	1.2
Income taxes – current .....	(48.9)	(39.6)	(0.3)
Income taxes – deferred .....	(1.9)	0.7	(0.0)
Net income .....	132.3	95.9	0.8
Total credit costs .....	¥ (7.0)	¥ (19.9)	\$ (0.0)

**(3) Breakdown of expenses (Non-consolidated)**

	Billions of yen				Billions of U.S. dollars	
	2025		2024		2025	
	Amounts	OHR	Amounts	OHR	Amounts	OHR
General expenses (excluding extraordinary items) .....	¥ (229.0)	62.2%	¥ (212.0)	64.8%	\$ (1.5)	62.2%
Of which personnel expenses .....	(93.3)	25.3%	(89.5)	27.4%	(0.6)	25.3%
Of which non-personnel expenses .....	(119.6)	32.5%	(108.9)	33.3%	(0.7)	32.5%
Gross operating profit (before disposal non-performing loans in trust accounts) .....	367.8	—	326.8	—	2.4	—

**(4) Gains / Losses on Stock-Related Transactions**

Gains on stock-related transactions increased ¥16.9 billion (\$0.1 billion) from the fiscal year ended March 31, 2024 to ¥63.0 billion (\$0.4 billion), mainly due to an increase in gains on sales of stocks and other securities and a decrease in losses on sales of stocks and other securities.



In accordance with the plan announced in May 2024 by the Resona Group, to which we belong, we aim to reduce our strategic shareholdings by two-thirds or more of their carrying amounts by the fiscal year ending March 31, 2030, compared to the fiscal year ended March 31, 2024.

**(a) Breakdown of gains/losses on stock related transactions (Consolidated)**

	Billions of yen		Billions of U.S. dollars
	2025	2024	2025
Gains (losses) on stock-related transaction .....	¥ 63.0	¥ 46.1	\$ 0.4
Gains on sales of stocks and other securities	63.4	48.1	0.4
Losses on sales of stocks and other securities	(0.1)	(1.7)	(0.0)
Loss on devaluation of equity securities .....	(0.2)	(0.2)	(0.0)

**(b) Available-for-sale securities with market price (Consolidated)**

	Billions of yen		Billions of U.S. dollars
	2025	2024	2025
Acquisition cost basis .....	¥ 183.4	¥ 205.9	\$ 1.2
Market value basis .....	699.3	835.1	4.6

**(5) Credit Costs**

Credit costs decreased ¥18.2 billion (\$0.1 billion) from the fiscal year ended March 31, 2024 to ¥7.8 billion (\$0.0 billion).

In addition, total non-performing loans disclosed under the Financial Reconstruction Act decreased by ¥45.8 billion (\$0.3 billion) from the end of the fiscal year ended March 31, 2024 to ¥273.7 billion (\$1.8 billion), and the non-performing loan ratio decreased by 0.25 percentage points from the end of the fiscal year ended March 31, 2024 to 1.03%. It continues to remain at a low level.

**(a) Status of disposal of non-performing loans (Consolidated)**

	Billions of yen		Billions of U.S. dollars
	2025	2024	2025
Credit costs .....	¥ (7.8)	¥ (26.0)	\$ (0.0)
Disposal non-performing loans in trust accounts.....	0.0	0.0	0.0
Net provision of general reserve for loan losses.....	(11.3)	(3.4)	(0.0)
Write-offs of loans .....	(15.6)	(12.1)	(0.1)
Net provision of individual reserve for loan losses ....	15.5	(14.5)	0.1
Net provision of reserve for specific overseas claims.	0.0	0.0	0.0
Other disposal non-performing loans .....	(7.0)	(2.4)	(0.0)
Gains on recoveries of written-off loans.....	10.6	6.4	0.0

**(b) Loans pursuant to the Financial Reconstruction Act (Consolidated, including loans to trust accounts with principal compensation agreements)**

	Billions of yen		Billions of U.S. dollars
	As of March 31, 2025	As of March 31, 2024	As of March 31, 2025
Bankrupt or De Facto Bankrupt Loans .....	¥ 19.6	¥ 21.1	\$ 0.1
Doubtful Loans .....	150.3	199.5	1.0
Special Attention Loans .....	103.6	98.9	0.6
Loans delinquent by 3 months or more .....	0.8	0.6	0.0
Restructured loans .....	102.7	98.2	0.6
Total non-performing loans (A) .....	273.7	319.6	1.8
Normal Loans .....	26,168.2	24,432.5	175.0
Total claims (B) .....	26,441.9	24,752.1	176.8
Non-performing loan ratio (A/B) .....	1.03%	1.29%	1.03%

**7. Analysis of Financial Position**

**(1) Deposits**

Total deposits decreased by ¥774.1 billion (\$5.1 billion) from the end of the fiscal year ended March 31, 2024 to ¥34,418.4 billion (\$230.1 billion), reflecting growth in individual deposits, but corporate deposits decreased.

Negotiable certificates of deposit decreased by ¥12.6 billion (\$0.0 billion) from the end of the fiscal year ended March 31, 2024 to ¥537.5 billion (\$3.5 billion).

**Balances of deposits and negotiable certificate of deposit (Consolidated)**

	Billions of yen		Billions of U.S. dollars
	As of March 31, 2025	As of March 31, 2024	As of March 31, 2025
Deposits.....	¥ 34,418.4	¥ 35,192.6	\$ 230.1
Domestic individual deposits (*1).....	17,832.3	17,723.1	119.2
Domestic corporate deposits (*1).....	13,395.7	13,860.5	89.5
Negotiable certificates of deposit.....	537.5	550.1	3.5

Note: (\*1) Figures are non-consolidated and exclude special international financial transactions account.

**(2) Net assets**

Total net assets decreased by ¥29.1 billion (\$0.1 billion) from the end of the fiscal year ended March 31, 2024 to ¥1,691.9 billion (\$11.3 billion) due to an decrease in unrealized gains on available-for-sales securities.

**Breakdown of net assets (Consolidated)**

	Billions of yen		Billions of U.S. dollars
	As of March 31, 2025	As of March 31, 2024	As of March 31, 2025
Total net assets.....	¥ 1,691.9	¥ 1,721.1	\$ 11.3
Of which capital stock.....	279.9	279.9	1.8
Of which capital surplus.....	428.5	428.5	2.8
Of which retained earnings.....	622.4	550.4	4.1
Of which net unrealized gains on available-for-sale securities.....	316.0	405.8	2.1
Of which net deferred gains on hedges.....	(21.1)	3.2	(0.1)
Of which revaluation reserve for land.....	32.5	38.2	0.2
Of which remeasurements of defined benefit plans.....	14.4	6.3	0.0