

**Small Meeting**

# **Improving FFG's Corporate Value**

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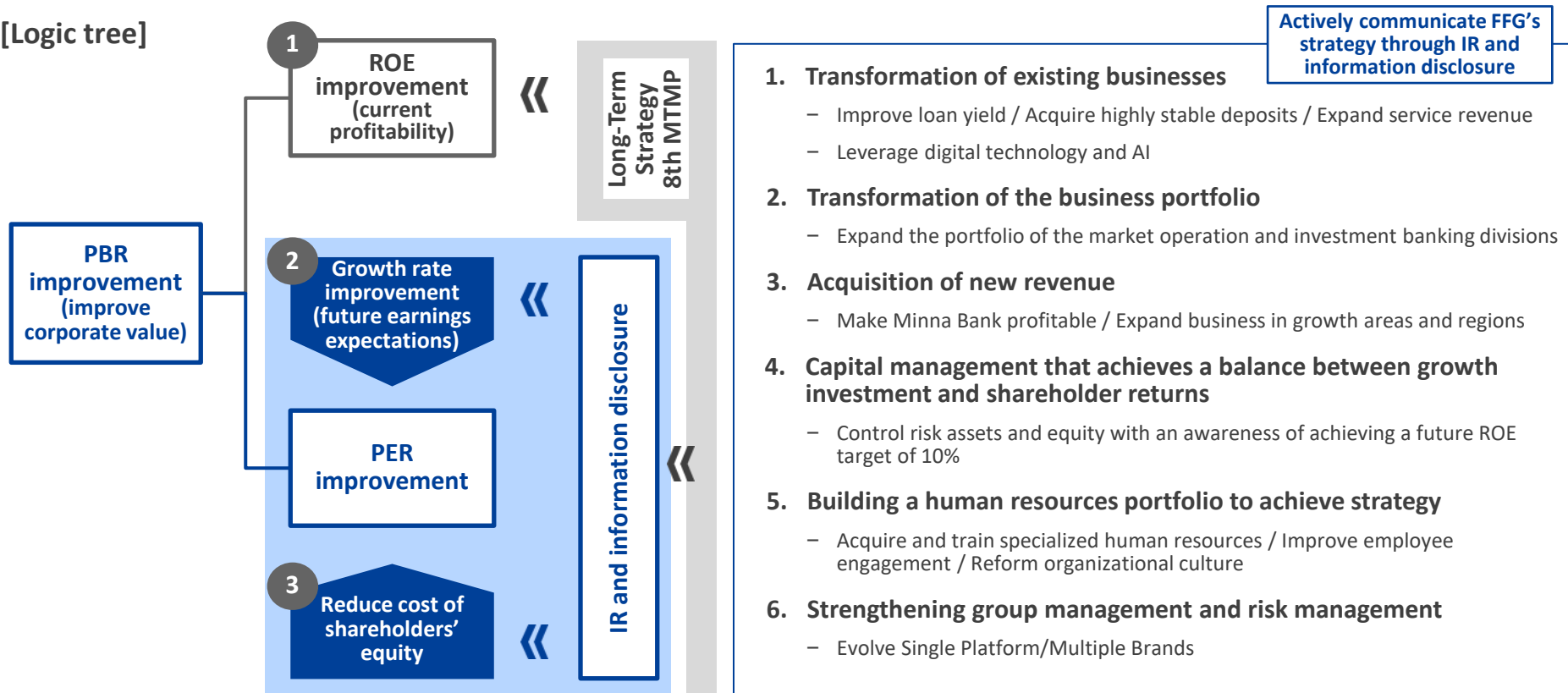
**July 28, 2025**



# Improving PER through IR Activities

- Aim to improve ROE through the execution of Long-Term Strategy and 8th MTMP measures, and to improve PER through active IR and information disclosure

[Logic tree]



# IR Schedule for FY2025

Timing	Event (planned)
Late May	Large Meeting [FY2024 Financial Results]
Early July	European Roadshow
Late July	<b>Small Meeting</b> <span style="border: 1px solid black; padding: 2px;">Today</span>
Late July	<b>Publication of Integrated Report</b>
Early August	<b>First Quarter Financial Results Briefing</b>
Early September	<b>IR Day</b>
Early October	North American Roadshow
Late October	Briefing for Individual Investors [Fukuoka, Kumamoto, Nagasaki]
Late November	Large Meeting [FY2025 Interim Financial Results]
Early January	<b>Small Meeting</b>
Early February	<b>Third Quarter Financial Results Briefing</b>
Early March	<b>IR Day</b>

◆ **Presentation materials, scripts, and key Q&A** (including English translations) will be promptly disclosed after each event

## [Description of IR events]

Large Meeting	– CEO provides overview of <b>financial results, earnings projections, and medium-to-long-term business strategy</b>
Small Meeting	– <b>Q&amp;A session</b> between the CEO and investors – <b>Wide range of investor feedback is gathered, to reflect it in future management</b>
Quarterly Briefing	– General Manager of Corporate Planning Division explains <b>progress of Q1 and Q3 financial results and current topics</b>
IR Day	– Officer in charge provides detailed explanations on <b>topics of high interest to investors</b> (e.g., Minna Bank)

## [Strengthening of IR framework]

- ✓ **Increased number of IR personnel by 2** (total = 4)
- ✓ **Established an IR base in Tokyo** to further enhance the quality and quantity of communication with investors

## Summary of the European Roadshow (held in early July 2025)

Key topics of investor interest	Main points communicated by FFG
1. Japan's monetary policy	<ul style="list-style-type: none"> <li>We believe that the next rate hike is highly likely to occur sometime <b>after the new year, following a careful assessment of wage increases</b>. However, an <b>earlier rate hike is possible</b> if <b>consumption increases</b> or the <b>impact of U.S. tariff policy</b> shifts favorably.</li> </ul>
2. Economic growth in Kyushu	<ul style="list-style-type: none"> <li>TSMC's entry into Kyushu is projected to have an economic impact of ¥23 trillion. With <b>approximately 40,000 companies in the region who use FFG as their main bank</b>, we will leverage this opportunity for business expansion. To this end, we are leading regional bank collaboration efforts such as Q-BASS.</li> </ul>
3. Long-term growth strategies	<ul style="list-style-type: none"> <li>Alongside the growth of our <b>commercial banking division</b>—driven by digital technology and AI utilization—we will expand the portfolios of our highly profitable <b>investment banking division and market operation division</b>. By also pursuing <b>inorganic growth (through digital initiatives and M&amp;A)</b>, we will achieve our long-term <b>ROE target of 10%</b> and enhance corporate value.</li> </ul>
4. Figures in the 8th MTMP	<ul style="list-style-type: none"> <li>Our plan is highly achievable as it <b>conservatively</b> incorporates our <b>outlook for the policy interest rate, credit cost, the performance of Minna Bank</b>, and other projections.</li> </ul>
5. Making Minna Bank profitable	<ul style="list-style-type: none"> <li>We aim to dramatically increase the number of users by <b>collaborating with partners that have a large customer base</b>, with the goal of <b>achieving profitability by FY2027</b>.</li> <li>A factor that sets us apart from our competitors is our ability to provide services tailored to each partner's needs on a function-by-function basis.</li> <li>Minna Bank's system has been <b>adopted by MUFG Bank for its digital banking service</b>.</li> </ul>
6. Inorganic strategies	<ul style="list-style-type: none"> <li>While there are no specific deals for <b>business integration with another regional bank</b> at this time, we believe that a business integration within Kyushu would create greater synergies. We are also exploring <b>alliances with non-financial and other sectors</b>.</li> </ul>
7. Domestic bond investment policy	<ul style="list-style-type: none"> <li>We have <b>shortened the duration of domestic bonds to approximately two years</b>, strengthening resilience against future interest rate hikes. Given the current expectation of rising rates, we are refraining from investments with long terms. At this time, we do not anticipate any large-scale loss-cutting.</li> </ul>
8. Shareholder return policy	<ul style="list-style-type: none"> <li>Our policy is <b>based on maintaining or increasing dividends</b> in line with profit growth, and we have steadily increased dividends since our establishment.</li> <li>While our current level of equity leads us to <b>prioritize maintaining soundness and investing in future growth</b>, we have not ruled out the option of <b>share buybacks</b>. We will <b>consider them as appropriate</b>, such as when there is an upturn in profits.</li> </ul>