

Financial Highlights

First Quarter of FY2025

August 7, 2025

Executive Summary

Financial Results for First Quarter of FY2025 [Consolidated Results]

- ❑ **Consolidated core business profit was ¥33.7 billion (+¥5.9 billion year-on-year). This represents steady progress of 27.1% against the annual projection of ¥124.5 billion.**
 - » Core gross business profit increased by ¥9.1 billion year-on-year, driven by an increase in domestic net interest income from **interest on deposits and loans** and **revenue in the markets division**, as well as recording **revenue from external system sales related to Minna Bank**. Overhead expenses increased by ¥3.2 billion, primarily due to **an increase in base pay** and **DX-related growth investments**.
- ❑ **Consolidated net income was ¥22.8 billion (+¥1.9 billion year-on-year). This represents strong progress of 28.5% against the annual projection of ¥80.0 billion.**
 - » **Gains (losses) on securities** were at a **similar level to the previous year** at ¥1.4 billion. Credit cost increased by ¥3.0 billion year-on-year, due primarily to a **turnaround from the recovery of large loans (reversal of allowance for loan losses) in the previous year**. However, new bankruptcies and rating changes remained at a level similar to the previous year, and credit cost as a percentage of the annual projection of ¥16.9 billion remains low at 15.4%.
- ❑ **Average loan and deposit balances maintained an upward trend, and unrealized gains (losses) on securities (after considering hedges) improved by ¥19.0 billion compared to March 2025.**
 - » The **average loan balance** (excluding loans to Government, etc.) increased by ¥339.9 billion year-on-year (annual rate of +2.2%), and the **average balance of deposits, etc.** increased by ¥69.2 billion (annual rate of +0.3%). Both loans and deposits are **maintaining an upward trend**.
 - » **Unrealized gains (losses) on securities** (after considering hedges) **improved** to -¥0.3 billion, primarily due to an increase in unrealized gains from investment trusts and stocks, driven by factors such as rising stock prices.

Contents

Profit & Loss	...	P3–11
— Profit & Loss Summary	...	P3
— Top Line (Consolidated Core Business Profit)	...	P4
— Bottom Line (Consolidated Net Income)	...	P5
— Core Business Profit (banks total)	...	P6
— Net Interest Income (banks total)	...	P7
— Interest Rates on Domestic Loans	...	P8
— Consolidated Non-interest Income (excluding gains (losses) on bonds)	...	P9
— Consolidated Expenses	...	P10
— Consolidated Credit Cost	...	P11
Assets and Liabilities, etc.	...	P12–16
— Loans	...	P12
— Deposits, etc. (including CDs)	...	P13
— Asset Management Products	...	P14
— Securities	...	P15
— NPLs Disclosed under the FRL, Reserve for Possible Loan Losses	...	P16
Minna Bank	...	P17

Definitions of terms and figures used in this document

In cases where definitions are different from those listed below, details are stated on each page.

FFG consolidated	Consolidated financial results of Fukuoka Financial Group
Banks total	Simple sum of the non-consolidated figures of the Bank of Fukuoka, the Kumamoto Bank, the Juhachi-Shinwa Bank and the Fukuoka Chuo Bank ^(Note)
Group total	Banks total + FFG Securities
Related to Minna Bank	Total of Minna Bank and Zerobank Design Factory (ZDF)
Net income	Net income for the period (interim, quarter) for non-consolidated and banks combined
Consolidated net income	Net income for the period (interim, quarter) attributable to owners of the parent
Loans to Government, etc.	Total of loans to Government and Bank of Fukuoka loans to FFG

Note: About the figures of the Fukuoka Chuo Bank

- Business integration between the Company and the Fukuoka Chuo Bank took effect on October 1, 2023.
- Regarding the Fukuoka Chuo Bank, profit (loss) figures since the second half of FY2023 (six months) and balance figures since the business integration have been consolidated and combined after making necessary adjustments. **Figures before the end of September 2023 do not include figures for the Fukuoka Chuo Bank.**

Profit & Loss Summary

Profit & Loss

FFG consolidated (Unit: ¥ bil.)	2025/1Q	YoY chg.	2024/1Q	FY2025 projected*	Progress
Core gross business profit (*)	76.2	+9.1	67.2		
Overhead expenses (-)	42.5	+3.2	39.3		
Core business profit	133.7	+5.9	27.8	124.5	27.1%
Credit cost (-)	2.6	+3.0	-0.4	16.9	15.4%
Gains (losses) on securities	1.4	-0.6	2.0	8.0	17.6%
Gains (losses) on bonds	-0.4	-0.6	0.2		
Gains (losses) on stocks	1.8	-0.0	1.8		
Ordinary profit	32.6	+1.9	30.7	117.0	27.8%
Extraordinary profit (loss)	-0.0	+0.4	-0.4		
Consolidated net income	22.8	+1.9	20.9	80.0	28.5%

Banks total (Unit: ¥ bil.)	2025/1Q	YoY chg.	2024/1Q	FY2025 projected*	Progress
Core gross business profit (*)	65.6	+3.4	62.2		
Net interest income	58.6	+4.8	53.8		
Domestic	54.6	+4.2	50.4		
International	4.0	+0.5	3.4		
Non-interest income (excluding bond-related income)	7.0	-1.4	8.4		
Overhead expenses (-)	32.7	+2.0	30.7		
Core business profit	32.8	+1.4	31.5	139.0	23.6%
Ordinary profit	32.9	-2.5	35.5	136.0	24.2%
Net income	24.4	-1.3	25.8	100.4	24.4%
Credit cost (-)	1.3	+3.0	-1.7	11.0	12.0%

Progressing as planned (Fund revenue, etc. to be recorded in 2Q)

(1) Financial highlights (FFG consolidated)

- 1 Core business profit: ¥33.7 billion (YoY chg. +¥5.9 billion) [▶ See P4, 6](#)

[Progress against annual projection of ¥124.5 billion is 27.1%: Steady progress]

 - Core gross business profit increased by ¥9.1 billion year-on-year, driven by buildup of net interest income (domestic) and recording of revenue from external system sales related to Minna Bank
 - Overhead expenses increased by ¥3.2 billion year-on-year, primarily due to increases in base pay and system-related costs
- 2 Credit cost: ¥2.6 billion provision (YoY chg. +¥3.0 billion) [▶ See P11](#)

 - Increased by ¥3.0 billion, primarily due to a shift from a reversal of allowance for loan losses in the previous year due to the recovery of large loans, etc. to a provision on a banks total basis
- 3 Gains (losses) on securities: ¥1.4 billion (YoY chg. -¥0.6 billion)

 - Generally remained at the same level as FY2024 (2025/1Q gains (losses) on stocks was ¥1.8 billion: Cross-held shares +¥0.7 billion, pure investment etc. +¥1.1 billion)
- 4 Consolidated net income: ¥22.8 billion (YoY chg. +¥1.9 billion) [▶ See P5](#)

[Progress against annual projection of ¥80.0 billion is 28.5%: Steady progress]

(2) Consolidation difference in bottom line

(Unit: ¥ bil.)	2025/1Q	YoY chg.	2024/1Q	Year-on-year change factors
Net income (banks total)	24.4	-1.3	25.8	[FFG non-consolidated: -¥0.6 billion]
FFG non-consolidated	-4.4	-0.6	-3.8	Overhead expenses increased, such as base pay and system-related costs
Related to Minna Bank	2.0	+4.0	-1.9	[Related to Minna Bank +¥4.0 billion]
Subsidiary income	1.1	-0.1	1.1	Recorded revenue from external system sales
Other consolidation adjustments	-0.3	+0.0	-0.3	[Subsidiary income -¥0.1 billion, Other consolidation adjustments +¥0.0 billion]
Consolidated net income	22.8	+1.9	20.9	Generally remained at the same level as FY2024

(*) Core gross business profit = Gross business profit - Gains (losses) on bonds

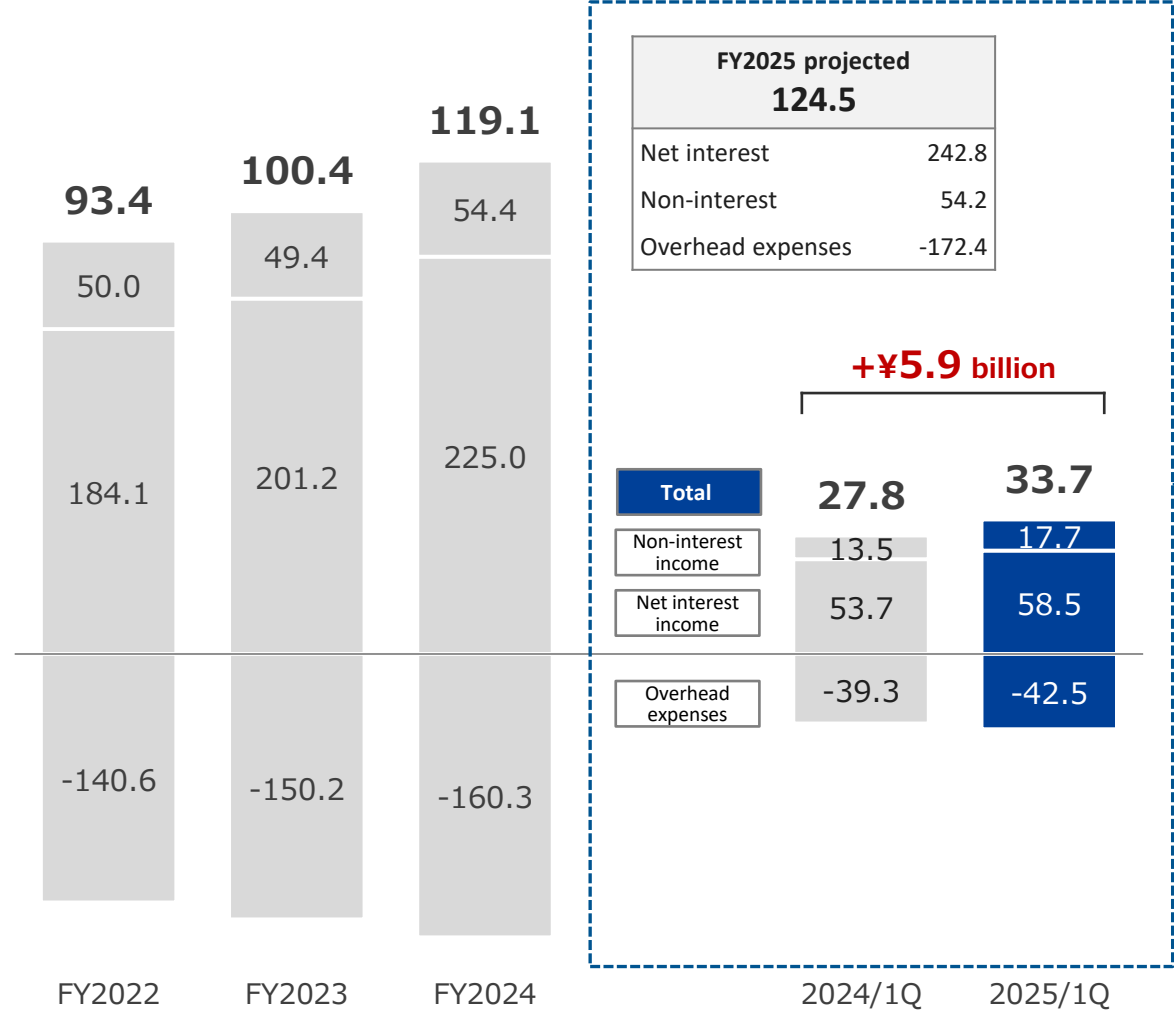
* Figures announced in the Financial Digest of May 12, 2025 and in the Investor Presentation of May 27, 2025

Top Line (Consolidated Core Business Profit)

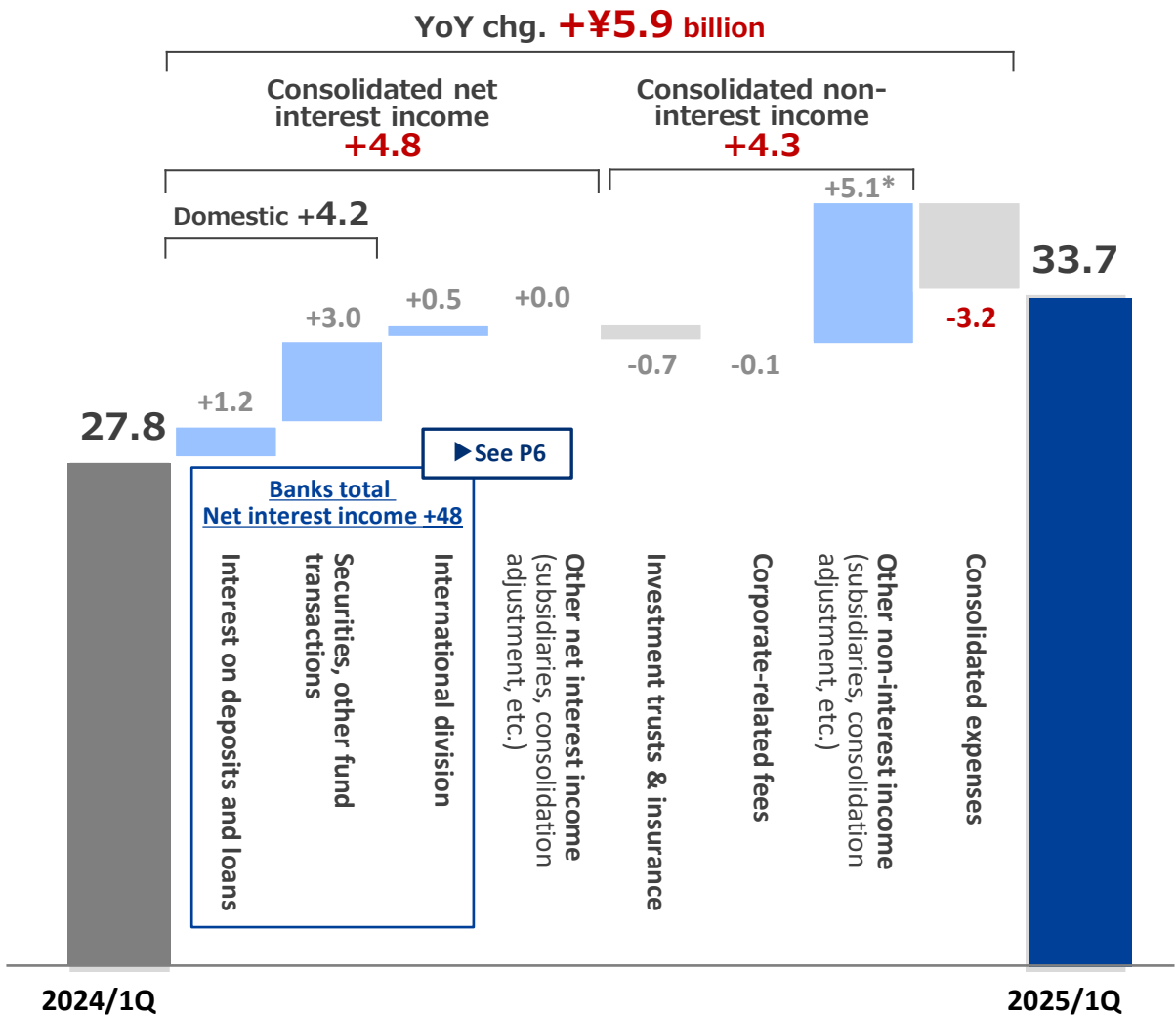
Profit & Loss

Core business profit (FFG consolidated) (Unit: ¥ bil.)

[Non-interest income] Excluding gains (losses) on bonds, [Overhead expenses] Excluding non-recurring expenses



Breakdown of year-on-year changes (FFG consolidated) (Unit: ¥ bil.)



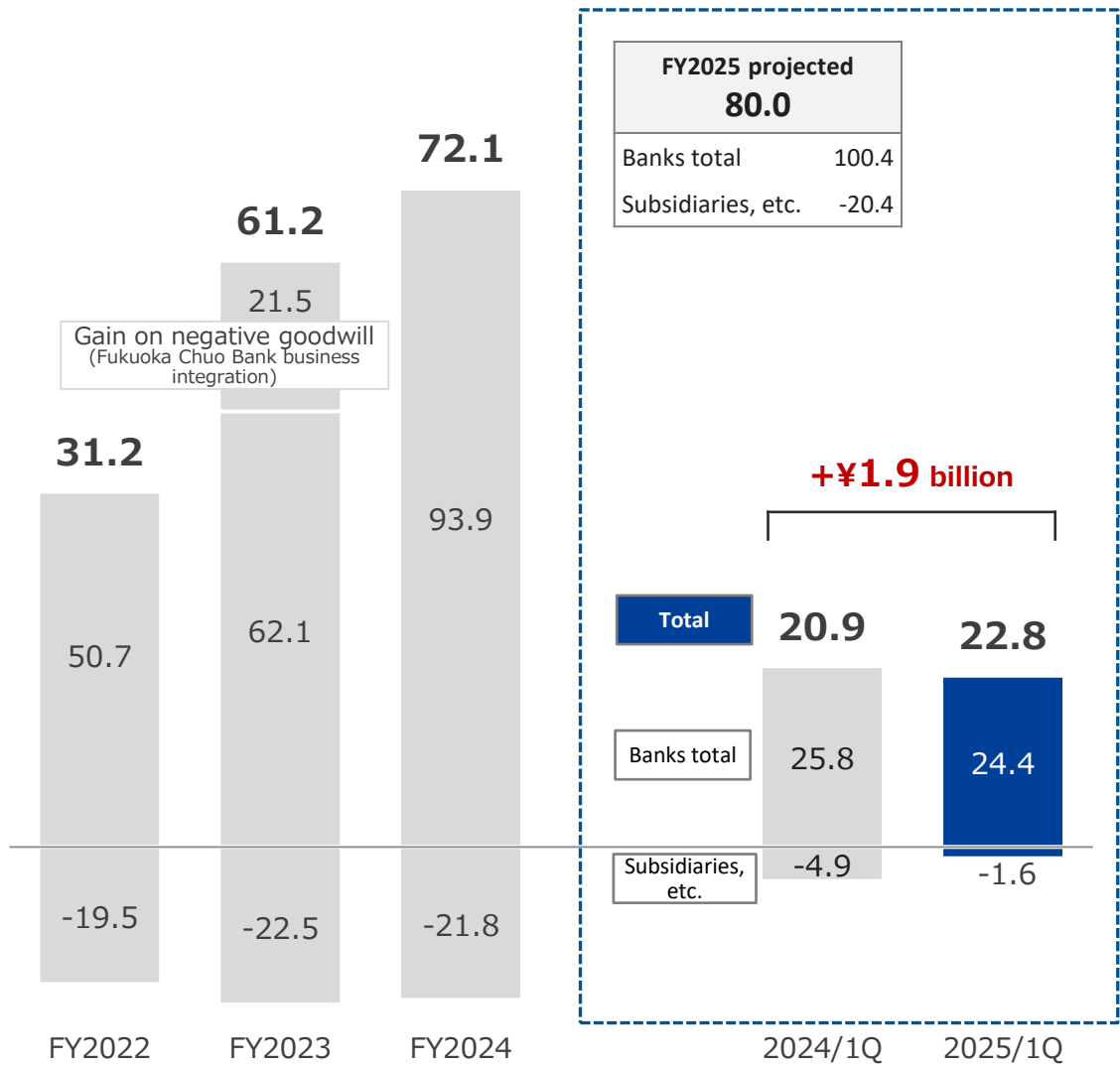
* Including revenue from external system sales related to Minna Bank

Bottom Line (Consolidated Net Income)

Profit & Loss

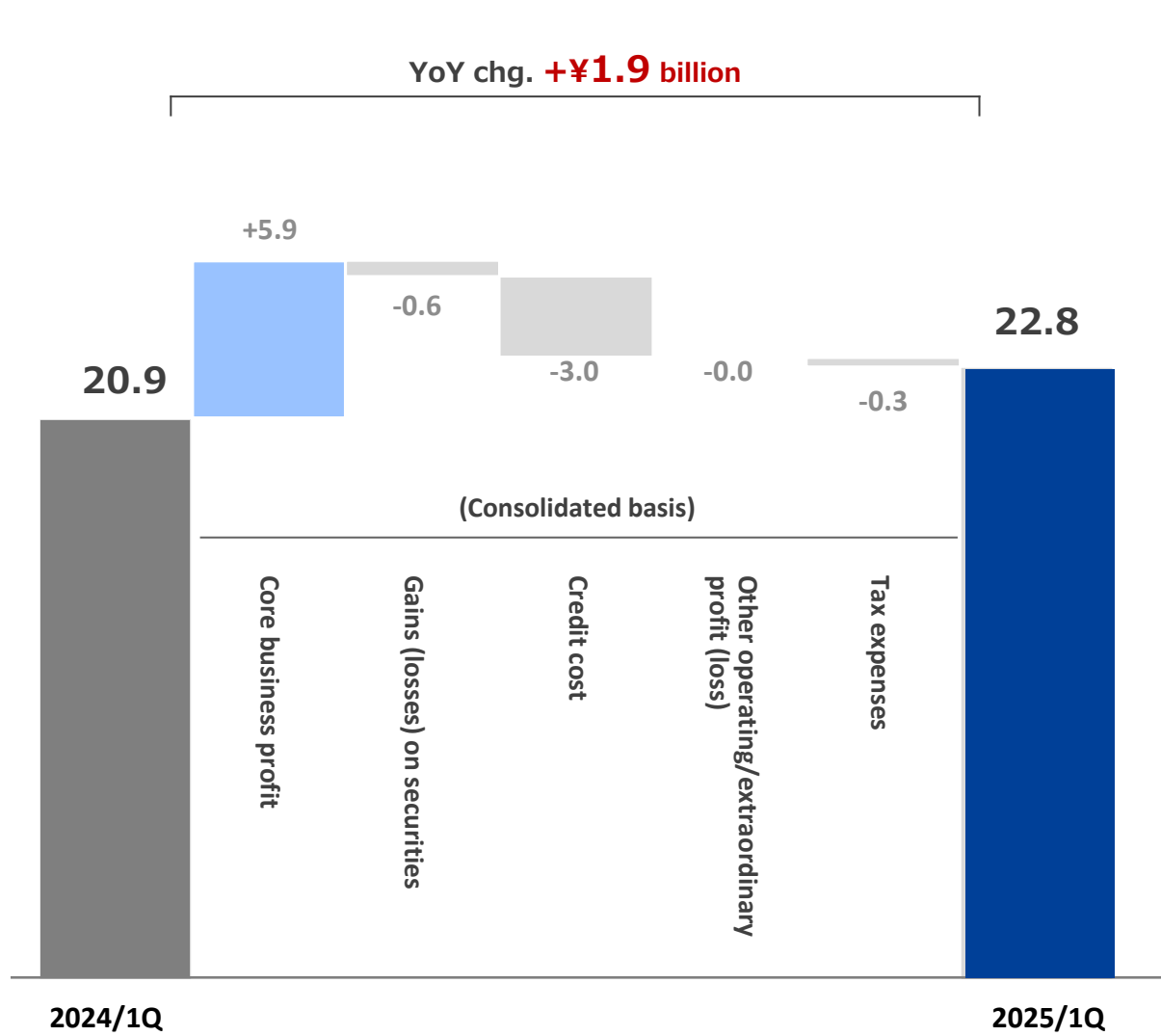
Consolidated net income

(Unit: ¥ bil.)



Breakdown of year-on-year changes

(Unit: ¥ bil.)

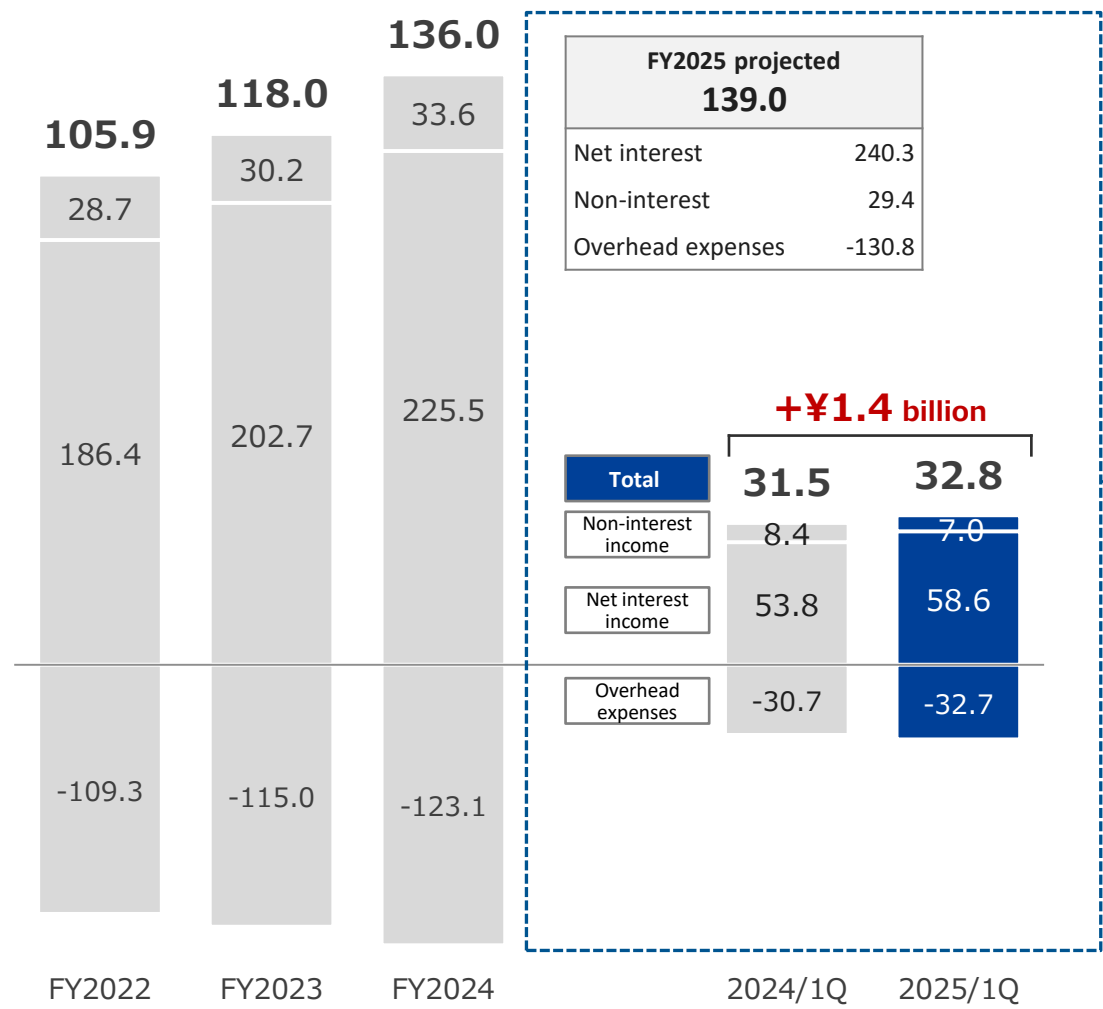


Core Business Profit (banks total)

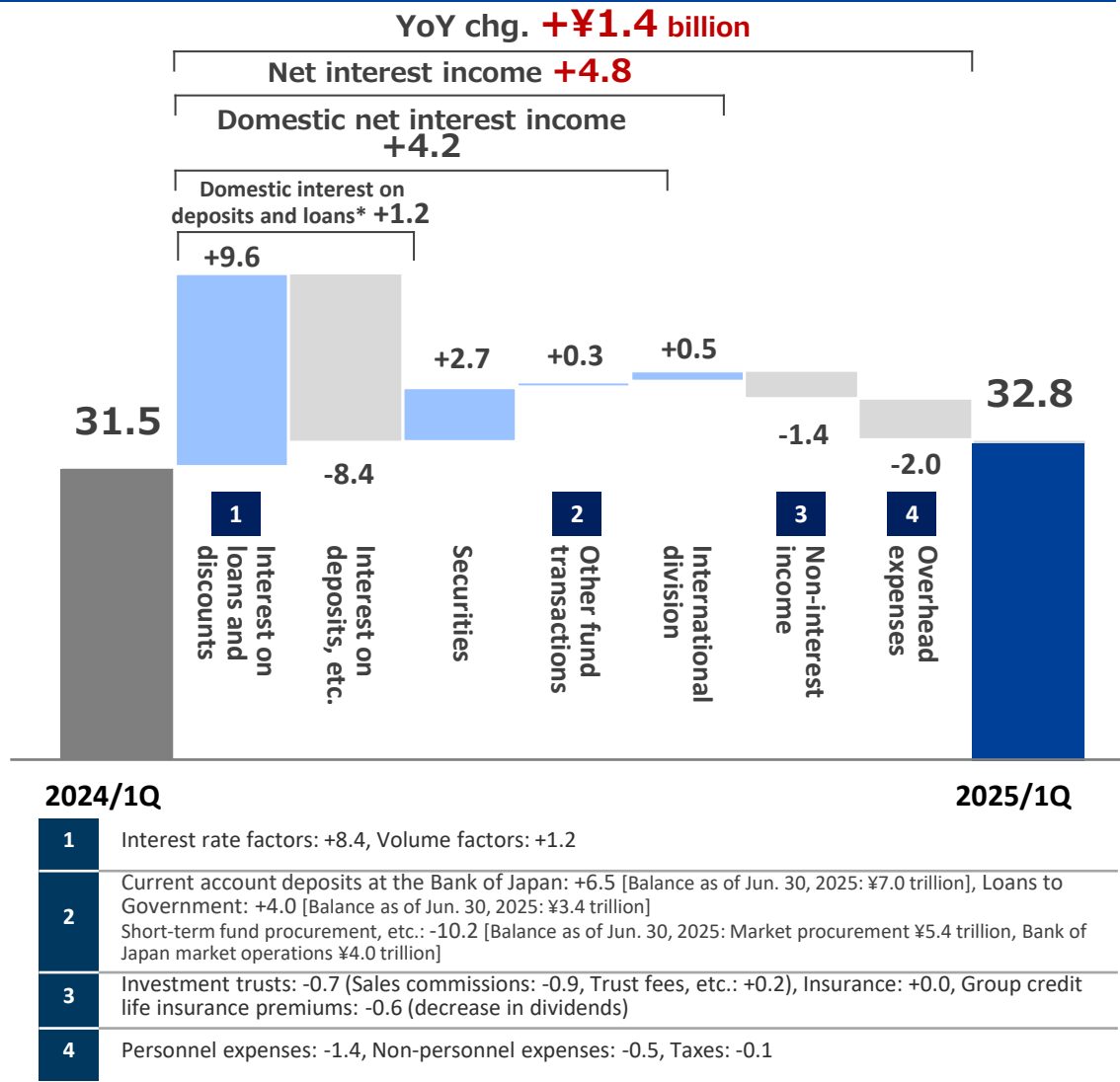
Profit & Loss

Core business profit (banks total) (Unit: ¥ bil.)

[Non-interest income] Excluding gains (losses) on bonds, [Overhead expenses] Excluding non-recurring expenses



Breakdown of year-on-year changes (banks total) (Unit: ¥ bil.)



* Excluding interest on loans to Government, etc.

Net Interest Income (banks total)

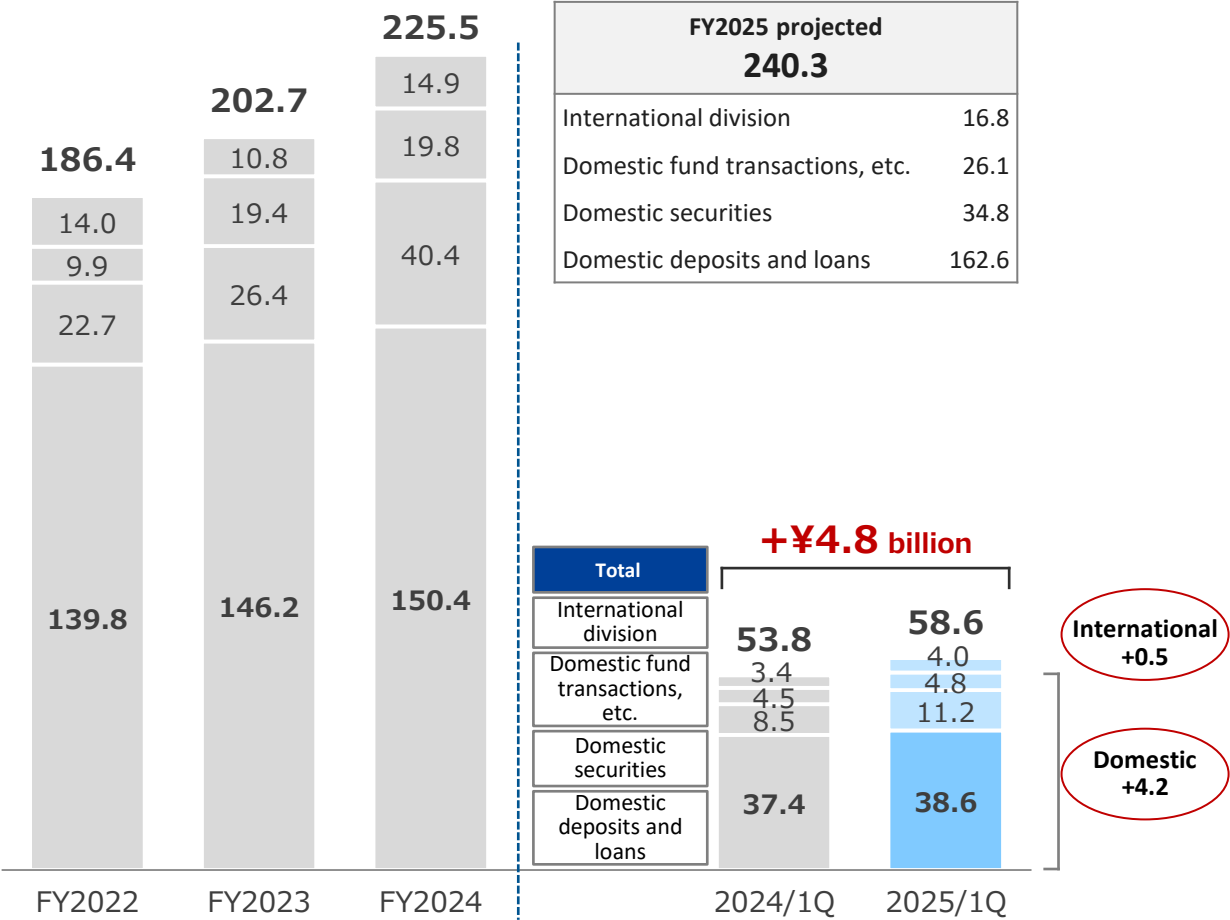
Profit & Loss

- Net interest income increased by ¥4.8 billion year-on-year. Domestically, the increase was ¥4.2 billion, mainly due to the increase in interest and dividends on securities and interest on deposits and loans reflecting higher interest rates. Internationally, the increase was ¥0.5 billion, driven mainly by a decrease in funding costs.

Net interest income (banks total)

(Unit: ¥ bil.)

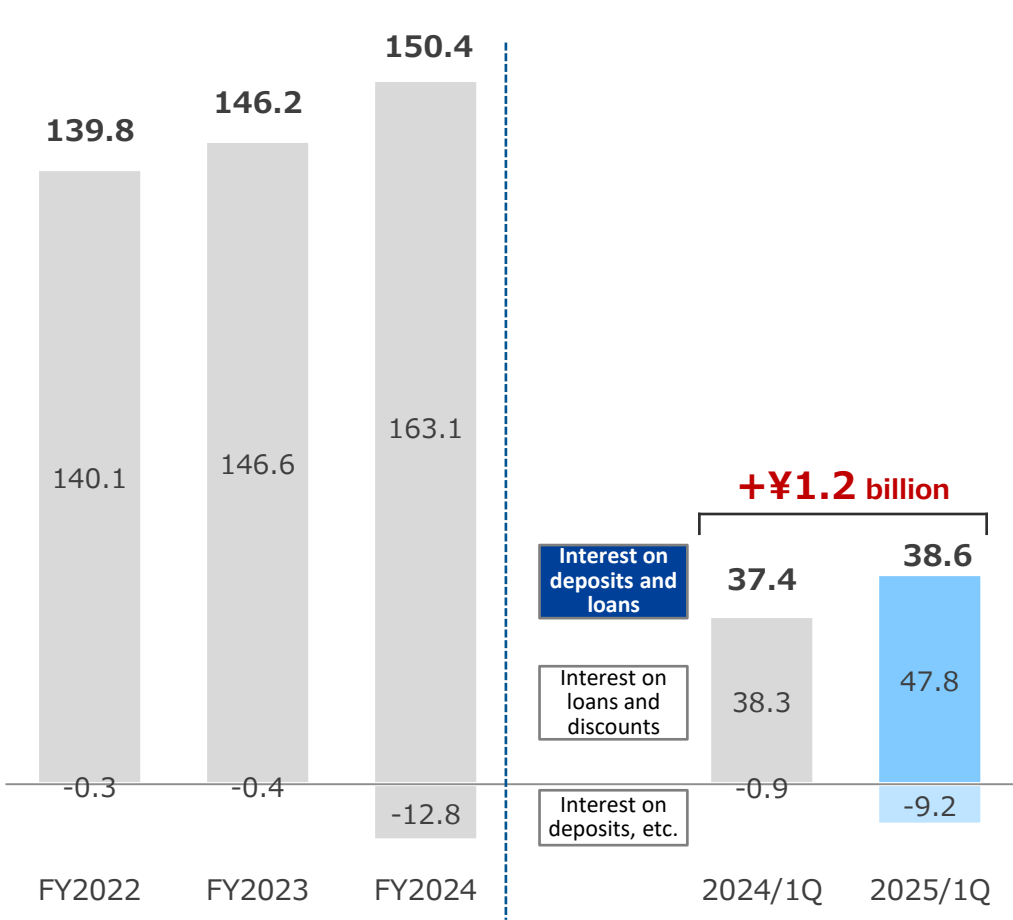
Domestic deposits and loans: Excluding loans to Government, etc.



Domestic interest on deposits and loans (banks total)

(Unit: ¥ bil.)

Interest on loans and discounts: Excluding loans to Government, etc.



Interest Rates on Domestic Loans

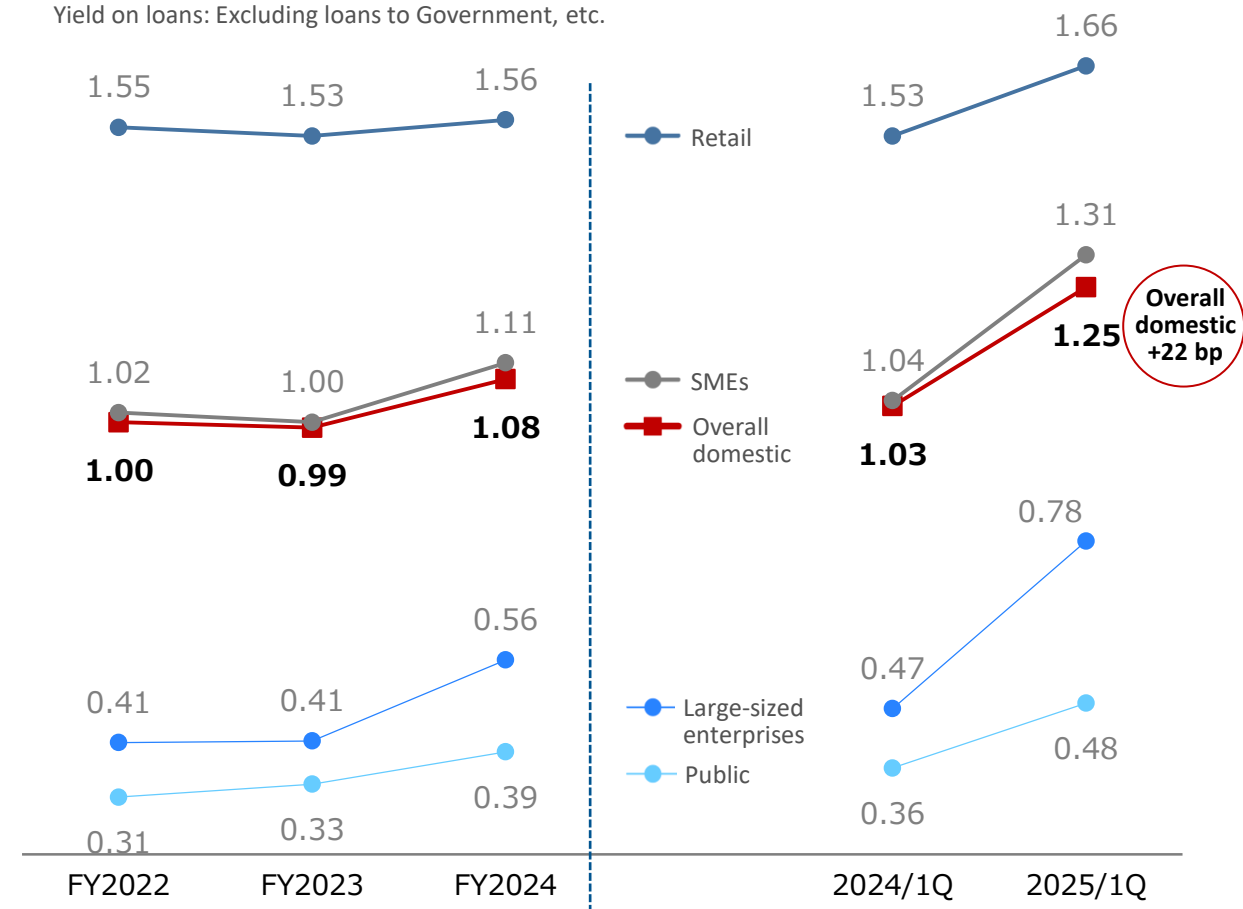
Profit & Loss

● Yield on loans increased across all segments. Overall domestic yield is 1.25%, an increase of 22 bp year-on-year. This absorbed the increase in yield on deposits, etc. (+16 bp year-on-year), with the deposit loan gross margin at 1.08%, an increase of 6 bp year-on-year.

Interest rates on domestic loans (banks total)

(Unit: %)

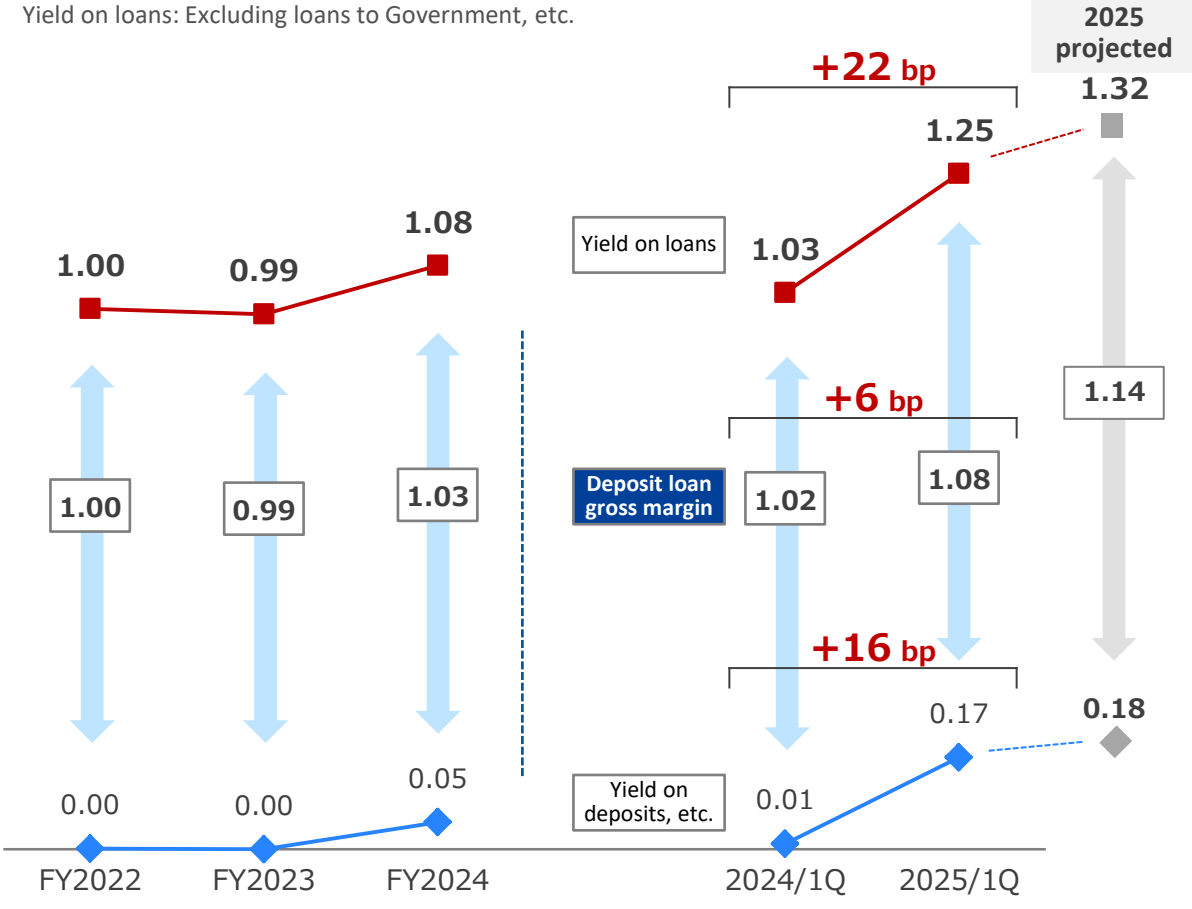
Yield on loans: Excluding loans to Government, etc.



Domestic deposit loan gross margin (banks total)

(Unit: %)

Yield on loans: Excluding loans to Government, etc.



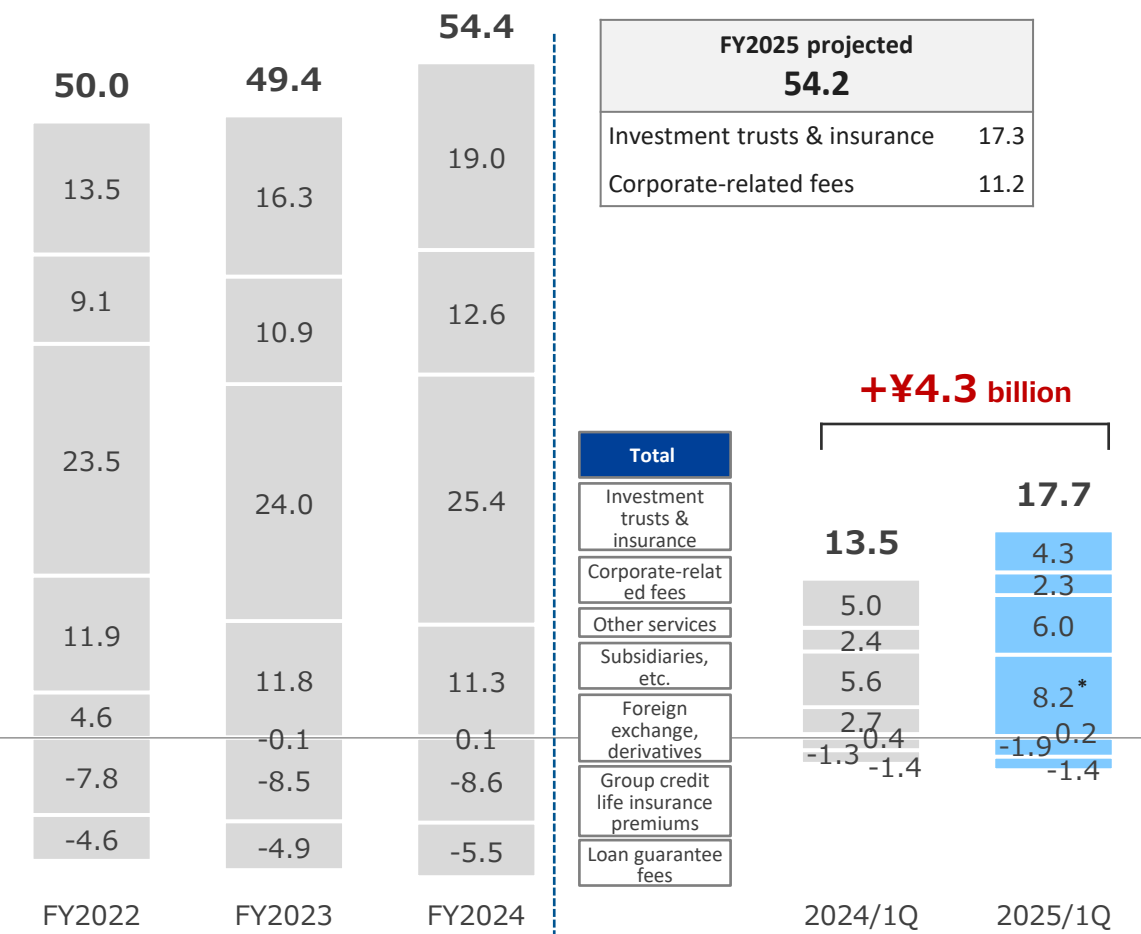
Consolidated Non-interest Income (excluding gains (losses) on bonds)

Profit & Loss

- Consolidated non-interest income increased by ¥4.3 billion year-on-year, driven primarily by the recording of revenue from external system sales (related to Minna Bank). Regarding investment trusts, while there was a decline in sales commissions from the strong performance of the previous fiscal year (already factored into the projected figure), trust fees increased due to the buildup of balances.

Non-interest income (FFG consolidated)

(Unit: ¥ bil.)



Breakdown of investment trust commissions and insurance fees (banks total)

(Unit: ¥ bil.)

	FY2022	FY2023	FY2024	2024/1Q	2025/1Q	YoY chg.
Total	13.5	16.3	19.0	5.0	4.3	
Sales commissions on investment trusts	4.0	5.7	6.9	2.0	1.1	-0.9
Investment trust fees	4.0	5.1	6.8	1.6	1.7	+0.2
Insurance fees	5.4	5.4	5.4	1.4	1.4	

Breakdown of corporate-related fees (banks total)

(Unit: ¥ bil.)

	FY2022	FY2023	FY2024	2024/1Q	2025/1Q
Total	9.1	10.9	12.6	2.4	2.3
Syndicated loans, structured finance	5.1	6.3	6.9	1.1	1.1
Consulting, business matching	0.4	0.5	1.0	0.2	0.1
M&A	0.4	0.6	1.0	0.2	0.0
Other (Corporate settlement fees, etc.)	3.2	3.5	3.8	1.0	1.1
FFG Succession Co., Ltd.* (M&A advisory services)	0.3	0.3	0.5	0.0	0.2

* Recorded revenue from external system sales related to Minna Bank

* Wholly owned subsidiary of FFG, established on April 1, 2022 (figures in table represent M&A fees)

Consolidated Expenses

Profit & Loss

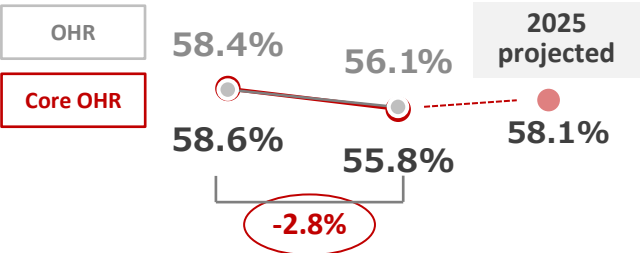
- Consolidated expenses increased by ¥3.2 billion, driven primarily by personnel expenses (such as an increase in base pay) and system-related costs (such as DX-related growth investments and large-scale systems).
- Consolidated core OHR improved by 2.8% year-on-year to 55.8% due to an increase in core gross business profit.

Overhead expenses (FFG consolidated)

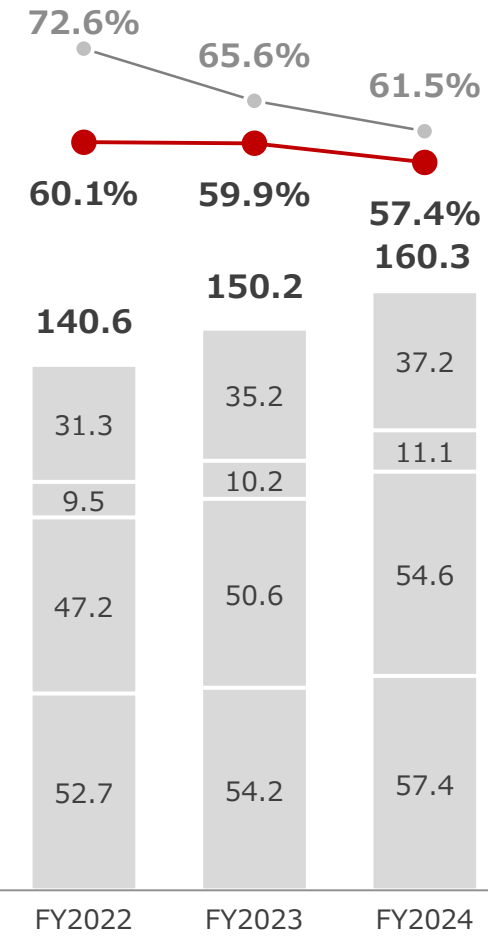
(Unit: ¥ bil., %)

[Excluding non-recurring expenses]

OHR (%) = Overhead expenses (excluding non-recurring expenses) ÷ Gross business profit
Core OHR (%) = Overhead expenses (excluding non-recurring expenses) ÷ Core gross business profit



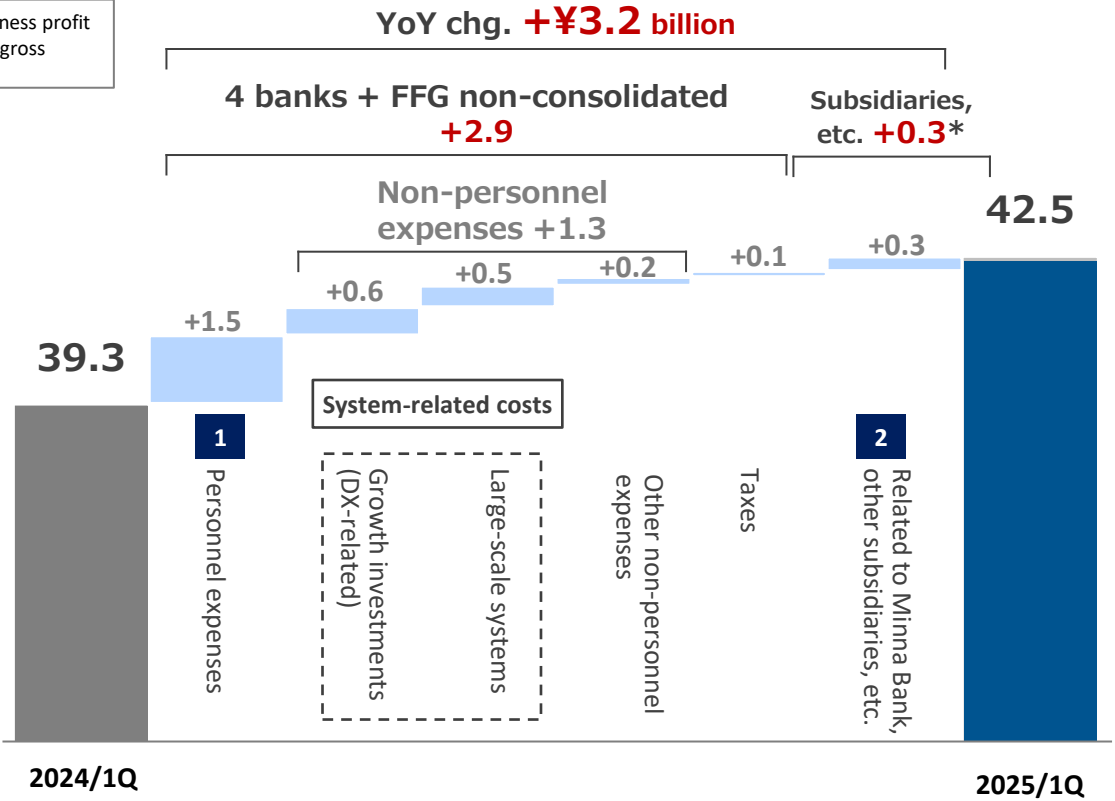
FY2025 projected	
172.4	
Banks total	130.8
Subsidiaries, etc.	41.6



Total		+¥3.2 billion	
Subsidiaries, etc.	39.3	42.5	Banks total
Taxes	8.6	9.8	
Non-personnel expenses	13.7	14.2	
Personnel expenses	14.3	15.7	

Breakdown of year-on-year changes

(Unit: ¥ bil.)



- 1 Impact of increase in base pay: +0.9, Defined benefit costs: +0.4, etc.
- 2 Related to Minna Bank: +0.2 (increases in personnel/system development costs), etc.

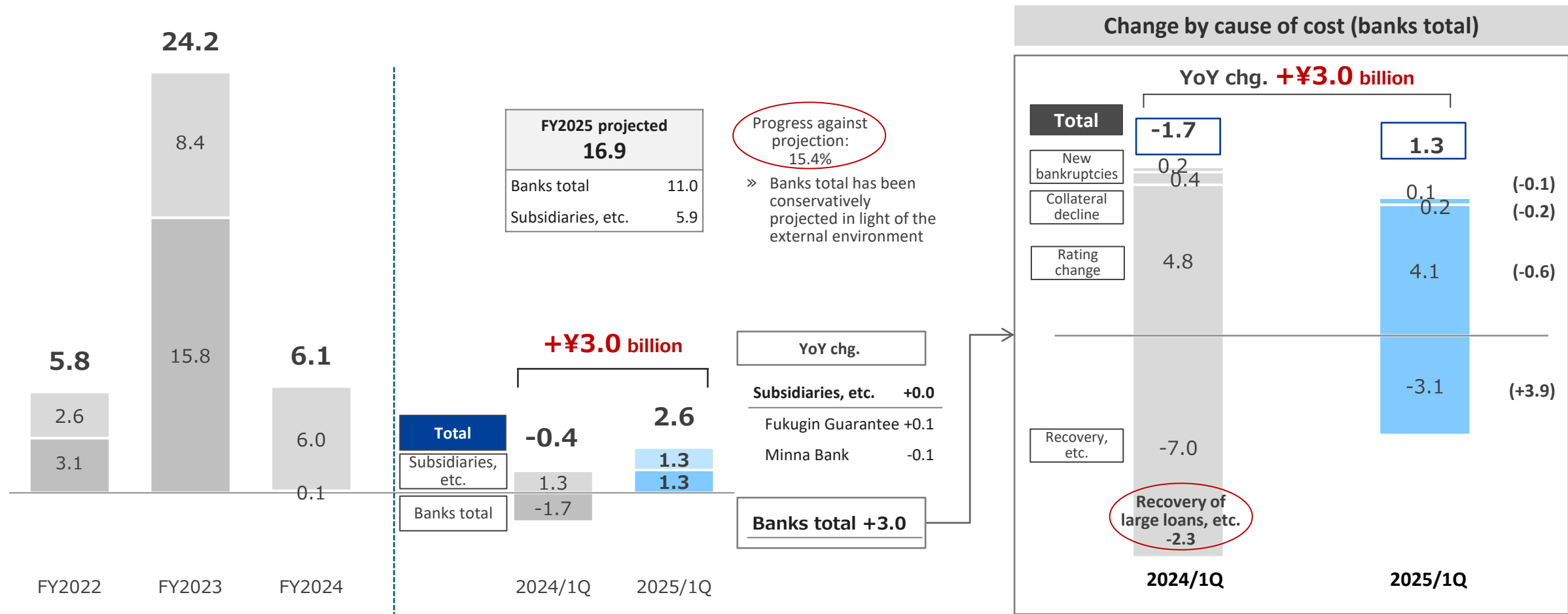
* Excluding FFG non-consolidated

Consolidated Credit Cost

Profit & Loss

- Consolidated credit cost increased by ¥3.0 billion year-on-year. This was a counteraction to having recorded a reversal of allowance for loan losses in the previous year following the recovery of large loans, etc. on a banks total basis.
- With no significant changes in new bankruptcies or rating changes from the previous year, credit cost as a percentage of the annual projection is low at 15.4%.

Credit cost (-) (FFG consolidated) (Unit: ¥ bil.)



Loans

Assets and Liabilities,
etc.

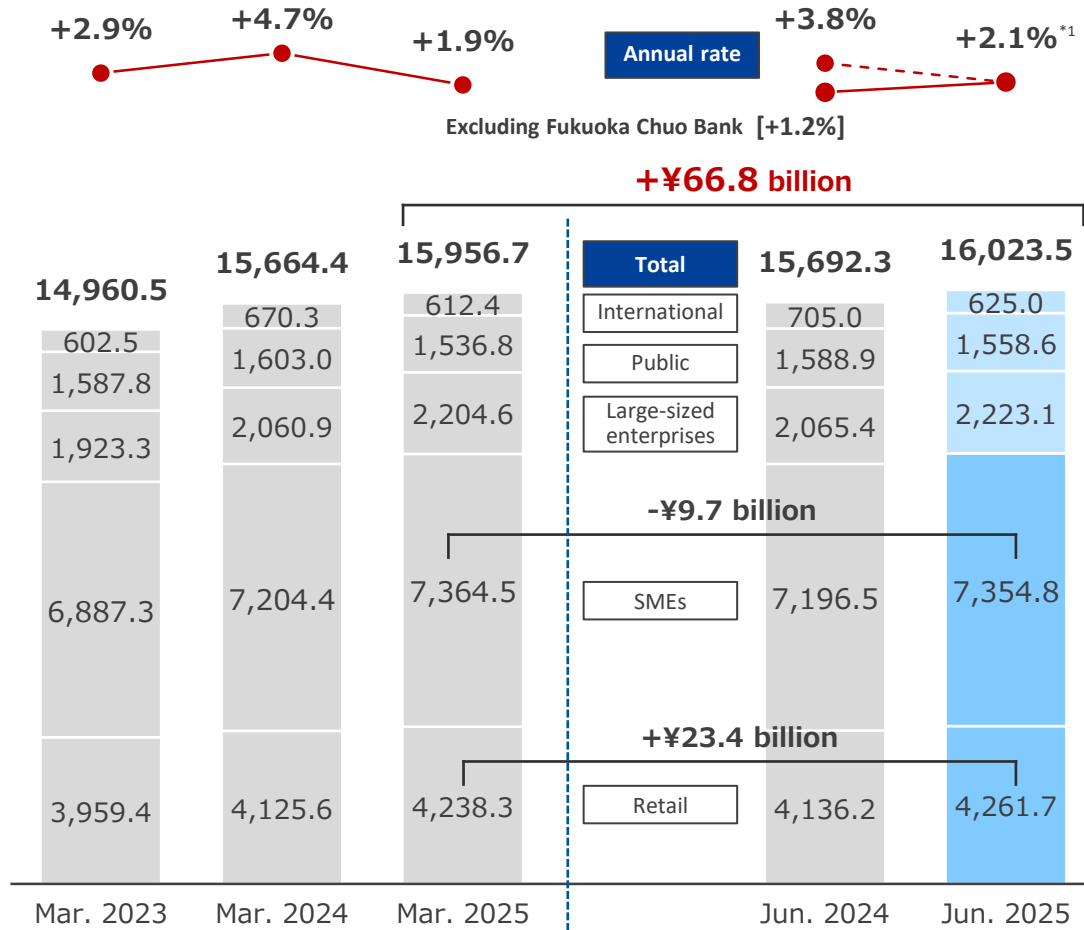
- On a banks total basis, the balance at end of period was ¥16,023.5 billion, and the average balance was ¥15,924.9 billion.
- Balance at end of period increased by ¥66.8 billion from March 2025 (annual rate +2.1%), and average balance increased by ¥339.9 billion year-on-year (annual rate +2.2%).

FY2025 projected	
Average balance	15,911.9
Annual rate	+1.0%

Balance at end of period (banks total)

(Unit: ¥ bil.)

Excluding loans to Government (public) and Bank of Fukuoka loans to FFG (large-sized enterprises)

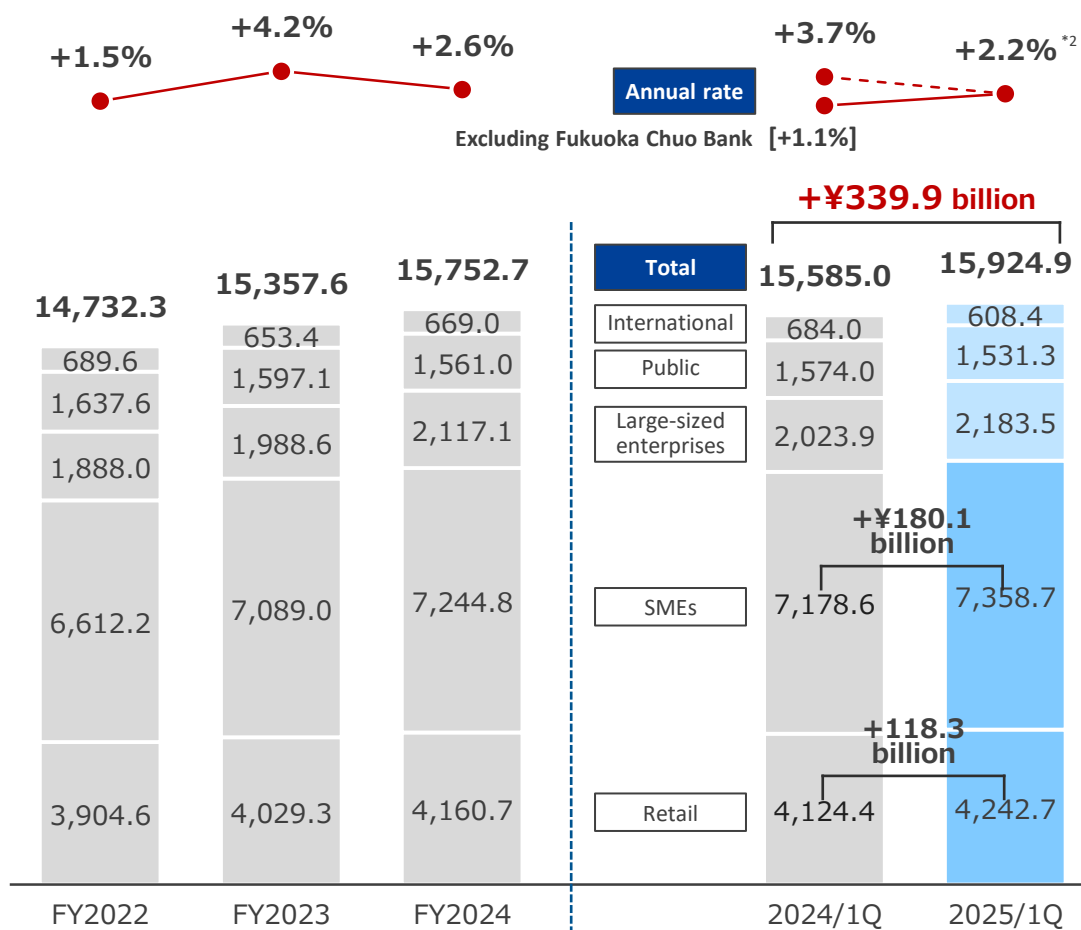


*1 Annual rate by segment (Retail +3.0%, SMEs +2.2%, Large-sized enterprises +7.6%, Public -1.9%, International -11.4%)

Average balance (banks total)

(Unit: ¥ bil.)

Excluding loans to Government (public) and Bank of Fukuoka loans to FFG (large-sized enterprises)



*2 Annual rate by segment (Retail +2.9%, SMEs +2.5%, Large-sized enterprises +7.9%, Public -2.7%, International -11.0%)

Deposits, etc. (including CDs)

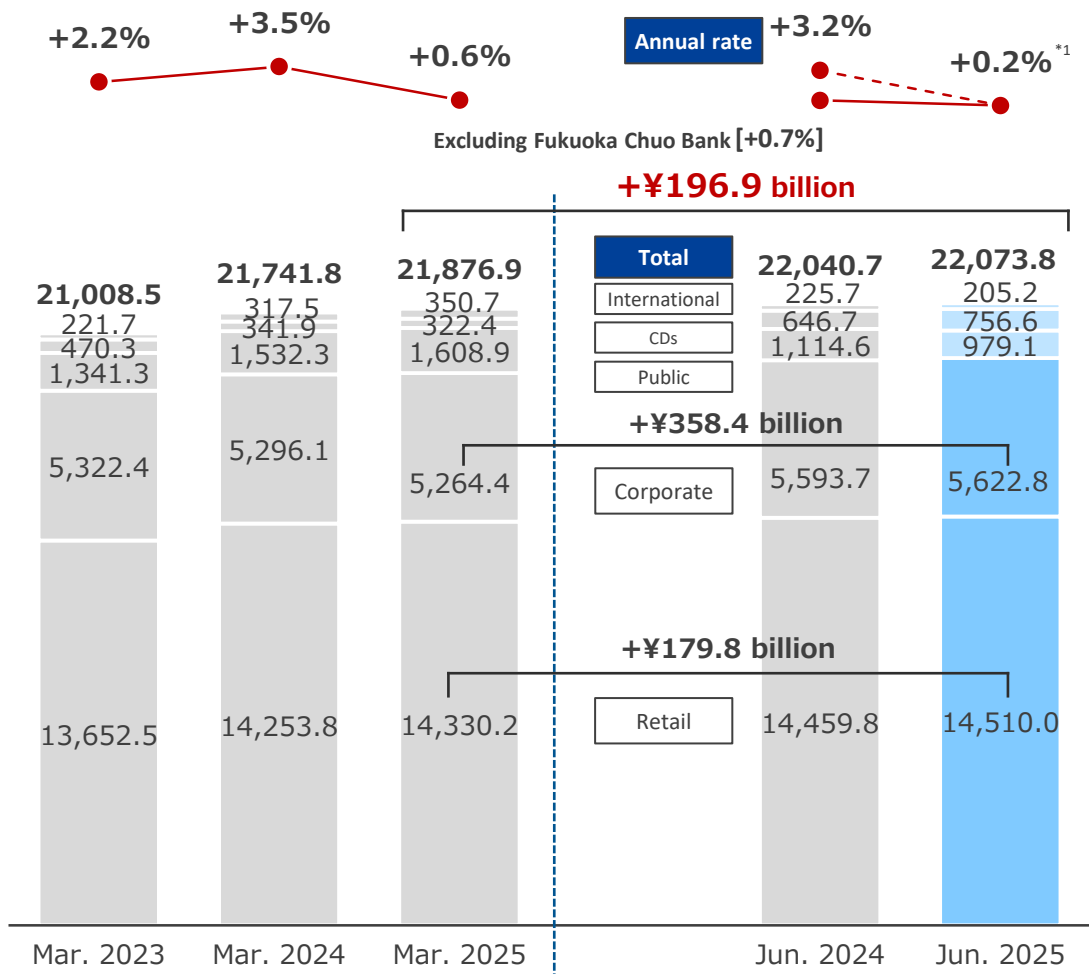
Assets and Liabilities,
etc.

- On a banks total basis, the balance at end of period was ¥22,073.8 billion, and the average balance was ¥21,786.3 billion.
- Balance at end of period increased by ¥196.9 billion from March 2025 (annual rate +0.2%), and average balance increased by ¥69.2 billion year-on-year (annual rate +0.3%).

FY2025 projected	
Average balance	21,865.1
Annual rate	+0.4%

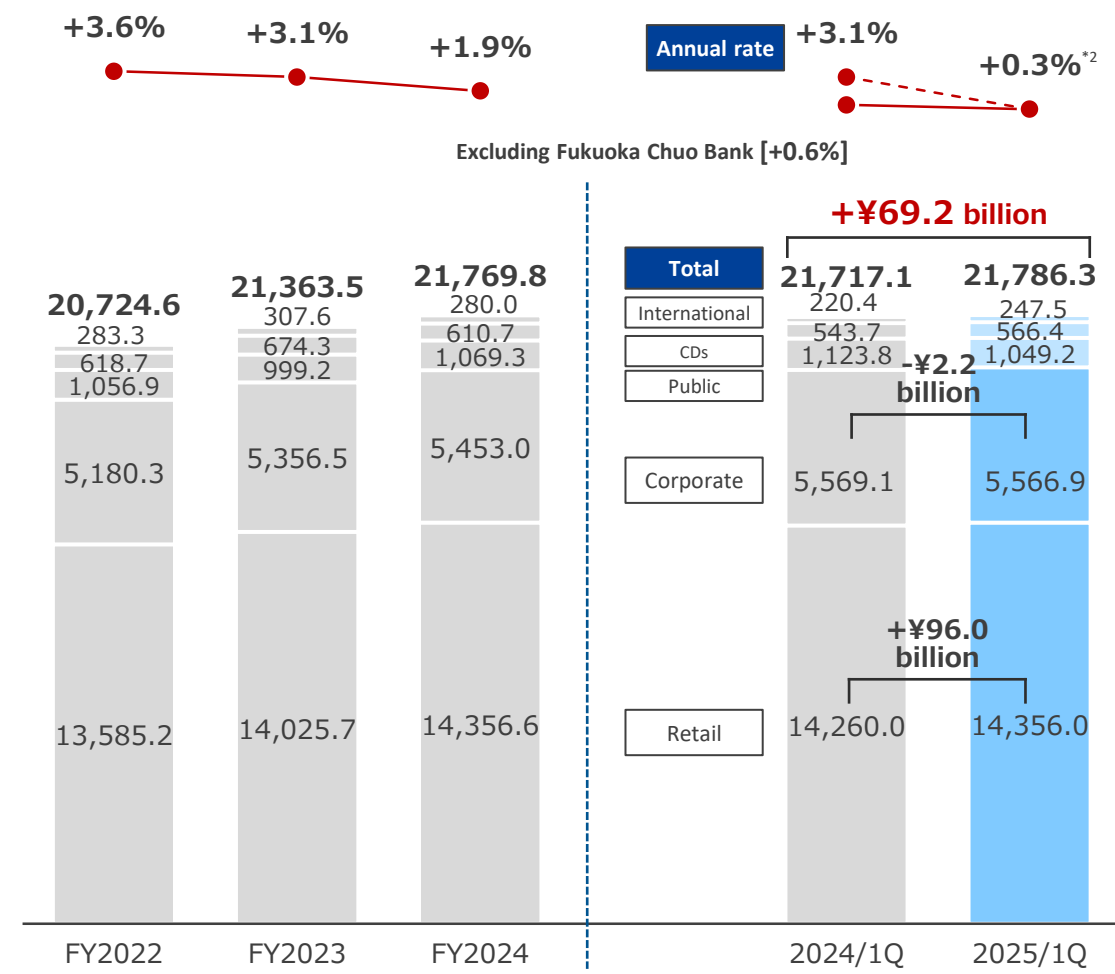
Balance at end of period (banks total)

(Unit: ¥ bil.)



Average balance (banks total)

(Unit: ¥ bil.)



*1 Annual rate by segment (Retail +0.3%, Corporate +0.5%, Public -12.2%, CDs +17.0%, International -9.1%)

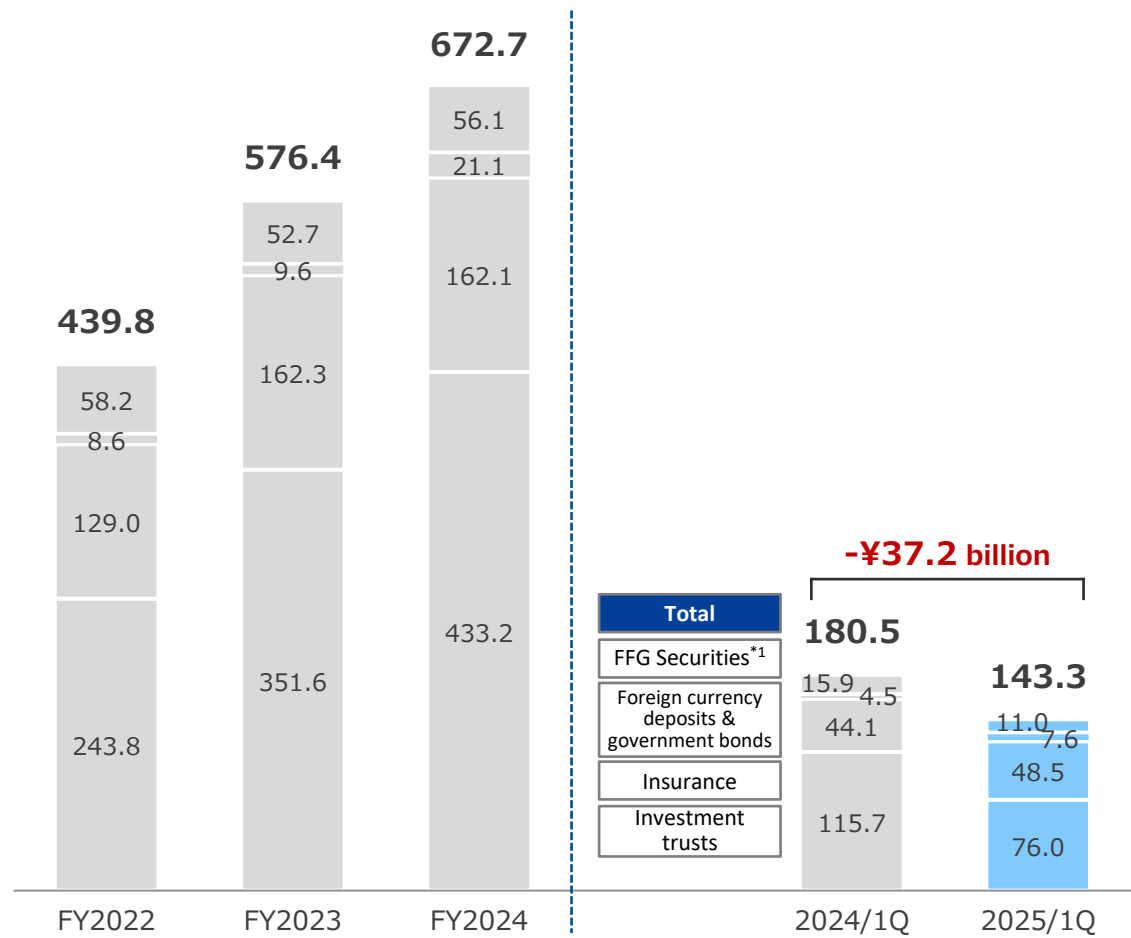
*2 Annual rate by segment (Retail +0.7%, Corporate -0.0%, Public -6.6%, CDs +4.2%, International +12.3%)

Asset Management Products

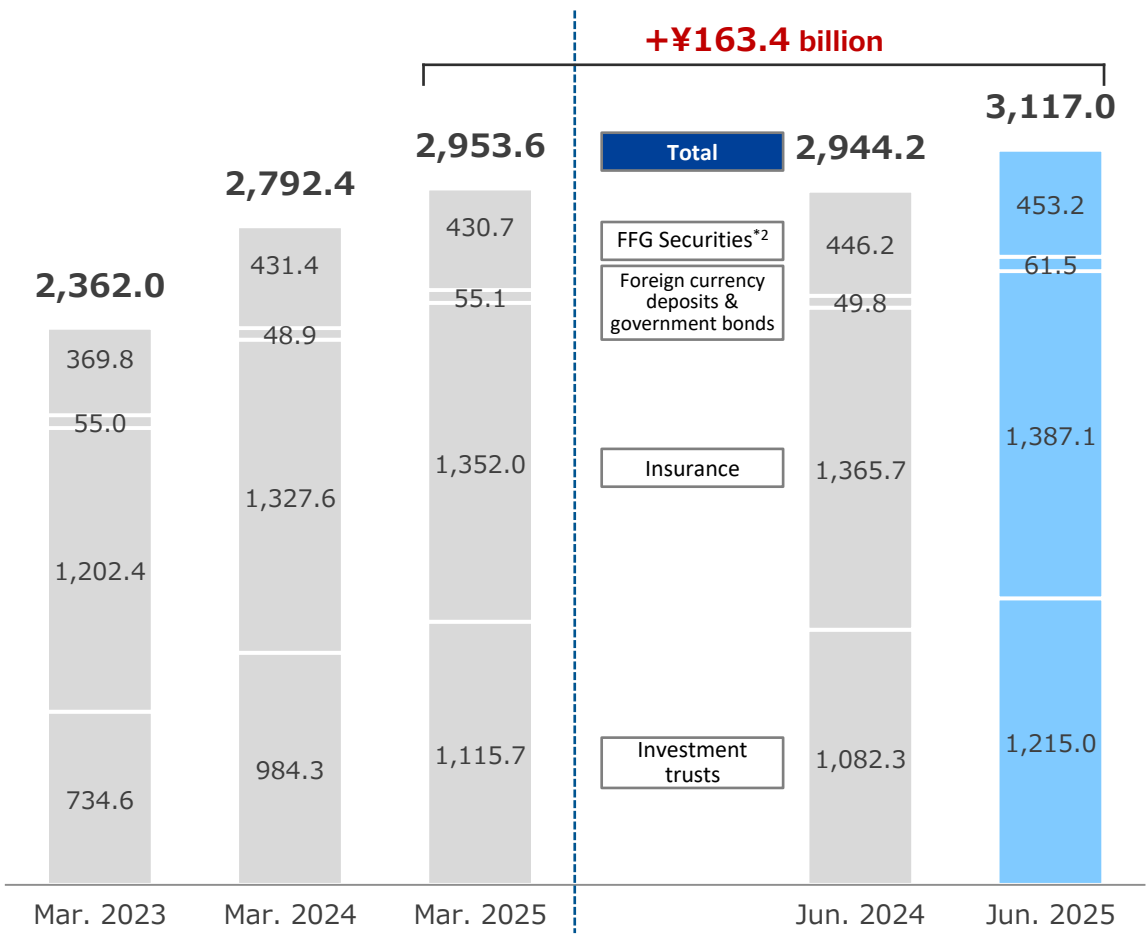
Assets and Liabilities,
etc.

- Although sales of investment trusts decreased from the strong performance of the previous fiscal year, sales of insurance increased, primarily in yen-denominated products.
- The balance of assets under management for individual customers continued to grow steadily, up ¥163.4 billion from March 2025.

Asset management product sales (Group total) (Unit: ¥ bil.)



Balance of assets under management for individual customers (Group total) (Unit: ¥ bil.)



*1 Total sales of investment trusts and bonds

*2 Total balance of investment trusts, stocks and bonds for individual customers

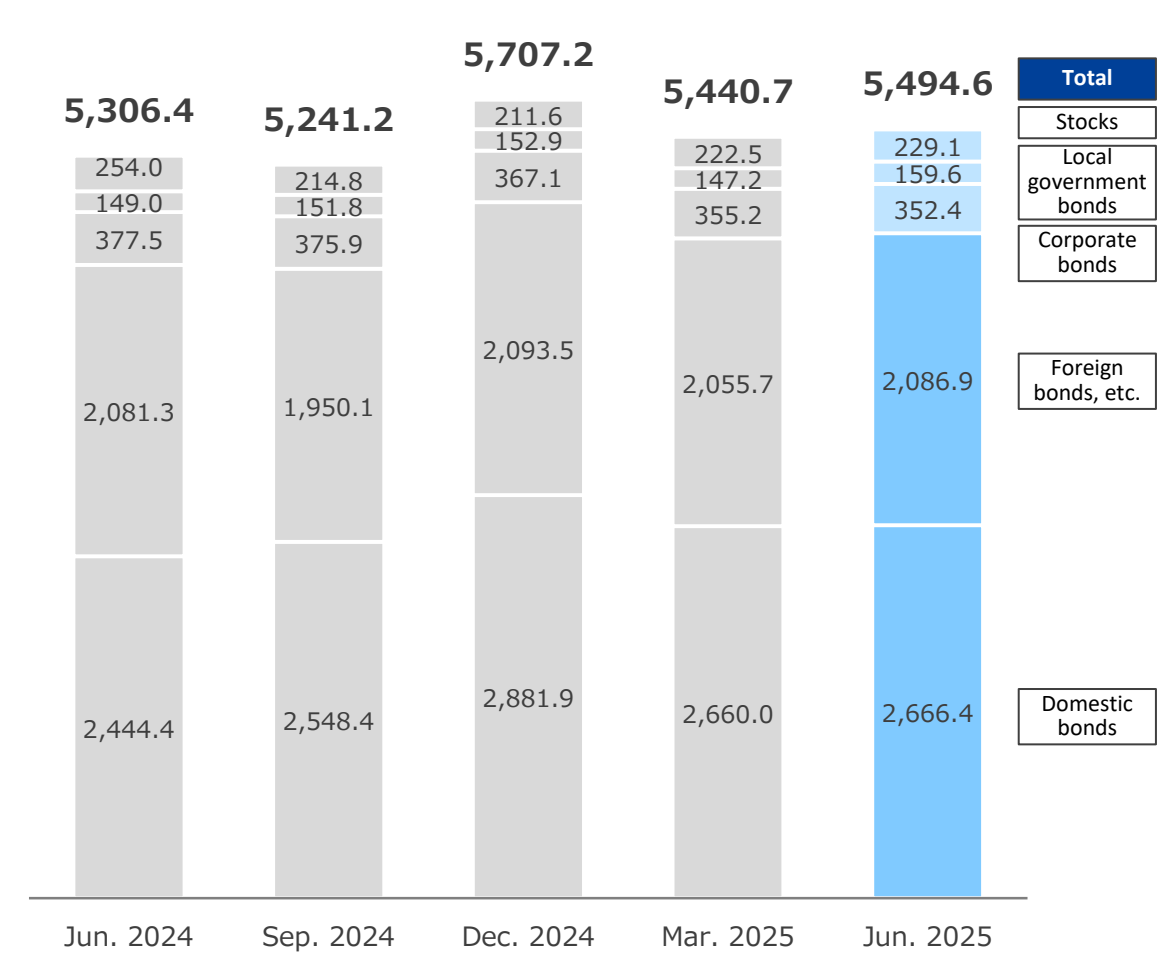
Securities

Assets and Liabilities,
etc.

- Unrealized gains (losses), after considering hedges, improved to roughly flat at -¥0.3 billion, due to factors such as rising stock prices.
- For domestic bonds, FFG is proceeding with investments cautiously while keeping a close eye on interest rate trends, with the duration remaining about 2 years.

Balance at end of period (FFG consolidated)

(Unit: ¥ bil.)



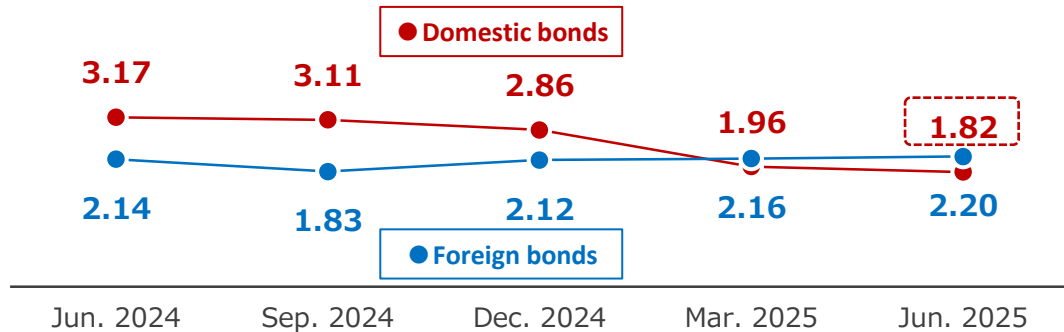
Unrealized gains (losses) (FFG consolidated)

(Unit: ¥ bil.)

	Jun. 2024	Sep. 2024	Dec. 2024	Mar. 2025	Jun. 2025
Total (before hedges)	-42.4	+15.8	-64.1	-117.7	-91.8
Domestic bonds	-171.9	-124.8	-165.4	-223.0	-218.3
Foreign bonds	-44.4	-8.9	-44.0	-27.8	-29.8
Total (after hedges)	+46.1	+52.3	+22.4	-19.3	-0.3
Domestic bonds	-114.6	-95.6	-111.7	-147.6	-149.2
Foreign bonds	-13.1	-1.7	-11.1	-4.8	-7.4

Bond duration, 10 BPV (banks total)*

(Unit: Years, ¥ bil.)



10 BPV (when interest rates are rising)

Domestic bonds	-9.8	-9.9	-10.1	-6.5	-6.1
Foreign bonds	-3.3	-2.5	-3.2	-3.1	-3.2

* After considering hedges; including marketable securities held to maturity

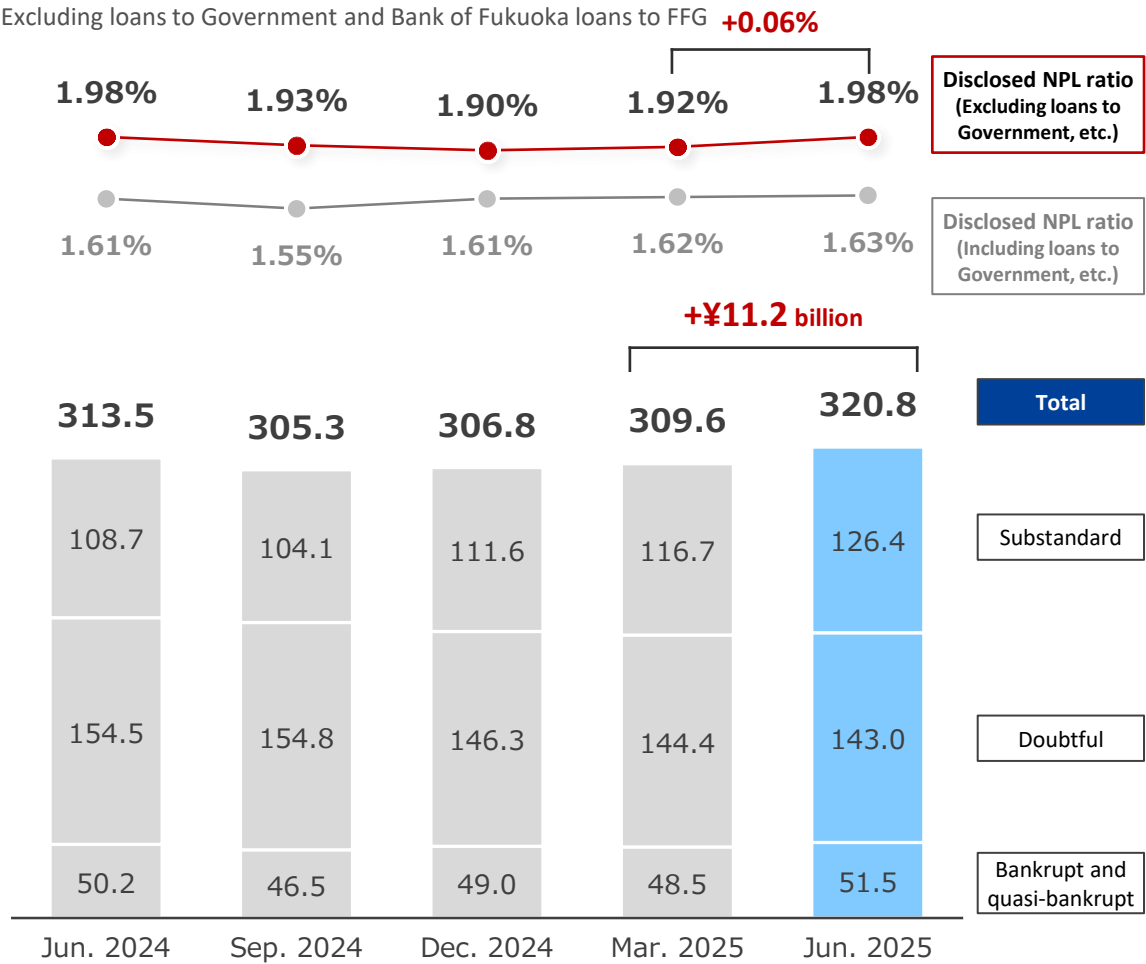
NPLs Disclosed under the FRL, Reserve for Possible Loan Losses

Assets and Liabilities,
etc.

- The disclosed NPL ratio remains below 2%, indicating that the quality of the loan portfolio is high and stable.
- The level of reserve for possible loan losses as a percentage of all loans (reserve ratio) has remained high at around 1.2%.

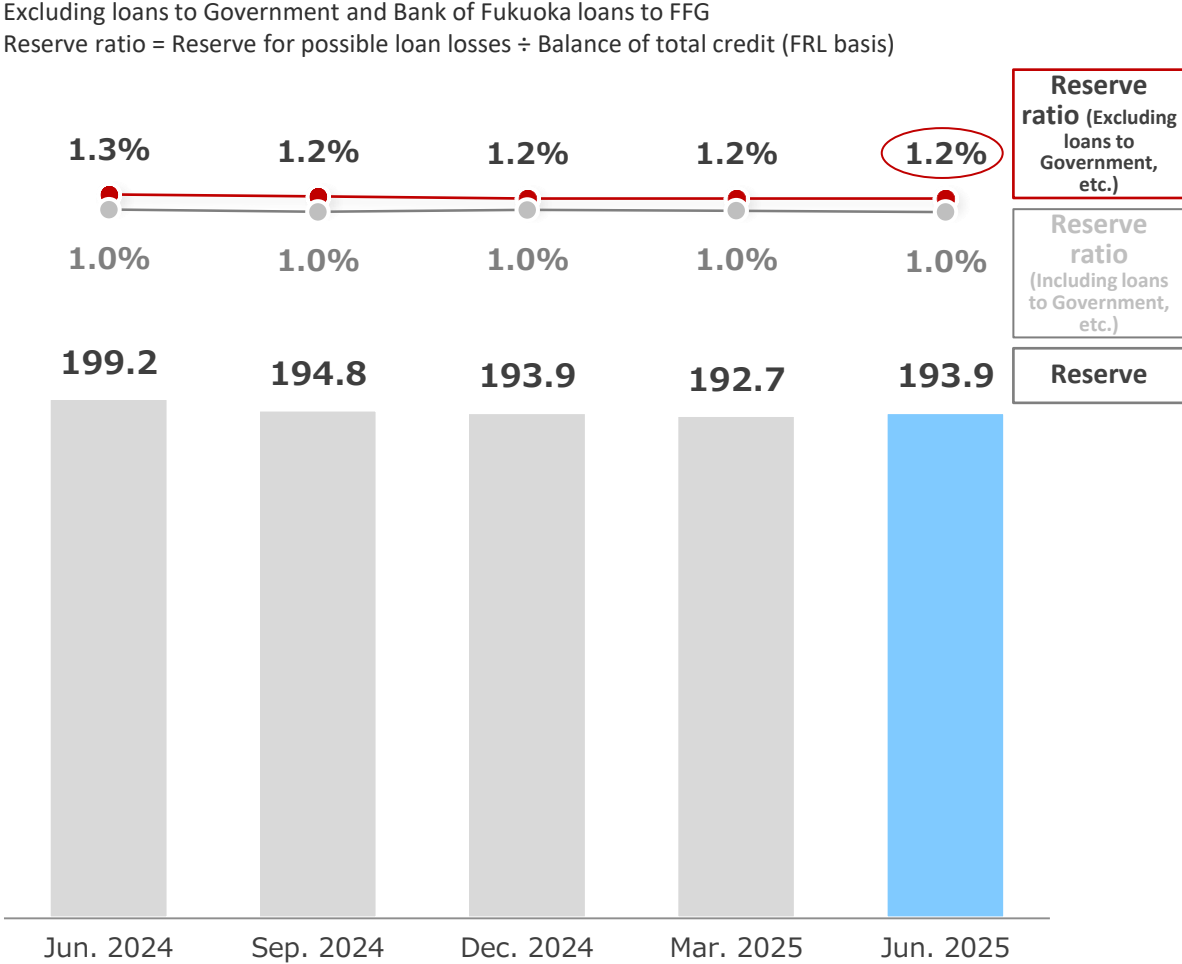
Balance and ratio of disclosed NPLs under the FRL (FFG consolidated)

(Unit: ¥ bil.)



Reserve and reserve ratio (FFG consolidated)

(Unit: ¥ bil.)



Minna Bank

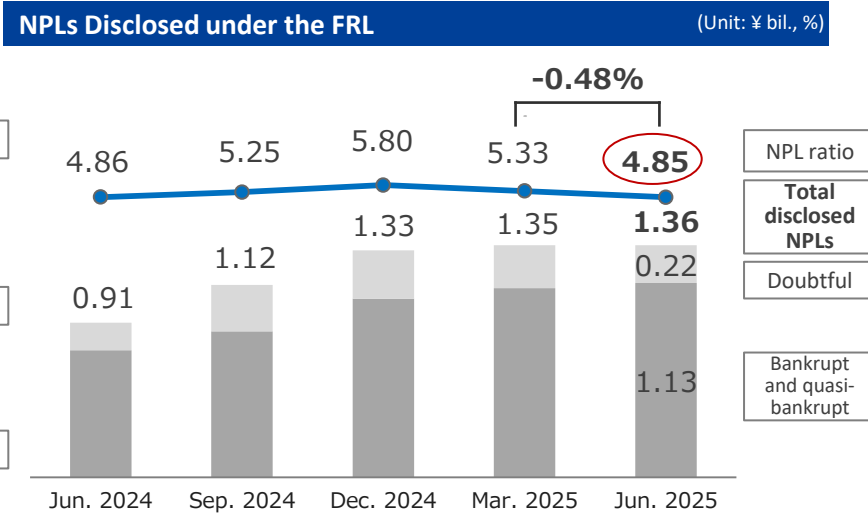
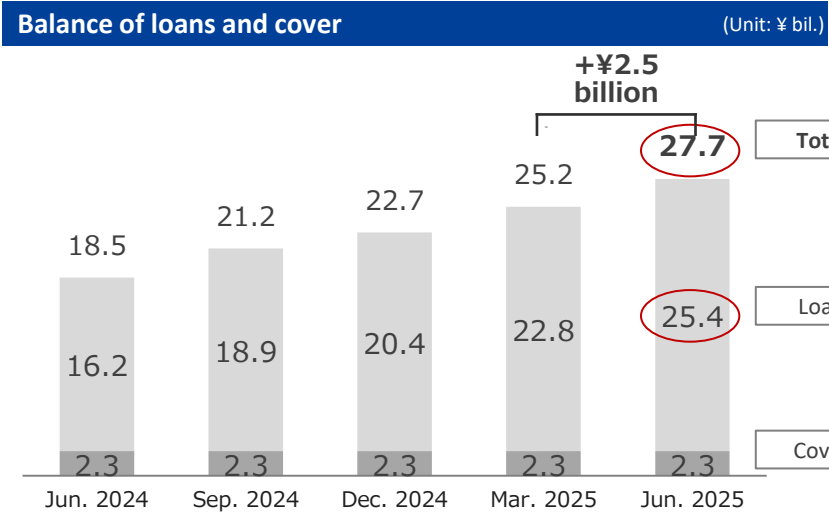
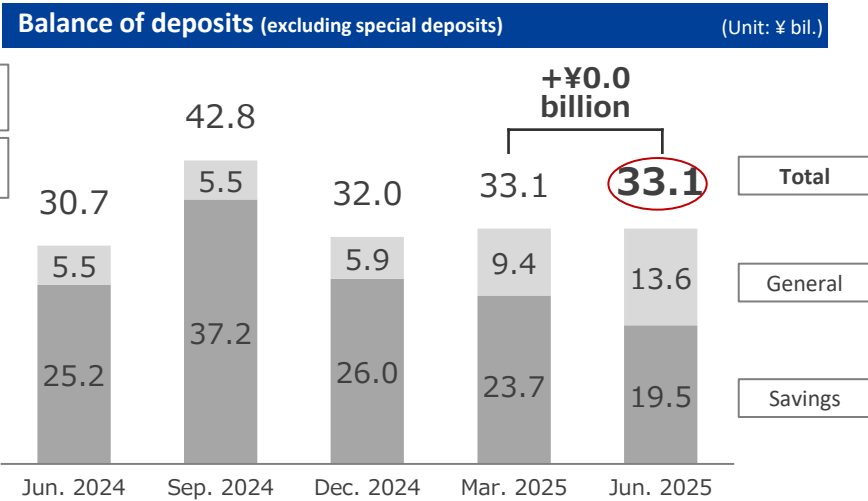
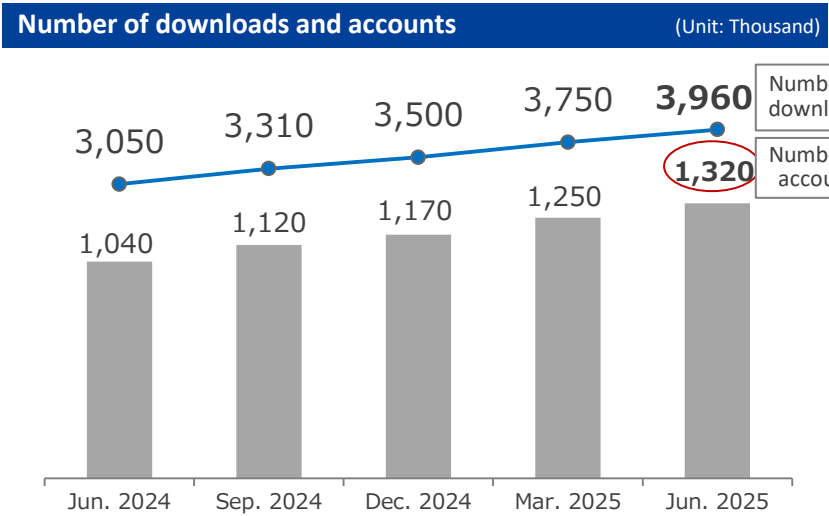
Minna Bank

- Number of accounts continues to increase steadily. Deposits were flat from March 2025 at ¥33.1 billion.
- Loans and cover increased by ¥2.5 billion from March 2025 to ¥27.7 billion. Disclosed NPL ratio decreased by 0.48 points from March 2025 to 4.85%.

Profit & loss summary (related to Minna Bank*)			
(Unit: ¥ bil.)			
2025/1Q results			
	2025/1Q	YoY chg.	2024/1Q
Gross business profit	6.1	+5.7	0.4
Net interest income	0.8	+0.3	0.4
Interest on loans and discounts	0.8	+0.3	0.5
Non-interest income (excl. gains (losses) on bonds)	* 5.3	+5.4	-0.0
Overhead expenses (-)	2.8	+0.2	2.6
Core business profit	3.3	+5.5	-2.2
Ordinary profit	2.9	+5.6	-2.6
Net income	2.0	+4.0	-1.9
Credit cost (-)	0.3	-0.1	0.4

(Reference)			
FY2025 earnings projections			
	FY2025 projection	YoY chg.	FY2024 results
Net income	* -5.0	+3.8	-8.8
Credit cost (-)	1.7	+0.2	1.5

* Including revenue from external system sales	
Target indicators, etc.	FY2025 projected
Number of accounts	2,000,000
Balance of loans	¥38 billion



(*) Total of Minna Bank and Zerobank Design Factory (after eliminating internal transactions between the two).

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