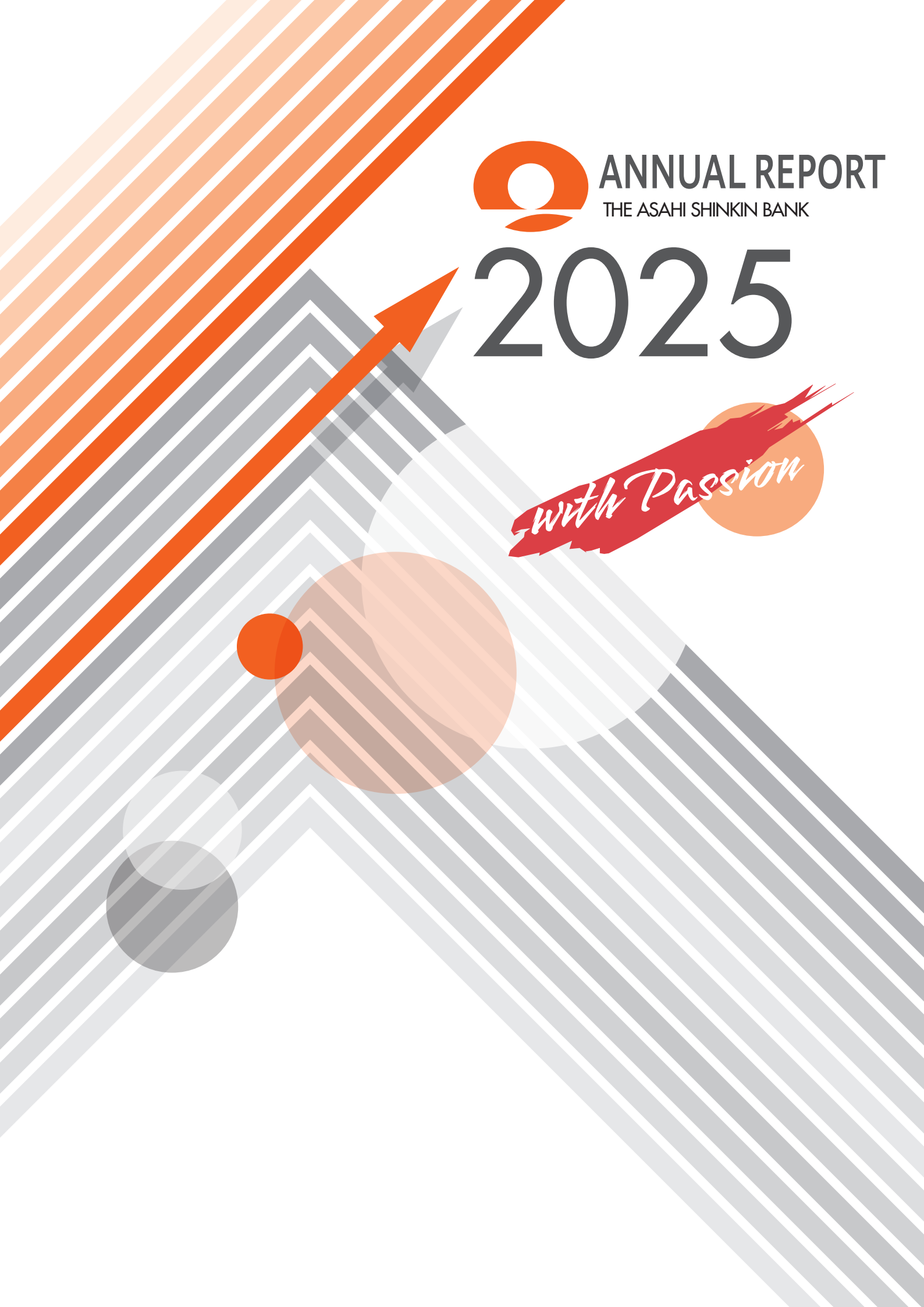




ANNUAL REPORT  
THE ASAHI SHINKIN BANK

2025

*with Passion*

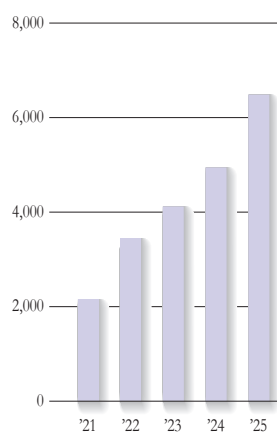


# Five-Year Summary

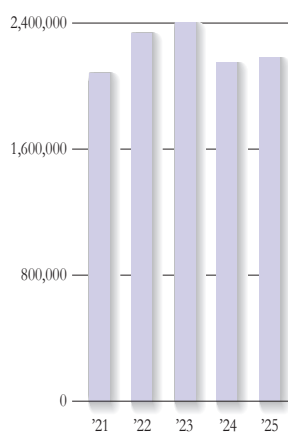
Years ended March 31,	Millions of Yen				
	2025	2024	2023	2022	2021
Total Income .....	¥ 35,963	¥ 35,630	¥ 32,233	¥ 31,647	¥ 30,986
Total ordinary income after total ordinary expenses .....	8,655	7,203	5,856	5,306	3,807
Net Income .....	6,484	4,944	4,118	3,442	2,152
Paid-in Capital .....	18,806	19,102	19,431	19,667	19,989
Total Number of Units of Members' Equity (Units) .....	376	382	388	393	399
Equity .....	106,922	102,283	89,076	90,441	93,951
Total Assets .....	2,306,310	2,401,451	2,530,566	2,506,388	2,221,873
Deposits .....	2,181,660	2,150,624	2,404,355	2,337,002	2,082,848
Loans and Bills Discounted .....	1,470,919	1,482,892	1,457,006	1,441,952	1,459,010
Securities .....	363,009	337,513	283,532	304,547	286,015
Non-consolidated Capital Adequacy Ratio (%) .....	9.82	10.10	10.04	9.50	8.95
Cash Dividends .....	470	477	680	491	499
Number of Employees .....	1,307	1,336	1,373	1,394	1,399

Note: The non-consolidated capital adequacy ratio is calculated based on The guidelines established by the Minister of the Financial Services Agency (2006 FSA Notice No. 21) based on Article 14-2 of the Banking Act of Japan, on which Article 89-1 of the Shinkin Bank Act is based, in order to judge a *shinkin* bank's capital adequacy in light of its risk-weighted assets. The Bank adopts the domestic standard.

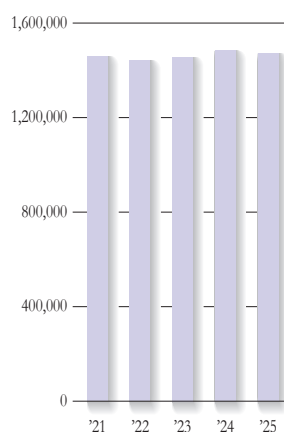
**Net Income**  
(Millions of Yen)



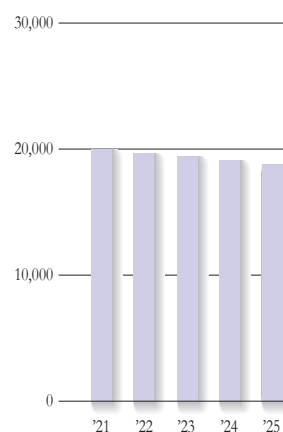
**Deposits**  
(Millions of Yen)



**Loans and Bills Discounted**  
(Millions of Yen)



**Paid-in Capital**  
(Millions of Yen)



Fractions less than a unit are rounded down in this report.

# Message from the Management

During fiscal 2024, the year ended March 31, 2025, the Japanese economy demonstrated only a modest recovery, failing to bring a sense of economic growth, due to rising commodity prices and surging raw material and personnel costs, despite such positives as the highest wage hikes since the bubble economy era, an increase in inbound demand, and capital investment spurred by the shortage of workers.

Amid such an environment surrounding the monetary economy, the Bank worked on the swift and smooth provision of funds to small and medium-sized companies, and the provision of solutions that lead to resolution of various issues faced by our customers.

Operating results at the end of fiscal 2024 have achieved an increase of ¥31.0 billion in the balance of total deposits from the end of fiscal 2023 to ¥2,181.6 billion due to the increase in deposits for both individuals and corporations. Loans outstanding decreased by ¥11.9 billion from the end of fiscal 2023 to ¥1,470.9 billion, despite proactive proposals aimed at resolving issues, due to full-scale repayments of COVID-19 financing. In terms of revenue, in the wake of policy rate hikes, income from interest on loans increased but was canceled out by greater interest payments on deposits. Meanwhile, the Bank again in fiscal 2024 saw a reversal of the COVID-19 special allowance as well as steady growth in income from market investment. As a result, ordinary income increased by ¥1.4 billion from the end of fiscal 2023 to ¥8.6 billion, and net income was secured at ¥6.4 billion, an increase of ¥1.5 billion from the previous fiscal year.

We will aim to become a “friendly and reliable financial institution” based on our corporate philosophy that co-existence and co-prosperity with local communities is of the utmost importance, while never forgetting our duty as a *shinkin* bank and our sense of appreciation for local communities. At the same time, we will scale up our efforts to strengthen our management structure and to help realize a sustainable society.

July 2025



Yasuhiro Ito  
President



## Overview of *Shinkin* Banks and their Role in the Community

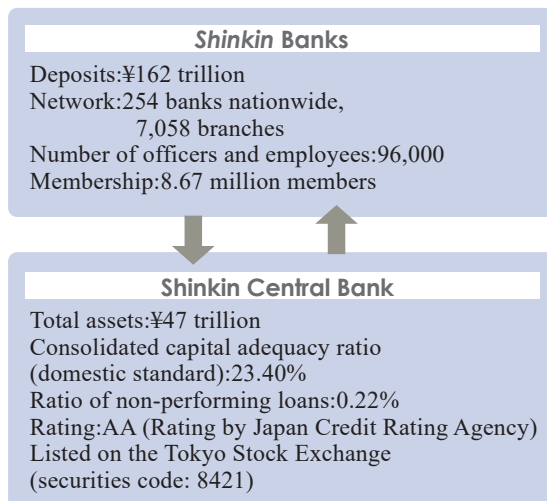
*Shinkin* banks are cooperative regional financial institutions whose members are small and medium-sized businesses and local residents.

The business of *shinkin* banks is not very different from that of other commercial banks, but *shinkin* banks are distinguished from other banks in terms of their organizational structure, the communities they serve and their customers. Whereas banks are incorporated, *shinkin* banks are cooperatives with memberships composed of local residents and those who work or have an office in the area. Corporate members are limited to companies with a maximum of 300 employees and capitalization of up to ¥900 million.

While *shinkin* banks accept deposits in the same way as ordinary banks, their loans are, in principle, restricted to contributing members only and loans to a single borrower must not exceed 25% of the bank's own capital. As financial institutions with close ties to their home territories, *shinkin* banks use locally raised funds exclusively for local development. They thus contribute to the healthy growth of local enterprises, a better quality of life for the area's residents, and the overall development of the local community.

The Shinkin Central Bank (SCB) is the central bank for *shinkin* banks. The role of the SCB is to support the development of the *shinkin* bank sector by broadening the operational functions and enhancing the credit standing of *shinkin* banks, and thus contribute to the prosperity of Japan. The Bank is strengthening collaboration with the SCB in terms of operations.

### Shinkin Banks and the Shinkin Central Bank



(As of March 31, 2025)

## Asahi Shinkin Bank's Support of Small and Medium-sized Businesses in the Community

### Support for startup phase

In fiscal 2024, the Bank provided startup financing amounting to ¥23.8 billion to 716 entrepreneurs.

The Bank hosted *Asahi Sogyojuku* (startup cram school), a program of four lectures, in cooperation with startup support projects of Taito Ward and Edogawa Ward, with 53 participants in fiscal 2024. Participants who attend the entire program and receive a certificate are eligible for reduced registration license tax when establishing a company in these two wards and for preferential treatment by credit guarantee associations for startup-related guarantees.

**Support for strengthening management fundamentals**  
In the Customer Support Department, financial planners and other specialized staff are ready to offer individual advice on a wide variety of issues related to customers' assets and business operations such as inheritance, effective use of real estate, business succession, M&A, and labor management. For highly technical matters, we cooperate with external expert organizations to help find solutions for small and medium-sized companies.

### Support for sales channel expansion

With the aim of creating new business opportunities for our corporate customers, the Bank conducts business fairs and seminars for business operators, as well as supports sales channel expansion for local small and medium-sized companies by utilizing domestic and overseas e-commerce platforms.

The Bank has been holding the "Asahi Business Matching Major Buyers' Business Fair" since 2015 to connect corporate customers and buyers. In fiscal 2024, the event was held on March 4 and 5, resulting in 203 business meetings among 36 buyers and 115 customers.

## Asahi Shinkin Bank's Corporate Philosophy

All of us at THE ASAHI SHINKIN BANK think and act cheerfully and positively to contribute to development of the local community and our customers' happiness.

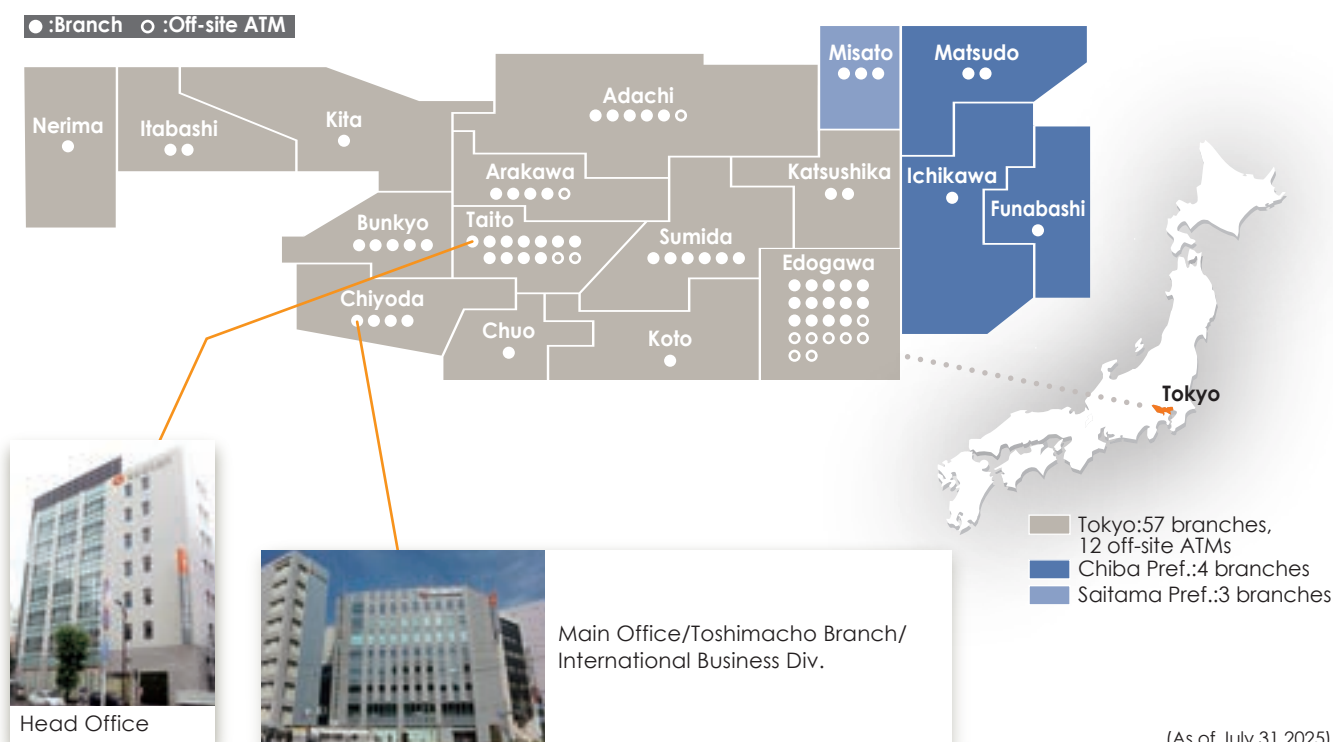
### Other Initiatives

#### Asahi Small and Medium-sized Business Management Information Center (ACC)

We are convinced that the Bank's fundamental mission is to foster the small and medium-sized businesses in the community that underpin the local economy. Based on this conviction, to support the endeavors of small and medium-sized companies in human resources development and networking among customers, the Bank established the Asahi Small and Medium-sized Business Management Information Center (ACC) in 1996. ACC develops human resources, offers grants, and promotes fruitful exchanges between companies in different industries.

### Extensive Network of 64 Branches and 12 Off-site ATMs

In view of our customer base, we consider it our mission to respond proactively to the funding needs of the small and medium-sized businesses and individuals sustaining the local economy at the grassroots. At the end of July 2025, the Bank had a network of 64 branches, which include five sub-branches and one online branch, and 12 off-site ATMs, located in Taito Ward and 12 other wards in Tokyo and also in Chiba Prefecture and Saitama Prefecture. To bring our area management even closer to the community, our operating area is divided into smaller zones, each with a dedicated sales representative. They provide excellent proposals through face-to-face visit-based marketing to offer solutions to customers.



(As of July 31, 2025)

# Customer-Oriented Financial Services to Enhance the Community's Prosperity

## Domestic Operations

The Bank offers a wide range of deposit products to meet various savings needs, including foreign currency time deposits with special interest rates and online time deposits. For personal customers, in addition to deposit products, the Bank offers a range of investment products, such as investment trusts, personal pension insurance and Japanese government bonds.

The Bank offers an extensive range of loan products for personal customers, including a housing loan product for customers purchasing residential property with superior environmental performance, a housing loan product offering a preferential interest rate for customers who have children younger than 18 years of age or are expecting a child, educational loans, and car loans. At the Personal Loan Plaza we offer advice on loan products until 17:00 on weekdays so that customers who are unable to visit the Bank during regular opening hours can visit the Plaza.

In addition, the Bank's smartphone app lets users open accounts, apply for loans, uniformly manage balances and statements of their other bank accounts, e-money, etc. and use cashless payment when shopping. We offer a wide array of advanced functions in response to the trend toward a cashless society.

For small and medium-sized businesses, the Bank offers a wide range of loan products tailored to their funding needs, whether for business development or to ensure stable cash flows.

At the Customer Support Department, our expert staff offer practical advice on cultivation of sales channels, overseas business development, business succession and M&A, IT utilization, human resources development, and lifetime financial planning. We also hold various seminars to support corporate customers' sales and marketing activities. (See Pages 3-4 for the Bank's support for businesses.)

## 2025 Elite Quality Recognition Award



The Bank received the J.P. Morgan 2024 Elite Quality Recognition Award, an OUTSTANDING PERFORMANCE AWARD in the Customer Remittance Category, from J.P. Morgan Chase Bank, N.A. (headquartered in New York) for its outstanding performance in “automated processing ratio” for overseas remittances. This is the fourteenth consecutive year the Bank has received the award.

## International Operations

Our business territory is home to companies in many industries, including manufacturers and distributors of apparel, leather goods and footwear, jewelry, computer parts and peripherals, medical equipment and toys, as well as food processing and distribution companies. Amid recent structural changes in Japan's economy and the growing importance of international business, many of our customers are becoming more involved in foreign trade.

We offer a wide range of financial services for companies engaged in international business, including advice on investment strategy and business development, integrated import and export support from opening of business relations to bill settlement, services covering trade finance, forward exchange contracts, and coupon swaps.

We are striving to enhance convenience for our customers by offering Internet banking services for overseas remittances, import letters of credit, etc.

At the end of March 2025, the Bank had a network of overseas correspondent banks totaling 77 banks in 134 locations across 26 countries. Centering on imports, trade-related foreign exchange transactions handled by the Bank in fiscal 2024 amounted to US\$680 million.

We aim to continue serving far into the future as an indispensable partner of companies pursuing business overseas.

## Overseas Correspondent Network



(As of March 31, 2025)

## Becoming the Most Trustworthy Community Bank

Customer deposits should be used to bring new vitality into the community—this is the basic stance of Asahi Shinkin Bank, a financial institution that puts local ties first.

To date, the Bank has developed together with small and medium-sized companies and people in the local community based on a spirit of helping one another as a cooperative financial institution. With the aim of becoming the indispensable and most trustworthy community bank, we have embraced new challenges in our drive to bring new vitality into our community. We have reinforced our business by stepping up support for corporate revival and management improvement, while offering increased support to companies involved in innovative businesses and those active in environmental protection. As we emphasize the cultivation of closer links with our customers, we are helping to bring new vitality into the community through provision of financial services that deliver customer satisfaction and also by doing our part as a member of the community in the cultural, environmental and educational spheres.

## Corporate Citizenship Activities

### Implementation of the Ecocap Movement

The Ecocap Movement is an initiative to collect and recycle PET bottle caps, which are usually disposed of as waste, and to use the proceeds to provide vaccines for children in developing countries. With help from people in the community, we had collected a cumulative total of 184.79 million caps from the initiative commenced in 2008 to the end of March 2025. Sorting of caps collected at branches in Edogawa Ward is

contracted to a voluntary organization working to create employment for people with



disabilities. In this way, we also contribute to the social welfare activities of the community.

### Donations to public interest corporations

- We co-sponsor the *Young Seats* of the Tokyo Metropolitan Symphony Orchestra, an educational activity to invite 700 children each year to attend the orchestra's matinee performances free of charge during holidays. Children who are in the fourth year of elementary school through to the third year of high school are eligible to apply for the *Young Seats*.



### For children in the community

- The Bank provides financial education to students in local elementary and junior high schools who are responsible for the next generation in order to cultivate the students' social skills and communication capabilities as well as helping them determine a career path while deepening their awareness of what work entails and its importance.



## Cooperation with municipalities

- We concluded agreements with Taito Ward, Bunkyo Ward and Edogawa Ward to provide seven of the Banks' branches as temporary accommodation facilities for people stranded in the event of a disaster.

## Environmental Protection Initiatives

- The Bank offers a range of loan products to support customers' environmental protection initiatives, including loans for capital investment, provision of loan guarantees under the government loan-guarantee system, and housing loan products.
- As part of efforts to mitigate global warming, the Bank uses a carbon-offset scheme and Forest Stewardship Council (FSC) certified paper for calendars, leaflets and other printed materials that the Bank produces.
- Since 2020, we have been promoting paperless operations through operational reforms. We have managed to reduce the volume of stored documents by 90% through digitalization and centralization of internally-managed documents and reporting documents.
- We entered into an agreement with TEPCO Energy Partner, Incorporated to introduce 100% of electricity sourced from real renewable energy, and started using it in July 2022.

## Support for People with Disabilities and the Elderly

### ATMs for the visually impaired

All branches have ATMs with braille and audible instructions so that the visually impaired can use ATMs at ease.



### AED

61 branches and two off-site ATMs are equipped with automated external defibrillators (AEDs) at ATM corners in readiness for emergencies such as cardiopulmonary arrest.



### Braille blocks

Braille blocks leading from outside to inside a branch and to the ATMs are installed at 52 branches and for two off-site ATMs.



### Parking spaces for people with disabilities

Dedicated parking spots for people with disabilities have been established at 20 branches.



### Staff training for dealing with elderly people and people with disabilities

Training is provided to branch employees in particular to enable appropriate consideration for people with disabilities and the elderly who visit our branches. As of March 31, 2025, the number of participants in courses on Service Care Supporter training and Dementia Supporter training reached 109 and 467, respectively.



## **Thorough Risk Management System**

The Bank has established the basic policy for management of risks, put in place a risk management system and determined management procedures so as to implement appropriate risk management. The Bank has classified risks into three categories and established risk committees corresponding to them. The activities of the risk committees are governed by the Comprehensive Risk Management Committee.

Also, the Bank has established a code of conduct with which all officers and employees are required to comply in order to inculcate corporate ethics and legal compliance throughout the Bank.

Personal information concerning our customers constitutes a vital asset. To ensure appropriate protection and use of personal information, the Bank applies strict control in accordance with its Basic Policy Concerning Protection of Information Assets (Security Policy) to achieve continuing improvement.

## **Major Risks and Risk Management Policies**

### **Market Risk**

Market risk comprises interest rate risk, price fluctuation risk, and exchange risk. Market risk is the possibility of losses from fluctuations in market interest rates, stock prices and foreign exchange markets that cause changes in the value of the Bank's assets and liabilities (including off-balance sheet items) and changes in profits generated by assets and liabilities.

The Bank's Asset and Liability Management (ALM) Committee is responsible for management of market risk.

### **Liquidity Risk**

Liquidity risk is the possibility of losses resulting from an unexpected outflow of funds or any other situation that necessitates fund procurement at

interest rates markedly higher than usual rates or transactions at markedly more disadvantageous terms than usual terms.

The Bank emphasizes liquidity and soundness of market-based funding and has put in place a system to ensure stable cash flow with a sufficient reserve. Moreover, the Bank has formulated a contingency plan to deal with the demand for funds in the event of an unexpected crisis swiftly and appropriately. Thus, the Bank has sufficient systems for management of liquidity risk.

### **Credit Risk**

Credit risk is the possibility of losses from bankruptcies, deterioration in the financial conditions, etc. of borrowers. The Bank has put in place a risk management system in accordance with the Credit Risk Management Rules.

In addition to the deliberation and assessment by the Credit Risk Management Committee and the ALM Committee, the Board of Directors, the Board of Managing Directors, and the Management Committee deliberate on credit risk management, as necessary, to deal with credit risk in an appropriate manner.

### **Operational Risk**

Operational risk is a risk associated with execution of routine operations and every effort is made to avert such risk.

Having established an organizational structure and a system to deal with operational risk in accordance with the Operations Risk Management Policy and the Systems Risk Management Policy, the Bank analyzes and assesses data gathered periodically in order to mitigate risk and to minimize the impact in the event that such risk materializes.

In order to respond to the increasing threat of cyber-attacks, the Bank has established the

Computer Security Incident Response Team (CSIRT) and is well prepared.

In addition to the periodic deliberation and assessment by the Operations and Systems Risk Committee, the Reputation and Legal Risk Committee, and the Comprehensive Risk Management Committee, the Board of Directors, the Board of Managing Directors, and the Management Committee deliberate on operational risk management, as necessary, to deal with operational risk in an appropriate manner.

### Compliance Structure

As well as strictly complying with various laws and regulations and other rules, companies are required to adhere to social ethics when engaging in transactions. In accordance with its goal of becoming the most trustworthy financial institution in the community, the entire workforce is united in a determination to inculcate corporate ethics and legal compliance throughout the Bank.

The Bank has established the Management Legal Affairs Division to supervise compliance issues, and also appointed compliance officers at all departments, branches, and affiliated companies to improve the compliance structure.

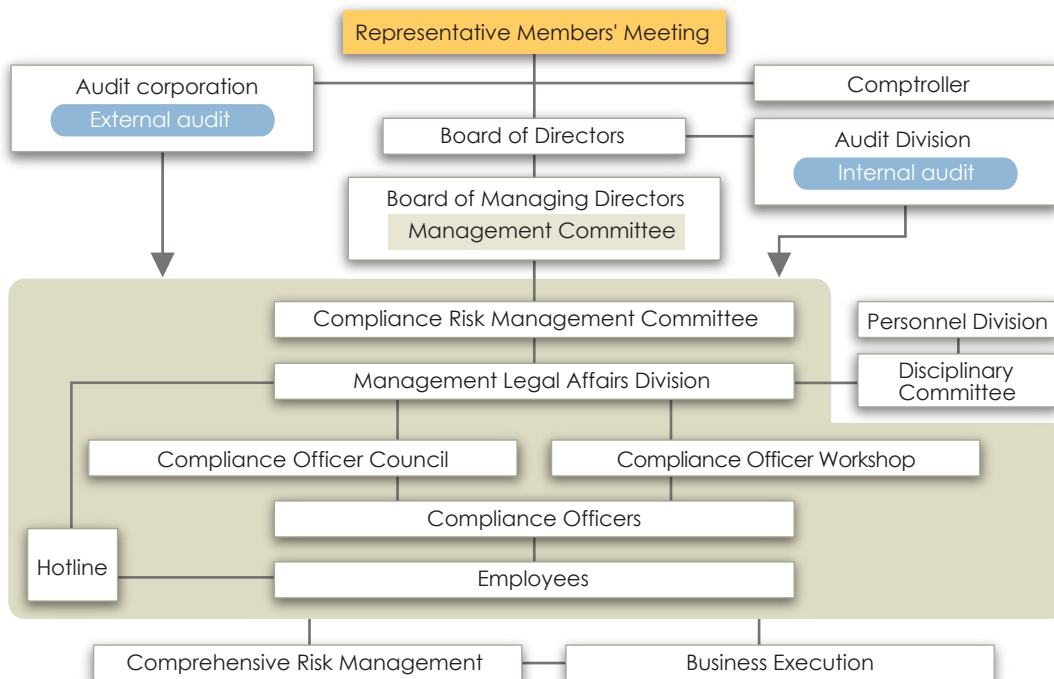
### Against Antisocial Forces

Adhering to the Guidelines for Companies to Prevent Damage by Antisocial Forces, the Bank remains committed to ensuring that no relationship whatsoever exists between the Bank and antisocial forces.

#### Basic Policies on Antisocial Forces

1. Deal with antisocial forces as an organization.
2. Coordinate with external specialized agencies.
3. Cut off all relations with any antisocial force, including any transactions.
4. In emergencies, use civil and criminal legal responses.
5. Prohibit financing, inappropriate or abnormal transactions, and offering of benefits.

### Compliance Structure

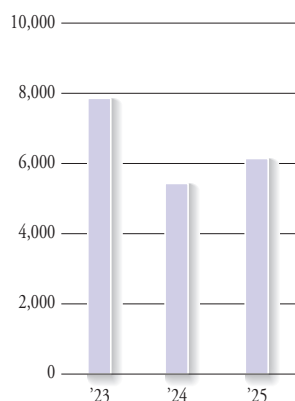


(As of March 31, 2025)

# Financial Review

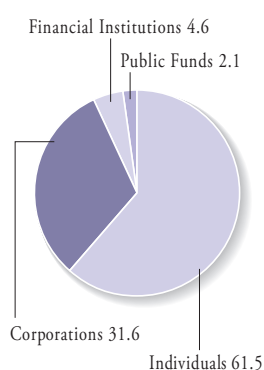
## Core Operating Income

(Millions of Yen)



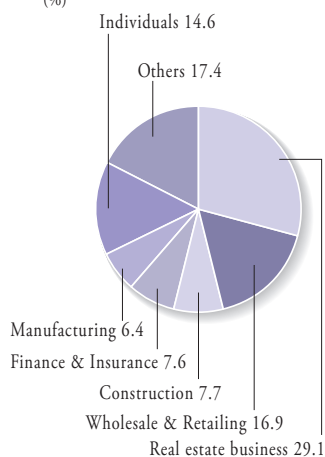
## Deposits by Category of Depositors

(%)



## Loans by Category of Borrowers

(%)



## Business Policy for Fiscal 2024

Again in fiscal 2024, we strived to be a financial institution truly necessary for the community while being aware of our social mission as a *shinkin* bank.

Toward this end, we have put effort into activities aligned with the following seven key issues:

- 1) Focus on activities that closely attend to the worries and concerns of small and medium-sized companies over cash flows and other issues
- 2) Strengthen our management base (establish and stabilize a business management structure that is suitable for the times)
- 3) Address SDGs and make our contribution toward creating a better regional environment
- 4) Develop human resources and create a rewarding workplace
- 5) Strengthen measures to prevent money laundering and counter the financing of terrorism, and strengthen our legal compliance framework
- 6) Enhance cybersecurity and BCP responses.
- 7) Conduct customer-oriented business operations with an emphasis on user protection and fiduciary duty.

## Economic & Financial Environment

During fiscal 2024, the Japanese economy demonstrated only a modest recovery, failing to bring a sense of economic growth, due to rising commodity prices and surging raw material and personnel costs, despite such positives as the highest wage hikes since the bubble economy era, an increase in inbound demand, and capital investment spurred by the shortage of workers.

## Results of Operations

Results of the Bank's operations in fiscal 2024 are described below.

### Deposits

The balance of total deposits increased by ¥31.0 billion from the end of the previous fiscal year to ¥2,181.6 billion due to the increase in deposits for both individuals and corporations.

### Loans

Loans outstanding at the end of fiscal 2024 decreased by ¥11.9 billion from the end of the previous fiscal year to ¥1,470.9 billion, despite proactive proposals aimed at resolving issues, due to full-scale repayments of COVID-19 financing.

### Profitability

In terms of revenue, in the wake of policy rate hikes, income from interest on loans increased but was canceled out by greater interest payments on deposits. Meanwhile, the Bank again in fiscal 2024 saw a reversal of the COVID-19 special allowance as well as steady growth in income from market investment. As a result, ordinary income increased by ¥1.4 billion from the previous fiscal year to ¥8.6 billion, and net income was secured at ¥6.4 billion, an increase of ¥1.5 billion from the previous fiscal year.

## Financial soundness

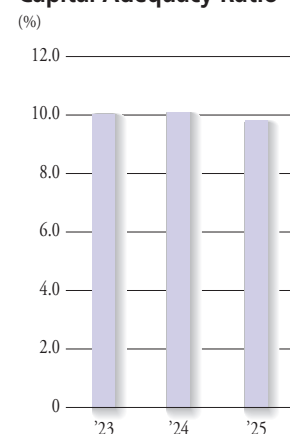
The Bank's capital adequacy rate decreased by 0.28 percentage points from the previous fiscal year-end to 9.82%. Meanwhile, the ratio of non-performing loans was 4.00%, down 0.08 percentage points. The Bank believes that our management base is strong as we have ample reserves.

## Issues to be Tackled

Within this started fiscal 2025, the Japanese economy is expected to show robust growth, driven by domestic demand, including the second consecutive year of high wage hikes and continued capital investment on digital transformation, prompted by the shortage of workers. However, Japan's business operators, particularly small and medium-sized companies, are facing numerous management issues, including disaster prevention, SDGs initiatives, the digital transformation of operations, and cybersecurity measures, in addition to issues directly related to profits, such as securing human resources, rising wages, and passing high raw material costs on to sales prices. In this way, as our customers are facing piles of management issues, the Bank will make every effort to address the following activities.

- (1) Activities that will make us a "friendly and reliable financial institution" and will be appreciated by our customers.
- (2) Establish and stabilize a management structure that is suitable for the times through business reforms.
- (3) Address SDGs, and make our contribution toward creating a better local environment.
- (4) Develop human resources and create a rewarding workplace.
- (5) Strengthen anti-money laundering and counter financing of terrorism as well as our legal compliance structure.
- (6) Conduct customer-oriented business operations with an emphasis on user protection and fiduciary duty.

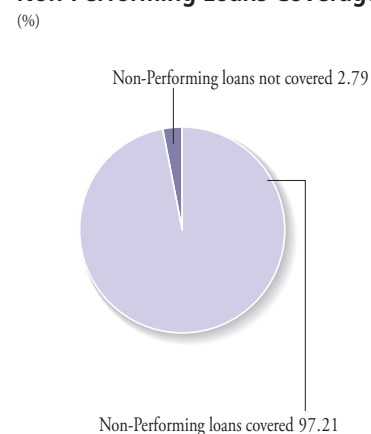
## Capital Adequacy Ratio



## Ratio of Non-Performing Loans



## Non-Performing Loans Coverage



[Calculation Method of Capital Adequacy Ratio (%)]  
$$\frac{\text{Members' equity}}{\text{Total amount of risk assets, etc.}} \times 100$$

# Balance Sheets

As of March 31,	Millions of Yen (Note 1)		Thousands of U.S. Dollars (Note 2)
	2025	2024	2025
<b>ASSETS</b>			
Cash .....	¥ 20,450	¥ 20,171	\$ 136,762
Due from Banks .....	385,005	497,667	2,574,773
Money Held in Trust .....	17,287	17,420	115,609
Securities (Note 3) .....	363,009	337,513	2,427,668
Loans and Bills Discounted (Note 4) .....	1,470,919	1,482,892	9,836,953
Foreign Exchange (Note 6) .....	7,914	7,934	52,930
Other Assets .....	17,207	16,047	115,078
Tangible Fixed Assets .....	31,993	31,358	213,963
Intangible Fixed Assets .....	2,765	2,219	18,492
Deferred Tax Assets .....	2,731	2,511	18,266
Customers' Liabilities for Acceptances and Guarantees .....	1,931	2,101	12,918
Reserve for Possible Loan Losses .....	(14,906)	(16,386)	(99,686)
<b>Total Assets</b> .....	<b>¥ 2,306,310</b>	<b>¥ 2,401,451</b>	<b>\$ 15,423,730</b>
<b>LIABILITIES AND EQUITY</b>			
<b>Liabilities:</b>			
Deposits (Note 7) .....	¥ 2,181,660	¥ 2,150,624	\$ 14,590,117
Borrowed Money .....	0	30,000	0
Call Money .....	0	87,200	0
Payables under securities lending transactions .....	1,302	11,043	8,707
Foreign Exchange (Note 6) .....	211	414	1,417
Other Liabilities .....	8,609	11,685	57,576
Reserve for Employee Bonuses .....	563	551	3,770
Reserve for Retirement Allowances .....	3,330	3,668	22,272
Reserve for Retirement Benefits for Directors .....	226	184	1,512
Reserve for Loss from Refund of Sleeping Accounts .....	291	343	1,951
Reserve for Contingent Loss .....	1,260	1,351	8,427
Acceptances and Guarantees .....	1,931	2,101	12,918
<b>Total Liabilities</b> .....	<b>2,199,387</b>	<b>2,299,168</b>	<b>14,708,672</b>
<b>Equity:</b>			
Paid-in Capital .....	18,806	19,102	125,773
Additional Paid-in Capital .....	2,162	2,162	14,464
Legal Reserve .....	80,931	74,923	541,238
Unappropriated equity .....	0	(1)	(5)
<b>Total Members' Equity</b> .....	<b>101,900</b>	<b>96,187</b>	<b>681,470</b>
Unrealized Gain on Available-for-Sale Securities .....	5,022	6,096	33,588
<b>Total Valuation and Translation Adjustments</b> .....	<b>5,022</b>	<b>6,096</b>	<b>33,588</b>
<b>Total Equity</b> .....	<b>106,922</b>	<b>102,283</b>	<b>715,058</b>
<b>Total Liabilities and Equity</b> .....	<b>¥ 2,306,310</b>	<b>¥ 2,401,451</b>	<b>\$ 15,423,730</b>

The accompanying notes are an integral part of these financial statements.

# Statements of Income and Retained Earnings

Years ended March 31,	Millions of Yen (Note 1)		Thousands of U.S. Dollars (Note 2)
	2025	2024	2025
<b>Income:</b>			
Interest and Dividends on:			
Loans and Discounts .....	¥ 21,587	¥ 20,304	\$ 144,372
Securities .....	7,060	7,547	47,215
Others .....	212	210	1,424
Fees and Commissions:			
Fees and Commissions on Domestic and Foreign Exchange .....	1,034	1,012	6,918
Others .....	2,466	2,416	16,493
Other Operating Income:			
Gains on Foreign Exchange Transactions .....	—	—	—
Gains on Sales of Bonds .....	62	0	415
Others .....	140	211	938
Other Income:			
Reversal of Allowance for Loan Losses .....	1,459	1,782	9,763
Collection of Written-off Claims .....	308	119	2,063
Gains on Sales of Stocks and Other Securities .....	1,127	1,499	7,537
Gains on Money Held in Trust .....	229	319	1,533
Others .....	274	206	1,837
<b>Total Ordinary Income</b> .....	<b>8,655</b>	<b>35,630</b>	<b>57,882</b>
Extraordinary Income (Note 8) .....	0	94	0
<b>Total Income</b> .....	<b>8,655</b>	<b>35,724</b>	<b>57,882</b>
<b>Expenses:</b>			
Interest Expenses:			
Deposits .....	1,462	417	9,777
Interest Expenses on Cash Collateral Received for Securities Lent .....	212	908	1,419
Others .....	17	8	114
Fees and Commissions .....	1,575	1,405	10,533
Other Operating Expenses:			
Losses on Foreign Exchange Transactions .....	4,967	4,758	33,218
Losses on Sales of Bonds .....	65	32	439
Others .....	99	1,062	667
General and Administrative Expenses .....	18,241	18,940	121,992
Other Expenses .....	733	892	4,905
<b>Total Ordinary Expenses</b> .....	<b>27,308</b>	<b>28,426</b>	<b>182,630</b>
Extraordinary Losses (Note 9) .....	155	174	1,040
<b>Total Expenses</b> .....	<b>27,464</b>	<b>28,601</b>	<b>183,670</b>
<b>Income before Income Taxes</b> .....	<b>8,499</b>	<b>7,123</b>	<b>56,841</b>
<b>Current</b> .....	<b>1,819</b>	<b>1,639</b>	<b>12,165</b>
<b>Deferred</b> .....	<b>195</b>	<b>539</b>	<b>1,307</b>
<b>Net Income</b> .....	<b>6,484</b>	<b>4,944</b>	<b>43,368</b>
<b>Retained Earnings (Balance at the Beginning of the Year)</b> .....	<b>3,506</b>	<b>3,539</b>	<b>23,449</b>
<b>Balance at the End of the Year (Note 10)</b> .....	<b>¥ 9,991</b>	<b>¥ 8,483</b>	<b>\$ 66,818</b>

# Notes to Financial Statements

## 1. Yen Amounts

All yen figures are rounded down to the nearest one million yen.

Accordingly, breakdown figures may not add up to sums.

## 2. U.S. Dollar Amounts

U.S. dollar amounts presented in the accompanying financial statements are included solely for convenience and should not be construed as

representations that Japanese yen amounts have been or could in the future be converted into U.S. dollars. The rate of ¥149.53 to US\$1, prevailing on March 31, 2025, has been used for conversion into U.S. dollar amounts in the financial statements.

## 3. Securities

As of March 31,	Millions of Yen		Thousands of U.S. Dollars
	2025	2024	2025
National Government Bonds.....	¥ 17,442	¥ 14,983	\$ 116,645
Corporate Bonds.....	139,184	103,655	930,815
Stocks.....	37,749	36,704	252,453
Other Securities.....	168,632	182,169	1,127,753
<b>Total</b> .....	<b>¥363,009</b>	<b>¥337,513</b>	<b>\$2,427,668</b>

## 4. Loans and Bills Discounted

As of March 31,	Millions of Yen		Thousands of U.S. Dollars
	2025	2024	2025
Bills Discounted.....	¥ 8,372	¥ 13,307	\$ 55,993
Loans on Bills.....	13,248	12,662	88,597
Loans on Deeds.....	1,378,444	1,401,383	9,218,517
Overdrafts .....	70,854	55,538	473,844
<b>Total</b> .....	<b>¥1,470,919</b>	<b>¥1,482,892</b>	<b>\$9,836,953</b>

## 5. Disclosure pursuant to the Financial Reconstruction Act

As of March 31,	Millions of Yen		Thousands of U.S. Dollars
	2025	2024	2025
Non-Performing Loans			
Bankrupt or De facto Bankrupt .....	¥ 3,972	¥ 4,097	\$ 26,569
Doubtful .....	51,227	52,305	342,588
Special Attention .....	3,849	4,293	25,745
Subtotal .....	59,049	60,696	394,903
Normal .....	1,414,679	1,426,307	9,460,842
<b>Total</b> .....	<b>¥1,473,729</b>	<b>¥1,487,004</b>	<b>\$9,855,745</b>

## 6. Foreign Exchange

As of March 31,	Millions of Yen		Thousands of U.S. Dollars
	2025	2024	2025
<b>(Assets)</b>			
Due from Foreign Banks .....	¥7,816	¥7,797	\$52,274
Foreign Currency Bills Bought .....	12	—	84
Foreign Currency Bills Receivable.....	85	137	570
<b>Total</b> .....	<b>7,914</b>	<b>¥7,934</b>	<b>52,930</b>
<b>(Liabilities)</b>			
Foreign Bills Sold .....	—	107	—
Accrued Foreign Exchange .....	211	307	1,417
<b>Total</b> .....	<b>¥ 211</b>	<b>¥ 414</b>	<b>\$ 1,417</b>

## 7. Deposits

As of March 31,	Millions of Yen		Thousands of U.S. Dollars
	2025	2024	2025
Current Deposits .....	¥ 82,380	¥ 89,058	\$ 550,927
Ordinary Deposits .....	993,983	951,911	6,647,387
Savings Deposits.....	26,895	27,795	179,868
Deposits at Notice .....	1,873	2,227	12,527
Time Deposits.....	1,033,345	1,037,714	6,910,621
Installment Savings.....	26,597	29,045	177,877
Other Deposits.....	16,583	12,871	110,906
<b>Total .....</b>	<b>¥2,181,660</b>	<b>¥2,150,624</b>	<b>\$14,590,117</b>

## 8. Extraordinary Income

Years ended March 31,	Millions of Yen		Thousands of U.S. Dollars
	2025	2024	2025
Gain on Disposal of Fixed Assets .....	¥—	¥94	\$—
<b>Total .....</b>	<b>¥—</b>	<b>¥94</b>	<b>\$—</b>

## 9. Extraordinary Losses

Years ended March 31,	Millions of Yen		Thousands of U.S. Dollars
	2025	2024	2025
Losses on Sales of Equipment .....	¥155	¥ 2	\$1,040
Losses on Impairment of Fixed Assets.....	—	172	—
<b>Total .....</b>	<b>¥155</b>	<b>¥174</b>	<b>\$1,040</b>

## 10. Subsequent Event

As of March 31,	Millions of Yen		Thousands of U.S. Dollars
	2025	2024	2025
Balance at the End of the Year .....	¥9,991	¥8,483	\$66,818
Appropriations:			
Transfer to Legal Reserve .....	650	500	4,346
Cash Dividends .....	470	477	3,144
Payout Ratio .....	2.5% per year	2.5% per year	2.5% per year
Transfer to Voluntary Reserves .....	5,300	4,000	35,444
<b>Total Appropriations .....</b>	<b>6,420</b>	<b>4,977</b>	<b>42,935</b>
Retained Earnings (Balance at the End of the Year) .....	¥3,571	¥3,506	\$23,882

# Auditor's Report

In accordance with the provisions of Article 38-2, Paragraph 3 of the Shinkin Bank Act, KPMG AZSA LLC audited the balance sheets of the Bank as of March 31, 2025 and 2024, and the related statements of income and statements of retained earnings for the two years ended March 31, 2025 and 2024 and provided the Bank with an auditor's report stating an unqualified opinion.

# Board of Directors and Auditors

(As of July 31, 2025)

**President**

Yasuhiro Ito

**Senior Managing Directors**

Kouji Iwata

Atsushi Matsuyama

**Managing Directors**

Hiroshi Iikura

Masashi Kobayashi

Yasutaka Yoshigiwa

Makoto Tomiyama

**Standing Directors**

Manabu Kinoshita

Touru Takenaka

Hisanori Hirose

Takayuki Anazawa

Masahiro Toyoda

Hisashi Kamochi \*1

**Non-Standing Managing Directors**

Kiyoshi Sakamoto \*1

**Standing Auditor**

Atsuya Murayama

**Non-Standing Auditors**

Kensuke Mori

Toshio Suzuki \*2

Junichi Kurata

**Executive Officers**

Tatsuya Yoshizaki

Kouichi Saitou

Teruo Tanabe

Hideaki Seki

Naoyuki Ishida

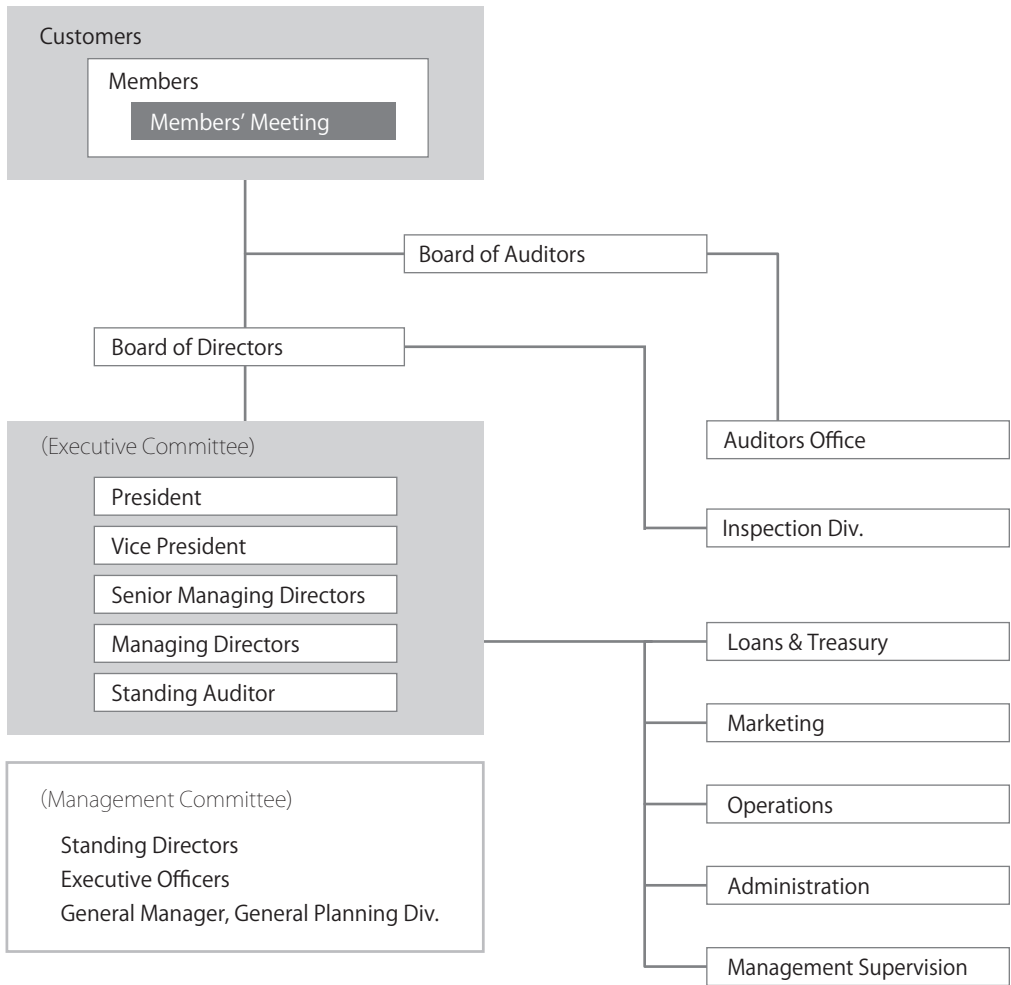
Yasuo Yoneda

Notes

- 1. Outside directors in accordance with the *shinkin* bank industry's agreement on measures to enhance functions of the board of directors.
- 2. Outside auditor as provided for in Article 32, Paragraph 5 of the Shinkin Bank Act.

# Organization Chart

(As of July 31, 2025)



# Directory

## **BANK DATA**

(As of March 31, 2025)

### **Main Office**

2-1-2, Higashi-Kanda, Chiyoda-ku,  
Tokyo 101-0031  
Telephone: 03-3862-0321

### **Established**

August 3, 1923

### **Number of Employees**

1,307

### **Membership**

107,316

### **Number of Branches**

(including 5 Sub-Branches/1 online  
branch)  
64

### **Number of ATM Terminals**

(off-site ATMs)  
12

### **Rating**

A- Long-term issuer rating  
J-1 Short-term issuer rating  
Japan Credit Rating Agency, Ltd.

## **SERVICE NETWORK**

(As of July 31, 2025)

### **International Business Division**

3-6-12, Iwamoto-cho, Chiyoda-ku, Tokyo 101-0032  
Telephone: 03-3862-0393

### **Foreign Exchange Offices**

#### **Head Office**

2-8-2, Taito, Taito-ku, Tokyo 110-0016  
Telephone: 03-3833-0251

#### **Toshimacho Branch**

2-1-2, Higashi-Kanda, Chiyoda-ku, Tokyo 101-0031  
Telephone: 03-3862-0311

#### **Nishimachi Branch**

1-2-1, Higashi-Ueno, Taito-ku, Tokyo 110-0015  
Telephone: 03-3833-9241

#### **Kotobuki Branch**

2-10-13, Kotobuki, Taito-ku, Tokyo 111-0042  
Telephone: 03-3844-3166

#### **Asakusa Branch**

4-49-12, Asakusa, Taito-ku, Tokyo 111-0032  
Telephone: 03-3876-0701

#### **Yushima Branch**

2-1-5, Yushima, Bunkyo-ku, Tokyo 113-0034  
Telephone: 03-3814-5261

#### **Asakusabashi Branch**

3-17-7, Asakusabashi, Taito-ku, Tokyo 111-0053  
Telephone: 03-3864-5011

#### **Nihonbashi Branch**

7F Nihon Building annex 1-2-18, Nihonbashi-Kayaba-cho, Chuo-ku,  
Tokyo 103-0025  
Telephone: 03-3663-0650

#### **Kandaogawamachi Branch**

3-1, Kanda-Ogawamachi, Chiyoda-ku, Tokyo 101-0052  
Telephone: 03-3292-5301

In addition to the 9 foreign exchange offices mentioned above, we  
have 12 foreign exchange sub-offices.



## THE ASAHI SHINKIN BANK

2-1-2, Higashi-kanda, Chiyoda-ku,  
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