FYE2027/3 1Q Financial Results Summary

(Consolidated basis under Japanese GAAP)

	FYE2026/3 1Q	FYE2027/3 1Q
Gross operating profit	JPY 11.8 bn	JPY 13.1bn
Net income	JPY 3.2 bn	JPY 0.5 bn

	2026/3 end	2026/6 end
Loans	JPY 1,745.7 bn	JPY 1,756.4 bn
Deposits incl. NCDs	JPY 2,132.9 bn	JPY 2,192.3 bn
NPL ratio (Disclosed claims under the Banking Act and Revitalization Act, including category IV Claims)	1.67%	2.12%

- Although funding costs increased as deposit interest rates rose in line with higher yen interest rates, growth in loan balances and investments in higher-yielding foreign securities contributed to stronger earnings. As a result, consolidated gross operating profit, which reflects Tokyo Star Bank's core earning capacity, increased 10.6% year-on-year to ¥13.1 billion.
- Loan balances increased 0.6% from March 31, 2026, to ¥1,756.4 billion. Deposit balances (including negotiable certificates of deposit) increased 2.7% from March 31, 2026, to ¥2,192.3 billion, as we managed funding while taking into account interest rate trends and maintaining an appropriate balance with investment opportunities.
- In addition, Tokyo Star Bank's customer, Zentoshin Co., Ltd., entered bankruptcy proceedings pursuant to a court order. In the first quarter of the fiscal year ending March 31, 2027, the Bank recorded a loan loss allowance against the entire remaining exposure of ¥4.0 billion to the company. As a result, quarterly net income decreased compared with the same period of the previous fiscal year. Meanwhile, as noted above, consolidated gross profit increased, reflecting a continued improvement in the Bank's underlying earnings capacity.
  The impact of the exposure on the Bank's financial soundness is therefore limited.