# Investor Presentation

## Financial Results Briefings for FY2025 (Ended Mar. 2026)

Received a Technical Prize in the General Category of the 34th (Fiscal 2025) Bingata Design Contest "Echoing Light" by Haruka Kuniyoshi

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# Contents

# To Our Investors

Okinawa Prefecture has high growth potential compared to the rest of the country, driven by factors such as demographic trends and growing tourism demand. Leveraging our deposit and loan base which holds the top market share in the prefecture, and drawing on our strength of strong relationships with local customers, the Bank provides comprehensive financial services to both corporate and individual clients.

In FY2025, as a result of expanded loans supported by our top market share in the prefecture and our ability to effectively capitalize on changes in interest rate conditions, growth in net interest income from loans and deposits drove revenue expansion, enabling us to achieve record-high profit and increase our dividend.
In addition to strengthening our capabilities in growth areas such as M&A, business succession, tourism-related investments, and asset succession, we are also working to expand our non-interest income fields, including corporate consulting and wealth management support, thereby further diversifying our earnings structure.

With regard to shareholder returns, we are committed to enhancing shareholder returns while maintaining a balance with growth investments, with a target dividend payout ratio of 40% or higher. Going forward, we will continue to create a virtuous cycle of enhancing both corporate value and regional value through investments in human capital and digital solution capabilities, with our new headquarters building serving as the starting point.

Guided by the resolve “All for Okinawa” embodied in the Medium-Term Management Plan “Empower 2025,” we will strive to achieve both the development of Okinawa’s economy and the enhancement of shareholder value.

President Ken Shimabukuro

# Key Messages

In addition to steady revenue growth, the Bank holds the top market share in the prefecture for both deposits and loans. The Bank strengthened shareholder returns, achieved its medium-term management plan targets two years ahead of schedule, and revised those targets upward.

## Financial Results for the Current Fiscal Year

- Consolidated net income[*1]

  **9.0** billion yen

- Growth in the share of deposits and loans[*2]

  Deposit share : **45.7**% (+0.4% YoY)

  Loan share : **44.8**% (+0.4% YoY)

**Maintains the top market share in deposits and loans in the prefecture**

## Shareholder return

- Dividend payout ratios

  **39.7**%

  (Results of FY2024: 27.3%)

- Year-end dividend

  Increased to **61** yen

- Annual dividend

  **88** yen

  (+**50** yen YoY)

## Medium-Term Management Plan Targets (Final: FY2027)

- Consolidated net income[*1 *3]

  **9.0** billion yen

  ↓

  **11** billion yen

- Consolidated ROE

  **5.5**% or higher

  ↓

  **7.0**% or higher

*1 Consolidated net income refers to net income attributable to owners of the parent

*2 Market share of three regional banks headquartered in Okinawa (on an average balance basis)

*3 Assuming policy interest rates of 1.0%

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# Performance Highlights for FY2025 (Ended Mar. 2026)

# Key Points of Financial Results for the Current Fiscal Year

Driven primarily by growth in financial income, the Bank achieved increased revenue and profit on both a consolidated and non-consolidated basis.

## Consolidated: Increase in Revenue and Profit

| | |
|---|---|
| **Ordinary income (80.3 billion yen)** | **+16.0**% YoY |
| **Ordinary profit (13.0 billion yen)** | **+56.8**% YoY |
| **Net income*1 (9.0 billion yen)** | **+57.9**% YoY |
| **Capital Adequacy Ratio (10.01%)** | vs. previous year-end: **+0.07**pt |

## Non-consolidated: Increase in Revenue and Profit

| | |
|---|---|
| **Ordinary income (55.3 billion yen)** | **+22.7**% YoY |
| **Net core business profit (11.1 billion yen)** | **+54.8**% YoY |
| **Ordinary profit (11.7 billion yen)** | **+69.3**% YoY |
| **Net income (8.4 billion yen)** | **+69.0**% YoY |

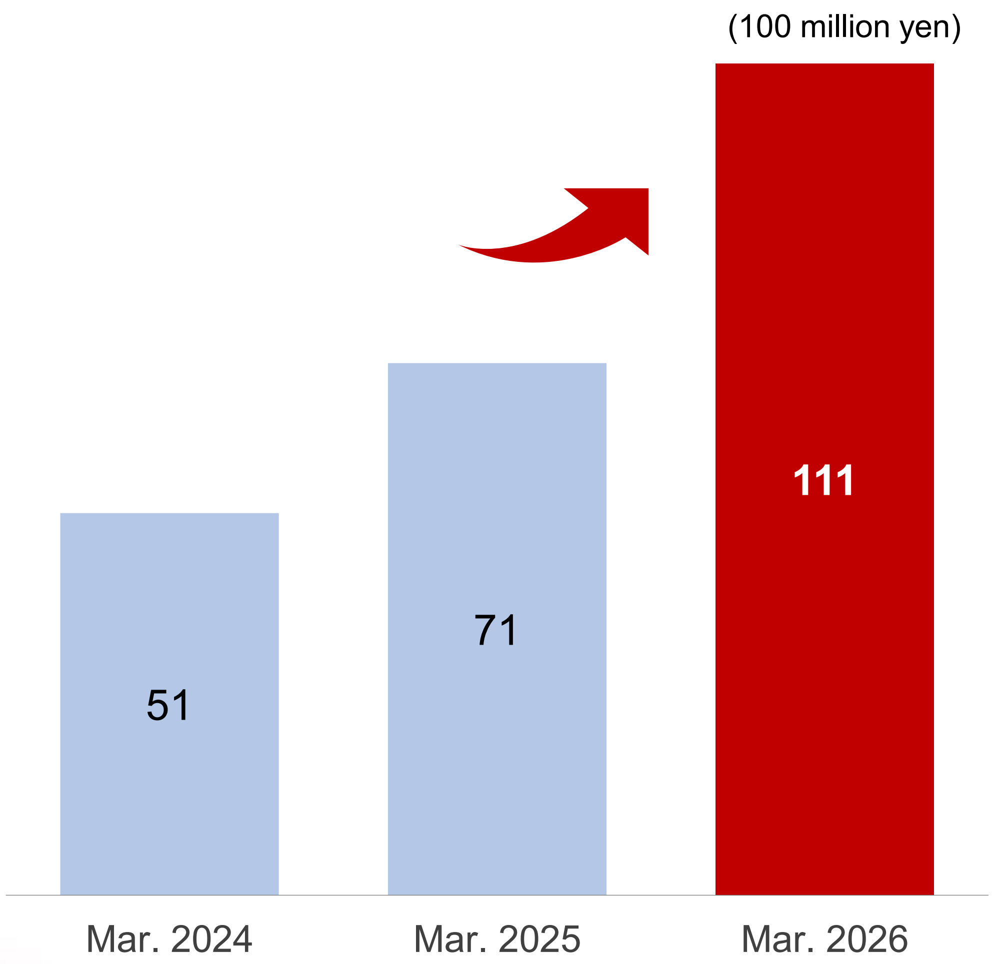
| | |
|---|---|
| **Net interest income*2 (34.9 billion yen)** | **+17.1**% YoY |
| **Fees and commissions*2 (5.0 billion yen)** | **+10.3**% YoY |

*1 Profit attributable to owners of the parent  *2 All are non-consolidated figures

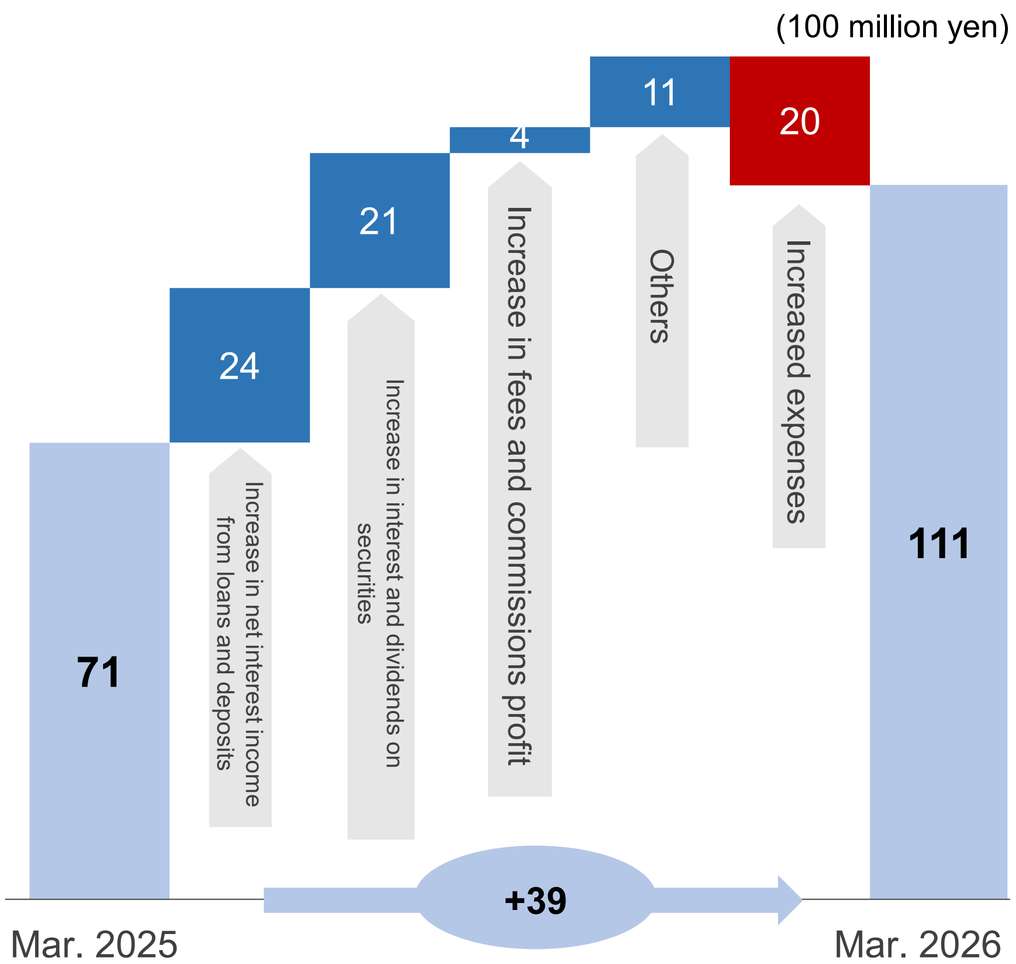
# Profits (Net Core Business Profit)

This represents an increase of 3.9 billion yen year on year, driven by a significant rise in net interest income from loans and deposits, as well as interest and dividend income from securities, against the backdrop of the Bank of Japan's policy rate hike.

## Trends in net core business profit



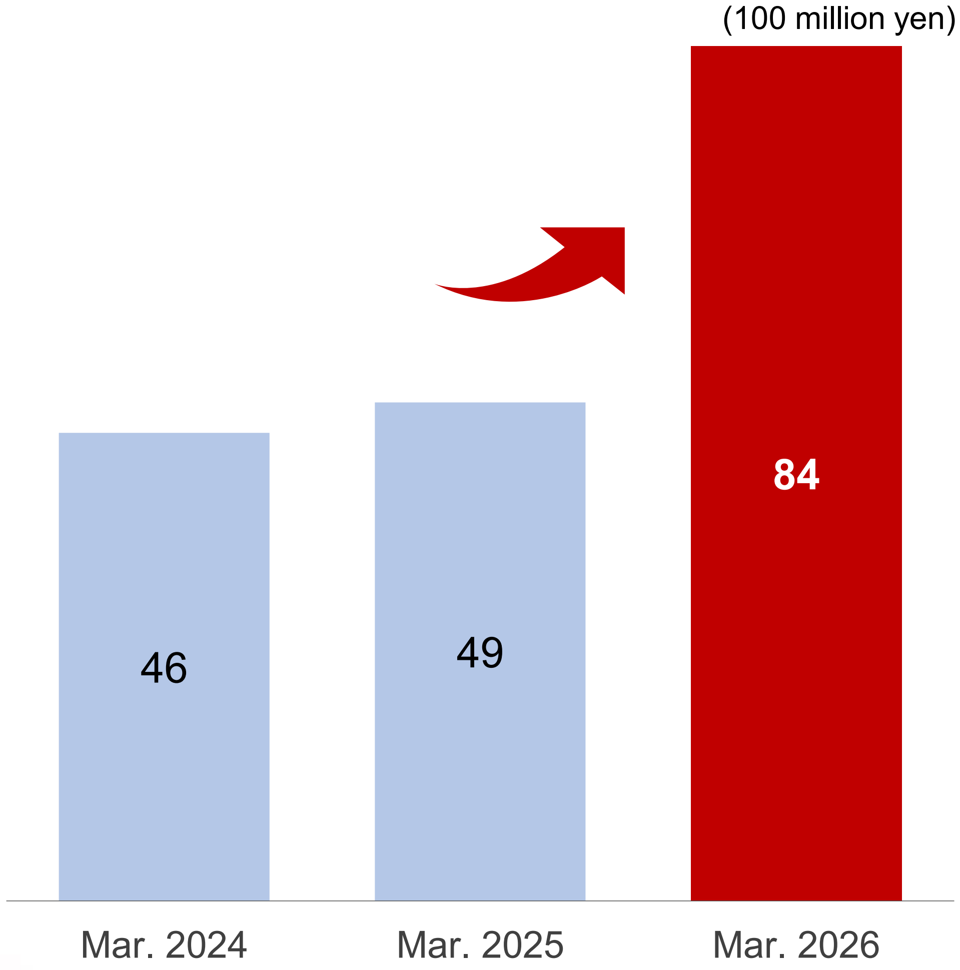

## Factors behind changes in net core business profit



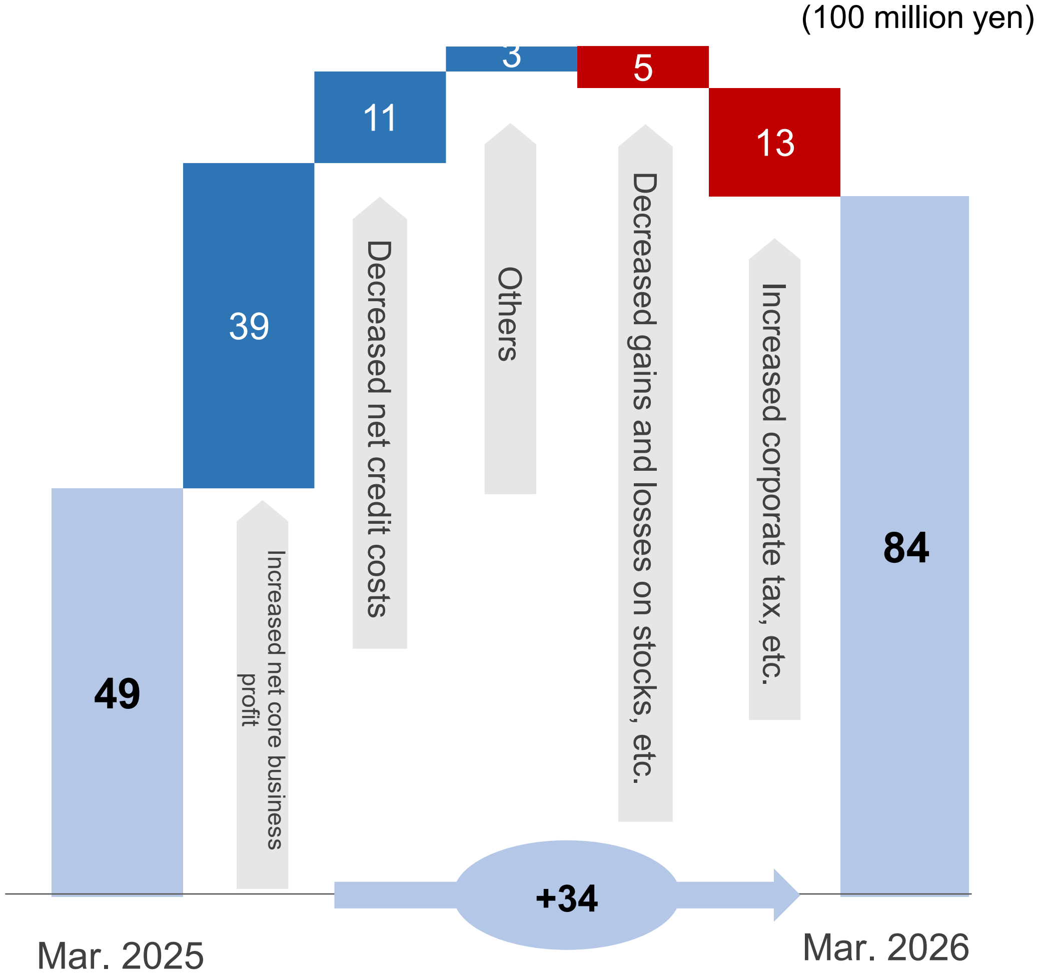
# Profit (Net Income)

Driven by an increase in core operating profit and a rebound in credit costs, net income rose by 3.4 billion yen YoY, reaching a record high.

## Trends in interim net income




## Factors behind changes in net income

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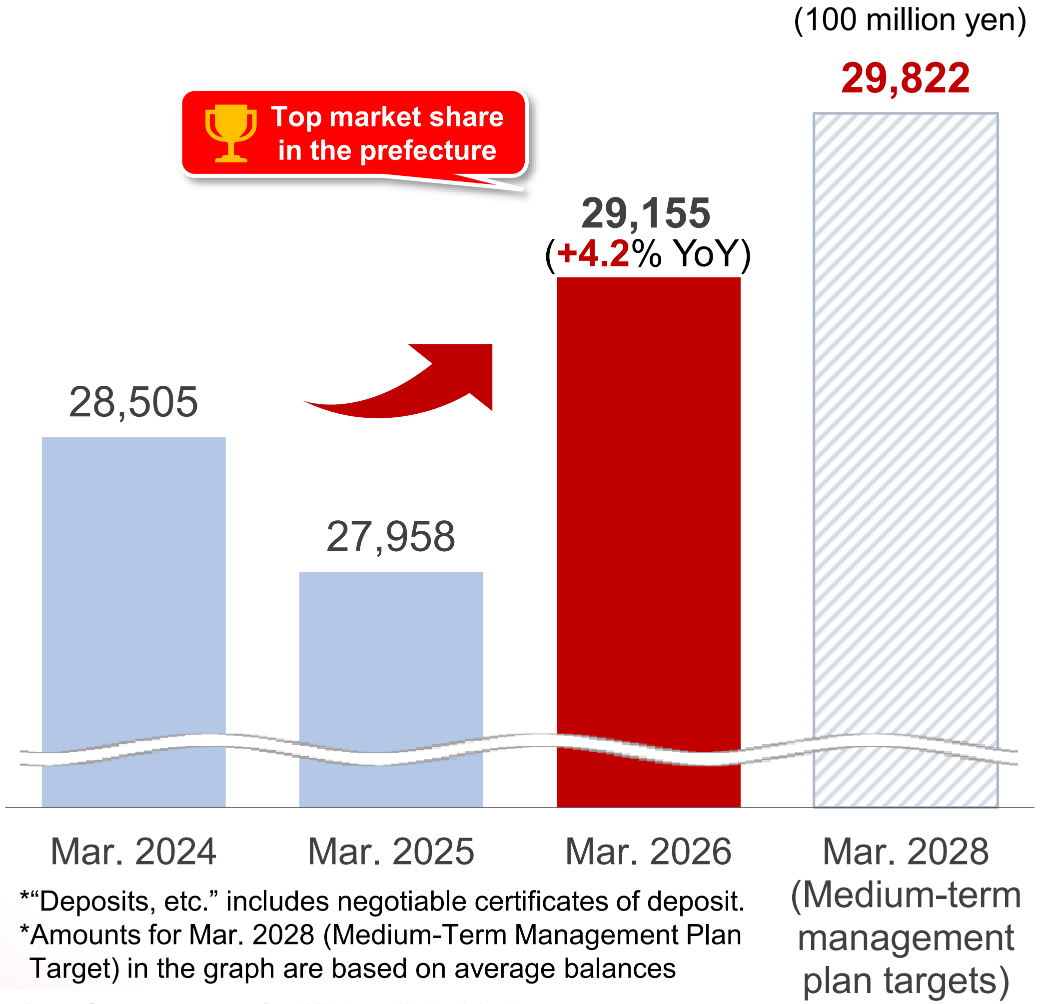
# Deposit and Loan Balances

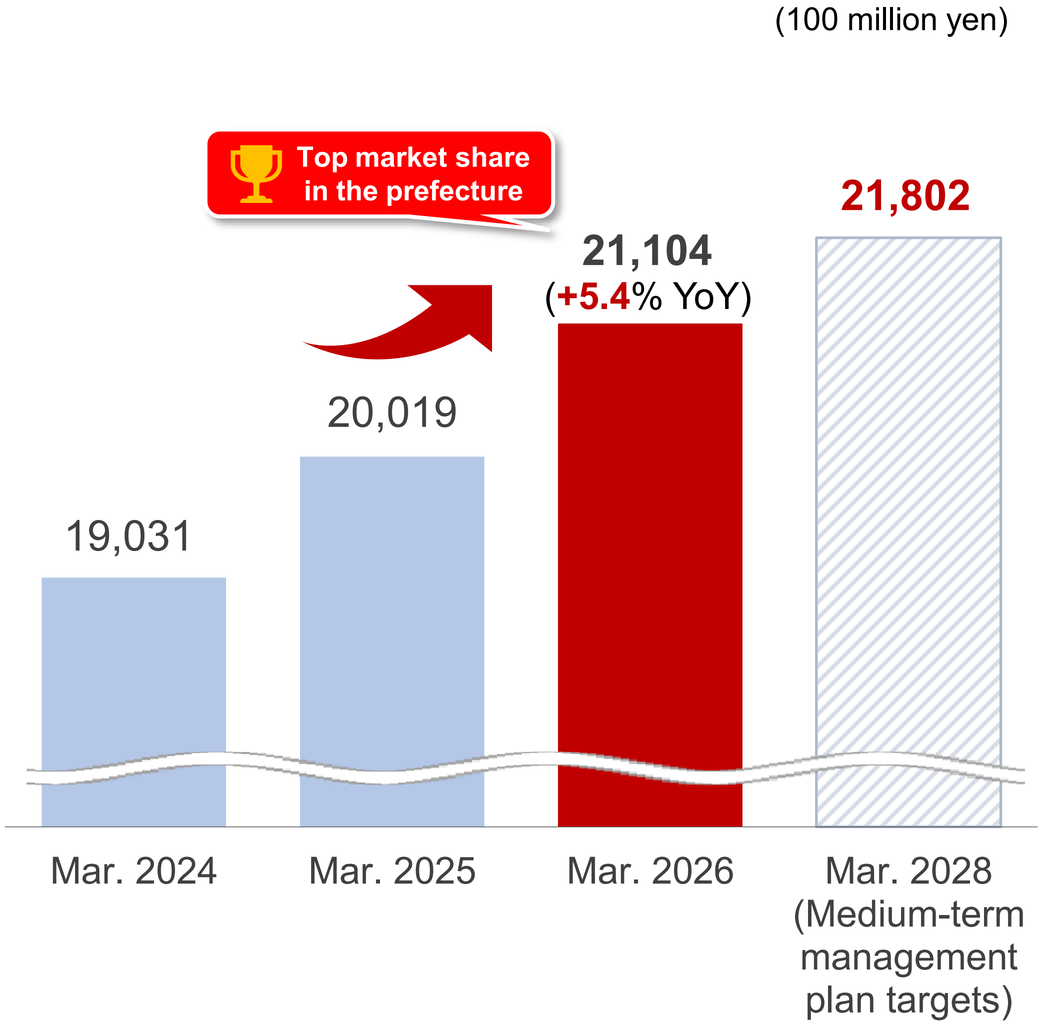
Deposits turned to a 4.2% increase YoY, driven by growth in deposits from individuals, corporations, and public funds.
Loans increased by 5.4% YoY, driven by growth in corporate loans within the prefecture, syndicated loans, and mortgage loans within the prefecture.

## Deposit and other balances (year-end)




*"Deposits, etc." includes negotiable certificates of deposit.
*Amounts for Mar. 2028 (Medium-Term Management Plan Target) in the graph are based on average balances

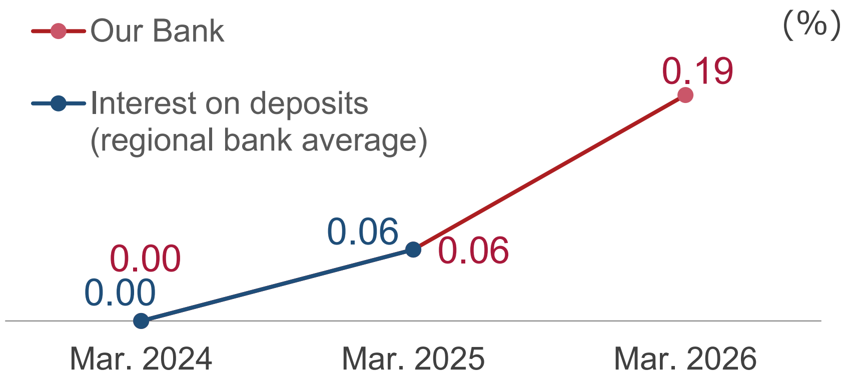
## Loan balance (year-end)



# Deposit and Loan Interest Rates

Against the backdrop of rising interest rates, both deposit and loan interest rates have increased. Progress in improving profit margins led to an increase in interest income.

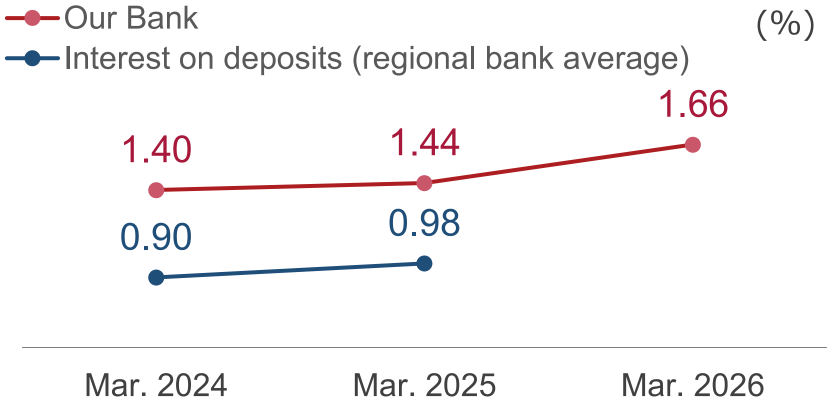
## Deposits, etc. Yield




Source: Regional Banks Association of Japan

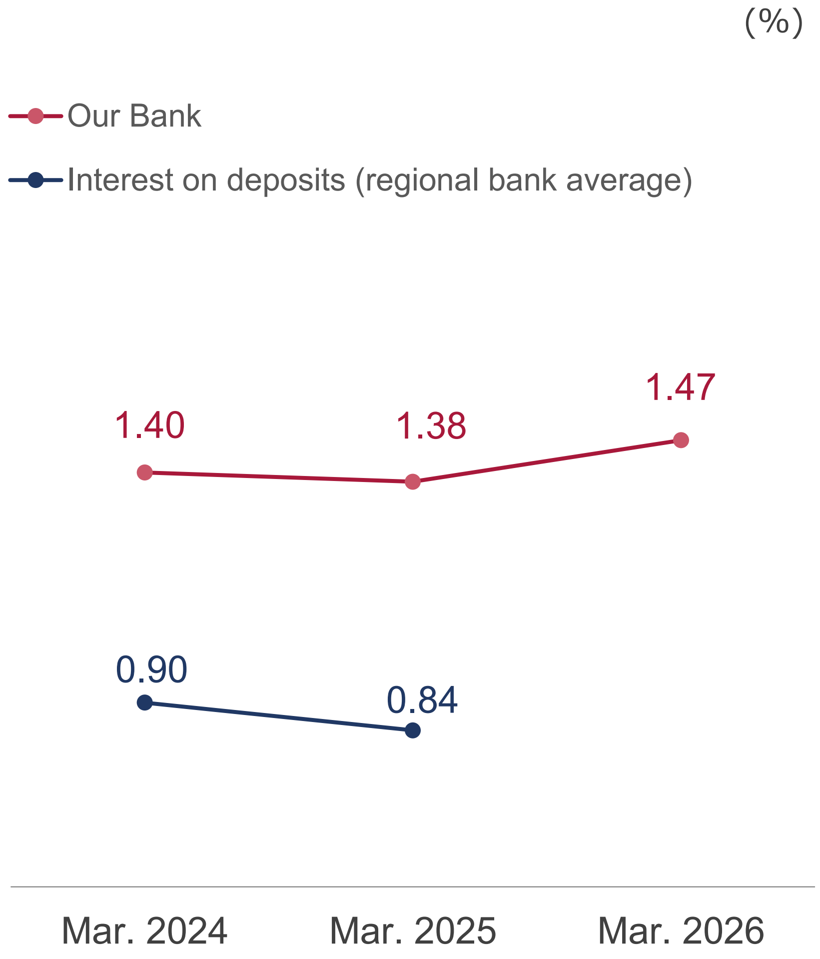
*"Deposits, etc." includes negotiable certificates of deposit.

## Loan Interest Rate




Source: Regional Banks Association of Japan

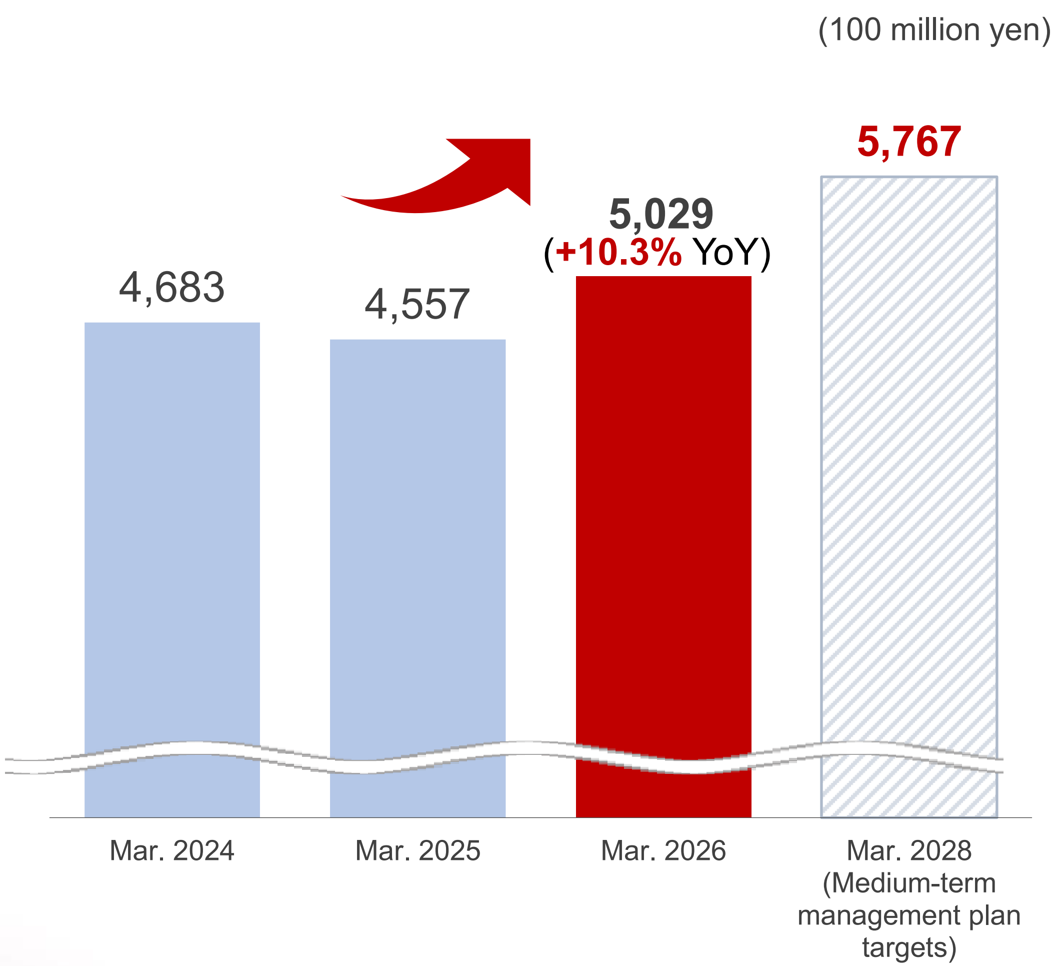
## Yield Spread (Loan Yield – Deposit Yield)



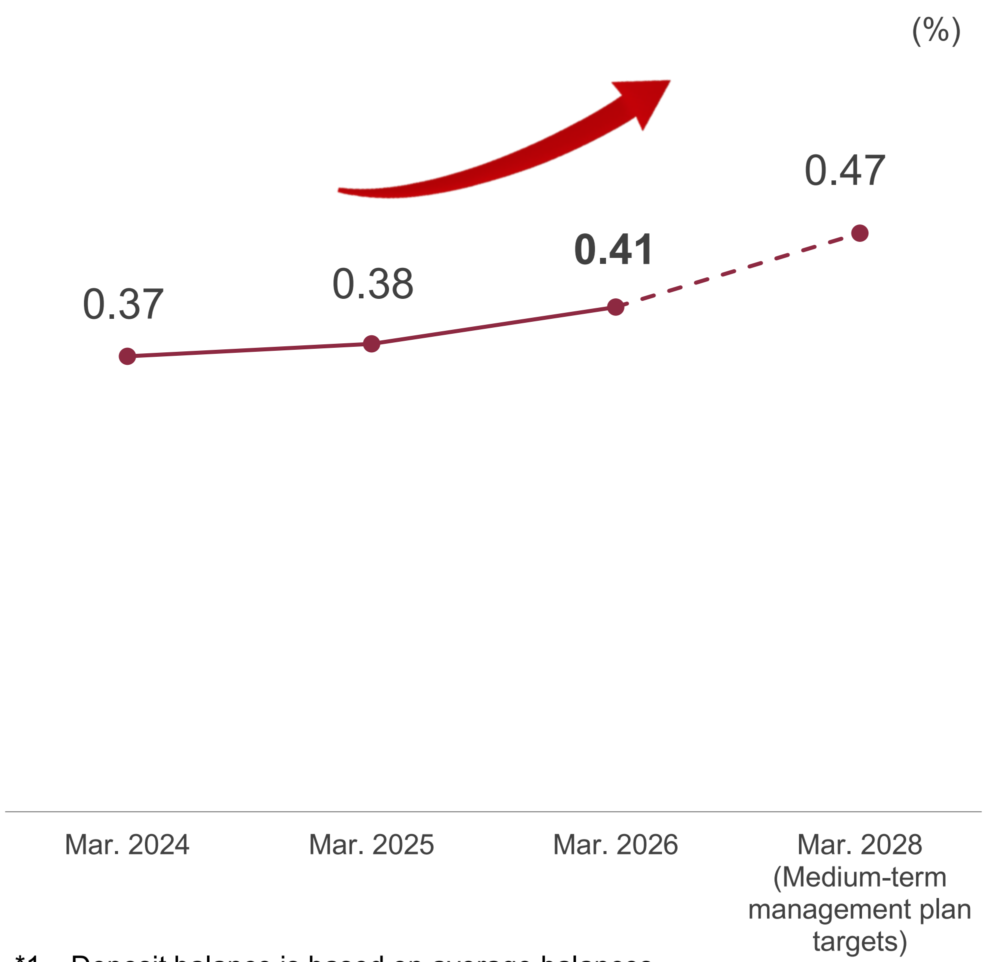
# Fees and commissions

Fees and commissions remained strong. Its ratio of fees and commissions to deposit balance ranks among the highest among regional banks of comparable size.

## Trends in Fees and Commissions




## Trends in the Ratio of Fees and Commissions to Deposit Balance*1

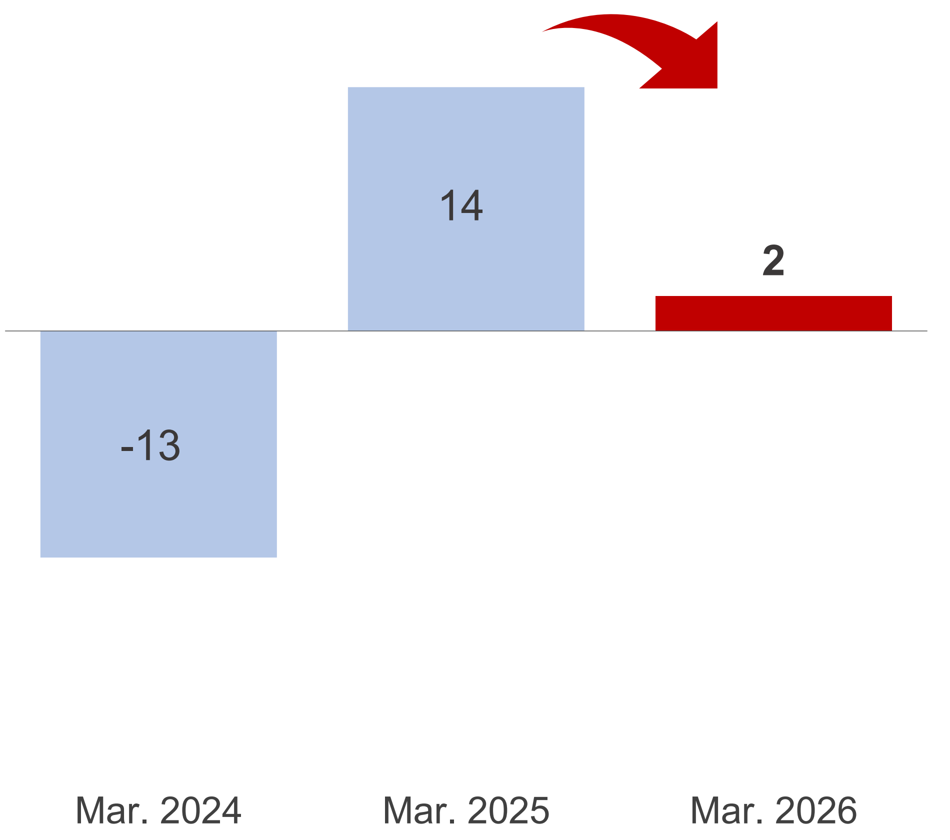



*1 Deposit balance is based on average balances

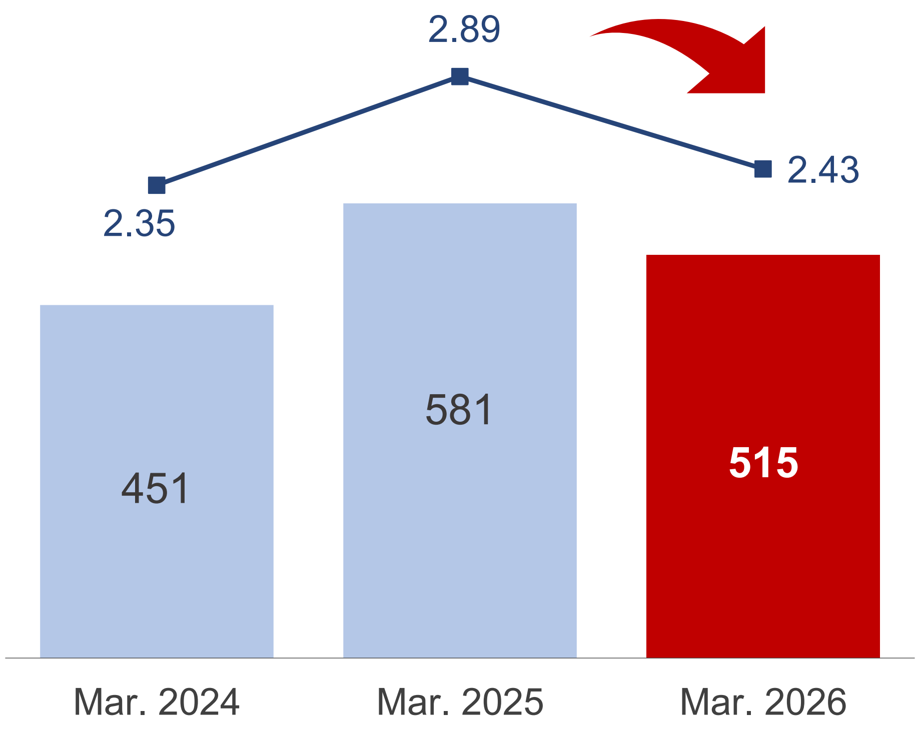
# Net Credit Costs and Disclosed Bad Debt

Net credit costs decreased YoY due to lower provision for doubtful accounts. Disclosed receivables decreased by 6.5 billion yen YoY due to upgrades and collections, and the disclosed receivables ratio fell to 2.43%.

## Net Credit Costs




## Amount of Disclosed Receivables and Disclosed Receivables Ratio



# Shareholder Returns

Against the backdrop of improved profitability, the Bank is strengthening its capital base, has decided to increase its dividend, and is revising its shareholder return policy.

## Trend s in Annual Dividends Per Share and Dividend Payout Ratios

**Shareholder return policy:**
**Aim to maintain or increase dividends, targeting a dividend payout ratio of 40% or higher.**
**Share buybacks will be carried out flexibly**


**Amount of share buybacks**

| | | | |
|---|---|---|---|
| 500 million yen | 500 million yen | - | |

# Medium-Term Management Plan “Empower 2025” Revised Targets and Progress

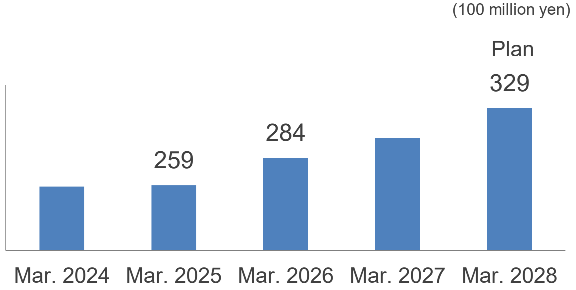
The medium-term management plan is progressing smoothly, driven in part by growth in net interest income from loans and deposits resulting from rising interest rates. Based on this, the Bank has raised its management targets (financial indicators).

## Management Targets (through Mar. 2028)

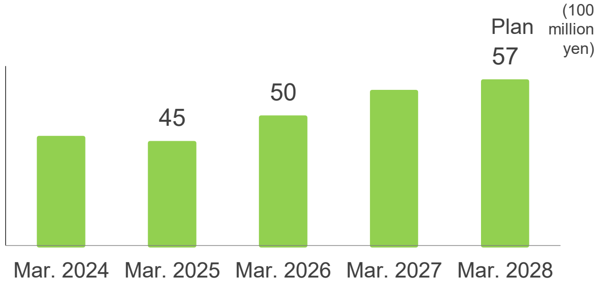
| | Item | Initial targets | Revised targets |
|---|---|---|---|
| Financial Indicators | Consolidated Net Income | 9 billion yen | **11** billion yen |
| Financial Indicators | Non-Consolidated Net Core Business Profit | 12 billion yen | **15** billion yen |
| Financial Indicators | Non-Consolidated Core OHR | 70.0% or lower | **65.0%** or lower |
| Financial Indicators | Consolidated ROE | 5.5% or higher | **7.0%** or higher |
| Financial Indicators | Consolidated Capital Adequacy Ratio | Approx. 10.0% | Approx. **10.0%** |
| Basic Strategy Indicators | Executed Amount of Ryugin Sustainable Finance | | 300 billion yen |
| Basic Strategy Indicators | Number of Cases of Life Support for Okinawa Residents | | 35,000 |
| Basic Strategy Indicators | Growth in Number of Start-Ups Created in Okinawa | | 1.5 times the 2023 level |
| Basic Strategy Indicators | Number of Tourists | | 12 million |

## Key Numerical Targets (Non-Consolidated)

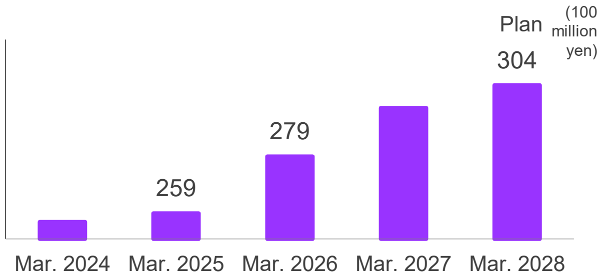
### Net interest income from loans and deposits



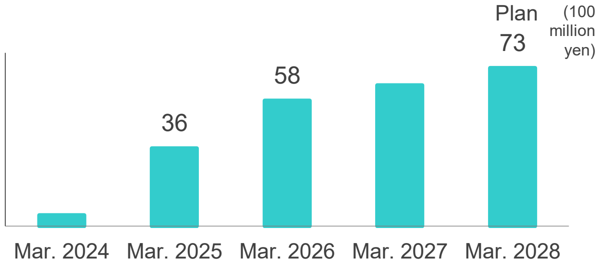

### Profit from service charges



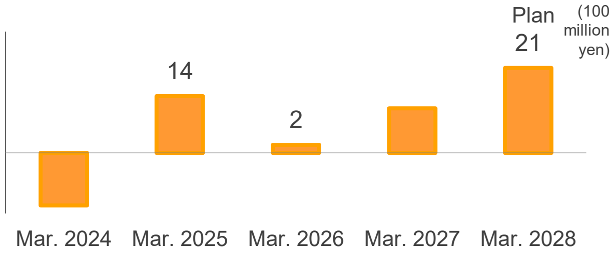

### Expenses



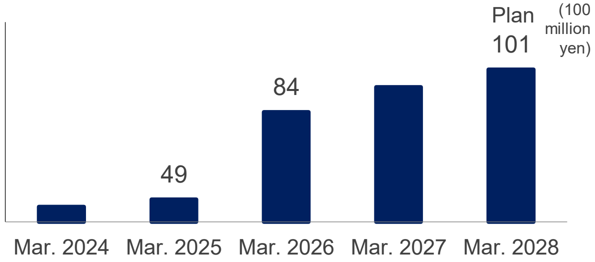

### Securities




### Net credit costs




### Net income



# Forecast for FY2026 (Ending March 31, 2027)

Although expenses are expected to increase due to costs associated with the new headquarters building, profits are forecast to rise in FY2026 as growth in net interest income from loans and deposits, together with higher interest and dividend income on securities, more than offsets the increase in expenses.

(100 million yen)

| [Consolidated] | FY2025 (Ended Mar. 2026) Results | FY2026 (Ending Mar. 2027) | | FY2027 (Ending Mar. 2028) Medium-Term Management Plan |
|---|---|---|---|---|
| | | Forecast | Year on Year | |
| Ordinary profit | 130 | 149 | +19 | – |
| Profit attributable to owners of the parent | 90 | 100 | +10 | 110 |
| Provision for non-performing loans | 6 | 16 | +10 | - |
| Net credit costs | 5 | 15 | +10 | - |

(100 million yen)

| [Non-Consolidated] | FY2025 (Ended Mar. 2026) Results | FY2026 (Ending Mar. 2027) | | FY2027 (Ending Mar. 2028) Medium-Term Management Plan |
|---|---|---|---|---|
| | | Forecast | Year on Year | |
| Ordinary profit | 117 | 139 | +22 | – |
| Net income | 84 | 95 | +11 | 101 |
| Net business profit | 107 | 139 | +32 | – |
| Real net business profit*1 | 104 | 139 | +35 | 156 |
| Net core business profit*2 | 111 | 139 | +28 | – |
| Provision for non-performing loans | 7 | 12 | +5 | – |
| Net credit costs | 2 | 12 | +10 | – |

*1 Real net business profit refers to net business profit excluding general provision for doubtful accounts

*2 Net core business profit refers to net business profit excluding net business profit before general provision for doubtful accounts and profit/loss in government and other bonds (balance of 5 bond accounts)

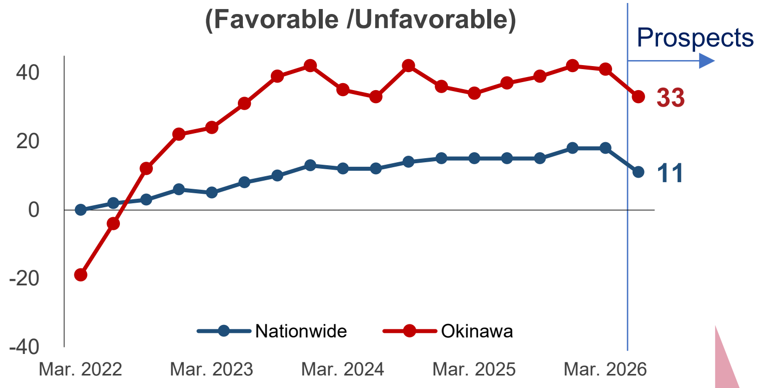
# Key Strategies

# Potential of Okinawa (1)

Against the backdrop of Okinawa's expanding economy, and given that the prefecture continues to offer room for growth in employment and investment trends, the Bank which holds the top market share in the prefecture, will strive to further support the development of the regional economy.

## Growing Okinawa Economy

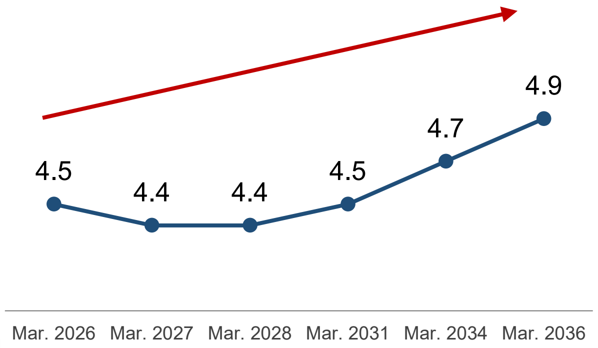
Business Conditions DI (Favorable /Unfavorable)




Source: Bank of Japan Naha Branch

Outlook for Gross Prefectural Product (Real)

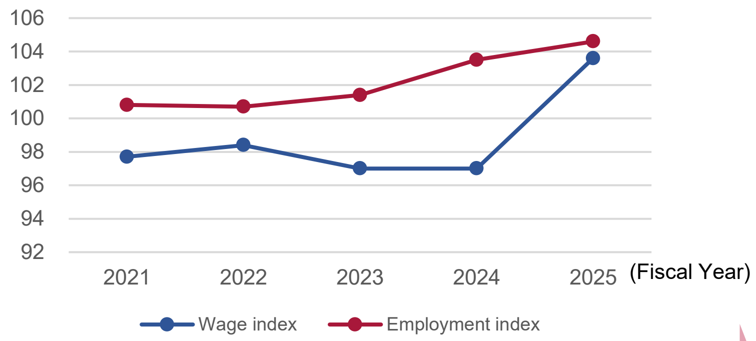
(Trillion yen)




Source: Nansei shoto Industrial Advancement Center (NIAC)

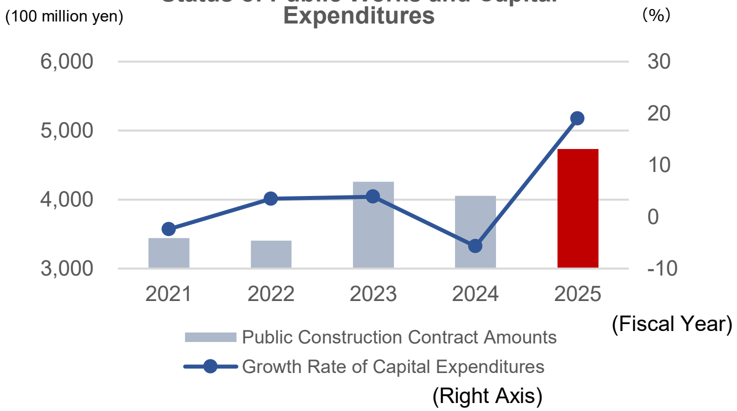
## Room for Growth in Financial Demand as Indicated by Employment and Investment Trends

Wage and Employment Indices (Base: year 2020 = 100)




Source: Okinawa Prefecture

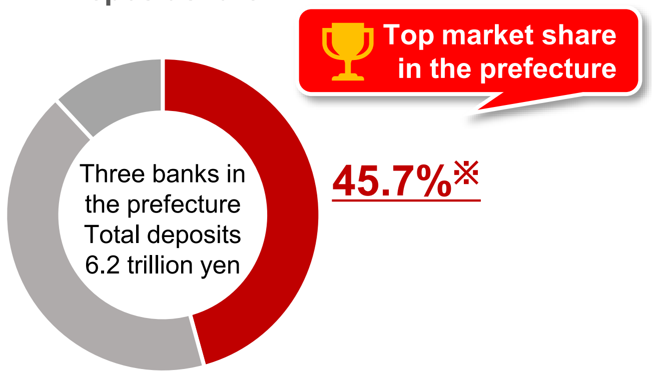
Status of Public Works and Capital Expenditures



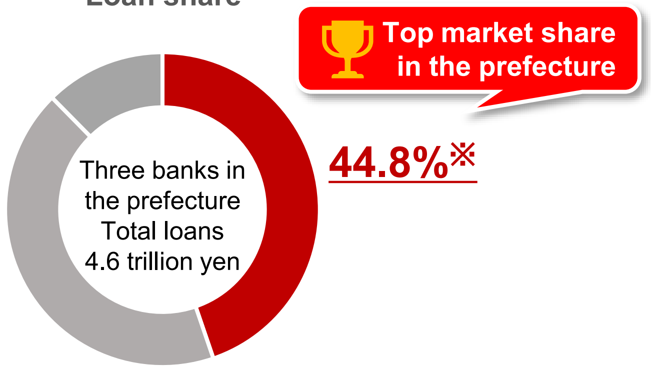

Source: Ryugin Research Institute Ltd., The Okinawa Development Finance Corporation

## The Bank's Strengths and Positioning

Deposit share




Loan share




Note: Market share of three regional banks headquartered in Okinawa (on an average balance basis)

# Potential of Okinawa (2)

- In August 2024, the areas surrounding Naha Airport, Naha Port facilities, the Makiminato Service Area, and Futenma Airfield were designated as “Key Hubs for Value Creation.” To realize the future vision of a “gateway open to the world” that symbolizes Okinawa’s evolution into the next generation, GW2050 PROJECTS was launched by economic organizations and the relevant local governments (Naha City, Urasoe City, and Ginowan City).
- The GW2050 PROJECTS, whose early implementation is outlined in the “Basic Policy on Economic and Fiscal Management and Reform 2025,” are being advanced with a focus on enhancing the functionality of Naha Airport and the integrated development of sites formerly occupied by U.S. military bases, in line with targets for significant growth in the gross prefectural product and per capita income. As a result, the Okinawa market is expected to continue expanding over the medium to long term.

**Nominal Gross Prefectural Product (2024 → 2050)**

4.9 trillion yen → **11** trillion yen

**Total Population (2024 → 2050)**

1.47 million people → **1.67** million people

**Number of Employed Persons (2024 → 2050)**

770,000 people → **930,000** people

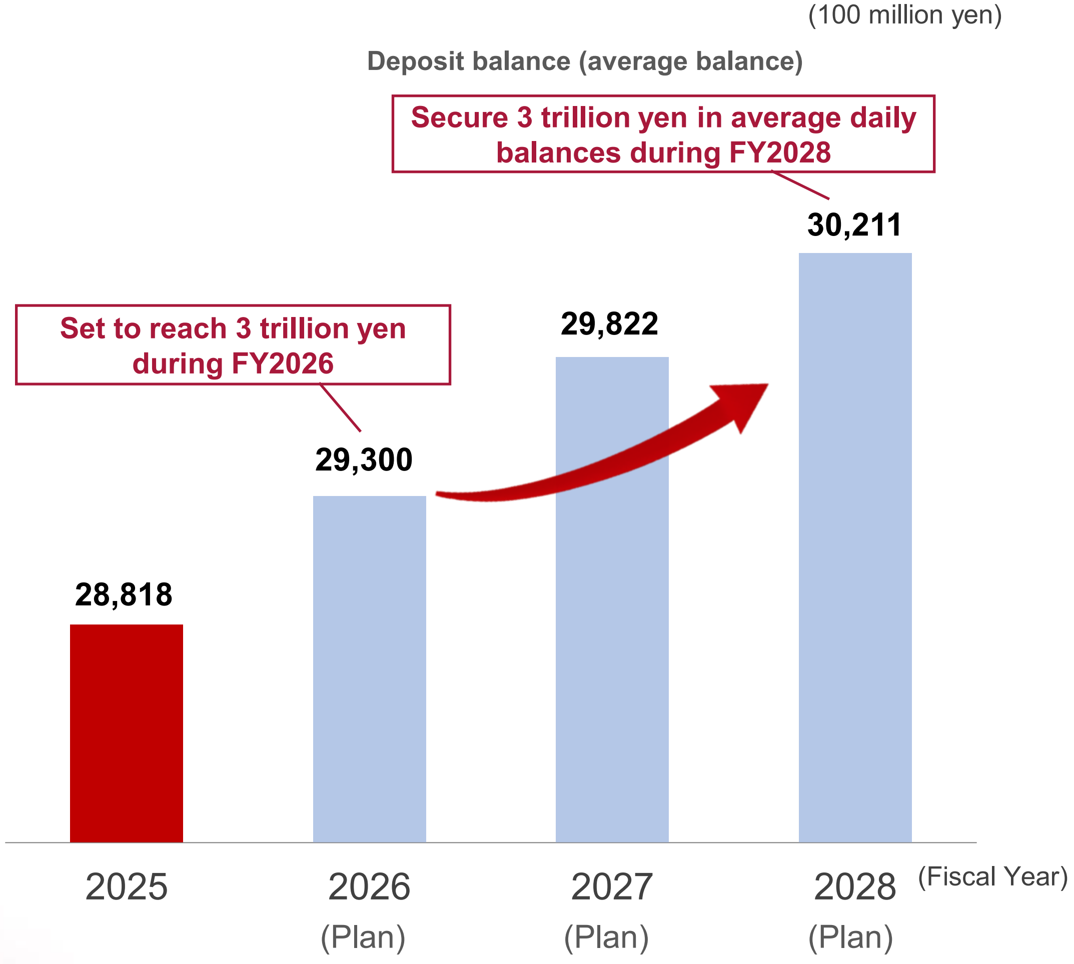
**Per Capita Prefectural Income (2024 → 2050)**

2.54 million yen → **6.25** million yen

# Deposit Strategies

The Bank will promote the use of digital channels to encourage customers to make it their primary bank, thereby increasing retail deposits. It will also revamp its sales structure to integrate corporate and retail operations, with the aim of increasing corporate deposits and loans.

## Forecast of Average Deposit Balances




## Initiatives to Attract Deposits

- **Transformation of the Sales Structure (Customer Touchpoints, Expansion of Transaction Volume and Number of Clients)**
  1. Strengthening Integrated Corporate and Retail Sales
     The Bank will promote the acquisition of payroll and settlement accounts through a "corporate-individual integration" sales approach, which involves deepening corporate relationships and making cross-functional proposals to employees and business owners, with the aim of expanding the number of transaction accounts and its deposit base.
  2. Deepening Relationships Through Advanced Personalized Consulting Proposals
     The Bank aims to deepen its relationships with its core customer base over the long term through intergenerational wealth transfer and inheritance consulting, as well as a goal-based approach.
  3. Efficient Business Expansion Through Encouraging Branch Visits
     The Bank aims to efficiently expand business with its clients by securing time with them through appointment scheduling and actively utilizing the connect team (which identifies and refers prospective customers).
- **Strengthening Through Inheritance Consulting: A Business That Supports Medium- to Long-Term Growth**
  Support the transfer of client assets through inheritance consulting, thereby curbing the outflow of deposits and attracting new funds.
- **Enhancing Payment Services: Promoting the Acquisition of New Card Merchants**
  Promote the use of the service as a payment account by expanding the network of participating card merchant
  Strengthening the recurring revenue base by accumulating payment data and boosting account usage
- **Expanding Customer Touchpoints Through Apps**
  Improving convenience by expanding and enhancing app features
  Contributes to accelerating customer acquisition and generating cash inflows for settlement purposes

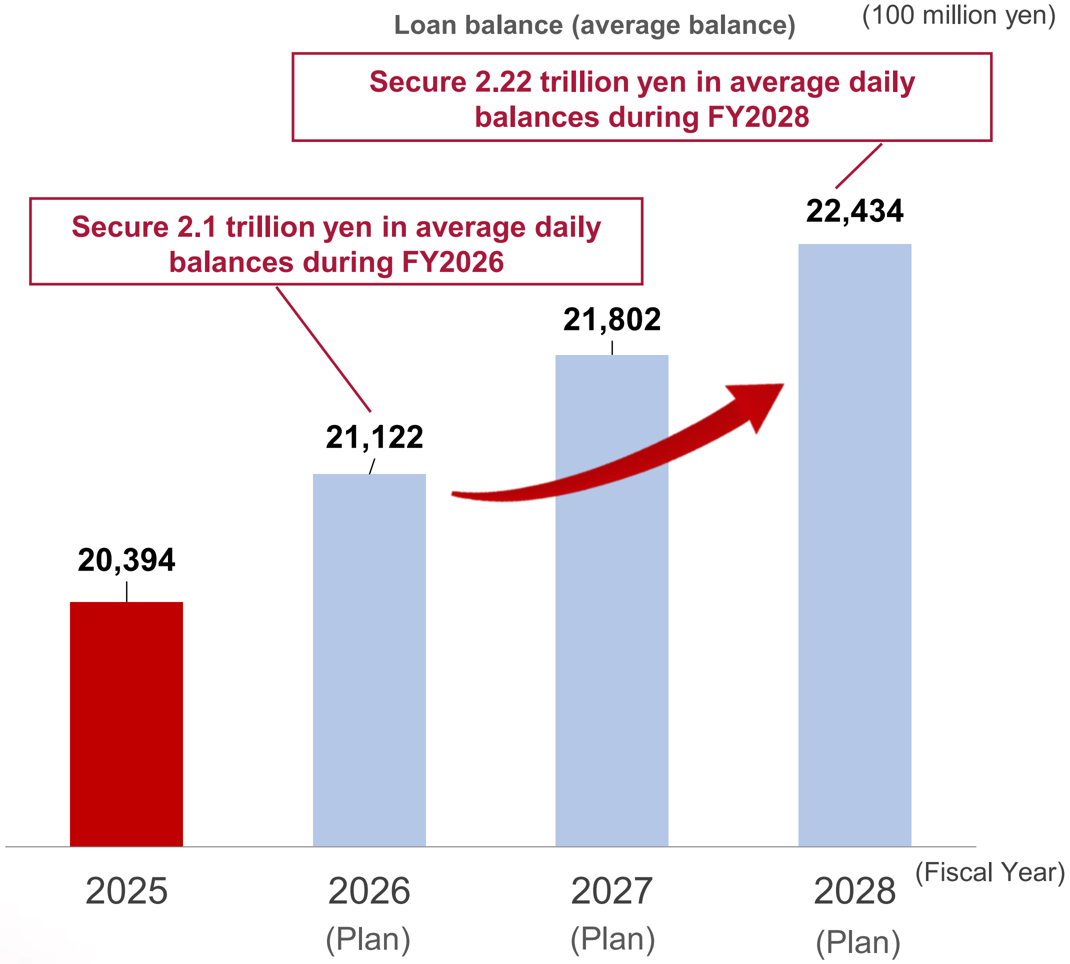
**Number of members: Approximately 300,000**

App store ★ 4.7/5.0
Google play ★ 4.6/5.0

# Loan Strategies

The Bank aims to increase lending by strengthening sales activities to expand its customer base and market share, as well as by expanding its personal loan business.

## Forecast of Loan Balance (Average Balance)




## Initiatives to Increase Lending Volume

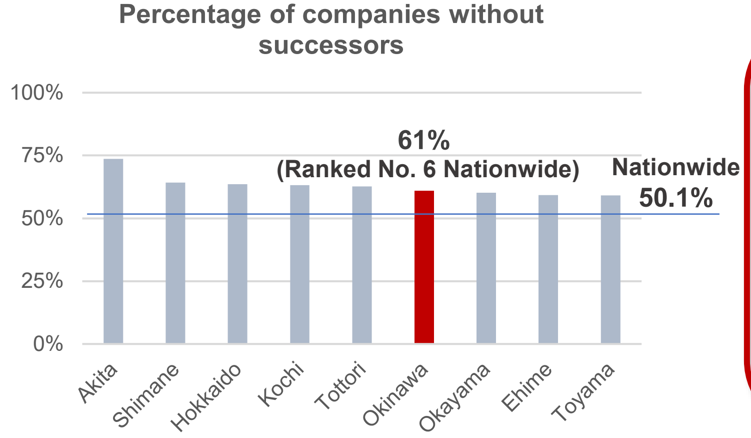
- **Strengthening Sales Activities to Increase Order Volume and Market Share**
  - Promoting the transition to primary accounts by strengthening sales efforts at non-primary accounts
  - Expanding relationships with corporate deposit customers (expanding workplace banking and transactions with business owners)
  - Capturing financing opportunities arising from consulting engagements
- **Proactive Risk-Taking in Large-Scale Projects and High-Growth Fields**
  GW2050-related funds to be allocated with a focus on tourism, redevelopment, decarbonization, and startups

- **Capturing Housing Demand in Priority Areas (Expanding Personal Loans)**
  - Prioritizing efforts in areas experiencing population growth, the reuse of former U.S. military sites, and ongoing redevelopment
  - Improved convenience through the launch of online mortgage loans applications
- **Product Improvements Tailored to Customer Needs**
  Enhancing product offerings, including revising apartment loan terms to better reflect the longer operating cycle of rental property businesses
- **Expansion and Enhancement of Non-Face-to-Face (Fully Online) Channels for Personal Loans**

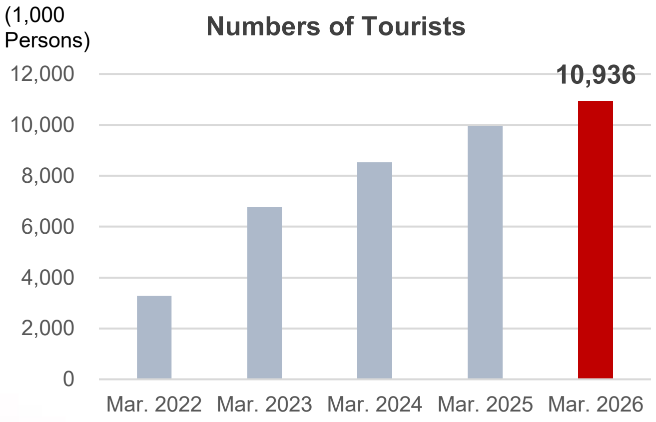
# Corporate Consulting Strategies

In corporate markets with significant growth potential such as M&A, business succession, and tourism investment, the Bank will contribute to the growth of the regional economy byleveraging its strengths in consulting and project finance.

## Business Succession Needs and Tourism Demand Create Growth Opportunities




Source: Teikoku Databank




Source: Ryugin Research Institute Ltd.

## The Strengths of Bank of the Ryukyus' Corporate Consulting Services

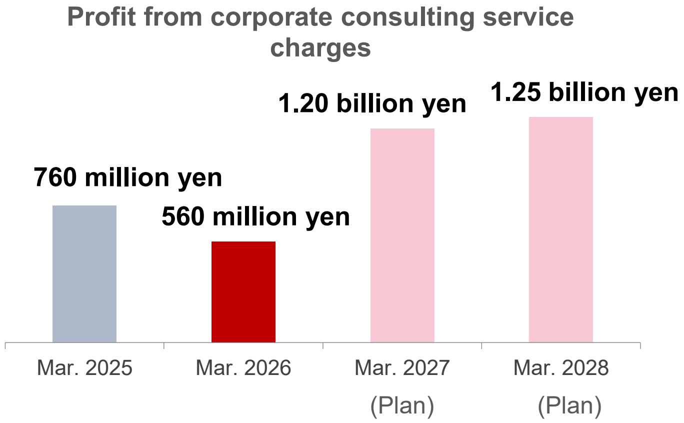
### M&A / Business Succession

- By leveraging the experience and expertise the Bank has cultivated through in-house operations, it provides high-quality services and contributes to the local community by keeping advisory revenues within Okinawa
- By promoting the development and training of personnel with advanced specialized skills through external training programs and other initiatives, the Bank will build a strong advisory team and deliver high-quality services

### Project Finance

- A track record and reputation as the leading regional bank in the prefecture for tourism-related financing
- Meeting a wide range of funding needs through collaboration with our extensive network of partners, including the TSUBASA Alliance, the Judankai, and major banks outside the prefecture
- Wide-area collaboration with other prefectures, leveraging expertise gained in real estate financing for hotels and other properties

## Workforce Planning and Profit Forecasts

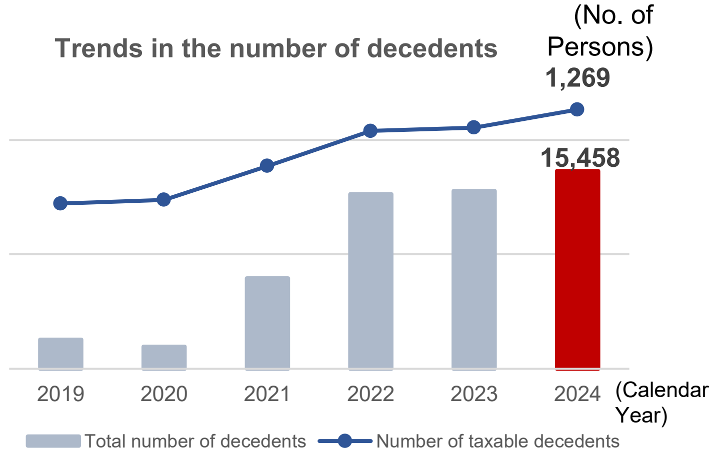



# Individual Consulting Strategies

In the growing inheritance and asset succession market, the Bank will leverage its strengths including its extensive track record to maximize customer LTV* by expanding into various services centered on inheritance consulting and creating opportunities to build relationships with the next generation of customers.

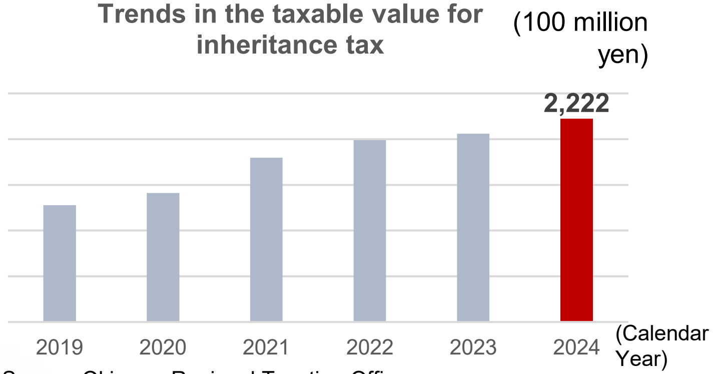
## The Expanding Inheritance Market

Trends in the number of decedents




Source: Okinawa Regional Taxation Office

Trends in the taxable value for inheritance tax




Source: Okinawa Regional Taxation Office

## The Strengths of Bank of the Ryukyus' Individual Consulting Services

### Inheritance Consulting

- Maintains customer relationships with approximately 70% of the prefecture's elderly population
- One-stop service in collaboration with external experts
- **Extensive experience and expertise** backed by a track record of over 3,000 cases handled
- **Promoting the message "Think inheritance, think Ryugin"** through proactive seminar hosting and newspaper columns

### Growth and Connections Through LTV* Strategy

**1 Project → Long-Term Revenue**

**Starting with inheritance consulting**, the Bank makes a **significant contribution to expanding into areas such as deposits, loans, mutual funds,** insurance, business matching, and business succession (indirect revenue).

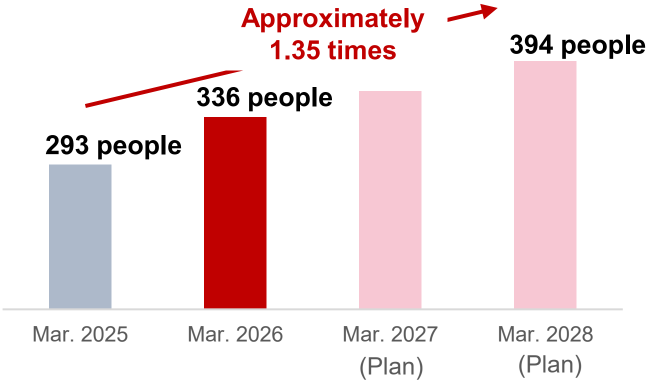
**1st Generation → Next Generation**

By establishing connections with heirs and their families and building bridges to the next generation, the Bank creates **opportunities to maintain and expand its customer base**

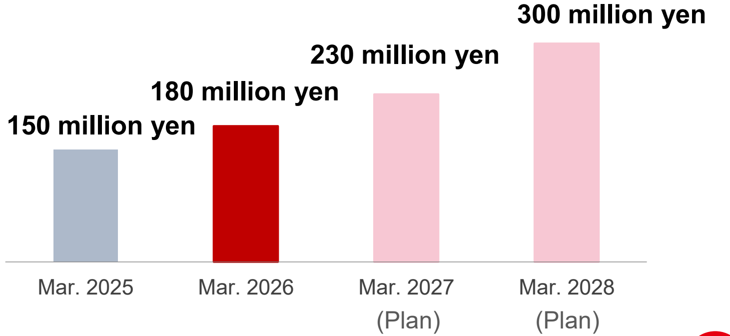
* An LTV (Lifetime Value) strategy refers to the profit generated from a single customer over the course of their lifetime

## Workforce Planning and Profit Forecasts

Plan for highly skilled individual consulting personnel




Profit from consulting for individual customers service charges

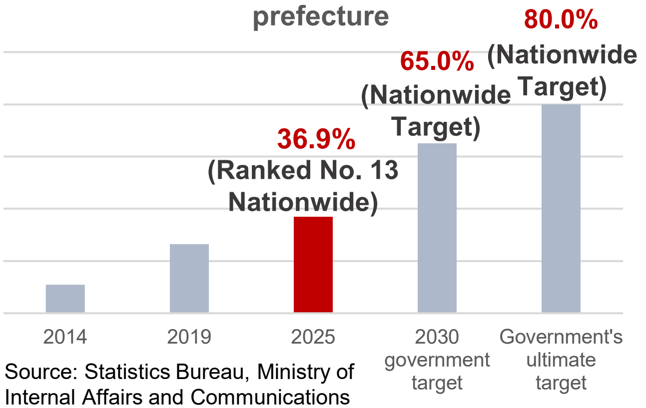


# Cashless Strategies

Contribute to the growth of the prefectural economy while improving convenience for prefectural residents and visitors by helping build a Cashless Island, and expand its business domain by providing payment platforms.

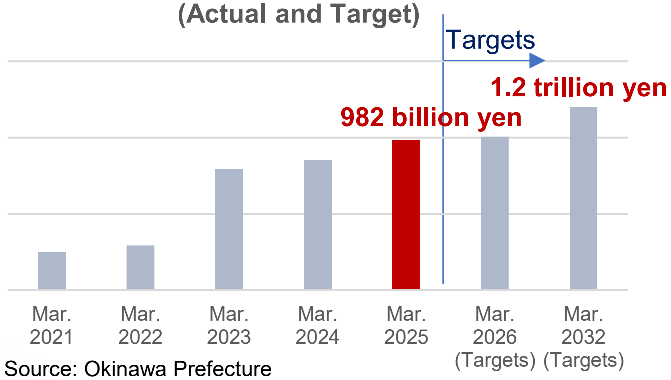
## The Expanding Cashless Market

Cashless payment ratio in the prefecture




Source: Statistics Bureau, Ministry of Internal Affairs and Communications

Okinawa Prefecture Tourism Revenue (Actual and Target)




Source: Okinawa Prefecture

## The Strengths of Ryukyu Bank's Cashless Business

### Cashless Business

■ **Expand collaboration by leveraging the Bank's principal licenses**

- Expand sales base through collaboration with POS system vendors and settlement providers in diverse industries
- Support the settlement business for out-of-prefecture financial institutions/businesses
- Expand introduction of payment systems to public transportation in the prefecture

### Cashless Business and DX

**Industry-Specific Digital Transformation Capabilities Centered on Cashless Payments**

■ **Healthcare: Improving Operational Efficiency with Self-Service Payment Kiosks**

■ **Tourism: Moving Toward Cashless Ticket Purchases**

■ **Accommodations: Improving Operational Efficiency Through OTA*1-Integrated Payments**

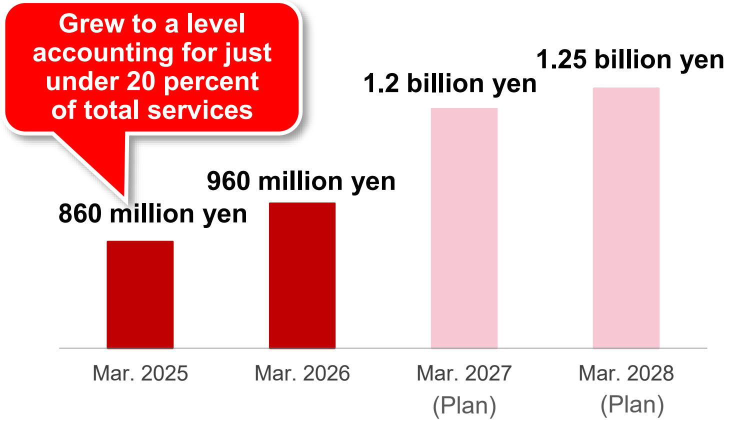
■ **Food Service and Retail: Digital Transformation Through the Use of KIOSK*2**

*1: Abbreviation for "Online Travel Agent"

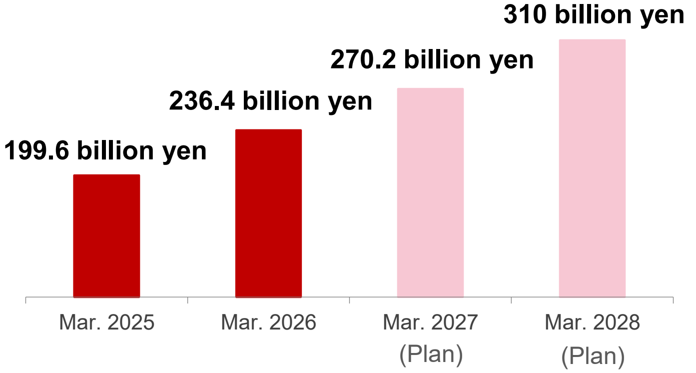
*2: A general term for small, freestanding information terminals equipped with touch panels and other features

## Profit Forecasts

Profit from card-related service charges



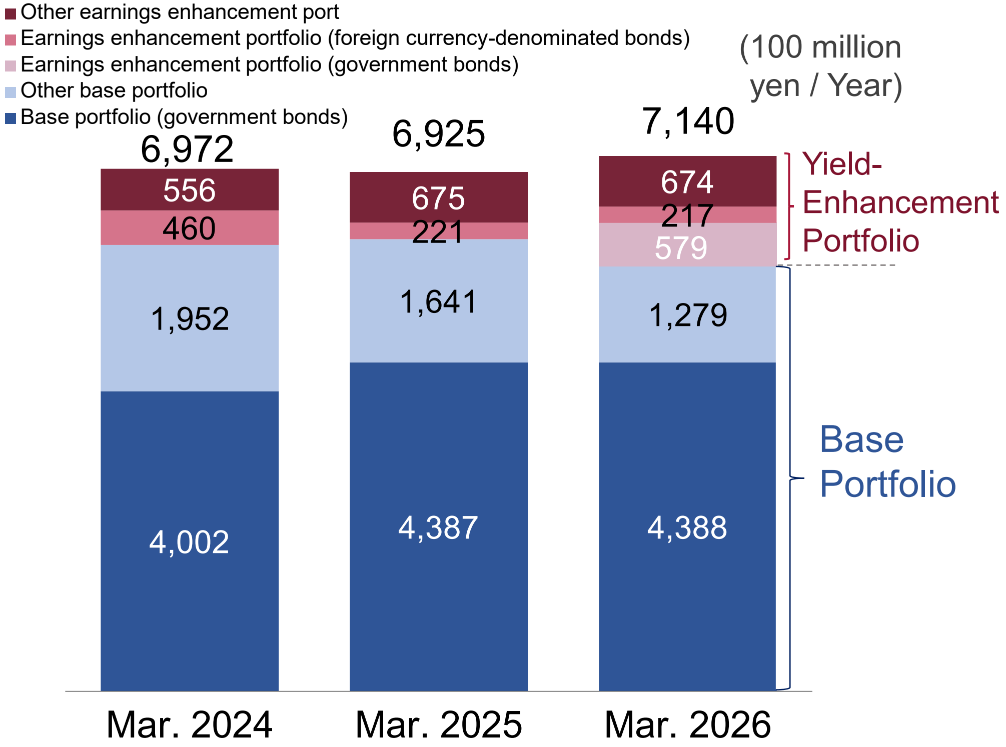

Group's cashless transaction volume



# Securities Investment Strategies

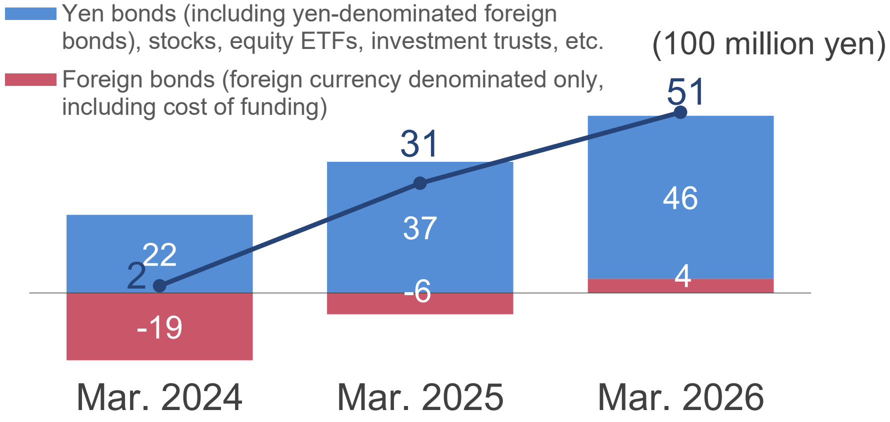
With the base portfolio (comprising primarily Japanese government bonds, including bonds with remaining maturities of approximately 0 to 5 years and 10-year Japanese government bonds held to maturity) as the core, the Bank will adjust duration in light of interest rate market conditions while continuing to pursue a diversified investment strategy that includes the yield-enhancement portfolio (comprising 10-year Japanese government bonds held for other purposes, as well as foreign bonds, stocks, REITs, and mutual funds) to further enhance returns.
Since the base portfolio consists primarily of bonds with short remaining maturities, the impact of rising interest rates will be limited, and interest income from securities is expected to increase.

## Securities Balances and Duration



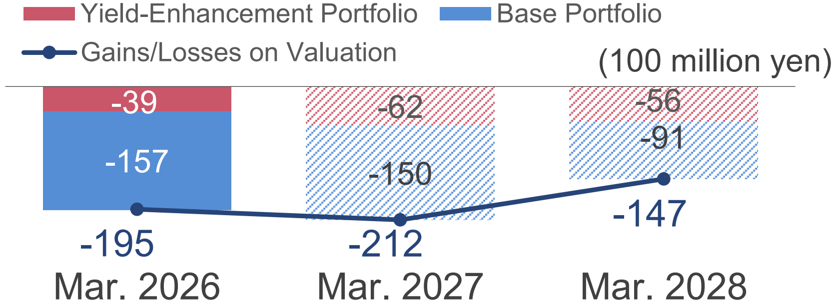

| | Mar. 2024 | Mar. 2025 | Mar. 2026 |
|---|---|---|---|
| Duration of Yen-denominated Bonds | 3.29 | 2.70 | 3.02 |
| Base Portfolio Duration | - | - | 2.41 |

## Profit/loss on Investment in Securities




## Simulation of Gains and Losses on Yen-Denominated Bonds

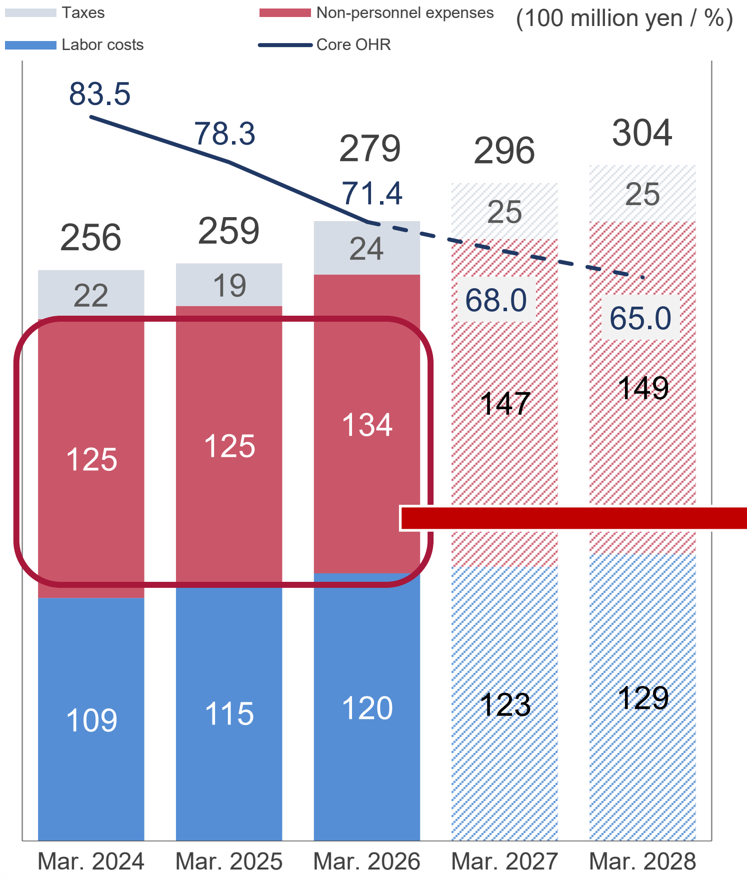
Prerequisites: The policy interest rate is expected to rise every six months starting in June 2026
Profit and loss simulation if the rate reaches 1.50% in June 2027

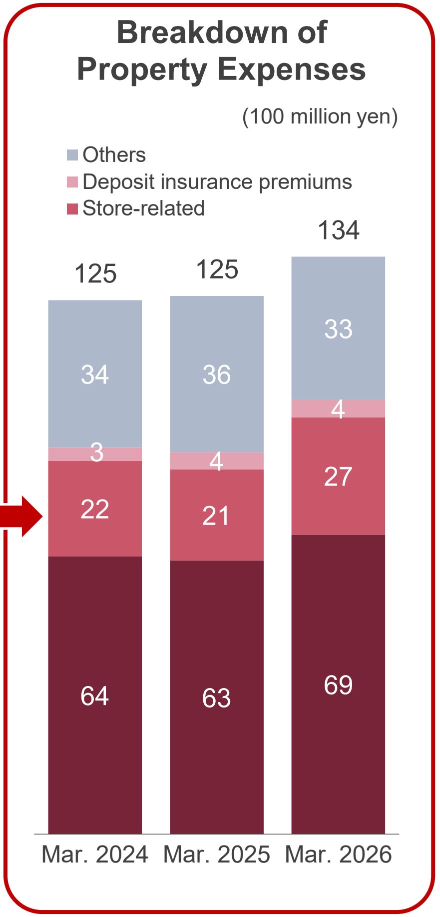


# Expense Control

Operating expenses increased due to the impact of facility-related expenses and taxes associated with the new headquarters and other factors. Investments in human capital and system-related (strategic projects) investments will continue.

## Breakdown of Expenses




## System Investment

- Work to enhance service quality, improve efficiency, reduce risks, and increase customer convenience
  → **Foundation for future profitability and reliability**
- System investment plan for **strategic projects** in FY2026
  Approximately **25**% of the total system investment plan
  [Strategic projects] Projects such as customer service improvement measures and profit improvement measures
- Synergies of the TSUBASA Alliance
  FY2025: 10 Banks totaling **25.6 billion yen**

## Active Investment in Human Capital

- Recruiting and Developing Highly Skilled Professionals
  → **Strengthening sales and consulting capabilities and improving customer satisfaction**

| Item | Results (FY2025) |
|---|---|
| Human capital investment amount (Training-related)*1 | **484** million yen |
| Average salary | **+118** thousand yen YoY |
| Number of hires | **85** people (84 new graduates, 1 mid-career hire) |
| Turnover rate*2 | **16.9**% |

*1: Total amount of training expenses and salaries for employees seconded for training purposes
*2: Turnover rate as of March 2026 for employees who joined in April 2023
(Reference) National average: high school graduates 37.9%, university graduates 33.8%

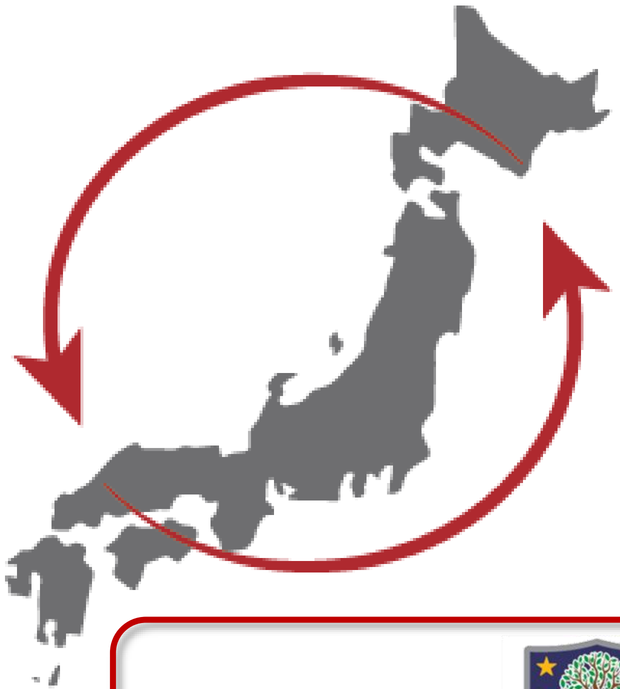
琉球銀行 | 沖縄のために、挑みたい未来がある。琉球銀行グループ

# Alliances (Wide-Area Collaboration × Local Collaboration)

Through wide-area collaboration and partnerships with other banks within the prefecture, the Bank will quickly acquire insights from leading regional banks regarding digital services, advanced financing, and human capital development. The Bank will also promote efficiency in its systems and administrative operations and continue its efforts to reduce expenses.

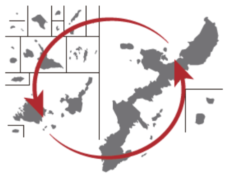
TSUBASA ALLIANCE

- By joining the TSUBASA Alliance, the Bank will be able to enhance and accelerate the development and delivery of digital services and other products
- Participating banks: the Chiba Bank, Ltd., Daishi Hokuetsu Bank, Ltd., Chugoku Bank Ltd., the Iyo Bank, Ltd., the Toho Bank, Ltd., North Pacific Bank, Ltd., the Musashino Bank, Ltd., the Shiga Bank, Ltd., **Bank of the Ryukyus, Limited**, the Gunma Bank, Ltd.



JUDANKAI

- By utilizing the Judankai Shared System, the Bank is consolidating core systems, including the core banking system, across a wide geographic area, thereby promoting improved development efficiency and continuous cost reductions while ensuring stable operation and high system quality.
- Participating banks: Hachijuni Nagano Bank, Ltd., the Yamagata Bank, Ltd., Tsukuba Bank, Ltd., the Musashino Bank, Ltd., the Awa Bank, Ltd., the Miyazaki Bank, Ltd., **Bank of the Ryukyus, Limited**



YUI PARTNER SERVICE

- Through joint investment in and consolidation of operations with Yui Partner Service, the Bank has streamlined back-office operations such as cash transportation and sorting, thereby achieving both cost reductions through shared staffing and the maintenance and improvement of service quality
- Joint Investment by the Okinawa Kaiho Bank, Ltd., and **Bank of the Ryukyus**

# Corporate Value Enhancement Initiatives

# Overview of Medium-Term Management Plan "Empower 2025 (April 2025 to March 2028)"

The Bank aims to enhance the effectiveness of its management plan through the steady implementation of its key strategies, with the goal of realizing its long-term vision.

**Long-Term Vision:** A financial group that grows together with the local community by achieving a beneficial cycle in the local economy

## Medium-Term Management Plan "Empower 2025" (April 2025 to March 2028)

## Improving the Effectiveness of the Business Plan (ROE)

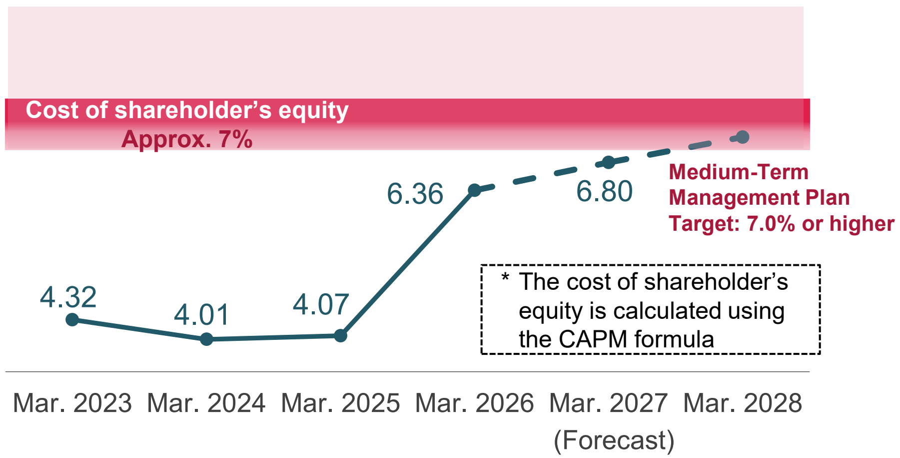
### Implementation of Key Strategies

- Strengthen the Management of Deposits, Loans, and Securities
- Leading the Resolution of Regional Challenges
- Strengthening Group Collaboration and Utilize Alliances
- Increase and Optimize Human Capital Investment

- Implementing Data-Driven Sales Strategies
- Reducing administrative work through the use of generative AI
- Establishing and Practicing Self-Directed Learning

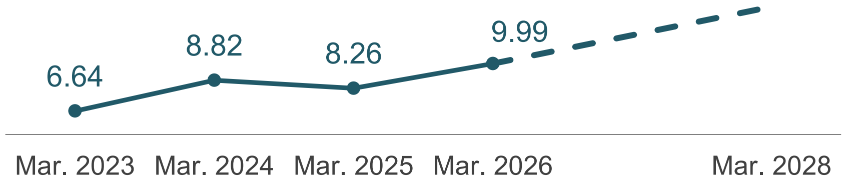
# Current Situation and Future Vision

## ROE and Cost of Shareholder's Equity (%)



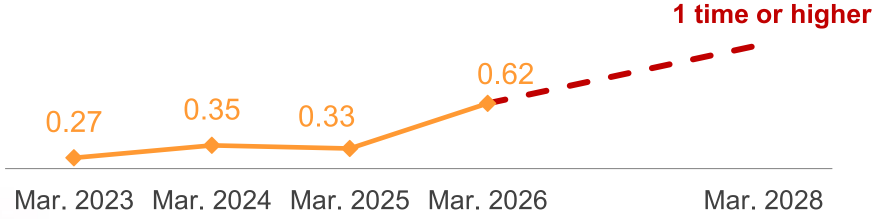

## PER trends

(Times)




## PBR trends

(Times)




| | | | | |
|---|---|---|---|---|
| Enhance PBR | Enhance ROE | Enhance RORA | Strengthen profitability | Enhancement initiatives to increase net interest income (deposits, loans, and securities) |
| | | | | Improve risk-weighted asset profitability |
| | | | | Expansion of service-based businesses (cashless business, corporate consulting, individual consulting) |
| | | | Cost control | Reduce costs through improved efficiency and collaboration with other banks, etc. |
| | | | | Suppress unexpected credit costs through business improvement support |
| | | Control levels of capital adequacy ratios | Risk-weighted asset control | Implement risk-weight reduction measures |
| | | | Effective use of capital | Capital management |
| | | | | Consider conducting appropriate share buybacks and maintaining dividend levels |
| | Enhance PER | Enhance corporate branding | Implement Sustainability Management | Support regional decarbonization and improve ESG evaluations |
| | | | Group branding strategy | Improve the overall strength of Group companies, including those in card, IT, and leasing businesses |
| | | Improve social value | Revitalize the local economy | Protect employment and business assets in local communities to revitalize the local economy |

**Build a strategic human resources portfolio**

# Build a human capital management and strategic human resources portfolio

The Bank will continue to actively recruit, develop, and improve the work environment in order to build a strategic human resources portfolio that will enable it to steadily implement various initiatives.

## Fundamentals of Human Capital Management and Trends in Human Capital Investment

### ■ Three Fundamental Themes of Human Resources Strategy

- **Human resource development**: Development of talent that contributes to solving regional issues
- **Organizational development**: Building an organization where diverse talent can maximize their strengths
- **Environmental development**: Development of an environment that enhances employees' well-being

### ■ Trends in Training Cost and Training Hours

| | FY2023 | FY2024 | FY2025 | FY2026 Plan |
|---|---|---|---|---|
| Total training costs (Million yen) | 109 | 120 | 129 | 170 |
| Average training hours per capita (hours) | 13.5 | 13.7 | 20.6 | 21.3 |

### ■ Return destinations of employees dispatched for external

(No. of Persons)

| | FY2023 | FY2024 | FY2025 | Department total |
|---|---|---|---|---|
| Corporate and individual consulting | 10 | 15 | 15 | 40 |
| Cashless Business | 2 | 2 | 2 | 6 |
| New business | 1 | 3 | - | 4 |
| Planning, management, etc. | 7 | 3 | 6 | 16 |

Note: Definition of external training dispatch: employees below the rank of assistant manager and under 50 years old at the start of the dispatch

## Implementation System and Various Evaluations

### ■ Introduction of RS Incentive System for the Bank Employee Shareholding Association

- Since May 2025, implemented a restricted stock (RS) incentive system for the Bank Employee Shareholding Association
- Promote incentives designed to foster employees' awareness of participating in management and sustainably enhance corporate value, and also closer value sharing with shareholders

### ■ Ranked No. 1 in the Prefecture for Job Placement

- Ranked No. 1 in a survey of job-hunting students scheduled to graduate in the spring of 2027, conducted by two local newspapers (the Okinawa Times and the Ryukyu Shimpo)

### ■ Realization of a Rewarding Organization

A first for financial institutions in Kyushu and Okinawa

### ■ Trends in Real Net Business Profit per Employee

| | FY2023 | FY2024 | FY2025 | Year on Year |
|---|---|---|---|---|
| Real net operating profit per employee (Thousand yen) | 3,385 | 4,796 | 7,513 | +2,717 |

Note: The number of employees is the average headcount during the period, excluding those on secondment

# Improving Productivity and Competitiveness Through the Use of AI, Data, and DX

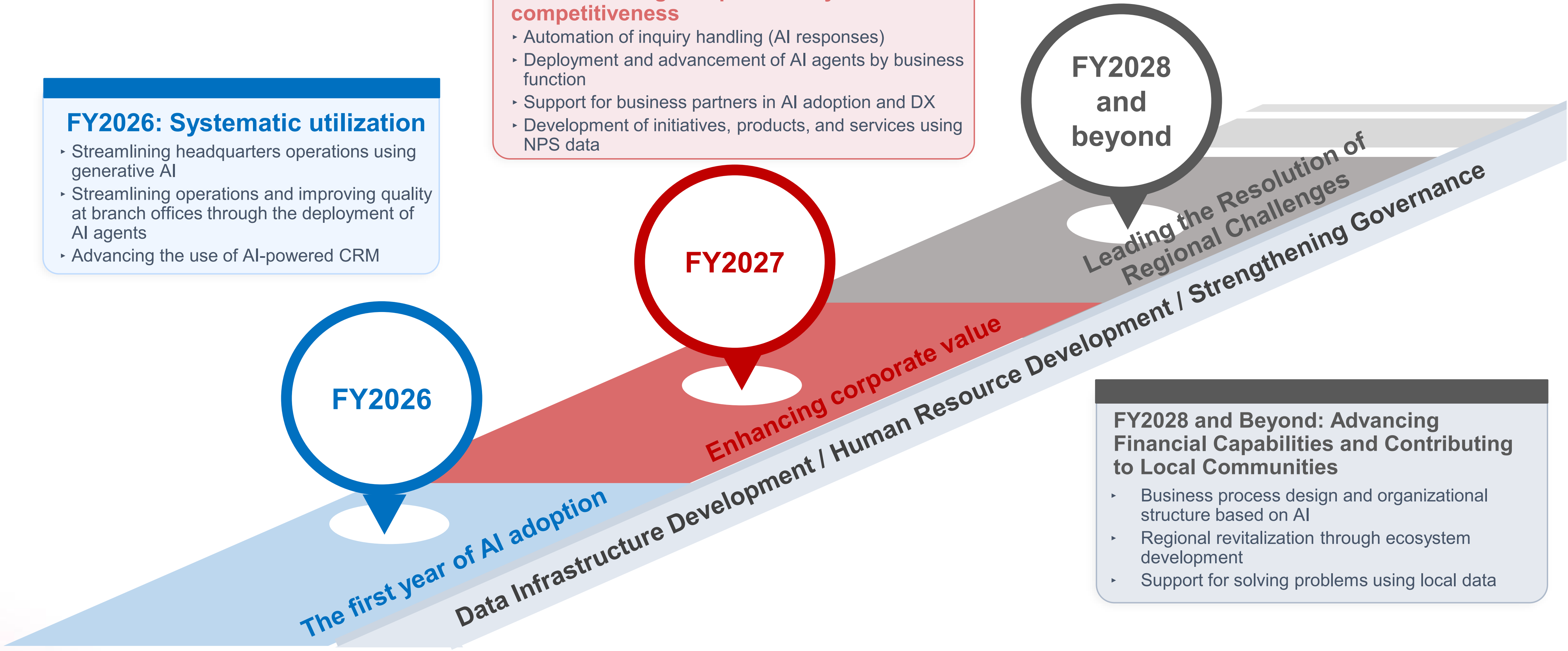
・The Bank will boost productivity through the systematic use of AI and allocate the resulting resources to supporting its branch offices and new business areas.
・The Bank will strengthen its profitability and competitiveness and thereby improve its ROE by supporting its business partners in the adoption of AI and DX, and by developing products and services through the use of data.

**FY2027: Strengthen profitability and competitiveness**

- Automation of inquiry handling (AI responses)
- Deployment and advancement of AI agents by business function
- Support for business partners in AI adoption and DX
- Development of initiatives, products, and services using NPS data

**FY2026: Systematic utilization**

- Streamlining headquarters operations using generative AI
- Streamlining operations and improving quality at branch offices through the deployment of AI agents
- Advancing the use of AI-powered CRM




**FY2028 and Beyond: Advancing Financial Capabilities and Contributing to Local Communities**

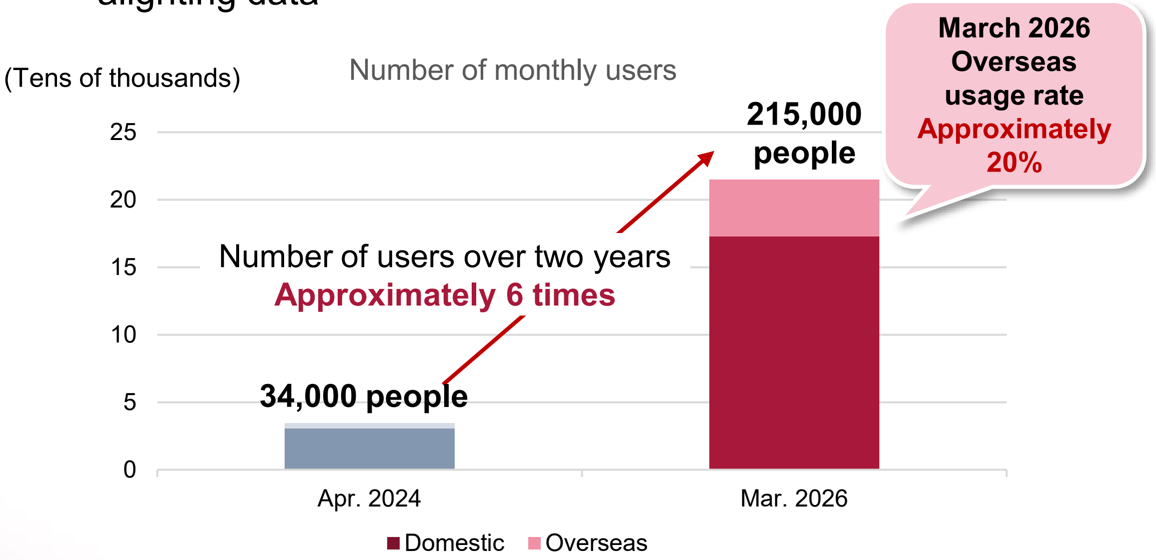
- Business process design and organizational structure based on AI
- Regional revitalization through ecosystem development
- Support for solving problems using local data

# Initiatives for Regional Revitalization (1)

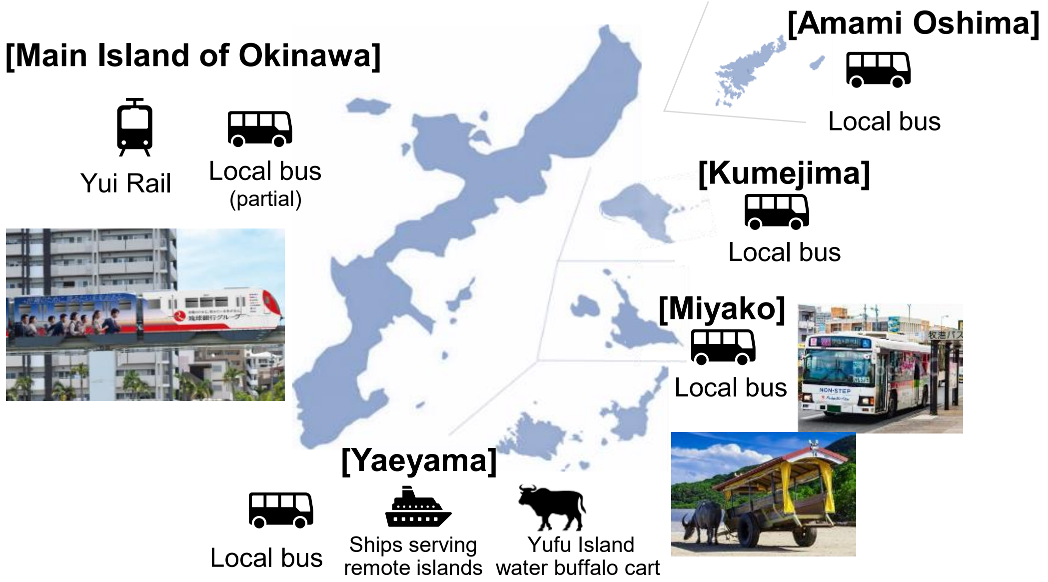
The Bank will evolve its cashless business from a mere payment service into a “local lifestyle infrastructure” and work toward realizing a Cashless Island.

## International Brand Contactless Payment for Public Transportation to Be Introduced in the Prefecture

- **Benefits of Implementing Contactless Payments**
  - Improve convenience of public transportation
  - Improving operational efficiency for transportation providers
- **New Efforts**
  - Expanding the use of public transportation on Okinawa’s main island and outlying islands
  - Analysis and consideration of passenger boarding and alighting data




## Service Area




**Voices of tourists**: "It's really helpful that I can ride using my regular credit card even if I don't have an IC card."

**Voices of the prefecture's residents**: "It's convenient because you don't have to buy tickets or top up your card, and you don't have to worry about having change on hand."

**Voices from businesses**: "This will help reduce the workload on crew members and have a significant positive impact on factors such as on-time performance."

# Initiatives for Regional Revitalization (2)

The Bank will foster high-value-added startups originating in the local area, leading to the creation and development of cutting-edge technologies and new industries.

### Over 10 Years of Supporting Startups

Okinawa STARTUP PROGRAM

Organized the “OKINAWA Startup Program” in collaboration with leading companies in the prefecture. A total of 85 companies have been selected since 2017. The Bank will continue to actively seek out startups and support their growth.

—Organizer—

琉球銀行　JTA

沖縄タイムス　この島の損保。大同火災

地元に全力! 沖縄セルラー OKINAWA CELLULAR　JTB 沖縄JTB株式会社

地域とともに、地域のために 沖縄電力　RBC

### Fund Establishment, Investment, and Other Activities: Expanding Investment Opportunities

September 2025

- Formation of BOR venture fund No. 3
- Launch of BOR venture debt services

**Actual**

- Main established (invested) funds*
  Ryukyu Fund No.1 and No.2
  BOR Venture Fund No.1, No.2, and No.3
- The Bank’s committed investment amounts in the above funds
  Approx. **4** billion yen
- BOR Venture Debt
  Total: **2** billion yen;
  **200** million yen disbursed

Note: Operating company (GP)
BOR Venture Fund No.1: Ryugin Research Institute Ltd.
Ryukyu Fund No.1 and No.2, and BOR Venture Fund No.2 and No.3: Ryukyu Capital Co., Ltd.

### Strengthening Industry-Academia-Government Collaboration

- July 2025: Signed a partnership agreement with OIST (Okinawa Institute of Science and Technology), ranked 9th in the world in basic research
- January 2026: Signed a cooperation agreement with University of the Ryukyus

[Main recipients of support]
- EF Polymer K.K.
  Development and sales of superabsorbent polymers for agricultural use
- Strout Inc.
  Development and operation of integrated solutions for land-based aquaculture utilizing AI and IoT
- Qubitcore Inc.
  Research and development of ion-trap quantum computers

[Scenes from the signing ceremony with OIST]

# Initiatives for Regional Revitalization (3)

Research and Studies Aimed at Solving Okinawa's Challenges, and Public-Private Partnership Consulting: Activities of the Group company, Ryugin Research Institute Ltd.

## Research, proposals and ripple effects on economic and social issues in Okinawa

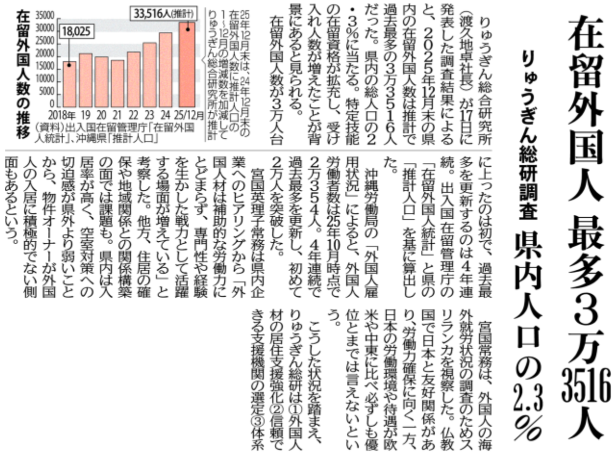
| Major Reports Released from October 2025 to March 2026 | |
|---|---|
| Oct. | Economic impact of hosting the Japan Winter League in Okinawa Prefecture |
| Dec. | The current state and challenges of the long-term care industry in Okinawa Prefecture |
| Jan. | Survey on the actual situation of unsuccessful and unawarded public works projects in Okinawa Prefecture |
| Feb. | The current state of poverty among single-mother households and adolescent and young pregnant women in Okinawa Prefecture |
| Mar. | Three proposals for redesigning Okinawa Prefecture's disaster prevention system |
| Mar. | Trends among foreign residents in Okinawa Prefecture and the current status of cross-border workers |
| Mar. | Analysis of the current state of cruise ship tourism in Okinawa Prefecture and future prospects |
| Mar. | The current state and challenges of vacant homes in Okinawa Prefecture |

| Key Proposals to Okinawa Prefecture, etc. |
|---|
| Revision of the long-term care fee system / securing personnel |
| Enhancing the public works procurement and management system / support for DX initiatives |
| Reviewing disaster information sharing practices and disaster preparedness drills |
| Establishing a system for accepting highly skilled foreign professionals |
| Enhancing tourism spending and strengthening the regional economic cycle |
| Approaches to preventing vacant homes by financial institutions and professionals |

## Examples of articles in the mass media, including newspapers in Okinawa Prefecture


技術駆使し検証訓練
災害想定 連携を確認

Ryukyu Shimpo, December 22, 2025


在留外国人 最多3万3516人
りゅうぎん総研調査 県内人口の2.3%

Okinawa Times (excerpt), March 18, 2026

## Initiative Results (FY2025) and Ripple Effects

| Efforts of the Research and Studies Department | |
|---|---|
| Number of reports published | 18 cases |
| Number of media coverage | 144 cases |
| of which, nationwide | 11 cases |
| Dispatching personnel to expert committees, etc. | 17 organizations |
| Lectures at external events, such as donation-sponsored lectures | 11 cases |

| Efforts of the Regional Design Department | |
|---|---|
| No. of engagements | 5 cases |
| Study sessions for local governments | 18 times |

- On December 21, 25, Okinawa Prefecture was selected to host the national research project SIP (Strategic Innovation Program). A first in Japan (as announced in March 2025 in the "Proposal for the Development of a Resilient Smart Network System against Natural Disasters in Okinawa Prefecture")
- On August 18, 25, co-sponsored a study session organized by the keisoujuku, chaired by Mr. Saito, a Policy Advisor to Okinawa Prefecture, in collaboration with Okinawa Prefecture, and served as a lecturer (presenting "Current status of the manufacturing industry and the potential of OEM, as seen in a survey on the use of locally produced goods," published in June 2025).

# Support regional decarbonization and improve ESG evaluations

By promoting decarbonization initiatives, which also help protect the natural environment as a tourism resource, the Bank aims to achieve both sustainable growth for the entire region and environmental value.

## ■ Cutting-Edge Initiatives Driving Decarbonization in Okinawa

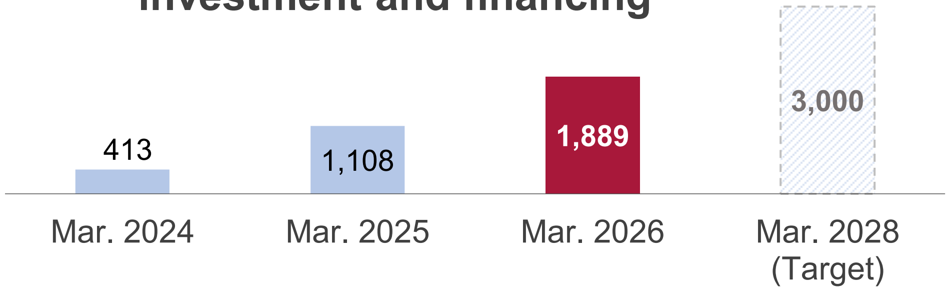
| Scope 3: Setting a Carbon Neutrality Target for 2050 | First in Okinawa's financial sector TNFD disclosure | The only financial institution in Okinawa "A" rating from CDP |
|---|---|---|

- Collaboration with local businesses in ZEP Ryukyu[*1] (147 member companies)
- A wide range of products and services, including sustainable finance (such as green loans) and ZEH-exclusive mortgage loan
- Free provision of the GHG emissions calculation system "C-Turtle®" and more

*1 ZEP Ryukyu (Ryukyu net ZERO Energy Partnership): Cooperative framework established by the Bank for businesses involved in building ZEH and energy-efficient homes to promote ZEH and energy-efficient homes in Okinawa, aiming to realize a decarbonized society in the prefecture

### Cumulative revenue from sustainable investment and financing[*2]

(100 million yen)




*2 Sustainable investment and financing: Sustainable finance (such as green loans) and ZEH-exclusive mortgage loan

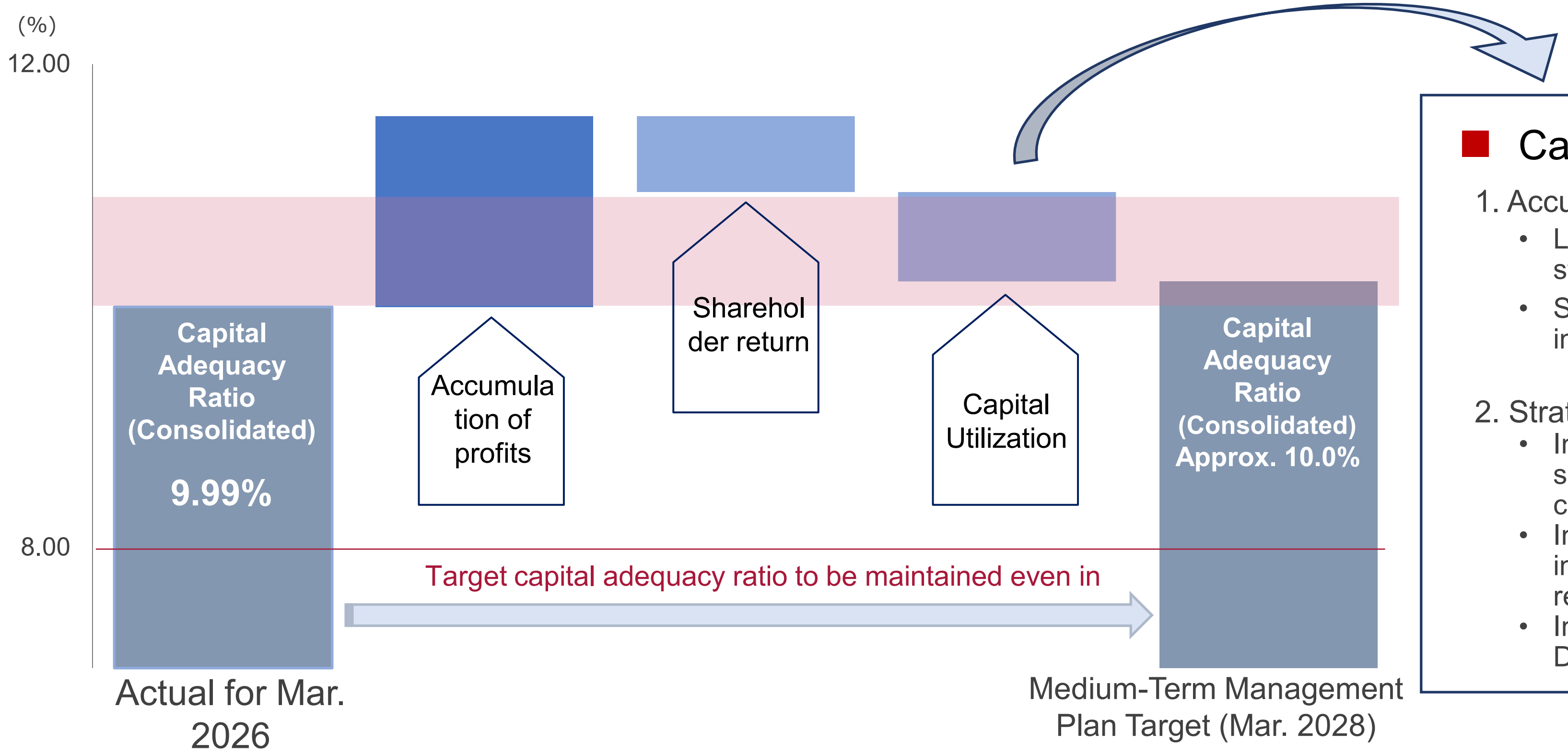
## ■ Initiatives We Support, Etc.

- FTSE Blossom Japan Sector Relative Index
- Climate CDP A List 2025
- UN environment programme finance initiative
- Taskforce on Nature-related Financial Disclosures (TNFD)
- TCFD TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES
- GX League
- Principles for Financial Action for the 21st Century

and more

# Capital management

The Bank operates with a target equity ratio of approximately 10%. Ensuring financial soundness while striking a balance between "shareholder returns" and "investments in growth."




## Capital Utilization

1. Accumulation of risk assets
   - Loans: Proactive funding to support Okinawa's strong economy
   - Securities: Building strategic portfolios and increasing balances

2. Strategic investments
   - Investment in systems: Investment in projects, such as apps, that contribute to improved customer service and profitability
   - Investment in the regional economy: Proactive investments to support startups and revitalize regional economies
   - Investment in human capital (for reference): Developing high-quality personnel

## Trends in Capital Adequacy Ratio

(%) (pt)

| | Mar. 2022 | Mar. 2023 | Mar. 2024 | Mar. 2025 | **Mar. 2026** | vs. Previous Year-End |
|---|---|---|---|---|---|---|
| Consolidated | 9.67 | 9.74 | 9.57 | 9.94 | **10.01** | +0.07 |
| Non-Consolidated | 8.71 | 8.76 | 9.17 | 9.48 | **9.58** | +0.10 |

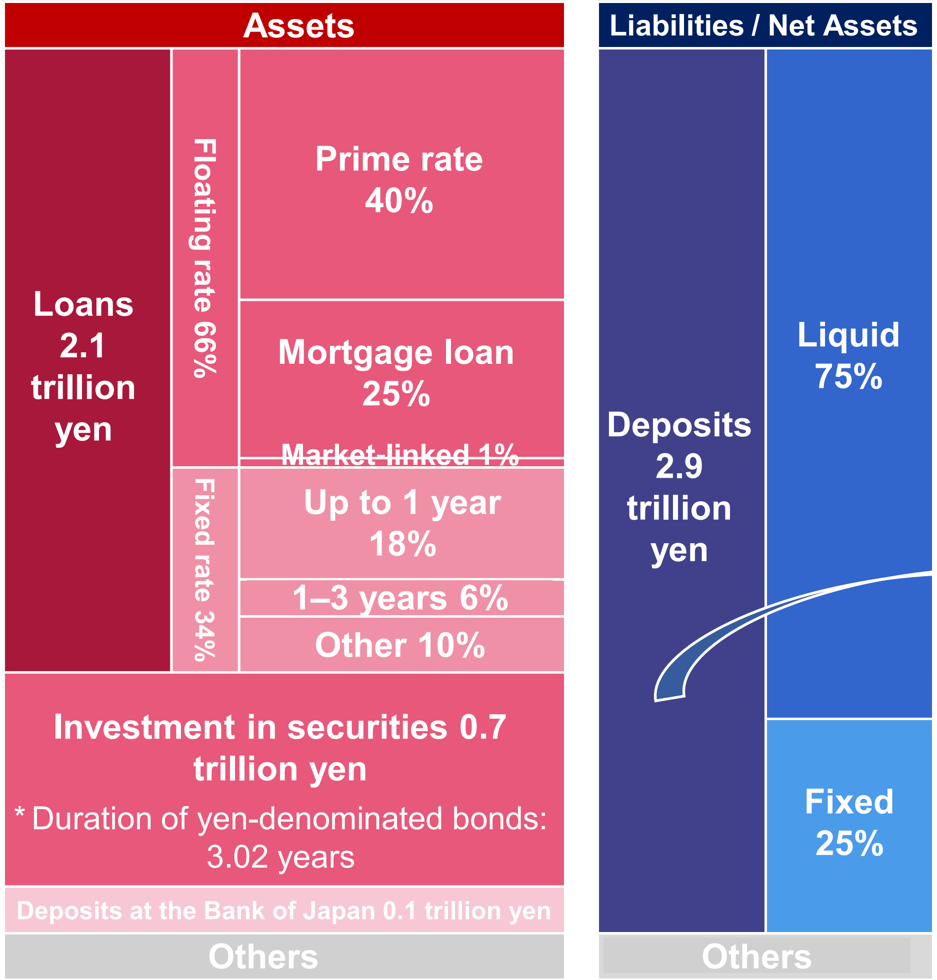
## Initiatives to Enhance Capital Management

| | |
|---|---|
| **(1) Make operational risk calculation methods more sophisticated** | - Following approval from the Financial Services Agency, it is now possible to use multipliers based on internal loss data for calculating operational risk exposure amounts starting the current fiscal year<br>- Effect of reducing operational risk assets: approximately -25% |
| **(2) Transition to an internal ratings-based approach** | - By enhancing the Bank's credit risk management framework, it determines appropriate risk weight for each borrower.<br>- This enables more detailed risk-return analysis and improves profitability management for individual debtors.<br>- The ability to set interest rates with greater precision will help expand the Bank's customer base and increase revenue |

# Impact of Rising Interest Rates on Performance

The proportion of loans with variable interest rates is approximately 66%. More than half of fixed-rate loans are set to mature within one year.

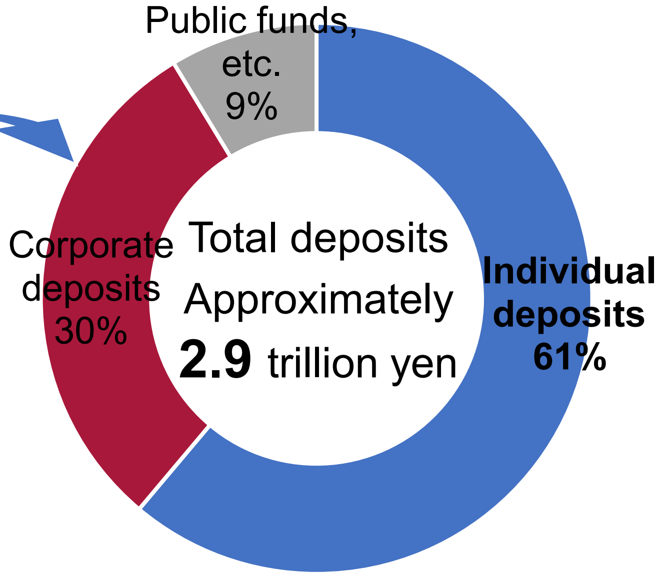
## ■ Yen Interest Rate Balance Sheet




## ■ Impact of Policy Rate Hikes

- Estimated Impact of a 0.25% Increase in the Policy Interest Rate
  Increase in investment income: Approximately **1** billion yen per year

  [Prerequisites]
  Policy interest rates: Up 0.25%, based on estimates following the interest rate adjustment
  Loans: Linked to the prime rate, matching rate 80%
  Mortgage loan, linked to market interest rates: matching rate 100%
  Deposits: matching rate 40%




Retail deposit **balances** increased by **1.9% YoY**
It accounts for 61% of total deposits, maintaining a high level of stickiness

# Materials

# Financial Summary

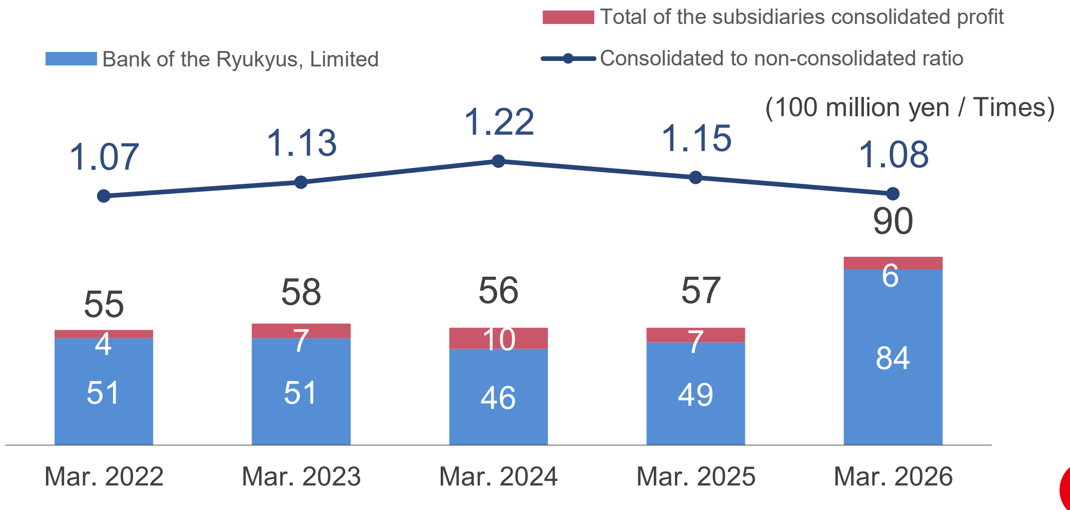
(100 million yen)

| [Consolidated] | FY2025 (Ended Mar. 2026) | | Bank of the Ryukyus, Limited | | Ryukyu Lease | | RYUCOM | | OCS | | Ryugin DC | | Ryugin Hosho | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Year on Year | | Year on Year | | Year on Year | | Year on Year | | Year on Year | | Year on Year | | Year on Year |
| Ordinary income | 803 | +111 | 553 | +102 | 197 | +10 | 37 | +2 | 20 | +0 | 20 | -1 | 6 | -0 |
| Ordinary profit | 130 | +47 | 117 | +48 | 7 | +2 | 1 | -0 | 3 | +1 | 3 | -2 | 3 | -1 |
| Profit attributable to owners of the parent | 90 | +33 | 84 | +34 | 5 | +1 | 0 | -0 | 2 | +1 | 2 | -1 | 2 | -0 |

(100 million yen)

| [Non-Consolidated] | FY2025 (Ended Mar. 2026) | Year on Year | FY2024 (Ended Mar. 2025) |
|---|---|---|---|
| Ordinary income | 553 | +102 | 450 |
| Ordinary profit | 117 | +48 | 69 |
| Net income | 84 | +34 | 49 |

Consolidated Net Income and Consolidated Profit Rates Compared with Parent Company's Profit



# Performance Digest

(million yen)

| | Mar. 2022 | Mar. 2023 | Mar. 2024 | Mar. 2025 | Mar. 2026 | Year on Year |
|---|---|---|---|---|---|---|
| **Ordinary income** | 38,688 | 40,756 | 43,152 | 45,074 | **55,345** | +10,271 |
| **Gross operating profit** | 31,092 | 29,010 | 30,185 | 32,560 | **38,418** | +5,858 |
| **Net interest income** | 28,216 | 27,603 | 27,218 | 29,841 | **34,947** | +5,106 |
| **Fees and commissions** | 3,633 | 4,017 | 4,683 | 4,557 | **5,029** | +472 |
| **Other operating income** | -757 | -2,610 | -1,716 | -1,838 | **-1,558** | +280 |
| **Foreign exchange trading gains/losses** | | | -1,161 | -1,262 | **-883** | +379 |
| **Gains/losses on government and other bonds** | -818 | -1,690 | -554 | -575 | **-674** | -99 |
| **Expenses** (**negative**) (excluding one-time adjustments) | 24,515 | 24,001 | 25,634 | 25,946 | **27,960** | +2,014 |
| **Real net business profit**[*1] | 6,577 | 5,008 | 4,550 | 6,613 | **10,458** | +3,845 |
| **Net core business profit** | 7,395 | 6,699 | 5,105 | 7,189 | **11,133** | +3,944 |
| **Excluding gains/losses on mutual fund terminations** | 7,439 | 6,719 | 5,020 | 7,388 | **11,058** | +3,670 |
| **General provision for doubtful accounts (negative)** | - | - | - | 521 | **-325** | -846 |
| **Net business profit** | 6,577 | 5,008 | 4,550 | 6,092 | **10,783** | 4,691 |
| **Non-recurring gains/losses** | 419 | 2,252 | 2,323 | 872 | **1,008** | +136 |
| **Gains/losses on stocks, etc.** | -142 | 404 | 838 | 1,657 | **1,132** | -525 |
| **Provision for non-performing loans (negative)** | 258 | 166 | 625 | 1,138 | **762** | -376 |
| **Ordinary profit** | 6,996 | 7,261 | 6,894 | 6,965 | **11,792** | +4,827 |
| **Extraordinary gains/losses** | 188 | -64 | -86 | -81 | **-75** | +6 |
| **Net income** | 5,195 | 5,195 | 4,614 | 4,975 | **8,412** | +3,437 |
| **Net credit costs (negative)** | -729 | -1,913 | -1,324 | 1,463 | **294** | -1,169 |
| **Profit from Customer Services**[*2] | 5,097 | 5,691 | 4,884 | 4,578 | **5,546** | +968 |

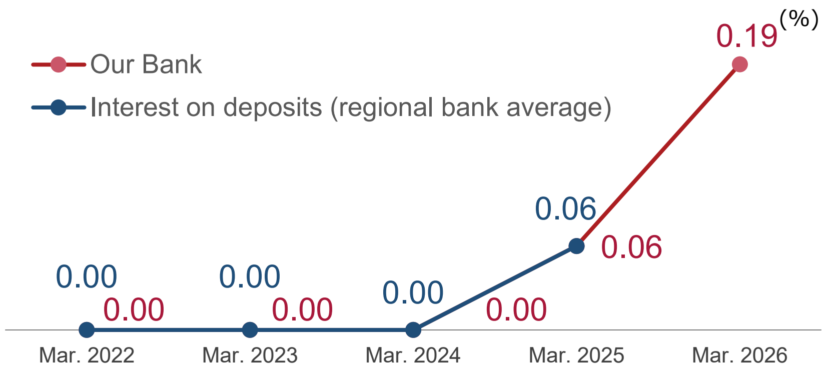
*1 Net business profit excluding general provision for doubtful accounts
*2 Profit from Customer Services = Net interest income from loans and deposits + Profit from service charges − Expenses

# Net Interest Income

(Year-end balance / Million yen)

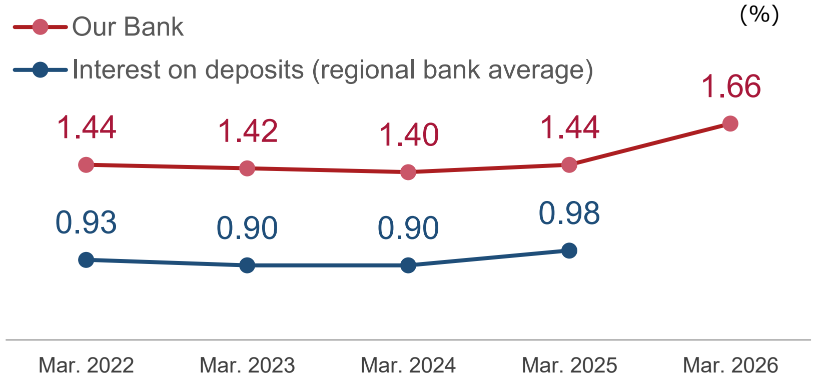
| | Mar. 2022 | Mar. 2023 | Mar. 2024 | Mar. 2025 | **Mar. 2026** | Year on Year |
|---|---|---|---|---|---|---|
| **Net interest income** | 28,216 | 27,603 | 27,218 | 29,841 | **34,947** | +5,106 |
| **Net interest income from loans and deposits** | 26,087 | 25,765 | 25,878 | 25,972 | **28,444** | +2,472 |
| Loan interest | 26,194 | 25,846 | 25,978 | 27,689 | **33,987** | +6,297 |
| Interest on deposits (negative) | 107 | 81 | 100 | 1,717 | **5,543** | +3,825 |
| **Interest and dividends on securities** | 1,858 | 2,392 | 3,024 | 3,631 | **5,814** | +2,183 |
| **Others** | 271 | -553 | -1,684 | 238 | **687** | +449 |

Interest on Deposits, etc.




Source: Regional Banks Association of Japan

Loan interest rate



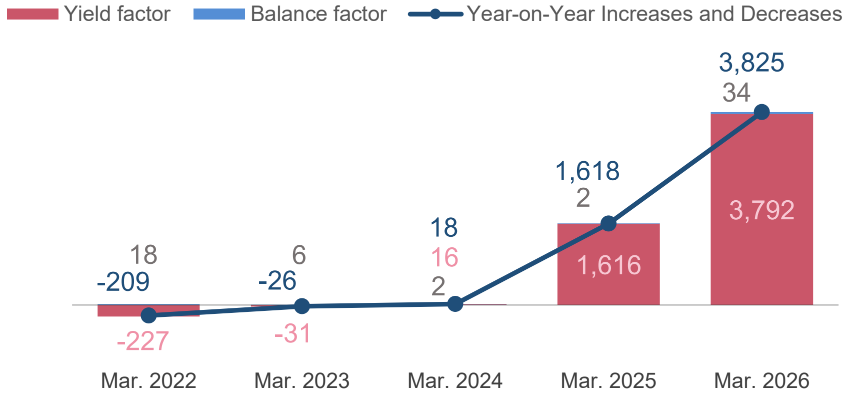

Source: Regional Banks Association of Japan

# Deposits, etc.

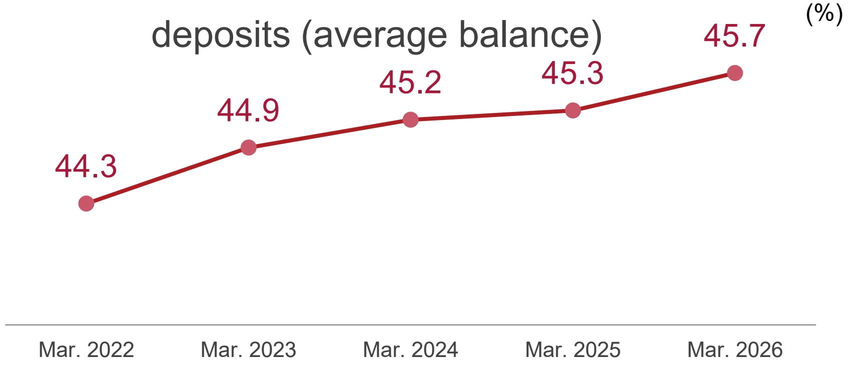
(Year-end balance / 100 million yen)

| | Mar. 2022 | Mar. 2023 | Mar. 2024 | Mar. 2025 | **Mar. 2026** | Year on Year |
|---|---|---|---|---|---|---|
| **Deposits, etc.** | 26,095 | 27,410 | 28,505 | 27,958 | **29,155** | +1,197 |
| Individual | 16,599 | 16,876 | 17,297 | 17,487 | **17,823** | +335 |
| Corporate | 7,614 | 7,973 | 8,603 | 8,599 | **8,802** | +202 |
| Public funds, etc. | 1,880 | 2,560 | 2,604 | 1,870 | **2,530** | +660 |
| **Interest on deposits** | 1 | 0 | 1 | 17 | **55** | +38 |

Factors behind changes in interest on deposits (million yen)




Trends in three banks' market share of deposits (average balance)




*"Deposits, etc." includes negotiable certificates of deposit.

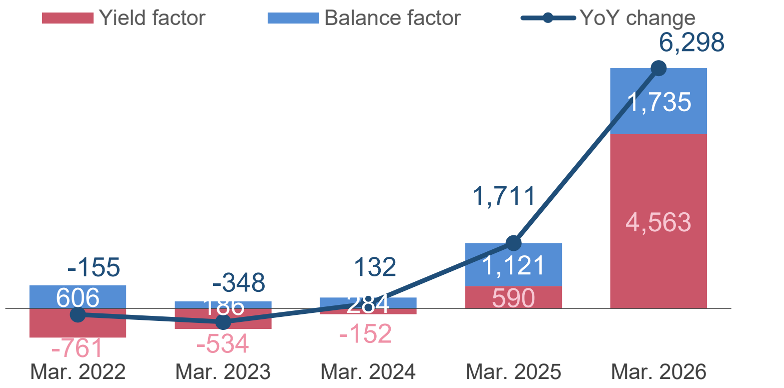
# Loans (1)

(Year-end balance / 100 million yen)

| | Mar. 2022 | Mar. 2023 | Mar. 2024 | Mar. 2025 | Mar. 2026 | Year on Year |
|---|---|---|---|---|---|---|
| **Total loans** | 18,222 | 18,470 | 19,031 | 20,019 | **21,104** | +1,084 |
| Individual | 9,451 | 9,516 | 9,719 | 9,863 | **10,061** | +197 |
| Corporate (excluding syndicated loans) | 7,009 | 7,048 | 7,189 | 7,304 | **7,683** | +379 |
| Local government bodies and others (excluding syndicated loans) | 1,460 | 1,470 | 1,490 | 1,249 | **1,352** | +102 |
| Syndicated loans | 300 | 435 | 631 | 1,608 | **2,007** | +404 |
| **Loan interest** | 261 | 258 | 259 | 276 | **339** | +62 |

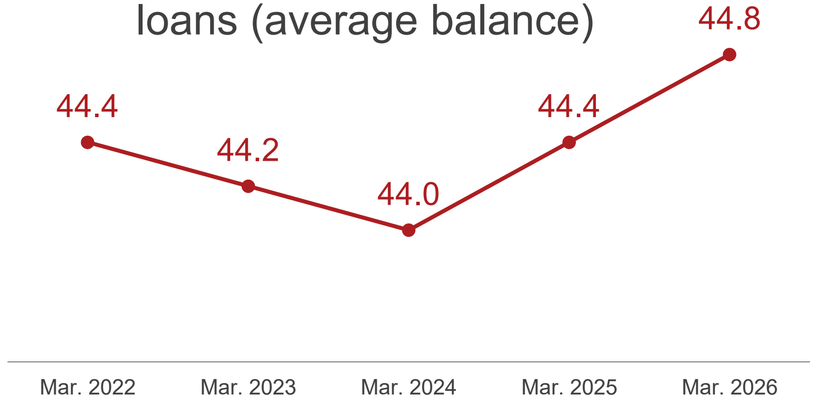
Factors Increasing and Decreasing Loan Interest Income

(million yen)




Trends in three banks' market share of loans (average balance)

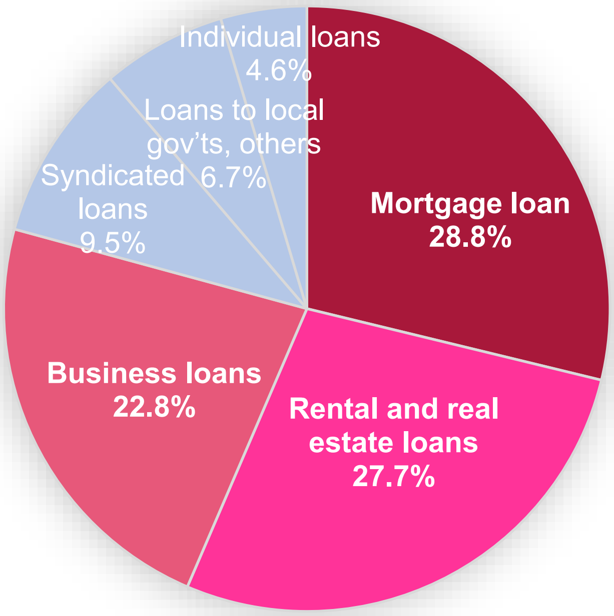
(%)



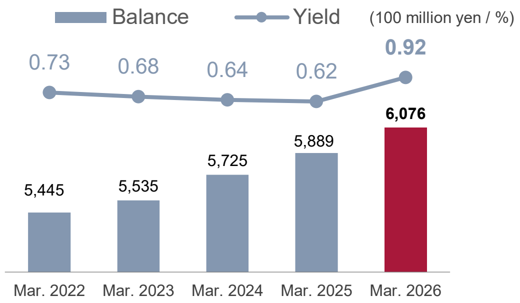

琉球銀行 | 沖縄のために、挑みたい未来がある。 琉球銀行グループ

# Loans (2) (Status by Usage)

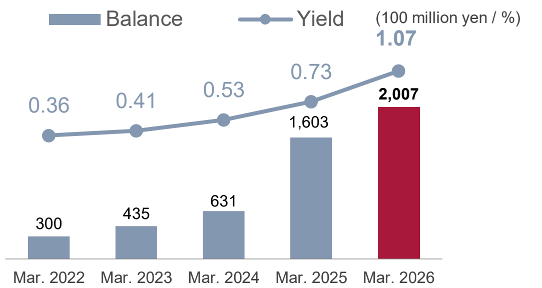
## Breakdown of Loan Balances by Use



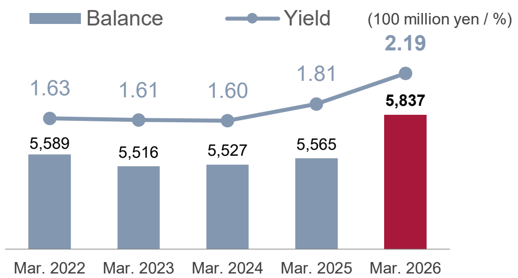

### Mortgage loan



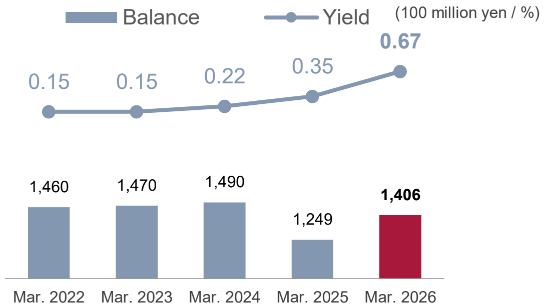

### Syndicated loans



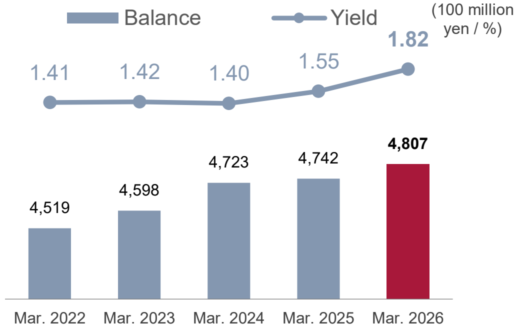

### Rental and real estate loans



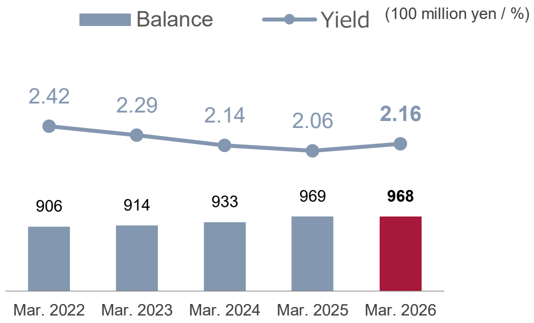

### Local Government Loans (Excluding Syndicated Loans) and Other Loans




### Business Loans (Excluding Syndicated Loans and Real Estate-related Loans)




### Personal Loans (Excluding Mortgage Loans)

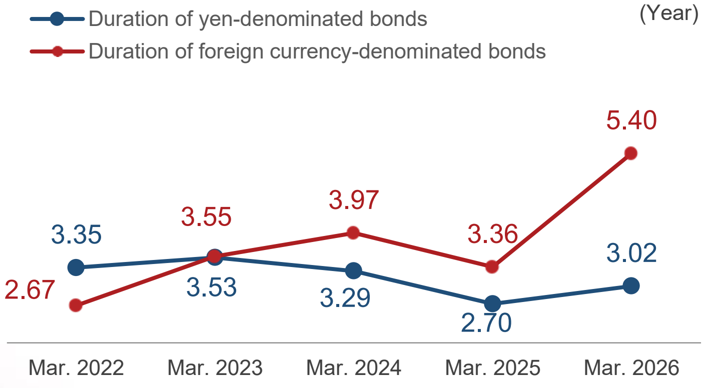


# Securities

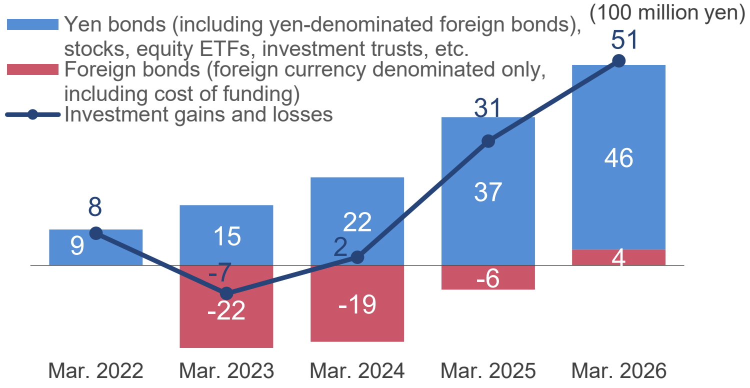
(100 million yen)

| | Mar. 2022 | Mar. 2023 | Mar. 2024 | Mar. 2025 | **Mar. 2026** | Year on Year |
|---|---|---|---|---|---|---|
| **Balance of securities** | 3,671 | 4,821 | 6,972 | 6,925 | **7,140** | +215 |
| Government bonds | 692 | 1,681 | 4,002 | 4,387 | **4,968** | +580 |
| Local government bonds | 1,891 | 1,770 | 1,715 | 1,448 | **1,229** | -219 |
| Corporate bonds | 147 | 173 | 122 | 93 | **25** | -67 |
| Foreign bonds | 674 | 822 | 574 | 320 | **242** | -77 |
| Stocks and equity ETFs | 266 | 373 | 556 | 675 | **674** | -0 |

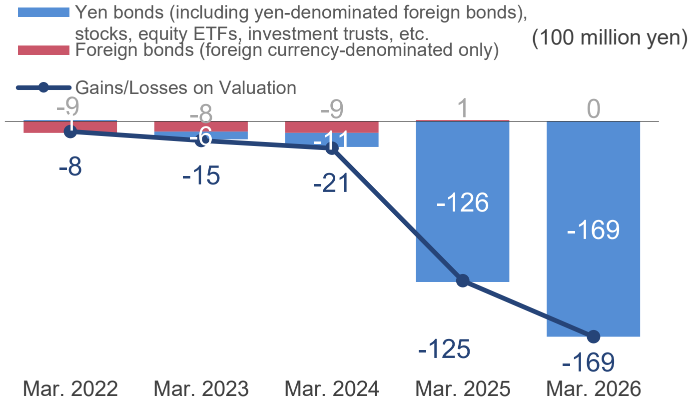
## Duration of Foreign Currency/yen-denominated Bonds




## Profit/loss on investment in securities




## Differences Between Market Values and Book Values of Securities



# Fees and Commissions / Profit from Service Charges

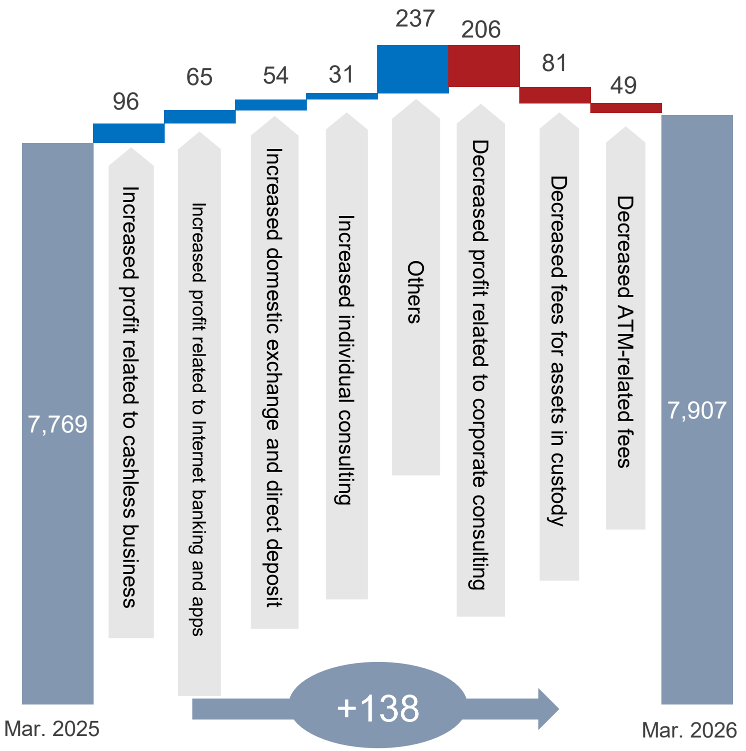
(million yen)

| | Mar. 2022 | Mar. 2023 | Mar. 2024 | Mar. 2025 | **Mar. 2026** | Year on Year |
|---|---|---|---|---|---|---|
| **Fees and commissions** | 3,633 | 4,017 | 4,683 | 4,557 | **5,029** | +471 |
| Fees and commissions | 8,225 | 8,959 | 10,298 | 10,790 | **11,910** | +1,120 |
| Fees and commissions payments (negative) | 4,591 | 4,942 | 5,615 | 6,233 | **6,881** | +648 |
| Loan-related fees paid | 2,653 | 2,737 | 3,005 | 3,212 | **2,878** | +333 |
| **Profit from service charges** | 6,287 | 6,754 | 7,688 | 7,769 | **7,907** | +138 |
| Related to cashless business | 535 | 718 | 768 | 866 | **962** | +96 |
| Related to corporate consulting | 528 | 641 | 1,073 | 768 | **562** | -206 |
| Related to individual consulting (inheritance) | 63 | 90 | 107 | 155 | **186** | +31 |
| Domestic exchange / direct deposit | 2,124 | 2,086 | 2,068 | 2,131 | **2,185** | +54 |
| Mortgage loan service charges | 798 | 861 | 1,002 | 983 | **1,034** | +50 |
| Fees for assets in custody | 903 | 934 | 982 | 981 | **900** | -81 |
| Related to internet banking and applications | 579 | 614 | 727 | 826 | **891** | +65 |
| ATM-related | 62 | 147 | 158 | 146 | **97** | -49 |
| Others | 691 | 658 | 798 | 903 | **1,087** | +185 |

Note: Profit from service charges = Fees and commissions excluding loan-related fees paid

Factors behind YoY change in profit from service charges

(million yen)



# Cashless Business

(million yen)

| | Mar. 2022 | Mar. 2023 | Mar. 2024 | Mar. 2025 | **Mar. 2026** | Year on Year |
|---|---|---|---|---|---|---|
| **Profit from cashless-related service charges** | 535 | 718 | 765 | 866 | **962** | +96 |
| Acquiring (merchants) | 248 | 394 | 410 | 480 | **559** | +79 |
| Issuing (card issue) | 287 | 324 | 354 | 385 | **400** | +15 |
| **Credit card transaction volume (100 million yen)** | 407 | 568 | 705 | 835 | **1,161** | +325 |
| **No. of VISA debit card accounts (thousands)** | 171 | 179 | 183 | 190 | **198** | +8 |

**Reference: Group-based**

(million yen)

| | Mar. 2022 | Mar. 2023 | Mar. 2024 | Mar. 2025 | **Mar. 2026** | Year on Year |
|---|---|---|---|---|---|---|
| **Profit from cashless-related service charges** | 1,758 | 1,968 | 2,042 | 2,117 | **2,226** | +109 |
| Acquiring (merchants) | 569 | 767 | 796 | 875 | **1,033** | +157 |
| Issuing (card issue) | 1,188 | 1,201 | 1,246 | 1,241 | **1,193** | -48 |
| **Cashless transaction volume (100 million yen)** | 1,329 | 1,602 | 1,807 | 1,996 | **2,364** | +368 |
| **No. of cards issued (thousands)** | 357 | 352 | 349 | 354 | **357** | +2 |

# Individual and Corporate Consulting

(Million yen / Case)

| | Mar. 2022 | Mar. 2023 | Mar. 2024 | Mar. 2025 | **Mar. 2026** | Year on Year |
|---|---|---|---|---|---|---|
| **Fees related to corporate consulting** | 530 | 639 | 1,079 | 768 | **562** | -206 |
| Business Succession / M&A | 159 | 121 | 452 | 365 | **272** | -92 |
| Business Matching | 107 | 71 | 122 | 147 | **124** | -23 |
| Structured finance | 186 | 348 | 435 | 211 | **131** | -80 |
| Others | 77 | 96 | 67 | 45 | **34** | -11 |
| **No. of business succession and M&A support cases** | 502 | 468 | 317 | 548 | **1,093** | +545 |
| **No. of structured finance consultations** | 33 | 29 | 57 | 67 | **62** | -5 |
| **Fees related to individual consulting** | 63 | 90 | 107 | 155 | **186** | +31 |
| Support for inheritance procedures | 2 | 10 | 14 | 28 | **53** | +25 |
| Testamentary trust | 16 | 26 | 20 | 22 | **43** | +21 |
| Family trust | 10 | 16 | 38 | 41 | **41** | -0 |
| Others | 32 | 37 | 34 | 62 | **47** | -14 |
| **Balance of assets in custody (100 million yen)** | 1,933 | 1,951 | 2,200 | 2,383 | **2,761** | +379 |
| No. of NISA accounts | 14,852 | 17,332 | 24,321 | 31,593 | **35,228** | +3,635 |
| **NISA balance (100 million yen)** | 101 | 117 | 181 | 259 | **383** | +123 |

# Expenses

(100 million yen)

| | Mar. 2022 | Mar. 2023 | Mar. 2024 | Mar. 2025 | **Mar. 2026** | Year on Year |
|---|---|---|---|---|---|---|
| **Expenses** | 245 | 240 | 256 | 259 | **279** | +20 |
| **Labor costs** | 103 | 104 | 109 | 115 | **120** | +5 |
| **Non-personnel expenses** | 123 | 118 | 125 | 125 | **134** | +9 |
| System-related | 60 | 58 | 64 | 63 | **69** | +5 |
| Store-related | 22 | 22 | 22 | 21 | **27** | +6 |
| New headquarters construction | 5 | 6 | 5 | 3 | **8** | +5 |
| Energy-related | 2 | 2 | 2 | 3 | **3** | +0 |
| Deposit insurance premiums | 7 | 3 | 3 | 4 | **4** | +0 |
| Others | 33 | 32 | 34 | 36 | **33** | -2 |
| **Taxes** | 18 | 17 | 22 | 19 | **24** | +5 |

# Net Credit Costs and Disclosed Bad Debt

## [Net Credit Costs]

(100 million yen)

| | Mar. 2022 | Mar. 2023 | Mar. 2024 | Mar. 2025 | **Mar. 2026** | Year on Year |
|---|---|---|---|---|---|---|
| **Net credit costs** | - 7 | - 19 | -13 | 14 | **2** | -11 |
| General provision for doubtful accounts* | - 8 | - 19 | - 19 | 5 | **-3** | -8 |
| Individual provision for doubtful accounts | 1 | 0 | 2 | 8 | **4** | -4 |
| Loan amounts written off | 2 | 1 | 5 | 1 | **0** | -1 |
| Recoveries of written off receivables | - 2 | -1 | -2 | -1 | **-1** | +0 |
| Other processing costs | 0 | 0 | 0 | 1 | **2** | +1 |

## [Disclosed Bad Debt]

(100 million yen / %)

| | Mar. 2022 | Mar. 2023 | Mar. 2024 | Mar. 2025 | **Mar. 2026** | Year on Year |
|---|---|---|---|---|---|---|
| **Disclosed bad debt amount** | 442 | 466 | 451 | 581 | **515** | -65 |
| Substandard claims | 183 | 196 | 92 | 89 | **58** | -31 |
| Doubtful claims | 177 | 194 | 273 | 396 | **371** | -25 |
| Bankruptcy rehabilitation claims | 82 | 75 | 84 | 94 | **86** | -8 |
| **Disclosed bad debt ratio** | 2.41 | 2.51 | 2.35 | 2.89 | **2.43** | -0.46 |

Note: General provision for doubtful accounts is made on a forward-looking basis. It is a method of rationally estimating future risks based on future macroeconomic indicators and the current and future business cycle outlook, allowing us to be well-prepared for future losses and crises.

# Reference: Summary of Profit/Loss Trends (Based on Profit from Customer Services)

(million yen)

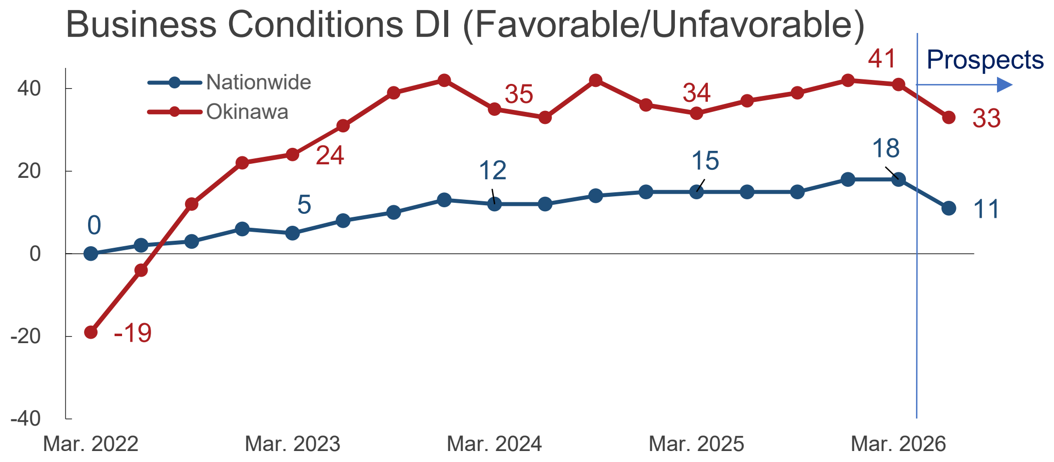
| | Mar. 2022 | Mar. 2023 | Mar. 2024 | Mar. 2025 | Mar. 2026 | Year on Year |
|---|---|---|---|---|---|---|
| **Profit from Customer Services*1** | 5,097 | 5,691 | 4,884 | 4,578 | **5,546** | +968 |
| **Net interest income from loans and deposits*2** | 23,433 | 23,027 | 22,872 | 22,759 | **25,566** | +2,807 |
| **Profit from service charges*3** | 6,287 | 6,754 | 7,688 | 7,769 | **7,907** | +138 |
| **Expenses** | -24,623 | -24,090 | - 25,676 | -25,950 | **-27,926** | -1,976 |
| **Profit/loss in Trading Division** | 1,302 | -312 | 540 | 3,721 | **6,143** | +2,471 |
| **Profit/loss in Securities & International Department** | 537 | -988 | 384 | 2,131 | **5,482** | +3,351 |
| **Interest and dividends** | 1,054 | 1,883 | 2,934 | 2,980 | **5,179** | +2,199 |
| **Gains/losses from forex and commodities trading** | 60 | -919 | - 1,161 | -1,315 | **-883** | +432 |
| **Balance of 5 bond accounts** | -818 | -1,690 | -554 | -575 | **-674** | -99 |
| **Balance of 3 share accounts** | -103 | 236 | 773 | 767 | **1,106** | +339 |
| **Policy-related investment** | 765 | 676 | 155 | 1,541 | **661** | -880 |
| **Net core business profit*4** | 7,395 | 6,699 | 5,105 | 7,189 | **11,133** | +3,944 |
| **Net credit costs** | 729 | 1,913 | 1,324 | -1,463 | **-294** | +1,169 |
| **General provision for doubtful accounts*5** | 880 | 1,987 | 1,993 | -521 | **325** | +846 |
| **Miscellaneous, corporate tax, etc.** | -1,933 | -2,097 | -2,134 | -1,812 | **-2,983** | -1,171 |
| **Net income** | 5,195 | 5,195 | 4,614 | 4,975 | **8,412** | +3,437 |

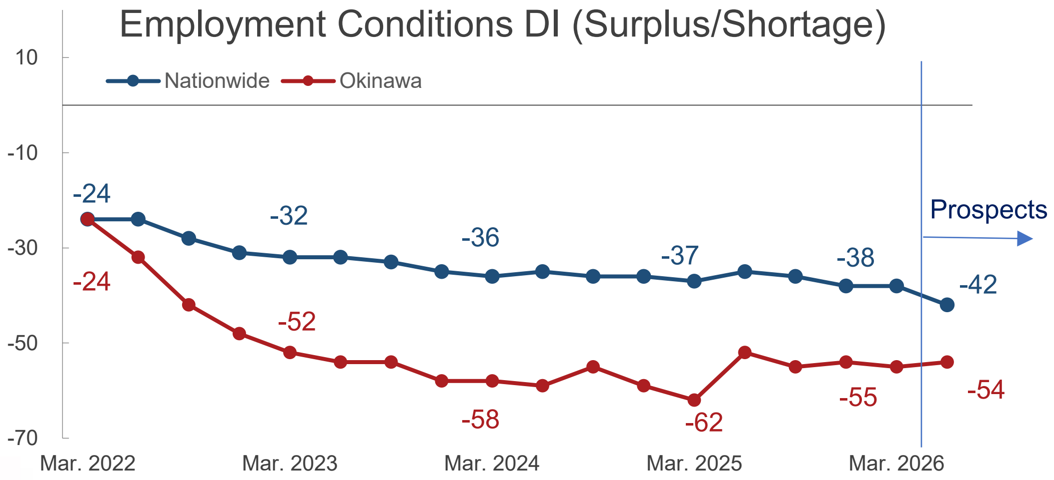
*1 Profit from Customer Services = Net interest income from loans and deposits + Profit from Service Charges − Expenses
*2 Net interest income from loans and deposits (incl. loan-related fees) (Interest on deposits is calculated based on currency swap income in real terms)
*3 Profit from service charges (excl. loan-related fees)
*4 Net core business profit (net business profit before general provision for doubtful accounts and profit/loss in government and other bonds (balance of 5 bond accounts))
*5 General provision for doubtful accounts: negative amounts indicate a provision and positive amounts indicate a reversal

# Overview of Okinawa Prefecture’s Economy

# Tankan/Economic Overview of Okinawa Prefecture

The economy within the prefecture continues to expand.




## Economic Overview of Okinawa Prefecture

■ According to the Tankan's business conditions DI, the economy in Okinawa Prefecture has been recovering since March 2022, and is expected to continue to expand in the immediate future.

■ The outlook for the future is for the "favorable" side to fall by 8 points from March 2026 to a "favorable" side of 33.

## Trends in Major Indicators

■ Personal consumption is increasing slowly.

■ Tourism is expanding.

■ Public investment stays at a high level. Capital investment and housing investment are recovering.

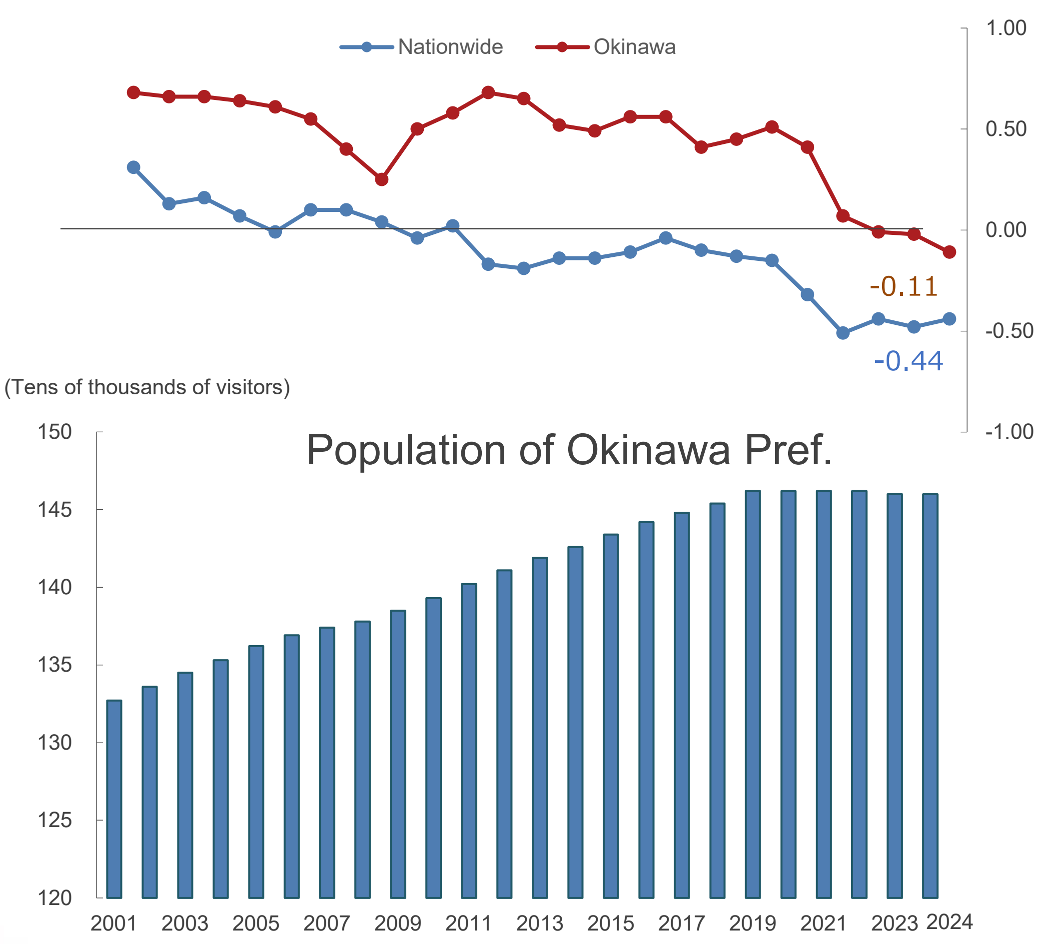
■ The job market remains challenging.

Source: Bank of Japan Naha Branch

# Increase/Decrease in Population and Projected Future Households

The total population in Okinawa Prefecture has remained nearly unchanged, but declined for the first time since 2022. However, the number of households is likely to continue increasing for now.

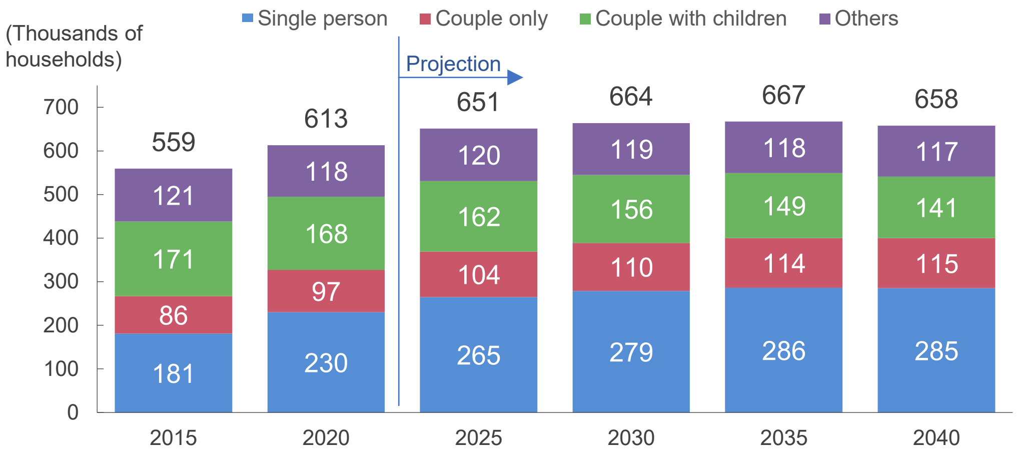
Population Change Rate (Right Axis)




Population of Okinawa Pref.

Source: Ministry of Internal Affairs and Communications

Projected Okinawa Prefecture Households




Source: Ryugin Research Institute Ltd.

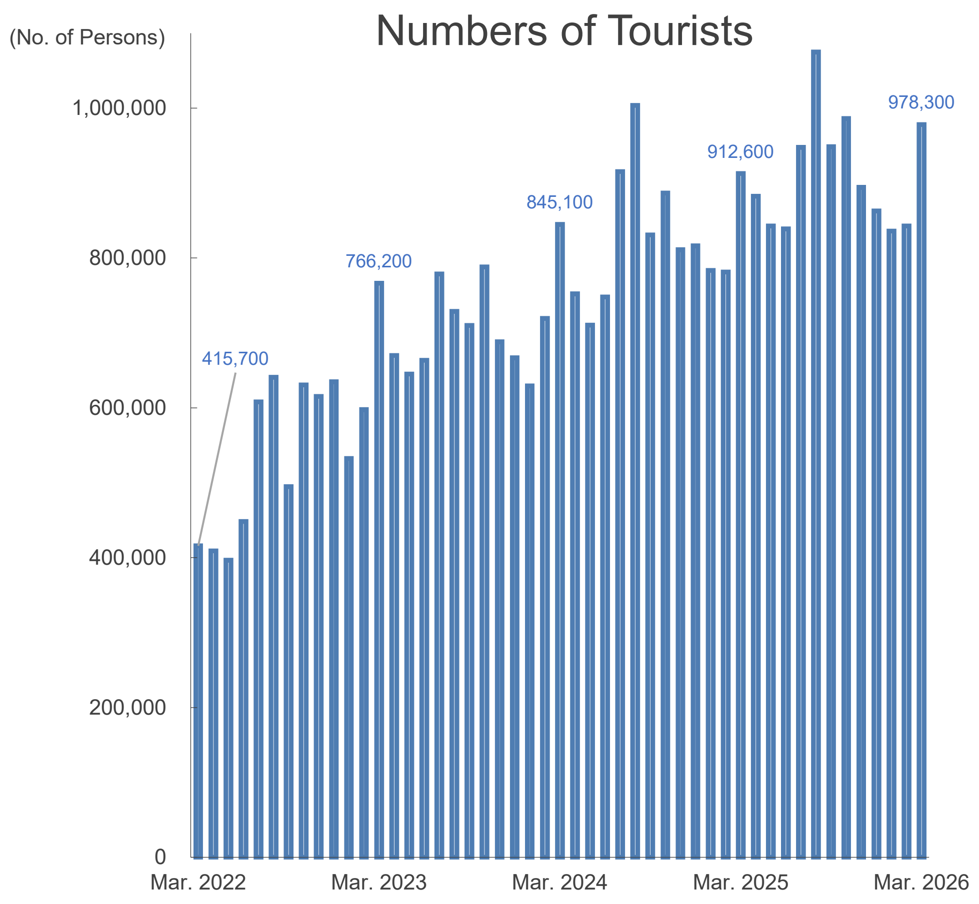
## Estimated Population of Okinawa Prefecture in 2050

- Comparing the estimated population as of 2050 with that of 2020, Okinawa Prefecture's population decline rate of 5.2% is the smallest in Japan. Population is expected to decrease in 46 prefectures other than Tokyo. The national rate of decline was 17.0%.
- As of 2050, the percentage of the population aged 65 and older in Okinawa Prefecture is projected to be 33.6% compared with the national average of 37.1%, the second lowest after Tokyo at 29.6%. Meanwhile, the percentage of the population aged between 0 and 14 has consistently been the highest in Japan since 2020, and is estimated to be 13.8% in 2050 (9.9% nationally).

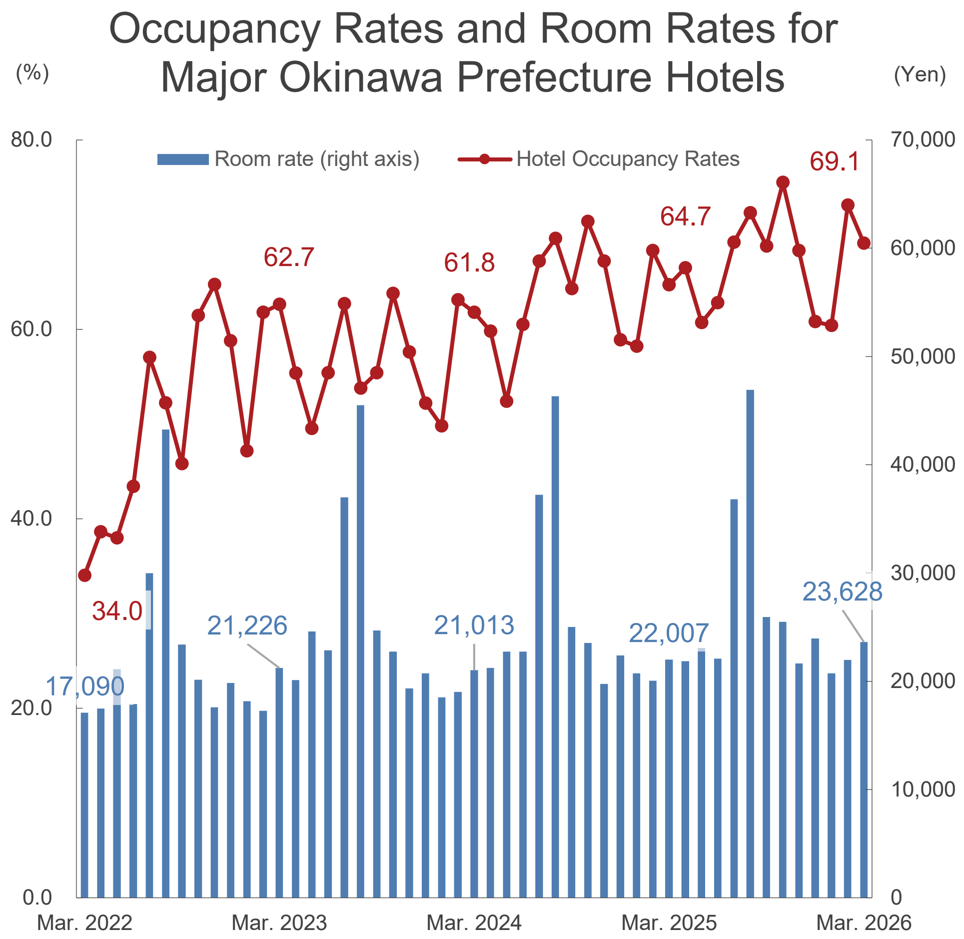
Source: National Institute of Population and Social Security Research

# Number of Tourists, Hotel Occupancy Rates and Room Rates

The tourism-related sector is showing increasing expansion due to rising tourism demand. The number of inbound tourists in FY2025 reached a record high of approximately 10.93 million (up 9.9% YoY).




Source: Okinawa Prefecture




Source: Ryugin Research Institute Ltd.

琉球銀行 | 沖縄のために、挑みたい未来がある。 琉球銀行グループ

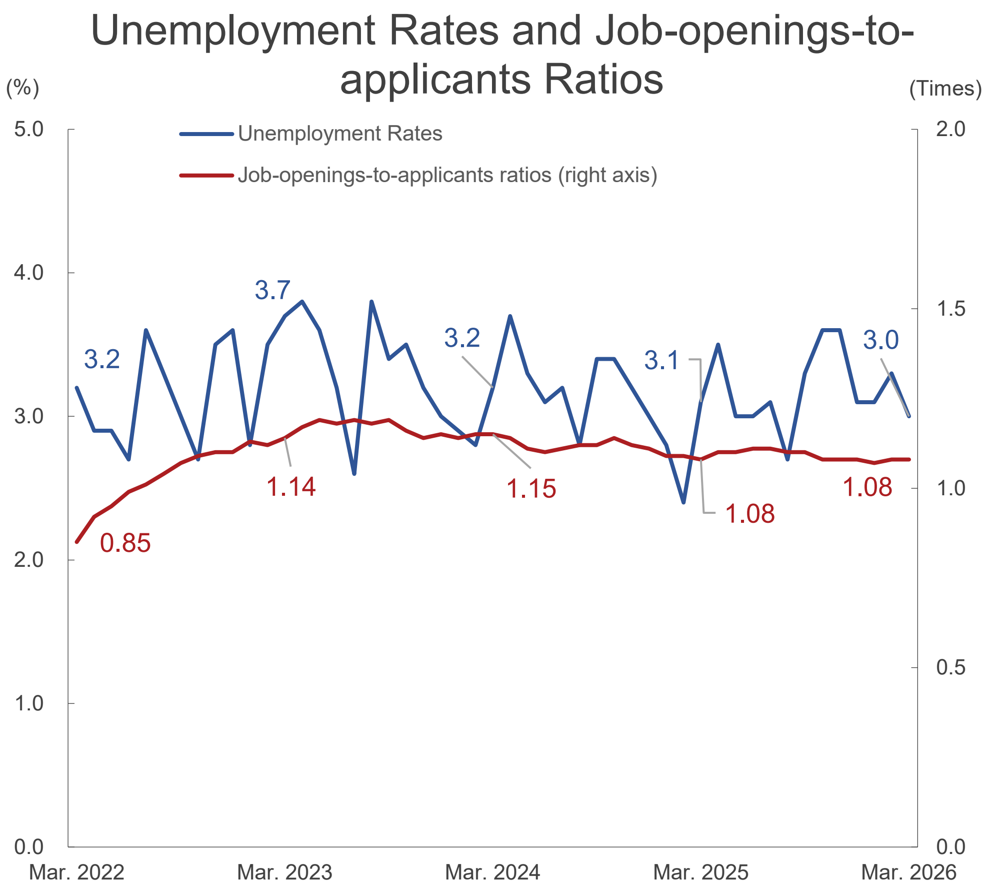
# Development Status of Hotels and Other Facilities in Okinawa

Investment in Okinawa remains strong, and openings, including for luxury hotels, are expected to continue into the future.

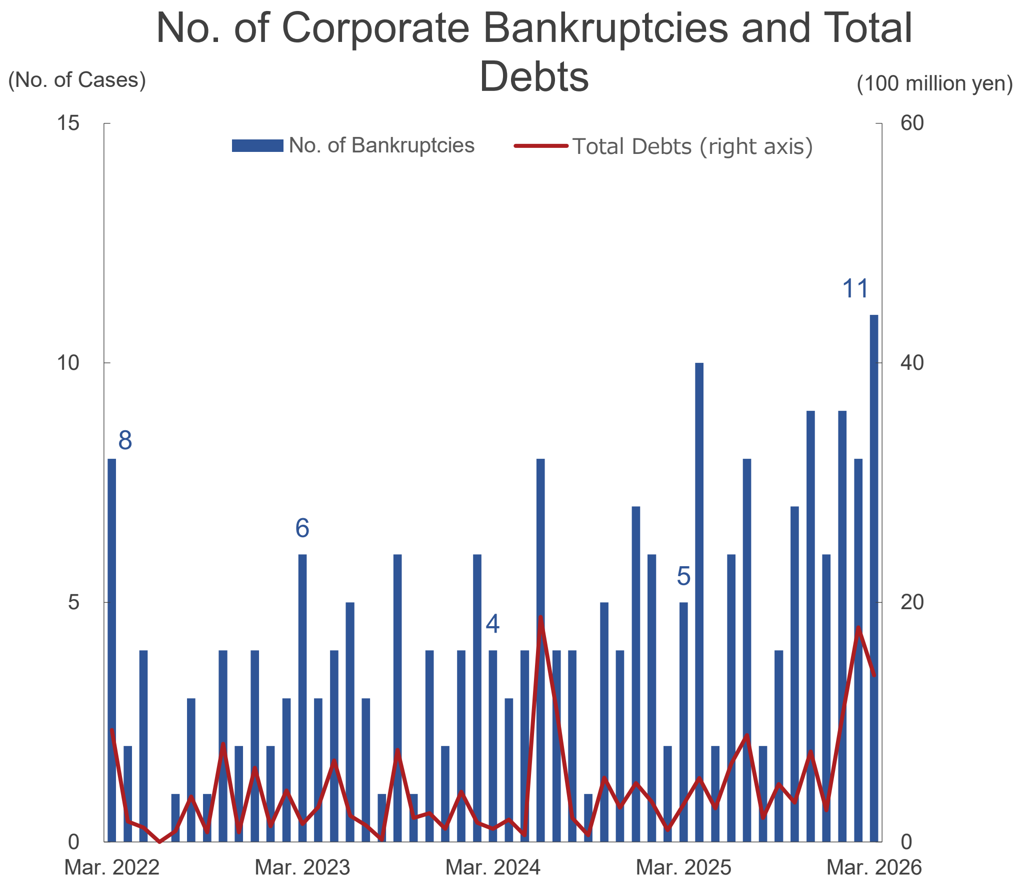
| Opening date | Location | Hotel name | No. of rooms |
|---|---|---|---|
| Jul. 2026 | Fuchaku, Onna village | PGM Hotel Golf Resort Okinawa | Hotel<br>200 rooms |
| FY2026 | Naha City | Shuri Castle (Restored) | Historic Site |
| Spring 2027 | Onna Communication Site at Onna | Four Seasons Resort & Private Residence Okinawa | Hotel<br>280 rooms |
| July 2027 | Biimata, Nago City | Hiyori Hotel Okinawa Nago | Hotel<br>9 floors, 156 rooms |
| Spring 2028 | Yamakawa, Motobu-cho | Quill Resort Okinawa Condominium Hotel | Condominium hotel<br>230 rooms |
| Summer – Fall 2028 | Naha City | KOKOHOTEL Premier Naha | Hotel<br>17 floors, 173 rooms |
| October 2028 | Tokijin, Nakijin village | (Tentative) Royal Hotel | Condominium hotel<br>7 floors, 134 rooms |

# Unemployment Rates, Job-openings-to-applicants Ratios, and Corporate Bankruptcies

Regarding the employment situation, the job-openings-to-applicants ratio remains above 1. The number of corporate bankruptcies has been calm.




Source: Okinawa Prefecture, Ministry of Health, Labour and Welfare
Revised retroactively from 2025 onward based on the new seasonal index

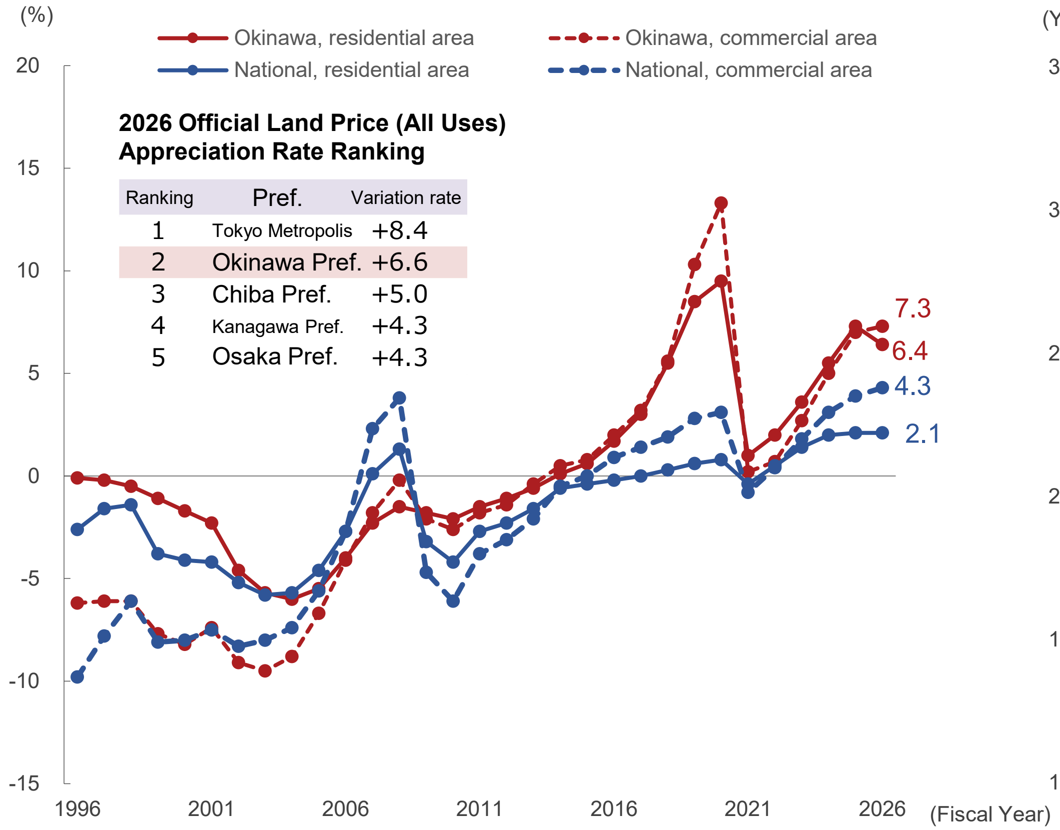



Source: TOKYO SHOKO RESEARCH, LTD.

# Official Land Price and Construction Unit Price

Official land prices increased 6.6% year-on-year on average for all land uses, representing an increase for the thirteenth straight year. The growth rate in residential areas ranked second nationwide, behind only Tokyo.
Although construction unit price for all uses remained below the national average in FY2025, they continued to increase.

## Variation Rate of Official Land Price

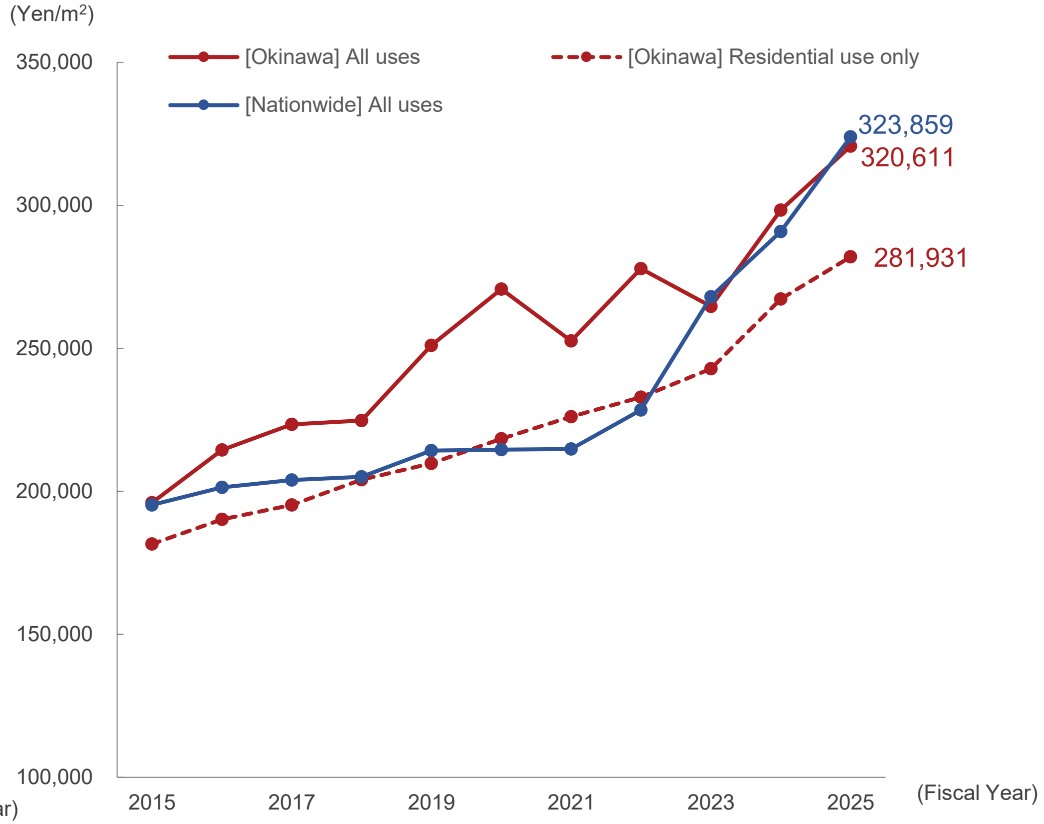



**2026 Official Land Price (All Uses) Appreciation Rate Ranking**

| Ranking | Pref. | Variation rate |
|---|---|---|
| 1 | Tokyo Metropolis | +8.4 |
| 2 | Okinawa Pref. | +6.6 |
| 3 | Chiba Pref. | +5.0 |
| 4 | Kanagawa Pref. | +4.3 |
| 5 | Osaka Pref. | +4.3 |

Source: Ministry of Land, Infrastructure, Transport and Tourism

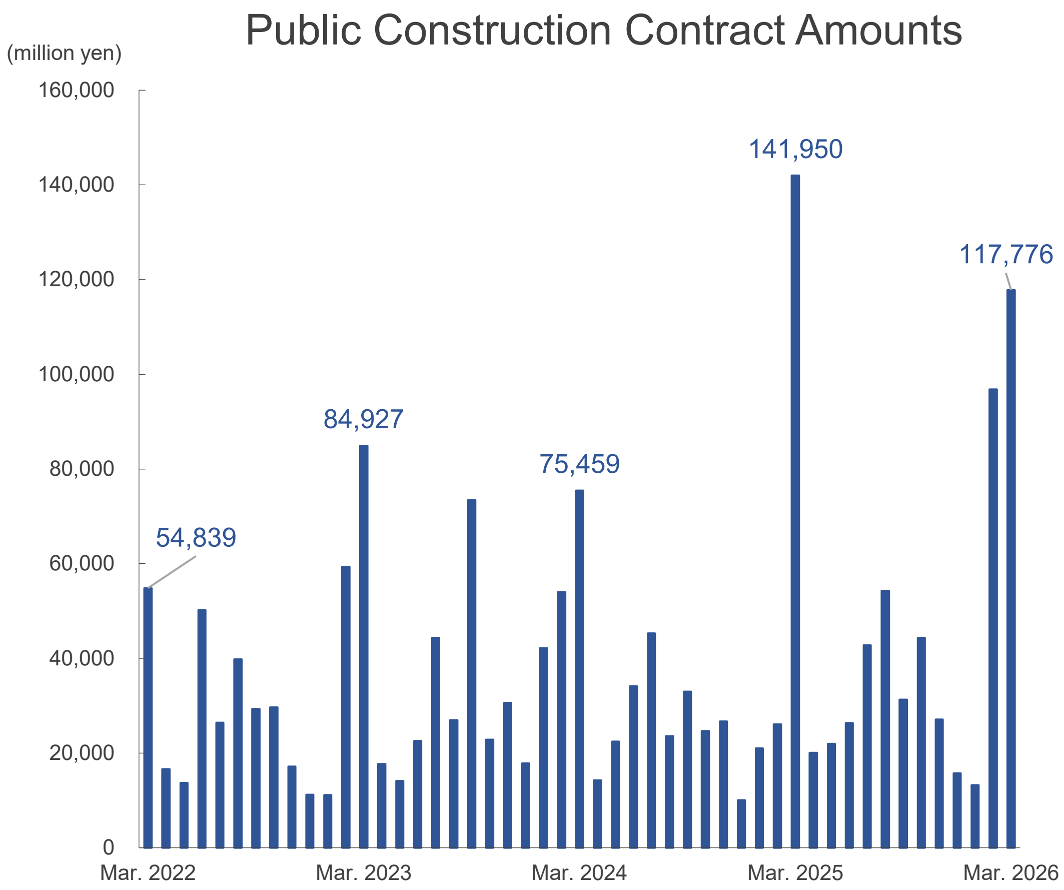
## Trends of Construction Unit Price



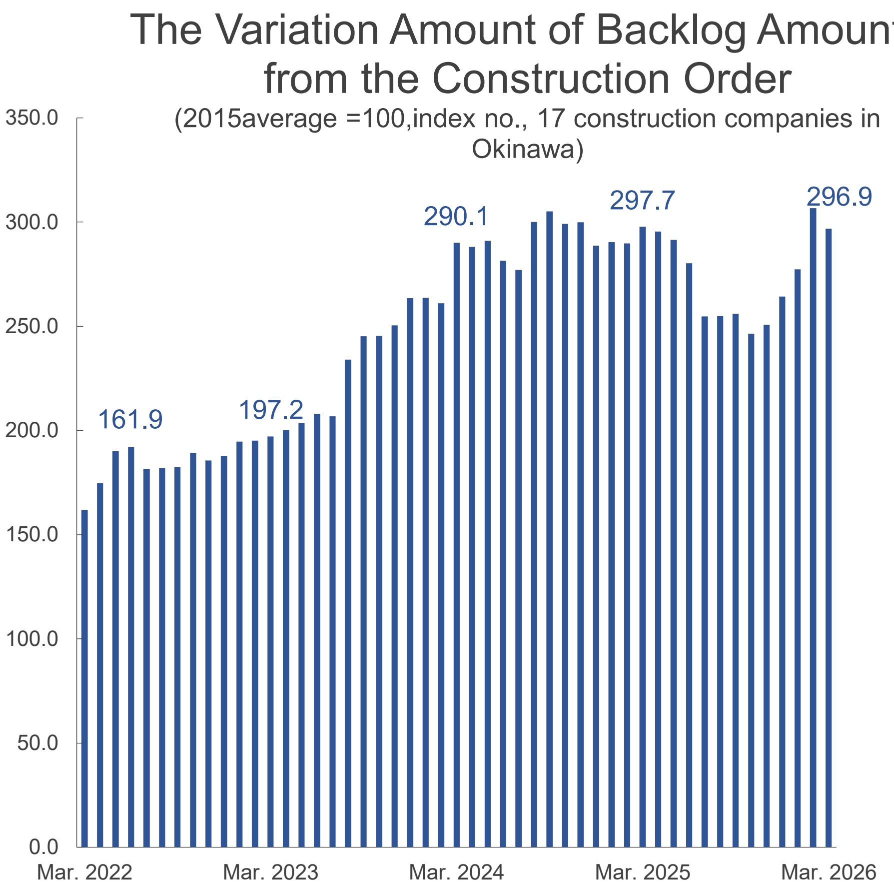

Source: Ministry of Land, Infrastructure, Transport and Tourism

# Public Construction Contract Amounts and Backlog Amounts from Construction Orders

Public construction contract amounts remain robust. Backlog amounts from construction orders remain at a high level.



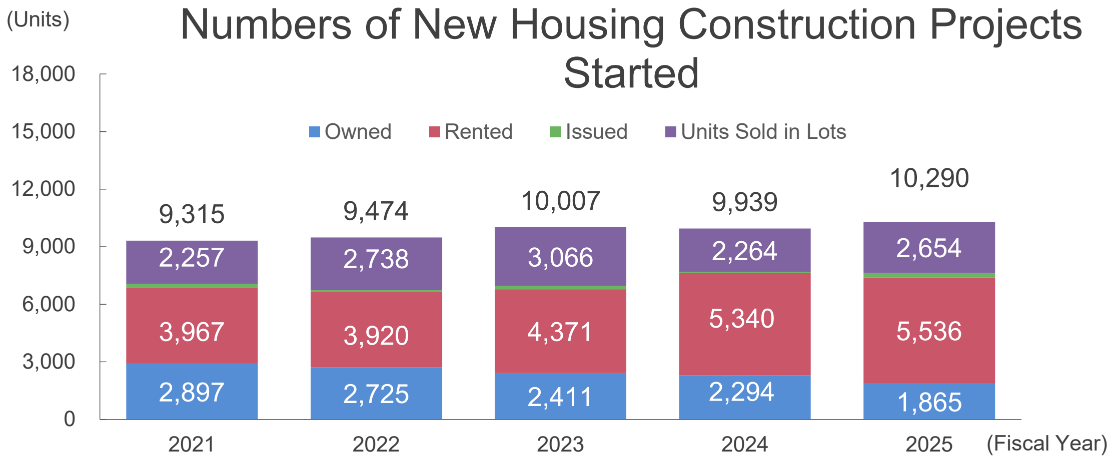

Source: West Japan Construction Surety Co., Ltd. Okinawa Branch



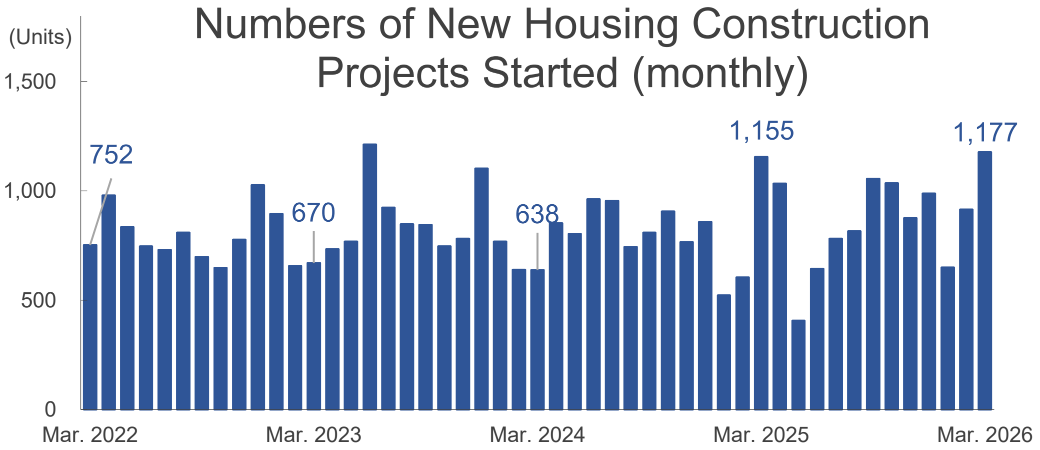

Source: Ryugin Research Institute Ltd.

# Numbers of New Housing Construction Projects Started and Consumption Trends

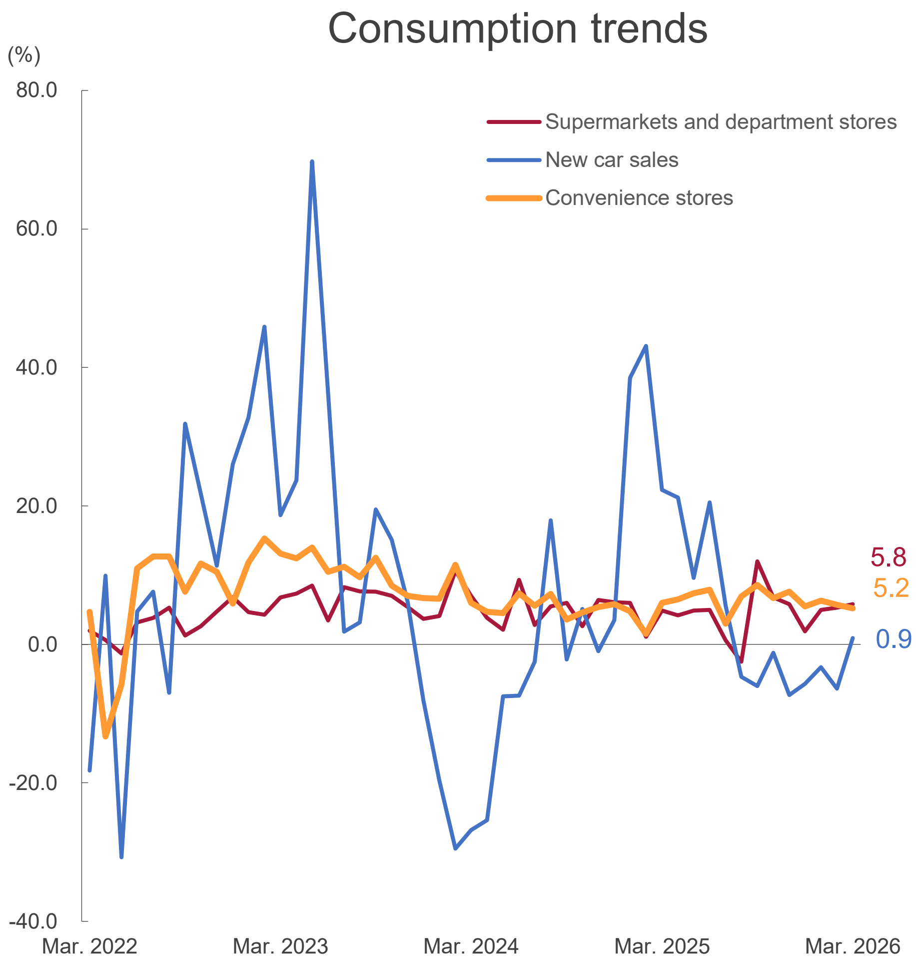
The number of new housing starts in FY2025 rebounded from the previous fiscal year and exceeded 10,000 units.
Consumption trends remain firm in the retail sector.




Source: Ministry of Land, Infrastructure, Transport and Tourism




Source: Ministry of Land, Infrastructure, Transport and Tourism




Source: Ryugin Research Institute Ltd., Bank of Japan Naha Branch, Okinawa Automobile Dealers Association

# About Bank of the Ryukyus

# Bank of the Ryukyus Overview

| Company Profile | |
|---|---|
| Established | May 1, 1948 |
| Capital | 56.967 billion yen |
| Registered Address | 1-11-1 Kumoji, Naha, Okinawa Prefecture,<br>900-0015 |
| No. of Business Locations | 74 in Okinawa Pref., 1 in Tokyo |
| Total Assets | 3.0690 trillion yen |
| Loans | 2.1104 trillion yen |
| Deposits | 2.9155 trillion yen |
| No. of Employees | 1,422 |
| Credit Ratings | R&I : A+<br>JCR : A+ |

| Group Companies | |
|---|---|
| 琉球リース<br>Address<br>Established<br>Capital<br>Business Fields | 1-11-1 Kumoji, Naha, Okinawa Prefecture<br>May 10, 1972<br>346 million yen (100% stock ownership by Bank of the Ryukyus)<br>Leasing and installment-selling of information-related devices/equipment, office equipment, and other machinery and equipment |
| 株式会社リウコム<br>Address<br>Established<br>Capital<br>Business Fields | 1-7-1 Kumoji, Naha, Okinawa Prefecture<br>Dec. 1, 2022<br>50 million yen (100% stock ownership by Bank of the Ryukyus)<br>System design and development, IT infrastructure services, and IT consulting |
| OCS<br>Address<br>Established<br>Capital<br>Business Fields | 1-11-1 Kumoji, Naha, Okinawa Prefecture<br>Aug. 26, 2008<br>279 million yen (100% stock ownership by Bank of the Ryukyus)<br>Credit card, personal trust purchasing mediation, and contracted acquisition operations |
| りゅうぎんディーシー<br>Address<br>Established<br>Capital<br>Business Fields | 1-7-1 Kumoji, Naha, Okinawa Prefecture<br>Apr. 25, 1984<br>195 million yen (100% stock ownership by Bank of the Ryukyus)<br>Credit card, loan, and credit guarantee operations |
| りゅうぎん保証<br>Address<br>Established<br>Capital<br>Business Fields | 1-11-1 Kumoji, Naha, Okinawa Prefecture<br>Jul. 2, 1979<br>20 million yen (100% stock ownership by Bank of the Ryukyus)<br>Debt obligation guarantee operations and similar in relation to real estate financing and consumer credit |
| りゅうぎん総合研究所<br>Address<br>Established<br>Capital<br>Business Fields | 1-11-1 Kumoji, Naha, Okinawa Prefecture<br>Jun. 28, 2006<br>23 million yen (100% stock ownership by Bank of the Ryukyus)<br>Industrial, economic and monetary surveys; research operations; and planning and operation of lecture events, training sessions, etc. |

(As of March 31, 2026)

# Bank of the Ryukyus History

| | |
|---|---|
| May 1948 | Precursor organization established via the Military Government Ordinance No. 1 |
| Jan. 1972 | The Bank changes from a special public corporation based on Military Government Ordinance to a joint-stock corporation based on commercial law, and the name is changed to Bank of the Ryukyus, Limited |
| May | Business operating license acquired following Government of the Ryukyu Islands' establishment of the Banking Act<br>Bank changed from a proclamation-based bank to a commercial bank based on the Banking Act |
| Oct. 1983 | Becomes first corporation in Okinawa Prefecture to be listed on the stock market (Tokyo Stock Exchange 2nd Section and Fukuoka Stock Exchange)<br>Later listed on Tokyo Stock Exchange 1st Section in September 1985 |
| Sep. 1999 | Fiscal soundness plan established based on 22.7 billion yen capital increase through third-party allocation and 40.0 billion yen in public financing (unsecured convertible bonds) |
| Jan. 2006 | Judankai joint banking system (for 8 regional banks) launched |
| Oct. | Bank acquires 34 billion yen of stock from among 40 billion yen of public preferred stock and cancels it |
| Jul. 2010 | Completes repayment of public loans to conclude fiscal soundness plan |
| Apr. 2015 | Okinawa Credit Service Co., Ltd. becomes a consolidated subsidiary of the Bank |
| Jan. 2017 | Begins offering customer services for Bank of the Ryukyus Card Merchants |
| Jul. | Ryukyu Leasing Co., Ltd. becomes wholly owned subsidiary of the Bank |
| Sep. 2018 | Capital increase through 5.6 billion yen public offering |
| Nov. 2019 | Bank of the Ryukyus Group SDG Declaration established |
| Apr. 2020 | The Bank joins the TSUBASA Alliance |
| Dec. | Headquarters temporarily relocated to Naha Port Bldg. |
| Jan. 2021 | The Bank enters into the Okinawa Economic Revitalization Partnership with The Bank of Okinawa |
| Apr. 2022 | Listed on new "Prime Market" section of Tokyo Stock Exchange (transitioned) |
| Dec. | RYUCOM Co., Ltd. (IT business) becomes a consolidated subsidiary of the Bank |
| Feb. 2023 | We established a joint venture called "Yui Partner Service Corporation" with the Okinawa Kaiho Bank, Ltd. |
| Mar. 2024 | We sign PRB (Principles for Responsible Banking) and announce the "Ryugin Carbon Neutral Declaration" |
| Mar. 2025 | We disclose information based on the transition plan and TNFD recommendations |
| Apr. | Medium-Term Management Plan "Empower 2025" launched |
| Apr. 2026 | Business operations begin at the New Head Office building |

Bank of the Ryukyus was originally established on May 1, 1948, as a special banking organization via the U.S. Military Government Ordinance. The U.S. government provided 51% of the capital investment. The Bank was modeled after the U.S. Federal Reserve System and Philippine National Bank, and following its initial founding was operated very much like a central bank.

In the spring of 1972, as part of preparations for Okinawa's return to Japanese sovereignty, the Bank was reorganized as a joint-stock corporation and shares in the organization held by the U.S. government were distributed among Okinawa Prefecture citizens. Upon Okinawa's reversion, our organization began operating as a commercial bank in Japan, and in 1983 the Bank became the first corporation from Okinawa Prefecture to be listed on the stock market.

As part of measures toward greater asset soundness for the Bank and a stronger corporate financial structure, in September 1999 we implemented a 22.7 billion yen capital increase through third-party allocation and also received 40.0 billion yen in public financing. By July 2010, we completed repayment of all public loans.

In January 2006, we were able to quickly adopt cutting-edge computing technology due to the switch to the Judankai joint banking system.

Okinawa Credit Service Co., Ltd., which handles the credit-card business and personal trust purchasing mediation services, became a consolidated subsidiary of the Bank of the Ryukyus Group in April 2015, and Ryukyu Leasing Co., Ltd., which is engaged in comprehensive leasing operations, became a wholly owned subsidiary in July 2017. These and other such changes were implemented in order to strengthen the Group as a whole, thus ensuring provision of high value to our customers.

In April 2020, we joined the TSUBASA Alliance, which is headed up by the Chiba Bank, Ltd. Also, in April 2022, Bank of the Ryukyus was listed on the Tokyo Stock Exchange's new market, the Prime Market. In December of the same year, RYUCOM Co., Ltd. (IT business) became a consolidated subsidiary of the Bank.

In fiscal year 2025, we launched a new Medium-Term Management Plan, "Empower 2025." We will continue to pursue our long-term vision of becoming "a financial group that grows together with the local community by achieving a beneficial cycle in the local economy," and under the theme of "investing resources in growth areas in Okinawa," we will work to "strengthen the management of deposits, loans, and securities," "lead the resolution of regional challenges," "strengthening group collaboration and utilize alliances." In addition, we will work to "increase and optimize human capital investment" to support these efforts.

[Conceptual image of the New Head Office (opened in April 2026)]

# There is a future worth pursuing for Okinawa.

# About This Document

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This document contains information about the future (forward-looking information) such as forecasts, outlooks, objectives and plans concerning the Bank of the Ryukyus. Said forward-looking information was created based on information available as of May 12, 2026, and does not represent a guarantee of future performance.

Certain assumptions and hypotheses are used for descriptions of forward-looking information, but these assumptions and hypotheses may be inaccurate from an objective perspective and may not materialize in the future. Forward-looking information involves risks and uncertainties, so we ask readers to refer to earnings briefs and annual reports from the Bank for more details.

The Bank will not update any forward-looking information contained in this document.