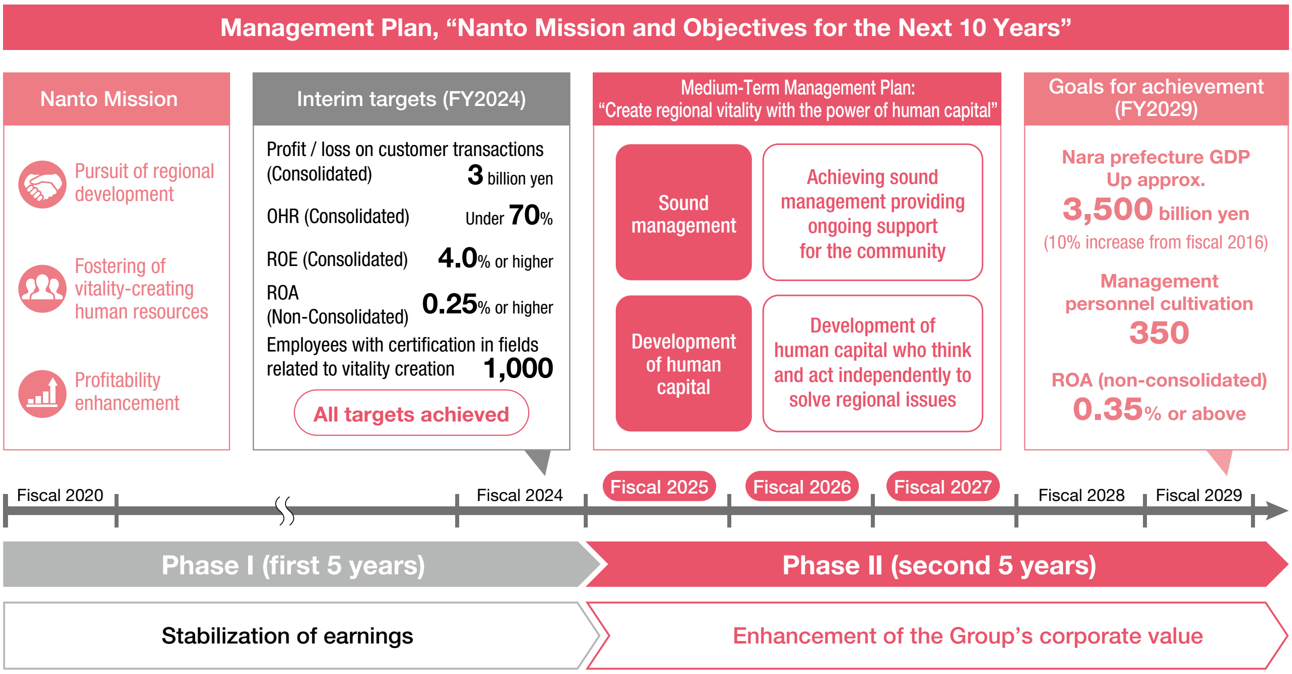
New Medium-Term Management Plan: "Create Regional Vitality with the Power of Human Capital"

— "Nanto Mission and Goals for the Next 10 Years, Phase II" —

Overview of the Medium-Term Management Plan

In fiscal 2020 the Nanto Bank Group introduced a 10-year management plan titled "Nanto Mission and Goals for the Next 10 Years." With the first five years (Phase I) of the Plan now completed, we have achieved all of our interim targets.

The newly formulated second half of the Medium-Term Management Plan (Phase II) focuses on the 3-year period from fiscal 2025 to fiscal 2027, which we have designated as "three years to enhance our Group's corporate value." We will dedicate this period to creating regional vitality by reinforcing the two pillars of the Plan: "sound management" and "developing talent."



Numerical targets of the New Medium-Term Management Plan

Our updated Medium-Term Management Plan sets numerical targets for reinforcing the Plan's two pillars: "sound management" and "developing talent."

We will fortify our sales foundation by further deepening transactions in the Nara regional community,* while also increasing penetration and expanding transactions in Osaka, our second home market. At the same time, we will pursue sound management by implementing appropriate cost controls and capital policies.

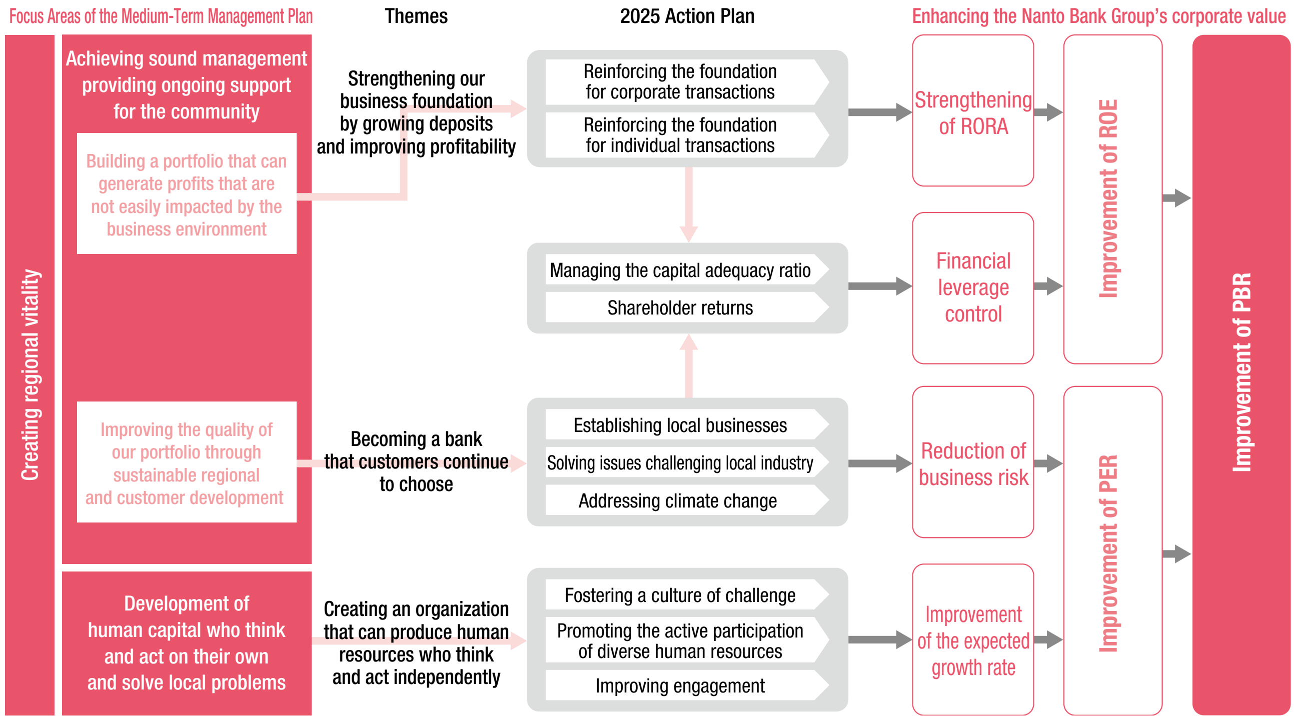
In developing talent, we will strive to motivate employees to think and act independently in accordance with our management policies, and to enhance engagement by promoting dialogue among the members of our staff. We will set targets for engagement scores and work to increase the proportion of female managers to create an organization where diverse talents can thrive.

*Nara region: Nara Prefecture, southern Kyoto Prefecture, northern Wakayama Prefecture, and western Mie Prefecture.

		FY2024 (actual)	FY2027 target
Sound management	ROE (Consolidated)	4.6%	5.5% or more → Target level 8.0% or more
	Capital adequacy ratio (Consolidated)	11.3%	Target range 11-12%
	Net Income (Consolidated)	135億円	18 billion yen or more
	OHR (Consolidated)	67.1%	Less than 65%
Development of human resources	Engagement score	70点	72 points or more
	Percentage of female managers	16.6%	20% or more

Overview of the 2025 Action Plan

Based on the two pillars of our Medium-Term Management Plan, we will focus this fiscal year on "deposit procurement" and "developing talent" as themes for our action plan, with the aim of enhancing our Group's corporate value.



Concept of the Action Plan

Fulfilling our mission in today's highly uncertain business environment will require us to clarify our goals and to implement the PDCA cycle at every stage.

We will formulate and announce an Action Plan for each new fiscal year as we work to achieve our interim targets and objectives for the next 10 years.