

Japan Finance Corporation
Guide to the Operations
of the Micro Business
and Individual Unit

2026



JAPAN FINANCE CORPORATION

Contents

● Message from the General Manager of the Micro Business and Individual Unit	2
● Overview of Japan Finance Corporation	3
● Overview of the Micro Business and Individual Unit	4
● Financial Characteristics	5
● Exercise of Safety Net Functions	7
● Initiatives in the Business Fields That Need Prioritized Support	9
● Collaboration with Regional Financial Institutions and Relevant Organizations	18
● Support for Our Customers' Core Business Initiatives	20
● Working toward Improved Customer Service	21
● Initiatives for International Cooperation	22

Note: Figures used in this Report:

1. Figures for which the value is less than one whole unit.

Numbers of items and amounts are rounded down to the nearest whole unit.

As a general rule, percentages (%) are rounded down to the nearest first decimal place when less than four and rounded up to the nearest first decimal place when five or more. Therefore, figures in the total column may not match the figure obtained by calculating all individual items.

2. Figures

Figures lower than the unit are shown as "0." "-" is shown when there is no applicable figure.

Message from the General Manager of the Micro Business and Individual Unit

First, I would like to express my sincere gratitude for your kind understanding and support to the operations of the Micro Business and Individual Unit, Japan Finance Corporation (JFC). The Micro Unit plays the role of an accessible source of financing that underpins people's lives and regional economies at the local level, providing business loans for micro/small businesses as well as educational loans for households that need funds for children's school entrance expenses and other purposes.

In FY2025, we worked to provide cash flow support to those affected by natural disasters and those facing changes in the business environment, such as price hikes, U.S. tariff measures, and labor shortages, and endeavored to perform our safety net functions. Going forward, we will continue to support the security of micro/small business operators by responding appropriately while closely monitoring changes in society, including the situation in the Middle East.

In response to the 2024 Noto Peninsula Earthquake, which had a particularly significant impact on regional economies, we have provided those affected by the disaster with support for core business initiatives in addition to cash flow support. These initiatives include support for developing sales channels through the publication of the Ishikawa Prefecture Support Catalog and support for business succession through the "Connecting Hopes to the Future—Ishikawa Prefecture Successor Recruitment Project." We will continue to work with relevant organizations to provide long-term support for the recovery and reconstruction of the disaster-affected areas, while staying close to those affected.

Cooperation with regional financial institutions, Chambers of Commerce and Industry, Societies of Commerce and Industry, tax accountants, and other relevant regional organizations is essential for effectively advancing cash flow support and core business support. When cooperating with regional financial institutions, we promote the creation and use of cooperative loan programs, and when cooperating with Chambers of Commerce and Industry, Societies of Commerce and Industry, tax accountants, and others, we strive to build a region-wide support framework through initiatives such as holding consultation sessions and seminars. In addition, we play a role in connecting relevant regional organizations, such as by introducing outside experts according to customers' diverse management issues.

We proactively support business fields that need prioritized support, including business start-ups, productivity improvement, overseas expansion, social business, business succession, and business revitalization.

Support for business start-ups is an important initiative that serves as a driving force for enhancing the vitality of regional economies. The Micro Unit provides detailed support for diverse business start-up needs, including those of start-ups, women, young people, and entrepreneurs relocating to start a business. In particular, for start-ups, we have developed a support framework through the Start-up Support Plaza that provides accompanied support from the seed and early stages. We also hold the High School Student Business Plan Grand Prix. It works to foster an entrepreneurial mindset among young people who will lead the future by returning the knowledge it has accumulated through business start-up support to the field of entrepreneurial education.

In supporting productivity improvement and related initiatives, we provide those working on productivity improvement and other initiatives, such as labor-saving measures, DX and digitalization, and environmental and energy measures, with financial support for capital investment and other needs, while also providing information on advanced examples of initiatives and various support measures by utilizing our network with relevant organizations.

In overseas expansion support and social business support, we provide information through content such as videos and webpages to those taking on overseas markets with the aim of developing new sales channels and other opportunities, as well as to those working to resolve regional and social issues, thereby encouraging their business development.



Business succession support is an essential theme for preserving local businesses and employment as business owners continue to age. For "business succession matching support," which connects people without successors with those seeking business expansion, prospective entrepreneurs, and others, the Micro Unit has strengthened cooperation with relevant organizations and actively held events and disseminated information on successful cases. We will continue to steadily advance these initiatives so that valuable management assets, including the technologies and know-how accumulated by micro/small businesses, can be smoothly transferred to the next generation.

In business revitalization support, we flexibly respond to consultations from micro/small businesses and support the rebuilding of their management through assistance in preparing management improvement plans and other measures. In cooperation with regional financial institutions and others, we will promote revitalization support for business continuity while also utilizing Capital Subordinated Loans, which lead to increased capital.

The Educational Loan program, which was established to reduce the financial burden of educational expenses on households and contribute to equal educational opportunity, has been used by many customers for more than 40 years. We will continue to promote assistance to people who require funds to enroll or maintain their children in school.

In addition, in response to the digitalization policies being promoted by the government, we are working to improve customer convenience by promoting the use of online services such as JFC Direct, Internet Application services, and JFC Electronic Contract Services.

Uncertainty in the external environment is increasing further, including the growing severity and frequency of natural disasters, price hikes, and the recent instability of the situation in the Middle East. In addition, the operating environment surrounding businesses is becoming more complex and diverse, including the need to respond to market contraction accompanying population decline and aging, utilize digital technologies and AI, raise wages, and secure human resources. In this environment, we hope to contribute even more to the business continuity and growth of micro/small businesses, which are the source of vitality for the Japanese economy, in order to revitalize regional economies.

We will further refine the know-how we have cultivated and the networks we have built with relevant regional organizations, and by more fully fulfilling the role expected of us, we will continue to support your reassurance and challenges.

I sincerely hope for your continued understanding and support.

TSUJI Takahiro

General Manager, Micro Business and Individual Unit
Japan Finance Corporation

Overview of Japan Finance Corporation

Japan Finance Corporation (JFC) is a policy-based financial institution which developed out of the National Life Finance Corporation, the Agriculture, Forestry and Fisheries Finance Corporation and the Japan Finance Corporation for Small and Medium Enterprise.

Profile of JFC (as of Mar. 31, 2026)

- **Name:** Japan Finance Corporation (JFC)
- **Establishment:** October 1, 2008
- **Statutory Law:** The Japan Finance Corporation Act
- **Head Office:** Otemachi Financial City North Tower, 1-9-4, Otemachi, Chiyoda-ku, Tokyo, Japan
- **Governor & CEO:** FUJII Takeshi (appointed June 23, 2026)
- **Capital, etc.:** Capital: 11,780.9 billion yen
Reserve fund: 5,376.8 billion yen
- **Branch Offices:** Branch offices in Japan: 152
Overseas representative offices: 3
- **Employees:** 7,423 (budgetary fixed number for FY2026)
- **Outstanding Loans:** 23,140.0 billion yen
 - Micro Business and Individual Unit: 9,837.6 billion yen
 - Agriculture, Forestry, Fisheries and Food Business Unit: 3,507.1 billion yen
 - Small and Medium Enterprise (SME) Unit (Finance Operations): 7,576.7 billion yen
 - Operations to Facilitate Crisis Responses: 2,144.2 billion yen
 - Operations to Facilitate Specific Businesses Promotion, etc.: 74.2 billion yen
- **Outstanding Amounts of Insurance**
 - Small and Medium Enterprise (SME) Unit (Credit Insurance Programs): 33,229.9 billion yen

Basic Philosophy

● Focused policy-based financing

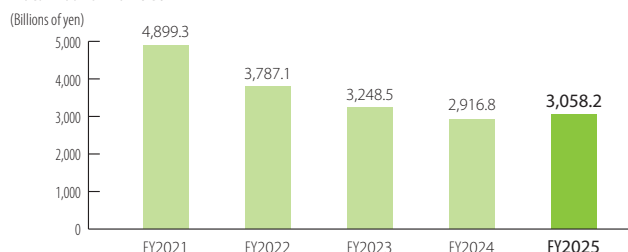
Following the national policy, provide flexible policy-based financing by utilizing a variety of financing programs and schemes to meet the needs of society, while complementing the activities of private financial institutions.

● Mainstreaming governance

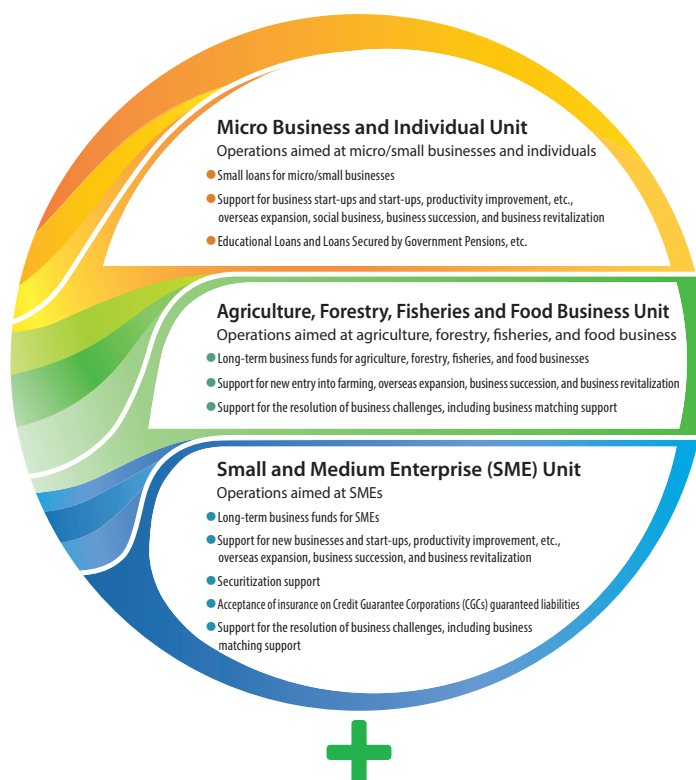
Strive to conduct highly transparent and efficient business operations based on a high level of corporate governance and hold itself accountable to the public.

Furthermore, JFC is committed to becoming a self-governing organization continuously evaluating and improving its activities.

Total Loans Provided



Major Business Operations of JFC

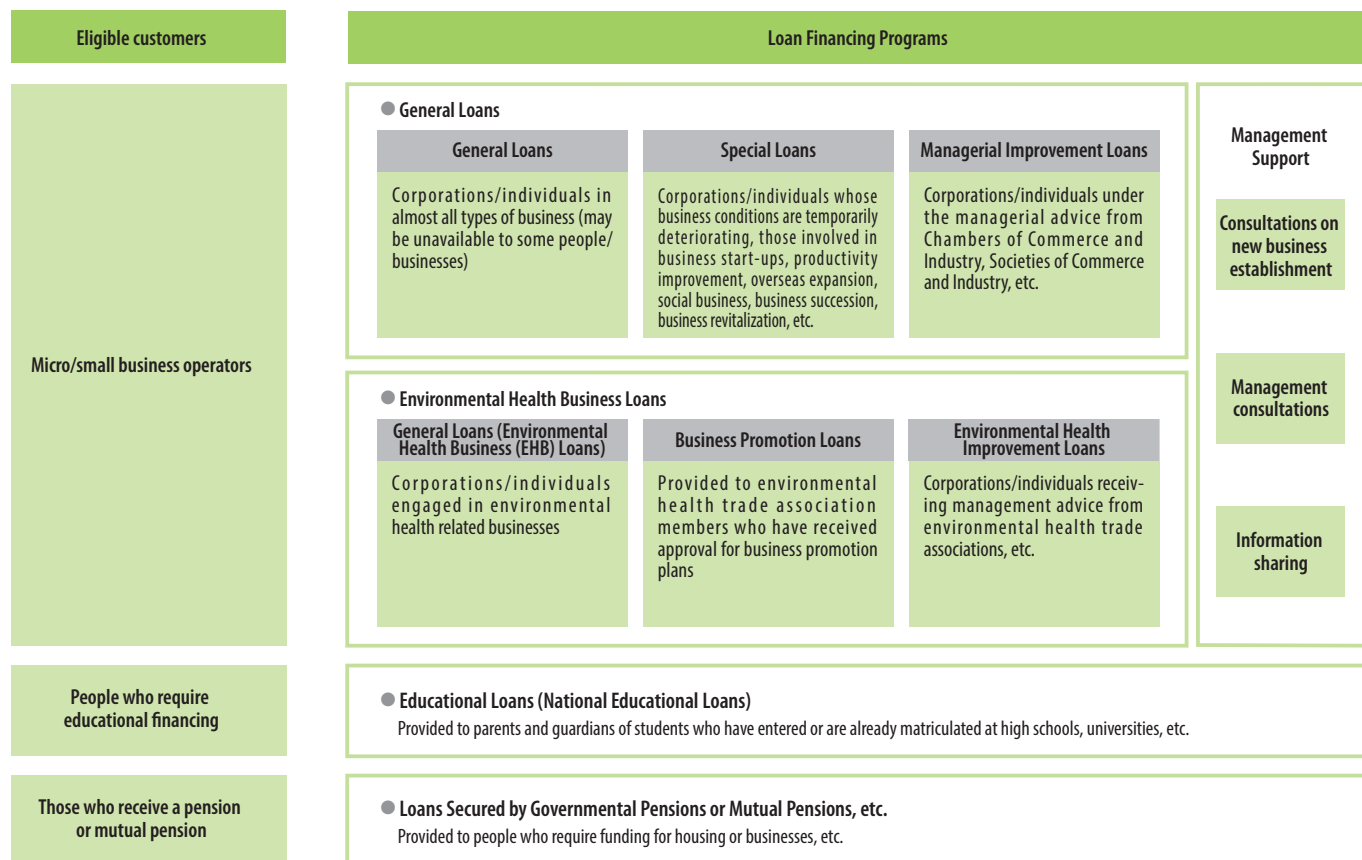


Operations to Facilitate Crisis Responses and Specific Businesses Promotion, etc.

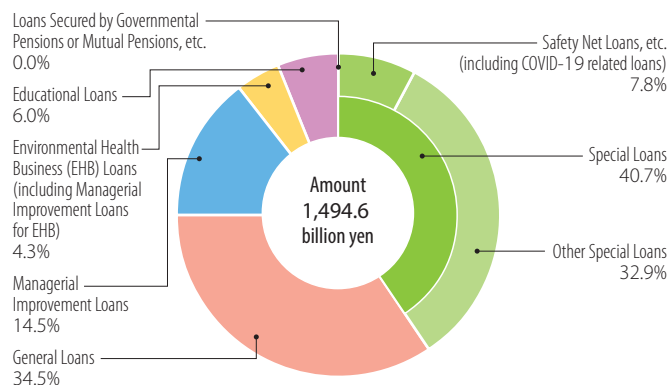
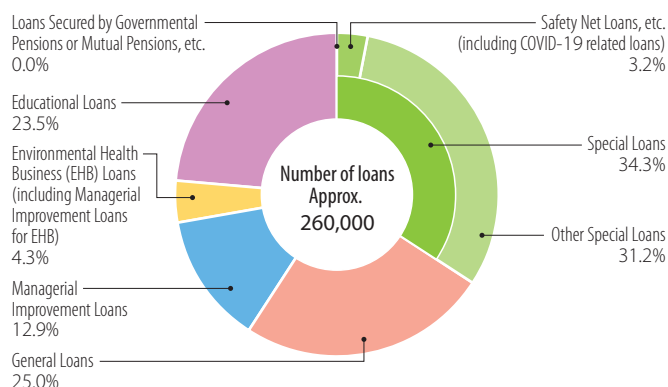
- Providing a certain credit to designated financial institutions at the occurrence of crises certified by the competent ministers, such as domestic or international financial disorder, large-scale natural disasters, and other similar events.
- Providing loans to designated financial institutions based on the Low Carbon Investment Promotion Act, etc.

Overview of the Micro Business and Individual Unit

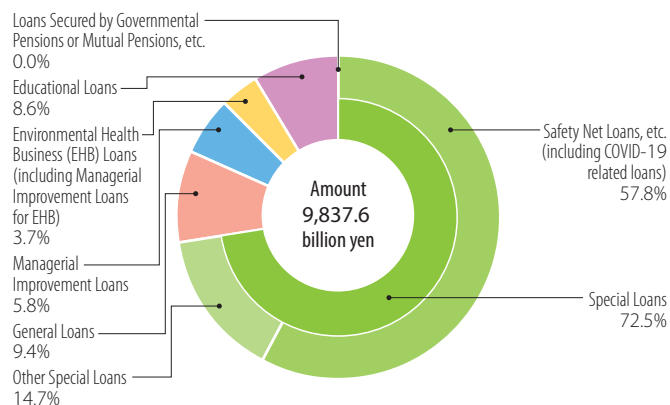
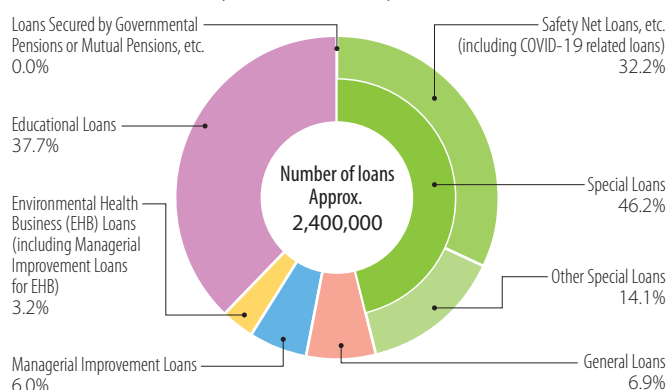
Providing Loans for a Wide Variety of Activities Closely Related to National Life, Including Business Financing



Breakdown of Loans (FY2025)



Breakdown of Loan Balance (as of the end of FY2025)



Support for Micro/Small Businesses

Loans Used by Many Customers

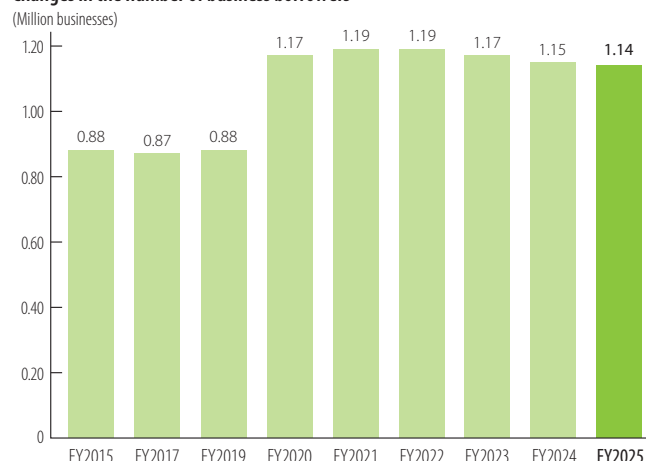
JFC-Micro loans are used by many micro/small businesses, which are the source of vitality of the Japanese economy, employing many people, and support regional economies.

The number of SMEs and micro/small businesses nationwide declined to 3.85 million in 2012 and 3.57 million in 2016, and 3.36 million in 2021.

Under the circumstances, as a result of our full-scale efforts to support micro/small businesses that were impacted by the COVID-19 pandemic, the number of loans provided by JFC-Micro stood at 1.14 million at the end of FY2025.

Source: Prepared by the Small and Medium Enterprise Agency based primarily on Ministry of Internal Affairs and Communications and Ministry of Economy, Trade and Industry, "2012 Economic Census for Business Activity," "2016 Economic Census for Business Frame," "2021 Economic Census for Business Frame," and other sources.

Changes in the number of business borrowers



Most Loans Are Small, Unsecured Loans

Approximately 80% of all loans are for 10 million yen or less and the average loan balance per business is 7.87 million yen. Also, more than 90% of all loans are unsecured.

Number of business borrowers and average loan balance per business (as of the end of FY2025)

	JFC-Micro	Credit associations (254 associations)	Domestic banks (130 banks)
Number of business borrowers	1.14 million businesses	1.24 million businesses	2.18 million businesses
Average loan balance per business	7.87 million yen	44.72 million yen	126.03 million yen

Notes: 1. Figures for JFC-Micro are the total of General Loans and Environmental Health Business Loans.

2. Domestic banks include major commercial banks, regional banks, regional banks II, and trust banks.

3. Figures for credit associations (based on "total" in Deposits and Loans Market statistics by the Bank of Japan) and for domestic banks (based on "SMEs" in Deposits and Loans Market statistics by the Bank of Japan) do not include loans to individuals (loans for housing, consumption, tax payments, etc.), loans to regional public organizations, overseas yen-loans, or loans made to businesses in foreign countries in name of their domestic branches.

4. Number of businesses for credit associations and domestic banks are based on the number of loans in Deposits and Loans Market statistics by the Bank of Japan.

Source: Bank of Japan website

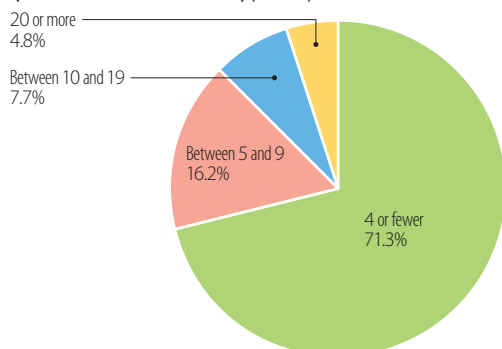
Promoting Loans That Do Not Rely on a Guarantor

We are promoting loans that do not rely on a guarantor through financing programs such as Managerial Improvement Loans (MARUKEI Loans) and the Manager Guarantee Exemption Special Program.

Most Borrowers Are Micro/Small Businesses, among Which Approximately 40% Are Sole Proprietorships

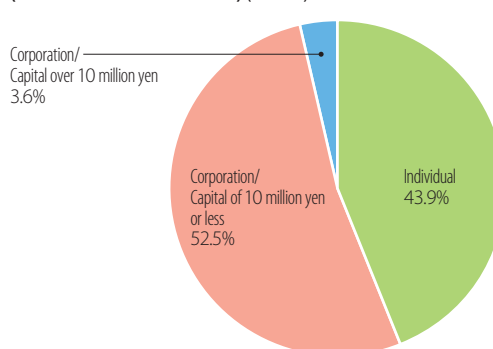
Approximately 90% of borrowers have 9 or fewer employees, and many are sole proprietors.

**Breakdown of borrowers by number of employees
(based on the number of loans) (FY2025)**



Note: The breakdown is the total of General Loans and Environmental Health Business Loans (direct loans).

**Breakdown of loans by capital, individual and corporation
(based on the number of loans) (FY2025)**



Note: The breakdown is the total of General Loans (direct loans) and Environmental Health Business Loans (direct loans).

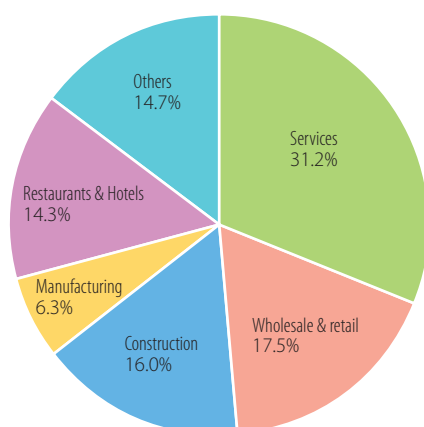
Providing Loans for Various Types of Micro/Small Businesses Through Our 152 Branch Offices

We provide a variety of loans for micro/small businesses by covering region widely through our 152 branch offices nationwide.

The ratio of loans by industry provided by JFC-Micro is almost the same as the ratio of companies in Japan by industry as a whole, and these loans are extensively used by a wide range of borrowers including micro/small businesses from companies with close relationships to local communities such as grocery stores of shopping streets, neighboring builders to those ready to be pioneers in new fields by using cutting-edge knowledge and technologies including biotech and AI.

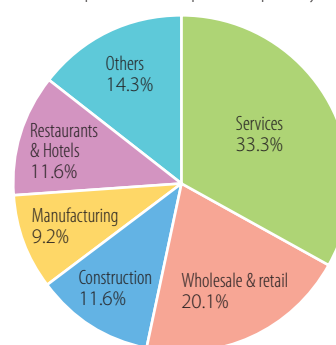
Also, borrowers cover a wide range of micro/small businesses in various life stages such as those recently established that are aiming for growth to those with a solid management foundation and a stable business.

Breakdown of loans by type of business (based on the number of loans) (as of the end of FY2025)



Note: The breakdown is the total of General Loans and Environmental Health Business Loans.

Reference: Component ratios of Japanese companies by industry



Sources: Ministry of Internal Affairs and Communications and Ministry of Economy, Trade and Industry, "2021 Economic Census for Business Activity"

Exercise of Safety Net Functions

Measures against Disasters and Other Unforeseen Events

Special Consultation Desks Are Established to Quickly Respond to Affected Micro/Small Businesses

A special consultation desk is immediately established in case of natural disasters such as earthquakes, typhoons or torrential rains, deterioration of the economic environment, a major corporate bankruptcy, or other unforeseen events so that affected micro/small businesses can discuss their loan and repayment conditions.



Special consultation desks currently in operation (as of June 30, 2026)

	Number of consultation desks	Names of consultation desks	Date of establishment
Disaster-related	13	Special consultation desk for the Great East Japan Earthquake	Mar. 2011
		Special consultation desk for damage suffered as a result of heavy rain from July 3, 2020	Jul. 2020
		Special consultation desk for damage suffered as a result of the 2024 Noto Peninsula Earthquake	Jan. 2024
		Special consultation desk for damage suffered as a result of heavy rain due to a low-pressure system and a stationary front	Sep. 2024
		Special consultation desk for damage suffered as a result of heavy rain caused by a low-pressure system and a stationary front from August 6, 2025	Aug. 2025
		Special consultation desk for damage suffered as a result of heavy rain from September 2, 2025	Sep. 2025
		Special consultation desk for damage suffered as a result of Typhoon No. 15 of 2025, etc.	Sep. 2025
		Special consultation desk for damage suffered as a result of heavy rain from September 12, 2025	Sep. 2025
		Special consultation desk for damage suffered as a result of Typhoon No. 22 of 2025	Oct. 2025
		Special consultation desk for damage suffered as a result of the 2025 earthquake, with its epicenter off the eastern coast of Aomori Prefecture	Dec. 2025
		Special consultation desk for damage suffered as a result of heavy snowfall from January 21, 2026	Jan. 2026
		Special consultation desk for damage suffered as a result of the forest fire in Otsuchi Town, Iwate Prefecture, in 2026	Apr. 2026
		Special consultation desk for damage suffered as a result of heavy rain from June 24, 2026	Jun. 2026
Others	4	Special consultation desk relating to the situation in the Middle East and Ukraine, and rising oil prices, etc.	Nov. 2021
		Special consultation desk relating to U.S. automobile tariff measures, etc.	Apr. 2025
		Special consultation desk on regional economic measures related to Nissan Motor	Aug. 2025
		Special consultation desk for damage from oyster mortality due to high water temperatures, etc.	Dec. 2025

Consultations for Micro/Small Businesses Affected by the Situation in the Middle East

In March 2026, JFC-Micro expanded the special consultation desk relating to the situation in Ukraine and rising oil prices, etc., into the special consultation desk relating to the situation in the Middle East and Ukraine, and rising oil prices, etc. We are providing consultations to those affected by the situation in the Middle East, rising oil prices, and other factors.

Loan programs related to the situation in the Middle East (as of the end of June 2026)

Loan program	Eligible customers	Maximum loan amount	Repayment period (Grace period)
Funds for changes in operating environments (Safety Net Loans)	Those whose business conditions have temporarily deteriorated due to external factors such as changes in the social or economic environment	72 million yen	Equipment funds: Up to 20 years (up to 3 years) Working capital: Up to 10 years (up to 3 years)
Funds for changes in operating environments (Environmental Health Safety Net Loans)	Members of environmental health trade associations that have received approval for business promotion plans and whose business conditions have temporarily deteriorated due to external factors such as changes in the social or economic environment	72 million yen	Working capital: Up to 10 years (up to 3 years)

Consultations for Micro/Small Businesses Affected by U.S. Tariff Measures

In April 2025, we established a special consultation desk relating to U.S. automobile tariff measures, etc. We are providing consultations to those whose cash flow has been or may be affected by the U.S. tariff measures, etc.

Loan performance related to U.S. tariff measures, etc., at JFC-Micro totaled 186 loans and 2.2 billion yen on a cumulative basis from the establishment of the special consultation desk through the end of March 2026.

We Provide Support for the Recovery and Reconstruction Efforts of Micro/Small Businesses Affected by the 2024 Noto Peninsula Earthquake

Following the 2024 Noto Peninsula Earthquake, JFC-Micro established the Special consultation desk for damage suffered as a result of the 2024 Noto Peninsula Earthquake and set up a consultation system to provide prompt support to micro/small businesses that suffered damages from the disaster.

● Loans related to the 2024 Noto Peninsula Earthquake

From the occurrence of the disaster to the end of March 2026, 1,693 loans amounting to 14.1 billion yen have been disbursed to businesses affected by the 2024 Noto Peninsula Earthquake.

Loans to Businesses Affected by the 2024 Noto Peninsula Earthquake—Example: Support for Restoration from Earthquake Damage

Company A is a long-established oden restaurant in Ishikawa Prefecture. It attracts many tourists from inside and outside the prefecture, and sales, which had declined due to the effects of COVID-19, have been gradually recovering. In 2022, the company started the operation of a new factory and was working to increase the production of refrigerated and frozen packaged products and to develop room-temperature ready-to-eat products. However, due to the 2024 Noto Peninsula Earthquake, the store suffered damages, including ruptured gas pipes and rain leaks.

JFC-Micro provided loans for capital expenditures for repairing and restoring the store.



■ Ishikawa Prefecture Support Catalog

To support the development of sales channels for customers in Ishikawa Prefecture affected by the 2024 Noto Peninsula Earthquake, JFC-Micro published a catalog booklet introducing corporate information, products, and services. The catalog is posted on JFC's website and distributed to relevant organizations and customers through all branches nationwide. The first edition was published in April 2024, the second in July, the third in December, and the fourth in July 2026, featuring a total of 55 customers.



Scan here for details
(Available only in Japanese)



■ Ishikawa Prefecture Successor Recruitment Project

JFC-Micro has launched a special webpage for the “Connecting Hopes to the Future—Ishikawa Prefecture Successor Recruitment Project,” which provides information on business operators in Ishikawa Prefecture who wish to transfer their businesses. The page also introduces initiatives by various support organizations and successful cases in Ishikawa Prefecture.



Scan here for details
(Available only in Japanese)



Initiatives in the Business Fields That Need Prioritized Support

Initiatives to Support Business Start-ups

The Number of Loans Disbursed to Business Start-ups (Consisting of Those That Have Yet to Start and Those That Are Within 1 Year of Start-up) Has Reached Around 29,000 a Year

There are not a few business start-ups consisting of those that have yet to start and those that are newly start-up face difficulties in obtaining funds for such reasons as a lack of business track record. JFC-Micro actively provides loans to such business start-ups. Also, in order to enable people who want to start their own businesses to receive one-stop information related to start-up business in each region, JFC is constructing a nationwide start-up support network in cooperation with municipalities, Chambers of Commerce and Industry, Societies of Commerce and Industry, regional financial institutions, etc.

● Changes of loans disbursed to businesses start-ups (number of businesses)

The number of loans disbursed to business start-ups (consisting of those that have yet to start and those that are within 1 year of start-up) in FY2025 totaled 29,320.

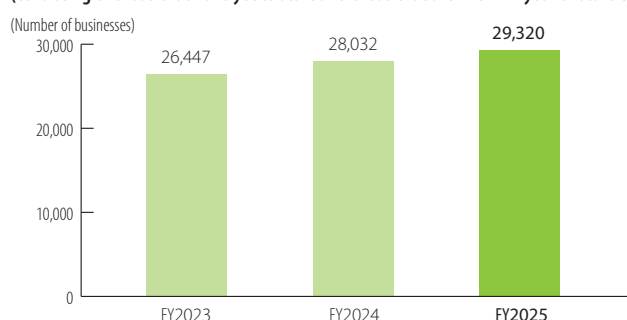
It can be considered that approximately 82,000 job creations have been made as a result of these loans disbursed to business start-ups.

[Job Creation Effects]

29,320 businesses × average of 2.8 employees^(Note) = 82,096 employees

Note: The average number of employees at time of business start, based on Survey on Business Start-ups in Japan (FY2025) by the JFC Research Institute.

Changes of loans disbursed to businesses start-ups (number of businesses) (consisting of those that have yet to start and those that are within 1 year of start-up)



● Support for Women, Youth, and Senior Entrepreneurs

As the economic society diversifies and the range of business start-ups expands, JFC-Micro supports a wide range of individuals, including women, youth, and senior entrepreneurs, to start their own businesses.

Loans for women, youth and senior entrepreneurs (number of businesses)

Women
FY2025
7,870 businesses

Youth (aged under 35)
FY2025
8,268 businesses

Seniors (aged 55 and above)
FY2025
3,135 businesses

Note: Women who qualify as Youth or Seniors are also included in both the women and the corresponding age-related category.

Example of a Loan Disbursed to a Women Entrepreneur: Using Her Own Experiences to Launch a Carpentry Business

Company B operates a carpentry business. The representative had been familiar with nature and handicrafts since childhood, majored in forest science at university, and became interested in wooden architecture through her involvement in forest environmental education while in school. After graduating from university, she refined her carpentry skills, obtained qualifications, and started the business with the aim of proposing better architectural spaces. The company provides high-quality construction, mainly for new detached houses and renovations. It is focusing on creating bright and enjoyable workspaces with the aim of dispelling the so-called "3K" image—*kitsui* (demanding), *kitanai* (dirty), and *kiiken* (dangerous)—of the construction industry and increasing the number of women craftspeople.

JFC-Micro provided a loan for operating funds necessary to purchase materials, and equipment funds necessary to purchase machinery.



Example of a Loan Disbursed to a Youth Entrepreneur: Starting an E-commerce Used Clothing Business Inspired by a Study Abroad Experience

Company C operates an e-commerce business selling used clothing. During language study in Thailand, the representative learned about Thailand's used clothing market and decided to start the business after identifying a business opportunity in the ability to source inexpensive, high-quality used clothing. Leveraging English-language and negotiation skills, the representative procures products directly from overseas and operates the business while using generative AI for inventory management, data analysis, management decisions, and various other operations. The company currently operates an e-commerce shop specializing in used jeans and offers approximately 2,000 high-quality items.

JFC-Micro provided a loan for operating funds necessary to purchase products.



Example of a Senior Entrepreneur: Starting an Ironworks Business to Pass on Manufacturing Technologies

Company D is engaged in manufacturing. The representative previously served as an executive officer at a major manufacturer of commercial air conditioners and gained experience working overseas and serving as a factory manager. Following the downsizing of the housing materials manufacturing division he had overseen and strong requests from business partners at the time, he started his own business upon leaving the company. Since starting the business, he has been taking on the challenge of producing a wide range of products by leveraging the technological capabilities he developed in his previous job. Going forward, the company plans to manufacture and sell products for individuals in addition to B-to-B products. In the future, the representative also aims to pass on manufacturing technologies to the next generation.

JFC-Micro provided a loan for equipment funds necessary to purchase manufacturing machinery.



Holding of “Business Start-up Fes”

JFC-Micro co-hosted “Business Start-up Fes 2025” with East Japan Railway Company, inviting media personality Atsushi Tamura to serve as MC. The event featured lively panel discussions among start-up managers, entrepreneurs active in regional areas, and young people considering starting their own businesses, with the aim of fostering momentum for business start-ups and the creation of start-ups while encouraging people to have the courage to take the first step. Approximately 1,000 participants, including online viewers, experienced the energy of the entrepreneurs brought out by Atsushi Tamura.

In FY2026, JFC-Micro will hold “Business Start-up Fes Tour 2026” in Aomori and Fukuoka, disseminating information that encourages people to take the first step toward starting a business while fostering momentum for business start-ups and the creation of start-ups.



Story: A Collection of Entrepreneurship Case Studies from Around the Country

Story: A Collection of Entrepreneurship Case Studies from Around the Country is a website with case studies of entrepreneurship from various regions around Japan. The page presents founding stories, such as the reasons for establishing the company and difficulties they faced at the time of establishment, using an interview format. Entrepreneurship case studies can be searched by industry, region, age, and topic, enabling users who are considering starting their own businesses to find case studies that will be useful.



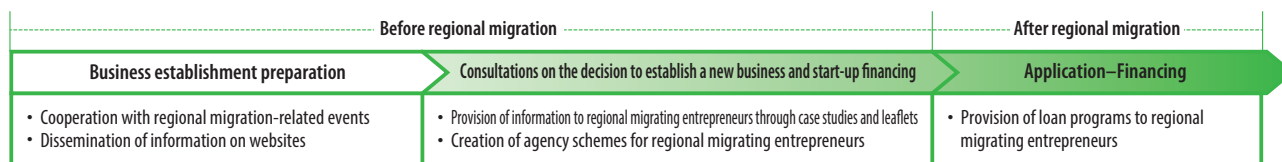
JFC website

Story: A Collection of Entrepreneurship Case Studies from Around the Country
(<https://www.jfc.go.jp/n/finance/sougyou/case/>) (Available only in Japanese)

● Support for regional migrating entrepreneurs

JFC-Micro uses its nationwide network of 152 branches to support persons who wish to migrate from a city to a rural area in order to establish a business. We provide support according to the stage of business establishment from before to after regional migration.

[Overall image of JFC-Micro’s support for regional migrating entrepreneurs]



Reinforcing Our Structures for Responding to Inquiries from Customers

● Business Start-up Support Desks have been established in the 152 branch offices nationwide

Business Start-up Support Desks provide services in which specialists offer advice on business start-up plans to people planning to start a business and offer a wide variety of information on starting a business.

● Business Start-up Support Centers, Business Support Plazas, and Start-up Support Plazas have been established throughout the country

Business Start-up Support Centers organize diverse seminars targeted at customers in varying stages of their business cycle, both before and after starting business, and also provide timely support through collaboration with regional organizations that support start-ups. At Business Support Plazas, appointments for extensive consultation are available to persons planning to start a new business. Start-up Support Plazas provide consultation services for seed and early-stage start-ups.

Contributing to the Growth and Development of Businesses through Loans and Other Activities

Of the companies that have got listed public since 1989, some 481 had received support from JFC-Micro before going public.

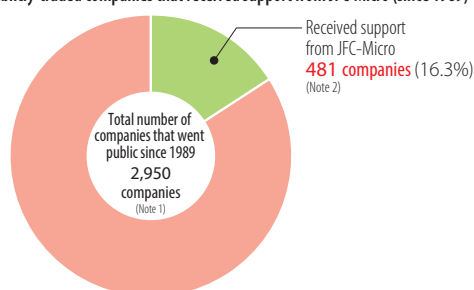
Approximately 30% of companies listed on the Tokyo Stock Exchange Growth Market, a representative market of high-growth and emerging stocks, have a history of support from JFC-Micro, indicating that JFC-Micro's support for businesses during the start-up and growth phases has produced certain results.

Examples of publicly-traded companies that received support from JFC-Micro

Company name	Store or brand name	Establishment	Listing year (Note 1)	Stock market (Note 1)
Timee, Inc.	Timee	2017	2024	Tokyo Stock Exchange, Growth Market
BALMUDA Inc.	BALMUDA	2003	2020	Tokyo Stock Exchange, Growth Market
Spacemarket, Inc.	SPACEMARKET	2014	2019	Tokyo Stock Exchange, Growth Market
Bushiroad Inc.	CARDFIGHT!! Vanguard New Japan Pro-Wrestling	2007	2019	Tokyo Stock Exchange, Growth Market
Sansan, Inc.	Sansan	2007	2019	Tokyo Stock Exchange, Prime Market
Kushikatsu Tanaka Holdings Co. (Note 2)	Kushikatsu Tanaka	2002	2016	Tokyo Stock Exchange, Standard Market
Hotland Co., Ltd. (Note 3)	Tsukiji Gindaco	1991	2014	Tokyo Stock Exchange, Prime Market
Torikizoku Co., Ltd. (Note 4)	Torikizoku	1986	2014	Tokyo Stock Exchange, Prime Market
JINS Holdings Inc.	JINS	1988	2006	Tokyo Stock Exchange, Prime Market
Bic Camera Inc.	Bic Camera	1980	2006	Tokyo Stock Exchange, Prime Market
Pepper Food Service Co., Ltd.	Ikinari Steak	1985	2006	Tokyo Stock Exchange, Standard Market
Tempstaff Co., Ltd. (Note 5)	Tempstaff	1973	2006	Tokyo Stock Exchange, Prime Market
Bookoff Corporation Ltd. (Note 6)	BOOK・OFF	1991	2004	Tokyo Stock Exchange, Prime Market
Village Vanguard Co., Ltd.	VILLAGE/VANGUARD	1988	2003	Tokyo Stock Exchange, Standard Market
Seria Co., Ltd.	Seria	1987	2003	Tokyo Stock Exchange, Standard Market
Future Corporation	FUTURE	1989	1999	Tokyo Stock Exchange, Prime Market

Notes: 1. The listing year is the year of the first listing, and the stock market is the main exchange on which the stock is currently traded.
2. The company changed its trade name to Unisia Holdings Co. in 2026.
3. The company changed its tradename to HOTLAND HOLDINGS Co., Ltd. in 2025.
4. Currently, Eternal Hospitality Group Co., Ltd. is publicly traded.
5. The company changed its tradename to Persol Tempstaff in 2017. Currently, Persol Holdings is publicly traded.
6. Currently, Bookoff Holdings is publicly traded.

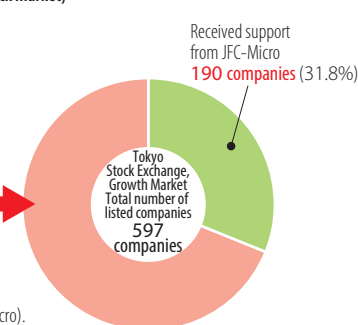
Publicly-traded companies that received support from JFC-Micro (since 1989)



Notes: 1. Of those companies listed on each market since 1989, the total number of companies whose shares are publicly traded as of March 31, 2026 (according to JFC-Micro).
2. Of those companies indicated in Note 1, companies confirmed to have received support from JFC-Micro (according to JFC-Micro).

Listed companies that received support from JFC-Micro (since 1989; by stock market)

	Number of listed companies	Listed companies that received support from JFC-Micro	Share of their respective markets
Tokyo Stock Exchange, Prime Market	844	99	11.7%
Tokyo Stock Exchange, Standard Market	1,189	124	10.4%
Tokyo Stock Exchange, Growth Market	597	190	31.8%
Others	320	68	21.3%
Total	2,950	481	16.3%



Developing Entrepreneurship among Youth

We take measures to foster an entrepreneurial mindset among youth and develop future entrepreneurs.

Holding of the High School Student Business Plan Grand Prix

JFC has been conducting the High School Student Business Plan Grand Prix since FY2013 with the aim of nurturing the ability to independently develop one's future through the process of creating a business plan.

For the 13th High School Student Business Plan Grand Prix, a total of 5,640 entries from 639 schools were received. Business start-up support centers nationwide took the lead in providing on-site classes and offering support for business plan creation.

At the final competition, held in January 2026, 10 groups of finalists gave enthusiastic presentations. The Grand Prix was awarded to Kyoritsu Girls' Senior High School's "Shonin Yokkyu girls" for their plan titled "Admic: Turn Your Desire for Recognition into Your Own Comic," which drew the attention of various media. In addition, Prime Minister Takaichi sent a message to the high school students presenting their business plans, which was read aloud by the emcee on the day of the event.

Amid growing interest in entrepreneurship education, scenes from and details of the High School Student Business Plan Grand Prix have been featured in high school Public textbooks, and Japanese language illustrated reference materials used as supplementary teaching materials, demonstrating the growing presence of JFC's business start-up support in educational settings.

The 14th High School Student Business Plan Grand Prix

Application period: August 19 to September 24, 2026

Announcement of 10 finalist groups: Late November 2026

Final competition and award ceremony: January 10, 2027

● Please visit the JFC website for more information. Also, the High School Student Business Plan Grand Prix Facebook page and Instagram page are frequently updated with the latest information.

High School Student Business Plan Grand Prix website
(<https://www.jfc.go.jp/n/grandprix/index.html>)
(Available only in Japanese)



High School Student Business Plan Grand Prix Facebook
(<https://www.facebook.com/grandprix.jfc/>)
(Available only in Japanese)



High School Student Business Plan Grand Prix Instagram
(https://www.instagram.com/grandprix_kouko/)
(Available only in Japanese)



Members of Kyoritsu Girls' Senior High School's "Shonin Yokkyu girls," winners of the 13th Grand Prix award



Message from Prime Minister Takaichi (read aloud by the emcee on the day of the event)

Supporting Start-ups

We contribute to the growth and development of start-ups striving to achieve rapid growth that serve as a driving force for problem-solving and economic growth and provide original value with innovative ideas and uniqueness. In addition to providing financial support through capital subordinated loans and other startup-related financing, JFC-Micro offers core business support, such as business matching with large companies and seminars to share management expertise.

Example of a Loan Disbursed to a Start-up—Supporting a University-originated Start-up

Company E is a university-originated start-up that develops a “sphere-driven 360-degree omnidirectional mobility platform.” The company aims to solve issues related to the movement of objects at manufacturing sites. Its product has a simple configuration consisting of 3 spheres and 3 motors, and multiple units can move freely in all directions in coordination with one another. Despite its compact housing, the product has load-bearing capacity and is capable of millimeter-level precision movement. It is increasingly being used at manufacturing sites and other locations to transport materials and work-in-process items between production processes. The company has continued to achieve steady business growth even after receiving financing support from JFC-Micro.



Start-up growth support

JFC-Micro holds various events intended to grow and to solve management issues of start-ups.

Holding of the “How-to Session on Utilizing Start-up Support Programs Co-hosted by Government-affiliated Organizations”

JFC held an event featuring introductions of support programs by working-level staff responsible for start-up support at JFC, the Japan Agency for Medical Research and Development (AMED), the Japan Science and Technology Agency (JST), and the New Energy and Industrial Technology Development Organization (NEDO), as well as a talk session and individual consultation meetings. Participants commented, “We were able to understand the support areas of each participating organization and when we should consult with them.”



“GLOBAL DAY ONE—Japanese Start-ups Targeting the World from Germany” Held

To support the overseas expansion of start-ups, JFC co-hosted an event with Trade and Investment Promotion Corporation in German. The program featured a keynote speech and group work by experts with extensive knowledge of overseas expansion into Europe. After the event, a networking session was held between local participants and speakers.



Initiatives to Support Productivity Improvement, etc.

JFC-Micro Supports Customers Undertaking Productivity Improvement and Related Efforts, Such as Labor-saving Measures, DX and Digitalization, and Environmental and Energy Measures.

JFC-Micro is supporting customers' digitalization initiatives that lead to greater operational efficiency and productivity improvement through both financial and informational means.

We support capital investment by SMEs and micro/small businesses working to digitalize their operations by utilizing loan programs such as Loans for Enhancing Corporate Vitality. In addition to providing information on digitalization and introducing case examples of related initiatives, we also use our network with relevant organizations to make introductions to external specialists.

We are also supporting customers working on environmental and energy measures. In addition to support through Loans for Environment and Energy Measures, we provide information through pamphlets and videos to help customers introduce energy-saving and decarbonization initiatives.

First Digitalization Guidebook



This guidebook provides easy-to-understand explanations of various tools that can be adopted easily and at low cost and that lead to increased sales and cost reductions, based on implementation steps and reference examples.

Guide to Loans for Environment and Energy Measures



This pamphlet explains the loan program and introduces reference examples of how the program has been utilized.

Initiatives to Support Overseas Expansion

JFC-Micro Supports Micro/Small Businesses Seeking to Expand Overseas

By providing loans and information relating to overseas expansion, we are supporting overseas businesses such as strengthening export, outsourcing production and conducting direct investment and so on.

● Support for micro/small businesses seeking to expand overseas

Overseas Development Support Desks are established at 152 branches nationwide to actively support businesses that are working to expand overseas. JFC-Micro cooperates with Japan External Trade Organization (JETRO), Organization for Small & Medium Enterprises and Regional Innovation, JAPAN (SME Support, JAPAN), Japan Federation of Bar Associations, and other organizations that support overseas expansion. We establish consultations systems that can provide detailed support information according to the needs of customers by providing advice for first-time overseas expansion, information on overseas exhibitions and business matching events, and confirmation of local laws and regulations, required permits and licenses, and the details of contracts.

● Various information tools for micro/small businesses expanding overseas

JFC-Micro supports the smooth overseas expansion of business operators by providing multifaceted information, including diagnostic tools, practical examples, and advice from experts, from the preparation stage through to the implementation stage of overseas expansion.

■ Overseas Expansion Zero to One + (JFC website)

Our website “Overseas Expansion Zero to One +” features examples of companies expanding overseas, various investigative reports, along with useful information that supports overseas expansion, which includes videos and columns on export-related information. The site provides valuable information for those who are pursuing overseas business expansion.



Scan here to visit the website.
(Available only in Japanese)



■ Overseas Expansion Diagnostic Tool “Overseas Expansion Step Guide”

The “Overseas Expansion Step Guide” enables users to check the stage of their company's initiatives toward overseas expansion by answering a series of questions. It also introduces recommended tools and services according to each stage of their initiatives. This tool can be used by business operators aiming for overseas expansion to gain an overall picture and organize issues.



Overseas Expansion Step Guide

■ “The First Step to Export” and “Collection of Case Studies on Overseas Expansion”

JFC-Micro prepares various informational materials for business operators that are planning to begin exporting, including “The First Step to Export,” which features advice from trading companies with extensive practical experience on key points and the proper mindset for successful exporting, and the “Collection of Case Studies on Overseas Expansion,” which presents examples of initiatives by business operators pursuing overseas expansion.



The First Step to Export



Collection of Case Studies on Micro/Small Businesses Overseas Expansion

■ “Export Notebook” and “Key Points of Export Business”

JFC-Micro provides information to business operators considering overseas expansion through resources such as the “Export Notebook,” a fill-in workbook that enables users to consider the matters necessary when starting an export business, and “Key Points of Export Business,” which organizes the flow of export business and key points.



Export Notebook



Key Points of Export Business

Example of a Loan to a Micro/Small Business Expanding Overseas

Company F, founded in 1949, is engaged in the manufacture and sale of noodle products. Utilizing local ingredients and through repeated trial and error, the company developed a line of original-design pasta and began pursuing overseas expansion around 2014.

In the early stages of its overseas expansion, the company actively participated in trade meetings in various countries with the support of organizations such as JETRO and the prefectural government. Gradually, it expanded its export destinations, and today it has developed sales channels across a wide range of countries and regions, including the U.S., France, and China. While the company's original pasta has attracted attention overseas, its signature dried soba noodles—recognized for their distinctively Japanese qualities—have also led to successful exports.

JFC provided a loan to support the introduction of equipment necessary for expanding overseas operations.



Company F's products that are popular overseas



Overseas Expansion Zero to One + (JFC website)

Further details are available in the “Zero-One Memoirs” section of the JFC website. (Available only in Japanese)

Initiatives to Support Social Business

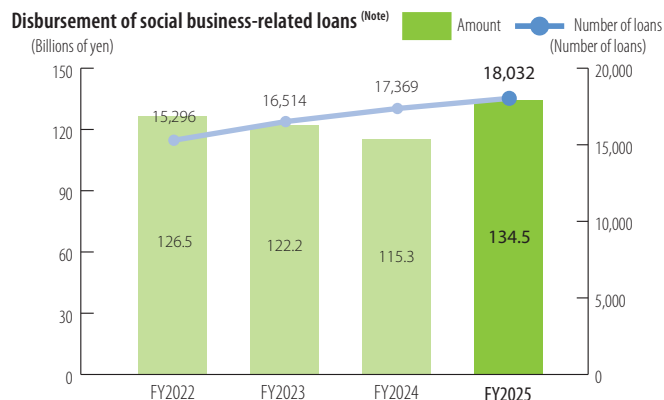
JFC-Micro Supports Social Business

JFC-Micro supports social business engaged in tackling regional and social issues such as nursing care and support for the elderly and disabled, child development, community revitalization, and environmental protection.

● Disbursement of social business-related loans

The FY2025 loans to social business came to 18,032 loans, 134.5 billion yen.

Note: This is the total of financing to (i) NPO corporations, (ii) nursing and welfare businesses, and (iii) businesses whose purpose is resolution of social issues (other than (i) and (ii)) and excluding overlaps in (i) and (ii).



Information Dissemination through the “Social Business Johokyoku” web page

JFC publishes interviews with people involved in social business and case studies of support for solving regional and social issues on its website.



Scan here to visit the website.
(Available only in Japanese)



Supporting Business Plan Formulation for Social Business

To assist those engaged in social business with formulating their business plans, JFC has published a workbook and explanatory video on its website.

Business Plan Visualization Book



This workbook explains the business planning process in 6 steps (organizational mission, understanding of current conditions, implementation hypotheses, results targets, financial foundations, and organizational foundations).

Explanatory video on business plan formulation



Based on the content of the Business Plan Visualization Book, this animated video allows users to learn important points of business plan formulation in an easy-to-understand manner.

Scan here to visit the website.
(Available only in Japanese)



Social Business Support Network

JFC-Micro takes measures to build a network linking regional public organizations, local financial institutions, and NPO support organizations to support resolution of management issues. Comprising the policy and service operations of the member institutions, the network offers one-stop provision. Also, by means of management support seminars and individual counselling, it offers assistance for resolving management issues which social business operators face such as corporate establishment, business plan formulation, fund procurement, and personnel education.

● Consultation Month for Social Business

JFC-Micro designated the 2 months of September and October as Consultation Month for Social Business. By holding consultation meetings and other events, which the Social Business Support Network operates intensively during this period, JFC-Micro endeavors to improve consultation and support services for people engaged in social business.



Initiatives to Support Business Succession

Supporting the Business Succession of Micro/Small Businesses

Amid the aging of the owners of SMEs and micro/small businesses, JFC-Micro is supporting business succession in terms of both information and funds so that valuable management resources, including the technologies and know-how that businesses have accumulated, can be smoothly transferred.

Measures to raise awareness of owners

Encouraging third-party succession is necessary to facilitate business succession, but many micro/small businesses have a negative impression of third-party succession or believe that micro/small businesses are not suitable for third-party succession.

Our initiatives include providing business succession diagnoses, delivering successful examples, producing videos and holding events with relevant organizations to raise the awareness of owners and to foster an atmosphere making the business succession to a third-party.

Tools for Raising Awareness of Owners

Business succession diagnostic sheets



Check sheets for easy confirmation of the status of business succession preparation and issues

Tsunagu Notebook



A workbook that facilitates planning of measures for business succession

Yuzuru Notebook



This is a workbook for acquiring basic knowledge about third-party business succession and the transfer policy

M&A Navigate Book



A workbook for understanding key points on how to proceed with M&A, and organizing and recording one's own thinking

Collaboration with Local Governments

JFC has established the "Business Succession Support Package Plan," which proposes collaboration with JFC for local governments, and is working to resolve regional successor issues in cooperation with local governments.

<Business Succession Support Package Plan>

(i) Searching for successors through business succession matching support; (ii) Opening dedicated business succession desks; (iii) Holding business succession consultation meetings; (iv) Holding business succession training sessions, etc., for local government employees; (v) Introducing companies seeking successors to Regional Revitalization Cooperation Corps members; (vi) Holding business succession seminars and events, and (vii) Creating prefecture-specific introduction pages on the JFC website



JFC staff gave a lecture at a business succession event held by Nagano Prefecture



Introduction page for Tottori Prefecture

Support finding successors

We help micro/small businesses without a successor find someone to take over the business.

Business Succession Matching Support

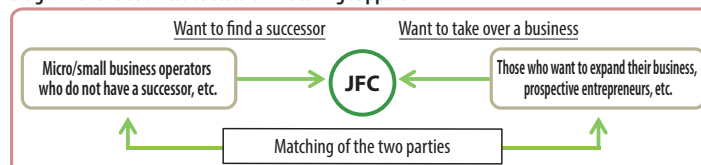
Business succession matching support is a program that supports third-party business succession by matching micro/small businesses that do not have a successor with people seeking business expansion, prospective entrepreneurs, and others.

The program was launched on a trial basis in Tokyo in FY2019, and has expanded nationwide since FY2020. As of FY2025, the program has received 21,019 applications with 2,788 successful matches made, of which 503 contracts have been concluded.



"Business Succession Matching Support" website
<https://www.jfc.go.jp/n/finance/jigyosyokei/matching/index.html> (Available only in Japanese)

Diagram of the business succession matching support



Business succession matching support results

Actual results	Transferor	Transferee
Number of registered applications	6,649	14,370 (3,329)
Number of successful matches	2,788	
Number of contracts concluded	503	

Note: The results of business succession matching support are the cumulative results from April 2019 to March 2026. The figure shown in parentheses next to the number of registered applications is the number of registered applications from those who wish to start their own businesses.

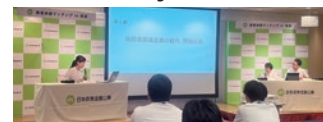
Initiatives to Find Successor Using Actual Names: Holding Business Succession Matching Events

Persons who wish to transfer their business make comments such as, “I can openly use the company’s actual name to search for a successor,” while prospective transferees have made comments such as, “It is difficult to adequately convey the appeals of a business using only anonymous information.”

In August 2022, JFC-Micro launched a “Business Successor Recruiting Initiative,” which discloses on the JFC website the actual names of companies that wish to transfer their business, and has been supporting business matching. In addition, by the end of FY2025, we held “business succession matching events,” where successors were publicly solicited on an open-name (actual-name) basis, in all prefectures except Okinawa Prefecture. At these events, a cumulative total of 177 business operators wishing to transfer their businesses introduced their business activities to a total of 5,780 participants, including those interested in taking over businesses and those supporting business succession, and publicly solicited successors.

In FY2025, we also held “Regional Transportation Matching: Protecting and Connecting Local Mobility,” a business succession matching event for transportation operators, in cooperation with the Ministry of Land, Infrastructure, Transport and Tourism and other organizations.

A scene from one of the business succession matching events



Introducing the business from the transferor (Aomori Prefecture)



Regional Transportation Matching: Protecting and Connecting Local Mobility

Example of Successful Business Succession Matching Support

The transferor is a soba restaurant founded in 1989 in Minakami Town, Gunma Prefecture. Based on guidance from the Minakami Town Society of Commerce and Industry, the restaurant registered with JFC’s business succession matching support program and took the stage at the business succession matching event held in Gunma Prefecture in September 2024.

The transferee is a prospective entrepreneur from Gunma Prefecture. Drawing on work experience at restaurants, the transferee was considering starting a restaurant business. After seeing the transferor, a restaurant the transferee had visited since childhood, take the stage at the event, the transferee expressed interest in negotiating with the transferor out of a desire to preserve a familiar taste.

JFC introduced the transferee to the transferor. After approximately 6 months of training, and with support from the Gunma Prefecture Business Succession and Transfer Support Center in completing the contract procedures, the transferee realized the business succession in December 2025.



Scene from the signing ceremony for the transfer agreement

Business Succession Start-ups

We support business succession start-ups, which is a way of launching a new business by acquiring an existing business, rather than the conventional means of establishing a business from the ground up (start-up from zero). We name it “Tsugu-sta,” start-up by succession.

Initiatives to Support Business Succession Start-up

JFC has launched a dedicated section on its website called “Tsugu-sta College” for those interested in pursuing a business succession start-up (Tsugu-sta). Tsugu-sta College features: “What’s Tsugu-sta,” which explains the content and characteristics of the initiative; “Understanding the Process of Third-Party Succession Through Animation,” which uses videos to explain the steps and key points of third-party succession; and “How to Prepare a Tsugu-sta Business Succession Plan,” which provides guidance on writing a succession plan.

JFC is also working to support Tsugu-sta by publishing “Gift Vol. 4,” a collection of case studies introducing the thoughts and other perspectives of business owners who realized Tsugu-sta, and by offering “Tsugu-sta School,” an online seminar for those who wish to pursue Tsugu-sta.



Tsugu-sta College (JFC website)



Gift vol. 4, a collection of “Tsugu-sta” business succession cases



Flyer for “Tsugu-sta School 2025”

Loans for businesses addressing business succession

We extend various loans needed by micro/small businesses that are addressing business succession such as the funds necessary to acquire shares and business assets and the funds necessary to prepare for business succession, such as the development of successors.

Example of a Loan to Micro/Small Businesses Addressing Business Succession

The transferor is a tempura specialty restaurant in Fukuoka City.

The transferee is a corporation operating a hair salon in Fukuoka City. While considering diversifying its business into the restaurant sector, the transferee learned that the transferor, which it had known for some time and which was highly regarded by customers of the hair salon, was openly soliciting a successor with its name disclosed on JFC’s business succession matching support page.

The transferee began negotiations with the transferor after being introduced by JFC. The transferee decided to take over the business after being attracted by factors such as the transferor’s status as a restaurant beloved by the local community and the ability to take over its cooking equipment. The transferee then obtained financing from JFC for funds to purchase business equipment and operating funds after the transfer, thereby completing the business succession.



Scene from the signing ceremony for the transfer agreement

Initiatives to Support Business Revitalization

Support for Micro/Small Businesses Seeking Business Revitalization

Business revitalization support staff have been deployed at 152 branches nationwide to respond flexibly to requests for relaxing repayment terms e.g., a reduction in the installment amount, temporary deferment of principal repayment, etc. In addition, by way of loan programs for business revitalization support, and by providing advice for the resolution of business issues and support for the enactment of business improvement plans, JFC-Micro supports the businesses undergoing corporate reorganization in cooperation with private financial institutions, outside experts, and public enterprise turnaround institutions.

“Signal” Business Status Self-diagnosis Tool

It is important to keep abreast of business issues even when things are going smoothly, and to detect the signs of business changes at an early stage in order to increase the possibility of business continuity. JFC created the “Signal” check notebook, which enables businesses to perform a self-diagnosis of their business status.

Signal has a checklist of events that are likely to occur before business changes for 9 different industries. In addition, by converting the result into a radar chart, it can be used as a tool for easily visualizing management awareness.



● Collaboration with relevant organizations

JFC-Micro is reinforcing its collaboration with private financial institutions, outside experts, and public support organizations in order to encourage business revitalization in regional areas. We support the formulation of management improvement plans by customers and work with private financial institutions to provide long-term loans so that the relevant organizations can work together to support management improvement by customers.

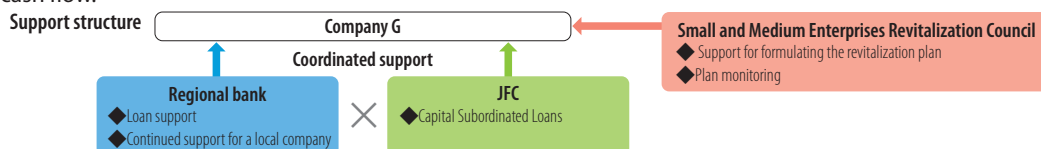
【Support business revitalization in collaboration with relevant organizations】



Loan Case in Collaboration with the Small and Medium Enterprises Revitalization Council

Company G had been receiving support through revised loan terms from its main financial institution due to a decline in business performance. However, its recent performance had begun to show signs of recovery, and with the involvement of the Small and Medium Enterprises Revitalization Council, the company had started formulating a business revitalization plan, signaling the emergence of a clear path toward restructuring.

As the main bank considered refinancing in accordance with Company G's request, the company asked for support from JFC through Capital Subordinated Loans. In response, JFC provided the loan in order to improve the company's financial base and stabilize its cash flow.



● Support through Capital Subordinated Loans

We support customers that seek to restructure management by using Capital Subordinated Loans, which lead to strengthened financial foundations.

	Capital Subordinated Loans	Conventional Financing Program
Features	- Monthly outflows of cash (principal repayment) are controlled - Interest burdens are reduced when performance is poor	- Monthly outflows of cash (principal repayment) occur - Interest is fixed
Repayment method	Certain term lump-sum repayment	Monthly installment payments (in principle)
Applicable interest rate	Fixed interest rates according to annual performance	Fixed interest rate
Improvement of Financial Base	Positive Improvement Effect ^(Note 1)	—
Subordination clause ^(Note 2)	Yes	No

Notes: 1. During an asset assessment by a financial institution, Capital Subordinated Loans can be considered equity capital for a certain period, but are recorded as liabilities in the financial statements.

2. There is a clause that subordinates the loan to all other liabilities in the redemption of liabilities in the event of legal bankruptcy.

Collaboration with Regional Financial Institutions and Relevant Organizations

JFC-Micro Actively Collaborates with Regional Financial Institutions

We actively cooperate with regional financial institutions, utilizing their respective strengths and expertise, to provide support to our customers as well as to revitalize the regional economy.

● Cooperative loan scheme construction ^(Note) and creation of cooperative loan programs

As part of our efforts to enhance the effectiveness of cooperation with regional financial institutions, we are engaged in the development of the cooperative loan scheme in various fields such as business start-up and business revitalization. The number of regional financial institutions JFC-Micro has constructed the cooperative loan schemes with amount to 431 institutions as of the end of March 2026.

In addition, for some of the cooperative loan scheme, regional financial institutions and the JFC collaborate to establish cooperative loan programs to support businesses. Concrete results have already been generated from these programs.

Note: A cooperative loan scheme has specific referral rules for projects treated as cooperative loans.

● Total cooperative loans ^(Note)

In FY2025, total cooperative loans with regional financial institutions amounted to 17,006 loans, 163.2 billion yen.

Note: Loans (guarantees) that are disbursed or decided by both parties after consultation between JFC and regional financial institutions about loan plans with identical objectives (Calculated by JFC. Including loans made on different dates between both parties).

Cooperative loans by business category (FY2025)(The monetary amounts and number of loans listed in the upper rows of the table indicate the results of JFC)

Total number of cooperative loans	City banks	Regional banks	Regional banks II	Credit associations	Credit cooperatives	Others	Total		Reference FY2024 results
								Compared to the previous fiscal year	
Number of loans ^(Note)	1,317	6,773	2,224	11,743	1,570	622	23,692	86%	27,414
(Micro Business and Individual Unit)	126	3,469	1,468	10,382	1,401	160	17,006	84%	20,207
Amount ^(Note)	247.0 billion yen	561.1 billion yen	124.4 billion yen	250.9 billion yen	33.8 billion yen	46.9 billion yen	1,115.1 billion yen	96%	1,162.1 billion yen
(Micro Business and Individual Unit)	3.1 billion yen	36.6 billion yen	14.9 billion yen	94.1 billion yen	12.3 billion yen	1.9 billion yen	163.2 billion yen	91%	180.2 billion yen

Note: In cases where cooperative loans are provided with multiple regional financial institutions, the number of loans and loan amounts indicated in the breakdown are totaled for each financial institution, and as a result, the totals do not match.

Example: In the case of a 100 million yen loan provided by a regional bank and regional bank II, the amounts for both the regional bank and regional bank II are reported as 100 million yen. The total is reported as 100 million yen.

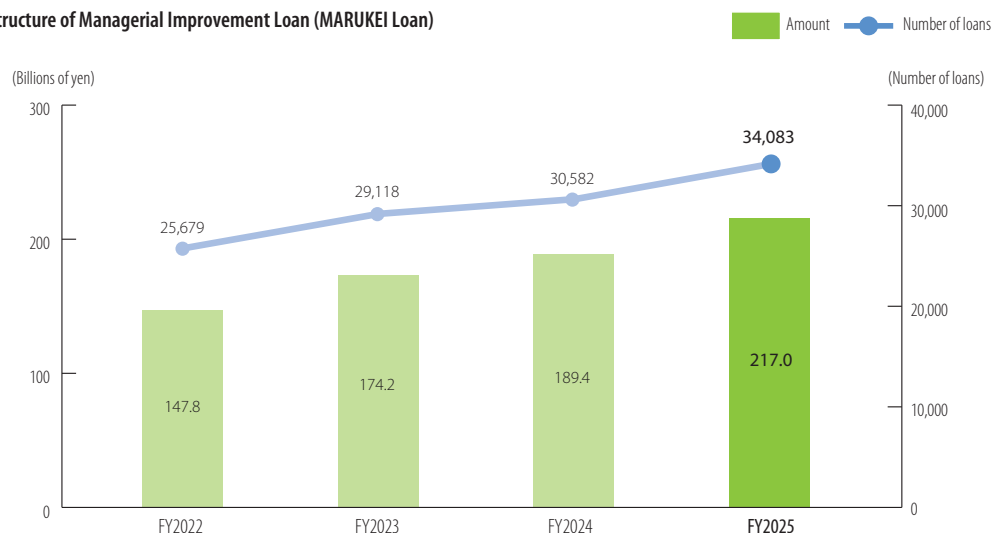
JFC-Micro Collaborates with Chambers of Commerce and Industry and Societies of Commerce and Industry

JFC-Micro works in close collaboration with regional Chambers of Commerce and Industry, and with Societies of Commerce and Industry throughout Japan to support business improvement of micro/small businesses via Managerial Improvement Loans (MARUKEI Loan) and consultation sessions.

● Overview of Managerial Improvement Loan (MARUKEI Loan)

Managerial Improvement Loan (MARUKEI Loan) is a program whereby micro/small businesses receiving management advice, such as from Chambers of Commerce and Industry or Societies of Commerce and Industry, can utilize funds needed for managerial improvement without collateral and guarantors. Since the establishment of the program in 1973, a cumulative total of 5.32 million loans has been provided as of the end of FY2025.

Structure of Managerial Improvement Loan (MARUKEI Loan)



● Holding of “One-Day JFC” consultation sessions at Chambers of Commerce and Industry or at Societies of Commerce and Industry

Consultation sessions called “One-Day JFC,” where staff from JFC-Micro consult on finance, are held at Chambers of Commerce and Industry and at Societies of Commerce and Industry. Every year, many micro/small businesses come to ask for advice.

In addition, we also conduct online consultations to enhance customer convenience.

JFC Collaborates with Various Organizations That Support Micro/Small Businesses

● Signing of MOU for business cooperation

JFC has concluded MOU to collaborate with the Japan Federation of Certified Tax Accountants Associations and other organizations. We are actively involved in stabilizing and strengthening the business foundation of micro/small businesses in collaboration with specialist institutions e.g. information provision through the organization of study sessions and the dispatch of lecturers to seminars.

List of the main organizations signed MOU (as of the end of March 2026)

Japan Federation of Bar Associations	(Apr. 27, 2011)
Japan Federation of Labor and Social Security Attorney's Associations	(Sep. 1, 2011)
Japan Federation of Certified Tax Accountants Associations	(Oct. 14, 2011)
Japan Federation of Shiho-Shoshi Lawyer's Associations	(Nov. 11, 2011)
Japan Federation of Certified Administrative Procedures Legal Specialists Associations	(Mar. 29, 2012)
Japan External Trade Organization (JETRO)	(Oct. 25, 2012)
Organization for Small & Medium Enterprises and Regional Innovation, Japan (SME Support, JAPAN)	(Feb. 7, 2020)
Industrial Employment Stabilization Center of Japan	(Mar. 22, 2024)

Note: Dates within parentheses are the dates the MOU were concluded.

● Cooperation with the Approved Management Innovation Support Organizations ^(Note), such as Tax Accountants, Certified Public Accountants, and SME Management Consultants

JFC's loan support, together with the management support provided by the Approved Management Innovation Support Organization comprised of tax accountants and other specialists that play an important role in the support for small and medium-sized enterprises (SMEs), micro/small businesses in such important areas as business start-ups, management improvement, and business reconstruction.

Note: The Approved Management Innovation Support Organization is a support organization (tax accountant, certified public accountant, SME management consultant, Societies of Commerce and Industry, Chambers of Commerce and Industry, etc.) based on the Small and Medium-sized Enterprises Business Enhancement Act. Please refer to the Small and Medium Enterprise Agency website for more information.

Measures to Contribute to Regional Revitalization

JFC's 152 branches located nationwide are strengthening their collaboration with local governments and actively participating in various initiatives implemented by local governments to promote regional revitalization. By leveraging our experience and know-how relating to business start-up support and business succession support, as well as our network of regional financial institutions, Chambers of Commerce and Industry, Societies of Commerce and Industry, tax accountants, and others, we are working to contribute to regional revitalization while taking into account the actual conditions and needs of each region.

Establishment of the Loan to Support the Future of Totsukawa Village to Address Regional Issues in Collaboration with Totsukawa, Nara Prefecture (Nara Branch)

In December 2024, the Nara Branch signed a MOU of understanding with Totsukawa, a village facing regional issues such as population decline and an aging business owner demographic, regarding comprehensive business cooperation for regional revitalization. In conjunction with the agreement, and to provide effective support, the branch worked with Totsukawa Village and the Totsukawa Village Society of Commerce and Industry to launch the Loan to Support the Future of Totsukawa Village, the first municipality-linked loan product of its kind in the prefecture. This loan program supports business start-ups, business succession, and initiatives by Regional Vitalization Cooperation Corps members, and promotes financing and business support for those working to solve local challenges.

In addition, an online consultation desk was set up inside the Totsukawa Village Office in collaboration with the Nara Branch, creating an environment that enables timely and appropriate support even from remote locations, part of JFC's efforts to implement initiatives that reflect local conditions and needs.

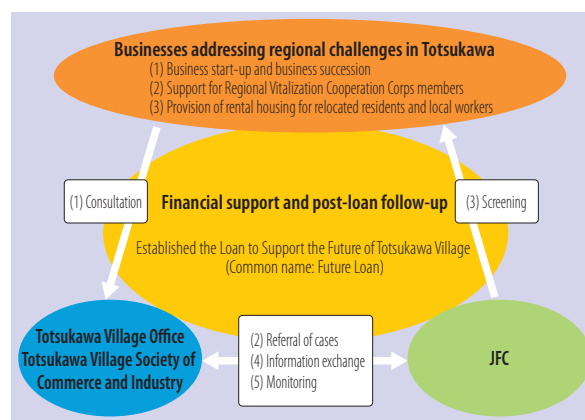


Diagram of the collaborative scheme

Support for Our Customers' Core Business Initiatives

We share information on our customers' managerial strengths and issues and provide various information and advice tailored to their challenges and needs, as well as support collaboratively with outside experts and matching services.

Provide Support in Collaboration with Outside Experts

● Support provided in collaboration with Outside Experts

We use the JFC's network with relevant organizations to respond to customer managerial issues and provide support according to requests in cooperation with outside experts.

■ Examples of Outside Experts

- Chambers of Commerce and Industry, Societies of Commerce and Industry
- Environmental health trade associations
- Prefectural environmental health business guidance centers
- Tax accountant organizations
- Yorozu Support Centers
- Business succession support centers
- Japan External Trade Organization (JETRO)
- Organization for Small & Medium Enterprises and Regional Innovation, Japan
- Bar associations
- Labor and social security attorney's associations
- Shiho-shoshi (solicitor) associations
- Certified administrative procedures legal specialist associations
- Small and Medium Enterprises Revitalization Council
- Japan Federation of Certified Management Consultants' Associations
- Professional Human Resource Strategy Centers
- Industrial Employment Stabilization Center of Japan
- Japan International Trainee & Skilled Worker Cooperation Organization (JITCO)

Example of Core Business Support Provided in Cooperation with Outside Experts

INABA COLA (Mr. Miyazaki) manufactures and sells craft cola made from local specialties of Tottori Prefecture, such as Nijisseiki pears, peaches, and muscat grapes.

To support sales channel development, JFC identified the need for expert personnel and introduced the customer to the Tottori Professional Human Resources Strategy Base. Together with staff from the base, JFC explained Tottori Prefecture's unique initiative to utilize side-job personnel, the One-Day-a-Week Vice President Project, and the customer decided to recruit a side-job professional.

As a result, they were matched with an expert who had experience in the production and sale of craft gin. They held regular meetings with the expert to discuss web marketing strategies using e-commerce platforms and, based on that advice, succeeded in developing and launching a new product. This led to the acquisition of a broad fan base across various age groups and increased recognition of INABA COLA as a local craft cola brand from Tottori City.



Currently featured on "JFC Business Support Plus"

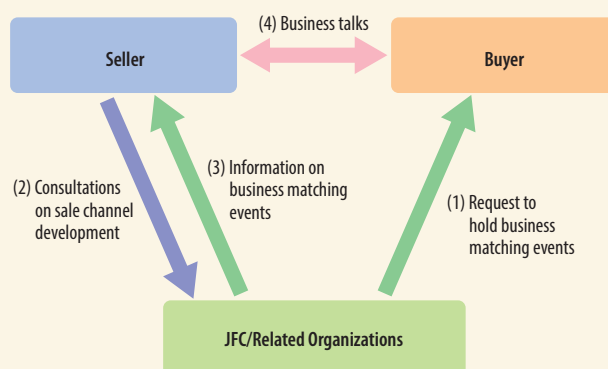
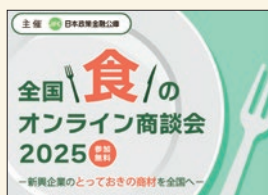
JFC-Micro Uses Its Nationwide Network of 152 Branches to Provide Matching Services

● Overview of matching services

■ Holding business matching events

With the objectives of expanding customer sales channels and creating new business opportunities, JFC-Micro collaborates with relevant organizations to hold business matching events with buyers that have local roots as well as buyers with nationwide sales channels.

(Examples of events held) Nationwide online business meeting for food, buyer matching business meeting in the Tokyo Metropolitan Area, etc.

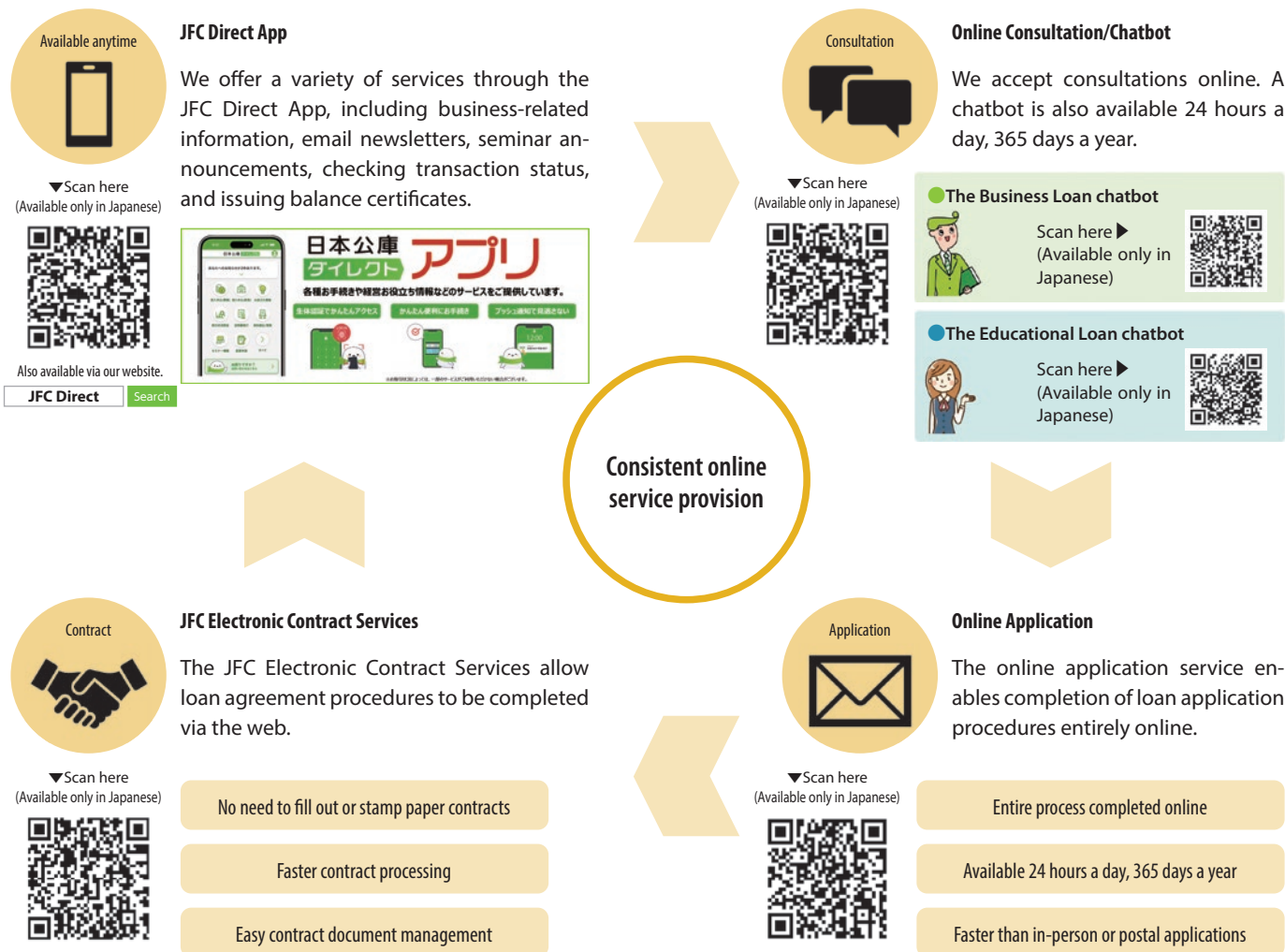


Representation of a business matching events

Working toward Improved Customer Service

Promoting the Digitalization of Operation

With the aim of becoming a financial institution that offers even greater convenience to customers, we are undertaking the digitalization of operation to facilitate use of JFC's services regardless of time and location.



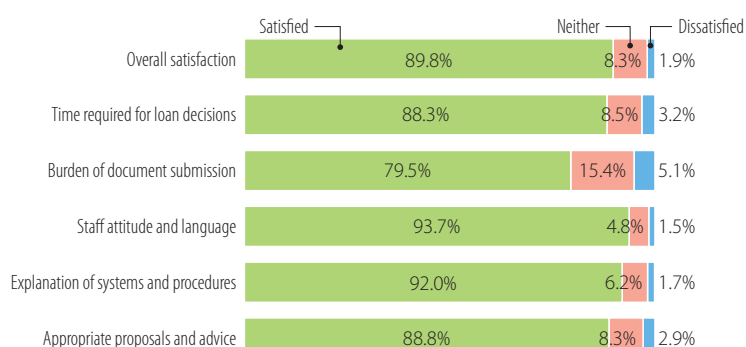
Commitment to Enhancing Customer Service

To improve service quality, JFC conducts an annual Customer Satisfaction Survey on customer service and support. Feedback and requests from customers are used to further enhance service quality.

Results of the FY2025 Customer Satisfaction Survey

Overview of the Customer Satisfaction Survey

Survey period: September–October 2025
Survey target: Customers who used business loan services
Survey method: Anonymous questionnaire by mail
Number of responses: 22,141 (response rate: 36.3%)



Initiatives for International Cooperation

JFC-Micro Shares Expertise and Experience through International Cooperation

By sharing our accumulated credit analysis know-how and experience on finance for micro/small businesses, we also support developing and other countries.



For details on initiatives related to international cooperation, please refer to the JFC website.
<https://www.jfc.go.jp/n/english/mbis/international/index.html>

Supporting Developing Countries by ODA (Official Development Assistance)

JFC-Micro provides assistance to overcome issues which financial institutions in developing countries face through technical cooperation by Official Development Assistance (ODA). This assistance has been implemented by sharing our accumulated credit analysis know-how on micro/small businesses. In details, we are conducting seminars concerning SME finance in the foreign countries and in Japan in cooperation with Policy Research Institute, Ministry of Finance. To date, these have been implemented in Viet Nam, Malaysia, Laos, Myanmar, and Cambodia. Here is an overview of our technical cooperation to the SME Bank of Cambodia.

—Technical cooperation for SME Bank of Cambodia—

In June 2023, JFC-Micro commenced a technical cooperation project for the SME Bank of Cambodia, which is a state-owned bank in Cambodia. As part of this project, to date, a total of 5 seminars have been held in Cambodia and Japan for the purpose of developing the SME bank's human resources and improving its credit analysis skills, including lectures on JFC-Micro's credit analysis methods. In April 2026, JFC-Micro commenced Phase 2 of the project, which aims to further improve the bank's credit analysis skills and develop its credit risk management framework.



Accepting Foreign Missions and Holding Information Exchange Meetings with Overseas Government Agencies, etc.

Currently, Micro, Small and Medium Enterprises (MSME) promotion is considered as one of the key policies in many countries.

As part of the training sponsored by JICA and other organizations, JFC-Micro provides lectures on such as its history, summaries of its activities, loan programs, and various other operations to delegations from overseas government-related organizations and others, from mainly developing countries. In addition, JFC-Micro uses the know-how and experience it has accumulated in the field of SME finance to hold information exchange meetings with overseas government agencies and financial institutions that are highly interested in these fields.



