

Translation

Notice: This document is an excerpt translation of the original Japanese document and is only for reference purposes. In the event of any discrepancy between this translated document and the original Japanese document, the latter shall prevail.

## Summary of Consolidated Financial Results for the Nine Months Ended December 31, 2019 (Based on Japanese GAAP)

February 5, 2020

Company name: The Musashino Bank, Ltd.  
 Stock exchange listing: Tokyo  
 Stock code: 8336 URL <http://www.musashinobank.co.jp>  
 Representative: President Kazumasa Nagahori  
 Managing Executive Officer and General  
 Inquiries: Manager of Ken Otomo TEL 048-641-6111  
 General Planning and Management Division  
 Scheduled date to file Quarterly Securities Report: February 7, 2020  
 Scheduled date to commence dividend payments: –  
 Trading accounts: No  
 Preparation of supplementary material on quarterly financial results: Yes  
 Holding of quarterly financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the nine months ended December 31, 2019 (from April 1, 2019 to December 31, 2019)

(1) Consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Ordinary income		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended December 31, 2019	50,844	(6.9)	7,784	288.3	7,018	–
Nine months ended December 31, 2018	54,612	(0.0)	2,004	(84.0)	(1,285)	–

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Nine months ended December 31, 2019	209.55		209.45	
Nine months ended December 31, 2018	(38.38)		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of December 31, 2019	4,677,915	243,122	5.1
As of March 31, 2019	4,626,044	239,214	5.1

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen				
Year ended March 31, 2019	–	40.00	–	40.00	80.00
Year ending March 31, 2020	–	40.00	–		
Year ending March 31, 2020 (Forecast)				40.00	80.00

3. Forecast of consolidated financial results for the year ending March 31, 2020 (from April 1, 2019 to March 31, 2020)

Percentages indicate year-on-year changes

	Ordinary income		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	68,200	(12.4)	10,500	(7.6)	8,800	64.6	262.79

4. Notes

- (1) Changes in significant subsidiaries during the nine months ended December 31, 2019  
(changes in specified subsidiaries resulting in the change in scope of consolidation): No
- (2) Application of special accounting methods for preparing quarterly consolidated financial statements: No
- (3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements
- Changes in accounting policies due to revisions to accounting standards and other regulations: No
- Changes in accounting policies due to other reasons: Yes
- Changes in accounting estimates: Yes
- Restatement of prior period financial statements: No

(4) Number of issued shares (common shares)

Total number of issued shares at the end of the period (including treasury shares)

As of December 31, 2019	33,805,456 shares	As of March 31, 2019	33,805,456 shares
-------------------------	-------------------	----------------------	-------------------

Number of treasury shares at the end of the period

As of December 31, 2019	318,174 shares	As of March 31, 2019	310,542 shares
-------------------------	----------------	----------------------	----------------

Average number of shares during the period (cumulative from the beginning of the fiscal year)

Nine months ended December 31, 2019	33,492,775 shares	Nine months ended December 31, 2018	33,496,211 shares
-------------------------------------	-------------------	-------------------------------------	-------------------

**Quarterly consolidated financial statements**  
**Consolidated balance sheets**

(Millions of yen)

	As of March 31, 2019	As of December 31, 2019
<b>Assets</b>		
Cash and due from banks	347,398	431,036
Monetary claims bought	12,634	446
Trading account securities	62	42
Money held in trust	1,490	1,495
Securities	654,380	649,313
Loans and bills discounted	3,522,130	3,487,971
Foreign exchanges	2,560	5,752
Lease receivables and investments in leases	21,320	21,082
Other assets	34,473	39,005
Tangible fixed assets	36,767	42,250
Intangible fixed assets	3,910	4,453
Retirement benefit asset	6,732	7,213
Deferred tax assets	1,004	972
Customers' liabilities for acceptances and guarantees	4,200	5,499
Allowance for loan losses	(23,023)	(18,619)
<b>Total assets</b>	<b>4,626,044</b>	<b>4,677,915</b>
<b>Liabilities</b>		
Deposits	4,125,430	4,193,138
Negotiable certificates of deposit	157,430	138,890
Call money and bills sold	30,522	31,659
Payables under securities lending transactions	21,151	20,787
Borrowed money	10,933	11,985
Foreign exchanges	199	144
Borrowed money from trust account	–	764
Other liabilities	24,519	20,975
Provision for bonuses	1,148	287
Provision for bonuses for directors (and other officers)	9	8
Retirement benefit liability	3,542	3,466
Provision for retirement benefits for directors (and other officers)	30	36
Provision for loss on interest repayment	44	52
Provision for reimbursement of deposits	493	493
Provision for point card certificates	85	91
Provision for contingent loss	198	240
Provision for share-based compensation	67	57
Allowance for demolition of non-current assets	611	329
Deferred tax liabilities	1,983	1,658
Deferred tax liabilities for land revaluation	4,227	4,227
Acceptances and guarantees	4,200	5,499
<b>Total liabilities</b>	<b>4,386,830</b>	<b>4,434,793</b>

(Millions of yen)

	As of March 31, 2019	As of December 31, 2019
Net assets		
Share capital	45,743	45,743
Capital surplus	38,291	38,292
Retained earnings	131,563	135,898
Treasury shares	(906)	(908)
Total shareholders' equity	214,692	219,026
Valuation difference on available-for-sale securities	18,391	17,657
Deferred gains or losses on hedges	(1,453)	(1,343)
Revaluation reserve for land	8,286	8,286
Remeasurements of defined benefit plans	(1,087)	(887)
Total accumulated other comprehensive income	24,137	23,712
Share acquisition rights	66	47
Non-controlling interests	318	334
Total net assets	239,214	243,122
Total liabilities and net assets	4,626,044	4,677,915

**Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)**

**Consolidated statements of income (cumulative)**

(Millions of yen)

	Nine months ended December 31, 2018	Nine months ended December 31, 2019
Ordinary income	54,612	50,844
Interest income	31,178	29,405
Interest on loans and discounts	24,993	24,541
Interest and dividends on securities	6,047	4,707
Trust fees	–	10
Fees and commissions	10,102	10,179
Other ordinary income	1,114	1,373
Other income	12,216	9,875
Ordinary expenses	52,608	43,059
Interest expenses	1,901	1,943
Interest on deposits	568	649
Fees and commissions payments	2,863	2,738
Other ordinary expenses	1,624	829
General and administrative expenses	26,389	26,798
Other expenses	19,829	10,749
Ordinary profit	2,004	7,784
Extraordinary income	0	1
Gain on disposal of non-current assets	0	1
Extraordinary losses	430	13
Loss on disposal of non-current assets	15	13
Other	414	–
Profit before income taxes	1,574	7,772
Income taxes - current	3,062	844
Income taxes - deferred	(223)	(105)
Total income taxes	2,838	738
Profit (loss)	(1,264)	7,033
Profit attributable to non-controlling interests	21	15
Profit (loss) attributable to owners of parent	(1,285)	7,018

**Consolidated statements of comprehensive income (cumulative)**

(Millions of yen)

	Nine months ended December 31, 2018	Nine months ended December 31, 2019
Profit (loss)	(1,264)	7,033
Other comprehensive income	(7,850)	(422)
Valuation difference on available-for-sale securities	(8,053)	(732)
Deferred gains or losses on hedges	(16)	109
Remeasurements of defined benefit plans, net of tax	220	200
Comprehensive income	(9,114)	6,610
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(9,136)	6,594
Comprehensive income attributable to non-controlling interests	22	16