

Translation

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Summary of Consolidated Financial Results for the Three Months Ended June 30, 2020 (Based on Japanese GAAP)

August 3, 2020

Company name: The Musashino Bank, Ltd.
 Stock exchange listing: Tokyo
 Stock code: 8336 URL <http://www.musashinobank.co.jp>
 Representative: President Kazumasa Nagahori
 Inquiries: General Manager of Takuo Toma TEL 048-641-6111
 General Planning and Management Division
 Scheduled date to file Quarterly Securities Report: August 5, 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 three months ended June 30, 2020 (from April 1, 2020 to June 30, 2020)

(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	%
Three months ended June 30, 2020	16,367	(2.4)	2,421	(0.1)	1,556	(5.7)
Three months ended June 30, 2019	16,781	(13.4)	2,425	(46.5)	1,652	(45.3)

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended June 30, 2020	46.49		46.46	
Three months ended June 30, 2019	49.33		49.30	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2020	4,861,694	239,848	4.9
As of March 31, 2020	4,674,059	235,458	5.0

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, 2020	–	40.00	–	40.00	80.00
Year ending March 31, 2021	–	–	–	–	–
Year ending March 31, 2021 (Forecast)	–	40.00	–	40.00	80.00

3. Forecast of consolidated financial results for the year ending March 31, 2021 (from April 1, 2020 to March 31, 2021)

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
Six months ending September 30, 2020	34,800	2.0	4,900	(6.8)	3,300	(38.6)	98.55
Full year	70,000	3.1	11,000	25.7	8,100	0.4	241.89

4. Notes

- (1) Changes in significant subsidiaries during the three months ended June 30, 2020
 (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: No
 - Changes in accounting estimates: No
 - 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 June 30, 2020	33,805,456 shares	As of March 31, 2020	33,805,456 shares
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Number of treasury shares at the end of the period

As of June 30, 2020	318,789 shares	As of March 31, 2020	318,691 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2020	33,486,711 shares	Three months ended June 30, 2019	33,495,402 shares
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Quarterly consolidated financial statements

Consolidated balance sheets

(Millions of yen)

	As of March 31, 2020	As of June 30, 2020
Assets		
Cash and due from banks	374,688	530,982
Monetary claims bought	510	521
Trading account securities	48	296
Money held in trust	1,494	1,499
Securities	624,140	625,484
Loans and bills discounted	3,571,715	3,604,194
Foreign exchanges	5,191	3,296
Lease receivables and investments in leases	21,103	20,745
Other assets	35,043	36,214
Tangible fixed assets	42,224	42,380
Intangible fixed assets	4,375	4,228
Retirement benefit asset	5,341	5,585
Deferred tax assets	3,218	1,045
Customers' liabilities for acceptances and guarantees	4,795	5,014
Allowance for loan losses	(19,831)	(19,796)
Total assets	4,674,059	4,861,694
Liabilities		
Deposits	4,210,049	4,345,187
Negotiable certificates of deposit	133,830	88,677
Call money and bills sold	30,422	27,113
Payables under securities lending transactions	16,137	16,238
Borrowed money	11,890	107,836
Foreign exchanges	358	280
Borrowed money from trust account	1,043	1,137
Other liabilities	19,954	20,784
Provision for bonuses	1,133	295
Provision for bonuses for directors (and other officers)	11	2
Retirement benefit liability	3,452	3,402
Provision for retirement benefits for directors (and other officers)	39	22
Provision for loss on interest repayment	52	42
Provision for reimbursement of deposits	366	366
Provision for point card certificates	88	91
Provision for contingent loss	256	283
Provision for share-based compensation	60	67
Allowance for demolition of non-current assets	329	329
Deferred tax liabilities	99	442
Deferred tax liabilities for land revaluation	4,227	4,227
Acceptances and guarantees	4,795	5,014
Total liabilities	4,438,601	4,621,846

(Millions of yen)

	As of March 31, 2020	As of June 30, 2020
Net assets		
Share capital	45,743	45,743
Capital surplus	38,352	38,352
Retained earnings	136,947	137,162
Treasury shares	(909)	(909)
Total shareholders' equity	220,133	220,348
Valuation difference on available-for-sale securities	10,543	14,471
Deferred gains or losses on hedges	(1,454)	(1,321)
Revaluation reserve for land	8,286	8,286
Remeasurements of defined benefit plans	(2,122)	(2,008)
Total accumulated other comprehensive income	15,253	19,427
Share acquisition rights	47	47
Non-controlling interests	23	24
Total net assets	235,458	239,848
Total liabilities and net assets	4,674,059	4,861,694

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

Consolidated statements of income (cumulative)

(Millions of yen)

	Three months ended June 30, 2019	Three months ended June 30, 2020
Ordinary income	16,781	16,367
Interest income	9,979	10,203
Interest on loans and discounts	8,247	8,028
Interest and dividends on securities	1,690	2,128
Trust fees	2	1
Fees and commissions	3,146	2,920
Other ordinary income	440	420
Other income	3,212	2,820
Ordinary expenses	14,356	13,945
Interest expenses	681	397
Interest on deposits	216	170
Fees and commissions payments	559	667
Other ordinary expenses	388	565
General and administrative expenses	9,488	9,079
Other expenses	3,239	3,235
Ordinary profit	2,425	2,421
Extraordinary income	1	-
Gain on disposal of non-current assets	1	-
Extraordinary losses	12	1
Loss on disposal of non-current assets	12	1
Profit before income taxes	2,414	2,420
Income taxes - current	155	171
Income taxes - deferred	596	691
Total income taxes	751	862
Profit	1,663	1,557
Profit attributable to non-controlling interests	11	0
Profit attributable to owners of parent	1,652	1,556

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Three months ended June 30, 2019	Three months ended June 30, 2020
Profit	1,663	1,557
Other comprehensive income	(1,692)	4,174
Valuation difference on available-for-sale securities	(1,663)	3,927
Deferred gains or losses on hedges	(96)	132
Remeasurements of defined benefit plans, net of tax	66	114
Comprehensive income	(29)	5,732
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(41)	5,731
Comprehensive income attributable to non-controlling interests	11	0