

Translation

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## Summary of Consolidated Financial Results for the Six Months Ended September 30, 2020 (Based on Japanese GAAP)

November 6, 2020

Company name: The Musashino Bank, Ltd.  
 Stock exchange listing: Tokyo  
 Stock code: 8336 URL <http://www.musashinobank.co.jp>  
 Representative: President Kazumasa Nagahori  
 General Manager of  
 Inquiries: General Planning and Management Division Takuo Toma TEL 048-641-6111  
 Scheduled date to file Quarterly Securities Report: November 26, 2020  
 Scheduled date to commence dividend payments: December 10, 2020  
 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 six months ended September 30, 2020 (from April 1, 2020 to September 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	%
Six months ended September 30, 2020	34,535	1.2	5,671	7.8	3,314	(38.4)
Six months ended September 30, 2019	34,109	(8.3)	5,257	(31.3)	5,383	6.0

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Six months ended September 30, 2020	98.98		98.94	
Six months ended September 30, 2019	160.72		160.62	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of September 30, 2020	5,038,894	242,476	4.8
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	–	40.00	–	–	–
Year ending March 31, 2021 (Forecast)	–	–	–	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
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 six months ended September 30, 2020  
 (changes in specified subsidiaries resulting in the change in scope of consolidation): No
- (2) 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

(3) Number of issued shares (common shares)

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

As of September 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 September 30, 2020	319,045 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)

Six months ended September 30, 2020	33,486,630 shares	Six months ended September 30, 2019	33,495,337 shares
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**Quarterly consolidated financial statements**  
**Consolidated balance sheets**

(Millions of yen)

	As of March 31, 2020	As of September 30, 2020
<b>Assets</b>		
Cash and due from banks	374,688	617,077
Monetary claims bought	510	543
Trading account securities	48	199
Money held in trust	1,494	1,500
Securities	624,140	651,886
Loans and bills discounted	3,571,715	3,670,303
Foreign exchanges	5,191	6,435
Lease receivables and investments in leases	21,103	20,623
Other assets	35,043	32,415
Tangible fixed assets	42,224	42,407
Intangible fixed assets	4,375	4,406
Retirement benefit asset	5,341	5,570
Deferred tax assets	3,218	1,035
Customers' liabilities for acceptances and guarantees	4,795	5,176
Allowance for loan losses	(19,831)	(20,688)
<b>Total assets</b>	<b>4,674,059</b>	<b>5,038,894</b>
<b>Liabilities</b>		
Deposits	4,210,049	4,441,512
Negotiable certificates of deposit	133,830	74,577
Call money and bills sold	30,422	28,566
Payables under securities lending transactions	16,137	15,160
Borrowed money	11,890	197,316
Foreign exchanges	358	260
Borrowed money from trust account	1,043	2,012
Other liabilities	19,954	21,046
Provision for bonuses	1,133	1,161
Provision for bonuses for directors (and other officers)	11	5
Retirement benefit liability	3,452	3,346
Provision for retirement benefits for directors (and other officers)	39	26
Provision for loss on interest repayment	52	42
Provision for reimbursement of deposits	366	366
Provision for point card certificates	88	93
Provision for contingent loss	256	303
Provision for share-based compensation	60	71
Allowance for demolition of non-current assets	329	329
Deferred tax liabilities	99	816
Deferred tax liabilities for land revaluation	4,227	4,227
Acceptances and guarantees	4,795	5,176
<b>Total liabilities</b>	<b>4,438,601</b>	<b>4,796,418</b>

(Millions of yen)

	As of March 31, 2020	As of September 30, 2020
Net assets		
Share capital	45,743	45,743
Capital surplus	38,352	38,352
Retained earnings	136,947	138,920
Treasury shares	(909)	(910)
Total shareholders' equity	220,133	222,106
Valuation difference on available-for-sale securities	10,543	15,095
Deferred gains or losses on hedges	(1,454)	(1,190)
Revaluation reserve for land	8,286	8,286
Remeasurements of defined benefit plans	(2,122)	(1,894)
Total accumulated other comprehensive income	15,253	20,296
Share acquisition rights	47	47
Non-controlling interests	23	25
Total net assets	235,458	242,476
Total liabilities and net assets	4,674,059	5,038,894

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

**Consolidated statements of income (cumulative)**

(Millions of yen)

	Six months ended September 30, 2019	Six months ended September 30, 2020
Ordinary income	34,109	34,535
Interest income	19,516	19,748
Interest on loans and discounts	16,402	16,053
Interest and dividends on securities	3,021	3,590
Trust fees	7	22
Fees and commissions	6,885	6,771
Other ordinary income	952	1,041
Other income	6,747	6,950
Ordinary expenses	28,851	28,863
Interest expenses	1,311	695
Interest on deposits	441	300
Fees and commissions payments	1,660	1,802
Other ordinary expenses	646	779
General and administrative expenses	18,094	17,956
Other expenses	7,137	7,629
Ordinary profit	5,257	5,671
Extraordinary income	1	–
Gain on disposal of non-current assets	1	–
Extraordinary losses	13	3
Loss on disposal of non-current assets	13	3
Profit before income taxes	5,244	5,668
Income taxes - current	298	1,668
Income taxes - deferred	(445)	683
Total income taxes	(146)	2,352
Profit	5,391	3,316
Profit attributable to non-controlling interests	8	1
Profit attributable to owners of parent	5,383	3,314

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

(Millions of yen)

	Six months ended September 30, 2019	Six months ended September 30, 2020
Profit	5,391	3,316
Other comprehensive income	(1,177)	5,043
Valuation difference on available-for-sale securities	(1,144)	4,551
Deferred gains or losses on hedges	(166)	263
Remeasurements of defined benefit plans, net of tax	133	228
Comprehensive income	4,213	8,360
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	4,204	8,358
Comprehensive income attributable to non-controlling interests	8	1

## Consolidated statements of changes in equity

Six months ended September 30, 2019

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	45,743	38,291	131,563	(906)	214,692
Changes during period					
Dividends of surplus			(1,341)		(1,341)
Profit attributable to owners of parent			5,383		5,383
Purchase of treasury shares				(40)	(40)
Disposal of treasury shares		1		39	40
Net changes in items other than shareholders' equity					
Total changes during period	–	1	4,041	(1)	4,041
Balance at end of period	45,743	38,292	135,605	(907)	218,734

	Accumulated other comprehensive income					Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of period	18,391	(1,453)	8,286	(1,087)	24,137	66	318	239,214
Changes during period								
Dividends of surplus								(1,341)
Profit attributable to owners of parent								5,383
Purchase of treasury shares								(40)
Disposal of treasury shares								40
Net changes in items other than shareholders' equity	(1,145)	(166)	–	133	(1,178)	(18)	8	(1,188)
Total changes during period	(1,145)	(166)	–	133	(1,178)	(18)	8	2,853
Balance at end of period	17,246	(1,619)	8,286	(953)	22,958	47	326	242,067

Six months ended September 30, 2020

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	45,743	38,352	136,947	(909)	220,133
Changes during period					
Dividends of surplus			(1,341)		(1,341)
Profit attributable to owners of parent			3,314		3,314
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares		–		–	–
Net changes in items other than shareholders' equity					
Total changes during period	–	–	1,973	(0)	1,972
Balance at end of period	45,743	38,352	138,920	(910)	222,106

	Accumulated other comprehensive income					Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of period	10,543	(1,454)	8,286	(2,122)	15,253	47	23	235,458
Changes during period								
Dividends of surplus								(1,341)
Profit attributable to owners of parent								3,314
Purchase of treasury shares								(0)
Disposal of treasury shares								–
Net changes in items other than shareholders' equity	4,551	263	–	228	5,043	–	1	5,045
Total changes during period	4,551	263	–	228	5,043	–	1	7,018
Balance at end of period	15,095	(1,190)	8,286	(1,894)	20,296	47	25	242,476