

Translation

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Summary of Consolidated Financial Results for the Six Months Ended September 30, 2021 (Based on Japanese GAAP)

November 11, 2021

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 General Planning and Kazuhiro Wakabayashi TEL 048-641-6111
 Management Division
 Scheduled date to file Quarterly Securities Report: November 26, 2021
 Scheduled date to commence dividend payments: December 10, 2021
 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, 2021 (from April 1, 2021 to September 30, 2021)

(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, 2021 | 35,061 | 1.5 | 7,762 | 36.8 | 4,985 | 50.4 |
| Six months ended September 30, 2020 | 34,535 | 1.2 | 5,671 | 7.8 | 3,314 | (38.4) |

| | Earnings per share | | Diluted earnings per share | |
|-------------------------------------|--------------------|--|----------------------------|--|
| | Yen | | Yen | |
| Six months ended September 30, 2021 | 148.87 | | 148.81 | |
| Six months ended September 30, 2020 | 98.98 | | 98.94 | |

(2) Consolidated financial position

| | Total assets | Net assets | Equity ratio |
|--------------------------|-----------------|-----------------|--------------|
| | Millions of yen | Millions of yen | % |
| As of September 30, 2021 | 5,425,509 | 256,067 | 4.7 |
| As of March 31, 2021 | 5,319,971 | 249,179 | 4.6 |

2. Cash dividends

| | Annual dividends per share | | | | |
|---------------------------------------|----------------------------|-----------------|-----------------|-----------------|-------|
| | 1st quarter-end | 2nd quarter-end | 3rd quarter-end | Fiscal year-end | Total |
| | Yen | Yen | Yen | Yen | Yen |
| Year ended March 31, 2021 | – | 40.00 | – | 40.00 | 80.00 |
| Year ending March 31, 2022 | – | 40.00 | – | – | – |
| Year ending March 31, 2022 (Forecast) | – | – | – | 50.00 | 90.00 |

3. Forecast of consolidated financial results for the year ending March 31, 2022 (from April 1, 2021 to March 31, 2022)

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 | 69,100 | (3.2) | 11,900 | (7.0) | 8,200 | 2.2 | 244.82 |

4. Notes

- (1) Changes in significant subsidiaries during the six months ended September 30, 2021
(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: Yes
- 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, 2021 | 33,805,456 shares | As of March 31, 2021 | 33,805,456 shares |
|--------------------------|-------------------|----------------------|-------------------|

Number of treasury shares at the end of the period

| | | | |
|--------------------------|----------------|----------------------|----------------|
| As of September 30, 2021 | 311,952 shares | As of March 31, 2021 | 320,038 shares |
|--------------------------|----------------|----------------------|----------------|

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

| | | | |
|-------------------------------------|-------------------|-------------------------------------|-------------------|
| Six months ended September 30, 2021 | 33,489,303 shares | Six months ended September 30, 2020 | 33,486,630 shares |
|-------------------------------------|-------------------|-------------------------------------|-------------------|

Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

| | As of March 31, 2021 | As of September 30, 2021 |
|--|----------------------|--------------------------|
| Assets | | |
| Cash and due from banks | 739,970 | 799,895 |
| Monetary claims bought | 613 | 572 |
| Trading securities | 62 | 55 |
| Money held in trust | 1,494 | 1,499 |
| Securities | 683,379 | 709,854 |
| Loans and bills discounted | 3,789,948 | 3,795,565 |
| Foreign exchanges | 3,157 | 5,252 |
| Lease receivables and investments in leases | 21,245 | 20,831 |
| Other assets | 33,796 | 34,171 |
| Tangible fixed assets | 48,069 | 57,474 |
| Intangible fixed assets | 4,533 | 4,791 |
| Retirement benefit asset | 8,986 | 9,266 |
| Deferred tax assets | 1,126 | 1,097 |
| Customers' liabilities for acceptances and guarantees | 5,315 | 5,150 |
| Allowance for loan losses | (21,730) | (19,969) |
| Total assets | 5,319,971 | 5,425,509 |
| Liabilities | | |
| Deposits | 4,586,566 | 4,661,927 |
| Negotiable certificates of deposit | 71,390 | 36,300 |
| Call money and bills sold | 35,427 | 52,154 |
| Cash collateral received for securities lent | 20,158 | 16,855 |
| Borrowed money | 311,228 | 348,550 |
| Foreign exchanges | 223 | 228 |
| Borrowed money from trust account | 3,283 | 4,626 |
| Other liabilities | 25,504 | 30,084 |
| Provision for bonuses | 1,152 | 1,160 |
| Provision for bonuses for directors (and other officers) | 12 | 14 |
| Retirement benefit liability | 3,255 | 3,165 |
| Provision for retirement benefits for directors (and other officers) | 32 | 20 |
| Provision for loss on interest repayment | 42 | 44 |
| Provision for reimbursement of deposits | 320 | 320 |
| Provision for point card certificates | 96 | 104 |
| Provision for contingent loss | 318 | 308 |
| Provision for share-based compensation | 78 | 74 |
| Deferred tax liabilities | 2,159 | 4,122 |
| Deferred tax liabilities for land revaluation | 4,227 | 4,227 |
| Acceptances and guarantees | 5,315 | 5,150 |
| Total liabilities | 5,070,791 | 5,169,442 |

(Millions of yen)

| | As of March 31, 2021 | As of September 30, 2021 |
|---|----------------------|--------------------------|
| Net assets | | |
| Share capital | 45,743 | 45,743 |
| Capital surplus | 38,352 | 38,353 |
| Retained earnings | 142,286 | 145,930 |
| Treasury shares | (911) | (891) |
| Total shareholders' equity | 225,471 | 229,136 |
| Valuation difference on available-for-sale securities | 15,099 | 18,563 |
| Deferred gains or losses on hedges | (311) | (486) |
| Revaluation reserve for land | 8,286 | 8,286 |
| Remeasurements of defined benefit plans | 559 | 501 |
| Total accumulated other comprehensive income | 23,634 | 26,864 |
| Share acquisition rights | 47 | 38 |
| Non-controlling interests | 26 | 27 |
| Total net assets | 249,179 | 256,067 |
| Total liabilities and net assets | 5,319,971 | 5,425,509 |

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, 2020 | Six months ended September 30, 2021 |
|--|--|--|
| Ordinary income | 34,535 | 35,061 |
| Interest income | 19,748 | 19,733 |
| Interest on loans and discounts | 16,053 | 16,610 |
| Interest and dividends on securities | 3,590 | 2,860 |
| Trust fees | 22 | 35 |
| Fees and commissions | 6,771 | 7,819 |
| Other ordinary income | 1,041 | 954 |
| Other income | 6,950 | 6,517 |
| Ordinary expenses | 28,863 | 27,298 |
| Interest expenses | 695 | 541 |
| Interest on deposits | 300 | 228 |
| Fees and commissions payments | 1,802 | 1,960 |
| Other ordinary expenses | 779 | 692 |
| General and administrative expenses | 17,956 | 17,389 |
| Other expenses | 7,629 | 6,715 |
| Ordinary profit | 5,671 | 7,762 |
| Extraordinary losses | 3 | 46 |
| Loss on disposal of non-current assets | 3 | 1 |
| Impairment losses | – | 45 |
| Profit before income taxes | 5,668 | 7,716 |
| Income taxes - current | 1,668 | 2,138 |
| Income taxes - deferred | 683 | 591 |
| Total income taxes | 2,352 | 2,729 |
| Profit | 3,316 | 4,986 |
| Profit attributable to non-controlling interests | 1 | 0 |
| Profit attributable to owners of parent | 3,314 | 4,985 |

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

| | Six months ended September 30, 2020 | Six months ended September 30, 2021 |
|--|--|--|
| Profit | 3,316 | 4,986 |
| Other comprehensive income | 5,043 | 3,229 |
| Valuation difference on available-for-sale securities | 4,551 | 3,463 |
| Deferred gains or losses on hedges | 263 | (174) |
| Remeasurements of defined benefit plans, net of tax | 228 | (58) |
| Comprehensive income | 8,360 | 8,216 |
| Comprehensive income attributable to | | |
| Comprehensive income attributable to owners of parent | 8,358 | 8,215 |
| Comprehensive income attributable to non-controlling interests | 1 | 0 |

Consolidated statements of changes in equity

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 |

Six months ended September 30, 2021

(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 | 142,286 | (911) | 225,471 |
| Changes during period | | | | | |
| Dividends of surplus | | | (1,341) | | (1,341) |
| Profit attributable to owners of parent | | | 4,985 | | 4,985 |
| Purchase of treasury shares | | | | (2) | (2) |
| Disposal of treasury shares | | 1 | | 22 | 23 |
| Net changes in items other than shareholders' equity | | | | | |
| Total changes during period | – | 1 | 3,644 | 20 | 3,665 |
| Balance at end of period | 45,743 | 38,353 | 145,930 | (891) | 229,136 |

| | 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 | 15,099 | (311) | 8,286 | 559 | 23,634 | 47 | 26 | 249,179 |
| Changes during period | | | | | | | | |
| Dividends of surplus | | | | | | | | (1,341) |
| Profit attributable to owners of parent | | | | | | | | 4,985 |
| Purchase of treasury shares | | | | | | | | (2) |
| Disposal of treasury shares | | | | | | | | 23 |
| Net changes in items other than shareholders' equity | 3,463 | (174) | – | (58) | 3,229 | (8) | 0 | 3,222 |
| Total changes during period | 3,463 | (174) | – | (58) | 3,229 | (8) | 0 | 6,887 |
| Balance at end of period | 18,563 | (486) | 8,286 | 501 | 26,864 | 38 | 27 | 256,067 |