

Translation

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## Summary of Consolidated Financial Results for the Year Ended March 31, 2022 (Based on Japanese GAAP)

May 13, 2022

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 of ordinary general meeting of shareholders: June 28, 2022  
 Scheduled date to file Securities Report: June 28, 2022  
 Scheduled date to commence dividend payments: June 29, 2022  
 Trading accounts: No  
 Preparation of supplementary material on financial results: Yes  
 Holding of financial results meeting: Yes (for institutional investors and analysts)

(Amounts less than one million yen are rounded down)

### 1. Consolidated financial results for the year ended March 31, 2022 (from April 1, 2021 to March 31, 2022)

#### (1) Consolidated operating results

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	%
Year ended March 31, 2022	71,186	(0.3)	13,492	5.3	9,001	12.2
Year ended March 31, 2021	71,418	5.2	12,807	46.4	8,022	(0.5)

	Earnings per share	Diluted earnings per share	Profit attributable to owners of parent/equity	Ordinary profit/total assets	Ordinary profit/ordinary income
	Yen	Yen	%	%	%
Year ended March 31, 2022	268.78	268.67	3.6	0.2	18.9
Year ended March 31, 2021	239.57	239.46	3.3	0.2	17.9

#### (2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2022	5,486,283	250,554	4.5	7,478.89
As of March 31, 2021	5,319,971	249,179	4.6	7,439.22

#### (3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year ended March 31, 2022	124,330	(70,810)	(2,663)	790,130
Year ended March 31, 2021	425,702	(57,734)	(2,685)	739,274

### 2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Dividend payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Year ended March 31, 2021	—	40.00	—	40.00	80.00	2,682	33.3	1.1
Year ended March 31, 2022	—	40.00	—	50.00	90.00	3,018	33.4	1.2
Year ending March 31, 2023 (Forecast)	—	40.00	—	40.00	80.00		25.0	

3. Forecast of consolidated financial results for the year ending March 31, 2023 (from April 1, 2022 to March 31, 2023)

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, 2022	34,700	(1.0)	7,800	0.4	5,100	2.2	152.27
Full year	69,700	(2.0)	15,900	17.8	10,700	18.8	319.48

4. Notes

(1) Changes in significant subsidiaries during the year ended March 31, 2022

(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 March 31, 2022	33,805,456 shares	As of March 31, 2021	33,805,456 shares
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Number of treasury shares at the end of the period

As of March 31, 2022	313,070 shares	As of March 31, 2021	320,038 shares
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Average number of shares during the period

Year ended March 31, 2022	33,491,137 shares	Year ended March 31, 2021	33,486,268 shares
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**Consolidated financial statements**  
**Consolidated balance sheets**

(Millions of yen)

	As of March 31, 2021	As of March 31, 2022
<b>Assets</b>		
Cash and due from banks	739,970	790,922
Monetary claims bought	613	816
Trading securities	62	51
Money held in trust	1,494	1,491
Securities	683,379	735,215
Loans and bills discounted	3,789,948	3,841,638
Foreign exchanges	3,157	3,701
Lease receivables and investments in leases	21,245	19,534
Other assets	33,796	38,226
Tangible fixed assets	48,069	56,163
Buildings, net	8,535	27,617
Land	25,363	25,363
Leased assets, net	13	8
Construction in progress	11,995	–
Other tangible fixed assets	2,161	3,174
Intangible fixed assets	4,533	5,125
Software	4,253	4,882
Leased assets	78	52
Other intangible fixed assets	201	190
Retirement benefit asset	8,986	8,518
Deferred tax assets	1,126	1,103
Customers' liabilities for acceptances and guarantees	5,315	4,965
Allowance for loan losses	(21,730)	(21,191)
<b>Total assets</b>	<b>5,319,971</b>	<b>5,486,283</b>
<b>Liabilities</b>		
Deposits	4,586,566	4,757,810
Negotiable certificates of deposit	71,390	23,290
Call money and bills sold	35,427	33,657
Cash collateral received for securities lent	20,158	17,476
Borrowed money	311,228	358,392
Foreign exchanges	223	218
Borrowed money from trust account	3,283	5,735
Other liabilities	25,504	24,766
Provision for bonuses	1,152	1,138
Provision for bonuses for directors (and other officers)	12	37
Retirement benefit liability	3,255	2,964
Provision for retirement benefits for directors (and other officers)	32	27
Provision for loss on interest repayment	42	44
Provision for reimbursement of deposits	320	196
Provision for point card certificates	96	109
Provision for contingent loss	318	307
Provision for share-based compensation	78	80
Deferred tax liabilities	2,159	284
Deferred tax liabilities for land revaluation	4,227	4,227
Acceptances and guarantees	5,315	4,965
<b>Total liabilities</b>	<b>5,070,791</b>	<b>5,235,729</b>

(Millions of yen)

	As of March 31, 2021	As of March 31, 2022
Net assets		
Share capital	45,743	45,743
Capital surplus	38,352	38,353
Retained earnings	142,286	148,605
Treasury shares	(911)	(893)
Total shareholders' equity	225,471	231,809
Valuation difference on available-for-sale securities	15,099	10,476
Deferred gains or losses on hedges	(311)	124
Revaluation reserve for land	8,286	8,286
Remeasurements of defined benefit plans	559	(210)
Total accumulated other comprehensive income	23,634	18,676
Share acquisition rights	47	38
Non-controlling interests	26	29
Total net assets	249,179	250,554
Total liabilities and net assets	5,319,971	5,486,283

**Consolidated statements of income and consolidated statements of comprehensive income**  
**Consolidated statements of income**

(Millions of yen)

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Ordinary income	71,418	71,186
Interest income	39,380	39,714
Interest on loans and discounts	32,478	33,232
Interest and dividends on securities	6,615	5,591
Interest on call loans and bills bought	(6)	0
Interest on deposits with banks	0	0
Other interest income	293	889
Trust fees	55	68
Fees and commissions	14,808	15,172
Other ordinary income	2,167	2,561
Other income	15,005	13,670
Recoveries of written off receivables	579	372
Other	14,426	13,297
Ordinary expenses	58,611	57,693
Interest expenses	1,274	1,053
Interest on deposits	538	433
Interest on negotiable certificates of deposit	12	5
Interest on call money and bills sold	188	140
Interest expenses on cash collateral received for securities lent	100	53
Interest on borrowings and rediscounts	39	41
Other interest expenses	395	378
Fees and commissions payments	4,016	4,032
Other ordinary expenses	1,741	1,771
General and administrative expenses	35,473	34,845
Other expenses	16,105	15,990
Provision of allowance for loan losses	4,283	2,564
Other	11,821	13,426
Ordinary profit	12,807	13,492
Extraordinary income	0	–
Gain on disposal of non-current assets	0	–
Extraordinary losses	11	70
Loss on disposal of non-current assets	11	25
Impairment losses	–	45
Profit before income taxes	12,796	13,421
Income taxes - current	4,148	4,147
Income taxes - deferred	622	269
Total income taxes	4,771	4,417
Profit	8,025	9,004
Profit attributable to non-controlling interests	3	2
Profit attributable to owners of parent	8,022	9,001

## Consolidated statements of comprehensive income

(Millions of yen)

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Profit	8,025	9,004
Other comprehensive income	8,381	(4,957)
Valuation difference on available-for-sale securities	4,555	(4,623)
Deferred gains or losses on hedges	1,142	435
Remeasurements of defined benefit plans, net of tax	2,682	(769)
Comprehensive income	16,406	4,046
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	16,403	4,043
Comprehensive income attributable to non-controlling interests	3	2

## Consolidated statements of changes in equity

Fiscal year ended March 31, 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	136,947	(909)	220,133
Changes during period					
Dividends of surplus			(2,682)		(2,682)
Profit attributable to owners of parent			8,022		8,022
Purchase of treasury shares				(2)	(2)
Disposal of treasury shares		–		–	–
Net changes in items other than shareholders' equity					
Total changes during period	–	–	5,339	(2)	5,337
Balance at end of period	45,743	38,352	142,286	(911)	225,471

	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								(2,682)
Profit attributable to owners of parent								8,022
Purchase of treasury shares								(2)
Disposal of treasury shares								–
Net changes in items other than shareholders' equity	4,555	1,142	–	2,682	8,381	–	3	8,384
Total changes during period	4,555	1,142	–	2,682	8,381	–	3	13,721
Balance at end of period	15,099	(311)	8,286	559	23,634	47	26	249,179

Fiscal year ended March 31, 2022

(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			(2,682)		(2,682)
Profit attributable to owners of parent			9,001		9,001
Purchase of treasury shares				(4)	(4)
Disposal of treasury shares		1		22	24
Net changes in items other than shareholders' equity					
Total changes during period	–	1	6,318	18	6,338
Balance at end of period	45,743	38,353	148,605	(893)	231,809

	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								(2,682)
Profit attributable to owners of parent								9,001
Purchase of treasury shares								(4)
Disposal of treasury shares								24
Net changes in items other than shareholders' equity	(4,623)	435	–	(769)	(4,957)	(8)	2	(4,964)
Total changes during period	(4,623)	435	–	(769)	(4,957)	(8)	2	1,374
Balance at end of period	10,476	124	8,286	(210)	18,676	38	29	250,554



## Consolidated statements of cash flows

(Millions of yen)

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Cash flows from operating activities		
Profit before income taxes	12,796	13,421
Depreciation	2,711	3,087
Impairment losses	–	45
Share of loss (profit) of entities accounted for using equity method	(2)	(5)
Increase (decrease) in allowance for loan losses	1,898	(538)
Increase (decrease) in provision for bonuses	18	(13)
Increase (decrease) in provision for bonuses for directors (and other officers)	0	25
Decrease (increase) in retirement benefit asset	(450)	(552)
Increase (decrease) in retirement benefit liability	(191)	(208)
Increase (decrease) in provision for retirement benefits for directors (and other officers)	(7)	(4)
Increase (decrease) in provision for loss on interest repayment	(9)	1
Increase (decrease) in provision for reimbursement of deposits	(46)	(124)
Increase (decrease) in provision for point card certificates	7	12
Increase (decrease) in provision for contingent loss	61	(10)
Increase (decrease) in provision for share-based compensation	17	2
Increase (decrease) in allowance for demolition of non-current assets	(329)	–
Interest income	(39,380)	(39,714)
Interest expenses	1,274	1,053
Loss (gain) related to securities	(1,694)	(89)
Loss (gain) on money held in trust	2	4
Foreign exchange losses (gains)	(2,029)	(3,377)
Loss (gain) on disposal of non-current assets	10	25
Net decrease (increase) in trading securities	(13)	10
Net decrease (increase) in loans and bills discounted	(218,233)	(51,689)
Net increase (decrease) in deposits	376,517	171,244
Net increase (decrease) in negotiable certificates of deposit	(62,440)	(48,100)
Net increase (decrease) in borrowed money (excluding subordinated borrowings)	299,337	47,164
Net decrease (increase) in due from banks (excluding due from Bank of Japan)	0	(95)
Net decrease (increase) in call loans	(102)	(202)
Net increase (decrease) in call money	5,005	(1,769)
Net increase (decrease) in cash collateral received for securities lent	4,020	(2,682)
Net decrease (increase) in foreign exchanges - assets	2,033	(543)
Net increase (decrease) in foreign exchanges - liabilities	(134)	(5)
Net increase (decrease) in borrowed money from trust account	2,239	2,452
Interest received	39,896	40,087
Interest paid	(1,406)	(1,124)
Other, net	3,557	1,836
Subtotal	424,934	129,621
Income taxes refund	2,160	23
Income taxes paid	(1,392)	(5,314)
Net cash provided by (used in) operating activities	425,702	124,330

(Millions of yen)

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Cash flows from investing activities		
Purchase of securities	(309,024)	(222,577)
Proceeds from sale of securities	81,587	84,263
Proceeds from redemption of securities	178,329	81,021
Increase in money held in trust	(5)	(5)
Purchase of tangible fixed assets	(7,110)	(11,570)
Proceeds from sale of property, plant and equipment	7	–
Purchase of intangible assets	(1,518)	(1,932)
Payments for asset retirement obligations	(1)	(11)
Net cash provided by (used in) investing activities	(57,734)	(70,810)
Cash flows from financing activities		
Dividends paid	(2,682)	(2,682)
Purchase of treasury shares	(2)	(4)
Proceeds from sale of treasury shares	–	24
Net cash provided by (used in) financing activities	(2,685)	(2,663)
Net increase (decrease) in cash and cash equivalents	365,282	50,856
Cash and cash equivalents at beginning of period	373,991	739,274
Cash and cash equivalents at end of period	739,274	790,130