

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 Six Months Ended September 30, 2022 (Based on Japanese GAAP)

November 10, 2022

Company name: The Musashino Bank, Ltd.
 Stock exchange listing: Tokyo
 Stock code: 8336 URL <http://www.musashinobank.co.jp>
 Representative: President Kazumasa Nagahori
 Executive Officer and General Manager of
 Inquiries: General Planning and Management Division Toshitaka Matsuura TEL 048-641-6111
 Scheduled date to file Quarterly Securities Report: November 25, 2022
 Scheduled date to commence dividend payments: December 9, 2022
 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, 2022 (from April 1, 2022 to September 30, 2022)

(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, 2022	39,296	12.0	7,184	(7.4)	5,272	5.7
Six months ended September 30, 2021	35,061	1.5	7,762	36.8	4,985	50.4

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Six months ended September 30, 2022	157.47		157.41	
Six months ended September 30, 2021	148.87		148.81	

(2) Consolidated financial position

	Total assets		Net assets		Equity ratio	
	Millions of yen		Millions of yen		%	
As of September 30, 2022	5,306,540		248,798		4.6	
As of March 31, 2022	5,486,283		250,554		4.5	

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, 2022	-	40.00	-	50.00	90.00
Year ending March 31, 2023	-	45.00	-	-	-
Year ending March 31, 2023 (Forecast)	-	-	-	45.00	90.00

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
Full year	76,800	7.8	15,900	17.8	10,700	18.8	319.81

4. Notes

- (1) Changes in significant subsidiaries during the six months ended September 30, 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 September 30, 2022	33,805,456 shares	As of March 31, 2022	33,805,456 shares
--------------------------	-------------------	----------------------	-------------------

Number of treasury shares at the end of the period

As of September 30, 2022	347,936 shares	As of March 31, 2022	313,070 shares
--------------------------	----------------	----------------------	----------------

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

Six months ended September 30, 2022	33,483,964 shares	Six months ended September 30, 2021	33,489,303 shares
-------------------------------------	-------------------	-------------------------------------	-------------------

Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2022	As of September 30, 2022
Assets		
Cash and due from banks	790,922	526,431
Monetary claims bought	816	731
Trading securities	51	5
Money held in trust	1,491	1,488
Securities	735,215	783,399
Loans and bills discounted	3,841,638	3,871,751
Foreign exchanges	3,701	4,486
Lease receivables and investments in leases	19,534	18,397
Other assets	38,226	41,731
Tangible fixed assets	56,163	55,554
Intangible fixed assets	5,125	4,908
Retirement benefit asset	8,518	8,799
Deferred tax assets	1,103	3,494
Customers' liabilities for acceptances and guarantees	4,965	5,421
Allowance for loan losses	(21,191)	(20,060)
Total assets	5,486,283	5,306,540
Liabilities		
Deposits	4,757,810	4,826,739
Negotiable certificates of deposit	23,290	24,175
Call money and bills sold	33,657	71,970
Cash collateral received for securities lent	17,476	14,001
Borrowed money	358,392	75,434
Foreign exchanges	218	454
Borrowed money from trust account	5,735	6,788
Other liabilities	24,766	23,560
Provision for bonuses	1,138	1,141
Provision for bonuses for directors (and other officers)	37	14
Retirement benefit liability	2,964	2,883
Provision for retirement benefits for directors (and other officers)	27	29
Provision for loss on interest repayment	44	29
Provision for reimbursement of deposits	196	196
Provision for point card certificates	109	106
Provision for contingent loss	307	219
Provision for share-based compensation	80	77
Deferred tax liabilities	284	270
Deferred tax liabilities for land revaluation	4,227	4,227
Acceptances and guarantees	4,965	5,421
Total liabilities	5,235,729	5,057,742

(Millions of yen)

	As of March 31, 2022	As of September 30, 2022
Net assets		
Share capital	45,743	45,743
Capital surplus	38,353	38,353
Retained earnings	148,605	152,201
Treasury shares	(893)	(949)
Total shareholders' equity	231,809	235,349
Valuation difference on available-for-sale securities	10,476	2,763
Deferred gains or losses on hedges	124	2,530
Revaluation reserve for land	8,286	8,286
Remeasurements of defined benefit plans	(210)	(200)
Total accumulated other comprehensive income	18,676	13,379
Share acquisition rights	38	38
Non-controlling interests	29	31
Total net assets	250,554	248,798
Total liabilities and net assets	5,486,283	5,306,540

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, 2021	Six months ended September 30, 2022
Ordinary income	35,061	39,296
Interest income	19,733	20,760
Interest on loans and discounts	16,610	17,018
Interest and dividends on securities	2,860	3,313
Trust fees	35	33
Fees and commissions	7,819	7,414
Other ordinary income	954	4,488
Other income	6,517	6,598
Ordinary expenses	27,298	32,112
Interest expenses	541	1,096
Interest on deposits	228	182
Fees and commissions payments	1,960	1,861
Other ordinary expenses	692	4,170
General and administrative expenses	17,389	18,077
Other expenses	6,715	6,906
Ordinary profit	7,762	7,184
Extraordinary losses	46	58
Loss on disposal of non-current assets	1	24
Impairment losses	45	34
Profit before income taxes	7,716	7,125
Income taxes - current	2,138	1,878
Income taxes - deferred	591	(27)
Total income taxes	2,729	1,850
Profit	4,986	5,274
Profit attributable to non-controlling interests	0	1
Profit attributable to owners of parent	4,985	5,272

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Six months ended September 30, 2021	Six months ended September 30, 2022
Profit	4,986	5,274
Other comprehensive income	3,229	(5,296)
Valuation difference on available-for-sale securities	3,463	(7,712)
Deferred gains or losses on hedges	(174)	2,406
Remeasurements of defined benefit plans, net of tax	(58)	9
Comprehensive income	8,216	(22)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	8,215	(23)
Comprehensive income attributable to non-controlling interests	0	1

Consolidated statements of changes in equity

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

Six months ended September 30, 2022

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	45,743	38,353	148,605	(893)	231,809
Changes during period					
Dividends of surplus			(1,676)		(1,676)
Profit attributable to owners of parent			5,272		5,272
Purchase of treasury shares				(70)	(70)
Disposal of treasury shares		–		13	13
Net changes in items other than shareholders' equity					
Total changes during period	–	–	3,595	(56)	3,539
Balance at end of period	45,743	38,353	152,201	(949)	235,349

	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	10,476	124	8,286	(210)	18,676	38	29	250,554
Changes during period								
Dividends of surplus								(1,676)
Profit attributable to owners of parent								5,272
Purchase of treasury shares								(70)
Disposal of treasury shares								13
Net changes in items other than shareholders' equity	(7,712)	2,406	–	9	(5,296)	–	1	(5,295)
Total changes during period	(7,712)	2,406	–	9	(5,296)	–	1	(1,755)
Balance at end of period	2,763	2,530	8,286	(200)	13,379	38	31	248,798