

**Translation**

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**Summary of Consolidated Financial Results  
for the Year Ended March 31, 2023  
(Based on Japanese GAAP)**

May 11, 2023

Company name: The Musashino Bank, Ltd.  
 Stock exchange listing: Tokyo  
 Stock code: 8336 URL <https://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 of ordinary general meeting of shareholders: June 28, 2023  
 Scheduled date to file Securities Report: June 28, 2023  
 Scheduled date to commence dividend payments: June 29, 2023  
 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, 2023 (from April 1, 2022 to March 31, 2023)

(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, 2023	81,901	15.0	15,634	15.8	10,865	20.7
Year ended March 31, 2022	71,186	(0.3)	13,492	5.3	9,001	12.2

	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, 2023	324.62	324.49	4.3	0.2	19.0
Year ended March 31, 2022	268.78	268.67	3.6	0.2	18.9

(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, 2023	5,327,096	252,917	4.7	7,557.42
As of March 31, 2022	5,486,283	250,554	4.5	7,478.89

(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, 2023	(225,615)	(77,621)	(3,244)	483,649
Year ended March 31, 2022	124,330	(70,810)	(2,663)	790,130

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, 2022	-	40.00	-	50.00	90.00	3,018	33.4	1.2
Year ended March 31, 2023	-	45.00	-	50.00	95.00	3,185	29.2	1.2
Year ending March 31, 2024 (Forecast)	-	50.00	-	50.00	100.00		30.6	

3. Forecast of consolidated financial results for the year ending March 31, 2024 (from April 1, 2023 to March 31, 2024)

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, 2023	36,800	(6.3)	7,700	7.1	5,300	0.5	158.41
Full year	74,200	(9.4)	15,900	1.6	10,900	0.3	325.80

4. Notes

(1) Changes in significant subsidiaries during the year ended March 31, 2023

(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, 2023	33,805,456 shares	As of March 31, 2022	33,805,456 shares
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Number of treasury shares at the end of the period

As of March 31, 2023	348,853 shares	As of March 31, 2022	313,070 shares
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Average number of shares during the period

Year ended March 31, 2023	33,470,555 shares	Year ended March 31, 2022	33,491,137 shares
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**Consolidated financial statements**  
**Consolidated balance sheets**

(Millions of yen)

	As of March 31, 2022	As of March 31, 2023
<b>Assets</b>		
Cash and due from banks	790,922	484,394
Monetary claims bought	816	839
Trading securities	51	7
Money held in trust	1,491	1,489
Securities	735,215	810,296
Loans and bills discounted	3,841,638	3,909,853
Foreign exchanges	3,701	7,257
Lease receivables and investments in leases	19,534	17,469
Other assets	38,226	40,077
Tangible fixed assets	56,163	54,999
Buildings, net	27,617	26,646
Land	25,363	25,363
Leased assets, net	8	3
Other tangible fixed assets	3,174	2,986
Intangible fixed assets	5,125	4,941
Software	4,882	4,727
Leased assets	52	26
Other intangible fixed assets	190	187
Retirement benefit asset	8,518	7,596
Deferred tax assets	1,103	2,798
Customers' liabilities for acceptances and guarantees	4,965	4,834
Allowance for loan losses	(21,191)	(19,756)
Total assets	5,486,283	5,327,096
<b>Liabilities</b>		
Deposits	4,757,810	4,875,224
Negotiable certificates of deposit	23,290	16,070
Call money and bills sold	33,657	57,551
Cash collateral received for securities lent	17,476	10,638
Borrowed money	358,392	68,276
Foreign exchanges	218	390
Borrowed money from trust account	5,735	7,756
Other liabilities	24,766	24,278
Provision for bonuses	1,138	1,129
Provision for bonuses for directors (and other officers)	37	37
Retirement benefit liability	2,964	2,810
Provision for retirement benefits for directors (and other officers)	27	35
Provision for loss on interest repayment	44	29
Provision for reimbursement of deposits	196	142
Provision for point card certificates	109	110
Provision for contingent loss	307	219
Provision for share-based compensation	80	83
Deferred tax liabilities	284	331
Deferred tax liabilities for land revaluation	4,227	4,227
Acceptances and guarantees	4,965	4,834
Total liabilities	5,235,729	5,074,179

(Millions of yen)

	As of March 31, 2022	As of March 31, 2023
Net assets		
Share capital	45,743	45,743
Capital surplus	38,353	38,353
Retained earnings	148,605	156,284
Treasury shares	(893)	(951)
Total shareholders' equity	231,809	239,430
Valuation difference on available-for-sale securities	10,476	6,500
Deferred gains or losses on hedges	124	(152)
Revaluation reserve for land	8,286	8,286
Remeasurements of defined benefit plans	(210)	(1,219)
Total accumulated other comprehensive income	18,676	13,415
Share acquisition rights	38	38
Non-controlling interests	29	33
Total net assets	250,554	252,917
Total liabilities and net assets	5,486,283	5,327,096

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

(Millions of yen)

	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023
Ordinary income	71,186	81,901
Interest income	39,714	42,569
Interest on loans and discounts	33,232	34,832
Interest and dividends on securities	5,591	7,066
Interest on call loans and bills bought	0	(5)
Interest on deposits with banks	0	0
Other interest income	889	676
Trust fees	68	63
Fees and commissions	15,172	14,939
Other ordinary income	2,561	11,109
Other income	13,670	13,218
Recoveries of written off receivables	372	396
Other	13,297	12,822
Ordinary expenses	57,693	66,266
Interest expenses	1,053	3,113
Interest on deposits	433	420
Interest on negotiable certificates of deposit	5	2
Interest on call money and bills sold	140	1,671
Interest expenses on cash collateral received for securities lent	53	325
Interest on borrowings and rediscounts	41	39
Other interest expenses	378	654
Fees and commissions payments	4,032	4,041
Other ordinary expenses	1,771	11,116
General and administrative expenses	34,845	35,886
Other expenses	15,990	12,108
Provision of allowance for loan losses	2,564	1,149
Other	13,426	10,958
Ordinary profit	13,492	15,634
Extraordinary losses	70	86
Loss on disposal of non-current assets	25	52
Impairment losses	45	34
Profit before income taxes	13,421	15,548
Income taxes - current	4,147	3,970
Income taxes - deferred	269	709
Total income taxes	4,417	4,679
Profit	9,004	10,868
Profit attributable to non-controlling interests	2	3
Profit attributable to owners of parent	9,001	10,865

## Consolidated statements of comprehensive income

(Millions of yen)

	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023
Profit	9,004	10,868
Other comprehensive income	(4,957)	(5,261)
Valuation difference on available-for-sale securities	(4,623)	(3,975)
Deferred gains or losses on hedges	435	(276)
Remeasurements of defined benefit plans, net of tax	(769)	(1,009)
Comprehensive income	4,046	5,607
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	4,043	5,603
Comprehensive income attributable to non-controlling interests	2	3

## Consolidated statements of changes in equity

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

Fiscal year ended March 31, 2023

(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			(3,185)		(3,185)
Profit attributable to owners of parent			10,865		10,865
Purchase of treasury shares				(71)	(71)
Disposal of treasury shares		(0)		13	13
Net changes in items other than shareholders' equity					
Total changes during period	–	(0)	7,679	(58)	7,620
Balance at end of period	45,743	38,353	156,284	(951)	239,430

	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								(3,185)
Profit attributable to owners of parent								10,865
Purchase of treasury shares								(71)
Disposal of treasury shares								13
Net changes in items other than shareholders' equity	(3,975)	(276)	–	(1,009)	(5,261)	–	3	(5,257)
Total changes during period	(3,975)	(276)	–	(1,009)	(5,261)	–	3	2,363
Balance at end of period	6,500	(152)	8,286	(1,219)	13,415	38	33	252,917



## Consolidated statements of cash flows

(Millions of yen)

	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023
Cash flows from operating activities		
Profit before income taxes	13,421	15,548
Depreciation	3,087	3,730
Impairment losses	45	34
Share of loss (profit) of entities accounted for using equity method	(5)	(8)
Increase (decrease) in allowance for loan losses	(538)	(1,435)
Increase (decrease) in provision for bonuses	(13)	(9)
Increase (decrease) in provision for bonuses for directors (and other officers)	25	0
Decrease (increase) in retirement benefit asset	(552)	(541)
Increase (decrease) in retirement benefit liability	(208)	(166)
Increase (decrease) in provision for retirement benefits for directors (and other officers)	(4)	8
Increase (decrease) in provision for loss on interest repayment	1	(15)
Increase (decrease) in provision for reimbursement of deposits	(124)	(53)
Increase (decrease) in provision for point card certificates	12	1
Increase (decrease) in provision for contingent loss	(10)	(87)
Increase (decrease) in provision for share-based compensation	2	3
Interest income	(39,714)	(42,569)
Interest expenses	1,053	3,113
Loss (gain) related to securities	(89)	11
Loss (gain) on money held in trust	4	7
Foreign exchange losses (gains)	(3,377)	(3,456)
Loss (gain) on disposal of non-current assets	25	52
Net decrease (increase) in trading securities	10	44
Net decrease (increase) in loans and bills discounted	(51,689)	(68,215)
Net increase (decrease) in deposits	171,244	117,413
Net increase (decrease) in negotiable certificates of deposit	(48,100)	(7,220)
Net increase (decrease) in borrowed money (excluding subordinated borrowings)	47,164	(290,116)
Net decrease (increase) in due from banks (excluding due from Bank of Japan)	(95)	46
Net decrease (increase) in call loans	(202)	(22)
Net increase (decrease) in call money	(1,769)	23,894
Net increase (decrease) in cash collateral received for securities lent	(2,682)	(6,837)
Net decrease (increase) in foreign exchanges - assets	(543)	(3,556)
Net increase (decrease) in foreign exchanges - liabilities	(5)	172
Net increase (decrease) in borrowed money from trust account	2,452	2,021
Interest received	40,087	41,955
Interest paid	(1,124)	(2,804)
Other, net	1,836	(2,258)
Subtotal	129,621	(221,315)
Income taxes refund	23	4
Income taxes paid	(5,314)	(4,304)
Net cash provided by (used in) operating activities	124,330	(225,615)

(Millions of yen)

	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023
Cash flows from investing activities		
Purchase of securities	(222,577)	(565,412)
Proceeds from sale of securities	84,263	269,334
Proceeds from redemption of securities	81,021	220,853
Increase in money held in trust	(5)	(8)
Purchase of tangible fixed assets	(11,570)	(892)
Purchase of intangible assets	(1,932)	(1,433)
Payments for asset retirement obligations	(11)	(62)
Net cash provided by (used in) investing activities	(70,810)	(77,621)
Cash flows from financing activities		
Dividends paid	(2,682)	(3,185)
Purchase of treasury shares	(4)	(71)
Proceeds from sale of treasury shares	24	13
Net cash provided by (used in) financing activities	(2,663)	(3,244)
Net increase (decrease) in cash and cash equivalents	50,856	(306,481)
Cash and cash equivalents at beginning of period	739,274	790,130
Cash and cash equivalents at end of period	790,130	483,649