

Translation

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Summary of Consolidated Financial Results for the Year Ended March 31, 2024 (Based on Japanese GAAP)

May 10, 2024

Company name: The Musashino Bank, Ltd.
 Stock exchange listing: Tokyo
 Stock code: 8336 URL <https://www.musashinobank.co.jp>
 Representative: President Kazumasa Nagahori
 General Manager of General Planning and
 Inquiries: Management Division Katsuya Isonaka TEL 048-641-6111
 Scheduled date of ordinary general meeting of shareholders: June 26, 2024
 Scheduled date to file Securities Report: June 26, 2024
 Scheduled date to commence dividend payments: June 27, 2024
 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, 2024 (from April 1, 2023 to March 31, 2024)

(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, 2024	81,068	(1.0)	16,261	4.0	11,264	3.6
Year ended March 31, 2023	81,901	15.0	15,634	15.8	10,865	20.7

	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, 2024	339.68	339.65	4.2	0.3	20.0
Year ended March 31, 2023	324.62	324.49	4.3	0.2	19.0

(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, 2024	5,404,015	274,138	5.0	8,285.94
As of March 31, 2023	5,327,096	252,917	4.7	7,557.42

(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, 2024	(29,676)	(219,482)	(4,191)	230,299
Year ended March 31, 2023	(225,615)	(77,621)	(3,244)	483,649

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, 2023	—	45.00	—	50.00	95.00	3,185	29.2	1.2
Year ended March 31, 2024	—	50.00	—	55.00	105.00	3,480	30.9	1.3
Year ending March 31, 2025 (Forecast)	—	55.00	—	55.00	110.00		29.8	

3. Forecast of consolidated financial results for the year ending March 31, 2025 (from April 1, 2024 to March 31, 2025)

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, 2024	39,100	(4.4)	8,900	11.1	6,500	7.5	196.50
Full year	78,000	(3.7)	17,300	6.3	12,200	8.3	368.81

4. Notes

(1) Changes in significant subsidiaries during the year ended March 31, 2024

(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 March 31, 2024	33,405,456 shares	As of March 31, 2023	33,805,456 shares
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Number of treasury shares at the end of the period

As of March 31, 2024	326,377 shares	As of March 31, 2023	348,853 shares
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Average number of shares during the period

Year ended March 31, 2024	33,161,411 shares	Year ended March 31, 2023	33,470,555 shares
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Consolidated financial statements

Consolidated balance sheets

(Millions of yen)

	As of March 31, 2023	As of March 31, 2024
Assets		
Cash and due from banks	484,394	230,916
Monetary claims bought	839	759
Trading securities	7	6
Money held in trust	1,489	1,492
Securities	810,296	1,045,742
Loans and bills discounted	3,909,853	3,995,006
Foreign exchanges	7,257	4,659
Lease receivables and investments in leases	17,469	19,219
Other assets	40,077	43,457
Tangible fixed assets	54,999	54,658
Buildings, net	26,646	26,047
Land	25,363	25,364
Leased assets, net	3	—
Other tangible fixed assets	2,986	3,246
Intangible fixed assets	4,941	4,872
Software	4,727	4,678
Leased assets	26	6
Other intangible fixed assets	187	187
Retirement benefit asset	7,596	14,381
Deferred tax assets	2,798	809
Customers' liabilities for acceptances and guarantees	4,834	5,119
Allowance for loan losses	(19,756)	(17,086)
Total assets	5,327,096	5,404,015
Liabilities		
Deposits	4,875,224	4,973,482
Negotiable certificates of deposit	16,070	39,500
Call money and bills sold	57,551	39,518
Cash collateral received for securities lent	10,638	10,955
Borrowed money	68,276	12,380
Foreign exchanges	390	348
Borrowed money from trust account	7,756	8,063
Other liabilities	24,278	26,854
Provision for bonuses	1,129	1,150
Provision for bonuses for directors (and other officers)	37	32
Retirement benefit liability	2,810	2,490
Provision for retirement benefits for directors (and other officers)	35	33
Provision for loss on interest repayment	29	33
Provision for reimbursement of deposits	142	98
Provision for point card certificates	110	116
Provision for contingent loss	219	187
Provision for share-based compensation	83	75
Deferred tax liabilities	331	5,208
Deferred tax liabilities for land revaluation	4,227	4,227
Acceptances and guarantees	4,834	5,119
Total liabilities	5,074,179	5,129,877

	(Millions of yen)	
	As of March 31, 2023	As of March 31, 2024
Net assets		
Share capital	45,743	45,743
Capital surplus	38,353	38,350
Retained earnings	156,284	163,202
Treasury shares	(951)	(793)
Total shareholders' equity	239,430	246,503
Valuation difference on available-for-sale securities	6,500	14,060
Deferred gains or losses on hedges	(152)	1,765
Revaluation reserve for land	8,286	8,286
Remeasurements of defined benefit plans	(1,219)	3,474
Total accumulated other comprehensive income	13,415	27,587
Share acquisition rights	38	8
Non-controlling interests	33	38
Total net assets	252,917	274,138
Total liabilities and net assets	5,327,096	5,404,015

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

(Millions of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Ordinary income	81,901	81,068
Interest income	42,569	46,932
Interest on loans and discounts	34,832	36,830
Interest and dividends on securities	7,066	9,708
Interest on call loans and bills bought	(5)	(5)
Interest on deposits with banks	0	0
Other interest income	676	398
Trust fees	63	25
Fees and commissions	14,939	14,401
Other ordinary income	11,109	5,470
Other income	13,218	14,239
Recoveries of written off receivables	396	632
Other	12,822	13,607
Ordinary expenses	66,266	64,807
Interest expenses	3,113	4,621
Interest on deposits	420	612
Interest on negotiable certificates of deposit	2	2
Interest on call money and bills sold	1,671	2,771
Interest expenses on cash collateral received for securities lent	325	848
Interest on borrowings and rediscounts	39	38
Other interest expenses	654	348
Fees and commissions payments	4,041	3,841
Other ordinary expenses	11,116	7,983
General and administrative expenses	35,886	36,278
Other expenses	12,108	12,081
Provision of allowance for loan losses	1,149	671
Other	10,958	11,409
Ordinary profit	15,634	16,261
Extraordinary losses	86	29
Loss on disposal of non-current assets	52	29
Impairment losses	34	–
Profit before income taxes	15,548	16,231
Income taxes - current	3,970	4,087
Income taxes - deferred	709	874
Total income taxes	4,679	4,962
Profit	10,868	11,269
Profit attributable to non-controlling interests	3	5
Profit attributable to owners of parent	10,865	11,264

Consolidated statements of comprehensive income

(Millions of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Profit	10,868	11,269
Other comprehensive income	(5,261)	14,172
Valuation difference on available-for-sale securities	(3,975)	7,560
Deferred gains or losses on hedges	(276)	1,918
Remeasurements of defined benefit plans, net of tax	(1,009)	4,693
Comprehensive income	5,607	25,442
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	5,603	25,436
Comprehensive income attributable to non-controlling interests	3	5

Consolidated statements of changes in equity

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
Cancellation of treasury shares		—		—	—
Transfer from retained earnings to capital surplus		—	—		—
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
Cancellation of treasury shares								–
Transfer from retained earnings to capital surplus								–
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

Fiscal year ended March 31, 2024

(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	156,284	(951)	239,430
Changes during period					
Dividends of surplus			(3,333)		(3,333)
Profit attributable to owners of parent			11,264		11,264
Purchase of treasury shares				(915)	(915)
Disposal of treasury shares		2		55	58
Cancellation of treasury shares		(1,018)		1,018	—
Transfer from retained earnings to capital surplus		1,012	(1,012)		—
Net changes in items other than shareholders' equity					
Total changes during period	—	(2)	6,917	157	7,072
Balance at end of period	45,743	38,350	163,202	(793)	246,503

	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	6,500	(152)	8,286	(1,219)	13,415	38	33	252,917
Changes during period								
Dividends of surplus								(3,333)
Profit attributable to owners of parent								11,264
Purchase of treasury shares								(915)
Disposal of treasury shares								58
Cancellation of treasury shares								–
Transfer from retained earnings to capital surplus								–
Net changes in items other than shareholders' equity	7,560	1,918	–	4,693	14,172	(30)	5	14,147
Total changes during period	7,560	1,918	–	4,693	14,172	(30)	5	21,220
Balance at end of period	14,060	1,765	8,286	3,474	27,587	8	38	274,138

Consolidated statements of cash flows

(Millions of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Cash flows from operating activities		
Profit before income taxes	15,548	16,231
Depreciation	3,730	3,930
Impairment losses	34	–
Share of loss (profit) of entities accounted for using equity method	(8)	(8)
Increase (decrease) in allowance for loan losses	(1,435)	(2,670)
Increase (decrease) in provision for bonuses	(9)	21
Increase (decrease) in provision for bonuses for directors (and other officers)	0	(4)
Decrease (increase) in retirement benefit asset	(541)	(503)
Increase (decrease) in retirement benefit liability	(166)	(144)
Increase (decrease) in provision for retirement benefits for directors (and other officers)	8	(1)
Increase (decrease) in provision for loss on interest repayment	(15)	3
Increase (decrease) in provision for reimbursement of deposits	(53)	(44)
Increase (decrease) in provision for point card certificates	1	5
Increase (decrease) in provision for contingent loss	(87)	(31)
Increase (decrease) in provision for share-based compensation	3	(8)
Interest income	(42,569)	(46,932)
Interest expenses	3,113	4,621
Loss (gain) related to securities	11	671
Loss (gain) on money held in trust	7	1
Foreign exchange losses (gains)	(3,456)	(9,155)
Loss (gain) on disposal of non-current assets	52	29
Net decrease (increase) in trading securities	44	1
Net decrease (increase) in loans and bills discounted	(68,215)	(85,153)
Net increase (decrease) in deposits	117,413	98,258
Net increase (decrease) in negotiable certificates of deposit	(7,220)	23,430
Net increase (decrease) in borrowed money (excluding subordinated borrowings)	(290,116)	(55,896)
Net decrease (increase) in due from banks (excluding due from Bank of Japan)	46	127
Net decrease (increase) in call loans	(22)	80
Net increase (decrease) in call money	23,894	(18,033)
Net increase (decrease) in cash collateral received for securities lent	(6,837)	316
Net decrease (increase) in foreign exchanges - assets	(3,556)	2,597
Net increase (decrease) in foreign exchanges - liabilities	172	(42)
Net increase (decrease) in borrowed money from trust account	2,021	306
Interest received	41,955	45,508
Interest paid	(2,804)	(4,604)
Other, net	(2,258)	1,000
Subtotal	(221,315)	(26,088)
Income taxes refund	4	113
Income taxes paid	(4,304)	(3,701)
Net cash provided by (used in) operating activities	(225,615)	(29,676)

	(Millions of yen)	
	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Cash flows from investing activities		
Purchase of securities	(565,412)	(623,345)
Proceeds from sale of securities	269,334	253,040
Proceeds from redemption of securities	220,853	154,342
Increase in money held in trust	(8)	(10)
Purchase of tangible fixed assets	(892)	(1,743)
Purchase of intangible assets	(1,433)	(1,667)
Payments for asset retirement obligations	(62)	(98)
Net cash provided by (used in) investing activities	(77,621)	(219,482)
Cash flows from financing activities		
Dividends paid	(3,185)	(3,333)
Purchase of treasury shares	(71)	(915)
Proceeds from sale of treasury shares	13	58
Net cash provided by (used in) financing activities	(3,244)	(4,191)
Net increase (decrease) in cash and cash equivalents	(306,481)	(253,350)
Cash and cash equivalents at beginning of period	790,130	483,649
Cash and cash equivalents at end of period	483,649	230,299