

**Consolidated Financial Results**  
*for the 3rd Quarter of Fiscal 2023*

**February 9, 2024**



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**Consolidated Financial Results**  
**for the 3rd Quarter of Fiscal 2023 ended December 31, 2023**  
**[ under Japanese GAAP ]**

Company Name : **The Tokyo Star Bank, Limited**

(URL <https://www.tokyostarbank.co.jp/>)

Headquarters : Tokyo

Notes: - The financial results presented here are not subject to certified public accountant's or audit firm's audits.  
- The amounts are rounded down to the nearest million of yen.

**1. Summary of Consolidated Financial Results**  
**for the 3rd Quarter of Fiscal 2023 ended December 31, 2023**

**(1) Operating Results**

(Millions of yen except per share data and percentages)

	For the nine months ended	
	December 31, 2023	December 31, 2022
Ordinary income	<b>40,216</b>	34,905
Change from the previous period	<b>15.2%</b>	8.6%
Ordinary profit	<b>5,286</b>	4,232
Change from the previous period	<b>24.9%</b>	57.3%
Net income attributable to owners of the parent	<b>3,471</b>	2,124
Change from the previous period	<b>63.3%</b>	13.7%
Net income per common share (yen)	<b>4,958.77</b>	3,034.90
Diluted net income per common share (yen)	—	—

Note: Comprehensive income for the nine months ended :

December 31, 2023 : 4,559 million yen 320.2 %  
December 31, 2022 : 1,084 million yen (56.1) %

**(2) Financial Conditions**

(Millions of yen except percentages)

	As of	
	December 31, 2023	March 31, 2023
Total assets	<b>2,261,268</b>	2,171,167
Net assets	<b>172,956</b>	168,397
Ratio of net assets to total assets	<b>7.6%</b>	7.7%

Notes: 1. Net assets, excluding Stock acquisition rights and Non-controlling interests, as of :

December 31, 2023 172,956 million yen  
March 31, 2023 : 168,397 million yen

2. Ratio of net assets to total assets = Net assets / Total assets X 100

## 2. Notes

- (1) Significant Change in the Scope of Consolidation** : No  
 There is no changes in material subsidiaries accompanying significant change in the scope of consolidation.
- (2) Application of Special Accounting Methods for Quarterly Consolidated Financial Statements** : No
- (3) Changes in Accounting Policies, Changes in Accounting Estimates and Correction of Prior Period Errors for Quarterly Consolidated Financial Statements**
- (a) Changes in accounting policies due to revision of accounting standards etc. : No
- (b) Changes in accounting policies other than (a) above : No
- (c) Changes in accounting estimates : No
- (d) Correction of prior period errors : No
- (4) Number of Shares Outstanding (Common stock)**
- (a) Number of Shares Outstanding as of :
- |                   |   |                |
|-------------------|---|----------------|
| December 31, 2023 | : | 700,000 shares |
| March 31, 2023    | : | 700,000 shares |
- (b) Number of Treasury Shares Outstanding as of :
- |                   |   |          |
|-------------------|---|----------|
| December 31, 2023 | : | — shares |
| March 31, 2023    | : | — shares |
- (c) Average Number of Shares Outstanding for the nine months ended :
- |                   |   |                |
|-------------------|---|----------------|
| December 31, 2023 | : | 700,000 shares |
| December 31, 2022 | : | 700,000 shares |

## Consolidated Financial Statements

### 1. Consolidated Balance Sheets

(Millions of yen)	As of	
	March 31, 2023	December 31, 2023
<b>Assets:</b>		
Cash and due from banks	455,199	453,197
Call loans	3,000	—
Monetary claims bought	13,031	21,629
Securities	180,314	239,751
Loans and bills discounted	1,431,282	1,463,637
Foreign exchanges	12,433	7,205
Other assets	66,089	68,806
Tangible fixed assets	3,364	3,041
Intangible fixed assets	7,733	6,789
Deferred tax assets	5,725	5,911
Customers' liabilities for acceptances and guarantees	9,691	9,714
Allowance for loan losses	(16,699)	(18,416)
<b>Total assets</b>	<b>2,171,167</b>	<b>2,261,268</b>
<b>Liabilities:</b>		
Deposits	1,611,521	1,709,735
Negotiable certificate of deposits	210,100	177,700
Call money	133,059	102,000
Payables under repurchase agreements	—	48,247
Foreign exchanges	82	184
Other liabilities	37,154	38,611
Provision for bonuses	798	1,752
Provision for directors' bonuses	159	115
Provision for directors' retirement benefits	153	200
Provision for losses on dormant deposit repayments	43	43
Provision for possible losses on refund of interest	4	4
Acceptances and guarantees	9,691	9,714
<b>Total liabilities</b>	<b>2,002,770</b>	<b>2,088,311</b>
<b>Net assets:</b>		
Capital stock	26,000	26,000
Capital surplus	24,000	24,000
Retained earnings	119,425	122,896
Total shareholders' equity	169,425	172,896
Valuation difference on available-for-sale securities	(1,028)	59
Total accumulated other comprehensive income	(1,028)	59
<b>Total net assets</b>	<b>168,397</b>	<b>172,956</b>
<b>Total liabilities and net assets</b>	<b>2,171,167</b>	<b>2,261,268</b>

## 2. Consolidated Statements of Income

(Millions of yen)	For the nine months ended	
	December 31, 2022	December 31, 2023
<b>Ordinary income:</b>	34,905	40,216
Interest income and dividends	26,024	32,783
Interest on loans and discounts	21,263	24,274
Interest and dividends on securities	3,937	7,217
Fees and commissions	4,712	5,290
Other ordinary income	3,013	1,475
Other income	1,154	666
<b>Ordinary expenses:</b>	30,673	34,929
Interest expenses	2,240	4,531
Interest on deposits	1,725	3,185
Fees and commissions payments	2,643	2,631
Other ordinary expenses	1,422	1,595
General and administrative expenses	21,793	22,989
Other expenses	2,571	3,181
<b>Ordinary profit</b>	4,232	5,286
Extraordinary income	—	—
Extraordinary loss	97	60
<b>Income before income taxes</b>	4,134	5,226
Income taxes-current	2,137	2,421
Income taxes-deferred	(126)	(666)
Total income taxes	2,010	1,755
<b>Net income</b>	2,124	3,471
Net income attributable to non-controlling interests	—	—
Net income attributable to owners of the parent	2,124	3,471

### 3. Consolidated Statements of Comprehensive Income

(Millions of yen)	For the nine months ended	
	December 31, 2022	December 31, 2023
Net income	2,124	3,471
Other comprehensive income	(1,039)	1,088
Valuation difference on available-for-sale securities	(1,039)	1,088
<b>Comprehensive income</b>	<b>1,084</b>	<b>4,559</b>
Comprehensive income attributable to owners of the parent	1,084	4,559
Comprehensive income attributable to non-controlling interests	—	—

### 4. Going Concern Assumption

There is no applicable information.

# Selected Financial Information of 3rd Quarter Results

## 1. Operating Results

### (1) Consolidated

(Millions of yen)

	For the nine months ended December 31,		Increase/ (Decrease) (A)-(B)
	2023 (A)	2022 (B)	
<b>Gross operating profit (Note 1)</b>	<b>30,791</b>	<b>27,443</b>	<b>3,348</b>
Net interest income	28,252	23,783	4,468
Net fees and commissions	2,659	2,069	589
Net other ordinary income	(119)	1,590	(1,710)
General and administrative expenses	22,989	21,793	1,195
<b>Net operating income before general allowance and goodwill (Note 2)</b>	<b>7,801</b>	<b>5,649</b>	<b>2,152</b>
Provision for general allowance for loan losses	2	(503)	505
<b>Net operating income (Note 3)</b>	<b>7,799</b>	<b>6,152</b>	<b>1,646</b>
Non-recurring income and expenses	(2,512)	(1,919)	(592)
Net gain and loss on stocks and other securities	—	—	—
Problem claims related costs	2,732	2,932	(199)
Written-off of loans	54	62	(7)
Provision for specific allowance for loan losses	2,250	2,267	(17)
Net loss on sales of loans	427	602	(174)
Reversal of allowance for loan losses	—	—	—
Recoveries of written-off claims	4	0	3
Others	215	1,012	(796)
<b>Ordinary profit</b>	<b>5,286</b>	<b>4,232</b>	<b>1,053</b>
Extraordinary income and loss	(60)	(97)	37
Net gain and loss on disposal of non-current assets	(60)	(97)	37
Gain on disposal of non-current assets	—	—	—
Loss on disposal of non-current assets	60	97	(37)
Others	—	—	—
<b>Income before income taxes</b>	<b>5,226</b>	<b>4,134</b>	<b>1,091</b>
Income taxes	1,755	2,010	(255)
Income taxes - current	2,421	2,137	284
Income taxes - deferred	(666)	(126)	(539)
<b>Net income</b>	<b>3,471</b>	<b>2,124</b>	<b>1,346</b>
Net income attributable to non-controlling interests	—	—	—
Net income attributable to owners of the parent	3,471	2,124	1,346

Notes: 1. Gross operating profit = (Interest income - Interest expenses) + (Fees and commissions - Fees and commissions payments)  
+ (Other ordinary income - Other ordinary expenses)

2. Net operating income before general allowance and goodwill = Gross operating profit - General and administrative expenses

3. Net operating income = Gross operating profit - General and administrative expenses  
- Provision for general allowance for loan losses

Credit costs (Note 4)	2,747	2,459	287
Excluding recoveries of written-off claims	2,751	2,460	291

Note: 4. Credit costs = (Provision for general allowance for loan losses + Problem claims related costs)  
- (Reversal of allowance for loan losses + Recoveries of written-off claims) + Adjustment on purchased loan

## (2) Non-consolidated

(Millions of yen)

	For the nine months ended December 31,		Increase/ (Decrease) (A)-(B)
	2023 (A)	2022 (B)	
<b>Gross operating profit</b>	<b>29,132</b>	<b>25,824</b>	<b>3,307</b>
Net interest income	28,214	23,738	4,475
Net fees and commissions	1,037	495	542
Net other ordinary income	(119)	1,590	(1,710)
of which net gain and loss on bonds	(322)	(1,397)	1,074
General and administrative expenses (excluding non-recurring expenses)	22,564	21,396	1,168
Personnel expenses	10,615	10,255	360
Nonpersonnel expenses	10,693	10,015	678
Taxes	1,255	1,126	129
<b>Net operating income before general allowance and goodwill</b>	<b>6,567</b>	<b>4,427</b>	<b>2,139</b>
<b>Core net operating income (excluding net gain and loss on bonds)</b>	<b>6,890</b>	<b>5,825</b>	<b>1,065</b>
<b>Excluding gain and loss on cancellation of investment trusts</b>	<b>6,890</b>	<b>5,825</b>	<b>1,065</b>
Provision for general allowance for loan losses	(29)	(502)	473
Amortization of goodwill	—	—	—
<b>Net operating income</b>	<b>6,596</b>	<b>4,930</b>	<b>1,666</b>
Non-recurring income and expenses	(1,723)	(1,338)	(384)
Net gain and loss on stocks and other securities	—	—	—
Problem claims related costs	1,770	2,186	(415)
Written-off of loans	0	1	(1)
Provision for specific allowance for loan losses	1,775	1,935	(159)
Net gain and loss on sales of loans	(5)	249	(254)
Reversal of allowance for loan losses	—	—	—
Recoveries of written-off claims	3	0	3
Others	43	847	(803)
<b>Ordinary profit</b>	<b>4,873</b>	<b>3,591</b>	<b>1,281</b>
Extraordinary income and loss	(60)	(97)	37
Net gain and loss on disposal of non-current assets	(60)	(97)	37
Gain on disposal of non-current assets	—	—	—
Loss on disposal of non-current assets	60	97	(37)
Others	—	—	—
<b>Income before income taxes</b>	<b>4,813</b>	<b>3,494</b>	<b>1,318</b>
Income taxes	1,618	1,777	(159)
Income taxes - current	2,293	1,931	361
Income taxes - deferred	(674)	(153)	(521)
<b>Net income</b>	<b>3,194</b>	<b>1,716</b>	<b>1,478</b>



## 2. Disclosed Claims under Financial Revitalization Law

### (1) Consolidated

#### <Disclosed Claims under Financial Revitalization Law after writing-off Category IV Claims>

(Millions of yen except percentages)

		As of December 31,		Increase/ (Decrease) (A)-(B)	As of September 30, 2023
		2023 (A)	2022 (B)		
	Bankruptcy and Quasi-Bankruptcy	3,232	5,077	(1,844)	3,330
	Doubtful	12,163	12,686	(523)	10,107
	Sub-standard	2,742	2,216	525	2,402
	Loans Past Due 3 Months or More	477	629	(152)	452
	Restructured Loans	2,264	1,586	677	1,949
	<b>Sub-Total (a)</b>	<b>18,137</b>	<b>19,980</b>	<b>(1,842)</b>	<b>15,840</b>
	Normal	1,455,731	1,420,434	35,297	1,426,107
	<b>Total (b)</b>	<b>1,473,869</b>	<b>1,440,415</b>	<b>33,454</b>	<b>1,441,948</b>
<b>Ratio of Problem Loans to Total Claims (a / b × 100)</b>		<b>1.23%</b>	<b>1.38%</b>	<b>(0.15)%</b>	<b>1.09%</b>

#### <Disclosed Claims under Financial Revitalization Law including Category IV Claims>

(Millions of yen except percentages)

		As of December 31,		Increase/ (Decrease) (A)-(B)	As of September 30, 2023
		2023 (A)	2022 (B)		
	Bankruptcy and Quasi-Bankruptcy	11,655	11,183	471	12,077
	Doubtful	12,163	12,686	(523)	10,107
	Sub-standard	2,742	2,216	525	2,402
	Loans Past Due 3 Months or More	477	629	(152)	452
	Restructured Loans	2,264	1,586	677	1,949
	<b>Sub-Total (a)</b>	<b>26,561</b>	<b>26,087</b>	<b>473</b>	<b>24,587</b>
	Normal	1,455,731	1,420,434	35,297	1,426,107
	<b>Total (b)</b>	<b>1,482,292</b>	<b>1,446,521</b>	<b>35,771</b>	<b>1,450,695</b>
<b>Ratio of Problem Loans to Total Claims (a / b × 100)</b>		<b>1.79%</b>	<b>1.80%</b>	<b>(0.01)%</b>	<b>1.69%</b>

### (2) Non-consolidated

#### <Disclosed Claims under Financial Revitalization Law after writing-off Category IV Claims>

(Millions of yen except percentages)

		As of December 31,		Increase/ (Decrease) (A)-(B)	As of September 30, 2023
		2023 (A)	2022 (B)		
	Bankruptcy and Quasi-Bankruptcy	1,828	3,601	(1,772)	1,908
	Doubtful	12,140	12,658	(518)	10,084
	Sub-standard	2,742	2,216	525	2,402
	Loans Past Due 3 Months or More	477	629	(152)	452
	Restructured Loans	2,264	1,586	677	1,949
	<b>Sub-Total (a)</b>	<b>16,711</b>	<b>18,476</b>	<b>(1,764)</b>	<b>14,395</b>
	Normal	1,450,321	1,414,909	35,411	1,420,697
	<b>Total (b)</b>	<b>1,467,032</b>	<b>1,433,385</b>	<b>33,646</b>	<b>1,435,093</b>
<b>Ratio of Problem Loans to Total Claims (a / b × 100)</b>		<b>1.13%</b>	<b>1.28%</b>	<b>(0.15)%</b>	<b>1.00%</b>

#### <Disclosed Claims under Financial Revitalization Law including Category IV Claims>

(Millions of yen except percentages)

		As of December 31,		Increase/ (Decrease) (A)-(B)	As of September 30, 2023
		2023 (A)	2022 (B)		
	Bankruptcy and Quasi-Bankruptcy	9,062	8,632	429	9,244
	Doubtful	12,140	12,658	(518)	10,084
	Sub-standard	2,742	2,216	525	2,402
	Loans Past Due 3 Months or More	477	629	(152)	452
	Restructured Loans	2,264	1,586	677	1,949
	<b>Sub-Total (a)</b>	<b>23,944</b>	<b>23,507</b>	<b>436</b>	<b>21,731</b>
	Normal	1,450,321	1,414,909	35,411	1,420,697
	<b>Total (b)</b>	<b>1,474,266</b>	<b>1,438,417</b>	<b>35,848</b>	<b>1,442,428</b>
<b>Ratio of Problem Loans to Total Claims (a / b × 100)</b>		<b>1.62%</b>	<b>1.63%</b>	<b>(0.01)%</b>	<b>1.50%</b>

### 3. Securities at Fair Value (Consolidated)

#### 1) Held-to-maturity securities

(Millions of yen)

	As of December 31, 2023			As of December 31, 2022			As of September 30, 2023		
	Balance sheet amount	Fair Value	Net unrealized gain/(loss)	Balance sheet amount	Fair Value	Net unrealized gain/(loss)	Balance sheet amount	Fair Value	Net unrealized gain/(loss)
Government bonds	—	—	—	—	—	—	—	—	—
Corporate bonds	—	—	—	—	—	—	—	—	—
Foreign Securities	149,868	150,051	182	75,839	74,654	(1,184)	128,259	127,458	(801)
Total	149,868	150,051	182	75,839	74,654	(1,184)	128,259	127,458	(801)

#### 2) Available-for-sale securities

(Millions of yen)

	As of December 31, 2023			As of December 31, 2022			As of September 30, 2023		
	Balance sheet amount	Cost	Net unrealized gain/(loss)	Balance sheet amount	Cost	Net unrealized gain/(loss)	Balance sheet amount	Cost	Net unrealized gain/(loss)
Bonds	38,623	38,592	31	37,918	37,496	422	38,742	38,716	26
Government bonds	15,003	14,998	5	10,998	11,009	(10)	13,001	13,002	(0)
Corporate bonds	23,620	23,594	25	26,919	26,487	432	25,740	25,713	26
Others	51,943	53,010	(1,066)	69,102	70,929	(1,826)	47,689	49,825	(2,136)
Total	90,567	91,603	(1,035)	107,021	108,425	(1,404)	86,431	88,541	(2,110)

### 4. Derivatives (Consolidated)

#### (1) Derivative transactions to which hedge accounting is not applied

##### (a) Interest Rate Derivatives

(Millions of yen)

		As of December 31, 2023			As of December 31, 2022			As of September 30, 2023		
		Notional amounts	Fair Value	Net unrealized gain (loss)	Notional amounts	Fair Value	Net unrealized gain (loss)	Notional amounts	Fair Value	Net unrealized gain (loss)
Over-the-counter	Interest Rate Swaps	484,974	(240)	(240)	410,303	(384)	(384)	464,203	(173)	(173)
	Others	39,651	(1)	149	44,165	(15)	140	40,208	(1)	149
Total			(241)	(90)		(399)	(243)		(175)	(24)

##### (b) Currency Derivatives

(Millions of yen)

		As of December 31, 2023			As of December 31, 2022			As of September 30, 2023		
		Notional amounts	Fair Value	Net unrealized gain (loss)	Notional amounts	Fair Value	Net unrealized gain (loss)	Notional amounts	Fair Value	Net unrealized gain (loss)
Over-the-counter	Currency Swaps	—	—	—	—	—	—	—	—	—
	Forward Foreign Exchange Contracts	136,030	2,890	2,890	126,367	4,982	4,982	143,878	(2,346)	(2,346)
	Currency Options	1,096,037	(563)	8,679	1,138,742	(975)	9,348	1,165,111	(413)	9,620
Total			2,327	11,570		4,006	14,330		(2,759)	7,274

##### (c) Bond Derivatives

(Millions of yen)

		As of December 31, 2023			As of December 31, 2022			As of September 30, 2023		
		Notional amounts	Fair Value	Net unrealized gain (loss)	Notional amounts	Fair Value	Net unrealized gain (loss)	Notional amounts	Fair Value	Net unrealized gain (loss)
Listed	Bond Futures	—	—	—	5,513	25	25	13,567	(6)	(6)
Total			—	—		25	25		(6)	(6)

\*Equity Derivatives, Commodity Derivatives, Credit Derivatives : Not applicable.

#### (2) Derivative transactions to which hedge accounting is applied

There is no applicable transactions.

## 5. Balances of Loans and Deposits (Consolidated)

(Millions of yen)

	As of December 31,		As of September 30, 2023
	2023	2022	
<b>Total deposits</b>	<b>1,887,435</b>	1,837,255	1,873,507
Deposits	1,709,735	1,655,851	1,721,307
Individuals	1,144,333	1,130,665	1,142,219
Corporations	412,592	422,279	410,387
Public entities	145,897	96,438	162,765
Financial institutions	6,911	6,467	5,934
Negotiable certificates of deposit	177,700	181,404	152,200
<b>Loans and bills discounted</b>	<b>1,463,637</b>	1,428,747	1,432,524