

May 12, 2023

Consolidated Financial Results

for the Fiscal Year ended March 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 Fiscal Year ended March 31, 2023

(1) Operating Results

(Millions of yen except per share data and percentages)

	For the year ended March 31	
	2023	2022
Ordinary income	46,784	42,712
Change from the previous period	9.5%	(2.6)%
Ordinary profit	6,157	3,272
Change from the previous period	88.1%	-
Net income attributable to owners of the parent	4,958	1,196
Change from the previous period	314.5%	-
Net income per common share (yen)	7,083.34	1,708.58
Diluted net income per common share (yen)	-	-
Return on equity	2.9%	0.7%
Ratio of ordinary profit to total assets	0.2%	0.1%
Ratio of ordinary profit to ordinary income	13.1%	7.6%

Note: Comprehensive income for the year ended :

March 31, 2023 : 4,294 million yen 346.0 %
March 31, 2022 : 962 million yen (8.7) %

(2) Financial Conditions

(Millions of yen except percentages)

	As of March 31	
	2023	2022
Total assets	2,171,167	2,130,018
Net assets	168,397	164,102
Ratio of net assets to total assets	7.7%	7.7%
Net assets per common share (yen)	240,567.33	234,432.54

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

March 31, 2023 : 168,397 million yen
March 31, 2022 : 164,102 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) **Changes in Accounting Policies, Changes in Accounting Estimates and Correction of Prior Period Errors for 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

(3) **Number of Shares Outstanding (Common stock)**

- (a) Number of Shares Outstanding as of :
March 31, 2023 : 700,000 shares
March 31, 2022 : 700,000 shares
- (b) Number of Treasury Shares Outstanding as of :
March 31, 2023 : — shares
March 31, 2022 : — shares
- (c) Average Number of Shares Outstanding for the fiscal year ended :
March 31, 2023 : 700,000 shares
March 31, 2022 : 700,000 shares

(Reference)

1. Summary of Non-Consolidated Financial Results for the Fiscal Year ended March 31, 2023

(1) **Operating Results** (Millions of yen except per share data and percentages)

	For the year ended March 31	
	2023	2022
Ordinary income	46,673	42,578
Change from the previous period	9.6%	(2.7)%
Ordinary profit	5,327	2,411
Change from the previous period	120.9%	-
Net income	4,436	535
Change from the previous period	728.2%	-
Net income per common share (yen)	6,337.64	765.17
Diluted net income per common share (yen)	-	-

(2) **Financial Conditions** (Millions of yen except percentages)

	As of March 31	
	2023	2022
Total assets	2,169,252	2,127,839
Net assets	159,404	155,632
Ratio of net assets to total assets	7.3%	7.3%
Net assets per common share (yen)	227,721.14	222,332.05

Notes: 1. Net assets, excluding Stock acquisition rights, as of :

March 31, 2023 : 159,404 million yen

March 31, 2022 : 155,632 million yen

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

Consolidated Financial Statements

1. Consolidated balance sheets

(Millions of yen)	As of	
	March 31, 2022	March 31, 2023
Assets		
Cash and due from banks	414,725	455,199
Call loans	25,500	3,000
Monetary claims bought	9,545	13,031
Securities	168,805	180,314
Loans and bills discounted	1,431,401	1,431,282
Foreign exchanges	9,650	12,433
Other assets	60,942	66,089
Tangible fixed assets	3,566	3,364
Intangible fixed assets	7,229	7,733
Deferred tax assets	3,964	5,725
Customers' liabilities for acceptances and guarantees	11,089	9,691
Allowance for loan losses	(16,401)	(16,699)
Total assets	2,130,018	2,171,167
Liabilities		
Deposits	1,526,212	1,611,521
Negotiable certificates of deposits	364,978	210,100
Call money	—	133,059
Borrowed money	15,000	—
Foreign exchanges	120	82
Other liabilities	47,326	37,154
Provision for bonuses	817	798
Provision for directors' bonuses	162	159
Provision for directors' retirement benefits	149	153
Provision for losses on dormant deposit repayments	54	43
Provision for possible losses on refund of interest	3	4
Acceptances and guarantees	11,089	9,691
Total liabilities	1,965,915	2,002,770
Net assets		
Capital stock	26,000	26,000
Capital surplus	24,000	24,000
Retained earnings	114,467	119,425
Total shareholders' equity	164,467	169,425
Valuation difference on available-for-sale securities	(364)	(1,028)
Total accumulated other comprehensive income	(364)	(1,028)
Total net assets	164,102	168,397
Total liabilities and net assets	2,130,018	2,171,167

2. Consolidated statements of income

(Millions of yen)	For the year ended	
	March 31, 2022	March 31, 2023
Ordinary income	42,712	46,784
Interest income	30,057	35,704
Interest on loans and discounts	27,354	28,939
Interest and dividends on securities	2,153	5,626
Interest on call loans	15	13
Interest on deposits with banks	446	669
Other interest income	86	455
Fees and commissions	6,999	6,374
Other ordinary income	3,856	3,450
Other income	1,798	1,255
Ordinary expenses	39,440	40,627
Interest expenses	1,525	3,289
Interest on deposits	1,497	2,590
Interest on negotiable certificates of deposit	14	19
Interest on call money	2	539
Interest on payables under securities lending transactions	0	128
Interest on borrowed money	1	—
Other interest expenses	9	10
Fees and commissions payments	3,629	3,400
Other ordinary expenses	384	1,422
General and administrative expenses	29,333	29,002
Other expenses	4,566	3,511
Provision of allowance for loan losses	3,915	2,609
Others	650	901
Ordinary profit	3,272	6,157
Extraordinary income	—	—
Extraordinary loss	128	168
Loss on disposal of non-current assets	88	168
Impairment loss on non-current assets	39	—
Income before income taxes	3,144	5,988
Income taxes-current	1,651	2,337
Income taxes-deferred	296	(1,306)
Total income taxes	1,948	1,030
Net income	1,196	4,958
Net income attributable to non-controlling interests	—	—
Net income attributable to owners of the parent	1,196	4,958

3. Consolidated statements of comprehensive income

(Millions of yen)	For the year ended	
	March 31, 2022	March 31, 2023
Net income	1,196	4,958
Other comprehensive income	(233)	(663)
Valuation difference on available-for-sale securities	(233)	(663)
Comprehensive income	962	4,294
Comprehensive income attributable to owners of the parent	962	4,294
Comprehensive income attributable to non-controlling interests	—	—

4. Consolidated statements of changes in net assets

For the year ended March 31, 2022

(Millions of yen)

	Shareholders' equity				Accumulated other comprehensive income		Total net assets
	Capital stock	Capital surplus	Retained earnings	Total	Valuation difference on available-for-sale securities	Total	
Balance at the beginning of current period	26,000	24,000	113,722	163,722	(131)	(131)	163,590
Cumulative effects of changes in accounting policies	—	—	(450)	(450)	—	—	(450)
Restated balance	26,000	24,000	113,271	163,271	(131)	(131)	163,139
Changes of items during the period							
Net income(loss) attributable to owners of the parent	—	—	1,196	1,196	—	—	1,196
Net changes of items other than shareholders' equity	—	—	—	—	(233)	(233)	(233)
Total changes of items during the period	—	—	1,196	1,196	(233)	(233)	962
Balance at the end of current period	26,000	24,000	114,467	164,467	(364)	(364)	164,102

For the year ended March 31, 2023

(Millions of yen)

	Shareholders' equity				Accumulated other comprehensive income		Total net assets
	Capital stock	Capital surplus	Retained earnings	Total	Valuation difference on available-for-sale securities	Total	
Balance at the beginning of current period	26,000	24,000	114,467	164,467	(364)	(364)	164,102
Changes of items during the period							
Net income(loss) attributable to owners of the parent	—	—	4,958	4,958	—	—	4,958
Net changes of items other than shareholders' equity	—	—	—	—	(663)	(663)	(663)
Total changes of items during the period	—	—	4,958	4,958	(663)	(663)	4,294
Balance at the end of current period	26,000	24,000	119,425	169,425	(1,028)	(1,028)	168,397

5. Going concern assumption

There is no applicable information.

6. Notes to consolidated financial statements

There is no applicable information.

7. Segment Information

Since our group operates solely within a banking segment, this information is omitted.

8. Per share data

	(yen)
Net assets per common share	240,567.33
Net income per common share	7,083.34

(notes)

(a) Net assets per share is calculated based on the followings:

(Millions of yen except number of shares)

Net assets	168,397
Deduction from net assets	—
Net assets attributable to common stock at the fiscal year-end	168,397
Number of shares of common stock outstanding at the fiscal year-end used for the calculation of net assets per share	700,000

(b) Net income per share is calculated based on the followings:

(Millions of yen except number of shares)

Net income	4,958
Amount not attributable to common stockholders	—
Net income attributable to owners of the parent to common stock	4,958
Average number of shares of common stock during the period	700,000

9. Subsequent events

There is no applicable information.

Non-consolidated Financial Statements

1. Non-consolidated balance sheets

(Millions of yen)	As of	
	March 31, 2022	March 31, 2023
Assets		
Cash and due from banks	414,703	455,185
Call loans	25,500	3,000
Monetary claims bought	9,545	13,031
Securities	173,116	184,624
Loans and bills discounted	1,428,544	1,428,565
Foreign exchanges	9,650	12,433
Other assets	60,888	66,058
Tangible fixed assets	3,522	3,318
Intangible fixed assets	7,193	7,693
Deferred tax assets	3,393	5,146
Customers' liabilities for acceptances and guarantees	5,433	4,161
Allowance for loan losses	(13,651)	(13,965)
Total assets	2,127,839	2,169,252
Liabilities		
Deposits	1,538,094	1,624,246
Negotiable certificates of deposits	364,978	210,100
Call money	—	133,059
Borrowed money	15,000	—
Foreign exchanges	120	82
Other liabilities	47,399	37,048
Provision for bonuses	813	793
Provision for directors' bonuses	162	159
Provision for directors' retirement benefits	149	153
Provision for losses on dormant deposit repayments	54	43
Acceptances and guarantees	5,433	4,161
Total liabilities	1,972,207	2,009,848
Net assets		
Capital stock	26,000	26,000
Capital surplus	24,000	24,000
Legal capital surplus	24,000	24,000
Retained earnings	105,997	110,433
Legal retained earnings	2,000	2,000
Other retained earnings	103,997	108,433
Retained earnings brought forward	103,997	108,433
Total shareholders' equity	155,997	160,433
Valuation difference on available-for-sale securities	(364)	(1,028)
Total valuation and translation adjustments	(364)	(1,028)
Total net assets	155,632	159,404
Total liabilities and net assets	2,127,839	2,169,252

2. Non-consolidated statements of income

(Millions of yen)	For the year ended	
	March 31, 2022	March 31, 2023
Ordinary income	42,578	46,673
Interest income	29,997	35,650
Interest on loans and discounts	27,299	28,895
Interest and dividends on securities	2,148	5,617
Interest on call loans	15	13
Interest on deposits with banks	446	669
Other interest income	86	455
Fees and commissions	6,929	6,317
Fees and commissions on domestic and foreign exchanges	1,011	776
Other fees and commissions	5,918	5,541
Other ordinary income	3,856	3,450
Gain on foreign exchange transactions	1,759	1,180
Gain on sales of bonds	24	—
Gain on redemption of bonds	18	32
Income from derivatives other than for trading or hedging	1,583	1,840
Others	471	397
Other income	1,793	1,254
Recoveries of written-off claims	0	0
Loan purchase revenue	604	522
Others	1,188	732
Ordinary expenses	40,167	41,346
Interest expenses	1,528	3,289
Interest on deposits	1,500	2,590
Interest on negotiable certificates of deposit	14	19
Interest on call money	2	539
Interest on payables under securities lending transactions	0	128
Interest on borrowed money	1	—
Other interest expenses	9	10
Fees and commissions payments	5,521	5,425
Fees and commissions on domestic and foreign exchanges	247	218
Other fees and commissions	5,274	5,206
Other ordinary expenses	384	1,422
Loss on sales of bonds	384	1,422
General and administrative expenses	29,026	28,693
Other expenses	3,705	2,514
Provision of allowance for loan losses	3,528	2,066
Written-off of loans	18	1
Provision for losses on dormant deposit repayments	—	29
Others	158	416
Ordinary profit	2,411	5,327
Extraordinary income	—	—
Extraordinary loss	125	168
Loss on disposal of non-current assets	85	168
Impairment loss on non-current assets	39	—
Income before income taxes	2,285	5,158
Income taxes-current	1,520	2,022
Income taxes-deferred	229	(1,299)
Total income taxes	1,750	722
Net income	535	4,436

3. Non-consolidated statements of changes in net assets

For the year ended March 31, 2022

(Millions of yen)

	Shareholders' equity						
	Capital stock	Capital surplus		Retained earnings			Total shareholders' equity
		Legal capital surplus	Total capital surplus	Legal retained earnings	Other retained earnings	Total retained earnings	
Balance at the beginning of current period	26,000	24,000	24,000	2,000	103,912	105,912	155,912
Cumulative effects of changes in accounting policies	—	—	—	—	(450)	(450)	(450)
Restated balance	26,000	24,000	24,000	2,000	103,461	105,461	155,461
Changes of items during the period							
Net income	—	—	—	—	535	535	535
Net changes of items other than shareholders' equity	—	—	—	—	—	—	—
Total changes of items during the period	—	—	—	—	535	535	535
Balance at the end of current period	26,000	24,000	24,000	2,000	103,997	105,997	155,997

	Valuation and translation adjustments		Total net assets
	Valuation difference on available-for-sale securities	Total valuation and translation adjustments	
Balance at the beginning of current period	(131)	(131)	155,780
Cumulative effects of changes in accounting policies	—	—	(450)
Restated balance	(131)	(131)	155,330
Changes of items during the period			
Net income	—	—	535
Net changes of items other than shareholders' equity	(233)	(233)	(233)
Total changes of items during the period	(233)	(233)	302
Balance at the end of current period	(364)	(364)	155,632

3. Non-consolidated statements of changes in net assets (Continued)

For the year ended March 31, 2023

(Millions of yen)

	Shareholders' equity						
	Capital stock	Capital surplus		Retained earnings			Total shareholders' equity
		Legal capital surplus	Total capital surplus	Legal retained earnings	Other retained earnings	Total retained earnings	
Balance at the beginning of current period	26,000	24,000	24,000	2,000	103,997	105,997	155,997
Changes of items during the period							
Net income	—	—	—	—	4,436	4,436	4,436
Net changes of items other than shareholders' equity	—	—	—	—	—	—	—
Total changes of items during the period	—	—	—	—	4,436	4,436	4,436
Balance at the end of current period	26,000	24,000	24,000	2,000	108,433	110,433	160,433

	Valuation and translation adjustments		Total net assets
	Valuation difference on available-for-sale securities	Total valuation and translation adjustments	
Balance at the beginning of current period	(364)	(364)	155,632
Changes of items during the period			
Net income	—	—	4,436
Net changes of items other than shareholders' equity	(663)	(663)	(663)
Total changes of items during the period	(663)	(663)	3,772
Balance at the end of current period	(1,028)	(1,028)	159,404

4. Going concern assumption

There is no applicable information.