

Consolidated Financial Results
for the 3rd Quarter of Fiscal 2024

February 14, 2025



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for the 3rd Quarter of Fiscal 2024 ended December 31, 2024
[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 2024 ended December 31, 2024

(1) Operating Results

(Millions of yen except per share data and percentages)

	For the nine months ended	
	December 31, 2024	December 31, 2023
Ordinary income	47,044	40,216
Change from the previous period	16.9%	15.2%
Ordinary profit	9,155	5,286
Change from the previous period	73.1%	24.9%
Net income attributable to owners of the parent	6,108	3,471
Change from the previous period	75.9%	63.3%
Net income per common share (yen)	8,726.27	4,958.77
Diluted net income per common share (yen)	—	—

Note: Comprehensive income for the nine months ended :

December 31, 2024 :	5,089 million yen	11.6 %
December 31, 2023 :	4,559 million yen	320.2 %

(2) Financial Conditions

(Millions of yen except percentages)

	As of	
	December 31, 2024	March 31, 2024
Total assets	2,407,851	2,311,242
Net assets	180,741	175,651
Ratio of net assets to total assets	7.5%	7.5%

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

December 31, 2024	180,741 million yen
March 31, 2024 :	175,651 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, 2024	:	700,000 shares
March 31, 2024	:	700,000 shares

(b) Number of Treasury Shares Outstanding as of :

December 31, 2024	:	— shares
March 31, 2024	:	— shares

(c) Average Number of Shares Outstanding for the nine months ended :

December 31, 2024	:	700,000 shares
December 31, 2023	:	700,000 shares

Consolidated Financial Statements

1. Consolidated Balance Sheets

(Millions of yen)	As of	
	March 31, 2024	December 31, 2024
Assets:		
Cash and due from banks	479,665	415,301
Monetary claims bought	25,718	26,103
Securities	266,028	329,328
Loans and bills discounted	1,464,174	1,568,527
Foreign exchanges	6,745	7,129
Other assets	60,220	53,504
Tangible fixed assets	2,918	2,623
Intangible fixed assets	6,580	5,786
Deferred tax assets	5,264	6,000
Customers' liabilities for acceptances and guarantees	9,779	9,743
Allowance for loan losses	(15,853)	(16,197)
Total assets	2,311,242	2,407,851
Liabilities:		
Deposits	1,804,678	1,950,932
Negotiable certificate of deposits	128,200	34,000
Call money	100,739	74,000
Payables under repurchase agreements	54,786	103,576
Payables under securities lending transactions	—	9,467
Borrowed money	—	3,300
Foreign exchanges	300	239
Other liabilities	35,811	39,468
Provision for bonuses	826	1,875
Provision for directors' bonuses	199	201
Provision for directors' retirement benefits	209	242
Provision for losses on dormant deposit repayments	55	55
Provision for possible losses on refund of interest	5	5
Acceptances and guarantees	9,779	9,743
Total liabilities	2,135,590	2,227,109
Net assets:		
Capital stock	26,000	26,000
Capital surplus	24,000	24,000
Retained earnings	125,967	132,075
Total shareholders' equity	175,967	182,075
Valuation difference on available-for-sale securities	(315)	(1,434)
Deferred gains or losses on hedges	—	99
Total accumulated other comprehensive income	(315)	(1,334)
Total net assets	175,651	180,741
Total liabilities and net assets	2,311,242	2,407,851

2. Consolidated Statements of Income

(Millions of yen)	For the nine months ended	
	December 31, 2023	December 31, 2024
Ordinary income:	40,216	47,044
Interest income and dividends	32,783	38,844
Interest on loans and discounts	24,274	26,430
Interest and dividends on securities	7,217	11,034
Fees and commissions	5,290	5,795
Other ordinary income	1,475	1,585
Other income	666	818
Ordinary expenses:	34,929	37,888
Interest expenses	4,531	8,632
Interest on deposits	3,185	5,106
Fees and commissions payments	2,631	2,599
Other ordinary expenses	1,595	2,366
General and administrative expenses	22,989	23,035
Other expenses	3,181	1,254
Ordinary profit	5,286	9,155
Extraordinary income	—	—
Extraordinary loss	60	101
Income before income taxes	5,226	9,053
Income taxes-current	2,421	3,231
Income taxes-deferred	(666)	(286)
Total income taxes	1,755	2,944
Net income	3,471	6,108
Net income attributable to non-controlling interests	—	—
Net income attributable to owners of the parent	3,471	6,108

3. Consolidated Statements of Comprehensive Income

(Millions of yen)	For the nine months ended	
	December 31, 2023	December 31, 2024
Net income	3,471	6,108
Other comprehensive income	1,088	(1,018)
Valuation difference on available-for-sale securities	1,088	(1,118)
Deferred gains or losses on hedges	—	99
Comprehensive income	4,559	5,089
Comprehensive income attributable to owners of the parent	4,559	5,089
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)
	2024 (A)	2023 (B)	
Gross operating profit (Note 1)	32,626	30,791	1,835
Net interest income	30,211	28,252	1,959
Net fees and commissions	3,195	2,659	536
Net other ordinary income	(781)	(119)	(661)
General and administrative expenses	23,035	22,989	45
Net operating income before general allowance and goodwill (Note 2)	9,591	7,801	1,789
Provision for general allowance for loan losses	(372)	2	(374)
Net operating income (Note 3)	9,963	7,799	2,164
Non-recurring income and expenses	(808)	(2,512)	1,704
Net gain and loss on stocks and other securities	—	—	—
Problem claims related costs	1,469	2,732	(1,262)
Written-off of loans	71	54	16
Provision for specific allowance for loan losses	1,380	2,250	(870)
Net loss on sales of loans	18	427	(409)
Reversal of allowance for loan losses	—	—	—
Recoveries of written-off claims	1	4	(3)
Others	660	215	444
Ordinary profit	9,155	5,286	3,868
Extraordinary income and loss	(101)	(60)	(41)
Net gain and loss on disposal of non-current assets	(101)	(60)	(41)
Gain on disposal of non-current assets	—	—	—
Loss on disposal of non-current assets	101	60	41
Others	—	—	—
Income before income taxes	9,053	5,226	3,826
Income taxes	2,944	1,755	1,189
Income taxes - current	3,231	2,421	809
Income taxes - deferred	(286)	(666)	379
Net income	6,108	3,471	2,637
Net income attributable to non-controlling interests	—	—	—
Net income attributable to owners of the parent	6,108	3,471	2,637

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)	1,111	2,747	(1,635)
Excluding recoveries of written-off claims	1,112	2,751	(1,638)

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)
	2024 (A)	2023 (B)	
Gross operating profit	30,751	29,132	1,619
Net interest income	30,187	28,214	1,973
Net fees and commissions	1,344	1,037	307
Net other ordinary income	(781)	(119)	(661)
of which net gain and loss on bonds	314	(322)	636
General and administrative expenses (excluding non-recurring expenses)	22,452	22,564	(112)
Personnel expenses	11,161	10,615	545
Nonpersonnel expenses	10,266	10,693	(427)
Taxes	1,025	1,255	(230)
Net operating income before general allowance and goodwill	8,298	6,567	1,731
Core net operating income (excluding net gain and loss on bonds)	7,984	6,890	1,094
Excluding gain and loss on cancellation of investment trusts	7,984	6,890	1,094
Provision for general allowance for loan losses	—	(29)	29
Amortization of goodwill	—	—	—
Net operating income	8,298	6,596	1,701
Non-recurring income and expenses	466	(1,723)	2,189
Net gain and loss on stocks and other securities	—	—	—
Problem claims related costs	(6)	1,770	(1,777)
Written-off of loans	2	0	1
Provision for specific allowance for loan losses	—	1,775	(1,775)
Net gain and loss on sales of loans	(9)	(5)	(3)
Reversal of allowance for loan losses	100	—	100
Recoveries of written-off claims	—	3	(3)
Others	358	43	314
Ordinary profit	8,764	4,873	3,891
Extraordinary income and loss	(100)	(60)	(40)
Net gain and loss on disposal of non-current assets	(100)	(60)	(40)
Gain on disposal of non-current assets	—	—	—
Loss on disposal of non-current assets	100	60	40
Others	—	—	—
Income before income taxes	8,663	4,813	3,850
Income taxes	2,743	1,618	1,124
Income taxes - current	2,943	2,293	650
Income taxes - deferred	(200)	(674)	474
Net income	5,920	3,194	2,725

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, 2024
		2024 (A)	2023 (B)		
	Bankruptcy and Quasi-Bankruptcy	3,018	3,232	(213)	3,152
	Doubtful	8,978	12,163	(3,185)	9,241
	Sub-standard	2,760	2,742	18	2,647
	Loans Past Due 3 Months or More	360	477	(117)	434
	Restructured Loans	2,400	2,264	136	2,213
	Sub-Total (a)	14,757	18,137	(3,380)	15,041
	Normal	1,563,833	1,455,731	108,101	1,524,195
	Total (b)	1,578,591	1,473,869	104,721	1,539,236
Ratio of Problem Loans to Total Claims (a / b × 100)		0.93%	1.23%	(0.30)%	0.97%

<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, 2024
		2024 (A)	2023 (B)		
	Bankruptcy and Quasi-Bankruptcy	11,626	11,655	(29)	11,060
	Doubtful	8,978	12,163	(3,185)	9,241
	Sub-standard	2,760	2,742	18	2,647
	Loans Past Due 3 Months or More	360	477	(117)	434
	Restructured Loans	2,400	2,264	136	2,213
	Sub-Total (a)	23,365	26,561	(3,195)	22,949
	Normal	1,563,833	1,455,731	108,101	1,524,195
	Total (b)	1,587,198	1,482,292	104,906	1,547,145
Ratio of Problem Loans to Total Claims (a / b × 100)		1.47%	1.79%	(0.32)%	1.48%

(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, 2024
		2024 (A)	2023 (B)		
	Bankruptcy and Quasi-Bankruptcy	1,522	1,828	(305)	1,700
	Doubtful	8,958	12,140	(3,181)	9,221
	Sub-standard	2,752	2,742	10	2,647
	Loans Past Due 3 Months or More	352	477	(125)	434
	Restructured Loans	2,400	2,264	136	2,213
	Sub-Total (a)	13,234	16,711	(3,477)	13,568
	Normal	1,558,534	1,450,321	108,212	1,518,773
	Total (b)	1,571,768	1,467,032	104,735	1,532,342
Ratio of Problem Loans to Total Claims (a / b × 100)		0.84%	1.13%	(0.29)%	0.88%

<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, 2024
		2024 (A)	2023 (B)		
	Bankruptcy and Quasi-Bankruptcy	8,226	9,062	(835)	8,008
	Doubtful	8,958	12,140	(3,181)	9,221
	Sub-standard	2,752	2,742	10	2,647
	Loans Past Due 3 Months or More	352	477	(125)	434
	Restructured Loans	2,400	2,264	136	2,213
	Sub-Total (a)	19,937	23,944	(4,006)	19,876
	Normal	1,558,534	1,450,321	108,212	1,518,773
	Total (b)	1,578,472	1,474,266	104,206	1,538,650
Ratio of Problem Loans to Total Claims (a / b × 100)		1.26%	1.62%	(0.36)%	1.29%

3. Securities at Fair Value (Consolidated)

1) Held-to-maturity securities

(Millions of yen)

	As of December 31, 2024			As of December 31, 2023			As of September 30, 2024		
	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	202,742	203,007	264	149,868	150,051	182	197,612	198,338	726
Total	202,742	203,007	264	149,868	150,051	182	197,612	198,338	726

2) Available-for-sale securities

(Millions of yen)

	As of December 31, 2024			As of December 31, 2023			As of September 30, 2024		
	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	46,929	46,877	51	38,623	38,592	31	46,986	46,835	150
Government bonds	21,433	21,487	(54)	15,003	14,998	5	21,970	21,990	(20)
Corporate bonds	25,495	25,389	105	23,620	23,594	25	25,016	24,845	171
Others	79,432	82,247	(2,814)	51,943	53,010	(1,066)	54,249	55,573	(1,323)
Total	126,362	129,125	(2,763)	90,567	91,603	(1,035)	101,235	102,408	(1,172)

4. Derivatives (Consolidated)

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

(a) Interest Rate Derivatives

(Millions of yen)

		As of December 31, 2024			As of December 31, 2023			As of September 30, 2024		
		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	564,421	262	262	484,974	(240)	(240)	525,774	6	6
	Others	24,993	(8)	64	39,651	(1)	149	43,537	(16)	35
Total			254	327		(241)	(90)		(10)	41

(b) Currency Derivatives

(Millions of yen)

		As of December 31, 2024			As of December 31, 2023			As of September 30, 2024		
		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	145,676	(3,750)	(3,750)	136,030	2,890	2,890	138,158	1,148	1,148
	Currency Options	1,064,878	(400)	7,810	1,096,037	(563)	8,679	1,018,232	(647)	7,986
Total			(4,151)	4,059		2,327	11,570		501	9,135

(c) Bond Derivatives

(Millions of yen)

		As of December 31, 2024			As of December 31, 2023			As of September 30, 2024		
		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	—	—	—	—	—	—	3,244	△ 0	△ 0
Total			—	—		—	—		△ 0	△ 0

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

(2) Derivative transactions to which hedge accounting is applied

Interest Rate Derivatives

(Millions of yen)

Treatments	Products	Major hedged items	As of December 31,				As of September 30, 2024	
			2024		2023		Notional amounts	Fair value
			Notional amounts	Fair value	Notional amounts	Fair value		
Deferral hedge accounting	Interest Rate Swaps	Loans	16,900	127	—	—	11,000	14
Total				127		—		14

*Derivatives transactions other than Interest Rate Derivatives : Not applicable.

5. Balances of Loans and Deposits (Consolidated)

(Millions of yen)

	As of December 31,		As of September 30, 2024
	2024	2023	
Total deposits	1,984,932	1,887,435	1,997,181
Deposits	1,950,932	1,709,735	1,956,181
Individuals	1,188,540	1,144,333	1,171,348
Corporations	487,406	412,592	528,161
Public entities	257,794	145,897	220,013
Financial institutions	17,191	6,911	36,657
Negotiable certificates of deposit	34,000	177,700	41,000
Loans and bills discounted	1,568,527	1,463,637	1,532,784