

Consolidated Financial Results

for the Fiscal Year ended March 31, 2020

[under Japanese GAAP]

Company Name : **The Tokyo Star Bank, Limited**
 (URL <http://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, 2020

(1) Operating Results

(Millions of yen except per share data and percentages)

	For the year ended March 31	
	2020	2019
Ordinary income	54,356	60,102
Change from the previous period	(9.5)%	(14.6)%
Ordinary profit	9,931	10,640
Change from the previous period	(6.6)%	(40.4)%
Net income attributable to owners of the parent	8,998	8,068
Change from the previous period	11.5%	(35.3)%
Net income per common share (yen)	12,854.50	11,526.08
Diluted net income per common share (yen)	-	-
Return on equity	5.6%	5.2%
Ratio of ordinary profit to total assets	0.4%	0.4%
Ratio of ordinary profit to ordinary income	18.2%	17.7%

Note: Comprehensive income for the year ended :

March 31, 2020 :	4,473 million yen	(52.8) %
March 31, 2019 :	9,480 million yen	(20.9) %

(2) Financial Conditions

(Millions of yen except percentages)

	As of March 31	
	2020	2019
Total assets	2,419,895	2,460,480
Net assets	162,535	158,061
Ratio of net assets to total assets	6.7%	6.4%
Net assets per common share (yen)	232,193.16	225,802.74

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

March 31, 2020 :	162,535 million yen
March 31, 2019 :	158,061 million yen

2. Ratio of net assets to total assets

$$= (\text{Net assets} - \text{Stock acquisition rights} - \text{Non-controlling interests}) / \text{Total assets} \times 100$$

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, 2020 : 700,000 shares

March 31, 2019 : 700,000 shares

(b) Number of Treasury Shares Outstanding as of :

March 31, 2020 : — shares

March 31, 2019 : — shares

(c) Average Number of Shares Outstanding for the fiscal year ended :

March 31, 2020 : 700,000 shares

March 31, 2019 : 700,000 shares

(Reference)

1. Summary of Non-Consolidated Financial Results
for the Fiscal Year ended March 31, 2020

(1) Operating Results

(Millions of yen except per share data and percentages)

	For the year ended March 31	
	2020	2019
Ordinary income	54,720	59,784
Change from the previous period	(8.4)%	(14.9)%
Ordinary profit	9,401	10,430
Change from the previous period	(9.8)%	(39.6)%
Net income	8,524	7,924
Change from the previous period	7.5%	(34.7)%
Net income per common share (yen)	12,177.61	11,320.72
Diluted net income per common share (yen)	-	-

(2) Financial Conditions

(Millions of yen except percentages)

	As of March 31	
	2020	2019
Total assets	2,415,260	2,454,427
Net assets	153,231	149,231
Ratio of net assets to total assets	6.3%	6.0%
Net assets per common share (yen)	218,901.98	213,188.44

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

March 31, 2020 : 153,231 million yen

March 31, 2019 : 149,231 million yen

2. Ratio of net assets to total assets

= (Net assets - Stock acquisition rights) / Total assets X 100

Consolidated Financial Statements

1. Consolidated balance sheets

(Millions of yen)	As of	
	March 31, 2019	March 31, 2020
Assets		
Cash and due from banks	412,822	409,923
Call loans	17,000	29,000
Monetary claims bought	7,091	6,298
Money held in trust	4,949	0
Securities	231,389	220,904
Loans and bills discounted	1,670,433	1,641,575
Foreign exchanges	6,427	9,449
Other assets	96,373	84,273
Tangible fixed assets	5,542	4,600
Intangible fixed assets	8,763	8,168
Deferred tax assets	3,362	4,471
Customers' liabilities for acceptances and guarantees	9,139	11,127
Allowance for loan losses	(12,815)	(9,900)
Total assets	2,460,480	2,419,895
Liabilities		
Deposits	1,713,328	1,853,240
Negotiable certificates of deposits	429,326	198,263
Call money	22,000	57,649
Payables under securities lending transactions	37,075	48,320
Borrowed money	28,329	36,420
Foreign exchanges	23	229
Other liabilities	61,978	50,925
Provision for bonuses	928	933
Provision for directors' bonuses	175	164
Provision for losses on dormant deposit repayments	99	76
Provision for possible losses on refund of interest	11	8
Acceptances and guarantees	9,139	11,127
Total liabilities	2,302,418	2,257,360
Net assets		
Capital stock	26,000	26,000
Capital surplus	24,000	24,000
Retained earnings	107,065	116,063
Total shareholders' equity	157,065	166,063
Valuation difference on available-for-sale securities	996	(3,528)
Total accumulated other comprehensive income	996	(3,528)
Total net assets	158,061	162,535
Total liabilities and net assets	2,460,480	2,419,895

2. Consolidated statements of income

(Millions of yen)	For the year ended	
	March 31, 2019	March 31, 2020
Ordinary income	60,102	54,356
Interest income	39,202	38,220
Interest on loans and discounts	33,164	32,934
Interest and dividends on securities	5,560	4,843
Interest on call loans	31	20
Interest on deposits with banks	304	304
Other interest income	140	117
Fees and commissions	10,578	10,256
Other ordinary income	7,127	4,572
Other income	3,194	1,306
Ordinary expenses	49,462	44,425
Interest expenses	4,527	3,412
Interest on deposits	3,688	2,968
Interest on negotiable certificates of deposit	24	25
Interest on call money	305	326
Interest on payables under repurchase agreements	78	—
Interest on payables under securities lending transactions	314	11
Interest on borrowed money	79	73
Interest on bonds	25	—
Other interest expenses	9	6
Fees and commissions payments	4,675	4,168
Other ordinary expenses	2,237	648
General and administrative expenses	35,189	34,958
Other expenses	2,832	1,236
Provision of allowance for loan losses	885	—
Others	1,947	1,236
Ordinary profit	10,640	9,931
Extraordinary income	—	3,188
Gain on disposal of non-current assets	—	3,188
Extraordinary loss	201	176
Loss on disposal of non-current assets	201	176
Income before income taxes	10,438	12,943
Income taxes-current	2,230	3,057
Income taxes-deferred	140	888
Total income taxes	2,370	3,945
Net income	8,068	8,998
Net income attributable to non-controlling interests	—	—
Net income attributable to owners of the parent	8,068	8,998

3. Consolidated statements of comprehensive income

(Millions of yen)	For the year ended	
	March 31, 2019	March 31, 2020
Net income	8,068	8,998
Other comprehensive income	1,412	(4,524)
Valuation difference on available-for-sale securities	1,612	(4,524)
Deferred gains or losses on hedges	(200)	—
Comprehensive income	9,480	4,473
Comprehensive income attributable to owners of the parent	9,480	4,473
Comprehensive income attributable to non-controlling interests	—	—

4. Consolidated statements of changes in net assets

For the year ended March 31, 2019

(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	Deferred gains or losses on hedges	Total	
Balance at the beginning of current period	26,000	24,000	98,997	148,997	(616)	200	(416)	148,581
Changes of items during the period								
Net income attributable to owners of the parent	—	—	8,068	8,068	—	—	—	8,068
Net changes of items other than shareholders' equity	—	—	—	—	1,612	(200)	1,412	1,412
Total changes of items during the period	—	—	8,068	8,068	1,612	(200)	1,412	9,480
Balance at the end of current period	26,000	24,000	107,065	157,065	996	—	996	158,061

For the year ended March 31, 2020

(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	Deferred gains or losses on hedges	Total	
Balance at the beginning of current period	26,000	24,000	107,065	157,065	996	—	996	158,061
Changes of items during the period								
Net income attributable to owners of the parent	—	—	8,998	8,998	—	—	—	8,998
Net changes of items other than shareholders' equity	—	—	—	—	(4,524)	—	(4,524)	(4,524)
Total changes of items during the period	—	—	8,998	8,998	(4,524)	—	(4,524)	4,473
Balance at the end of current period	26,000	24,000	116,063	166,063	(3,528)	—	(3,528)	162,535

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	232,193.16
Net income per common share	12,854.50

(notes)

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

(Millions of yen except number of shares)

Net assets	162,535
Deduction from net assets	—
Net assets attributable to common stock at the fiscal year-end	162,535
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	8,998
Amount not attributable to common stockholders	—
Net income attributable to owners of the parent to common stock	8,998
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, 2019	March 31, 2020
Assets		
Cash and due from banks	412,095	408,933
Call loans	17,000	29,000
Monetary claims bought	7,091	6,298
Money held in trust	4,949	0
Securities	236,054	225,584
Loans and bills discounted	1,663,690	1,637,240
Foreign exchanges	6,427	9,449
Other assets	96,316	84,182
Tangible fixed assets	5,441	4,484
Intangible fixed assets	8,723	8,106
Deferred tax assets	2,723	3,783
Customers' liabilities for acceptances and guarantees	2,741	4,689
Allowance for loan losses	(8,828)	(6,493)
Total assets	2,454,427	2,415,260
Liabilities		
Deposits	1,722,520	1,864,308
Negotiable certificates of deposits	429,326	198,263
Call money	22,000	57,649
Payables under securities lending transactions	37,075	48,320
Borrowed money	28,329	36,420
Foreign exchanges	23	229
Other liabilities	61,978	50,976
Provision for bonuses	924	930
Provision for directors' bonuses	175	164
Provision for losses on dormant deposit repayments	99	76
Acceptances and guarantees	2,741	4,689
Total liabilities	2,305,195	2,262,028
Net assets		
Capital stock	26,000	26,000
Capital surplus	24,000	24,000
Legal capital surplus	24,000	24,000
Retained earnings	98,235	106,760
Legal retained earnings	2,000	2,000
Other retained earnings	96,235	104,760
Retained earnings brought forward	96,235	104,760
Total shareholders' equity	148,235	156,760
Valuation difference on available-for-sale securities	996	(3,528)
Total valuation and translation adjustments	996	(3,528)
Total net assets	149,231	153,231
Total liabilities and net assets	2,454,427	2,415,260

2. Non-consolidated statements of income

(Millions of yen)	For the year ended	
	March 31, 2019	March 31, 2020
Ordinary income	59,784	54,720
Interest income	39,077	38,048
Interest on loans and discounts	32,885	32,771
Interest and dividends on securities	5,715	4,834
Interest on call loans	31	20
Interest on deposits with banks	304	304
Interest on interest swaps	0	—
Other interest income	139	117
Fees and commissions	10,362	10,102
Fees and commissions on domestic and foreign exchanges	1,355	1,286
Other fees and commissions	9,006	8,815
Other ordinary income	7,127	4,572
Gain on foreign exchange transactions	979	1,293
Gain on sales of bonds	577	1,721
Gain on redemption of bonds	40	34
Income from derivatives other than for trading or hedging	2,345	430
Others	3,183	1,093
Other income	3,217	1,996
Reversal of allowance for loan losses	9	674
Gain on sales of stocks and other securities	272	—
Loan purchase revenue	1,112	749
Others	1,823	571
Ordinary expenses	49,354	45,319
Interest expenses	4,527	3,412
Interest on deposits	3,688	2,968
Interest on negotiable certificates of deposit	24	25
Interest on call money	305	326
Interest on payables under repurchase agreements	78	—
Interest on payables under securities lending transactions	314	11
Interest on borrowed money	79	73
Interest on bonds	25	—
Other interest expenses	9	6
Fees and commissions payments	6,124	5,813
Fees and commissions on domestic and foreign exchanges	247	259
Other fees and commissions	5,877	5,553
Other ordinary expenses	2,237	647
Loss on sales of bonds	2,216	624
Loss on redemption of bonds	20	22
General and administrative expenses	34,847	34,752
Other expenses	1,616	694
Written-off of loans	—	36
Loss on sales of stocks and other securities	1,049	—
Loss on money held in trust	27	220
Provision for losses on dormant deposit repayments	81	14
Others	457	421
Ordinary profit	10,430	9,401

2. Non-consolidated statements of income (continued)

(Millions of yen)	For the year ended	
	March 31, 2019	March 31, 2020
Extraordinary income	—	3,186
Extraordinary loss	193	165
Loss on disposal of non-current assets	193	165
Income before income taxes	10,237	12,421
Income taxes-current	2,068	2,960
Income taxes-deferred	243	936
Total income taxes	2,312	3,897
Net income	7,924	8,524

3. Non-consolidated statements of changes in net assets

For the year ended March 31, 2019

(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	88,311	90,311	140,311
Changes of items during the period							
Net income	—	—	—	—	7,924	7,924	7,924
Net changes of items other than shareholders' equity	—	—	—	—	—	—	—
Total changes of items during the period	—	—	—	—	7,924	7,924	7,924
Balance at the end of current period	26,000	24,000	24,000	2,000	96,235	98,235	148,235

	Valuation and translation adjustments			Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Total valuation and translation adjustments	
Balance at the beginning of current period	(616)	200	(416)	139,894
Changes of items during the period				
Net income	—	—	—	7,924
Net changes of items other than shareholders' equity	1,612	(200)	1,412	1,412
Total changes of items during the period	1,612	(200)	1,412	9,337
Balance at the end of current period	996	—	996	149,231

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

For the year ended March 31, 2020

(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	96,235	98,235	148,235
Changes of items during the period							
Net income	—	—	—	—	8,524	8,524	8,524
Net changes of items other than shareholders' equity	—	—	—	—	—	—	—
Total changes of items during the period	—	—	—	—	8,524	8,524	8,524
Balance at the end of current period	26,000	24,000	24,000	2,000	104,760	106,760	156,760

	Valuation and translation adjustments			Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Total valuation and translation adjustments	
Balance at the beginning of current period	996	—	996	149,231
Changes of items during the period				
Net income	—	—	—	8,524
Net changes of items other than shareholders' equity	(4,524)	—	(4,524)	(4,524)
Total changes of items during the period	(4,524)	—	(4,524)	3,999
Balance at the end of current period	(3,528)	—	(3,528)	153,231

4. Going concern assumption

There is no applicable information.