

Translation

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Summary of Consolidated Financial Results for the Year Ended March 31, 2023 (Based on Japanese GAAP)

May 10, 2023

Company name: The First Bank of Toyama, Ltd.
 Stock exchange listing: Tokyo
 Stock code: 7184 URL <https://www.first-bank.co.jp/>
 Representative: President and Representative Director Mitsuru Nomura
 Director, General Manager of Corporate Planning Department
 Inquiries: Honda Tsutomu TEL 076-461-3861
 Scheduled date of ordinary general meeting of shareholders: June 29, 2023
 Scheduled date to file Securities Report: June 29, 2023
 Scheduled date to commence dividend payments: June 30, 2023
 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, 2023 (from April 1, 2022 to March 31, 2023)

(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, 2023	35,252	24.3	6,326	20.9	4,203	20.6
Year ended March 31, 2022	28,351	(3.8)	5,233	47.6	3,486	52.2

	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, 2023	65.40	–	3.7	0.4	17.9
Year ended March 31, 2022	52.33	–	3.1	0.4	18.5

(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, 2023	1,485,657	122,292	7.7	1,798.58
As of March 31, 2022	1,466,345	121,310	7.8	1,712.04

(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, 2023	(23,704)	46,044	(1,979)	74,270
Year ended March 31, 2022	(4,267)	(14,572)	(800)	53,911

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, 2022	–	5.00	–	7.00	12.00	799	22.9	0.7
Year ended March 31, 2023	–	8.00	–	12.00	20.00	1,279	30.6	1.1
Year ending March 31, 2024 (Forecast)	–	10.00	–	10.00	20.00		29.9	

3. Forecast of consolidated financial results for the year ending March 31, 2024 (from April 1, 2023 to March 31, 2024)

Percentages indicate year-on-year changes

	Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Yen
Six months ending September 30, 2023	3,200	(20.9)	2,200	(16.9)	34.22
Full year	6,400	1.2	4,300	2.3	66.89

4. Notes

(1) Changes in significant subsidiaries during the year ended March 31, 2023

(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:

Yes

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, 2023	⋮	67,309,700 shares	As of March 31, 2022	⋮	67,309,700 shares
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Number of treasury shares at the end of the period

As of March 31, 2023	⋮	3,302,504 shares	As of March 31, 2022	⋮	680,481 shares
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Average number of shares during the period

Year ended March 31, 2023	⋮	64,278,307 shares	Year ended March 31, 2022	⋮	66,615,520 shares
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Consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2022	As of March 31, 2023
Assets		
Cash and due from banks	55,067	74,901
Trading securities	94	61
Money held in trust	700	700
Securities	500,198	447,052
Loans and bills discounted	889,402	938,090
Foreign exchanges	1,588	1,932
Lease receivables and investment assets	10,220	9,877
Other assets	6,054	11,014
Tangible fixed assets	9,167	8,348
Buildings, net	3,333	3,061
Land	4,602	4,316
Other tangible fixed assets	1,231	970
Intangible fixed assets	778	762
Software	729	712
Other intangible fixed assets	49	49
Retirement benefit asset	170	165
Deferred tax assets	76	59
Customers' liabilities for acceptances and guarantees	2,372	2,408
Allowance for loan losses	(9,546)	(9,718)
Total assets	1,466,345	1,485,657
Liabilities		
Deposits	1,238,815	1,248,281
Negotiable certificates of deposit	31,000	80,000
Call money and bills sold	10,000	–
Borrowed money	53,413	23,965
Other liabilities	3,374	2,929
Provision for bonuses for directors (and other officers)	22	22
Retirement benefit liability	166	235
Provision for reimbursement of deposits	70	68
Provision for contingent loss	395	580
Deferred tax liabilities	4,773	4,305
Deferred tax liabilities for land revaluation	629	567
Acceptances and guarantees	2,372	2,408
Total liabilities	1,345,035	1,363,364
Net assets		
Share capital	10,182	10,182
Capital surplus	6,266	6,291
Retained earnings	79,940	83,308
Treasury shares	(357)	(1,298)
Total shareholders' equity	96,031	98,483
Valuation difference on available-for-sale securities	16,982	15,783
Revaluation reserve for land	1,222	1,080
Remeasurements of defined benefit plans	(164)	(225)
Total accumulated other comprehensive income	18,040	16,638
Non-controlling interests	7,237	7,169
Total net assets	121,310	122,292
Total liabilities and net assets	1,466,345	1,485,657

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

(Millions of yen)

	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023
Ordinary income	28,351	35,252
Interest income	17,392	18,550
Interest on loans and discounts	8,196	8,586
Interest and dividends on securities	9,131	9,907
Interest on deposits with banks	63	49
Other interest income	0	7
Fees and commissions	2,238	2,425
Other ordinary income	6,201	11,846
Other income	2,519	2,429
Recoveries of written off receivables	48	104
Other	2,470	2,324
Ordinary expenses	23,118	28,926
Interest expenses	188	163
Interest on deposits	169	147
Interest on negotiable certificates of deposit	1	4
Interest on call money and bills sold	(2)	(7)
Interest on borrowings and rediscounts	19	18
Other interest expenses	0	0
Fees and commissions payments	988	972
Other ordinary expenses	5,647	13,190
General and administrative expenses	11,975	11,732
Other expenses	4,318	2,867
Provision of allowance for loan losses	3,047	614
Other	1,271	2,253
Ordinary profit	5,233	6,326
Extraordinary income	113	0
Gain on disposal of non-current assets	113	0
Extraordinary losses	431	244
Loss on disposal of non-current assets	7	8
Impairment losses	424	236
Profit before income taxes	4,915	6,082
Income taxes - current	1,852	1,538
Income taxes - deferred	(666)	159
Total income taxes	1,186	1,697
Profit	3,728	4,385
Profit attributable to non-controlling interests	242	181
Profit attributable to owners of parent	3,486	4,203

Consolidated statements of comprehensive income

(Millions of yen)

	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023
Profit	3,728	4,385
Other comprehensive income	893	(1,507)
Valuation difference on available-for-sale securities	1,090	(1,446)
Remeasurements of defined benefit plans, net of tax	(197)	(60)
Comprehensive income	4,621	2,878
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	3,238	2,944
Comprehensive income attributable to non-controlling interests	1,383	(65)

Consolidated statements of changes in equity

Fiscal year ended March 31, 2022

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	10,182	6,266	77,055	(380)	93,124
Cumulative effects of changes in accounting policies			(7)		(7)
Restated balance	10,182	6,266	77,048	(380)	93,117
Changes during period					
Dividends of surplus			(799)		(799)
Profit attributable to owners of parent			3,486		3,486
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares			(10)	22	12
Reversal of revaluation reserve for land			215		215
Net changes in items other than shareholders' equity					
Total changes during period	–	–	2,891	22	2,914
Balance at end of period	10,182	6,266	79,940	(357)	96,031

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	17,032	1,437	33	18,503	5,865	117,494
Cumulative effects of changes in accounting policies					(9)	(16)
Restated balance	17,032	1,437	33	18,503	5,856	117,477
Changes during period						
Dividends of surplus						(799)
Profit attributable to owners of parent						3,486
Purchase of treasury shares						(0)
Disposal of treasury shares						12
Reversal of revaluation reserve for land						215
Net changes in items other than shareholders' equity	(50)	(215)	(197)	(463)	1,381	918
Total changes during period	(50)	(215)	(197)	(463)	1,381	3,832
Balance at end of period	16,982	1,222	(164)	18,040	7,237	121,310

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	10,182	6,266	79,940	(357)	96,031
Changes during period					
Dividends of surplus			(977)		(977)
Profit attributable to owners of parent			4,203		4,203
Purchase of treasury shares				(1,000)	(1,000)
Disposal of treasury shares		24		58	83
Reversal of revaluation reserve for land			142		142
Net changes in items other than shareholders' equity					
Total changes during period	-	24	3,368	(941)	2,452
Balance at end of period	10,182	6,291	83,308	(1,298)	98,483

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	16,982	1,222	(164)	18,040	7,237	121,310
Changes during period						
Dividends of surplus						(977)
Profit attributable to owners of parent						4,203
Purchase of treasury shares						(1,000)
Disposal of treasury shares						83
Reversal of revaluation reserve for land						142
Net changes in items other than shareholders' equity	(1,199)	(142)	(60)	(1,401)	(68)	(1,469)
Total changes during period	(1,199)	(142)	(60)	(1,401)	(68)	982
Balance at end of period	15,783	1,080	(225)	16,638	7,169	122,292

Consolidated statements of cash flows

(Millions of yen)

	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023
Cash flows from operating activities		
Profit before income taxes	4,915	6,082
Depreciation	1,011	971
Impairment losses	424	236
Increase (decrease) in allowance for loan losses	2,405	172
Increase (decrease) in provision for bonuses for directors (and other officers)	(0)	(0)
Decrease (increase) in retirement benefit asset	(37)	4
Increase (decrease) in retirement benefit liability	22	69
Increase (decrease) in provision for reimbursement of deposits	(11)	(2)
Increase (decrease) in provision for contingent loss	189	184
Interest income	(17,392)	(18,550)
Interest expenses	188	163
Loss (gain) related to securities	(1,547)	1,267
Foreign exchange losses (gains)	(511)	1,725
Loss (gain) on disposal of non-current assets	(105)	7
Net decrease (increase) in loans and bills discounted	(40,788)	(50,085)
Net increase (decrease) in deposits	12,408	9,773
Net increase (decrease) in negotiable certificates of deposit	20,000	49,000
Net increase (decrease) in borrowed money (excluding subordinated borrowings)	6,759	(29,447)
Net decrease (increase) in due from banks (excluding due from Bank of Japan)	298	524
Net decrease (increase) in trading securities	48	33
Net increase (decrease) in call money	(5,000)	(10,000)
Net decrease (increase) in foreign exchanges - assets	(570)	(420)
Increase (decrease) in lease receivables and investment assets	(725)	342
Interest received	17,370	18,519
Interest paid	(235)	(276)
Other, net	(1,528)	(1,777)
Subtotal	(2,413)	(21,482)
Income taxes refund (paid)	(1,853)	(2,222)
Net cash provided by (used in) operating activities	(4,267)	(23,704)
Cash flows from investing activities		
Purchase of securities	(134,756)	(150,113)
Proceeds from sale of securities	85,441	145,149
Proceeds from redemption of securities	35,017	51,388
Purchase of tangible fixed assets	(419)	(135)
Proceeds from sale of property, plant and equipment	254	10
Purchase of intangible assets	(108)	(254)
Net cash provided by (used in) investing activities	(14,572)	46,044
Cash flows from financing activities		
Dividends paid	(799)	(977)
Dividends paid to non-controlling interests	(1)	(2)
Balance of purchase and sales of treasury stock	(0)	(1,000)
Net cash provided by (used in) financing activities	(800)	(1,979)
Effect of exchange rate change on cash and cash equivalents	2	(0)
Net increase (decrease) in cash and cash equivalents	(19,637)	20,359
Cash and cash equivalents at beginning of period	73,549	53,911
Cash and cash equivalents at end of period	53,911	74,270