

Translation

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

May 12, 2023

Company name: THE TOWA BANK, LTD.
 Stock exchange listing: Tokyo
 Stock code: 8558 URL <https://www.towabank.co.jp>
 Representative: Representative Director, Hiroshi Ebara
 President & Chief Executive Officer
 General Manager of Finance and Accounting
 Inquiries: Department Takashi Nagai TEL 027-234-1111
 Scheduled date of ordinary general meeting of shareholders: June 29, 2023
 Scheduled date to file Securities Report: June 30, 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: No

(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	33,513	(9.1)	3,987	7.3	4,094	134.5
Year ended March 31, 2022	36,907	1.2	3,712	(9.3)	1,745	(30.0)

Note: Comprehensive income Fiscal year ended March 31, 2023 ¥(6,445) million [-%]
 Fiscal year ended March 31, 2022 ¥(8,614) million [-%]

	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	105.58	62.71	3.3	0.1	11.8
Year ended March 31, 2022	42.01	27.22	1.3	0.1	10.0

Reference: Equity in earnings (losses) of affiliates Fiscal year ended March 31, 2023 ¥- million
 Fiscal year ended March 31, 2022 ¥- million

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share	Consolidated Capital adequacy ratio (domestic rules)
	Millions of yen	Millions of yen	%	Yen	%
As of March 31, 2023	2,390,395	117,688	4.8	2,754.45	10.43
As of March 31, 2022	2,566,787	125,209	4.8	2,960.72	10.54

Reference: Equity As of March 31, 2023 ¥116,907 million
 As of March 31, 2022 ¥124,468 million

Note: "Equity ratio" is calculated at (total net assets at the end of the period minus share acquisition rights at the end of the period minus non-controlling interests at the end of the period) divided by total assets at the end of the period.

"Consolidated capital adequacy ratio (domestic rules)" is calculated based on the "Criteria on whether the adequacy of equity capital of the bank is appropriate in light of the assets owned by the bank, etc. in accordance with the provisions of Article 14-2 of the Banking Act (Financial Services Agency Notification No. 19 of 2006)."

(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	(209,387)	22,388	(1,119)	187,554
Year ended March 31, 2022	4,998	(10,915)	(1,299)	375,672

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	–	0.00	–	25.00	25.00	922	59.5	0.8
Year ended March 31, 2023	–	0.00	–	25.00	25.00	923	23.6	0.8
Year ending March 31, 2024 (Forecast)	–	0.00	–	25.00	25.00		51.5	

Note: “Cash dividends” above is the dividend information pertaining to common shares. For information on dividends for class shares (unlisted), which have different shareholder rights than for common shares issued by the bank, please see “Dividends by share class.”

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 income		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Yen
Six months ending September 30, 2023	1,250	(51.0)	1,000	(66.4)	27.08
Full year	2,500	(37.2)	2,000	(51.1)	48.54

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	∴	37,180,273 shares	As of March 31, 2022	∴	37,180,273 shares
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Number of treasury shares at the end of the period

As of March 31, 2023	∴	254,381 shares	As of March 31, 2022	∴	272,762 shares
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Average number of shares during the period

Year ended March 31, 2023	∴	36,921,873 shares	Year ended March 31, 2022	∴	36,882,423 shares
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(Reference) Overview of non-consolidated financial results

1. Non-consolidated financial results for the fiscal year ended March 31, 2023 (from April 1, 2022 to March 31, 2023)

(1) Non-consolidated operating results

Percentages indicate year-on-year changes.

	Ordinary income		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended March 31, 2023	29,779	(10.2)	3,951	10.4	4,070	144.3
Fiscal year ended March 31, 2022	33,182	1.3	3,579	(6.8)	1,665	(27.8)

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Fiscal year ended March 31, 2023	104.91	62.34
Fiscal year ended March 31, 2022	39.84	25.97

(2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share	Non-consolidated capital adequacy ratio (domestic rules)
	Millions of yen	Millions of yen	%	Yen	%
As of March 31, 2023	2,381,584	115,670	4.8	2,714.19	10.44
As of March 31, 2022	2,558,182	122,579	4.7	2,903.56	10.51

Reference: Equity As of March 31, 2023 ¥115,420 million

As of March 31, 2022 ¥122,359 million

Note: "Equity ratio" is calculated at (total net assets at the end of the period minus share acquisition rights at the end of the period) divided by total assets at the end of the period.

"Non-consolidated capital adequacy ratio (domestic rules)" is calculated based on the "Criteria on whether the adequacy of equity capital of the bank is appropriate in light of the assets owned by the bank, etc. in accordance with the provisions of Article 14-2 of the Banking Act (Financial Services Agency Notification No. 19 of 2006)."

2. Forecast of non-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 income		Profit		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Yen
Six months ending September 30, 2023	1,250	(50.4)	1,000	(66.2)	27.08
Full year	2,500	(36.7)	2,000	(50.8)	48.54

* Financial results reports are exempt from audit conducted by certified public accountants or an audit corporation.

* Proper use of forecasts of financial results, and other special matters

The forward-looking statements, including earnings forecasts, contained in these materials are based on information currently available to THE TOWA BANK, LTD. (the "Bank") and on certain assumptions deemed to be reasonable. These statements do not purport that the Bank pledges to realize such statements. Actual performance and other results may differ materially due to various factors.

• Dividends by share class

The breakdown of dividends per share on share classes that differ in shareholders' rights from ordinary shares and total dividends are as follows.

Class 2 Preferred Stock	Dividends per share					Total dividends (Total)
	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	–	0.00	–	26.12	26.12	195
Year ended March 31, 2023	–	0.00	–	26.20	26.20	196
Year ending March 31, 2024 (Forecast)	–	0.00	–	27.68	27.68	

Notes: 1. Amount to be paid in per share: ¥200

2. Number and formula used as the basis for the calculation of dividends per share

(1) Year ended March 31, 2022

(i) Calculation formula

Dividends per share = amount to be paid in per share x (Japanese yen TIBOR + 1.15%)

(*) Calculated on the assumption that the amount to be paid in per share is ¥2,000, considering the effect of the consolidation of shares (effective October 1, 2017).

(ii) Japanese yen TIBOR

Japanese yen TIBOR (12 months) as of April 1, 2021 = 0.15636%

(iii) Number of issued shares

7,500,000 shares

(2) Year ended March 31, 2023

(i) Calculation formula

Dividends per share = amount to be paid in per share x (Japanese yen TIBOR + 1.15%)

(*) Calculated on the assumption that the amount to be paid in per share is ¥2,000, considering the effect of the consolidation of shares (effective October 1, 2017).

(ii) Japanese yen TIBOR

Japanese yen TIBOR (12 months) as of April 1, 2022 = 0.16000%

(iii) Number of issued shares

7,500,000 shares

(3) Year ending March 31, 2024 (forecast)

(i) Calculation formula

Dividends per share = amount to be paid in per share x (Japanese yen TIBOR + 1.15%)

(*) Calculated on the assumption that the amount to be paid in per share is ¥2,000, considering the effect of the consolidation of shares (effective October 1, 2017).

(ii) Japanese yen TIBOR

Japanese yen TIBOR (12 months) as of April 3, 2023 = 0.23364%

(iii) Number of issued shares

7,500,000 shares

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	376,579	188,346
Call loans and bills bought	–	1,108
Trading securities	0	0
Money held in trust	9,985	3,998
Securities	595,291	568,660
Loans and bills discounted	1,525,600	1,562,298
Foreign exchanges	832	663
Other assets	31,708	37,302
Tangible fixed assets	21,952	21,892
Buildings, net	4,248	4,487
Land	15,792	15,922
Leased assets, net	50	56
Construction in progress	70	43
Other tangible fixed assets	1,790	1,383
Intangible fixed assets	3,250	3,228
Software	3,016	2,625
Other intangible fixed assets	234	602
Retirement benefit asset	1,544	1,807
Deferred tax assets	4,913	4,635
Customers' liabilities for acceptances and guarantees	3,598	3,447
Allowance for loan losses	(8,469)	(6,995)
Total assets	<u>2,566,787</u>	<u>2,390,395</u>
Liabilities		
Deposits	2,135,975	2,144,412
Borrowed money	292,990	115,890
Foreign exchanges	84	161
Other liabilities	5,776	5,736
Provision for bonuses	447	446
Retirement benefit liability	43	48
Provision for retirement benefits for directors (and other officers)	1	–
Provision for reimbursement of deposits	216	124
Provision for contingent loss	372	432
Deferred tax liabilities	7	9
Deferred tax liabilities for land revaluation	2,063	1,997
Acceptances and guarantees	3,598	3,447
Total liabilities	<u>2,441,577</u>	<u>2,272,706</u>

(Millions of yen)

	As of March 31, 2022	As of March 31, 2023
Net assets		
Share capital	38,653	38,653
Capital surplus	17,500	17,500
Retained earnings	66,990	70,116
Treasury shares	(217)	(202)
Total shareholders' equity	122,927	126,068
Valuation difference on available-for-sale securities	(2,341)	(12,243)
Revaluation reserve for land	2,298	2,147
Remeasurements of defined benefit plans	1,584	935
Total accumulated other comprehensive income	1,541	(9,160)
Share acquisition rights	219	250
Non-controlling interests	520	531
Total net assets	125,209	117,688
Total liabilities and net assets	2,566,787	2,390,395

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	36,907	33,513
Interest income	23,098	22,308
Interest on loans and discounts	18,643	18,575
Interest and dividends on securities	4,213	3,568
Interest on call loans and bills bought	3	23
Interest on deposits with banks	235	136
Other interest income	2	4
Fees and commissions	6,081	6,227
Other ordinary income	1,399	173
Other income	6,328	4,804
Recoveries of written off receivables	568	656
Other	5,760	4,147
Ordinary expenses	33,194	29,526
Interest expenses	203	156
Interest on deposits	169	122
Interest on call money and bills sold	(1)	(0)
Interest on borrowings and rediscounts	34	34
Other interest expenses	0	0
Fees and commissions payments	3,461	3,364
Other ordinary expenses	219	306
General and administrative expenses	19,751	19,603
Other expenses	9,558	6,095
Provision of allowance for loan losses	1,195	253
Other	8,362	5,841
Ordinary profit	3,712	3,987
Extraordinary income	63	1,038
Gain on disposal of non-current assets	63	1,038
Extraordinary losses	353	32
Loss on disposal of non-current assets	34	25
Impairment losses	319	7
Profit before income taxes	3,422	4,993
Income taxes - current	1,495	333
Income taxes - deferred	133	556
Total income taxes	1,628	889
Profit	1,793	4,103
Profit attributable to non-controlling interests	47	8
Profit attributable to owners of parent	1,745	4,094

Consolidated statements of comprehensive income

(Millions of yen)

	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023
Profit	1,793	4,103
Other comprehensive income	(10,407)	(10,549)
Valuation difference on available-for-sale securities	(10,380)	(9,900)
Remeasurements of defined benefit plans, net of tax	(27)	(648)
Comprehensive income	(8,614)	(6,445)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(8,657)	(6,455)
Comprehensive income attributable to non-controlling interests	42	10

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	38,653	17,500	66,576	(304)	122,425
Cumulative effects of changes in accounting policies			(11)		(11)
Restated balance	38,653	17,500	66,565	(304)	122,414
Changes during period					
Dividends of surplus			(1,298)		(1,298)
Profit attributable to owners of parent			1,745		1,745
Disposal of treasury shares		0		87	88
Purchase of treasury shares				(0)	(0)
Reversal of revaluation reserve for land			(22)		(22)
Net changes in items other than shareholders' equity					
Total changes during period	-	0	425	87	513
Balance at end of period	38,653	17,500	66,990	(217)	122,927

	Accumulated other comprehensive income				Share acquisition rights	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	8,033	2,276	1,612	11,922	265	490	135,103
Cumulative effects of changes in accounting policies						(11)	(23)
Restated balance	8,033	2,276	1,612	11,922	265	478	135,080
Changes during period							
Dividends of surplus							(1,298)
Profit attributable to owners of parent							1,745
Disposal of treasury shares							88
Purchase of treasury shares							(0)
Reversal of revaluation reserve for land							(22)
Net changes in items other than shareholders' equity	(10,374)	22	(27)	(10,380)	(45)	42	(10,384)
Total changes during period	(10,374)	22	(27)	(10,380)	(45)	42	(9,871)
Balance at end of period	(2,341)	2,298	1,584	1,541	219	520	125,209

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	38,653	17,500	66,990	(217)	122,927
Changes during period					
Dividends of surplus			(1,118)		(1,118)
Profit attributable to owners of parent			4,094		4,094
Disposal of treasury shares		(2)		16	14
Purchase of treasury shares				(1)	(1)
Reversal of revaluation reserve for land			151		151
Transfer from retained earnings to capital surplus		1	(1)		-
Net changes in items other than shareholders' equity					
Total changes during period	-	(0)	3,126	15	3,140
Balance at end of period	38,653	17,500	70,116	(202)	126,068

	Accumulated other comprehensive income				Share acquisition rights	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	(2,341)	2,298	1,584	1,541	219	520	125,209
Changes during period							
Dividends of surplus							(1,118)
Profit attributable to owners of parent							4,094
Disposal of treasury shares							14
Purchase of treasury shares							(1)
Reversal of revaluation reserve for land							151
Transfer from retained earnings to capital surplus							-
Net changes in items other than shareholders' equity	(9,901)	(151)	(648)	(10,702)	30	10	(10,661)
Total changes during period	(9,901)	(151)	(648)	(10,702)	30	10	(7,520)
Balance at end of period	(12,243)	2,147	935	(9,160)	250	531	117,688

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	3,422	4,993
Depreciation	1,427	1,562
Impairment losses	319	7
Increase (decrease) in allowance for loan losses	(238)	(1,474)
Increase (decrease) in provision for bonuses	14	(1)
Decrease (increase) in retirement benefit asset	(1,238)	(1,196)
Increase (decrease) in retirement benefit liability	5	4
Increase (decrease) in provision for retirement benefits for directors (and other officers)	(0)	(1)
Increase (decrease) in provision for reimbursement of deposits	(71)	(91)
Increase (decrease) in provision for contingent loss	8	60
Interest income	(23,098)	(22,308)
Interest expenses	203	156
Loss (gain) related to securities	(2,576)	226
Loss (gain) on money held in trust	2	(0)
Foreign exchange losses (gains)	(609)	(650)
Loss (gain) on disposal of non-current assets	(29)	(1,013)
Net decrease (increase) in trading securities	0	0
Net decrease (increase) in loans and bills discounted	(22,779)	(36,698)
Net increase (decrease) in deposits	31,129	8,436
Net increase (decrease) in borrowed money (excluding subordinated borrowings)	(5,725)	(177,100)
Net decrease (increase) in due from banks (excluding due from Bank of Japan)	(129)	114
Net decrease (increase) in call loans	3,708	(1,108)
Net decrease (increase) in foreign exchanges - assets	1,096	169
Net increase (decrease) in foreign exchanges - liabilities	51	76
Interest received	24,311	22,641
Interest paid	(243)	(197)
Other, net	(2,528)	(5,151)
Subtotal	6,432	(208,543)
Income taxes paid	(1,433)	(844)
Net cash provided by (used in) operating activities	4,998	(209,387)
Cash flows from investing activities		
Purchase of securities	(150,418)	(69,180)
Proceeds from sale of securities	55,252	7,858
Proceeds from redemption of securities	85,409	78,158
Purchase of tangible fixed assets	(598)	(1,080)
Purchase of intangible assets	(899)	(758)
Proceeds from sale of tangible fixed assets	339	1,414
Payments for asset retirement obligations	(3)	(11)
Decrease in money held in trust	1	5,987
Net cash provided by (used in) investing activities	(10,915)	22,388

(Millions of yen)

	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023
Cash flows from financing activities		
Dividends paid	(1,298)	(1,118)
Purchase of treasury shares	(0)	(1)
Proceeds from exercise of employee share options	0	0
Net cash provided by (used in) financing activities	(1,299)	(1,119)
Effect of exchange rate change on cash and cash equivalents	–	–
Net increase (decrease) in cash and cash equivalents	(7,215)	(188,118)
Cash and cash equivalents at beginning of period	382,887	375,672
Cash and cash equivalents at end of period	375,672	187,554

Non-consolidated financial statements
Non-consolidated balance sheets

(Millions of yen)

	As of March 31, 2022	As of March 31, 2023
Assets		
Cash and due from banks	376,532	188,299
Cash	33,426	30,616
Due from banks	343,105	157,682
Call loans	–	1,108
Trading securities	0	0
Trading government bonds	0	0
Money held in trust	9,985	3,998
Securities	595,308	568,672
Government bonds	59,687	63,312
Local government bonds	130,621	121,448
Corporate bonds	207,146	215,094
Stocks	10,744	11,486
Other securities	187,108	157,329
Loans and bills discounted	1,528,195	1,564,847
Bills discounted	4,938	4,488
Loans on bills	56,330	39,957
Loans on deeds	1,341,096	1,388,710
Overdrafts	125,830	131,690
Foreign exchanges	832	663
Due from foreign banks (our accounts)	716	556
Foreign bills bought	58	55
Foreign bills receivable	57	50
Other assets	21,347	26,888
Domestic exchange settlement account, debit	208	448
Accrued revenue	2,160	2,113
Financial derivatives	6	5
Other	18,971	24,320
Tangible fixed assets	21,871	21,806
Buildings, net	4,246	4,485
Land	15,792	15,922
Leased assets, net	44	34
Construction in progress	70	43
Other tangible fixed assets	1,716	1,320
Intangible fixed assets	3,239	3,218
Software	3,007	2,617
Other intangible fixed assets	232	600
Prepaid pension costs	–	462
Deferred tax assets	5,606	5,043
Customers' liabilities for acceptances and guarantees	3,598	3,447
Allowance for loan losses	(8,334)	(6,871)
Total assets	2,558,182	2,381,584

(Millions of yen)

	As of March 31, 2022	As of March 31, 2023
Liabilities		
Deposits	2,136,864	2,145,580
Current deposits	74,608	75,844
Ordinary deposits	1,094,047	1,141,045
Savings deposits	14,986	15,739
Deposits at notice	5,411	5,629
Time deposits	907,329	872,707
Installment savings	18,448	16,978
Other deposits	22,033	17,635
Borrowed money	287,400	110,300
Borrowings from other banks	287,400	110,300
Foreign exchanges	84	161
Foreign bills sold	40	97
Foreign bills payable	44	63
Other liabilities	3,829	3,431
Domestic exchange settlement account, credit	127	218
Income taxes payable	741	193
Accrued expenses	965	931
Unearned revenue	580	607
Reserve for interest on installment savings	1	1
Financial derivatives	8	2
Lease liabilities	45	36
Asset retirement obligations	274	285
Other	1,083	1,155
Provision for bonuses	439	437
Provision for retirement benefits	734	—
Provision for reimbursement of deposits	216	124
Provision for contingent loss	372	432
Deferred tax liabilities for land revaluation	2,063	1,997
Acceptances and guarantees	3,598	3,447
Total liabilities	2,435,603	2,265,913
Net assets		
Share capital	38,653	38,653
Capital surplus	17,500	17,500
Legal capital surplus	17,500	17,500
Other capital surplus	0	—
Retained earnings	66,462	69,564
Legal retained earnings	3,190	3,414
Other retained earnings	63,272	66,150
Retained earnings brought forward	63,272	66,150
Treasury shares	(217)	(202)
Total shareholders' equity	122,399	125,515
Valuation difference on available-for-sale securities	(2,338)	(12,242)
Revaluation reserve for land	2,298	2,147
Total valuation and translation adjustments	(40)	(10,095)
Share acquisition rights	219	250
Total net assets	122,579	115,670
Total liabilities and net assets	2,558,182	2,381,584

Non-consolidated statements of income

(Millions of yen)

	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023
Ordinary income	33,182	29,779
Interest income	23,102	22,307
Interest on loans and discounts	18,649	18,576
Interest and dividends on securities	4,211	3,566
Interest on call loans	3	23
Interest on deposits with banks	235	136
Other interest income	2	4
Fees and commissions	5,496	5,618
Fees and commissions on domestic and foreign exchanges	1,332	1,244
Other fees and commissions	4,164	4,374
Other ordinary income	1,399	173
Gain on foreign exchange transactions	75	69
Gain on sale of bonds	879	103
Other	444	—
Other income	3,184	1,680
Recoveries of written off receivables	559	642
Gain on sale of equity securities	1,921	35
Gain on money held in trust	1	1
Other	702	1,001
Ordinary expenses	29,603	25,828
Interest expenses	171	123
Interest on deposits	169	122
Interest on call money	(1)	(0)
Other interest expenses	3	1
Fees and commissions payments	3,143	3,023
Fees and commissions on domestic and foreign exchanges	198	124
Other fees and commissions	2,944	2,898
Other ordinary expenses	219	306
Loss on sale of bonds	219	306
Other	0	0
General and administrative expenses	19,253	19,090
Other expenses	6,815	3,283
Provision of allowance for loan losses	1,188	242
Write-off of loans	5,139	2,323
Loss on sale of equity securities	4	—
Loss on devaluation of equity securities	—	59
Loss on money held in trust	3	1
Other	479	656
Ordinary profit	3,579	3,951
Extraordinary income	63	1,038
Gain on disposal of non-current assets	63	1,038
Extraordinary losses	353	32
Loss on disposal of non-current assets	34	25
Impairment losses	319	7
Profit before income taxes	3,288	4,957
Income taxes - current	1,489	331
Income taxes - deferred	133	556
Total income taxes	1,623	887
Profit	1,665	4,070

Non-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
		Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings	Other retained earnings	Total retained earnings		
Balance at beginning of period	38,653	17,500	–	17,500	2,930	63,186	66,117	(304)	121,966
Changes during period									
Dividends of surplus						(1,298)	(1,298)		(1,298)
Provision of legal retained earnings					259	(259)	–		–
Profit						1,665	1,665		1,665
Disposal of treasury shares			0	0				87	88
Purchase of treasury shares								(0)	(0)
Reversal of revaluation reserve for land						(22)	(22)		(22)
Net changes in items other than shareholders' equity									
Total changes during period	–	–	0	0	259	85	345	87	433
Balance at end of period	38,653	17,500	0	17,500	3,190	63,272	66,462	(217)	122,399

	Valuation and translation adjustments			Share acquisition rights	Total net assets
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Total valuation and translation adjustments		
Balance at beginning of period	8,031	2,276	10,307	265	132,539
Changes during period					
Dividends of surplus					(1,298)
Provision of legal retained earnings					–
Profit					1,665
Disposal of treasury shares					88
Purchase of treasury shares					(0)
Reversal of revaluation reserve for land					(22)
Net changes in items other than shareholders' equity	(10,370)	22	(10,348)	(45)	(10,393)
Total changes during period	(10,370)	22	(10,348)	(45)	(9,960)
Balance at end of period	(2,338)	2,298	(40)	219	122,579

	Shareholders' equity								
	Share capital	Capital surplus			Retained earnings			Treasury shares	Total shareholders' equity
		Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings	Other retained earnings	Total retained earnings		
Balance at beginning of period	38,653	17,500	0	17,500	3,190	63,272	66,462	(217)	122,399
Changes during period									
Dividends of surplus						(1,118)	(1,118)		(1,118)
Provision of legal retained earnings					223	(223)	–		–
Profit						4,070	4,070		4,070
Disposal of treasury shares			(2)	(2)				16	14
Purchase of treasury shares								(1)	(1)
Reversal of revaluation reserve for land						151	151		151
Transfer from retained earnings to capital surplus			1	1		(1)	(1)		–
Net changes in items other than shareholders' equity									
Total changes during period	–	–	(0)	(0)	223	2,878	3,101	15	3,116
Balance at end of period	38,653	17,500	–	17,500	3,414	66,150	69,564	(202)	125,515

	Valuation and translation adjustments			Share acquisition rights	Total net assets
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Total valuation and translation adjustments		
Balance at beginning of period	(2,338)	2,298	(40)	219	122,579
Changes during period					
Dividends of surplus					(1,118)
Provision of legal retained earnings					–
Profit					4,070
Disposal of treasury shares					14
Purchase of treasury shares					(1)
Reversal of revaluation reserve for land					151
Transfer from retained earnings to capital surplus					–
Net changes in items other than shareholders' equity	(9,903)	(151)	(10,054)	30	(10,024)
Total changes during period	(9,903)	(151)	(10,054)	30	(6,908)
Balance at end of period	(12,242)	2,147	(10,095)	250	115,670