

Financial Summary

for the First Quarter of Fiscal Year 2022 Ended June 30, 2022

August 12, 2022

Lawson Bank, Inc. (<https://www.lawsonbank.jp/>)

I. Financial Results Highlights

(Financial figures are truncated to the unit stated)

1. Results of Operation (Non-consolidated)

(Millions of Yen)

	1QFY2021 (3 months)	1QFY2022 (3 months)
Total revenue	6,367	6,651
Net interest income	-166	-119
Net fees and commissions	6,534	6,770
Net provision of general reserve for loan losses	0	-0
General and administrative expenses	5,794	5,765
Ordinary business profits	572	885
Ordinary profits	576	887
Net income	393	624

2. Balance Sheets (Non-consolidated)

(Millions of Yen)

	FY2021 (As of March 31, 2022)	1QFY2022 (As of June 30, 2022)
Cash and due from banks	344,706	348,332
Securities	6,000	4,000
Loans	498	579
Other assets	48,421	52,881
Total assets	399,626	405,793
Deposits	125,359	124,343
Call money	20,000	37,000
Borrowed money	203,600	191,800
Other liabilities	25,247	26,605
Total liabilities	374,207	379,749
Total equity	25,419	26,044

3. Financial Ratios (Non-consolidated)

	1QFY2021 (3 months)	1QFY2022 (3 months)
Expense-to-revenue ratio	91.0%	86.7%

(Millions of Yen)

	FY2021 (As of March 31, 2022)	1QFY2022 (As of June 30, 2022)
Risk-weighted assets	83,056	83,389
Core capital	15,047	15,888
Capital adequacy ratio	18.12%	19.05%

	FY2021 (As of March 31, 2022)	1QFY2022 (As of June 30, 2022)
Number of ATM units installed	13,542	13,534
Total number of banking accounts	84,582	88,756
Number of credit card customers	127,277	129,688

	1QFY2021 (3 months)	1QFY2022 (3 months)
Total number of ATM usage (1,000s)	58,305	64,131
Average daily ATM usage (no. of times per day per unit)	47.2	52.0

Note:

- Figures of total number of ATM usage are rounded off a number less than 1,000.
- Figures of average daily ATM usage are rounded off to one decimal places.

		FY2021 (As of March 31, 2022)	1QFY2022 (As of June 30, 2022)
Number of affiliated financial institutions (banks, companies, depositories) (Note1)		378	378
Immediate account settlement service	Number of affiliated services (Note2)	5	5
	Number of affiliated financial institutions	12	15

Note:

- The JA Bank and JF Marine Bank are considered each as an institution depending on business categories.
- au PAY and WebMoney prepaid card (including Lite) are considered each as an institution depending on service categories.

II. Financial Statements

1. Balance Sheets (Non-consolidated)

(Financial figures are truncated to the unit stated)
(Millions of Yen)

	FY2021 (As of March 31, 2022)	1QFY2022 (As of June 30, 2022)
[Assets]		
Cash and due from banks	344,706	348,332
Securities	6,000	4,000
Loans	498	579
Suspense payments in ATMs	13,489	18,307
Other assets	12,183	12,620
Tangible fixed assets	12,146	11,603
Intangible fixed assets	10,374	10,158
Differed tax assets	231	195
Reserve for loan losses	-4	-4
Total assets	399,627	405,793
[Liabilities]		
Deposits	125,359	124,343
Call money	20,000	37,000
Borrowed money	203,600	191,800
Suspense receipts of ATM	14,684	16,995
Other liabilities	4,515	4,124
Lease obligations	5,852	5,383
Accrued employees' bonuses	194	102
Total liabilities	374,207	379,749
[Equity]		
Common stock	11,600	11,600
Capital surplus	11,600	11,600
Retained earnings	2,219	2,843
Total shareholders' equity	25,419	26,043
Other unrealized gain on securities	0	0
Total net unrealized gain and translation adjustments	0	0
Total equity	25,419	26,044
Total liabilities and equity	399,627	405,793

2. Statement of Income (Non-consolidated)

(Financial figures are truncated to the unit stated)
(Millions of Yen)

	1QFY2021 (From April 1, 2021 to June 30, 2021)	1QFY2022 (From April 1, 2022 to June 30, 2022)
Ordinary income	8,454	8,735
Interest income	8	23
Interest on loans	7	23
Interest and dividends on securities	-0	-0
Interest income on due from banks	-0	-0
Fees and commissions income	8,439	8,708
ATM commissions received	8,284	8,444
Other ordinary income	6	2
Ordinary Expenses	7,877	7,847
Interest expenses	175	143
Interest on deposits	11	33
Interest on call money	1	1
Interest on borrowed money	95	61
Other interest paid	65	46
Fees and commissions expenses	1,904	1,938
ATM installation commissions expenses	785	843
ATM commissions expenses	995	976
Other business expenses	-	0
General and administrative expenses	5,794	5,765
Other ordinary expenses	3	1
Ordinary profits	576	887
Extraordinary profits	-	0
Other extraordinary profits	-	0
Extraordinary losses	14	4
Tangible fixed asset disposal expenses	14	4
Net income before income taxes	561	883
Income taxes	168	258
Income taxes, local inhabitant taxes and the enterprise taxes	135	223
Deferred income taxes	32	35
Net income	393	624