

Financial Summary

for the Third Quarter of Fiscal Year 2023 Ended December 31, 2023

February 13, 2024
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)

	3Q FY2022 (9 months)	3Q FY2023 (9 months)
Total revenue	20,052	20,873
Net interest income	-285	-83
Net fees and commissions	20,338	20,956
Other business income	0	-
Net provision of general reserve for loan losses	1	-0
General and administrative expenses	17,134	18,297
Ordinary business profits	2,917	2,575
Ordinary profits	2,917	2,581
Net income	1,966	1,818

2. Balance Sheets (Non-consolidated)

(Millions of Yen)

	FY2022 (As of March 31, 2023)	3Q FY2023 (As of December 31, 2023)
Cash and due from banks	326,701	370,522
Securities	1,004	-
Loans	775	913
Other assets	52,826	84,718
Total assets	381,306	456,154
Deposits	84,539	89,887
Call money	37,000	60,000
Borrowed money	180,000	110,000
Other liabilities	51,988	166,669
Total liabilities	353,527	426,557
Total equity	27,779	29,597

3. Financial Ratios (Non-consolidated)

	3Q FY2022 (9 months)	3Q FY2023 (9 months)
Expense-to-revenue ratio	85.4%	87.7%

(Millions of Yen)

	FY2022 (As of March 31, 2023)	3Q FY2023 (As of December 31, 2023)
Risk-weighted assets	81,988	85,014
Core capital	16,882	13,690
Capital adequacy ratio	20.59%	16.10%

	FY2022 (As of March 31, 2023)	3Q FY2023 (As of December 31, 2023)
Number of ATM units installed	13,509	13,593
Total number of banking accounts	97,937	107,720
Number of credit card customers	141,408	146,009

	3Q FY2022 (9 months)	3Q FY2023 (9 months)
Total number of ATM usage (1,000s)	196,916	209,946
Average daily ATM usage (no. of times per day per unit)	52.9	56.3

Note: Figures of total number of ATM usage are rounded off a number less than 1,000.

		FY2022 (As of March 31, 2023)	3Q FY2023 (As of December 31, 2023)
Number of affiliated financial institutions (banks, companies, depositories) (Note1)		385	391
Immediate account settlement service	Number of affiliated services (Note2)	5	6
	Number of affiliated financial institutions	17	18

Note:

1. The JA Bank and JF Marine Bank are considered each as an institution depending on business categories.
2. 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)

	FY2022 (As of March 31, 2023)	3Q FY2023 (As of December 31, 2023)
[Assets]		
Cash and due from banks	326,701	370,522
Securities	1,004	-
Loans	775	913
Suspense payments in ATMs	16,209	42,884
Other assets	15,355	17,992
Tangible fixed assets	10,087	7,723
Intangible fixed assets	10,901	15,911
Differed tax assets	278	215
Reserve for loan losses	-6	-8
Total assets	381,306	456,154
[Liabilities]		
Deposits	84,539	89,887
Call money	37,000	60,000
Borrowed money	180,000	110,000
Suspense receipts of ATM	42,783	155,452
Other liabilities	5,799	9,092
Lease obligations	3,214	1,944
Accrued employees' bonuses	191	179
Total liabilities	353,527	426,557
[Equity]		
Common stock	11,600	11,600
Capital surplus	11,600	11,600
Retained earnings	4,578	6,397
Total shareholders' equity	27,778	29,597
Other unrealized gain on securities	0	-
Total net unrealized gain and translation adjustments	0	-
Total equity	27,779	29,597
Total liabilities and equity	381,306	456,154

2. Statement of Income (Non-consolidated)

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

	3Q FY2022 (From April 1, 2022 to December 31, 2022)	3Q FY2023 (From April 1, 2023 to December 31, 2023)
Ordinary income	26,279	27,134
Interest income	81	116
Interest on loans	80	113
Interest and dividends on securities	-0	-0
Interest income on due from banks	-1	-
Fees and commissions income	26,189	27,008
ATM commissions received	25,792	26,543
Other business income	0	-
Other ordinary income	7	9
Ordinary Expenses	23,361	24,552
Interest expenses	366	199
Interest on deposits	64	3
Interest on call money	-0	2
Interest on borrowed money	182	132
Other interest paid	120	61
Fees and commissions expenses	5,851	6,051
ATM installation commissions expenses	2,573	2,705
ATM commissions expenses	2,904	2,869
General and administrative expenses	17,134	18,297
Other ordinary expenses	9	4
Ordinary profits	2,917	2,581
Extraordinary losses	88	3
Tangible fixed asset disposal expenses	88	3
Net income before income taxes	2,829	2,577
Income taxes	862	759
Income taxes, local inhabitant taxes and the enterprise taxes	875	696
Deferred income taxes	-12	63
Net income	1,966	1,818