

## Financial Summary

### for the First Quarter of Fiscal Year 2019 Ended June 30, 2019

August 9, 2019

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)

	1Q FY2019 (3 months)
Total revenue	6,442
Net interest income	-282
Net fees and commissions	6,724
Net provision of general reserve for credit losses	-0
General and administrative expenses	6,103
Ordinary business profits	340
Ordinary profits	565
Net income	520

##### 2. Balance Sheets (Non-consolidated)

(Millions of Yen)

	1Q FY2019 (As of June 30, 2019)	FY2018 (As of March 31, 2019)
Cash and due from banks	384,964	319,744
Loans	10	0
Other assets	76,109	65,919
Total assets	461,084	385,664
Deposits	36,887	14,840
Borrowed money	345,000	280,000
Other liabilities	57,524	69,671
Total liabilities	439,411	364,512
Total equity	21,672	21,151

3. Financial Ratios (Non-consolidated)

	1Q FY2019 (3 months)
Expense-to-revenue ratio	94.7%

(Millions of Yen)

	1Q FY2019 (As of June 30, 2019)
Risk-weighted assets	74,531
Core capital	7,930
Capital adequacy ratio	10.64%

	1Q FY2019 (As of June 30, 2019)
Number of ATM units installed	13,510
Total number of banking accounts	35,699

	1Q FY2019 (3 months)
Total number of ATM usage (1,000s)	59,425
Average daily ATM usage (no. of times per day per unit)	48.3

Note:

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

	1Q FY2019 (As of June 30, 2019)
Number of affiliated financial institutions (banks, companies, depositories)	117

Note: The JA Bank and JF Marine Bank are considered each as an institution depending on business categories.

## II. Financial Statements

### 1. Balance Sheets (Non-consolidated)

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

	FY2018 (As of March 31, 2019)	1QFY2019 (As of June 30, 2019)
[Assets]		
Cash and due from banks	319,744	384,964
Loans	0	10
Suspense payments in ATMs	25,519	34,670
Other assets	9,731	10,279
Tangible fixed assets	16,879	17,417
Intangible fixed assets	13,793	13,745
Reserve for credit losses	-3	-3
<b>Total assets</b>	<b>385,664</b>	<b>461,084</b>
[Liabilities]		
Deposits	14,840	36,887
Borrowed money	280,000	345,000
Suspense receipts of ATM	55,818	43,380
Other liabilities	2,494	2,642
Lease obligations	11,186	11,403
Accrued employees' bonuses	172	97
<b>Total liabilities</b>	<b>364,512</b>	<b>439,411</b>
[Equity]		
Common stock	11,600	11,600
Capital surplus	11,600	11,600
Retained earnings	-2,048	-1,527
<b>Total shareholders' equity</b>	<b>21,151</b>	<b>21,672</b>
<b>Total equity</b>	<b>21,151</b>	<b>21,672</b>
<b>Total liabilities and equity</b>	<b>385,664</b>	<b>461,084</b>

2. Statement of Income (Non-consolidated)

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

	1QFY2019 (From April 1, 2019 to June 30, 2019)
Ordinary income	8,802
Interest income	-8
Interest on loans	0
Interest on call loans	-2
Interest income on due from banks	-7
Fees and commissions income	8,552
ATM commissions received	8,534
Other ordinary income	258
Ordinary Expenses	8,237
Interest expenses	273
Interest on deposits	0
Interest on call money	0
Interest on loans	172
Other interest expenses	100
Fees and commissions expenses	1,827
ATM installation commissions expenses	796
ATM commissions expenses	972
General and administrative expenses	6,103
Other ordinary expenses	33
Ordinary profit	565
Extraordinary profits	0
Other extraordinary profits	0
Extraordinary losses	4
Other extraordinary losses	4
Net income before income taxes	561
Income taxes	40
Income taxes, local inhabitant taxes and the enterprise taxes	40
Net income	520