Translation

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Summary of Consolidated Financial Results for the Six Months Ended September 30, 2014 (Based on Japanese GAAP)

October 31, 2014

Company name: The Keiyo Bank, Ltd.
Stock exchange listing: Tokyo
Stock code: 8544 URL http://www.keiyobank.co.jp/
Representative: President Nobuo Kojima
Inquiries: General Manager, Corporate Planning Division Kazuo Fujisaki TEL 043-222-2121

Scheduled date to file Quarterly Securities Report: November 17, 2014
Scheduled date to commence dividend payments: November 25, 2014
Trading accounts: No
Preparation of supplementary material on quarterly financial results: Yes
Holding of quarterly financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the six months ended September 30, 2014 (from April 1, 2014 to September 30, 2014)

(1) Consolidated financial results (cumulative) Percentages indicate year-on-year changes

	Ordinary income		Ordinary profit		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended September 30, 2014	36,510	0.1	13,120	(0.5)	8,369	4.4
Six months ended September 30, 2013	36,466	1.8	13,198	6.2	8,013	10.8

	Net income per share	Diluted net income per share
	Yen	Yen
Six months ended September 30, 2014	29.94	29.87
Six months ended September 30, 2013	28.67	28.61

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of September 30, 2014	4,314,194	259,925	5.9
As of March 31, 2014	4,122,415	246,686	5.9

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2014	–	5.00	–	5.50	10.50
Year ending March 31, 2015	–	5.50			
Year ending March 31, 2015 (Forecast)			–	5.50	11.00

3. Forecast of consolidated financial results for the year ending March 31, 2015 (from April 1, 2014 to March 31, 2015)

Percentages indicate year-on-year changes

	Ordinary profit		Net income		Net income per share
	Millions of yen	%	Millions of yen	%	Yen
Full year	23,000	(11.7)	15,000	(1.9)	53.65

4. Notes

(1) Changes in significant subsidiaries during the six months ended September 30, 2014 (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 September 30, 2014	290,855,716 shares	As of March 31, 2014	290,855,716 shares

Number of treasury shares at the end of the period

As of September 30, 2014	11,270,570 shares	As of March 31, 2014	11,389,583 shares

Average number of shares during the period (cumulative from the beginning of the fiscal year)

Six months ended September 30, 2014	279,528,784 shares	Six months ended September 30, 2013	279,481,540 shares

Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2014	As of September 30, 2014
Assets		
Cash and due from banks	263,605	328,144
Call loans and bills bought	32,685	1,636
Trading account securities	2,068	2,168
Securities	949,376	1,026,721
Loans and bills discounted	2,801,989	2,877,766
Foreign exchanges	1,525	2,221
Other assets	12,430	11,934
Tangible fixed assets	60,887	64,548
Intangible fixed assets	503	875
Deferred tax assets	107	100
Customers' liabilities for acceptances and guarantees	8,560	8,276
Allowance for loan losses	(11,323)	(10,200)
Total assets	4,122,415	4,314,194
Liabilities		
Deposits	3,771,691	3,917,134
Negotiable certificates of deposit	8,197	9,710
Borrowed money	52,740	83,600
Foreign exchanges	141	72
Other liabilities	13,580	11,778
Provision for bonuses	1,263	1,254
Provision for directors' bonuses	82	41
Net defined benefit liability	12,417	11,356
Provision for directors' retirement benefits	10	9
Provision for loss on interest repayment	21	18
Provision for reimbursement of deposits	403	420
Provision for contingent loss	785	668
Deferred tax liabilities	286	4,399
Deferred tax liabilities for land revaluation	5,547	5,525
Acceptances and guarantees	8,560	8,276
Total liabilities	3,875,729	4,054,268
Net assets		
Capital stock	49,759	49,759
Capital surplus	39,721	39,718
Retained earnings	126,581	133,863
Treasury shares	(5,273)	(5,219)
Total shareholders' equity	210,789	218,122
Valuation difference on available-for-sale securities	28,061	33,859
Revaluation reserve for land	5,932	5,893
Remeasurements of defined benefit plans	(670)	(616)
Total accumulated other comprehensive income	33,324	39,136
Subscription rights to shares	241	228
Minority interests	2,331	2,438
Total net assets	246,686	259,925
Total liabilities and net assets	4,122,415	4,314,194

Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)

Consolidated statements of income (cumulative)

(Millions of yen)

	Six months ended September 30, 2013	Six months ended September 30, 2014
Ordinary income	36,466	36,510
Interest income	29,532	28,205
Interest on loans and discounts	22,074	21,081
Interest and dividends on securities	7,338	6,923
Fees and commissions	4,667	5,191
Other ordinary income	971	826
Other income	1,294	2,286
Ordinary expenses	23,267	23,389
Interest expenses	1,051	977
Interest on deposits	1,032	878
Fees and commissions payments	2,516	2,230
Other ordinary expenses	14	–
General and administrative expenses	18,754	18,822
Other expenses	929	1,359
Ordinary profit	13,198	13,120
Extraordinary income	–	9
Gain on disposal of non-current assets	–	9
Extraordinary losses	177	136
Loss on disposal of non-current assets	158	97
Impairment loss	19	38
Income before income taxes and minority interests	13,020	12,993
Income taxes - current	4,414	3,836
Income taxes - deferred	452	682
Total income taxes	4,867	4,519
Income before minority interests	8,153	8,474
Minority interests in income	140	104
Net income	8,013	8,369

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Six months ended September 30, 2013	Six months ended September 30, 2014
Income before minority interests	8,153	8,474
Other comprehensive income	(573)	5,861
Valuation difference on available-for-sale securities	(573)	5,809
Remeasurements of defined benefit plans, net of tax	–	51
Comprehensive income	7,580	14,336
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	7,411	14,221
Comprehensive income attributable to minority interests	169	114

Consolidated statements of changes in net assets

Six months ended September 30, 2013

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	49,759	39,728	114,308	(5,275)	198,522
Cumulative effects of changes in accounting policies					
Restated balance	49,759	39,728	114,308	(5,275)	198,522
Changes of items during period					
Dividends of surplus			(1,673)		(1,673)
Net income			8,013		8,013
Purchase of treasury shares				(16)	(16)
Disposal of treasury shares		(7)		39	31
Reversal of revaluation reserve for land			3		3
Net changes of items other than shareholders' equity					
Total changes of items during period	–	(7)	6,343	22	6,358
Balance at end of current period	49,759	39,721	120,652	(5,252)	204,880

	Accumulated other comprehensive income				Subscription rights to shares	Minority 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 current period	30,113	5,970	–	36,084	181	1,972	236,760
Cumulative effects of changes in accounting policies							
Restated balance	30,113	5,970	–	36,084	181	1,972	236,760
Changes of items during period							
Dividends of surplus							(1,673)
Net income							8,013
Purchase of treasury shares							(16)
Disposal of treasury shares							31
Reversal of revaluation reserve for land							3
Net changes of items other than shareholders' equity	(601)	(3)	–	(605)	15	164	(425)
Total changes of items during period	(601)	(3)	–	(605)	15	164	5,932
Balance at end of current period	29,511	5,966	–	35,478	196	2,136	242,693

Six months ended September 30, 2014

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	49,759	39,721	126,581	(5,273)	210,789
Cumulative effects of changes in accounting policies			412		412
Restated balance	49,759	39,721	126,994	(5,273)	211,202
Changes of items during period					
Dividends of surplus			(1,534)		(1,534)
Net income			8,369		8,369
Purchase of treasury shares				(12)	(12)
Disposal of treasury shares		(3)	(6)	66	57
Reversal of revaluation reserve for land			39		39
Net changes of items other than shareholders' equity					
Total changes of items during period	–	(3)	6,868	54	6,920
Balance at end of current period	49,459	39,718	133,863	(5,219)	218,122

	Accumulated other comprehensive income				Subscription rights to shares	Minority 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 current period	28,061	5,932	(670)	33,324	241	2,331	246,686
Cumulative effects of changes in accounting policies						(2)	410
Restated balance	28,061	5,932	(670)	33,324	241	2,328	247,096
Changes of items during period							
Dividends of surplus							(1,534)
Net income							8,369
Purchase of treasury shares							(12)
Disposal of treasury shares							57
Reversal of revaluation reserve for land							39
Net changes of items other than shareholders' equity	5,797	(39)	53	5,812	(12)	109	5,909
Total changes of items during period	5,797	(39)	53	5,812	(12)	109	12,829
Balance at end of current period	33,859	5,893	(616)	39,136	228	2,438	259,925