Translation

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Summary of Consolidated Financial Results for the Three Months Ended June 30, 2016 (Based on Japanese GAAP)

July 29, 2016

Company name: The Keiyo Bank, Ltd.
Stock exchange listing: Tokyo
Stock code: 8544 URL http://www.keiyobank.co.jp/
Representative: President Toshiyuki Kumagai
Inquiries: General Manager of Accounting Corporate Planning Division Yukihiko Nezu TEL 043-306-2121
Scheduled date to file Quarterly Securities Report: August 4, 2016
Scheduled date to commence dividend payments: –
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 three months ended June 30, 2016 (from April 1, 2016 to June 30, 2016)

(1) Consolidated operating results (cumulative) 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	%
Three months ended June 30, 2016	17,699	(1.6)	5,646	(8.1)	3,671	(9.0)
Three months ended June 30, 2015	18,003	0.5	6,146	0.2	4,037	4.7

	Earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2016	13.85	13.81
Three months ended June 30, 2015	14.60	14.57

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2016	4,624,184	283,609	6.0
As of March 31, 2016	4,493,684	283,077	6.2

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, 2016	–	5.50	–	5.50	11.00
Year ending March 31, 2017	–				
Year ending March 31, 2017 (Forecast)		5.50	–	5.50	11.00

3. Forecast of consolidated financial results for the year ending March 31, 2017 (from April 1, 2016 to March 31, 2017)

Percentages indicate year-on-year changes

	Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Yen
Six months ending September 30, 2016	10,000	(13.2)	6,500	(14.3)	24.60
Full year	20,000	(16.8)	13,500	(11.1)	51.17

4. Notes

(1) Changes in significant subsidiaries during the three months ended June 30, 2016 (changes in specified subsidiaries resulting in the change in scope of consolidation): No

(2) Application of special accounting methods for preparing quarterly consolidated financial statements: Yes

(3) 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

(4) Number of issued shares (common shares)

Total number of issued shares at the end of the period (including treasury shares)

As of June 30, 2016	287,855,716 shares	As of March 31, 2016	290,855,716 shares

Number of treasury shares at the end of the period

As of June 30, 2016	24,456,286 shares	As of March 31, 2016	24,454,731 shares

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

Three months ended June 30, 2016	265,015,646 shares	Three months ended June 30, 2015	276,363,530 shares

Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2016	As of June 30, 2016
Assets		
Cash and due from banks	336,389	427,413
Call loans and bills bought	7,780	8,829
Trading account securities	3,671	3,768
Securities	964,613	992,271
Loans and bills discounted	3,098,839	3,106,458
Foreign exchanges	1,699	2,417
Other assets	11,692	13,781
Tangible fixed assets	67,786	67,744
Intangible fixed assets	1,932	2,264
Deferred tax assets	67	67
Customers' liabilities for acceptances and guarantees	7,433	7,408
Allowance for loan losses	(8,222)	(8,240)
Total assets	4,493,684	4,624,184
Liabilities		
Deposits	4,095,472	4,227,358
Negotiable certificates of deposit	11,467	11,468
Borrowed money	62,400	62,400
Foreign exchanges	137	154
Other liabilities	10,314	9,603
Provision for bonuses	1,294	434
Provision for directors' bonuses	82	19
Net defined benefit liability	6,791	6,674
Provision for directors' retirement benefits	8	–
Provision for loss on interest repayment	13	13
Provision for reimbursement of deposits	527	543
Provision for contingent loss	699	700
Deferred tax liabilities	9,276	9,106
Deferred tax liabilities for land revaluation	4,687	4,687
Acceptances and guarantees	7,433	7,408
Total liabilities	4,210,607	4,340,574
Net assets		
Capital stock	49,759	49,759
Capital surplus	39,718	39,718
Retained earnings	151,110	151,709
Treasury shares	(13,450)	(13,110)
Total shareholders' equity	227,137	228,077
Valuation difference on available-for-sale securities	49,029	48,490
Revaluation reserve for land	6,625	6,625
Remeasurements of defined benefit plans	(3,015)	(2,892)
Total accumulated other comprehensive income	52,639	52,222
Subscription rights to shares	315	333
Non-controlling interests	2,983	2,975
Total net assets	283,077	283,609
Total liabilities and net assets	4,493,684	4,624,184

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

Consolidated statements of income (cumulative)

(Millions of yen)

	Three months ended June 30, 2015	Three months ended June 30, 2016
Ordinary income	18,003	17,699
Interest income	13,777	13,271
Interest on loans and discounts	10,099	9,697
Interest and dividends on securities	3,550	3,436
Fees and commissions	2,909	2,786
Other ordinary income	528	1,481
Other income	787	160
Ordinary expenses	11,856	12,052
Interest expenses	498	332
Interest on deposits	423	262
Fees and commissions payments	1,145	1,206
Other ordinary expenses	8	–
General and administrative expenses	9,612	9,690
Other expenses	592	823
Ordinary profit	6,146	5,646
Extraordinary losses	3	313
Loss on disposal of non-current assets	3	266
Impairment loss	–	47
Profit before income taxes	6,142	5,332
Income taxes	2,037	1,619
Profit	4,105	3,712
Profit attributable to non-controlling interests	67	40
Profit attributable to owners of parent	4,037	3,671

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Three months ended June 30, 2015	Three months ended June 30, 2016
Profit	4,105	3,712
Other comprehensive income	2,389	(460)
Valuation difference on available-for-sale securities	2,414	(581)
Remeasurements of defined benefit plans, net of tax	(25)	121
Comprehensive income	6,494	3,251
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	6,413	3,255
Comprehensive income attributable to non-controlling interests	81	(3)