Translation

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Summary of Consolidated Financial Results for the Three Months Ended June 30, 2017 (Based on Japanese GAAP)

July 28, 2017

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 2, 2017
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, 2017 (from April 1, 2017 to June 30, 2017)

(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, 2017	16,614	(6.1)	4,742	(15.9)	3,243	(11.6)
Three months ended June 30, 2016	17,699	(1.6)	5,646	(8.1)	3,671	(9.0)

	Earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2017	12.30	12.26
Three months ended June 30, 2016	13.85	13.81

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2017	4,751,211	288,292	5.9
As of March 31, 2017	4,598,425	283,219	6.0

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, 2017	–	5.50	–	5.50	11.00
Year ending March 31, 2018	–				
Year ending March 31, 2018 (Forecast)		5.50	–	5.50	11.00

3. Forecast of consolidated financial results for the year ending March 31, 2018 (from April 1, 2017 to March 31, 2018)

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, 2017	8,500	(17.7)	6,000	(10.5)	22.75
Full year	18,000	1.8	12,500	7.4	47.40

4. Notes

(1) Changes in significant subsidiaries during the three months ended June 30, 2017 (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:	No
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, 2017	287,855,716 shares	As of March 31, 2017	287,855,716 shares

Number of treasury shares at the end of the period

As of June 30, 2017	24,179,121 shares	As of March 31, 2017	24,195,137 shares

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

Three months ended June 30, 2017	263,669,813 shares	Three months ended June 30, 2016	265,015,646 shares

Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2017	As of June 30, 2017
Assets		
Cash and due from banks	214,970	354,073
Call loans and bills bought	6,082	6,363
Trading account securities	4,192	4,121
Securities	1,013,957	993,543
Loans and bills discounted	3,271,474	3,292,111
Foreign exchanges	2,861	3,651
Other assets	17,854	30,689
Tangible fixed assets	67,236	66,652
Intangible fixed assets	3,304	3,762
Deferred tax assets	60	60
Customers' liabilities for acceptances and guarantees	6,159	5,996
Allowance for loan losses	(9,729)	(9,815)
Total assets	4,598,425	4,751,211
Liabilities		
Deposits	4,237,075	4,372,623
Negotiable certificates of deposit	13,500	25,500
Borrowed money	32,400	32,400
Foreign exchanges	106	161
Other liabilities	8,923	8,815
Provision for bonuses	1,292	431
Provision for directors' bonuses	66	16
Net defined benefit liability	4,056	3,908
Provision for directors' retirement benefits	2	3
Provision for loss on interest repayment	15	15
Provision for reimbursement of deposits	573	588
Provision for contingent loss	628	698
Deferred tax liabilities	5,762	7,115
Deferred tax liabilities for land revaluation	4,643	4,643
Acceptances and guarantees	6,159	5,996
Total liabilities	4,315,206	4,462,918
Net assets		
Capital stock	49,759	49,759
Capital surplus	39,704	39,707
Retained earnings	158,239	160,034
Treasury shares	(12,973)	(12,969)
Total shareholders' equity	234,730	236,531
Valuation difference on available-for-sale securities	40,541	43,528
Revaluation reserve for land	6,602	6,602
Remeasurements of defined benefit plans	(2,342)	(2,247)
Total accumulated other comprehensive income	44,802	47,884
Subscription rights to shares	287	310
Non-controlling interests	3,398	3,565
Total net assets	283,219	288,292
Total liabilities and net assets	4,598,425	4,751,211

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, 2016	Three months ended June 30, 2017
Ordinary income	17,699	16,614
Interest income	13,271	12,912
Interest on loans and discounts	9,697	9,283
Interest and dividends on securities	3,436	3,491
Fees and commissions	2,786	2,814
Other ordinary income	1,481	168
Other income	160	720
Ordinary expenses	12,052	11,872
Interest expenses	332	221
Interest on deposits	262	155
Fees and commissions payments	1,206	1,320
Other ordinary expenses	–	12
General and administrative expenses	9,690	9,527
Other expenses	823	789
Ordinary profit	5,646	4,742
Extraordinary losses	313	33
Loss on disposal of non-current assets	266	33
Impairment loss	47	–
Profit before income taxes	5,332	4,709
Income taxes	1,619	1,392
Profit	3,712	3,317
Profit attributable to non-controlling interests	40	73
Profit attributable to owners of parent	3,671	3,243

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Three months ended June 30, 2016	Three months ended June 30, 2017
Profit	3,712	3,317
Other comprehensive income	(460)	3,104
Valuation difference on available-for-sale securities	(581)	3,010
Remeasurements of defined benefit plans, net of tax	121	93
Comprehensive income	3,251	6,421
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	3,255	6,325
Comprehensive income attributable to non-controlling interests	(3)	95