Translation

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Summary of Consolidated Financial Results for the Nine Months Ended December 31, 2017 (Based on Japanese GAAP)

January 31, 2018

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: February 5, 2018
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 nine months ended December 31, 2017 (from April 1, 2017 to December 31, 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	%
Nine months ended December 31, 2017	49,728	(2.6)	14,144	(7.0)	9,584	(4.4)
Nine months ended December 31, 2016	51,099	(2.2)	15,214	(14.0)	10,035	(13.4)

	Earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended December 31, 2017	36.34	36.24
Nine months ended December 31, 2016	37.99	37.90

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of December 31, 2017	4,827,080	296,552	6.0
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	–	5.50	–		
Year ending March 31, 2018 (Forecast)				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
Full year	18,000	1.8	12,500	7.4	47.39

4. Notes

(1) Changes in significant subsidiaries during the nine months ended December 31, 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 December 31, 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 December 31, 2017	24,131,775 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)

Nine months ended December 31, 2017	263,712,127 shares	Nine months ended December 31, 2016	264,105,131 shares

Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2017	As of December 31, 2017
Assets		
Cash and due from banks	214,970	339,065
Call loans and bills bought	6,082	8,584
Trading account securities	4,192	4,066
Securities	1,013,957	965,580
Loans and bills discounted	3,271,474	3,405,459
Foreign exchanges	2,861	4,481
Other assets	17,854	34,600
Tangible fixed assets	67,236	65,642
Intangible fixed assets	3,304	4,263
Deferred tax assets	60	53
Customers' liabilities for acceptances and guarantees	6,159	4,751
Allowance for loan losses	(9,729)	(9,467)
Total assets	4,598,425	4,827,080
Liabilities		
Deposits	4,237,075	4,449,180
Negotiable certificates of deposit	13,500	13,500
Borrowed money	32,400	32,400
Foreign exchanges	106	123
Other liabilities	8,923	11,753
Provision for bonuses	1,292	434
Provision for directors' bonuses	66	49
Net defined benefit liability	4,056	3,606
Provision for directors' retirement benefits	2	4
Provision for loss on interest repayment	15	16
Provision for reimbursement of deposits	573	678
Provision for contingent loss	628	676
Deferred tax liabilities	5,762	8,708
Deferred tax liabilities for land revaluation	4,643	4,643
Acceptances and guarantees	6,159	4,751
Total liabilities	4,315,206	4,530,527
Net assets		
Capital stock	49,759	49,759
Capital surplus	39,704	39,704
Retained earnings	158,239	164,921
Treasury shares	(12,973)	(12,943)
Total shareholders' equity	234,730	241,442
Valuation difference on available-for-sale securities	40,541	46,461
Revaluation reserve for land	6,602	6,602
Remeasurements of defined benefit plans	(2,342)	(2,057)
Total accumulated other comprehensive income	44,802	51,006
Subscription rights to shares	287	324
Non-controlling interests	3,398	3,779
Total net assets	283,219	296,552
Total liabilities and net assets	4,598,425	4,827,080

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

Consolidated statements of income (cumulative)

(Millions of yen)

	Nine months ended December 31, 2016	Nine months ended December 31, 2017
Ordinary income	51,099	49,728
Interest income	38,855	37,826
Interest on loans and discounts	28,872	27,953
Interest and dividends on securities	9,571	9,450
Fees and commissions	7,955	8,150
Other ordinary income	3,114	1,325
Other income	1,175	2,426
Ordinary expenses	35,885	35,583
Interest expenses	875	656
Interest on deposits	673	439
Fees and commissions payments	2,636	2,863
Other ordinary expenses	16	140
General and administrative expenses	29,674	28,967
Other expenses	2,682	2,955
Ordinary profit	15,214	14,144
Extraordinary income	4	20
Gain on disposal of non-current assets	4	20
Extraordinary losses	469	214
Loss on disposal of non-current assets	350	200
Impairment loss	118	14
Profit before income taxes	14,750	13,950
Income taxes	4,566	4,180
Profit	10,183	9,769
Profit attributable to non-controlling interests	147	185
Profit attributable to owners of parent	10,035	9,584

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Nine months ended December 31, 2016	Nine months ended December 31, 2017
Profit	10,183	9,769
Other comprehensive income	(5,149)	6,329
Valuation difference on available-for-sale securities	(5,512)	6,047
Remeasurements of defined benefit plans, net of tax	363	281
Comprehensive income	5,034	16,098
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	4,868	15,789
Comprehensive income attributable to non-controlling interests	165	309