

**Translation**

Notice: This document is an excerpt translation of the original Japanese document and is only for reference purposes. In the event of any discrepancy between this translated document and the original Japanese document, the latter shall prevail.

## Summary of Consolidated Financial Results for the Three Months Ended June 30, 2019 (Based on Japanese GAAP)

July 31, 2019

Company name: The Keiyo Bank, Ltd.  
 Stock exchange listing: Tokyo  
 Stock code: 8544 URL <https://www.keijobank.co.jp/>  
 Representative: President Toshiyuki Kumagai  
 Inquiries: General Manager of Accounting Yukihiko Nezu TEL 043-306-2121  
 Corporate Planning Division  
 Scheduled date to file Quarterly Securities Report: August 2, 2019  
 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, 2019 (from April 1, 2019 to June 30, 2019)

## (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, 2019	16,195	(7.6)	3,268	(31.2)	2,219	(31.2)
Three months ended June 30, 2018	17,538	5.5	4,753	0.2	3,228	(0.4)

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended June 30, 2019	16.84		16.80	
Three months ended June 30, 2018	24.48		24.40	

Note: The Bank has implemented share consolidation of its common shares on a one for two basis effective October 1, 2018. Earnings per share and Diluted earnings per share have been calculated as if this consolidation of shares was implemented at the beginning of the previous fiscal year.

## (2) Consolidated financial position

	Total assets		Net assets		Equity ratio	
	Millions of yen		Millions of yen		%	
As of June 30, 2019	5,058,233		293,844		5.7	
As of March 31, 2019	4,895,368		294,855		5.9	

## 2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen				
Year ended March 31, 2019	–	5.50	–	11.00	–
Year ending March 31, 2020	–	–	–	–	–
Year ending March 31, 2020 (Forecast)	–	11.00	–	11.00	22.00

Note: The Bank has implemented share consolidation of its common shares on a one for two basis effective October 1, 2018. For the fiscal year ended March 31, 2019, dividend per share for the 2nd quarter-end is calculated without factoring in this share consolidation, and “–” is indicated for the total amount of annual dividends. The annual dividends per share for the fiscal year ended March 31, 2019 calculated on a post-consolidation basis are 22.00 yen.

3. Forecast of consolidated financial results for the year ending March 31, 2020 (from April 1, 2019 to March 31, 2020)

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, 2019	8,000	0.4	5,400	0.4	41.14
Full year	15,700	0.1	10,700	1.4	81.75

4. Notes

(1) Changes in significant subsidiaries during the three months ended June 30, 2019  
(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, 2019	138,927,858 shares	As of March 31, 2019	143,927,858 shares
---------------------	--------------------	----------------------	--------------------

Number of treasury shares at the end of the period

As of June 30, 2019	7,712,626 shares	As of March 31, 2019	11,923,488 shares
---------------------	------------------	----------------------	-------------------

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

Three months ended June 30, 2019	131,747,929 shares	Three months ended June 30, 2018	131,862,787 shares
----------------------------------	--------------------	----------------------------------	--------------------

Note: The Bank has implemented share consolidation of its common shares on a one for two basis effective October 1, 2018. Average number of shares during the period (cumulative from the beginning of the fiscal year) has been calculated as if this consolidation of shares was implemented at the beginning of the previous fiscal year.

**Quarterly consolidated financial statements**  
**Consolidated balance sheets**

(Millions of yen)

	As of March 31, 2019	As of June 30, 2019
<b>Assets</b>		
Cash and due from banks	275,936	419,012
Call loans and bills bought	6,265	5,353
Trading account securities	4,247	4,244
Securities	888,553	885,220
Loans and bills discounted	3,613,625	3,634,828
Foreign exchanges	2,949	4,278
Other assets	40,335	42,202
Tangible fixed assets	63,385	62,898
Intangible fixed assets	5,661	5,767
Deferred tax assets	37	37
Customers' liabilities for acceptances and guarantees	3,915	3,955
Allowance for loan losses	(9,545)	(9,567)
<b>Total assets</b>	<b>4,895,368</b>	<b>5,058,233</b>
<b>Liabilities</b>		
Deposits	4,556,163	4,721,334
Negotiable certificates of deposit	16,000	16,000
Foreign exchanges	173	274
Other liabilities	10,782	10,925
Provision for bonuses	1,245	422
Provision for bonuses for directors (and other officers)	66	15
Retirement benefit liability	2,669	2,513
Provision for retirement benefits for directors (and other officers)	5	0
Provision for loss on interest repayment	8	8
Provision for reimbursement of deposits	623	631
Provision for contingent loss	867	878
Deferred tax liabilities	3,349	2,786
Deferred tax liabilities for land revaluation	4,639	4,639
Acceptances and guarantees	3,915	3,955
<b>Total liabilities</b>	<b>4,600,513</b>	<b>4,764,388</b>
<b>Net assets</b>		
Share capital	49,759	49,759
Capital surplus	39,704	39,704
Retained earnings	174,810	170,287
Treasury shares	(12,789)	(8,002)
<b>Total shareholders' equity</b>	<b>251,485</b>	<b>251,749</b>
Valuation difference on available-for-sale securities	33,642	32,193
Revaluation reserve for land	6,858	6,858
Remeasurements of defined benefit plans	(1,663)	(1,596)
<b>Total accumulated other comprehensive income</b>	<b>38,837</b>	<b>37,455</b>
Share acquisition rights	293	312
Non-controlling interests	4,238	4,326
<b>Total net assets</b>	<b>294,855</b>	<b>293,844</b>
<b>Total liabilities and net assets</b>	<b>4,895,368</b>	<b>5,058,233</b>

## 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, 2018	Three months ended June 30, 2019
Ordinary income	17,538	16,195
Interest income	12,543	12,343
Interest on loans and discounts	9,257	9,176
Interest and dividends on securities	3,127	3,021
Fees and commissions	2,914	2,894
Other ordinary income	216	302
Other income	1,863	654
Ordinary expenses	12,784	12,927
Interest expenses	210	197
Interest on deposits	130	119
Fees and commissions payments	1,338	1,373
Other ordinary expenses	1,007	4
General and administrative expenses	9,427	9,201
Other expenses	801	2,150
Ordinary profit	4,753	3,268
Extraordinary losses	67	33
Loss on disposal of non-current assets	58	33
Impairment loss	9	–
Profit before income taxes	4,685	3,235
Income taxes	1,413	982
Profit	3,271	2,252
Profit attributable to non-controlling interests	42	33
Profit attributable to owners of parent	3,228	2,219

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Three months ended June 30, 2018	Three months ended June 30, 2019
Profit	3,271	2,252
Other comprehensive income	(309)	(1,322)
Valuation difference on available-for-sale securities	(364)	(1,389)
Remeasurements of defined benefit plans, net of tax	55	66
Comprehensive income	2,962	930
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,835	837
Comprehensive income attributable to non-controlling interests	126	92