

Translation

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Summary of Consolidated Financial Results for the Six Months Ended September 30, 2021 (Based on Japanese GAAP)

November 9, 2021

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: November 19, 2021
 Scheduled date to commence dividend payments: December 3, 2021
 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, 2021 (from April 1, 2021 to September 30, 2021)

(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	%
Six months ended September 30, 2021	32,849	2.7	9,172	46.1	6,432	52.1
Six months ended September 30, 2020	31,985	(7.7)	6,275	1.0	4,226	0.2

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Six months ended September 30, 2021	49.63		49.44	
Six months ended September 30, 2020	32.36		32.25	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of September 30, 2021	6,893,780	305,527	4.3
As of March 31, 2021	5,553,028	298,051	5.2

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, 2021	–	9.00	–	10.00	19.00
Year ending March 31, 2022	–	10.00	–	10.00	20.00
Year ending March 31, 2022 (Forecast)	–	–	–	10.00	20.00

3. Forecast of consolidated financial results for the year ending March 31, 2022 (from April 1, 2021 to March 31, 2022)

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	15,000	25.1	10,400	40.8	80.63

4. Notes

- (1) Changes in significant subsidiaries during the six months ended September 30, 2021
(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, 2021	138,927,858 shares	As of March 31, 2021	138,927,858 shares
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Number of treasury shares at the end of the period

As of September 30, 2021	10,555,557 shares	As of March 31, 2021	8,265,010 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Six months ended September 30, 2021	129,590,633 shares	Six months ended September 30, 2020	130,599,790 shares
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Consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2021	As of September 30, 2021
Assets		
Cash and due from banks	514,412	1,781,409
Call loans and bills bought	–	2,070
Trading securities	3,656	3,736
Money held in trust	2,954	3,020
Securities	1,047,334	1,161,788
Loans and bills discounted	3,875,818	3,835,472
Foreign exchanges	7,739	7,696
Other assets	41,022	40,159
Tangible fixed assets	59,477	58,327
Intangible fixed assets	7,886	8,397
Retirement benefit asset	1,970	2,319
Deferred tax assets	3,197	1,912
Customers' liabilities for acceptances and guarantees	3,203	3,231
Allowance for loan losses	(15,643)	(15,761)
Total assets	5,553,028	6,893,780
Liabilities		
Deposits	4,926,199	5,007,581
Negotiable certificates of deposit	85,874	131,274
Call money and bills sold	–	130,000
Cash collateral received for securities lent	–	470,364
Borrowed money	216,600	822,900
Foreign exchanges	165	119
Other liabilities	14,569	14,445
Provision for bonuses	1,314	1,280
Provision for bonuses for directors (and other officers)	60	26
Retirement benefit liability	284	457
Provision for retirement benefits for directors (and other officers)	5	4
Provision for share awards	–	20
Provision for loss on interest repayment	2	1
Provision for reimbursement of deposits	589	526
Provision for contingent loss	1,023	894
Deferred tax liabilities	515	552
Deferred tax liabilities for land revaluation	4,570	4,570
Acceptances and guarantees	3,203	3,231
Total liabilities	5,254,977	6,588,252
Net assets		
Share capital	49,759	49,759
Capital surplus	39,704	39,704
Retained earnings	177,123	182,244
Treasury shares	(8,301)	(9,280)
Total shareholders' equity	258,286	262,427
Valuation difference on available-for-sale securities	27,015	30,303
Revaluation reserve for land	7,040	7,040
Remeasurements of defined benefit plans	451	414
Total accumulated other comprehensive income	34,507	37,758
Share acquisition rights	312	317
Non-controlling interests	4,944	5,023
Total net assets	298,051	305,527
Total liabilities and net assets	5,553,028	6,893,780

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, 2020	Six months ended September 30, 2021
Ordinary income	31,985	32,849
Interest income	24,147	24,291
Interest on loans and discounts	18,046	17,866
Interest and dividends on securities	5,854	6,059
Fees and commissions	5,135	6,808
Other ordinary income	641	417
Other income	2,060	1,331
Ordinary expenses	25,709	23,676
Interest expenses	399	330
Interest on deposits	182	112
Fees and commissions payments	2,841	2,974
Other ordinary expenses	411	380
General and administrative expenses	18,355	17,787
Other expenses	3,701	2,203
Ordinary profit	6,275	9,172
Extraordinary income	–	18
Gain on disposal of non-current assets	–	18
Extraordinary losses	71	72
Loss on disposal of non-current assets	62	72
Impairment losses	8	–
Profit before income taxes	6,204	9,118
Income taxes - current	2,166	2,802
Income taxes - deferred	(294)	(135)
Total income taxes	1,872	2,666
Profit	4,331	6,452
Profit attributable to non-controlling interests	105	19
Profit attributable to owners of parent	4,226	6,432

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Six months ended September 30, 2020	Six months ended September 30, 2021
Profit	4,331	6,452
Other comprehensive income	(682)	3,314
Valuation difference on available-for-sale securities	(903)	3,353
Remeasurements of defined benefit plans, net of tax	221	(38)
Comprehensive income	3,648	9,766
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	3,396	9,683
Comprehensive income attributable to non-controlling interests	252	83

Consolidated statements of changes in equity

Six months ended September 30, 2020

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	49,759	39,704	171,957	(8,432)	252,989
Changes during period					
Dividends of surplus			(1,174)		(1,174)
Profit attributable to owners of parent			4,226		4,226
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares			(23)	131	107
Net changes in items other than shareholders' equity					
Total changes during period	–	–	3,027	131	3,158
Balance at end of period	49,759	39,704	174,984	(8,301)	256,147

	Accumulated other comprehensive income				Share acquisition rights	Non-controlling 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 period	20,065	7,198	(2,744)	24,519	346	4,451	282,306
Changes during period							
Dividends of surplus							(1,174)
Profit attributable to owners of parent							4,226
Purchase of treasury shares							(0)
Disposal of treasury shares							107
Net changes in items other than shareholders' equity	(1,052)	–	222	(830)	(68)	248	(651)
Total changes during period	(1,052)	–	222	(830)	(68)	248	2,507
Balance at end of period	19,013	7,198	(2,522)	23,689	277	4,699	284,814

Six months ended September 30, 2021

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	49,759	39,704	177,123	(8,301)	258,286
Changes during period					
Dividends of surplus			(1,306)		(1,306)
Profit attributable to owners of parent			6,432		6,432
Purchase of treasury shares				(997)	(997)
Disposal of treasury shares			(5)	18	13
Net changes in items other than shareholders' equity					
Total changes during period	–	–	5,120	(979)	4,141
Balance at end of period	49,759	39,704	182,244	(9,280)	262,427

	Accumulated other comprehensive income				Share acquisition rights	Non-controlling 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 period	27,015	7,040	451	34,507	312	4,944	298,051
Changes during period							
Dividends of surplus							(1,306)
Profit attributable to owners of parent							6,432
Purchase of treasury shares							(997)
Disposal of treasury shares							13
Net changes in items other than shareholders' equity	3,287	–	(36)	3,251	4	78	3,334
Total changes during period	3,287	–	(36)	3,251	4	78	7,476
Balance at end of period	30,303	7,040	414	37,758	317	5,023	305,527