

May 13, 2016

Consolidated Financial Results
for the Fiscal Year ended March 31, 2016
[under Japanese GAAP]

Company Name : **The Tokyo Star Bank, Limited**
 (URL <http://www.tokyostarbank.co.jp/>)
 Headquarters : Tokyo

Note: - The amounts are rounded down to the nearest million of yen.

1. Summary of Consolidated Financial Results
for the Fiscal Year ended March 31, 2016

(1) Operating Results (in millions of yen except per share data and percentages)

	For the year ended March 31,	
	2016	2015
Ordinary income	69,102	76,593
Change from the previous period	(9.7)%	17.4%
Ordinary profit	17,419	24,961
Change from the previous period	(30.2)%	67.2%
Net income	11,092	16,494
Change from the previous period	(32.7)%	62.1%
Net income per common share (yen)	15,846.37	23,563.88
Diluted net income per common share (yen)	-	-
Return on equity	9.0%	14.9%
Ratio of ordinary profit to total assets	0.6%	0.9%
Ratio of ordinary profit to ordinary income	25.2%	32.5%

Note: Comprehensive income for the year ended :

March 31, 2016 :	8,583 million yen	(43.0) %
March 31, 2015 :	15,076 million yen	54.2 %

(2) Financial Conditions (in millions of yen except per share data and percentages)

	As of March 31,	
	2016	2015
Total assets	2,738,786	2,778,726
Net assets	126,356	117,773
Ratio of net assets to total assets	4.6%	4.2%
Net assets per common share (yen)	180,509.89	168,247.32

Notes: 1. Net assets, excluding Stock acquisition rights and Minority interests, as of :

March 31, 2016 :	126,356 million yen
March 31, 2015 :	117,773 million yen

2. Ratio of net assets to total assets

= (Net assets - Stock acquisition rights - Minority interests) / Total assets X 100

2. Notes

(1) Significant Change in the Scope of Consolidation : No

On February 1, 2016, TSB Capital, Ltd. (as the surviving company) merged into Tokyo Star Business Finance, Ltd. (as the absorbed company) by an absorption-type merger, which are both the Tokyo Star Bank's wholly owned subsidiaries.
The trade name of the surviving company is Tokyo Star Business Finance, Ltd.

(2) Changes in Accounting Policies, Changes in Accounting Estimates and Correction of Prior Period Errors for Consolidated Financial Statements

- ① Changes accounting policies due to revision of accounting standards etc. : Yes

Details are shown separately in 6. Note to consolidated financial statements.

- ② Changes accounting policies other than ① above : No
③ Changes in accounting estimates : No
④ Correction of prior period errors : No

(3) Number of Shares Outstanding (Common stock)

- ① Number of Shares Outstanding as of :
March 31, 2016 : 700,000 shares
March 31, 2015 : 700,000 shares
- ② Number of Treasury Shares Outstanding as of :
March 31, 2016 : - shares
March 31, 2015 : - shares
- ③ Average Number of Shares Outstanding for the fiscal year ended :
March 31, 2016 : 700,000 shares
March 31, 2015 : 700,000 shares

(Reference)**1. Summary of Non-Consolidated Financial Results for the Fiscal Year ended March 31, 2016**

	(in millions of yen except per share data and percentages)	
	For the year ended March 31,	
	2016	2015
Ordinary income	69,378	77,295
Change from the previous period	(10.2)%	9.6%
Ordinary profit	16,584	24,646
Change from the previous period	(32.7)%	32.0%
Net income	10,633	16,333
Change from the previous period	(34.8)%	65.7%
Net income per common share (yen)	15,191.10	23,333.81
Diluted net income per common share (yen)	-	-

	(in millions of yen except per share data and percentages)	
	As of March 31,	
	2016	2015
Total assets	2,729,348	2,770,253
Net assets	118,642	110,517
Ratio of net assets to total assets	4.3%	3.9%
Net assets per common share (yen)	169,488.73	157,881.43

Notes: 1. Net assets, excluding Stock acquisition rights and Non-controlling interests, as of :

March 31, 2016 : 118,642 million yen
March 31, 2015 : 110,517 million yen

2. Ratio of net assets to total assets

= (Net assets - Stock acquisition rights) / Total assets X 100

Consolidated Financial Statements

1. Consolidated balance sheets

(in millions of yen)	As of March 31, 2015	As of March 31, 2016
Assets		
Cash and due from banks	224,760	339,010
Call loans	18,922	39,612
Monetary claims bought	4,598	4,854
Money held in trust	16,376	11,863
Securities	867,606	568,895
Loans and bills discounted	1,602,198	1,703,229
Foreign exchanges	4,773	6,062
Other assets	33,039	56,636
Tangible fixed assets	6,035	5,868
Intangible fixed assets	8,743	8,550
Deferred tax assets	4,821	4,874
Customers' liabilities for acceptances and guarantees	11,647	10,741
Allowance for loan losses	(24,796)	(21,414)
Total assets	2,778,726	2,738,786
Liabilities		
Deposits	2,228,577	2,072,187
Negotiable certificates of deposit	77,630	294,770
Payables under repurchase agreements	-	32,222
Payables under securities lending transactions	80,101	87,056
Borrowed money	164,234	44,400
Foreign exchanges	16	-
Bonds payable	30,400	22,500
Other liabilities	65,514	45,787
Provision for bonuses	2,318	2,398
Provision for directors' bonuses	285	241
Provision for directors' retirement benefits	76	-
Provision for losses on dormant deposit repayments	137	115
Provision for possible losses on refund of interest	8	3
Provision for loyalty program	6	5
Acceptances and guarantees	11,647	10,741
Total liabilities	2,660,953	2,612,429
Net assets		
Capital stock	26,000	26,000
Capital surplus	24,000	24,000
Retained earnings	64,014	75,106
Total shareholders' equity	114,014	125,106
Valuation difference on available-for-sale securities	4,041	1,189
Deferred gains or losses on hedges	(282)	60
Total accumulated other comprehensive income	3,758	1,250
Total net assets	117,773	126,356
Total liabilities and net assets	2,778,726	2,738,786

2. Consolidated statements of income

(in millions of yen)	For the year ended March 31, 2015	For the year ended March 31, 2016
Ordinary income	76,593	69,102
Interest income	43,512	41,433
Interest on loans and discounts	33,277	33,008
Interest and dividends on securities	8,251	7,715
Interest on call loans	101	94
Interest on receivables under securities borrowing transactions	-	11
Interest on deposits with banks	252	316
Other interest income	1,629	287
Fees and commissions	12,471	12,264
Other ordinary income	8,729	7,541
Other income	11,880	7,862
Ordinary expenses	51,631	51,682
Interest expenses	10,826	7,265
Interest on deposits	8,952	5,563
Interest on negotiable certificates of deposit	76	285
Interest on call money	5	1
Interest on payables under repurchase agreements	-	43
Interest on payables under securities lending transactions	123	170
Interest on borrowed money	158	87
Interest on bonds	1,509	1,103
Other interest expenses	1	8
Fees and commissions payments	4,512	4,705
Other ordinary expenses	1,011	2,586
General and administrative expenses	33,677	36,101
Other expenses	1,603	1,024
Other	1,603	1,024
Ordinary profit (loss)	24,961	17,419
Extraordinary income	1	-
Gain on disposal of noncurrent assets	1	-
Extraordinary loss	27	415
Loss on disposal of noncurrent assets	27	415
Income (Loss) before income taxes	24,935	17,003
Income taxes-current	5,701	4,723
Income taxes-deferred	2,739	1,187
Total income taxes	8,440	5,911
Net income (loss)	16,494	11,092
Net income attributable to non-controlling interests	-	-
Net income attributable to owners of the parent	16,494	11,092

3. Consolidated statements of comprehensive income

(in millions of yen)	For the year ended March 31, 2015	For the year ended March 31, 2016
Income (Loss) before minority interests	16,494	11,092
Other comprehensive income	(1,417)	(2,508)
Valuation difference on available-for-sale securities	(671)	(2,852)
Deferred gains or losses on hedges	(746)	343
Comprehensive income	15,076	8,583
Comprehensive income attributable to owners of the parent	15,076	8,583
Comprehensive income attributable to non-controlling interests	-	-

4. Consolidated statements of changes in net assets

For the year ended March 31, 2015

(in millions of yen)

	Shareholders' equity				Accumulated other comprehensive income			Total net assets
	Capital stock	Capital surplus	Retained earnings	Total	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Total	
Balance at the beginning of current period	26,000	24,000	47,519	97,519	4,713	463	5,176	102,696
Changes of items during the period								
Net income	-	-	16,494	16,494	-	-	-	16,494
Net changes of items other than shareholders' equity	-	-	-	-	(671)	(746)	(1,417)	(1,417)
Total changes of items during the period	-	-	16,494	16,494	(671)	(746)	(1,417)	15,076
Balance at the end of current period	26,000	24,000	64,014	114,014	4,041	(282)	3,758	117,773

For the year ended March 31, 2016

(in millions of yen)

	Shareholders' equity				Accumulated other comprehensive income			Total net assets
	Capital stock	Capital surplus	Retained earnings	Total	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Total	
Balance at the beginning of current period	26,000	24,000	64,014	114,014	4,041	(282)	3,758	117,773
Changes of items during the period								
Net income	-	-	11,092	11,092	-	-	-	11,092
Net changes of items other than shareholders' equity	-	-	-	-	(2,852)	343	(2,508)	(2,508)
Total changes of items during the period	-	-	11,092	11,092	(2,852)	343	(2,508)	8,583
Balance at the end of current period	26,000	24,000	75,106	125,106	1,189	60	1,250	126,356

5. Going concern assumption

There is no applicable information.

6. Notes to consolidated financial statements

(Changes in Accounting Policies due to revision of accounting standards etc.)

From the first half of fiscal 2015, the Tokyo Star Bank and its consolidated subsidiaries have applied “Accounting Standard for Business Combinations” (ASBJ Statement No.21, September 13, 2013), “Accounting Standard for Consolidated Financial Statements” (ASBJ Statement No.22, September 13, 2013), “Accounting Standard for Business Divestitures” (ASBJ Statement No.7, September 13, 2013) and other related standards. Due to the application, the presentation of “Net income” and other related items is changed. The consolidated financial statements for the first half of fiscal 2014 and for the fiscal year ended March 31, 2015 are reclassified to reflect these changes.

(Segment information)

Segment information has not been presented as the Bank and its consolidated subsidiaries are a single segment as banking business.

(Per share data)

	(yen)
Net assets per common share	180,509.89
Net income per common share	15,846.37

(notes)

① Net assets per share is calculated based on the followings:

(in millions of yen except number of shares)

Net assets	126,356
Deduction from net assets	-
Net assets attributable to common stock at the fiscal year-end	126,356
Number of shares of common stock outstanding at the fiscal year-end used for the calculation of net assets per share	700,000

② Net income per share is calculated based on the followings:

(in millions of yen except number of shares)

Net income	11,092
Amount not to attributable to common stockholders	-
Net income attributable to owners of the parent to common stock	11,092
Average number of shares of common stock during the period	700,000

7. Subsequent events

There is no applicable information.

Non-Consolidated Financial Statements

1. Non-consolidated balance sheets

(in millions of yen)	As of March 31, 2015	As of March 31, 2016
Assets		
Cash and due from banks	224,656	338,885
Call loans	18,922	39,612
Monetary claims bought	4,598	4,854
Money held in trust	16,376	11,863
Securities	872,376	573,655
Loans and bills discounted	1,596,777	1,694,688
Foreign exchanges	4,773	6,062
Other assets	32,768	56,569
Tangible fixed assets	5,973	5,804
Intangible fixed assets	8,560	8,388
Deferred tax assets	3,864	4,131
Customers' liabilities for acceptances and guarantees	474	1,300
Allowance for loan losses	(19,869)	(16,469)
Total assets	2,770,253	2,729,348
Liabilities		
Deposits	2,238,422	2,079,930
Negotiable certificates of deposit	77,630	294,770
Payables under repurchase agreements	-	32,222
Payables under securities lending transactions	80,101	87,056
Borrowed money	164,234	44,400
Foreign exchanges	16	-
Bonds payable	30,400	22,500
Other liabilities	65,650	45,787
Provision for bonuses	2,301	2,377
Provision for directors' bonuses	285	241
Provision for directors' retirement benefits	76	-
Provision for losses on dormant deposit repayments	137	115
Provision for loyalty program	6	5
Acceptances and guarantees	474	1,300
Total liabilities	2,659,736	2,610,706
Net assets		
Capital stock	26,000	26,000
Capital surplus	24,000	24,000
Legal capital surplus	24,000	24,000
Retained earnings	56,758	67,392
Legal retained earnings	2,000	2,000
Other retained earnings	54,758	65,392
Retained earnings brought forward	54,758	65,392
Total shareholders' equity	106,758	117,392
Valuation difference on available-for-sale securities	4,041	1,189
Deferred gains or losses on hedges	(282)	60
Total valuation and translation adjustments	3,758	1,250
Total net assets	110,517	118,642
Total liabilities and net assets	2,770,253	2,729,348

2. Non-consolidated statements of income

(in millions of yen)	For the year ended March 31, 2015	For the year ended March 31, 2016
Ordinary income	77,295	69,378
Interest income	43,270	41,106
Interest on loans and discounts	33,040	32,684
Interest and dividends on securities	8,247	7,711
Interest on call loans	101	94
Interest on receivables under securities borrowing transactions	-	11
Interest on deposits with banks	252	316
Interest on interest swaps	1,344	178
Other interest income	284	109
Fees and commissions	11,905	11,751
Fees and commissions on domestic and foreign exchanges	1,528	1,326
Other fees and commissions	10,377	10,425
Other ordinary income	8,729	7,541
Gain on foreign exchange transactions	406	2,237
Gain on sales of bonds	3,367	3,421
Gain on redemption of bonds	29	56
Income from derivatives other than for trading or hedging	2,956	-
Other	1,970	1,825
Other income	13,389	8,978
Reversal of allowance for loan losses	7,927	3,475
Recoveries of written-off claims	-	1
Gain on sales of stocks and other securities	795	1,250
Gain on money held in trust	866	2,010
Loan purchase revenue	3,145	1,350
Other	654	890
Ordinary expenses	52,648	52,793
Interest expenses	10,827	7,266
Interest on deposits	8,953	5,565
Interest on negotiable certificates of deposit	76	285
Interest on call money	5	1
Interest on payables under repurchase agreements	-	43
Interest on payables under securities lending transactions	123	170
Interest on borrowed money	158	87
Interest on bonds	1,509	1,103
Other interest expenses	1	8
Fees and commissions payments	6,905	6,905
Fees and commissions on domestic and foreign exchanges	220	219
Other fees and commissions	6,685	6,685
Other ordinary expenses	1,011	2,586
Loss on sales of bonds	564	76
Loss on redemption of bonds	179	307
Loss on devaluation of bonds	267	-
Loss on derivatives other than for trading or hedging	-	2,198
Other	-	2
General and administrative expenses	33,162	35,617
Other expenses	741	418
Written-off of loans	7	12
Loss on sales of stocks and other securities	104	95
Provision for losses on dormant deposit repayments	10	-
Other	618	309
Ordinary profit (loss)	24,646	16,584

2. Non-consolidated statements of income (continued)

(in millions of yen)	For the year ended March 31, 2015	For the year ended March 31, 2016
Extraordinary loss	27	413
Loss on disposal of noncurrent assets	27	413
Other	-	-
Income (Loss) before income taxes	24,619	16,170
Income taxes-current	5,610	4,562
Income taxes-deferred	2,674	974
Total income taxes	8,285	5,537
Net income (loss)	16,333	10,633

3. Non-consolidated statements of changes in net assets

For the year ended March 31, 2015

(in millions of yen)

	Shareholders' equity						
	Capital stock	Capital surplus		Retained earnings			Total shareholders' equity
	Capital stock	Legal capital surplus	Total	Legal retained earnings	Retained earnings brought forward	Total	
Balance at the beginning of current period	26,000	24,000	24,000	2,000	38,424	40,424	90,424
Changes of items during the period							
Net income	-	-	-	-	16,333	16,333	16,333
Net changes of items other than shareholders' equity	-	-	-	-	-	-	-
Total changes of items during the period	-	-	-	-	16,333	16,333	16,333
Balance at the end of current period	26,000	24,000	24,000	2,000	54,758	56,758	106,758

	Valuation and translation adjustments			Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Total	
Balance at the beginning of current period	4,713	463	5,176	95,601
Changes of items during the period				
Net income	-	-	-	16,333
Net changes of items other than shareholders' equity	(671)	(746)	(1,417)	(1,417)
Total changes of items during the period	(671)	(746)	(1,417)	14,915
Balance at the end of current period	4,041	(282)	3,758	110,517

3. Non-consolidated statements of changes in net assets (Continued)

For the year ended March 31, 2016

(in millions of yen)

	Shareholders' equity						
	Capital stock	Capital surplus		Retained earnings			Total shareholders' equity
	Capital stock	Legal capital surplus	Total	Legal retained earnings	Retained earnings brought forward	Total	
Balance at the beginning of current period	26,000	24,000	24,000	2,000	54,758	56,758	106,758
Changes of items during the period							
Net income	-	-	-	-	10,633	10,633	10,633
Net changes of items other than shareholders' equity	-	-	-	-	-	-	-
Total changes of items during the period	-	-	-	-	10,633	10,633	10,633
Balance at the end of current period	26,000	24,000	24,000	2,000	65,392	67,392	117,392

	Valuation and translation adjustments			Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Total	
Balance at the beginning of current period	4,041	(282)	3,758	110,517
Changes of items during the period				
Net income	-	-	-	10,633
Net changes of items other than shareholders' equity	(2,852)	343	(2,508)	(2,508)
Total changes of items during the period	(2,852)	343	(2,508)	8,125
Balance at the end of current period	1,189	60	1,250	118,642

4. Going concern assumption

There is no applicable information.