

May 15, 2018

Consolidated Financial Results
for the Fiscal Year ended March 31, 2018
[under Japanese GAAP]

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

Note: - The financial results presented here are not subject to certified public accountant's or audit firm's audits.
 - The amounts are rounded down to the nearest million of yen.

1. Summary of Consolidated Financial Results
for the Fiscal Year ended March 31, 2018

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

	For the year ended March 31	
	2018	2017
Ordinary income	70,388	71,107
Change from the previous period	(1.0)%	2.9%
Ordinary profit	17,863	16,047
Change from the previous period	11.3%	(7.8)%
Net income	12,483	11,406
Change from the previous period	9.4%	2.8%
Net income per common share (yen)	17,833.67	16,295.67
Diluted net income per common share (yen)	-	-
Return on equity	8.7%	8.6%
Ratio of ordinary profit to total assets	0.6%	0.6%
Ratio of ordinary profit to ordinary income	25.3%	22.5%

Note: Comprehensive income for the year ended :

March 31, 2018 :	11,991 million yen	17.1 %
March 31, 2017 :	10,232 million yen	19.2 %

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

	As of March 31	
	2018	2017
Total assets	2,608,103	2,530,596
Net assets	148,581	136,589
Ratio of net assets to total assets	5.6%	5.3%
Net assets per common share (yen)	212,258.58	195,127.35

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

March 31, 2018 :	148,581 million yen
March 31, 2017 :	136,589 million yen

2. Ratio of net assets to total assets

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

2. Notes

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

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

(a) Changes in accounting policies due to revision of accounting standards etc. : No

(b) Changes in accounting policies other than (a) above : No

(c) Changes in accounting estimates : No

(d) Correction of prior period errors : No

(3) Number of Shares Outstanding (Common stock)

(a) Number of Shares Outstanding as of :

March 31, 2018 :	700,000 shares
March 31, 2017 :	700,000 shares

(b) Number of Treasury Shares Outstanding as of :

March 31, 2018 :	- shares
March 31, 2017 :	- shares

(c) Average Number of Shares Outstanding for the fiscal year ended :

March 31, 2018 :	700,000 shares
March 31, 2017 :	700,000 shares

(Reference)

1. Summary of Non-Consolidated Financial Results for the Fiscal Year ended March 31, 2018

(1) Operating Results

(Millions of yen except per share data and percentages)

	For the year ended March 31	
	2018	2017
Ordinary income	70,315	70,929
Change from the previous period	(0.8)%	2.2%
Ordinary profit	17,286	15,166
Change from the previous period	13.9%	(8.5)%
Net income	12,141	10,777
Change from the previous period	12.6%	1.3%
Net income per common share (yen)	17,345.23	15,396.35
Diluted net income per common share (yen)	-	-

(2) Financial Conditions

(Millions of yen except per share data and percentages)

	As of March 31	
	2018	2017
Total assets	2,601,299	2,522,628
Net assets	139,894	128,244
Ratio of net assets to total assets	5.3%	5.0%
Net assets per common share (yen)	199,849.65	183,206.86

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

March 31, 2018 :	139,894 million yen
March 31, 2017 :	128,244 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

(Millions of yen)	As of March 31, 2017	As of March 31, 2018
Assets		
Cash and due from banks	428,726	374,979
Call loans	32,681	27,901
Monetary claims bought	3,653	4,755
Money held in trust	5,193	9,975
Securities	316,286	334,888
Loans and bills discounted	1,661,483	1,740,836
Foreign exchanges	6,606	8,112
Other assets	63,652	93,517
Tangible fixed assets	5,510	5,563
Intangible fixed assets	7,903	7,591
Deferred tax assets	4,102	4,126
Customers' liabilities for acceptances and guarantees	9,112	8,466
Allowance for loan losses	(14,316)	(12,610)
Total assets	2,530,596	2,608,103
Liabilities		
Deposits	1,994,450	1,878,581
Negotiable certificates of deposit	284,764	359,685
Call money	-	52,748
Payables under repurchase agreements	22,898	18,537
Payables under securities lending transactions	9,846	77,567
Borrowed money	6,468	3,080
Foreign exchanges	5	16
Bonds payable	16,300	4,100
Other liabilities	47,193	53,600
Provision for bonuses	2,563	2,822
Provision for directors' bonuses	298	198
Provision for losses on dormant deposit repayments	96	107
Provision for possible losses on refund of interest	5	9
Provision for loyalty program	4	-
Acceptances and guarantees	9,112	8,466
Total liabilities	2,394,007	2,459,522
Net assets		
Capital stock	26,000	26,000
Capital surplus	24,000	24,000
Retained earnings	86,513	98,997
Total shareholders' equity	136,513	148,997
Valuation difference on available-for-sale securities	75	(616)
Deferred gains or losses on hedges	-	200
Total accumulated other comprehensive income	75	(416)
Total net assets	136,589	148,581
Total liabilities and net assets	2,530,596	2,608,103

2. Consolidated statements of income

(Millions of yen)	For the year ended March 31, 2017	For the year ended March 31, 2018
Ordinary income	71,107	70,388
Interest income	39,833	41,042
Interest on loans and discounts	32,482	32,488
Interest and dividends on securities	6,876	8,072
Interest on call loans	66	62
Interest on deposits with banks	302	304
Other interest income	104	113
Fees and commissions	10,612	11,505
Other ordinary income	11,730	9,602
Other income	8,929	8,238
Ordinary expenses	55,059	52,524
Interest expenses	6,538	6,278
Interest on deposits	4,544	3,680
Interest on negotiable certificates of deposit	27	17
Interest on call money	-	29
Interest on payables under repurchase agreements	132	542
Interest on payables under securities lending transactions	693	1,166
Interest on borrowed money	34	40
Interest on bonds	802	396
Other interest expenses	303	405
Fees and commissions payments	4,915	4,865
Other ordinary expenses	6,191	4,584
General and administrative expenses	35,897	34,875
Other expenses	1,516	1,921
Others	1,516	1,921
Ordinary profit (loss)	16,047	17,863
Extraordinary income	-	0
Extraordinary loss	91	198
Loss on disposal of non-current assets	91	198
Income (Loss) before income taxes	15,956	17,665
Income taxes-current	3,574	5,248
Income taxes for prior periods	(317)	(259)
Income taxes-deferred	1,291	192
Total income taxes	4,549	5,181
Net income (loss)	11,406	12,483
Net income attributable to non-controlling interests	-	-
Net income attributable to owners of the parent	11,406	12,483

3. Consolidated statements of comprehensive income

(Millions of yen)	For the year ended March 31, 2017	For the year ended March 31, 2018
Income (Loss) before non-controlling interests	11,406	12,483
Other comprehensive income	(1,174)	(491)
Valuation difference on available-for-sale securities	(1,114)	(691)
Deferred gains or losses on hedges	(60)	200
Comprehensive income	10,232	11,991
Comprehensive income attributable to owners of the parent	10,232	11,991
Comprehensive income attributable to non-controlling interests	-	-

4. Consolidated statements of changes in net assets

For the year ended March 31, 2017

(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	75,106	125,106	1,189	60	1,250	126,356
Changes of items during the period								
Net income	-	-	11,406	11,406	-	-	-	11,406
Net changes of items other than shareholders' equity	-	-	-	-	(1,114)	(60)	(1,174)	(1,174)
Total changes of items during the period	-	-	11,406	11,406	(1,114)	(60)	(1,174)	10,232
Balance at the end of current period	26,000	24,000	86,513	136,513	75	0	75	136,589

For the year ended March 31, 2018

(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	86,513	136,513	75	-	75	136,589
Changes of items during the period								
Net income	-	-	12,483	12,483	-	-	-	12,483
Net changes of items other than shareholders' equity	-	-	-	-	(691)	200	(491)	(491)
Total changes of items during the period	-	-	12,483	12,483	(691)	200	(491)	11,991
Balance at the end of current period	26,000	24,000	98,997	148,997	(616)	200	(416)	148,581

5. Going concern assumption

There is no applicable information.

6. Notes to consolidated financial statements

There is no applicable information.

7. Segment Information

Since our group operates solely within a banking segment, this information is omitted.

8. Per share data

(yen)

Net assets per common share	212,258.58
Net income per common share	17,833.67

(notes)

(a) Net assets per share is calculated based on the followings:

(Millions of yen except number of shares)

Net assets	148,581
Deduction from net assets	-
Net assets attributable to common stock at the fiscal year-end	148,581
Number of shares of common stock outstanding at the fiscal year-end used for the calculation of net assets per share	700,000

(b) Net income per share is calculated based on the followings:

(Millions of yen except number of shares)

Net income	12,483
Amount not attributable to common stockholders	-
Net income attributable to owners of the parent to common stock	12,483
Average number of shares of common stock during the period	700,000

9. Subsequent events

There is no applicable information.

Non-Consolidated Financial Statements

1. Non-consolidated balance sheets

(Millions of yen)	As of March 31, 2017	As of March 31, 2018
Assets		
Cash and due from banks	428,341	374,361
Call loans	32,681	27,901
Monetary claims bought	3,653	4,755
Money held in trust	5,193	9,975
Securities	321,052	339,456
Loans and bills discounted	1,653,880	1,733,918
Foreign exchanges	6,606	8,112
Other assets	63,588	93,455
Tangible fixed assets	5,420	5,479
Intangible fixed assets	7,772	7,509
Deferred tax assets	3,465	3,590
Customers' liabilities for acceptances and guarantees	1,152	1,557
Allowance for loan losses	(10,181)	(8,774)
Total assets	2,522,628	2,601,299
Liabilities		
Deposits	2,002,780	1,887,387
Negotiable certificates of deposit	284,764	359,685
Call money	—	52,748
Payables under repurchase agreements	22,898	18,537
Payables under securities lending transactions	9,846	77,567
Borrowed money	6,468	3,080
Foreign exchanges	5	16
Bonds payable	16,300	4,100
Other liabilities	47,224	53,616
Provision for bonuses	2,544	2,802
Provision for directors' bonuses	298	198
Provision for losses on dormant deposit repayments	96	107
Provision for loyalty program	4	—
Acceptances and guarantees	1,152	1,557
Total liabilities	2,394,383	2,461,405
Net assets		
Capital stock	26,000	26,000
Capital surplus	24,000	24,000
Legal capital surplus	24,000	24,000
Retained earnings	78,169	90,311
Legal retained earnings	2,000	2,000
Other retained earnings	76,169	88,311
Retained earnings brought forward	76,169	88,311
Total shareholders' equity	128,169	140,311
Valuation difference on available-for-sale securities	75	(616)
Deferred gains or losses on hedges	-	200
Total valuation and translation adjustments	75	(416)
Total net assets	128,244	139,894
Total liabilities and net assets	2,522,628	2,601,299

2. Non-consolidated statements of income

(Millions of yen)	For the year ended March 31, 2017	For the year ended March 31, 2018
Ordinary income	70,929	70,315
Interest income	39,454	40,702
Interest on loans and discounts	32,106	32,154
Interest and dividends on securities	6,874	8,067
Interest on call loans	66	62
Interest on deposits with banks	302	304
Other interest income	104	113
Fees and commissions	10,235	11,224
Fees and commissions on domestic and foreign exchanges	1,336	1,335
Other fees and commissions	8,898	9,889
Other ordinary income	11,730	9,602
Gain on foreign exchange transactions	2,022	2,782
Gain on sales of bonds	3,263	1,194
Gain on redemption of bonds	78	89
Income from derivatives other than for trading or hedging	4,013	3,398
Others	2,352	2,137
Other income	9,508	8,785
Reversal of allowance for loan losses	6,061	1,395
Recoveries of written-off claims	—	0
Gain on sales of stocks and other securities	0	1,855
Gain on money held in trust	796	—
Loan purchase revenue	1,930	1,419
Others	718	4,115
Ordinary expenses	55,763	53,028
Interest expenses	6,538	6,278
Interest on deposits	4,545	3,680
Interest on negotiable certificates of deposit	27	17
Interest on call money	—	29
Interest on payables under repurchase agreements	132	542
Interest on payables under securities lending transactions	693	1,166
Interest on borrowed money	34	40
Interest on bonds	802	396
Interest on interest swaps	301	398
Other interest expenses	1	6
Fees and commissions payments	6,839	6,451
Fees and commissions on domestic and foreign exchanges	211	218
Other fees and commissions	6,627	6,233
Other ordinary expenses	6,191	4,584
Loss on sales of bonds	5,292	4,110
Loss on redemption of bonds	731	473
Loss on devaluation of bonds	163	—
Others	3	0
General and administrative expenses	35,399	34,434
Other expenses	793	1,280
Written-off of loans	—	6
Loss on sales of stocks and other securities	212	494
Loss on money held in trust	—	55
Provision for losses on dormant deposit repayments	—	76
Others	581	646
Ordinary profit (loss)	15,166	17,286

2. Non-consolidated statements of income (continued)

(Millions of yen)	For the year ended March 31, 2017	For the year ended March 31, 2018
Extraordinary income	—	—
Extraordinary loss	88	198
Loss on disposal of non-current assets	88	198
Income (Loss) before income taxes	15,077	17,088
Income taxes-current	3,432	5,114
Income taxes for prior periods	(317)	(259)
Income taxes-deferred	1,185	92
Total income taxes	4,299	4,946
Net income (loss)	10,777	12,141

3. Non-consolidated statements of changes in net assets

For the year ended March 31, 2017

(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	65,392	67,392	117,392
Changes of items during the period							
Net income	-	-	-	-	10,777	10,777	10,777
Net changes of items other than shareholders' equity	-	-	-	-	-	-	-
Total changes of items during the period	-	-	-	-	10,777	10,777	10,777
Balance at the end of current period	26,000	24,000	24,000	2,000	76,169	78,169	128,169

	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	1,189	60	1,250	118,642
Changes of items during the period				
Net income	-	-	-	10,777
Net changes of items other than shareholders' equity	(1,114)	(60)	(1,174)	(1,174)
Total changes of items during the period	(1,114)	(60)	(1,174)	9,602
Balance at the end of current period	75	-	75	128,244

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

For the year ended March 31, 2018

(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	76,169	78,169	128,169
Changes of items during the period							
Net income	-	-	-	-	12,141	12,141	12,141
Net changes of items other than shareholders' equity	-	-	-	-	-	-	-
Total changes of items during the period	-	-	-	-	12,141	12,141	12,141
Balance at the end of current period	26,000	24,000	24,000	2,000	88,311	90,311	140,311

	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	75	-	75	128,244
Changes of items during the period				
Net income	-	-	-	12,141
Net changes of items other than shareholders' equity	(691)	200	(491)	(491)
Total changes of items during the period	(691)	200	(491)	11,649
Balance at the end of current period	(616)	200	(416)	139,894

4. Going concern assumption

There is no applicable information.