

Consolidated Financial Results for the six months ended September 30, 2019



November 8, 2019

Company Name:	Bank of The Ryukyus, Limited	Stock Exchange Listing:	Tokyo, Fukuoka
Code Number:	8399	URL:	https://www.ryugin.co.jp/
Representative:	Representative Director, President	Yasushi Kawakami	
Reference Person in Charge:	Executive Officer, General Planning Dept.	Hitoshi Kinjo	Phone: +81-98-866-1212
Securities Report Issuing Date (scheduled):		November 27, 2019	
Commencement of Dividend Payment (scheduled):		December 6, 2019	
Trading Accounts:		None	
Supplemental Information for Financial Statements:		Available	
Investor Meeting Presentation:		None	

(Amounts less than one million yen are rounded down.)

1. Consolidated Financial Results (for the six months ended September 30, 2019)

(1) Operating Results

(Unit: Millions of Yen)

	Ordinary Income		Ordinary Profit		Profit Attributable to Owners of the Parent	
	Amount	% Change	Amount	% Change	Amount	% Change
Six months ended September 30, 2019	¥31,730	5.3%	¥4,249	-2.1%	¥2,874	-6.9%
Six months ended September 30, 2018	¥30,145	-3.2%	¥4,339	-26.1%	¥3,088	-22.5%

(Note1) Comprehensive Income: Six months ended September 30, 2019: ¥3,208 million [2.0%];
Six months ended September 30, 2018: ¥3,145 million [-32.0%]

(Note2) Percentages shown in Ordinary Income, Ordinary Profit, Profit Attributable to Owners of the Parent are the increase (decrease) from the same period of the previous year.

	Net Income per Share	Net Income per Share (Diluted)
Six months ended September 30, 2019	¥67.01	¥66.70
Six months ended September 30, 2018	¥79.16	¥78.76

(2) Financial Position

(Unit: Millions of Yen)

	Total Assets	Total Net Assets	Own Capital Ratio
September 30, 2019	¥2,425,656	¥130,624	5.4%
March 31, 2019	¥2,389,613	¥128,115	5.3%

(Reference) Own Capital: September 30, 2019: ¥130,373 million; March 31, 2019: ¥127,828 million

(Note) Own Capital Ratio = (Total Net Assets – Stock Acquisition Rights) / Total Assets

The ratio above is not based on the regulation of Capital Adequacy Ratio.

2. Dividends on Common Stock

	Annual Cash Dividends per Share				
	1 Quarter -End	2 Quarter -End	3 Quarter -End	Fiscal Year -End	Total
Fiscal year ended March 31, 2019	—	¥17.50	—	¥17.50	¥35.00
Fiscal year ended March 31, 2020	—	¥17.50	—	—	—
Fiscal year ending March 31, 2020 (Forecasts)	—	—	—	¥17.50	¥35.00

(Note) Revisions to the most recently announced earnings forecast: None

3. Consolidated Earnings Forecasts (for the fiscal year ending March 31, 2020)

(Unit: Millions of Yen, except per share data and percentages)

	Ordinary Income		Ordinary Profit		Profit Attributable to Owners of the Parent		Net Income per Share
	Amount	% Change	Amount	% Change	Amount	% Change	Amount
Fiscal year ending March 31, 2020	¥60,200	-3.1%	¥9,300	7.4%	¥6,200	1.6%	¥144.66

(Note) Revisions to the most recently announced earnings forecast: None

*** NOTES**

(1) Changes in the scope of consolidated significant subsidiaries in the six months ended September 30, 2019: None

(2) Changes in accounting policies, accounting estimates, and restatements:

(A) Changes in accounting policies due to revision of accounting: None

(B) Changes in accounting policies due to reasons other than (A): None

(C) Changes in accounting estimates: None

(D) Restatements: None

(3) Number of common stocks issued:

(A) Number of stocks issued
(including treasury stocks):

September 30, 2019	43,108,470 shares	March 31, 2019	43,108,470 shares
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(B) Number of treasury stocks:

September 30, 2019	180,269 shares	March 31, 2019	250,327 shares
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(C) Average outstanding stocks for the
six months ended:

September 30, 2019	42,893,589 shares	September 30, 2018	39,015,031 shares
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Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Unit: Millions of Yen)

	As of March 31, 2019	As of September 30, 2019
Assets:		
Cash and due from banks	254,210	264,727
Call loans and bills bought	707	510
Monetary claims bought	74	53
Money held in trust	15,148	8,491
Securities	279,114	306,925
Loans and bills discounted	1,698,859	1,697,824
Foreign exchanges	8,992	8,616
Lease receivables and investment assets	22,183	25,292
Other assets	78,328	79,746
Tangible fixed assets	23,985	23,150
Intangible fixed assets	4,266	4,489
Net defined benefit asset	479	480
Deferred tax assets	4,181	4,075
Customers' liabilities for acceptances and guarantees	7,788	10,057
Allowance for loan losses	(8,708)	(8,785)
Total assets	2,389,613	2,425,656

(Unit: Millions of Yen)

	As of March 31, 2019	As of September 30, 2019
Liabilities:		
Deposits	2,154,239	2,199,785
Negotiable certificates of deposit	31,428	31,448
Payables under repurchase agreements	21,734	3,578
Borrowed money	19,120	20,347
Foreign exchanges	108	264
Other liabilities	22,557	25,305
Reserve for bonuses	696	694
Net defined benefit liability	810	755
Reserve for retirement benefits for directors and corporate auditors	25	30
Reserve for reimbursement of deposits	109	106
Reserve for contingent losses	95	93
Reserve for point service program	158	156
Reserve for losses on interest payment	438	415
Deferred tax liabilities for land revaluation	2,188	1,991
Acceptances and guarantees	7,788	10,057
Total liabilities	2,261,498	2,295,032
Net assets:		
Capital stock	56,967	56,967
Capital surplus	14,275	14,264
Retained earnings	54,701	57,285
Treasury stock	(347)	(250)
Total shareholders' equity	125,596	128,267
Valuation difference on available-for-sale securities	1,639	1,889
Deferred gains on hedges	(0)	2
Revaluation reserve for land	1,312	851
Remeasurements of defined benefit plans	(719)	(637)
Total accumulated other comprehensive income	2,232	2,105
Stock acquisition rights	286	250
Total net assets	128,115	130,624
Total liabilities and net assets	2,389,613	2,425,656

(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income
(Consolidated Statements of Income)

	(Unit: Millions of Yen)	
	For the six months ended September 30, 2018	For the six months ended September 30, 2019
Ordinary income	30,145	31,730
Interest income	14,878	14,527
Interest on loans and bills discounted	13,072	13,329
Interest and dividends on securities	1,443	707
Fees and commissions	4,662	4,990
Other operating income	9,484	11,441
Other income	1,119	771
Ordinary expenses	25,805	27,481
Interest expenses	803	724
Interest on deposits	641	698
Fees and commissions payments	2,314	2,449
Other operating expenses	7,822	9,313
General and administrative expenses	13,695	13,756
Other expenses	1,168	1,236
Ordinary profit	4,339	4,249
Extraordinary income	0	9
Gain on disposal of non-current assets	0	9
Extraordinary losses	50	36
Loss on disposal of non-current assets	18	30
Impairment loss	32	6
Income before income taxes	4,289	4,222
Income taxes - current	1,388	1,581
Income taxes - deferred	(187)	(233)
Total income taxes	1,201	1,348
Profit	3,088	2,874
Profit attributable to owners of the parent	3,088	2,874

(Consolidated Statements of Comprehensive Income)

(Unit: Millions of Yen)

	For the six months ended September 30, 2018	For the six months ended September 30, 2019
Profit	3,088	2,874
Other comprehensive income	56	334
Valuation difference on available-for-sale securities	9	249
Deferred gains or losses on hedges	(16)	3
Remeasurements of defined benefit plans	63	81
Comprehensive income	3,145	3,208
(Comprehensive income attributable to:)		
Owners of the parent	3,145	3,208

(3) Consolidated Statements of Changes in Net Assets
For the six months ended September 30, 2018

(Unit: Millions of Yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at beginning of current period	54,127	11,437	50,271	(375)	115,460
Changes of items during period					
Issuance of new shares	2,840	2,840			5,680
Cash dividends			(936)		(936)
Profit attributable to owners of the parent			3,088		3,088
Purchase of treasury shares				(1)	(1)
Sales of treasury shares		(2)		30	28
Reversal of revaluation reserve for land			10		10
Net changes of items other than shareholders' equity					—
Total changes of items during period	2,840	2,838	2,162	29	7,869
Balance at end of current period	56,967	14,275	52,434	(346)	123,330

	Accumulated other comprehensive income					Stock acquisition rights	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of current period	1,497	(0)	1,323	(580)	2,239	236	117,937
Changes of items during period							
Issuance of new shares							5,680
Cash dividends							(936)
Profit attributable to owners of the parent							3,088
Purchase of treasury shares							(1)
Sales of treasury shares							28
Reversal of revaluation reserve for land							10
Net changes of items other than shareholders' equity	9	(16)	(10)	63	45	49	95
Total changes of items during period	9	(16)	(10)	63	45	49	7,965
Balance at end of current period	1,507	(16)	1,312	(517)	2,285	286	125,902

For the six months ended September 30, 2019

(Unit: Millions of Yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	56,967	14,275	54,701	(347)	125,596
Changes of items during period					
Cash dividends			(750)		(750)
Profit attributable to owners of the parent			2,874		2,874
Purchase of treasury shares				(0)	(0)
Sales of treasury shares		(11)		98	87
Reversal of revaluation reserve for land			460		460
Net changes of items other than shareholders' equity					—
Total changes of items during period	—	(11)	2,584	97	2,671
Balance at end of current period	56,967	14,264	57,285	(250)	128,267

	Accumulated other comprehensive income					Stock acquisition rights	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of current period	1,639	(0)	1,312	(719)	2,232	286	128,115
Changes of items during period							
Cash dividends							(750)
Profit attributable to owners of the parent							2,874
Purchase of treasury shares							(0)
Sales of treasury shares							87
Reversal of revaluation reserve for land							460
Net changes of items other than shareholders' equity	249	3	(460)	81	(126)	(35)	(162)
Total changes of items during period	249	3	(460)	81	(126)	(35)	2,509
Balance at end of current period	1,889	2	851	(637)	2,105	250	130,624