



Financial Results for the Third Quarter of the Fiscal Year Ending March 31, 2022 [JGAAP] (Consolidated Data)

February 4, 2022

Company name: Seven Bank, Ltd. Stock exchange listing: Tokyo Stock Exchange
 Stock code: 8410 URL: <https://www.sevenbank.co.jp/>
 Representative: (title) President and Representative Director
 (name) Yasuaki Funatake
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Scheduled date for filing of quarterly financial report: February 8, 2022 Scheduled date for cash dividends: -

Trading accounts: Not established

Quarterly earnings supplementary explanatory documents: Yes

Quarterly earnings presentation: Yes (Analysts, institutional investors)

(Amounts of less than one million yen are rounded down and percentages are rounded to the first decimal place, etc.)

1. Financial Highlights for the Third Quarter of the Fiscal Year Ending March 31, 2022 (April 1, 2021–December 31, 2021)

(1) Consolidated Operating Results (Accumulated)

(% represents the year-on-year change from the same period of the previous fiscal year.)

	Ordinary income		Ordinary profit		Net income attributable to owners of the parent	
	Million yen	%	Million yen	%	Million yen	%
Nine months ended December 31, 2021	103,199	(0.7)	23,502	(18.1)	15,968	(25.3)
Nine months ended December 31, 2020	104,002	(7.4)	28,731	(8.9)	21,386	2.8

Note: Comprehensive income: Nine months ended December 31, 2021 16,848 million yen (-18.9%)
 Nine months ended December 31, 2020 20,781 million yen (+0.1%)

	Net income per share	Diluted earnings per share
	Yen	Yen
Nine months ended December 31, 2021	13.58	—
Nine months ended December 31, 2020	18.16	18.16

Note: “Diluted earnings per share” for the nine months ended December 31, 2021, is not described because there were no dilutive shares.

(2) Consolidated Financial Position

	Total assets	Total net assets	Net assets to total assets ratio
	Million yen	Million yen	%
As of December 31, 2021	1,310,130	238,697	18.1
As of March 31, 2021	1,197,158	234,676	19.4

(Reference) Capital: As of December 31, 2021 237,149 million yen
 As of March 31, 2021 233,269 million yen

Note: “Net assets to total assets ratio” is calculated as: (Total net assets at the end of the period – Non-controlling interests at the end of the period) / Total assets at the end of the period. Please note that this “Net assets to total assets ratio” is not the capital adequacy ratio specified in the notification of capital adequacy ratio.

2. Dividends

	Dividend per share				
	First quarter	Semi-annual	Third quarter	Year end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2021	—	5.50	—	5.50	11.00
Fiscal year ending March 31, 2022	—	5.50	—		
Fiscal year ending March 31, 2022 (Forecasts)				5.50	11.00

Note: Revisions to most recently announced dividend forecasts (Yes/No): No

3. Performance Forecasts for the Fiscal Year Ending March 31, 2022 (April 1, 2021 - March 31, 2022)

(% represents the year-on-year change from the previous fiscal year.)

	Ordinary income		Ordinary profit		Net income attributable to owners of the parent		Net income per share
Full year	Million yen	%	Million yen	%	Million yen	%	Yen
	137,600	0.2	28,300	(20.5)	19,700	(23.9)	16.75

Note: Revisions to most recently announced performance forecasts (Yes/No): No

Notes

(1) Changes in important subsidiaries during the first quarter of the fiscal year ending March 31, 2022: None

(Changes in specific subsidiaries involving changes in the scope of consolidation)

Added -(company name)-

Excluded -(company name)-

(2) Application of accounting methods specific to the preparation of quarterly consolidated financial statements: None

(3) Changes in accounting policy, changes in accounting estimates, and retrospective restatements

(a) Changes in accounting policy arising from revision of accounting standards, etc. : Yes

(b) Changes in accounting policy other than those noted in (a) above : None

(c) Changes in accounting estimates : None

(d) Retrospective restatements : None

(4) Number of shares (common stock)

(a) Number of shares in issue (including treasury stock)

As of December 31, 2021	1,179,308,000 shares	As of March 31, 2021	1,179,308,000 shares
As of December 31, 2021	3,987,445 shares	As of March 31, 2021	3,587,793 shares
Nine months ended December 31, 2021	1,175,685,519 shares	Nine months ended December 31, 2020	1,177,094,803 shares

(b) Number of treasury shares

(c) Average number of shares for the period under review (Three-month period)

Note: Number of treasury shares and average number of shares for the period under review include shares of the Company held by "Directors' Compensation BIP Trust" and "Stock Grant ESOP Trust."

* This quarterly earnings report is exempt from quarterly review procedures by a certified public accountant or audit corporation.

* Explanation of the appropriate use of earnings forecasts, and other special notes

This report contains earnings projections and other forward-looking statements which represent the judgement of Seven Bank based on currently available information. Various factors may cause actual results to be materially different from projections in these forward-looking statements.

1. Quarterly Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2021	As of December 31, 2021
Assets		
Cash and due from banks	937,945	978,703
Securities	78,154	86,037
Loans	24,329	26,566
Foreign currency	0	0
ATM-related temporary payments	83,681	136,137
Other assets	17,442	24,888
Tangible fixed assets	19,218	23,287
Intangible fixed assets	34,857	33,378
Asset for retirement benefits	909	1,007
Deferred tax assets	707	439
Allowance for credit losses	(88)	(316)
Total assets	1,197,158	1,310,130
Liabilities		
Deposits	782,658	870,083
Negotiable certificates of deposits	750	650
Borrowed money	591	2,956
Bonds	105,000	105,000
ATM-related temporary advances	47,046	65,171
Other liabilities	25,098	26,368
Reserve for bonuses	610	400
Liability for retirement benefits	6	6
Reserve for directors' benefit trust	634	736
Deferred tax liabilities	87	59
Total liabilities	962,482	1,071,433
Net assets		
Common stock	30,724	30,724
Capital surplus	30,724	30,724
Retained earnings	168,694	171,689
Treasury stock	(1,081)	(1,174)
Total shareholders' equity	229,061	231,963
Net unrealized gains on available-for-sale securities	440	757
Foreign currency translation adjustments	3,407	4,100
Accumulated adjustments for retirement benefit	359	326
Total accumulated other comprehensive income	4,207	5,185
Non-controlling interests	1,407	1,548
Total net assets	234,676	238,697
Total liabilities and net assets	1,197,158	1,310,130

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

(Millions of yen)

	Nine months ended December 31, 2020	Nine months ended December 31, 2021
Ordinary income	104,002	103,199
Interest income	2,692	2,989
(Interest on loans)	2,596	2,883
(Interest and dividends on securities)	24	26
Fees and commissions income	99,925	99,019
(ATM-related fee income)	93,927	92,093
Other operating income	128	323
Other ordinary income	1,255	867
Ordinary expenses	75,271	79,697
Interest expenses	410	445
(Interest on deposits)	53	37
Fees and commissions expenses	27,035	26,924
(ATM placement fee expenses)	21,606	21,349
(ATM-related fee expenses)	1,929	1,777
General and administrative expenses	47,288	51,408
Other ordinary expenses	536	918
Ordinary profit	28,731	23,502
Extraordinary income	200	424
Gain on disposal of fixed assets	200	8
Gain on change in equity	—	415
Extraordinary losses	83	1,131
Loss on disposal of fixed assets	83	418
Impairment loss	—	712
Income before income taxes	28,848	22,795
Income taxes-current	7,325	6,830
Income taxes-deferred	262	111
Total income taxes	7,587	6,942
Net income	21,261	15,852
Net loss attributable to non-controlling interests	(125)	(115)
Net income attributable to owners of the parent	21,386	15,968

Consolidated Statements of Comprehensive Income

(Millions of yen)

	Nine months ended December 31, 2020	Nine months ended December 31, 2021
Net income	21,261	15,852
Other comprehensive income	(479)	995
Net unrealized gains on available-for-sale securities	(152)	317
Foreign currency translation adjustments	(317)	710
Adjustments for retirement benefit	(10)	(32)
Comprehensive income	20,781	16,848
Comprehensive income attributable to:		
Owners of the parent	20,935	16,946
Non-controlling interests	(153)	(98)

2. Quarterly Non-Consolidated Financial Statements

(1) Non-Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2021	As of December 31, 2021
Assets		
Cash and due from banks	927,647	959,644
Securities	91,173	104,286
Loans	24,350	26,724
Foreign currency	0	0
ATM-related temporary payments	83,152	135,557
Other assets	14,587	21,878
Tangible fixed assets	17,194	19,719
Intangible fixed assets	32,518	31,518
Prepaid pension cost	369	511
Deferred tax assets	759	452
Customers' liabilities for acceptances and guarantees	769	—
Allowance for credit losses	(164)	(301)
Total assets	1,192,358	1,299,991
Liabilities		
Deposits	784,892	873,297
Negotiable certificates of deposits	750	650
Bonds	105,000	105,000
ATM-related temporary advances	47,046	65,171
Other liabilities	21,216	21,201
Reserve for bonuses	363	264
Reserve for directors' benefit trust	634	736
Acceptances and guarantees	769	—
Total liabilities	960,671	1,066,322
Net assets		
Common stock	30,724	30,724
Capital surplus	30,724	30,724
Retained earnings	170,879	172,637
Treasury stock	(1,081)	(1,174)
Total shareholders' equity	231,246	232,911
Net unrealized gains on available-for-sale securities	440	757
Total valuation and translation adjustments	440	757
Total net assets	231,687	233,669
Total liabilities and net assets	1,192,358	1,299,991

(2) Non-Consolidated Statements of Income

(Millions of yen)

	Nine months ended December 31, 2020	Nine months ended December 31, 2021
Ordinary income	84,307	83,636
Interest income	2,699	2,970
(Interest on loans)	2,610	2,876
(Interest and dividends on securities)	24	26
Fees and commissions income	80,761	79,632
(ATM-related fee income)	75,194	73,660
Other operating income	130	246
Other ordinary income	714	786
Ordinary expenses	56,880	60,560
Interest expenses	396	384
(Interest on deposits)	53	37
Fees and commissions expenses	15,122	15,894
(ATM placement fee expenses)	11,924	12,448
(ATM-related fee expenses)	419	513
General and administrative expenses	41,182	44,136
Other ordinary expenses	179	145
Ordinary profit	27,426	23,075
Extraordinary losses	56	1,399
Loss on disposal of fixed assets	56	411
Loss on valuation of stocks of subsidiaries and affiliates	—	987
Income before income taxes	27,370	21,676
Income taxes-current	7,227	6,778
Income taxes-deferred	1,160	167
Total income taxes	8,388	6,946
Net income	18,981	14,730

3. Capital Adequacy Ratio (Domestic Standard)

(1) Consolidated Capital Adequacy Ratio (Domestic Standard)

	As of December 31, 2021
Consolidated capital adequacy ratio (domestic standard)	47.54%

(Reference) As of March 31, 2021
47.93%

(2) Non-consolidated Capital Adequacy Ratio (Domestic Standard)

	As of December 31, 2021
Non-consolidated capital adequacy ratio (domestic standard)	51.58%

(Reference) As of March 31, 2021
54.59%