

# Financial Results for the Third Quarter of Fiscal 2015

**February 2016**



## Non-Consolidated

- ◆ In the third quarter, ordinary income increased but ordinary profit decreased

Ordinary income:	¥83.7 billion (up 4.7% year on year)
Ordinary profit:	¥30.2 billion (down 1.5% year on year)
Net income:	¥20.1 billion (up 2.5% year on year)

- ◆ Total number of ATM transactions in first three quarters: up 5.4%  
year on year  
Deposit-taking financial institutions transactions: up 5.1% year on year  
Non-bank transactions: up 8.9% year on year

## Consolidated

- ◆ In the third quarter, ordinary income increased but ordinary profit decreased  
Ordinary income: ¥90.9 billion, Net income: ¥19.2 billion

Note: Consolidated net income is net income attributable to owners of the parent.

## Dividend Policy

- ◆ The previous forecast for the year-end dividend has been revised from ¥4.0 to ¥4.5 (annual dividend per share of ¥8.5)

## Non-Consolidated

(Billion yen)

	FY14 1Q-3Q	FY15 1Q-3Q	Changes from FY14 1Q-3Q	FY15 Plan (Announced Nov. 6, 2015)
Ordinary income	79.9	83.7	3.8	111.1
Ordinary expenses	49.2	53.5	4.3	71.5
Ordinary profit	30.6	30.2	(0.4)	39.5
Net income	19.6	20.1	0.5	26.3

## Consolidated

(Billion yen)

	FY14 1Q-3Q	FY15 1Q-3Q	Changes from FY14 1Q-3Q	FY15 Plan (Announced Nov. 6, 2015)
Ordinary income	86.0	90.9	4.9	120.3
Ordinary expenses	56.2	61.9	5.7	82.5
Ordinary profit	29.8	28.9	(0.9)	37.7
Net income	18.7	19.2	0.5	25.1

### Notes:

1. Amounts less than one hundred million yen have been truncated.
2. Changes from FY14 1Q-3Q are comparisons in units of one hundred million yen.
3. Exchange rate on the consolidated income statement  
per USD 1  
FY14 1Q-3Q = ¥102.93, FY15 1Q-3Q = ¥120.98, FY15 Plan = ¥ 118.00  
per IRD 100  
FY14 1Q-3Q = ¥0.879, FY15 1Q-3Q = ¥0.912, FY15 Plan = ¥0.900
4. Consolidated net income is net income attributable to owners of the parent.

### Reference: Period of consolidation of each company

Seven Bank:	April 1, 2015 to December 31, 2015
FCTI:	January 1, 2015 to September 30, 2015
ATMi:	January 1, 2015 to September 30, 2015
BBF:	April 1, 2015 to December 31, 2015

# Income Statement (Non-Consolidated)

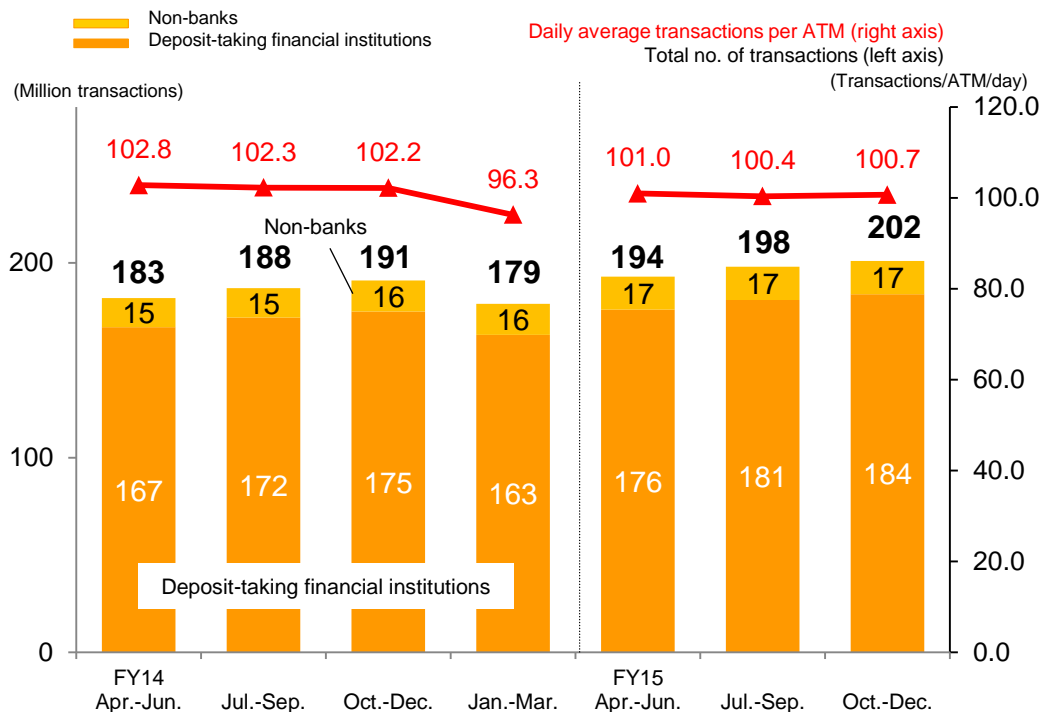
(Billion yen)

	FY14 1Q-3Q	FY15 1Q-3Q	Changes from FY14 1Q-3Q	FY15 Plan (Announced Nov. 6, 2015)
<b>Ordinary income</b>	79.9	83.7	3.8	111.1
ATM-related fee income	75.0	77.7	2.7	102.6
<b>Ordinary expenses</b>	49.2	53.5	4.3	71.5
General and administrative expenses	37.6	40.7	3.1	54.4
<b>Ordinary profit</b>	30.6	30.2	(0.4)	39.5
<b>Extraordinary gain (loss)</b>	(0.1)	(0.1)	0.0	(0.1)
<b>Income taxes</b>	10.9	9.9	(1.0)	13.0
<b>Net income</b>	19.6	20.1	0.5	26.3
<b>EBITDA</b>	41.6	43.2	1.6	57.0
<b>No. of ATMs installed at end of term (units)</b>	20,616	22,018	1,402	22,400
<b>Daily average transactions per ATM (transactions/ATM/day)</b>	102.4	100.7	(1.7)	99.1
<b>Total no. of transactions (millions)</b>	564	595	31	785

Notes:

1. Amounts less than one unit have been truncated.
2. Year-on-year comparative data in units of 100 million yen (comparative data for the total number of transactions in units of one million).
3. EBITDA = Ordinary profit + depreciation and amortization

## ATM usage

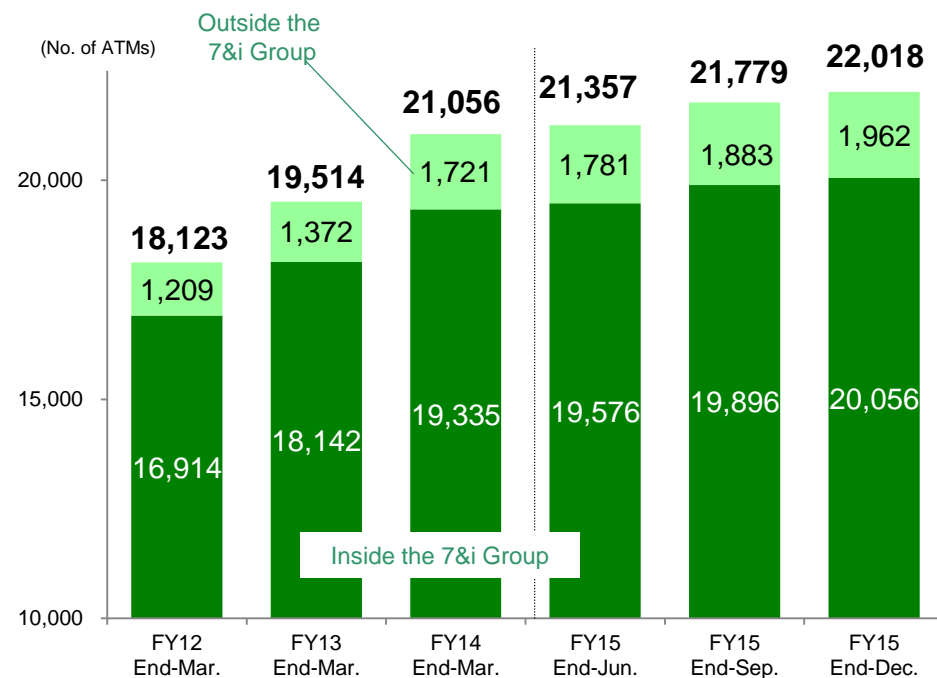


Notes:

1. Daily average transactions per ATM and total no. of transactions do not include balance inquiries, e-money charges, PIN changes and daily withdrawal limit changes.
2. Amounts less than one unit have been truncated.
3. "Non-banks" in this document refer to cards issued overseas and securities, life insurance, credit card, consumer credit and consumer financing companies.

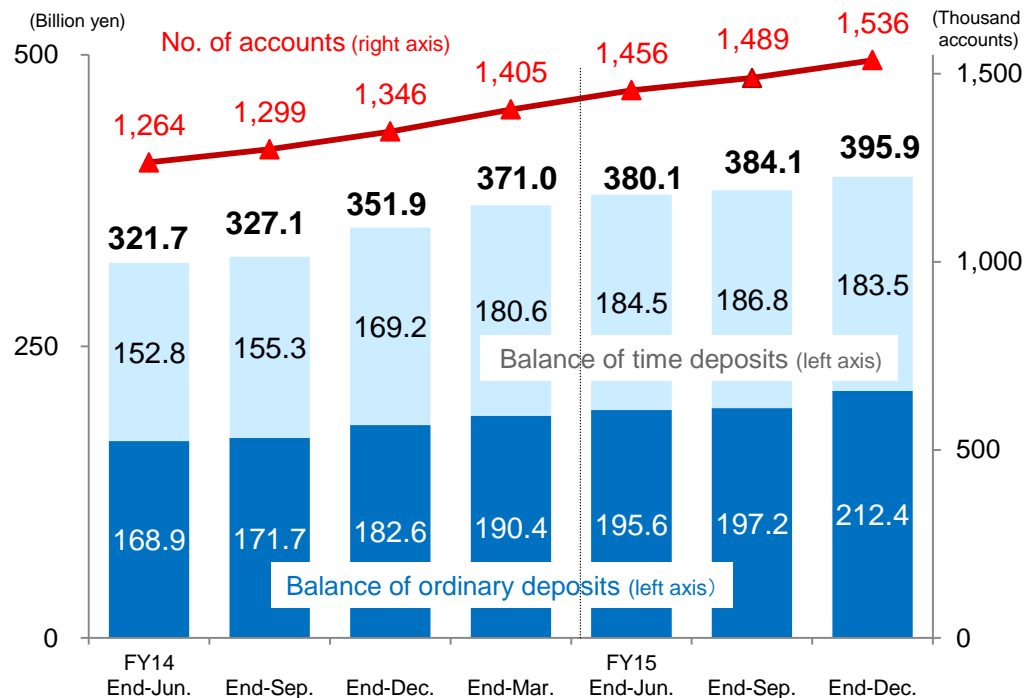
- The total number of transactions grew with the steady increase in the number of ATMs installed
- Non-bank usage also grew, driven by cards issued overseas, with solid performance by consumer finance companies

## Number of ATMs

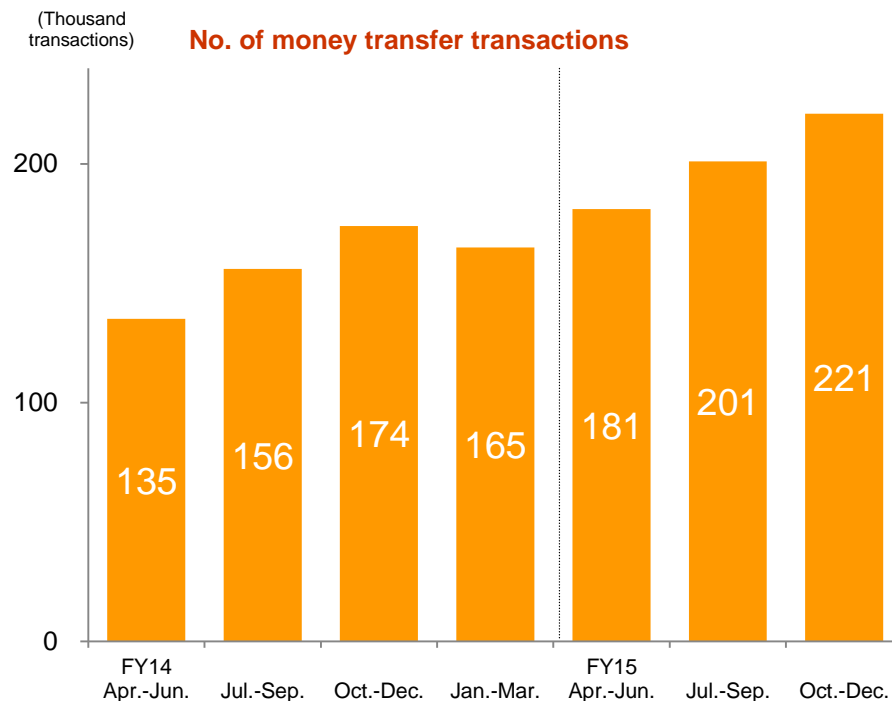


- Steady increase in the number of ATMs installed in 7&i Group outlets, mainly due to the opening of new Seven-Eleven stores
- Outside the 7&i Group, promoted installations at transportation, tourist, retail and other facilities

## Individual accounts



## International money transfer services



## Personal loan services

	(Billion yen)	
	As of Mar. 31, 2015	As of Dec. 31, 2015
Balance	10.4	15.1

• Steady increase in money transfer transactions again in FY15, mainly at ATMs

## Continuing substantial increase in transactions using cards issued overseas

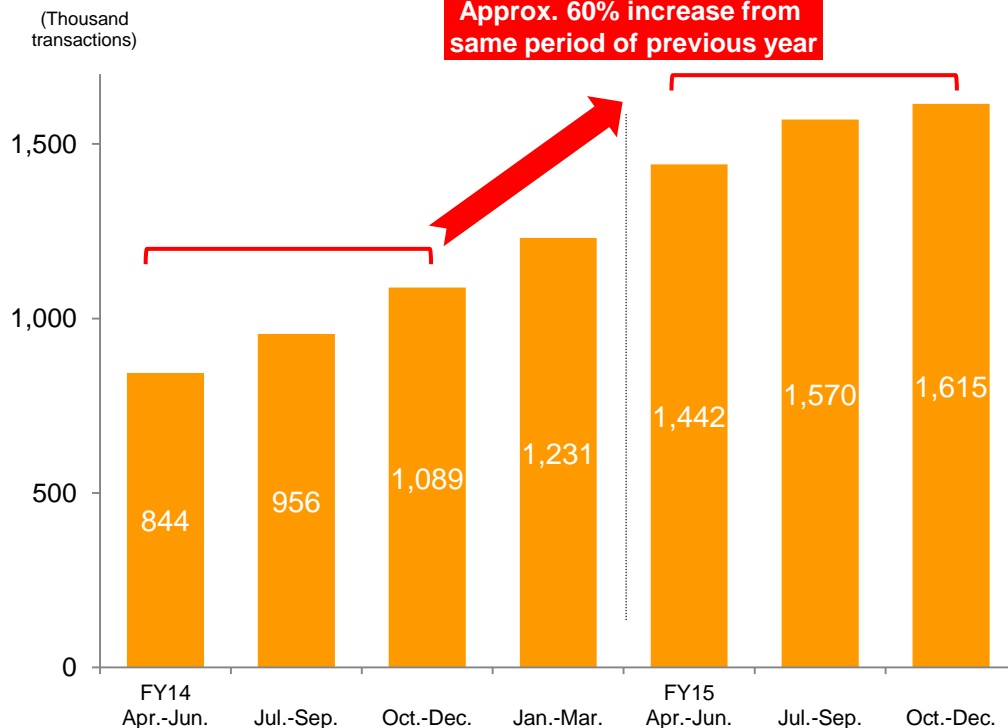
- From December 2015, choice of 12 languages for ATMs (screens, receipts, voice guidance) when using cards issued overseas

Note: Excluding 2nd-generation ATMs

- Providing ATMs that customers from overseas can use with greater convenience and peace of mind

Number of transactions using cards issued overseas

Approx. 60% increase from same period of previous year



English, Korean, Chinese (simplified), Portuguese  
[8 languages added] ↓  
Chinese (traditional), Thai, Malaysian, Indonesian,  
Vietnamese, French, German, Japanese



Overseas subsidiary (United States)

■ Name: FCTI, Inc.

(Million US\$)

Main figures	2014 1Q-3Q Jan. – Sep.	2015 1Q-3Q Jan. – Sep.	FY15 Plan (Announced Nov. 6, 2015)
Ordinary income	60.2	59.4	77.8
Ordinary expenses	58.6	60.4	78.9
Ordinary profit	1.5	(0.9)	(1.0)
Net income	0.7	(0.8)	(0.9)
EBITDA	6.2	3.9	5.5
No. of ATMs installed (units)	6,475	6,375	6,400

Notes:

1. Amounts less than one hundred thousand US dollars have been truncated.
2. EBITDA = Ordinary profit + depreciation and amortization
3. No. of ATMs installed includes Canada
4. 6,625 ATMs installed as of December 31, 2015

- Year-on-year increase in ordinary expenses due to proactive investment to handle IC cards, preparations for installation at 7-Eleven, Inc., etc.



Overseas subsidiary (Indonesia)

■ Name: PT. ABADI TAMBAH MULIA INTERNASIONAL (ATMi)

- 49 ATMs installed as of December 31, 2015



Domestic subsidiary

■ Name: Bank Business Factory Co., Ltd. (BBF)

- Four clients for back-office support outsourcing as of December 31, 2015



## Policy

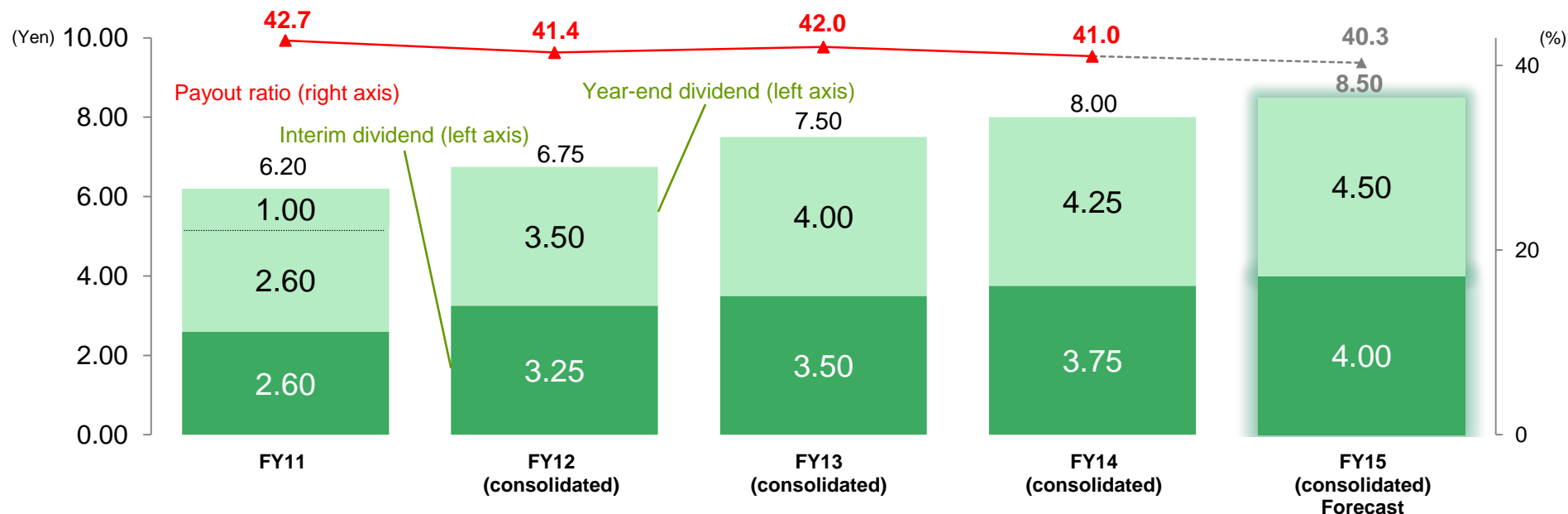
Seven Bank aims to maintain a stable dividend payout, targeting a minimum consolidated payout ratio of 35% through twice-yearly payments

## Revision of scheduled year-end dividend

Dividend amount: ¥4.50 per share (total dividends paid approx. ¥5.3 billion)

Revision from previous year-end dividend forecast of ¥4.00 to ¥4.50 (¥8.50 for the year)

## Dividends and dividend payout ratio



### Notes:

1. On December 1, 2011, the Bank carried out a 1,000-for-1 stock split (common shares). The graph shows previous-year dividend payments assuming that the stock split had already taken place.
2. The period-end dividend for fiscal 2011 includes an extra commemorative payment of ¥1.00 per share following the Bank's listing on the Tokyo Stock Exchange.
3. Financial results are recorded on a consolidated basis in FY12 and thereafter.

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