



Financial Results for the Third Quarter of the Fiscal Year Ending March 31, 2018 (Consolidated Data)

February 2, 2018

Company Name: Seven Bank, Ltd. Stock exchange listing: Tokyo Stock Exchange
 Stock Code: 8410 URL: <https://www.sevenbank.co.jp/english/>
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 Scheduled date for filing of quarterly financial report: February 6, 2018
 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, 2018 (April 1, 2017 – December 31, 2017)

(1) Consolidated Operating Results

(% represents year-on-year change)

	Ordinary income		Ordinary profit		Net income attributable to owners of the parent	
	Million yen	%	Million yen	%	Million yen	%
Nine months ended December 31, 2017	94,715	2.5	30,029	3.8	20,550	4.3
Nine months ended December 31, 2016	92,354	1.5	28,923	0.0	19,697	2.2

Note: Comprehensive income: Nine months ended December 31, 2017: 19,994 million yen (+19.7%),
 Nine months ended December 31, 2016: 16,695 million yen (-13.1%)

	Net income per share	Diluted earnings per share
	Yen	Yen
Nine months ended December 31, 2017	17.25	17.22
Nine months ended December 31, 2016	16.53	16.50

(2) Consolidated Financial Position

	Total assets	Total net assets	Net assets to total assets ratio
	Million yen	Million yen	%
As of December 31, 2017	1,131,846	207,376	18.2
As of March 31, 2017	957,792	199,081	20.7

(Reference) Capital: December 31, 2017 : 206,822 million yen March 31, 2017: 198,525 million yen

Note: “Net assets to total assets ratio” is calculated as: (Total net assets at the end of the period – Subscription rights to shares at the end of 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, 2017	—	4.25	—	4.75	9.00
Fiscal year ending March 31, 2018	—	4.75	—		
Fiscal year ending March 31, 2018 (Forecasts)				5.25	10.00

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

For details, see “Notice Concerning Revision of the Dividend Forecast,” which was announced today.

3. Performance Forecasts for the Fiscal Year Ending March 31, 2018 (April 1, 2017 - March 31, 2018)

(% 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
	Million yen	%	Million yen	%	Million yen	%	Yen
Full-year	126,700	4.1	37,400	1.8	25,300	0.7	21.24

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

Notes

(1) Changes in important subsidiaries during the third quarter of the fiscal year ending March 31, 2018: 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.: None

(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, 2017 1,191,528,000 shares As of March 31, 2017 1,191,528,000 shares

(b) Number of treasury shares

As of December 31, 2017 896,328 shares As of March 31, 2017 128 shares

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

As of December 31, 2017 1,191,071,846 shares As of December 31, 2016 1,191,399,777 shares

Note: Number of treasury shares as of December 31, 2017 includes 896,200 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.**

● **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.

3. Quarterly Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2017	As of December 31, 2017
Assets		
Cash and due from banks	694,588	726,008
Securities	77,866	69,349
Loans	19,829	22,257
Foreign currency	—	0
ATM-related temporary payments	89,286	235,602
Other assets	15,064	18,738
Tangible fixed assets	25,740	23,410
Intangible fixed assets	34,473	35,684
Asset for retirement benefits	183	233
Deferred tax assets	790	594
Allowance for credit losses	(30)	(34)
Total assets	957,792	1,131,846
Liabilities		
Deposits	571,510	666,817
Negotiable certificates of deposits	800	20,800
Call money	10,000	10,000
Borrowed money	10,000	10,000
Bonds	110,000	110,000
ATM-related temporary advances	37,763	86,146
Other liabilities	16,992	20,002
Reserve for bonuses	471	155
Liability for retirement benefits	1	1
Reserve for directors' retirement benefits	—	1
Reserve for directors' benefit trust	—	77
Deferred tax liabilities	1,170	467
Total liabilities	758,710	924,470
Net assets		
Common stock	30,572	30,572
Capital surplus	30,554	30,554
Retained earnings	132,093	141,324
Treasury stock	(0)	(380)
Total shareholders' equity	193,221	202,072
Net unrealized gains on available-for-sale securities	217	413
Foreign currency translation adjustments	5,012	4,251
Accumulated adjustments for retirement benefit	73	84
Total accumulated other comprehensive income	5,303	4,750
Subscription rights to shares	533	533
Non-controlling interests	22	20
Total net assets	199,081	207,376
Total liabilities and net assets	957,792	1,131,846

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

(Millions of yen)

	For the nine months ended December 31, 2016	For the nine months ended December 31, 2017
Ordinary income	92,354	94,715
Interest income	2,098	2,527
(Interest on loans)	1,990	2,437
(Interest and dividends on securities)	17	15
Fees and commissions income	89,863	91,674
(ATM-related fee income)	85,245	86,791
Other operating income	191	192
Other ordinary income	201	321
Ordinary expenses	63,431	64,685
Interest expenses	744	536
(Interest on deposits)	268	129
Fees and commissions expenses	17,438	18,519
(ATM placement fee expenses)	14,131	14,710
(ATM-related fee expenses)	1,151	1,371
Other business expenses	—	90
General and administrative expenses	45,182	45,516
Other ordinary expenses	65	22
Ordinary profit	28,923	30,029
Extraordinary losses	142	102
Loss on disposal of fixed assets	142	102
Income before income taxes	28,780	29,927
Income taxes-current	8,881	9,937
Income taxes-deferred	203	(558)
Total income taxes	9,084	9,378
Net income	19,695	20,548
Net loss attributable to non-controlling interests	(1)	(1)
Net income attributable to owners of the parent	19,697	20,550

Consolidated Statements of Comprehensive Income

(Millions of yen)

	For the nine months ended December 31, 2016	For the nine months ended December 31, 2017
Net income	19,695	20,548
Other comprehensive income (loss)	(3,000)	(554)
Net unrealized gains on available-for-sale securities	0	196
Foreign currency translation adjustments	(3,019)	(762)
Adjustments for retirement benefit	18	11
Comprehensive income	16,695	19,994
Comprehensive income attributable to:		
Owners of the parent	16,699	19,996
Non-controlling interests	(3)	(2)

1. Quarterly Non-Consolidated Financial Statements

(1) Non-Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2017	As of December 31, 2017
Assets		
Cash and due from banks	685,766	720,571
Securities	102,533	95,767
Loans	19,829	22,297
Foreign currency	—	0
ATM-related temporary payments	89,259	235,544
Other assets	10,530	12,206
Tangible fixed assets	24,159	18,676
Intangible fixed assets	22,745	25,483
Prepaid pension cost	77	106
Deferred tax assets	775	566
Allowance for credit losses	(30)	(36)
Total assets	955,644	1,131,186
Liabilities		
Deposits	571,553	666,856
Negotiable certificates of deposits	800	20,800
Call money	10,000	10,000
Borrowed money	10,000	10,000
Bonds	110,000	110,000
ATM-related temporary advances	37,763	86,146
Other liabilities	15,536	16,636
Reserve for bonuses	388	102
Reserve for directors' benefit trust	—	77
Total liabilities	756,042	920,619
Net assets		
Common stock	30,572	30,572
Capital surplus	30,572	30,572
Retained earnings	137,706	148,853
Treasury stock	(0)	(380)
Total shareholders' equity	198,851	209,619
Net unrealized gains on available-for-sale securities	217	413
Total valuation and translation adjustments	217	413
Subscription rights to shares	533	533
Total net assets	199,602	210,566
Total liabilities and net assets	955,644	1,131,186

(2) Non-Consolidated Statements of Income

(Millions of yen)

	For the nine months ended December 31, 2016	For the nine months ended December 31, 2017
Ordinary income	85,868	88,257
Interest income	2,078	2,518
(Interest on loans)	1,990	2,437
(Interest and dividends on securities)	17	15
Fees and commissions income	83,498	85,174
(ATM-related fee income)	78,911	80,371
Other operating income	186	192
Other ordinary income	105	372
Ordinary expenses	55,434	55,634
Interest expenses	738	531
(Interest on deposits)	268	129
Fees and commissions expenses	13,139	13,871
(ATM placement fee expenses)	10,496	10,808
(ATM-related fee expenses)	666	720
Other business expenses	—	90
General and administrative expenses	41,500	41,120
Other ordinary expenses	56	20
Ordinary profit	30,434	32,623
Extraordinary losses	127	96
Loss on disposal of fixed assets	127	96
Income before income taxes	30,306	32,526
Income taxes-current	8,880	9,937
Income taxes-deferred	479	122
Total income taxes	9,360	10,059
Net income	20,946	22,466