



Financial Results for the First Quarter of the Fiscal Year Ending March 31, 2019 (Consolidated Data)

August 3, 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: August 7, 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 First Quarter of the Fiscal Year Ending March 31, 2019 (April 1, 2018 – June 30, 2018)

(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	%
Three months ended June 30, 2018	35,833	15.7	10,086	1.8	6,588	(2.7)
Three months ended June 30, 2017	30,963	1.7	9,904	5.1	6,774	5.9

Note: Comprehensive income: Three months ended June 30, 2018: 5,310 million yen (-10.9%);

Three months ended June 30, 2017: 5,962 million yen (+16.6%)

	Net income per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2018	5.53	5.52
Three months ended June 30, 2017	5.68	5.67

(2) Consolidated Financial Position

	Total assets	Total net assets	Net assets to total assets ratio
	Million yen	Million yen	%
As of June 30, 2018	1,064,553	211,084	19.7
As of March 31, 2018	1,022,485	212,027	20.6

(Reference) Capital: June 30, 2018: 210,746 million yen; March 31, 2018: 211,475 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 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
Fiscal year ended March 31, 2018	Yen —	Yen 4.75	Yen —	Yen 5.25	Yen 10.00
Fiscal year ending March 31, 2019	—				
Fiscal year ending March 31, 2019 (Forecasts)		5.00	—	5.00	10.00

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

3. Performance Forecasts for the Fiscal Year Ending March 31, 2019 (April 1, 2018 – March 31, 2019)

(% represents the year-on year change from each respective corresponding period (full-year and semi-annual) of 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
Semi-annual	72,600	16.5	20,600	3.5	13,800	1.4	11.58
Full-year	146,700	14.9	39,800	3.9	26,800	5.9	22.49

Note: Revisions to the 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, 2019: None

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

Added – (company name) –

Excluded – (company name) –

(2) Adoption 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 shares)

As of June 30, 2018 1,192,464,000 shares As of March 31, 2018 1,191,528,000 shares

(b) Number of treasury shares

As of June 30, 2018 896,328 shares As of March 31, 2018 896,328 shares

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

Three months ended June 30, 2018 1,190,743,155 shares Three months ended June 30, 2017 1,191,527,872 shares

Note: Number of treasury shares as of June 30, 2018 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.

4. Quarterly Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2018	As of June 30, 2018
Assets		
Cash and due from banks	710,369	705,122
Securities	61,939	78,076
Loans	22,715	22,820
Foreign currency	0	0
ATM-related temporary payments	146,977	180,755
Other assets	18,537	19,154
Tangible fixed assets	24,798	22,585
Intangible fixed assets	35,958	35,089
Asset for retirement benefits	264	280
Deferred tax assets	962	702
Allowance for credit losses	(36)	(35)
Total assets	1,022,485	1,064,553
Liabilities		
Deposits	622,406	643,149
Negotiable certificates of deposits	800	810
Call money	—	15,000
Borrowed money	10,000	10,000
Bonds	95,000	95,000
ATM-related temporary advances	59,032	70,837
Other liabilities	21,769	16,988
Reserve for bonuses	457	745
Liability for retirement benefits	2	2
Reserve for directors' retirement benefits	2	3
Reserve for directors' benefit trust	102	125
Deferred tax liabilities	885	808
Total liabilities	810,458	853,469
Net assets		
Common stock	30,572	30,679
Capital surplus	30,554	30,661
Retained earnings	146,075	146,408
Treasury stock	(380)	(380)
Total shareholders' equity	206,823	207,370
Net unrealized gains on available-for-sale securities	244	299
Foreign currency translation adjustments	4,308	2,977
Accumulated adjustments for retirement benefit	98	99
Total accumulated other comprehensive income	4,651	3,375
Subscription rights to shares	533	320
Non-controlling interests	18	17
Total net assets	212,027	211,084
Total liabilities and net assets	1,022,485	1,064,553

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

(Millions of yen)

	Three months ended June 30, 2017	Three months ended June 30, 2018
Ordinary income	30,963	35,833
Interest income	807	883
(Interest on loans)	773	854
(Interest and dividends on securities)	7	5
Fees and commissions income	30,090	34,855
(ATM-related fee income)	28,509	33,126
Other operating income	59	66
Other ordinary income	6	27
Ordinary expenses	21,059	25,746
Interest expenses	192	165
(Interest on deposits)	45	32
Fees and commissions expenses	5,929	9,202
(ATM placement fee expenses)	4,753	7,205
(ATM-related fee expenses)	421	998
General and administrative expenses	14,935	16,215
Other ordinary expenses	1	163
Ordinary profit	9,904	10,086
Extraordinary losses	15	52
Loss on disposal of fixed assets	15	52
Income before income taxes	9,888	10,034
Income taxes-current	3,338	3,238
Income taxes-deferred	(223)	207
Total income taxes	3,114	3,446
Net income	6,774	6,587
Net loss attributable to non-controlling interests	(0)	(0)
Net income attributable to owners of the parent	6,774	6,588

Consolidated Statements of Comprehensive Income

(Millions of yen)

	Three months ended June 30, 2017	Three months ended June 30, 2018
Net income	6,774	6,587
Other comprehensive income (loss)	(811)	(1,277)
Net unrealized gains (losses) on available-for-sale securities	60	54
Foreign currency translation adjustments	(875)	(1,332)
Adjustments for retirement benefit	3	0
Comprehensive income	5,962	5,310
Comprehensive income (loss) attributable to:		
Owners of the parent	5,964	5,312
Non-controlling interests	(1)	(1)

Supplementary Materials

1. Quarterly Non-Consolidated Financial Statements

(1) Non-Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2018	As of June 30, 2018
Assets		
Cash and due from banks	706,876	702,897
Securities	90,028	106,166
Loans	23,799	23,896
Foreign currency	0	0
ATM-related temporary payments	146,888	180,669
Other assets	11,300	12,281
Tangible fixed assets	17,476	15,850
Intangible fixed assets	25,899	26,030
Prepaid pension cost	116	130
Deferred tax assets	1,009	752
Allowance for credit losses	(192)	(191)
Total assets	1,023,201	1,068,484
Liabilities		
Deposits	622,781	643,716
Negotiable certificates of deposits	800	810
Call money	—	15,000
Borrowed money	10,000	10,000
Bonds	95,000	95,000
ATM-related temporary advances	59,032	70,837
Other liabilities	18,067	13,645
Reserve for bonuses	381	658
Reserve for directors' benefit trust	102	125
Total liabilities	806,165	849,793
Net assets		
Common stock	30,572	30,679
Capital surplus	30,572	30,679
Retained earnings	155,493	157,091
Treasury stock	(380)	(380)
Total shareholders' equity	216,258	218,070
Net unrealized gains on available-for-sale securities	244	299
Total valuation and translation adjustments	244	299
Subscription rights to shares	533	320
Total net assets	217,036	218,691
Total liabilities and net assets	1,023,201	1,068,484

(2) Non-Consolidated Statements of Income

(Millions of yen)

	Three months ended June 30, 2017	Three months ended June 30, 2018
Ordinary income	28,907	29,732
Interest income	802	885
(Interest on loans)	773	857
(Interest and dividends on securities)	7	5
Fees and commissions income	28,016	28,737
(ATM-related fee income)	26,455	27,075
Other operating income	59	75
Other ordinary income	28	34
Ordinary expenses	18,210	18,382
Interest expenses	190	164
(Interest on deposits)	45	32
Fees and commissions payments	4,524	4,730
(ATM placement fee expenses)	3,555	3,682
(ATM-related fee expenses)	243	247
General and administrative expenses	13,494	13,476
Other ordinary expenses	1	11
Ordinary profit	10,696	11,349
Extraordinary losses	11	52
Loss on disposal of fixed assets	11	52
Income before income taxes	10,684	11,297
Income taxes-current	3,334	3,211
Income taxes-deferred	(25)	232
Total income taxes	3,309	3,443
Net income	7,375	7,854

2. Capital Adequacy Ratio (Domestic Standard)

(1) Consolidated Capital Adequacy Ratio (Domestic Standard)

	As of June 30, 2018	As of March 31, 2018
Consolidated capital adequacy ratio (domestic standard)	51.26%	50.78%

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

	As of June 30, 2018	As of March 31, 2018
Non-consolidated capital adequacy ratio (domestic standard)	56.29%	55.48%