



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

February 1, 2019

Company Name: Seven Bank, Ltd. Stock exchange listing: Tokyo Stock Exchange
 Stock Code: 8410 URL: <https://www.sevenbank.co.jp/>
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 Scheduled date for filing of quarterly financial report: February 5, 2019
 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, 2019 (April 1, 2018 – December 31, 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	%
Nine months ended December 31, 2018	111,435	17.6	32,142	7.0	7,501	(63.4)
Nine months ended December 31, 2017	94,715	2.5	30,029	3.8	20,550	4.3

Note: Comprehensive income: Nine months ended December 31, 2018: 7,428 million yen (-62.8%),
 Nine months ended December 31, 2017: 19,994 million yen (+19.7%)

	Net income per share	Diluted earnings per share
	Yen	Yen
Nine months ended December 31, 2018	6.29	6.28
Nine months ended December 31, 2017	17.25	17.22

(2) Consolidated Financial Position

	Total assets	Total net assets	Net assets to total assets ratio
	Million yen	Million yen	%
Nine months ended December 31, 2018	1,218,289	207,266	16.9
As of March 31, 2018	1,022,485	212,027	20.6

(Reference) Capital: December 31, 2018: 206,934 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 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, 2018	—	4.75	—	5.25	10.00
Fiscal year ending March 31, 2019	—	5.00	—		
Fiscal year ending March 31, 2019 (Forecasts)				6.00	11.00

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, 2019 (April 1, 2018 - March 31, 2019)

(% 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	147,200	15.3	39,900	4.1	12,800	(49.4)	10.74

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

Notes

(1) Changes in important subsidiaries during the third 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) 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)

(b) Number of treasury shares

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

As of December 31, 2018	1,192,464,000 shares	Fiscal year ended March 31, 2018	1,191,528,000 shares
As of December 31, 2018	831,371 shares	Fiscal year ended March 31, 2018	896,328 shares
As of December 31, 2018	1,191,331,207 shares	As of December 31, 2017	1,191,071,846 shares

Note: The Company has introduced “Directors’ Compensation BIP Trust” and “Stock Grant ESOP Trust” and the shares in the Company held by these trusts are included in the number of treasury stock to be subtracted upon calculating the number of treasury shares at the end of the period under review and the average number of shares for the period under review

- **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.

2. Quarterly Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2018	As of December 31, 2018
Assets		
Cash and due from banks	710,369	736,010
Securities	61,939	82,480
Loans	22,715	22,596
Foreign currency	0	0
ATM-related temporary payments	146,977	317,941
Other assets	18,537	16,461
Tangible fixed assets	24,798	15,968
Intangible fixed assets	35,958	26,245
Asset for retirement benefits	264	312
Deferred tax assets	962	298
Allowance for credit losses	(36)	(26)
Total assets	1,022,485	1,218,289
Liabilities		
Deposits	622,406	744,090
Negotiable certificates of deposits	800	20,810
Call money	–	10,000
Borrowed money	10,000	10,000
Bonds	95,000	95,000
ATM-related temporary advances	59,032	111,579
Other liabilities	21,769	19,017
Reserve for bonuses	457	218
Liability for retirement benefits	2	2
Reserve for directors' retirement benefits	2	4
Reserve for directors' benefit trust	102	143
Deferred tax liabilities	885	156
Total liabilities	810,458	1,011,023
Net assets		
Common stock	30,572	30,679
Capital surplus	30,554	30,661
Retained earnings	146,075	141,359
Treasury stock	(380)	(352)
Total shareholders' equity	206,823	202,348
Net unrealized gains on available-for-sale securities	244	691
Foreign currency translation adjustments	4,308	3,794
Accumulated adjustments for retirement benefit	98	100
Total accumulated other comprehensive income	4,651	4,586
Subscription rights to shares	533	320
Non-controlling interests	18	11
Total net assets	212,027	207,266
Total liabilities and net assets	1,022,485	1,218,289

(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, 2017	For the nine months ended December 31, 2018
Ordinary income	94,715	111,435
Interest income	2,527	2,665
(Interest on loans)	2,437	2,581
(Interest and dividends on securities)	15	16
Fees and commissions income	91,674	107,724
(ATM-related fee income)	86,791	102,251
Other operating income	192	246
Other ordinary income	321	799
Ordinary expenses	64,685	79,293
Interest expenses	536	495
(Interest on deposits)	129	91
Fees and commissions expenses	18,519	28,989
(ATM placement fee expenses)	14,710	22,604
(ATM-related fee expenses)	1,371	3,205
Other business expenses	90	–
General and administrative expenses	45,516	49,598
Other ordinary expenses	22	210
Ordinary profit	30,029	32,142
Extraordinary losses	102	14,813
Loss on disposal of fixed assets	102	94
Impairment loss	–	14,719
Income before income taxes	29,927	17,328
Income taxes-current	9,937	10,077
Income taxes-deferred	(558)	(244)
Total income taxes	9,378	9,833
Net income	20,548	7,495
Net loss attributable to non-controlling interests	(1)	(6)
Net income attributable to owners of the parent	20,550	7,501

Consolidated Statements of Comprehensive Income

(Millions of yen)

	For the nine months ended December 31, 2017	For the nine months ended December 31, 2018
Net income	20,548	7,495
Other comprehensive income	(554)	(66)
Net unrealized gains on available-for-sale securities	196	446
Foreign currency translation adjustments	(762)	(515)
Adjustments for retirement benefit	11	2
Comprehensive income	19,994	7,428
Comprehensive income attributable to:		
Owners of the parent	19,996	7,436
Non-controlling interests	(2)	(7)

3. Quarterly Non-Consolidated Financial Statements**(1) Non-Consolidated Balance Sheets**

(Millions of yen)

	As of March 31, 2018	As of December 31, 2018
Assets		
Cash and due from banks	706,876	733,398
Securities	90,028	88,852
Loans	23,799	23,698
Foreign currency	0	0
ATM-related temporary payments	146,888	317,911
Other assets	11,300	13,046
Tangible fixed assets	17,476	13,191
Intangible fixed assets	25,899	24,355
Prepaid pension cost	116	159
Deferred tax assets	1,009	7,048
Allowance for credit losses	(192)	(166)
Total assets	1,023,201	1,221,495
Liabilities		
Deposits	622,781	744,590
Negotiable certificates of deposits	800	20,810
Call money	–	10,000
Borrowed money	10,000	10,000
Bonds	95,000	95,000
ATM-related temporary advances	59,032	111,579
Other liabilities	18,067	15,407
Reserve for bonuses	381	95
Reserve for directors' benefit trust	102	143
Total liabilities	806,165	1,007,626
Net assets		
Common stock	30,572	30,679
Capital surplus	30,572	30,679
Retained earnings	155,493	151,850
Treasury stock	(380)	(352)
Total shareholders' equity	216,258	212,857
Net unrealized gains on available-for-sale securities	244	691
Total valuation and translation adjustments	244	691
Subscription rights to shares	533	320
Total net assets	217,036	213,869
Total liabilities and net assets	1,023,201	1,221,495

(2) Non-Consolidated Statements of Income

	(Millions of yen)	
	For the nine months ended December 31, 2017	For the nine months ended December 31, 2018
Ordinary income	88,257	91,098
Interest income	2,518	2,674
(Interest on loans)	2,437	2,592
(Interest and dividends on securities)	15	16
Fees and commissions income	85,174	87,339
(ATM-related fee income)	80,371	82,103
Other operating income	192	268
Other ordinary income	372	816
Ordinary expenses	55,634	56,870
Interest expenses	531	493
(Interest on deposits)	129	91
Fees and commissions expenses	13,871	14,382
(ATM placement fee expenses)	10,808	11,165
(ATM-related fee expenses)	720	720
Other business expenses	90	–
General and administrative expenses	41,120	41,977
Other ordinary expenses	20	16
Ordinary profit	32,623	34,228
Extraordinary losses	96	21,854
Loss on disposal of fixed assets	96	98
Loss on valuation of stocks of subsidiaries and affiliates	–	21,756
Income before income taxes	32,526	12,373
Income taxes-current	9,937	10,035
Income taxes-deferred	122	(6,236)
Total income taxes	10,059	3,798
Net income	22,466	8,575