



Financial Results for the Second Quarter of the Fiscal Year ending March 31, 2014 (Consolidated Data)

November 8, 2013

Company Name: Seven Bank, Ltd. Stock exchange listing: Tokyo Stock Exchange
 Stock Code: 8410 URL: <http://www.sevenbank.co.jp/english/>
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Scheduled date for filing of quarterly financial report: November 18, 2013
 Scheduled date for cash dividends: December 2, 2013
 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 Second Quarter (Interim period) of the Fiscal Year ending March 31, 2014 (April 1, 2013 – September 30, 2013)

(1) Consolidated Operating Results

(% represents year-on-year change)

	Ordinary income		Ordinary profit		Net income	
	Million yen	%	Million yen	%	Million yen	%
Six Months ended September 30, 2013	52,259	—	19,304	—	11,680	—
Six Months ended September 30, 2012	—	—	—	—	—	—

Note: Comprehensive income: Six Months ended September 30, 2013 13,325 million yen (—%) Six Months ended September 30, 2012 — million yen (—%)

	Net income per share	Diluted earnings per share
	Yen	Yen
Six Months ended September 30, 2013	9.80	9.79
Six Months ended September 30, 2012	—	—

Note: Figures for the second quarter of the fiscal year ended March 31, 2013 and year-on-year changes are not shown since quarterly consolidated financial statements have been prepared from the third quarter of the fiscal year ended March 31, 2013 onward.

(2) Financial Position

	Total assets	Total net assets	Net assets to total assets ratio
	Million yen	Million yen	%
As of September 30, 2013	781,664	147,282	18.7
As of March 31, 2013	812,531	138,045	16.9

(Reference) Capital: September 30, 2013 146,910 million yen March 31, 2013 137,754 million yen

Note: "Net assets to total assets ratio" is calculated as: (Total net assets at the end of the period – Stock acquisition rights at the end of period) / Total assets at the end of the period. "Net assets to total assets ratio" stated above was not calculated based on the public notice of net assets to total assets ratio.

2. Dividends

	Dividend per share				
	First Quarter	Semi-annual	Third Quarter	Year end	Total
	Yen	Yen	Yen	Yen	Yen
March 31, 2013	—	3.25	—	3.50	6.75
March 31, 2014	—	3.50	—	—	—
March 31, 2014 (Forecasts)	—	—	—	3.50	7.00

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

3. Performance forecasts for the Fiscal Year ending March 31, 2014 (April 1, 2013 - March 31, 2014)

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

	Ordinary income		Ordinary profit		Net income		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Yen
Full-year	104,100	9.6	34,600	8.5	20,700	6.8	17.38

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

Notes

(1) Changes in important subsidiaries during the second quarter of the fiscal year ending March 31, 2014: None

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

Added – (company name) –, Excluded – (company name) –

(2) 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: Yes

(c) Changes in accounting estimates: Yes

(d) Retrospective restatements: None

(3) Number of shares (common stock)

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

As of September 30, 2013 1,190,949,000 shares As of March 31, 2013 1,190,949,000 shares

(b) Number of treasury shares

As of September 30, 2013 128 shares As of March 31, 2013 126 shares

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

As of September 30, 2013 1,190,948,872 shares As of September 30, 2012 1,190,930,950 shares

Overview of Non-Consolidated Performance

1. Non-Consolidated Financial Highlights for the Second Quarter (Interim period) of the Fiscal Year ending March 31, 2014 (April 1, 2013 – September 30, 2013)

(1) Non-Consolidated Operating Results

(% represents year-on-year change)

	Ordinary income		Ordinary profit		Net income	
	Million yen	%	Million yen	%	Million yen	%
Six Months ended September 30, 2013	49,975	6.9	19,735	19.3	12,121	20.2
Six Months ended September 30, 2012	46,744	5.4	16,531	5.2	10,081	8.7

	Net income per share
	Yen
Six Months ended September 30, 2013	10.17
Six Months ended September 30, 2012	8.46

(2) Non-Consolidated Financial Position

	Total assets	Total net assets	Net assets to total assets ratio
	Million yen	Million yen	%
As of September 30, 2013	776,969	145,184	18.6
As of March 31, 2013	809,465	137,091	16.9

(Reference) Capital: September 30, 2013 144,812 million yen March 31, 2013 136,799 million yen

Note: "Net assets to total assets ratio" is calculated as: (Total net assets at the end of the period–Stock acquisition rights at the end of period)/Total assets at the end of the period.

"Net assets to total assets ratio" stated above was not calculated based on the public notice of net assets to total assets ratio.

2. Non-Consolidated Performance Forecasts for the Fiscal Year ending March 31, 2014 (April 1, 2013 – March 31, 2014)

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

	Ordinary income		Ordinary profit		Net income		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Yen
Full-year	99,000	5.2	35,500	10.8	21,400	9.6	17.96

Statement with respect to the status of interim audit procedures

This quarterly report is exempt from interim audit procedures, which are in accordance with the Financial Instruments and Exchange Act. As of this quarterly report's publication, audit procedures pertaining to interim consolidated financial statements have not been completed.

Cautionary statement with respect to earnings forecasts, and disclaimer

- Seven Bank prepared interim financial statements for the second quarter ended September 30, 2013, because it corresponds to a "specific business corporation" (as described in Article 17-15, paragraph 2 of the Cabinet Office Ordinance for Disclosure of Business and Related Matters).
- Seven Bank has prepared quarterly consolidated financial statements from the third quarter of the fiscal year ended March 31, 2013.
- This report contains earnings projections and other forward-looking statements which are based on currently available information and certain assumptions that the Seven Bank considers to be reasonable. Various factors may cause actual results to be materially different from projections in these forward-looking statements.

Interim Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2013	As of September 30, 2013
Assets		
Cash and due from banks	472,012	493,710
Call loans	30,000	30,000
Securities	72,944	98,458
Loans and bills discounted	3,387	4,058
ATM-related temporary payments	174,900	88,575
Other assets	9,415	9,108
Property, plant and equipment	17,636	23,643
Intangible assets	31,166	32,975
Goodwill	7,452	8,051
Other intangible assets	23,714	24,924
Deferred tax assets	1,133	1,205
Allowance for loan losses	(65)	(70)
Total assets	812,531	781,664
Liabilities		
Deposits	394,315	400,094
Negotiable certificates of deposits	300	1,220
Call money	28,300	—
Borrowed money	34,000	34,000
Bonds payable	139,000	139,000
ATM-related temporary advances	61,766	40,739
Other liabilities	14,626	16,929
Provision for bonuses	366	363
Deferred tax liabilities	1,811	2,035
Total liabilities	674,486	634,381
Net assets		
Capital stock	30,509	30,509
Capital surplus	30,509	30,509
Retained earnings	75,621	83,134
Treasury stock	(0)	(0)
Total shareholders' equity	136,639	144,152
Valuation difference on available-for-sale securities	21	81
Foreign currency translation adjustment	1,092	2,676
Total cumulative other comprehensive income	1,114	2,758
Stock acquisition rights	291	371
Total net assets	138,045	147,282
Total liabilities and net assets	812,531	781,664

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

(Millions of yen)

For the six months ended September 30, 2013

Ordinary income	52,259
Interest income	376
(Interest on loans and bills discounted)	281
(Interest and dividends on securities)	56
Fees and commissions	51,757
(ATM-related fee income)	49,561
Other operating income	32
Other ordinary income	93
Ordinary expense	32,954
Interest expense	967
(Interest on deposits)	240
Fees and commissions payments	7,731
(ATM placement fee expenses)	6,815
(ATM-related fee expenses)	427
General and administrative expenses	24,245
Other ordinary expenses	9
Ordinary profit	19,304
Extraordinary losses	183
Loss on disposal of noncurrent assets	183
Income before income taxes	19,121
Income taxes-current	7,570
Income taxes-deferred	(130)
Total income taxes	7,440
Income before minority interests	11,680
Net income	11,680

Consolidated Statement of Comprehensive Income

(Millions of yen)

For the six months ended September 30, 2013

Income before minority interests	11,680
Other comprehensive income	1,644
Valuation difference on available-for-sale securities	59
Foreign currency translation adjustment	1,584
Comprehensive income	13,325
Comprehensive income attributable to:	
Owners of the parent	13,325
Minority interests	—

(3) Consolidated Statement of Changes in Net Assets

(Millions of yen)

For the six months ended September 30, 2013

Shareholders' equity	
Capital stock	
Balance at beginning of year	30,509
Changes in items during the period	
Total changes in items during the period	—
Balance at end of the period	30,509
Capital surplus	
Balance at beginning of year	30,509
Changes in items during the period	
Total changes in items during the period	—
Balance at end of the period	30,509
Retained earnings	
Balance at beginning of year	75,621
Changes in items during the period	
Dividends from surplus	(4,168)
Net income	11,680
Total changes in items during the period	7,512
Balance at end of the period	83,134
Treasury stock	
Balance at beginning of year	(0)
Changes in items during the period	
Purchase of treasury stock	(0)
Total changes in items during the period	(0)
Balance at end of the period	(0)
Total shareholders' equity	
Balance at beginning of year	136,639
Changes in items during the period	
Dividends from surplus	(4,168)
Net income	11,680
Purchase of treasury stock	(0)
Total changes in items during the period	7,512
Balance at end of the period	144,152

(Millions of yen)

For the six months ended September 30, 2013

Accumulated other comprehensive income	
Valuation difference on available-for-sale securities	
Balance at beginning of year	21
Changes in items during the period	
Net change in items other than shareholders' equity in the period	59
Total changes in items during the period	59
Balance at end of the period	81
Foreign currency translation adjustment	
Balance at beginning of year	1,092
Changes in items during the period	
Net change in items other than shareholders' equity in the period	1,584
Total changes in items during the period	1,584
Balance at end of the period	2,676
Total cumulative other comprehensive income	
Balance at beginning of year	1,114
Changes in items during the period	
Net change in items other than shareholders' equity in the period	1,644
Total changes in items during the period	1,644
Balance at end of the period	2,758
Stock acquisition rights	
Balance at beginning of year	291
Changes in items during the period	
Net change in items other than shareholders' equity in the period	80
Total changes in items during the period	80
Balance at end of the period	371
Total net assets	
Balance at beginning of year	138,045
Changes in items during the period	
Dividends from surplus	(4,168)
Net income	11,680
Purchase of treasury stock	(0)
Net change in items other than shareholders' equity in the period	1,724
Total changes in items during the period	9,237
Balance at end of the period	147,282

Non-consolidated Financial Statements for the six months ended September 30, 2013

(1) Non-Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2013	As of September 30, 2013
Assets		
Cash and due from banks	471,806	491,827
Call loans	30,000	30,000
Securities	83,620	110,530
Loans and bills discounted	3,387	4,058
Prepaid pension cost	103	84
Accrued income	7,725	7,535
ATM-related temporary payments	174,900	88,575
Other assets	1,492	1,417
Other assets	1,492	1,417
Property, plant and equipment	17,262	23,019
Intangible assets	18,098	18,785
Deferred tax assets	1,133	1,205
Allowance for loan losses	(65)	(70)
Total assets	809,465	776,969
Liabilities		
Deposits	394,315	400,094
Negotiable certificates of deposits	300	1,220
Call money	28,300	—
Borrowed money	34,000	34,000
Bonds payable	139,000	139,000
ATM-related temporary advances	61,766	40,739
Other liabilities	14,342	16,367
Income taxes payable	6,193	7,758
Asset retirement obligations	270	360
Other liabilities	7,878	8,248
Provision for bonuses	349	363
Total liabilities	672,374	631,784
Net assets		
Capital stock	30,509	30,509
Capital surplus	30,509	30,509
Capital reserve	30,509	30,509
Retained earnings	75,759	83,712
Legal reserve in retained earnings	0	0
Other retained earnings	75,759	83,712
Retained earnings brought forward	75,759	83,712
Treasury stock	(0)	(0)
Total shareholders' equity	136,778	144,731
Valuation difference on available-for-sale securities	21	81
Total valuation and translation adjustments	21	81
Stock acquisition rights	291	371
Total net assets	137,091	145,184
Total liabilities and net assets	809,465	776,969

(2) Non-consolidated Statements of Income

(Millions of yen)

	For the six months ended September 30, 2012	For the six months ended September 30, 2013
Ordinary income	46,744	49,975
Interest income	248	376
(Interest on loans and bills discounted)	179	281
(Interest and dividends on securities)	40	56
Fees and commissions	46,457	49,553
(ATM-related fee income)	44,208	47,357
Other operating income	10	32
Other ordinary income	27	12
Ordinary expense	30,212	30,239
Interest expense	780	967
(Interest on deposits)	210	240
Fees and commissions payments	5,781	6,426
(ATM placement fee expenses)	5,273	5,711
(ATM-related fee expenses)	222	274
Other operating expenses	162	—
General and administrative expenses	23,462	22,835
Other ordinary expenses	24	9
Ordinary profit	16,531	19,735
Extraordinary losses	245	164
Loss on disposal of noncurrent assets	37	164
Impairment loss	208	—
Income before income taxes	16,285	19,571
Income taxes-current	6,246	7,554
Income taxes-deferred	(42)	(104)
Total income taxes	6,203	7,449
Interim net income	10,081	12,121

(3) Non-consolidated Statements of Changes in Net Assets

(Millions of yen)

	For the six months ended September 30, 2012	For the six months ended September 30, 2013
Shareholders' equity		
Capital stock		
Balance at beginning of year	30,505	30,509
Changes in items during the period		
Issuance of new shares	3	—
Total changes in items during the period	3	—
Balance at end of the period	30,509	30,509
Capital surplus		
Capital reserve		
Balance at beginning of year	30,505	30,509
Changes in items during the period		
Issuance of new shares	3	—
Total changes in items during the period	3	—
Balance at end of the period	30,509	30,509
Total capital surplus		
Balance at beginning of year	30,505	30,509
Changes in items during the period		
Issuance of new shares	3	—
Total changes in items during the period	3	—
Balance at end of the period	30,509	30,509
Retained earnings		
Legal reserve in retained earnings		
Balance at beginning of year	0	0
Changes in items during the period		
Total changes in items during the period	—	—
Balance at end of the period	0	0
Other retained earnings		
Retained earnings brought forward		
Balance at beginning of year	64,401	75,759
Changes in items during the period		
Dividends from surplus	(4,287)	(4,168)
Net income	10,081	12,121
Total changes in items during the period	5,794	7,953
Balance at end of the period	70,196	83,712
Total retained earnings		
Balance at beginning of year	64,401	75,759
Changes in items during the period		
Dividends from surplus	(4,287)	(4,168)
Net income	10,081	12,121
Total changes in items during the period	5,794	7,953
Balance at end of the period	70,196	83,712

(Millions of yen)

	For the six months ended September 30, 2012	For the six months ended September 30, 2013
Treasury stock		
Balance at beginning of year	(0)	(0)
Changes in items during the period		
Purchase of treasury stock	—	(0)
Total changes in items during the period	—	(0)
Balance at end of the period	(0)	(0)
Total shareholders' equity		
Balance at beginning of year	125,413	136,778
Changes in items during the period		
Issuance of new shares	6	—
Dividends from surplus	(4,287)	(4,168)
Net income	10,081	12,121
Purchase of treasury stock	—	(0)
Total changes in items during the period	5,801	7,953
Balance at end of the period	131,214	144,731
Valuation and translation adjustments		
Valuation difference on available-for-sale securities		
Balance at beginning of year	(4)	21
Changes in items during the period		
Net change in items other than shareholders' equity in the period	8	59
Total changes in items during the period	8	59
Balance at end of the period	3	81
Total valuation and translation adjustments		
Balance at beginning of year	(4)	21
Changes in items during the period		
Net change in items other than shareholders' equity in the period	8	59
Total changes in items during the period	8	59
Balance at end of the period	3	81
Stock acquisition rights		
Balance at beginning of year	220	291
Changes in items during the period		
Net change in items other than shareholders' equity in the period	70	80
Total changes in items during the period	70	80
Balance at end of the period	291	371
Total net assets		
Balance at beginning of year	125,629	137,091
Changes in items during the period		
Issuance of new shares	6	—
Dividends from surplus	(4,287)	(4,168)
Net income	10,081	12,121
Purchase of treasury stock	—	(0)
Net change in items other than shareholders' equity in the period	78	140
Total changes in items during the period	5,879	8,093
Balance at end of the period	131,509	145,184