



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

August 4, 2017

Company Name: Seven Bank, Ltd.	Stock exchange listing: Tokyo Stock Exchange
Stock Code: 8410	URL <a href="http://www.sevenbank.co.jp/english/">http://www.sevenbank.co.jp/english/</a>
Representative: Kensuke Futagoishi, President and Representative Director	
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Scheduled date for filing of quarterly financial report:	August 8, 2017
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, 2018 (April 1, 2017 – June 30, 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	%
Three months ended June 30, 2017	30,963	1.7	9,904	5.1	6,774	5.9
Three months ended June 30, 2016	30,427	2.8	9,415	(1.1)	6,396	1.9

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

Three months ended June 30, 2016: 5,111 million yen (-17.6%)

	Net income per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2017	5.68	5.67
Three months ended June 30, 2016	5.37	5.36

#### (2) Consolidated Financial Position

	Total assets	Total net assets	Net assets to total assets ratio
	Million yen	Million yen	%
As of June 30, 2017	984,910	199,384	20.1
As of March 31, 2017	957,792	199,081	20.7

(Reference) Capital: June 30, 2017: 198,829 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 – Non-controlling interests)/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	—				
Fiscal year ending March 31, 2018 (Forecasts)		4.75	—	4.75	9.50

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

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

(% 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 (Accumulated)	62,700	2.4	19,200	0.4	13,100	0.8	10.99
Full-year	130,800	7.5	38,600	5.1	26,400	5.1	22.15

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, 2018: None

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

Added – (company name) –

Excluded – (company name) –

(2) Adoption of particular accounting methods for 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, 2017 1,191,528,000 shares As of March 31, 2017 1,191,528,000 shares

(b) Number of treasury shares

As of June 30, 2017 128 shares As of March 31, 2017 128 shares

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

Three months ended June 30, 2017 1,191,527,872 shares Three months ended June 30, 2016 1,191,140,773 shares

- 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, 2017	As of June 30, 2017
<b>Assets</b>		
Cash and due from banks	694,588	698,125
Securities	77,866	72,112
Loans	19,829	21,187
Foreign currency	—	0
ATM-related temporary payments	89,286	116,908
Other assets	15,064	16,434
Tangible fixed assets	25,740	24,461
Intangible fixed assets	34,473	34,719
Asset for retirement benefits	183	199
Deferred tax assets	790	791
Allowance for credit losses	(30)	(29)
<b>Total assets</b>	<b>957,792</b>	<b>984,910</b>
<b>Liabilities</b>		
Deposits	571,510	588,365
Negotiable certificates of deposits	800	800
Call money	10,000	40,000
Borrowed money	10,000	10,000
Bonds	110,000	80,000
ATM-related temporary advances	37,763	48,227
Other liabilities	16,992	16,443
Reserve for bonuses	471	750
Liability for retirement benefits	1	1
Deferred tax liabilities	1,170	937
<b>Total liabilities</b>	<b>758,710</b>	<b>785,525</b>
<b>Net assets</b>		
Common stock	30,572	30,572
Capital surplus	30,554	30,554
Retained earnings	132,093	133,208
Treasury stock	(0)	(0)
<b>Total shareholders' equity</b>	<b>193,221</b>	<b>194,336</b>
Net unrealized gains on available-for-sale securities	217	277
Foreign currency translation adjustments	5,012	4,138
Accumulated adjustments for retirement benefit	73	77
<b>Total accumulated other comprehensive income</b>	<b>5,303</b>	<b>4,493</b>
Subscription rights to shares	533	533
Non-controlling interests	22	21
<b>Total net assets</b>	<b>199,081</b>	<b>199,384</b>
<b>Total liabilities and net assets</b>	<b>957,792</b>	<b>984,910</b>

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

(Millions of yen)

	Three months ended June 30, 2016	Three months ended June 30, 2017
Ordinary income	30,427	30,963
Interest income	668	807
(Interest on loans)	627	773
(Interest and dividends on securities)	12	7
Fees and commissions income	29,617	30,090
(ATM-related fee income)	28,132	28,509
Other operating income	55	59
Other ordinary income	86	6
Ordinary expenses	21,012	21,059
Interest expenses	258	192
(Interest on deposits)	93	45
Fees and commissions expenses	5,787	5,929
(ATM placement fee expenses)	4,698	4,753
(ATM-related fee expenses)	394	421
General and administrative expenses	14,918	14,935
Other ordinary expenses	48	1
Ordinary profit	9,415	9,904
Extraordinary losses	35	15
Loss on disposal of fixed assets	35	15
Income before income taxes	9,380	9,888
Income taxes-current	2,821	3,338
Income taxes-deferred	162	(223)
Total income taxes	2,984	3,114
Net income	6,395	6,774
Net loss attributable to non-controlling interests	(0)	(0)
Net income attributable to owners of the parent	6,396	6,774

## Consolidated Statements of Comprehensive Income

(Millions of yen)

	Three months ended June 30, 2016	Three months ended June 30, 2017
Net income	6,395	6,774
Other comprehensive income	(1,284)	(811)
Net unrealized gains (losses) on available-for-sale securities	(157)	60
Foreign currency translation adjustments	(1,132)	(875)
Adjustments for retirement benefit	6	3
Comprehensive income	5,111	5,962
Comprehensive income attributable to:		
Owners of the parent	5,113	5,964
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, 2017	As of June 30, 2017
<b>Assets</b>		
Cash and due from banks	685,766	691,301
Securities	102,533	96,779
Loans	19,829	21,187
Foreign currency	—	0
ATM-related temporary payments	89,259	116,891
Other assets	10,530	11,450
Tangible fixed assets	24,159	22,275
Intangible fixed assets	22,745	23,835
Prepaid pension cost	77	86
Deferred tax assets	775	774
Allowance for credit losses	(30)	(29)
<b>Total assets</b>	<b>955,644</b>	<b>984,552</b>
<b>Liabilities</b>		
Deposits	571,553	588,439
Negotiable certificates of deposits	800	800
Call money	10,000	40,000
Borrowed money	10,000	10,000
Bonds	110,000	80,000
ATM-related temporary advances	37,763	48,227
Other liabilities	15,536	15,033
Reserve for bonuses	388	673
<b>Total liabilities</b>	<b>756,042</b>	<b>783,174</b>
<b>Net assets</b>		
Common stock	30,572	30,572
Capital surplus	30,572	30,572
Retained earnings	137,706	139,422
Treasury stock	(0)	(0)
<b>Total shareholders' equity</b>	<b>198,851</b>	<b>200,568</b>
Net unrealized gains on available-for-sale securities	217	277
<b>Total valuation and translation adjustments</b>	<b>217</b>	<b>277</b>
Subscription rights to shares	533	533
<b>Total net assets</b>	<b>199,602</b>	<b>201,378</b>
<b>Total liabilities and net assets</b>	<b>955,644</b>	<b>984,552</b>

**(2) Non-Consolidated Statements of Income**

(Millions of yen)

	Three months ended June 30, 2016	Three months ended June 30, 2017
Ordinary income	28,207	28,907
Interest income	663	802
(Interest on loans)	627	773
(Interest and dividends on securities)	12	7
Fees and commissions income	27,470	28,016
(ATM-related fee income)	25,991	26,455
Other operating income	53	59
Other ordinary income	20	28
Ordinary expenses	18,292	18,210
Interest expenses	249	190
(Interest on deposits)	93	45
Fees and commissions payments	4,300	4,524
(ATM placement fee expenses)	3,454	3,555
(ATM-related fee expenses)	224	243
General and administrative expenses	13,702	13,494
Other ordinary expenses	39	1
Ordinary profit	9,914	10,696
Extraordinary losses	30	11
Loss on disposal of fixed assets	30	11
Income before income taxes	9,884	10,684
Income taxes-current	2,809	3,334
Income taxes-deferred	240	(25)
Total income taxes	3,049	3,309
Net income	6,834	7,375

## 2. Capital Adequacy Ratio (Domestic Standard)

### (1) Consolidated Capital Adequacy Ratio (Domestic Standard)

	As of June 30, 2017	As of March 31, 2017
Consolidated capital adequacy ratio (domestic standard)	52.21%	51.71%

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

	As of June 30, 2017	As of March 31, 2017
Non-consolidated capital adequacy ratio (domestic standard)	56.72%	56.21%