



# Financial Results for the Second Quarter (Interim Period) of the Fiscal Year Ending March 31, 2015

## (Consolidated Data)

November 7, 2014

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 17, 2014  
 Scheduled date for cash dividends: December 1, 2014  
 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, 2015 (April 1, 2014 – September 30, 2014)

#### (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, 2014	56,757	8.6	19,708	2.0	12,409	6.2
Six months ended September 30, 2013	52,259	—	19,304	—	11,680	—

Note: Comprehensive income: Six months ended September 30, 2014: 11,764 million yen (-11.7%),  
 Six months ended September 30, 2013: 13,325 million yen (-)

	Net income per share	Diluted earnings per share
	Yen	Yen
Six months ended September 30, 2014	10.41	10.40
Six months ended September 30, 2013	9.80	9.79

#### (2) Financial Position

	Total assets	Total net assets	Net assets to total assets ratio
	Million yen	Million yen	%
As of September 30, 2014	793,171	160,523	20.1
As of March 31, 2014	790,377	153,408	19.3

(Reference) Capital: September 30, 2014 : 160,048 million yen March 31, 2014: 153,036 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. 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
March 31, 2014	—	3.50	—	4.00	7.50
March 31, 2015	—	3.75			
March 31, 2015 (Forecasts)			—	3.75	7.50

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

### 3. Performance Forecasts for the Fiscal Year Ending March 31, 2015 (April 1, 2014 - March 31, 2015)

(% 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	114,000	7.9	36,900	3.1	23,400	10.1	19.64

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

#### Notes

(1) Changes in important subsidiaries during the interim period of the fiscal year ending March 31, 2015: None

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

Added – (company name) –,

Excluded – (company name) –

Note: PT ABADI TAMBAH MULIA INTERNASIONAL and Bank Business Factory Co., Ltd. were added to the scope of consolidation from the interim period, but the additions are not applicable to changes in specific subsidiaries.

(2) Changes in accounting policy, changes in accounting estimates, and retrospective restatements

(a) Changes in accounting policy arising from revision of accounting standards etc.: Yes

(b) Changes in accounting policy other than those noted in (a) above: None

(c) Changes in accounting estimates: None

(d) Retrospective restatements: None

(3) Number of shares (common stock)

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

As of September 30, 2014 1,191,001,000 shares As of March 31, 2014 1,190,949,000 shares

(b) Number of treasury shares

As of September 30, 2014 128 shares As of March 31, 2014 128 shares

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

As of September 30, 2014 1,190,975,014 shares As of September 30, 2013 1,190,948,872 shares

## Overview of Non-Consolidated Performance

### 1. Non-Consolidated Financial Highlights for the Second Quarter (Interim Period) of the Fiscal Year Ending March 31, 2015 (April 1, 2014 – September 30, 2014)

#### (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, 2014	52,699	5.4	20,271	2.7	12,961	6.9
Six months ended September 30, 2013	49,975	6.9	19,735	19.3	12,121	20.2

	Net income per share
Six months ended September 30, 2014	10.88 Yen
Six months ended September 30, 2013	10.17

#### (2) Non-Consolidated Financial Position

	Total assets	Total net assets	Net assets to total assets ratio
	Million yen	Million yen	%
As of September 30, 2014	789,374	159,323	20.1
As of March 31, 2014	785,380	151,142	19.1

(Reference) Capital: September 30, 2014: 158,873 million yen March 31, 2014: 150,770 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. 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. Non-Consolidated Performance Forecasts for the Fiscal Year Ending March 31, 2015 (April 1, 2014 – March 31, 2015)

(% 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	105,800	5.9	38,000	2.3	24,300	8.8	20.40

#### Disclosure concerning the implementation status of interim audit procedures

This quarterly report is exempt from interim audit procedures based on the Financial Instruments and Exchange Act of Japan. As of this interim report's publication, audit procedures pertaining to interim consolidated and non-consolidated financial statements have not been completed.

#### Cautionary statement with respect to earnings forecasts, and disclaimer

- Seven Bank prepared interim consolidated and non-consolidated financial statements for the second quarter ended September 30, 2014, 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).
- 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.

### 3. Interim Consolidated Financial Statements

#### (1) Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2014	As of September 30, 2014
<b>Assets</b>		
Cash and due from banks	504,987	502,247
Call loans	15,000	17,000
Securities	98,322	108,644
Loans	5,257	7,658
ATM-related temporary payments	92,786	80,566
Other assets	9,633	9,847
Tangible fixed assets	28,588	32,109
Intangible fixed assets	34,568	33,794
Deferred tax assets	1,290	1,361
Allowance for credit losses	(56)	(59)
<b>Total assets</b>	<b>790,377</b>	<b>793,171</b>
<b>Liabilities</b>		
Deposits	437,588	453,064
Negotiable certificates of deposit	760	1,110
Call money	—	8,400
Borrowed money	21,000	18,000
Bonds	115,000	95,000
ATM-related temporary advances	40,966	36,444
Other liabilities	19,237	18,305
Reserve for bonuses	396	438
Liability for retirement benefits	120	94
Deferred tax liabilities	1,899	1,789
<b>Total liabilities</b>	<b>636,968</b>	<b>632,647</b>
<b>Net assets</b>		
Common stock	30,509	30,514
Capital surplus	30,509	30,514
Retained earnings	88,520	96,166
Treasury stock	(0)	(0)
<b>Total shareholders' equity</b>	<b>149,539</b>	<b>157,194</b>
Net unrealized gains (losses) on available-for-sale securities	3	(101)
Foreign currency translation adjustments	3,613	3,050
Accumulated adjustments for retirement benefit	(119)	(94)
<b>Total accumulated other comprehensive income</b>	<b>3,497</b>	<b>2,853</b>
Subscription rights to shares	371	449
Minority interests	—	25
<b>Total net assets</b>	<b>153,408</b>	<b>160,523</b>
<b>Total liabilities and net assets</b>	<b>790,377</b>	<b>793,171</b>

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

(Millions of yen)

	For the six months ended September 30, 2013	For the six months ended September 30, 2014
Ordinary income	52,259	56,757
Interest income	376	605
(Interest on loans)	281	500
(Interest and dividends on securities)	56	80
Fees and commissions income	51,757	55,975
(ATM-related fee income)	49,561	53,539
Other operating income	32	78
Other ordinary income	93	97
Ordinary expenses	32,954	37,048
Interest expenses	967	644
(Interest on deposits)	240	268
Fees and commissions payments	7,731	9,339
(ATM placement fee expenses)	6,815	7,972
(ATM-related fee expenses)	427	592
General and administrative expenses	24,245	27,052
Other ordinary expenses	9	11
Ordinary profit	19,304	19,708
Extraordinary losses	183	129
Loss on disposal of fixed assets	183	129
Income before income taxes	19,121	19,579
Income taxes-current	7,570	7,234
Income taxes-deferred	(130)	(64)
Total income taxes	7,440	7,170
Income before minority interests	11,680	12,409
Minority interests	—	0
Net income	11,680	12,409

**Consolidated Statements of Comprehensive Income**

(Millions of yen)

	For the six months ended September 30, 2013	For the six months ended September 30, 2014
Income before minority interests	11,680	12,409
Other comprehensive income	1,644	(645)
Net unrealized gains (losses) on available-for-sale securities	59	(104)
Foreign currency translation adjustments	1,584	(564)
Accumulated adjustments for retirement benefit	—	24
Comprehensive income	13,325	11,764
Comprehensive income attributable to:		
Owners of the parent	13,325	11,765
Minority interests	—	(1)

**(3) Consolidated Statements of Changes in Net Assets**

For the six months ended September 30, 2013 (April 1, 2013 to September 30, 2013)

(Millions of yen)

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

	Accumulated other comprehensive income				Subscription rights to shares	Minority interests	Total net assets
	Net unrealized gains (losses) on available-for-sale securities	Foreign currency translation adjustments	Accumulated adjustments for retirement benefit	Total accumulated other comprehensive income			
Balance at beginning of year	21	1,092	—	1,114	291	—	138,045
Changes in items during the period							
Issuance of new shares							—
Cash dividends							(4,168)
Net income							11,680
Purchase of treasury stock							(0)
Net change in items other than shareholders' equity during the period	59	1,584	—	1,644	80	—	1,724
Net changes in items during the period	59	1,584	—	1,644	80	—	9,237
Balance at end of the period	81	2,676	—	2,758	371	—	147,282

For the six months ended September 30, 2014 (April 1, 2014 to September 30, 2014)

(Millions of yen)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at beginning of year	30,509	30,509	88,520	(0)	149,539
Changes in items during the period					
Issuance of new shares	4	4			9
Cash dividends			(4,763)		(4,763)
Net income			12,409		12,409
Purchase of treasury stock					—
Net change in items other than shareholders' equity during the period					
Net changes in items during the period	4	4	7,645	—	7,655
Balance at end of the period	30,514	30,514	96,166	(0)	157,194

	Accumulated other comprehensive income				Subscription rights to shares	Minority interests	Total net assets
	Net unrealized gains (losses) on available-for-sale securities	Foreign currency translation adjustments	Accumulated adjustments for retirement benefit	Total accumulated other comprehensive income			
Balance at beginning of year	3	3,613	(119)	3,497	371	—	153,408
Changes in items during the period							
Issuance of new shares							9
Cash dividends							(4,763)
Net income							12,409
Purchase of treasury stock							—
Net change in items other than shareholders' equity during the period	(104)	(563)	24	(644)	78	25	(540)
Net changes in items during the period	(104)	(563)	24	(644)	78	25	7,115
Balance at end of the period	(101)	3,050	(94)	2,853	449	25	160,523



**(4) Notes to Interim Consolidated Financial Statements**

(Notes Regarding Assumption of Going Concern)

Not applicable.

(Significant Subsequent Events)

**Resolution to Issue Unsecured Corporate Bonds**

At a meeting held on November 7, 2014, the Board of Directors of the Company resolved to issue unsecured corporate bonds through a public offering in Japan. A summary is as follows.

1. Type of corporate bonds	Domestic unsecured straight corporate bonds
2. Total amount of bonds for subscription	Maximum of 30 billion yen
3. Coupon rate of bonds for subscription	Fixed rate, 1.0% per annum or less
4. Redemption method of bonds for subscription	Lump-sum payment at maturity (may be retired by purchase before maturity)
5. Redemption period of bonds for subscription	Maximum of 13 years
6. Issue price of bonds for subscription	100 yen per value
7. Issuance period	November 7, 2014 to March 31, 2015
8. Collateral/Guarantee	No collateral or guarantee is pledged and no assets are specifically reserved
9. Use of funds	General operating funds
10. Covenants	Negative pledge applies
11. Other	All matters required as a specific condition of issuance or relating to the issuance of other corporate bonds are at the discretion of the President and Representative Director.

#### 4. Non-Consolidated Financial Statements

##### (1) Non-Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2014	As of September 30, 2014
<b>Assets</b>		
Cash and due from banks	504,462	501,301
Call loans	15,000	17,000
Securities	110,394	120,793
Loans	5,257	7,658
Accrued income	8,052	8,134
ATM-related temporary payments	92,786	80,566
Other assets	1,310	1,488
Other assets	1,310	1,488
Tangible fixed assets	27,314	30,923
Intangible fixed assets	19,569	20,204
Prepaid pension cost	65	53
Deferred tax assets	1,224	1,309
Allowance for credit losses	(56)	(59)
<b>Total assets</b>	<b>785,380</b>	<b>789,374</b>
<b>Liabilities</b>		
Deposits	437,588	453,140
Negotiable certificates of deposit	760	1,110
Call money	—	8,400
Borrowed money	21,000	18,000
Bonds	115,000	95,000
ATM-related temporary advances	40,966	36,444
Other liabilities	18,545	17,561
Income taxes payable	8,481	7,420
Asset retirement obligations	334	342
Other liabilities	9,730	9,797
Reserve for bonuses	377	395
<b>Total liabilities</b>	<b>634,237</b>	<b>630,051</b>
<b>Net assets</b>		
Common stock	30,509	30,514
Capital surplus	30,509	30,514
Capital reserve	30,509	30,514
Retained earnings	89,749	97,946
Legal reserve in retained earnings	0	0
Other retained earnings	89,749	97,946
Retained earnings brought forward	89,749	97,946
Treasury stock	(0)	(0)
<b>Total shareholders' equity</b>	<b>150,767</b>	<b>158,974</b>
Net unrealized gains (losses) on available-for-sale securities	3	(101)
Total valuation and translation adjustments	3	(101)
Subscription rights to shares	371	449
<b>Total net assets</b>	<b>151,142</b>	<b>159,323</b>
<b>Total liabilities and net assets</b>	<b>785,380</b>	<b>789,374</b>

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

(Millions of yen)

	For the six months ended September 30, 2013	For the six months ended September 30, 2014
Ordinary income	49,975	52,699
Interest income	376	605
(Interest on loans)	281	500
(Interest and dividends on securities)	56	80
Fees and commissions income	49,553	51,979
(ATM-related fee income)	47,357	49,543
Other operating income	32	78
Other ordinary income	12	36
Ordinary expenses	30,239	32,427
Interest expenses	967	644
(Interest on deposits)	240	268
Fees and commissions payments	6,426	6,959
(ATM placement fee expenses)	5,711	5,959
(ATM-related fee expenses)	274	316
General and administrative expenses	22,835	24,814
Other ordinary expenses	9	9
Ordinary profit	19,735	20,271
Extraordinary losses	164	110
Loss on disposal of fixed assets	164	110
Income before income taxes	19,571	20,161
Income taxes-current	7,554	7,226
Income taxes-deferred	(104)	(26)
Total income taxes	7,449	7,199
Interim net income	12,121	12,961

### (3) Non-Consolidated Statements of Changes in Net Assets

For the six months ended September 30, 2013 (April 1, 2013 to September 30, 2013)

(Millions of yen)

	Shareholders' equity							
	Common stock	Capital surplus		Legal reserve	Retained earnings		Treasury stock	Total shareholders' equity
		Capital reserve	Total capital surplus		Other retained earnings	Total retained earnings		
Balance at beginning of year	30,509	30,509	30,509	0	75,759	75,759	(0)	136,778
Changes in items during the period								
Issuance of new shares								—
Cash dividends					(4,168)	(4,168)		(4,168)
Net income					12,121	12,121		12,121
Purchase of treasury stock							(0)	(0)
Net change in items other than shareholders' equity during the period								
Net changes in items during the period	—	—	—	—	7,953	7,953	(0)	7,953
Balance at end of the period	30,509	30,509	30,509	0	83,712	83,712	(0)	144,731

	Valuation and translation adjustments		Subscription rights to shares	Total net assets
	Net unrealized gains (losses) on available-for-sale securities	Total valuation and translation adjustments		
Balance at beginning of year	21	21	291	137,091
Changes in items during the period				
Issuance of new shares				—
Cash dividends				(4,168)
Net income				12,121
Purchase of treasury stock				(0)
Net change in items other than shareholders' equity during the period	59	59	80	140
Net changes in items during the period	59	59	80	8,093
Balance at end of the period	81	81	371	145,184

For the six months ended September 30, 2014 (April 1, 2014 to September 30, 2014)

(Millions of yen)

	Shareholders' equity							
	Common stock	Capital surplus		Retained earnings			Treasury stock	Total shareholders' equity
		Capital reserve	Total capital surplus	Legal reserve	Other retained earnings Retained earnings brought forward	Total retained earnings		
Balance at beginning of year	30,509	30,509	30,509	0	89,749	89,749	(0)	150,767
Changes in items during the period								
Issuance of new shares	4	4	4					9
Cash dividends					(4,763)	(4,763)		(4,763)
Net income					12,961	12,961		12,961
Purchase of treasury stock								—
Net change in items other than shareholders' equity during the period								
Net changes in items during the period	4	4	4	—	8,197	8,197	—	8,207
Balance at end of the period	30,514	30,514	30,514	0	97,946	97,946	(0)	158,974

	Valuation and translation adjustments		Subscription rights to shares	Total net assets
	Net unrealized gains (losses) on available-for-sale securities	Total valuation and translation adjustments		
Balance at beginning of year	3	3	371	151,142
Changes in items during the period				
Issuance of new shares				9
Cash dividends				(4,763)
Net income				12,961
Purchase of treasury stock				—
Net change in items other than shareholders' equity during the period	(104)	(104)	78	(26)
Net changes in items during the period	(104)	(104)	78	8,180
Balance at end of the period	(101)	(101)	449	159,323

**(4) Notes to Interim Non-Consolidated Financial Statements**

(Notes Regarding Assumption of Going Concern)

Not applicable.