

Financial Results for the Third Quarter of Fiscal 2006 (Non-consolidated Date)

February 2, 2007

Company Name: Seven Bank, Ltd.

(URL <http://www.sevenbank.co.jp/>)

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1. Matters pertaining to the preparation of quarterly financial information

- | | | |
|--|--|----|
| ① Adoption of simplified accounting treatments: | | No |
| ② Changes of accounting treatments since previous financial year | | No |
| ③ Audit by audit corporation | | No |

2. Summary of Financial Condition/Financial Results of the 3rd Quarter of the Fiscal Year ending March 31, 2007 (April 1, 2006 – December 31, 2006)

(1) Progression of Financial Results (Note: Amounts of less than one million yen are omitted)

	Ordinary Income		Ordinary Profit	
	million Yen	%	million Yen	%
3rd Quarter of F Y 2007	56,610	19.1	19,491	35.0
3rd Quarter of F Y 2006	47,520	35.4	14,433	103.6
(Cf.) Fiscal Year ended March 31, 2006	64,612	34.7	19,409	92.6

	3 rd Quarter (Current) Net Income		3 rd Quarter (Current) Net Income per share
	million Yen	%	Yen
3rd Quarter of FY2007	11,090	28.9	9,365. 25
3rd Quarter of F Y 2006	8,598	(5.8)	7,047. 87
(Cf.) Fiscal Year ended March 31, 2006	10,590	(2.3)	8,680. 89

(Note) (1) Average number of shares during the period: 3rd Quarter of Fiscal Year 2007 1,184,270 shares
3rd Quarter of Fiscal Year 2006 1,220,000 shares
Fiscal Year ended March 31, 2006 1,220,000 shares

(2) Percentages under Ordinary Income, Ordinary Profit, etc. indicate the rates of change from the same period of the previous year

(2) Changes in the Financial Position

	Total assets	Net assets	Net assets to total assets ratio (Note 1)	Net assets per share	Unconsolidated capital adequacy ratio (domestic standard) (Note 2)
	Million yen	Million yen	%	Yen	%
3rd Quarter of FY 2007	564,629	72,274	12.8	61,966.50	Preliminary 104.84
3rd Quarter of FY 2006	488,191	65,100	13.3	53,361.04	119.59
(Cf.) Fiscal Year ended March 31, 2006	361,338	67,080	18.5	54,984 18	233.49

(Note) Number of outstanding shares at the end of the period:
3rd Quarter of Fiscal Year 2007 1,166,350 shares
3rd Quarter of Fiscal Year 2006 1,220,000 shares
Fiscal Year ended March 31, 2006 1,220,000 shares
Number of treasury stocks at the end of the period:
3rd Quarter of Fiscal Year 2007 53,650 shares
3rd Quarter of Fiscal Year 2006 -

Fiscal Year ended March 31, 2006 -

(1) Net assets to total assets ratio = Total net assets / Total assets

(2) The Non-consolidated capital adequacy ratio (domestic standard) has been calculated in accordance with "Standards for capital ratio pursuant to Article 14-2 of the Banking Law" (Ordinance No. 55 issued by the Ministry of Finance, May 31, 1993).

3. Forecast for the Fiscal Year ending March 31, 2007 (April 1, 2006 – March 31, 2007)

Forecasts for Fiscal Year 2007 released on November 2, 2006 have not been changed.

Reference (Forecasts released on November 2, 2006)

	Ordinary income	Ordinary profit	Net income	Full year dividend per share	
				End of the year	
Full year	Million yen 75,500	Million yen 22,700	Million yen 12,300	Yen —	Yens —

* The above forecast is based on the information available at the issuing date of this report. Accordingly, the final results may vary due to various factors.

Major 3rd Quarter Topics (October 1, 2008 – December 31, 2006)

[ATM business]

During the period under review, Nanto Bank, Iwate Bank, Tohoku Bank, Kita-Nippon Bank, Fukui Bank, Momiji Bank, Sony Bank, SMBC Friend Securities, Meiji Yasuda Seimei Insurance, and Shinwa became correspondent financial institutions of the Bank. Consequently, there were 542^(Note 1) correspondent financial institutions as of December 31, 2006. Additionally, as a result of expansion into Nara and Iwate prefectures, Seven Bank, Ltd. (the Bank) has now installed ATMs in 32 prefectures, with a total of 11,883 ATMs as of December 31, 2006.

Approximately 1,200 second generation ATMs were newly installed in Nara, Iwate, Hyogo, Kanagawa, and Chiba prefectures during the current 3rd Quarter. Together with the ATMs already installed in Tokyo, Shizuoka, Miyagi, Saitama and Osaka prefectures, a total of approximately 5,000 new generation ATMs have been installed to date.

In terms of IC card compatibility, which began in April 2006, as a result of stepped-up expansion efforts, the IC cards of 18 companies, including the Bank, may now be used as of December 31, 2006.^(Note 2)

[Note 1] JA Bank and JA Marine Bank are separately counted for their business categories.

[Note 2] Some IC cards of banks that have already been made compatible may not be used at Seven Bank ATMs

[Seven Bank deposit accounts]

As of December 31, 2006, the Bank had 440,000 (+26,000 compared to September 30) deposit accounts for individual account holders with total deposits of ¥69,700 million (+¥7,100 million compared to September 30). Of the total deposits, savings accounts accounted for ¥57,800 million (+¥4,400 million compared to September 30) and time deposits, which the Bank began accepting in March 2006, accounted for ¥11,900 million (+¥2,700 million compared to September 30.)

Major topics

(1) Correspondent financial institutions in areas without Seven-Eleven retail premises

Thanks to vigorous promotion efforts for ATM service partnerships with banks in areas not represented by Seven-Eleven retail premises, the Bank was able to conclude ATM service agreements with Fukui Bank (Started on November 22), Hokkoku Bank (Starting on January 29, 2007), Tottori Bank, Aomori Bank (both starting around March 2007), and Akita Bank (Starting around summer 2007)

(2) Prospects for installing ATMs in all areas with Seven-Eleven stores

As a result of the ATM service agreements concluded with Kiyoo Bank and Oita Bank, the prospects seemed bright for installing ATMs in Wakayama and Oita prefectures (both scheduled for September 2007). With the installation of ATMs in these two prefectures, the Bank will have completed the installation of ATMs in all 34 prefectures in which Seven-Eleven has retail premises.

(3) Average daily transaction volume per ATM exceeds 100

As a result of the expansion of correspondent institutions and the increase in the number of ATM installations, ATM transaction volume has increased and average daily transaction volume per ATM was 100.1, exceeding the 100 mark for the first time.

(4) Commencement of agency services at the manned branch in Ito-Yokado Yachiyo Store

In addition to the Soga store (for Chiba Bank), the Kawaguchi store (for Sumitomo Mitsui Banking Corporation and

Saitama Resona Bank), and the Kameari store (for Resona Bank), the Yachiyo Store has commenced agency services for Chiba Bank, starting on October 2. Additionally, five of the manned branches have commenced administrative intermediation services for Sony Bank, SBI Mortgage and Tanaka Kikinzoku Kogyo.

(5) First straight bond issue by public offering

On December 4, the Bank issued its straight bond by public offering for the amount of ¥60,000 million (5 years: ¥36,000 million, 7 years: ¥24,000 million) for the purpose of diversifying the means for raising cash to load its ATMs and to hedge against the risks of rising interest rates.

3rd Quarter Balance Sheet for FY 2007 (As of December 31, 2006)

(In millions of yen)

Category	Amount	Category	Amount
(Assets)		(Liabilities)	
Cash and due from banks	269,930	Deposits	246,397
Call loans	74,500	Negotiable certificates of deposits	68,360
Securities	64,620	Borrowed money	65,000
Prepaid pension cost	75	Bonds	75,000
Accrued income	7,215	ATM-related temporary advances	27,020
ATM-related temporary payments	127,512	Other liabilities	10,291
Other assets	812	Reserve for bonuses	64
Tangible fixed assets	6,908	Reserve for retirement benefits for directors and statutory auditors	220
Intangible fixed assets	12,257	Total liabilities	492,355
Deferred tax assets	879	(Net assets)	
Allowance for credit losses	(84)	Capital stock	30,500
		Capital surplus	30,505
		Capital reserve	30,500
		Other capital surplus	5
		Retained earnings	17,180
		Other retained earnings	17,180
		Retained earnings brought forward	17,180
		Treasury stock	(5,901)
		Total stockholders' equity	72,284
		Net unrealized gains (losses) on available-for-sale securities, net of taxes	(10)
		Total valuation and translation adjustments	(10)
		Total net assets	72,274
Total assets	564,629	Total liabilities and net assets	564,629

Notes 1. The amounts are presented in millions of yen and amounts of less than a million yen are omitted.

2. Securities are carried at their quarter-end fair market value (the cost of securities sold is calculated primarily using the moving-average method). Net unrealized gains or losses on these securities are included in net assets, net of income taxes.

3. Derivative transactions are carried at fair value.

4. Tangible fixed assets are depreciated using the declining balance method over the estimated useful lives of the assets. However, buildings, other than the fixtures attached to them, are depreciated using the straight-line method. The useful lives of major assets are as follows:

Buildings	6 years to 18 years
Equipment	2 years to 20 years

5. Software for internal use is depreciated over the estimated useful life if used internally (5 years), using the straight-line method.

6. Bond issuance expenses are treated as expenses in their entirety at the time they are incurred.

7. An allowance for credit losses is provided as detailed below, in accordance with the Bank's internal standards for write-offs and provisions.

For credits to obligors classified as "normal obligors" or "watch obligors" according to the *Operational Guidelines for Verification of Internal Control for Self-Assessment of Assets in Banks and Other Financial Institutions* (JICPA Bank Auditing Special Committee Report No. 4), credits are classified into certain categories and the allowance for credit losses is provided based on the Bank's estimated rate of credit losses. For credits to obligors classified as "bankruptcy risk obligors," the allowance for credit losses is provided for the amount deemed necessary for the amount remaining after deductions have been made for the estimated recoverable amount from available security interests and guarantees. For credits to obligors classified as "substantially bankrupt obligors" or "bankrupt obligors," the allowance for credit losses is provided in the full amounts of such credits, after deductions have been made for the estimated recoverable amount from available security interests and guarantees.

The Bank's Risk Management Office, which is independent from the Bank's banking-related divisions, evaluates all credits, with the cooperation of the banking-related divisions, in accordance with its internal rules for the self-assessment of assets, and the allowance is provided based on the results of these assessments.

8. In order to prepare for the payment of employee bonuses, the Bank records a reserve for bonuses in the amount of estimated bonuses attributed to the current quarter.

9. In order to prepare for the payment of retirement benefits to employees, the Bank records a reserve for employees' retirement benefits in the amount deemed accrued at the quarter-end, based on the projected retirement benefit obligation and the estimated amount of pension plan assets at the fiscal-year-end.

During the current 3rd Quarter, as the estimated amount of pension plan assets exceeded the balance of projected retirement benefit obligations, which were adjusted for unrecognized prior service costs and unrecognized net actuarial difference, the Bank appropriated the surplus to "prepaid pension cost." Unrecognized prior service costs and unrecognized net actuarial differences are expensed using the following methods:

Unrecognized prior service cost is amortized using the straight-line method over 10 years within the employees' average remaining service period at the time of incurrence.

Unrecognized net actuarial difference is amortized using the straight-line method over 10 years within the employees' average remaining service period, commencing from the next fiscal year of incurrence.

10. In order to prepare for the payment of retirement benefits for directors and statutory auditors, the Bank records a reserve in the amount required at the current quarter-end in accordance with its internal rules.

11. Financing leases, which do not transfer ownership to the lessees, are accounted for in the same manner as operating leases.

12. Special interest rate swap treatment is applied to certain assets/liabilities. Hedge targets are individually identified and interest rate swaps are used as hedging transactions to offset market changes in variable interest rates.

13. National and local consumption taxes for the Bank are accounted for using the tax-excluded method.

14. Accumulated depreciation of premises and equipment totaled ¥1,499 million.

15. Securities to the amount of ¥64,476 million were pledged as collateral for exchange settlements and overdraft transactions with the Bank of Japan.

Additionally, other assets include ¥389 million in security deposits.

16. Net assets per share totaled ¥61,966.50

On January 31, 2006, the ASBJ revised its *Guidance on Accounting Standard for Earnings Per Share* (ASBJ Guidance No. 4, issued on September 25, 2002) and the revised guidance was applicable from the fiscal year ending on or after the enactment date of the Company Law. The Bank has applied the revised guidance, effective from the current quarter. The adoption of this revised guidance had no impact on the financial statements.

17. Market value of securities, unrealized gain/loss and other related matters are as below.

Available-for-sale securities that have market prices or reasonably determinable prices

	Acquisition cost (in millions of yen)	Balance sheet amount (in millions of yen)	Net unrealized gains/losses (in millions of yen)
Bonds:	64,493	64,476	(16)
Japanese government bonds	64,493	64,476	(16)
Total	64,493	64,476	(16)

For the above “net unrealized gains/losses” and deferred tax assets of ¥6 million, the total of -¥10 million is stated as “Net unrealized gains (losses) on securities available-for-sale, net of taxes.”

18. Significant components of deferred tax assets and liabilities are as follows:

Deferred tax assets	
Enterprise tax unpaid	391 million yen
Tax disallowance of depreciation	346
Tax disallowance of reserve for retirement benefits for directors and statutory auditors	89
Tax disallowance of reserve for credit losses	34
Tax disallowance of reserve for bonuses	26
Others	22
Total deferred tax assets	910
Deferred tax liabilities	
Prepaid expenses	30
Total deferred tax liabilities	30
Net deferred tax assets	879 million yen

19. As a result of the application of the *Accounting Standards for Presentation of Net Assets in the Balance Sheet* (Statement No. 5, Accounting Standards of Board of Japan (“ASBJ”), December 9, 2005) and the *Guidance on Accounting Standards for Presentation of Net Assets in the Balance Sheet* (Guidance No. 8, ASBJ, December 9, 2005), from the fiscal year ending on or after the enactment of the Company Law, the appended form of the *Enforcement Ordinance concerning the Banking Law* (Ministry of Finance Ordinance No. 10, 1982) was revised and replaced with the *Cabinet Office Ordinance Partially Revising Detailed Regulations on Mutual Loan Business Law* (Cabinet Office Ordinance No. 60, April 28, 2006), and has been applied from the fiscal year commencing on and after April 1, 2006. In view of the above, the following changes in the presentation of the Balance Sheet have been made starting from the current quarter:

- (1) Under this new accounting standard, “Stockholders’ equity” is “Net assets”, presented in “Stockholders’ equity” and “Valuation and translation adjustments.”
The amount, which was previously presented as “Stockholders’ equity” for the current 1st quarter, totals ¥72,274 million.
- (2) “Accumulated earnings,” which had been included under “Retained earnings,” were presented as “Retained earnings brought forward” under “Other retained earnings.”
- (3) “Valuation difference on stocks” is presented as “Net unrealized gains (losses) on available-for-sale securities, net of taxes.”
- (4) “Premises and equipment” are separately presented as “Tangible fixed assets”, “Intangible fixed assets”, and “Other assets”.
- (5) “Software” (¥10,958 million) and “Software-related temporary accounts” (¥1,282 million) are included in intangible fixed assets.

20. Accompanying the partial revisions to the *Accounting Standards for Treasury Shares and Appropriation of Legal Reserve* (ASBJ Statement No. 1, February 21, 2002) and the *Guidance on Accounting Standards for Treasury Shares and Appropriation of Legal Reserve* (ASBJ Guidance No. 2, February 21, 2002), which became effective on December 27, 2005 and August 11, 2006, respectively, and their application to procedures stipulated by the Company Law, the Bank has adopted these revised standards and guidance from this quarter. The adoption of these

standards and guidance had no impact on the financial statements.

21.Accompanying the partial revisions to the *Accounting Standards for Financial Instruments* (ASJB Statement No. 10, August 11, 2006), which became effective from the fiscal year ending on or after the announcement date of the revisions, the Bank has adopted these revised standards from this quarter. The adoption of these standards had no impact on the financial statements.

22.The Bank has concluded commitment contracts with four banks. The unused amount under the commitment lines was as follows:

Total amount of commitment line	30,000 million yen
Amount borrowed under the commitment line	—
<hr/>	
Unused amount	30,000 million yen

3rd Quarter Statement of Income for Fiscal Year Ending March 31, 2007 (April 1, 2006 – December 31, 2006)

(In millions of yen)

Category	Amount
Ordinary income	56,610
Interest income	225
Interest and dividends on securities	191
Fees and commissions income	56,299
ATM-related fee income	54,919
Other ordinary income	85
Ordinary expenses	37,119
Interest expenses	931
Interest on deposits	146
Fees and commission expenses	4,668
ATM placement fee expenses	4,418
ATM-related fee expenses	116
Other operating expenses	585
General and administrative expenses	30,798
Other ordinary expenses	135
Ordinary profit	19,491
Extraordinary losses	1,134
3rd Quarter income before income taxes	18,357
Current income taxes	7,224
Deferred income taxes	41
3rd Quarter net income	11,090

- Notes**
- The amounts are presented in millions of yen and amounts of less than one million yen are omitted.
 - Third quarter net income per share is ¥9,365.25
 - There were no potentially dilutive stocks.
 - Other ordinary expenses include the “Transfer amount to allowance for credit losses” of ¥39 million.
 - Extraordinary losses consist of losses for the disposal of fixed assets of ¥49 million and expenses for the cancellation of leases of ¥1,085 million.

3rd Quarter Statement of Changes in Net Assets for Fiscal Year 2007
(From April 1, 2006 to December 31, 2006)

(In millions of yen)

	Stockholders' equity					Total stockholders' equity
	Capital stock	Capital surplus		Retained earnings	Treasury stock	
		Capital reserve	Other capital surplus	Other retained earnings		
Balance as of March 31, 2006	61,000	—	—	6,089	—	67,089
Amount of changes during the current quarter						
Transfer from capital stock to capital reserve	(30,500)	30,500				—
3 rd quarter net income				11,090		11,090
Purchase of treasury stock					(5,940)	(5,940)
Disposal of treasury stock			5		38	44
Net changes of items other than stockholders' equity						—
Total amount of changes during the current quarter	(30,500)	30,500	5	11,090	(5,901)	5,195
Balance as of December 31, 2006	30,500	30,500	5	17,180	(5,901)	72,284

	Valuation and translation adjustments		Total net assets
	Net unrealized gains/losses on available-for-sale securities, net of taxes	Total valuation and translation adjustments	
Balance as of March 31, 2006	(8)	(8)	67,080
Amount of changes during the current quarter			
Transfer from capital stock to capital reserve		—	—
3 rd quarter net income		—	11,090
Purchase of treasury stock		—	(5,940)
Disposal of treasury stock		—	44
Net changes of items other than stockholders' equity	(1)	(1)	(1)
Total amount of changes during the current quarter	(1)	(1)	5,193
Balance as of December 31, 2006	(10)	(10)	72,274

Notes 1. The amounts are presented in millions of yen and amounts of less than one million yen are omitted.

2. Type and number shares issued and treasury shares.

(In thousands of shares)

	Number of shares as of the end of the previous FY	Increase in shares during the current quarter	Decrease in shares during the current quarter	Number of shares as of the end of the current quarter	Remarks
Shares issued					
Common stock	1,220	—	—	1,220	
Total	1,220	—	—	1,220	
Treasury stock					
Common stock	—	54	0	53	(Note)
Total	—	54	0	53	

(Note) Increase of 54 thousand shares is due to the acquisition of own shares pursuant to a resolution of the ordinary general meeting of shareholders held on June 16, 2006. Decrease of 0 thousand shares is due to sales of own shares pursuant to a resolution of the Board of Directors on December 1, 2006.

3. There are no stock acquisition rights.

4. The Bank does not pay out dividends.

5. "Other retained earnings" consist of the following:

	Balance as of end of previous Fiscal Year	Amount of change during the current quarter	Balance as of end of current quarter
Retained earnings brought forward	¥6,089 million	¥11,090 million	¥17,180 million

6. Accompanying the application of *the Accounting Standards for Statement of Changes in Net Assets* (ASBJ Statement No. 6, December 27, 2005) and the *Guidance on Accounting Standards for Statement of Changes in Net Assets* (ASBJ Guidance No. 9, December 27, 2005) from the fiscal year ending on or after the enactment date of the Company Law, the Bank has adopted these standards and guidance from the current quarter and prepared the statement of changes in net assets, accordingly.

3rd Quarter Statement of Cash flows for Fiscal Year Ending March 31, 2007 (April 1, 2006 – December 31, 2006)

(In millions of yen)	
Category	Amount
I Cash flows from operating activities	
3 rd quarter income before income taxes	18,357
Depreciation of fixed assets	3,664
Net change in allowance for credit losses (loss)	39
Interest income	(225)
Interest expenses	931
Net gains/losses on security transactions (loss)	80
Net gains/losses on disposal of fixed assets(loss)	49
Net change in deposits(loss)	64,627
Net change in negotiable certificates of deposits(loss)	53,250
Net change in call loans(loss)	(74,500)
Proceeds from issuance and maturity of ordinary bonds(loss)	60,000
Net change in ATM-related temporary accounts(loss)	(74,197)
Interest received	272
Interest paid	(869)
Other-net	(1,116)
Subtotal	50,362
Income taxes paid	(5,784)
Net cash provided by operating activities	44,577
II Cash flows from investing activities	
Purchases of securities	(111,692)
Proceeds from maturities of securities	100,500
Purchases of tangible fixed assets	(6,593)
Purchase of intangible fixed assets	(4,083)
Net cash used in investing activities	(21,868)
III Cash flows from financing activities	
Purchases of treasury stock	(5,940)
Proceeds from disposal of treasury stocks	44
Net cash used in financing activities	(5,895)
IV Effect of exchange rate changes on cash and cash equivalents	—
V Net increase in cash and cash equivalents	16,813
VI Cash and cash equivalents at the beginning of the year	253,117
VII Cash and cash equivalents at the end of the first quarter	269,930

- Notes 1.** The amounts are presented in millions of yen and amounts of less than one million yen have been omitted.
- 2.** For the purpose of the statement of cash flow, cash and cash equivalents represent “cash and due from banks” on the balance sheet.
- 3.** In accordance with the revision to the appended form of the *Enforcement Ordinance concerning the Banking Law* (Ministry of Finance Ordinance No. 10, 1982) with the *Cabinet Office Ordinance Partially Revising Detailed Regulations on Mutual Loan Business Law* (Cabinet Office Ordinance No. 60, April 28, 2006), and its application from the fiscal year commencing on and after April 1, 2006, the following changes in the presentation of the Statement of Cash Flows have been made starting from the current quarter:
- (1) As “Premises and equipment (loss)” in the balance sheet are separately presented as “Tangible fixed assets,” “Intangible fixed assets,” and “Other assets,” “Net gains/losses on disposal of premises and equipment” are presented as “Net gains/losses on disposal of fixed assets (loss).”
 - (2) “Purchases of premises and equipment” are presented as “Purchases of tangible fixed assets.”

Comparative Balance Sheet (Major components)

(In millions of yen)

Category	As of Dec. 31, 2006 (A)	As of Dec. 31, 2005 (B)	Comparison (A - B)	As of Mar 31, 2006 (Summary) (C)	Comparison (A - C)
(A s s e t s)					
Cash and due from banks	269,930	347,235	(77,305)	253,117	16,813
Call loans	74,500	—	74,500	—	74,500
Securities	64,620	43,093	21,527	53,571	11,049
Prepaid pension cost	75	65	10	68	7
Accrued income	7,215	5,975	1,240	5,706	1,509
ATM-related temporary payments	127,512	77,520	49,992	35,127	92,385
Software	—	7,817	—	10,295	—
Software-related temporary accounts	—	4,722	—	858	—
Other assets	812	484	328	790	22
Premises and equipment	—	759	—	928	—
Tangible fixed assets	6,908	—	—	—	—
Intangible fixed assets	12,257	—	—	—	—
Deferred tax assets	879	756	123	920	(41)
Allowance for credit losses	(84)	(239)	155	(45)	(39)
Total assets	564,629	488,191	76,438	361,338	203,291
(L i a b i l i t i e s)					
Deposits	246,397	197,559	48,838	181,770	64,627
Negotiable certificates of deposits	68,360	25,120	43,240	15,110	53,250
Call money	—	97,000	(97,000)	—	—
Borrowed money	65,000	60,000	5,000	65,000	—
Bonds	75,000	15,000	60,000	15,000	60,000
ATM-related temporary	27,020	21,007	6,013	8,833	18,187
Other liabilities	10,291	7,213	3,078	8,267	2,024
Reserve for bonuses	64	68	(4)	148	(84)
Reserve for retirement benefits for	220	120	100	128	92
Total liabilities	492,355	423,090	69,265	294,257	198,098
(Stockholders' equity)					
Capital stock	—	61,000	—	61,000	—
Retained earnings	—	4,096	—	6,089	—
3 rd quarter (current) accumulated pr	—	4,096	—	6,089	—
3 rd quarter (current) net profit	—	8,598	—	10,590	—
Net unrealized gains/losses on	—	3	—	(8)	—
Total stockholders' equity	—	65,100	—	67,080	—
Total liabilities and stockholders'	—	488,191	—	361,338	—
(N e t a s s e t s)					
Capital stock	30,500	—	—	—	—
Capital surplus	30,505	—	—	—	—
Capital reserve	30,500	—	—	—	—
Other capital surplus	5	—	—	—	—
Retained earnings	17,180	—	—	—	—
Other retained earnings	17,180	—	—	—	—
Retained earnings brought forward	17,180	—	—	—	—
Treasury stocks	(5,901)	—	—	—	—
Total stockholders' equity	72,284	—	—	—	—
Net unrealized losses on available-f	(10)	—	—	—	—
Total valuation and translation	(10)	—	—	—	—

Total net assets	72,274	—	—	—	—
Total liabilities and net assets	564,629	—	—	—	—

Comparative Statement of Income (Major components)

(In millions of yen)

Category	3rd Quarter of FY 2007 (A)	3rd quarter of FY 2006(B)	Comparison (A – B)	FY 2006 (Summary)
Ordinary income	56,610	47,520	9,090	64,612
Interest income	225	(7)	232	78
Of which Interest and dividends on ...	191	(7)	198	78
Fees and commissions income	56,299	47,441	8,858	63,973
Of which ATM-related fee income	54,919	45,976	(8,943)	61,957
Other operating income	—	53	(53)	444
Other ordinary income	85	32	53	116
Ordinary expenses	37,119	33,086	4,033	45,203
Interest expenses	931	436	495	634
Of which Interest on deposits	146	31	115	45
Fees and commissions expenses	4,668	3,573	1,095	4,845
Of which ATM placement fee	4,418	3,384	1,034	4,556
Of which ATM-related fee expenses	116	97	19	134
Other operating expenses	585	—	585	68
General and administrative expenses	30,798	28,818	1,980	39,565
Other ordinary expenses	135	259	(124)	88
Ordinary profit	19,491	14,433	5,058	19,409
Extraordinary gains	—	—	—	15
Extraordinary losses	1,134	820	314	2,823
3rd Quarter income before income taxes	18,357	13,613	4,744	16,601
Current income taxes	7,224	2,718	4,506	3,870
Adjustments for income taxes	41	2,297	(2,256)	2,141
3rd Quarter net income	11,090	8,598	2,492	10,590
Accumulated losses	—	4,501	—	4,501
3rd Quarter (current) accumulated earnings	—	4,096	—	6,089

Comparative Statement of Cash Flows

(In millions of yen)

Category	April 1, 2006 – Dec. 31, 2006 (A)	April 1, 2005 – Dec. 31, 2005 (B)	Comparison (A) – (B)	April 1, 2005 – March 31, 2006
I Cash flows from operating activities				
3rd Quarter (current) income before income taxes	18,357	13,613	4,744	16,601
Depreciation of fixed assets	3,664	3,091	573	4,311
Net change in allowance for credit losses (loss)	39	178	(139)	(15)
Interest income	(225)	7	(232)	(78)
Interest expenses	931	436	495	634
Net losses on securities transactions (loss)	80	—	80	68
Net losses on disposal of premises and equipment	—	21	—	47
Net gains/losses on disposal of fixed assets(loss)	49	—	—	—
Net change in deposits	64,627	72,783	(8,156)	56,993
Net change in negotiable certificates of deposit	53,250	(39,880)	93,130	(49,890)
Net change in borrowed money	—	20,000	(20,000)	25,000
Net change in call loans	(74,500)	—	(74,500)	—
Net change in call money	—	97,000	(97,000)	—
Proceeds from issuance and maturity of ordinary bonds	60,000	—	60,000	—
Net change in ATM-related temporary accounts	(74,197)	(35,806)	(38,391)	(5,587)
Interest received	272	112	160	292
Interest paid	(869)	(485)	(384)	(561)
Other-net	(1,116)	(2,278)	1,162	(594)
Subtotal	50,362	128,793	(78,431)	47,223
Income taxes paid	(5,784)	(10)	(5,774)	(10)
Net cash provided by operating activities	44,577	128,782	(84,205)	47,212
II Cash flows from investing activities:				
Purchase of securities	(111,692)	(76,294)	(35,398)	(123,394)
Proceeds from maturity of securities	100,500	59,000	41,500	95,500
Purchases of premises and equipment	—	(159)	—	(214)
Purchases of software	—	(4,889)	—	(6,784)
Purchases of tangible fixed assets	(6,593)	—	—	—
Purchases of intangible fixed assets	(4,083)	—	—	—
Net cash used in investing activities	(21,868)	(22,344)	476	(34,892)
III Cash flows from financing activities:				
Purchases of treasury stock	(5,940)	—	(5,940)	—
Proceeds from disposal of treasury stocks	44	—	44	—
Net cash used in financing activities	(5,895)	—	(5,895)	—
IV Effects of exchange rate changes on cash and cash equivalents	—	—	—	—
V Net increase in cash and cash equivalents	16,813	106,437	(89,624)	12,319

VI Cash and cash equivalents at the beginning of the period	253,117	240,797	12,320	240,797
VII Cash and cash equivalents at the end of the quarter (year)	269,930	347,235	(77,305)	253,117

Other Financial Information

Unless otherwise stated in the notes all fractional amounts have been rounded down.

【State of Capital Adequacy】

		As of Dec. 31, 2006 (Preliminary)	As of Dec. 31, 2005	Comparison	As of March 31, 2006	
Basic item	(A)	72,274	65,096	7,178	67,080	
Supplementary items	Allowance for credit losses	81	221	(140)	42	
	Other allowances	—	—	—	—	
	Total	81	221	(140)	42	
Amount includable as qualifying capital	(B)	81	221	(140)	42	
Deduction	Investment in the capital of other					
	banks and financial institutions	(C)	—	—	—	
Total risk-adjusted capital	(A) + (B) - (C)	(D)	72,356	65,318	7,038	67,123
Risk and assets	Assets (on-balance) item	(E)	68,951	54,583	14,368	28,671
	off-balance-sheet items	(F)	62	35	27	74
Total	(E) + (F)	(G)	69,014	54,618	14,396	28,746
Capital adequacy ratio (domestic standard)= (D) / (G) ×100			104.84%	119.59%	(14.75%)	233.49%

【Market prices of available-for-sale securities and other information】

As of December 31, 2006

(In millions of yen)

	Acquisition cost	Balance sheet amount	Net unrealized gains/losses	Unrealized gains	Unrealized losses
Japanese government bonds	64,493	64,476	(16)	0	17
Total	64,493	64,476	(16)	0	17

The International Business Division does not hold any securities.

As of December 31, 2005

(In millions of yen)

	Acquisition cost	Balance sheet amount	Net unrealized gains/losses	Unrealized gains	Unrealized losses
Japanese government bonds	37,089	37,087	(2)	1	3
Government guaranteed bonds	5,998	6,006	8	8	—
Total	43,087	43,093	5	9	3

The International Business Division does not hold any securities.

As of March 31, 2006

(In millions of yen)

	Acquisition cost	Balance sheet amount	Net unrealized gains/losses	Unrealized gains	Unrealized losses
Japanese government bonds	47,587	47,568	(18)	—	18
Government guaranteed bonds	5,998	6,002	3	3	—
Total	53,585	53,571	(14)	3	18

The International Business Division does not hold any securities.

【Market prices of money in trust and other information】

Not applicable

【Fair value of derivative transactions and other information】

1. Interest rate derivatives

As of December 31, 2006

(In millions of yen)

Category	Type		Contract amounts		Fair value	Net unrealized gains/losses
				Over one year		
Over-the-counter	Interest rate swaps	Receive variable/pay fixed	35,000	35,000	47	47
Total			35,000	35,000	47	47

The above transactions are valued at market value and the unrealized gains/losses are accounted for in the statement of income.

Calculation of fair value: The fair value of transactions is calculated using the discounted percent value model.

Derivative transactions, to which special treatment is applied, are not included in the amounts above.

As of December 31, 2005

(In millions of yen)

Category	Nature		Contract amounts		Fair value	Net unrealized gains/losses
				Over one year		
Over-the-counter	Interest rate swaps	Receive variable/pay fixed	35,000	35,000	(308)	(308)
Total			35,000	35,000	(308)	(308)

The above transactions are valued at market value and the unrealized gains/losses are accounted for in the statement of income.

Calculation of fair value: The fair value of transactions is calculated using the discounted percent value model.

As of March 31, 2006

(In millions of yen)

Category	Nature		Contract amounts		Fair value	Net unrealized gains/losses
				Over one year		
Over-the-counter	Interest rate swaps	Receive variable/pay fixed	35,000	35,000	121	121
Total			35,000	35,000	121	121

The above transactions are valued at market value and the unrealized gains/losses are accounted for in the statement of income.

Calculation of fair value: The fair value of transactions is calculated using the discounted present value model.

Derivative transactions, to which special treatment is applied, are not included in the amounts above.

2. Currency derivatives

Not applicable

【Self-assessments of Assets】

(Unit: In millions of yen)

Type of claims	As of December, 3 1 , 2 0 0 6	As of December 31, 2 0 0 5	Comparison	As of March 31, 2 0 0 6
Unrecoverable or valueless claims	—	—	—	—
Doubtful claims	—	—	—	—
Claims in need of special attention	—	—	—	—
Normal borrowers	127,561	77,629	49,932	35,201
Total	127,561	77,644	49,917	35,201

The above is based on *The Law concerning Emergency Measures for the Revitalization of the Financial Functions*.