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# Financial Results

## for the First Quarter of Fiscal 2019

August 2, 2019  
Seven Bank, Ltd.

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Note: Earnings announcement data can be found on our website.  
(<https://www.sevenbank.co.jp/english/ir/library/presentation/>)

## FY19 1Q

### Consolidated

Ordinary income: ¥36.8 billion (up ¥1.0 billion year-on-year)

Ordinary profit: ¥11.1 billion (up ¥1.1 billion year-on-year)

Net income attributable to owners of the parent

Net income: ¥7.6 billion (up ¥1.1 billion year-on-year)

### Non-consolidated

Ordinary income: ¥29.8 billion (up ¥0.1 billion year-on-year)

Ordinary profit: ¥11.3 billion (down ¥0.0 billion year-on-year)

Net income: ¥7.8 billion (down ¥0.0 billion year-on-year)

### Consolidated: both income and profit increased

-FCTI posted profit in 1Q. Contributed to income

### Non-consolidated: ordinary income slightly increased, while ordinary profit slightly declined

-Income increased, No. of ATM transactions is gradually decreasing

## Agenda

- ✓ Both consolidated and non-consolidated performances have been in line with the plan
- ✓ To stabilize income of FCTI, strive to improve business structure and expand business operations
- ✓ Steadily implement measures for sustainable growth stated in the Medium-Term Management Plan

- In the first quarter, **income and profit increased** year on year.

(Billion yen)

	FY18 1Q	FY19 1Q	Changes from FY18 1Q	FY19 Plan
Ordinary income	358	368	10	1,489
Ordinary expenses	257	257	0	1,092
Ordinary profit	100	111	11	397
Net income	65	76	11	267

- Notes:
1. Amounts less than one hundred million yen have been truncated.
  2. Previous-year comparisons are based on the units used in these materials.
  3. Exchange rates per USD 1 on the consolidated income statement  
FY18 1Q = ¥108.22, FY19 1Q = ¥110.22, FY19 Plan = ¥110.00
  4. Net income is net income attributable to owners of the parent.

- In the first quarter, **operating income increased slightly, while ordinary profit declined slightly** year on year

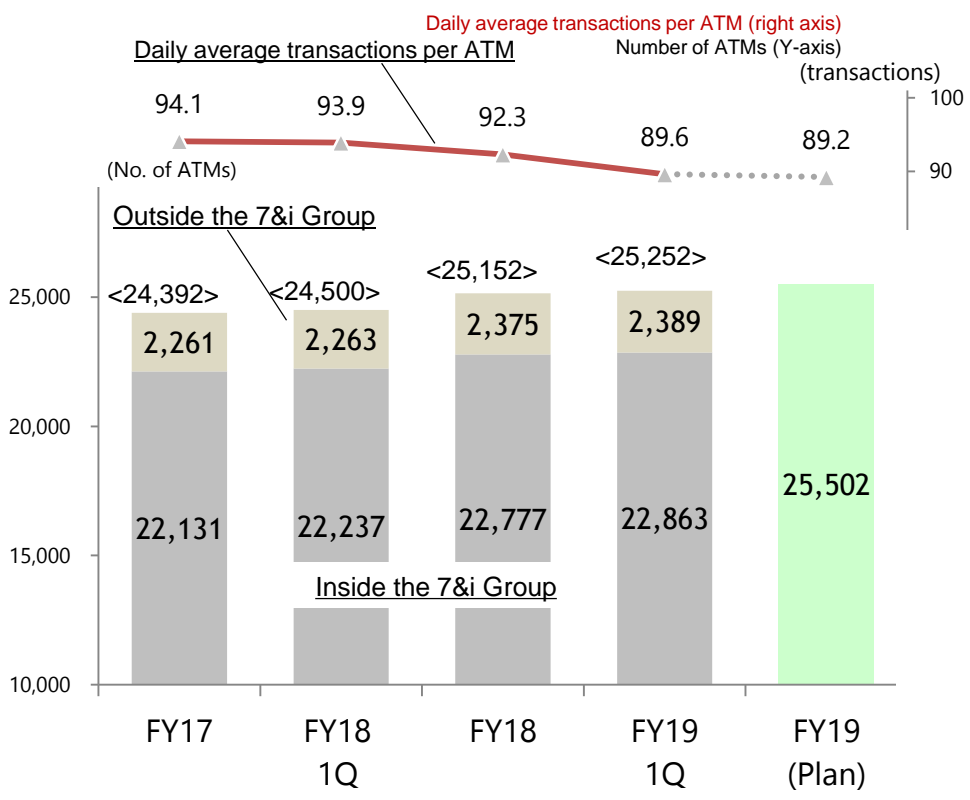
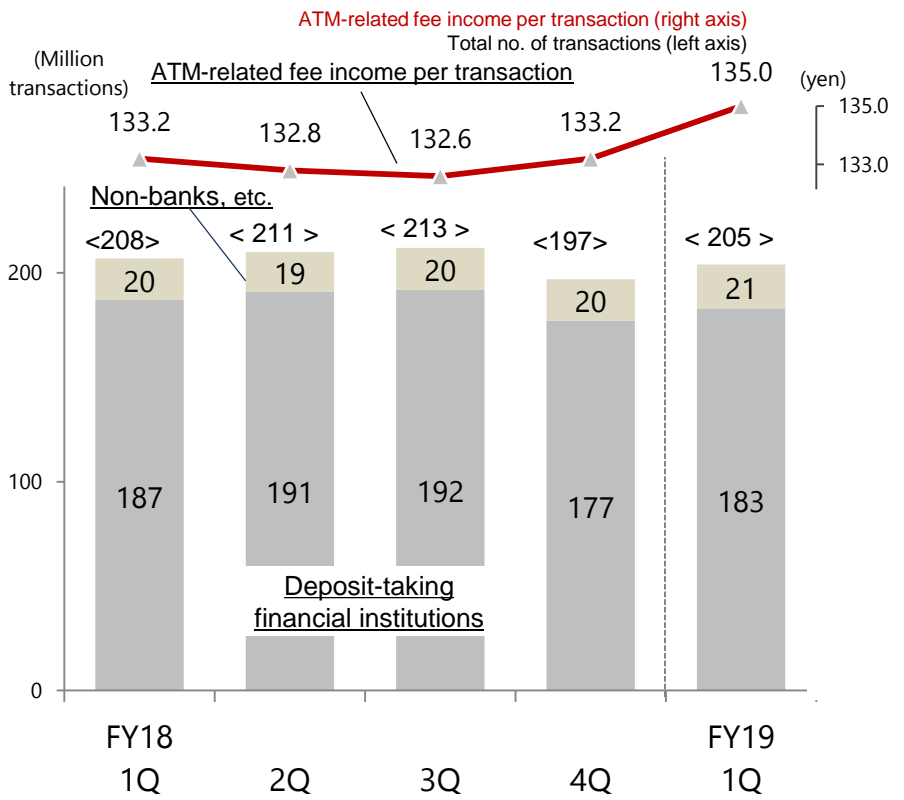
(Billion yen)

	FY18 1Q	FY19 1Q	FY19 Plan	
			Changes from FY18 1Q	
Ordinary income	<b>297</b>	<b>298</b>	<b>1</b>	<b>1,202</b>
ATM-related fee income	270	270	(0)	1,075
Ordinary expenses	<b>183</b>	<b>184</b>	<b>1</b>	<b>784</b>
Ordinary profit	<b>113</b>	<b>113</b>	<b>(0)</b>	<b>417</b>
Net income	<b>78</b>	<b>78</b>	<b>(0)</b>	<b>289</b>
EBITDA	152	148	(4)	560
No. of ATMs installed at end of term (units)	24,500	25,252	752	25,502
ATM-related fee income per transaction (yen)	133.2	135.0	1.8	134.0
Daily average transactions per ATM (transactions/ATM/day)	93.9	89.6	(4.3)	89.2
Total no. of transactions (million)	208	205	(3)	822

Note: EBITDA = Ordinary profit + Depreciation and amortization

## ATM Usage and Fee Income per Transaction

## Number of ATMs and Daily Average Transactions per ATM

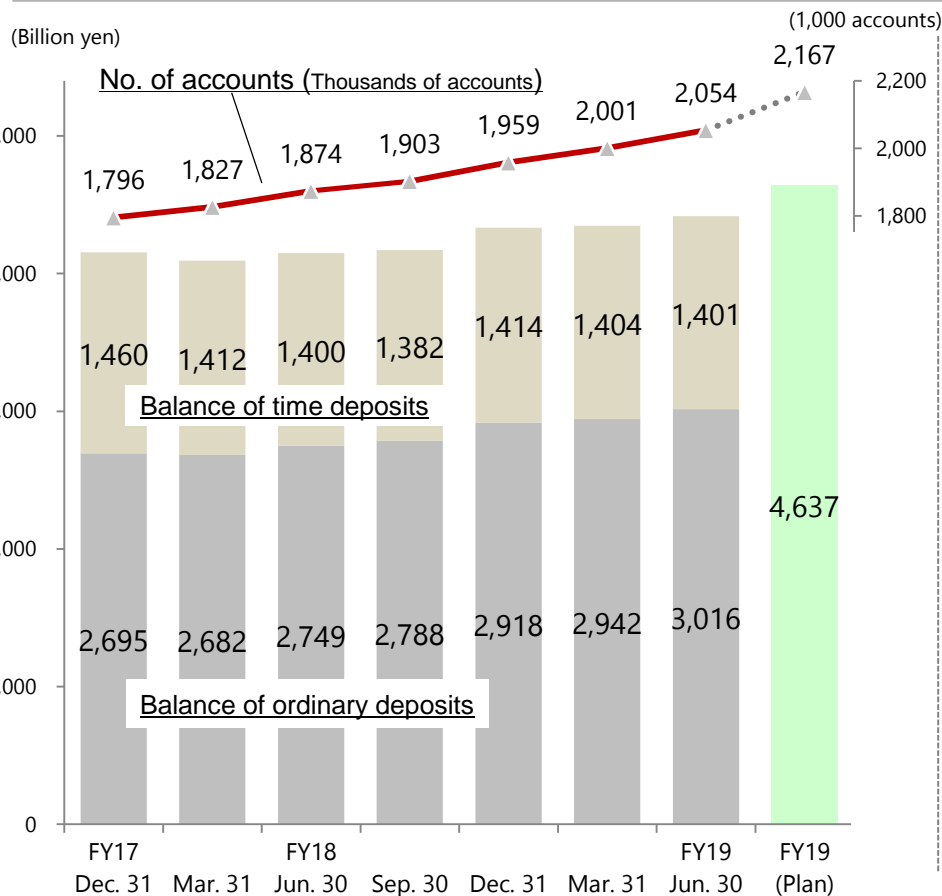


Notes: 1. Total number of transactions and daily average transactions per ATM do not include balance inquiries, e-money charges, PIN changes, and withdrawal limit changes.  
 2. ATM-related fee income per transaction = ATM-related fee income / (Total of transactions – Total of transactions without ATM-related fee income [i.e. sales proceeds deposits])  
 3. In this report, securities, life insurance, credit card, consumer credit and consumer financing companies are all referred to as "non-banks, etc."

-ATM usage faced an uphill struggle, primarily as some affiliated financial institutions started charging for ATM use  
 -ATM-related fee income per transaction increased by ¥1.8 year on year

# Settlement and Account Business Figures

## Number of individual accounts and balance of deposits



## Personal loan services

	2018 Jun. 30	2019 Jun. 30	FY19 Plan
Balance at end of period (Billion yen)	22.8	22.8	25.0

## International money transfer services

	Apr.-Jun. 2018	Apr.-Jun. 2019	FY19 Plan
Number of transactions (Thousands of transactions)	272	291	1,225

## Debit services

	Apr.-Jun. 2018	Apr.-Jun. 2019	FY19 Plan
Number of transactions (Thousands of transactions)	2,264	3,133	14,462

- Number of accounts and balance of deposits continued to increase steadily
- International money transfer services and debit services performed in line with the plan

-In the first quarter, **income and profit increased** year on year and FCTI **achieved profit**.

(Million USD)

	FY18 1Q (Jan.-Mar. 2018)	FY19 1Q (Jan.-Mar. 2019)	Changes from FY18 1Q	FY19 full-year plan
Ordinary income	55.8	63.4	7.6	255.4
Ordinary expenses	64.0	62.0	(2.0)	253.8
Ordinary profit	(8.2)	1.3	9.5	1.6
Net income	(8.2)	1.2	9.4	0.8
EBITDA	(1.8)	3.0	4.8	9.0
No. of ATMs installed at end of term (units)	13,412	12,374	(1,038)	11,770
At SEI (units)	7,953	8,352	399	8,311
Daily average transactions per ATM (transactions/ATM/day)	31.2	41.7	10.5	45.0
At SEI (transactions/ATM/day)	43.0	55.0	12.0	57.2
Total no. of transactions during the period (thousand)	36,152	47,712	11,560	194,000

Notes:1. Total number of ATM transactions within U.S. includes balance inquiries.

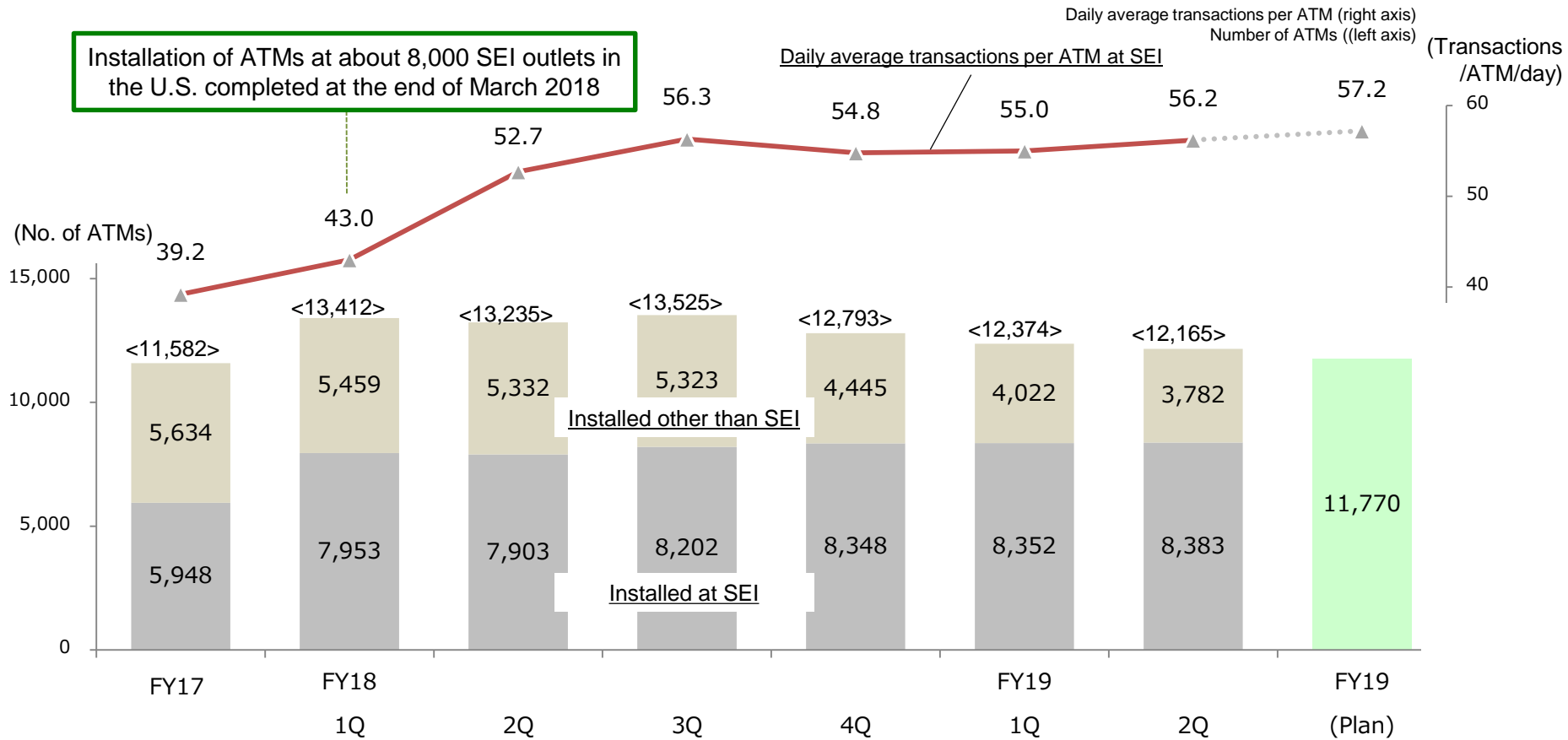
2. Number of ATMs as of June 30, 2019: 12,165 (preliminary figure)

At SEI: 8,383 units

Other than SEI: 3,782 units directly owned



## Number of ATMs and daily average transactions per ATM at SEI



- Number of ATM transactions installed at SEI steadily increased
- Scrap ATMs with low profitability and focus resources on ATMs at SEI to strengthen profitability

Notes: 1. Includes ATMs installed at Sunoco from 2Q FY18.  
2. The figures for 2Q FY19 are preliminary.

Incorporate technology innovation

Card  
 ATM transaction via smartphone

Dedicated ATM lines  
 New connection method

Evolving in response to needs changing over time.



## Needs for using ATMs generated from cashless settlement styles unique to Japan

From August 2017

Tie-up with new settlement companies

From October 2018

Expansion of e-money charges



## Create opportunities to use ATMs by adapting to the times

# Create new values for ATM

## Medium-Term Management Plan (FY2017-FY2019)

Achieve growth in our main business as we diversify our operations

### -Domestic Business

ATM Platform Business and Settlement and Account Business

Entrusted back-office support from financial institutions, etc.

Bank Business Factory Co., Ltd.

Individuals receive cash paid by a company at an ATM

Seven Payment Service, Ltd.

Provide financial service infrastructure for foreigners living in Japan

Japanese consolidated subsidiary Seven Global Remit, Ltd.

Security enhancement service

Commercialize the knowhow of the countermeasures against financial crimes

Credit, investment, insurance. . .

### -Overseas Business

U.S. (FCTI)

Indonesia(ATMi)

The business environment changed and we are once again promoting business expansion with operation of own ATMs as the mainstay

Philippines

Moving on to a stage to specifically consider the Philippines as the best candidate to gain entry into a new market

Consolidated subsidiary in the Philippines

Pito AxM Platform, Inc.

Note: Subsidiaries newly established during the first quarter of FY2019 are underlined.

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