



The Second Quarter Financial Results for the Fiscal Year ended March 31, 2011 [Japan GAAP]  
(Non-Consolidated Data)

November 5, 2010

Company Name: Seven Bank, Ltd.

Stock Code: 8410

President : Kensuke Futagoishi

For inquiries: Director, Managing Executive Officer and General Manager of the Planning Division,  
Yasuaki Funatake

Scheduled date for dividend payment

: December 1, 2010

Scheduled date for filing date of quarterly financial report

: November 24, 2010

Quarterly earnings supplementary explanatory documents

: Yes

Quarterly earnings presentation

: Yes (Analysts, institutional investors)

Stock exchange listing: JASDAQ  
URL <http://www.sevenbank.co.jp/>

Telephone: +81-3-3211-3041

Trading accounts: Not established

(Amounts of less than one million yen and one decimal point are rounded down)

**1. Financial Highlights for the Second Quarter (Interim period) of Fiscal 2010(April 1, 2010 - September 30, 2010)**

(1) Operating Results

(% represents the change from the previous interim period.)

	Ordinary income		Ordinary profit		Interim Net income	
	million yen	%	million yen	%	million yen	%
Six Months ended September 30, 2010	43,146	-5.4	14,976	-8.1	8,851	-7.8
Six Months ended September 30, 2009	45,640	0.8	16,309	6.7	9,605	6.0

	Interim Earnings per share		Diluted Earnings per share	
	yen		yen	
Six Months ended September 30, 2010	7,255.53		7,252.43	
Six Months ended September 30, 2009	7,872.91		7,871.26	

(2) Financial Position

	Total assets	Total net assets	Net assets to total assets ratio	Total net assets per common share	Non-Consolidated Capital Adequacy Ratio (Domestic Standard)
	million yen	million yen	%	yen	%
Six Months ended September 30, 2010	517,366	115,520	22.2	94,559.83	
Fiscal Year ended March 31, 2010	502,782	109,939	21.8	90,039.83	49.58

[Reference] Capital: Six Months ended September 30, 2010: 115,365 million yen Fiscal Year ended March 31, 2010: 109,851 million yen

(Note 1) "Net assets to total assets ratio" is calculated as follows: (Total net assets at the end of the period – Stock acquisition rights at the end of the period) / Total assets at the end of the period

(Note 2) "Non-Consolidated Capital Adequacy Ratio (Domestic Standard)" is calculated according to the formula set to determine whether a bank has adequate capital in light of its assets etc. (Financial Services Agency Notification No.19, 2006) pursuant to "Article 14, paragraph 2 of the Banking Law."

**2. Dividends on Common Stock**

(Record date)	Dividends per share				
	First Quarter	Second Quarter	Third Quarter	Year end	Annual
	yen	yen	yen	yen	yen
Fiscal Year ended March 31, 2010	—	2,450.00	—	2,750.00	5,200.00
Fiscal Year ended March 31, 2011	—	2,600.00			
Fiscal Year ended March 31, 2011 (Forecasts)			—	2,600.00	5,200.00

Note: Revision to the dividend forecast during the current quarter: None

**3. Performance forecasts for Fiscal 2010 (April 1, 2010 – March 31, 2011)**

(% represents change from the previous fiscal year)

	Ordinary income		Ordinary profit		Net income		Net income per share
	million yen	%	million yen	%	million yen	%	yen
Fiscal Year ended March 31, 2011	85,200	-4.0	27,400	-9.8	16,200	-9.7	13,278.39

Note: Revision during the current quarter to the performance forecasts: Yes

**4. Others**

(1) Changes in accounting principles, procedures and presentation methods, relating to the preparation of the interim consolidated financial statements (items stated under changes in significant assumptions underlying the preparation of the interim financial statements)

(a) Changes arising from revised accounting standards etc.: Yes

(b) Changes other than (a) above: None

(2) Number of shares (common stock)

(a) Number of shares in issue

As of September 30, 2010:	1,220,027 shares	As of March 31, 2010:	1,220,027 shares
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(b) Number of treasury stocks

As of September 30, 2010:	— shares	As of March 31, 2010:	— shares
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(c) Average number of shares for the interim period (Six months ended September 30, 2010)

As of September 30, 2010:	1,220,027 shares	As of September 30, 2009:	1,220,015 shares
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\* Indication of interim audit procedure implementation status

This quarterly earnings report is exempt from interim audit procedure based upon the Financial Instruments and Exchange Act. It is under the audit procedure process at the time of disclosure of this report.

\* Cautionary statement with respect to earnings forecasts, and disclaimer

This report contains earnings projections and other forward-looking statements which are based on currently available information and certain assumptions that the Bank considers to be reasonable. Various factors may cause actual results to be materially different from projections in these forward-looking statements.

**5. Non-consolidated Financial Statements for the six months ended September 30, 2010****(1) Non-consolidated Balance Sheet**

	(Millions of yen)	
	As of September 30, 2010	As of March 31, 2010 (Selected items)
<b>Assets</b>		
Cash and due from banks	323,576	294,192
Call loans	—	20,000
Securities	89,651	89,410
Loans and bills discounted	349	126
Prepaid pension cost	56	77
Accrued income	6,641	7,106
ATM-related temporary payments	66,172	61,763
Other assets	1,199	1,116
Property, plant and equipment	10,909	11,257
Intangible assets	17,702	16,648
Deferred tax assets	1,147	1,211
Allowance for loan losses	-41	-129
<b>Assets</b>	<b>517,366</b>	<b>502,782</b>
<b>Liabilities</b>		
Deposits	237,256	208,708
Negotiable certificates of deposits	1,110	10,300
Call money	5,100	13,300
Borrowed money	32,000	31,000
Bonds payable	90,000	90,000
ATM-related temporary advances	24,722	25,775
Other liabilities	11,347	13,464
Income taxes payable	6,219	6,711
Asset retirement obligations	258	—
Other liabilities	4,869	6,753
Provision for bonuses	309	294
<b>Liabilities</b>	<b>401,845</b>	<b>392,843</b>
<b>Net assets</b>		
Capital stock	30,503	30,503
Capital surplus	31,742	31,742
Capital reserve	30,503	30,503
Other capital surplus	1,239	1,239
Retained earnings	53,103	47,606
Legal retained earnings	0	0
Other retained earnings	53,103	47,606
Retained earnings brought forward	53,103	47,606
Shareholders' equity	115,348	109,851
Valuation difference on available-for-sale securities	16	-0
Valuation and translation adjustments	16	-0
Subscription rights to shares	154	88
<b>Net assets</b>	<b>115,520</b>	<b>109,939</b>
<b>Liabilities and net assets</b>	<b>517,366</b>	<b>502,782</b>

**(2)Non-consolidated Statement of Income**

(Millions of yen)

	For the six months ended September 30, 2009	For the six months ended September 30, 2010
Ordinary income	45,640	43,146
Interest income	217	91
Interest on loans and discounts	—	18
Interest and dividends on securities	179	39
Fees and commissions	45,389	43,001
ATM-related fee income	43,853	41,467
Other income	33	53
Ordinary expenses	29,331	28,170
Interest expenses	1,136	1,010
Interest on deposits	176	184
Fees and commissions payments	4,854	5,049
ATM placement fee expenses	4,494	4,708
ATM-related fee expenses	234	198
Other ordinary expenses	184	11
General and administrative expenses	23,042	21,948
Other expenses	113	150
Ordinary profit	16,309	14,976
Extraordinary income	—	87
Reversal of allowance for loan losses	—	87
Extraordinary losses	92	133
Loss on disposal of noncurrent assets	92	1
Loss on adjustment for changes of accounting standard for asset retirement obligations	—	131
Interim income before income taxes	16,216	14,929
Income taxes-current	6,579	6,026
Income taxes-deferred	32	51
Income taxes	6,611	6,077
Interim Net income	9,605	8,851

**(3)Non-consolidated Statement of Changes in Net Assets**

(Millions of yen)

	For the six months ended September 30, 2009	For the six months ended September 30, 2010
Stockholders' equity		
Common stock		
Balance at the end of previous fiscal year	30,500	30,503
Changes in the interim period		
Issuance of new shares	3	—
Net changes in the interim period	3	—
Balance at the end of the interim period	30,503	30,503
Capital surplus		
Capital reserve		
Balance at the end of previous fiscal year	30,500	30,503
Changes in the interim period		
Issuance of new shares	3	—
Net changes in the interim period	3	—
Balance at the end of the interim period	30,503	30,503
Other capital surplus		
Balance at the end of previous fiscal year	1,239	1,239
Changes in the interim period		
Net changes in the interim period	—	—
Balance at the end of the interim period	1,239	1,239
Total capital surplus		
Balance at the end of previous fiscal year	31,739	31,742
Changes in the interim period		
Issuance of new shares	3	—
Net changes in the interim period	3	—
Balance at the end of the interim period	31,742	31,742
Retained earnings		
Legal retained earnings		
Balance at the end of previous fiscal year	—	0
Changes in the interim period		
Net changes in the interim period	—	—
Balance at the end of the interim period	—	0
Other retained earnings		
Retained earnings brought forward		
Balance at the end of previous fiscal year	36,057	47,606
Changes in the interim period		
Dividends from surplus	-3,416	-3,355
Interim income	9,605	8,851
Net changes in the interim period	6,189	5,496
Balance at the end of the interim period	42,246	53,103
Total retained earnings		
Balance at the end of previous fiscal year	36,057	47,606
Changes in the interim period		
Dividends from surplus	-3,416	-3,355
Interim income	9,605	8,851
Net changes in the interim period	6,189	5,496
Balance at the end of the interim period	42,246	53,103

	For the six months ended September 30, 2009	For the six months ended September 30, 2010
<b>Total stockholders' equity</b>		
Balance at the end of previous fiscal year	98,296	109,851
Changes in the interim period		
Issuance of new shares	6	—
Dividends from surplus	-3,416	-3,355
Interim income	9,605	8,851
Net changes in the interim period	6,195	5,496
Balance at the end of the interim period	104,492	115,348
<b>Valuation and translation adjustments</b>		
Net unrealized losses on other available-for-sale securities, net of taxes		
Balance at the end of previous fiscal year	48	-0
Changes in the interim period		
Net change in the items other than stockholders' equity in the interim period	-24	17
Net changes in the interim period	-24	17
Balance at the end of the interim period	23	16
<b>Total valuation and translation adjustments</b>		
Balance at the end of previous fiscal year	48	-0
Changes in the interim period		
Net change in items other than stockholders' equity	-24	17
Net changes in the interim period	-24	17
Balance at the end of the interim period	23	16
<b>Stock acquisition rights</b>		
Balance at the end of previous fiscal year	48	88
Changes in the interim period		
Net change in the items other than stockholders' equity in the interim period	39	66
Net changes in the interim period	39	66
Balance at the end of the interim period	88	154
<b>Total net assets</b>		
Balance at the end of previous fiscal year	98,393	109,939
Changes in the interim period		
Issuance of new shares	6	—
Dividends from surplus	-3,416	-3,355
Interim net income	9,605	8,851
Net change in the items other than stockholders' equity in the interim period	15	83
Net changes in the interim period	6,210	5,580
Balance at the end of the interim period	104,604	115,520

**(4)Non-consolidated Statement of Cash Flows**

	(Millions of yen)	
	For the six months ended September 30, 2009	For the six months ended September 30, 2010
Net cash provided by (used in) operating activities		
Interim income before income taxes	16,216	14,929
Depreciation and amortization	6,216	5,497
Increase (decrease) in allowance for loan losses	111	-87
Gain on fund management	-217	-91
Financing expenses	1,136	1,010
Loss (gain) related to securities	—	137
Loss (gain) on disposal of noncurrent assets	92	1
Net decrease (increase) in loans and bills discounted	—	-223
Net increase (decrease) in deposit	15,084	28,547
Net increase (decrease) in negotiable certificates of deposit	-25,900	-9,190
Net increase (decrease) in borrowed money	-21,000	1,000
Net decrease (increase) in call loans	-6,000	20,000
Net decrease (increase) in call money	—	-8,200
Increase (decrease) in straight bonds-issuance and redemption	30,000	—
Net change in ATM-related temporary accounts	-1,382	-5,461
Proceeds from fund management	361	363
Payments for finance	-1,080	-937
Other, net	-854	-318
Subtotal	12,786	46,978
Income taxes paid	-7,009	-6,436
Net cash provided by (used in) operating activities	5,777	40,541
Net cash provided by (used in) investing activities		
Purchase of securities	-152,402	-159,136
Proceeds from sales of securities	—	12
Proceeds from redemption of securities	151,640	158,499
Purchase of property, plant and equipment	-686	-2,140
Purchase of intangible assets	-2,535	-5,038
Net cash provided by (used in) investing activities	-3,984	-7,803
Net cash provided by (used in) financing activities		
Proceeds from exercise of stock option	0	—
Cash dividends paid	-3,416	-3,355
Net cash provided by (used in) financing activities	-3,415	-3,355
Effect of exchange rate change on cash and cash equivalent:	—	
Net increase (decrease) in cash and cash equivalents	-1,623	29,383
Cash and cash equivalents at the beginning of period	280,589	294,192
Cash and cash equivalents at the end of the first quarter	278,966	323,576