
Financial Results for the Interim Period of Fiscal 2008

November 2008



These presentation materials contain forward looking statements concerning forecasts, expectations, goals and plans related to the financial results of Seven Bank, Ltd. ("Seven Bank"). Except for concrete historical facts, these forward looking statements are based on the information available when they were written. As such, these forward-looking statements may contain some premises (assumptions). These statements and premises (assumptions) are subjective and subject to various risks and uncertainties. As a result of such risks and uncertainties, the actual financial results of Seven Bank may differ substantially from these forecasts and expectations. Such risks and uncertainties include, but are not limited to, system failures, disasters, crimes and other various risks surrounding the ATM and financial services businesses. Any information in these materials, which is other than that of Seven Bank, is based on publicly available information and we have not validated the accuracy and appropriateness of such information and do not guarantee its accuracy. All rights reserved.

➤ **Interim ordinary profit and net income were each ahead of plan and higher than results for the previous fiscal year**

~ Average ATM usage rates continued to increase and expenses were lower than planned

➤ **Forecasts for the full year have been revised upward to reflect progress made in the interim period**

~ Growth in average usage rates is expected to slow in the second half compared to the first half

~ However, the decline in unit ATM usage fees will continue

Income statement

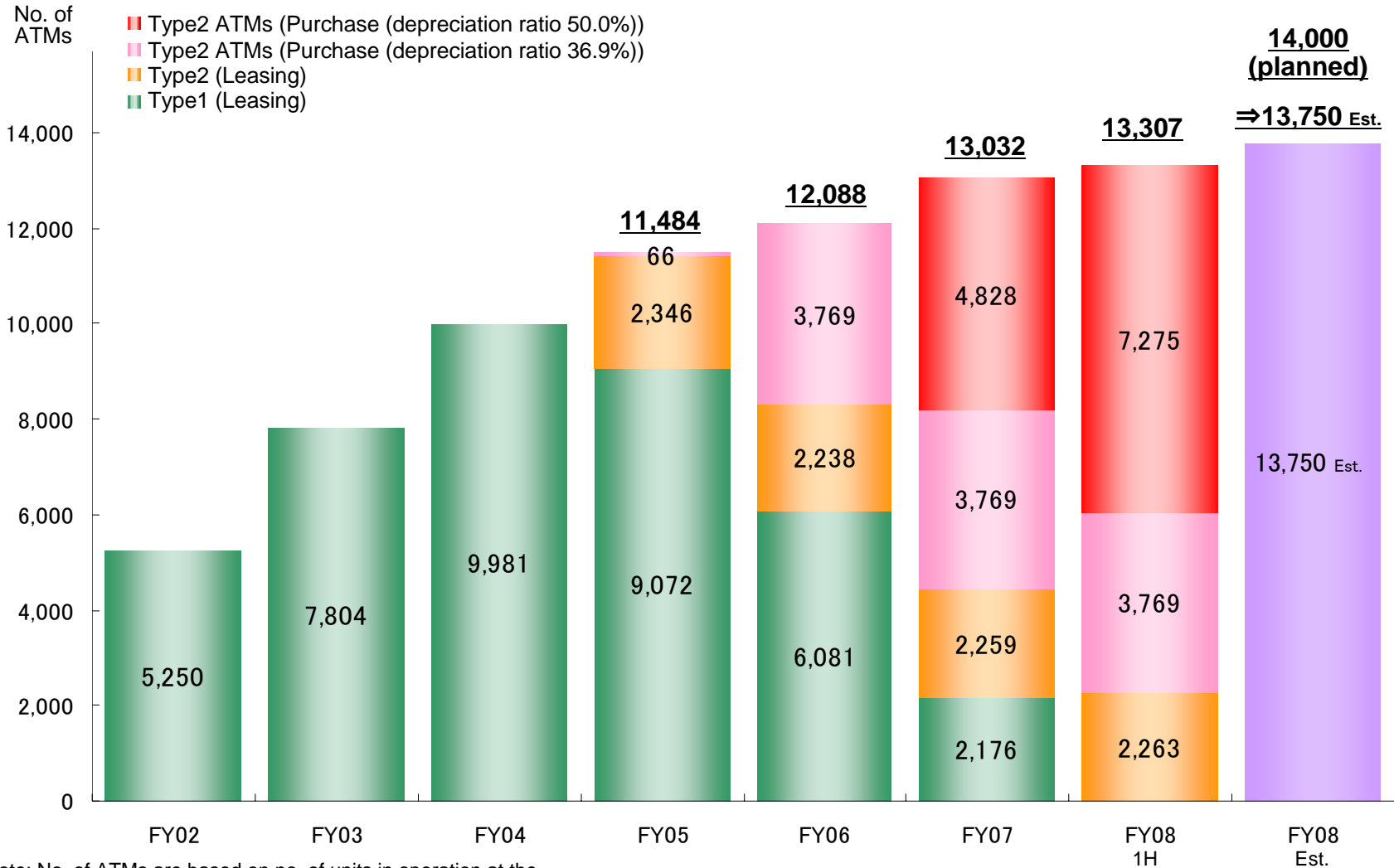
Unit: billion yen

| | FY07 | | FY08 Planned | | FY08 Interim results | | | FY08 Revised plan | |
|--|-----------|---------|--------------|-------------|----------------------|------------------|------------------|-------------------|------------------|
| | Full year | Interim | Full year | Interim | Actual results | Change from FY07 | Change from plan | Full year | Change from plan |
| Ordinary income | 83.6 | 41.1 | 89.2 | 44.0 | 45.2 | +4.0 | +1.1 | 90.5 | +1.3 |
| ATM-related fee income | 80.1 | 39.5 | 85.6 | 42.3 | 43.0 | +3.4 | +0.7 | 86.3 | +0.7 |
| Ordinary expenses | 59.0 | 29.3 | 63.9 | 31.2 | 29.9 | +0.5 | (1.2) | 62.8 | (1.1) |
| Interest expenses | 2.7 | 1.3 | 2.9 | 1.4 | 1.4 | +0.0 | +0.0 | 2.9 | (0.0) |
| ATM placement fee expenses | 7.7 | 3.8 | 8.4 | 4.1 | 4.2 | +0.4 | +0.1 | 8.5 | +0.0 |
| Outsourcing expenses | 13.7 | 6.9 | 14.0 | 7.0 | 6.8 | (0.0) | (0.1) | 13.9 | (0.1) |
| Maintenance fees | 3.4 | 1.7 | 3.6 | 1.7 | 1.7 | (0.0) | (0.0) | 3.6 | (0.0) |
| Rent for premises and equipment | 4.7 | 2.6 | 2.8 | 1.6 | 1.5 | (1.0) | (0.0) | 2.8 | +0.0 |
| Depreciation expenses | 11.4 | 4.6 | 15.9 | 7.1 | 7.1 | +2.4 | +0.0 | 15.4 | (0.5) |
| Ordinary profit | 24.6 | 11.7 | 25.3 | 12.8 | 15.2 | +3.5 | +2.4 | 27.7 | +2.4 |
| Extraordinary gain (loss) | (1.3) | (1.2) | 0.0 | 0.0 | (0.0) | +1.2 | (0.0) | (0.0) | (0.0) |
| Income taxes | 9.5 | 4.2 | 10.2 | 5.2 | 6.2 | +1.9 | +0.9 | 11.2 | +0.9 |
| Net income | 13.8 | 6.2 | 14.9 | 7.6 | 9.0 | +2.8 | +1.4 | 16.4 | +1.4 |
| No. of ATMs installed at end of term (units) | 13,032 | 12,548 | 14,000 est. | 13,200 est. | 13,307 | +759 | + 107 | 13,750 est. | (250) |
| Daily average transaction per ATM (Transactions/No. of ATMs/days) | 109.0 | 109.3 | 112.0 | 111.2 | 114.6 | +5.3 | +3.4 | 114.2 | +2.2 |
| EBITDA ² | 36.1 | 16.4 | 41.3 | 20.0 | 22.3 | +5.9 | +2.3 | 43.2 | +1.9 |
| EBITDA margin(%) ² | 43.2 | 39.9 | 46.2 | 45.4 | 49.5 | +9.6 | +4.1 | 47.7 | +1.5 |

Notes: 1. Amounts except number of ATMs have been truncated to the 2nd decimal place.
2. EBITDA = ordinary profit + depreciation expenses, EBITDA margin = EBITDA ÷ ordinary income

Number of ATMs installed

Trends in number of ATMs



Note: No. of ATMs are based on no. of units in operation at the end of each fiscal year (FY08/H1 based on end of interim period)

Expanding the ATM network

Pursuing Non-Group development

- Respond to needs of society
- Maintain high usage rates by installing ATMs in locations with high customer traffic
- Cover locations throughout 7&i HD and raise overall efficiencies as the density of installations increase
 - ⇒ Thoroughly assess efficiencies, installation and management costs, ensuring security, etc.
 - ⇒ Place ATMs in airport, stations, hotels and resort, hospitals, inside companies, etc.

Steps towards Non-Group ATM expansion

- FY08
 - Steadily build up features that appeal to customers
 - Experiment with various locations
 - ~ Assess needs and profitability of each location
 - Explore opportunities for financial institutions to adopt our ATMs
- FY09
 - Focus on locations with high needs and profitability
 - Realize opportunities for financial institutions to adopt our ATMs
- FY10
 - Develop adoption of our ATMs by financial institutions

-Growth strategy-

Ongoing expansion within 7&i HD

- Install ATMs in new Seven-Eleven stores
- Install multiple ATMs in locations with high usage rates
- Install ATMs in remaining Group locations

Three factors driving the expansion of ATMs

- Installed in high trafficked locations such as airports, stations, etc.
 - ~ cost competitive, many features
 - ~ locations to address diverse needs
- Financial institutions adopting Seven Bank ATMs
 - ~ Nomura Securities
 - ~ Nikko Cordial Securities
- ATM Corner management partnership
 - ~ Shinsei Bank

Actively develop outside 7&i HD

Outsourcing from financial institutions, etc.



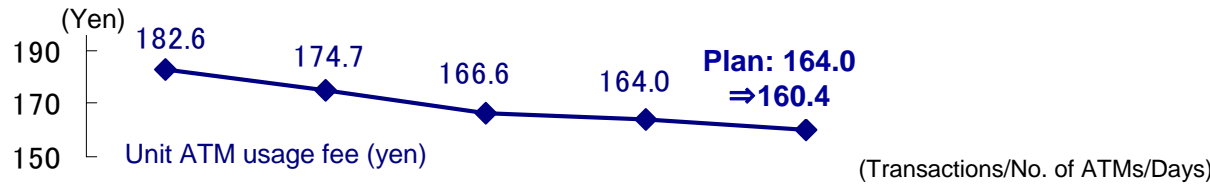
Aim for 1,600 of the planned 16,000 ATMs installed by March 31, 2011, to be in non-Group locations

Development of ATMs installed outside of the Group

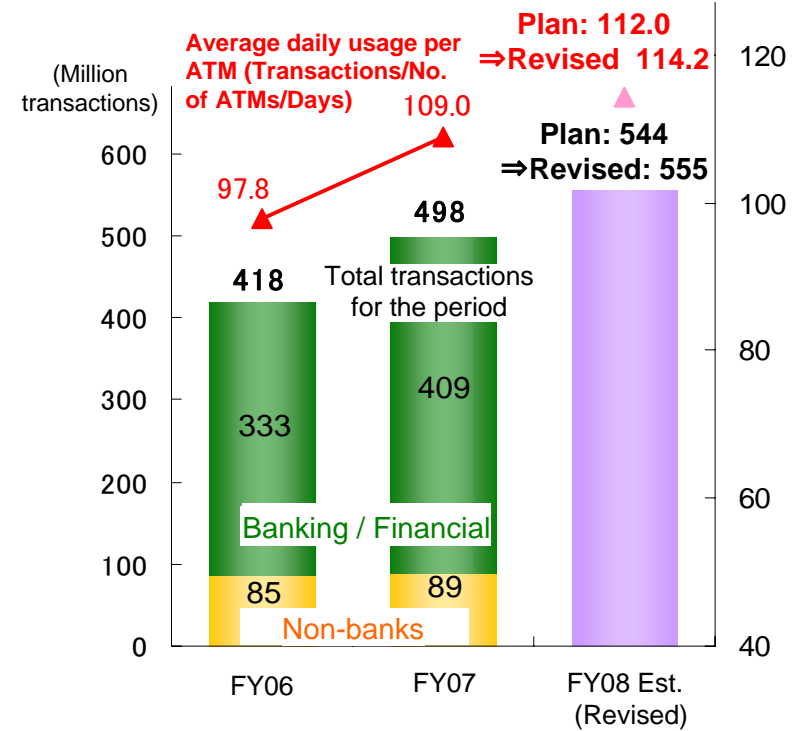
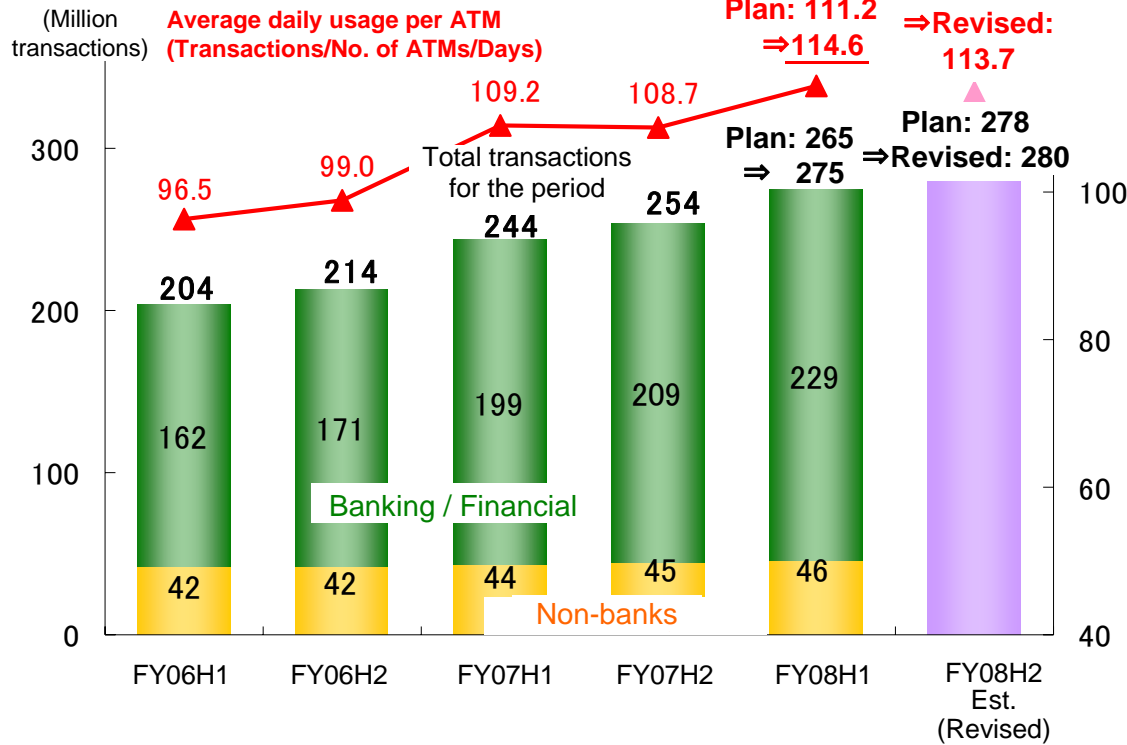
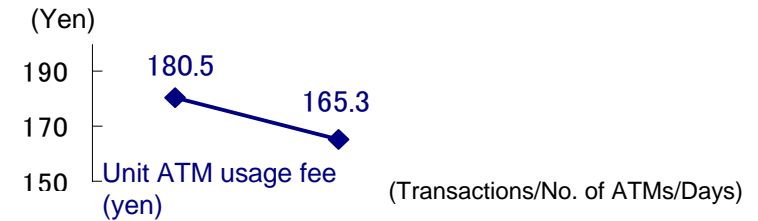
| | | | |
|----------------------------------|---|---|---|
| Public transportation facilities |  <p>Narita Airport (Chiba)</p> |  <p>Tokyo Str. Yaesu First Avenue (Tokyo)</p> |  <p>New Chitose Airport (Hokkaido)</p> |
| Commercial facilities |  <p>IKEA Port Island (Hyogo)</p> |  <p>Tenjin IMS (Fukuoka)</p> |  <p>Christa Nagahori (Osaka)</p> |
| Hospitals / Hotels |  <p>Nizashiki-chuo General Hospital (Saitama)</p> |  <p>Royal Park Hotel (Tokyo)</p> |  <p>Rusutsu Resort (Hokkaido)</p> |
| Financial institutions |  <p>Shinsei Bank (Tokyo)</p> |  <p>Nikko Cordial Securities (All locations)</p> |  <p>Nomura Securities (Nationwide)</p> |

ATM usage and Unit fee income

Half-year trend



Full year trend



- Notes: 1. Average daily usage per ATM and total transactions for the period exclude balance inquiries, e-money charges, PIN changes and daily withdrawal limit changes.
 2. Total transactions for the period have been truncated at one million. Average daily usage per ATM and ATM-related fee income have been truncated at the first decimal place.
 3. ATM-related fee income = ATM-related fee income / (Total transactions for the period – ATM-related fee without income (ie. Sales deposits))
 4. Securities companies, life insurance companies and other financial institutions are referred to as non-banks in this document

Transaction share

| | FY05 | FY06 | FY07 | FY08 H1 |
|---|--------|--------|--------|------------|
| Total usage (millions of transactions) | 342 | 418 | 498 | 275 |
| Banks | 70.2% | 69.3% | 71.6% | 72.6% |
| City banks | 25.4% | 23.3% | 26.1% | 26.8% |
| Regional banks | 26.8% | 26.8% | 26.1% | 26.8% |
| Other banks | 12.1% | 13.6% | 14.4% | 14.3% |
| “Shinkin” banks and Credit cooperatives | 6.0% | 5.8% | 5.4% | 5.4% |
| Labor banks | 3.2% | 3.5% | 3.6% | 3.7% |
| JA Bank | 0.1% | 0.9% | 1.2% | 1.4% |
| JF Marine Bank | | | | |
| Securities and life insurance firms | 0.4% | 0.5% | 0.8% | 0.9% |
| Other financial Institutions (Consumer financing, credit card companies, etc.) | 19.8% | 19.6% | 17.1% | 15.6% |
| Total | 100.0% | 100.0% | 100.0% | 100.0% |

- Notes: 1. Transaction share: Share of all transactions excluding balance inquires, e-money charge, change of PIN and changes to daily withdrawal limits of each financial institution. Figures have been truncated after the first decimal point.
 2. Japan Post Bank, privatized and separated in October 2007, is included in 'Other banks'
 3. JA Bank and JF Marine Bank are each counted as one correspondent.

Financial position as of September 30, 2008



Cash placed in our ATMs
Increase following increase in number of ATMs

Securities required for overdraft with Bank of Japan accounts and exchange settlement. Nearly all JGBs

Funds provisionally paid to customers of correspondent financial institutions withdrawing from our ATMs, pending next business day settlement with those institutions. (Increases result when term-end day is a non-business day since amounts can not be settled. FY08 interim closing day was a Tuesday and FY08 year-end closing day was a Monday)
*In principle, there is no remaining balance of ATM-related temporary payments since non-bank transactions are settled in our corporate account on the same day

ATMs purchased by Seven Bank. Increasing annually since all ATMs are being purchased by Seven Bank

Software and software-related temporary accounts

Deferred tax assets: 1.3
Allowance for credit losses: -0.06

| | |
|--|----------------------|
| Cash | 275.0 (+14.5) |
| Due from banks | 8.1 (+1.4) |
| Call loans | 73.9 (+45.9) |
| Securities | 88.8 (-8.9) |
| ATM-related temporary payments etc. | 63.7 (+2.0) |
| Tangible fixed assets | 19.4 (+2.1) |
| Intangible fixed assets | 14.5 (-0.2) |

Assets
545.0
(+56.9)

Unit: billion yen

| | |
|--|----------------------|
| Deposits (Individuals) | 104.6 (+12.2) |
| Deposits (Corporate) | 114.7 (+36.6) |
| Negotiable certificates of deposit | 57.8 (+9.2) |
| Borrowed money | 65.0 (±0) |
| Bonds | 75.0 (±0) |
| ATM-related temporary advances etc. | 34.8 (-3.5) |
| Capital Stock | 30.5 (±0) |
| Capital surplus | 31.7 (±0) |
| Retained earnings | 30.6 (+3.9) |

Liabilities + Net assets
545.0
(+56.9)

Liabilities
452.0
(+52.9)

Net assets
92.9
(+3.9)

Breakdown of deposits:
Ordinary deposits: 174.3 bn yen
Term-deposits: 44.6 bn yen
7&i Group-related deposits among corporate deposits: 74.0 bn yen

Initial borrowing period of 5 or 8 years
Maturity period (as of Mar. 07):
Maturing in 1-2 years: 40 bn yen
2-3 years: 12 bn yen
4 years or later: 13 bn yen

1st issue (2003): 15 bn yen (5yr bond)
2nd issue (2006): 36 bn yen (5 yr bond)
3rd issue (2006): 24 bn yen (7yr bond)

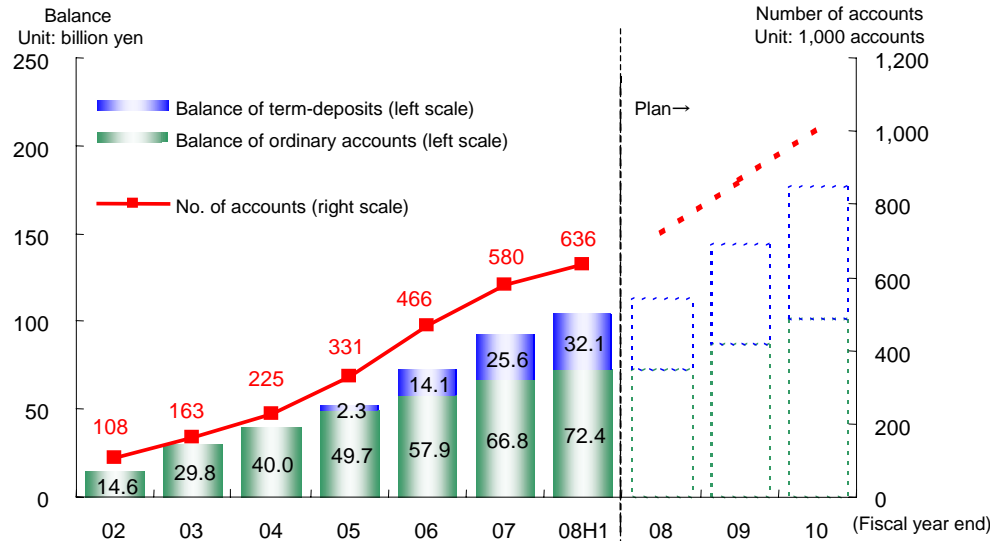
ATM-related temporary advances:
Provisional deposits of customers of correspondent financial institutions pending next business day settlement with those institutions

Loss from evaluation of other securities (-0.01)
New share warrants: 0.04

Note: Figures in brackets refer to change from March 31, 2008 and are calculated in units of million yen, then rounded down

➤ The increase in assets due to the increase in number of ATMs, and number of transactions broadly matched the increase in individual deposits +net assets (retained earnings)

Seven Bank bank accounts (individuals)



- Continue to expand organically
- Maintain core functionalities, user-friendly accounts
 - Consider retail loans

➤ A series of bond redemption and maturities will become due starting with the current fiscal year
 ⇒ It will be necessary to procure refinancing

Amounts of redemptions and maturities

Unit: billion yen

| | FY08 | | FY09 | | FY10 | | FY11 onwards |
|----------------------|------|------|------|----|------|------|--------------|
| | H2 | H1 | H2 | H1 | H2 | | |
| Bonds | 15.0 | 0 | 0 | 0 | 0 | 60.0 | |
| Long-term borrowings | 5.0 | 25.0 | 10.0 | 0 | 12.0 | 13.0 | |

Limit increase in refinancing procurement costs where possible
 Avoid large scale early procurement of funds, diversify procurement sources

Solid finances

Shareholders' equity ratio
(As of September 30, 2008)

Non-consolidated shareholders' equity ratio (Domestic standard)¹
40.99%

Shareholders' equity ratio ²
17.0%

Note: 1. In accordance with the Bank Law Section 14.2, and in order to determine the appropriateness of evaluations of the disclosure of the shareholders' equity, calculations have been based on the FSA Guideline No. 19
2. Obtained by subtracting warrants for new shares from net assets at the interim period and dividing by the total of period end assets.

Credit ratings
(As of October 30, 2008)

S&P
(Long-term counter party rating): AA-

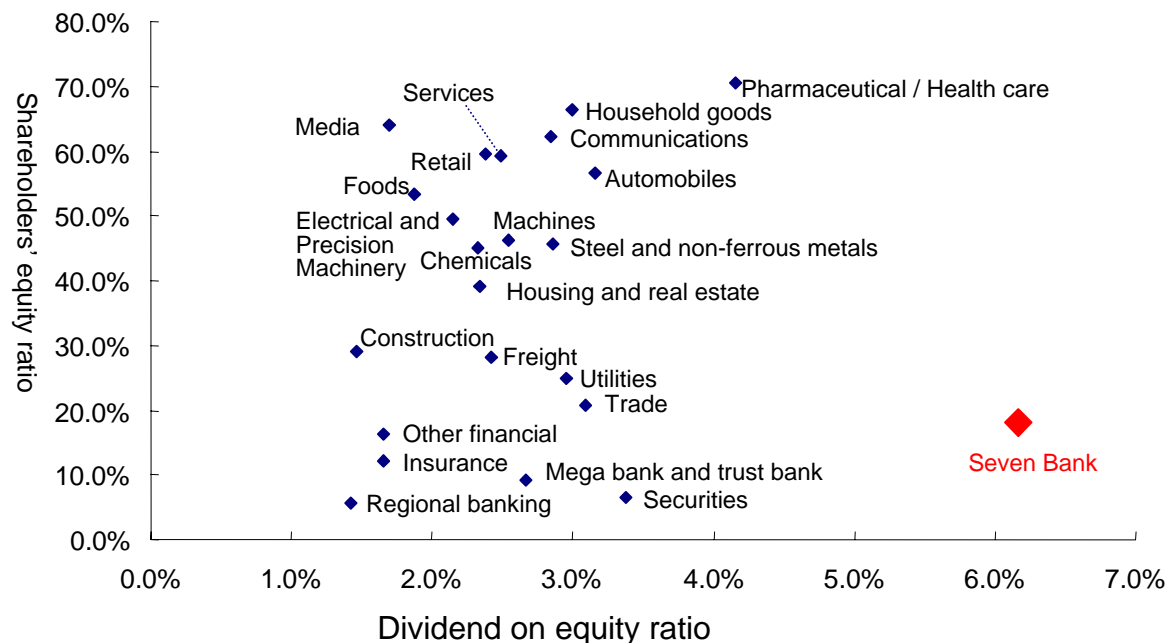
R&I
(Issuer credit rating): AA

High dividend payout ratio

- Maintain an annual dividend payout ratio of 35%
- Interim dividend of 2,100 yen per share

Shareholders' equity ratio and dividend on equity ratio

Based on full year financial reports for the fiscal year ended March 31, 2008
(Industry classification based on the NOMURA 400)



Note: Dividend on equity ratio = Dividend / Shareholders' equity = ROE × Dividend payout ratio

Appendix

| | | |
|--------------------------|----------------------|---|
| Basic information | Headquarters | 1-6-1 Marunouchi Chiyoda-ku, Tokyo |
| | Major business lines | ATM services / Other financial services |

| | | |
|-----------------|------------------------------------|-------------|
| Key data | Net assets (end Sep.08) | 92.9 bn yen |
| | Common stock (end Sep.08) | 30.5 bn yen |
| | Ordinary profit (FY08 interim) | 15.2 bn yen |
| | Net income (FY08 interim) | 9.0 bn yen |
| | No. of ATMs (end Sep.08) | 13,307 |
| | No. of manned outlets (end Sep.08) | 6 |
| | No. of employees (end Sep.08) | 301 |

| | | |
|-------------------------------|---|--------------------|
| Management (full-time) | President, Representative Director & CEO | Takashi Anzai |
| | Director & Sr. Managing Executive Officer | Masatoshi Wakasugi |
| | Director & Managing Executive Officer | Toshiaki Ikeda |
| | Director & Managing Executive Officer | Kensuke Futagoishi |
| | Director and Executive Officer | Yasuaki Funatake |

Concept of incorporation

Incorporated under the concept of “Everyone’s ATM” to provide contemporary financial services that meet the needs of customers

History

| | |
|-----------|---|
| Apr. 2001 | Incorporated under the name IY Bank Co., Ltd. (Common stock: 20.205 billion yen) |
| May. 2001 | Commenced business (accepting applications for deposit accounts and ATM service) |
| Jun. 2001 | Began offering electronic remittance services through ATMs |
| Aug. 2001 | 1st third party allocation of new shares (10.6 billion yen) |
| Mar. 2002 | 2nd third party allocation of new shares (30.195 billion yen) |
| Apr. 2005 | Opened first manned outlet |
| Oct. 2005 | Changed corporate name to Seven Bank, Ltd. |
| Sep. 2006 | Transferred half of capital to capital surplus (Capital: 30.5 billion yen) |
| Jun. 2007 | Declared and paid first dividend; Began installing ATMs at locations outside the Seven & I Holdings Group |
| Feb. 2008 | Listed on the JASDAQ securities exchange |

Major Shareholders

| Shareholders | # of Shares | % of voting rights |
|--|----------------|--------------------|
| Seven-Eleven Japan | 303,639 | 24.88 |
| Ito-Yokado | 196,961 | 16.14 |
| York-Benimaru | 52,400 | 4.29 |
| The Master Trust Bank of Japan (Trust account) | 43,700 | 3.58 |
| Japan Trustee Service (Trust account) | 36,361 | 2.98 |
| Life Foods | 30,000 | 2.45 |
| Bank of New York GCM | 27,785 | 2.27 |
| Bank of Tokyo-Mitsubishi UFJ | 20,000 | 1.63 |
| Japan Trustee Service(Trust account 4G) | 16,055 | 1.31 |
| Sumitomo Mitsui Banking Corporation | 15,000 | 1.22 |
| Resona Bank | 15,000 | 1.22 |
| Dai-ichi Mutual Life Insurance | 15,000 | 1.22 |

A total of four 7&i Holdings Group companies hold 583,000 shares, 47.78% of voting rights

Notes:

- 1) For voting rights percentages, amounts less than one one-hundredth of one percent have been truncated.
- 2) Orange shading indicates Seven & i Holdings Group companies.

Customer

Seven Bank – ATM services



Seven Bank

- Deposits

- Ordinary deposits, Term deposits
- Fund transfer services

- Manned outlets (6 outlets)

- Agency sales of products and services of affiliate financial institutions

- Internet-based services

- Internet banking
- Internet settlement services
- Agency sales of products and services of affiliate financial institutions through *Everyone's Money Site*



Correspondent financial Institutions

- | | |
|-----------------------|------------------------------|
| ▪ Banks | ▪ Securities firms |
| ▪ “Shinkin” banks | ▪ Life insurance firms |
| ▪ Credit cooperatives | ▪ Credit card companies |
| ▪ Labor banks | ▪ Consumer credit companies |
| ▪ JA Bank | ▪ Consumer finance companies |
| ▪ JF Marin Bank | ▪ Business loan providers |

Trends in income (since establishment)

Unit: billion yen

| | FY01 | FY02 | FY03 | FY04 | FY05 | FY06 | FY07 |
|---------------------------------|--------|-------|-------|-------|-------|-------|-------|
| Ordinary income | 1.9 | 11.5 | 29.1 | 47.9 | 64.6 | 75.4 | 83.6 |
| ATM-related fee income | 1.8 | 11.3 | 28.9 | 45.8 | 61.9 | 73.1 | 80.1 |
| Ordinary expenses | 14.0 | 19.7 | 26.0 | 37.8 | 45.2 | 50.4 | 59.0 |
| Interest expenses | 0.0 | 0.0 | 0.0 | 0.4 | 0.6 | 1.5 | 2.7 |
| ATM placement fee expenses | 0.3 | 1.1 | 2.2 | 3.5 | 4.5 | 6.1 | 7.7 |
| Outsourcing expenses | 5.1 | 7.0 | 8.5 | 12.0 | 14.4 | 13.7 | 13.7 |
| Maintenance fees | 0.3 | 0.8 | 1.1 | 3.0 | 2.5 | 2.9 | 3.4 |
| Rent for premises and equipment | 2.0 | 3.4 | 4.6 | 6.3 | 7.5 | 6.7 | 4.7 |
| Depreciation expenses | 1.6 | 2.6 | 3.1 | 3.5 | 4.3 | 5.4 | 11.4 |
| Ordinary profit | (12.1) | (8.1) | 3.0 | 10.0 | 19.4 | 25.0 | 24.6 |
| Extraordinary gain (loss) | 0.0 | 0.0 | (0.1) | (0.1) | (2.8) | (4.0) | (1.3) |
| Income taxes | 0.0 | 0.0 | (2.1) | (0.9) | 6.0 | 8.3 | 9.5 |
| Net income | (12.1) | (8.1) | 5.0 | 10.8 | 10.5 | 12.6 | 13.8 |
| EBITDA | -- | -- | 6.1 | 13.6 | 23.7 | 30.4 | 36.1 |
| EBITDA margin (%) | -- | -- | 21.1 | 28.5 | 36.7 | 40.3 | 43.2 |

1. Amounts have been truncated to the 2nd decimal place.

2. Prior to FY03, ATM-related fee income was presented as Other fees and commissions income and ATM placement fee expenses was presented as Fees and commissions expenses.

Merits of the Seven Bank scheme

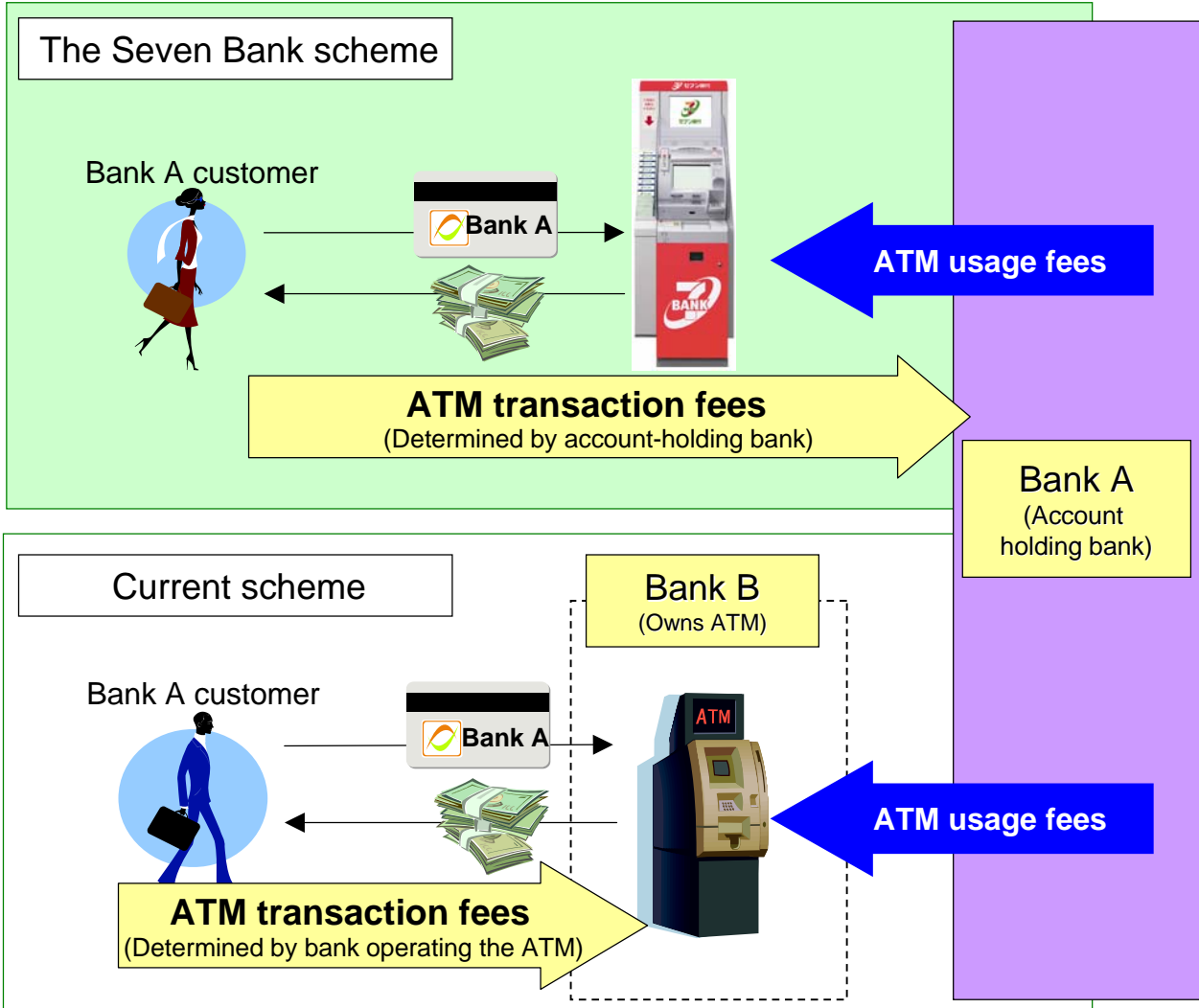
Advantages for ATM correspondent financial institution

- Use ATMs as if they were their own ATMs
- ATM transaction fees set according to their own business strategy
- Enables use of their point programs
- Provide the same user interface, (screen etc). as with their own ATMs
- Maintain a back up for existing networks
- Can rely on comprehensive ATM back-up functionality

Advantages for the customer

- Benefit from convenient times and locations
- Available inside convenience stores open 24/7, 365 days a year
- Extensive network, long operating hours
- Familiar user interface
 - Same user interface, etc., as the account holding bank

Fee flow



Trends in the number of correspondent companies

(Number of correspondent companies)

| | FY01 | FY02 | FY03 | FY04 | FY05 | FY06 | FY07 | FY08 Interim |
|---|----------|-----------|------------|------------|------------|------------|------------|-----------------|
| Banks | 7 | 15 | 27 | 50 | 63 | 80 | 92 | 95 |
| City banks | 3 | 5 | 5 | 5 | 4 | 5 | 5 | 5 |
| Regional banks | 3 | 9 | 19 | 41 | 54 | 69 | 76 | 77 |
| Other banks | 1 | 1 | 3 | 4 | 5 | 6 | 11 | 13 |
| “Shinkin” banks | - | - | 240 | 241 | 255 | 263 | 260 | 258 |
| Credit cooperatives | - | - | - | 117 | 122 | 124 | 122 | 127 |
| Labor banks | - | - | - | 13 | 13 | 13 | 13 | 13 |
| JA Bank | - | - | - | - | 1 | 1 | 1 | 1 |
| JF Marine Bank | - | - | - | - | 1 | 1 | 1 | 1 |
| Securities firms | 2 | 2 | 2 | 2 | 5 | 8 | 8 | 8 |
| Life insurance firms | - | 4 | 5 | 5 | 6 | 8 | 8 | 8 |
| Other financial institutions <small>Consumer finance, credit card companies, etc.)</small> | - | 27 | 35 | 41 | 47 | 50 | 49 | 49 |
| Total | 9 | 48 | 309 | 469 | 513 | 548 | 554 | 560 |

Note 1. Seven Bank is not included among the correspondent companies.

2. Japan Post Bank, which was privatized and separated in October 2007, is included among ‘Other banks.’

3. JA Bank and JF Marine Bank are each counted as one institution.

1. Designed for privacy and security

Equipped with a recessed keypad and a narrow-angle display to prevent bystanders from viewing the details of customer transactions and personal identification numbers

2. Advanced security system

Equipped with a special ink cartridge to dye the cash contained in the ATM in the event of theft, as well as a security camera to capture images during transactions. Triple DES encryption to protect transaction communication from interception

3. Compatible with IC cards

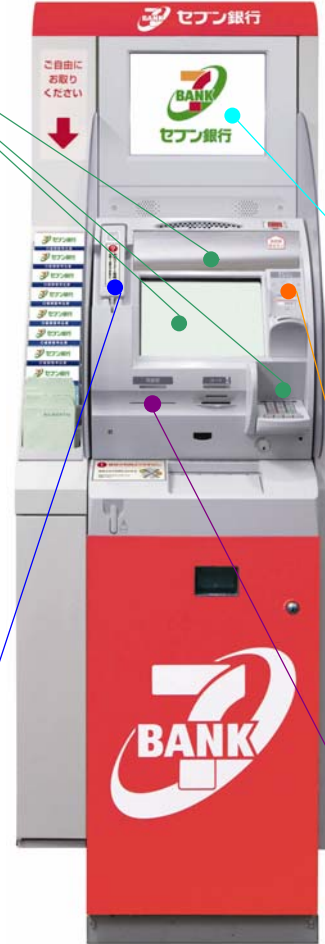
Equipped with security-enhancing IC card technology allowing secure transactions for holders of IC cards issued by many financial institutions

4. PIN and daily withdrawal limits can be changed

Personal identification numbers and daily withdrawal limits can be changed directly through Seven Bank ATMs (for some alliance partners)

5. Accessibility for vision-impaired cardholders

Equipped with audio guidance services to provide accessibility to vision-impaired cardholders



6. Compatible with cards issued overseas

Customers can use cash cards and credit cards issued overseas to withdraw Japanese Yen. ATMs also have foreign language capability for screen display and for issuing receipts. Languages include English, Korean, Chinese and Portuguese

7. Advertising service using second display

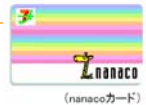
In addition to the display for transactions, ATMs are equipped with a second display to provide marketing and other information services.

8. Displays customized screen design of each correspondent financial institution

Enables customers to access the familiar user interface of their own financial institution via Seven Bank ATMs by simply inserting their card

9. "nanaco" electronic money system

Enables customers to charge "nanaco", the electronic money system offered by the Seven & i Group



10. Ability to print loan receipts

Consumer finance company can print loan receipts itemizing the details of their loans to comply with the Money Lending Business Law.



Stable operations supported by solid infrastructure

