

Financial Results for Fiscal 2008, Financial Outlook for Fiscal 2009 and Future Growth Strategies

May 2009



SEVEN BANK



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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.

➤ **Fiscal 2008 results**

- ◆ **Ordinary income, ordinary profit and net income were each higher than the fiscal 2007 level**
- ◆ **A year end dividend of 2,800 yen per share is planned**
 - Resulting in a dividend for the fiscal year of 4,900 yen (dividend payout ratio 35.1%) ,700 yen per share higher than forecast

➤ **Fiscal 2009 plan**

- ◆ **We expect a small increase in ordinary income but by striving to raise our cost efficiency we forecast a steady increase in profits**
 - Growth in ATM usage will be slowed by effects of the economic deterioration
 - Average ATM fees per transaction will continue to decline
 - In a severe operating environment we will focus on efficient cost control

Income statement



Unit: billion yen

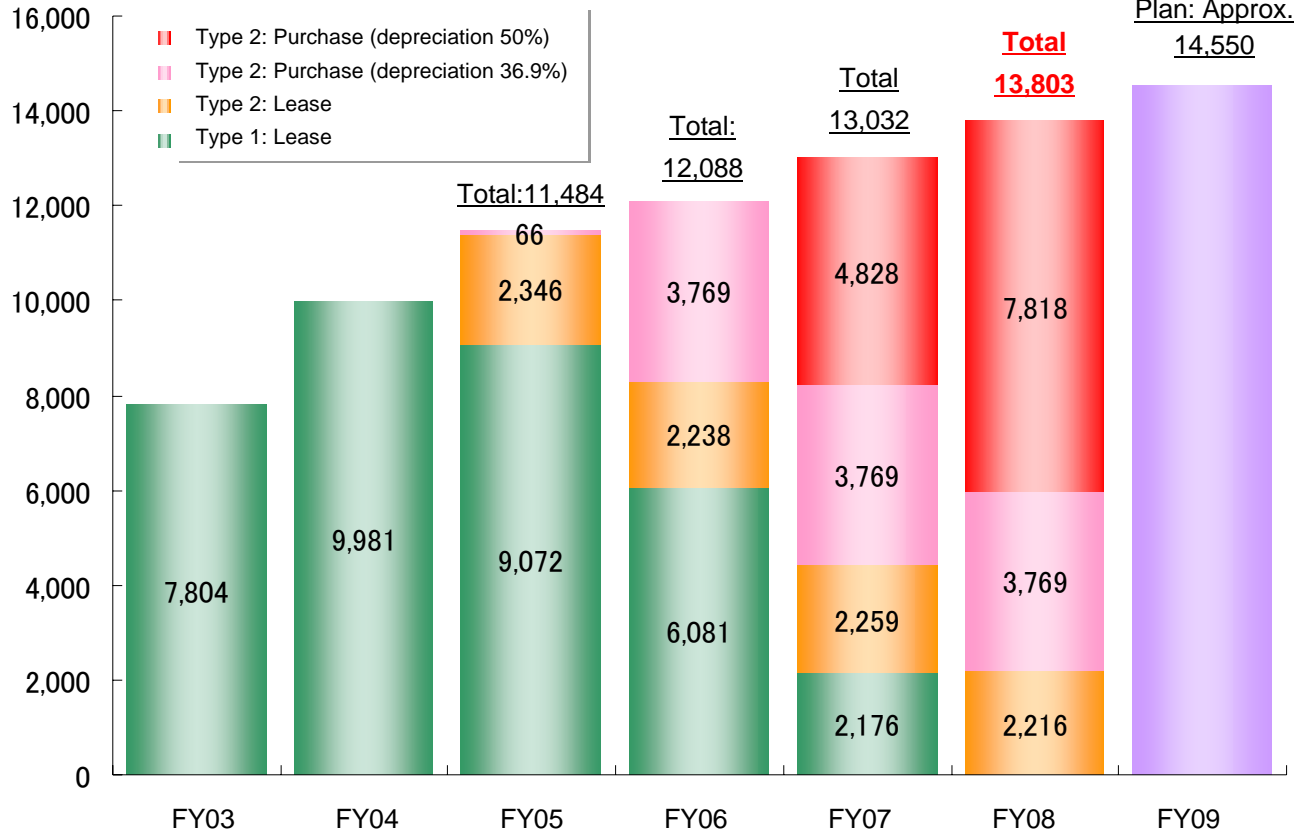
	FY08				FY09 Planned Full year			
	Full year	Revised plan	Actual results	Change from FY07 (%)	Full year	Change from FY08 (%)	First half	Second half
Ordinary income	89.2	90.5	89.8	+6.1 (+7.3)	91.5	+1.6 (+1.8)	46.3	45.1
ATM-related fee income	85.6	86.3	85.5	+5.3 (+6.6)	87.6	+2.0 (+2.4)	44.4	43.1
Ordinary expenses	63.9	62.8	61.0	+2.0 (+3.4)	61.1	+0.0 (+0.1)	30.4	30.7
Interest expenses	2.9	2.9	2.7	+0.0 (+0.4)	2.5	-0.2 (-8.1)	1.2	1.3
ATM placement fee expenses	8.4	8.5	8.5	+0.7 (+9.5)	9.2	+0.7 (+8.2)	4.5	4.6
Outsourcing expenses	14.0	13.9	13.9	+0.2 (+1.5)	14.2	+0.3 (+2.6)	7.1	7.1
Maintenance fees	3.6	3.6	3.5	+0.1 (+3.3)	3.9	+0.4 (+13.7)	2.0	1.9
Rent for premises and equipment	2.8	2.8	2.8	-1.8 (-38.9)	2.4	-0.3 (-13.4)	1.2	1.2
Depreciation expenses	15.9	15.4	15.4	+3.9 (+34.0)	13.0	-2.3 (-15.4)	6.2	6.7
Ordinary profit	25.3	27.7	28.7	+4.1 (+16.6)	30.3	+1.5 (+5.3)	15.9	14.4
Extraordinary gain (loss)	0.0	-0.0	-0.0	+1.2 (—)	-0.0	+0.0 (—)	-0.0	0.0
Income taxes	10.2	11.2	11.7	+2.2 (+23.4)	12.3	+0.6 (+5.1)	6.4	5.8
Net income	14.9	16.4	16.9	+3.1 (+22.8)	18.0	+1.0 (+5.9)	9.4	8.5
No. of ATMs installed at end of term (units)	14,000 _{est.}	13,750 _{est.}	13,803	+771 (+5.9)	14,550 _{est.}	750 _{est.} (—)	14,100 _{est.}	14,550 _{est.}
ATM-related fee income per ATM (yen)	161.9	159.4	158.0	-7.3 (-4.4)	148.5	-9.5 (-6.0)	151.4	145.6
Daily average transaction per ATM (Transactions/No. of ATMs/days)	112.0	114.2	114.3	+5.3 (+4.8)	116.6	+2.3 (+2.0)	117.4	115.8
Total no. of transactions (millions)	544	555	555	+57 (+11.3)	602	+46 (+8.4)	299	302

Notes: 1. Amounts less than one hundred million yen have been truncated.

2. Changes from the previous fiscal year have been compared in units of one million yen (for total transactions, one thousand units), and amounts less than this unit have been truncated.

Number of ATMs by type

(No. of ATMs)



Net increase in number of ATMs by fiscal year

	(No. of ATMs)	
	FY08	FY09 Plan Approx. figures
Total	771	750
In 7&I group stores	642	600
SEJ new	288	
SEJ 2 nd ATM	326	
Other	28	
Non-group locations	129	150
Airports	13	
Hotels	5	
Transport related	22	
Commercial facilities	38	
In companies	2	
Hospitals	5	
Financial institutions	44	

Number of stores with 2 ATMs

Unit: stores

FY07/3(end)	FY08/3(end)	FY09/3(end)
128	331	657

Usage before and after installation of second ATM

~ 130 stores in 1H of FY09/3 ~

(Transactions/No. of stores /Days)

FY08/3 (Before)	FY09/3 (After)
231.5	281.3 (+49.8) 140.6 trax. per ATM

(Ref.) Usage of all ATMs

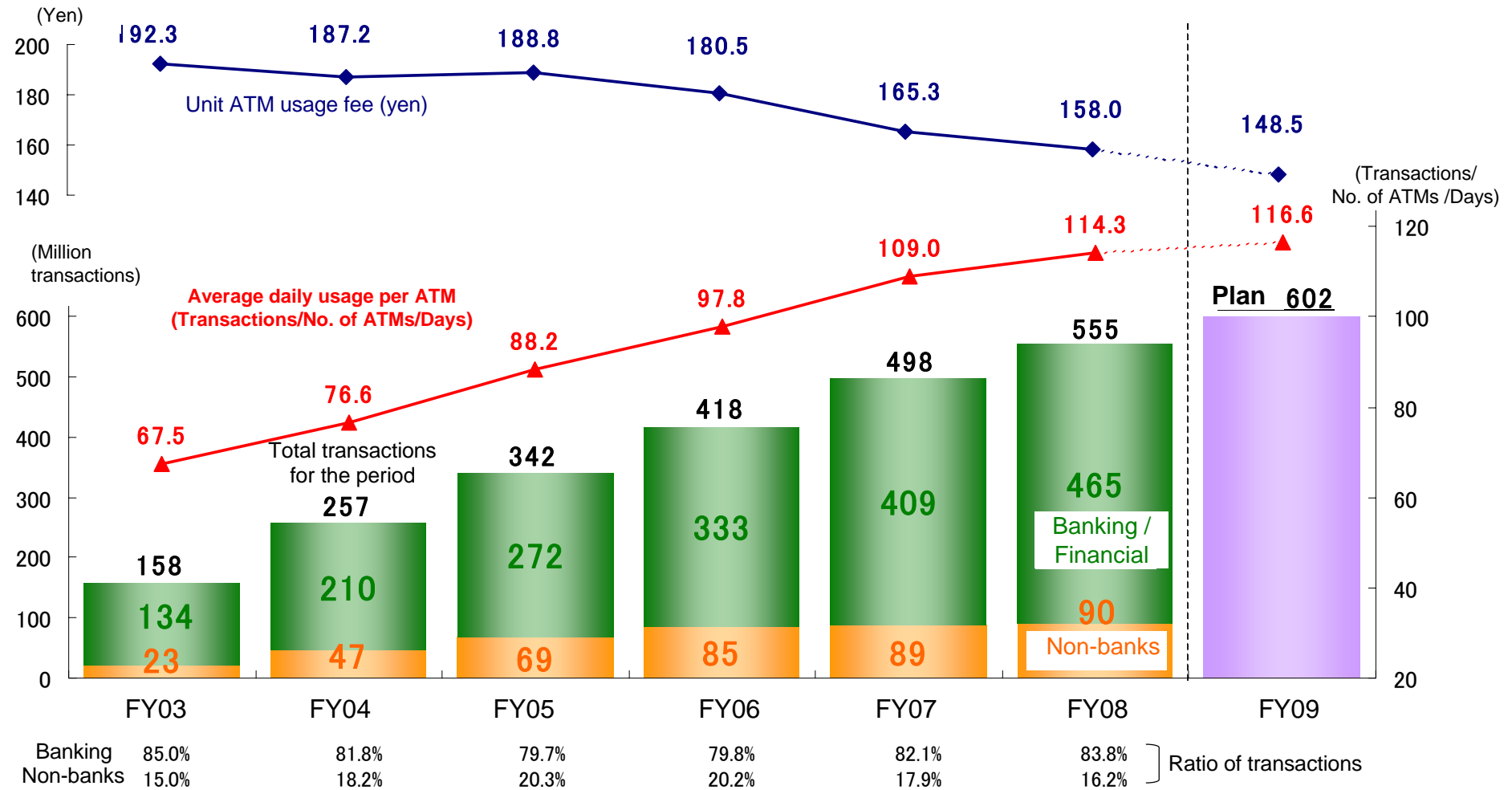
(Transactions/No. of ATMs /Days)

FY08/3	FY09/3
110.3	113.6 (+ 3.3)

Note 1: Bracketed figures show usage rate increases year-on-year

- Marginal cost is covered
- After installation of second ATM Number of transaction per ATM in Seven-Eleven stores with 2 ATMs installed is exceeded to that of all ATMs.

ATM usage and unit fee income



- 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. $\text{ATM-related fee income} = \frac{\text{ATM-related fee income}}{\text{Total transactions for the period} - \text{ATM-related fee without income (i.e. Sales deposits)}}$
 4. Securities companies, life insurance companies and other financial institutions are referred to as non-banks in this document

Financial position as of March 31, 2009

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

Securities required for transfer settlement and overdraft with Bank of Japan accounts

ATM-related temporary advances:
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 cannot be settled.)
*In principle, for transactions with non-banks there is no remaining balance of ATM-related temporary payments since these are settled in our corporate account on the same day

Mainly ATMs

Software and software-related temporary accounts

Cash	274.3(+13.8)
Call loans	29.0(+1.0)
Securities	88.8(-8.9)
ATM-related temporarily payments etc.	62.8(+1.1)
Tangible fixed assets	15.9 (-1.2)
Intangible fixed assets	14.7 (-0.0)
Deferred tax assets	1.2
Allowances for credit losses	-0.06

Due from banks
6.2(-0.5)

Assets 493.3
(+5.2)

Unit: billion yen

Deposits (Individuals)	113.6 (+21.1)
Deposits (Corporate)	74.5(-3.5)
Negotiable certificate of deposits	41.2(-7.3)
Borrowed money	69.0(+4.0)
Bonds	60.0(-15.0)
ATM-related temporary advances etc.	36.6(-1.6)
Capital stock	30.5(0)
Capital surplus	31.7(0)
Retained earnings	36.0(9.3)

Liabilities
394.9(-4.1)

Net assets
98.3(+9.4)

Loss from evaluation of other securities 0.04
New share warrants 0.04

Liabilities + Net assets 493.3
(+5.2)

Ordinary deposits: ¥136.0 bn
Term deposits: ¥51.7 bn

2nd issue (2006) ¥36.0 bn (5yr bond)
3rd issue (2006) ¥24.0 bn (7yr bond)

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

Tier I capital ratio (Domestic Standard)
45.05%(preliminary figure)

Ratings (as of March 31, 2009)

- **S&P** (Long-term counterparty rating)
AA-
- **Rating and Investment Information, Inc.** (Issuer rating)
AA

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

Achieve sustained growth and a strong profit structure by creating new value

- Reinforce our defenses while actively seizing opportunities that lead to future growth-

Expand profit opportunities

- 1. Install ATMs in good, profitable locations**
-Not simply pursuing numerical targets
- 2. Create a diversified outsourcing model**
- Diversify the ATM business
- 3. Consider new business/services**
-Respond to small-scale financing needs

Rigorous cost control

- 1. Close supervision of return on investment**
- 2. Further enhance cost efficiency**
- 3. Equalize depreciation expenses**
-At next ATM renewal period consider equalizing depreciation expenses
- 4. Utilize depreciated assets**

- ◆ Aim to install 16,000 ATMs by March 2012, of which 1,200 in non-Group locations
- ◆ Steadily accumulate profits
- ◆ Maintain dividend payout ratio of 35%

Leverage the strengths of our business to flexibly meet needs



Create new sources of fee income

7&i Group
(Seven-Eleven, Ito Yokado, etc.)

Non-Group
(public locations; airports, stations, hospitals, etc.)

➤ Respond with **our business model**

ATM functionality
Network (relay system)
Services provided, etc.

Strengths of Seven Bank's ATM business

Low cost operation

Utilize the nationwide secure transport and maintained network that we have built

Easy to use ATM service

High quality, full service from hardware through network to operations

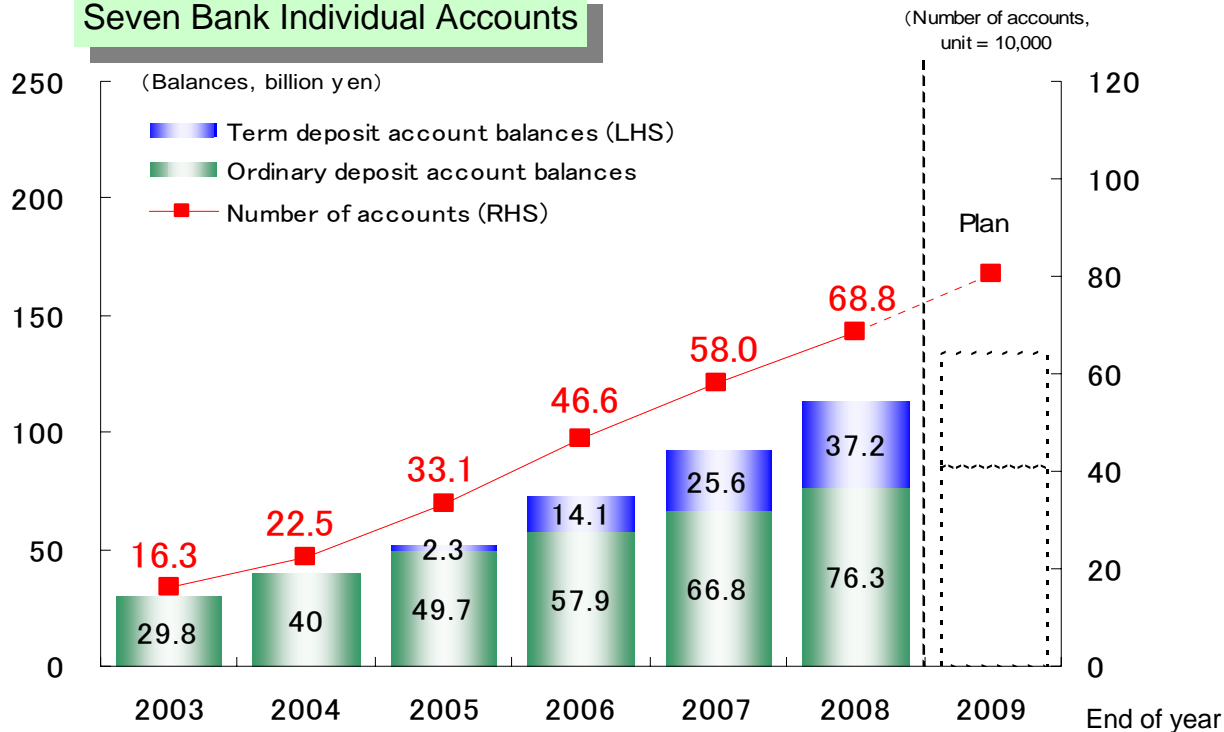
Seek full outsourcing from financial institutions, joint branches

➤ Respond **with diverse responses to customer needs**

- Reduce cost of ATM service
- Maintain and enhance customer service (coins, passbook compatibility, etc.)

- Asset growth from business expansion corresponding to growth in individual deposits and net assets
 - = stable funding continues (loan services planned, providing convenience to customers and stable funding)
- Maintaining long-term funding balance at adequate level
 - = Securing stable financing to deal with any environment
 - Refinancing and reducing funding costs by diversifying sources and maintaining financial stability

Seven Bank Individual Accounts

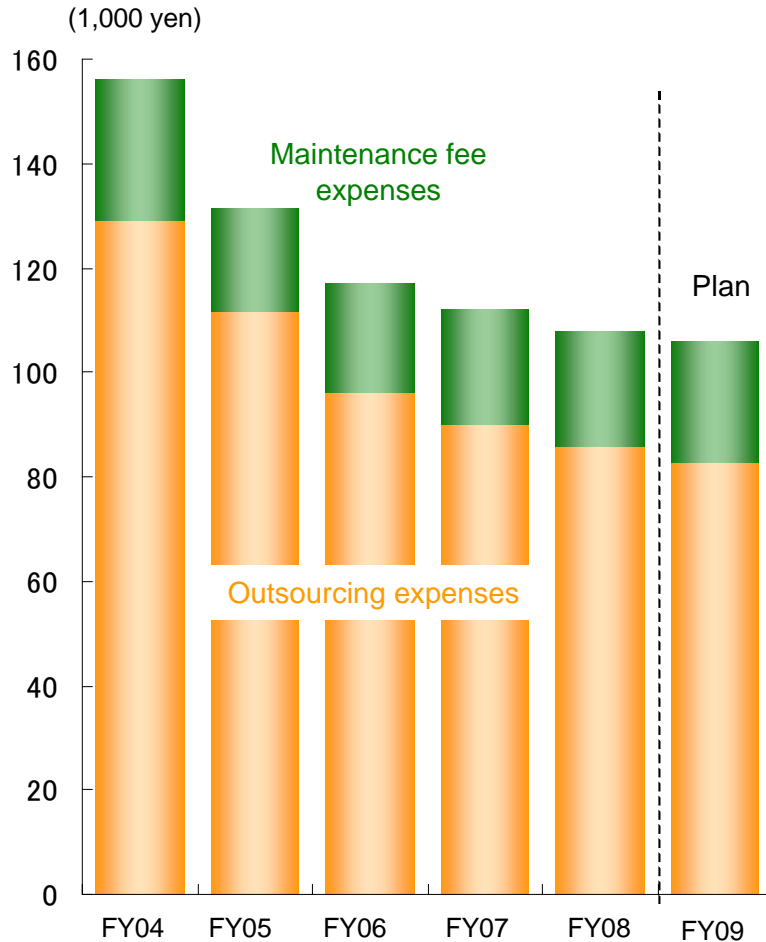


Redemption and repayment schedule for long-term funding

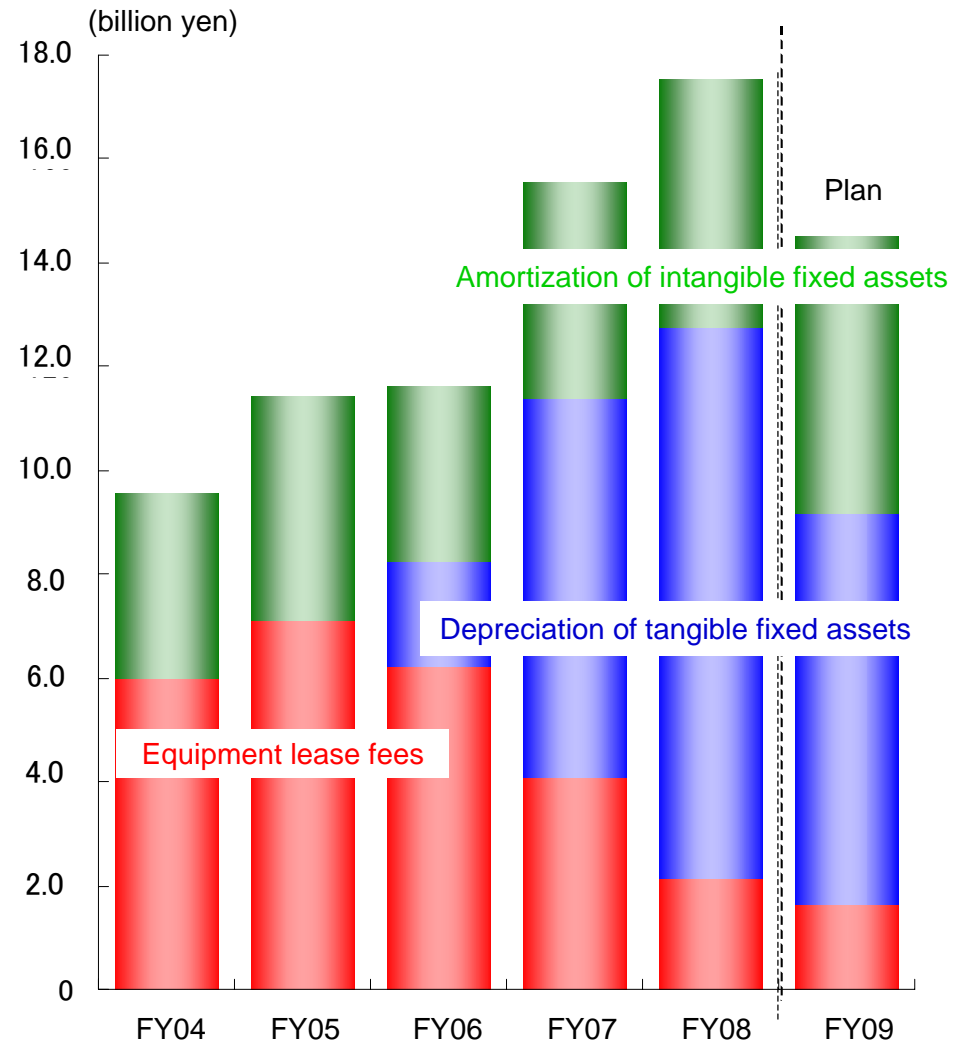
(Unit: billion yen)

		Bonds	Borrowing	Total
FY08	1H	-	-	-
	2H	15	5	20
FY09	1H	-	25	25
	2H	-	19	19
FY10	1H	-	-	-
	2H	-	12	12
FY11	1H	-	-	-
	2H	36	-	36
FY12 onwards		24	13	37

▽ Trends in monthly outsourcing expenses and maintenance fee expenses per ATM



▽ Trends in depreciation expenses, equipment lease fees



Note: In fiscal 2004 and fiscal 2005 expenses for amortization of intangible fixed assets includes some expenses for depreciation of tangible fixed assets

Appendix

Basic information

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

Key data

(end Mar. 09)

Net assets	98.3 billion yen
Common stock	30.5 billion yen
No. of ATMs	13,803
No. of manned outlets	6
No. of employees	308

Concept of incorporation: Everyone's ATM network

Anytime	24 hours, 365 days a year
Anywhere	Throughout Japan
Everyone's ATM network	Approx. 560 domestic alliance partners
Safe and secure	Safe, monitored locations, high security

History

Apr. 2001	Incorporated under the name IY Bank Co., Ltd.
Oct. 2005	Changed corporate name to Seven Bank, Ltd.
Feb. 2008	Listed on the JASDAQ securities exchange

Major Shareholders (as of March 31, 2009)

Shareholders	# of Shares	% of voting
Seven-Eleven Japan	303,639	24.88
Ito-Yokado	196,961	16.14
The Master Trust Bank of Japan (Trust account)	56,310	4.61
York-Benimaru	52,400	4.29
Japan Trustee Service (Trust account)	37,674	3.08
Life Foods	30,000	2.45
State Street Bank and Trust Company	23,313	1.91
Sumitomo Mitsui Banking Corporation	15,000	1.22
Dai-ichi Mutual Life Insurance	15,000	1.22
The Chase Manhattan Bank N.A. London SL Omnibus Account	12,031	0.98

Shareholders	# of Shares	% of voting
7&I HD group companies	583,000	47.78
Financial institutions	257,089	21.07
Financial companies	5,457	0.44
Other corporations	90,238	7.39
Foreign corporations	198,910	16.30
Individuals	85,306	6.99

Notes:

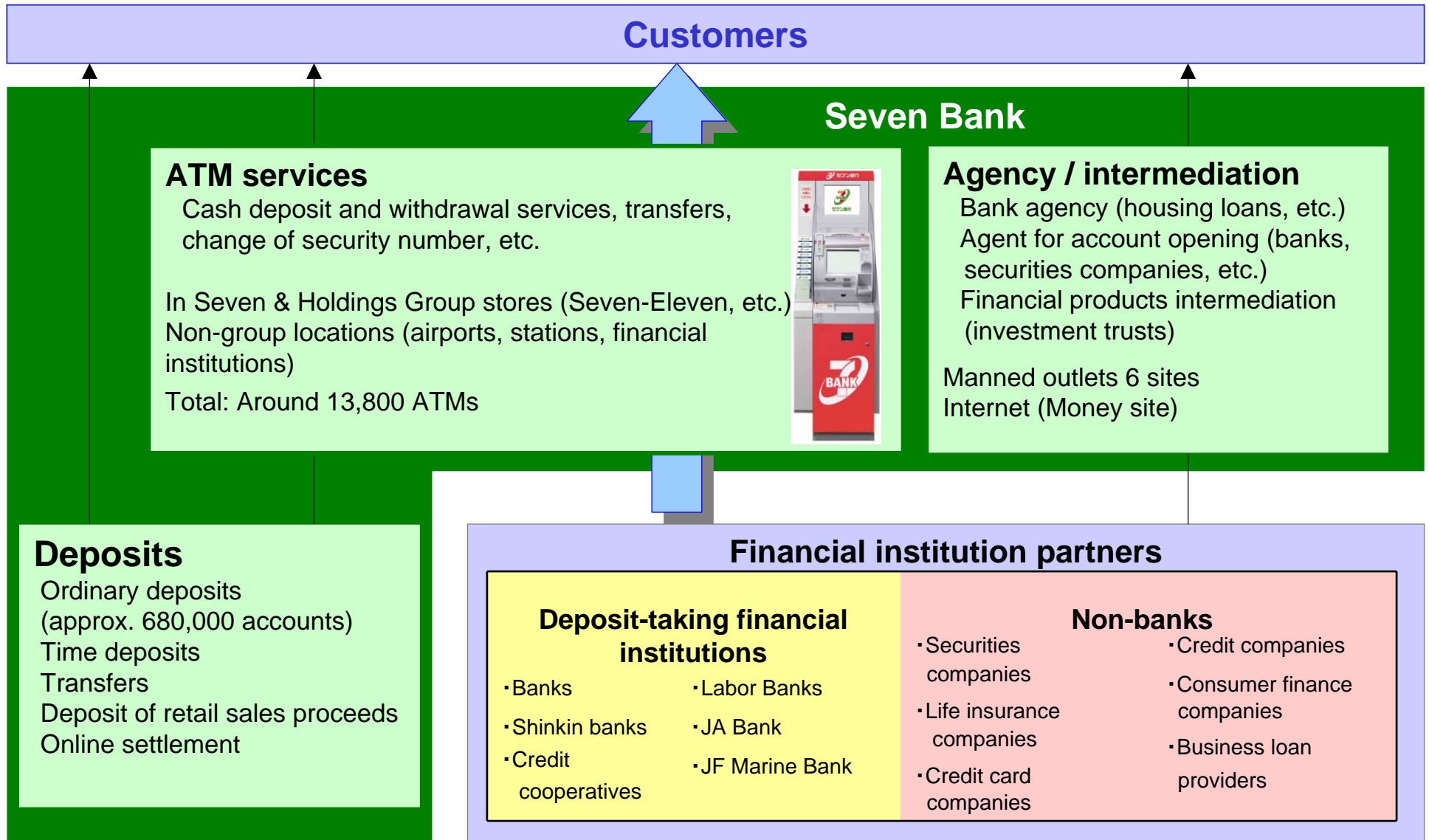
- 1) For voting rights percentages, amounts less than one one-hundredth of one percent have been truncated.
- 2) Orange shading indicates Seven & i Holdings Group companies.
- 3) Other corporations excludes 7&I HD group companies

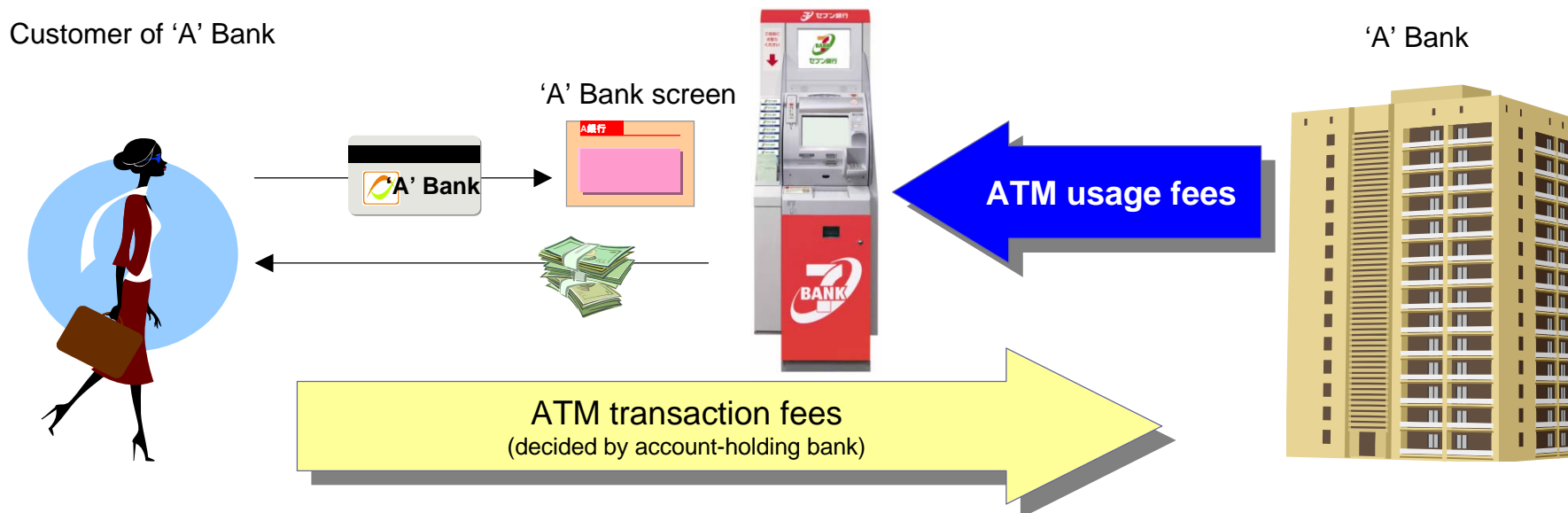
Trends in income (since establishment)

Unit: billion yen

	FY01	FY02	FY03	FY04	FY05	FY06	FY07	FY08
Ordinary income	1.9	11.5	29.1	47.9	64.6	75.4	83.6	89.8
ATM-related fee income ²	1.8	11.3	28.9	45.8	61.9	73.1	80.1	85.5
Ordinary expenses	14.0	19.7	26.0	37.8	45.2	50.4	59.0	61.0
Interest expenses	0.0	0.0	0.0	0.4	0.6	1.5	2.7	2.7
ATM placement fee expenses	0.3	1.1	2.2	3.5	4.5	6.1	7.7	8.5
Outsourcing expenses	5.1	7.0	8.5	12.0	14.4	13.7	13.7	13.9
Maintenance fees	0.3	0.8	1.1	3.0	2.5	2.9	3.4	3.5
Rent for premises and equipment	2.0	3.4	4.6	6.3	7.5	6.7	4.7	2.8
Depreciation expenses	1.6	2.6	3.1	3.5	4.3	5.4	11.4	15.4
Ordinary profit	-12.1	-8.1	3.0	10.0	19.4	25.0	24.6	28.7
Extraordinary loss	0.0	0.0	-0.1	-0.1	-2.8	-4.0	-1.3	-0.0
Income taxes	0.0	0.0	-2.1	-0.9	6.0	8.3	9.5	11.7
Net income	-12.1	-8.1	5.0	10.8	10.5	12.6	13.8	16.9

Notes: Amount less than unit have been truncated.





Merits to customer (user)

- **Anytime and anywhere**
 Inside a 24 hr/365 days a year convenience store, etc.
 Nationwide network, almost any card can be used
 Familiar screen layout
- **Safe and Secure**

Merits to ATM alliance partner (financial institution)

- **Can utilize in the same way as their own ATMs**
 ATM commissions decided according to each bank's own strategy
 Can use as part of their own customer reward
 Provides same screen layout as banks' ATMs
- **Use as a back-up to their own ATM network**
- **Can reduce ATM maintenance cost and fund sourcing cost**

1. Designed for privacy and security

Keypad: Input of personal identification number hidden by users hand

Touch screen: Customer transaction details cannot be seen by someone standing diagonally behind

2. Advanced security system

In the event of theft, cash is dyed with purple ink

A security camera captures images during transactions

Triple DES encryption protects information from interception

3. Compatible with IC cards

4. PIN and daily withdrawal limits can be changed

5. Screen also used for ads and warnings

6. Displays the user interface of each correspondent financial institution

When the customer inserts their bank card the familiar user interface of their own financial institution is displayed



7. Can charge electronic money cards



8. Overseas-issued cards can be used

Customers can withdraw Yen using an overseas-issued cash card or credit card



9. Accessible for vision-impaired customers

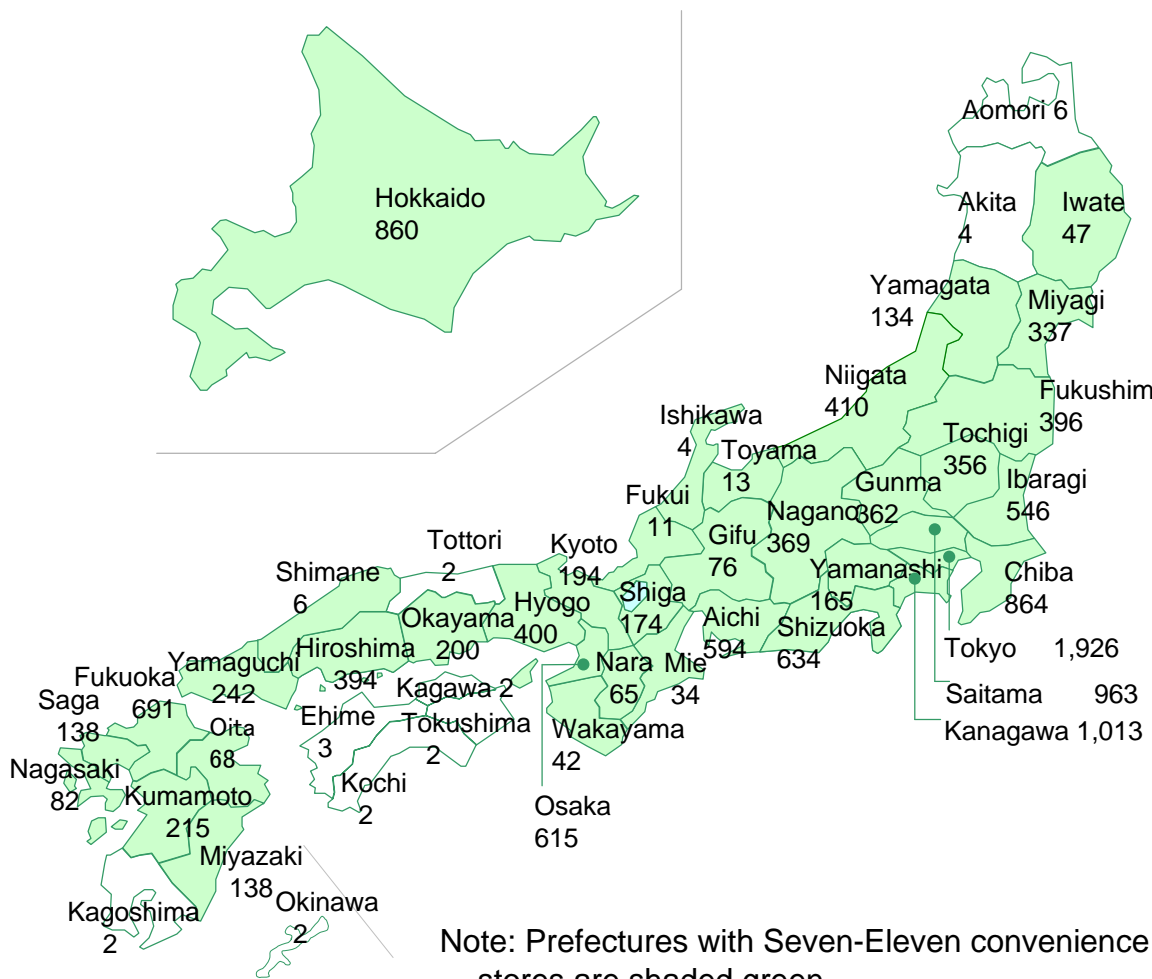
Equipped with audio guidance services via interphone to provide accessibility to vision-impaired customers

10. Ability to print legally required loan receipts

Customers can print loan receipts from correspondent financial institutions as required by law

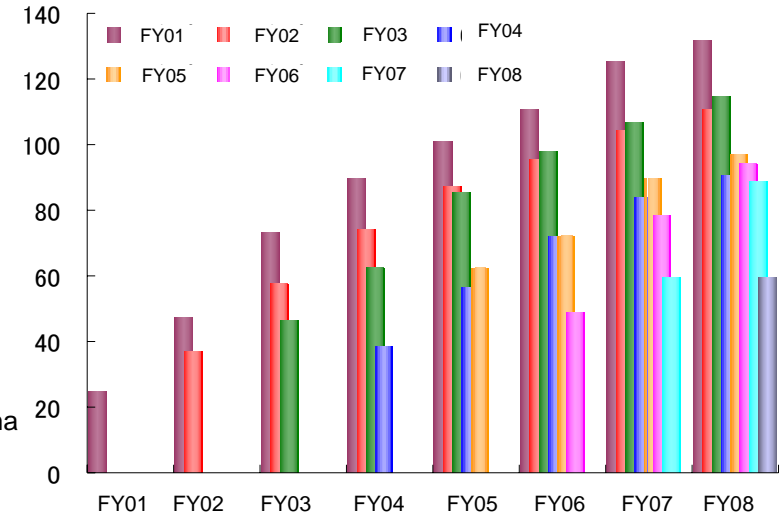


No. of ATMs by prefecture
(As of March 31, 2009)



Note: Prefectures with Seven-Eleven convenience stores are shaded green

Average usage by roll out year



▽ ATM roll out by fiscal year

FY01	Tokyo • Saitama • Chiba • Kanagawa • Shizuoka • Osaka • Hyogo
FY02	Tochigi • Nagano • Aichi • Shiga • Kyoto • Fukuoka
FY03	Fukushima • Ibaragi • Niigata • Hiroshima • Kumamoto
FY04	Hokkaido • Yamagata • Gunma • Okayama • Yamaguchi • Nagasaki
FY05	Miyagi • Yamanashi • Gifu • Mie • Saga • Miyazaki
FY06	Aomori • Iwate • Nara
FY07	Wakayama • Oita (Nationwide network by installing ATMs in Nomura securities branches)
FY08	Toyama • Fukui • Shimane

Trends in the number of correspondent companies

(Number of correspondent companies)

	FY01	FY02	FY03	FY04	FY05	FY06	FY07	FY08
Banks	7	15	27	50	63	80	92	95
Major 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	264
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 (Consumer finance, credit card companies, etc.)	-	27	35	41	47	50	49	49
Total	9	48	309	469	513	548	554	566

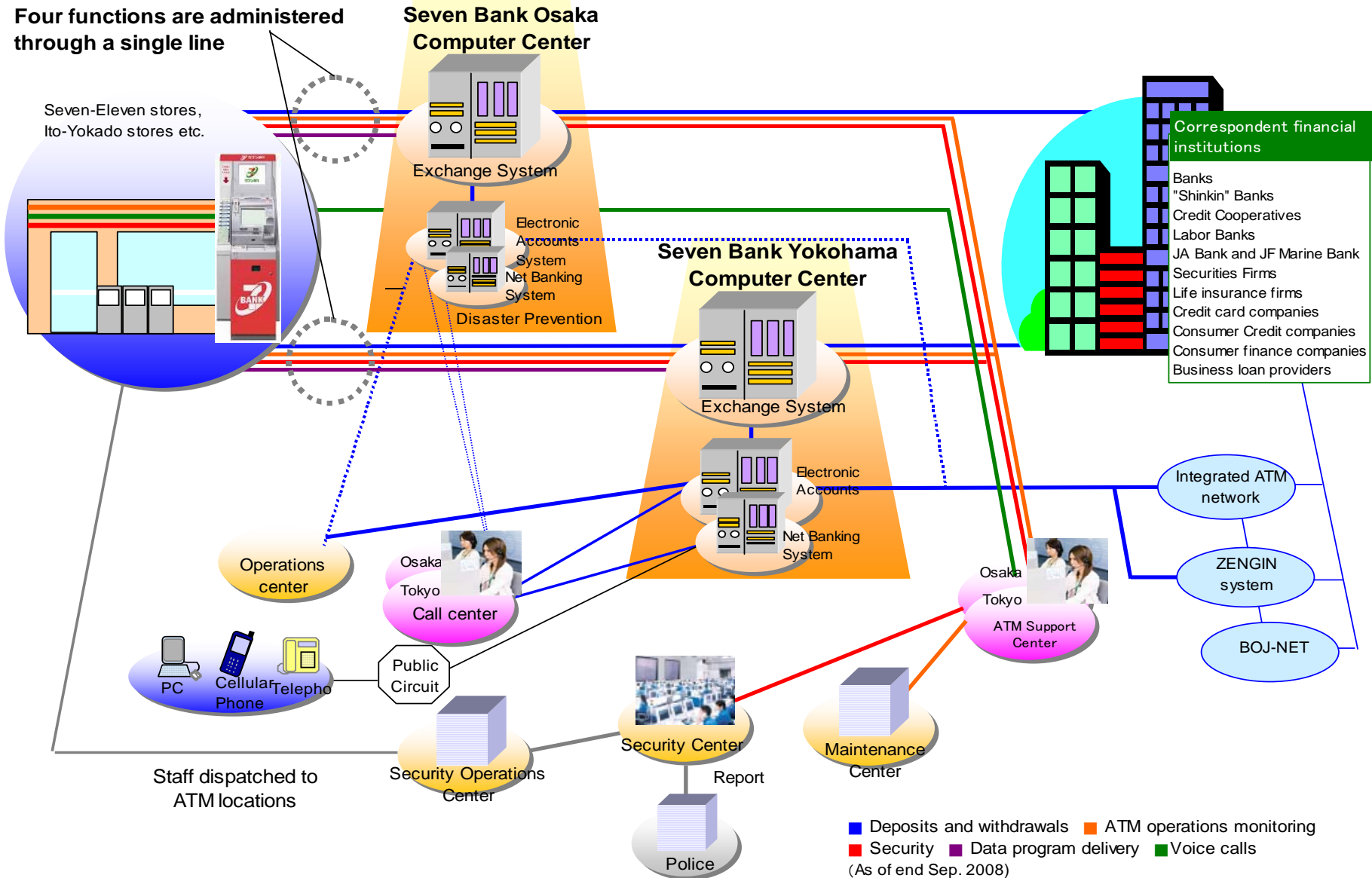
Note 1. Seven Bank is not included among the correspondent companies

2. Japan Post Bank, which was privatized and separated in October 2007, is included among 'Other financial institutions

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

Safety and security supported by solid infrastructure

Four functions are administered through a single line



Corporate Principles

1. We aspire to be a sincere company that is trusted by its customers.
2. We aspire to be a sincere company that is trusted by its shareholders, business partners and society.
3. We aspire to be a sincere company that is trusted by its employees.

Management Policy

1. Our aim is to be a trusted bank that fully answers customer needs.
2. Each employee will seek to speedily introduce the benefits of technical innovation and pursue personal enhancement.
3. We will contribute to the stability of Japan's financial system by providing a secure and efficient settlement infrastructure.

Charter of Ethics (abridged)

This ethical charter represents the cornerstone of the standards to which we will conform in making the decisions involved in the management of our business.

1. Be fully aware of the public nature and social responsibilities of a bank.
2. Provide highly convenient, customer-focused services, matched to current needs.
3. Act with integrity and fairness.
4. Communicate with society.
5. Have respect for humanity.

Compliance standards

1. Observe rules.
2. Keep promises.
3. Be truthful.
4. Don't conceal the truth.
5. Protect confidentiality.
6. Do not offend others.
7. Do not mix public and private matters.
8. Combat corruption.
9. Remember the basics of service.
10. Be responsible for your own actions.