

Appendix : Financial Results for the Second Quarter of Fiscal 2011



Basic information

Headquarters 1-6-1 Marunouchi Chiyoda-ku, Tokyo

Major business lines ATM services / Other financial services

Key data

(end Sep.2011)

Net assets 120.7 billion yen

Common stock 30.5 billion yen

No. of ATMs 16,005

No. of manned outlets 6

No. of employees 318

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, 2011)

Shareholders	# of Shares	% of voting
Seven-Eleven Japan	453,639	38.09
York-Benimaru	52,400	4.40
State Street Bank and Trust Company	48,098	4.03
Ito-Yokado	46,961	3.94
JP Morgan Chase Bank	32,645	2.74
Life Foods	30,000	2.51
The Master Trust Bank of Japan ,Ltd (Trust account)	24,821	2.08
Japan Trustee Services Bank, Ltd. (Trust account)	19,365	1.62
SAJAP	17,277	1.45
Sumitomo Mitsui Banking Corporation	15,000	1.25
Dai-ichi Mutual Life Insurance	15,000	1.25

Shareholders	# of Shares	% of voting
7&i HD group companies	583,000	48.95
Financial institutions	184,791	15.51
Financial companies	6,608	0.55
Other corporations	72,633	6.09
Foreign corporations	234,430	19.68
Individuals	109,446	9.19

- Notes:
- 1) For voting rights percentages, amounts have been truncated at the second decimal place
 - 2) Orange shading indicates 7&i HD 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	FY09	FY10
Ordinary income	1.9	11.5	29.1	47.9	64.6	75.4	83.6	89.8	88.8	83.9
ATM-related fee income	1.8	11.3	28.9	45.8	61.9	73.1	80.1	85.5	85.2	80.5
Ordinary expenses	14.0	19.7	26.0	37.8	45.2	50.4	59.0	61.0	58.4	56.5
Interest expenses	0.0	0.0	0.0	0.4	0.6	1.5	2.7	2.7	2.1	2.0
ATM placement fee expenses	0.3	1.1	2.2	3.5	4.5	6.1	7.7	8.5	9.0	9.3
Outsourcing expenses	5.1	7.0	8.5	12.0	14.4	13.7	13.7	13.9	13.9	14.2
Maintenance fees	0.3	0.8	1.1	3.0	2.5	2.9	3.4	3.5	3.5	3.9
Rent for premises and equipment	2.0	3.4	4.6	6.3	7.5	6.7	4.7	2.8	2.4	2.1
Depreciation expenses	1.6	2.6	3.1	3.5	4.3	5.4	11.4	15.4	12.8	11.6
Ordinary profit	-12.1	-8.1	3.0	10.0	19.4	25.0	24.6	28.7	30.4	27.4
Extraordinary loss	0.0	0.0	-0.1	-0.1	-2.8	-4.0	-1.3	-0.0	-0.1	-0.4
Income taxes	0.0	0.0	-2.1	-0.9	6.0	8.3	9.5	11.7	12.3	10.9
Net income	-12.1	-8.1	5.0	10.8	10.5	12.6	13.8	16.9	17.9	16.0

Notes: Amount less than unit have been truncated.

Customers

Offer ATM services that all customers can use anytime, anywhere, and securely

Offer account services that are easy to use, convenient, reasonably priced, and replace the purse

Offer products and services through manned outlets where customers can feel free to visit

Shareholders
Investors

Employees

Seven Bank Lines of Business

Bank Account Services

- Ordinary deposit accounts and term deposit accounts
- Domestic money transfers, payment, and online settlement services
- Personal loan services
- International money transfer services etc.

ATM Services

- ATM services through the stores of the Seven & i Holdings Group
- ATM services available from our machines in other public and commercial facilities
- Our own ATM corner facilities
- A full range of services for operating and managing the ATMs of other financial institutions

Services at Manned Outlets

- Accepting and forwarding services for applications for Seven Bank products and services
- Bank agency services (for housing loans and other services)

Customers

Regional society

Contributing to improving the efficiency of the financial system
Creation of a symbiotic business model with partner financial institutions

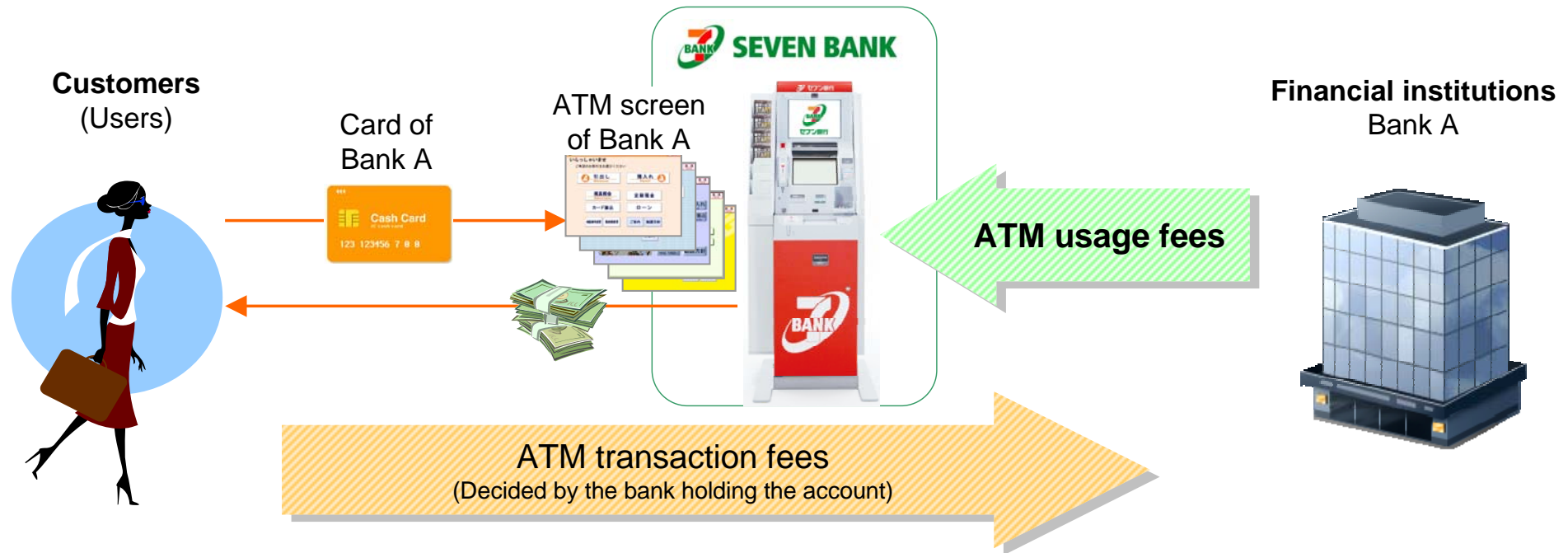
Partner Financial Institutions

Deposit-Taking Financial Institutions

- Banks
- Credit cooperatives
- JA Bank, JF Marine Bank
- Shinkin banks
- Labor banks
- Shoko Chukin Bank

Non-banks

- Securities companies
- Credit card companies
- Consumer finance companies
- Life insurance companies
- Credit companies
- Business loan providers



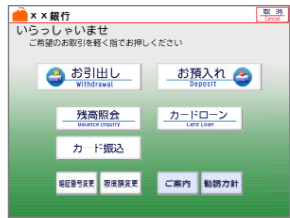
Merits for customers (users)

- **Convenience of ATM service hours and locations**
 - 24 x 365 availability
 - No need to carry large sums of cash for business or leisure trips
 - Access to identical services from any ATM nationwide (because of ATM management by a single bank)
- **Safety and security**
 - Security due to installation in convenience stores

Merits for financial institutions

- **Access to nationwide network of ATMs operating 24 x 365 without the cost required for own ATMS**
- **Utilization as own ATMs**
 - Each bank decides its own customer fees
 - Screens identical to banks' own ATMs
- **Scaling back of own ATMs (cost reduction), marketing strategy that utilizes Seven Bank ATMs**

Improvements in convenience



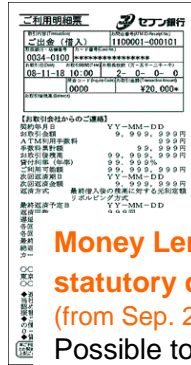
Operation screen

Transaction screen matches that of card-issuing banks



Secondary display

Screen display used for advertisements and warnings



Money Lending Business Act statutory document printing

Possible to print documents as required by the Act



"nanaco" cards

Charging and balance confirmation supported

Individual loans

(from Jan. 2010)
transfers available 24 hours a day, 365 days a year

International money transfer

(from July 2011)
International money transfers available 24 hours a day, 365 days a year
*Internet and mobile banking services started from March 2011

Assurance of safety and security



Numerical keypad

Operations difficult for other people to see



Operation screen

Cannot be seen diagonally from the side



Mirror

Allows the ATM user to view the situation behind them



IC cards

Supports highly-secure IC cards

Changing PIN Changing transaction limit

(from July 2007)
Customers able to set their own transaction limit and PIN.

Consideration to various types of customers



Overseas cards

(from July 2007)
Possible to withdraw yen with cards issued overseas



Audio-guidance

(from Nov. 2007)
Operations possible via intercom, enabling use by disabled people



UD font

(from Nov. 2010)
Adopted a font that is easy for everyone to see and read

Shorter transaction times

- The 3G ATM reduces the present transaction time to two third.

Significantly reduce waiting time until the start of the next transaction

Environmental considerations

<Main power-saving features>

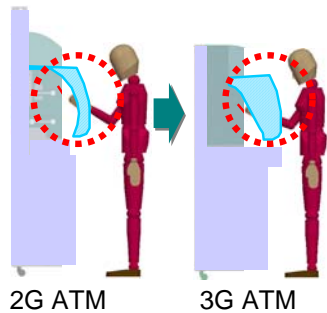
- Always switches automatically to energy-saving mode when not in use
- LED-backlit main transaction screen and second display

<Efficient use of resources>

- Use of long-life parts and recyclable materials make the new model resource efficient.(RoHS compliant)

Enhanced safety and security features

- 1) The 3G ATM unit's height has been lowered results in a more compact ATM



Changed input screen position and angle. Increased by 2-fold the area obscured from others' view by the shields on the left and right sides of the ATM



The intercom handset and input keypad have been lowered, making it easier for wheelchair-bound customers to use the ATM

- 2) Additional features to enhance ATM safety

◆ Camera at top of unit

The camera records events when users forget to retrieve their ATM card or cash, when other alerts are triggered, thus enhancing user security and security in the ATM's vicinity.

◆ Forget-me-not alert sensor

If the sensor detects a user moving away from the ATM without first retrieving the ATM card or cash, a voiced alert will remind the user not to leave these items behind.

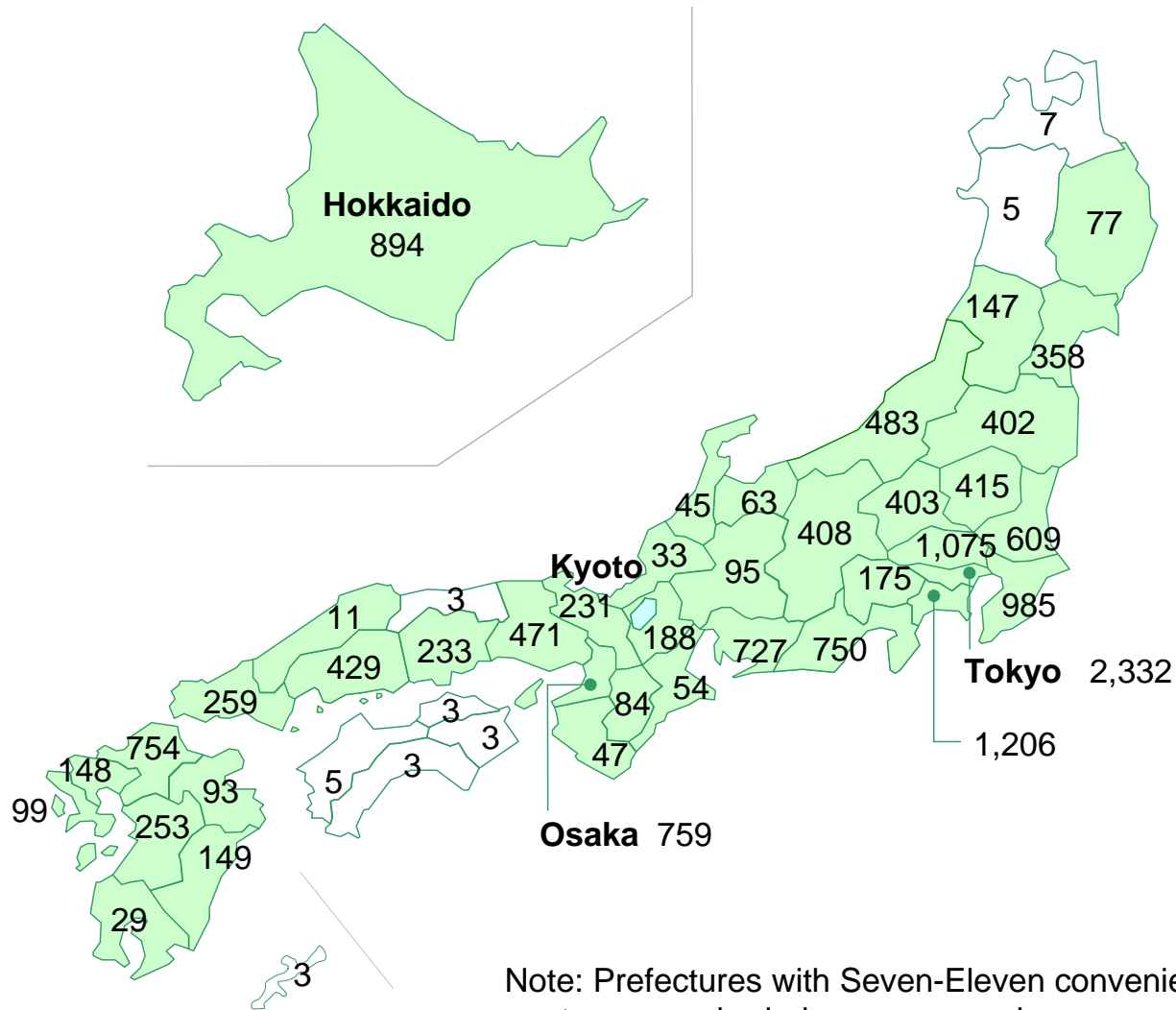
◆ Addition of second built-in speaker

A speaker has been added near the cash outlet to provide an extra reminder not to leave items behind.



Extensive nationwide ATM network

No. of ATMs by prefecture
(As of September 31, 2011)



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

Total: 16,005 ATMs

Trends in the number of correspondent companies

(Number of correspondent companies)

	FY01	FY02	FY03	FY04	FY05	FY06	FY07	FY08	FY09	FY10
Banks	7	15	27	50	63	80	92	95	97	100
Major banks	3	5	5	5	4	5	5	5	5	5
Regional banks	3	9	19	41	54	69	76	77	79	81
Other banks	1	1	3	4	5	6	11	13	13	14
"Shinkin" banks	-	-	240	241	255	263	260	264	258	262
Credit cooperatives	-	-	-	117	122	124	122	127	127	129
Labor banks	-	-	-	13	13	13	13	13	13	13
JA Bank	-	-	-	-	1	1	1	1	1	1
JF Marine Bank	-	-	-	-	1	1	1	1	1	1
Shoko Chukin Bank	-	-	-	-	-	-	-	-	1	1
Securities firms	2	2	2	2	5	8	8	8	8	9
Life insurance firms	-	4	5	5	6	8	8	8	8	8
Other financial institutions (Consumer finance, credit card companies, etc.)	-	27	35	41	47	50	49	49	41	43
Total	9	48	309	469	513	548	554	566	555	567

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

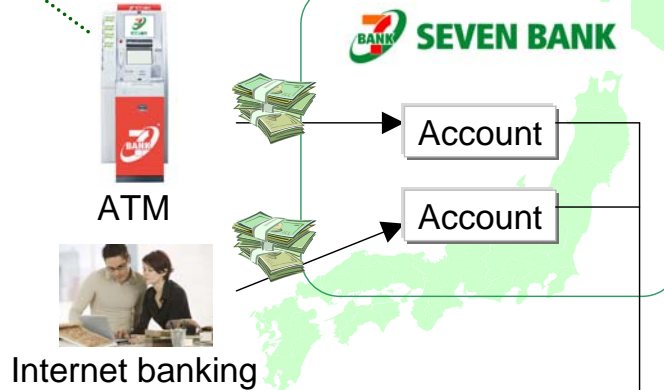
2. Japan Post Bank, which was privatized and separated in October 2007, is included among 'Other banks'.

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

Service via around 16,000 ATMs and Internet banking

→ Can send money from anywhere 24 hours a day

- Strict customer due diligence when accounts opened
- Recipient also registers in advance
- Can send money 7 days 24 hours
- ATMs located in Seven-Eleven stores, Nomura Securities branches, etc., throughout Japan. Easy access in rural areas also



Strict anti money laundering checks

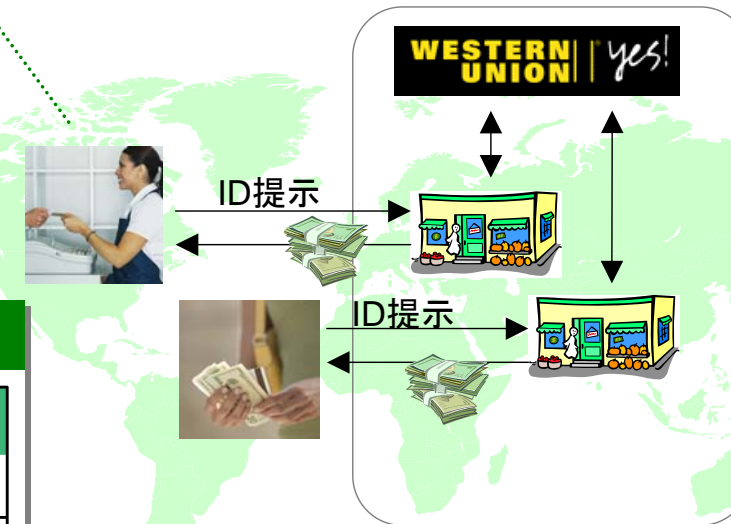
- Close monitoring for suspicious transactions activity etc. Immediately reported to authorities if discovered

Financial soundness

- Financial soundness provides peace of mind in the rare event that the money transfer does not reach recipient
<Credit rating>
Seven Bank AA- (S&P)
Western Union A- (S&P)

Recipients do not need a bank account

- ID checked with personal ID documents approved under local law. Funds paid out in cash, so bank account not necessary



Transfer completed in a few minutes (funds available)

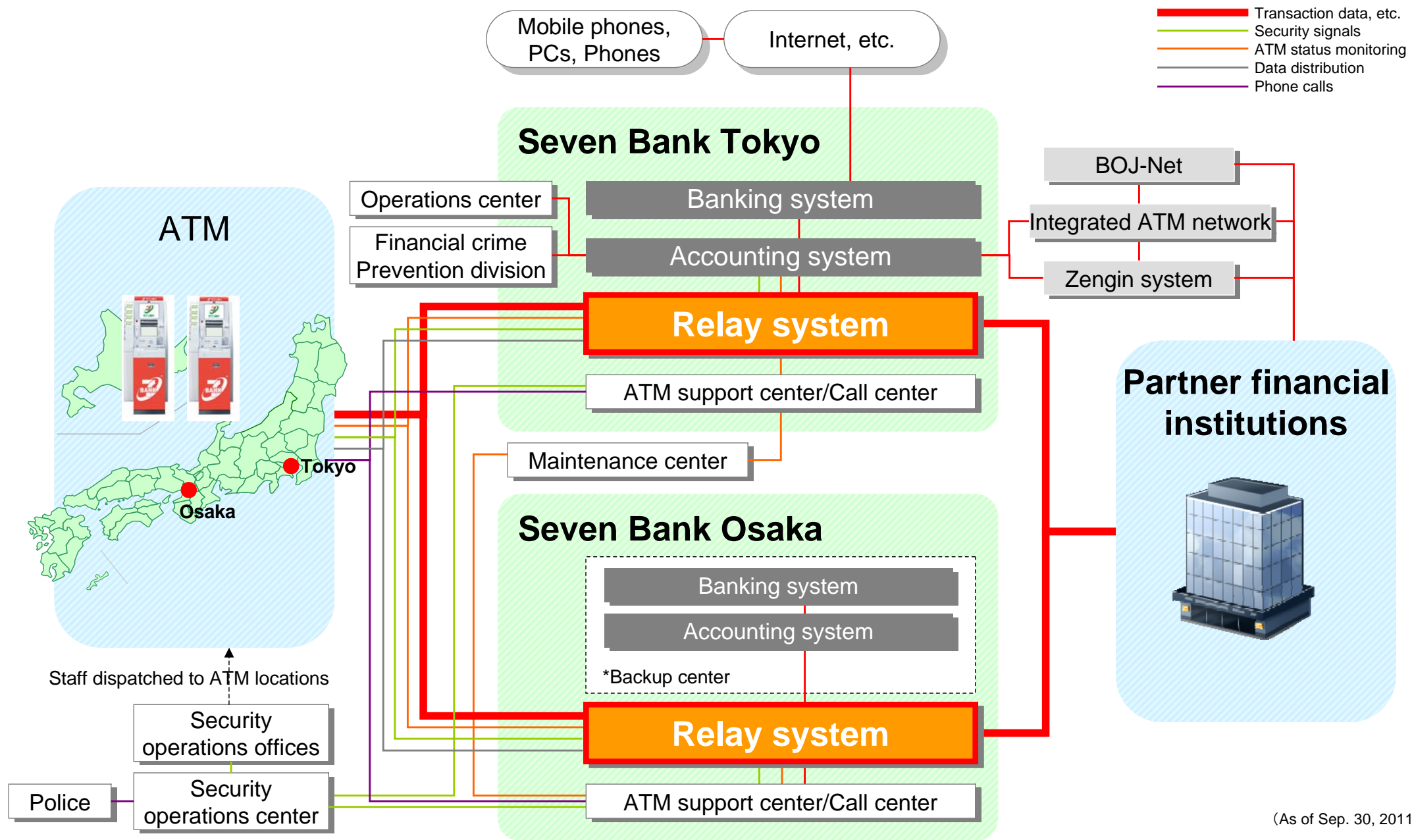
- Funds available in a matter of minutes once transfer complete

Transfer charge

Transfer amount	Transfer charge	
	Seven Bank	Other banks
Up to ¥10,000	¥990	¥4,000
¥10,001 – ¥50,000	¥1,500	
¥50,001 – ¥100,000	¥2,000	

Money can be received at approx. 400,000 agencies in around 200 countries and territories worldwide

- Money can be sent to most countries and territories worldwide, excluding countries with a high risk of money laundering transfers



(As of Sep. 30, 2011)

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.