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Stock Code: 8410
June 1, 2009

CONVOCAATION NOTICE OF THE 8TH ORDINARY GENERAL MEETING OF SHAREHOLDERS OF SEVEN BANK, LTD.

Dear Shareholder,

Notice is hereby given that the 8th Ordinary General Meeting of Shareholders of Seven Bank, Ltd. ("the Company") will be held as described below. We look forward to your attendance at the meeting.

If you are unable to attend the meeting, you may exercise your voting rights by mail. Please review the "Reference Materials for Ordinary General Meeting of Shareholders" listed below, exercise your voting rights on the enclosed Exercise of Voting Rights Form and ensure that this arrives at the return address no later than 5:30 pm on Wednesday, June 17, 2009.

Yours Sincerely,

Takashi Anzai, President
Seven Bank, Ltd.
6-1 Marunouchi 1-chome,
Chiyoda-ku, Tokyo

1. **Date and time** Thursday, June 18, 2009 at 10:00 am
2. **Place** Providence Hall
2F, Tokyo Prince Hotel
3-1 Shibakoen 3-chome, Minato-ku, Tokyo

3. Agenda of the meeting

Matters to be Reported Report on the Business Report and Financial Statements for the 8th fiscal period (from April 1, 2008 to March 31, 2009).

Resolutions	Proposal 1	Partial Amendments to the Articles Of Incorporation
	Proposal 2	Election of eight Directors
	Proposal 3	Election of one Corporate Auditor

4. Matters decided in convening the meeting

Should you wish to exercise non-uniform voting rights, please provide written notification to this effect, together with the reasons for your decision, no less than three days prior to the meeting.

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Notes:

1. Please present the enclosed Exercise of Voting Rights Form to the receptionist at the meeting.
2. Any amendments to Reference Materials for Ordinary General Meeting of Shareholders, the Business Report and Financial Statements will be disclosed on the Company's website and can be viewed at http://www.sevenbank.co.jp/about/ir/english_ir/indexhtml

Business Report for the 8th Term (from April 1, 2008 to March 31, 2009)

1 Current status of the Company

(1) Business trends and outcomes

Key operations

Seven Bank provides a range of cash deposit and withdrawal services via an extensive Automated Teller Machine (ATM) network operating 24 hours a day, 365 days a year. The ATM network consists of ATM machines at airports, hotels and train stations as well as retail outlets including Seven-Eleven and Ito-Yokado, backed up by partnerships with a wide variety of financial institutions including banks, credit unions, credit cooperatives, Labour Banks, the JA Bank, JF Marine Bank, securities companies, life insurance companies, credit card companies, and consumer finance companies.

Seven Bank also provides convenient deposit accounts combining ATM and remote banking services, primarily for the benefit of personal customers. In addition, the Company provides agency services for banks and administrative intermediation services for other product and service providers, through innovative services such as Everyone's Bank Teller Window (manned outlet in Ito-Yokado stores) and the internet website Everyone's Money Site.

Financial and economic environment

Due to the impact of the credit contraction caused by the financial crisis that originated in the U.S. and Europe, and other factors, Japan's economy has deteriorated sharply since last summer. Moreover, exports have been depressed due to the rapid strengthening of the yen resulting in a substantial decline in corporate earnings. As a result of this adverse environment, there has been a remarkably strong deterioration in business sentiment, which has exacerbated the severe employment and personal income environment, resulting in very weak levels of personal consumption and a contraction in residential investment. Furthermore, public investment remains at a low level.

In the banking sector, factors including losses caused by the financial crisis and increases in reserves reflecting higher levels of credit risk have created an environment in which the reinforcement of capital and enhanced operational efficiency have become essential.

Business trends and outcomes for the current fiscal year

(ATM services)

During fiscal 2008, Seven Bank expanded both the scope of its business partnerships and the range of services provided, and by installing ATMs in Seven & I Holdings Group ('the Group') locations, and locations outside the Group aimed to enhance the convenience afforded to customers.

We established new partnerships with the Chukyo Bank and the Korea Foreign Exchange Bank (April 2008), the Jibun Bank (July 2008), the Kansai Urban Banking Corporation (October 2008), as well as with six shinkin banks and six credit cooperatives. This brought the total number of business partners up to 566, including 95 banks (Note 1), 264 shinkin banks (Note 2), 127 credit cooperatives (Note 3), 13 labour banks, the JA bank, the JF Marine bank (Note 4), eight securities companies, eight life insurance companies and 49 other financial institutions.

To improve the level and quality of service provided to our customers and to ensure that they are able to use our facilities with safety and security, we have reinforced the security for our customers by expanding the number of IC-card compatible partners and by increasing the range of services offered including PIN number changing and other functions. As a result, by the end of March 2009 we had increased the number of bank IC-cards compatible with our ATMs to 63 banks (including

Seven Bank) and four financial sub-sectors.

Furthermore, within the Group, we have increased the number of ATMs installed in Seven-Eleven stores with high ATM usage rates (with 657 stores having two ATMs installed at the end of March 2009), and have started installing ATMs in Sogo, Seibu and Loft stores. Outside the Group, we have expanded ATM locations to new sites and formats including airports and stations, hotels, hospitals, commercial facilities, highway service areas and other new locations as well as commencing a comprehensive operating and management service for ATMs installed within branches of Nikko Cordial Securities' branches in May 2008, and beginning the operation of combined ATM corners inside Shinsei Bank branches in September 2008. As a result, the number of installed ATMs reached 13,803 (an increase of 5.9% compared to the end of March 2008) and we completed the process of switching to second-generation ATMs by the end of September 2008.

Thanks to these initiatives, total ATM usage in the fiscal year to March 2009 reached 555million transactions (up 11.3% year-on-year) resulting in daily average transactions per ATM of 114.3 over the period (up 4.8%).

Notes: 1: There were 92 partner banks at the end of March 2008. The subsequent creation of additional partnerships and mergers among partners left 95 partner banks at the end of March 2009.

2: There were 260 partner shinkin banks at the end of March 2008. The subsequent creation of additional partnerships and mergers among partners left 264 partner shinkin banks at the end of March 2009.

3: There were 122 partner credit cooperatives at the end of March 2008. The subsequent creation of additional partnerships and mergers among partners left 127 partner credit cooperatives at the end of March 2009.

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

(Financial services business)

Seven Bank had 685 thousand individual customer accounts at the end of March 2009 (up 18.5% compared to the end of March 2008) with the balance of deposits at 113.6 billion yen (up 22.8%). Of these, ordinary deposits accounted for 76.3 billion yen (up 14.2 %) and time deposits for 37.2 billion yen (up 45.3%).

In our agency and intermediary services, we expanded the products and services handled, including an expansion in the number of services offered by manned outlets, Everyone's Bank Teller Window, in Ito-Yokado stores and by our internet site, Everyone's Money Site. Moreover, in April 2008, we introduced the 'Saku Saku Investment Trust Search' service within Everyone's Money Site, which allows customers to search for and compare more than 500 investment trust products offered for sale by several different investment trust sales companies.

(Operating results)

Seven Bank achieved steadily rising numbers of ATM transactions resulting in increased ATM related fee income, and ordinary income was 89,815million yen, ordinary profit was 28,751million yen and net income was 16,988million yen.

(Assets, liabilities and net assets)

Total assets at the end of March 2009 were 493,360 million yen. The majority of this total comprised cash and due from banks required for the operation of our ATMs of 280,589 million yen. The remainder mostly consisted of marketable securities held as collateral for exchange settlements and Bank of Japan current account overdraft transactions totaling 88,887 million yen, and tangible fixed assets, mainly ATMs, of 15,998 million yen.

Liabilities were 394,966 million yen. These largely comprised deposits (excluding negotiable certificates of deposit) which were 188,111 million yen. Of these, the outstanding balance of individuals' ordinary deposits was 76,380 million yen and the balance of term deposits was 37,222 million yen.

Net assets were 98,393 million yen. Of these, retained earnings were 36,057 million yen and the non-consolidated Tier I capital ratio (domestic standard) was 45.05% (preliminary figure).

Issues the Bank needs to overcome

Japan's economy is deteriorating, and personal consumption is decreasing. Simultaneously, we have largely completed the placement of ATMs in Group company locations and the formation of partnerships with financial institutions so the pace of growth in the number of ATMs and in the ATM usage fee unit price is expected to be slower than hitherto.

Under these circumstances, the Bank recognizes that to expand its core ATM business, the Bank's strong point, and thorough cost-control will be key issues in achieving further steady business evolution.

The major projects and programs are described below.

Within the Group, we aim to increase the number of ATMs installed in Seven-Eleven stores with high ATM usage so as to reduce customer's waiting times. Simultaneously, outside the Group, we will continue to install ATMs in train stations, highway service areas and other commercial facilities, while maintaining a balance between customer needs and investment efficiency, and make efforts to win contract to operate and manage all aspects of ATM services on behalf of other financial institutions. Moreover, to ensure that our customers are able to use our ATMs with safety and security, we aim to continue to strengthen security for our customers by expanding the number of IC-card compatible partners, and by increasing the range of services offered, including PIN number changing and other functions.

In the financial services business, we will continue to aim at expanding our business while fully considering the needs of our customers. At our manned outlets, Everyone's Bank Teller Window, we plan to expand and improve the products we handle and increase our agency and intermediary partners, while also reinforcing our consulting functions so as to maximize the degree of contact with our customers. This will allow us to provide products of true value to our customers. Simultaneously, we aim to increase the number of visitors to our Everyone's Money Site website by strengthening and expanding the number of products offered.

Seven Bank aims to build up a structure capable of delivering sustainable growth by working to expand its business franchise further in both its ATM business and financial services, creating a broad-based earnings structure through these initiatives.

We trust that this outlook appeals to our shareholders, and we look forward to your continued support for the Company's ongoing operations.

(2) Assets and profit-loss

(Unit: 100 million yen)

	FY2005	FY2006	FY2007	FY2008
Deposits	1,817	1,878	1,705	1,881
Time deposits	37	159	332	517
Others	1,780	1,718	1,373	1,363
Bonds	150	750	750	600
Loans receivable	—	—	—	—
To individuals	—	—	—	—
To medium and small enterprises	—	—	—	—
Others	—	—	—	—
Commodity-related securities	—	—	—	—
Securities	535	783	978	888
Government bonds	475	781	975	865
Others	60	1	2	22
Total assets	3,613	5,327	4,881	4,933
Amount of domestic exchange handled	11,024	32,405	77,632	115,135
Amount of foreign exchange handled	million dollars —	million dollars —	million dollars —	million dollars —
Ordinary profit	million yen 19,409	million yen 25,021	million yen 24,650	million yen 28,751
Net income for the term	million yen 10,590	million yen 12,667	million yen 13,830	million yen 16,988
Net income per share for the term	yen 8,680.89	yen 10,736.56	yen 11,808.84	yen 13,924.60

Note: Figures in table are rounded off to the nearest whole unit.

(3) Employees

	Current FY end	Previous FY end
Number of employees	308	290
Average age	43 years 1 months	43 years 2 months
Average years of service	3 years 4 months	2 years 7 months
Average monthly salary	440 thousand yen	441 thousand yen

Note: 1. Figures for average age, average years of service and average monthly salary are rounded off to the nearest whole unit.

2. Number of employees figures do not include temporary or part-time employees.

3. Average monthly salary is the average figure for March, excluding bonuses

(4) Outlets and branch stores

(a) Growth in numbers of outlets and branch stores

	Current FY end		Previous FY end	
	Total	(incl. outlets)	Total	(incl. outlets)
Tokyo metropolitan region	21	(3)	21	(3)
Saitama prefecture	1	(1)	1	(1)
Chiba prefecture	2	(2)	2	(2)
Total	24	(6)	24	(6)

Note: 1. Outlets and branch stores were inclusive of 1 HQ, 17 virtual branch stores (12 for individual, 5 for corporate) and 6 manned outlets.

2. In addition to the above, non-store ATMs were installed in 12,814 locations as at the end of the current fiscal year (up from 12,388 the previous year).

(b) New outlets and branch stores

There were no new outlets and branch stores. There were 1,030 new non-store ATMs, but 604 non-store ATMs were closed.

(c) Bank agencies

There were no bank agencies acting on behalf of the Company.

(d) Bank agency services

Name/trading name of affiliated financial institution
Sumitomo Mitsui Banking Corporation
The Chiba Bank, Co., Ltd.
Saitama Resona Bank, Ltd.
Sony Bank Inc.

(5) Plant and equipment investment

(a) Total value of investment

(Unit: million yen)

Total plant and equipment investment	14,169
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Note: 1. The above figure is rounded off to the nearest whole unit.

2. The above figure represents total investment in tangible and intangible fixed assets (excluding transfers from temporary accounts).

(b) Major plant and equipment projects

(Unit: million yen)

Details	Value
ATMs	8,856
Software	4,760

Note: All figures are rounded off to the nearest whole unit.

(6) Key parent and affiliate company relationships

(a) Parent companies

Name	Location	Main business	Founded	Capital	Percentage of voting rights in the Company owned by the parent company*	Other
Seven & i Holdings Co., Ltd.	Chiyoda-ku, Tokyo	Pure holding company	September 1, 2005	million yen 50,000	% 47.78 (47.78)	—

Note:* Brackets indicate indirect ownership.

The parent company has a deposit transaction relationship with the Company.

(b) Subsidiary companies

Nothing to report

(7) Assignment of business

Nothing to report.

(8) Other key matters in relation to the bank

Major loan sources

(Unit: million yen)

Loan source	Value of loans
Meiji Yasuda Life Insurance Company	19,000
The Dai-ichi Mutual Life Insurance Company	15,000
Sumitomo Life Insurance Company	9,000
Nippon Life Insurance Company	5,000
Mitsui Sumitomo Insurance Co., Ltd.	5,000

2 Executives (directors and statutory auditors)

(1) Directors

(as at end of financial year)

Name	Position Area of responsibility	Other posts held concurrently	Other
Takashi Anzai	President [Business in Charge] Internal Audit Division	Director, Seven & i Holdings Co., Ltd. Statutory Auditor, The Asahi Shimbun Company	-
Masatoshi Wakasugi	Director, Senior Managing Executive Officer and General Manager , Human Resources Division [Business in Charge] Risk Management Office, Research Division, Human Resources Division		-
Toshiaki Ikeda	Director, Managing Executive Officer and General Manager , System Development Division [Business in Charge] System Development Division, System Planning Office, Operations Division, Customer Service Division, ATM Administration Division		-
Kensuke Futagoishi	Director, Managing Executive Officer and General Manager , Planning Division [Business in Charge] Planning Division, Treasury Office		-
Yasuaki Funatake	Director, Managing Executive Officer and General Manager , [Business in Charge] Business Development Division, Business Promotion Division		-
Takahide Sakurai	Director (part-time)	Advisor to the Dai-ichi Mutual Life Insurance Company	-
Yoji Ohashi	Director (part-time)	Chairperson and Director, All Nippon Airways Co., Ltd. Vice-Chairman of the Nippon Keidanren truly	-
Toshikazu Tamura	Director (part-time)		-
Nobutake Sato	Director (part-time)	Director and Vice Chairman of Ito-Yokado Co., Ltd. Chairman, Representative Director and Chief Executive Officer of York-Benimaru Co., Ltd.	-
Tadahiko Ujiie	Director (part-time)	Director, Senior Executive Officer and Chief Financial Officer of Seven & i Holdings Co., Ltd. Director and Senior Executive Officer with responsibility for the Planning Office and General Manager of Finance Department at Seven-Eleven Japan Co., Ltd. President of SE Capital Corporation President of Seven & i Financial Center Co., Ltd. President of Seven & i Financial Group	-
Hideo Tanaka	Statutory Auditor (full-time)		-
Masaharu Hino	Statutory Auditor (part-time)	Lawyer Professor at Surugadai Law School Director of JASDAQ Securities Exchange, Inc.	-
Sachiko Kishimoto	Statutory Auditor (part-time)	Director and Secretary-General, Center for Public Resources Development	-
Masayuki Sato	Statutory Auditor (part-time)	Executive Officer and CSV System Senior Officer of the System Planning Division, Seven & i Holdings Co., Ltd.	-

(2) Remuneration for company directors

Category	Number of persons	Remuneration level
Director	10	259 million yen (inclusive of 55 million yen in non-salary payments)
Statutory Auditor	4	31 million yen (inclusive of 1 million yen in non-salary payments)
Total	14	290 million yen (inclusive of 56 million yen in non-salary payments)

Notes:

1. Amounts smaller than a single unit have been discarded.
2. The following amounts are included, as 'Other than fees', in the 'Fees, etc.' figure:
 - (1) An addition to the Reserve for Retirement Benefits for Directors and Statutory Auditors of 12 million yen (directors 11 million yen, auditors 1 million yen) in respect of fiscal 2008 has been made. The Bank discontinued the Retirement Benefit for Directors and Statutory Auditors system on June 18th 2008. The addition to the Reserve for Retirement Benefits for Directors and Statutory Auditors mentioned above represents the amount in respect of April to June 2008 that was recorded prior to discontinuation.
 - (2) In accordance with a resolution of the Board of Directors taken on June 18th 2008, 43 million of new share subscription rights were granted to five directors as stock options.
3. In addition to the above, an amount of 13 million yen equivalent to bonus payments has been made to persons who are both employees and directors of the Bank.
4. There are no directors' bonuses for directors and auditors.
5. In accordance with a resolution of the Ordinary General meeting of Shareholders taken on June 18th 2008, limits of 300 million yen (including 50 million yen for external directors) and 100 million yen respectively were set for emoluments for a director and a statutory auditor. Furthermore, separately from the directors' emoluments, a limit of 60 million yen was set for stock options granted to a director.

3 External executives

(1) Concurrent posts held by external executives

Name	Concurrent posts
Takahide Sakurai	Advisor to The Dai-ichi Mutual Life Insurance Company (a shareholder in the Company with business interests in the Company) External auditor, Asahi Breweries, Ltd. External director, Imperial Hotel, Ltd.
Yoji Ohashi	Vice President and Representative Director, All Nippon Airways Co., Ltd. Vice-Chairman of the Nippon Keidanren truly External auditor of The Japan Atomic Power Company
Toshikazu Tamura	Director of Mandom Corporation
Nobutake Sato	Director and Vice Chairman of Ito-Yokado Co., Ltd. (a shareholder in the Company with business interests in the Company) Chairman and Chief Executive Officer of York-Benimaru Co., Ltd. (a shareholder in the Company with business interests in the Company) Director of Robinson Department Store Co., Ltd. Director of Marudai Co., Ltd. Director of SEVEN & i Publishing Co., Ltd. Director of 7-Eleven, Inc.
Tadahiko Ujiie	Director, Senior Executive Officer and Chief Financial Officer of Seven & i Holdings Co., Ltd. (parent company with business interests in the Company) Director, Senior Executive Officer with responsibility for Planning Office and General manager of Finance Division at Seven-Eleven Japan Co., Ltd. (a shareholder in the Company with business interests in the Company) President of SE Capital Corporation (which has business interests in the Company) President of Seven & i Financial Center Co., Ltd. (which has business interests in the Company) President of Seven & i Financial Group External auditor of Seven & i Life Design Research Institute, Ltd.
Hideo Tanaka	None
Masaharu Hino	External director of JASDAQ Securities Exchange (on which the Company is listed) External auditor of Toyo Kanetsu K.K. Director, Fujita Corporation External auditor, Carchs Holdings Co., Ltd.
Sachiko Kishimoto	None
Masayuki Sato	Executive Officer and CSV System Senior Officer of the System Planning Division, Seven & i Holdings Co., Ltd. (parent company with business interests in the Company) Board Member, SEVEN-ELEVEN(CHINA)CO.,LTD. Director of Seven&i Net Media

Note: There are no major business interests in the Company other than those detailed above.

(2) Contribution of external executives

Name	Appointment period	Attendance at the Board of Directors during current fiscal year	Verbal input and other contributions at the Board of Directors
Takahide Sakurai	April 2001 to present	Attended 12 of 14 Board of Directors	Contributed advice and opinions regarding management policy and company operations, drawing on his experience as a management executive
Yoji Ohashi	June 2008 to present	Attended 10 of the 11 Board of Directors held following his appointment	Contributed advice and opinions regarding management policy and company operations, drawing on his experience as a management executive
Toshikazu Tamura	As above	Attended all 11 Board of Directors held following his appointment	Contributed advice and opinions regarding management policy and company operations, drawing on his experience as a management executive and university professor
Nobutake Sato	April 2001 to present	Attended 13 of 14 Board of Directors	Contributed advice and opinions regarding management policy and company operations, drawing on his experience as a management executive
Tadahiko Ujiie	As above	Attended 13 of 14 Board of Directors	Contributed advice and opinions regarding management policy and company operations, drawing on his experience as a management executive
Hideo Tanaka	As above	Attended all 14 Board of Directors Attended all 14 Board of Auditors	Assumed overall responsibility for auditing processes, attending meetings and conferences on business management and other key events in his capacity as permanent auditor
Masaharu Hino	June 2005 to present	Attended 13 of 14 Board of Directors Attended 13 of 14 Board of Auditors	Contributed advice and opinions on legal compliance and internal controls in areas such as management policy and company operations, drawing on his expertise in legal affairs
Sachiko Kishimoto	As above	Attended all 14 Board of Directors Attended all 14 Board of Auditors	Contributed advice and opinions from the consumer perspective on the consumer protection implications of management policy and company operations
Masayuki Sato	As above	Attended all 14 Board of Directors Attended all 14 Board of Auditors	Contributed advice and opinions on the systems risks associated with aspects of management policy and company operations, drawing on his expertise as a systems analyst

(3) Liability limitation agreements

On the basis of the provisions of Article 427, Section 1 of the Company Law, the Company has concluded agreements with all part-time directors and auditors for limitation of indemnity liability as provided in Article 423, Section 1 of the Company Law.

The amount of the liability limitation under the agreement is as provided by law.

(4) Remuneration for external executives

	Number of persons	Remuneration from banks	Remuneration from bank parent companies
Total remuneration	9	64 million yen (inclusive of 2 million yen in non-salary payments)	133 million yen

Note:

1. All figures are rounded to the nearest whole unit.
2. A payment of 2 million yen (external directors 0 million yen, external auditors 1 million yen) has been made as an addition to the Reserve for Retirement Benefits for Directors and Statutory Auditors for the current term under 'Other than fees', in the 'Fees, etc.' figure. The Bank discontinued the Reserve for Retirement Benefits for Directors and Statutory Auditors on June 18th 2008. The addition to the Reserve for Retirement Benefits for Directors and Statutory Auditors mentioned above represents the amount in respect of April to June 2008 that was recorded prior to discontinuation.
3. Directors and Statutory auditors did not receive executive bonuses or stock options.

(5) Input from external executives

Nothing to report

4 Company shares

(1) Shares	Total available for issue	Normal shares	4,880,000
	Total issued	Normal shares	1,220,000

(2) Shareholders as at end of term 20,861

(3) Major shareholders

Shareholder name/title	Shareholding in the Company	
	Number of Shares	% holding
Seven-Eleven Japan Co., Ltd.	303,639	24.88
Ito-Yokado Co., Ltd.	196,961	16.14
The Master Trust Bank of Japan, Ltd. (trust account)	56,310	4.61
York-Benimaru Co., Ltd.	52,400	4.29
Japan Trustee Services Bank Ltd. (trust account)	37,674	3.08
Life Foods Co., Ltd.	30,000	2.45
State Street Bank and Trust Company	23,313	1.91
Sumitomo Mitsui Banking Corporation	15,000	1.22
The Dai-ichi Mutual Life Insurance Company	15,000	1.22
The Chase Manhattan Bank NA London SL Omnibus Account	12,031	0.98

Note:

- Shareholding ratios are rounded off to two decimal places.
- Table shows the 10 largest shareholders, two of which hold more than 10% of total shares issued.

5 Items concerning the Bank's new stock subscription rights etc.

(1) The Bank's new stock subscription rights owned by directors as of the end of the fiscal year

	New stock subscription rights	Number of persons owning new stock subscription rights
Directors (Excluding external directors)	<ol style="list-style-type: none"> Name Seven Bank First (1) New Stock Subscription Rights Issuance decided: 18th June 2008 (see Note) Number of new stock subscription rights 184 Number and type of shares to be acquired per new stock subscription right One ordinary share Amount to be paid per new stock subscription right 236,480 yen Capital to be issued on exercise of new stock subscription right One yen per one new stock subscription right Exercise period for new stock subscription rights From 13th August 2008 to 12th August 2038 Conditions on exercise of new stock subscription rights The new stock subscription rights may be exercised for a period of 10 days following the day after the forfeit of the status as a director 	5
External directors	—	—
Statutory auditors	—	—

Note: The details of new stock subscription rights were partially amended by a decision taken at the Board of Directors' meeting held on 17th July 2008 and the content of the table above has been revised as shown in the following table.

(2) New stock subscription rights granted to employees etc. during the fiscal year

	New stock subscription rights	Number of persons owning new stock subscription rights
Employees (Executive officers)	1. Name Seven Bank First (2) New Stock Subscription Rights 2. Issuance decided: 18 th June 2008 (see Note) 3. Number of new stock subscription rights 21 4. Number and type of shares to be acquired per new stock subscription right One ordinary share 5. Amount to be paid per new stock subscription right 236,480 yen 6. Capital to be issued on exercise of new stock subscription right One yen per one new stock subscription right 7. Exercise period for new stock subscription rights From 13 th August 2008 to 12 th August 2038 8. Conditions on exercise of new stock subscription rights The new stock subscription rights may be exercised for a period of 10 days following the day after the forfeit of the status as an executive officer	3

Note: The details of new stock subscription rights were partially revised by resolution of a Board of Directors meeting held on 17th July 2008 and the details following revision are shown in the table above.

6 Items concerning accounting auditors

(1) Accounting auditors

Company and individual names	Emoluments etc. for the fiscal years	Other
KPMG AZSA & Co. Designated employees: CPA Youichi Ozawa CPA Seiki Miyata	Emoluments based on work as specified by Article 2, Item 1 of the CPA Law: 55 million yen Emoluments other than the above: None	None

Notes:

- Amounts smaller than a single unit have been discarded.
- Regarding audit contracts between the Bank and its accounting auditors, as no distinction is made, or can realistically be made, between amounts paid to auditors as auditors' emoluments based on Company Law and those based on the Financial Instruments and Exchange Law, the amount noted as being paid as 'Emoluments on the basis of work as regulated by Article 2, Item 1 of the CPA Law' includes amounts paid to auditors as auditors' emoluments on the basis of the Financial Instruments and Exchange Law.

(2) Limited liability contracts

Nothing to report

(3) Other items concerning accounting auditors

A: Policy on the dismissal or non-reappointment of accounting auditors

In cases where circumstances concerning the accounting auditors correspond to grounds as specified by the items under Company Law Article 340-1 and its clauses, the Bank's Board of Auditors may consider the dismissal of the accounting auditor, and, in cases where dismissal of the accounting auditor is deemed to be appropriate, shall dismiss the accounting auditor on the basis of the agreement of all of the Board of Auditors members. Furthermore, the Bank's Board of Directors may, on consideration of the work conducted by the accounting auditors and the Bank's auditing structure, etc., and with the approval of the Board of Auditors, make a proposal to the General Ordinary Meeting of Shareholders that the accounting auditors not be reappointed in cases where they deem that a change of accounting auditors is necessary.

B: Policy concerning the exercise of authority granted to the Board of Directors by the provisions of the appropriate articles of incorporation in cases where such provisions exist under the terms of Company Law 459-1.

One of the most important aspects of the Bank's management policy is the return of profits to shareholders and so it is a key policy of the Bank to strive to ensure that a stable dividend is continuously paid from reserves while taking into consideration the need to achieve a balance between ensuring an appropriate level of return of profits to shareholders and retained earnings. The Bank's basic policy is the targeting of an annual

payout ratio of 35% and the payment of dividends twice (i.e. an interim dividend and a year-end dividend) during the fiscal year.

C: In the case of a large company as defined by Company Law 444-3, and where audit (in accordance with the Company Law or Financial Instruments and Exchange Law, or equivalent laws in foreign jurisdictions) of important financial documents (and their equivalents) of corporate or other subsidiaries of the Bank is conducted by the accounting auditor (including a body with an equivalent qualification in a foreign jurisdiction), or audit is conducted by a certified public accountant (including a foreign CPA subject to CPA Law 16-2 Item 5) other than the Bank's accounting auditor, details thereof:

Not applicable

7 Basic policy concerning the current status of persons supervising the determination of financial and operational policy

There is no precisely defined format established for this but the Bank's policy is to ensure that suitable measures are taken to ensure the continued growth of the Bank's business, the strengthening of its corporate governance and the maximization of its corporate value.

8 System for the suitable maintenance of operations

It was resolved at a Board of Directors' meeting held on May 8, 2006 that the relevant steps be taken to ensure the suitable maintenance of operations of the Bank in accordance with Company Law Article 362-4, Item 6. In accordance with this resolution, each fiscal year the Bank undertakes a review of the progress made towards this end. An outline of the review follows:

1. System for ensuring that the execution of their duties by directors is carried out in accordance with the law and with the articles of incorporation

The Bank has established a 'Basic Policy on Compliance' and 'Compliance Standards' for the implementation of compliance as regards management. The directors regularly report to the Board of Directors on the current state of progress made on compliance initiatives.

2. System for the storage and control of information related to the execution by directors of their duties

Prompt disclosure is to be made in cases where there is a request made either by directors or statutory auditors concerning the suitable and secure storage and control of information related to the execution by directors of their duties.

3. Regulations and other structures for controlling the risk of loss

The Board of Directors has established a 'Basic Policy on Risk Control' comprising systematic provisions for risk control with the aim of securing a sound and effective system for the appropriate control of the Bank's operational risk. The directors regularly report to the Board of Directors about issues related to risk control.

4. System for ensuring the efficient execution of their duties by directors

The Board of Directors aims to ensure its efficient operation by establishing 'Rules for the Board of Directors' and by making provisions for important issues to be placed on its agenda and suitably reported. The Board of Directors has established the Executive Committee for the efficient determination of operational policy initiatives and introduced an executive officer system with the aim of achieving the smooth and efficient implementation of such initiatives.

5. System for ensuring that the execution of their duties by employees is carried out in accordance with the law and with the articles of incorporation

The directors have established an appropriate compliance system based on the 'Basic Policy on Compliance' and 'Compliance Standards'. The directors bear ultimate responsibility for the creation of structures, determination of policy and execution of such policies with the aim of ensuring that compliance is maintained in the execution of employee duties.

6. Structure for the maintenance of the appropriateness of the Group's operations

The directors and employees of the Bank, as a member of the Seven & I Holdings Group and sharing its management philosophy, are united in striving to promote a law-abiding attitude. With the aim of prioritizing the soundness of the Bank's management, the Bank has established a structure for independent management decision-making whilst continuing the employment of a strict arm's-length rule and other measures with the same aim.

7. Items concerning relevant employees in the case of requests from statutory auditors for the deployment of such employees to support the role of statutory auditors

Bank employees shall be seconded to the Statutory Auditors' Room on its establishment. The directors shall appoint support staff to assist with audit functions in response to requests from the statutory auditors. The statutory auditors may request assistance with the auxiliary audit function from the internal audit department.

8. Items concerning the independence of the employees of the statutory auditors from the directors

The Board of Auditors may request the directors, on prior receipt of reports from the directors concerning the personnel movements and personnel evaluations of the assistants to the statutory auditors, to make changes in circumstances where it is necessary that such changes be made.

9. System for reports to the statutory auditors made by directors and employees and for other reports to the statutory auditors

Directors and employees shall promptly report important matters, in addition to legal issues, to the statutory auditors. The directors shall determine, on receipt of an explanation of the current state of auditing policy and the implementation of the audit, the issues which should be reported to the Board of Auditors having determined such in consultation with the Board of Auditors and shall duly make their report to the Board of Auditors.

10. System for ensuring that the audit carried out by other statutory auditors is implemented effectively

The directors shall ensure that the internal audit department holds regular meetings with the Board of Auditors to facilitate the exchange of opinions about important auditing issues and themes and the deepening of their mutual understanding.

9. Items concerning accounting advisors

Noting to report

10. Other

Noting to report

Balance Sheets

Balance Sheet at the End of the 8th Term (as of March 31, 2009)

(Millions of yen)

Category	Amount	Category	Amount
(Assets)		(Liabilities)	
Cash and due from banks	280,589	Deposits	188,111
Cash	274,388	Ordinary deposits	136,073
Due from banks	6,200	Time deposits	51,795
Call loans	29,000	Other deposits	242
Securities	88,887	Negotiable certificates of deposits	41,200
Government bonds	86,593	Borrowed money	69,000
Stocks	2,294	Bonds	60,000
Other assets	62,882	Other liabilities	36,381
Prepaid expenses	286	Income taxes payable	7,204
Prepaid pension cost	115	Accrued expenses	3,982
Accrued income	7,331	Unearned revenue	1
ATM-related temporary payments	54,342	ATM-related temporary advances	22,677
Other	806	Other	2,515
Tangible fixed assets	15,998	Provision for bonuses	273
Buildings	772	Total liabilities	394,966
ATMs	14,282	(Net assets)	
Other (tangible fixed assets)	944	Capital stock	30,500
Intangible fixed assets	14,777	Capital surplus	31,739
Software	13,157	Legal capital surplus	30,500
Software-related temporary accounts	1,605	Other capital surplus	1,239
Other (intangible fixed assets)	14	Retained earnings	36,057
Deferred tax assets	1,291	Other retained earnings	36,057
Allowance for loan losses	(65)	Retained earnings brought forward	36,057
		Total shareholders' equity	98,296
		Valuation difference on available-for-sale securities	48
		Total valuation and translation adjustments	48
		stock options	48
		Total net assets	98,393
Total assets	493,360	Total liabilities and net assets	493,360

Statement of Income

Statement of Income for the 8th Term (from April 1, 2008 to March 31, 2009)

(Millions of yen)

Category	Amount	
Ordinary income		89,815
Interest income	878	
Interest and dividends on securities	587	
Interest on call loans	277	
Interest on deposits with banks	13	
Fees and commissions income	88,741	
Remittance-related fee income	527	
ATM-related fee income	85,554	
Other fees and commissions income	2,659	
Other ordinary income	19	
Gain on financial derivatives	19	
Other income	175	
Other	175	
Ordinary expenses		61,064
Interest expenses	2,759	
Interest on deposits with banks	489	
Interest on negotiable certificates of deposits	490	
Interest on call money	62	
Interest on borrowings and rediscounts	705	
Interest on bonds	1,011	
Fees and commissions expenses	9,183	
Remittance-related fee expense	232	
ATM placement fee expenses	8,541	
ATM-related fee expenses	351	
Other fees and commissions expenses	58	
Other operating expenses	80	
Losses on redemption of bonds	74	
Expenses on derivatives other than for trading or hedging	6	
General and administrative expenses	48,891	
Other ordinary expenses	149	
Other ordinary expenses	149	
Ordinary profit		28,751
Extraordinary income		27
Reversal of allowance for credit losses	1	
Transfer to reserve for losses on cancellation of leases	25	
Extraordinary losses		41
Losses on disposal of noncurrent assets	41	
Income before income taxes		28,736
Income taxes - current	11,712	
Income taxes - deferred	36	
Total income taxes		11,748
Net income		16,988

Statement of Changes in Net Assets

Statement of Changes for the 8th Term (from April 1, 2008 to March 31, 2009)

(Millions of yen)

	Stockholders' equity					Total stockholders' equity
	Common stock	Capital surplus			Surplus	
		Capital reserve	Other capital surplus	Total capital surplus	Other retained earnings	
Balance as of March 31, 2008	30,500	30,500	1,239	31,739	26,755	88,994
Change in items during the period						
Dividends from surplus				—	(7,686)	(7,686)
Net income				—	16,988	16,988
Net change in items other than stockholders' equity				—		—
Total change in items during the period	—	—	—	—	9,302	9,302
Balance as of March 31, 2009	30,500	30,500	1,239	31,739	36,057	98,296

	Valuation and translation adjustments		Stock acquisition rights	Total net assets
	Net unrealized losses on other available-for-sale securities, net of taxes	Total valuation and translation adjustments		
Balance as of March 31, 2008	(19)	(19)	—	88,974
Change in items during the period				
Dividends from surplus		—		(7,686)
Net income		—		16,988
Net change in items other than stockholders' equity	67	67	48	116
Total change in items during the period	67	67	48	9,418
Balance as of March 31, 2009	48	48	48	98,393

Explanatory notes

Amounts of less than 1 million yen have been discarded.

Important accounting policies

1. Basis and methodology for the valuation of securities

Available-for-sale securities with available fair market values are stated at their fiscal year-end fair market values (realized gains or losses on sales of such securities are computed using primarily the moving-average method). Available-for-sale securities with no available fair market value are stated at cost using the moving-average method. Unrealized gains and losses on these securities are reported as a separate component of net assets.

2. Method for calculating depreciation of tangible fixed assets

(1) Tangible fixed assets (excluding leases)

Depreciation of tangible fixed assets (excluding buildings and attached structures) is calculated by the declining-balance method over the estimated useful lives of the assets.

Estimated useful lives of major items are as follows:

Buildings:	6-18 years
ATMs:	5 years
Others:	2-20 years

(2) Intangible fixed assets (excluding leases)

Intangible fixed assets are amortized using the straight-line method. Software utilized by the Bank is amortized over the period in which it is expected to be utilized (five years).

3. Translation of assets and liabilities denominated in foreign currencies

Assets and liabilities denominated in foreign currencies are translated into Japanese yen mainly at the exchange rate revealing at the balance sheet date

4. Provisioning standards

(1) Allowance for credit losses

An allowance for credit losses is provided as detailed below in accordance with the Bank's internal standards for write-offs and provisions.

For credits to obligors classified as normal obligors or watch obligors, on the basis of expected loss ratios and other factors, and defined according to fixed categories, the allowance for credit losses is provided based on the Bank's estimated rate of credit losses in accordance with the 'Administrative guidelines concerning the self assessment of assets, bad debt amortization and bad debt reserves for banks and other financial institutions' (Japan CPA Association Bank Audit Special Committee Report No. 4).

For credits to obligors classified as bankruptcy risk obligors, the allowance for credit losses is provided for estimated unrecoverable amounts determined after excluding the portion that is estimated to be recoverable due to available security interests and guarantees.

For credits to obligors classified as substantially bankrupt obligors or bankrupt obligors, the allowance for credit losses is provided in the full amounts of such credits, excluding the portion that is estimated to be recoverable due to available security interests and guarantees.

The Bank's Risk Management Office, which is independent from the Bank's other divisions, evaluates all credits in accordance with its internal rules for self-assessment of assets, and its evaluations are audited by the Internal Audit Division, which is independent from the Bank's other divisions and the Risk Management Office. The allowance is provided based on the results of these assessments.

(2) Reserve for bonuses

The Bank records a reserve for bonuses for employees in the amount of estimated bonuses attributed to the relevant fiscal year.

(3) Employees' severance and retirement benefits

Reserve for employees' severance and retirement benefits is provided for the payment of employees' retirement benefits based on estimated amounts of the actuarial retirement benefit obligation and the related plan assets as of the fiscal year end.

As the estimated amounts of the plan assets exceeded those of the actuarial retirement benefit obligation adjusted for unrecognized prior service cost and unrecognized net actuarial difference, the excess was presented as prepaid

pension cost in the balance sheets.

Unrecognized prior service cost and unrecognized net actuarial differences are treated as expenses as follows:

Unrecognized prior service cost: Amortized using the straight-line method over ten years within the employees' average remaining service period at incurrence.

Unrecognized net actuarial difference: Amortized using the straight-line method over ten years within the employees' average remaining service period, commencing from the next fiscal year of incurrence.

(4) Reserve for retirement benefits for directors and statutory auditors
(additional information)

The Bank discontinued its system of directors' retirement benefits in response to a proposal to discontinue the reserve for directors' retirement benefits approved at the Ordinary General Meeting of Shareholders held on 18th June 2008. As a result of this, the entire amount of the reserve for retirement benefits for directors and statutory auditors was drawn down and the unpaid total of 282 million yen of discontinued payment amounts was included in 'Other liabilities'.

(5) Lease transactions

Finance leases that do not transfer ownership to lessees and for which the lease transaction commenced prior to April 1, 2008 are accounted for in the same manner as operating leases.

(6) Method of accounting for hedge transactions

Interest rate risk hedges

For some liabilities we have employed a special accounting treatment for interest rate swaps. For hedges designed to reduce the impact of volatility in the market for variable interest rates, we have individually identified the hedge target and designated interest rate swap trades as hedge transactions.

(7) Consumption taxes

National and local consumption taxes are accounted for using the tax-excluded method.

Change in accounting policy

(lease transactions)

The accounting treatment for finance lease transactions other than those involving a transfer of title was previously based on the operating lease method. However, for accounting periods commencing on or after April 1, 2008 the Bank has adopted the Accounting Standard for Lease Transactions ASBJ Statement No. 13 of March 30, 2007 and the Guidance on Accounting Standard for Lease Transactions of the same date, and the accounting treatment for such transactions is now based on these.

Important notes

(Balance sheet related)

1. For the purposes of settlement and Bank of Japan current overdraft transactions, security of 86,593 million yen of available for sale securities has been provided. Also, 716 million yen of guarantees are included in Other Assets.

2. Depreciation total for tangible fixed assets 20,049 million yen

3. Net assets per share 80,610.55 yen

4. In addition to the fixed assets included on the balance sheet, the Bank uses ATMs, electronic calculating and other peripheral equipment and some other OA equipment on financial lease contracts without transfer of property ownership.

1) Finance lease transactions other than those under which it is acknowledged that the leased property ownership rights revert to the leasing company

(1) Acquisition price amount	Tangible fixed assets	7,690 million yen
	Intangible fixed assets	502 million yen
	Total	8,193 million yen

(2) Total equivalent depreciation amount	Tangible fixed assets	5,247 million yen
	Intangible fixed assets	373 million yen
	Total	5,620 million yen

(3) Amount remaining at year-end	Tangible fixed assets	2,443 million yen
	Intangible fixed assets	128 million yen
	Total	2,572 million yen

(4) Year-end total unexpired lease fees	Less than one year	1,577 million yen
	More than one year	1,079 million yen
	Total	2,657 million yen

(5) Lease fees payable, depreciation and lease interest payable		
	Lease fees payable	2,027 million yen
	Depreciation	1,934 million yen
	Lease interest payable	80 million yen

(6) Method of calculating depreciation expenses
Straight-line method based on number of years remaining on lease, residual value zero

(7) Method of calculating interest costs
Interest amount equivalent to the difference between the total amount of leasing expenses and acquisition cost of leased assets; allocated to each term by the interest method

2) Operating lease transactions		
Outstanding leasing fees	Less than one year	7 million yen
	More than one year	4 million yen
	Total	12 million yen
5. Retirement obligations outstanding at the end of current term		
Projected benefit obligation		-994 million yen
Pension assets (market value)		431 million yen
Unfunded projected benefit obligation		-562 million yen
Unrecognized actuarial differences		648 million yen
Unrecognized prior service liabilities		30 million yen
Net figure on Balance Sheet		115 million yen
Prepaid pension costs		115 million yen
6. Total monetary claims on affiliated companies		62 million yen
7. Total monetary liabilities payable to affiliated companies		27,253 million yen
8. Restriction on dividends from retained earnings in accordance with Article 18 of the Banking Law		
When paying a dividend from retained earnings, despite the provisions of Company Law Article 445-4 (amount of capital and amount of reserves), on payment of a dividend from retained earnings, one fifth of the amount by which retained earnings has been reduced is to be accounted as capital surplus or retained earnings. Because the amount of the Bank's capital surplus is greater than its capital, in respect of this fiscal year no amount is being accounted for in retained earnings due to the dividend being paid from retained earnings.		

(P&L related items)

1. Profit from trading with affiliated companies		
	Total income from fee transactions, etc.	659 million yen
	Costs deriving from transactions with affiliated companies	
	Total costs deriving from fund raising transactions	103 million yen
	Total costs deriving from fee transactions etc.	8,348 million yen
	Total costs deriving from other transactions	6 million yen
2. Net income per share		13,924.60 yen
3. Diluted net income per share		13,923.12 yen

(Note to statements of changes in shareholders' equity)

1. The types and total amounts of shares issued by the Company and of treasury stock are as follows:

(unit: thousand shares)

	Number of shares at the end of the preceding business year	Increase during the fiscal year	Decrease during the fiscal year	Number of shares at the end of this fiscal year	Remarks
Stocks issued					
Common stock	1,220	—	—	1,220	
Total	1,220	—	—	1,220	

(Note) There are no treasury stocks

2. Stock acquisition rights and treasury stock acquisition rights

Details of stock acquisition rights	Type of shares	Number of shares (shares)				Balance at the end of the period of the fiscal year (Millions of yen)	Remarks
		At the end of the previous fiscal year	Increase during the period of the fiscal year	Decrease during the period of the fiscal year	Number of shares at the end of the period of the fiscal year		
Stock acquisition rights as stock options		—				48	
Total		—				48	

(Note) There are no treasury stock acquisition rights.

3. The Company's dividend is as stated below:

(1) Dividends paid during this fiscal year

Resolution	Type of shares	Total amount of dividend	Amount per share	Record date	Effective date
In the Board of Directors' Meeting held on May 29, 2008	Common stocks	5,124 million yen	4,200 yen	March 31, 2008	June 2, 2008
In the Board of Directors' Meeting held on Nov. 6, 2008	Common stocks	2,526 million yen	2,100 yen	Sep. 30, 2008	Dec. 1, 2008

(2) Dividends with record dates before March 31, 2009 and effective dates after April 1, 2009 are listed as follows.

Resolution	Type of shares	Total amount of dividend	Fiscal resource	Amount per share	Record date	Effective date
In the Board of Directors' Meeting held on May 29, 2009	Common stocks	3,416 million yen	Retained earnings	2,800 yen	March 31, 2009	June 2, 2009

(Securities)

“Japanese government bonds” and “securities” in the balance sheet are as follows.

1. Securities held for trading purposes (As of March 31, 2009)
Not applicable
2. Bonds with market value held to maturity (As of March 31, 2009)
Not applicable
3. Shares in subsidiary firms, subsidiary corporations, affiliates and others with market value (As of March 31, 2009)
Not applicable
4. Other securities with market value (As of March 31, 2009)

	Acquisition cost (million yen)	Balance sheet account (million yen)	Net unrealized gains/losses (million yen)	Unrealized gains (million yen)	Unrealized losses (million yen)
Bonds	86,512	86,593	81	81	0
Japanese government bonds	86,512	86,593	81	81	0
Total	86,512	86,593	81	81	0

(Note) 1. Market values of equities are based on the market prices on March 31, 2009.

2. “Unrealized gains/losses” consist of “gains” and “losses”.

5. Bonds held to maturity sold during the year (From April 1, 2008 to March 31, 2009)
Not applicable
6. Other securities sold during the year (From April 1, 2008 to March 31, 2009)
Not applicable
7. Major components of securities not stated at market value and their respective balance sheet amounts (As of March 31, 2009)

	Amount(million yen)
Other securities Unlisted equities	2,294

8. Changes in purpose of holding securities
Not applicable
9. Redemption scheduled for securities with maturity and bonds held to maturity in other securities (As of March 31, 2009)

	Within 1 year (million yen)	After 1 year through 5 years (million yen)	After 5 years through 10 years (million yen)	After 10 years (million yen)
Bonds	86,593	—	—	—
Japanese government bonds	86,593	—	—	—
Total	86,593	—	—	—

(Money held in trust)

Not applicable

(Stock options etc.)

1. Account title and amount of expenses relating to stock options to be recorded in the fiscal period

Operating expenses 48 million yen

2. Detail and scale of and changes in share subscription rights and subsequent adjustments

(1) Detail of subscription rights

	1st – (1) Stock acquisition rights (Stock compensation-type stock options)	1 st – (2) Stock acquisition rights (Stock compensation-type stock options)
Title and number of grantees	5 Directors of the Bank	3 Executive Officers of the Bank
Number of stock options by type of stock (Note 1)	Common stock: 184 shares	Common stock: 21 shares
Grant date	August 12, 2008	Same as the column on the left
Condition for vesting	Holders of stock acquisition rights may only exercise their stock acquisition rights within 10 days of the date following the day on which the holder's position as Director is forfeited.	Holders of stock acquisition rights may only exercise their stock acquisition rights within 10 days of the date following the day on which the holder's position as Executive Officer is forfeited (in cases, where the holder has taken the position of Director, then the date on which the position of Director is forfeited.)
Requisite service period	Not specified.	Same as the column on the left.
Exercise period	August 13, 2008 – August 12, 2038	Same as the column on the left.

(Note) The number of stock options are stated as converted into number of shares.

(2) Scale of and changes in share subscription rights and subsequent adjustments

In fiscal 2008, regarding share subscription rights, the number of such rights has been recorded as the equivalent number of shares.

(Number of share subscription rights)

	First Round – (1) Stock acquisition rights (equity remuneration type stock options)	First Round – (2) Stock acquisition rights (equity remuneration type stock options)
Prior to vesting (shares)		
At end of previous fiscal year	–	–
Granted	184	21
Forfeited	–	–
Vested	184	21
Outstanding	–	–
Post vesting (shares)		
At end of previous fiscal year	–	–
Granted	184	21
Exercised	–	–
Forfeited	–	–
Outstanding	184	21

(Unit information)

	First Round – (1) New share acquisition rights (equity remuneration type stock options)	First Round – (2) New share acquisition rights (equity remuneration type stock options)
Exercise price	One yen per share	One yen per share
Average price when exercised	–	–
Fair value valuation price when granted (Note)	236,480 yen per share subscription right	236,480 yen per share subscription right

(Note) The number of shares to be acquired upon exercise of one (1) share subscription right shall be one common share of the Bank.

3. Calculation method employed to establish the fair value valuation price for share subscription rights granted during the term
The method employed for calculating the fair value valuation price for the First Round – (1) and First Round – (2) share subscription rights granted during the term is as follows.

(1) Valuation method employed: Black-Scholes model

(2) Key parameters used in the option-pricing model

	First Round – (1) New share acquisition rights (equity remuneration type stock options)	First Round – (2) New share acquisition rights (equity remuneration type stock options)
Expected volatility	27.95%	27.95%
Average expected life	Five years and six months	Five years and six months
Expected dividends	4,200 yen per share	4,200 yen per share
Risk-free interest rate	1.076%	1.076%

(Notes) 1. The Bank listed on the JASDAQ Securities Exchange on 29th February 2008 making it difficult for a sufficient volume of trading history and share price data to be accumulated since the listing date. Consequently, the calculations were performed using share price data for companies similar to the Bank. Furthermore, the period used for the calculation of the expected share price volatility was five years and six months (from February 1st 2003 to 12th August 2008).
2. For directors currently employed by the Bank, the assumption is made that the share subscription rights will be exercised on a future date calculated by adding a ten day period, in which the rights may be exercised, to the average period in days from June 2008 until the retirement dates of all such directors.
3. Expected dividends are based upon actual dividend amounts.
4. The risk-free rate employed is yield of the Japan Government Bond with a period to maturity currently corresponding to the forecast period used in the calculation.

4. Method for calculating the number of share subscription rights vested

Only the actual number of forfeited share subscription rights is reflected because of the difficulty involved in accurately estimating the actual number of share subscription rights that will be forfeited in the future.

(Tax effect accounting related items)

Breakdown of the main reasons for the creation of deferred tax assets and deferred tax liabilities

Deferred tax assets	
Unpaid corporate tax	558 million yen
Excess depreciation charge	509 million yen
Accrued expenses	115 million yen
Excess bonus reserve	111 million yen
Excess bad debt reserve	26 million yen
Other	49 million yen
Total deferred tax assets	1,371 million yen
Deferred tax liabilities	
Other securities valuation differences	-32 million yen
Prepaid expenses	-46 million yen
Total deferred tax liabilities	-79 million yen
Net deferred tax assets	1,291 million yen

(Income/ losses from equity-method accounted affiliates, etc.)

None

(Related party information)

1. Dealings with related parties

(1) Parent company and important corporate shareholders etc.

Type	Name	Address	Capital (million yen)	Content of business or operations	% of voting rights	Relationship	Transactions	Transaction amount (million yen)	Item	Amounts outstanding at term end (million yen)
Other related company	Seven-Eleven Japan	Chiyoda-ku Tokyo	17,200	Convenience store operation	24.88%	Contracts related to installation & operation of ATM business Officers serving concurrently	Payment of fees for ATM installation Note 1	8,348	Accrued expenses Note 3	751
Main shareholder	Ito-Yokado	Chiyoda-ku Tokyo	40,000	Superstore operation	16.14%	Contracts related to installation & operation of ATM business Capital transactions Officers serving concurrently	Handling of negotiable deposits Note 2	46,095	Negotiable deposits	40,000
							Interest on negotiable deposits Note 1	357	Accrued expenses	34

Notes:

1. Conditions of transactions and method for determining conditions for transactions
The business terms and conditions and decision-making process related to ATM placement fee expenses take into account Seven-Eleven Japan's total infrastructure costs. The interest rates for negotiable deposits are set at reasonable levels in accordance with the transaction period and currently prevailing market rates.
 2. The transaction amounts for negotiable deposits represent the average balances recorded during the course of the term.
 3. Consumption tax and other taxes are not included in the transaction amounts, but the end of term outstanding balance includes consumption tax and other taxes.
- (2) Subsidiaries and related companies etc.
None
 - (3) Companies with the same parent and subsidiaries of related companies etc.
None
 - (4) Director and individual shareholders etc.
None

2. Notes about parent company or important related companies

- (1) Parent company information
Seven & I Holdings (listed on First Section of Tokyo Stock Exchange)
- (2) Summary financial information about important related companies
None

Reference Materials for Ordinary General Meeting of Shareholders

Proposal 1 Partial Amendments to the Articles of Incorporation

1. Reasons for the amendments

- (1) To amend Article 2 (Objectives) of the current Articles of Incorporation in order to clarify the full meaning of scope of business as specified in the Banking Law of Japan and also in accordance with the abolition of the Law for Registration of Corporate Debentures, Etc.
- (2) To amend the current Articles of Incorporation in accordance with implementation of the Law Amending the Partial Revision of the Commercial Code Concerning Book-Entry Transfer of Corporate Securities for Rationalization of Settlements Related to Equity Securities (Law No. 88 of 2004; hereinafter, "Settlements Rationalization Law") as follows:
 1. To delete Article 7 (Issue of Stock Certificates) of the current Articles of Incorporation in accordance with Article 6 of the Supplementary Provisions of the Settlements Rationalization Law as approval to amend the Company's Articles of Incorporation to abolish the requirement to issue Stock Certificates has been granted from the day (January 5, 2009) on which computerization of the Company's stock certificates was implemented.
 2. As the register of lost stock certificates will continue to be compiled and kept for a period of one year from the day following the implement of the Settlements Rationalization Law, Article 9 (Registrar) of the current Articles of Incorporation will be amended and included as a supplementary provision.
- (3) In accordance with the meaning of the Company Law and in order to secure a location for the General Meeting of Shareholders Article 11 (Place of Convocation) of the current Articles of Incorporation will be deleted and limitations on the place of convocation for the General Meeting of Shareholders shall be abolished.
- (4) Other amendments including the adjustment of Article numbers, and the addition and deletion of clauses are as follows:

2. Amendments:

(Underlined portions represent changes)

Articles of Incorporation (current)	Articles of Incorporation (after amendment)
<p>(Objectives)</p> <p>Article 2: The objective of the Company is to conduct the following businesses.</p> <p>(1) Receive deposits and term deposits, lend funds, discount bills and execute transfers</p> <p>(2) Guaranteeing of debt, acceptance of bills and other businesses related to banking business as in Clause (1) above.</p> <p>(3) Handling of the underwriting, offering and sale, trading and other business in Japanese government bonds and local government bonds and government guaranteed bonds</p> <p>(4) Businesses that that banks can perform in accordance with the Secured Debenture Trust Law, <u>Law for Registration of Corporate Debentures, Etc.</u> , and other such laws</p> <p>(5) In addition to the businesses named in the above Clauses, businesses incidental to or related to those items.</p>	<p>(Objectives)</p> <p>Article 2: The objective of the Company is to conduct the following businesses.</p> <p>(1) Receive deposits and term deposits, lend funds, discount bills and execute transfers</p> <p>(2) Guaranteeing of debt, acceptance of bills and other businesses related to banking business as in Clause (1) above.</p> <p>(3) Handling of the underwriting, offering and sale, trading and other business in Japanese government bonds and local government bonds and government guaranteed bonds</p> <p>(4) <u>In addition to the businesses named in the above Clauses</u>, businesses that banks can perform in accordance with the <u>Banking Law</u>, Secured Debenture Trust Law, and other such laws.</p> <p>(5) In addition to the businesses named in the above Clauses, businesses incidental to or related to those items.</p>
<p><u>(Issuance of Stock certificates)</u></p> <p><u>Article 7 The Company will issue stock certificates in respect of shares.</u></p> <p>(Regulations on the handling of shares)</p> <p>Article <u>8</u></p> <p>(Clauses omitted)</p>	<p>[Deleted]</p> <p>(Regulations on the handling of shares)</p> <p>Article <u>7</u></p> <p>(No amendment)</p>

Articles of Incorporation (current)	Articles of Incorporation (after amendment)
<p>(Registrar and Transfer Agent) Article <u>9</u> The Company will appoint a Registrar and Transfer Agent.</p> <p>2. The registrar and transfer agent and its place of business will be appointed by Board of Directors' resolution and publicly announced.</p> <p>3. The Company's Register of Shareholders, <u>Register of Lost Share Certificates</u>, and Register of Stock Acquisition Rights will be kept in the place of business of the Registrar and Transfer Agent, and registration and recording in the Register of Lost Share Certificates and Register of Stock Acquisition Rights and other office work related to shares or stock acquisition rights will be conducted by the Registrar and Transfer Agent, and will not be conducted by the Company.</p> <p>(Convocation) Article <u>10</u> (Clauses omitted)</p> <p><u>(Place of Convocation)</u> The General Meeting of Shareholders of the Company will be convened in Tokyo.</p>	<p>(Registrar and Transfer Agent) Article <u>8</u> The Company will appoint a Registrar and Transfer Agent.</p> <p>2. The registrar and transfer agent and its place of business will be appointed by Board of Directors' resolution and publicly announced.</p> <p>3. The <u>compilation and keeping of</u> the Company's Register of Shareholders, and Register of Stock Acquisition Rights, and other office work related to the Register of Shareholders and Register of Stock Acquisition Rights will be entrusted to a Registrar and Transfer Agent and will not be conducted by the Company.</p> <p>(Convocation) Article <u>9</u> (Clauses omitted)</p> <p>(Deleted)</p>
<p>Articles <u>12 to 49</u> (Clauses omitted)</p> <p>(New)</p>	<p>Articles <u>10 to 47</u> (No amendment)</p> <p><u>Supplementary Provisions</u> Article 1 The compilation and keeping of the Company's Register of Lost Share Certificates and other office work related to the Register of Lost Share Certificates will be entrusted to a Registrar and Transfer Agent and will not be conducted by the Company. Article 2 The previous Article and this Article will be valid until January 5, 2010. From January 6,2010 this Article and the previous Article will be deleted.</p>

Proposal 2 Election of eight directors

Since the term of office of all incumbent Directors (10) will expire at the end of this General Meeting of Shareholders. We would like to request you to choose eight directors.

The candidates of directors are as follows:

Candidate Number	Name (Date of Birth)	Biography, position and business in charge in our company, and the representation in other juridical people	Number of shares of the Company owned
1	Takashi Anzai (January 17, 1941)	<p>Apr. 1963 Joined the Bank of Japan</p> <p>Dec. 1994 Executive Director, Bank of Japan</p> <p>Nov. 1998 President, Long-Term Credit Bank of Japan, Limited. (Currently, Shinsei Bank, Limited.)</p> <p>Aug. 2000 Advisor, Ito-Yokado Co., Ltd.</p> <p>Apr. 2001 President, Seven Bank, Ltd. (Present post)</p> <p>Sep. 2005 Director, Seven & i Holdings Co., Ltd. (Present post)</p> <p>[Business in Charge] Internal Audit Division</p>	414
2	Masatoshi Wakasugi (January 19, 1946)	<p>April 1969 Joined the Long-Term Credit Bank of Japan, Limited. (Currently, Shinsei Bank, Limited.)</p> <p>Jun. 1996 Director and General Control Manager of Personnel Affairs Group and concurrently Manager of Training Department, Personnel Affairs Division of the aforementioned bank</p> <p>Oct. 1997 Senior Managing Director, Chogin Securities Inc.</p> <p>Jun. 1998 Managing Director, Chogin Warburg Securities Inc.. (Currently UBS Investment Bank)</p> <p>Jun. 1999 Executive Sales Director of Renown Incorporated</p> <p>Sep. 2000 Advisor, Ito-Yokado Co., Ltd.</p> <p>Apr. 2001 Managing Director, Seven Bank, Ltd.</p> <p>Jun. 2006 Director, Senior Managing Executive Officer aforementioned company</p> <p>Oct. 2007 Director, Senior Managing Executive Officer, Human Resource General Manager, aforementioned company (Present post)</p> <p>[Business in Charge] Risk Management Division, Research Division, Human Resources Division and Financial Crime Prevention Office</p>	238
3	Kensuke Futagoishi (October 6, 1952)	<p>April 1977 Joined The Sanwa Bank, Limited (Currently, The Bank of Tokyo-Mitsubishi UFJ, Ltd.)</p> <p>Apr. 2001 General Manager of Retail Planning Department of UFJ Holdings, Inc. (Currently, Mitsubishi UFJ Financial Group)</p> <p>Jan. 2002 General Manager of Gotanda Corporate Sales Department of UFJ Bank Limited (now The Bank of Tokyo-Mitsubishi UFJ, Ltd.)</p> <p>Oct. 2003 Joined Seven Bank, Ltd.</p> <p>Nov. 2003 General Manager of Business Promotion Division, aforementioned company</p> <p>Jun. 2004 Director, aforementioned company</p> <p>Jun. 2006 Director, Executive Officer, aforementioned company</p> <p>Nov. 2007 Director, Managing Executive Officer and General Manager of Planning Division, aforementioned company (Present post)</p> <p>[Business in Charge] Planning Division, Accounting Division and Treasury Office</p>	161

Candidate Number	Name (Date of Birth)	Biography, position and business in charge in our company, and the representation in other juridical people	Number of shares of the Company owned
4	Yasuaki Funatake (November 29, 1956)	<p>Apr. 1980 Joined the Long-Term Credit Bank of Japan, Limited. (Currently, Shinsei Bank, Limited.)</p> <p>Jul. 2001 Manager, Retail Operations Division, Shinsei Bank Limited</p> <p>Dec. 2001 Joined Seven Bank, Ltd.</p> <p>Oct. 2002 General Manager of Business Development Division, aforementioned company</p> <p>May 2006 General Manager of Project Development Division, aforementioned company</p> <p>Jun. 2006 Executive Officer and General Manager of Business Development Division, aforementioned company</p> <p>Oct. 2006 Executive Officer and General Manager of Business Promotion Division, aforementioned company</p> <p>May.2008 Director, Executive Officer, General Manager of Planning Division and General Manager of Business Promotion Division, aforementioned company (Present post)</p> <p>[Business in Charge] Business Development Division and Business Promotion Division</p>	127
5	Yoji Ohashi (January 21, 1940)	<p>Apr. 1964 Joined All Nippon Airways Co., Ltd.</p> <p>Jun. 1993 Director and General Manager of Narita Airport, aforementioned company</p> <p>Jun. 1997 Executive Managing Director and General Manager of Human Resource Division, aforementioned company</p> <p>Jun. 1999 Vice President and Representative Director, aforementioned company</p> <p>Apr. 2001 President and Representative Director, aforementioned company</p> <p>Apr. 2005 Chairperson and Representative Director, aforementioned company</p> <p>Apr. 2007 Chairperson and Director. aforementioned company (Present post)</p> <p>May 2008 Vice-Chairman of the Nippon Keidanren truly (Present post)</p> <p>June. 2008 Director, Seven Bank, Ltd. (Present Position)</p>	1
6	Toshikazu Tamura (January 30, 1940)	<p>Apr. 1962 Joined Nomura Securities Co., Ltd.</p> <p>Nov. 1984 Manager, Accounts Division, Nomura Securities Co., Ltd.</p> <p>Nov. 1986 Manager, Administration Division, Nomura Securities Co., Ltd.</p> <p>Dec. 1987 Manager, Director Planning Division, Japan Associated Finance (now JAFCO)</p> <p>Jun. 1990 Executive Managing Director, aforementioned company</p> <p>Jun. 1994 Senior Executive Managing Director, aforementioned company</p> <p>Jun. 1998 Senior Managing Director, JAFCO, Co., Ltd.</p> <p>Dec. 2001 Professor and Deputy Chancellor, SANNO University (now the SANNO Institute)</p> <p>Apr. 2002 Director of Management & Information Faculty, Research School, SANNO University Graduate School</p> <p>Jun. 2005 Professor and Deputy Chancellor, SANNO Junior College (now Jiyugaoka SANNO College)</p> <p>Jun. 2008 Director, Seven Bank, Ltd. (Present Position)</p>	10

Candidate Number	Name (Date of Birth)	Biography, position and business in charge in our company, and the representation in other juridical people	Number of shares of the Company owned
7	Nobutake Sato (August 8, 1938)	<p>Nov. 1964 Joined Ito-Yokado Co., Ltd.</p> <p>May 1977 Director, the aforementioned company</p> <p>Apr. 1983 Managing Director, the aforementioned company</p> <p>May 1985 Senior Managing Director, the aforementioned company</p> <p>May 1993 Director and Vice President, the aforementioned company</p> <p>Apr. 2001 Director, Seven Bank, Ltd. (Present Position)</p> <p>May 2003 Director and Vice Chairman, Ito-Yokado Co., Ltd.</p> <p>May 2003 Chairman, Representative Director and Chief Executive Officer of York-Benimaru Co., Ltd. (Present post)</p> <p>May 2009 Adviser of Seven & I Holdings Co., Ltd. (Present post)</p> <p>[Status of representation of other companies] Chairman, Representative Director and Chief Executive Officer of York-Benimaru Co., Ltd.</p>	152
8	Tadahiko Ujii (May 22, 1945)	<p>Apr. 1980 Joined Seven-Eleven Japan Co., Ltd.</p> <p>May 1990 Director, the aforementioned company</p> <p>May 1997 Executive Managing Director, the aforementioned company</p> <p>Apr. 2001 Director, Seven Bank, Ltd. (Present post)</p> <p>May. 2001 Senior Executive Managing Director, Seven-Eleven Japan Co., Ltd.</p> <p>May 2003 Director, Senior Managing Executive Officer, the aforementioned company</p> <p>Sep. 2005 Director and Chief Financial Officer, Seven & I Holdings Co., Ltd.</p> <p>May 2006 Director, Senior Managing Executive Officer and Chief Financial Officer, the aforementioned company (Present post)</p> <p>[Status of representation of other companies] President and Representative Director of SE Capital Corporation President and Representative Director of Seven & i Financial Center Co., Ltd. President and Representative Director of Seven & i Financial Group Co., Ltd.</p>	154

Notes:

- Candidate Nobutake Sato has been concurrently serving as Representative Director, Chairman and Chief Executive Officer of York-Benimaru Co., Ltd., a special related corporation of the Bank, and concluded the agreement between York-Benimaru and the Bank concerning ATM installation and operation. Furthermore, he is also concurrently serving as a director of Robinsons Department Store (a specially related corporation of the Bank), Marudai, and Seven-Eleven Inc. and Mr Sato was Director and Vice-chairman of Ito-Yokado Co., Ltd. (a specially related corporation of the Bank) until May 2009.
- Candidate Tadahiko Ujii is concurrently serving as Director and Chief Financial Officer of Seven & I Holdings, a special related corporation of the Bank, as Representative Director and President of Seven & I Financial Center, and Representative Director and President of Seven & I Financial Group. Mr. Ujii is also Representative Director and President of a special related corporation of the Bank SE Capital, and concluded the equipment leasing agreement between SE Capital and the Bank. Mr. Ujii was also Director, Manager of the Planning Office and Head of the Finance Department at Seven-Eleven Japan, a special related corporation of the Bank, until May 2009.
- None of the other candidates have any particular interests in or relationships with the Bank.
- Candidates Yoji Ohashi, Toshikazu Tamura, Nobutake Sato and Tadahiko Ujii are candidates for external director of the Bank.
- The reasons for the candidacies for external directorships at the Bank are as follows:
 - Mr. Yoji Ohashi's experience and opinions deriving from his roles as Representative Director of All Nippon Airways and as Vice-Chairman of the Nippon Keidanren truly contribute to the management of the Bank and render him a suitable candidate for external director.
 - Mr. Toshikazu Tamura's operational experience as an underwriter at Nomura Securities, his experience as Representative Director of Jafco and his specialist knowledge and opinions as Professor at the Sanno Institute of Management truly contribute to the management of the Bank and render him a suitable candidate for external director.
 - Mr. Nobutake Sato's experience as Vice-Chairman of our large shareholder Ito-Yokado truly contributes to the management of the Bank and renders him a suitable candidate for external director.
 - Mr. Tadahiko Ujii's experience both as Director of our large shareholder Seven-Eleven Japan and as Director of its parent company Seven & I Holdings truly contributes to the management of the Bank and renders him a suitable candidate for external director.
- Mr. Yoji Ohashi received an exclusion order from the Fair Trade Commission in August 2008 for acting in breach of the provisions of the Law for Preventing Unjustifiable Extra or Unexpected Benefit and Misleading Representation in his capacity as Director of All Nippon Airways in connection with a newspaper advertising campaign publicizing the airline's Premium Class which ran from February to March 2008.
- Mr. Yoji Ohashi, Mr. Toshikazu Tamura, Mr. Nobutake Sato and Mr. Tadahiko Ujii are currently external directors of the Bank and their periods of service as external directors, dating from the concluding day of this general meeting of shareholders are one year for Mr. Yoji Ohashi and Mr. Toshikazu Tamura and eight years and three months for Mr. Nobutake Sato and Mr. Tadahiko Ujii.
- External director candidates Mr. Yoji Ohashi, Mr. Toshikazu Tamura, Mr. Nobutake Sato and Mr. Tadahiko Ujii are all currently serving as external directors subject to limited liability contracts with the Bank governed by the provisions of Article 427-1 and Article 423-1 of the Corporate Law (moreover, the limits to the liability on the basis of these contracts are fixed at statutory levels). In the event that the four candidates should prove successful in their applications to become external directors, their current contracts will continue to remain in force.

Proposal 3 Appointment of one statutory auditor

It is requested that a statutory auditor be appointed as statutory auditor Mr. Hideo Tanaka has resigned from his position as statutory auditor as of this general shareholders' meeting. This proposal has already been approved by the Board of Auditors. The candidate for Auditor is as follows:

Name (Date of Birth)	Biography, position and business in charge in our company, and the representation in other juridical people	Number of shares of the Company owned
Toshiaki Ikeda (April 9, 1948)	Apr. 1972 Joined The Sanwa Bank, Limited (Currently, The Bank of Tokyo-Mitsubishi UFJ, Ltd.) May 1994 Deputy General Manager of the System Department of the aforementioned bank May 1997 Head of Muromachi Branch Office of the aforementioned bank Apr. 1999 Seconded to Partners Investment Trust Co. Apr. 2000 Research Officer of the Retail Division of Sanwa Bank, Limited (Currently, The Bank of Tokyo-Mitsubishi UFJ, Ltd.) Apr. 2001 Director and General Manager of the System Development Division, Seven Bank, Ltd. Jun. 2006 Director, Managing Executive Officer and General Manager of the System Development Division, Seven Bank, Ltd. (Present post) [Business in Charge] System Development Division, ATM Solution Division, System Planning Office, Operations Planning Division, Operations Division, Customer Service Division and ATM Administration Division	162

Notes:

1. The candidate for the position of statutory auditor has no particular beneficial relationship with the Bank.
2. Statutory auditor candidate Mr. Toshiaki Ikeda is due to resign from his position as a director of the Bank on the completion of his term at the conclusion of this general shareholders' meeting.