



July 7, 2015  
FOR IMMEDIATE RELEASE  
Seven Bank, Ltd.

**Notification Regarding Execution of the ATM Placement Agreement  
by FCTI, Seven Bank's US subsidiary, with 7-Eleven, Inc.**

Financial Consulting & Trading International, Inc. (location of head office: California, USA; representative: Chairman & CEO Masanori Miyagawa; hereinafter referred to as "FCTI"), which is Seven Bank's wholly-owned US subsidiary, held a board of directors meeting at which a resolution was passed to have FCTI enter into with 7-Eleven, Inc. an ATM placement agreement which covers the 7-Eleven stores located in the US. The details thereof are as set out below.

**1. Purpose and contents of the agreement**

Seven Bank has been promoting its overseas ATM business by utilizing experience which has been accumulated through its business operations in Japan. In the US, Seven Bank has been working on expanding the ATM service network through FCTI, which became Seven Bank's wholly-owned subsidiary as a result of the share acquisition in October 2012.

Under such circumstances, it has been decided that FCTI will enter into an ATM placement agreement with 7-Eleven, Inc., under which, from July 2017, FCTI will basically be able to install and operate ATMs on an exclusive basis at the 7-Eleven stores located in the US which are operated by 7-Eleven, Inc.

As regards the US ATM business, we believe that the execution of this agreement will result in the expansion of business (in terms of scale) as well as better cost competitiveness and profitability, which will further accelerate the growth of the business.

**2. Corporate Outline of FCTI, Seven Bank's US Subsidiary**

(1) Name	Financial Consulting & Trading International, Inc.
(2) Location	California, USA
(3) Name and title of representative	Chairman & CEO Masanori Miyagawa

(4) Line of business	ATM network and service provider
(5) Amount of capital	US\$19 million
(6) Establishment date	August 25, 1993
(7) Large shareholders and its shareholdings	Seven Bank, Ltd. (shareholding ratio: 100%)
(8) Number of employees	85 (as of March 31, 2015)
(9) Number of ATMs	6,377 (as of March 31, 2015)
(10) Sales:	US\$79.5 million (for fiscal year 2014)

### 3. Corporate Outline of the Agreement Counterparty

(1) Name	7-Eleven, Inc.
(2) Location	Texas, USA
(3) Name and title of representative	President and CEO Joseph M. DePinto
(4) Line of business	Convenience store business
(5) Amount of capital	US\$13,000
(6) Establishment date	June 28, 1927
(7) Large shareholder and its shareholdings	Seven & i Holdings Co., Ltd. (shareholding ratio: 100% (including those held indirectly))
(8) Number of employees	15,591 (as of February 28, 2015)
(9) Relationship between the listed company (Seven Bank) and the relevant company (7-Eleven, Inc.)	Capital ties:  There are no direct capital ties between Seven Bank/ FCTI and 7-Eleven, Inc. However, Seven & i Holdings Co., Ltd. is the ultimate parent company of both Seven Bank / FCTI and 7-Eleven, Inc., indirectly owning 45.8% of Seven Bank and 100% of 7-Eleven, Inc. respectively.
	Personnel ties: None.
	Transactional ties: None.

	Whether or not a "related party ( <i>kanren tojisha</i> )":  The parent company of Seven Bank and 7-Eleven, Inc. is the same company (Seven & i Holdings Co., Ltd.) and, therefore, each of the two companies corresponds to a "related party ( <i>kanren tojisha</i> )".
(10) Number of stores:	8,297 (including 494 stores which are located in Canada, as of February 28, 2015)

#### 4. Time schedule

Date of board resolution: July 7, 2015 (Japan time)

Date of execution of agreement: July 7, 2015 (Japan time)

#### 5. Effect on financial results

We believe that the execution of the ATM placement agreement will have only immaterial effect on the consolidated financial results for the fiscal year ending on March 31, 2016, but that it will contribute to the improvement of Seven Bank's consolidated financial results on a medium to long-term basis.

We will give you further notification whenever there arises/occurs any event or circumstances which should be publicly disclosed.

#### 6. Matters regarding "transaction, etc. with controlling shareholder, etc."

7-Eleven, Inc. (counterparty of the ATM placement agreement) and Seven Bank share the same parent company (Seven & i Holdings Co., Ltd.) and, therefore, the relevant transaction (ATM placement) corresponds to a "transaction, etc. with controlling shareholder, etc."

(1) Written memorandum regarding whether the transaction would not have adverse effect on the interests of the minority shareholder obtained from a party who does not have an interest with or in the Controlling Shareholder

Seven Bank obtained on July 3, 2015 a memorandum prepared by Skadden Arps Law Office, which has no interest/stake in Seven & i Holdings Co., Ltd. (i.e. the controlling shareholder of Seven Bank) or 7-Eleven, Inc. (i.e. the counterparty of the relevant transaction), which contains its legal views to the effect that, upon its consideration of the transaction from the totality of the reasonableness of the terms and conditions, the negotiation process and other relevant matters, Skadden believes that the transaction

would not have adverse effect on the interests of the minority shareholders of Seven Bank on the ground that the purpose of the transaction, which includes the expansion of ATM business of FCTI, would be considered a reasonable business purpose, the transaction was negotiated by FCTI independently from the controlling shareholder free from any improper interaction by the controlling shareholder and the terms and conditions of the transaction, taking into account the past practice of FCTI, do not depart from the scope of the arms-length transaction between the independent parties.

(2) Conformity with the Corporate Governance Report

Please find below the relevant section of the "guidelines regarding the policies for the protection of minority shareholders when conducting transactions, etc. with the controlling shareholder" referred to in the corporate governance report disclosed on June 22, 2015:

"Seven & i Holdings Co., Ltd. is Seven Bank's parent company, indirectly holding 45.8% of all of the voting rights in Seven Bank, which makes it correspond to Seven Bank's "controlling shareholder" (as defined in TSE's Timely Disclosure Rules), but Seven Bank operates its business by considering matters and making decisions in relation to all aspects of its business, including business strategies, personnel policies and capital policies, at its own initiative and in an independent manner. Furthermore, from the perspective of protecting the interests of minority shareholders, Seven Bank has adopted the policy of appointing independent outside directors and outside statutory auditors, for whom there is no risk of any conflict of interest with the general shareholders (please note that, as of June 18, 2015, there are six independent directors/statutory auditors)."

In conducting the relevant transaction, Seven Bank is taking the same approach as the "at arm's length" terms and conditions for transactions between independent contractors, and the terms and conditions of the relevant transaction as well as the appropriateness of such terms and conditions have been carefully reviewed at a meeting of the board of directors of Seven Bank, with the attendance of independent outside directors, and the relevant transaction was unanimously approved thereat, upon taking into consideration the legal views contained in the memorandum obtained from Skadden Arps Law Office mentioned above. Furthermore, the statutory auditors (including outside statutory auditors) of Seven Bank also participated in the discussions and made a statement to the effect that none of them have any objection against such resolution being passed by the board of directors. In passing such resolution, in order to ensure the protection of minority shareholders, it was determined that Takashi Anzai (Chairman and Representative Director) and Akihiko Shimizu (Director) should not be entitled to cast their votes and, accordingly, they were removed from the discussion/resolution process. Isamu Hirai (Statutory Auditor) also did not participate in the discussions, as he was in a position which may give rise to a conflict of interest.

As stated above, Seven Bank believes that the relevant transaction is in compliance with the relevant guidelines.

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