



May 19 2016
Seven Bank, Ltd.

Notice Concerning Matters Relating to Controlling Shareholders

Seven Bank, Ltd. (Seven Bank, or the Bank) today announced details concerning matters relating to controlling shareholders in connection with its parent company, controlling shareholders (excluding the parent company) and other affiliated companies. Brief details are presented as follows.

- Names of the parent company, controlling shareholders (excluding the parent company) and other affiliated companies

(As of March 31, 2016)

| Names | Classification | Percentage of Voting Rights Held (%) | | | Financial Instruments Exchanges Where Issued Share Certificates Are Publicly Listed |
|------------------------------|--------------------------|--------------------------------------|----------------------|---------|--|
| | | Directly Held | Aggregate Portion | Total | |
| Seven & i Holdings Co., Ltd. | Parent Company | 0.00 | (45.81) | (45.81) | First Section Tokyo Stock Exchange |
| Seven-Eleven Japan Co., Ltd. | Other Affiliated Company | 38.08 | 0.00 | 38.08 | None |

Note: Figures in parentheses represent the percentage of indirect voting rights held.

- Names of the parent company, controlling shareholders (excluding the parent company) and other affiliated companies that are considered to have the most influence over the Bank and the underlying reasons for that influence

Name: Seven & i Holdings Co., Ltd.

Reasons: Seven & i Holdings Co., Ltd. is the pure holding company of Seven-Eleven Japan Co., Ltd. The Bank maintains 88.1% of its ATM network at stores owned/operated by Seven-Eleven Japan Co., Ltd.

- The position of the listed company in the corporate group of the parent company and relationships with other listed companies and the parent company

Seven & i Holdings Co., Ltd. is the Bank's parent company and indirectly holds 45.81% of Seven Bank's voting rights. The Bank maintains ATMs at stores owned/operated by Seven-Eleven Japan Co., Ltd. and Ito-Yokado Co., Ltd., which are both companies of the Seven & i Holdings Group, led by the Seven & i Holdings Co., Ltd. Seven Bank provides the customers of

Seven-Eleven Japan Co., Ltd. and Ito-Yokado Co., Ltd. with financial services and is the Seven & i Holdings Group's principal financial arm.

(The Status of Concurrent Directors)

(As of March 31, 2016)

| Position | Name | Position with the Parent Company or Other Group Company | Reasons for Appointment |
|--------------------------------------|-----------------|--|--|
| Chairman and Representative Director | Takashi Anzai | Director, Seven & i Holdings Co., Ltd. (Non-Standing) | Appointment at the request of the other party aimed at strengthening Group management |
| Outside Director | Akihiko Shimizu | Director & Executive Officer Senior Officer of the Accounting Department, Seven & i Holdings Co., Ltd. | Appointment at the request of the Bank aimed at utilizing his experience of Group management |

Note: Of the Bank's eleven directors and five statutory auditors, 2 directors hold the concurrent position of director with the parent company.

(The Status of Personnel Dispatched to and Accepted by the Bank)

(As of March 31, 2016)

| Department Name | Number of Persons | Name of the Parent Company or Other Group Company of the Dispatching Party | Reasons for Accepting the Dispatch of Personnel |
|---------------------------------|-------------------|--|--|
| Sales Management Division | 3 | Seven-Eleven Japan Co., Ltd. | Request by the Bank to facilitate smooth communications with the Seven & i Group |
| Human Resources Division | 1 | Seven-Eleven Japan Co., Ltd. | Request by the Bank to facilitate smooth communications with the Seven & i Group |
| International Business Division | 1 | Seven-Eleven Japan Co., Ltd. | Request by the Bank to facilitate smooth communications with the Seven & i Group |

Note: The number of the Bank's employees totaled 456 as of March 31, 2016.

4. Matters relating to transactions with controlling shareholders and other parties

The Bank's mainstay activity involves ATM operations. These ATMs are largely located in the stores of Seven & i Holdings Group companies, Seven-Eleven Japan Co., Ltd. and Ito-Yokado Co., Ltd. The Bank pays an ATM installation and management fee as compensation for the

installation of ATMs and contract management services. The terms and conditions of this transactional relationship is determined after taking into consideration the value of administrative duties contracted and burden associated with installation including infrastructure development costs. Payment terms and conditions for ATMs installed outside the Seven & i Holdings Group network are also taken into consideration to determine rational payment criteria.

The Business Period under Review (April 1, 2015 to March 31, 2016)

| Type | Name of the Company or Individual | Location | Capital or Investment (Millions of Yen) | Business or Occupation | Ownership of Voting Rights Held (Percentage of Voting Rights Held (%)) | Relationship with the Relevant Party | Details of Transactions | Amount of Transactions (Millions of Yen) | Accounting Line Item | Period-End Balances (Millions of Yen) |
|--------------------------|-----------------------------------|-------------------|---|----------------------------|--|---|---|--|----------------------|---------------------------------------|
| Other Affiliated Company | Seven-Eleven Japan Co., Ltd. | Chiyoda-ku, Tokyo | 17,200 | Convenience Store Business | Voting Rights Held 38.08 | Contracts related to installation and operation of ATM business; Capital transactions | Payment of ATM installation commissions payable | 11,667 | Accrued Expenses | 1,062 |

Note: Consumption taxes are not included in transaction amounts. Period-end balances on the other hand are inclusive of consumption taxes.

5. Policies relating to the protection of minority shareholders at the time transactions are undertaken with controlling shareholders and other parties and the status of execution

Seven & i Holdings Co., Ltd. is the Bank's parent company and indirectly holds 45.81% of Seven Bank's voting rights. The company also falls within the scope of timely disclosure rules and regulations with respect to controlling shareholders. Notwithstanding the aforementioned, Seven Bank pushed forward business activities after independently considering and determining wide-ranging policies and measures encompassing business strategy, personnel, and capital. From the perspective of protecting minority shareholders, the Bank also appoints external directors and corporate auditors, who maintain a strict degree of independence and ensure that no vested interests arise with general shareholders (the Bank maintained six independent directors as of March 31, 2016)