



April 26 2019

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, 2019)

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	(45.75)	(45.75)	First Section Tokyo Stock Exchange
Seven-Eleven Japan Co., Ltd.	Other Affiliated Company	38.04	0.00	38.04	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 88.0% 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 45.75% 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 (Seven & i 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 Group's principal financial arm.

(The Status of Concurrent Directors)

(As of March 31, 2019)

Position	Name	Position with the Parent Company or Other Group Company	Reasons for Appointment
Director	Katsuhiro Goto	Vice President & Representative Director 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 four statutory auditors, one director 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, 2019)

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	4	Seven-Eleven Japan Co., Ltd.	Request by the Bank to facilitate smooth communications with the Seven & i Group
ATM Administration Division	1	Seven-Eleven Japan Co., Ltd.	Request by the Bank to facilitate smooth communications with the Seven & i Group
International Money Transfer 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 460 as of March 31, 2019.

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 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 Group network are also taken into consideration to determine rational payment criteria.

The Business Period under Review (April 1, 2018 to March 31, 2019)

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 38.04	Contracts related to installation and operation of ATM business; Capital transactions	Payment of ATM installation commissions payable	13,570	Accrued Expenses	1,307

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 45.75% 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 five independent directors as of March 31, 2019)

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