



December 10, 2013

To whom it may concern,

Company name: Seven & i Holdings Co., Ltd.  
Representative: Noritoshi Murata,  
President and Representative Director  
(Code No. 3382/First Section of the Tokyo Stock Exchange)

**Notice Regarding Subsidiary's Capital Alliance with Tenmaya Store Co., Ltd., and  
Business Alliance among the Company, Tenmaya Store and Tenmaya Company, Limited**

Seven & i Holdings Co., Ltd. (hereinafter "the Company") has announced that wholly owned subsidiary Ito-Yokado Co., Ltd.'s (hereinafter "Ito-Yokado") board of directors meeting held on December 10, 2013 approved a resolution on a basic agreement regarding a capital alliance between Tenmaya Store Co., Ltd. (Code No. 9846/Second Section of the Tokyo Stock Exchange; hereinafter "Tenmaya Store").

Furthermore, the Company has concluded a business alliance with Tenmaya Store and Tenmaya Company, Limited (hereinafter "Tenmaya"), as detailed below.

1. Reason for the Capital and Business Alliance

The Company is harnessing the strength of having various businesses, such as convenience store operations, superstore operations, department store operations, food services, financial services, and IT/services, as it works to provide products and services matched to customer needs. Ito-Yokado, a core Group company in superstore operations, is aiming to create stores deeply rooted in various local regions, and to do this is strengthening its lineup of value-added products and customer service, in addition to ensuring the basics are done well in terms of product freshness and taste, safety and reliability, friendly service, cleanliness and other aspects of operations.

Ito-Yokado has set its sights on bolstering the base of its retailing operations in Okayama and Hiroshima prefectures. To this end, Ito-Yokado has decided to form a capital alliance with Tenmaya Store, which runs superstores and food supermarkets in the same region. As part of this agreement, Ito-Yokado will purchase Tenmaya Store common stock equivalent to 20.0% of voting rights from Tenmaya Store's main shareholders, Tenmaya and Maruta Industry Co., Ltd. (hereinafter "Maruta Industry"). At the same time, the Company will execute a business alliance with Tenmaya Store and Tenmaya.

Through the capital and business alliances, the Company aims to expand the Group's operations in Okayama and Hiroshima prefectures. The Company also aims to capture various other synergies from the alliances, including reducing costs by utilizing Tenmaya Store's regionally centered merchandising capabilities, sharing distribution, information systems and human resources, and leveraging economies of scale in product and material procurement. This should promote further growth of the Group.

## 2. Details of Capital and Business Alliances

### (1) Details of Capital Alliance

Ito-Yokado plans to purchase 2,310,000 shares of Tenmaya Store common stock (1,710,000 shares from Tenmaya and 600,000 shares from Maruta Industry) on January 31, 2014 through an off-market direct transaction. Through this transaction, Ito-Yokado plans to acquire 20.00% of the voting rights of Tenmaya Store.

### (2) Details of Business Alliance

The Company, Tenmaya Store and Tenmaya plan to establish cooperative relationships in a range of fields, including distribution, information systems, personnel development, product procurement and store development. Through this and other measures, such as promoting regionally focused store development leveraging each company's management expertise, the three companies will pursue synergistic benefits, as well as examining the introduction of financial services related to settlements. Plans call for specific policies and details of the business alliance to be discussed among the three companies going forward.

## 3. Overviews of Capital and Business Alliance Partners

### 1) Overview of Tenmaya Store Co., Ltd.

(1) Name:	Tenmaya Store Co., Ltd.
(2) Representative:	Kazuo Hashimoto, President and Representative Director
(3) Location of headquarters:	13-16, Okamachi, Kita-ku, Okayama City, Okayama Prefecture
(4) Establishment:	April 1, 1969
(5) Principal business activities:	Retail sales of food and beverages, household goods, and apparel, as well as associated store leasing operations, etc.
(6) Fiscal year-end:	February
(7) Number of employees:	661 (consolidated, as of February 28, 2013, excluding part-time employees)
(8) Number of stores:	52 stores (consolidated, as of November 30, 2013)
(9) Paid-in capital:	3,697 million yen
(10) Number of shares issued:	11,550,000 shares
(11) Net sales:	76,630 million yen (consolidated, fiscal year ended February 2013)
(12) Major shareholders and shareholdings (as of August 31, 2013):	
	Maruta Industry Co., Ltd. 29.14%
	Tenmaya Company, Limited 19.05%
	Kazue Ibaragi 8.52%
	Tenmaya Store Kyoekai 7.87%
	THE CHUGOKU BANK, LIMITED 3.26%
	Japan Trustee Services Bank, Ltd. 3.20%
	Tenmaya Store Kyowakai 1.66%
	Sumitomo Mitsui Trust Bank, Limited 1.59%
	Mizuho Trust & Banking Co., Ltd. 1.55%
	Mizuho Bank, Ltd. 1.30%

(13) Relationship with Seven & i Holdings, Co., Ltd.:

Capital relationship:	None
Personal relationship:	None
Business relationship:	None
Related party status:	None

2) Overview of Tenmaya Company, Limited

- (1) Name: Tenmaya Company, Limited
- (2) Representative: Shogo Ibaragi, President and Representative Director
- (3) Location of headquarters: 2-1-1, Omotecho, Kita-ku, Okayama City, Okayama Prefecture
- (4) Establishment: June 18, 1918
- (5) Principal business activities: Retail sales of apparel, household goods, and food and beverages mainly in department stores, as well as associated store leasing operations, etc.
- (6) Fiscal year-end: February
- (7) Number of employees: 707 (nonconsolidated, as of February 28, 2013, excluding part-time employees)
- (8) Number of stores: 8 stores (as of November 30, 2013)
- (9) Paid-in capital: 3,483 million yen
- (10) Number of shares issued: 69,661,357 shares
- (11) Net sales: 134,587 million yen (consolidated, fiscal year ended February 2013)

(12) Major shareholders and shareholdings (as of August 31, 2013):

Maruta Industry Co., Ltd.	45.02%
Ryuta Ibaragi	12.11%
MARUTA BUILDING K.K.	10.60%
Kazue Ibaragi	7.32%
Sanyo Safety Co., Ltd.	4.15%
Tenmaya Store Co., Ltd.	2.60%
Tenmaya Parking Co., Ltd.	2.26%
Career Planning Co., Ltd.	2.12%
Eiichi Oomoto	2.10%
Tenmaya Card Service Co., Ltd.	0.82%

(13) Relationship with Seven & i Holdings, Co., Ltd.:

Capital relationship:	None
Personal relationship:	None
Business relationship:	None
Related party status:	None

4. Outline of the Share Acquisition

(1) Number of shares to be acquired

2,310,000 shares (20.00% of both shares and voting rights)

(2) Schedule of share acquisition

December 10, 2013: Conclusion of basic agreement related to capital and business alliances,  
and share transfer agreement

January 31, 2014: Acquisition of shares (scheduled)

5. Outlook

The agreement will have only a minimal effect on the Company's consolidated business results for the fiscal year ending February 2014, but it is expected to contribute to the Company's profits over the medium and long terms.