

[Reference]



October 12, 2006

**Semiannual Nonconsolidated Financial Results
for the Six-Month Period Ended August 31, 2006**

York-Benimaru Co., Ltd.

President and C.E.O.: Zenko Ohtaka

Date of the Board of Directors' meeting to approve the accounts: October 12, 2006

Starting date of payment of interim cash dividends: November 15, 2006

1. Business Results for the Current Interim Period (from March 1, 2006 to August 31, 2006)

(1) Results of Operations

(Millions of yen, except per share amounts)

	Revenues from Operations		Net Sales		Operating Income	
Current Interim Period	156,816	4.8%	152,357	4.6%	4,395	(21.7)%
Prior Year's Interim Period	149,647	4.3%	145,700	4.1%	5,616	0.7%
Prior Fiscal Year	297,445	3.3%	289,393	3.1%	11,412	(5.1)%

	Ordinary Income		Net Income		Net Income per Share	
Current Interim Period	4,869	(14.4)%	3,007	(1.1)%	59.46	(yen)
Prior Year's Interim Period	5,691	1.1%	3,041	(4.1)%	60.84	(yen)
Prior Fiscal Year	11,921	0.7%	6,716	2.6%	132.42	(yen)

Notes: 1. All amounts less than one million yen have been disregarded.

2. Average number of shares outstanding:

Current interim period: 50,584,604 shares Prior year's interim period: 49,980,237 shares

Prior fiscal year: 50,283,132 shares

3. Change in accounting policies: no

4. Percentages above represent increase (decrease) over prior year's interim period/fiscal year, unless otherwise stated.

(2) Financial Position

(Millions of yen, except per share amounts)

	Total Assets	Net Assets	Capital Adequacy Ratio	Net Assets per Share
As of August 31, 2006	132,254	105,961	80.1%	2,094.81 (yen)
As of August 31, 2005	123,560	98,910	80.0%	2,022.42 (yen)
As of February 28, 2006	126,977	104,192	82.1%	2,058.60 (yen)

Notes: 1. Number of shares outstanding at the end of period:

Current interim period: 50,582,930 shares Prior year's interim period: 48,906,821 shares

Prior fiscal year: 50,585,534 shares

2. Number of treasury stock at the end of period:

Current interim period: 51,605 shares Prior year's interim period: 1,727,714 shares

Prior fiscal year: 49,001 shares

2. Dividends per Share

Cash Dividends	Dividend per Share (yen)		
	Interim Dividend	Year-end Dividend	Annual Dividend
Prior Fiscal Year	20.00	21.00	41.00
Current Fiscal Year (results)	20.00		

Note: Year-end dividend and annual dividend for current fiscal year are not available, because the company became a wholly owned subsidiary of Seven & i Holdings Co., Ltd. on September 1, 2006.

[Reference]

The amounts of interim cash dividends and annual dividends adjusted for the stock exchange ratio are the following.

Interim	Year-End			Annual
York-Benimaru Interim Dividends per Share	Seven & i Holdings Year-end Dividends per Share	Stock Exchange Ratio	Year-end dividends adjusted for Stock Exchange Ratio	Actual Cash Dividends per Share
20.00	25.00	0.88	22.00	42.00

NONCONSOLIDATED BALANCE SHEETS

(Millions of yen)

	August 31, 2006		August 31, 2005		February 28, 2006	
	Amount	%	Amount	%	Amount	%
ASSETS						
Current assets	39,644	30.0	40,414	32.7	37,528	29.6
Cash and bank deposits	18,278		18,854		16,669	
Accounts receivable, trade	732		558		505	
Inventories	6,790		6,035		6,432	
Deposits held by financial service company	6,000		8,000		6,000	
Other	7,842		6,966		7,920	
Non-current assets	92,610	70.0	83,146	67.3	89,449	70.4
Property and equipment	60,264	45.6	53,835	43.6	57,083	44.9
Buildings	23,387		21,189		21,389	
Land	24,287		23,798		24,101	
Other	12,589		8,848		11,592	
Intangible assets	607	0.4	631	0.5	603	0.5
Investments and other assets	31,738	24.0	28,678	23.2	31,762	25.0
Long-term leasehold deposits	17,715		16,430		16,815	
Other	14,629		12,854		15,553	
Allowance for doubtful accounts	(606)		(606)		(606)	
TOTAL ASSETS	132,254	100.0	123,560	100.0	126,977	100.0

(Millions of yen)

	August 31, 2006		August 31, 2005		February 28, 2006	
	Amount	%	Amount	%	Amount	%
LIABILITIES						
Current liabilities	24,002	18.2	22,970	18.6	21,022	16.5
Accounts payable, trade	14,818		13,788		11,781	
Income taxes payable	2,119		2,604		2,007	
Allowance for bonuses to employees	1,423		1,317		1,125	
Other	5,642		5,260		6,108	
Non-current liabilities	2,289	1.7	1,680	1.4	1,763	1.4
Allowance for retirement benefits to directors and corporate auditors	491		435		461	
Other	1,797		1,244		1,301	
TOTAL LIABILITIES	26,292	19.9	24,650	20.0	22,785	17.9
NET ASSETS						
Owners' Equity	104,326	78.9	-	-	-	-
Common stock	9,927	7.5	-	-	-	-
Capital surplus	12,605	9.5	-	-	-	-
Additional paid-in capital	12,605		-	-	-	-
Other capital surplus	0		-	-	-	-
Retained earnings	81,951	62.0	-	-	-	-
Legal reserve	2,186		-	-	-	-
Other retained earnings						
General reserve	69,490		-	-	-	-
Retained earnings brought forward	10,274		-	-	-	-
Treasury stock	(158)	(0.1)	-	-	-	-
Valuation and translation adjustments	1,635	1.2	-	-	-	-
Net unrealized gains on available-for-securities	1,635		-	-	-	-
TOTAL NET ASSETS	105,961	80.1	-	-	-	-
TOTAL LIABILITIES AND NET ASSETS	132,254	100.0	-	-	-	-

(Millions of yen)

	August 31, 2006		August 31, 2005		February 28, 2006	
	Amount	%	Amount	%	Amount	%
SHAREHOLDERS' EQUITY						
Common stock	-	-	9,927	8.0	9,927	7.8
Capital surplus	-	-	12,445	10.1	12,445	9.8
Additional paid-in capital	-		12,445		12,445	
Other capital surplus	-		0		-	
Retained earnings	-	-	80,505	65.1	80,062	63.1
Legal reserve	-		2,186		2,186	
General reserve	-		67,505		67,505	
Unappropriated retained earnings	-		10,814		10,371	
Net unrealized gains on available-for-sale securities	-	-	1,250	1.0	1,905	1.5
Treasury stock	-	-	(5,219)	(4.2)	(148)	(0.1)
TOTAL SHAREHOLDERS' EQUITY	-	-	98,910	80.0	104,192	82.1
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	-	-	123,560	100.0	126,977	100.0

NONCONSOLIDATED STATEMENTS OF INCOME

(Millions of yen)

	Current Interim Period		Prior Year's Interim Period		Prior Fiscal Year	
	Amount	%	Amount	%	Amount	%
[Revenues from operations]	[156,816]		[149,647]		[297,445]	
Net sales	152,357	100.0	145,700	100.0	289,393	100.0
Cost of sales	116,562	76.5	111,446	76.5	220,542	76.2
Gross Profit on sales	35,795	23.5	34,254	23.5	68,851	23.8
Other operating revenue	4,458	2.9	3,947	2.7	8,051	2.8
Revenue from commission fee	3,482		3,259		6,518	
Rental revenue on real estate	975		688		1,533	
Gross profit from operations	40,253	26.4	38,201	26.2	76,902	26.6
Selling, general and administrative expenses	35,858	23.5	32,585	22.3	65,489	22.6
Operating income	4,395	2.9	5,616	3.9	11,412	3.9
Non-operating income	484	0.3	162	0.1	611	0.2
Interest income and interest on securities	60		46		94	
Dividends income	381		48		418	
Miscellaneous incomes	42		66		98	
Non-operating expenses	10	0.0	86	0.1	103	0.0
Bad debt loss	-		-		59	
Miscellaneous expenses	10		86		43	
Ordinary income	4,869	3.2	5,691	3.9	11,921	4.1
Special gains	99	0.0	-	-	20	0.0
Gain on sale of property and equipment	-		-		20	
Gain on sale of investments in securities	99		-		0	
Special losses	24	0.0	478	0.3	834	0.3
Loss on sale of property and equipment	-		-		86	
Loss on disposal of property and equipment	15		477		125	
Cost in relation to system integration	1		-		545	
Other	7		0		76	
Income before income taxes	4,945	3.2	5,213	3.6	11,107	3.8
Income taxes - current	1,979	1.2	2,446	1.7	4,411	1.5
Income taxes - deferred	(42)	(0.0)	(274)	(0.2)	(19)	(0.0)
Net income	3,007	2.0	3,041	2.1	6,716	2.3
Retained earnings brought forward	-		7,773		7,773	
Interim dividends	-		-		978	
Loss on sale of treasury stock	-		-		3,139	
Unappropriated retained earnings	-		10,814		10,371	

STATEMENT OF CHANGES IN NET ASSETS

Current Interim Period (from March 1, 2006 to August 31, 2006)

(Millions of yen)

	Owners' Equity			
	Common Stock	Capital surplus		
		Additional Paid-in Capital	Other Capital Surplus	Total Capital Surplus
Balance at February 28, 2006	9,927	12,445	-	12,445
Increase (decrease) of items during the period				
Dividends from retained earning				
Directors' and corporate auditors' bonuse:				
Reversal of deferred gain on sale of property and equipment				
Transfer to other reserve				
Net income				
Increase resulting from merge:		160		160
Purchase of treasury stock				
Disposal of treasury stock			0	0
Decrease of items during the period except those included in owners' equity				
Total increase (decrease) of items during the period	-	160	0	160
Balance at August 31, 2006	9,927	12,605	0	12,605

	Owners' Equity						
	Retained Earnings					Treasury Stock	Total Owners' Equity
	Legal Reserve	Other Retained Earnings			Total Retained Earnings		
		Reserve for deferred gain on sale of property and equipment	Other Reserve	Retained Earnings brought forward			
Balance at February 28, 2006	2,186	338	67,167	10,371	80,062	(148)	102,287
Increase (decrease) of items during the period							
Dividends from retained earning				(1,062)	(1,062)		(1,062)
Directors' and corporate auditors' bonuse:				(57)	(57)		(57)
Reversal of deferred gain on sale of property and equipment		(15)		15	-		-
Transfer to other reserve			2,000	(2,000)	-		-
Net income				3,007	3,007		3,007
Increase resulting from merge:							160
Purchase of treasury stock						(9)	(9)
Disposal of treasury stock						0	0
Decrease of items during the period except those included in owners' equity							-
Total increase (decrease) of items during the period	-	(15)	2,000	(96)	1,888	(9)	2,039
Balance at August 31, 2006	2,186	323	69,167	10,274	81,951	(158)	104,326

	Valuation and translation adjustments		Total Net Assets
	Net unrealized gains on available-for-securities	Total valuation and translation adjustments	
Balance at February 28, 2006	1,905	1,905	104,192
Increase (decrease) of items during the period			
Dividends from retained earning			(1,062)
Directors' and corporate auditors' bonuse:			(57)
Reversal of deferred gain on sale of property and equipment			-
Transfer to other reserve			-
Net income			3,007
Increase resulting from merge:			160
Purchase of treasury stock			(9)
Disposal of treasury stock			0
Decrease of items during the period except those included in owners' equity	(270)	(270)	(270)
Total increase (decrease) of items during the period	(270)	(270)	1,769
Balance at August 31, 2006	1,635	1,635	105,961

Significant Accounting Policies for the Preparation of Semiannual Nonconsolidated Financial Statements

(a) Valuation method of major assets

(1) Valuation method of inventories

- Merchandise held by the Company, except for that described below, is valued at the lower of cost or market value; cost is determined by the retail method.
- Fresh foods merchandise is valued at cost, determined by the last purchase price method.
- Merchandise held at distribution centers is valued at cost, determined by the first-in first-out method.
- Other inventories are valued at cost, determined by the last purchase price method.

(2) Valuation method of securities

Investments in subsidiaries are valued at cost, determined by the moving-average method.

Held-to-maturity debt securities are carried at amortized cost.

Available-for-sale securities are classified into two categories: () fair value is available and () fair value is not available.

() Securities, whose fair value is available, are valued at the quoted market price prevailing at the end of the interim period. Net unrealized gains or losses on these securities are reported as a separate component of the net assets at a net-of-tax amount. Cost of sales is determined by the moving-average method.

() Securities, whose fair value is not available, are valued at cost, determined by the moving-average method.

(b) Depreciation and amortization

(1) Property and equipment

Depreciation expense is computed using the declining-balance method.

(2) Intangible assets

Amortization expense of intangible assets is computed using the straight-line method.

Software is amortized using the straight-line method over its estimated useful life (5 years).

(3) Long-term prepaid expenses

Amortization expense of long-term prepaid expenses is computed using the straight-line method.

(c) Allowances

(1) Allowance for doubtful accounts

An allowance for doubtful accounts is provided against potential losses on collection at an amount measured using a historical bad debt ratio, plus an amount individually measured on collectibility of receivables that are expected to be uncollectible due to bad financial condition or insolvency.

(2) Allowance for bonuses to employees

An allowance for bonuses to employees is provided at the amount expected to be paid in respect of the calculation period ended on the balance sheet date.

(3) Allowance for accrued pension and severance costs

An allowance for accrued pension and severance costs is provided at the amount incurred during the interim period, which is based on the present value of the projected benefit obligation less the estimated fair value of plan assets at the end of the fiscal year. Unrecognized prior service costs are amortized on a straight-line basis over the period of 5 years from the year in which they arise. Unrecognized actuarial differences are amortized on a straight-line basis over the period of 10 years from the next year in which they arise.

(4) Allowance for retirement benefits to directors and corporate auditors

An allowance for retirement benefits to directors and corporate auditors is provided in accordance with the Company's internal policy.

(d) Leases

All finance lease contracts, other than those for which the ownership of the leased assets is to be transferred to lessee, are accounted for as operating leases.

(e) Other accounting policies for the preparation of Semiannual Nonconsolidated financial statements

Accounting for consumption taxes

Consumption taxes are separately accounted for, and are excluded from the amounts of the underlying income and expense transactions.

Consumption taxes paid and consumption taxes received were netted, and were included in Current Liabilities - Other.

Change in Accounting Policies

(Accounting Standard for Presentation of Net Assets in the Balance Sheet)

The Company adopted the Accounting Standard for Presentation of Net Assets in the Balance Sheet (Accounting Standard Board of Japan Statement No.5 issued by Accounting Standard Board of Japan Statement No.5 issued by Accounting Standard Board of Japan on December 9, 2005) and the Guidance on Accounting Standard for Presentation of Net Assets in the Balance Sheet (Accounting Standard Board of Japan Guidance No.8 issued by Accounting Standard Board of Japan on December 9, 2005) from current interim period.

The amount of shareholders' equity pursuant to the former accounting standard is ¥ 105,961 million.

"Net Assets" in the Balance Sheet for the interim accounting period is presented according to the revision of Regulations Concerning the Terminology, Forms and Preparation Methods of Interim Financial Statements dated on April 25, 2006.

Notes to Nonconsolidated Financial Statements

Nonconsolidated Balance Sheets

(Millions of yen)

	As of August 31, 2006	As of August 31, 2005	As of February 28, 2006
1. Accumulated depreciation of property and equipment	50,214	47,854	48,004
2. Contingent liabilities	7	16	11

Nonconsolidated Statements of Income

1. Net sales includes sales by tenants based on agreements with the tenants. Sales, cost of sales and gross profit relating to the tenant sales which are included in the accompanying statements of income are as follows:

(Millions of yen)

	For the six-month period ended August 31, 2006	For the six-month period ended August 31, 2005	For the year ended February 28, 2006
Net sales	25,871	25,410	49,734
Cost of sales	23,481	23,081	45,151
Gross profit	2,389	2,329	4,582

2. Depreciation and amortization are as follows:

(Millions of yen)

	For the six-month period ended August 31, 2006	For the six-month period ended August 31, 2005	For the year ended February 28, 2006
-Property and equipment	1,900	1,521	3,264
-Intangible assets	103	201	291
Total	2,003	1,723	3,556

3. Accounting for income taxes -current and income taxes -deferred

Income taxes -current and Income taxes -deferred for the interim period were computed assuming the effects of a reversal of the provision for deferred gain on sale of property and equipment, at the current year end.

Nonconsolidated statements changes in net assets

Interim period ended August 31, 2006

Total numbers and periodic changes of treasury stock by class

	Treasury shares by class
	common stock
Number of shares at the end of previous fiscal year	49,001 shares
Increase in number of shares	2,658 shares
Decrease in number of shares	54 shares
Number of shares at the end of current interim period	51,605 shares

(Notes)

1. Increase in number of common stock of treasury stock is due to purchase of the odd stock by acquisition claim.

2. Decrease in number of common stock of treasury stock is due to disposal of the odd stock by adding-to-holdinds claim.

Leases

1. Information for financial lease contracts other than those for which the ownership of the leased assets is to be transferred to lessee.

(1) Acquisition cost, accumulated depreciation and net book value of leased assets, including the interest portion, are summarized as follows: (Millions of yen)

	As of August 31, 2006	As of August 31, 2005	As of February 28, 2006
Furniture and equipment:			
Acquisition cost	8,011	6,622	6,880
Accumulated depreciation	3,590	3,423	3,478
Net book value	4,420	3,199	3,401

(2) The amounts of outstanding future lease payments, including the interest portion, are summarized as follows: (Millions of yen)

	As of August 31, 2006	As of August 31, 2005	As of February 28, 2006
Within one year	1,531	1,241	1,263
Over one year	2,889	1,957	2,138
Total	4,420	3,199	3,401

(3) Lease payments and depreciation expense of leased assets are as follows:

(Millions of yen)

	For the six-month period ended August 31, 2006	For the six-month period ended August 31, 2005	For the year ended February 28, 2006
Lease payments	847	701	1,426
Depreciation expense	847	701	1,426

(4) Depreciation expense is computed using the straight-line method over the lease term of the leased assets, assuming no residual value.

2. Operating leases

The amounts of outstanding future lease payments, including the interest portion, are summarized as follows:

(Millions of yen)

	As of August 31, 2006	As of August 31, 2005	As of February 28, 2006
Within one year	313	206	313
Over one year	4,156	2,744	4,313
Total	4,470	2,950	4,627

Securities Information

There were no subsidiaries or affiliates whose fair value are available for the six-month periods ended August 31, 2006, 2005 and for the year ended February 28, 2006.

Subsequent Event

On September 1, 2006, the Company became a wholly owned subsidiary of Seven & i Holdings Co., Ltd. by means of stock-for-stock exchange. As a result, the Company's treasury stock of ¥ 158 million were converted to the stock of the parent company and recorded in "Current Assets" instead of deduction item in "Net Assets".