



July 5, 2007

Consolidated Financial Results for the Three-Month Period Ended May 31, 2007 Seven & i Holdings Co., Ltd.

(URL <http://www.7andi.com>)

Securities Code No.3382

President and C.O.O.: Noritoshi Murata

The Company's shares are listed on the First Section of the Tokyo Stock Exchange.

1. Matters Concerning the Preparation of the Quarterly Financial Results

Adoption of Simplified Accounting Method: Applied

Change in Accounting Policies: None

Change in the Scope of Consolidation and Application of Equity Method:

Consolidated subsidiaries: Increase one company (THE LOFT CO., LTD.)

Affiliates applied for the equity method: Decrease one company (THE LOFT CO., LTD.)

2. Consolidated Business Results for the Three-Month Period (from March 1, 2007 to May 31, 2007)

(1) Results of operations

(Millions of yen, except per share amounts)

	Revenues from Operations		Operating Income		Ordinary Income	
Three Months Ended May 31, 2007	1,365,626	9.4%	71,060	6.3%	69,242	3.8%
Three Months Ended May 31, 2006	1,248,215	-	66,830	-	66,727	-
Fiscal year ended February 28, 2007	5,337,806	37.0%	286,838	17.1%	282,016	13.7%

	Net Income		Net Income per Share		Diluted Net Income per Share	
Three Months Ended May 31, 2007	35,734	1.2%	37.48	(yen)	-	(yen)
Three Months Ended May 31, 2006	35,328	-	39.04	(yen)	-	(yen)
Fiscal year ended February 28, 2007	133,419	51.7%	142.90	(yen)	-	(yen)

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

2. Percentages above represent increase from the prior year corresponding period unless otherwise stated. The Company started to compile the consolidated financial results on a quarterly basis from the nine-month period ended November 30, 2005; therefore year-on-year change for the three-month period ended May 31, 2006 is not stated.

(2) Financial Position

(Millions of yen, except per share amounts)

	Total Assets	Net Assets	Capital Adequacy Ratio	Net Assets per Share
As of May 31, 2007	3,847,549	1,976,775	49.7%	2,004.47 (yen)
As of May 31, 2006	3,485,062	1,748,750	48.6%	1,833.06 (yen)
As of February 28, 2007	3,809,192	1,969,149	50.1%	1,999.77 (yen)

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

(3) Cash Flows

(Millions of yen)

	Cash Flows from Operating Activities	Cash Flows from Investing Activities	Cash Flows from Financing Activities	Cash and Cash Equivalents at End of Period (Year)
Three Months Ended May 31, 2007	188,068	(93,231)	(40,408)	624,442
Three Months Ended May 31, 2006	12,943	(68,175)	16,298	571,837
Fiscal year ended February 28, 2007	157,209	(235,983)	37,241	570,133

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

3. Consolidated Business Outlook for the Fiscal Year Ending February 29, 2008 (from March 1, 2007 to February 29, 2008)

(Millions of yen)

	Revenues from Operations		Operating Income		Ordinary Income		Net Income	
Interim Period	2,840,000	11.1%	148,000	4.1%	144,000	3.3%	76,000	10.7%
Entire Year	5,755,000	7.8%	300,000	4.6%	292,000	3.5%	150,000	12.4%

<Reference> Expected net income per share for the year ending February 29, 2008: 157.31 yen

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

2. Percentages above represent increase from the prior year's interim period (fiscal year).

At the release point in time of this document, no change is expected in the outlook for the fiscal year ending February 29, 2008, announced on April 12, 2007.

FORWARD LOOKING STATEMENTS

The outlook for the fiscal year ending February 29, 2008 is based on hypotheses, plans and estimates at the date of publication. It is possible that some uncertain factors will cause the Company's future performance to differ significantly from the contents of outlook.

(Reference)

1. Financial results for the three-month period ended May 31, 2007

(Millions of yen)

	Three Months Ended May 31, 2007		Three Months Ended May 31, 2006	
	Amount	YOY	Amount	YOY
Revenues from Operations	1,365,626	9.4%	1,248,215	36.9%
Operating Income	71,060	6.3%	66,830	16.3%
Ordinary Income	69,242	3.8%	66,727	15.9%
Net Income for the period	35,734	1.2%	35,328	94.8%

(Note) Year-on-year change for the three-month period ended May 31, 2006 is compared with Ito-Yokado's consolidated results for the three-month period ended May 31, 2005.

2. Segment Information

(Revenues from operations by Business segment)

(Millions of yen)

	Three Months Ended May 31, 2007		Three Months Ended May 31, 2006	
	Amount	YOY	Amount	YOY
Convenience store operations	546,702	4.4%	523,594	19.7%
Superstore operations	512,216	19.4%	428,872	0.2%
Department store operations	252,049	4.2%	241,977	-
Restaurant operations	29,094	(6.7%)	31,180	(0.4%)
Financial services	28,537	18.6%	24,064	23.2%
Others	7,907	7.0%	7,390	102.9%
Eliminations / Corporate	(10,882)	-	(8,863)	-
Consolidated total	1,365,626	9.4%	1,248,215	36.9%

(Note) Year-on-year change for the three-month period ended May 31, 2006 is compared with Ito-Yokado's consolidated results for the three-month period ended May 31, 2005.

(Operating income by Business segment)

(Millions of yen)

	Three Months Ended May 31, 2007		Three Months Ended May 31, 2006	
	Amount	YOY	Amount	YOY
Convenience store operations	48,017	(1.1%)	48,528	1.5%
Superstore operations	13,599	102.2%	6,724	24.9%
Department store operations	5,264	(19.9%)	6,571	-
Restaurant operations	(685)	-	535	(32.7%)
Financial services	4,096	(21.0%)	5,183	51.6%
Others	485	24.5%	390	419.5%
Eliminations / Corporate	282	-	(1,101)	-
Consolidated total	71,060	6.3%	66,830	16.3%

(Note) Year-on-year change for the three-month period ended May 31, 2006 is compared with Ito-Yokado's consolidated results for the three-month period ended May 31, 2005.

CONDENSED CONSOLIDATED BALANCE SHEETS

(Millions of yen)

	May 31, 2007		May 31, 2006		February 28, 2007	
	Amount	%	Amount	%	Amount	%
ASSETS						
Current assets	1,296,352	33.7	1,112,019	31.9	1,274,376	33.5
Cash and bank deposits	650,769		577,227		575,643	
Notes and accounts receivable, trade	151,353		135,252		128,336	
Trade accounts receivable - financial services	78,743		40,695		72,724	
Inventories	169,425		156,351		159,897	
Deferred income taxes	35,038		32,657		36,700	
Other	213,956		172,440		304,033	
Allowance for doubtful accounts	(2,934)		(2,606)		(2,959)	
Non-current assets	2,550,795	66.3	2,372,514	68.1	2,534,381	66.5
Property and equipment	1,320,920	34.3	1,205,902	34.6	1,333,157	35.0
Buildings and structures	553,347		514,568		556,604	
Furniture and fixtures	174,561		186,327		175,285	
Vehicles	117		112		120	
Land	560,452		490,420		564,223	
Construction in progress	32,441		14,473		36,923	
Intangible assets	485,991	12.6	410,959	11.8	478,788	12.6
Investments and other assets	743,882	19.4	755,651	21.7	722,435	18.9
Investments in securities	196,670		225,835		173,206	
Prepaid pension cost	7,539		641		5,965	
Long-term leasehold deposits	453,715		454,794		463,601	
Deferred income taxes	18,530		25,583		21,654	
Other	76,396		59,121		67,013	
Allowance for doubtful accounts	(8,970)		(10,323)		(9,006)	
Deferred assets	402	0.0	528	0.0	434	0.0
New organization costs	402		528		434	
TOTAL ASSETS	3,847,549	100.0	3,485,062	100.0	3,809,192	100.0

(Millions of yen)

	May 31, 2007		May 31, 2006		February 28, 2007	
	Amount	%	Amount	%	Amount	%
LIABILITIES						
Current liabilities	1,109,257	28.8	1,026,742	29.5	1,097,656	28.8
Notes and accounts payable, trade	342,589		315,481		305,529	
Short-term loans	155,028		130,288		176,913	
Current portion of long-term loans	61,883		49,411		61,398	
Current portion of bonds	-		30,000		30,000	
Income taxes payable	28,682		27,557		44,925	
Deposits received	105,054		98,330		76,010	
Other	416,019		375,673		402,879	
Non-current liabilities	761,517	19.8	709,569	20.3	742,386	19.5
Bonds	145,000		85,000		145,000	
Long-term loans	399,999		381,970		370,457	
Commercial paper	26,105		42,762		30,344	
Deferred income taxes	67,795		79,086		74,167	
Allowance for accrued pension and severance costs	3,191		3,546		3,357	
Allowance for retirement benefits to directors and corporate auditors	3,851		3,041		4,201	
Deposits received from tenants and franchised stores	60,485		58,554		61,124	
Other	55,087		55,609		53,733	
TOTAL LIABILITIES	1,870,774	48.6	1,736,312	49.8	1,840,043	48.3
NET ASSETS						
Shareholders' equity	1,909,753	49.6	1,679,491	48.2	1,899,768	49.9
Common stock	50,000		50,000		50,000	
Capital surplus	766,185		692,415		766,185	
Retained earnings	1,134,894		1,049,981		1,124,892	
Treasury stock, at cost	(41,327)		(112,906)		(41,309)	
Accumulated gains (losses) from valuation and translation adjustments	1,513	0.1	12,563	0.4	7,029	0.2
Unrealized (losses) gains on available-for-sale securities, net of taxes	(5,257)		7,861		(2,100)	
Unrealized losses on hedging derivatives, net of taxes	(95)		(1)		(370)	
Foreign currency translation adjustments	6,866		4,703		9,500	
Minority interests in consolidated subsidiaries	65,508	1.7	56,695	1.6	62,350	1.6
TOTAL NET ASSETS	1,976,775	51.4	1,748,750	50.2	1,969,149	51.7
TOTAL LIABILITIES AND NET ASSETS	3,847,549	100.0	3,485,062	100.0	3,809,192	100.0

CONDENSED CONSOLIDATED STATEMENTS OF INCOME

(Millions of yen)

	Three Months Ended May 31, 2007		Three Months Ended May 31, 2006		Fiscal Year Ended February 28, 2007	
	Amount	%	Amount	%	Amount	%
Revenues from operations	1,365,626		1,248,215		5,337,806	
Net sales	1,237,582	100.0	1,128,004	100.0	4,839,554	100.0
Cost of sales	905,584	73.2	830,204	73.6	3,568,335	73.7
Gross profit on sales	331,997	26.8	297,799	26.4	1,271,218	26.3
Other operating revenues	128,043	10.4	120,211	10.7	498,252	10.3
Gross profit from operations	460,041	37.2	418,011	37.1	1,769,471	36.6
Selling, general and administrative expenses	388,981	31.5	351,180	31.2	1,482,632	30.7
Operating income	71,060	5.7	66,830	5.9	286,838	5.9
Non-operating income and expenses						
Non-operating income	3,191	0.3	3,312	0.3	10,430	0.2
Non-operating expenses	5,008	0.4	3,416	0.3	15,252	0.3
Ordinary income	69,242	5.6	66,727	5.9	282,016	5.8
Special gains and losses						
Special gains	5,676	0.5	872	0.1	3,873	0.1
Special losses	6,952	0.6	4,417	0.4	42,830	0.9
Income before income taxes and minority interests for the period (year)	67,966	5.5	63,181	5.6	243,060	5.0
Income taxes - current	29,248	2.3	24,034	2.1	99,526	2.0
Income taxes - deferred	936	0.1	11	0.0	1,095	0.0
Minority interests in net income of consolidated subsidiaries	2,047	0.2	3,807	0.4	9,019	0.2
Net income for the period (year)	35,734	2.9	35,328	3.1	133,419	2.8

CONSOLIDATED STATEMENTS OF CHANGES IN NET ASSETS

Three-month period ended May 31, 2007 (from March 1, 2007 to May 31, 2007)

(Millions of yen)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock, at cost	Total shareholders' equity
Balance at February 28, 2007	50,000	766,185	1,124,892	(41,309)	1,899,768
Increase (decrease) of items during the period					
Dividends from surplus			(25,744)		(25,744)
Net income for the period			35,734		35,734
Purchase of treasury stock				(18)	(18)
Sales of treasury stock		0		0	0
Increase resulting from adoption of U.S. GAAP by U.S. subsidiaries			11		11
Other				(0)	(0)
(Decrease) increase of items during the period except those included in shareholders' equity					
Total increase (decrease) of items during the period	-	0	10,001	(17)	9,984
Balance at May 31, 2007	50,000	766,185	1,134,894	(41,327)	1,909,753

	Accumulated gains (losses) from valuation and translation adjustments				Minority interests in consolidated subsidiaries	TOTAL NET ASSETS
	Unrealized losses on available-for-sale securities, net of taxes	Unrealized (losses) gains on hedging derivatives, net of taxes	Foreign currency translation adjustments	Total accumulated gains (losses) from valuation and translation adjustments		
Balance at February 28, 2007	(2,100)	(370)	9,500	7,029	62,350	1,969,149
Increase (decrease) of items during the period						
Dividends from surplus						(25,744)
Net income for the period						35,734
Purchase of treasury stock						(18)
Sales of treasury stock						0
Increase resulting from adoption of U.S. GAAP by U.S. subsidiaries						11
Other						(0)
(Decrease) increase of items during the period except those included in shareholders' equity	(3,157)	275	(2,633)	(5,515)	3,157	(2,357)
Total increase (decrease) of items during the period	(3,157)	275	(2,633)	(5,515)	3,157	7,626
Balance at May 31, 2007	(5,257)	(95)	6,866	1,513	65,508	1,976,775

Fiscal year ended February 28, 2007 (from March 1, 2006 to February 28, 2007)

(Millions of yen)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock, at cost	Total shareholders' equity
Balance at February 28, 2006	50,000	611,704	1,040,613	(112,884)	1,589,432
Increase (decrease) of items during the year					
Dividends from retained earnings			(25,792)		(25,792)
Directors' and corporate auditors' bonuses			(168)		(168)
Dividends from surplus			(23,129)		(23,129)
Net income for the year			133,419		133,419
Increase (decrease) resulting from stock-for-stock exchange		223,468		(6,440)	217,027
Purchase of treasury stock				(128)	(128)
Sales of treasury stock		1,504		7,652	9,157
Cancellation of treasury stock		(70,491)		70,491	-
Decrease resulting from adoption of U.S. GAAP by U.S. subsidiaries			(49)		(49)
Other				0	0
(Decrease) increase of items during the year except those included in shareholders' equity					
Total increase (decrease) of items during the year	-	154,481	84,279	71,575	310,336
Balance at February 28, 2007	50,000	766,185	1,124,892	(41,309)	1,899,768

	Accumulated gains (losses) from valuation and translation adjustments				Minority interests in consolidated subsidiaries	TOTAL NET ASSETS
	Unrealized gains (losses) on available-for-sale securities, net of taxes	Unrealized losses on hedging derivatives, net of taxes	Foreign currency translation adjustments	Total accumulated gains (losses) from valuation and translation adjustments		
Balance at February 28, 2006	7,953	-	6,298	14,251	114,196	1,717,880
Increase (decrease) of items during the year						
Dividends from retained earnings						(25,792)
Directors' and corporate auditors' bonuses						(168)
Dividends from surplus						(23,129)
Net income for the year						133,419
Increase (decrease) resulting from stock-for-stock exchange						217,027
Purchase of treasury stock						(128)
Sales of treasury stock						9,157
Cancellation of treasury stock						-
Decrease resulting from adoption of U.S. GAAP by U.S. subsidiaries						(49)
Other						0
(Decrease) increase of items during the year except those included in shareholders' equity	(10,053)	(370)	3,202	(7,222)	(51,845)	(59,068)
Total increase (decrease) of items during the year	(10,053)	(370)	3,202	(7,222)	(51,845)	251,268
Balance at February 28, 2007	(2,100)	(370)	9,500	7,029	62,350	1,969,149

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(Millions of yen)

	Three Months Ended May 31, 2007	Three Months Ended May 31, 2006	Fiscal Year Ended February 28, 2007
Cash flows from operating activities:			
Income before income taxes and minority interests for the period (year)	67,966	63,181	243,060
Depreciation and amortization	33,614	31,434	132,693
Equity in earnings of affiliates	(314)	(496)	(1,321)
Increase in notes and accounts receivable, trade	(22,470)	(25,103)	(17,030)
Increase in trade accounts receivable - financial services	(6,019)	(3,132)	(36,669)
Increase in inventories	(5,930)	(7,621)	(2,869)
Increase in notes and accounts payable, trade	34,101	29,494	2,717
Net increase (decrease) in call money in banking business	98,300	-	(131,300)
Other	39,608	23,208	125,871
Sub-total	238,856	110,964	315,152
Interest and dividends received	931	1,032	3,605
Interest paid	(3,311)	(3,312)	(10,167)
Income taxes paid	(48,408)	(95,740)	(151,381)
Net cash provided by operating activities	188,068	12,943	157,209
Cash flows from investing activities:			
Acquisition of property and equipment	(38,861)	(37,402)	(220,540)
Proceeds from sales of property and equipment	10,449	1,529	9,907
Acquisition of intangible assets	(6,764)	(10,171)	(18,848)
Payment for purchase of investments in securities	(122,225)	(52,334)	(159,371)
Proceeds from sales and maturity of investments in securities	90,563	43,390	147,518
Acquisition of investments in subsidiaries	-	(20,410)	(24,666)
Acquisition of investments in newly consolidated subsidiaries	(6,714)	-	(6,195)
Payment for long-term leasehold deposits and advances for store construction	(9,533)	(5,269)	(24,933)
Refund of long-term leasehold deposits	11,954	10,116	30,449
Other	(22,099)	2,376	30,699
Net cash used in investing activities	(93,231)	(68,175)	(235,983)
Cash flows from financing activities:			
(Decrease) increase in short-term loans	(23,885)	15,817	63,945
Proceeds from long-term loans	39,000	20,720	227,695
Repayment of long-term loans	(10,288)	(10,123)	(215,316)
Proceeds from issuance of commercial paper	178,175	168,384	680,261
Payment for redemption of commercial paper	(170,675)	(163,363)	(683,990)
Payment for redemption of bonds	(30,000)	-	(300)
Dividends paid	(24,769)	(24,980)	(48,881)
Other	2,034	9,842	13,827
Net cash (used in) provided by financing activities	(40,408)	16,298	37,241
Effect of exchange rate changes on cash and cash equivalents	(119)	(105)	790
Net increase (decrease) in cash and cash equivalents	54,308	(39,039)	(40,742)
Cash and cash equivalents at beginning of period (year)	570,133	610,876	610,876
Cash and cash equivalents at end of period (year)	624,442	571,837	570,133

SEGMENT INFORMATION

<Business Segments>

Three-month period ended May 31, 2007 (From March 1, 2007 to May 31, 2007)

(Millions of yen)

	Convenience store operations	Superstore operations	Department store operations	Restaurant operations	Financial services	Others	Total before eliminations	Eliminations / corporate	Consolidated total
Revenues and operating income									
Revenues									
1. Customers	546,152	509,494	252,047	28,674	23,226	6,030	1,365,626	-	1,365,626
2. Intersegment	550	2,721	1	419	5,311	1,877	10,882	(10,882)	-
Total revenues	546,702	512,216	252,049	29,094	28,537	7,907	1,376,508	(10,882)	1,365,626
Operating expenses	498,685	498,616	246,784	29,780	24,441	7,422	1,305,730	(11,165)	1,294,565
Operating income (loss)	48,017	13,599	5,264	(685)	4,096	485	70,777	282	71,060

Three-month period ended May 31, 2006 (From March 1, 2006 to May 31, 2006)

(Millions of yen)

	Convenience store operations	Superstore operations	Department store operations	Restaurant operations	Financial services	Others	Total before eliminations	Eliminations / corporate	Consolidated total
Revenues and operating income									
Revenues									
1. Customers	523,412	426,038	241,977	30,751	20,430	5,606	1,248,215	-	1,248,215
2. Intersegment	182	2,834	-	429	3,633	1,783	8,863	(8,863)	-
Total revenues	523,594	428,872	241,977	31,180	24,064	7,390	1,257,079	(8,863)	1,248,215
Operating expenses	475,066	422,148	235,405	30,644	18,880	7,000	1,189,146	(7,761)	1,181,384
Operating income	48,528	6,724	6,571	535	5,183	390	67,932	(1,101)	66,830

Fiscal year ended February 28, 2007 (From March 1, 2006 to February 28, 2007)

(Millions of yen)

	Convenience store operations	Superstore operations	Department store operations	Restaurant operations	Financial services	Others	Total before eliminations	Eliminations / corporate	Consolidated total
Revenues and operating income									
Revenues									
1. Customers	2,248,400	1,871,834	988,357	119,972	84,432	24,807	5,337,804	1	5,337,806
2. Intersegment	1,248	11,101	-	1,710	15,862	7,532	37,456	(37,456)	-
Total revenues	2,249,648	1,882,935	988,357	121,683	100,295	32,340	5,375,261	(37,454)	5,337,806
Operating expenses	2,043,558	1,853,765	961,584	120,752	75,747	30,718	5,086,126	(35,158)	5,050,968
Operating income	206,090	29,170	26,772	931	24,547	1,621	289,135	(2,296)	286,838

Notes:

- The classification of business segment is made by the type of products and services and the type of sales.
- Major businesses of each segment are as follows:
 - Convenience store operations ----- Convenience store business operated by corporate stores and franchised stores under the name of "7-Eleven"
 - Superstore operations ----- Superstore, supermarket and specialty shop
 - Department store operations ----- Sogo Co., Ltd., THE SEIBU DEPARTMENT STORES, LTD., and other companies in the department store business
 - Restaurant operations ----- Coffee shop style restaurant, family restaurant operated in shopping center and dining service
 - Financial services ----- Bank, credit card and lease business
 - Others ----- Electronic commerce business and other services