



October 7, 2010

Consolidated Financial Results for the Six Months ended August 31, 2010

Seven & i Holdings Co., Ltd.

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

Securities Code No. 3382

President and COO: Noritoshi Murata

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

Submission date of quarterly securities report scheduled: October 14, 2010

Starting date of paying dividend: November 12, 2010

Preparation of brief summary materials for quarterly financial results: Yes

Holding of quarterly financial results presentation: Yes

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

1. Business Results for the Six Months ended August 31, 2010 (from March 1, 2010 to August 31, 2010)

(1) Results of Operations (cumulative)

(Millions of yen, except per share amounts)

	Revenues from Operations		Operating Income		Ordinary Income	
Six Months ended August 31, 2010	2,559,173	0.5%	119,332	1.0%	119,410	0.8%
Six Months ended August 31, 2009	2,546,405	-	118,138	-	118,464	-

	Net Income		Net Income per Share		Diluted Net Income per Share	
Six Months ended August 31, 2010	62,428	42.9%	70.09	(yen)	70.06	(yen)
Six Months ended August 31, 2009	43,687	-	48.36	(yen)	48.35	(yen)

Note: Percentages represent increase (decrease) from the corresponding period in the prior fiscal year.

(2) Financial Position

(Millions of yen, except per share amounts)

	Total Assets	Net Assets	Owners' Equity Ratio	Net Assets per Share
As of August 31, 2010	3,676,999	1,773,221	46.2%	1,922.48 (yen)
As of February 28, 2010	3,673,605	1,793,940	46.9%	1,905.97 (yen)

Note: Owners' Equity (net assets excluding minority interests in consolidated subsidiaries and subscription rights to shares) :
As of August 31, 2010: 1,698,453 million yen As of February 28, 2010: 1,721,967 million yen

2. Dividends

Record Date	Dividends per Share (yen)				
	First Quarter	Second Quarter	Third Quarter	Year-end	Total
Year ended February 28, 2010	-	28.00	-	28.00	56.00
Year ending February 28, 2011	-	28.00			
Year ending February 28, 2011 (forecast)			-	28.00	56.00

Note: Revision of dividends forecast during the current quarterly period: None

3. Forecast of Business Results for the Fiscal Year ending February 28, 2011 (from March 1, 2010 to February 28, 2011)

(Millions of yen, except per share amounts)

	Revenues from Operations	Operating Income	Ordinary Income	Net Income	Net Income per Share
Entire Year	5,140,000 0.6%	240,000 5.9%	237,000 4.4%	100,000 122.8%	112.27 (yen)

Notes:

1. Percentages represent increase (decrease) from the corresponding period in the prior fiscal year.
2. Revision of business results forecast during the current quarterly period: Yes

4. Others

- (1) Changes in significant subsidiaries during the current quarterly period
(changes in specific subsidiaries accompanying changes in scope of consolidation): Yes
Added: one company (Seven & i Asset Management Co., Ltd.)
Excluded: none

Note:

Seven & i Asset Management Co., Ltd. was established on June 1, 2010.

- (2) Adoption of simplified accounting method as well as specific accounting for preparing the quarterly consolidated financial statements: Yes

Note:

- 1) Methods for calculating deferred income tax assets and deferred tax liabilities

In assessing the collectability of deferred tax assets, as the Company has deemed that there has been no marked change in the operating environment, etc., since the end of the previous year, and that there has been no marked change with respect to the occurrence of temporary differences, etc., they employ the future performance forecasts and tax planning utilized in the previous fiscal year.

- (3) Changes in accounting principles, procedures, and method of presentation for preparing the quarterly consolidated financial statements (those to be described in the section of Significant Accounting Policies for the Preparations of Quarterly Consolidated Financial Statements):

1. Changes due to amendment of accounting standards: None
2. Changes due to other reasons: None

- (4) Number of shares outstanding (common stock)

1. Number of shares outstanding at the end of period (including treasury stock)

As of August 31, 2010:	886,441,983 shares	As of February 28, 2010:	906,441,983 shares
------------------------	--------------------	--------------------------	--------------------

2. Number of treasury stock at the end of period

As of August 31, 2010:	2,973,712 shares	As of February 28, 2010:	2,983,875 shares
------------------------	------------------	--------------------------	------------------

3. Average number of shares during the period (cumulative quarterly consolidated period)

As of August 31, 2010:	890,731,910 shares	As of August 31, 2009:	903,456,943 shares
------------------------	--------------------	------------------------	--------------------

NOTICE REGARDING QUARTERLY REVIEW PROCEDURES FOR THE QUARTERLY FINANCIAL RESULTS

This quarterly financial results statement is exempt from the quarterly review procedures based upon the Financial Instruments and Exchange Act. At the time of disclosure of this quarterly financial results statement, the quarterly review procedure based upon the Financial Instruments and Exchange Act has not been completed.

FORWARD LOOKING STATEMENTS

The forecast for the year ending February 28, 2011 is based on Seven & i Holdings' 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 forecast.

<Reference>

Qualitative Information on Consolidated Financial Results Forecast (from March 1, 2010 to February 28, 2011)

The Company has revised its consolidated financial results forecast for fiscal year ending February 28, 2011 from the previous forecast announced on April 8, 2010. In revenues from operations, the consolidated financial results forecast has been reduced from ¥5,200.0 billion to ¥5,140.0 billion, and the forecasts by business segment have also been revised. In operating income, the consolidated results forecast is unchanged, but the forecasts by business segment have been revised.

Consolidated financial results forecast (Millions of yen)

	Year ending February 28, 2011	
		YOY
Revenues from operations	5,140,000	0.6%
Operating income	240,000	5.9%
Ordinary income	237,000	4.4%
Net income	100,000	122.8%

Assumed exchange rates: US\$1 = 88.00 yen 1yuan = 12.90 yen

Revenues from operations and operating income forecast by business segment (Millions of yen)

	Year ending February 28, 2011			
	Revenues from operations		Operating income	
		YOY		YOY
Convenience store operations	2,015,000	2.4%	189,000	2.8%
Superstore operations	2,020,000	0.2%	18,500	30.5%
Department store operations	918,000	(0.5)%	7,000	412.2%
Food services	79,000	(8.6)%	(500)	—
Financial services	107,000	(3.1)%	27,500	(8.8)%
Others	35,000	4.0%	(500)	—
Total before eliminations	5,174,000	0.7%	241,000	6.0%
Eliminations / corporate	(34,000)	—	(1,000)	—
Consolidated Total	5,140,000	0.6%	240,000	5.9%

Attached Materials

Contents

1. Consolidated Quarterly Financial Statements

(1) Consolidated Quarterly Balance Sheets	2
(2) Consolidated Quarterly Statements of Income	4
(3) Consolidated Quarterly Statements of Cash Flows	5
(4) Doubts on the Premises of Going Concern	7
(5) Segment Information	7
(6) Notes on Significant Changes in the Amount of Shareholders' Equity	9

1. Consolidated Quarterly Financial Statements
(1) Consolidated Quarterly Balance Sheets

(Millions of yen)

	August 31, 2010	February 28, 2010
	Amount	Amount
ASSETS		
Current assets	1,465,329	1,460,186
Cash and bank deposits	698,136	691,633
Notes and accounts receivable, trade	128,006	119,627
Trade accounts receivable - financial services	63,535	68,243
Marketable securities	191,025	55,025
Merchandise and finished goods	151,883	158,889
Work in process	64	16
Raw materials and supplies	2,531	2,489
Prepaid expenses	35,859	31,606
Deferred income taxes	33,347	28,360
Other	165,295	308,716
Allowance for doubtful accounts	(4,355)	(4,421)
Non-current assets	2,211,574	2,213,359
Property and equipment	1,194,727	1,195,709
Buildings and structures, net	482,836	485,081
Furniture, fixtures and equipment, net	127,587	133,215
Land	519,949	520,320
Lease assets, net	8,202	4,485
Construction in progress	56,062	52,495
Other, net	90	110
Intangible assets	285,409	297,531
Goodwill	186,943	197,126
Software	34,114	34,767
Other	64,352	65,638
Investments and other assets	731,437	720,118
Investments in securities	181,043	168,850
Long-term loans receivable	19,024	19,657
Prepaid pension cost	11,042	12,149
Long-term leasehold deposits	430,449	438,028
Advances for store construction	18,986	15,507
Deferred income taxes	26,149	26,134
Other	51,494	46,693
Allowance for doubtful accounts	(6,752)	(6,903)
Deferred assets	95	58
New organization costs	95	58
TOTAL ASSETS	3,676,999	3,673,605

(Millions of yen)

	August 31, 2010	February 28, 2010
	Amount	Amount
LIABILITIES		
Current liabilities	1,238,179	1,263,370
Notes and accounts payable, trade	338,422	292,628
Short-term loans	142,700	151,200
Current portion of long-term loans	109,440	79,155
Current portion of bonds	200	20,385
Income taxes payable	51,056	42,255
Accrued expenses	75,266	76,692
Deposits received	111,526	173,937
Allowance for sales promotion expenses	15,869	13,134
Allowance for bonuses to employees	14,151	14,377
Allowance for bonuses to directors and corporate auditors	149	269
Allowance for losses on future collection of gift certificates	3,285	4,058
Deposits received in banking business	200,742	185,745
Other	175,367	209,531
Non-current liabilities	665,597	616,293
Bonds	299,970	190,068
Long-term loans	195,324	244,470
Commercial paper	13,517	16,208
Deferred income taxes	35,987	38,343
Allowance for accrued pension and severance costs	3,582	3,493
Allowance for retirement benefits to directors and corporate auditors	2,268	2,490
Deposits received from tenants and franchised stores	55,570	55,827
Other	59,375	65,391
TOTAL LIABILITIES	1,903,777	1,879,664
NET ASSETS		
Shareholders' equity	1,779,016	1,789,065
Common stock	50,000	50,000
Capital surplus	526,899	576,072
Retained earnings	1,209,427	1,172,263
Treasury stock, at cost	(7,310)	(9,270)
Accumulated gains (losses) from valuation and translation adjustments	(80,563)	(67,097)
Unrealized gains (losses) on available-for-sale securities, net of taxes	2,260	3,227
Unrealized gains (losses) on hedging derivatives, net of taxes	(520)	(549)
Foreign currency translation adjustments	(82,303)	(69,776)
Subscription rights to shares	985	721
Minority interests in consolidated subsidiaries	73,782	71,251
TOTAL NET ASSETS	1,773,221	1,793,940
TOTAL LIABILITIES AND NET ASSETS	3,676,999	3,673,605

(2) Consolidated Quarterly Statements of Income

(Millions of yen)

	Six Months ended August 31, 2009	Six Months ended August 31, 2010
	Amount	Amount
[Revenues from operations]	[2,546,405]	[2,559,173]
Net sales	2,260,523	2,263,626
Cost of sales	1,662,214	1,685,037
Gross profit on sales	598,309	578,588
Other operating revenues	285,881	295,547
Gross profit from operations	884,190	874,135
Selling, general and administrative expenses	766,052	754,803
Operating income	118,138	119,332
Non-operating income	5,910	5,899
Interest income	2,727	2,587
Equity in earnings of affiliates	661	752
Other	2,520	2,559
Non-operating expenses	5,584	5,821
Interest expenses	3,251	2,621
Interest on bonds	1,209	1,079
Other	1,122	2,119
Ordinary income	118,464	119,410
Special gains	1,614	8,540
Gain on sales of property and equipment	365	240
Gain on sales of investments in securities	464	140
Gain on donations received	-	7,000
Other	783	1,159
Special losses	17,658	12,692
Loss on disposals of property and equipment	2,391	3,612
Impairment loss on property and equipment	9,099	4,335
Other	6,167	4,744
Income before income taxes and minority interests	102,421	115,259
Income taxes - current	52,976	53,451
Income taxes - deferred	(1,505)	(5,653)
Income taxes	51,470	47,798
Minority interests in net income of consolidated subsidiaries	7,262	5,032
Net income	43,687	62,428

(3) Consolidated Quarterly Statements of Cash Flows

(Millions of yen)

	Six Months ended August 31, 2009	Six Months ended August 31, 2010
	Amount	Amount
Cash flows from operating activities:		
Income before income taxes and minority interests	102,421	115,259
Depreciation and amortization	64,944	63,641
Impairment loss on property and equipment	9,099	4,335
Interest income	(2,727)	(2,587)
Interest expenses and interest on bonds	4,461	3,701
Equity in losses (earnings) of affiliates	(661)	(752)
Gain on sales of property and equipment	(365)	(240)
Loss on disposals of property and equipment	2,391	3,612
Decrease (increase) in notes and accounts receivable, trade	(7,748)	(8,938)
Decrease (increase) in trade accounts receivable - financial services	3,731	4,707
Decrease (increase) in inventories	7,244	5,415
Increase (decrease) in notes and accounts payable, trade	32,230	47,568
Increase (decrease) in deposits received	(2,212)	(25,467)
Proceeds from loans in banking business	(21,000)	(700)
Net increase (decrease) in bonds in banking business	30,000	-
Net increase (decrease) in deposits received in banking business	4,789	14,997
Net decrease (increase) in call loan in banking business	(15,000)	11,000
Net increase (decrease) in call money in banking business	(12,300)	(47,400)
Net change in ATM-related temporary accounts	43,385	73,814
Other	18,766	19,786
Sub-total	261,449	281,753
Interest and dividends received	3,091	1,771
Interest paid	(4,764)	(3,786)
Income taxes paid	(45,799)	(20,256)
Net cash provided by operating activities	213,977	259,480
Cash flows from investing activities:		
Acquisition of property and equipment	(80,673)	(74,335)
Proceeds from sales of property and equipment	17,657	1,908
Acquisition of intangible assets	(5,742)	(8,376)
Payment for purchase of investments in securities	(153,876)	(166,392)
Proceeds from sales and maturity of investments in securities	133,493	153,192
Payment of loans receivable	(6,166)	(254)
Collection of loans receivable	449	815
Payment for long-term leasehold deposits	(14,008)	(14,642)
Refund of long-term leasehold deposits	14,313	14,971
Proceeds from deposits from tenants	1,077	2,411
Refund of deposits from tenants	(3,316)	(2,201)
Payment for time deposits	-	(3,675)
Payment for negotiable certificates of deposits	-	(40,000)
Proceeds from withdrawal of time deposits	-	12,123
Proceeds from withdrawal of negotiable certificates of deposits	-	40,000
Other	(17,089)	(6,527)
Net cash used in investing activities	(113,880)	(90,982)

(Millions of yen)

	Six Months ended August 31, 2009	Six Months ended August 31, 2010
	Amount	Amount
Cash flows from financing activities:		
Net increase (decrease) in short-term loans	(1,600)	(6,800)
Proceeds from long-term loans	24,100	14,300
Repayment of long-term loans	(34,562)	(33,890)
Proceeds from commercial paper	125,616	191,650
Payment for redemption of commercial paper	(130,169)	(193,477)
Proceeds from issuance of bonds	-	109,624
Payment for redemption of bonds	(327)	(20,285)
Payment for acquisition of treasury stock	-	(47,279)
Dividends paid	(26,186)	(25,291)
Dividends paid for minority interests	(2,070)	(2,087)
Other	(2,301)	(2,084)
Net cash provided by (used in) financing activities	(47,501)	(15,621)
Effect of exchange rate changes on cash and cash equivalents	2,605	(1,443)
Net increase (decrease) in cash and cash equivalents	55,201	151,434
Cash and cash equivalents at beginning of period	663,483	717,320
Cash and cash equivalents at end of period	718,684	868,754

Changes in method of presentation

(Consolidated Statements of Cash Flows)

- “Payment for time deposits”, “Payment for negotiable certificates of deposits”, “Proceeds from withdrawal of time deposits” and “Proceeds from withdrawal of negotiable certificates of deposits” which were included in “Other” of Cash flows from investing activities for the fiscal year ended August 31, 2009 are separately presented due to the materiality.
“Payment for time deposits”, “Payment for negotiable certificates of deposits”, “Proceeds from withdrawal of time deposits” and “Proceeds from withdrawal of negotiable certificates of deposits” which were included in “Other” of Cash flows from investing activities for the fiscal year ended August 31, 2009 were (26,745) million yen, (55,000) million yen, 16,345 million yen and 52,000 million yen, respectively.
- “Payment for acquisition of treasury stock” which was included in “Other” of Cash flows from financing activities for the fiscal year ended August 31, 2009 is separately presented due to the materiality.
“Payment for acquisition of treasury stock” included in “Other” of Cash flows from financing activities for the fiscal year ended August 31, 2009 was (11) million yen.

(4) Doubts on the Premises of Going Concern

None

(5) Segment Information

a. Business Segments

Six Months ended August 31, 2009 (From March 1, 2009 to August 31, 2009)

(Millions of yen)

	Convenience store operations	Superstore operations	Department store operations	Food services	Financial services	Others	Total before eliminations	Eliminations / Corporate	Consolidated total
Revenues and operating income									
Revenues									
1. Customers	967,867	1,017,179	453,059	45,491	49,975	12,832	2,546,405	-	2,546,405
2. Intersegment	334	1,726	52	511	6,239	4,180	13,046	(13,046)	-
Total revenues	968,201	1,018,906	453,111	46,003	56,215	17,013	2,559,452	(13,046)	2,546,405
Operating expenses	869,210	1,016,216	451,980	46,692	40,605	16,348	2,441,054	(12,787)	2,428,266
Operating income (loss)	98,991	2,689	1,131	(689)	15,610	664	118,397	(259)	118,138

Six Months ended August 31, 2010 (From March 1, 2010 to August 31, 2010)

(Millions of yen)

	Convenience store operations	Superstore operations	Department store operations	Food services	Financial services	Others	Total before eliminations	Eliminations / Corporate	Consolidated total
Revenues and operating income									
Revenues									
1. Customers	1,031,740	983,419	442,926	41,180	47,836	12,071	2,559,173	-	2,559,173
2. Intersegment	288	3,872	273	480	6,879	4,124	15,919	(15,919)	-
Total revenues	1,032,028	987,292	443,199	41,661	54,715	16,196	2,575,093	(15,919)	2,559,173
Operating expenses	929,523	983,838	444,251	41,360	39,608	16,663	2,455,246	(15,405)	2,439,841
Operating income (loss)	102,505	3,453	(1,051)	300	15,106	(467)	119,846	(514)	119,332

Notes:

- The classification of business segments is made by the type of products and services and the type of sales.
- Major businesses in 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 ----- Superstores, supermarkets and specialty shops and others
 - Department store operations ----- Sogo & Seibu Co., Ltd. and other companies included in the department store business
 - Food services ----- Restaurant operations, meal provision service business (company cafeteria, hospital, school) and fast food operations.
 - Financial services ----- Bank, credit card and lease business
 - Others ----- IT business and other services

b. Geographic area segments

Six Months ended August 31, 2009 (From March 1, 2009 to August 31, 2009) (Millions of yen)

	Japan	North America	Others	Total before eliminations	Eliminations	Consolidated total
Revenues and operating income						
Revenues						
1. Customers	1,817,360	689,402	39,641	2,546,405	-	2,546,405
2. Intersegment	187	1,407	-	1,594	(1,594)	-
Total revenues	1,817,547	690,810	39,641	2,547,999	(1,594)	2,546,405
Operating expenses	1,713,055	678,815	38,021	2,429,892	(1,626)	2,428,266
Operating income	104,492	11,994	1,620	118,107	31	118,138

Six Months ended August 31, 2010 (From March 1, 2010 to August 31, 2010) (Millions of yen)

	Japan	North America	Others	Total before eliminations	Eliminations	Consolidated total
Revenues and operating income						
Revenues						
1. Customers	1,763,406	751,044	44,722	2,559,173	-	2,559,173
2. Intersegment	204	1,372	-	1,577	(1,577)	-
Total revenues	1,763,611	752,417	44,722	2,560,751	(1,577)	2,559,173
Operating expenses	1,657,905	740,000	43,545	2,441,451	(1,610)	2,439,841
Operating income	105,705	12,416	1,177	119,299	32	119,332

Notes:

1. The classification of geographic area segments is made according to geographical distances.
2. "Others" consists of the business results in the People's Republic of China ("P.R.C.") .

c. Overseas sales

Six Months ended August 31, 2009 (From March 1, 2009 to August 31, 2009) (Millions of yen)

	North America	Others	Total
Overseas sales	689,402	39,641	729,044
Consolidated sales	-	-	2,546,405
Percentage of overseas sales to consolidated sales (%)	27.1	1.5	28.6

Six Months ended August 31, 2010 (From March 1, 2010 to August 31, 2010) (Millions of yen)

	North America	Others	Total
Overseas sales	751,044	44,722	795,767
Consolidated sales	-	-	2,559,173
Percentage of overseas sales to consolidated sales (%)	29.3	1.8	31.1

Notes:

1. The classification of overseas sales area segments is made according to geographical distances.
2. "Others" consists of sales in the P.R.C.
3. "Overseas sales" represents net sales and other operating revenues of consolidated subsidiaries in countries and areas outside of Japan.

(6) Notes on Significant Changes in the Amount of Shareholders' Equity

None