



April 5, 2012

Consolidated Financial Results for the Fiscal Year ended February 29, 2012

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.

Date of the ordinary general meeting of shareholders: May 24, 2012

Submission date of the annual securities report scheduled: May 28, 2012

Starting date of paying year-end dividend: May 25, 2012

Preparation of brief summary materials for financial results: Yes

Holding of financial results presentation: Yes

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

1. Business Results for the Fiscal Year ended February 29, 2012 (from March 1, 2011 to February 29, 2012)

(1) Results of Operations

(Millions of yen, except per share amounts)

	Revenues from Operations		Operating Income		Ordinary Income		Net Income	
Year ended February 29, 2012	4,786,344	(6.5) %	292,060	20.0 %	293,171	20.7 %	129,837	16.0 %
Year ended February 28, 2011	5,119,739	0.2 %	243,346	7.4 %	242,907	7.0 %	111,961	149.5 %

Note: Comprehensive income:

Year ended February 29, 2012: 125,504 million yen [45.2%] Year ended February 28, 2011: 86,430 million yen [-%]

	Net Income per Share	Diluted Net Income per Share	Ratio of Net Income to Owners' Equity	Ratio of Ordinary Income to Total Assets	Ratio of Operating Income to Revenues from Operations
Year ended February 29, 2012	146.96 (yen)	146.88 (yen)	7.5 %	7.7 %	6.1 %
Year ended February 28, 2011	126.21 (yen)	126.15 (yen)	6.5 %	6.6 %	4.8 %

Notes: 1. Equity in earnings of affiliates:

Year ended February 29, 2012: 2,061 million yen Year ended February 28, 2011: 1,007 million yen

2. Percentages represent increase (decrease) from the prior year unless otherwise stated.

* Group's total sales including total store sales of Seven-Eleven Japan and 7-Eleven, Inc.:

Year ended February 29, 2012: 8,048,156 million yen [6.6%]

Year ended February 28, 2011: 7,547,178 million yen [2.2%]

(2) Financial Position

(Millions of yen, except per share amounts)

	Total Assets	Net Assets	Owners' Equity Ratio	Net Assets per Share
As of February 29, 2012	3,889,358	1,860,954	45.4%	1,998.84 (yen)
As of February 28, 2011	3,732,111	1,776,512	45.6%	1,927.09 (yen)

Note: Owners' equity (net assets excluding minority interests in consolidated subsidiaries) :

As of February 29, 2012: 1,765,983 million yen As of February 28, 2011: 1,702,514 million yen

(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 the Fiscal Year
Year ended February 29, 2012	462,642	(342,805)	(40,561)	733,707
Year ended February 28, 2011	310,527	(312,081)	(56,258)	656,747

2. Dividends

Cash Dividends	Dividends per Share (yen)			Total Amount of Dividends (Millions of yen)	Dividends Payout Ratio (Consolidated)	Ratio of Total Amount of Dividends to Net Assets (Consolidated)
	Interim	Year-end	Annual			
Year ended February 28, 2011	28.00	29.00	57.00	50,358	45.2 %	3.0%
Year ended February 29, 2012	29.00	33.00	62.00	54,778	42.2 %	3.2%
Year ending February 28, 2013 (forecast)	31.00	31.00	62.00		35.3 %	

3. Forecast of Business Results for the Fiscal Year ending February 28, 2013 (From March 1, 2012 to February 28, 2013)

(Millions of yen, except per share amounts)

	Revenues from Operations		Operating Income		Ordinary Income		Net Income		Net Income per Share	
Interim Period	2,480,000	5.2 %	154,500	2.9 %	153,000	1.4 %	74,000	40.2 %	83.76	(yen)
Entire Year	5,060,000	5.7 %	315,000	7.9 %	312,000	6.4 %	155,000	19.4 %	175.44	(yen)

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

* The forecast of group's total sales including total store sales of Seven-Eleven Japan and 7-Eleven, Inc.:

Interim Period: 4,200,000 million yen [5.6%]

Entire Year: 8,550,000 million yen [6.2%]

4. Others

(1) Changes in significant subsidiaries during the fiscal year ended February 29, 2012
(changes in specific subsidiaries accompanying change in scope of consolidation): None
Added: none Excluded: none

(2) Changes in accounting principles, procedures, and method of presentation for preparing the consolidated financial statements

Changes due to amendment of accounting standards: Yes

Changes due to other reasons: Yes

Note: For details, please refer to Accounting Policies for the Preparation of Consolidated Financial Statements on page 18 and Changes in Accounting Policies for the Preparation of Consolidated Financial Statements on page 23 of attached materials.

(3) Number of shares outstanding (common stock)

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

As of February 29, 2012: 886,441,983 shares As of February 28, 2011: 886,441,983 shares

Number of treasury stock at the end of period

As of February 29, 2012: 2,935,526 shares As of February 28, 2011: 2,978,750 shares

Average number of shares during the period

Year ended February 29, 2012: 883,499,397 shares Year ended February 28, 2011: 887,128,871 shares

Note: For the number of shares as a basis of calculating net income per share (consolidated), please refer to Per Share Information on page 52 of attached materials.

Reference: Summary of Nonconsolidated Financial Statements

1. Nonconsolidated Business Results for the Fiscal Year ended February 29, 2012 (from March 1, 2011 to February 29, 2012)

(1) Results of Operations

(Millions of yen, except per share amounts)

	Revenues from Operations		Operating Income		Ordinary Income	
Year ended February 29, 2012	78,047	11.5%	70,849	12.6%	68,030	13.5%
Year ended February 28, 2011	70,011	(52.5)%	62,896	(55.1)%	59,924	(56.1)%

	Net Income		Net Income per Share		Diluted Net Income per Share	
Year ended February 29, 2012	72,211	8.0%	81.73	(yen)	81.69	(yen)
Year ended February 28, 2011	66,872	2.9%	75.38	(yen)	75.35	(yen)

Note: Percentages represent increase (decrease) from the prior year unless otherwise stated.

(2) Financial Position

(Millions of yen, except per share amounts)

	Total Assets	Net Assets	Equity Ratio	Net Assets per Share
As of February 29, 2012	1,884,912	1,386,624	73.5%	1,568.28 (yen)
As of February 28, 2011	1,850,473	1,364,914	73.7%	1,543.99 (yen)

Note: Owners' equity (net assets excluding subscriptions to shares) :

As of February 29, 2012: 1,385,622 million yen As of February 28, 2011: 1,364,087 million yen

NOTICE REGARDING AUDIT PROCEDURES FOR THE CONSOLIDATED FINANCIAL RESULTS

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

FORWARD LOOKING STATEMENTS AND OTHER SPECIAL ITEMS

1. The forecast for the year ending February 28, 2013 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.

2. Brief summary for the fiscal year ended February 29, 2012 will be posted on the Company's website (<http://www.7andi.com/en/ir/fi/kh.html>). The presentation materials related to financial results which will be use on financial results presentation planned to held on April 6, 2012, will be posted as soon as possible after the presentation.

<Reference>

Qualitative Information on Consolidated Financial Results Forecast (from March 1, 2012 to February 28, 2013)

The consolidated financial results forecasts for the fiscal year ending February 28, 2013 (March 1, 2012, to February 28, 2013) are as follows.

Consolidated financial results forecast (Millions of yen)

	Year ending February 28, 2013	
		YOY
Revenues from operations	5,060,000	5.7%
Operating income	315,000	7.9%
Ordinary income	312,000	6.4%
Net income	155,000	19.4%

Assumed exchange rates: US\$1 = 80.00 yen 1yuan = 12.50yen

* The forecast of group's total sales including total store sales of Seven-Eleven Japan and 7-Eleven, Inc.: 8,550,000 million yen [6.2%]

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

	Year ending February 28, 2013			
	Revenues from operations		Operating income	
		YOY		YOY
Convenience store operations	1,870,000	10.6%	228,900	6.6%
Superstore operations	2,060,000	3.4%	35,000	7.9%
Department store operations	906,000	0.6%	12,900	29.7%
Food services	80,000	2.5%	1,300	-
Financial services	140,000	8.0%	35,600	5.4%
Others	65,000	36.9%	2,800	21.5%
Total before eliminations	5,121,000	5.8%	316,500	8.0%
Eliminations / corporate	(61,000)	-	(1,500)	-
Consolidated Total	5,060,000	5.7%	315,000	7.9%

Note: Percentages represent increase (decrease) from the prior year unless otherwise stated.

Attached Materials

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1. Scope of Consolidated Subsidiaries and Affiliates

Major Seven & i Holdings Group Companies

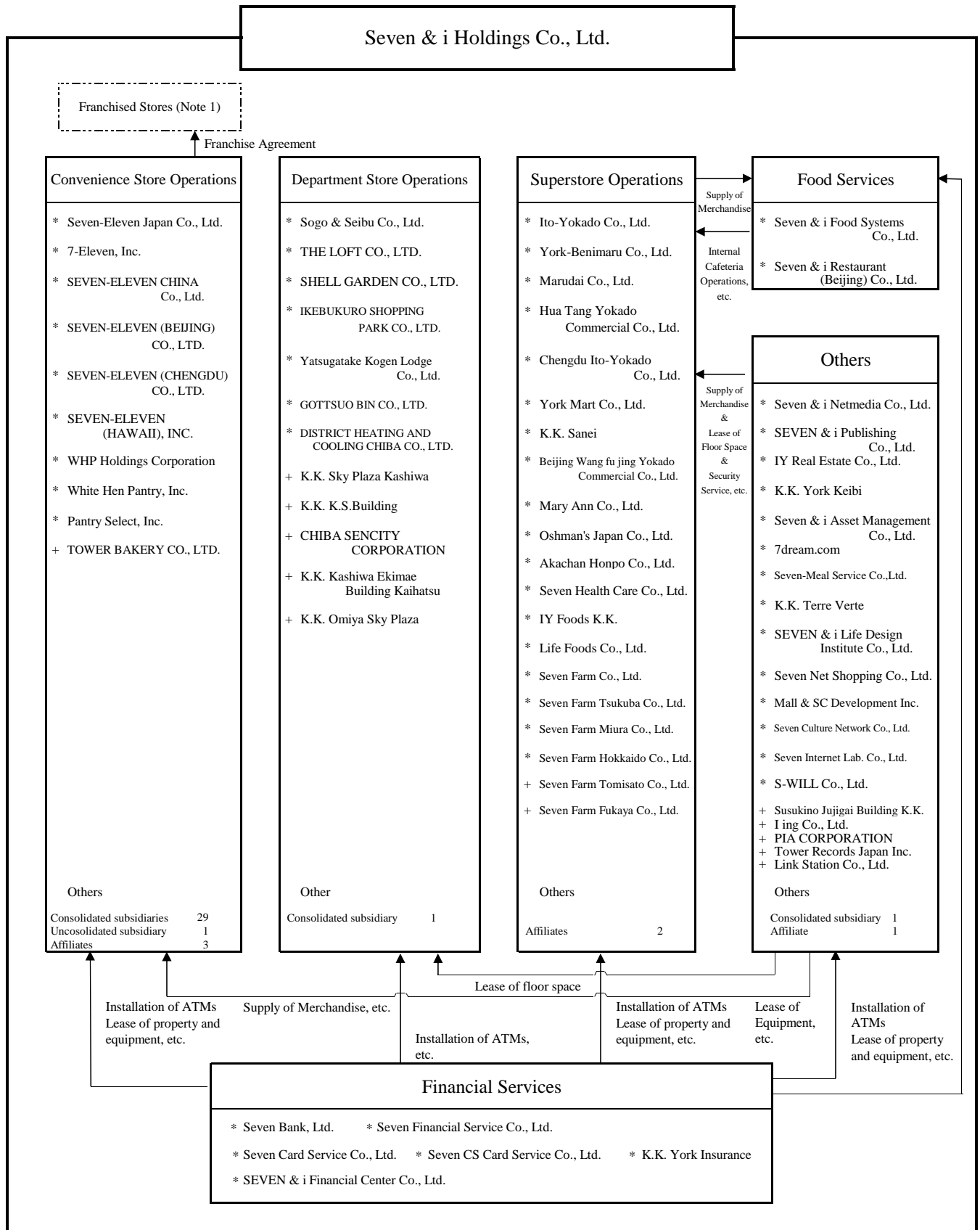
Seven & i Holdings Group consists 108 diversified retail companies, mainly engaged in convenience store operations, superstore operations, department store operations, food services and financial services. Business segments, major group companies and number of companies are as follows.

This segmentation is same as the reportable segment shown in the section of segment information.

Business Segments	Major Group Companies	Number of Companies
Convenience Store Operations	Seven-Eleven Japan Co., Ltd. 7-Eleven, Inc. SEVEN-ELEVEN CHINA Co., Ltd. SEVEN-ELEVEN (BEIJING) CO., LTD. SEVEN-ELEVEN (CHENGDU) CO., LTD. SEVEN-ELEVEN (HAWAII), INC. WHP Holdings Corporation White Hen Pantry, Inc. Pantry Select, Inc. TOWER BAKERY CO., LTD.	Consolidated Subsidiaries 38 Unconsolidated Subsidiary 1 Affiliates 4 <hr/> Total 43
Superstore Operations	Ito-Yokado Co., Ltd. York-Benimaru Co., Ltd. Marudai Co., Ltd. Hua Tang Yokado Commercial Co., Ltd. Chengdu Ito-Yokado Co., Ltd. York Mart Co., Ltd. K.K. Sanei Beijing Wang fu jing Yokado Commercial Co., Ltd. Mary Ann Co., Ltd. Oshman's Japan Co., Ltd. Akachan Honpo Co., Ltd. Seven Health Care Co., Ltd. IY Foods K.K. Life Foods Co., Ltd. Seven Farm Co., Ltd. Seven Farm Tsukuba Co., Ltd. Seven Farm Miura Co., Ltd. Seven Farm Hokkaido Co., Ltd. Seven Farm Tomisato Co., Ltd. Seven Farm Fukaya Co., Ltd.	Consolidated Subsidiaries 18 Affiliates 4 <hr/> Total 22
Department Store Operations	Sogo & Seibu Co., Ltd. THE LOFT CO., LTD. SHELL GARDEN CO., LTD. IKEBUKURO SHOPPING PARK CO., LTD. Yatsugatake Kogen Lodge Co., Ltd. GOTTSUO BIN CO., LTD. DISTRICT HEATING AND COOLING CHIBA CO., LTD. K.K. Sky Plaza Kashiwa K.K. K.S. Building CHIBA SENCITY CORPORATION K.K. Kashiwa Ekimae Building Kaihatsu K.K. Omiya Sky Plaza	Consolidated Subsidiaries 8 Affiliates 5 <hr/> Total 13
Food Services	Seven & i Food Systems Co., Ltd. Seven & i Restaurant (Beijing) Co., Ltd.	Consolidated Subsidiaries 2
Financial Services	Seven Bank, Ltd. Seven Financial Service Co., Ltd. Seven Card Service Co., Ltd. Seven CS Card Service Co., Ltd. K.K. York Insurance SEVEN & i Financial Center Co., Ltd.	Consolidated Subsidiaries 6
Others	Seven & i Netmedia Co., Ltd. SEVEN & i Publishing Co., Ltd. IY Real Estate Co., Ltd. K.K. York Keibi Seven & i Asset Management Co., Ltd. 7dream.com Seven-Meal Service Co., Ltd. K.K. Terre Verte SEVEN & i Life Design Institute Co., Ltd. Seven Net Shopping Co., Ltd. Mall & SC Development Inc. Seven Culture Network Co., Ltd. Seven Internet Lab. Co., Ltd. S-WILL Co., Ltd. Susukino Jujigai Building K.K. I ing Co., Ltd. PIA CORPORATION Tower Records Japan Inc. Link Station Co., Ltd.	Consolidated Subsidiaries 15 Affiliates 6 <hr/> Total 21

1. WHP Holdings Corporation is the holding company of White Hen Pantry, Inc. and Pantry Select, Inc.
2. TOWER BAKERY CO., LTD., Seven Farm Tomisato Co., Ltd., Seven Farm Fukaya Co., Ltd., K.K. Sky Plaza Kashiwa, K.K. K.S. Building, CHIBA SENCITY CORPORATION, K.K. Kashiwa Ekimae Building Kaihatsu, K.K. Omiya Sky Plaza, Susukino Jujigai Building K.K., I ing Co., Ltd., PIA CORPORATION, Tower Records Japan Inc. and Link Station Co., Ltd. are affiliates and other companies are consolidated subsidiaries.
3. On January 27, 2012, Seven Farm Hokkaido Co., Ltd. was established as a consolidated subsidiary of the Company.
4. SE CAPITAL CORPORATION, SEVEN & i FINANCIAL GROUP CO., LTD., and Seven Cash Works Co., Ltd. were merged on March 1, 2011, and SE CAPITAL CORPORATION, as a surviving company, changed its name to Seven Financial Service Co., Ltd.
5. On April 1, 2011, Seven CS Card Service Co., Ltd. became a consolidated subsidiary of the Company by stock acquisition.

Business Relation in Group



* Consolidated subsidiary
 + Affiliate accounted for using the equity method

Notes: 1. Each franchised store is operated by an independent franchisee which enters into franchise agreement with Seven-Eleven Japan Co., Ltd. or 7-Eleven, Inc. or SEVEN-ELEVEN (BEIJING) CO., LTD.
 2. As of February 29, 2012, Seven Bank, Ltd. has 16,540 units of ATMs placed mainly in the stores of Group companies.

Subsidiaries and Affiliates

Name	Address	Capital (Millions of yen)	Principal Business	Voting Rights Held by the Company (%)	Description of Relationship		
					Shared Positions		Business Relationship
					Officers	Employees	
Consolidated Subsidiaries							
Seven-Eleven Japan Co., Ltd. *3	Chiyoda-ku, Tokyo	17,200	Convenience store operations	100.0	3	2	The Company provides management strategies as well as other services and various convenience for considerations The Company is entrusted with various types of businesses
7-Eleven, Inc.	Texas, U.S.A.	Thousands of U.S. dollars 13	Convenience store operations	100.0 (100.0)	2	1	-
Ito-Yokado Co., Ltd. *3	Chiyoda-ku, Tokyo	40,000	Superstore operations	100.0	5	2	The Company provides management strategies as well as other services and various convenience for considerations The Company is entrusted with various types of businesses
York-Benimaru Co., Ltd. *3	Koriyama-shi, Fukushima	9,927	Superstore operations	100.0	2	1	The Company provides management strategies as well as other services and various convenience for considerations The Company is entrusted with various types of businesses
Sogo & Seibu Co., Ltd. *3	Chiyoda-ku, Tokyo	10,000	Department store operations	100.0	3	2	The Company provides management strategies as well as other services and various convenience for considerations The Company is entrusted with various types of businesses
Seven & i Food Systems Co., Ltd.	Chiyoda-ku, Tokyo	3,000	Food services	100.0	1	1	The Company provides management strategies as well as other services and various convenience for considerations The Company is entrusted with various types of businesses
Seven Bank, Ltd. *3,4,5	Chiyoda-ku, Tokyo	30,505	Financial services	45.8 (45.8)	1	1	-
SEVEN-ELEVEN CHINA Co., Ltd.	Beijing, China	Thousands of yuan 50,000	Convenience store operations	100.0 (100.0)	-	2	-
SEVEN-ELEVEN (BEIJING) CO., LTD.	Beijing, China	Thousands of U.S. dollars 35,000	Convenience store operations	65.0 (65.0)	-	1	-
SEVEN-ELEVEN (CHENGDU) CO., LTD.	Sichuan, China	Thousands of U.S. dollars 30,000	Convenience store operations	100.0 (100.0)	-	1	-
SEVEN-ELEVEN (HAWAII), INC.	Hawaii, U.S.A.	Thousands of U.S. dollars 20,000	Convenience store operations	100.0 (100.0)	2	1	-
WHP Holdings Corporation	Delaware, U.S.A	U.S. dollars 17,098	Convenience store operations	100.0 (100.0)	-	-	-
White Hen Pantry, Inc.	Delaware, U.S.A	U.S. dollars 13,130	Convenience store operations	100.0 (100.0)	-	-	-
Pantry Select, Inc.	Illinois, U.S.A.	U.S.dollars 10	Convenience store operations	100.0 (100.0)	-	-	-

Name	Address	Capital (Millions of yen)	Principal Business	Voting Rights Held by the Company (%)	Description of Relationship		
					Shared Positions		Business Relationship
					Officers	Employees	
Marudai Co., Ltd.	Nagaoka-shi, Niigata	213	Superstore operations	100.0 (100.0)	1	2	The Company provides management strategies as well as other services and various convenience for considerations The Company is entrusted with various types of businesses
Hua Tang Yokado Commercial Co., Ltd. *3	Beijing, China	Thousands of U.S. dollars 65,000	Superstore operations	75.8 (75.8)	-	-	-
Chengdu Ito-Yokado Co., Ltd.	Sichuan, China	Thousands of U.S. dollars 23,000	Superstore operations	74.0 (74.0)	-	-	-
York Mart Co., Ltd.	Chiyoda-ku, Tokyo	1,000	Superstore operations	100.0	1	1	The Company provides management strategies as well as other services and various convenience for considerations The Company is entrusted with various types of businesses
K.K. Sanei	Ishinomaki -shi, Miyagi	138	Superstore operations	100.0 (100.0)	-	2	The Company provides management strategies as well as other services and various convenience for considerations The Company is entrusted with various types of businesses
Beijing Wang fu jing Yokado Commercial Co., Ltd.	Beijing, China	Thousands of U.S. dollars 18,000	Superstore operations	60.0 (60.0)	-	-	-
Mary Ann Co., Ltd.	Chiyoda-ku, Tokyo	200	Superstore operations	100.0	-	1	The Company provides management strategies as well as other services and various convenience for considerations The Company is entrusted with various types of businesses
Oshman's Japan Co., Ltd.	Chiyoda-ku, Tokyo	1,200	Superstore operations	100.0 (100.0)	-	1	The Company provides management strategies as well as other services and various convenience for considerations The Company is entrusted with various types of businesses
Akachan Honpo Co., Ltd.	Chuo-ku, Osaka-shi	3,080	Superstore operations	93.7 (12.9)	1	-	The Company provides management strategies as well as other services and various convenience for considerations The Company is entrusted with various types of businesses
Seven Health Care Co., Ltd.	Chiyoda-ku, Tokyo	450	Superstore operations	91.3 (88.3)	2	-	The Company provides management strategies as well as other services and various convenience for considerations The Company is entrusted with various types of businesses
IY Foods K.K.	Kazo-shi, Saitama	75	Superstore operations	100.0 (100.0)	-	1	The Company provides management strategies as well as other services and various convenience for considerations The Company is entrusted with various types of businesses
Life Foods Co., Ltd.	Koriyama-shi, Fukushima	120	Superstore operations	100.0 (100.0)	1	-	-
Seven Farm Co., Ltd.	Chiyoda-ku, Tokyo	13	Superstore operations	100.0 (100.0)	-	-	The Company is entrusted with various types of businesses
Seven Farm Tsukuba Co., Ltd.	Chikusei-shi, Ibaraki	1	Superstore operations	85.0 (85.0)	-	-	-

Name	Address	Capital (Millions of yen)	Principal Business	Voting Rights Held by the Company (%)	Description of Relationship		
					Shared Positions		Business Relationship
					Officers	Employees	
Seven Farm Miura Co., Ltd.	Yokosuka-shi, Kanagawa	1	Superstore operations	85.0 (85.0)	-	-	-
Seven Farm Hokkaido Co., Ltd.	Kamikawa- gun, Hokkaido	1	Superstore operations	85.0 (85.0)	-	-	-
THE LOFT CO., LTD.	Shibuya-ku, Tokyo	750	Department store operation	70.7 (70.7)	-	-	-
SHELL GARDEN CO., LTD.	Meguro-ku, Tokyo	989	Department store operations	100.0 (100.0)	-	-	-
IKEBUKURO SHOPPING PARK CO., LTD.	Toshima-ku, Tokyo	1,200	Department store operations	65.2 (65.2)	-	-	-
Yatsugatake Kogen Lodge Co., Ltd.	Minamimaki -mura, Minami-Saku -gun, Nagano	100	Department store operations	100.0 (100.0)	-	-	-
GOTTSUO BIN CO., LTD.	Toshima-ku, Tokyo	10	Department store operations	100.0 (100.0)	-	-	-
DISTRICT HEATING AND COOLING CHIBA CO., LTD.	Chuo-ku, Chiba-shi	1,000	Department store operations	43.4 (43.4) [18.2]	-	-	-
Seven & i Restaurant (Beijing) Co., Ltd.	Beijing, China	Thousands of yuan 100,000	Food services	75.0 (75.0)	-	-	-
Seven Financial Service Co., Ltd.	Chiyoda-ku, Tokyo	75	Financial services	100.0	1	1	The Company provides management strategies as well as other services and various convenience for considerations The Company is entrusted with various types of businesses
Seven Card Service Co., Ltd. *3	Chiyoda-ku, Tokyo	7,500	Financial services	95.5 (95.5)	1	-	The Company provides management strategies as well as other services and various convenience for considerations The Company is entrusted with various types of businesses
Seven CS Card Service Co., Ltd.	Chiyoda-ku, Tokyo	100	Financial services	51.0 (51.0)	-	1	The Company is entrusted with various types of businesses
K.K. York Insurance	Chiyoda-ku, Tokyo	30	Financial services	100.0 (100.0)	-	1	The Company provides management strategies as well as other services and various convenience for considerations The Company is entrusted with various types of businesses
SEVEN & i Financial Center Co., Ltd.	Chiyoda-ku, Tokyo	10	Financial services	100.0	1	1	The Company conducts deposits of the fund The Company is entrusted with various types of businesses
Seven & i Netmedia Co., Ltd. *3	Chiyoda-ku, Tokyo	7,665	Others	100.0	2	-	The Company is entrusted with various types of businesses
SEVEN & i Publishing Co., Ltd.	Chiyoda-ku, Tokyo	242	Others	100.0 (100.0)	-	1	The Company provides management strategies as well as other services and various convenience for considerations The Company is entrusted with various types of businesses
IY Real Estate Co., Ltd.	Chiyoda-ku, Tokyo	58	Others	100.0 (100.0)	-	2	The Company provides management strategies as well as other services and various convenience for considerations The Company is entrusted with various types of businesses

Name	Address	Capital (Millions of yen)	Principal Business	Voting Rights Held by the Company (%)	Description of Relationship		
					Shared Positions		Business Relationship
					Officers	Employees	
K.K. York Keibi	Chiyoda-ku, Tokyo	10	Others	100.0 (100.0)	-	1	The Company provides management strategies as well as other services and various convenience for considerations The Company is entrusted with various types of businesses
Seven & i Asset Management Co., Ltd. *3	Chiyoda-ku, Tokyo	10,000	Others	100.0	1	3	The Company provides management strategies as well as other services and various convenience for considerations The Company is entrusted with various types of businesses
7dream.com	Chiyoda-ku, Tokyo	450	Others	68.0 (68.0)	1	-	The Company provides management strategies as well as other services and various convenience for considerations The Company is entrusted with various types of businesses
Seven-Meal Service Co., Ltd.	Chiyoda-ku, Tokyo	300	Others	90.0 (90.0)	-	-	The Company provides management strategies as well as other services and various convenience for considerations The Company is entrusted with various types of businesses
K.K. Terre Verte	Kitami-shi, Hokkaido	400	Others	99.0 (99.0)	1	1	The Company provides management strategies as well as other services and various convenience for considerations The Company is entrusted with various types of businesses
SEVEN & i Life Design Institute Co., Ltd.	Chiyoda-ku, Tokyo	435	Others	100.0 (14.5)	1	-	The Company is entrusted with various types of businesses
Seven Net Shopping Co., Ltd.	Chiyoda-ku, Tokyo	3,000	Others	77.9 (77.9)	1	-	The Company provides management strategies as well as other services and various convenience for considerations The Company is entrusted with various types of businesses
Mall & SC Development Inc.	Chiyoda-ku, Tokyo	622	Others	100.0 (15.0)	1	3	The Company provides management strategies as well as other services and various convenience for considerations The Company is entrusted with various types of businesses
Seven Culture Network Co., Ltd.	Chiyoda-ku, Tokyo	900	Others	100.0 (100.0)	2	-	The Company provides management strategies as well as other services and various convenience for considerations The Company is entrusted with various types of businesses
Seven Internet Lab. Co., Ltd.	Chiyoda-ku, Tokyo	499	Others	70.0 (70.0)	1	1	The Company provides management strategies as well as other services and various convenience for considerations
S-WILL Co., Ltd.	Chiyoda-ku, Tokyo	0	Others	100.0	-	-	-
Other 31 companies *6	-	-	-	-	-	-	-

Name	Address	Capital (Millions of yen)	Principal Business	Voting Rights Held by the Company (%)	Description of Relationship		
					Shared Positions		Business Relationship
					Officers	Employees	
Equity Method - affiliates							
TOWER BAKERY CO., LTD	Koshigaya -shi, Saitama	495	Convenience store operations	20.0 (20.0)	-	-	-
Seven Farm Tomisato Co., Ltd.	Tomisato -shi, Chiba	2	Superstore operations	25.9 (25.9)	-	-	-
Seven Farm Fukaya Co., Ltd.	Fukaya-shi Saitama	1	Superstore operations	25.0 (25.0)	-	-	The Company is entrusted with various types of businesses
K.K. Sky Plaza Kashiwa	Kashiwa-shi, Chiba	10	Department store operations	45.5 (45.5)	-	-	-
K.K. K.S. Building	Chuo-ku, Kobe-shi	100	Department store operations	40.0 (40.0)	-	-	-
CHIBA SENCITY CORPORATION	Chuo-ku, Chiba-shi	297	Department store operations	34.8 (34.8)	-	-	-
K.K. Kashiwa Ekimae Building Kaihatsu	Kashiwa-shi, Chiba	10	Department store operations	27.2 (27.2)	-	-	-
K.K. Omiya Sky Plaza	Omiya-ku, Saitama-shi	10	Department store operations	20.0 (20.0)	-	-	-
Susukino Jujigai Building K.K	Chuo-ku, Sapporo-shi	100	Others	37.6 (37.6)	-	2	-
I ing Co., Ltd	Chiyoda-ku, Tokyo	99	Others	29.7 (29.7)	-	2	-
PIA CORPORATION	Shibuya-ku, Tokyo	4,239	Others	20.0 (10.0)	1	-	-
Tower Records Japan Inc.	Shinagawa -ku, Tokyo	6,545	Others	44.6	1	2	-
Link Station Co., Ltd.	Aomori-shi, Aomori	102	Others	25.0 (25.0)	-	-	-
Other 6 companies *6	-	-	-	-	-	-	-

- * 1. The reportable segment is listed under the Principal Business column.
2. Figures in parentheses () in Voting Rights Held by the Company column indicate the share of indirect voting rights.
Those in brackets [] indicate share of related or approved parties (supernumerary).
3. These companies are designated subsidiaries.
4. These companies file security registration statement or annual financial reports.
5. Seven Bank Ltd. is considered as a consolidated subsidiary substantially.
6. Key financial data for other companies have been omitted because their effects on the Consolidated Financial Statements are not considered material.

2. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Millions of yen)

	February 28, 2011	February 29, 2012
	Amount	Amount
ASSETS		
Current assets	1,406,594	1,516,584
Cash and bank deposits	654,833	711,629
Call Loan	120,000	5,000
Notes and accounts receivable, trade	122,411	270,953
Trade accounts receivable, financial services	60,269	68,691
Marketable securities	26,534	43,025
Merchandise and finished goods	158,511	149,455
Work in process	32	359
Raw materials and supplies	2,567	2,390
Prepaid expenses	31,109	29,870
Deferred income taxes	30,875	38,905
Other	203,098	201,062
Allowance for doubtful accounts	(3,650)	(4,758)
Non-current assets	2,325,459	2,372,364
Property and equipment	1,247,823	1,320,174
Buildings and structures, net	519,957	565,192
Furniture, fixtures and equipment, net	122,610	129,438
Vehicles, net	1,675	4,525
Land	581,185	590,524
Lease assets, net	12,754	13,925
Construction in progress	9,640	16,566
Intangible assets	324,655	333,156
Goodwill	172,186	184,305
Software	34,050	32,340
Other	118,418	116,510
Investments and other assets	752,979	719,034
Investments in securities	227,371	181,863
Long-term loans receivable	18,675	18,279
Prepaid pension cost	9,978	6,674
Long-term leasehold deposits	418,585	412,098
Advances for store construction	8,743	8,320
Deferred income taxes	20,717	40,147
Other	55,356	57,809
Allowance for doubtful accounts	(6,450)	(6,160)
Deferred assets	58	408
New organization costs	58	43
Business commencement expenses	-	364
TOTAL ASSETS	3,732,111	3,889,358

(Millions of yen)

	February 28, 2011	February 29, 2012
	Amount	Amount
LIABILITIES		
Current liabilities	1,348,728	1,385,728
Notes and accounts payable, trade	284,795	316,072
Short-term loans	108,330	139,690
Current portion of long-term loans	127,187	88,786
Current portion of bonds	36,100	10,000
Income taxes payable	51,007	58,295
Accrued expenses	75,300	71,700
Deposits received	138,527	116,569
Allowance for sales promotion expenses	16,261	15,092
Allowance for bonuses to employees	13,685	14,755
Allowance for bonuses to directors and corporate auditors	301	341
Allowance for loss on future collection of gift certificates	2,544	4,089
Provision for loss on disaster	-	1,063
Deposits received in banking business	275,696	288,228
Other	218,991	261,043
Non-current liabilities	606,871	642,675
Bonds	263,973	253,978
Long-term loans	177,225	198,167
Commercial paper	8,177	-
Deferred income taxes	35,955	34,550
Allowance for accrued pension and severance costs	3,356	3,796
Allowance for retirement benefits to directors and corporate auditors	2,292	2,191
Deposits received from tenants and franchised stores	56,048	55,380
Asset retirement obligations	-	43,740
Other	59,840	50,870
TOTAL LIABILITIES	1,955,599	2,028,403
NET ASSETS		
Shareholders' equity	1,803,783	1,882,287
Common stock	50,000	50,000
Capital surplus	526,899	526,886
Retained earnings	1,234,204	1,312,613
Treasury stock, at cost	(7,320)	(7,212)
Total accumulated other comprehensive income	(101,268)	(116,303)
Unrealized gains (losses) on available-for-sale securities, net of taxes	3,226	3,360
Unrealized gains (losses) on hedging derivatives, net of taxes	(328)	(3)
Foreign currency translation adjustments	(104,167)	(119,661)
Subscriptions to shares	981	1,222
Minority interests in consolidated subsidiaries	73,016	93,748
TOTAL NET ASSETS	1,776,512	1,860,954
TOTAL LIABILITIES AND NET ASSETS	3,732,111	3,889,358

(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income**Consolidated Statements of Income**

(Millions of yen)

	Year ended February 28, 2011	Year ended February 29, 2012
	Amount	Amount
[Revenues from operations]	[5,119,739]	[4,786,344]
Net sales	4,530,684	4,013,617
Cost of sales	3,364,412	3,078,575
Gross profit on sales	1,166,272	935,041
Other operating revenues	589,054	772,727
Gross profit from operations	1,755,327	1,707,768
Selling, general and administrative expenses	1,511,980	1,415,708
Advertising and decoration expenses	101,218	111,420
Salaries and wages	380,694	378,066
Provision for bonuses to employees	13,635	14,699
Pension expenses	16,572	17,562
Legal welfare expenses	48,301	47,504
Land and building rent	260,034	258,652
Depreciation and amortization	126,674	133,914
Utility expenses	94,214	92,704
Store maintenance and repair expenses	70,371	69,824
Other	400,262	291,358
Operating Income	243,346	292,060
Non-operating income	10,390	10,150
Interest income	5,260	5,044
Dividend income	788	757
Equity in earnings of affiliates	1,007	2,061
Other	3,333	2,286
Non-operating expenses	10,829	9,039
Interest expenses	5,258	4,114
Interest on bonds	2,494	2,859
Foreign currency exchange losses	351	-
Other	2,725	2,065
Ordinary income	242,907	293,171
Special gains	22,655	10,428
Gain on sales of property and equipment	1,174	2,135
Gain on sales of investment securities	1,367	1,198
Gain on changes in accounting policies applied to foreign subsidiary	-	4,503
Gain on donations received	7,000	-
Gain on liquidation of investment in silent partnership	8,305	-
Subsidy income related to urban redevelopment projects	3,590	-
Other	1,216	2,591
Special losses	42,271	72,782
Loss on disposals of property and equipment	6,566	5,468
Impairment loss	21,454	14,460
Loss on disaster	-	25,741
Loss on adjustment for changes of accounting standards for asset retirement obligations	-	22,500
Other	14,250	4,611
Income before income taxes and minority interests	223,291	230,817
Total income taxes	102,298	90,257
Income taxes - current	97,602	116,366
Income taxes - deferred	4,696	(26,109)
Income before minority interests	-	140,559
Minority interests in net income of consolidated subsidiaries	9,031	10,722
Net income	111,961	129,837

Consolidated Statements of Comprehensive Income

(Millions of yen)

	Year ended February 28, 2011	Year ended February 29, 2012
	Amount	Amount
Income before minority interests	-	140,559
Other comprehensive income		
Unrealized gains (losses) on available-for-sale securities, net of taxes	-	103
Unrealized gains (losses) on hedging derivatives, net of taxes	-	328
Foreign currency translation adjustments	-	(15,481)
Share of other comprehensive income of associates accounted for using equity method	-	(5)
Total other comprehensive income	-	(15,055)
Comprehensive income	-	125,504
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	-	114,802
Comprehensive income attributable to minority interests	-	10,701

(3) Consolidated Statements of Changes in Net Assets

(Millions of yen)

	Year ended February 28, 2011	Year ended February 29, 2012
	Amount	Amount
Shareholders' equity		
Common stock		
Balance at the end of previous year	50,000	50,000
Increase (decrease) for the year		
Net increase (decrease) for the year	-	-
Balance at the end of current year	50,000	50,000
Capital surplus		
Balance at the end of previous year	576,072	526,899
Increase (decrease) for the year		
Disposal of treasury stock	(2)	(12)
Cancellation of treasury stock	(49,170)	-
Net increase (decrease) for the year	(49,173)	(12)
Balance at the end of current year	526,899	526,886
Retained earnings		
Balance at the end of previous year	1,172,263	1,234,204
Increase (decrease) for the year		
Cash dividends	(50,034)	(51,243)
Net income	111,961	129,837
Increase (decrease) resulting from adoption of U.S. GAAP by U.S. subsidiaries	13	(184)
Net increase (decrease) for the year	61,940	78,409
Balance at the end of current year	1,234,204	1,312,613
Treasury stock, at cost		
Balance at the end of previous year	(9,270)	(7,320)
Increase (decrease) for the year		
Purchase of treasury stock	(47,256)	(10)
Disposal of treasury stock	40	123
Cancellation of treasury stock	49,170	-
Other	(3)	(5)
Net increase (decrease) for the year	1,950	107
Balance at the end of current year	(7,320)	(7,212)

(Millions of yen)

	Year ended February 28, 2011	Year ended February 29, 2012
	Amount	Amount
Total shareholders' equity		
Balance at the end of previous year	1,789,065	1,803,783
Increase (decrease) for the year		
Cash dividends	(50,034)	(51,243)
Net income	111,961	129,837
Purchase of treasury stock	(47,256)	(10)
Disposal of treasury stock	38	110
Increase (decrease) resulting from adoption of U.S. GAAP by U.S. subsidiaries	13	(184)
Other	(3)	(5)
Net increase (decrease) for the year	14,718	78,504
Balance at the end of current year	1,803,783	1,882,287
Accumulated other comprehensive income		
Unrealized gains (losses) on available-for-sale securities, net of taxes		
Balance at the end of previous year	3,227	3,226
Increase (decrease) for the year		
Net changes of items other than shareholders' equity	(1)	133
Net increase (decrease) for the year	(1)	133
Balance at the end of current year	3,226	3,360
Unrealized gains (losses) on hedging derivatives, net of taxes		
Balance at the end of previous year	(549)	(328)
Increase (decrease) for the year		
Net changes of items other than shareholders' equity	220	325
Net increase (decrease) for the year	220	325
Balance at the end of current year	(328)	(3)
Foreign currency translation adjustments		
Balance at the end of previous year	(69,776)	(104,167)
Increase (decrease) for the year		
Net changes of items other than shareholders' equity	(34,390)	(15,494)
Net increase (decrease) for the year	(34,390)	(15,494)
Balance at the end of current year	(104,167)	(119,661)
Total accumulated other comprehensive income		
Balance at the end of previous year	(67,097)	(101,268)
Increase (decrease) for the year		
Net changes of items other than shareholders' equity	(34,171)	(15,035)
Net increase (decrease) for the year	(34,171)	(15,035)
Balance at the end of current year	(101,268)	(116,303)

(Millions of yen)

	Year ended February 28, 2011	Year ended February 29, 2012
	Amount	Amount
Subscriptions to shares		
Balance at the end of previous year	721	981
Increase (decrease) for the year		
Net changes of items other than shareholders' equity	259	241
Net increase (decrease) for the year	259	241
Balance at the end of current year	981	1,222
Minority interests in consolidated subsidiaries		
Balance at the end of previous year	71,251	73,016
Increase (decrease) for the year		
Net changes of items other than shareholders' equity	1,764	20,731
Net increase (decrease) for the year	1,764	20,731
Balance at the end of current year	73,016	93,748
TOTAL NET ASSETS		
Balance at the end of previous year	1,793,940	1,776,512
Increase (decrease) for the year		
Cash dividends	(50,034)	(51,243)
Net income	111,961	129,837
Purchase of treasury stock	(47,256)	(10)
Disposal of treasury stock	38	110
Increase (decrease) resulting from adoption of U.S. GAAP by U.S. subsidiaries	13	(184)
Other	(3)	(5)
Net changes of items other than shareholders' equity	(32,146)	5,938
Net increase (decrease) for the year	(17,428)	84,442
Balance at the end of current year	1,776,512	1,860,954

(4) Consolidated Statements of Cash Flows

(Millions of yen)

	Year ended February 28, 2011	Year ended February 29, 2012
Cash flows from operating activities:		
Income before income taxes and minority interests	223,291	230,817
Depreciation and amortization	132,421	139,994
Impairment loss on property and equipment	21,454	14,460
Amortization of goodwill	16,606	12,915
Increase (decrease) in allowance for bonuses to employees	(691)	1,032
Decrease (increase) in prepaid pension cost	2,170	3,303
Interest and dividends income	(6,049)	(5,802)
Interest expenses and interest on bonds	7,753	6,974
Foreign currency exchange (gains) losses	374	-
Equity in losses (earnings) of affiliates	(1,007)	(2,061)
Gain on sales of property and equipment	(1,174)	(2,135)
Loss on disposals of property and equipment	6,566	5,468
Gain on changes in accounting policies applied to foreign subsidiary	-	(4,503)
Loss on adjustment for changes of accounting standards for asset retirement obligations	-	22,500
Gain on liquidation of investment in silent partnership	(8,305)	-
Subsidy income related to urban redevelopment projects	(3,590)	-
Decrease (increase) in notes and accounts receivable, trade	(4,523)	(12,530)
Decrease (increase) in trade accounts receivable, financial services	7,973	12,651
Decrease (increase) in inventories	(4,298)	(10,110)
Increase (decrease) in notes and accounts payable, trade	(3,311)	32,861
Increase (decrease) in deposits received	(12,866)	(10,145)
Proceeds from loans in banking business	(15,500)	(3,200)
Net increase (decrease) in bonds in banking business	-	(36,000)
Net increase (decrease) in deposits received in banking business	89,950	12,532
Net decrease (increase) in call loan in banking business	(104,000)	115,000
Net increase (decrease) in call money in banking business	(32,900)	(7,000)
Net change in ATM-related temporary accounts	66,434	3,739
Other	13,653	50,720
Sub-total	390,431	571,482
Interest and dividends received	3,205	3,017
Interest paid	(7,859)	(7,092)
Income taxes paid	(75,248)	(104,765)
Net cash provided by operating activities	310,527	462,642

(Millions of yen)

	Year ended February 28, 2011	Year ended February 29, 2012
Cash flows from investing activities:		
Acquisition of property and equipment	(232,270)	(209,604)
Proceeds from sales of property and equipment	5,335	12,543
Acquisition of intangible assets	(75,313)	(11,193)
Payment for purchase of investments in securities	(280,601)	(178,692)
Proceeds from sales of investments in securities	249,696	224,549
Payment for purchase of investments in subsidiaries	-	(2,151)
Purchase of investments in subsidiaries resulting in change in scope of consolidations	-	(18,279)
Payment of loans receivable	(101)	-
Collection of loans receivable	991	-
Payment for long-term leasehold deposits	(26,513)	(22,365)
Refund of long-term leasehold deposits	40,282	29,849
Proceeds from deposits from tenants	5,830	5,333
Return of deposits from tenants	(4,747)	(5,276)
Payment for acquisition of treasury stock of subsidiary in consolidation	(4,999)	-
Proceeds from liquidation of investment in silent partnership	8,305	-
Proceeds from subsidy income related to urban redevelopment projects	1,045	2,545
Payment for succession of business	-	(135,794)
Payment for acquisition of business	-	(32,979)
Payment for time deposits	(12,339)	(13,020)
Payment for negotiable certificates of deposits	(45,000)	-
Proceeds from withdrawal of time deposits	20,831	15,987
Proceeds from withdrawal of negotiable certificates of deposits	40,000	-
Other	(2,512)	(4,257)
Net cash used in investing activities	(312,081)	(342,805)
Cash flows from financing activities:		
Net increase (decrease) increase in short-term loans	(38,370)	38,324
Proceeds from long-term debts	60,040	113,480
Repayment of long-term debts	(67,638)	(134,666)
Proceeds from commercial paper	360,321	369,009
Payment for redemption of commercial paper	(360,075)	(361,252)
Proceeds from issuance of bonds	109,624	-
Payment for redemption of bonds	(20,385)	(100)
Dividends paid	(50,022)	(51,258)
Capital contribution from minority interests	651	222
Dividends paid for minority interests	(3,774)	(3,596)
Payment for acquisition of treasury stock	(47,290)	(10)
Other	660	(10,713)
Net cash used in financing activities	(56,258)	(40,561)
Effect of exchange rate changes on cash and cash equivalents	(2,760)	(2,314)
Net increase (decrease) in cash and cash equivalents	(60,573)	76,960
Cash and cash equivalents at beginning of year	717,320	656,747
Cash and cash equivalents at end of year	656,747	733,707

(5) Doubts on the Premise of Going Concern

None

(6) Accounting Policies for the Preparation of Consolidated Financial Statements

1. Scope of consolidation

(1) Number of consolidated subsidiaries: 87

Major consolidated subsidiaries: Seven-Eleven Japan Co., Ltd., Ito-Yokado Co., Ltd.,
Sogo & Seibu Co., Ltd., Seven & i Food Systems Co., Ltd.,
York-Benimaru Co., Ltd., Seven Bank, Ltd. and 7-Eleven, Inc.

Consolidated subsidiaries increased by five.

(Acquisition of shares)

Seven CS Card Service Co., Ltd.

WFI Group, Inc.

Wilson Farms, Inc.

Wilson Farms Assets, LLC.

(Establishment)

Seven Farm Hokkaido Co., Ltd.

Consolidated subsidiaries decreased by two.

(Dissolution)

SEVEN & i FINANCIAL GROUP CO., LTD.

Seven Cash Works Co., Ltd.

On March 1, 2011 SEVEN & i FINANCIAL GROUP CO.,LTD. and Seven Cash Works Co., Ltd. were dissolved due to an absorption-type merger with SE CAPITAL CORPORATION, being the surviving entity. SE CAPITAL CORPORATION changed its name to Seven Financial Service Co., Ltd. on the same day.

(2) Number of unconsolidated subsidiary: 1

7-Eleven Limited

The Company's portion of its net income or loss, retained earnings

and the effects on the Consolidated Financial Statements are not considered material.

2. Application of equity method

(1) Number of unconsolidated subsidiary to which equity method was applied: none

(2) Number of affiliates to which equity method was applied: 19

Major affiliates: PRIME DELICA CO., LTD.

PIA CORPORATION

Affiliates to which equity method is applied increased by one.

(Acquisition of shares)

KINSHO STORE Co., LTD.

(3) Name of unconsolidated subsidiary to which equity method was not applied:

7-Eleven Limited

Reason for not applying equity method:

The Company's portion of its net income or loss (as calculated by the equity method), retained earnings (as calculated by the equity method) and the effect on the Consolidated Financial Statements are not considered material.

(4) Procedure for applying equity method

(a) The affiliates which have different closing dates are included in the Consolidated Financial Statements based on their respective fiscal year-end.

(b) When an affiliate is in a net loss portion, the Company's share of such loss is reduced from its loan receivable from affiliate.

3. Accounting period of consolidated subsidiaries

The fiscal year-end of some subsidiaries is December 31. The financial statements of such subsidiaries as of and for the year ended December 31 are used in preparing the Consolidated Financial Statements of the Company. All material transactions during the period from January 1 to February 29 are adjusted for in the consolidation process.

Seven-Meal Service Co., Ltd. changed its year end closing data from December 31 to the end of February. Accordingly, income and loss for the period from January 1, 2011 to February 29, 2012 was consolidated.

The closing date of a certain subsidiary is March 31. Pro forma financial statements as of February 29 prepared in a manner that is substantially identical to the preparation of the official financial statements were prepared in order to facilitate its consolidation.

4. Summary of significant accounting policies

(1) Valuation method for major assets

(a) Valuation method for securities

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

(II) Available-for-sale securities are classified into two categories, where: (i) the fair value is available and (ii) the fair value is not available.

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

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

(b) Valuation method for derivatives

Derivative financial instruments are valued at fair value.

(c) Valuation method for inventories

(I) Merchandise:

Inventories are stated mainly at cost determined by the retail method with book value written down to the net realizable value. Cost is determined principally by the average retail method for domestic consolidated subsidiaries and by the first-in, first-out (FIFO) method (except for gasoline inventory for which the weighted average cost method was newly adopted) for foreign consolidated subsidiaries.

(II) Supplies:

Supplies are carried at cost which is mainly determined by the last purchase price method with book value written down to the net realizable value.

(Changes in valuation method for inventories of 7-Eleven, Inc.)

Effective from the fiscal year ended February 29, 2012, 7-Eleven, Inc. changed its valuation method for inventories from the last-in, first out (LIFO) method to the first-in, first-out (FIFO) method (except for gasoline inventory for which the weighted average cost method was newly adopted).

The company believes this change is preferable because the new methods better reflect the current value of inventories to the consolidated balance sheet, taking into consideration the current price fluctuations that had been resulting in major difference between the carrying amount and the fair value.

As a result of this change, the Company recognized special gains of 4,503 million yen. Income before income taxes and minority interests was increased by the same amount.

(2) Depreciation and amortization

(a) Property and equipment (Excluding Lease assets)

Depreciation of property and equipment is computed generally using the declining-balance method for the Company and its domestic consolidated subsidiaries, except for the domestic consolidated subsidiaries in the department store business, which use the straight-line method, as do foreign consolidated subsidiaries.

(b) Intangible assets (Excluding Lease assets)

Intangible assets are amortized using the straight-line method for the Company and its domestic consolidated subsidiaries. Software for internal use is amortized using the straight-line method over an estimated useful life of 5 years.

(c) Lease assets

For the depreciation of the assets leased under finance lease contracts that do not transfer ownership of leased property to the lessee, a useful life is determined based on the duration of the lease period and straight-line depreciation is applied with an assumed residual value at nil.

Finance leases, commenced prior to March 1, 2009, which do not transfer ownership of leased property to the lessee, are accounted for in the same manner as operating leases.

(3) Accounting for deferred assets

(a) New organization costs

New organization costs are amortized using the straight-line method over 5 years, or expensed as incurred if immaterial.

(b) Business commencement expenses

Business commencement expenses are amortized using the straight-line method over 5 years, or expensed as incurred if immaterial.

(4) Allowances

(a) Allowance for doubtful accounts

Allowance for doubtful accounts is provided in an amount sufficient to cover probable losses on collection. It consists of the estimated uncollectible amount with respect to certain identified doubtful receivables and an amount calculated using the actual historical rate of losses.

(b) Allowance for sales promotion expenses

Allowance for sales promotion expenses is provided for the use of points given to customers at the amount expected to be used on the balance sheet date in accordance with the sales promotion point card program.

(c) Allowance for loss on future collection of gift certificates

Allowance for loss on future collection of gift certificates issued by certain domestic consolidated subsidiaries is provided for collection of gift certificates recognized as income after remaining uncollected for certain periods from their issuance. The amount is calculated using the historical results of collection.

(d) Allowance for bonuses to employees

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.

(e) Allowance for bonuses to directors and corporate auditors

Allowance for bonuses to directors and corporate auditors is provided at the amount estimated to be paid.

(f) Provision for loss on disaster

Provision for loss on disaster is provided at the amount considered to be appropriate based on the estimation of expenses for the restoration of properties and facilities damaged by the Great East Japan Earthquake and other losses.

(g) Allowance for accrued pension and severance costs (Prepaid pension cost)

Allowance for accrued pension and severance costs is provided at the amount incurred during the fiscal year, which is based on the estimated present value of the projected benefit obligation less the estimated fair value of plan assets at the end of the fiscal year. The excess amount of the estimated fair value of the plan assets over the estimated present value of projected benefit obligation adjusted by unrecognized actuarial differences at February 29, 2012 is recorded as prepaid pension cost. Also, certain domestic consolidated subsidiaries and consolidated subsidiaries in the United States provide allowance for accrued pension and severance cost.

Unrecognized actuarial differences are amortized on a straight-line basis over the period of mainly 10 years from the next year in which they arise which is shorter than the average remaining years of service of the eligible employees. Unrecognized prior service costs are amortized on a straight-line basis over the period of 5 years or 10 years.

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

Allowance for retirement benefits to directors and corporate auditors is provided at the amount required to be paid in accordance with internal rules.

The Company and some of its consolidated subsidiaries have abolished the retirement benefits system for directors and corporate auditors, among which some subsidiaries have determined to pay the balance at the time of retirement.

(5) Foreign currency translation

All assets and liabilities of the Company and its domestic consolidated subsidiaries denominated in foreign currencies are translated into Japanese yen at the exchange rate in effect at the respective balance sheet dates. Translation gains or losses are included in the accompanying Consolidated Statements of Income.

All balance sheets accounts of foreign subsidiaries are translated into Japanese yen at the exchange rate in effect at the respective balance sheet dates except for shareholders' equity, which is translated at the historical rates. All income and expense accounts are translated at the average exchange rate for the period. The resulting translation adjustments are included in the accompanying Consolidated Balance Sheets under "Foreign currency translation adjustments" and "Minority interests in consolidated subsidiaries".

(6) Hedge accounting

(a) Hedge accounting

If interest rate swap contracts are used as hedges and meet certain hedging criteria, the recognition of gains and losses resulting from the changes in fair value of interest rate swap contracts is deferred until the related gains and losses on the hedged items are recognized. However, certain interest rate swap contracts that meet specific hedging criteria are not measured at market value but the differences between the paid and received amount under the swap contracts are recognized and included in interest income or expense as incurred.

(b) Hedge instruments and hedged items

Hedge instruments - Interest swap

Hedged items - Loans payable

(c) Hedging policies

The Company and its subsidiaries have policies to utilize derivative instruments for the purposes of hedging their exposure to fluctuations in foreign currency rates and interest rates and reducing financing costs. The Company and its subsidiaries do not hold or issue derivative instruments for trading or speculative purposes.

(d) Assessing hedge effectiveness

The hedge effectiveness for interest rate swap contracts is assessed quarterly except for those that meet specific hedging criteria.

(7) Goodwill and negative goodwill

Goodwill and negative goodwill which generated before March 1, 2011 are amortized mainly over a period of 20 years on a straight-line basis, or recognized as income or expenses immediately if immaterial. Negative goodwill arising on or after March 1, 2011 is recognized as income when it occurs.

The goodwill recognized in applying the equity method is accounted for the same manner.

(8) Cash and cash equivalents

Cash and cash equivalents in the accompanying Consolidated Statements of Cash Flows are comprised of cash on hand, demand deposits and short-term investments with maturities of three months or less from the date of acquisition, that are liquid, readily convertible into cash and are subject to minimum risk of price fluctuation.

(9) Other accounting issues

(a) Accounting for franchised stores in convenience store operations

Seven-Eleven Japan Co., Ltd. and 7-Eleven, Inc. recognize franchise commission from its franchised stores as revenues and include it in "Other operating revenues".

(Changes in presentations related to franchise accounting of 7-Eleven, Inc.)

For the previous fiscal years, 7-Eleven, Inc., the Company's consolidated subsidiary in the U.S., included sales, cost of sales and selling, general and administrative expenses incurred at franchisees in its consolidated financial statements. Effective from the fiscal year ended February 29, 2012, the company changed the accounting policy and recognizes franchise commission from franchised stores as other operating revenues, to conform to the accounting policy adopted by other convenience store operations.

The effect of this accounting change for the period was to decrease revenues from operation by 521,199 million yen with no effects on operating income, ordinary income and income before income taxes and minority interests.

(b) Accounting for consumption taxes and excise tax

The Japanese consumption taxes withheld and consumption taxes paid are not included in the accompanying Consolidated Statements of Income. The excise tax levied in the U.S. and Canada is included in the revenues from operations.

(7) Changes in Accounting Policies for the Preparation of Consolidated Financial Statements

1. Application of Accounting Standard for Asset Retirement Obligations

From the fiscal year ended February 29, 2012, the Company has applied the “Accounting Standard for Asset Retirement Obligations” (ASBJ Statement No.18, March 31, 2008) and the “Guidance on Accounting Standard for Asset Retirement Obligations” (ASBJ Guidance No.21, March 31, 2008).

As a result of this change, operating income and ordinary income declined 1,911 million yen and income before income taxes and minority interests decreased 24,412 million yen. The amount of fluctuation in asset retirement obligations due to the application of this accounting standard totaled 33,233 million yen.

2. Application of Accounting Standard for Business Combination and others

From the fiscal year ended February 29, 2012, the Company has applied the “Accounting Standard for Business Combinations” (ASBJ Statement No. 21, December 26, 2008), the “Accounting Standard for Consolidated Financial Statements” (ASBJ Statement No. 22, December 26, 2008), the “Partial Amendments to Accounting Standard for Research and Development Costs” (ASBJ Statement No. 23, December 26, 2008), the “Revised Accounting Standard for Business Divestitures” (ASBJ Statement No. 7, December 26, 2008), the “Revised Accounting Standard for Equity Method of Accounting for Investments” (ASBJ Statement No. 16, December 26, 2008), and the “Revised Guidance on Accounting Standard for Business Combinations and Accounting Standard for Business Divestitures” (ASBJ Guidance No.10, December 26, 2008).

Due to this application, the Company changed the valuation of assets and liabilities of consolidated subsidiaries to the full fair value method, under which all assets and liabilities including those of minority interests are valued at fair value when the Company acquired the control as subsidiaries. This does not have any impact on net income.

(8) Changes in Method of Presentation

(Consolidated Balance Sheets)

“Asset retirement obligations” of 7-Eleven, Inc., which were previously included in “other” of non-current liabilities have been reclassified to asset retirement obligations, following the Company’s application of the “Accounting Standard for Asset Retirement Obligations” and its related standards from the fiscal year ended February 29, 2012.

The amount of asset retirement obligations that was included in “other” of non-current liabilities at February 28, 2011 was 7,056 million yen.

(Consolidated Statements of Income)

Based on the “Accounting Standard for Consolidated Financial Statements” (ASBJ Statement No.22, December 26, 2008), the Company applies the “Cabinet Office Ordinance Partially Revising Regulation on Terminology, Forms and Preparation of Financial Statements” (Cabinet Office Ordinance No.5, March 24, 2009). As a result, “Income before minority interest” is included in the Consolidated Financial Statements for the fiscal year ended February 29, 2012.

(Consolidated Statements of Cash Flows)

1. “Foreign currency exchange (gains) losses” of Cash flows from operating activities is included in “Other” for the fiscal year ended February 29, 2012 due to decrease in materiality.
“Foreign currency exchange (gains) losses” which is included in “Other” for the fiscal year ended February 29, 2012 is 90 million yen.
2. “Payment of loans receivable” and “Collection of loans receivable” of Cash flows from investing activities are included in “Other” for the fiscal year ended February 29, 2012 due to decrease in materiality.
“Payment of loans receivable” and “Collection of loans receivable” included in “Other” for the fiscal year ended February 29, 2012 are (0) million yen and 849 million yen, respectively.

(9) Supplementary Information

(Accounting for introduction of tax consolidation)

The Company files a tax return under the consolidated corporate-tax system from the fiscal year ending February 28, 2013, which allows companies to base tax payments on the combined profits or losses of the parent company and its wholly owned domestic subsidiaries.

Accordingly the parent company and its wholly owned domestic subsidiaries are accounting based on “Practical Solution on Tentative Treatment of Tax Effect Accounting Under Consolidated Taxation System (Part 1)” (ASBJ Practical Issues Task Force (PITF) No.5, March 18, 2011) and “Practical Solution on Tentative Treatment of Tax Effect Accounting Under Consolidated Taxation System (Part 2)” (ASBJ Practical Issues Task Force (PITF) No.7, June 30, 2010)

(Accounting Standard for Presentation of Comprehensive Income)

Effective from the fiscal year ended February 29, 2012, the Company adopted “Accounting Standard for Presentation of Comprehensive Income” (ASBJ Statement No.25, June 30, 2010). The amounts presented as “Total accumulated other comprehensive income” as of February 28, 2011 represents “Accumulated gains (losses) from valuation and transaction adjustments”

(10) Notes to Consolidated Financial Statements

Consolidated Balance Sheets;

1. Accumulated depreciation of Property and equipment

(Millions of yen)

	As of February 28, 2011	As of February 29, 2012
Accumulated depreciation	1,227,077	1,287,359

2. Assets pledged as collateral

(Millions of yen)

	As of February 28, 2011	As of February 29, 2012
Buildings and structures	47,970	18,135
Land	100,773	47,144
Other intangible assets	10,151	-
Investments in securities	122,445	100,681
Long-term leasehold deposits	4,103	3,954
Total	285,443	169,915
Debts for which above assets are pledged as collateral		
Short-term loans	3,400	3,400
Long-term loans (including current portion of long-term loans)	154,157	62,911
Long-term accounts payable, other	884	773
Deposits received from tenants and franchised stores	138	121

Assets pledged as collateral for the debts of affiliates and vendors

(Millions of yen)

	As of February 28, 2011	As of February 29, 2012
Buildings	523	487
Land	1,368	1,368
Loans of affiliates for which above assets are pledged as collateral	3,543	3,443

Assets pledged as collateral for fund transfer

(Millions of yen)

	As of February 28, 2011	As of February 29, 2012
Investments in securities	27,630	6,025

Assets pledged as collateral for real estate business

(Millions of yen)

	As of February 28, 2011	As of February 29, 2012
Investments in securities	19	19
Long-term guarantee deposits	50	35

Assets pledged as collateral under installment sales law

(Millions of yen)

	As of February 28, 2011	As of February 29, 2012
Long-term guarantee deposits	1,586	1,335

Assets pledged as collateral to secure the amount of prepaid tickets issued

(Millions of yen)

	As of February 28, 2011	As of February 29, 2012
Investments in securities	584	422
Long-term guarantee deposits	481	710

3. Guarantees

(Millions of yen)

	As of February 28, 2011	As of February 29, 2012
Loans of Goshogawara Machi Dukuri K.K.	112	38
Employees' housing Loans	487	397
Total	599	435

4. Loan commitment

(As of February 28, 2011)

Seven Card Service Co., Ltd. conducts a cash loan business associated with its credit card business. Unused credit balance related to loan commitment in the cash loan business is as follows.

(Millions of yen)

Credit availability of loan business	449,090
Outstanding balance	16,280
Unused credit balance	432,809

Unused credit balance will not have a material impact on future cash flows because most of the unused credit balance will remain unused considering the historical records. Seven Card Service Co., Ltd. will cease finance services or reduce the credit limit based on the credit situation of customers or other reasonable reasons.

(As of February 29, 2012)

Seven Card Service Co., Ltd. and Seven CS Card Service Co., Ltd. conduct a cash loan business associated with its credit card business. Unused credit balance related to loan commitment in the cash loan business is as follows.

(Millions of yen)

Credit availability of loan business	1,026,657
Outstanding balance	31,176
Unused credit balance	995,480

Unused credit balance will not have a material impact on future cash flows because most of the unused credit balance will remain unused considering the historical records. Seven Card Service Co., Ltd. and Seven CS Card Service Co., Ltd. will cease finance services or reduce the credit limit based on the credit situation of customers or other reasonable reasons.

5. Others

(As of February 28, 2011)

Government Bonds held by Seven Bank, Ltd.

Seven Bank, Ltd., one of the Company's consolidated subsidiaries, holds government bonds to serve as collateral for exchange settlement transactions and overdraft transactions with the Bank of Japan. These government bonds are recorded in "Investments in securities" in the Consolidated Balance Sheet due to its nature of restriction though they have redemption at maturity less than one year.

(As of February 29, 2012)

Government Bonds held by Seven Bank, Ltd.

Seven Bank, Ltd., one of the Company's consolidated subsidiaries, holds government bonds to serve as collateral for exchange settlement transactions and overdraft transactions with the Bank of Japan. These government bonds are recorded in "Investments in securities" in the Consolidated Balance Sheet due to its nature of restriction though they have redemption at maturity less than one year.

Consolidated Statements of Income;

1. The franchised commission from Seven-Eleven Japan Co., Ltd.'s franchised stores and 7-Eleven, Inc.'s are included in "Other operating revenues".

The franchised commission from franchised stores and net sales of franchised stores are as follows:

Seven-Eleven Japan Co., Ltd (Millions of yen)

	For the year ended February 28, 2011	For the year ended February 29, 2012
Franchised commission from franchised stores	435,873	479,825
Net sales of franchised stores	2,839,680	3,189,317

7-Eleven, Inc. (Millions of yen)

	For the year ended February 28, 2011	For the year ended February 29, 2012
Franchised commission from franchised stores	-	119,251
Net sales of franchised stores	-	666,930

2. Major items included in "Gain on sales of property and equipment" are as follows:

(Millions of yen)

	For the year ended February 28, 2011	For the year ended February 29, 2012
Buildings and structures	414	895
Land	742	1,217
Others	18	22
Total	1,174	2,135

3. "Gain on donations received"

Gain on donations received recorded for the fiscal year ended February 28, 2011 was received in cash.

4. Major items included in "Loss on disposals of property and equipment" are as follows:

(Millions of yen)

	For the year ended February 28, 2011	For the year ended February 29, 2012
Buildings and structures	2,995	2,667
Furniture, fixtures and equipment	798	563
Others	2,773	2,237
Total	6,566	5,468

5. Impairment loss

For the fiscal year ended February 28, 2011, the Company and its consolidated subsidiaries recognized 21,454 million yen of impairment loss on the following group of assets.

(Millions of yen)

Description	Classification	Location		Amount
Stores (Convenience stores)	Land and buildings etc.	Tokyo Met.	43 Stores	20,200
		Osaka Pref.	29 Stores	
		Others (including U.S.)		
Stores (Superstores)	Land and buildings etc.	Saitama Pref.	7 Stores	
		Tokyo Met.	4 Stores	
		Others	16 Stores	
Stores (Department stores)	Land and buildings etc.	Chiba Pref.	1 Stores	
		Others	4 Store	
Stores (Food services)	Land and buildings etc.	Tokyo Met. & others	43 Stores	
Other facility etc.	Land and buildings etc.	Fukushima Pref. U. S. & others		
Total				21,454

The Company and its domestic consolidated subsidiaries group their fixed assets by store, which is the minimum cash-generating unit. The book values of stores whose land had significantly declined in market prices or which incurred consecutive operating losses were reduced to recoverable amounts, and such deducted amount was recorded as impairment loss in special losses.

Breakdown of impairment loss are as follows:

(Millions of yen)

	Stores	Other facilities etc.	Total
Building and structures	10,652	144	10,797
Land	7,331	14	7,345
Software	-	950	950
Other	2,216	144	2,361
Total	20,200	1,253	21,454

In the case where net selling prices were used as recoverable amounts, relevant assets were evaluated based on real estate appraisal standards, and in the case where values in use were used as recoverable amounts, relevant assets were evaluated by discounting estimated future cash flows to which the 1.7% - 6.0% discount rates were applied.

For the fiscal year ended February 29, 2012, the Company and its consolidated subsidiaries recognized 14,460 million yen of impairment loss on the following group of assets.

(Millions of yen)

Description	Classification	Location		Amount	
Stores (Convenience stores)	Land and buildings etc.	Tokyo Met.	47 Stores	13,721	
		Osaka Pref.	46 Stores		
		Others (including U.S.)			
Stores (Superstores)	Land and buildings etc.	Tokyo Met.	14 Stores		
		Saitama Pref.	12 Stores		
		Others	27 Stores		
Stores (Department stores)	Land and buildings etc.	Shizuoka Pref.	1 Store		
		Others	1 Store		
Stores (Food services)	Land and buildings etc.	Tokyo Met. & others	38 Stores		
Other facility etc.	Land and buildings etc.	Fukushima Pref. U. S. & others			739
Total					14,460

The Company and its domestic consolidated subsidiaries group their fixed assets by store, which is the minimum cash-generating unit. The book values of stores whose land had significantly declined in market prices or which incurred consecutive operating losses were reduced to recoverable amounts, and such deducted amount was recorded as impairment loss in special losses.

Breakdown of impairment loss are as follows:

(Millions of yen)

	Stores	Other facilities etc.	Total
Building and structures	7,616	200	7,816
Land	5,024	328	5,353
Software	5	94	99
Other	1,075	116	1,191
Total	13,721	739	14,460

In the case where net selling prices were used as recoverable amounts, relevant assets were evaluated based on real estate appraisal standards, and in the case where values in use were used as recoverable amounts, relevant assets were evaluated by discounting estimated future cash flows to which the 1.8% - 6.0% discount rates were applied.

6. Loss on disaster

Loss on disaster that caused by the Great East Japan Earthquake is as follows:

(Millions of yen)

	For the year ended February 28, 2011	For the year ended February 29, 2012
Loss of inventories etc.	-	4,568
Loss of buildings and structures and recovery expenses	-	13,522
Fixed expenses during suspension of business	-	4,425
Other expenses related to recovery expenses	-	3,223
Total	-	25,741

Provision for loss on disaster amounting to 1,063 million yen is included above for the year ended February 29, 2012.

Consolidated Statement of Comprehensive Income;

1. Comprehensive income for the previous fiscal year ended February 28, 2011 was as follows:

(Millions of yen)

Comprehensive income attributable to owners of the parent	77,790
Comprehensive income attributable to the minority interests	8,640
Total	86,430

2. Other comprehensive income for the previous fiscal year

(Millions of yen)

Unrealized gains on available-for-sale securities	24
Unrealized gains on hedging derivatives	219
Foreign currency translation adjustments	(34,808)
Share of other comprehensive income of associates accounted for using the equity method	2
Total	(34,562)

Consolidated Statement of Changes in Net Assets;

(from March 1, 2010 to February 28, 2011)

1. Type and number of shares of outstanding and treasury stock

(1) Outstanding stock

(Thousands of shares)

	As of February 28, 2010	Number of shares increased	Number of shares decreased (Note)	As of February 28, 2011
Ordinary Share	906,441	-	20,000	886,441

Note: 20,000 thousand shares decreased due to the cancellation of treasury stock.

(2) Treasury stock

(Thousands of shares)

	As of February 28, 2010	Number of shares increased (Note1)	Number of shares decreased (Note2)	As of February 28, 2011
Ordinary Share	2,983	20,010	20,015	2,978

Notes: (1) 20,000 thousand shares out of the 20,010 thousand increased due to the acquisition of treasury stock based on approval of the Company's Boards of Directors and 8 thousand shares out of the 20,010 thousand increased due to the acquisition of odd-lot shares.

(2) 20,000 thousand shares, 15 thousand shares and 0 thousand shares out of the 20,015 thousand decreased by the cancellation of treasury stock , exercise of stock options and sale of odd-lot shares, respectively.

2. Subscription rights to shares and treasury subscription rights to shares

Entity	The Company	Consolidated subsidiaries	Total
Description of subscriptions	Subscriptions to shares as stock-linked compensation stock option	Subscriptions to shares as stock-linked compensation stock option	
Type of shares to be issued upon excise of the rights	-	-	-
Number of shares to be issued upon the exercise of the rights (shares)	Number of shares at the end of February 28, 2010	-	-
	Number of shares increased	-	-
	Number of shares decreased	-	-
	Number of shares at the end of February 28, 2011	-	-
Balance at the end of February 28, 2011 (millions of yen)	826	154	981

3. Matters related to dividends

(1) Dividend payments

Resolution	Type	Total amount of cash dividends	Dividend per share	Record date	Effective date
May 27, 2010 Ordinary general meeting of shareholders	Ordinary Share	25,297 million yen	28.00 yen	Feb. 28, 2010	May 28, 2010
October 7, 2010 Board of directors' meeting	Ordinary Share	24,737 million yen	28.00 yen	Aug. 31, 2010	Nov. 12, 2010

(2) Dividends whose record date is within the fiscal year ended February 28, 2011, but to be effective after the fiscal year-end

Resolution	Type	Funds for dividends	Total amount of cash dividends	Dividend per share	Record date	Effective date
May 26, 2011 Ordinary general meeting of shareholders	Ordinary Share	Retained earnings	25,621 million yen	29.00 yen	Feb. 28, 2011	May 27, 2011

(from March 1, 2011 to February 29, 2012)

1. Type and number of shares of outstanding and treasury stock

(1) Outstanding stock

(Thousands of shares)

	As of February 28, 2011	Number of shares increased	Number of shares decreased	As of February 29, 2012
Ordinary Share	886,441	-	-	886,441

(2) Treasury stock

(Thousands of shares)

	As of February 28, 2011	Number of shares increased (Note1)	Number of shares decreased (Note2)	As of February 29, 2012
Ordinary Share	2,978	7	50	2,935

Notes: (1) 7 thousand shares increased mainly due to the acquisition of odd-lot shares.

(2) 50 thousand shares and 0 thousand shares out of the 50 thousand decreased by exercising of stock options and sale of odd-lot shares, respectively.

2. Subscription rights to shares and treasury subscription rights to shares

Entity	The Company	Consolidated subsidiaries	Total
Description of subscriptions	Subscriptions to shares as stock-linked compensation stock option	Subscriptions to shares as stock-linked compensation stock option	
Type of shares to be issued upon exercise of the rights	-	-	-
Number of shares to be issued upon the exercise of the rights (shares)	Number of shares at the end of February 28, 2011	-	-
	Number of shares increased	-	-
	Number of shares decreased	-	-
	Number of shares at the end of February 29, 2012	-	-
Balance at the end of February 29, 2012 (millions of yen)	1,001	220	1,222

3. Matters related to dividends

(1) Dividend payments

Resolution	Type	Total amount of cash dividends	Dividend per share	Record date	Effective date
May 26, 2011 Ordinary general meeting of shareholders	Ordinary Share	25,621 million yen	29.00 yen	Feb. 28, 2011	May 27, 2011
October 4, 2011 Board of directors' meeting	Ordinary Share	25,622 million yen	29.00 yen	Aug. 31, 2011	Nov. 15, 2011

(2) Dividends whose record date is within the fiscal year ended February 29, 2012, but to be effective after the fiscal year-end

Resolution	Type	Funds for dividends	Total amount of cash dividends	Dividend per share	Record date	Effective date
May 24, 2012 Ordinary general meeting of shareholders	Ordinary Share	Retained earnings	29,156 million yen	33.00 yen	Feb. 29, 2012	May 25, 2012

Consolidated Statements of Cash Flows;

(For the fiscal year ended February 28, 2011)

1. Reconciliation of cash and cash equivalents of the Consolidated Statements of Cash Flows and account balances of the Consolidated Balance Sheets

(Millions of yen)

	As of February 28, 2011
Cash and bank deposits	654,833
Negotiable certificates of deposits included in marketable securities	26,500
Time deposits and negotiable certificates of deposits with an original maturity of more than three months	(24,586)
Cash and cash equivalents	656,747

2. Payment for succession of business

None

3. Assets and Liabilities of a newly consolidated subsidiary are as follows

None

4. Major non-cash transactions

(Millions of yen)

	Fiscal year ended February 28, 2011
Finance lease obligations for property and equipment recorded in the Consolidated Balance Sheet for the current fiscal year	11,867

5. Acquisition of business

None

(For the fiscal year ended February 29, 2012)

1. Reconciliation of cash and cash equivalents of the Consolidated Statements of Cash Flows and account balances of the Consolidated Balance Sheets

(Millions of yen)

	As of February 29, 2012
Cash and bank deposits	711,629
Negotiable certificates of deposits included in marketable securities	43,000
Time deposits and negotiable certificates of deposits with an original maturity of more than three months	(20,922)
Cash and cash equivalents	733,707

2. Payment for succession of business

“Payment for succession of business” represents the amount paid by Seven CS Card Service Co., Ltd. for the succession of business to Credit Saison Co., Ltd.

3. Assets and Liabilities of a newly consolidated subsidiary by acquisition of shares are as follows:

Seven CS Card Service Co., Ltd.

(Millions of yen)

	As of February 29, 2012
Current assets	158,447
Non-current assets	132
Deferred asset	394
Goodwill	7,251
Current liabilities	(137,059)
Minority interests	(10,738)
Acquisition of shares	18,428
Cash and cash equivalent	(148)
Payment for acquisition of business	18,279

4. Major non-cash transactions

(Millions of yen)

	Fiscal year ended February 29, 2012
Finance lease obligations for property and equipment recorded in the Consolidated Balance Sheet for the current fiscal year	12,491
Asset retirement obligations recorded in the Consolidated Balance Sheet for the current fiscal year	38,130

5. Acquisition of business

The followings are the details of payment made by 7-Eleven, Inc. to acquire the assets and liabilities related to business acquisition.

(Millions of yen)

	As of February 29, 2012
Inventory	8,747
Goodwill	22,795
Current liabilities	(5,256)
Other	6,693
Sub-total	32,979
Property and equipment	20,181
Total	53,160

Property and equipment set out above at an amount of 20,181 million yen is included in acquisition of property and equipment in Cash Flow Statement for the fiscal year ended February 29, 2012.

Segment Information

1. Business Segments

Fiscal Year ended February 28, 2011 (From March 1, 2010 to February 28, 2011)

(Millions of yen)

	Convenience store operations	Superstore operations	Department store operations	Food services	Financial services	Others	Total before eliminations	Eliminations / Corporate	Consolidated total
Revenues from operations									
Revenues									
1. Customers	2,035,927	1,972,649	914,182	79,241	93,104	24,634	5,119,739	-	5,119,739
2. Intersegment	536	8,955	923	984	13,848	10,975	36,224	(36,224)	-
Total revenues	2,036,464	1,981,604	915,105	80,225	106,953	35,610	5,155,963	(36,224)	5,119,739
Operating expenses	1,840,986	1,965,895	909,483	80,419	78,609	36,300	4,911,695	(35,302)	4,876,392
Operating income (losses)	195,477	15,708	5,622	(193)	28,343	(690)	244,268	(921)	243,346
Assets, depreciation, impairment loss and capital expenditures									
Assets	1,112,557	1,081,491	571,463	21,105	1,350,272	145,792	4,282,682	(550,570)	3,732,111
Depreciation	68,743	25,890	14,361	811	20,693	1,598	132,099	321	132,421
Impairment loss	5,939	4,139	10,301	378	635	59	21,454	-	21,454
Capital expenditures	91,626	44,797	25,559	443	16,979	127,389	306,797	2,773	309,570

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 ----- Superstore, supermarket, specialty shop and others
 - Department store operations ----- Sogo & Seibu Co., Ltd. and other companies included in the department stores 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
- Unallocable operating expenses included in "Eliminations / Corporate" represent the Company's selling, general and administrative expenses, and totaled 7,115 million yen for the fiscal year ended February 28, 2011.
- Corporate assets included in "Eliminations / Corporate" mainly represent deposits held by subsidiaries and affiliates, and totaled 383,912 million yen for the fiscal year ended February 28, 2011.

2. Geographic area segments

Fiscal Year ended February 28, 2011 (From March 1, 2010 to February 28, 2011) (Millions of yen)

	Japan	North America	Others	Total before eliminations	Eliminations	Consolidated total
Revenues from operations						
Revenues						
1. Customers	3,552,271	1,481,434	86,033	5,119,739	-	5,119,739
2. Intersegment	419	2,960	-	3,380	(3,380)	-
Total revenues	3,552,691	1,484,394	86,033	5,123,119	(3,380)	5,119,739
Operating expenses	3,337,459	1,458,164	84,176	4,879,800	(3,407)	4,876,392
Operating income	215,231	26,230	1,857	243,319	27	243,346
Assets	3,294,540	397,120	40,873	3,732,533	(422)	3,732,111

Notes:

- The classification of geographic area segments is made according to the geographical distances.
- "Others" consists of the business results in P.R.C.

3. Overseas sales

Fiscal Year ended February 28, 2011 (From March 1, 2010 to February 28, 2011) (Millions of yen)

	North America	Others	Total
Overseas sales	1,481,434	86,033	1,567,468
Consolidated sales	-	-	5,119,739
Percentage of overseas sales to consolidated sales (%)	28.9	1.7	30.6

Notes:

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

Segment Information

1. Overview of Reportable Segments

With respect to its reportable segments, the Company is able to obtain delineated financial data from its structural units. Its segments are subject to periodical review for the purpose of making decisions on allocation of managerial resources and evaluating business performance by the Board of Directors.

Under the holding company structure, the Company has classified its consolidated subsidiaries into six segments which are "Convenience store operations", "Superstore operations", "Department store operations", "Food services", "Financial services", and "Others", according to the nature of products, services and sales operations.

"Convenience store operations" operate corporate stores and franchised stores under the name of "7-Eleven". "Superstore operations" operate superstores, supermarkets, specialty shops and others. "Department store operations" operate department store business which mainly consists of Sogo & Seibu Co., Ltd. "Food services" operate restaurant operations, meal provision service business (mainly for company cafeteria, hospitals and schools) and fast food operations. "Financial services" operate bank, credit card, lease and other businesses. "Others" operate IT business and other services.

2. Calculation methodology for revenues from operations, income or losses, assets and liabilities and other items for each reporting segment

The accounting treatment of each reporting segment is in line with the "Accounting Policies for the Preparation of consolidated Financial Statements". Segment income (loss) and segment liabilities as reported in this section are based on operating income and interest bearing debt, respectively. Inter-segment revenues and transfers are calculated at prevailing market prices.

3. Information on revenues from operations, income, loss, assets, liabilities and other monetary items for each reportable segment

Fiscal Year ended February 28, 2011 (From March 1, 2010 to February 28, 2011)

(Millions of yen)

	Reportable segments						Total	Adjustments	Consolidated total
	Convenience store operations	Superstore operations	Department store operations	Food services	Financial services	Others			
Revenues from operations									
1. Customers	2,035,927	1,972,649	914,182	79,241	93,104	24,634	5,119,739	-	5,119,739
2. Intersegment	536	8,955	923	984	13,848	10,975	36,224	(36,224)	-
Total	2,036,464	1,981,604	915,105	80,225	106,953	35,610	5,155,963	(36,224)	5,119,739
Segment income (loss)	195,477	15,708	5,622	(193)	28,343	(690)	244,268	(921)	243,346
Segment Assets	1,112,557	1,081,491	571,463	21,105	1,350,272	145,792	4,282,682	(550,570)	3,732,111
Segment Liabilities (Interest bearing debt)	16,872	28,072	272,303	-	197,913	2,250	517,411	209,973	727,385
Other items									
Depreciation	68,743	25,890	14,361	811	20,693	1,598	132,099	321	132,421
Amortization of goodwill	7,218	3,371	5,253	-	258	43	16,145	-	16,145
Investment in associates accounted for using the equity method	7,214	3	426	-	-	6,701	14,346	-	14,346
Impairment loss	5,939	4,139	10,301	378	635	59	21,454	-	21,454
Net increase in property and equipment, and intangible assets	91,626	44,797	25,559	443	16,979	127,389	306,797	2,773	309,570

Notes:

1. The adjustments of (921) million yen for segment income (loss) are eliminations of inter-segment transactions and certain expense items that are not allocated to reportable segments.
2. The adjustments of (550,570) million yen for segment assets are eliminations of inter-segment transactions and corporate assets.
3. The adjustments of 209,973 million yen for segment liabilities are corporate liabilities and the Company's bonds. The amount of each segment liability does not include inter-segment transactions.
4. Segment income (loss) is reconciled with the operating income in the Consolidated Statements of Income.

Fiscal Year ended February 29, 2012 (From March 1, 2011 to February 29, 2012)

(Millions of yen)

	Reportable segments						Total	Adjustments	Consolidated total
	Convenience store operations	Superstore operations	Department store operations	Food services	Financial services	Others			
Revenues from operations									
1. Customers	1,690,384	1,982,099	898,977	77,029	112,354	25,499	4,786,344	-	4,786,344
2. Intersegment	539	10,199	1,245	996	17,246	21,965	52,193	(52,193)	-
Total	1,690,924	1,992,298	900,222	78,026	129,601	47,464	4,838,538	(52,193)	4,786,344
Segment income (loss)	214,637	32,432	9,948	(95)	33,778	2,304	293,005	(945)	292,060
Segment Assets	1,077,608	1,048,661	541,929	21,026	1,565,291	153,852	4,408,369	(519,010)	3,889,358
Segment Liabilities (interest bearing debt)	29,252	26,219	200,154	-	244,973	1,500	502,099	209,978	712,077
Other items									
Depreciation	73,291	28,626	14,010	667	20,331	2,588	139,514	480	139,994
Amortization of goodwill	3,620	3,372	5,253	-	610	58	12,915	-	12,915
Investment in associates accounted for using the equity method	7,625	1,656	467	-	-	7,947	17,697	-	17,697
Impairment loss	4,301	7,238	2,059	428	97	334	14,460	-	14,460
Net increase in property and equipment, and intangible assets	147,051	37,376	14,763	719	23,891	2,995	226,797	3,371	230,168

Notes:

- The adjustments of (945) million yen for segment income (loss) are eliminations of inter-segment transactions and certain expense items that are not allocated to reportable segments.
- The adjustments of (519,010) million yen for segment assets are eliminations of inter-segment transactions and corporate assets.
- The adjustments of 209,978 million yen for segment liabilities are corporate liabilities and the Company's bonds. The amount of each segment liability does not include inter-segment transactions.
- Segment incomes (loss) is reconciled with the operating income in the Consolidated Statements of Income.

(Supplementary Information)

Effective March 1, 2011, the Company applied "Accounting Standard for Disclosures about Segments of an Enterprise and Related Information" (ASBJ Statement No. 17, March 27, 2009) and "Guidance on Accounting Standard for Disclosures about Segments of an Enterprise and Related Information" (ASBJ Guidance No. 20, March 21, 2008).

(Reference)

Revenues from operations and operating income by geographic area segments are as described below.

Fiscal Year ended February 29, 2012

(Millions of yen)

	Japan	North America	Others	Total before eliminations	Eliminations	Consolidated total
Revenues from operations						
1. Customers	3,590,473	1,106,347	89,524	4,786,344	-	4,786,344
2. Intersegment	444	101	-	546	(546)	-
Total revenues	3,590,917	1,106,449	89,524	4,786,890	(546)	4,786,344
Operating income	261,531	29,181	1,324	292,037	22	292,060

Notes:

- The classification of geographic area segments is determined according to geographical distances.
- "Others" consist of the business results in the P.R.C.

Related Information
Fiscal Year ended February 29, 2012

- Information on products and services
Information is omitted since it is described in the segment information.

2. Information by region

(1) Revenues from operations

(Millions of yen)

Japan	North America	Others	Total
3,590,473	1,106,347	89,524	4,786,344

(2) Property and equipment

(Millions of yen)

Japan	North America	Others	Total
1,072,898	245,108	2,167	1,320,174

3. Information about major customers

Information is omitted because there is no customer accounting for 10% or more of the net sales on the consolidated statements of income

Information regarding impairment loss on fixed assets by reporting segment

Fiscal Year ended February 29, 2012

Information is omitted since it is described in the segment information.

Information on amortization and outstanding balance of goodwill by reporting segment

Fiscal Year ended February 29, 2012

	Reportable segments						Total	Eliminations / Corporate	Consolidated total
	Convenience store operations	Superstore operations	Department store operations	Food services	Financial services	Others			
Goodwill									
Amortization	3,620	3,372	5,253	-	610	58	12,915	-	12,915
Balance at the end of current year	48,844	48,892	74,974	-	10,976	931	184,619	-	184,619
Negative Goodwill									
Amortization	-	23	3	4	-	13	44	-	44
Balance at the end of current year	-	257	-	46	-	10	313	-	313

Information regarding impairment loss on fixed assets by reporting segment

Fiscal Year ended February 29, 2012

None

Leases

1. Under the existing accounting standards, finance leases commenced prior to March 1, 2009, which do not transfer ownership of leased property to the lessee, are accounted for in the same manner as operating leases.

(1) As lessee

- (a) Assumed amounts of acquisition cost, accumulated depreciation, impairment loss and net book value, including the interest portion, are summarized as follows:

Furniture, fixtures and equipment

(Millions of yen)

	As of February 28, 2011	As of February 29, 2012
Acquisition cost	84,297	66,341
Accumulated depreciation	59,730	55,917
Accumulated impairment loss	154	65
Net book value	24,411	10,358

Software

(Millions of yen)

	As of February 28, 2011	As of February 29, 2012
Acquisition cost	424	164
Accumulated depreciation	245	134
Net book value	178	30

- (b) The future lease payments of finance leases, including the interest portion, are summarized as follows:

(Millions of yen)

	As of February 28, 2011	As of February 29, 2012
Due within one year	14,129	8,832
Due after one year	10,615	1,622
Total	24,745	10,454
Balance of impairment loss account on leased assets included in the outstanding future lease payments	154	65

- (c) Lease payments, reversal of allowance for impairment loss on lease assets, assumed amounts of depreciation expense and impairment loss are as follows:

(Millions of yen)

	Fiscal year ended February 28, 2011	Fiscal year ended February 29, 2012
Lease payments	16,676	13,921
Reversal of allowance for impairment loss on leased assets	177	129
Depreciation expense	16,854	14,050
Impairment loss	38	39

- (d) Assumed amounts of depreciation expense are computed using the straight-line method over the lease term assuming no residual value.

(2) As lessor

(a) Acquisition cost, accumulated depreciation and net book value are summarized as follows:

Furniture, fixtures and equipment (Millions of yen)

	As of February 28, 2011	As of February 29, 2012
Acquisition cost	16,601	10,560
Accumulated depreciation	11,892	8,248
Net book value	4,709	2,311

(b) The future lease income of finance leases are summarized as follows:

(Millions of yen)

	As of February 28, 2011	As of February 29, 2012
Due within one year	2,434	1,452
Due after one year	2,553	1,027
Total	4,988	2,480

(c) Lease income, depreciation expense and assumed amounts of interest income are as follows:

(Millions of yen)

	Fiscal year ended February 28, 2011	Fiscal year ended February 29, 2012
Lease income	3,185	1,954
Depreciation expense	2,911	1,776
Interest income	224	118

(d) Allocation of interest income to each period is computed using the interest method.

2. Operating leases

As lessee

The amounts of outstanding future lease payments under lease agreement other than finance leases, which are non-cancelable, including the interest portion, are summarized as follows:

(Millions of yen)

	As of February 28, 2011	As of February 29, 2012
Due within one year	61,673	62,082
Due after one year	379,850	360,904
Total	441,523	422,987

As lessor

The amounts of outstanding future lease payments under lease agreement other than finance leases, which are non-cancelable, including the interest portion, are summarized as follows:

(Millions of yen)

	As of February 28, 2011	As of February 29, 2012
Due within one year	-	1,867
Due after one year	-	6,107
Total	-	7,975

Related Parties Transactions

(From March 1, 2010 to February 28, 2011)

(1) Transactions between the Company and related parties

(a) A director of the Company and primary institutional shareholders

Attribution	Name	Address	Capital and investments	Business or title	Voting interest (held)
Close relative of a director	Masatoshi Ito	-	-	-	Directly 1.9%

(Millions of yen)

Business relationship	Detail of transaction	Transaction amount	Account	Year-end Balance
-	Donations received	5,000	-	-

Notes: (1) The transaction amount is exclusive of the consumption taxes.

(2) The Company received donations in cash for construction of training facilities for the Company and its subsidiaries.

(3) Masatoshi Ito is the father of Junro Ito, an Executive of the Company.

(2) Transactions between consolidated subsidiaries of the Company and related parties

(a) A director of the Company and primary institutional shareholders

Attribution	Name	Address	Capital and investments	Business or title	Voting interest (held)
Close relative of a director	Yasuhiro Suzuki	-	-	-	Directly 0.0%

(Millions of yen)

Business relationship	Detail of transaction	Transaction amount	Account	Year-end Balance
-	Payment for shares newly issued by the Company's subsidiary through third-party allotment	169	-	-

Notes: (1) The transaction amount is exclusive of the consumption taxes.

(2) The purchase price was decided after taking into account of third-party appraisal.

(3) Yasuhiro Suzuki is a son of Toshifumi Suzuki, the Chairman of the Company.

(From March 1, 2011 to February 29, 2012)

None

Deferred Income Taxes

1. The tax effects of temporary differences that give rise to the significant components of deferred tax assets and liabilities are as follows

(Millions of yen)

	As of February 28, 2011	As of February 29, 2012
Deferred tax assets:		
Allowance for bonuses to employees	5,622	5,954
Allowance for sales promotion expenses	6,269	5,921
Accrued payroll	3,939	4,647
Allowance for retirement benefits to directors and corporate auditors	928	893
Allowance for accrued pension and severance costs	558	579
Allowance for loss on future collection of gift certificates	1,035	1,572
Deposit received in relation to the electronic money business	4,254	4,673
Depreciation and amortization	14,148	13,196
Tax loss carried forward	44,650	35,380
Valuation loss on available-for-sale securities	1,262	1,170
Allowance for doubtful accounts	3,145	3,040
Unrealized loss on property and equipment	13,062	12,307
Impairment loss on property and equipment and valuation loss on land	42,042	41,681
Accrued enterprise taxes and business office taxes	5,219	5,555
Accrued expenses	8,141	7,718
Asset retirement obligations	-	13,377
Rights of trademark	-	9,112
Other	12,811	21,488
Sub-total	167,093	188,273
Less: valuation allowance	(97,330)	(83,895)
Total	69,763	104,377
Deferred tax liabilities:		
Unrealized gains on property and equipment	(31,334)	(33,728)
Unrealized gains on royalties, etc.	(10,356)	(9,533)
Reserve for advanced depreciation of property and equipment	(1,093)	(1,063)
Unrealized gains on available-for-sale securities	(636)	(1,017)
Prepaid pension cost	(4,003)	(2,362)
Unrealized intercompany profit	(5,372)	(4,704)
Removal cost related to asset retirement obligation	-	(4,499)
Other	(1,328)	(2,965)
Total	(54,125)	(59,874)
Net deferred tax assets	15,637	44,502

Net deferred tax assets are included in the following items of Consolidated Balance Sheets.

(Millions of yen)

	As of February 28, 2011	As of February 29, 2012
Current assets - Deferred income taxes	30,875	38,905
Non-current assets		
- Deferred income taxes	20,717	40,147
Non-current liabilities		
- Deferred income taxes	(35,955)	(34,550)

2. Reconciliation between the statutory tax rate and the effective tax rate

(%)

	As of February 28, 2011	As of February 29, 2012
Statutory tax rate	40.7	40.7
Adjustments:		
Equity in earnings of affiliates	(0.2)	(0.4)
Non-deductible items such as entertainment expenses	0.2	0.2
Increase (decrease) in valuation allowance	(0.8)	(0.7)
Inhabitant taxes per capital	0.6	0.6
Amortization of goodwill	3.0	2.3
Effect of tax consolidation	-	(4.3)
Amendment of deferred income taxes by changing in the income tax rates	-	1.6
Elimination of gain on sales of subsidiaries' stock for consolidation	2.4	-
Other	(0.1)	(0.9)
Effective tax rate	45.8	39.1

3. Amendment of deferred taxes assets and deferred taxes liabilities by changing in the income tax rate.

(From March 1, 2010 to February 28, 2011)

None

(From March 1, 2011 to February 29, 2012)

The Act for Partial Revision of the Income Tax Act, etc. for the Purpose of Creating Taxation System Responding to Changes in Economic and Social Structures (Act No.114 of 2011) and the Act on Special Measures for Securing Financial Resources Necessary to Implement Measures for Reconstruction Following the Great East Japan Earthquake (Act No. 117 of 2011) were promulgated on December 2, 2011. As a result, the reduction of corporate tax rates and the Special Income Tax for Reconstruction are to be effective from fiscal years beginning on or after April 1, 2012. Due to this implementation, the effective tax rate used to

calculate deferred income taxes related to the temporary differences that are expected to be recovered or settled for the three consecutive fiscal years beginning on March 1, 2013 has been reduced from the previously applied rate of 40.7% to 38.0%, while 35.6% is applied to those temporary differences expected to be covered or settled for fiscal years beginning on or after March 1, 2016. As a result of this change, deferred income taxes decreased by 3,608 million yen and income taxes – deferred increased by 3,609 million yen.

Accounting for Retirement Benefits

1. Summary of the retirement benefit plans

The Company and its domestic consolidated subsidiaries provide two types of defined benefit plan: the employees' pension fund plan and the lump-sum severance payment plan.

Additional retirement benefits for early retirement may be added upon the retirement of the employees. Consolidated subsidiaries in the United States have a defined contribution pension plan and a defined benefit plan.

2. Projected retirement benefit obligations

(Millions of yen)

	Fiscal year ended February 28, 2011	Fiscal year ended February 29, 2012
Projected benefit obligations (Note)	(197,559)	(202,157)
Fair value of plan assets (including employee retirement benefit trust)	168,688	171,852
Funded status	(28,870)	(30,304)
Unrecognized actuarial differences	34,975	32,809
Unrecognized prior service cost	517	374
Prepaid pension cost, net of allowance for accrued pension and severance costs	6,621	2,878
Prepaid pension cost	9,978	6,674
Allowance for accrued pension and severance costs	(3,356)	(3,796)

Note:

Fiscal year ended February 28, 2011	Fiscal year ended February 29, 2012
For some of the consolidated subsidiaries, the simplified method is used for computing retirement benefit obligations.	For some of the consolidated subsidiaries, the simplified method is used for computing retirement benefit obligations.

3. Net periodic benefit cost

(Millions of yen)

	Fiscal year ended February 28, 2011	Fiscal year ended February 29, 2012
Service cost (Notes 1)	11,753	11,599
Interest cost	3,961	4,054
Expected return on plan assets	(4,710)	(4,201)
Amortization of actuarial differences	5,578	5,253
Amortization of prior year service cost	(515)	151
Additional retirement benefit for early retirement	1,511	130
Net periodic benefit cost	17,578	16,987

Notes:

Fiscal year ended February 28, 2011	Fiscal year ended February 29, 2012
1. Net periodic benefit cost of subsidiaries using the simplified method is included.	1. Net periodic benefit cost of subsidiaries using the simplified method is included.
2. Besides the above net periodic benefit cost, benefit cost related to the defined contribution plan employed by consolidated subsidiaries in the United States, amounting to 535 million yen, is included.	2. Besides the above net periodic benefit cost, benefit cost related to the defined contribution plan employed by consolidated subsidiaries in the United States, amounting to 614 million yen, is included.

4. Assumptions used in accounting for retirement benefit obligations

	Fiscal year ended February 28, 2011	Fiscal year ended February 29, 2012
Allocation method of estimated total retirement benefits	Point basis	Point basis
Discount rate	Mainly 2.0% Consolidated subsidiaries in the United States 5.7%	Mainly 2.0% Consolidated subsidiaries in the United States 5.0%
Expected rate of return on plan assets	Mainly 3.0%	Mainly 2.5%
Periods over which the prior service cost are amortized	5 years or 10 years	5 years or 10 years
Periods over which the actuarial differences are amortized	Actuarial differences are amortized in the year following the year in which the differences are recognized primarily using the straight-line method over the period (mainly 10 years), which is shorter than the average remaining years of service of the employees. Consolidated subsidiaries in the United States have adopted the corridor approach for the amortization of actuarial differences.	Actuarial differences are amortized in the year following the year in which the differences are recognized primarily using the straight-line method over the period (mainly 10 years), which is shorter than the average remaining years of service of the employees. Consolidated subsidiaries in the United States adopt the corridor approach for the amortization of actuarial differences.

Special Purpose Corporation

(From March 1, 2010 to February 28, 2011)

1. Summaries of Special Purpose Corporation (“SPC”) and transactions with the SPC

Sogo & Seibu Co., Ltd. (“Sogo & Seibu”), a consolidated subsidiary of the Company, established a real estate trust comprising of the land, land leasehold rights and part of the buildings of a store and sold the beneficiary rights of the trust to Asset Ikesei Corp., an SPC. in August 2000. Concurrently, Sogo & Seibu entered into a silent partnership arrangement with the SPC with a certain investment. Also, Sogo & Seibu leased back such store properties from the SPC who had the beneficiary right of the trust.

On September 24, 2010, Seven & i Asset Management Co., Ltd., which is a subsidiary of the Company, purchased the beneficiary rights of the trust from Asset Ikesei Corp. The accompanying real estate trust contract was canceled and, accordingly, the related silent partnership agreement was terminated during the current fiscal year.

2. A summary of transaction amounts with the SPC, etc., for the fiscal year ended February 28, 2011 is as follows:

(Millions of yen)

	Amount and balance of major transactions for the year ended February 28, 2011	Major items related to income or expenses	
		Description	Amount
Accounts receivable (dividend)	-	Distribution of profit from the silent partnership	2,886
Amount of investment in the silent partnership	-	Dividends from liquidation	8,305
Rental transaction	-	Lease payments (Note)	6,090

Note: Sogo & Seibu had a lease agreement with the trustee. Rental expenses represent the amount that was paid to the trustee based on the rental agreement.

Sogo & Seibu paid rental expenses from March 1, 2010 to September 23, 2010.

(From March 1, 2011 to February 29, 2012)

None

Per Share Information

(yen)

	Fiscal year ended February 28, 2011	Fiscal year ended February 29, 2012
Net assets per share	1,927.09	1,998.84
Net income per share	126.21	146.96
Diluted net income per share	126.15	146.88

Basis for calculation of net income per share and diluted net income per share is as follows.

(Millions of yen, except number of common stock)

	Fiscal year ended February 28, 2011	Fiscal year ended February 29, 2012
Net income	111,961	129,837
Amount not attributable to common stock	-	-
Net income attributable to common stock	111,961	129,837
Average number of common stock outstanding during the period (thousand of shares)	887,128	883,499
Adjustments to net income which is used for calculating diluted net income per share		
Minority interest	4	6
Adjustments to net income	4	6
Number of ordinary shares increased used for calculating the diluted net income per shares		
Subscriptions to shares (thousand of shares)	331	442
Number of ordinary shares increased (thousand of shares)	331	442

Basis for calculation of net assets per share is as follows.

(Millions of yen, except number of common stock)

	As of February 28, 2011	As of February 29, 2012
Total net assets	1,776,512	1,860,954
Amounts subtracted from total net assets:	73,997	94,970
Subscriptions to shares	(981)	(1,222)
Minority interest in consolidated subsidiaries	(73,016)	(93,748)
Net assets for common stock at the end of period	1,702,514	1,765,983
Number of common stock at the end of period used for calculating the amounts of net assets per share (thousand of shares)	883,463	883,506

Subsequent Event

None

Omission of Disclosure

Disclosure of notes on financial instruments, securities information, derivative transactions, stock options, business combination and real estate for lease was omitted as considered immaterial.

3. Nonconsolidated Financial Statements

(1) Nonconsolidated Balance Sheets

(Millions of yen)

	February 28, 2011	February 29, 2012
	Amount	Amount
ASSETS		
Current assets	31,677	21,218
Cash and bank deposits	376	409
Raw materials and supplies	1	1
Prepaid expenses	254	271
Deferred income taxes	-	4,613
Accounts receivable, other	13,339	14,977
Deposits held by subsidiaries and affiliates	17,003	207
Other	703	737
Non-current assets	1,818,796	1,863,693
Property and equipment	2,810	5,958
Buildings, net	48	58
Structures, net	0	0
Furniture, fixtures and equipment, net	10	34
Land	2,712	2,712
Construction in progress	38	3,153
Intangible assets	1,314	1,729
Lease assets	1,314	1,726
Other	-	2
Investments and other assets	1,814,670	1,856,005
Investments in securities	13,379	14,337
Investments in subsidiaries	1,688,901	1,729,312
Long-term loans receivable from employees	6	19
Deposits paid in subsidiaries and affiliates	110,000	110,000
Prepaid pension cost	146	94
Long-term leasehold deposits	2,214	2,214
Other	22	27
TOTAL ASSETS	1,850,473	1,884,912

(Millions of yen)

	February 28, 2011	February 29, 2012
	Amount	Amount
LIABILITIES		
Current liabilities	272,859	284,803
Short-term loans from a subsidiaries and affiliates	270,000	281,000
Current portion of long-term loans payable to subsidiaries and affiliates	3	7
Lease obligations	378	564
Accounts payable, other	552	1,267
Accrued expenses	1,048	1,142
Income taxes payable	162	63
Advance received	181	186
Allowance for bonuses to employees	206	231
Allowance for bonuses to directors and corporate auditors	36	52
Other	288	286
Non-current liabilities	212,699	213,484
Bonds	209,973	209,978
Long-term loans payable to subsidiaries and affiliates	6	19
Lease obligations	1,019	1,271
Deferred income taxes	-	514
Deposits received from tenants	1,701	1,700
TOTAL LIABILITIES	485,559	498,287
NET ASSETS		
Shareholders' equity	1,362,970	1,384,039
Common stock	50,000	50,000
Capital surplus	1,245,634	1,245,621
Additional paid-in capital	875,496	875,496
Other capital surplus	370,137	370,124
Retained earnings	74,619	95,587
Other retained earnings		
Retained earnings brought forward	74,619	95,587
Treasury stock, at cost	(7,282)	(7,169)
Accumulated gains (losses) from valuation and translation adjustments	1,117	1,583
Unrealized gains (losses) on available-for-sale securities, net of taxes	1,117	1,583
Subscriptions to shares	826	1,001
TOTAL NET ASSETS	1,364,914	1,386,624
TOTAL LIABILITIES AND NET ASSETS	1,850,473	1,884,912

(2) Nonconsolidated Statements of Income

(Millions of yen)

	Year ended February 28, 2011	Year ended February 29, 2012
	Amount	Amount
Revenues from operations	70,011	78,047
Dividends income	63,716	71,533
Management consulting fee income	3,459	3,762
Commission fee income	2,836	2,751
Selling, general and administrative expenses	7,115	7,198
Advertising expenses	205	219
Salaries and wages	3,028	3,109
Provision for bonuses to employees	206	231
Legal welfare expenses	445	475
Pension expenses	250	275
Land and building rent	644	616
Commission paid	738	699
Other	1,596	1,570
Operating income	62,896	70,849
Non-operating income	1,510	1,860
Interest income	1,021	1,513
Dividends income	202	283
Gain on shares received	218	-
Gains on lapsed dividend payment obligation	49	-
Other	18	63
Non-operating expenses	4,482	4,679
Interest expenses	1,608	1,814
Interest on bonds	2,465	2,859
Amortization of bond issue costs	375	-
Other	33	5
Ordinary income	59,924	68,030
Special gains	7,000	-
Gain on donations received	7,000	-
Special losses	47	406
Loss on disposals of property and equipment	47	-
Loss on disaster	-	406
Income before income taxes	66,876	67,624
Total income taxes	4	(4,586)
Income taxes - current	4	3
Income taxes - deferred	-	(4,590)
Net income	66,872	72,211

(3) Nonconsolidated Statements of Changes in Net Assets

(Millions of yen)

	Year ended February 28, 2011	Year ended February 29, 2012
	Amount	Amount
Shareholders' equity		
Common stock		
Balance at the end of previous year	50,000	50,000
Increase (decrease) for the year		
Net increase (decrease) for the year	-	-
Balance at the end of current year	50,000	50,000
Capital surplus		
Additional paid-in capital		
Balance at the end of previous year	875,496	875,496
Increase (decrease) for the year		
Net increase (decrease) for the year	-	-
Balance at the end of current year	875,496	875,496
Other capital surplus		
Balance at the end of previous year	419,384	370,137
Increase (decrease) for the year		
Disposal of treasury stock	(2)	(12)
Cancellation of treasury stock	(49,244)	-
Net increase (decrease) for the year	(49,247)	(12)
Balance at the end of current year	370,137	370,124
Total capital surplus	1,294,881	1,245,634
Increase (decrease) for the year		
Disposal of treasury stock	(2)	(12)
Cancellation of treasury stock	(49,244)	-
Net increase (decrease) for the year	(49,247)	(12)
Balance at the end of current year	1,245,634	1,245,621
Retained earnings		
Other retained earnings		
Retained earnings brought forward		
Balance at the end of previous year	57,781	74,619
Increase (decrease) for the year		
Cash dividends	(50,034)	(51,243)
Net income	66,872	72,211
Net increase (decrease) for the year	16,837	20,968
Balance at the end of current year	74,619	95,587

(Millions of yen)

	Year ended February 28, 2011	Year ended February 29, 2012
	Amount	Amount
Total retained earnings		
Balance at the end of previous year	57,781	74,619
Increase (decrease) for the year		
Cash dividends	(50,034)	(51,243)
Net income	66,872	72,211
Net increase (decrease) for the year	16,837	20,968
Balance at the end of current year	74,619	95,587
Treasury stock, at cost		
Balance at the end of previous year	(9,311)	(7,282)
Increase (decrease) for the year		
Purchase of treasury stock	(47,256)	(10)
Disposal of treasury stock	40	123
Cancellations of treasury stock	49,244	-
Net increase (decrease) for the year	2,028	113
Balance at the end of current year	(7,282)	(7,169)
Total shareholders' equity		
Balance at the end of previous year	1,393,351	1,362,970
Increase (decrease) for the year		
Cash dividends	(50,034)	(51,243)
Net income	66,872	72,211
Purchase of treasury stock	(47,256)	(10)
Disposal of treasury stock	38	110
Net increase (decrease) for the year	(30,381)	21,069
Balance at the end of current year	1,362,970	1,384,039
Accumulated gains (losses) from valuation and translation adjustments		
Unrealized gains (losses) on available-for-sale securities, net of taxes		
Balance at the end of previous year	992	1,117
Increase (decrease) for the year		
Net changes of items other than shareholders' equity	124	465
Net increase (decrease) for the year	124	465
Balance at the end of current year	1,117	1,583

(Millions of yen)

	Year ended February 28, 2011	Year ended February 29, 2012
	Amount	Amount
Total accumulated gains (losses) from valuation and translation adjustments		
Balance at the end of previous year	992	1,117
Increase (decrease) for the year		
Net changes of items other than shareholders' equity	124	465
Net increase (decrease) for the year	124	465
Balance at the end of current year	1,117	1,583
Subscriptions to shares		
Balance at the end of previous year	633	826
Increase (decrease) for the year		
Net changes of items other than shareholders' equity	193	175
Net increase (decrease) for the year	193	175
Balance at the end of current year	826	1,001
TOTAL NET ASSETS		
Balance at the end of previous year	1,394,977	1,364,914
Increase (decrease) for the year		
Cash dividends	(50,034)	(51,243)
Net income	66,872	72,211
Purchase of treasury stock	(47,256)	(10)
Sales of treasury stock	38	110
Net changes of items other than shareholders' equity	318	641
Net increase (decrease) for the year	(30,063)	21,710
Balance at the end of current year	1,364,914	1,386,624

(4) Doubts on the Premise of Going Concern

None

(5) Notes to Nonconsolidated Financial Statements

Nonconsolidated Balance Sheets;

1. Accumulated depreciation of Property and equipment

(Millions of yen)

	As of February 28, 2011	As of February 29, 2012
Accumulated depreciation	78	100

2. Notes on outstanding balances with subsidiaries and affiliates

Major balances included in each account on the balance sheet, which are not separately shown.

(Millions of yen)

	As of February 28, 2011	As of February 29, 2012
Accounts receivable, other	544	629
Current assets other	694	734
Lease obligations (current)	378	564
Accounts payable, other	147	243
Accrued expenses	359	436
Advance received	177	179
Lease obligations (non-current)	1,019	1,271
Deposits received from tenants	1,664	1,684

3. Guarantees

(Millions of yen)

	As of February 28, 2011	As of February 29, 2012
Loans of Seven Card Service Co., Ltd.	10,000	10,000
Electronic money guaranteed by Seven Card Service Co., Ltd.	4,739	5,985

Nonconsolidated Statements of Income;

Major transactions with subsidiaries and affiliates

(Millions of yen)

	For the year ended February 28, 2011	For the year ended February 29, 2012
Dividends income	63,716	71,533
Management consulting fee income	3,459	3,762
Commission fee income	2,835	2,750
Interest income	1,020	1,513
Interest expense	1,608	1,814

Nonconsolidated Statement of changes in net assets;

Type and number of shares of treasury stock (from March 1, 2010 to February 28,2011)

(Thousands of shares)

	Number of shares at the end of February 28, 2010	Number of shares increased (Note 1)	Number of shares decreased (Note 2)	Number of shares at the end of February 28, 2011
Common stock	2,965	20,008	20,015	2,958

Notes: (1) 20,000 thousand shares out of the 20,008 thousand increased due to the acquisition of treasury stock based on approval of the Company's Boards of Directors and 8 thousand shares out of the 20,008 thousand increased due to the acquisition of odd-lot shares.

(2) 20,000 thousand shares, 15 thousand shares and 0 thousand shares out of the 20,015 thousand decreased due to the cancellation of treasury stock , exercising stock options and sale of odd-lot shares, respectively.

Type and number of shares of treasury stock (from March 1, 2011 to February 29, 2012)

(Thousands of shares)

	Number of shares at the end of February 28, 2011	Number of shares increased (Note 1)	Number of shares decreased (Note 2)	Number of shares at the end of February 29, 2012
Common stock	2,958	4	50	2,913

Notes: (1) 4 thousand shares increased due to the acquisition of odd-lot shares.

(2) 50 thousand shares and 0 thousand shares out of the 50 thousand decreased by exercising of stock options and sale of odd-lot shares, respectively.

[Reference] Seven-Eleven Japan Co., Ltd.

Nonconsolidated Balance Sheets

(Millions of yen)

	February 28, 2011	February 29, 2012
	Amount	Amount
ASSETS		
Current assets	514,490	506,432
Cash and bank deposits	202,906	46,966
Accounts receivable due from franchised stores	9,190	9,736
Lease investment assets	1,313	1,973
Inventories	2,075	1,919
Prepaid expenses	10,525	12,758
Deferred income taxes	6,679	7,335
Deposits held by subsidiaries and affiliates	260,303	397,811
Accounts receivable, other	21,022	27,219
Other	623	1,088
Allowance for doubtful accounts	(150)	(377)
Non-current assets	844,346	926,395
Property and equipment	257,045	300,380
Buildings	119,454	154,000
Structures	21,241	24,364
Furniture, fixtures and equipment	17,853	20,377
Land	93,915	90,250
Lease assets	4,435	10,518
Construction in progress	144	868
Intangible assets	11,535	36,507
Rights of leasehold	7,583	8,444
Rights of trademark	17	24,890
Software	3,925	3,164
Other	8	8
Investments and other assets	575,765	589,507
Investments in securities	9,214	9,107
Investments in securities of subsidiaries and affiliates	397,976	397,976
Investments in affiliates	3,912	5,148
Long-term loans receivable	2,255	1,883
Long-term loans to subsidiaries and affiliates	3,752	3,622
Long-term prepaid expenses	25,728	26,693
Long-term leasehold deposits	124,722	133,240
Deferred income taxes	13,056	16,089
Other	477	511
Allowance for doubtful accounts	(5,332)	(4,764)
TOTAL ASSETS	1,358,837	1,432,828

Seven-Eleven Japan Co., Ltd.

(Millions of yen)

	February 28, 2011	February 29, 2012
	Amount	Amount
LIABILITIES		
Current liabilities	275,298	284,717
Accounts payable, trade	109,298	123,087
Accounts payable due to franchised stores	8,441	8,283
Lease obligations	1,368	2,761
Accounts payable, other	17,412	18,989
Accrued expenses	7,075	8,974
Income taxes payable	38,295	39,872
Consumption taxes withheld	3,057	1,220
Deposits received	85,796	75,831
Allowance for bonuses to employees	2,203	2,347
Allowance for bonuses to directors and corporate auditors	27	38
Allowance for loss on disaster	-	172
Allowance for sales promotion expenses	1,749	2,441
Other	572	696
Non-current liabilities	15,084	43,166
Guarantee deposits received from franchised stores	6,826	7,225
Long-term deferred income	118	41
Long-term loans	180	211
Lease obligations	4,672	10,435
Allowance for accrued pension and severance costs	914	1,386
Allowance for retirement benefits to directors and corporate auditors	621	584
Allowance for loss on guarantee	1,750	1,750
Asset retirement obligations	-	21,530
TOTAL LIABILITIES	290,383	327,884
NET ASSETS		
Shareholder's equity	1,068,502	1,104,891
Common stock	17,200	17,200
Capital surplus	24,565	24,565
Additional paid-in capital	24,563	24,563
Other capital surplus	1	1
Retained earnings	1,026,737	1,063,125
Legal reserve	4,300	4,300
Other retained earnings		
General reserve	823,409	823,409
Retained earnings brought forward	199,027	235,416
Accumulated gains (losses) from valuation and translation adjustments	(49)	52
Unrealized gains (losses) on available-for-sale securities, net of taxes	(49)	52
TOTAL NET ASSETS	1,068,453	1,104,944
TOTAL LIABILITIES AND NET ASSETS	1,358,837	1,432,828

Seven-Eleven Japan Co., Ltd.

Nonconsolidated Statements of Income

(Millions of yen)

	Year ended February 28, 2011	Year ended February 29, 2012
	Amount	Amount
Operating income and expenses		
Revenues from operations	549,111	576,186
Franchise commission from franchised stores	435,873	479,825
Net sales reported by franchised stores		
Year ended February 28, 2011: 2,839,680		
Year ended February 29, 2012: 3,189,317		
Total net sales (including net sales of corporate stores)		
Year ended February 28, 2011: 2,947,606		
Year ended February 29, 2012: 3,280,512		
Other operating revenues	5,312	5,165
Net sales of corporate stores	107,925	91,195
Cost of sales	78,420	66,809
Gross profit from operations	470,691	509,377
Selling, general and administrative expenses	301,538	326,216
Land and building rent	79,424	87,199
Advertising expenses	27,548	35,626
Depreciation and amortization	28,867	34,168
Utility expenses	31,799	33,124
Salaries and wages	33,769	32,690
Other	100,128	103,406
Operating income	169,152	183,160
Non-operating income	7,589	6,944
Interest income	3,821	3,940
Interest on securities	982	-
Dividends income	2,153	2,617
Other	631	386
Non-operating expenses	596	345
Interest expenses	104	173
Provision for doubtful accounts	96	-
Loss on bad debts	144	-
Other	251	171
Ordinary income	176,144	189,759
Special gains	242	227
Gain on sales of property and equipment	112	117
Reversal of allowance for doubtful accounts	19	59
Gain on sales of investments in securities	73	-
Receipt of stock option income	37	50
Special losses	6,987	19,974
Loss on sales of property and equipment	305	647
Loss on disposals of property and equipment	1,015	748
Impairment loss	5,306	3,504
Store-closing cost	230	-
Loss on disaster	-	4,238
Loss on adjustment for changes of accounting standards for asset retirement obligations	-	10,502
Valuation loss on investments in securities	-	272
Other	129	60
Income before income taxes	169,400	170,012
Income taxes - current	68,781	73,024
Income taxes - deferred	(1,430)	(3,750)
Net income	102,049	100,738

[Reference] Ito-Yokado Co., Ltd.

Nonconsolidated Balance Sheets

(Millions of yen)

	February 28, 2011	February 29, 2012
	Amount	Amount
ASSETS		
Current assets	267,100	289,777
Cash and bank deposits	33,239	29,082
Accounts receivable, trade	24,010	24,830
Marketable securities	64,500	42,000
Inventories	72,190	70,420
Supplies	57	46
Advance paid	271	376
Prepaid expenses	7,614	7,605
Deferred income taxes	7,249	6,625
Short-term loans to employees	254	273
Short-term loans receivable	394	394
Deposits held by subsidiaries and affiliates	29,252	80,712
Accounts receivable, other	11,956	11,908
Short-term leasehold deposits	12,180	11,700
Payments in advance	3,262	3,019
Other	664	779
Non-current assets	512,288	501,074
Property and equipment	256,895	255,034
Buildings	104,627	102,776
Structures	7,271	7,402
Vehicles	0	0
Furniture, fixtures and equipment	5,256	4,711
Land	135,181	135,481
Lease assets	1,235	2,263
Construction in progress	3,323	2,398
Intangible assets	2,134	1,851
Rights of leasehold	903	891
Trademark	33	28
Software	1,002	762
Other	194	168
Investments and other assets	253,258	244,188
Investments in securities	14,824	14,067
Investments in securities of subsidiaries and affiliates	5,898	8,099
Investments in capital	165	454
Investments in affiliates	12,098	12,098
Long-term loans receivable	15,689	15,327
Long-term prepaid expenses	10,332	9,217
Prepaid pension cost	8,119	6,285
Long-term leasehold deposits	175,890	165,432
Advances for store construction	8,131	7,708
Receivable in bankruptcy	154	11
Deferred income taxes	2,507	5,918
Other	1,932	1,866
Allowance for doubtful accounts	(2,486)	(2,298)
TOTAL ASSETS	779,389	790,851

Ito-Yokado Co., Ltd.

(Millions of yen)

	February 28, 2011	February 29, 2012
	Amount	Amount
LIABILITIES		
Current liabilities	121,359	129,226
Accounts payable, trade	63,942	64,200
Short-term loans	115	106
Current portion of long-term loans	1,381	1,416
Lease obligations	395	662
Accounts payable, other	19,684	19,783
Income taxes payable	910	1,724
Consumption taxes withheld	-	2,796
Accrued expenses	9,058	8,910
Advance received	637	632
Deposits received	4,582	8,324
Allowance for bonuses to employees	3,940	4,426
Allowance for bonuses to directors and corporate auditors	16	30
Allowance for sales promotion expenses	2,026	1,651
Allowance for loss on future collection of gift certificates	1,110	900
Gift tickets	12,315	12,337
Other	1,240	1,323
Non-current liabilities	56,847	64,024
Long-term loans	9,819	8,576
Lease obligations	901	1,714
Allowance for retirement benefits to directors and corporate auditors	688	625
Deposits received from tenants	44,040	42,454
Allowance for loss on guarantee	1,397	778
Asset retirement obligations	-	9,874
TOTAL LIABILITIES	178,206	193,250
NET ASSETS		
Shareholder's equity	597,491	593,895
Common stock	40,000	40,000
Capital surplus	165,621	165,621
Additional paid-in capital	165,621	165,621
Retained earnings	391,870	388,274
Legal reserve	11,700	11,700
Other retained earnings		
Reserve for deferred gains on property and equipment	1,038	1,324
Retained earnings brought forward	379,131	375,249
Accumulated gains (losses) from valuation and translation adjustments	3,691	3,705
Unrealized gains (losses) on available-for-sale securities, net of taxes	3,691	3,705
TOTAL NET ASSETS	601,182	597,601
TOTAL LIABILITIES AND NET ASSETS	779,389	790,851

Ito-Yokado Co., Ltd.

Nonconsolidated Statements of Income

(Millions of yen)

	Year ended February 28, 2011	Year ended February 29, 2012
	Amount	Amount
[Revenues from operations]	[1,373,670]	[1,361,060]
Net sales	1,349,345	1,334,297
Cost of sales	1,017,630	999,524
Gross profit on sales	331,714	334,773
Other operating revenues	24,325	26,762
Rental income	19,435	22,222
Other income	4,889	4,540
Gross profit from operations	356,040	361,536
Selling, general and administrative expenses	353,884	350,981
Advertising and decoration expenses	33,083	32,562
Salaries and wages	118,131	115,911
Land and building rent	69,281	67,900
Depreciation and amortization	14,573	16,822
Other	118,813	117,783
Operating income	2,155	10,554
Non-operating income	3,658	3,400
Interest income	1,487	1,578
Interest on securities	52	49
Dividends income	1,546	1,130
Other	571	642
Non-operating expenses	689	484
Interest expenses	262	263
Interest on bonds	29	-
Other	398	221
Ordinary income	5,124	13,471
Special gains	16,917	1,077
Gain on sales of property and equipment	11	519
Gain on sales of investments in securities	13,286	0
Receipt of stock option income	27	38
Subsidy income related to urban redevelopment projects	3,590	-
Other	2	519
Special losses	8,949	15,912
Loss on sales of property and equipment	437	11
Loss on disposals of property and equipment	1,091	971
Impairment loss	2,880	1,066
Loss on store closures	1,530	-
Valuation loss on investments in securities of subsidiaries and affiliates	918	-
Provision for loss on guarantee	1,397	538
Loss on adjustment for changes of accounting standards for asset retirement obligations	-	8,532
Loss on disaster	-	3,241
Other	692	1,552
Income before income taxes (loss)	13,092	(1,364)
Income taxes - current	448	1,500
Income taxes - deferred	5,948	(2,344)
Net income (loss)	6,696	(520)

[Reference] York-Benimaru Co., Ltd.

Nonconsolidated Balance Sheets

(Millions of yen)

	February 28, 2011	February 29, 2012
	Amount	Amount
ASSETS		
Current assets	41,399	47,654
Cash and bank deposits	14,805	13,567
Accounts receivable, trade	49	43
Marketable securities	-	1,000
Inventories	7,882	7,857
Supplies	23	16
Prepaid expenses	739	735
Deferred income taxes	1,541	1,658
Short-term loans receivable	69	85
Deposits held by subsidiaries and affiliates	7,000	12,000
Accounts receivable, other	6,112	7,231
Payments in advance	2,318	2,670
Other	857	787
Non-current assets	106,055	103,134
Property and equipment	73,007	73,505
Buildings	27,551	27,636
Structures	4,589	4,515
Furniture, fixtures and equipment	2,018	1,584
Land	37,067	38,108
Construction in progress	1,780	1,659
Intangible assets	2,862	2,347
Goodwill	1,586	1,374
Software	1,238	937
Other	38	35
Investments and other assets	30,185	27,281
Investments in securities	9,426	8,277
Investments in securities of subsidiaries	170	170
Investments in capital	1	1
Investments in an affiliate	207	207
Long-term loans receivable	248	272
Long-term prepaid expenses	2,327	2,119
Prepaid pension cost	906	564
Long-term leasehold deposits	16,760	16,362
Advances for store construction	137	32
Allowance for doubtful accounts	-	(726)
TOTAL ASSETS	147,454	150,789

York-Benimaru Co., Ltd.

(Millions of yen)

	February 28, 2011	February 29, 2012
	Amount	Amount
LIABILITIES		
Current liabilities	24,042	28,735
Accounts payable, trade	13,398	14,988
Short-term loans	58	75
Accounts payable, other	3,192	5,670
Income taxes payable	2,380	2,380
Accrued expenses	2,484	2,557
Deposits received	436	444
Suspense receipt	266	0
Deferred income	233	222
Gift tickets	44	42
Allowance for bonuses to employees	1,490	1,482
Allowance for bonuses to directors and corporate auditors	25	31
Allowance for loss on future collection of gift certificates	32	26
Allowance for loss on disaster	-	813
Non-current liabilities	5,598	4,963
Long-term loans	126	158
Allowance for retirement benefits to directors and corporate auditors	312	312
Deferred income taxes	2,411	1,072
Asset retirement obligations	-	747
Other	2,747	2,671
TOTAL LIABILITIES	29,640	33,698
NET ASSETS		
Shareholder's equity	114,626	114,025
Common stock	9,927	9,927
Capital surplus	12,605	12,605
Additional paid-in capital	12,605	12,605
Other capital surplus	0	0
Retained earnings	92,092	91,491
Legal reserve	2,186	2,186
Other retained earnings		
General reserve	69,426	69,433
Retained earnings brought forward	20,479	19,871
Accumulated gains (losses) from valuation and translation adjustments	3,188	3,065
Unrealized gains (losses) on available-for-sale securities, net of taxes	3,188	3,065
TOTAL NET ASSETS	117,814	117,090
TOTAL LIABILITIES AND NET ASSETS	147,454	150,789

York-Benimaru Co., Ltd.

Nonconsolidated Statements of Income

(Millions of yen)

	Year ended February 28, 2011	Year ended February 29, 2012
	Amount	Amount
[Revenues from operations]	[343,379]	[348,600]
Net sales	337,734	342,944
Cost of sales	256,302	258,959
Gross Profit on sales	81,431	83,985
Other operating revenues	5,645	5,656
Commission fee income	2,148	2,195
Rental income	3,497	3,460
Gross profit from operations	87,077	89,641
Selling, general and administrative expenses	78,200	74,686
Salaries and wages	33,644	32,028
Provision for bonuses to employees	1,490	1,482
Land and building rent	8,632	8,193
Store maintenance and repair expenses	3,866	3,854
Depreciation and amortization	6,010	5,625
Utility expenses	5,099	4,576
Delivery expenses	205	223
Other	19,250	18,701
Operating income	8,877	14,955
Non-operating income	1,502	1,395
Interest income	135	134
Interest on securities	0	1
Dividends income	1,329	1,230
Other	36	29
Non-operating expenses	102	44
Interest expenses	3	5
Maintenance expenses for idle assets	42	29
Other	56	9
Ordinary income	10,276	16,305
Special gains	47	908
Gain on sales of property and equipment	-	0
Gain on sales of investments in securities	-	485
Receipt of stock option income	31	38
Reversal of provision for director's retirement benefits	6	-
Compensation income for transfer	-	384
Other	8	-
Special losses	1,276	14,224
Loss on sales of property and equipment	17	53
Loss on disposals of property and equipment	162	56
Valuation loss on investments in securities	0	-
Impairment loss	356	391
Loss on business reengineering	703	-
Loss on disaster	-	13,224
Loss on adjustment for changes of accounting standards for asset retirement obligations	-	474
Other	37	25
Income before income taxes	9,048	2,989
Income taxes - current	4,111	2,545
Income taxes - deferred	(156)	(986)
Net income	5,093	1,430

[Reference] Sogo & Seibu Co., Ltd.

Nonconsolidated Balance Sheets

(Millions of yen)

	February 28, 2011	February 29, 2012
	Amount	Amount
ASSETS		
Current assets	113,317	86,572
Cash and bank deposits	35,154	18,938
Notes receivable, trade	1,265	1,106
Accounts receivable, trade	20,791	21,944
Inventories	18,107	17,975
Real estate for sale	2,789	2,596
Supplies	185	281
Prepaid expenses	4,215	4,017
Deferred income taxes	9,251	10,606
Short-term loans receivable	80	47
Deposits held by subsidiaries and affiliates	5,000	-
Accounts receivable, other	12,798	5,353
Current portion of construction contribution	2,764	2,675
Other	919	1,032
Allowance for doubtful accounts	(4)	(2)
Non-current assets	389,967	389,276
Property and equipment	245,237	240,971
Buildings	98,520	94,768
Structures	1,440	1,389
Machinery and equipment	435	425
Furniture, fixtures and equipment	4,501	3,873
Lease assets	5,514	5,857
Land	134,805	134,636
Construction in progress	18	20
Intangible assets	24,576	24,891
Rights of leasehold	21,191	21,177
Other	3,385	3,714
Investments and other assets	120,153	123,413
Investments in securities	7,579	7,465
Investments in subsidiaries and affiliates	26,070	28,222
Long-term loans receivable	242	282
Long-term leasehold deposits	64,614	63,587
Construction contribution	18,162	15,252
Long-term accounts receivable, other	995	463
Receivable in bankruptcy	1,892	1,761
Deferred income taxes	-	5,411
Other	2,020	1,931
Allowance for doubtful accounts	(1,424)	(965)
TOTAL ASSETS	503,285	475,849

Sogo & Seibu Co., Ltd.

(Millions of yen)

	February 28, 2011	February 29, 2012
	Amount	Amount
LIABILITIES		
Current liabilities	282,460	240,511
Accounts payable, trade	34,574	34,360
Short-term loans	191,239	152,696
Accounts payable, other	9,879	9,780
Lease obligations	737	945
Accrued expenses	3,845	3,751
Income taxes payable	433	472
Consumption taxes withheld	-	1,029
Advance received	2,732	1,421
Gift tickets	18,536	15,989
Deposits received	7,068	6,981
Allowance for bonuses to employees	2,713	2,903
Allowance for bonuses to directors and corporate auditors	44	34
Allowance for sales promotion expenses	6,740	4,992
Allowance for loss on future collection of gift certificates	1,401	3,161
Allowance for store closing losses	2,042	470
Provision for loss on disaster	-	2
Asset retirement obligations	-	1,038
Other	468	476
Non-current liabilities	100,603	106,018
Long-term loans	85,154	91,059
Long-term accounts payable, other	1,222	1,093
Lease obligations	5,363	5,522
Deposits received from tenants	8,063	7,853
Deferred income taxes	363	-
Allowance for retirement benefits to directors and corporate auditors	86	68
Allowance for environmental obligations	-	399
Other	349	20
TOTAL LIABILITIES	383,063	346,529
NET ASSETS		
Shareholder's equity	120,533	129,309
Common stock	10,000	10,000
Capital surplus	52,298	52,298
Additional paid-in capital	39,317	39,317
Other capital surplus	12,981	12,981
Retained earnings	58,235	67,011
Other retained earnings		
Retained earnings brought forward	58,235	67,011
Accumulated gains (losses) from valuation and translation adjustments	(312)	10
Unrealized gains (losses) on available-for-sale securities, net of taxes	16	10
Unrealized gains (losses) on hedging derivatives, net of taxes	(328)	-
TOTAL NET ASSETS	120,221	129,320
TOTAL LIABILITIES AND NET ASSETS	503,285	475,849

Sogo & Seibu Co., Ltd.

Nonconsolidated Statements of Income

(Millions of yen)

	Year ended February 28, 2011	Year ended February 29, 2012
	Amount	Amount
[Revenues from operations]	[846,796]	[830,340]
Net sales	834,723	817,927
Cost of sales	647,371	638,408
Gross profit on sales	187,351	179,519
Other operating revenues	12,073	12,412
Gross profit from operations	199,424	191,932
Selling, general and administrative expenses	192,039	180,772
Advertising and decoration expenses	25,838	26,245
Salaries and wages	52,483	49,871
Land and building rent	47,658	44,222
Depreciation and amortization	12,779	12,181
Utility expenses	10,023	9,343
Other	43,254	38,909
Operating income	7,385	11,159
Non-operating income	1,537	1,337
Interest and dividends income	795	703
Subsidy from renovation construction of sale area	131	240
Other	610	394
Non-operating expenses	3,299	2,606
Interest expenses	2,910	2,254
Other	388	352
Ordinary income	5,623	9,890
Special gains	12,313	657
Gain on sales of investments in securities	3,011	-
Gain on sales of property and equipment	224	161
Gain on liquidation of investment in silent partnership	8,305	-
Reversal of allowance for doubtful accounts	-	409
Other	770	86
Special losses	14,225	7,602
Loss on sales of property and equipment	4	-
Loss on disposals of property and equipment	2,725	2,110
Impairment loss	6,625	1,779
Loss on disaster	-	1,826
Provision for store closing losses	1,586	-
Provision for sales promotion expenses	2,993	-
Other	289	1,885
Income before income taxes	3,711	2,946
Income taxes - current	105	106
Income taxes - deferred	(2,225)	(7,125)
Net income	5,831	9,964

[Reference] Seven & i Food Systems Co., Ltd.

Nonconsolidated Balance Sheets

(Millions of yen)

	February 28, 2011	February 29, 2012
	Amount	Amount
ASSETS		
Current assets	30,487	30,722
Cash and bank deposits	3,654	2,935
Accounts receivable, trade	485	556
Inventories	84	90
Materials	361	380
Supplies	29	27
Prepaid expenses	685	626
Accounts receivable, other	879	888
Deferred income taxes	-	244
Deposits held by subsidiaries and affiliates	23,873	24,585
Current portion of leasehold deposits	270	222
Other	163	164
Non-current assets	13,460	14,055
Property and equipment	4,307	4,211
Buildings	2,301	2,174
Structures	159	144
Furniture, fixtures and equipment	284	320
Land	1,456	1,456
Lease assets	78	55
Construction in progress	28	61
Intangible assets	104	79
Rights of leasehold	37	36
Software	51	30
Utility rights of facilities	7	6
Other	7	6
Investments and other assets	9,048	9,764
Investments in securities	208	205
Long-term prepaid expenses	188	180
Prepaid pension cost	400	102
Long-term leasehold deposits	7,153	6,804
Investments in capital of subsidiaries and affiliates	1,001	1,001
Deferred income taxes	-	1,375
Allowance for doubtful accounts	(57)	(30)
Other	152	123
TOTAL ASSETS	43,948	44,777

Seven & i Food Systems Co., Ltd.

(Millions of yen)

	February 28, 2011	February 29, 2012
	Amount	Amount
LIABILITIES		
Current liabilities	6,597	6,432
Accounts payable, trade	1,795	1,828
Accounts payable, other	900	808
Income taxes payable	370	366
Consumption taxes withheld	230	211
Accrued expenses	2,336	2,311
Advance received	24	24
Deposits received	139	147
Allowance for bonuses to directors and corporate auditors	15	18
Allowance for bonuses to employees	414	462
Accounts payable for acquisition of property and equipment	94	45
Short-term allowance for impairment loss on lease assets	155	80
Other	119	126
Non-current liabilities	519	2,379
Deferred income taxes	222	-
Long-term allowance for impairment loss on lease assets	83	11
Lease obligations	79	71
Asset retirement obligations	-	2,172
Long-term guarantee deposited	90	85
Other	43	36
TOTAL LIABILITIES	7,116	8,811
NET ASSETS		
Shareholder's equity	36,821	35,942
Common stock	3,000	3,000
Capital surplus	54,233	54,233
Additional paid-in capital	750	750
Other capital surplus	53,483	53,483
Retained earnings	(20,411)	(21,290)
Other retained earnings	(20,411)	(21,290)
Retained earnings brought forward		
Accumulated gains (losses) from valuation and translation adjustments	9	23
Unrealized gains (losses) on available-for-sale securities, net of taxes	9	23
TOTAL NET ASSETS	36,831	35,966
TOTAL LIABILITIES AND NET ASSETS	43,948	44,777

Seven & i Food Systems Co., Ltd.

Nonconsolidated Statements of Income

(Millions of yen)

	Year ended February 28, 2011	Year ended February 29, 2012
	Amount	Amount
[Revenues from operations]	[80,167]	[77,940]
Net sales	79,609	77,400
Cost of sales	26,600	26,206
Gross profit on sales	53,009	51,193
Other operating revenues	557	540
Gross profit from operations	53,566	51,734
Selling, general and administrative expenses	53,656	51,711
Salaries and bonuses	27,867	26,965
Land and building rent	8,512	7,858
Utility expenses	4,397	4,293
Depreciation and amortization	540	532
Legal welfare expenses	2,205	2,100
Other	10,133	9,961
Operating income (loss)	(89)	22
Non-operating income	237	231
Interest income	142	140
Dividends income	4	4
Income related to advertising media installation	18	11
Miscellaneous income	71	74
Non-operating expenses	35	50
Miscellaneous expenses	35	50
Ordinary income	112	203
Special gains	155	60
Compensation income for expropriation	73	16
Other	81	44
Special losses	2,199	2,708
Impairment loss	378	428
Store-closing cost and removal expenses	481	13
Loss on adjustment for changes of accounting standards for asset retirement obligations	-	2,040
Loss on disaster	-	193
Additional retirement benefit	1,273	-
Other	65	32
Income (loss) before income taxes	(1,931)	(2,444)
Income taxes - current	222	275
Income taxes - deferred	(145)	(1,840)
Net income (loss)	(2,009)	(879)