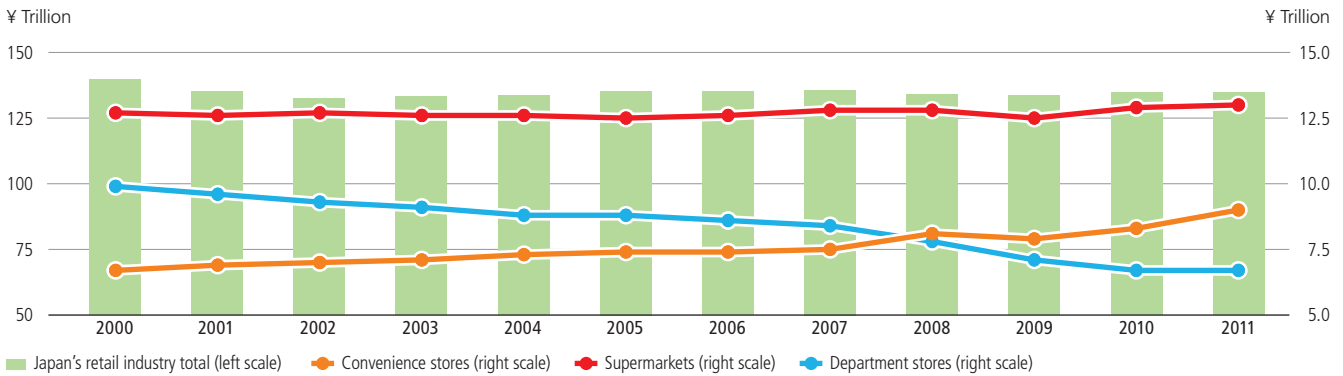


Japan's Retail Industry Market Environment

Sales trends of retail industry in Japan



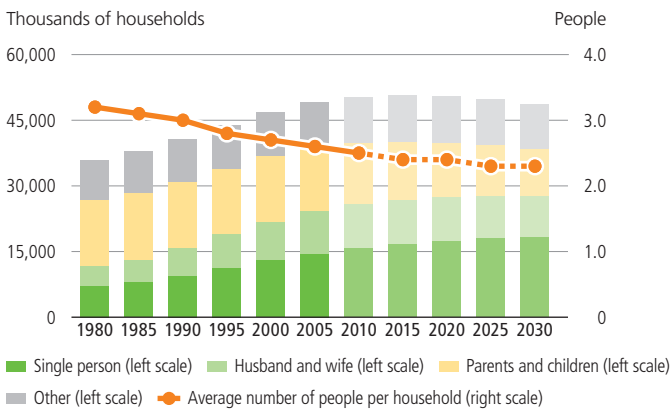
Source: Current Survey of Commerce (Ministry of Economy, Trade and Industry)

Changes in Japan's Consumer Market

Increase in customers who consider shopping to be inconvenient

Decline in number of people per household
Average number of people per household expected to decline from 3.2 in 1980 to 2.3 in 2030

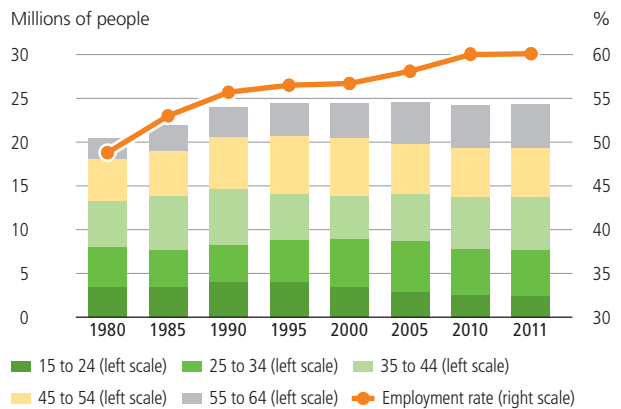
Changes in number of households



Source: National Institute of Population and Social Security Research

Increase in number of working women
Number of women working outside the home increased from 51.5% in 1980 to 60.1% in 2011

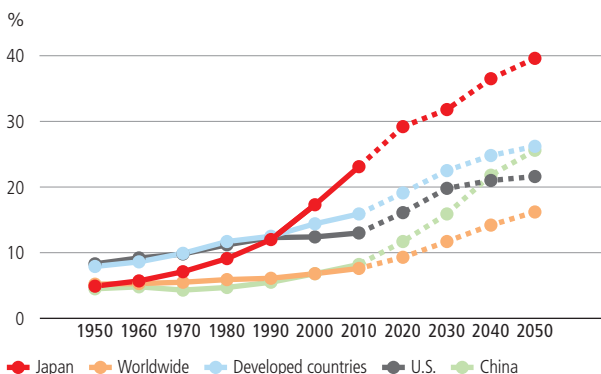
Number of female workers and their employment rate



Source: Labour Force Survey (Ministry of Internal Affairs and Communications)

Declining birthrate and aging population
People 65 and older to account for 29.1% of population in 2020

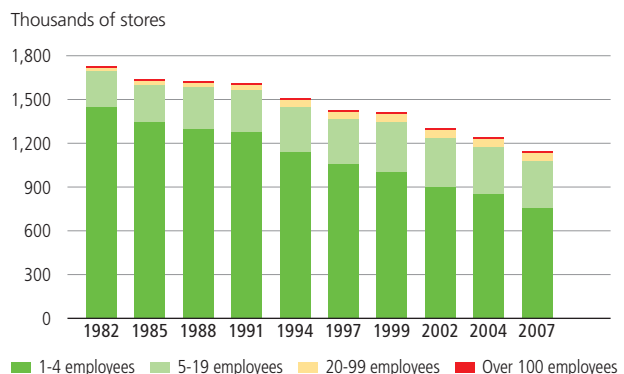
Changes in population of those aged over 65



Source: Statistical Handbook of the World (Ministry of Internal Affairs and Communications)

Decline in number of retail stores
1982: 1.72 million → 2007: 1.13 million

Trend in number of stores by stratum of number of employees



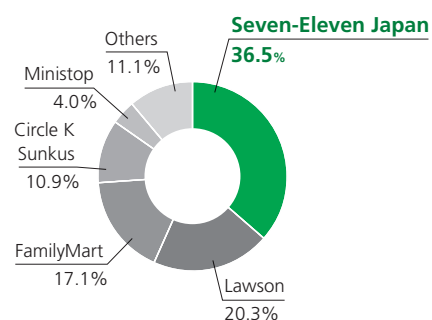
Source: The Census of Commerce (Ministry of Economy, Trade and Industry)

Market Presence

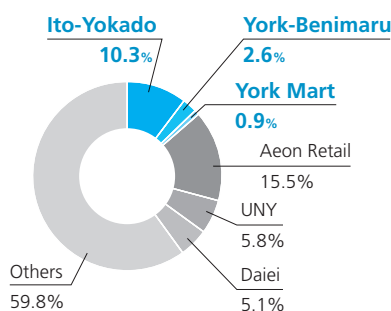
Domestic Market

Market shares of the Group's core operating companies in Japan

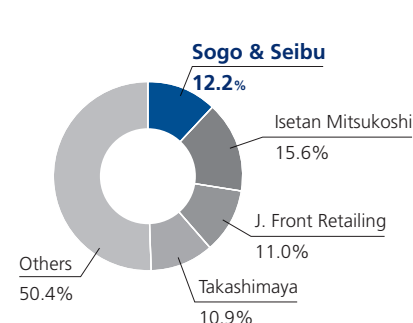
Seven-Eleven Japan No. 1



Ito-Yokado No. 2



Sogo & Seibu No. 2



Notes: 1. Total store sales of Lawson and Circle K Sunkus represent the simplified sum of their subsidiaries of domestic convenience store operations.

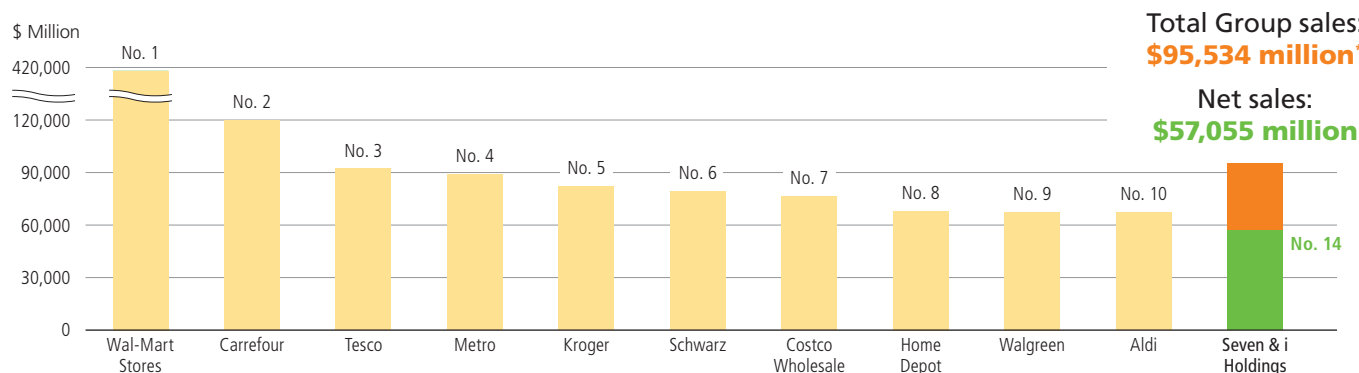
2. Net sales of Isetan Mitsukoshi, J. Front Retailing, and Takashimaya represent the simplified sum of their subsidiaries of domestic department stores.

Sources: 1. Current Survey of Commerce (Ministry of Economy, Trade and Industry)

2. Public information from each company

Global Market

Sales ranking by retailers worldwide in Fiscal 2011



Note: Exchange rate: US\$1=¥79

*Total Group sales includes the sales of Seven-Eleven Japan and 7-Eleven, Inc. franchisees

Source: STORES Magazine, January 2012

Ranking by market capitalization of retailers worldwide

Company	Market capitalization (\$ million)	ROE (%)	EPS (\$)	PER (Times)	PBR (Times)
1 Wal-Mart Stores	200,742	22.5	4.52	13.1	2.8
2 Amazon.com	102,196	8.6	1.37	165.6	13.3
3 Home Depot	79,218	21.8	2.47	21.0	4.5
4 CVS Caremark	58,639	9.1	2.57	17.5	1.5
5 Inditex	56,485	28.0	4.11	22.1	5.7
6 Wal-Mart De Mexico	51,870	17.7	0.10	30.4	5.1
7 Hennes & Mauritz	50,166	6.2	1.42	24.1	8.7
8 Tesco	41,594	16.4	0.57	9.1	1.4
9 Target	38,946	18.7	4.28	13.6	2.5
10 Costco Wholesale	38,489	12.8	3.30	26.9	3.2
16 Seven & i Holdings	26,695	7.5	1.83	16.5	1.2

Note: Exchange rate: US\$1=¥80.46 (as of April 27, 2012)

Source: Thomson Reuters