

# Appendix: 7-Eleven, Inc.'s Business Model

7-Eleven, Inc. (SEI) has approximately 7,200 stores in the United States and Canada. As the global 7-Eleven licensor, SEI also provides licenses to operate 7-Eleven stores to each country and region except for Japan.

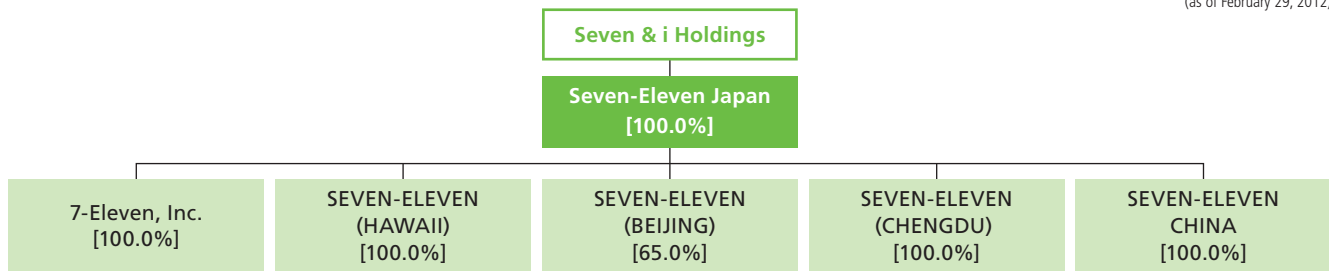
## 1 Development of the 7-Eleven Chain Around the World

### Capital Structure of Convenience Store Operations

SEI is a wholly owned subsidiary of SEJ. SEVEN-ELEVEN CHINA, which is the master licensor for China, and the companies that operate 7-Eleven stores in Beijing, Tianjin, and Chengdu, are subsidiaries of SEJ.

In China, to establish a system for the aggressive expansion of operations, plans call for the establishment in 2012 of a holding company (investment company) that will oversee the operating companies.

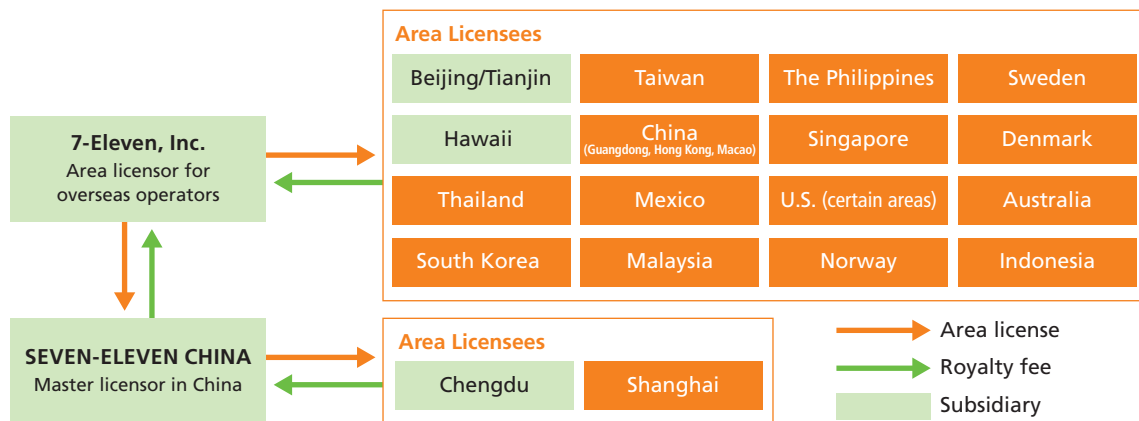
(as of February 29, 2012)



Notes: 1. [ ] indicates percentage of equity owned by the Group.  
 2. SEJ and Ito-Yokado respectively hold 81.0% and 19.0% equity in SEVEN-ELEVEN (CHENGDU).

### Relationships with Area Licensees Around the World

SEI is responsible for granting area licenses to overseas operators of 7-Eleven stores except for Japan. Royalty fees paid by area licensees are included in revenues from operations of SEI.



### 7-Eleven Major Store Operators

Leading corporate groups in each country and region operate 7-Eleven stores as area licensees.

Country or Region	Operator	Number of Stores
Thailand	C. P. ALL Public Company Ltd. [Charoen Pokphand Group]	6,276
South Korea	Korea-Seven Co. Ltd. [Lotte Group]	5,249
Taiwan / China (Shanghai)	President Chain Store Co. Ltd. [Uni-President Enterprise Corp.]	4,895
China (Guangdong, Hong Kong, Macao)	The Dairy Farm Company, Limited [Dairy Farm International Holdings Limited]	1,510
Mexico	7-Eleven Mexico S.A. de C. V.	1,351
Malaysia	7-Eleven Malaysia Sdn Bhd	1,328

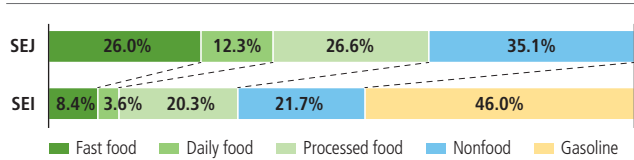
Notes: 1. The number of stores is as of December 31, 2011.  
 2. Company names in square brackets are those of the corporate groups affiliated with the companies listed.

➡ For further information regarding the global strategy of convenience store operations, please refer to the Corporate Outline 2012 on pages 28, 29, and 35.

## 2 Comparison of 7-Eleven Stores in Japan and the United States / Canada

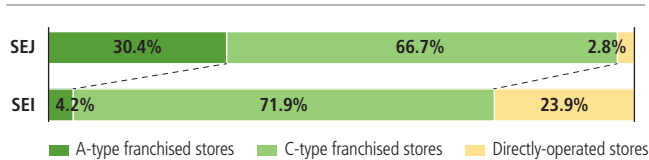
In terms of sales floor space and the number of products carried, there are no major differences between 7-Eleven stores in Japan and those in the United States and Canada. However, there are differences in the composition of sales by product and in the composition of stores by type. In particular, gasoline sales accounts for 46% of the sales of SEI. This is one major difference with SEJ.

### Sales composition by product category



Fast food offered by SEI

### Composition by store type



SEI store with gas station

## 3 Store-opening Policies

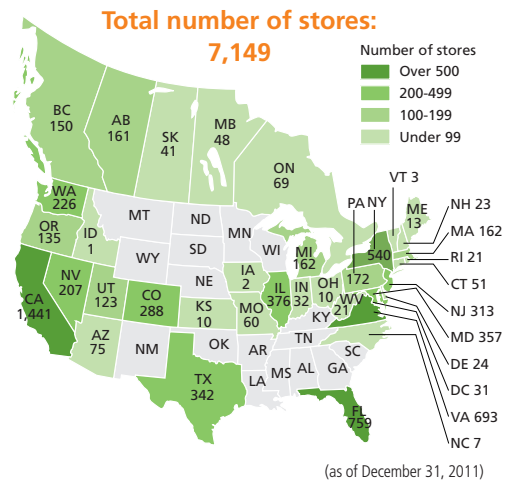
To increase efficiency in logistics and product strategies in the geographical areas in which it has stores, SEI is implementing a market concentration strategy in the same way that SEJ does in Japan.

	Japan	U.S. / Canada
Number of stores by type <sup>*1</sup>	A-type franchised stores 4,263	A-type franchised stores 299
	C-type franchised stores 9,344	C-type franchised stores 5,138
	Provisional management contract stores 1	Directly-operated stores 1,712
	Directly-operated stores 397 (as of February 29, 2012)	(as of December 31, 2011)
Sales floor space per store <sup>*2</sup>	Approx. 130 square meters	Approx. 160 square meters
Stores with gas stations	39 stores <sup>*3</sup>	2,719 stores

\*1 For A-type, franchisees provide land and buildings. For C-type, franchisor provides land and buildings. For SEI, A-type store means business conversion program store.

\*2 Most common size of stores.

\*3 SEI's stores with gas stations are joint operations opened in partnership with Exxon Mobil Corporation. Total store sales of SEI does not include gasoline.



### Message from Joseph DePinto, President of 7-Eleven, Inc.



## SEI is working together with SEJ to strengthen the 7-Eleven chain in markets around the world.

In the United States, the convenience store industry includes many small operators. Given the influence of uncertain factors, such as various regulations, increases in the price of crude oil, and declining margins on cigarettes, many operators are concerned about their future profitability. With sales of more than \$20 billion, SEI has the operational scale and the product development capabilities that enable it to respond effectively to these changes in the operating environment.

SEI approaches these changes as business opportunities. Moving forward, SEI will take steps to establish a base of high-quality stores through aggressive store openings, including M&A activities. In addition, SEI will strengthen its product development, centered on fresh foods, hot foods, and private-brand products and will rigorously focus on item-by-item management in stores. In addition, by further reinforcing its cooperative relationship with SEJ, SEI will work to enhance product development and strengthen the operations of area licensees, thereby contributing to further growth for the 7-Eleven chain.