



SEVEN&i HLDGS. Co.,Ltd.

CORPORATE OUTLINE

2008

AIMING TO CREATE “A NEW COMPREHENSIVE LIFESTYLE INDUSTRY”

On September 1, 2005, Seven & i Holdings Co., Ltd. was established as the holding company through a stock transfer by Seven-Eleven Japan Co., Ltd., Ito-Yokado Co., Ltd., and Denny's Japan Co., Ltd. The Company oversees about 100 operating companies, principally retail businesses, and has seven core operational areas closely linked to consumer lifestyles: convenience stores, superstores, supermarkets, department stores, food services, financial services and IT/Services.

We are working to meet the diverse needs of each individual customer and to create "a new, comprehensive lifestyle industry" that provides new value to meet emerging needs. In the years ahead, we will continue to take on the challenge of promoting innovation in retailing.

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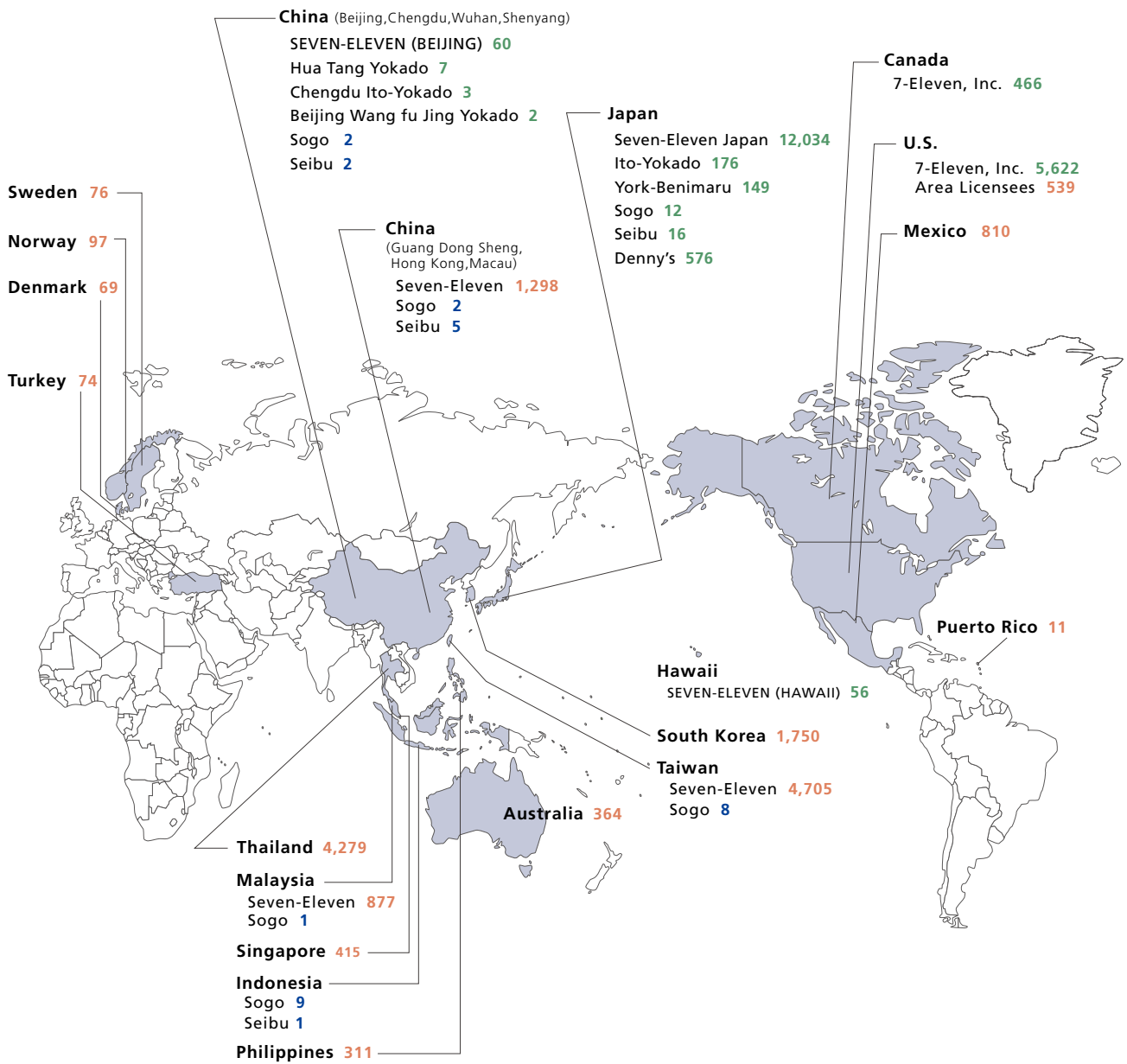
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Store Network

Centered in Japan, Seven & i Holdings' store network extends worldwide to encompass convenience stores, superstores, department stores, supermarkets, restaurants, and other operations.

Store Network of Seven & i Holdings	Global : approx. 35,000 stores Japan : approx. 13,000 stores
Number of Customer Store-Visits per Day	Global : approx. 28 million Japan : approx. 14 million



Notes: 1. ■ Number of stores operated directly by our subsidiaries
 ■ Number of stores operated by companies in each country granted a defined area license from 7-Eleven, Inc.
 ■ Number of stores with license to use trademark of Millennium Retailing
 2. Figures represent the number of stores on record as of February 29, 2008 in Japan, and December 31, 2007 for all other areas.

Establishment of Holding Company

Holding Company Established to Maximize Enterprise Value

On September 1, 2005, Seven & i Holdings Co., Ltd. was established through the stock transfer method as the holding company for Seven-Eleven Japan Co., Ltd., Ito-Yokado Co., Ltd., and Denny's Japan Co., Ltd.

Reasons for establishing the holding company

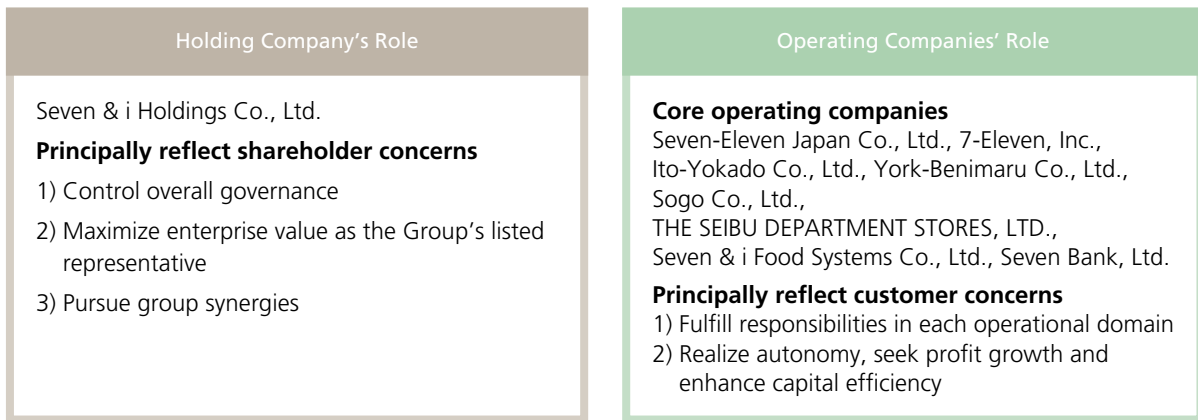
Maximize the Group's enterprise value

- Leveraging synergies among operational areas
- Reducing costs by integrating administrative functions

Strengthen corporate governance

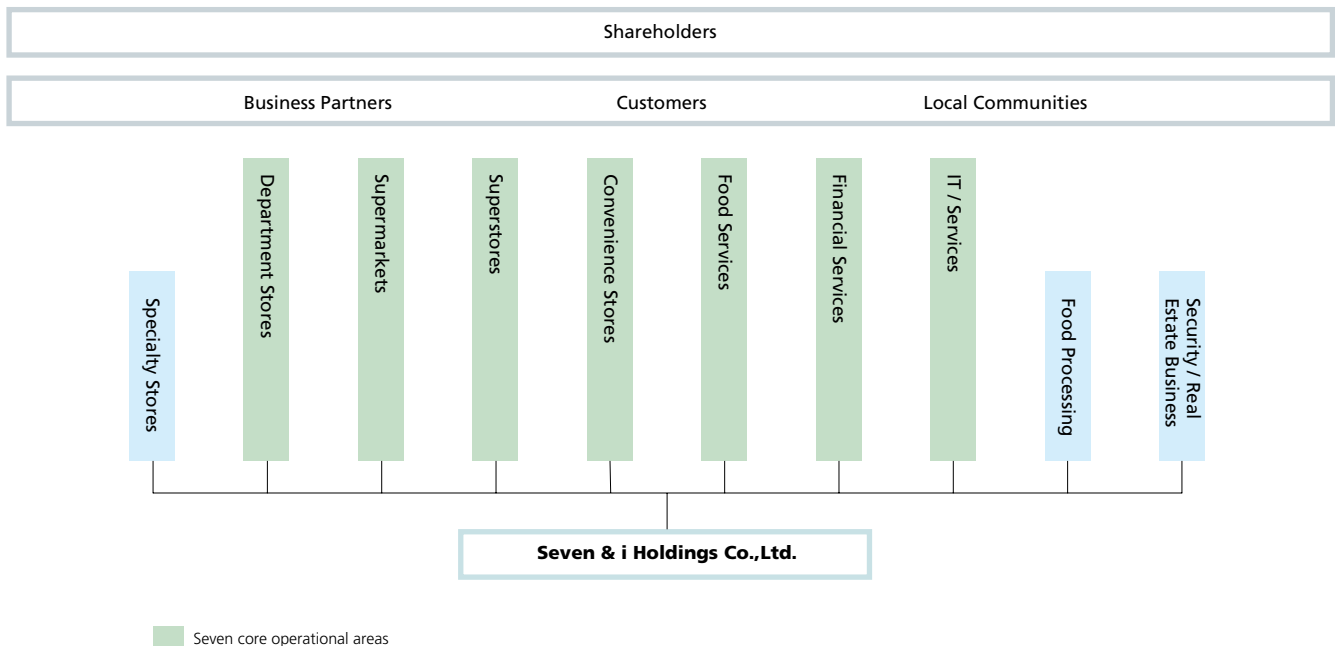
- Clearly delineating autonomy and the responsibilities of each group company
- Evaluating profitability and efficiently allocating management resources based on monitoring

The roles of the holding company and the operating companies



Seven & i Holdings' core operational areas

As part of the objective of creating "a New, Comprehensive Lifestyle Industry," the Company identified seven core operational areas at the time of its establishment.



Overview of Main Group Companies

(As of February 29, 2008)

	Sales		Number of stores		Employees		Capital	Equity owned by the Company
	(Million ¥)	Growth rate (%)		Increase (Decrease)		Increase (Decrease)	(Million ¥)	(%)
Convenience Store								
Seven-Eleven Japan Co., Ltd.	2,574,306*1	1.6	12,034	299	11,671	(429)	17,200	100.0
○ 7-Eleven, Inc.	1,822,737	7.8	6,088	38	27,400	(1,815)	US\$11,000	100.0
○ SEVEN-ELEVEN (HAWAII), INC.	23,578	12.9	56	2	860	66	US\$20,000,000	100.0
○ SEVEN-ELEVEN (BEIJING) CO., LTD.	3,563*2	78.4	60	10	1,335	176	US\$35,000,000	65.0
Superstore								
Ito-Yokado Co., Ltd.	1,464,094	(1.6)	176	2	43,013	(1,286)	40,000	100.0
○ Hua Tang Yokado Commercial Co., Ltd.	33,901*2	27.9	7	1	3,067	120	US\$65,000,000	75.8
○ Chengdu Ito-Yokado Co., Ltd.	26,690*2	35.6	3	1	2,427	824	US\$17,300,000	74.0
Supermarket								
York-Benimaru Co., Ltd.	319,931	4.9	149	21	12,140	812	9,927	100.0
Life Foods Co., Ltd.	40,667	3.5	–	–	4,836	145	120	100.0
York Mart Co., Ltd.	103,464	4.0	60	2	4,432	33	1,000	100.0
SHELL GARDEN CO., LTD.	23,118	(0.8)	18	2	823	204	989	100.0
○ Beijing Wang fu jing Yokado Commercial Co., Ltd.	1,660*2	15.6	2	1	373	135	US\$12,000,000	60.0
Department Store								
Millennium Retailing, Inc.	–	–	–	–	447	32	37,733	100.0
Sogo Co., Ltd.	495,336	0.2	12	0	5,417	771	1,000	100.0
THE SEIBU DEPARTMENT STORES, LTD.	461,079	0.4	16	0	4,940	533	6,000	100.0
Robinson Department Store Co., Ltd.	41,432	(3.1)	3	0	1,117	(61)	5,500	87.5
Food Services								
Seven & i Food Systems Co., Ltd.*3	113,472	–	1,047	(2)	16,893	(93)	3,000	100.0
Financial Services								
☆ Seven Bank, Ltd.	83,663*4	10.9	–	–	347	20	30,500	47.8
IY Card Service Co., Ltd.	17,995*4	26.5	–	–	90	27	10,000	94.1
IT/Service								
Seven and Y Corp.	16,875	23.3	–	–	56	10	438	50.8
○ 7dream.com	9,658	13.9	–	–	43	3	5,000	68.0
○ Seven-Meal Service Co., Ltd.	–	–	–	–	20	0	300	90.0
Specialty Store								
Akachan Honpo Co., Ltd.*5	85,061	0.6	67	0	2,644	411	680	66.7
THE LOFT CO., LTD.	68,419	14.5	44	11	2,701	360	750	70.7
Oshman's Japan Co., Ltd.	6,551	10.2	5	0	190	3	1,200	100.0
Mary Ann Co., Ltd.	4,998	1.2	61	4	321	36	200	100.0

○ Figures are for the fiscal year ended December 31, 2007.

☆ Figures are for the fiscal year ended March 31, 2008.

Notes: 1. Exchange rate - US\$1=¥117.85, 1 yuan=¥15.51

2. Growth rate of overseas subsidiaries on a yen basis compared to the previous fiscal year.

3. Number of employees includes part-time employees (monthly average based on an eight-hour workday)

4. Ownership ratios include indirect holdings.

*1 Seven-Eleven Japan's sales represent total store sales.

*2 Sales for Chinese subsidiaries exclude value added tax.

*3 Denny's Japan, Famil and York Bussan were merged into Seven & i Food Systems in September 2007. Sales for Seven & i Food Systems include interim sales for the three companies.

*4 Sales for Seven Bank represent ordinary income, and sales for IY Card Service represent revenues from operations.

*5 In FY2007, Akachan Honpo changed its year-end closing date from the end of December to the end of February. Sales for FY2007 represent the sales amounts from January to December 2007, for reference only.

Highlights of Our Progress

Aiming at the creating "a New, Comprehensive Lifestyle Industry," Seven & i Holdings is continuously advancing innovation for business infrastructure in accordance with the change in time and social environments.

September 2005:

Seven & i Holdings was established



November 2005:

7-Eleven, Inc., was made a wholly owned subsidiary

Made 7-Eleven, Inc. a wholly owned subsidiary with the goal of increasing long-term profits and promoting a global company strategy

February 2006:

Seven and Y was made a subsidiary

Made Seven and Y a subsidiary as the core company in Group IT strategy

June 2006:

Millennium Retailing was made a wholly owned subsidiary

To strengthen the Group department store business, made Millennium Retailing—Sogo and Seibu—a wholly owned subsidiary.

July 2006:

Seven & i Holdings cancelled 427,509,908 shares of treasury stock

Cancelled the shares of Seven-Eleven Japan Co., Ltd., which Ito-Yokado Co., Ltd. had owned at the time of listing

August 2006:

White Hen Pantry, Inc., was acquired by 7-Eleven, Inc.

White Hen Pantry, Inc. is a convenience store chain which owns approx. 200 stores in Chicago, U.S.

September 2006:

York-Benimaru was made a wholly owned subsidiary

Positioned as the core operating company of the supermarket business after transformation from an equity-method affiliate to a wholly owned subsidiary



2005

November 2005:

Seven-Eleven Japan began to open stores in Gifu prefecture



November 2005:

Ito-Yokado opened *Ario* Sapporo and *Ario* Kawaguchi

2006

February 2006:

Seven-Eleven Japan began to open stores in Mie prefecture

March 2006:

Ito-Yokado opened *Ario* Kameari

May 2006:

Sogo Chiba was reopened after a full-scale remodeling

September 2006:

Seibu Yurakucho was reopened after a full-scale remodeling



November 2006:

The Group Merchandising Reform Project was launched

December 2006:

Ito-Yokado opened *Ario* Yao



March 2007:

Seven-Eleven becomes world's largest store chain

March 2007:

Seibu Shibuya was reopened after a full-scale remodeling



January 2007:

Seven & i Food Systems was established

Established a new company with the aim of integrating and restructuring food services

March 2007:

LOFT was made a subsidiary

Millennium Retailing made LOFT miscellaneous goods specialty stores at nationwide, into a subsidiary.

June 2007:

Seven Cash Works was established

Established as a company that provides operating cash (charge) services to small- and medium-sized retailers and restaurants

July 2007:

Akachan Honpo was made a subsidiary

Ito-Yokado made Akachan Honpo, a nationwide chain of baby and children's products stores, into a subsidiary.

September 2007:

Denny's Japan, Famil, and York Bussan were merged into Seven & i Food Systems

November 2007:

FUJIKOSHI was made a subsidiary

York-Benimaru made FUJIKOSHI, a supermarket chain in Fukushima prefecture, into a subsidiary.

December 2007:

NitteleSeven Co., Ltd. was established by Nippon Television Network Corporation, Dentsu Inc., and Seven & i Holdings

Seeking the integration of retail business and media, Nittele Seven was established with the aim of developing a next-generation shopping portal site.



January 2008:

SEVEN & i FINANCIAL GROUP was established

SEVEN & i FINANCIAL GROUP was established to oversee the Group's financial services related management operations, excluding banking.

February 2008:

Seven & i Holdings cancelled 11,329,000 shares of treasury stock

In January 2008, all shares of treasury stock acquired from Seven-Eleven Japan were cancelled.

February 2008:

Seven Bank was listed on the Jasdaq Securities Exchange

April 2008:

SEVEN-ELEVEN CHINA was established

Established to expand the number of Seven-Eleven Stores as area licensees in China.

2007

2008

April 2007:

The introduction of *nanaco* electronic money was started

May 2007:

The *Seven Premium* line of new private-brand products was launched



August 2007:

Sales of the *Seven Premium* were started at Seven-Eleven Japan stores

September 2007:

Seibu Tokorozawa was reopened after a full-scale remodeling

September 2007:

Hua Tang Yokado opened You An Men store in Beijing, China

October 2007:

Ito-Yokado opened *Ario* Nishiarai

November 2007:

Beijing Wang fu jing Yokado opened Pu Huang Yu store in Beijing, China

December 2007:

Chengdu Ito-Yokado opened Jin Hua store in Chengdu, Sichuan Province, China

December 2007:

The introduction of *nanaco* at Denny's restaurants was started

March 2008:

Sogo Hachioji was reopened after a full-scale remodeling

March 2008:

The introduction of *nanaco* at Ito-Yokado stores was started

March 2008:

Ito-Yokado opened *Ario Otori*



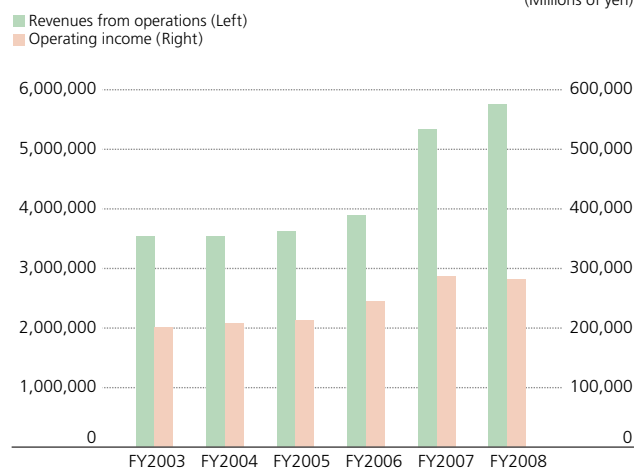
April 2008:

QUICPay, postpaid electronic money, was introduced at all Seven-Eleven Japan stores

Consolidated Financial Summary

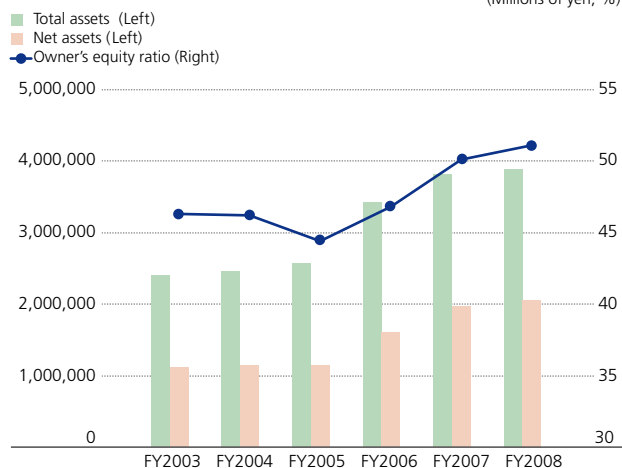
REVENUES FROM OPERATIONS AND OPERATING INCOME

(Millions of yen)



TOTAL ASSETS, NET ASSETS AND OWNER'S EQUITY RATIO

(Millions of yen, %)



(Millions of yen)

	FY2003	FY2004	FY2005	FY2006	FY2007	FY2008
Revenues from operations	3,530,316	3,542,146	3,623,554	3,895,772	5,337,806	5,752,392
Operating income	201,301	207,783	211,950	244,940	286,838	281,088
EBITDA*1	294,196	302,768	307,111	342,750	419,531	424,730
Ordinary income	189,590	200,787	208,267	248,110	282,016	278,262
Net income	46,623	53,632	17,205	87,930	133,419	130,657
Total assets	2,401,736	2,461,927	2,574,817	3,424,878	3,809,192	3,886,680
Net assets	1,111,475	1,138,210	1,144,504	1,603,684	1,969,149	2,058,038
Minority interests in consolidated subsidiaries	366,093	365,992	402,862	114,196	62,350	73,020
Interest-bearing debt	314,199	267,828	270,648	687,374	822,107	766,358
Debt equity ratio (times)	0.28	0.24	0.24	0.43	0.43	0.39
Cash flows from operating activities	202,697	237,956	266,709	217,325	157,209	465,380
Cash flows from investing activities	(161,222)	(117,632)	(94,758)	(388,080)	(235,983)	(237,184)
Free cash flows*2	41,475	120,323	171,950	(170,754)	(78,774)	228,195
Cash flows from financing activities	22,807	(153,731)	(56,524)	103,093	37,241	(130,136)
Net increase (decrease) in cash and cash equivalents	61,782	(37,505)	115,058	(72,223)	(40,742)	97,636
Cash and cash equivalents at end of fiscal year	604,895	567,389	683,100	610,876	570,133	667,770
Capital expenditures	182,891	171,876	168,725	185,354	278,388	217,738
Depreciation and amortization	92,895	94,984	95,160	97,810	132,693	143,642
Net income per share	¥110.67	¥128.25	¥40.73	¥100.83	¥142.90	¥137.03
Net assets per share	¥2,656.24	¥2,726.99	¥2,742.42	¥1,772.25	¥1,999.77	¥2,081.85
Cash flow per share*3	¥333.42	¥357.00	¥269.29	¥213.46	¥285.02	¥287.68
Dividends per share	–	–	–	¥28.5	¥52.0	¥54.0
Owner's equity ratio	46.3%	46.2%	44.4%	46.8%	50.1%	51.1%
Return on equity (ROE)	4.2%	4.8%	1.5%	5.5%	7.6%	6.7%
Return on total assets (ROA)	2.0%	2.2%	0.7%	2.6%	3.7%	3.4%
Dividends payout ratio	–	–	–	–	36.4%	39.4%
Ratio of total amounts of dividends to net assets	–	–	–	–	2.8%	2.6%
Exchange rate (average on the term)	US\$1=	¥125.18	¥116.00	¥108.23	¥110.26	¥116.38
	1yuan=	¥15.04	¥13.98	¥13.06	¥13.57	¥14.62
(at fiscal year end)	US\$1=	¥119.90	¥107.13	¥104.21	¥118.07	¥119.11
	1yuan=	¥14.49	¥12.95	¥12.59	¥14.63	¥15.24

Notes: 1. FY2003-2005 show consolidated figures for the former Ito-Yokado.

2. In FY2006, only the balance sheets of Millennium Retailing are consolidated.

3. Net assets represents shareholders' equity excluding minority interests for FY2003-2006.

4. ROE and ROA are calculated based on the average of net assets and total assets at the beginning and end of fiscal year, except for FY2006, where they are calculated at the end of fiscal year.

*1 EBITDA=Operating income + Depreciation and amortization

*2 Free cash flows=Cash flows from operating activities + Cash flows from investing activities

*3 Cash flow per share=(Net income + Depreciation and amortization) ÷ Average number of shares outstanding

■ Interest-bearing debt

(Millions of yen)

	Feb. 28, 2005	Feb. 28, 2006	Feb. 28, 2007	Feb. 29, 2008
Short-term loans	5,654	114,462	176,913	149,861
Current portion of long-term loans	11,467	47,832	61,398	120,419
Current portion of bonds	20,000	–	30,000	16,217
Commercial paper	5,356	–	7,993	15,668
Subtotal	42,478	162,294	276,305	302,166
Bonds	115,000	115,000	145,000	131,077
Long-term loans	90,676	368,314	370,457	321,336
Commercial paper	22,493	41,764	30,344	11,777
Subtotal	228,170	525,079	545,801	464,191
Total	270,648	687,374	822,107	766,358

BREAKDOWN BY BUSINESS SEGMENT

(Millions of yen)

	Feb. 28, 2005	Feb. 28, 2006	Feb. 28, 2007	Feb. 29, 2008
Convenience store operations	42,036	56,353	48,401	35,991
Superstore operations	132,557	112,016	110,037	99,211
Department store operations	–	372,027	416,669	378,243
Food services	–	–	–	–
Others	6,750	6,000	5,250	4,500
Subtotal	181,344	546,396	580,358	517,945
Financial services	89,304	140,977	241,749	248,413
Total	270,648	687,374	822,107	766,358

Note: Data as of February 28, 2005 is for Ito-Yokado consolidated results.

■ Bonds

ISSUED BY ITO-YOKADO CO., LTD.

	Amount of issue	Coupon	Issue date	Redemption date
4th unsecured domestic straight bonds	20 billion yen	1.96%	Mar. 29, 2000	Mar. 29, 2010
5th unsecured domestic straight bonds	50 billion yen	0.65%	Nov. 1, 2002	Sept. 18, 2009

Note: Ito-Yokado Co., Ltd. has entered into a joint guaranty contract with Seven & i Holdings Co., Ltd. with respect to the straight bonds of Ito-Yokado Co., Ltd. in the manner of a "contract in favor of a third person" set forth in Article 537 of the Civil Law of Japan.

ISSUED BY SEVEN BANK, LTD.

	Amount of issue	Coupon	Issue date	Redemption date
1st unsecured domestic straight bonds	15 billion yen	0.88%	Dec. 10, 2003	Dec. 10, 2008
2nd unsecured domestic straight bonds	36 billion yen	1.45%	Dec. 4, 2006	Dec. 20, 2011
3rd unsecured domestic straight bonds	24 billion yen	1.67%	Dec. 4, 2006	Dec. 20, 2013

■ Ratings

(As of May 31, 2008)

		S&P	Moody's	R&I	JCR
Seven & i Holdings Co., Ltd.	Long-term	–	–	AA	AA+
Seven-Eleven Japan Co., Ltd.	Long-term	AA-	–	–	AA+
	Short-term	A-1+	P-1	–	–
7-Eleven, Inc.	Long-term	A	Baa3	–	–
Ito-Yokado Co., Ltd.	Long-term	AA-	Aa3	AA	AA+
Seven Bank, Ltd.	Long-term	A+	–	AA	–

Notes: 1. From February 13, 2008, the following credit ratings have been assigned to Seven & i Holdings corporate bond shelf registration scheme (300 billion yen shelf amount). R&I: AA; Moody's: Aa3
2. From January 2006, Seven-Eleven Japan's short-term rating is its rating as the guarantor of 7-Eleven, Inc.'s commercial paper program.

Segment Information

■ Business segments

REVENUES FROM OPERATIONS

(Millions of yen)

	FY2003	FY2004	FY2005	FY2006	FY2007	FY2008
Convenience store operations	1,689,199	1,721,458	1,806,168	2,015,236	2,249,648	2,395,701
Superstore operations	1,709,044	1,669,329	1,642,264	1,687,734	1,882,935	2,109,049
Department store operations	–	–	–	–	988,357	1,025,354
Food services	127,447	126,189	126,181	124,025	121,683	113,980
Financial services	15,390	37,219	61,236	82,289	100,295	117,955
Others	13,148	14,737	17,195	19,780	32,340	36,653
Eliminations / Corporate	(23,913)	(26,788)	(29,492)	(33,294)	(37,454)	(46,302)
Total	3,530,316	3,542,146	3,623,554	3,895,772	5,337,806	5,752,392

OPERATING INCOME

(Millions of yen)

	FY2003	FY2004	FY2005	FY2006	FY2007	FY2008
Convenience store operations	177,236	187,467	195,385	209,815	206,090	201,032
Superstore operations	33,796	21,165	7,814	15,381	29,170	34,058
Department store operations	–	–	–	–	26,772	25,764
Food services	4,582	3,261	3,620	2,625	931	(4,231)
Financial services	(14,307)	(3,936)	5,401	17,278	24,547	21,071
Others	(125)	(205)	211	808	1,621	2,488
Eliminations / Corporate	119	31	(482)	(968)	(2,296)	902
Total	201,301	207,783	211,950	244,940	286,838	281,088

CAPITAL EXPENDITURES

(Millions of yen)

	FY2003	FY2004	FY2005	FY2006	FY2007	FY2008
Convenience store operations	115,981	96,967	93,456	102,025	98,518	108,585
Superstore operations	53,500	53,845	60,671	53,098	49,444	57,561
Department store operations	–	–	–	–	93,657	17,512
Food services	5,882	4,267	3,906	5,088	4,474	1,545
Financial services	7,518	7,467	7,410	22,917	31,872	31,990
Others	7	9,329	3,281	39	298	518
Corporate	–	–	–	2,184	122	24
Total	182,891	171,876	168,725	185,354	278,388	217,738

DEPRECIATION AND AMORTIZATION

(Millions of yen)

	FY2003	FY2004	FY2005	FY2006	FY2007	FY2008
Convenience store operations	61,301	62,866	63,725	64,428	71,799	74,065
Superstore operations	24,278	23,927	22,345	20,796	24,070	26,452
Department store operations	–	–	–	–	19,042	20,154
Food services	3,260	3,456	3,252	3,019	3,454	2,903
Financial services	4,013	4,685	5,798	9,528	14,173	19,773
Others	41	48	38	37	134	271
Corporate	–	–	–	0	19	21
Total	92,895	94,984	95,160	97,810	132,693	143,642

■ Geographic area segments

REVENUES FROM OPERATIONS

(Millions of yen)

	FY2003	FY2004	FY2005	FY2006	FY2007	FY2008
Japan	2,233,932	2,258,103	2,271,756	2,343,048	3,562,372	3,822,210
North America	1,293,905	1,278,331	1,341,503	1,516,907	1,728,481	1,867,067
Others	7,980	8,098	13,090	38,519	49,759	66,043
Eliminations	(5,500)	(2,387)	(2,796)	(2,704)	(2,806)	(2,928)
Total	3,530,316	3,542,146	3,623,554	3,895,772	5,337,806	5,752,392

OPERATING INCOME

(Millions of yen)

	FY2003	FY2004	FY2005	FY2006	FY2007	FY2008
Japan	180,595	184,392	185,726	212,876	253,968	247,272
North America	20,582	23,333	26,080	32,492	31,985	31,582
Others	123	57	194	(432)	879	2,228
Eliminations	–	–	(51)	3	4	3
Total	201,301	207,783	211,950	244,940	286,838	281,088

Notes: 1. FY2003-2005 show consolidated figures for the former Ito-Yokado.

2. In FY2006, only the balance sheets of Millennium Retailing are consolidated.

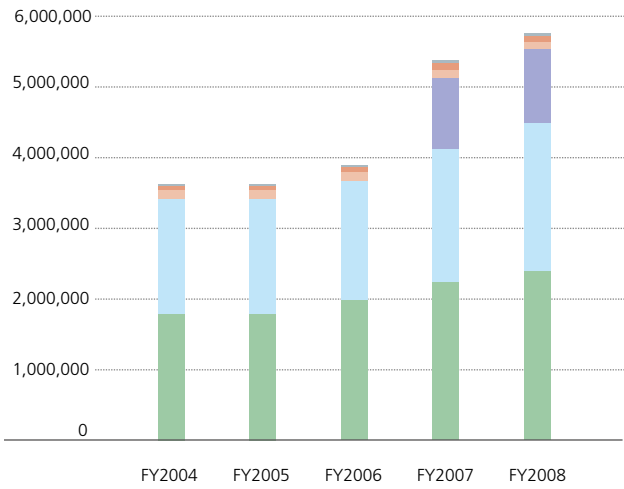
3. "Others" from FY2003 to FY2007 consists of the business results mainly in People's Republic of China ("P.R.C.") and "Others" for FY2008 consists of the business results in P.R.C.

Business segments

Convenience store operations Superstore operations Department store operations Food services Financial services Others

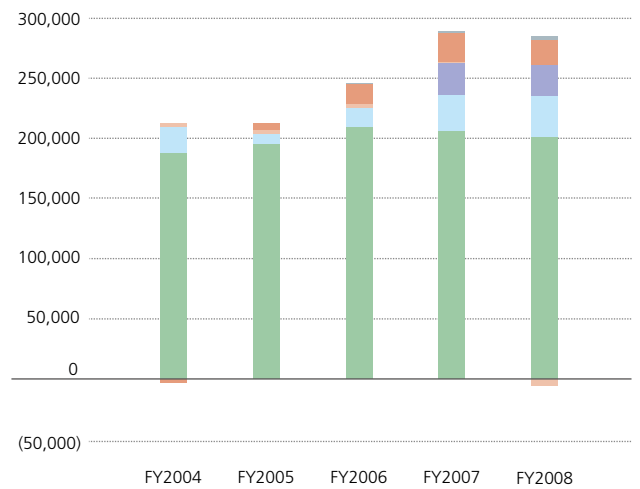
REVENUES FROM OPERATIONS

(Millions of yen)



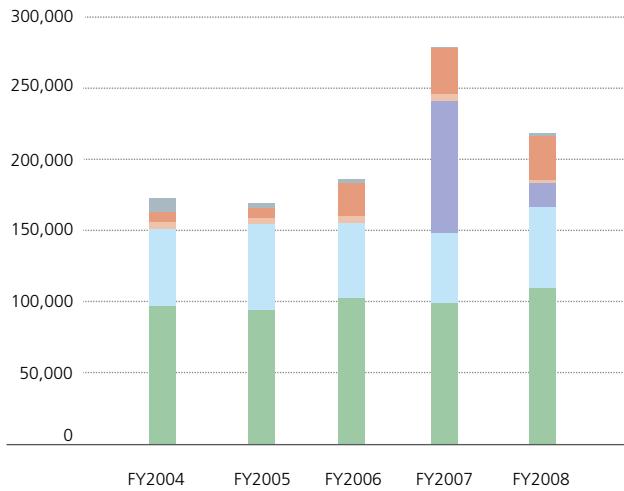
OPERATING INCOME

(Millions of yen)



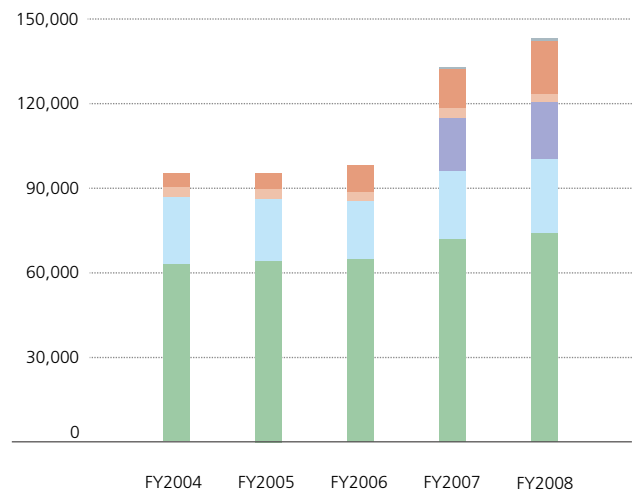
CAPITAL EXPENDITURES

(Millions of yen)



DEPRECIATION AND AMORTIZATION

(Millions of yen)

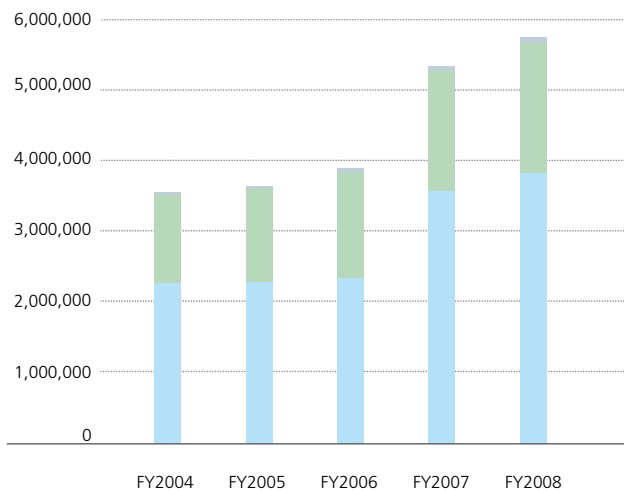


Geographic area segments

Japan North America Others

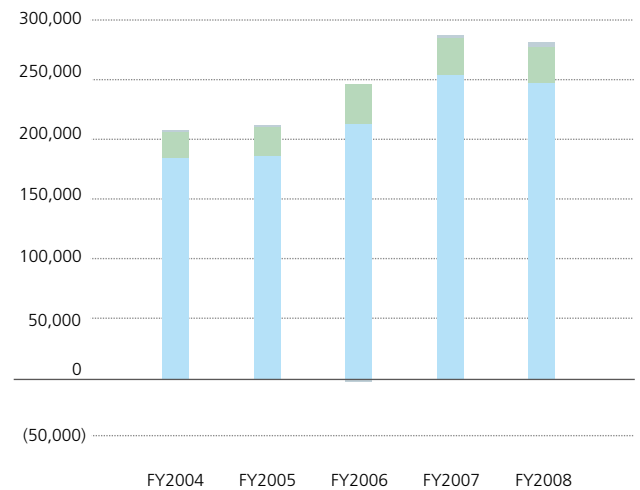
REVENUES FROM OPERATIONS

(Millions of yen)



OPERATING INCOME

(Millions of yen)



Sales Ranking

■ Retailers-worldwide sales ranking for FY2007

Source: STORES Magazine, January 2008

FY2007	FY2006	Company	Country	Sales		CAGR (%)	Net income	
				(Million \$)	(Billion ¥)		(Million \$)	(Billion ¥)
1	1	Wal-Mart Stores	U.S.	344,992	40,019.1	11.1	11,284	1,308.9
2	2	Carrefour	France	97,861	11,351.9	2.3	2,850	330.6
3	3	Home Depot	U.S.	90,837	10,537.1	11.1	5,761	668.3
4	5	Tesco	U.K.	79,976	9,277.2	12.5	3,549	411.7
5	4	Metro	Germany	74,857	8,683.4	4.0	1,327	153.9
6	6	Kroger	U.S.	66,111	7,668.9	5.7	1,115	129.3
7	7	Target	U.S.	59,490	6,900.8	8.3	2,787	323.3
8	8	Costco Wholesale	U.S.	58,963	6,839.7	11.6	1,103	127.9
9	9	Sears Holdings	U.S.	53,012	6,149.4	8.0	1,490	172.8
10	10	Schwarz	Germany	52,422*	6,081.0*	12.0	–	–
11	11	Aldi	Germany	50,010*	5,801.2*	4.4	–	–
12	14	Walgreen	U.S.	47,409	5,499.4	14.0	1,751	203.1
13	13	Lowe's	U.S.	46,927	5,443.5	16.2	3,105	360.2
14	12	Rewe	Germany	45,850*	5,318.6*	2.2	–	–
15	24	Seven & i Holdings	Japan	43,835	4,839.5	–	1,142	133.4
16	15	Auchan	France	43,154	5,005.9	5.6	937	108.7
17	17	Edeka	Germany	40,749*	4,726.9*	5.0	–	–
18	19	CVS Caremark	U.S.	40,286	4,673.2	13.6	1,369	158.8
19	18	Safeway	U.S.	40,185	4,661.5	3.2	871	101.0
20	22	E. Leclerc	France	38,692*	4,488.3*	3.9	–	–
21	20	AEON	Japan	38,058	4,345.3	8.9	494	57.6
22	21	Royal Ahold	Netherlands	37,149	4,309.3	(6.5)	1,129	131.0
23	25	Best Buy	U.S.	35,934	4,168.3	12.9	1,377	159.7
24	23	ITM (Intermarche)	France	33,678*	3,906.6*	(3.8)	–	–
25	29	Woolworths	Australia	32,456	3,764.9	11.8	1,017	118.0
26	27	J. Sainsbury	U.K.	31,912	3,701.8	0.0	615	71.3
27	66	SuperValu	U.S.	28,016	3,249.9	24.0	452	52.4
28	32	Macy's	U.S.	26,970	3,128.5	11.5	995	115.4
29	28	Casino	France	26,967	3,128.2	(0.1)	754	87.5
30	26	Tengelmann	Germany	26,380	3,060.1	(3.9)	–	–

Notes: 1. CAGR=Compound Annual Growth Rate over a five-year period.

2. CAGR is calculated on a local currency basis in each country.

3. Exchange rate – US\$1=¥116

* Estimate

Market Capitalization Ranking

■ Retailers-worldwide market capitalization ranking

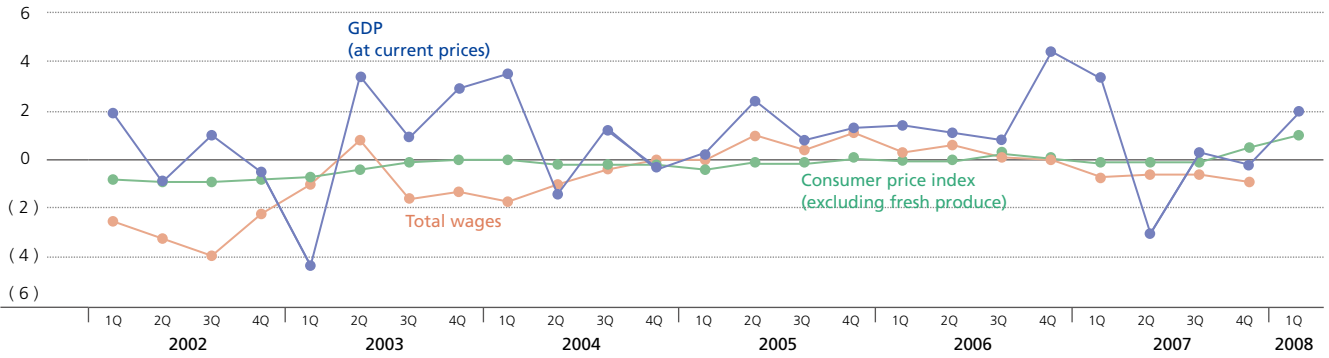
	Company	Country	Market capitalization		ROE (%)	EPS (\$)	PER (Times)	PBR (Times)
			(Million \$)	(Billion ¥)				
1	Wal-Mart Stores	U.S.	228,078	24,064.5	21.0	3.16	18.3	3.5
2	Tesco	U.K.	64,282	6,782.4	19.0	0.53	15.3	2.7
3	CVS Caremark	U.S.	61,163	6,453.3	9.0	1.92	22.3	2.0
4	Carrefour	France	49,377	5,209.8	22.8	4.14	16.9	3.0
5	Home Depot	U.S.	46,239	4,878.7	17.1	2.37	11.5	2.6
6	Hutchison Whampoa	Hong Kong	46,080	4,861.9	10.5	0.92	11.7	1.2
7	Hennes & Mauritz	Sweden	45,694	4,821.2	43.6	2.74	20.2	8.5
8	Target	U.S.	43,384	4,577.4	18.6	3.33	16.0	2.8
9	EBAY	U.S.	39,492	4,166.8	3.8	0.25	120.0	3.4
10	Wal-Mart de Mexico	Mexico	37,489	3,955.5	24.3	0.16	27.4	5.8
11	Walgreen	U.S.	35,676	3,764.2	18.6	2.03	17.7	3.2
12	Lowe's	U.S.	35,084	3,701.7	16.6	1.86	12.9	2.2
13	Amazon.com	U.S.	34,091	3,596.9	55.7	1.12	72.9	28.5
14	Woolworths	Australia	32,238	3,401.4	27.0	1.04	25.5	6.4
15	Costco Wholesale	U.S.	30,900	3,260.2	12.5	2.37	30.1	3.6
16	Inditex	Spain	30,633	3,232.1	32.7	2.50	19.6	5.7
17	Seven & i Holdings	Japan	27,917	2,945.5	6.7	1.30	22.5	1.5
18	Metro	Germany	24,006	2,532.9	13.7	3.92	18.8	2.5
19	Best Buy	U.S.	19,227	2,028.6	26.3	3.12	15.0	4.3
20	Kroger	U.S.	18,287	1,929.4	24.0	1.69	16.4	3.7
21	Royal Ahold	Netherlands	17,811	1,879.3	66.3	0.84	17.8	3.0
22	PPR	France	16,723	1,764.4	10.1	12.83	10.2	1.2
23	Staples	U.S.	16,465	1,737.2	18.5	1.38	17.0	2.9
24	Wm Morrison Supermarkets	U.K.	15,531	1,638.7	13.3	0.41	14.1	1.8
25	Esprit Holdings	Hong Kong	14,533	1,533.4	52.4	0.54	21.6	9.4
26	Safeway	U.S.	13,959	1,472.8	14.2	1.99	16.0	2.1
27	Kohl's	U.S.	13,840	1,460.2	17.1	3.39	13.2	2.3
28	Casino	France	13,699	1,445.4	14.1	8.83	14.3	1.4
29	TJX	U.S.	13,616	1,436.6	35.3	1.66	19.3	6.4
30	GAP	U.S.	13,415	1,415.4	18.8	1.05	17.4	3.1

Note: Market capitalization ranking and exchange rates are as of May 30, 2008 (US\$1=¥105.51)
Source: Bloomberg, Thomson

The Consumer Environment

YEAR-ON-YEAR COMPARISON OF ECONOMIC INDICES OVER FOUR QUARTERS

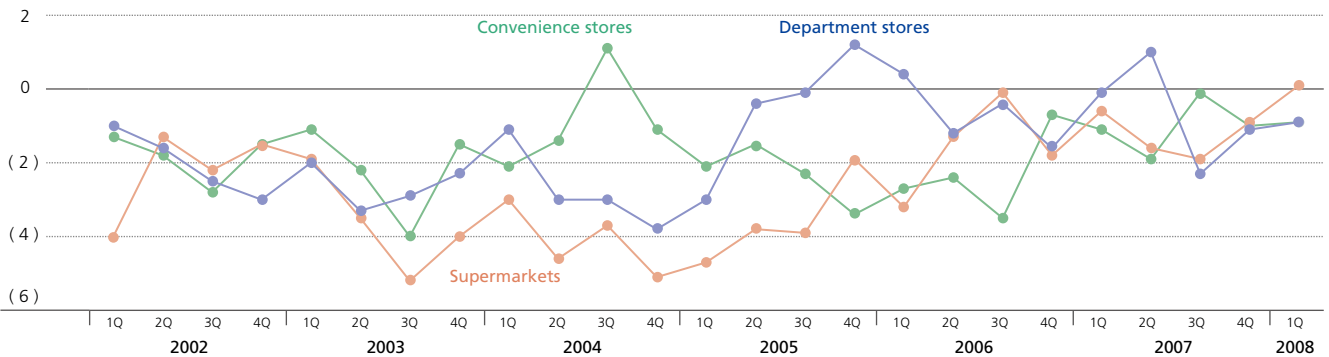
(%)



Source: National Accounts (Economic and Social Research Institute, Cabinet Office), Consumer Price Index (Ministry of Internal Affairs and Communications), Monthly Labour Survey (Ministry of Health, Labour and Welfare)

YEAR-ON-YEAR COMPARISON OF MAJOR STORE FORMATS OVER FOUR QUARTERS

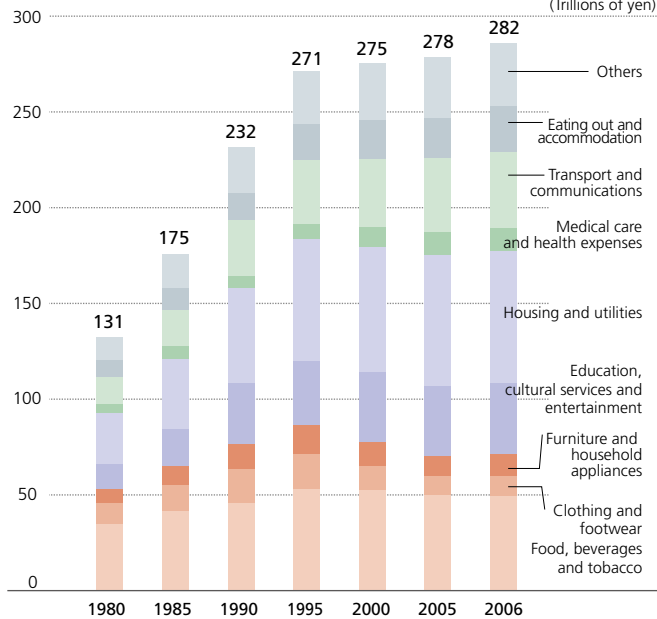
(%)



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

DOMESTIC FINAL CONSUMPTION EXPENDITURE OF HOUSEHOLD

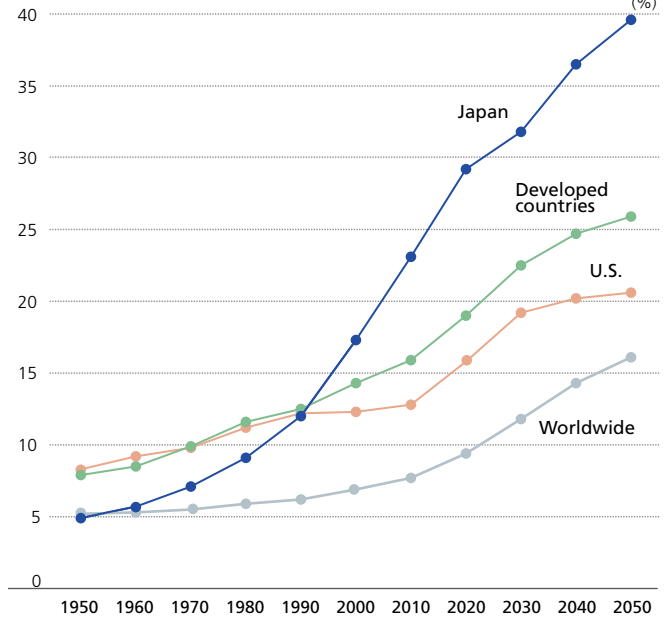
(Trillions of yen)



Source: National Accounts (Economic and Social Research Institute, Cabinet Office)

CHANGES IN THE POPULATION OF THOSE AGED OVER 65

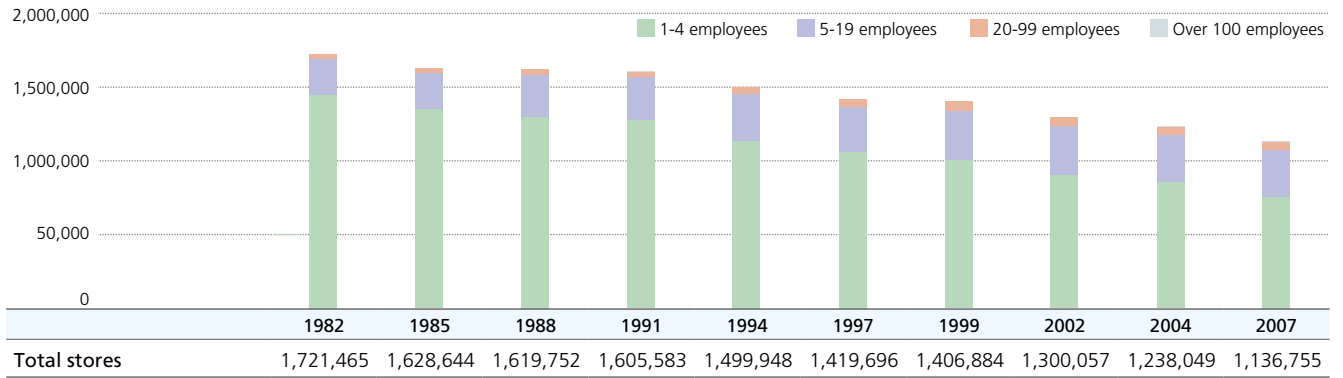
(%)



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

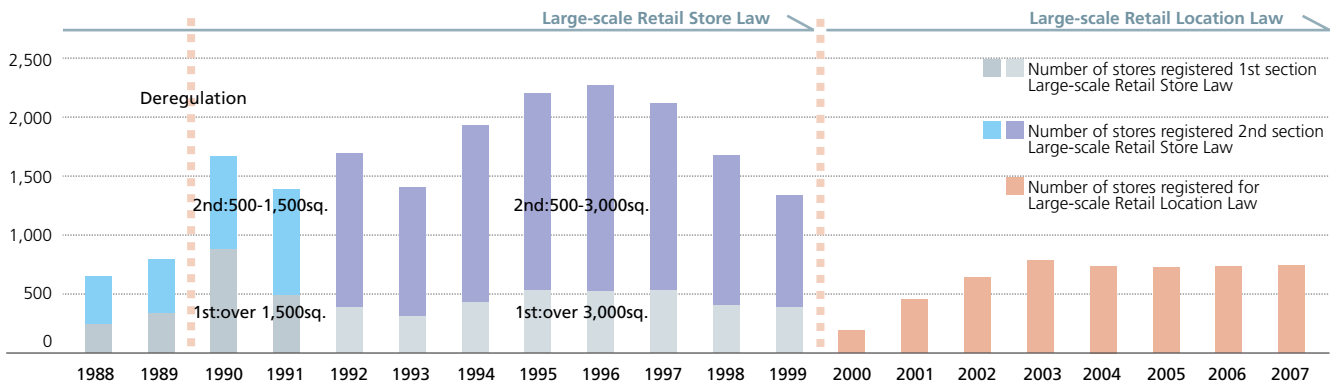
Environment of Retail Industry

TREND IN NUMBER OF STORES BY STRATUM OF NUMBER OF EMPLOYEES



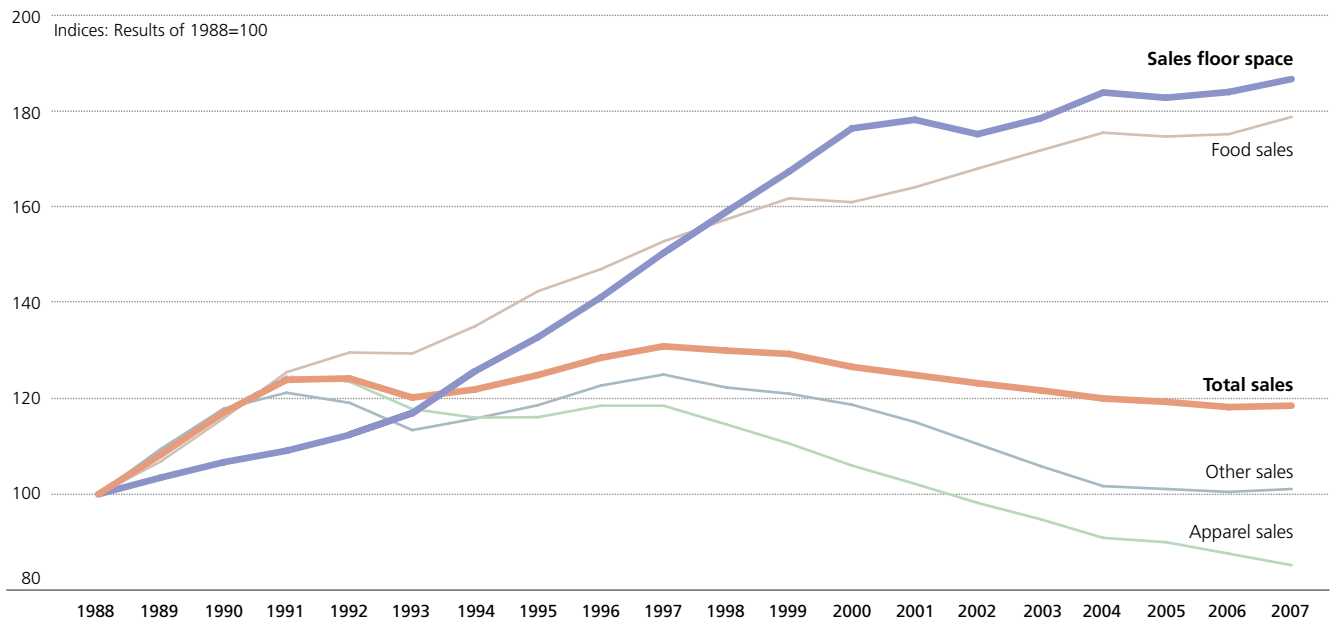
Source: The Census of Commerce (Ministry of Economy, Trade and Industry)

TREND IN NUMBER OF REGISTERED LARGE-SCALE RETAIL STORES



Source: Ministry of Economy, Trade and Industry

TREND IN SALES AND SALES FLOOR SPACE OF LARGE-SCALE RETAIL STORES



Source: Annual Report on the Current Survey of Commerce (Ministry of Economy, Trade and Industry)

Group Store-Opening Strategy

The Company develops stores in several formats and therefore opens stores of various sizes. Each format is clearly defined in terms of its motivations for store visits and has a different scope of trade as its base of operations. Accordingly, Seven & i Holdings can achieve a higher density level in its store-opening strategy.

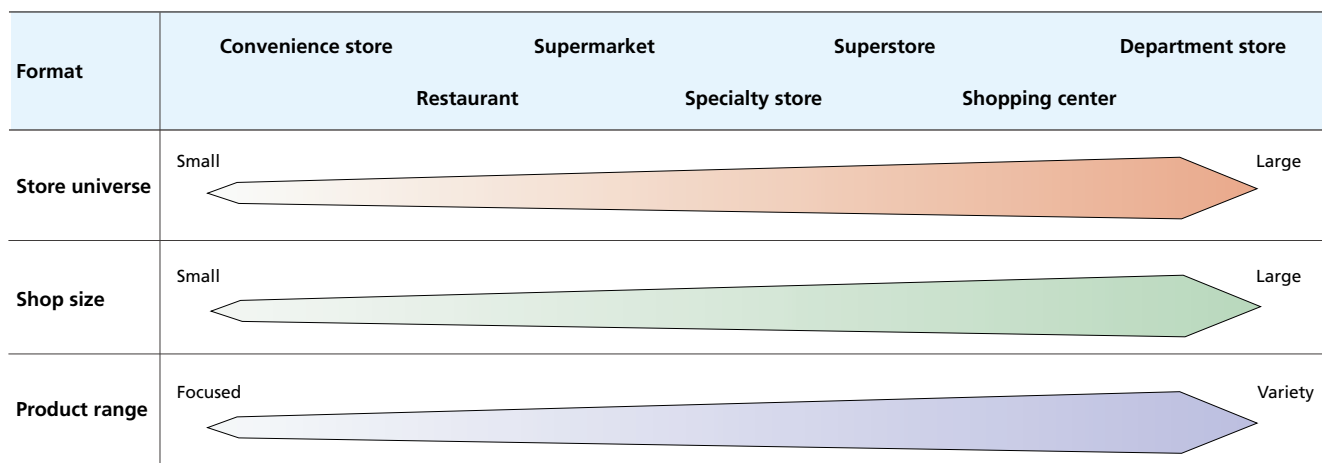
■ **Area dominance strategy**

Our fundamental strategy is market dominance, whereby a high concentration of stores is positioned within one region.











Effects of area dominance strategy

- Greater familiarity with customers
- Effective sales promotions
- Improved efficiency in guiding franchised stores
- Efficient construction of production basis
- Efficient construction of distribution structure
- Preventing entry by competitors

■ **Dominance strategy by format**



■ **Store opening policy of principal group companies**

Convenience store	 Seven-Eleven	<ul style="list-style-type: none"> · Formed market dominance mainly in residential areas in the 1990s and in urban areas after 2000 · Implement scrap-and-build strategy for revitalizing existing stores · Develop store network in 34 prefectures at the end of February 2008
Superstore	 Ito-Yokado	<ul style="list-style-type: none"> · Formed market dominance primarily in the Kanto region · Many stores have a floor space of over 10,000 square meters at present, in accordance with the large-scale retail store openings trend
Shopping center	 Ario	<ul style="list-style-type: none"> · Operate six mall-type shopping centers primarily in the Kanto region at the end of February, 2008 · With Ito-Yokado as the anchor tenant, attract over 100 tenants
Supermarket	 York-Benimaru	<ul style="list-style-type: none"> · Formed market dominance in the Tohoku and Kanto regions · Aim for a 200-store network through aggressive store opening strategy
	 York Mart	<ul style="list-style-type: none"> · Formed market dominance primarily in the Kanto region · Reinforce market dominance through aggressive store opening strategy
Department store	 Sogo	<ul style="list-style-type: none"> · Operate stores primarily in the Kansai and Kanto regions · Major stores (annual sales over ¥50 billion per store) are Yokohama, Chiba and Kobe
	 Seibu	<ul style="list-style-type: none"> · Operate stores primarily in the Kanto region (3 stores in Tokyo) and local cities · Major stores (annual sales over ¥50 billion per store) are Ikebukuro and Shibuya
Specialty store	 LOFT	<ul style="list-style-type: none"> · Operate stores primarily in department stores and shopping centers in 22 prefectures at the end of February, 2008 · Operate 11 stores in Seibu and five stores in Sogo
	 Akachan Honpo	<ul style="list-style-type: none"> · Operate stores primarily in shopping centers in 25 prefectures at the end of February, 2008 · Operate five stores in Ito-Yokado and one store in Ario
Restaurant	 Denny's	<ul style="list-style-type: none"> · Formed market dominance primarily in the Kanto region · Implement scrap-and-build strategy for roadside stores

Store Network in Japan










Seven & i Holdings focuses on the business factors that will make each and every store a success, not on simply expanding the number of stores.

Total sales of principal Group companies by prefecture for FY2008



Principal Group companies' store network

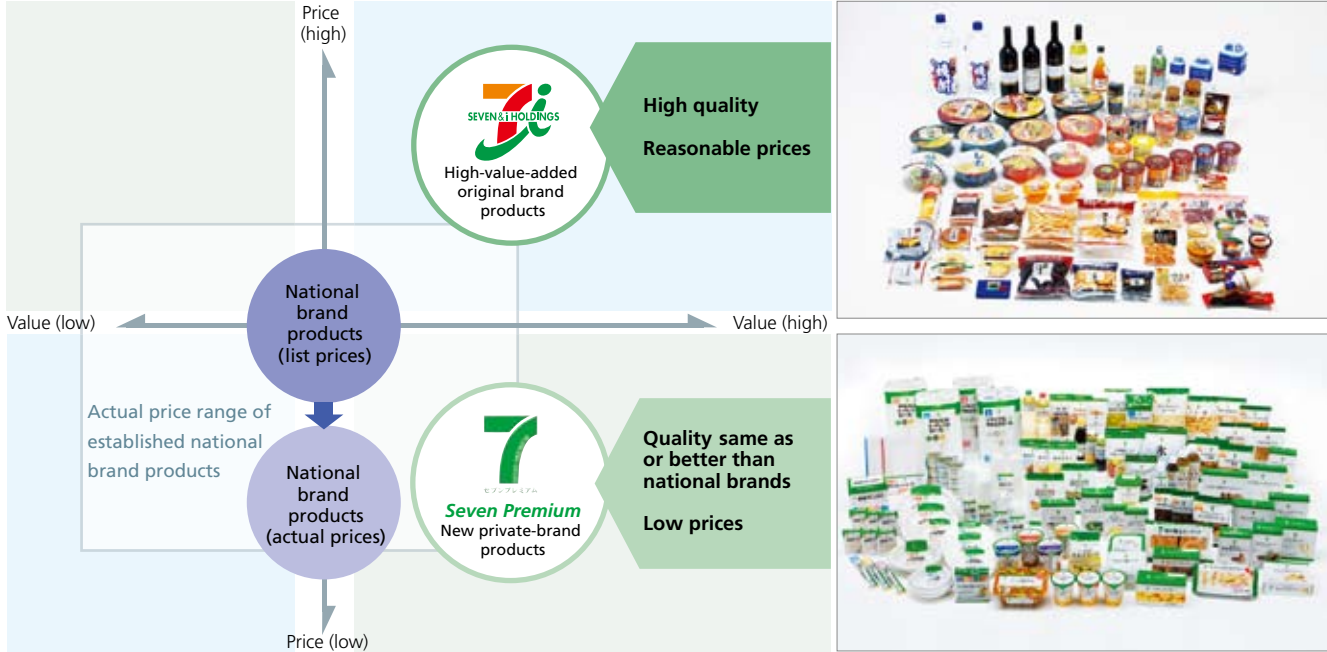
(As of May 31, 2008)

									
Hokkaido	814	13	–	–	–	2	–	4	2
Tohoku	854	12	110	–	–	1	20	3	1
Kanto	5,179	117	41	60	6	7	408	33	22
Chubu	1,855	21	–	–	–	3	116	6	4
Kinki	1,306	11	–	–	3	3	28	14	10
Chugoku	785	2	–	–	2	–	–	3	1
Shikoku	–	–	–	–	1	–	–	1	–
Kyushu	1,220	–	–	–	–	–	–	5	2
Total	12,013	176	151	60	12	16	572	69	42

Private-Brand Product "Seven Premium"

Seven & i Holdings has annual sales of 3.8 trillion yen in food products. Leveraging this sales power, in addition to existing value-added original brand products, the Group started sales of competitively priced *Seven Premium* brand products that were jointly developed with Group companies in May 2007.

■ Positioning of private-brand products



■ Direction of Seven Premium

Step 1: Development of Private-Brand Products

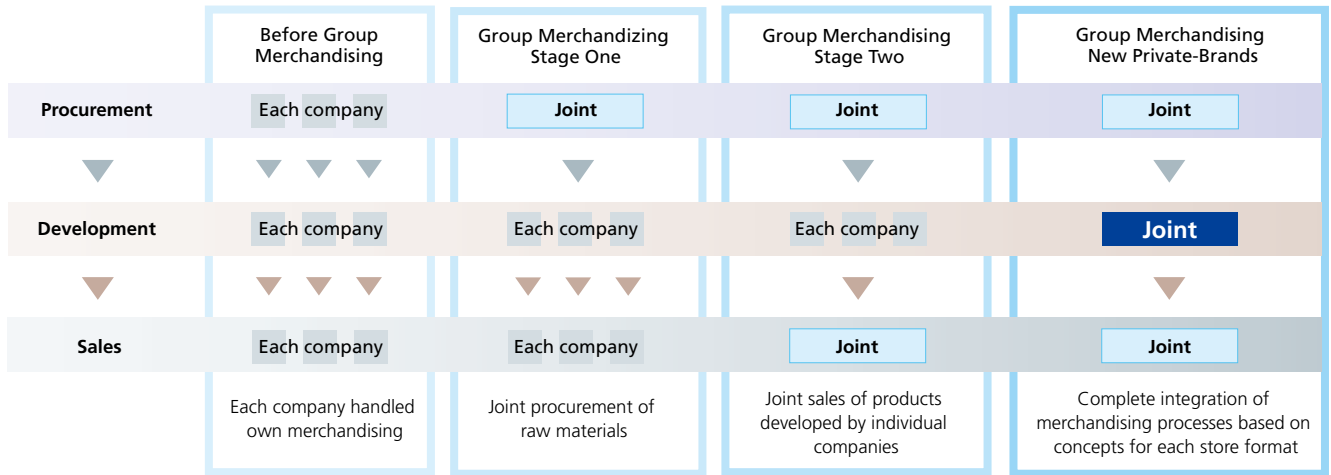
November 2006:	"The Group Merchandising Reform Project" was launched	Comprising 11 subcommittees, 26 teams and 72 merchandisers and buyers
May 2007:	Started sales of <i>Seven Premium</i> at superstores and supermarkets Number of SKUs: 49	
August:	Started sales at Seven-Eleven	Launched household goods subcommittee Launched fresh foods subcommittee
November:	Started sales of household goods	
March 2008:	Started sales of processed fresh foods	Food section: Comprising 21 subcommittees, 64 teams and 77 merchandisers and buyers Household goods section: Comprising 4 subcommittees, 10 teams and 34 merchandisers and buyers Full-time project staff: 15
May:	First anniversary of <i>Seven Premium</i> sales Cumulative total of developed SKUs: 380	

Step 2: Integrated Procurement by the Group

Step 3: Distribution Strategy

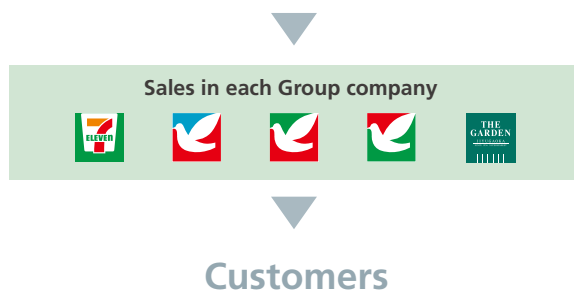
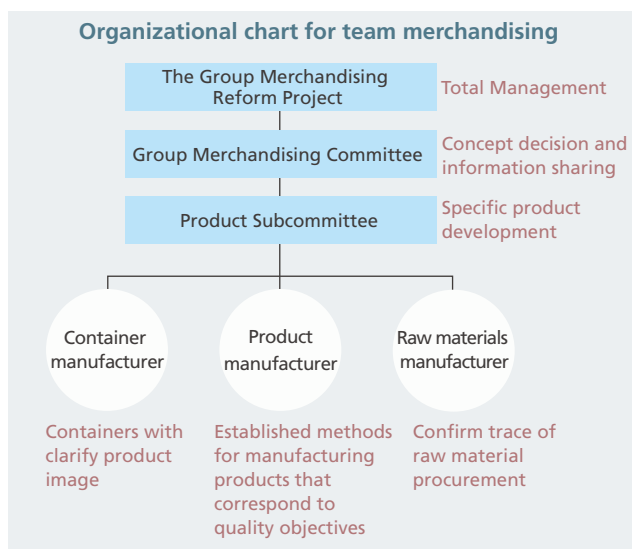
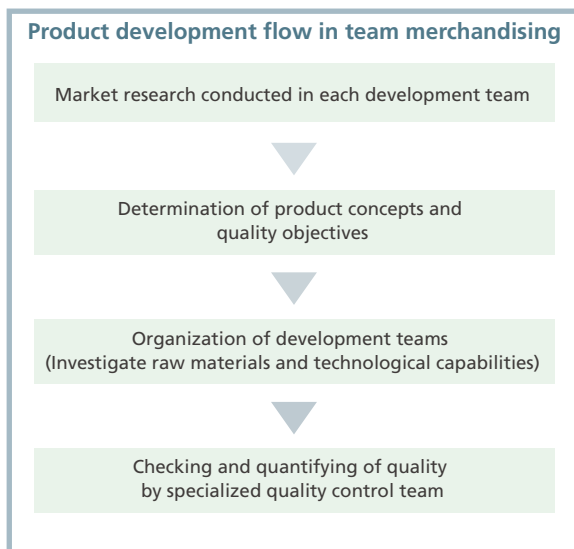
■ Product development policies

- Establish a development system that extends to the merchandising processes such as material procurement, manufacturing, distribution, and sales by sharing information within the Group and leveraging the Group's exceptional development methods
- The operating company with the greatest strengths in that field will be responsible as the development leader in each category
- Establish brands unique to each store format based on differences in customer motivation for store visits



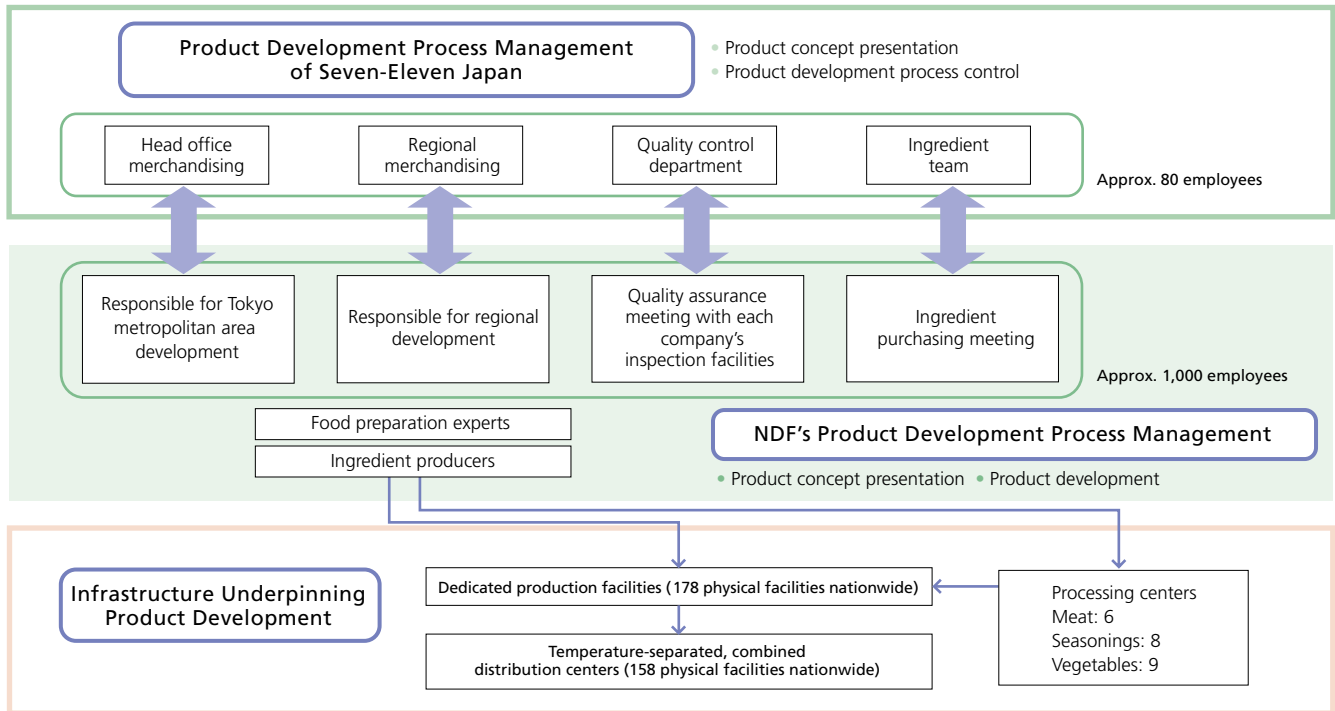
■ Development process

We developed *Seven Premium* through team merchandising with manufactures and suppliers. In the fields of processed foods, daily foods, processed fresh foods and household goods products, Group Merchandising Committee has been organized 25 subcommittees and 74 teams (as of May 2008), and product developments in each subcommittee are jointly conducted with manufacturers.



Original Daily Food Products Development by Seven-Eleven Japan

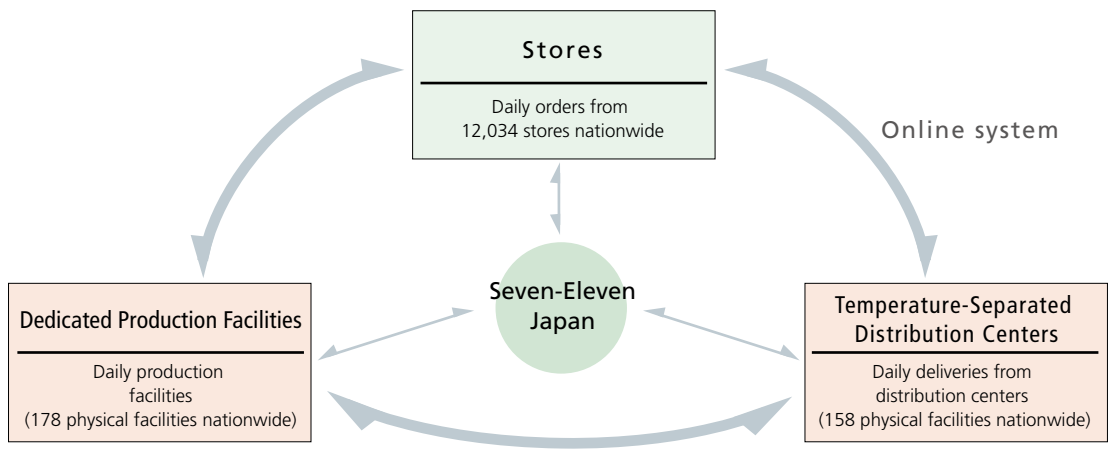
Food product development system



Notes 1. Nihon Delica Foods Association (NDF) was formed in 1979 mainly by vendors of rice-based products. NDF currently has approximately 80 member companies that engage in the vendor businesses of rice-based products, sandwiches, delicatessen items, noodles, and Japanese pickles. Members jointly develop products, manage quality, procure ingredients, and implement environmental measures.
 2. Figures for the development system, number of dedicated production facilities, combined distribution centers, and processing centers are as of February 29, 2008.

Supply system for original daily food products

Original daily food products are made in specialized facilities operated by independent collaborating companies and are delivered to Seven-Eleven stores from combined distribution centers that have multiple temperature-specific zones. The production facilities and temperature-separated combined distribution centers serve only Seven-Eleven Japan, allowing us to distinguish ourselves from the competition in terms of product development, hygiene, and quality control.



(As of February 29, 2008)



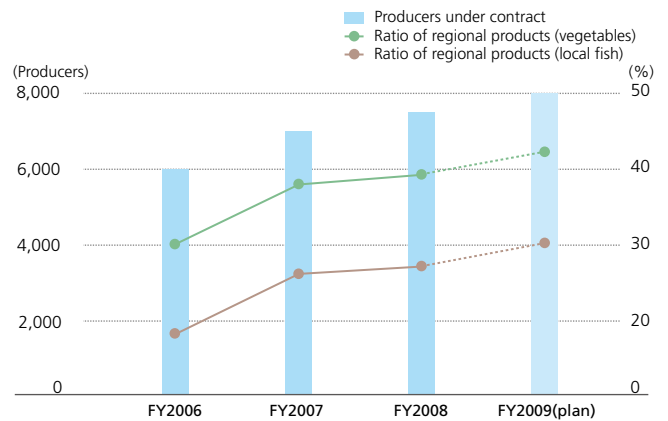
Food Safety Initiatives for Ito-Yokado

Quality control system

Ito-Yokado rigorously inspects product ingredients and freshness at every stage from procurement to sales. If a defective product is detected after sales, Ito-Yokado responds immediately and takes steps to prevent its spread. To deliver the freshest products, Ito-Yokado contracts with local farmers and attempts to expand its selection of regional products.



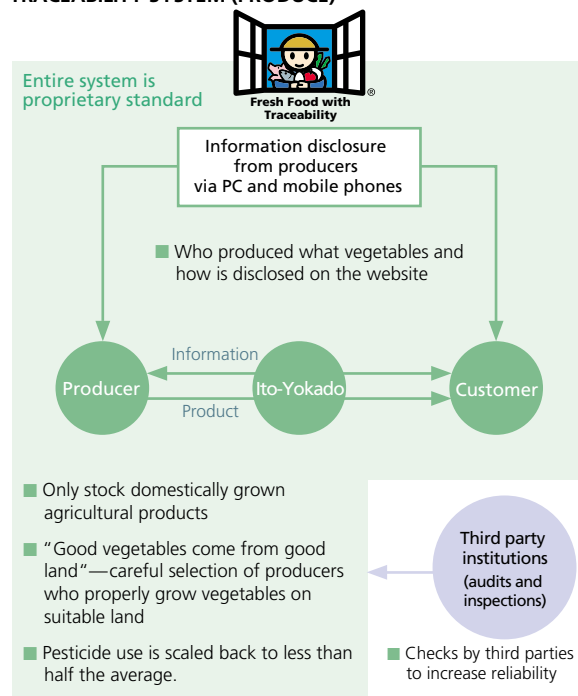
PROGRESS WITH REGIONAL PRODUCTS



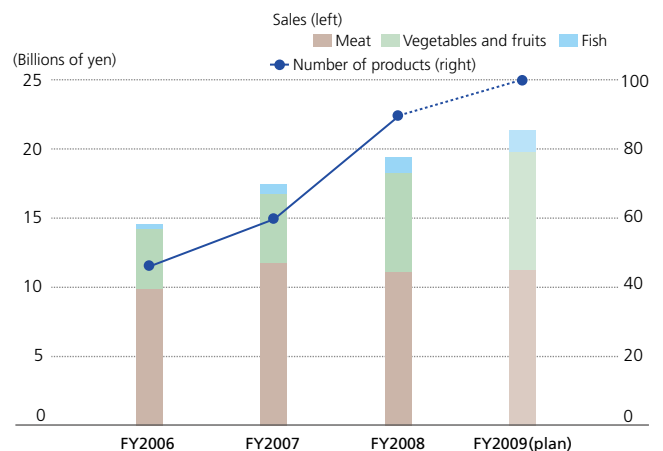
"Fresh foods with traceability" initiatives

In order to respond to demand for more reliable food products, Ito-Yokado emphasizes the importance of giving customers a clear understanding about the place of production, production methods and distribution channels (traceability). This example is from the "Fresh foods with traceability" product series, a product brand designed by Ito-Yokado. Ito-Yokado works to provide safety food to customers through the standardization of production methods and quality standards, increasing reliability through the introduction of inspections by third parties and solidifying its relationship with stakeholders by enhancing open disclosure.

TRACEABILITY SYSTEM (PRODUCE)



SALES OF "FRESH FOODS WITH TRACEABILITY" PRODUCTS AND NUMBER OF PRODUCTS

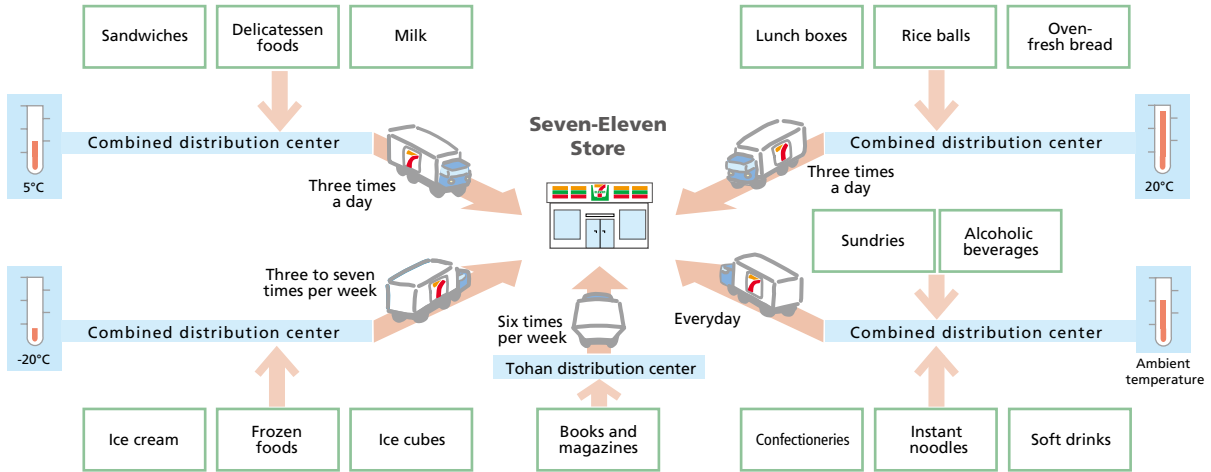


Distribution Systems

■ Combined delivery system

Group companies employ a combined distribution system for greater efficiency. The combined distribution system is a rationalized system that allows products from different suppliers and manufacturers to be delivered to stores on the same truck. The combined distribution centers are operated by third parties.

TEMPERATURE-SEPARATED COMBINED DISTRIBUTION SYSTEM OF SEVEN-ELEVEN JAPAN



(As of February 29, 2008)

	Number of distribution centers	Number of physical facilities
5°C	63	5°C 16
20°C	64	20°C 17
		Share 47
-20°C	31	31
Subtotal	158	111
Ambient temperature	–	47
Total	–	158

Note: The number of distribution centers is based on the number of product categories handled.

■ Processing centers and perishables distribution centers

Seven-Eleven Japan

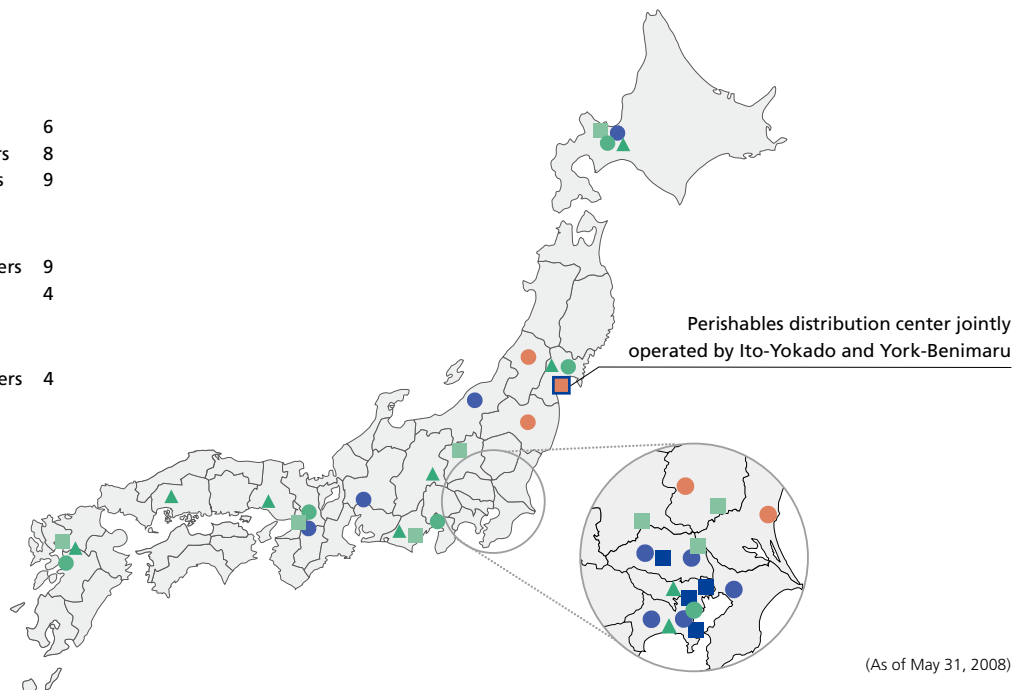
- Meat processing centers 6
- Seasonings packaging centers 8
- ▲ Vegetable processing centers 9

Ito-Yokado

- Perishables distribution centers 9
- Produce centers 4

York-Benimaru

- Perishables distribution centers 4

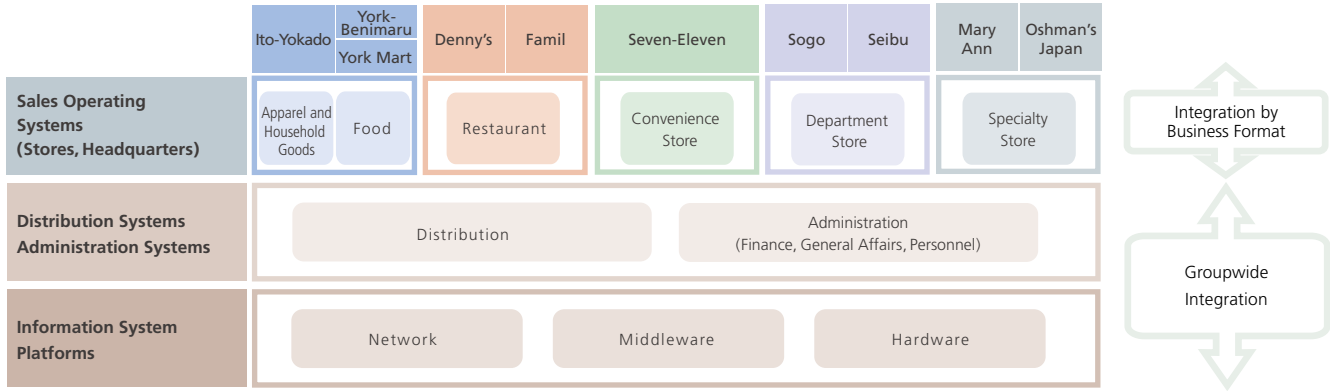


(As of May 31, 2008)

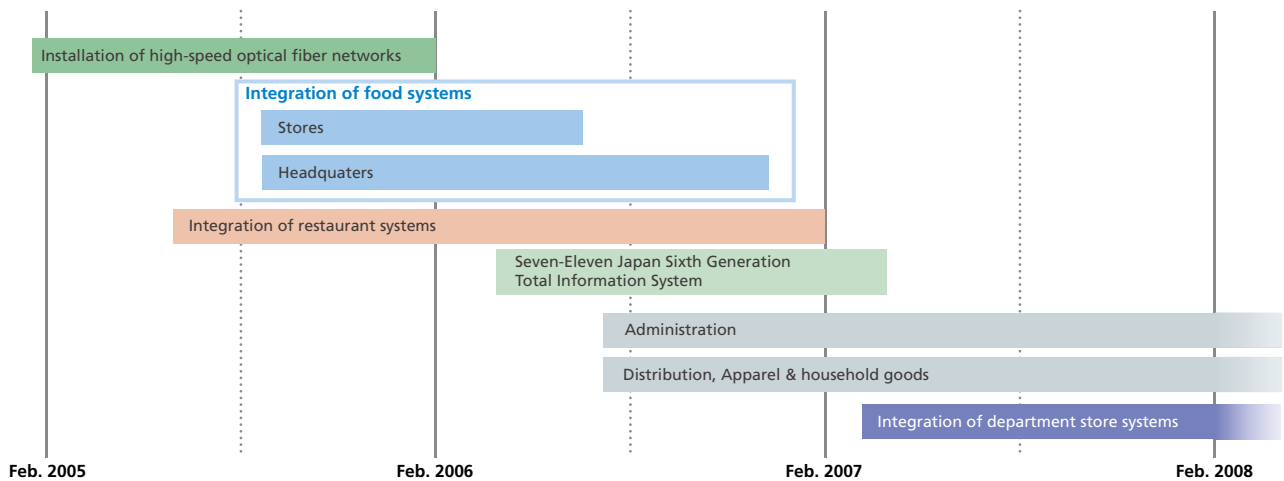
■ System integration

- The systems network is shared groupwide and some hardware is also integrated among Group companies
- Sales operating systems are being integrated by business format
- In March 2008, full-scale system integration of administrative work was started
 - Objective is to realize Group synergies and upgrade administrative work—
 - 1. Reduce personnel by integrating work and systems
 - 2. Improve accuracy and increase efficiency by shifting work online and computerizing

CONCEPT CHART OF SYSTEM INTEGRATION

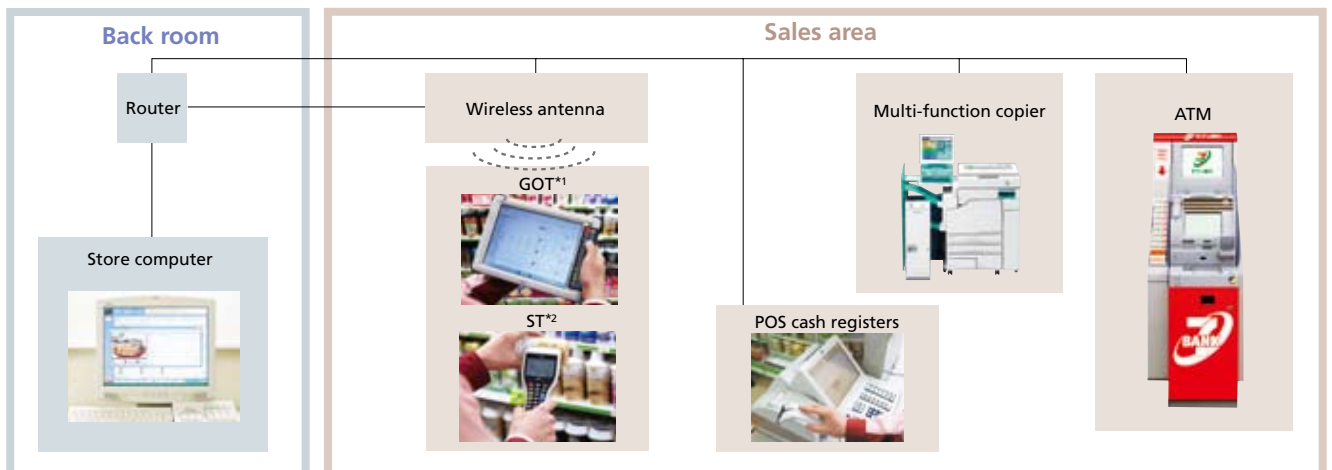


PROGRESS ON INTEGRATION



■ Sixth-Generation Total Information System for Seven-Eleven Japan

By introducing wireless in-store networks, the Sixth-Generation Total Information System can improve productivity and enhance "Store System" functions that support item-by-item management. In addition, POS cash registers equipped with a read/write ability that enables the use of electronic money systems are installed.













*1. Graphical Order Terminal used for ordering at the sales area

*2. Scan Terminal used for efficiently scanning products, checking stock location on the shelf, and monitoring freshness

■ Group card business

Group companies have issued a total of 20 million cars at present, and we will enhance the card strategy by expanding services to entire Group.

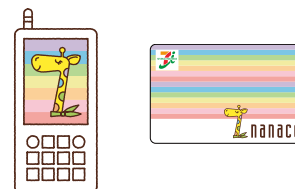
Card name	Number issued	Credit function	Point services	Stores with point service					
									
 nanaco	5.51million	▲ ^{*1}	1 point given for every ¥100 spent	■	■			■	
 IY Card	2.95million	●	1 point given for every ¥100 spent (Additional 0.5 points given for credit card use)		■				
 Point Card	6.08million	—	1 point given for every ¥100 spent		■				
 Millennium Card	2.48million	● ^{*2}	Points equaling 2% of purchase amount given (up to a maximum of 7% of annual purchase amount)			■	■		
 Club ON Card	2.43million								
 Member's Card	1.65million	× ^{*3}	1 point given for every ¥200 spent						■




*1. Credit card functions can be used after becoming a IY Card or QUICPay member
 *2. Cash payment only cards are also available
 *3. Credit cards issued by other companies can be used to make purchases at Akachan Honpo stores

■ Electronic money

On April 23, 2007, Seven & i Holdings launched its *nanaco* original electronic money services, which expand usage at Group stores.

- Prepaid e-money with contactless IC chips
- One *nanaco* point is given for every ¥100 spent, and points can be converted to e-money
- The service can be used with *nanaco* mobile, which is available through cell phones
- IY Card Service Co., Ltd. handles operation and management of the service



Usage		Group stores: Seven-Eleven (12,013 stores), Ito-Yokado (175 stores), Denny's (568 stores) Outside the Group: 6,917 stores (as of May 31, 2008)
Charge method		Charging at stores: At the registers of Seven-Eleven and Denny's stores, the Customer Service Counter of Ito-Yokado, and Seven Bank ATMs Credit card charges: <i>nanaco</i> card or <i>nanaco</i> mobile can be charged through the IY card for amounts up to ¥30,000
Point service		Earn one point for every ¥100 spent, and the points can be converted to e-money Point partnership with Group company: Seven Bank Point partnership with non-Group company*: JCB

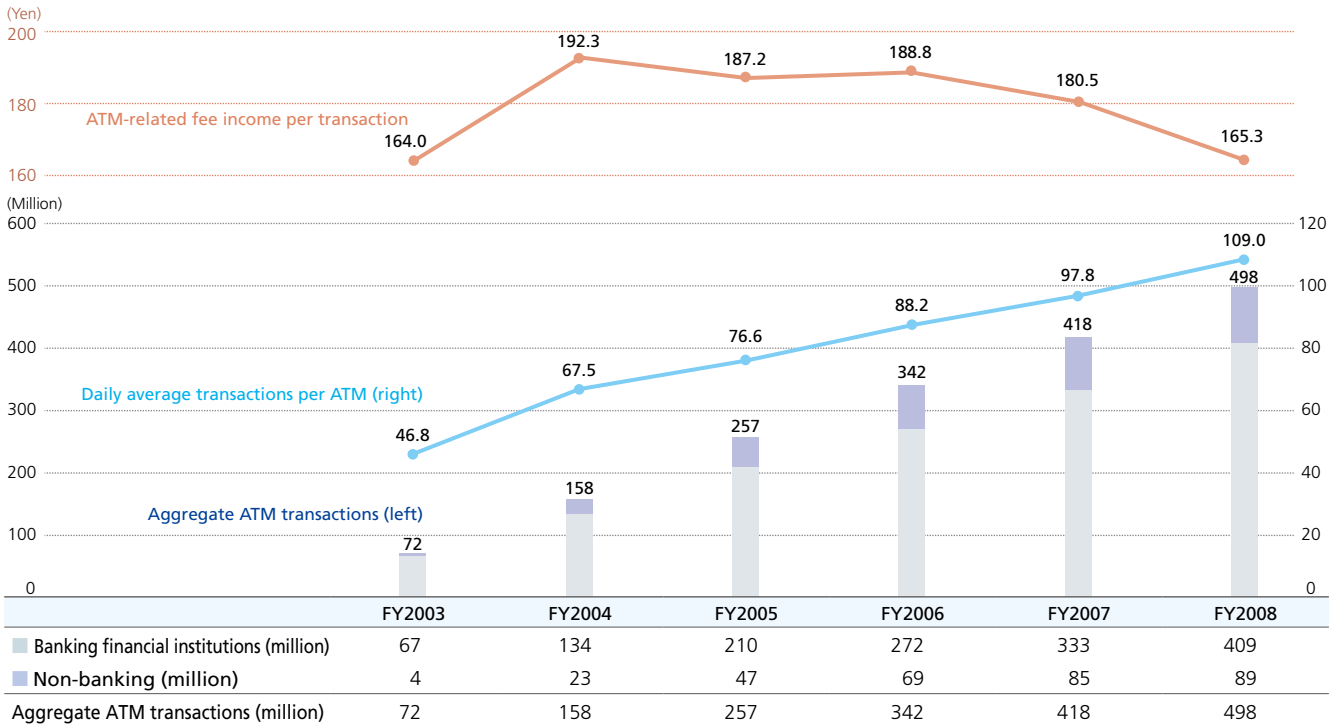
* Through partnerships with companies outside the Group, points from these companies may be converted to e-money

■ ATM services

Centered in Seven-Eleven stores, ATMs had been placed in stores of Group companies. The main source of earnings in this business is the fees from banks with tie-up contracts. The fees are paid to Seven Bank for the use of its ATMs by card holders of these banks.

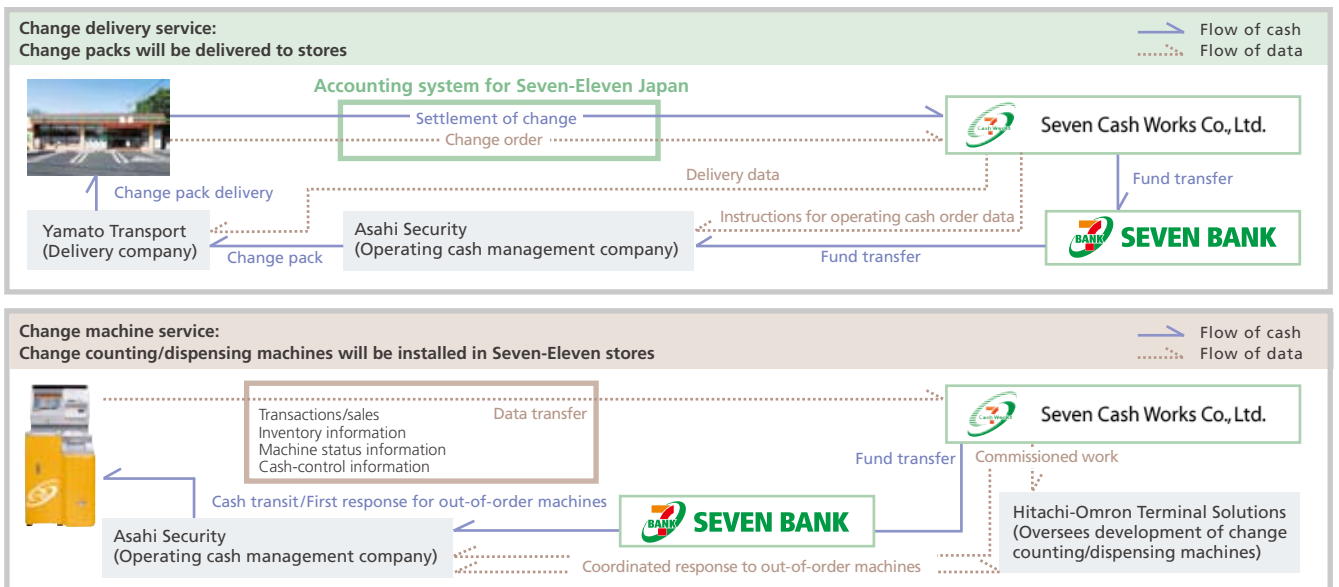


TRANSITION OF ATM TRANSACTIONS AND ATM-RELATED FEE INCOME PER TRANSACTION



■ Operating cash (change) services

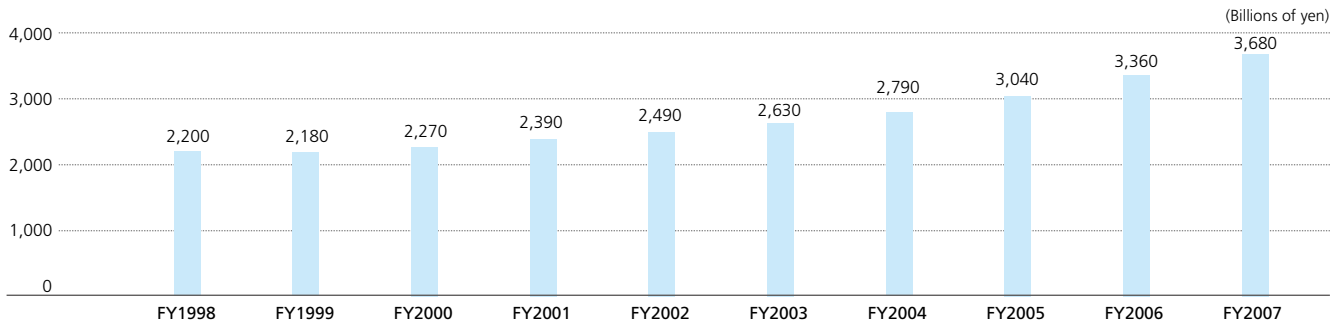
Owing to closing and consolidation of bank branches and to fee-based and higher-priced money exchange services at the banks, Seven Cash Works provides small- and medium-sized retailers and service businesses with operating change delivery service and change machine service.



Group E-Commerce Business

Creating a new sales channel as a modern version of "order-taking" over the Internet, and promoting a variety of IT service businesses with Group companies

■ Sales trends in the direct marketing sector



Source: The Japan Direct Marketing Association

■ Group advantage

By utilizing group infrastructure such as high-performance information systems, distribution, and an existing store network of about 13,000 stores, we have materialized original systems for acceptance and payment of orders and a broad, unprecedented lineup of products. Therefore, we can offer services that meet the strong demands of our customers such as improvements in convenience and security and safety.

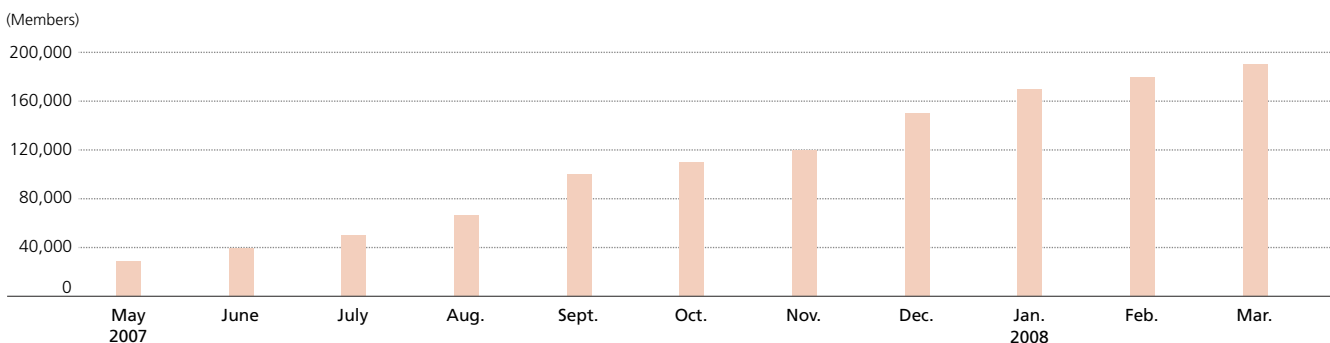
Features of Group's e-commerce business

- 1) Leveraging synergies by sharing the same customer at the real store and through the Internet
- 2) Implementing a system that enables the customer to shop securely by using a real store as a place where orders can be placed and picked up and where payment for the products can be made
- 3) Providing highly reliable services efficiently by utilizing existing infrastructure such as information and distribution systems
- 4) Implementing development of original products and a broad product lineup based on the merchandising capabilities of the Group companies

"Seven-Eleven Net"	Promote the attractiveness of the new Seven-Eleven to customers by cooperating with existing stores to provide products that are hard to constantly keep in stock at the real store
Ito-Yokado's "Net Supermarket"	With existing stores as the core of the operation, deliver fresh products to customers on the same day or next day after order placement by customers in the catchment area
Ito-Yokado's "Internet Supermarket Service"	Nationwide e-commerce system providing the largest lineup of products as an e-commerce business operated by superstore
Seven and Y	Online sales of books, magazines and CD/DVD software
7dream.com	Comprehensive shopping site offering everything from food and daily necessities to cars and leisure goods
Nittle Seven	Create new sales channel integrating stores and information and provide new convenience to customers by merging media such as television and the Internet with retail operations

■ Ito-Yokado's "Net Supermarket"

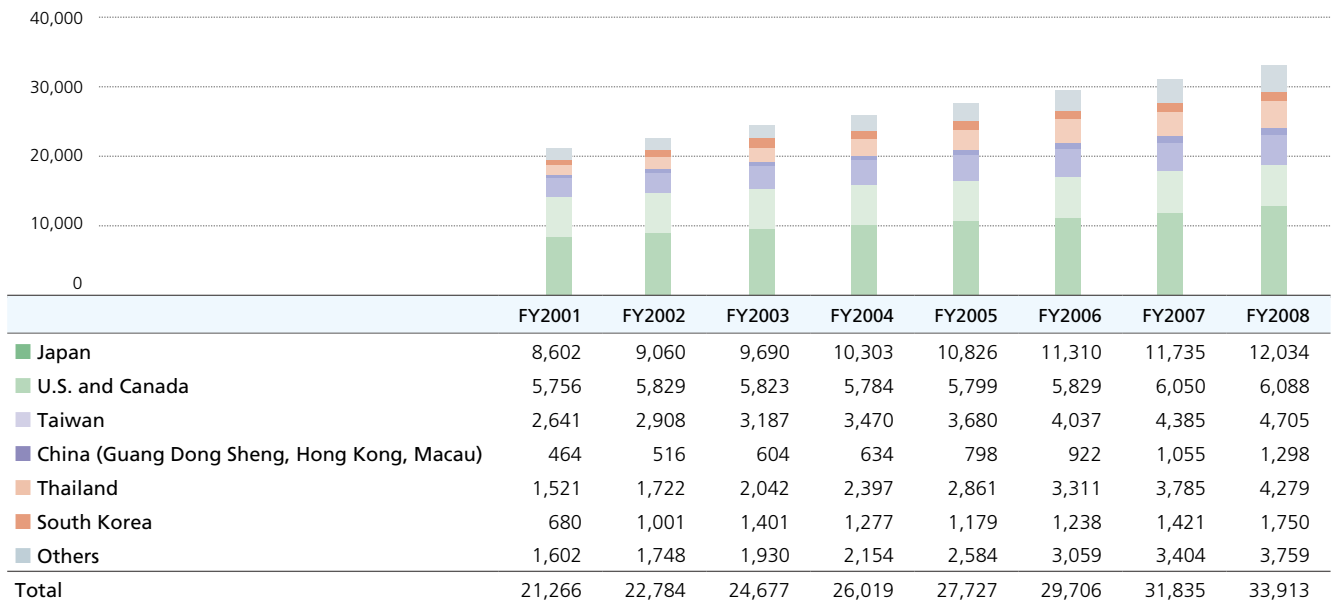
In 2007, Ito-Yokado started full-scale operation of *Net Supermarket* with expansion to 81 stores as of the end of March 2008, covering the entire Tokyo metropolitan area. Gaining a favorable reputation for unprecedented convenience, where the bargain products advertised in the flyer can be purchased, the members are expanding rapidly.



Convenience Store Network that Extends to the World

Number of Seven-Eleven stores worldwide

TRANSITION OF NUMBER OF SEVEN-ELEVEN STORES IN THE WORLD



Notes: 1. Figures for the U.S. and Canada are the total number of stores directly managed or franchised by 7-Eleven, Inc.
 2. Figures for Japan are as of February 28 or 29. Other figures are as of December 31.

Major Seven-Eleven store operators around the world

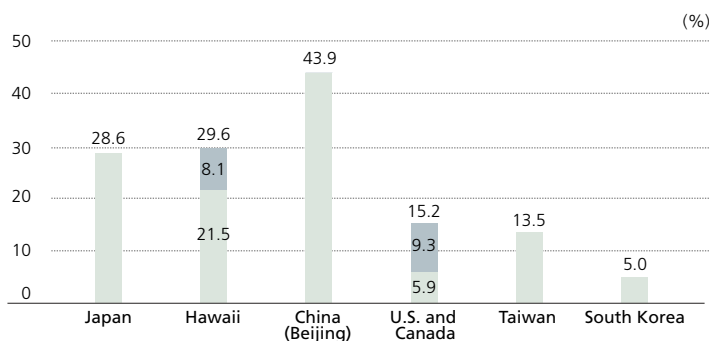
Our consolidated subsidiaries operate stores in Japan, the United States, Canada, China (Beijing), and Hawaii. In other countries and regions, efficient companies operate the stores as area licensees.

Country or Region	Company name	Number of stores
Japan	Seven-Eleven Japan Co., Ltd.	12,034
U.S. and Canada	7-Eleven, Inc.	6,088
China (Beijing)	SEVEN-ELEVEN (BEIJING) CO., LTD.	60
Hawaii	SEVEN-ELEVEN (HAWAII), INC.	56
Taiwan	President Chain Store Corporation [Uni-President Enterprise Corp.]	4,705
Thailand	C.P. Seven-Eleven Public Co., Ltd. [Charoen Pokphand Group]	4,279
South Korea	Korea Seven Co., Ltd. [Lotte Group]	1,750
China (Guang Dong Sheng, Hong Kong, Macau)	The Dairy Farm Company, Limited [Dairy Farm International Holdings Limited]	1,298
Singapore	Cold Storage Singapore (1983) Pte. Ltd. [Dairy Farm International Holdings Limited]	415
Philippines	Philippine Seven Corporation [President Chain Store Corporation]	311

Notes: 1. Companies in shaded area are subsidiaries.
 2. The number of Japan stores is as of February 29, 2008. Others are as of December 31, 2007.
 3. Company names in parentheses are the names of the corporate groups affiliated with the companies listed above.

Sales of fast food of Seven-Eleven in the world

FAST FOOD SALES AS A PERCENTAGE OF TOTAL SALES FOR FY2008



Notes: 1. Portions of the graph represent such counter-served drinks as Slurpees and coffee.
 2. Percentages for Hawaii, U.S. and Canada are calculated using total sales that exclude gasoline sales.

Operations in China

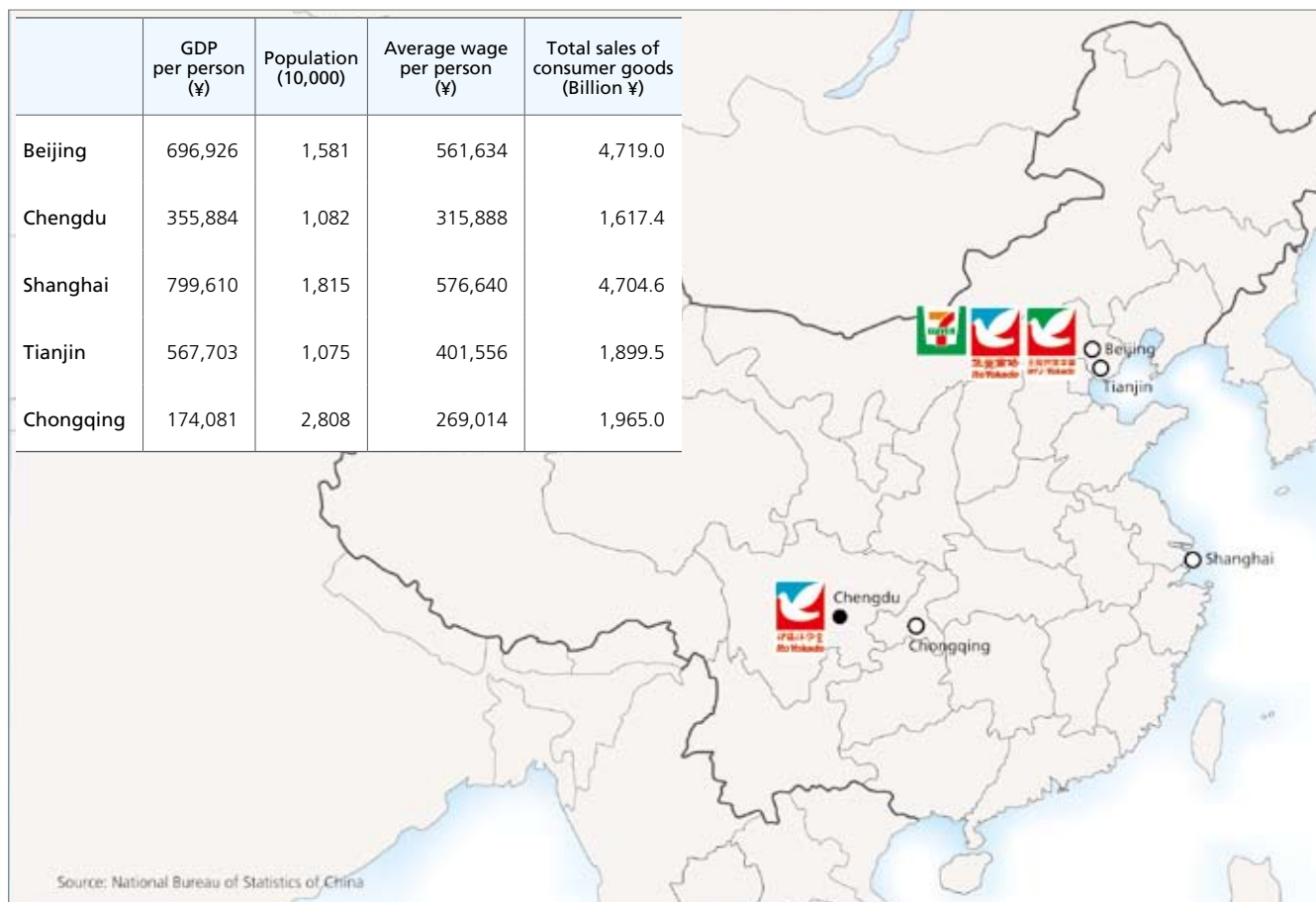
Adhering to our area dominance strategy for opening new stores, we are operating convenience stores, superstores, and supermarkets in China, with a focus on Beijing. Working to enhance synergy effects, we are exchanging information across business formats and starting to develop products jointly.

Company overview

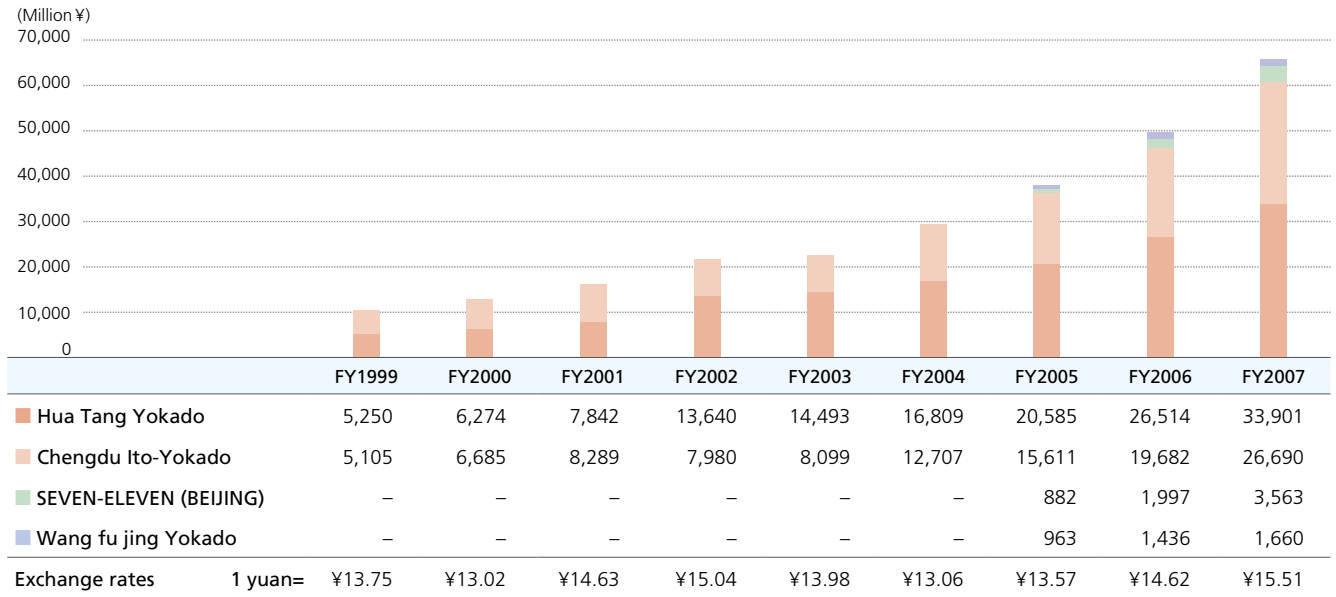
(As of December 31, 2007)

	Business category	Establishment	Opening date of the first store	Capital	Ownership ratio
SEVEN-ELEVEN (BEIJING) CO., LTD.	Convenience Store	Jan. 2004	Apr. 15, 2004	US\$35,000,000	Seven-Eleven Japan Co., Ltd. 65.0% Beijing Wangfujing Department Store Group Co., Ltd. 25.0% China Huafu Trade & Development Group Corp. 10.0%
Hua Tang Yokado Commercial Co., Ltd.	Superstore	Sept. 1997	Apr. 28, 1998	US\$65,000,000	Ito-Yokado Co., Ltd. 75.8% ITOCHU Group 12.3% China Huafu Trade & Development Group Corp. 12.0%
Chengdu Ito-Yokado Co., Ltd.	Superstore	Dec. 1996	Nov. 21, 1997	US\$17,300,000	Ito-Yokado Co., Ltd. 74.0% China Huafu Trade & Development Group Corp. 12.0% ITOCHU Group 9.0% CITYWELL (CHENGDU) DEVELOPMENT CO., LTD. 5.0%
Beijing Wang fu jing Yokado Commercial Co., Ltd.	Supermarket	Nov. 2004	Apr. 30, 2005	US\$12,000,000	Ito-Yokado Co., Ltd. 40.0% Beijing Wangfujing Department Store Group Co., Ltd. 40.0% York-Benimaru Co., Ltd. 20.0%
SEVEN-ELEVEN CHINA Co., Ltd.	Seven-Eleven's master licensor in China	Apr. 2008	–	50,000,000yuan	Seven-Eleven Japan Co., Ltd. 100.0%

China market



Sales trend



Note: Sales exclude value added tax.

Store openings in Beijing



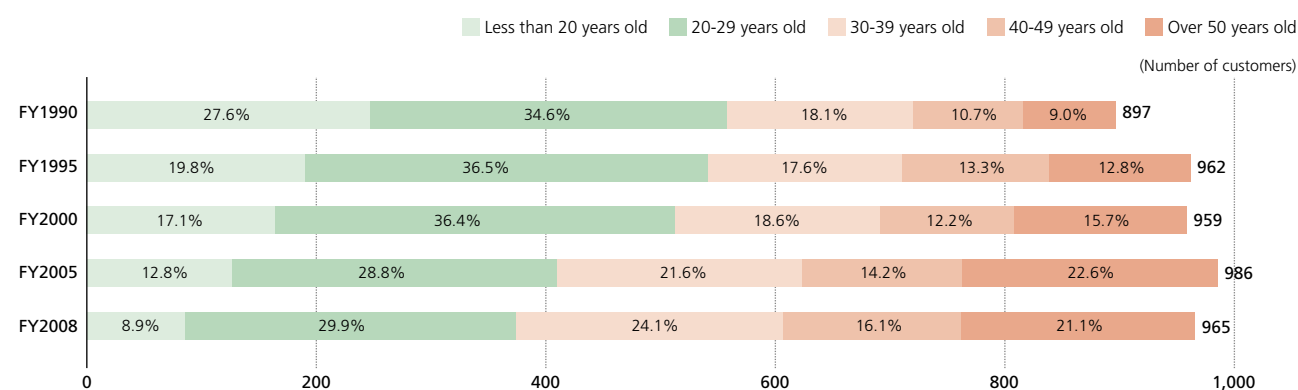
Convenience Store

SEVEN-ELEVEN JAPAN

(Millions of yen)

	FY2004	FY2005	FY2006	FY2007	FY2008
Revenues from operations	445,413	467,233	492,831	516,967	527,667
Operating income	166,899	174,365	177,350	172,737	168,171
Ordinary income	168,892	176,070	178,682	176,763	176,465
Net income	91,475	92,891	118,778	98,402	101,717
Capital expenditures	49,973	55,895	59,560	51,299	51,945
Depreciation and amortization	25,931	26,064	25,769	25,203	24,368
Total assets	894,460	948,488	1,136,999	1,149,977	1,214,689
Net assets	662,221	722,145	883,148	924,642	975,809
Total store sales	2,343,177	2,440,853	2,498,754	2,533,534	2,574,306
Processed food	721,698	754,223	752,124	752,459	767,143
Fast Food	700,610	715,170	732,134	734,724	736,251
Daily food	304,613	317,310	327,336	329,359	332,085
Nonfood	616,255	654,148	687,157	716,990	738,825
Existing stores sales increase	(0.6)%	(0.7)%	(1.6)%	(1.9)%	(1.5)%
Number of customers	0.1%	0.2%	0.0%	(1.7)%	0.4%
Average spending per customer	(0.6)%	(0.8)%	(1.5)%	(0.2)%	(1.9)%
Average daily sales per store (thousand ¥)	647	639	627	610	597
Average daily sales per store of new stores (thousand ¥)	549	541	550	515	517
Merchandise GP margin	30.6%	30.7%	31.0%	30.9%	31.0%
Number of stores	10,303	10,826	11,310	11,735	12,034
Openings	904	904	891	832	816
Closures	291	381	407	407	517
Type A franchised stores	5,237	5,249	5,196	5,122	4,919
Type C franchised stores	4,316	4,799	5,208	5,608	6,311
Provisional management contract stores	285	255	309	365	136
Directly operated stores	465	523	597	640	668
Ratio of stores with liquor license	77.5%	87.3%	86.6%	92.1%	96.7%
Ratio of stores with tobacco license	76.9%	78.6%	80.8%	82.6%	85.0%
Total sales floor space (square meters)	1,153,998	1,236,387	1,318,053	1,389,965	1,446,872
Full-time employees (term-end)	4,665	4,815	4,804	4,963	5,294
Payment acceptance services					
Number of transactions (thousands)	166,994	195,525	226,995	259,127	290,474
Total value of transactions (million ¥)	1,390,474	1,681,775	2,009,554	2,383,539	2,734,184

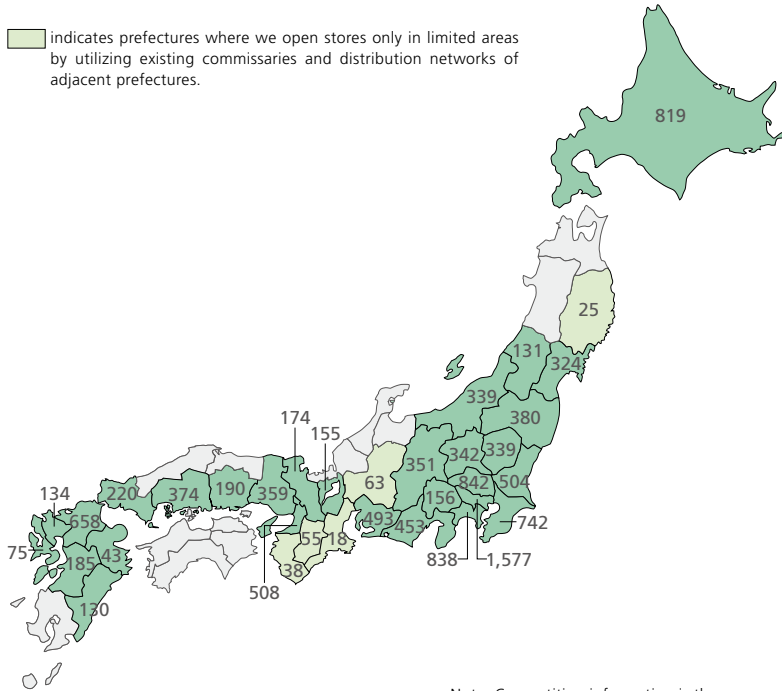
■ Average daily number of customers visits per store



Source : Customer Survey by Seven-Eleven Japan

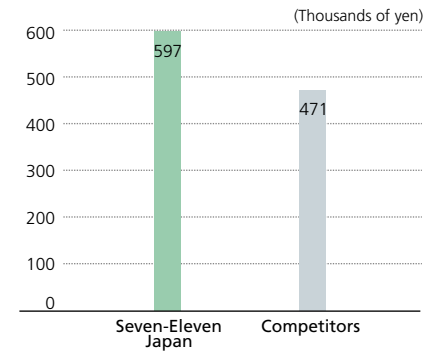
Store expansion

Light green indicates prefectures where we open stores only in limited areas by utilizing existing commissaries and distribution networks of adjacent prefectures.

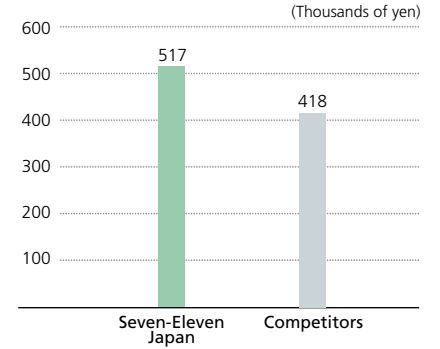


Note: Competition information is the average of three major listed convenience store chains (FY2008)

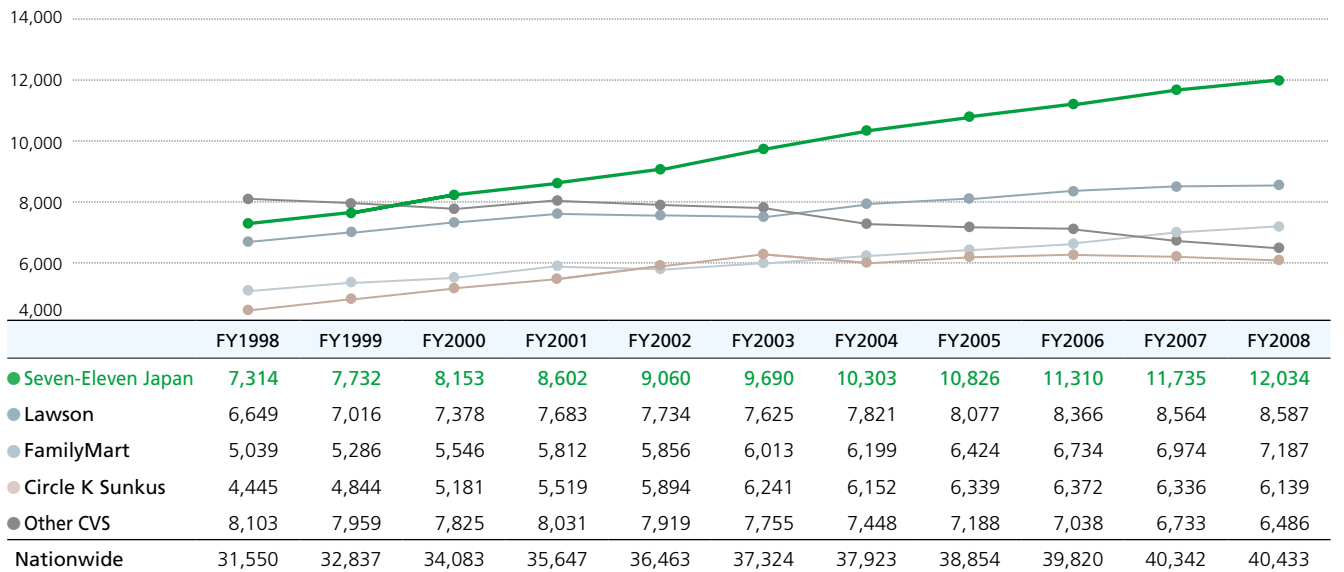
AVERAGE DAILY SALES PER STORE



AVERAGE DAILY SALES PER STORE OF NEW STORES



Number of major convenience store chains



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

Contract type of franchised stores

	Type A (4,919 stores)	Type C (6,311 stores)
Type of ownership		
Land and buildings	Franchisee provides	Seven-Eleven Japan provides
Sales equipment, computers, etc.	Seven-Eleven Japan provides	
Contract period	15 years	
Utilities	Seven-Eleven Japan 80%; Franchisee 20%	
Seven-Eleven charge (royalty)	43% of gross profit	An amount calculated on a sliding scale based on gross profit
	5-year incentives and 15-year contract renewal incentives (reductions in franchise fee) are offered	
Minimum guarantee	19 million yen (Franchisee's annual gross profit)	17 million yen (Franchisee's annual gross profit)

Notes: 1. Number of stores data is current as of February 29, 2008.

2. The information for the Seven-Eleven charge (royalty) and minimum guarantee applies to stores that are open 24 hours a day.

3. Gross profit is equal to net sales minus net cost of goods sold, which is calculated by subtracting costs of inventory loss, bad merchandise and rebates from gross cost of goods sold.

Convenience Store

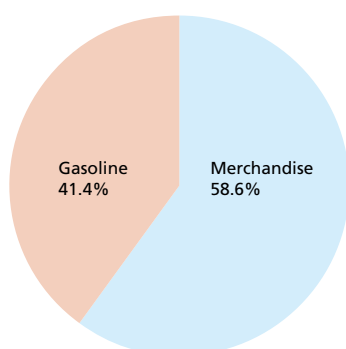
7-ELEVEN, INC.

(Fiscal year-end December, Millions of yen)

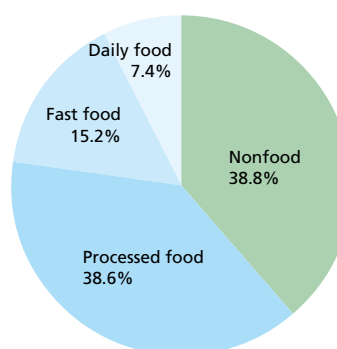
	FY2004	FY2005	FY2006	FY2007
Revenues from operations	1,325,393	1,498,678	1,707,532	1,843,408
Net sales	1,311,852	1,485,408	1,690,613	1,822,737
Merchandise	854,265	916,066	1,008,818	1,068,453
Gasoline	457,586	569,342	681,795	754,283
Operating income	26,530	32,348	32,015	31,726
Net income	7,024	1,823	14,702	17,289
Capital expenditures	–	40,650	46,288	55,499
Depreciation and amortization	–	38,047	45,560	48,713
Total assets	421,116	650,472	655,233	609,319
Net assets	136,590	288,735	307,357	312,900
Exchange rate (Income statements)	¥108.23	¥110.26	¥116.38	¥117.85
Exchange rate (Balance sheets)	¥104.21	¥118.07	¥119.11	¥114.15
Existing stores sales increase (U.S. Merchandise sales)	5.3%	4.4%	3.1%	3.1%
Average daily sales per store (thousand ¥)	405	434	477	501
Merchandise GP margin	35.7%	35.8%	36.0%	35.9%
Number of stores	5,799	5,829	6,050	6,088
Openings	63	72	302	106
Closures	48	42	81	68
Franchised stores	3,422	3,508	3,828	4,041
Directly operated stores	2,377	2,321	2,222	2,047
Stores with gas station	2,432	2,437	2,436	2,440
Total sales floor space (square meters)	922,300	928,966	967,428	974,970
Full-time employees (term-end)*	22,064	21,361	21,084	19,308

Note: From FY2005, in accordance with change of accounting standard, the assets, liabilities, equity and results of operations of its franchised stores are included in its balance sheets and income statements.
 * The number of employees are for the end of February following each fiscal year.

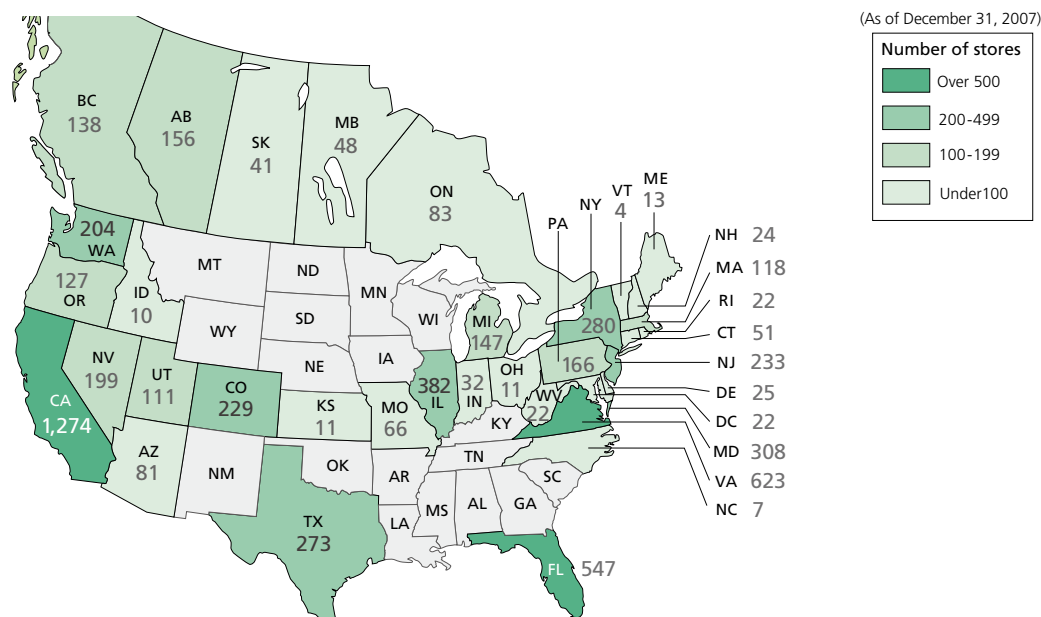
■ Breakdown of net sales



■ Breakdown of merchandise sales by product category



Store expansion



Comparison of Seven-Eleven between Japan and U.S./Canada

	Japan	U.S. / Canada
Store-related		
Number of stores by type ¹	Type A franchised stores 4,919 Type C franchised stores 6,311 Provision management contract stores 136 Directly operated stores 668 (As of February 29, 2008)	Type A franchised stores (Business Conversion Program) 46 Type C franchised stores 3,995 Provision management contract stores – Directly operated stores 2,047 (As of December 31, 2007)
Sales floor space (per store) ²	Approximately 120 square meters	Approximately 150 square meters
Stores with gas stations	17 stores ³	2,440 stores
Products and services		
Sales by product category	Processed foods 29.8% Fast food 28.6% Daily food 12.9% Nonfood 28.7% Gasoline –	Processed foods 22.6% Fast food 8.9% Daily food 4.3% Nonfood 22.8% Gasoline 41.4%
Services	ATM Payment acceptance Express package delivery service Multi-function copier ⁴ <i>nanaco</i> point service	V com ⁵ ATM Sales of Gift Cards Sales of Prepaid mobile phone Point service when using own credit card
Payment method	Cash/ <i>nanaco</i> e-money/credit card ⁶	Cash/credit card/debit card/check
Online shopping	Pick up goods at store and avoid mailing costs and service fees	–
Number of items per store	Approximately 2,500 items	Approximately 2,300 items
Accounting standard		
Components of revenues from operations	Net sales of directly operated stores and franchise charge from franchised stores	Net sales of directly operated stores and franchised stores

*1 For Type A, franchisees provide store lands and buildings. For Type C, franchisor provides lands and buildings

*2 Most common size of stores

*3 Seven-Eleven Japan's stores with gas stations are joint operations opened in partnership with Exxon Mobile

*4 Copy, fax, printing and ticket sales

*5 Multi-function financial terminal with capabilities of ATM, check cashing and money order issuance

*6 The only credit payments allowed are those of QUICPay, a post-paid type of e-money.

Superstore

ITO-YOKADO

(Millions of yen)

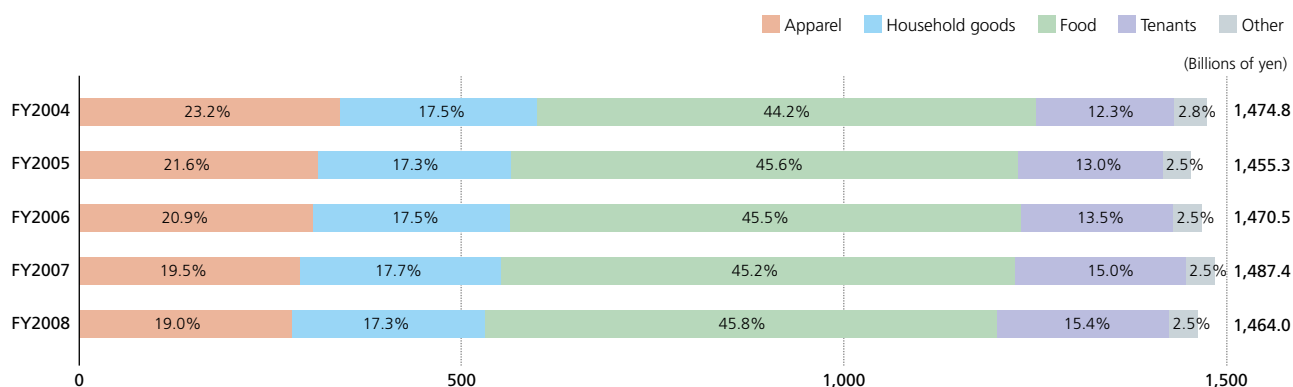
	FY2004	FY2005	FY2006	FY2007	FY2008
Revenues from operations	1,493,962	1,473,583	1,493,605	1,511,530	1,489,380
Net sales	1,474,808	1,455,358	1,470,523	1,487,480	1,464,094
Apparel	342,364	314,658	307,314	290,560	278,168
Household goods	257,376	251,918	257,466	263,995	253,609
Food	652,516	663,184	669,372	672,256	670,532
Merchandise sales	1,252,257	1,229,760	1,234,154	1,226,812	1,202,310
Tenants	180,970	188,914	198,928	222,999	225,619
Other	41,579	36,683	37,440	37,668	36,164
Operating income	24,103	8,800	12,072	18,322	17,126
Ordinary income	42,317	27,081	30,900	20,982	19,341
Net income	28,695	17,509	51,322	13,356	11,088
Capital expenditures	48,215	55,055	49,821	38,023	41,200
Depreciation and amortization	20,540	19,135	17,732	18,188	16,694
Total assets	1,078,299	1,076,957	1,105,752	993,602	891,248
Net assets	748,177	752,003	790,055	633,247	631,133
Existing stores sales increase	(3.0)%	(4.0)%	(2.0)%	(1.0)%	(2.0)%
Number of customers	(2.0)%	(1.0)%	(4.0)%	(2.0)%	(2.0)%
Average spending per customer	(1.0)%	(3.0)%	2.0%	1.0%	0.0%
Merchandise GP margin	31.6%	31.0%	30.9%	30.3%	29.9%
Number of stores	177	181	178	174	176
Openings	5	8	5	3	3
Closures	5	4	8	7	1
Total sales floor space (square meters)	2,233,917	2,349,761	2,478,305	2,533,699	2,573,670
Directly managed sales floor space (square meters)	1,678,648	1,743,533	1,764,519	1,733,405	1,750,605
Sales per square meter (thousand ¥) ^{*1}	754	716	700	695	688
Full-time employees (term-end)	13,338	12,783	11,047	10,707	10,251
Part-time employees ^{*2}	34,064	35,347	34,511	33,592	32,762
Ratio of part-time employees	71.3%	73.1%	73.2%	75.6%	76.2%
Sales per employee (thousand ¥) ^{*3}	26,221	25,447	26,183	27,627	27,979

*1 Sales per square meter = Merchandise sales ÷ Weighted average floor space

*2 Part-time employees are counted by adjusting their working hours to an 8-hour working day.

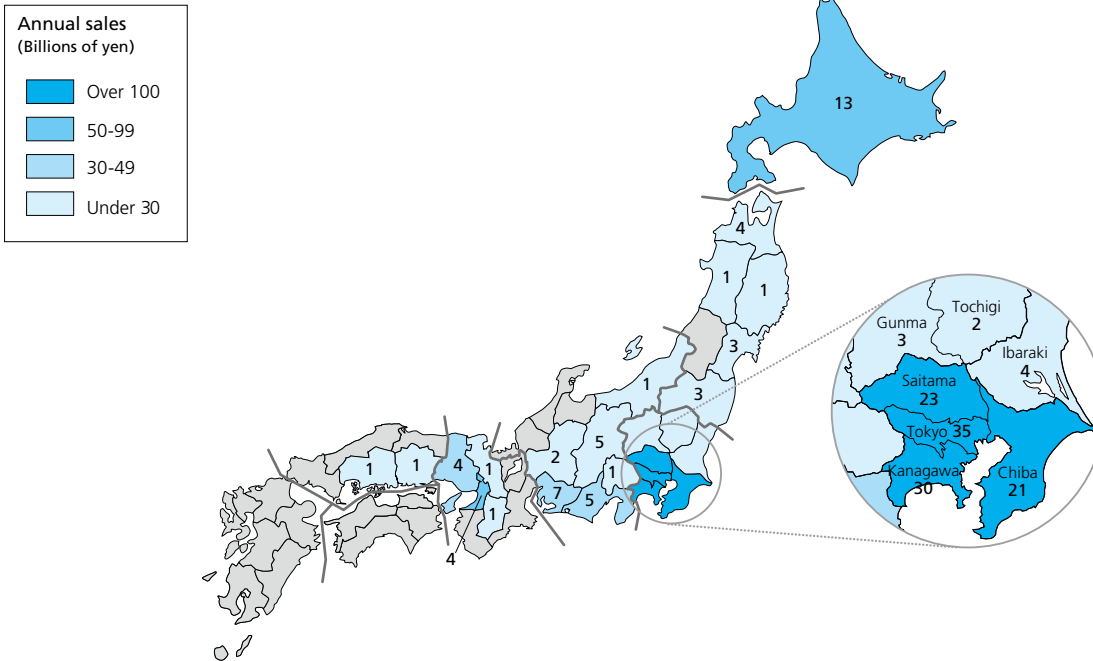
*3 Sales per employee = Merchandise sales ÷ Average number of employees (including part-time employees)

■ Breakdown of sales by product category



■ Store expansion

(As of February 29, 2008)



SALES BREAKDOWN BY REGION FOR FY2008

Region	Sales (Billion ¥)	Composition (%)	Number of stores
Hokkaido	82.4	5.6	13
Tohoku	72.0	4.9	12
Kanto	1,046.9	71.5	118
Chubu	131.7	9.0	21
Kinki	112.4	7.7	10
Chugoku	18.7	1.3	2
Total	1,464.1	-	176

CLASSIFICATION BY SALES FLOOR SPACE AND STORE AGE

Sales Floor Space	Number of stores	Composition (%)	Store Age	Number of stores	Composition (%)
13,000 sq.—	42	23.9	30 years —	37	21.0
10,000 sq.—	53	30.1	20 years —	44	25.0
8,000 sq.—	26	14.8	10 years —	41	23.3
5,000 sq.—	34	19.3	5 years —	30	17.0
Under 5,000 sq.	21	11.9	1 year —	21	11.9
			Under 1 year	3	1.7

■ Store formats



Mall-type shopping centers

Opened in April 2005, Ario Soga was our first mall-type shopping center. The network had grown to six as of February 29, 2008. With Ito-Yokado as the anchor tenant, the shopping malls are designed to draw customers in a wide range of catchment areas and attract from 100 to 200 tenants each.



Stand-alone formats

Ito-Yokado stores are primarily opened in highly populated urban areas. These stores are composed of 70-80 percent directly managed sales floor space in total, with a broad lineup of apparel, household goods and foods.



Neighborhood shopping centers

On March 12, 2007, we opened Ito-Yokado Otaka no Mori in Nagareyama City, Chiba Prefecture. This is the first time that Ito-Yokado has opened a store as a super-market focused primarily on foods.

Department Store

SOGO

(Millions of yen)

	FY2005	FY2006	FY2007	FY2008
Revenues from operations	449,049	474,731	500,714	502,001
Net sales	443,845	468,994	494,349	495,336
Apparel	239,488	247,652	255,720	252,776
Household goods	49,148	53,175	55,390	56,825
Food	91,306	93,691	96,782	98,318
Tenants	58,354	66,756	76,977	77,896
Corporate sales	5,547	7,718	9,478	9,520
Operating income	16,951	17,247	16,754	16,242
Ordinary income	15,802	15,207	15,365	14,710
Net income	18,643	21,219	7,416	6,151
Capital expenditures	11,574	33,587	25,035	7,088
Depreciation and amortization	8,059	8,075	8,731	8,557
Total assets	293,849	299,574	307,767	289,139
Net assets	23,339	44,470	51,891	53,427
Merchandise GP margin	27.3%	27.2%	26.8%	26.4%
Number of stores	11	12	12	12
Total sales floor space (square meters)	441,005	481,785	481,785	481,785
Sales per square meter (thousand ¥)*	1,006	1,016	1,026	1,028
Full-time employees (term-end)	2,817	2,845	2,733	2,695

* Sales per square meter = Net sales ÷ Weighted average floor space

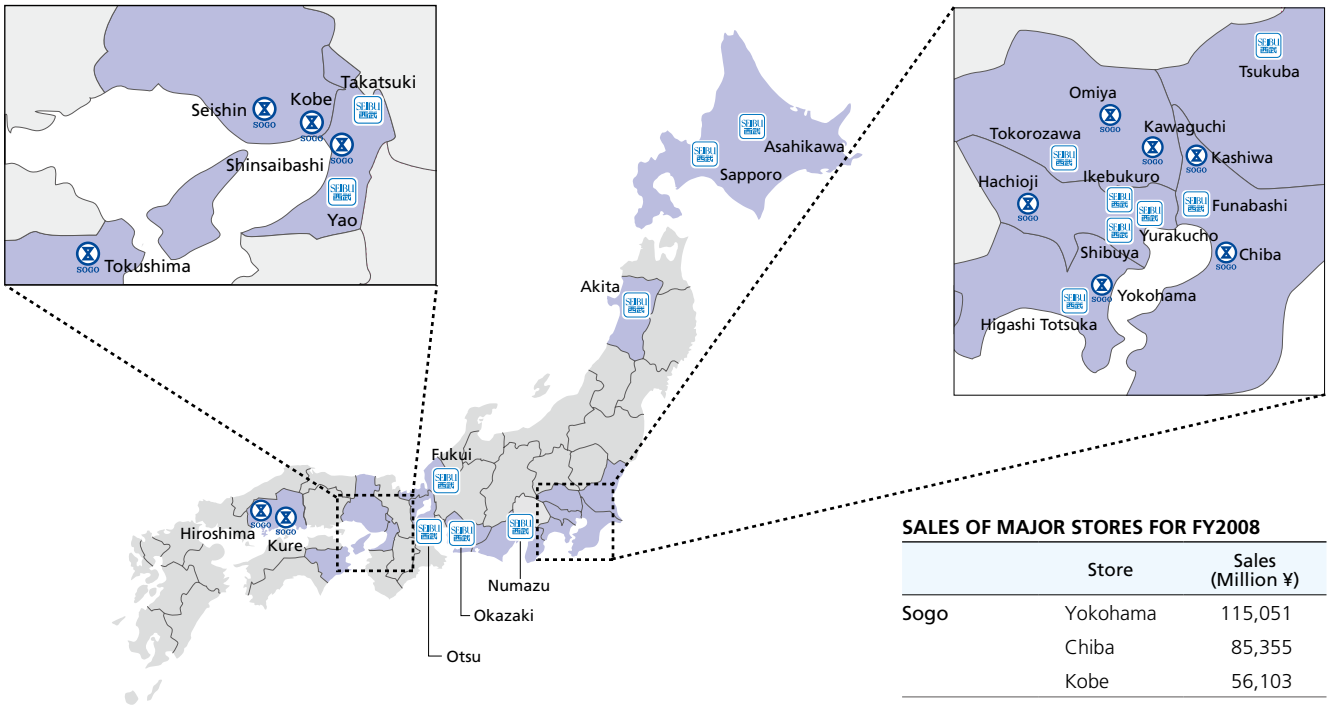
SEIBU

(Millions of yen)

	FY2005	FY2006	FY2007	FY2008
Revenues from operations	480,182	482,938	465,831	468,063
Net sales	472,968	476,144	459,074	461,079
Apparel	237,986	243,638	232,169	229,088
Household goods	38,355	40,187	39,938	41,843
Food	67,014	66,968	66,783	67,561
Tenants	92,139	96,500	94,276	93,545
Corporate sales	37,472	28,848	25,906	29,039
Operating income	19,518	19,933	17,454	15,292
Ordinary income	17,102	16,835	16,811	14,267
Net income	6,034	4,475	2,546	18,486
Capital expenditures* ¹	13,780	10,308	65,638	7,109
Depreciation and amortization	5,229	5,965	5,710	6,363
Total assets	338,879	317,445	336,722	317,272
Net assets	18,736	45,419	36,474	44,721
Merchandise GP margin	28.3%	28.1%	27.8%	27.4%
Number of stores	17	18	16	16
Total sales floor space (square meters)	501,765	512,504	481,149	481,149
Sales per square meter (thousand ¥)* ²	940	929	954	958
Full-time employees (term-end)	2,460	2,451	2,340	2,320

*¹ Capital expenditures for FY2007 include cost of repurchasing securitized real estate used for stores (approximately 49 billion yen)*² Sales per square meter = Net sales ÷ Weighted average floor space

■ Store expansion



SALES OF MAJOR STORES FOR FY2008

	Store	Sales (Million ¥)
Sogo	Yokohama	115,051
	Chiba	85,355
	Kobe	56,103
Seibu	Ikebukuro	145,717
	Shibuya	54,808

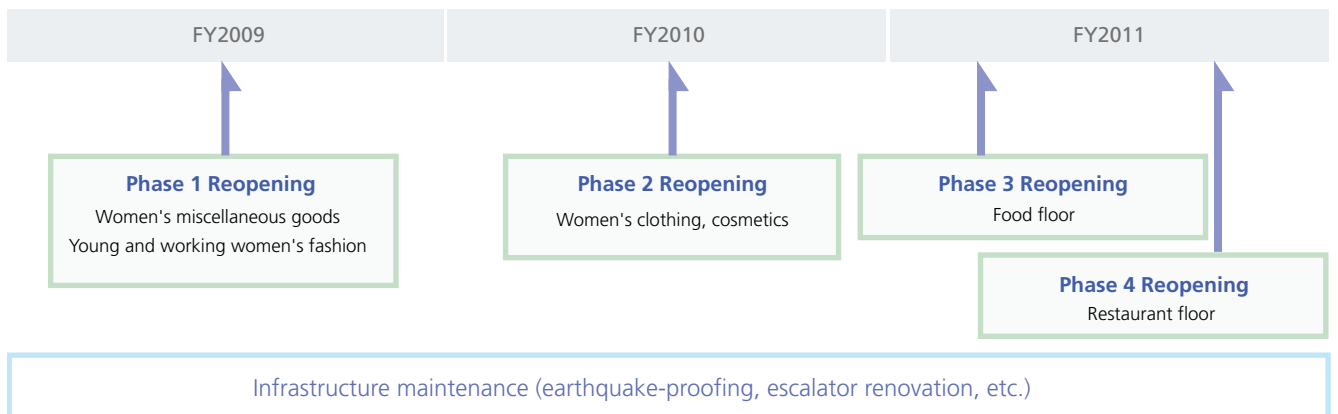
Note: Sales exclude corporate sales

■ Completed and planned store openings and structural improvements

	2001	2002	2003	2004	2005	2006	2007	2008	
	Yokohama (food)	Yokohama (other floors)			Yokohama (restaurants)				Major store
		Kobe	Omiya	Hiroshima	Shinsaibashi (opened)				
		Seishin	Kashiwa		Chiba (annex)	Chiba (main building)		Hachioji	
				Funabashi	Tsukuba	Yurakucho	Shibuya	Ikebukuro	
				Takatsuki	Yao	Akita	Tokorozawa		

■ Full-scale remodeling of the flagship Seibu Ikebukuro

The flagship Seibu Ikebukuro moved into full-scale remodeling operations. Each floor will be renovated in phases, beginning with the women's fashion and miscellaneous goods floors, which benefit significantly from remodeling, and moving on to other fashion, food and restaurant floors. The remodeling will be completed for 2010, the 70th anniversary of Seibu Ikebukuro.



Supermarket

YORK-BENIMARU

(Millions of yen)

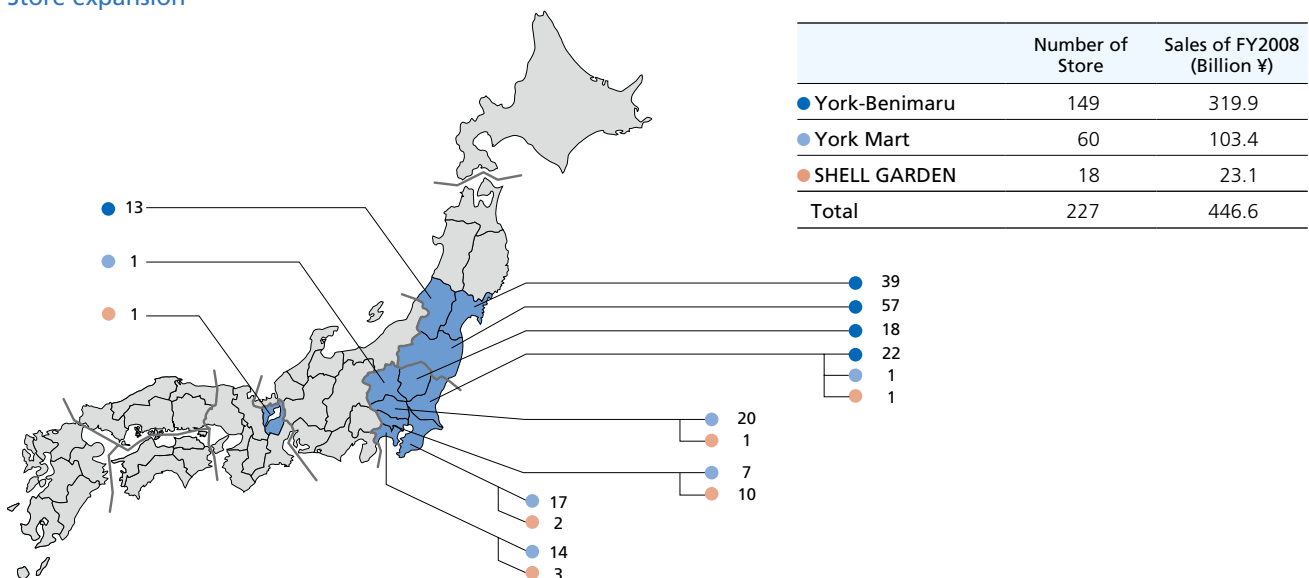
	FY2004	FY2005	FY2006	FY2007	FY2008
Revenues from operations	279,777	287,833	297,445	313,935	330,145
Net sales	272,890	280,595	289,393	304,855	319,931
Fresh food	80,590	83,017	85,526	90,675	97,168
Processed food	53,785	59,978	63,304	68,249	74,273
Daily food	47,345	51,068	52,881	56,507	59,484
Food total	181,722	194,065	201,712	215,433	230,927
Apparel	20,256	19,453	19,872	20,126	19,331
Household goods	18,470	17,779	18,074	18,567	18,728
Merchandise sales	220,449	231,297	239,659	254,126	268,987
Tenants	52,441	49,297	49,734	50,728	50,944
Operating income	11,024	12,024	11,412	10,306	11,227
Ordinary income	11,122	11,835	11,921	11,261	12,525
Net income	6,186	6,545	6,716	4,441	9,150
Capital expenditures	7,409	12,788	10,769	8,811	6,765
Depreciation and amortization	3,619	3,615	3,556	4,186	4,327
Total assets	118,041	123,412	126,977	130,801	145,230
Net assets	96,793	101,654	104,192	106,414	115,785
Existing stores sales increase	(2.5)%	(1.0)%	(2.2)%	(3.6)%	(2.6)%
Number of customers	1.8%	2.7%	(0.7)%	(2.3)%	(1.1)%
Average spending per customer	(4.2)%	(3.7)%	(1.5)%	(1.4)%	(1.5)%
Merchandise GP margin	26.6%	26.7%	26.8%	26.9%	27.1%
Number of stores	104	110	116	128	149
Openings	7	7	8	10	8
Closures	2	1	2	1	3
Total sales floor space (square meters)	345,745	366,104	388,528	448,492	496,784
Directly managed sales floor space (square meters)	268,416	282,299	302,169	335,075	379,073
Sales per square meter (thousand ¥)* ¹	832	841	814	771	746
Full-time employees (term-end)	1,776	1,819	1,882	2,033	2,284
Part-time employees* ²	7,174	7,717	8,407	9,295	9,856
Ratio of part-time employees	79.6%	80.8%	81.4%	81.9%	81.5%
Sales per employee (thousand ¥)* ³	24,475	24,222	23,200	22,399	22,239

*1 Sales per square meter = Merchandise sales ÷ Weighted average floor space

*2 Part-time employees are counted adjusting their working hours to an 8-hour working day.

*3 Sales per employee = Merchandise sales ÷ Average number of employees (including part-time employees)

Store expansion



Specialty Store

LOFT

(Millions of yen)

	FY2004	FY2005	FY2006	FY2007	FY2008
Revenues from operations	50,991	51,469	56,560	61,176	69,852
Net sales	49,670	49,946	54,187	59,746	68,419
Operating income	2,106	741	1,203	1,783	2,674
Ordinary income	2,066	702	1,155	1,740	2,627
Net income	671	354	656	513	1,480
Capital expenditures	407	602	255	595	959
Depreciation and amortization	560	468	483	414	518
Total assets	14,133	13,690	13,512	15,616	17,803
Net assets	4,256	4,263	4,694	4,891	6,034
Existing stores sales increase	(5.2)%	(6.5)%	2.9%	5.1%	6.3%
Merchandise GP margin	39.2%	39.1%	39.3%	39.5%	39.8%
Number of stores	25	28	30	33	44
Openings	3	3	2	4	11
Closures	2	0	0	1	0
Total sales floor space (square meters)	61,098	67,008	68,740	69,706	83,448
Sales per square meter (thousands ¥)*1	860	789	789	828	870
Full-time employees (term-end)	424	412	585	670	757
Part-time employees*2	1,620	1,708	1,607	1,671	1,944
Sales per employee (thousands ¥)*3	23,380	22,344	23,015	23,717	24,586



AKACHAN HONPO

(Millions of yen)

	FY2004	FY2005	FY2006	FY2007	FY2008
Net sales	103,155	96,441	89,906	84,537	85,061
Operating income	638	(358)	349	(1,593)	27
Ordinary income	553	(346)	647	(1,604)	395
Net income	175	(1,593)	(722)	(3,208)	(2,950)
Capital expenditures	760	1,014	389	1,931	2,190
Depreciation and amortization	1,350	1,487	1,407	1,470	1,310
Total assets	48,365	46,913	45,808	42,904	36,637
Net assets	12,922	11,329	10,275	7,097	4,141
Existing stores sales increase	(11.0)%	(12.3)%	(9.8)%	(8.7)%	(3.5)%
Merchandise GP margin	23.6%	26.8%	28.5%	29.3%	30.3%
Number of stores	52	61	61	67	67
Openings	4	5	3	10	9
Closures	2	1	3	4	9
Total sales floor space (square meters)	131,980	153,283	150,135	152,737	138,089
Sales per square meter (thousands ¥)*1	857	662	597	553	566
Full-time employees (term-end)	1,106	1,162	1,135	1,096	960
Part-time employees*2	1,804	1,989	1,904	1,959	1,684
Sales per employee (thousands ¥)*3	34,838	30,597	29,371	27,214	29,964
Membership (thousands)	–	2,036	1,915	1,809	1,654

Note: From FY2008, Akachan Honpo has changed its year-end closing date from the end of December to the end of February. The figures are for the fiscal year ended December except number of stores, number of employees and membership.



*1 Sales per square meter = Merchandise sales ÷ Weighted average floor space

*2 Part-time employees are counted adjusting their working hours to an 8-hour working day.

*3 Sales per employee = Net sales ÷ Average number of employees (including part-time employees)

Food Services

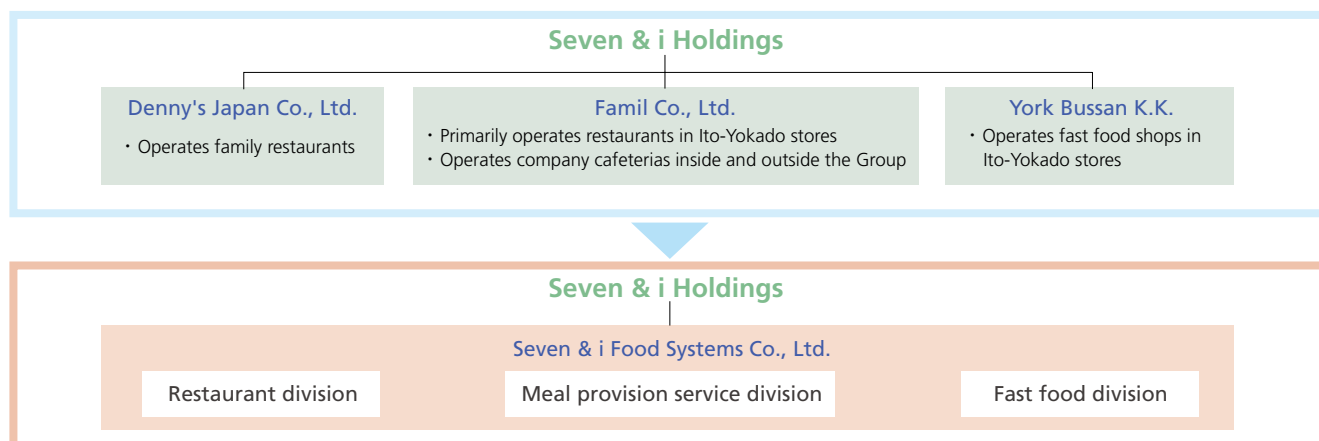
SEVEN & i FOOD SYSTEMS

(Millions of yen)

	FY2006	FY2007	FY2008
Net sales	123,694	121,229	113,472
Denny's Japan	94,473	92,788	–
Famil	18,379	17,892	–
York Bussan	10,841	10,548	–
Restaurant division	–	–	94,392
Meal provision service division	–	–	9,103
Fast food division	–	–	9,977
Total assets	–	–	65,743
Net assets	–	–	54,570
Number of stores	1,063	1,049	1,047
Restaurant	702	695	677
Meal provision service	216	213	225
Fast food	145	141	145
Full-time employees (term-end)	1,918	1,867	1,802

Notes: 1. Denny's Japan, Famil and York Bussan were merged into Seven & i Food Systems in September 2007. Interim sales for the three merged companies are included in FY2008.
 2. Net sales for FY2006 and FY2007 are calculated by simply adding the net sales of the three companies.

Seven & i Food Systems merged the three companies to integrate and reorganize the restaurant, meal provision service and fast food divisions with the aim of enhancing the profitability of the Group's restaurant operations.



Restaurant division

Operates family restaurants as "Denny's" outside the Group, and as "Famil" inside the Group stores.



Meal provision service division

Operates contract food services that provide meals to inside and outside the Group companies and students cafeterias, and offers catering delivery services and medical food services.



Fast food division

Operates fast food shop as "Poppo" inside the Group stores, and small-sized demonstration-type fast food shops inside and outside the Group.

Financial Services

SEVEN BANK

(Fiscal year end March, Millions of yen)

	FY2004	FY2005	FY2006	FY2007	FY2008
Ordinary income	29,117	47,967	64,612	75,427	83,663
Ordinary profits	3,035	10,075	19,409	25,021	24,650
Net income	5,027	10,843	10,590	12,667	13,830
Total assets	259,676	313,305	361,338	532,757	488,137
Net assets	45,662	56,508	67,080	73,849	88,974
Ordinary deposits	122,442	124,776	177,981	171,707	137,162
Time deposits	–	–	3,723	15,955	33,204
Individual deposit accounts (thousands)	163	225	331	466	580
Installation of ATMs	7,804	9,981	11,484	12,088	13,032
Seven-Eleven Japan	7,566	9,712	11,191	11,760	12,330
Ito-Yokado	221	241	258	280	291
York-Benimaru	2	5	10	13	15
York Mart	–	4	8	15	22
Denny's	5	5	3	5	5
Other ATMs in the Group	10	14	14	15	15
Outside the Group	–	–	–	–	354
Correspondent financial institutions	309	469	513	548	554
Banks	27	50	63	80	92
Shinkin bank	240	241	255	263	260
Credit union	–	117	122	124	122
Labor credit association	–	13	13	13	13
JA Bank	–	–	1	1	1
JF Marine Bank	–	–	1	1	1
Securities companies	2	2	5	8	8
Life insurance companies	5	5	6	8	8
Other financial institutions	35	41	47	50	49
ATM-related fee income per transaction	¥191.2	¥178.3	¥181.1	¥177.8	¥165.4
Daily average transactions per ATM	67.5	76.6	88.2	97.8	109.0
Aggregate ATM transactions (millions)	158	257	342	418	498
with banking financial institutions (millions)	134	210	272	333	409
with non-banking (millions)	23	47	69	85	89
Gross profit margin	57.4%	76.2%	72.7%	49.5%	45.0%
Full-time employees (term-end)	145	181	211	266	290

IY CARD SERVICES

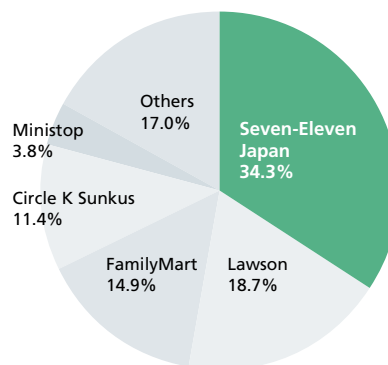
	FY2004	FY2005	FY2006	FY2007	FY2008
Transaction volume (billion ¥)	267.7	331.7	378.3	414.0	660.4
Number of cards issued (10 thousands)					
IY Card (credit card and point card)	231	240	261	280	295
nanaco (electronic money)*	–	–	–	–	551
IY Point Card (cash usage only)	242	400	497	557	608
Full-time employees (term-end)	38	40	50	63	90

* The nanaco figure includes the number of mobile nanaco holders.

Major Group Companies' Market Share in Japan (Nonconsolidated)

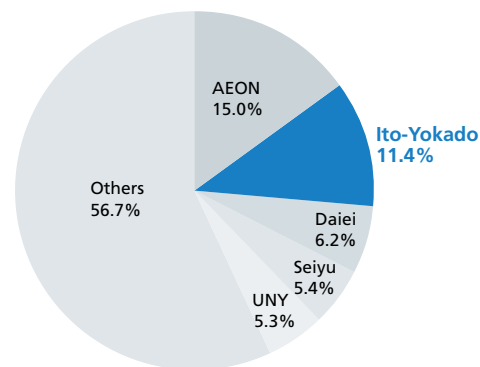
IN THE TOP 5 FOR TOTAL STORE SALES AT CONVENIENCE STORES

	FY2008 (Billion ¥)	Share (%)
Convenience stores total market	7,516.1	100.0
1 Seven-Eleven Japan	2,574.3	34.3
2 Lawson	1,402.7	18.7
3 FamilyMart	1,121.8	14.9
4 Circle K Sunkus	860.0	11.4
5 Ministop	282.2	3.8
Top 5 Combined	6,241.2	83.0



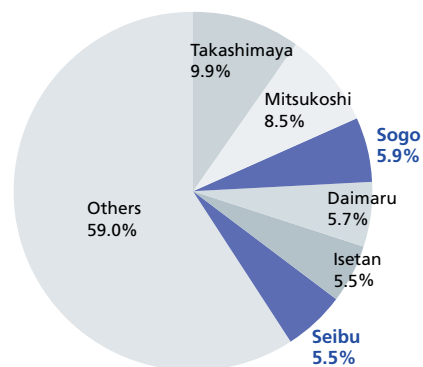
IN THE TOP 5 FOR NET SALES AT SUPERSTORES

	FY2008 (Billion ¥)	Share (%)
Superstores total market	12,826.4	100.0
1 AEON	1,927.2	15.0
2 Ito-Yokado	1,464.0	11.4
3 Daiei	790.4	6.2
4 Seiyu	686.7	5.4
5 UNY	680.3	5.3
Top 5 Combined	5,548.8	43.3
York-Benimaru	319.9	2.5
York Mart	103.4	0.8



IN THE TOP 5 FOR NET SALES AT DEPARTMENT STORES

	FY2008 (Billion ¥)	Share (%)
Department stores total market	8,429.1	100.0
1 Takashimaya	832.3	9.9
2 Mitsukoshi	720.4	8.5
3 Sogo	495.3	5.9
4 Daimaru	482.1	5.7
5 Isetan	462.0	5.5
Top 5 Combined	2,992.3	35.5
Seibu	461.0	5.5

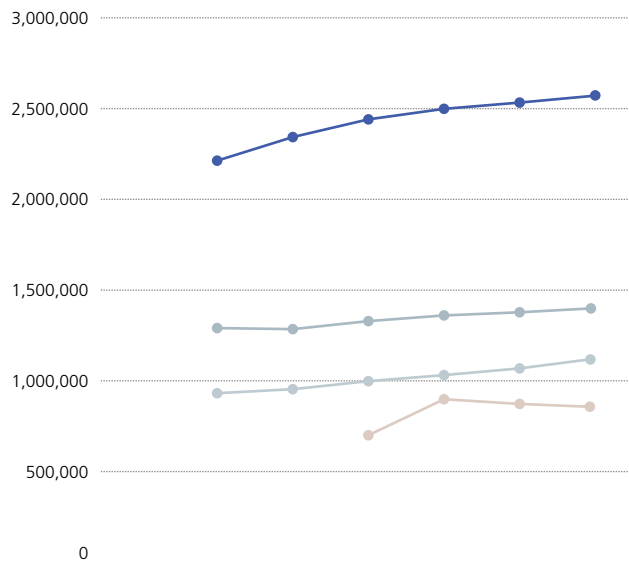


Source: 1. The Current Survey of Commerce (Ministry of Economy, Trade and Industry)
2. Public information from each company

Convenience Stores

TOTAL STORE SALES

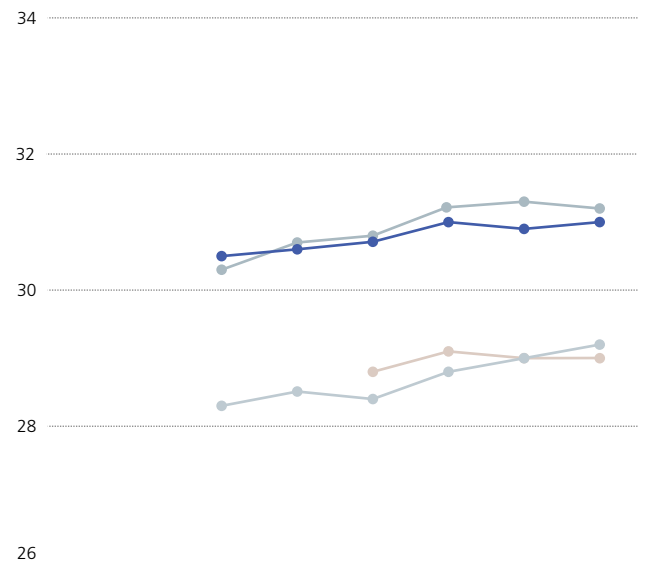
(Millions of yen)



	FY2003	FY2004	FY2005	FY2006	FY2007	FY2008
● Seven-Eleven Japan	2,213,298	2,343,177	2,440,853	2,498,754	2,533,534	2,574,306
● Lawson	1,291,030	1,285,018	1,329,077	1,360,495	1,377,842	1,402,786
● FamilyMart	931,808	954,445	998,491	1,031,736	1,068,821	1,121,838
● Circle K Sunkus	-	-	700,094	898,741	872,844	860,041

GROSS MARGIN

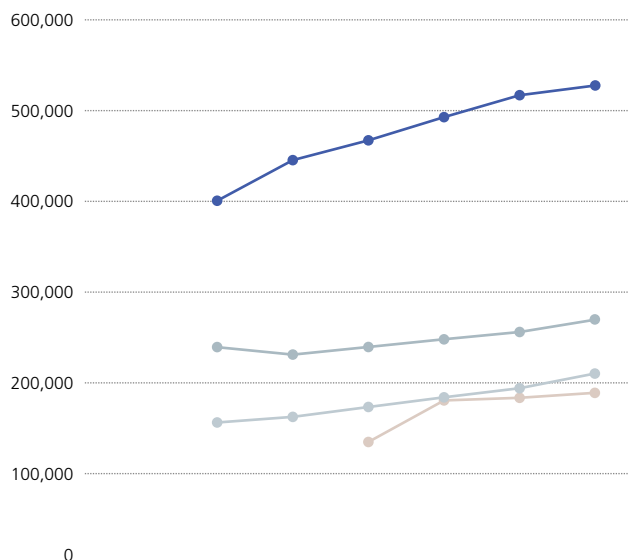
(%)



	FY2003	FY2004	FY2005	FY2006	FY2007	FY2008
● Seven-Eleven Japan	30.5	30.6	30.7	31.0	30.9	31.0
● Lawson	30.3	30.7	30.8	31.2	31.3	31.2
● FamilyMart	28.3	28.5	28.4	28.8	29.0	29.2
● Circle K Sunkus	-	-	28.8	29.1	29.0	29.0

REVENUES FROM OPERATIONS

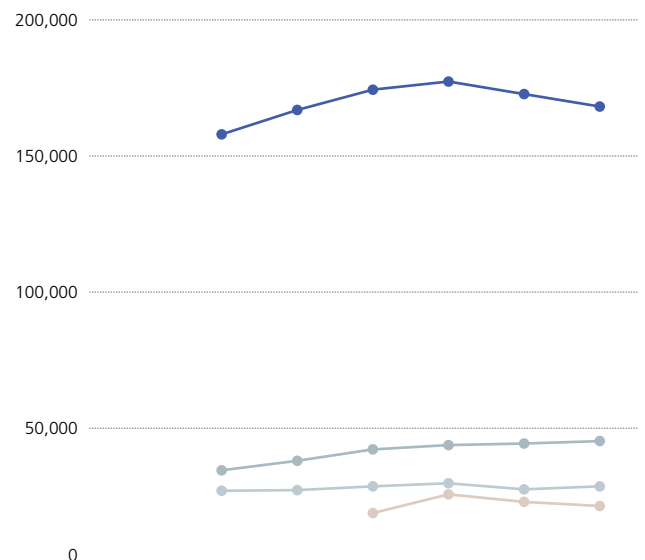
(Millions of yen)



	FY2003	FY2004	FY2005	FY2006	FY2007	FY2008
● Seven-Eleven Japan	400,664	445,413	467,233	492,831	516,967	527,667
● Lawson	239,315	231,099	239,534	248,041	256,023	269,582
● FamilyMart	156,299	162,506	173,370	184,065	194,080	210,351
● Circle K Sunkus	-	-	134,843	180,613	183,521	189,247

OPERATING INCOME

(Millions of yen)



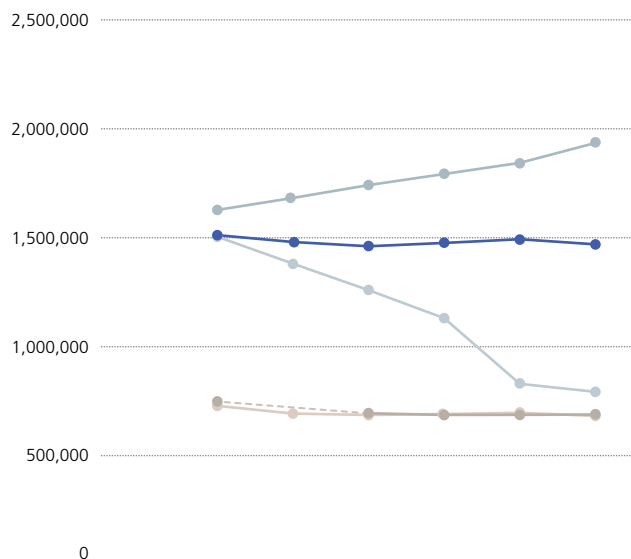
	FY2003	FY2004	FY2005	FY2006	FY2007	FY2008
● Seven-Eleven Japan	157,942	166,899	174,365	177,350	172,737	168,171
● Lawson	34,531	38,039	42,220	43,804	44,373	45,334
● FamilyMart	27,034	27,266	28,646	29,780	27,542	28,639
● Circle K Sunkus	-	-	18,834	25,699	22,935	21,476

Note: Circle K Sunkus Co., Ltd. was formed on September 1, 2004 through the three-way merger of CIRCLE K JAPAN Co., Ltd., C&S Co., Ltd. and SUNKUS & ASSOCIATES INC. The FY2005 figures of Circle K Sunkus exclude those of the first half of C&S and SUNKUS & ASSOCIATES.
Source: Public information from each company

Superstores

NET SALES

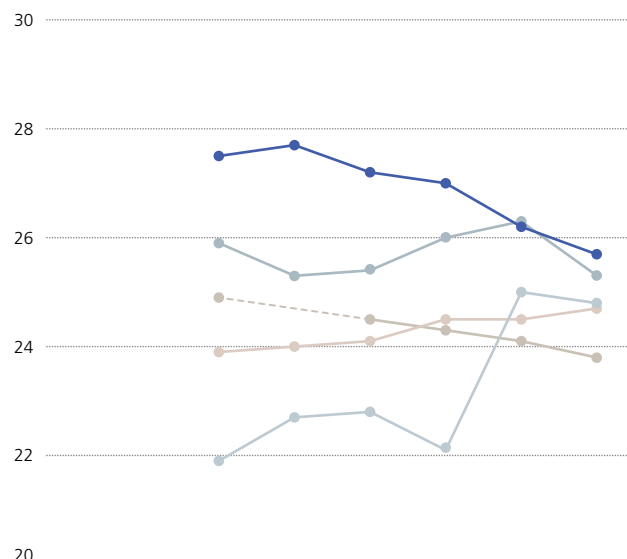
(Millions of yen)



	FY2003	FY2004	FY2005	FY2006	FY2007	FY2008
Ito-Yokado	1,506,131	1,474,808	1,455,358	1,470,523	1,487,480	1,464,094
AEON	1,621,229	1,676,112	1,734,661	1,785,379	1,836,255	1,927,220
Daiei	1,498,848	1,375,838	1,254,893	1,126,833	826,907	790,480
Seiyu	746,128	612,062	692,356	685,035	685,268	686,710
UNY	726,372	691,055	684,688	688,775	694,815	680,334

RATIO OF GROSS PROFIT TO NET SALES

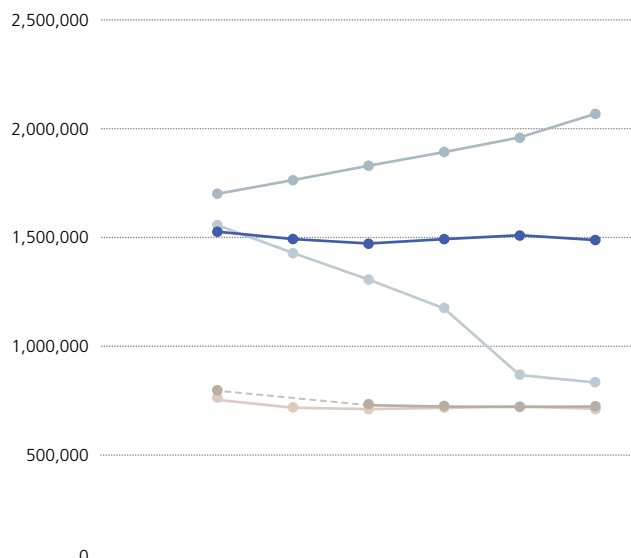
(%)



	FY2003	FY2004	FY2005	FY2006	FY2007	FY2008
Ito-Yokado	27.5	27.7	27.2	27.0	26.2	25.7
AEON	25.9	25.3	25.4	26.0	26.3	25.3
Daiei	21.9	22.7	22.8	22.1	25.0	24.8
Seiyu	24.9	25.0	24.5	24.3	24.1	23.8
UNY	23.9	24.0	24.1	24.5	24.5	24.7

REVENUES FROM OPERATIONS

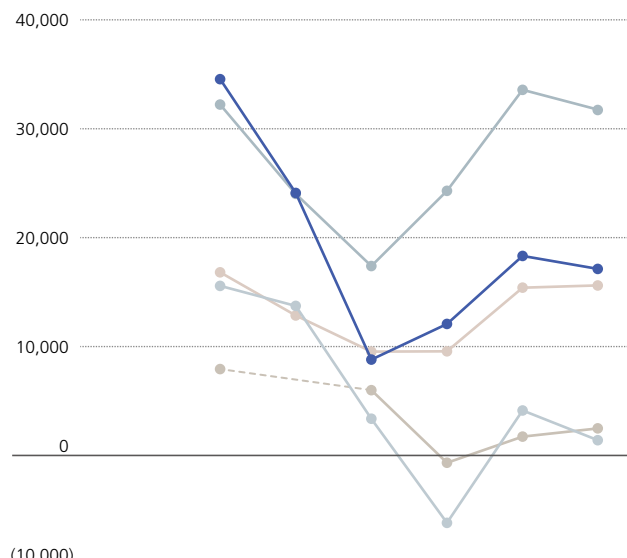
(Millions of yen)



	FY2003	FY2004	FY2005	FY2006	FY2007	FY2008
Ito-Yokado	1,527,688	1,493,962	1,473,583	1,493,605	1,511,530	1,489,380
AEON	1,701,210	1,764,365	1,830,282	1,892,909	1,960,265	2,068,712
Daiei	1,557,563	1,430,256	1,308,149	1,175,468	869,892	836,008
Seiyu	783,604	644,275	731,848	725,497	723,816	725,721
UNY	756,430	720,214	713,826	719,542	726,792	714,885

OPERATING INCOME

(Millions of yen)



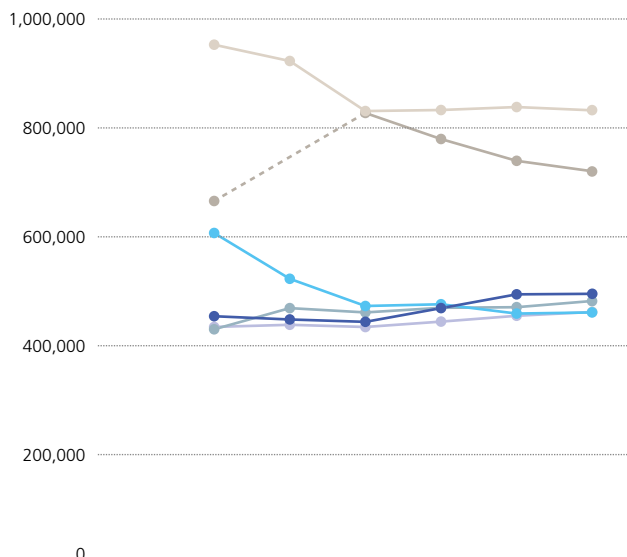
	FY2003	FY2004	FY2005	FY2006	FY2007	FY2008
Ito-Yokado	34,559	24,103	8,800	12,072	18,322	17,126
AEON	32,220	24,017	17,392	24,297	33,576	31,718
Daiei	15,573	13,730	3,361	(6,190)	4,132	1,410
Seiyu	7,930	6,652	5,997	(675)	1,727	2,468
UNY	16,817	12,853	9,533	9,561	15,403	15,586

Note: Figures of Seiyu for FY2004 are for the ten-month period of March-December 2003.
Source: Public information from each company

Department Stores

NET SALES

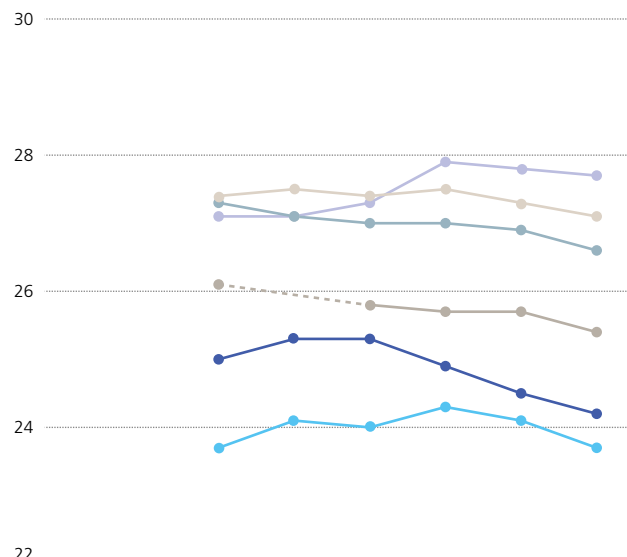
(Millions of yen)



	FY2003	FY2004	FY2005	FY2006	FY2007	FY2008
● Sogo	454,164	448,211	443,845	468,994	494,349	495,336
● Seibu	607,007	522,918	472,968	476,144	459,074	461,079
● Takashimaya	952,824	922,899	831,006	832,917	838,388	832,345
● Mitsukoshi	665,800	-	827,463	779,612	739,588	720,457
● Daimaru	430,195	469,057	461,166	469,642	470,756	482,141
● Isetan	434,524	438,431	434,405	444,263	454,951	462,059

RATIO OF GROSS PROFIT TO NET SALES

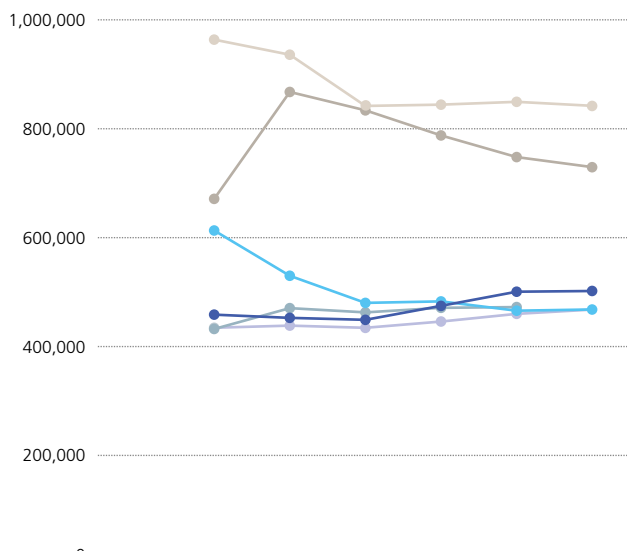
(%)



	FY2003	FY2004	FY2005	FY2006	FY2007	FY2008
● Sogo	25.0	25.3	25.3	24.9	24.5	24.2
● Seibu	23.7	24.1	24.0	24.3	24.1	23.7
● Takashimaya	27.4	27.5	27.4	27.5	27.3	27.1
● Mitsukoshi	26.1	-	25.8	25.7	25.7	25.4
● Daimaru	27.3	27.1	27.0	27.0	26.9	26.6
● Isetan	27.1	27.1	27.3	27.9	27.8	27.7

REVENUES FROM OPERATIONS

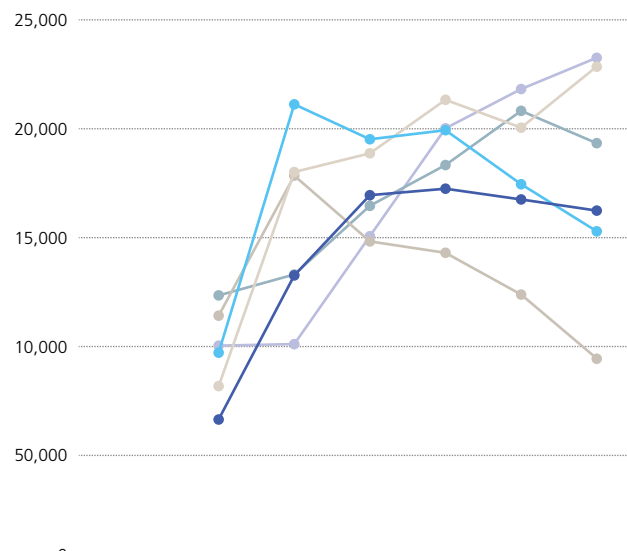
(Millions of yen)



	FY2003	FY2004	FY2005	FY2006	FY2007	FY2008
● Sogo	458,571	452,667	449,049	474,731	500,714	502,001
● Seibu	613,132	529,956	480,182	482,938	465,831	468,063
● Takashimaya	963,694	935,991	841,909	844,290	849,453	843,025
● Mitsukoshi	671,249	867,598	833,870	787,774	747,982	729,396
● Daimaru	432,245	470,514	462,743	471,111	472,450	-
● Isetan	434,524	438,431	434,405	445,920	460,024	467,955

OPERATING INCOME

(Millions of yen)



	FY2003	FY2004	FY2005	FY2006	FY2007	FY2008
● Sogo	6,654	13,265	16,951	17,247	16,754	16,242
● Seibu	9,720	21,122	19,518	19,933	17,454	15,292
● Takashimaya	8,181	18,014	18,872	21,330	20,051	22,856
● Mitsukoshi	11,416	17,846	14,828	14,303	12,388	9,455
● Daimaru	12,347	13,309	16,463	18,334	20,822	19,340
● Isetan	10,041	10,112	15,070	20,019	21,823	23,261

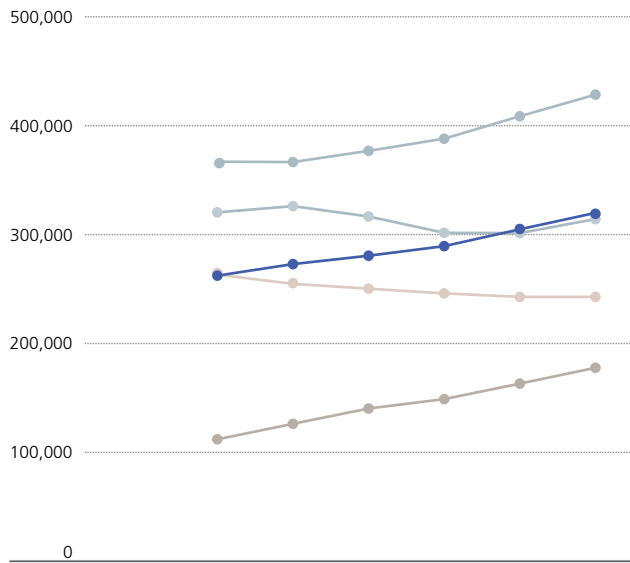
Note: Amounts for operating revenues and operating income of Mitsukoshi, Ltd. for FY2004 show the combined total of the pre-merger six-month results (March2003-August 2003) for Mitsukoshi, Ltd., Nagoya Mitsukoshi, Ltd., Chiba Mitsukoshi, Ltd., Kagoshima Mitsukoshi, Ltd. and Fukuoka Mitsukoshi, Ltd., plus the six-month results (September 2003-February 2004) for Mitsukoshi, Ltd. following the merger of the aforementioned five companies.

Source: Public information from each company

Supermarkets

NET SALES

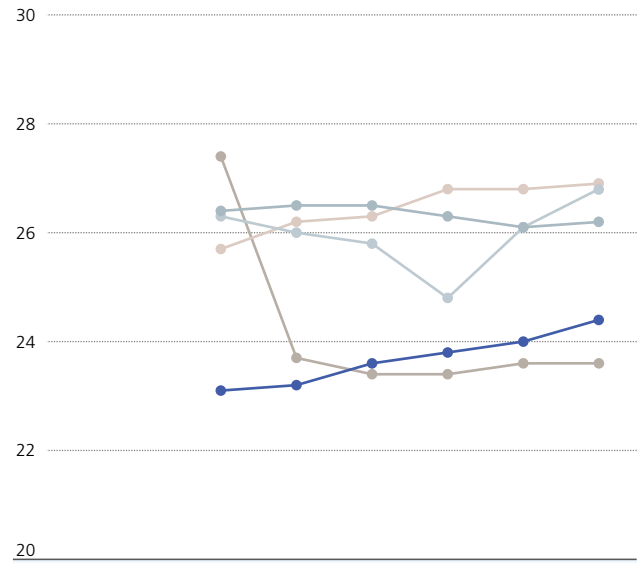
(Millions of yen)



	FY2003	FY2004	FY2005	FY2006	FY2007	FY2008
● York-Benimaru	262,305	272,890	280,595	289,393	304,855	319,931
● LIFE	366,929	366,601	376,893	388,062	408,074	428,503
● Maruetsu	320,390	326,157	316,647	301,620	301,386	314,226
● TOKYU STORE	263,273	254,762	250,356	245,994	242,827	242,797
● YAOKO	111,982	126,223	140,293	148,919	163,143	177,667

RATIO OF GROSS PROFIT TO NET SALES

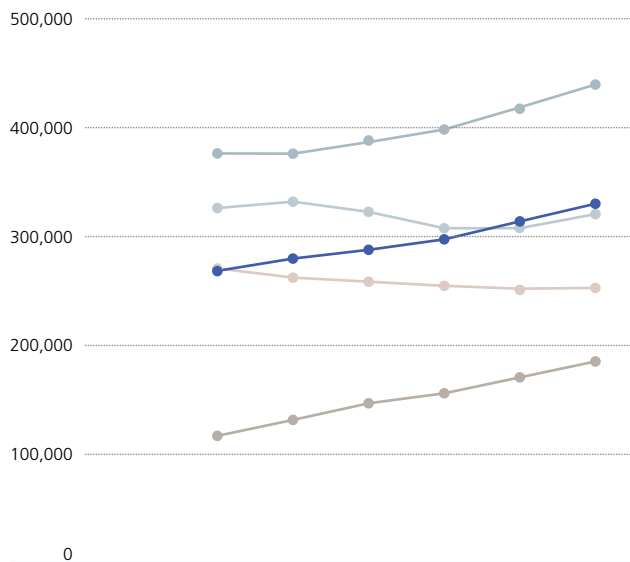
(%)



	FY2003	FY2004	FY2005	FY2006	FY2007	FY2008
● York-Benimaru	23.1	23.2	23.6	23.8	24.0	24.4
● LIFE	26.4	26.5	26.5	26.3	26.1	26.2
● Maruetsu	26.3	26.0	25.8	24.8	26.1	26.8
● TOKYU STORE	25.7	26.2	26.3	26.8	26.8	26.9
● YAOKO	27.4	23.7	23.4	23.4	23.6	23.6

REVENUES FROM OPERATIONS

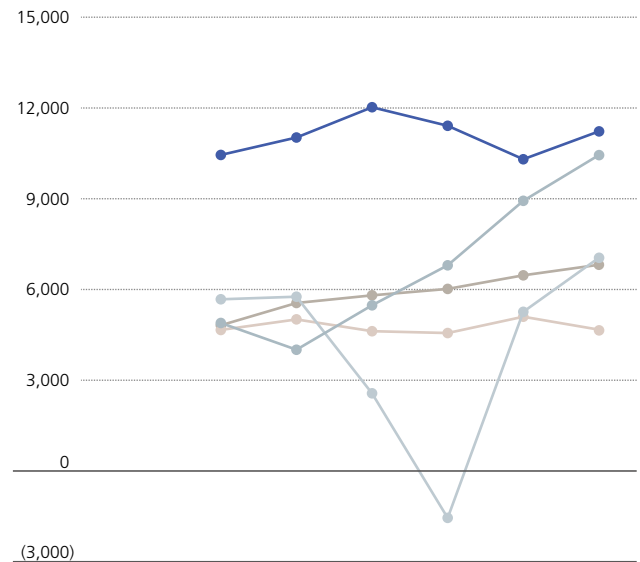
(Millions of yen)



	FY2003	FY2004	FY2005	FY2006	FY2007	FY2008
● York-Benimaru	268,510	279,777	287,833	297,445	313,935	330,145
● LIFE	376,341	376,138	386,732	398,319	418,615	439,606
● Maruetsu	326,202	332,060	322,668	307,660	307,668	320,650
● TOKYU STORE	270,725	262,339	258,536	254,774	252,127	252,847
● YAOKO	116,980	131,611	146,866	156,065	170,694	185,308

OPERATING INCOME

(Millions of yen)



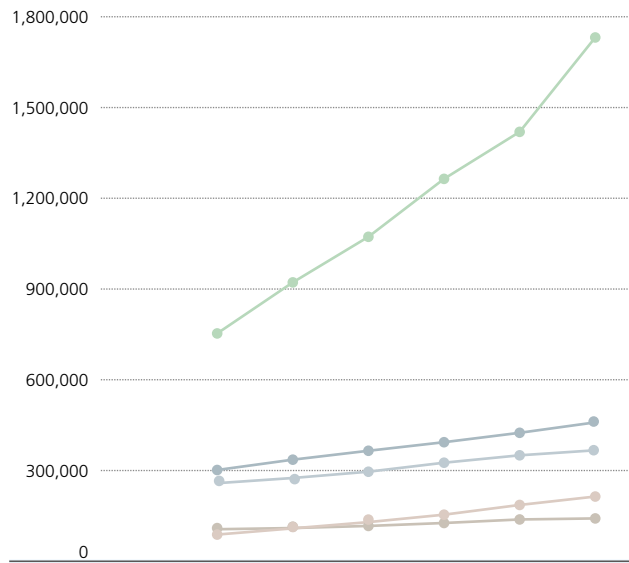
	FY2003	FY2004	FY2005	FY2006	FY2007	FY2008
● York-Benimaru	10,448	11,024	12,024	11,412	10,306	11,227
● LIFE	4,892	4,009	5,478	6,799	8,931	10,437
● Maruetsu	5,675	5,761	2,564	(1,553)	5,262	7,052
● TOKYU STORE	4,663	5,010	4,621	4,560	5,099	4,667
● YAOKO	4,816	5,553	5,806	6,019	6,468	6,818

Source: Public information from each company

Specialty Stores

NET SALES

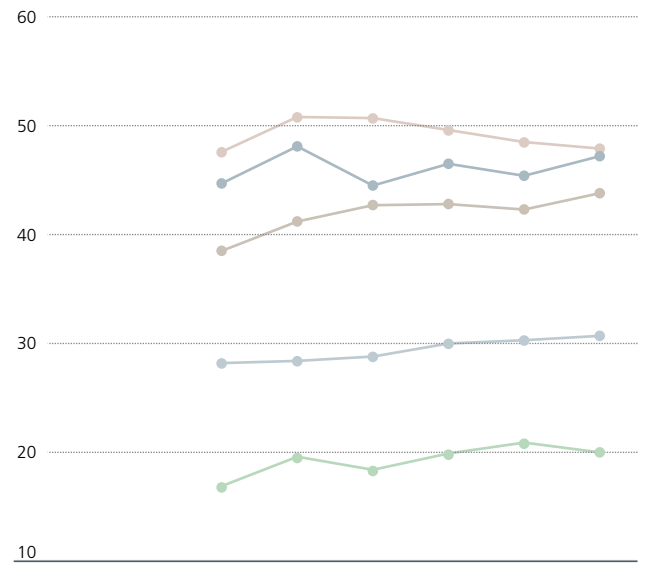
(Millions of yen)



	FY2003	FY2004	FY2005	FY2006	FY2007	FY2008
● Yamada Denki	753,208	921,997	1,072,677	1,264,235	1,419,629	1,731,694
● FAST RETAILING	301,751	335,893	365,305	393,608	424,701	459,200
● Shimamura	258,170	275,283	296,085	325,838	350,324	366,909
● NITORI	88,259	108,777	129,446	154,038	186,176	213,982
● Ryohin Keikaku	105,902	109,844	116,774	126,522	138,221	141,644

RATIO OF GROSS PROFIT TO NET SALES

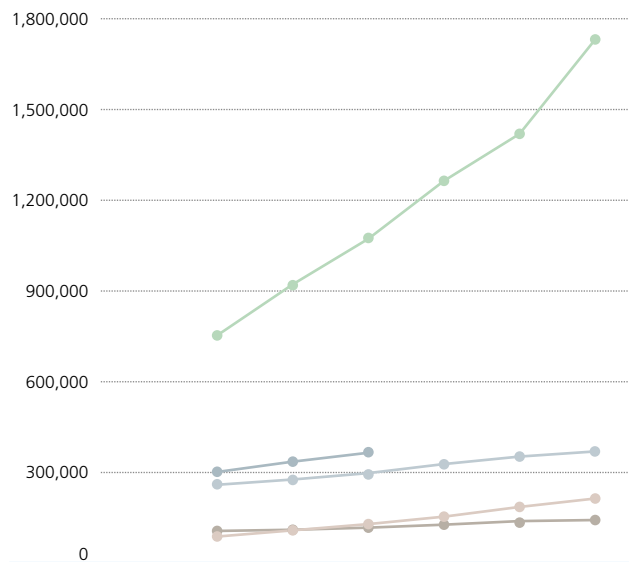
(%)



	FY2003	FY2004	FY2005	FY2006	FY2007	FY2008
● Yamada Denki	16.9	19.6	18.4	19.9	20.9	20.0
● FAST RETAILING	44.7	48.1	44.5	46.5	45.4	47.2
● Shimamura	28.2	28.4	28.8	30.0	30.3	30.7
● NITORI	47.6	50.8	50.7	49.6	48.5	47.9
● Ryohin Keikaku	38.5	41.2	42.7	42.8	42.3	43.8

REVENUES FROM OPERATIONS

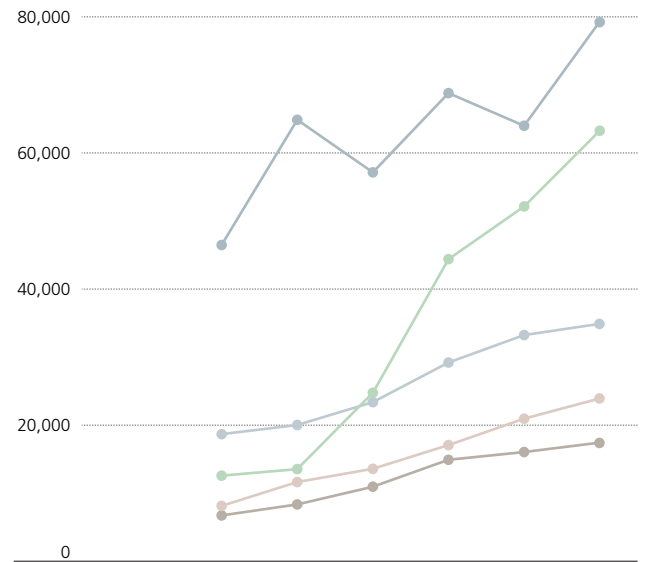
(Millions of yen)



	FY2003	FY2004	FY2005	FY2006	FY2007	FY2008
● Yamada Denki	753,208	921,997	1,072,677	1,264,235	1,419,629	1,731,694
● FAST RETAILING	301,751	335,893	365,305	-	-	-
● Shimamura	259,402	276,878	297,952	327,939	352,684	369,649
● NITORI	88,259	108,777	129,446	154,038	186,176	213,982
● Ryohin Keikaku	106,805	110,702	117,663	127,495	139,350	142,845

OPERATING INCOME

(Millions of yen)



	FY2003	FY2004	FY2005	FY2006	FY2007	FY2008
● Yamada Denki	12,585	13,547	24,774	44,395	52,144	63,272
● FAST RETAILING	46,493	64,874	57,153	68,800	64,000	79,200
● Shimamura	18,686	20,033	23,388	29,213	33,249	34,891
● NITORI	8,148	11,653	13,597	17,082	20,961	23,911
● Ryohin Keikaku	6,745	8,361	10,963	14,923	16,057	17,422

Note: Figures for FAST RETAILING Co., Ltd. for FY2008 are forecasts announced in April 2008.
Source: Public information from each company

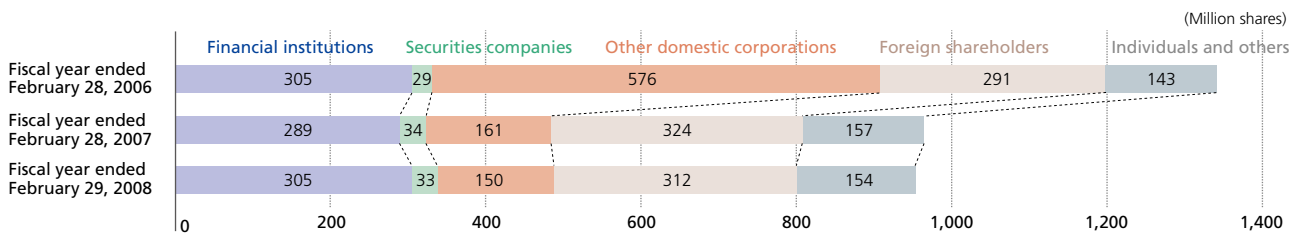
Stock Information

■ Major shareholders

(As of February 29, 2008)

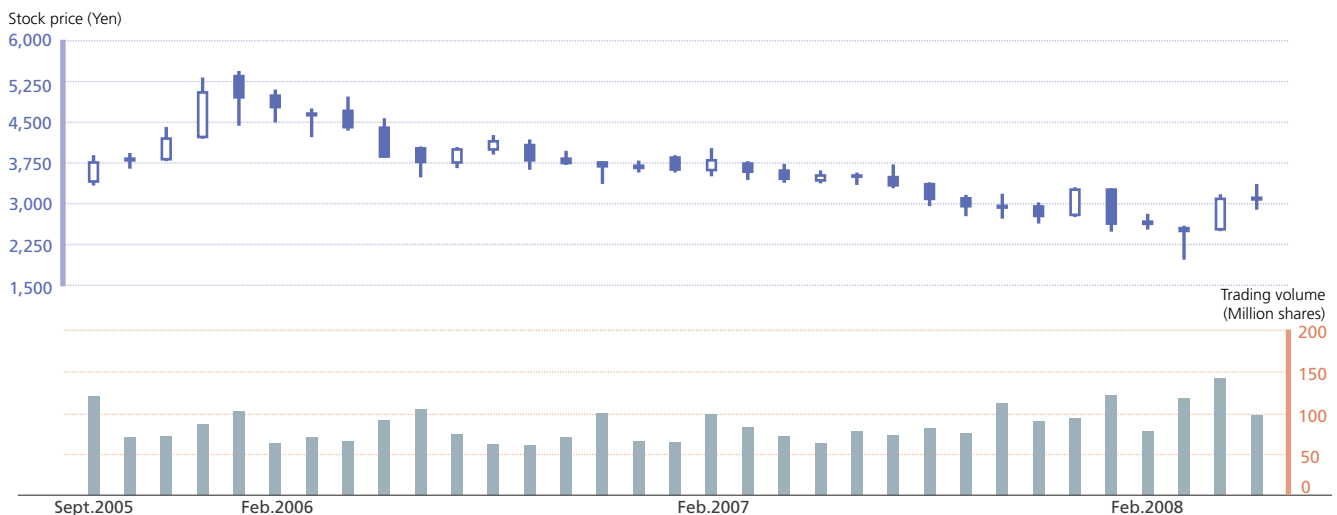
	Number of shares held (thousand shares)	Percentage of shares held
Ito-Kogyo Yugen Kaisha	66,954	7.0%
The Master Trust Bank of Japan, Ltd. (Trust account)	48,768	5.1%
Japan Trustee Services Bank, Ltd. (Trust account)	41,734	4.4%
The Dai-ichi Mutual Life Insurance Company	27,577	2.9%
Nomura Securities Co., Ltd.	23,469	2.5%
Masatoshi Ito	21,568	2.3%
Nippon Life Insurance Company	20,664	2.2%
Japan Trustee Services Bank, Ltd. (Trust account 4)	17,465	1.8%
MITSUI & CO., LTD.	16,222	1.7%
Mellon Bank, N.A. Treaty Clients Omnibus	14,275	1.5%

■ Classification of shareholders



Note: The number of "Other domestic corporations" shares in the fiscal year ended February 28, 2006 includes 427 million shares which had previously been owned by former Ito-Yokado Co., Ltd. These shares were cancelled in July 2006.

■ Stock price chart (monthly)



	FY2006	FY2007	FY2008	March 2008	April 2008	May 2008
Stock price						
Opening	¥3,410	¥4,630	¥3,740	¥2,550	¥2,530	¥3,110
High	¥5,420	¥4,950	¥3,760	¥2,570	¥3,150	¥3,340
Low	¥3,360	¥3,390	¥2,510	¥1,994	¥2,520	¥2,915
Closing	¥4,780	¥3,800	¥2,630	¥2,500	¥3,090	¥3,080
Trading volume (thousand shares)	518,891	937,170	1,029,289	119,225	143,333	98,758

■ Investment index (consolidated)

	FY2006	FY2007	FY2008
Number of shares outstanding (excluding treasury stock)			
Average	870,127,116	933,675,491	953,496,897
End of period	904,774,606	953,508,603	953,487,255
Net income per share	¥100.83	¥142.90	¥137.03
Cash flow per share	¥213.46	¥285.02	¥287.68
Net assets per share	¥1,772.25	¥1,999.77	¥2,081.85
Price earnings ratio (times)	47.4	26.6	19.2
Price cash flow ratio (times)	22.4	13.3	9.1
Price book value ratio (times)	2.7	1.9	1.3
Dividends per share	¥28.5	¥52.0	¥54.0
Dividends payout ratio	–	36.4%	39.4%
Ratio of total amount of dividends to net assets	–	2.8%	2.6%

CORPORATE OVERVIEW

(As of February 29, 2008)

Company name: Seven & i Holdings Co., Ltd.
Date of establishment: September 1, 2005
Head office: 8-8, Nibancho, Chiyoda-ku, Tokyo 102-8452, Japan
Chairman and CEO: Toshifumi Suzuki
President and COO: Noritoshi Murata
Paid-in capital: 50,000 million yen
Number of employees: 373
55,815 (On a consolidated basis)

■ Brief history of the Group

Apr. 1958: Yokado Co., Ltd. was incorporated
Mar. 1971: Yokado changed its name into Ito-Yokado Co., Ltd.
Sept. 1972: Ito-Yokado was listed on the second section of Tokyo Stock Exchange (TSE)
Mar. 1973: Business tie-up entered into with York-Benimaru Co., Ltd.
July 1973: Ito-Yokado moved to the first section of TSE
Nov. 1973: York-Seven Co., Ltd. was established under a license agreement with the largest U.S. convenience store chain operator, The Southland Corporation
Nov. 1973: Denny's Japan Co., Ltd. was established under a license agreement with the US-based restaurant chain, Denny's, Inc.
July 1977: Ito-Yokado registered American Depositary Receipts (ADRs) on NASDAQ
Jan. 1978: York-Seven changed its name into Seven-Eleven Japan Co., Ltd.
Aug. 1981: Seven-Eleven Japan was listed on the first section of TSE
Aug. 1984: York-Benimaru was listed on the first section of TSE
July 1986: Ito-Yokado's ADRs were transferred from NASDAQ small-cap listing to the National Market System
Aug. 1986: Denny's Japan was listed on the first section of TSE
Mar. 1991: Through IYG Holding Company, Seven-Eleven Japan and Ito-Yokado acquired major interest of The Southland Corporation
Dec. 1996: Chengdu Ito-Yokado Co., Ltd. was established in Chengdu, Sichuan, China
Sept. 1997: Hua Tang Yokado Commercial Co., Ltd. was established in Beijing, China
Apr. 1999: The Southland Corporation changed its name into 7-Eleven, Inc.
July 2000: 7-Eleven, Inc. shares were transferred from NASDAQ to NYSE
Apr. 2001: IYBank Co., Ltd. was established
Oct. 2001: IY Card Service Co., Ltd. was established
May 2003: Ito-Yokado abolished the registration of ADRs on NASDAQ
Jan. 2004: SEVEN-ELEVEN (BEIJING) CO., LTD. was established in Beijing, China
Nov. 2004: Beijing Wang fu jing Yokado Commercial Co., Ltd. was established in Beijing, China
Sept. 2005: Seven & i Holdings Co., Ltd. was established and listed on the first section of TSE
Oct. 2005: IYBank changed its name into Seven Bank, Ltd.
Nov. 2005: 7-Eleven, Inc. converted into a wholly owned subsidiary
June 2006: Millennium Retailing, Inc. became a wholly owned subsidiary through a stock-for-stock exchange
July 2006: Cancelled 427,509,908 shares of treasury stock
Sept. 2006: York-Benimaru became a wholly owned subsidiary through a stock-for-stock exchange
Jan. 2007: Seven & i Food Systems Co., Ltd. was established
Mar. 2007: THE LOFT CO., LTD. became a subsidiary
June 2007: Seven Cash Works Co., Ltd. was established
July 2007: Akachan Honpo Co., Ltd. became a subsidiary
Sept. 2007: Seven & i Food Systems merged Denny's Japan, Famil Co., Ltd. and York Bussan K. K.
Nov. 2007: FUJIKOSHI CO., LTD. became a subsidiary
Jan. 2008: SEVEN & i FINANCIAL GROUP CO., LTD. was established
Feb. 2008: Seven Bank was listed on JASDAQ
Feb. 2008: Cancelled 11,329,000 shares of treasury stock
Apr. 2008: SEVEN-ELEVEN CHINA Co., Ltd. was established



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<http://www.7andi.com>



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