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Key Messages in This Chapter

FY2021

Qualitative and Quantitative Data on Seven & i Group's Finances

Revenues from Operations	Net income attributable to owners of parent	Free cash flows	ROE
5,766.7 <small>(Billions of yen)</small>	179.2 <small>(Billions of yen)</small>	145.8 <small>(Billions of yen)</small>	6.8%

Financial Soundness of the Seven & i Group

Debt/EBITDA ratio	Owners' equity ratio	Rating information(As of July 1, 2021) * Seven & i Holdings	
2.8times	38.4%	S&P : A	Moody's : A2
		R&I : AA-	JCR : AA

Consolidated Financial Summary

	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	(Millions of yen) FY2021	(Thousands of US Dollars) FY2021
Revenues from operations	5,119,739	4,786,344	4,991,642	5,631,820	6,038,948	6,045,704	5,835,689	6,037,815	6,791,215	6,644,359	5,766,718	54,403,000
Operating income	243,346	292,060	295,685	339,659	343,331	352,320	364,573	391,657	411,596	424,266	366,329	3,455,933
EBITDA ¹	391,913	444,969	465,782	505,662	534,464	569,064	588,214	621,445	655,915	674,317	626,874	5,913,905
Ordinary income	242,907	293,171	295,836	339,083	341,484	350,165	364,405	390,746	406,523	417,872	357,364	3,371,358
Net income attributable to owners of parent	111,961	129,837	138,064	175,691	172,979	160,930	96,750	181,150	203,004	218,185	179,262	1,691,150
Total assets	3,732,111	3,889,358	4,262,397	4,811,380	5,234,705	5,441,691	5,508,888	5,494,630	5,795,065	5,996,887	6,946,832	65,536,150
Net assets	1,776,512	1,860,954	1,994,740	2,221,557	2,430,917	2,505,182	2,475,806	2,575,342	2,672,486	2,757,222	2,831,335	26,710,707
Non-controlling interests	73,016	93,748	102,038	123,866	128,827	129,912	137,154	145,454	148,285	155,295	162,352	1,531,622
Interest-bearing debt	727,385	712,077	853,064	934,396	948,252	1,032,970	1,048,490	983,061	1,105,189	982,960	1,761,210	16,615,188
Debt/equity ratio (Times)	0.43	0.40	0.45	0.45	0.41	0.44	0.45	0.41	0.44	0.38	0.66	0.66
Interest coverage ratio (Times)	30.0	49.0	41.1	39.4	37.8	43.8	57.2	48.7	44.6	48.4	48.6	48.6
Cash flows from operating activities	310,527	462,642	391,406	454,335	416,690	488,973	512,523	498,306	577,878	576,670	539,995	5,094,292
Cash flows from investing activities	(312,081)	(342,805)	(340,922)	(286,686)	(270,235)	(335,949)	(371,602)	(240,418)	(557,497)	(318,047)	(394,127)	(3,718,179)
Free cash flows ²	(1,553)	119,836	50,484	167,648	146,454	153,023	140,921	257,887	20,380	258,623	145,868	1,376,113
Cash flows from financing activities	(56,258)	(40,561)	10,032	(55,227)	(79,482)	(2,312)	(78,190)	(168,510)	(5,324)	(213,204)	690,542	6,514,547
Net (decrease) increase in cash and cash equivalents	(60,573)	76,960	66,380	121,344	79,395	146,830	62,576	90,886	9,824	44,126	828,980	7,820,566
Cash and cash equivalents at end of fiscal year	656,747	733,707	800,087	921,432	1,000,762	1,147,086	1,209,497	1,300,383	1,310,729	1,354,856	2,183,837	20,602,235
Capital expenditures ³	338,656	255,426	334,216	336,758	341,075	399,204	384,119	347,374	539,328	360,909	377,299	3,559,424
Depreciation and amortization ⁴	132,421	139,994	155,666	147,379	172,237	195,511	207,483	213,167	221,133	226,475	235,504	2,221,735
Net income per share (¥/U.S.\$)	126.21	146.96	156.26	198.84	195.66	182.02	109.42	204.80	229.50	246.95	203.03	1.91
Owners' equity per share (¥/U.S.\$)	1,927.09	1,998.84	2,140.45	2,371.92	2,601.23	2,683.11	2,641.40	2,744.08	2,850.42	2,946.83	3,022.68	28.51
Cash flow per share (¥/U.S.\$) ⁵	275.48	305.41	332.45	365.64	390.49	403.15	344.07	445.79	479.49	503.29	469.76	4.43
Cash dividends per share (¥/U.S.\$)	57.00	62.00	64.00	68.00	73.00	85.00	90.00	90.00	95.00	98.50	98.50	0.92
Owners' equity ratio (%)	45.6	45.4	44.4	43.6	43.9	43.6	42.4	44.2	43.5	43.4	38.4	38.4
Return on equity (ROE) (%)	6.5	7.5	7.6	8.8	7.9	6.9	4.1	7.6	8.2	8.5	6.8	6.8
Return on total assets (ROA) (%)	3.0	3.4	3.4	3.9	3.4	3.0	1.8	3.3	3.6	3.7	2.8	2.8
Dividend payout ratio (%)	45.2	42.2	41.0	34.2	37.3	46.7	82.3	43.9	41.4	39.9	48.5	48.5
Ratio of total amounts of dividends to net assets (%)	3.0	3.2	3.1	3.0	2.9	3.2	3.4	3.3	3.4	3.4	3.3	3.3
Exchange rate												
(Income statements) (¥) U.S.\$1=	87.79	79.80	79.81	97.73	105.79	121.10	108.78	112.16	110.44	109.03	106.76	—
CNY1=	12.90	12.32	12.72	15.92	17.18	19.23	16.42	16.62	16.71	15.78	15.48	—
(Balance sheets) (¥) U.S.\$1=	81.49	77.74	86.58	105.39	120.55	120.61	116.49	113.00	111.00	109.56	103.50	—
CNY1=	12.29	12.31	13.91	17.36	19.35	18.36	16.76	17.29	16.16	15.67	15.88	—

¹ EBITDA = Operating income + Depreciation and amortization + Amortization of goodwill

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

³ Capital expenditures include long-term leasehold deposits and advances for store construction. Amounts do not include goodwill generated through acquisition of stores, etc.

⁴ From FY2014, Seven & i Holdings and its domestic consolidated subsidiaries (except for certain operating companies) changed the method for calculating the depreciation of property and equipment to the straight-line method from the previously used declining-balance method.

⁵ Cash flow per share = (Net income + Depreciation and amortization) ÷ Average number of shares outstanding

Notes: 1. U.S. dollar amounts are translated from yen, for convenience only, at the rate of U.S.\$1=¥106, the approximate rate of exchange prevailing on February 28, 2021.

2. From FY2012, 7-Eleven, Inc. has changed its accounting method for revenues from operations, related to franchise agreements, from "gross amount" to "net amount."

3. Results of mail order services were consolidated in the balance sheets for FY2014.

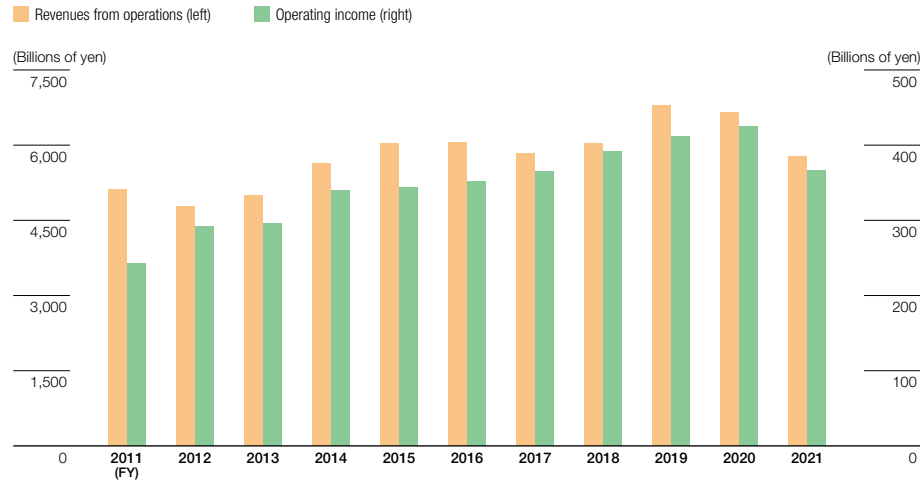
4. ROE and ROA are calculated based on the average of net assets and total assets at the beginning and end of each fiscal year.

5. ASBJ Statement No. 28 "Partial Amendments to Accounting Standard for Tax Effect Accounting" (ASBJ Statement No. 28, dated February 16, 2018) has been applied to total assets from FY2020 and reflected retroactively in the figures for FY2018 and FY2019.

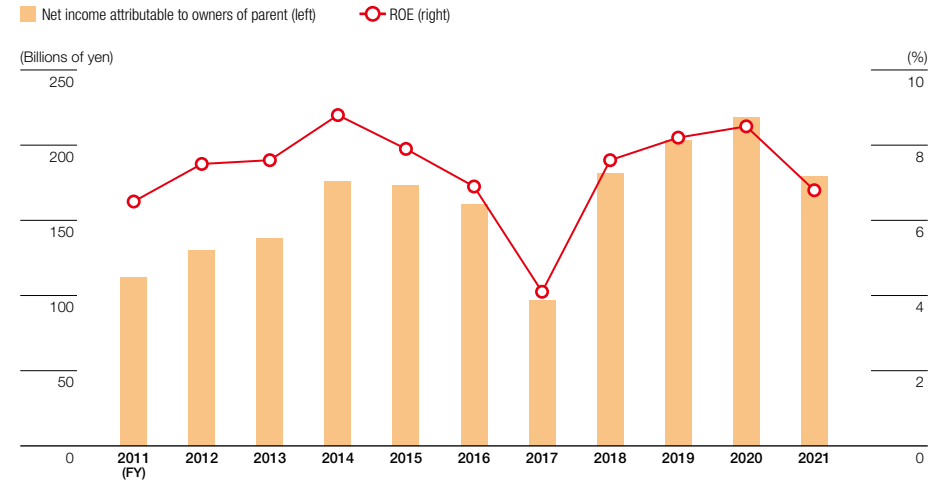
6. ASU 2016-18 Statement of Cash Flows (Topic 230): Restricted Cash was applied in statements of cash flows for overseas subsidiaries using U.S. GAAP from FY2020.

Performance Overview

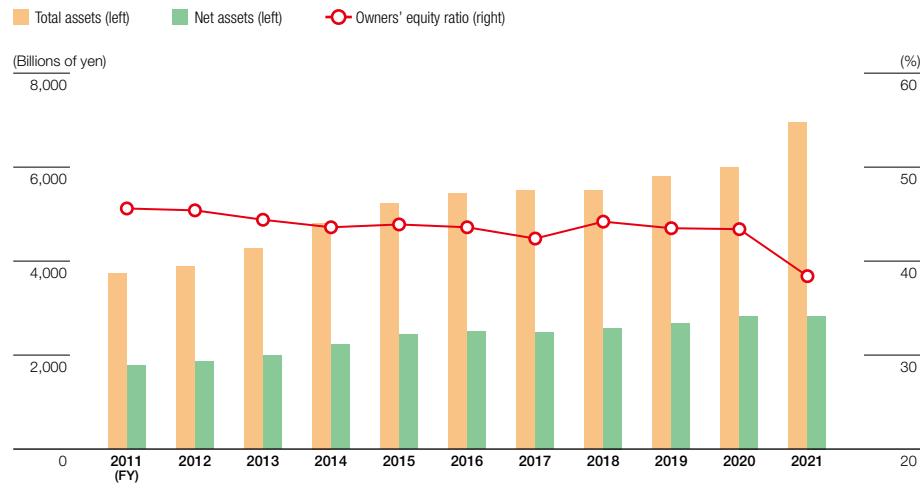
Revenues from operations and Operating income



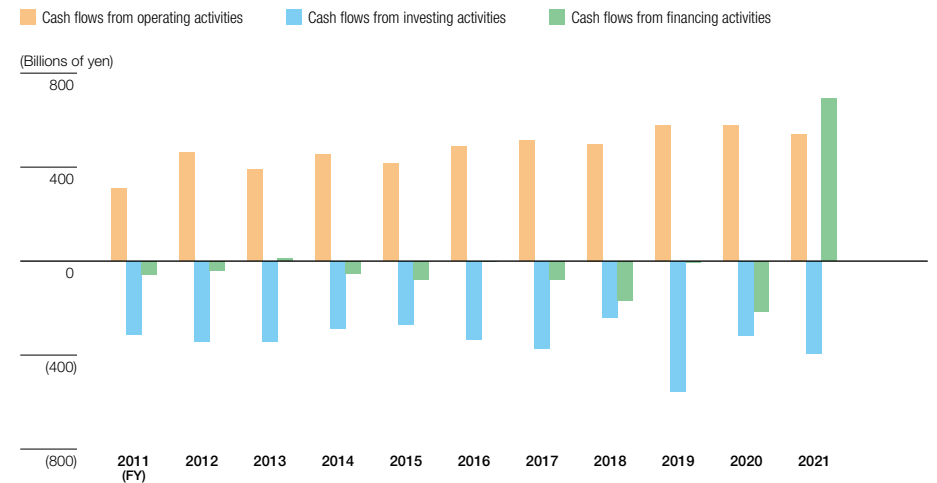
Net income attributable to owners of parent and ROE



Total assets, Net assets and Owners' equity ratio



Cash flows



Segment Information

Business Segments

Revenues from operations	(Millions of yen)					(Thousands of US Dollars)
	FY2017	FY2018	FY2019	FY2020	FY2021	FY2021
Domestic convenience store operations	901,306	928,649	955,443	971,236	920,832	8,687,094
Overseas convenience store operations	1,658,542	1,981,533	2,821,053	2,739,833	2,191,383	20,673,424
Superstore operations	1,949,313	1,901,164	1,902,507	1,849,121	1,810,884	17,083,811
Department store operations	729,612	657,886	592,100	577,633	425,153	4,010,877
Financial services	201,932	202,942	215,007	217,367	198,927	1,876,669
Specialty store operations	450,488	416,616	355,474	339,660	263,803	2,488,707
Others	23,854	23,533	23,720	25,202	22,011	207,650
Eliminations/Corporate	(79,360)	(74,510)	(74,093)	(75,695)	(66,277)	(625,254)
Total	5,835,689	6,037,815	6,791,215	6,644,359	5,766,718	54,403,000
Operating income	FY2017	FY2018	FY2019	FY2020	FY2021	FY2021
Domestic convenience store operations	243,839	245,249	246,721	256,601	234,258	2,209,981
Overseas convenience store operations	67,421	79,078	92,266	102,001	98,097	925,443
Superstore operations	20,228	21,260	21,173	21,307	29,683	280,028
Department store operations	2,867	5,369	3,737	797	(6,248)	(58,943)
Financial services	50,136	49,713	52,874	53,610	48,077	453,556
Specialty store operations	(11,276)	435	6,680	4,690	(13,572)	(128,037)
Others	4,005	3,670	2,659	1,554	1,944	18,339
Eliminations/Corporate	(12,650)	(13,120)	(14,515)	(16,296)	(25,911)	(244,443)
Total	364,573	391,657	411,596	424,266	366,329	3,455,933
Capital expenditures	FY2017	FY2018	FY2019	FY2020	FY2021	FY2021
Domestic convenience store operations	125,970	140,333	115,525	104,226	129,028	1,217,245
Overseas convenience store operations	147,226	94,285	288,221	134,684	145,170	1,369,528
Superstore operations	50,086	37,821	61,462	47,310	48,411	456,707
Department store operations	12,151	12,992	16,955	11,235	16,332	154,075
Financial services	26,070	38,803	34,918	36,099	39,328	371,018
Specialty store operations	8,979	8,882	9,157	10,427	9,038	85,264
Others	3,259	3,723	2,931	2,798	1,760	16,603
Corporate	10,373	10,532	10,157	14,127	(11,771)	(111,047)
Total	384,119	347,374	539,328	360,909	377,299	3,559,424
Depreciation and amortization	FY2017	FY2018	FY2019	FY2020	FY2021	FY2021
Domestic convenience store operations	61,101	66,500	72,717	76,519	79,856	753,358
Overseas convenience store operations	64,992	69,582	76,141	77,204	81,299	766,971
Superstore operations	24,397	23,893	24,475	26,071	26,929	254,047
Department store operations	11,472	9,727	8,667	9,083	9,091	85,764
Financial services	29,416	28,926	31,072	29,031	28,766	271,377
Specialty store operations	7,787	5,588	4,141	3,879	4,254	40,132
Others	2,189	2,257	2,267	2,447	2,269	21,405
Corporate	6,125	6,691	1,651	2,238	3,038	28,660
Total	207,483	213,167	221,133	226,475	235,504	2,221,735

Geographic Area Segments

Revenues from operations	(Millions of yen)					(Thousands of US Dollars)
	FY2017	FY2018	FY2019	FY2020	FY2021	FY2021
Japan	4,032,803	3,907,835	3,812,200	3,745,475	3,435,146	32,407,037
North America	1,690,713	2,017,092	2,862,627	2,782,055	2,232,234	21,058,811
Others	113,475	113,992	117,555	118,118	100,707	950,066
Eliminations	(1,303)	(1,104)	(1,167)	(1,289)	(1,371)	(12,933)
Total	5,835,689	6,037,815	6,791,215	6,644,359	5,766,718	54,403,000
Operating income	FY2017	FY2018	FY2019	FY2020	FY2021	FY2021
Japan	299,251	314,700	319,613	321,441	266,096	2,510,339
North America	65,548	75,626	90,411	101,777	99,582	939,452
Others	(238)	1,320	1,562	1,199	805	7,594
Eliminations	11	10	9	(152)	(154)	(1,452)
Total	364,573	391,657	411,596	424,266	366,329	3,455,933

- Notes: 1. U.S. dollar amounts are translated from yen, for convenience only, at the rate of U.S.\$1=¥106, the approximate rate of exchange prevailing on February 28, 2021.
2. Capital expenditures include long-term leasehold deposits and advances for store construction. Amounts do not include goodwill generated through acquisition of stores, etc.
3. Others under segments by location are China, etc.

Segment Information

Business Segments

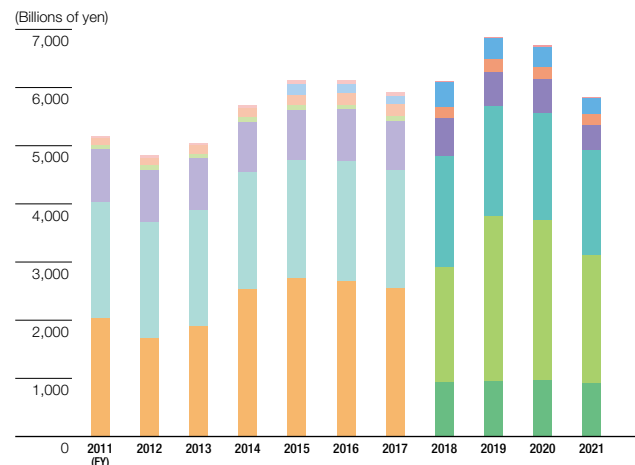
Segments (FY2019 Onward): Domestic convenience store operations, Overseas convenience store operations, Superstore operations, Department store operations, Financial services, Specialty store operations, Others, Eliminations/corporate (excluding revenues from operations)

Former Segments (Until FY2018): Convenience store operations, Superstore operations, Department store operations, Food services, Financial services, Mail order services, Others, Eliminations/corporate (excluding revenues from operations)

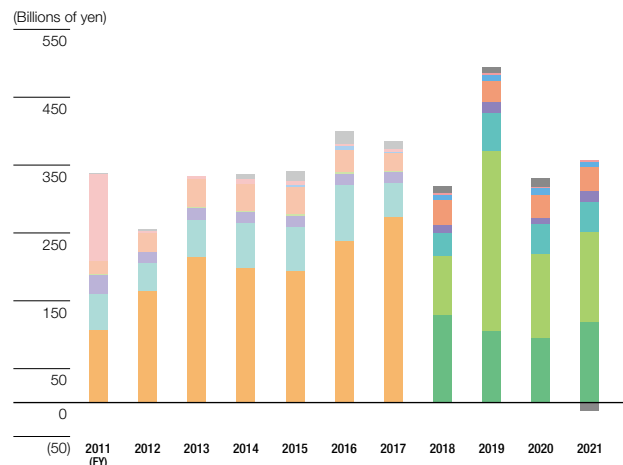
Geographic Area Segments

Japan, North America, Others

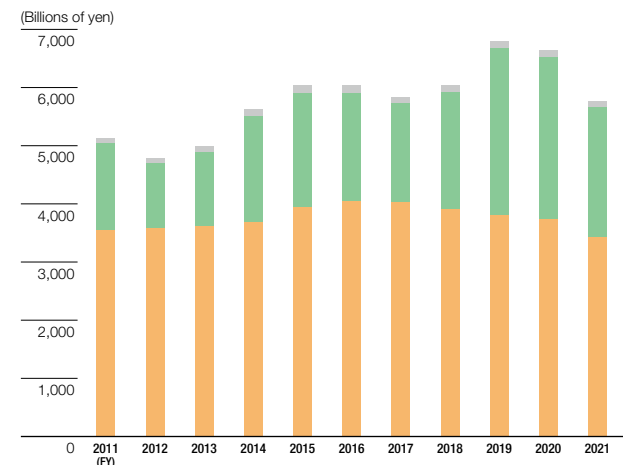
Revenues from operations



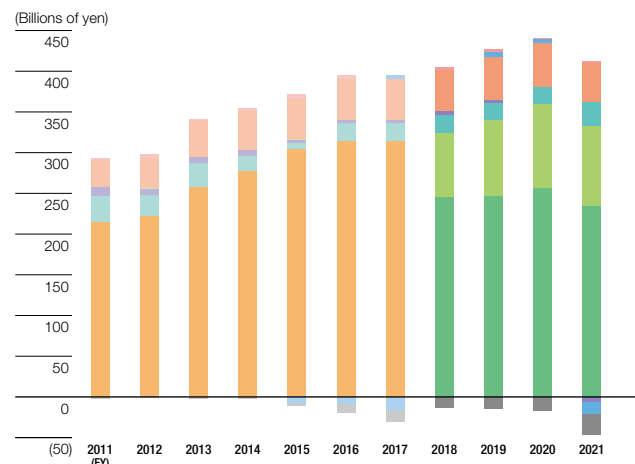
Capital expenditures



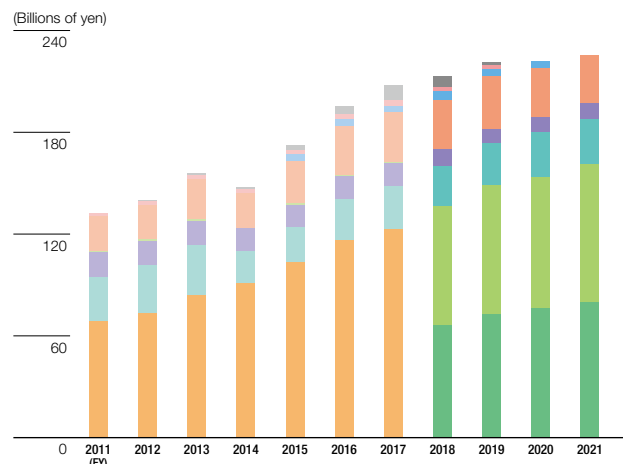
Revenues from operations



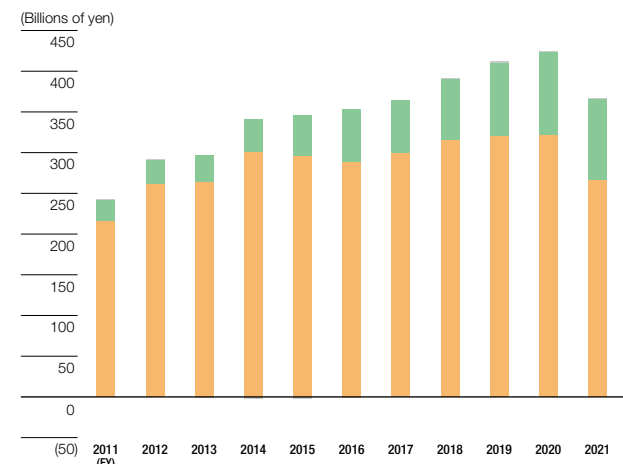
Operating income



Depreciation and amortization



Operating income



Note: In regard to capital expenditures for FY2011 of "Others," the land, buildings, and other facilities of SEIBU Ikekuburo, which were acquired by Seven & i Asset Management Co., Ltd. on September 24, 2010 and are valued at ¥123.0 billion, are included.

Financial Position

Interest-Bearing Debt

	FY2017	FY2018	FY2019	FY2020	FY2021	(Thousands of US Dollars) FY2021
Short-term loans	150,376	127,255	143,160	129,456	619,953	5,848,613
Current portion of long-term loans	64,301	82,656	106,688	88,437	146,747	1,384,405
Current portion of bonds	50,000	74,999	50,000	80,000	66,917	631,292
Subtotal	264,678	284,911	299,848	297,893	833,618	7,864,320
Long-term loans	433,814	393,149	443,425	403,151	362,592	3,420,679
Bonds	349,996	305,000	361,914	281,915	565,000	5,330,188
Subtotal	783,811	698,149	805,340	685,067	927,592	8,750,867
Total	1,048,490	983,061	1,105,189	982,960	1,761,210	16,615,188

Breakdown by segment	FY2017	FY2018	FY2019	FY2020	FY2021	(Thousands of US Dollars) FY2021
Domestic convenience store operations	-	-	-	-	-	-
Overseas convenience store operations	177,601	163,867	260,757	219,041	281,974	2,660,132
Superstore operations	3,187	1,912	637	-	-	-
Department store operations	187,908	175,711	163,564	160,999	146,193	1,379,179
Specialty store operations	53,735	52,673	44,296	17,743	40,998	386,773
Others	-	-	-	-	-	-
Corporate	289,996	269,999	281,914	236,915	1,008,917	9,518,084
Subtotal	712,429	664,164	751,170	634,699	1,478,083	13,944,179
Financial services	336,060	318,896	354,018	348,261	283,127	2,671,009
Total	1,048,490	983,061	1,105,189	982,960	1,761,210	16,615,188

Note: U.S. dollar amounts are translated from yen, for convenience only, at the rate of U.S.\$1=¥109, the approximate rate of exchange prevailing on February 28, 2020.

Ratings

(As of July 1, 2021)

		S&P	Moody's	R&I	JCR
Seven & i Holdings	Long-term	A* ¹	A2	AA-	AA
Seven-Eleven Japan	Long-term	A	-	-	AA
	Short-term ^{*2}	A-1	P-1	-	-
7-Eleven, Inc.	Long-term	A	Baa2	-	-
Seven Bank	Long-term	A	-	AA-	-
	Short-term	A-1	-	-	-

*1 USD-denominated senior unsecured notes issued by Seven & i Holdings: A-

*2 Seven-Eleven Japan's short-term rating is its rating as the guarantor of 7-Eleven, Inc's commercial paper program. (from January 2006)

Bonds

Issued by Seven & i Holdings

(As of February 28, 2021)

	Amount	Issue date	Coupon	Redemption date
9th unsecured domestic straight bonds	20 billion yen	Apr. 26, 2013	0.671%	Mar. 20, 2023
11th unsecured domestic straight bonds	60 billion yen	Jun. 17, 2015	0.514%	Jun. 20, 2022
12th unsecured domestic straight bonds	30 billion yen	Jun. 17, 2015	0.781%	Jun. 20, 2025
USD-denominated senior unsecured notes	U.S.\$600 mn billion yen	Sep. 19, 2018	3.350%	Sep. 17, 2021
13th unsecured domestic straight bonds	130 billion yen	Dec. 14, 2020	0.060%	Dec. 20, 2023
14th unsecured domestic straight bonds	180 billion yen	Dec. 14, 2020	0.190%	Dec. 19, 2025
15th unsecured domestic straight bonds	40 billion yen	Dec. 14, 2020	0.280%	Dec. 20, 2027

Issued by 7-Eleven, Inc.

	Amount	Issue date	Coupon	Redemption date
USD-denominated senior unsecured notes due 2022	1.5 billion yen	Feb. 10, 2021	3-month USD LIBOR, plus 0.45%	Aug. 10, 2022
USD-denominated senior unsecured notes due 2023	1.25 billion yen	Feb. 10, 2021	0.625%	Feb. 10, 2023
USD-denominated senior unsecured notes due 2024	2.25 billion yen	Feb. 10, 2021	0.800%	Feb. 10, 2024
USD-denominated senior unsecured notes due 2026	1.25 billion yen	Feb. 10, 2021	0.950%	Feb. 10, 2026
USD-denominated senior unsecured notes due 2028	1.0 billion yen	Feb. 10, 2021	1.300%	Feb. 10, 2028
USD-denominated senior unsecured notes due 2031	1.7 billion yen	Feb. 10, 2021	1.800%	Feb. 10, 2031
USD-denominated senior unsecured notes due 2041	0.75 billion yen	Feb. 10, 2021	2.500%	Feb. 10, 2041
USD-denominated senior unsecured notes due 2051	1.25 billion yen	Feb. 10, 2021	2.800%	Feb. 10, 2051

* Not included in the consolidated financial statements as of February 28, 2021 because the fiscal year ends in December.

Issued by Seven Bank

	Amount	Issue date	Coupon	Redemption date
10th unsecured domestic straight bonds	20 billion yen	Mar. 7, 2013	0.803%	Mar. 20, 2023
11th unsecured domestic straight bonds	15 billion yen	Dec. 17, 2014	0.536%	Dec. 20, 2024
12th unsecured domestic straight bonds	30 billion yen	Oct. 20, 2017	0.390%	Sep. 17, 2027
13th unsecured domestic straight bonds	20 billion yen	Jan. 25, 2019	0.160%	Dec. 20, 2023
14th unsecured domestic straight bonds	20 billion yen	Jan. 25, 2019	0.385%	Dec. 20, 2028