

Learn about Seven & i Group

- Company Profile
- Seven & i Group in Numbers

Learn about the Market Environment

- Domestic Macroeconomic Environment
- Domestic Environment of the Retail Industry
- U.S. Macroeconomic Environment and Environment of the Retail Industry
- Major Operating Companies' Market Share in Japan(Nonconsolidated)
- Global Retail Industry - Sales Ranking
- Market Capitalization Ranking

Understand Seven & i Group's Strategy and Performance

- Key Group Strategies - Strengths of "Food" -
- Consolidated Financial KPI
- Capital Re-allocation Plan / Shareholder Return
- Consolidated Financial Results
- Consolidated Financial Highlight
- Segment Information
- Financial Position
- Overview of Major Operating Companies
- Domestic Convenience Store Operations
- Overseas Convenience Store Operations
- ▶ Superstore Operations
- Department and Specialty Store Operations
- Financial Services

See Stock Information

- Stock Information

See Seven & i Group's History

- Group History



# Superstore Operations

## Growth Strategy (Summary)

Achieve an EBITDA of JPY 55Bn and over 4% of ROIC for Tokyo metropolitan area SST<sup>(1)</sup> by FY2025

Drastically transform business and profitability of the SST business within 3 years

- 1 Exit from the apparel business<sup>(2)</sup>**

  - Focus on "Food" as the center of our Group strategy
- 2 Accelerate focus on Tokyo metropolitan area with additional store closures**

  - Accelerates focus on Tokyo metropolitan area
  - Strategically close stores with low profitability or strategic fit even in Tokyo metropolitan area
- 3 Consolidate SST operations in Tokyo metropolitan area**

  - Consolidate SST operations in Tokyo metropolitan area to maximize synergies and operation efficiency
- 4 Establish Group's strategic infrastructures**

  - Realize a profit structure that can achieve further profit growth utilizing strategic infrastructures: PC/CK<sup>(3)</sup> and online supermarket center
- 5 Ensure complete execution and monitoring with visibility**

  - Ensure complete execution of initiatives and process management by retaining external advisors
  - Monitoring by Board of Directors and Strategy Committee and progress update to shareholders with visibility



(1) Ito-Yokado (IY), York (YO), SHELL GARDEN(SG) (2) Self-operated apparel business (3) PC: Processing Center, CK:Central Kitchen

# Superstore Operations

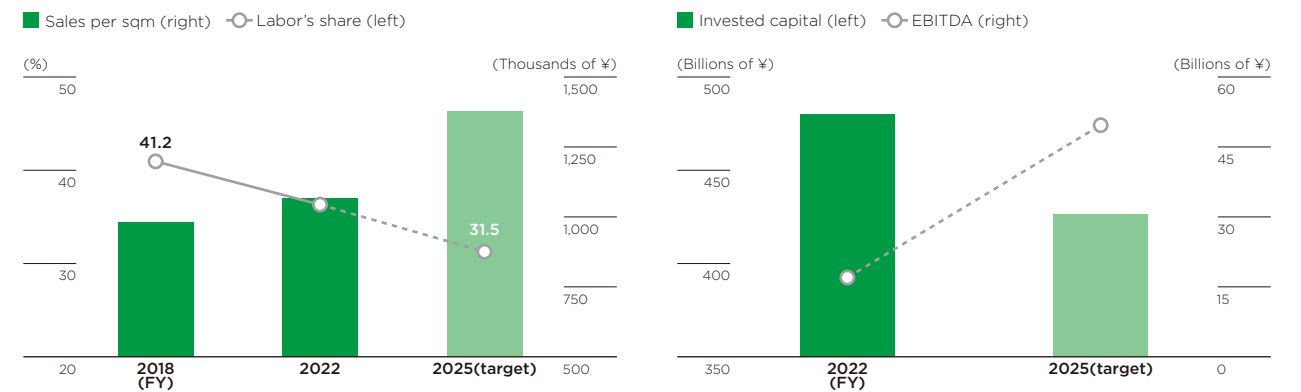
## Growth Strategy

### Fundamental Reform of Tokyo Metropolitan Area SST Business

#### Effects of 5 drastic measures (as an example)

Sales	<ul style="list-style-type: none"> <li>Development of high quality merchandise and flexible introduction of new merchandise</li> <li>Reveal sales potential (reduce opportunity losses)</li> </ul>
Gross profit	<ul style="list-style-type: none"> <li>Reinforcement of prepared foods through central kitchen</li> <li>Improvement in gross profit margin due to higher composition of prepared foods</li> </ul>
SG&A	<ul style="list-style-type: none"> <li>Decrease in personnel costs due to optimization of personnel</li> <li>Improved productivity through operational improvements</li> </ul>
B/S	<ul style="list-style-type: none"> <li>Asset reduction through selection and concentration of businesses and areas</li> </ul>

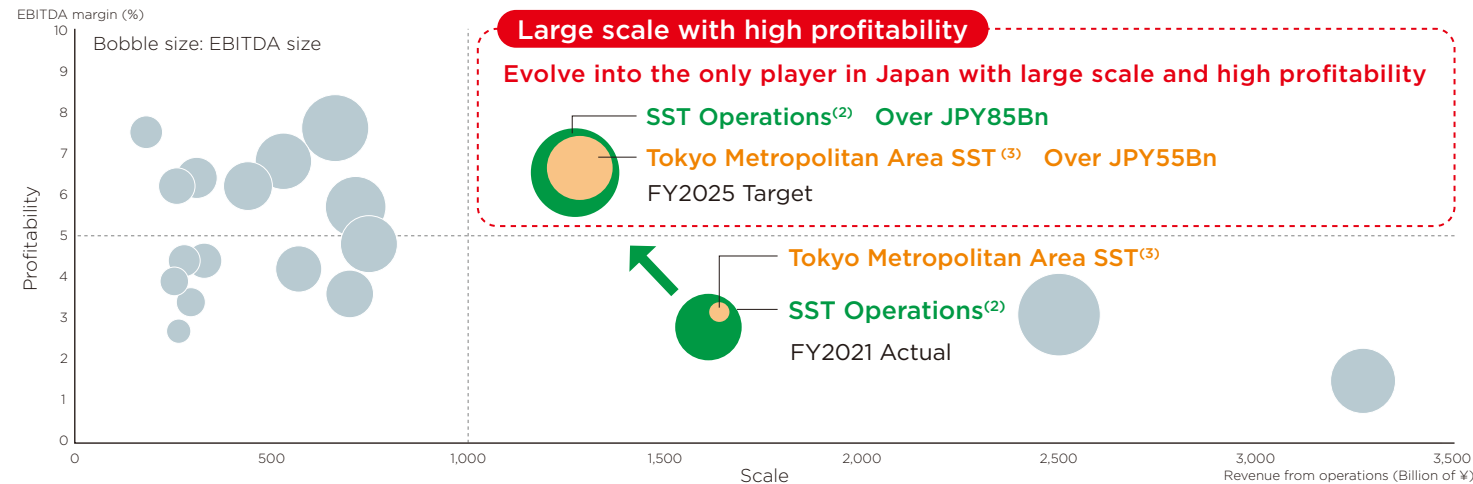
#### Effects of measures in IY (productivity improvement, asset reduction)



### Impact by SST transformation

Pursue to become the only player in Japan in terms of scale and profitability by consolidating SST operations in Tokyo metropolitan area and SST's business structure reforms

#### Uplift of profitability of the entire SST segment<sup>(1)</sup> Profitability of domestic SM/GMS competitors



(1) For companies with multiple segments, each segment is shown as 1 bobble  
 (2) SST: IY, YO, SG, YB (York Benimaru)  
 (3) Tokyo Metropolitan Area SST: IY, YO, SG

### Learn about Seven & i Group

- Company Profile
- Seven & i Group in Numbers

### Learn about the Market Environment

- Domestic Macroeconomic Environment
- Domestic Environment of the Retail Industry
- U.S. Macroeconomic Environment and Environment of the Retail Industry
- Major Operating Companies' Market Share in Japan(Nonconsolidated)
- Global Retail Industry - Sales Ranking
- Market Capitalization Ranking

### Understand Seven & i Group's Strategy and Performance

- Key Group Strategies - Strengths of "Food" -
- Consolidated Financial KPI
- Capital Re-allocation Plan / Shareholder Return
- Consolidated Financial Results
- Consolidated Financial Highlight
- Segment Information
- Financial Position
- Overview of Major Operating Companies
- Domestic Convenience Store Operations
- Overseas Convenience Store Operations
- Superstore Operations
- Department and Specialty Store Operations
- Financial Services

### See Stock Information

- Stock Information

### See Seven & i Group's History

- Group History