

Financial Results Presentation Q3 FY2020

January 9, 2020

Seven & i Holdings Co., Ltd.

Consolidated Financial Results Highlights Q3 FY2020



◆ Achieved Record-high Operating Income and Net Income Attributable to Owners of Parent

	FY2019	FY2020				
			YOY (%)	Variance (Billions of yen)	vs. plan (%)	Variance (Billions of yen)
Group's total sales*	9,012.9	9,019.3	100.1	+6.3	99.3	(68.0)
Revenues from operations	5,072.3	4,975.5	98.1	(96.8)	99.3	(36.3)
Operating income	304.2	319.0	104.9	+14.8	102.9	+9.0
Net income attributable to owners of parent	156.2	169.9	108.8	+13.6	104.7	+7.5
EBITDA (Operating income + Depreciation and amortization + Amortization of goodwill)	486.2	505.0	103.9	+18.7	-	-

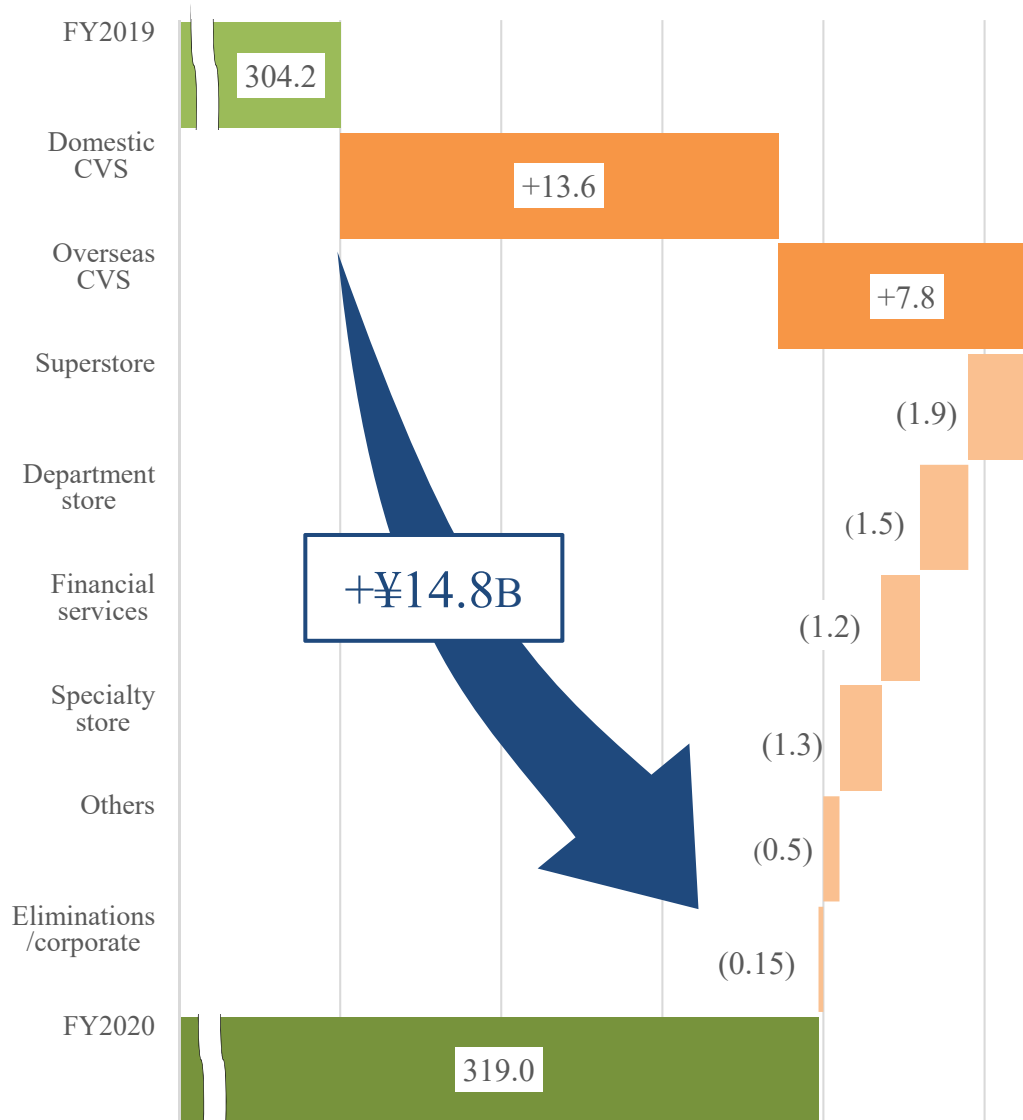
*Group's total sales include the sales of Seven-Eleven Japan, SEVEN-ELEVEN OKINAWA and 7-Eleven, Inc. franchisees.

FX rate: 1USD = 109.12 JPY, 1CNY = 15.89 JPY

Operating Income Changes for Q3 FY2020



(Billions of yen)



Factors in YOY changes

Improved SEJ's sales and GPM and optimized SG&A expenses

SEI existing store sales and GPM growth

IY struggled while YB's profits increased

SS existing store sales and GPM decreased

Mainly expenses for adapting credit cards to IC

7&i Food Systems and Nissen struggled

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Increase in CRM-related expenses

Profit increased by ¥14.8B led by CVS operations in Japan and North America

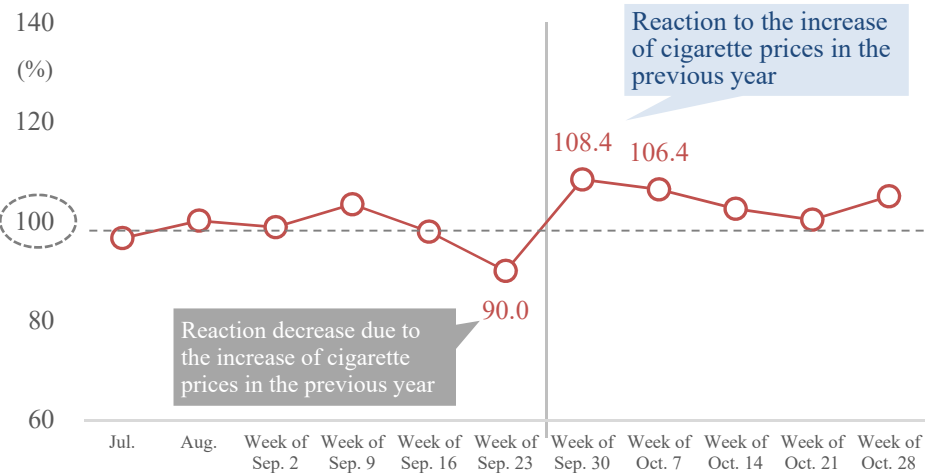
(Note) SEJ: Seven-Eleven Japan, SEI: 7-Eleven, Inc., IY: Ito-Yokado, YB: York Benimaru, SS: Sogo & Seibu, 7FS: Seven & i Food Systems

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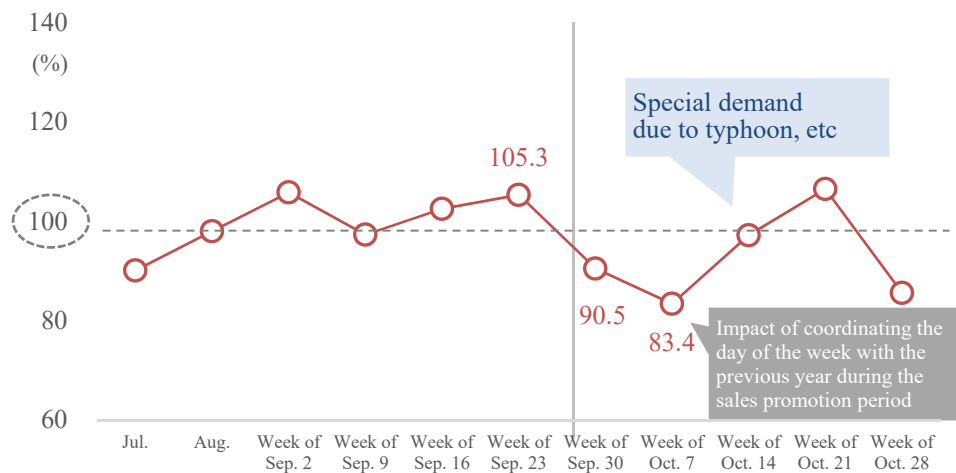
Impact of the Increase in the Consumption Tax Rate



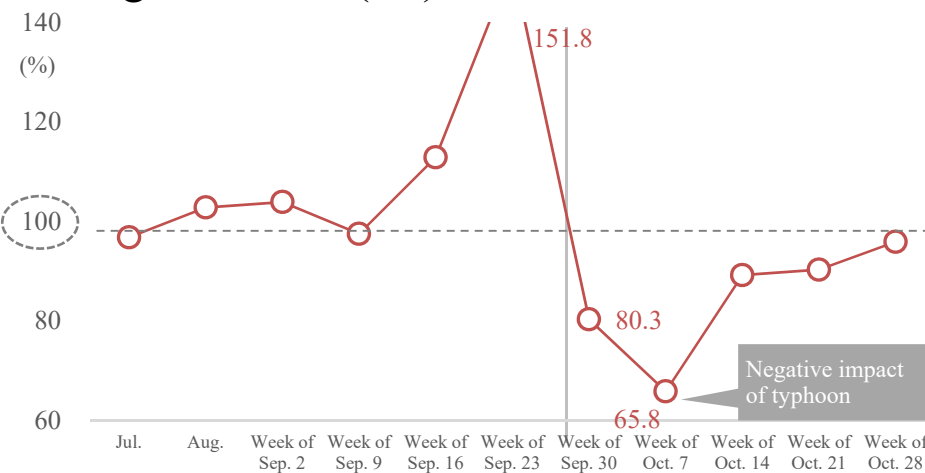
◆ Seven-Eleven Japan (SEJ)



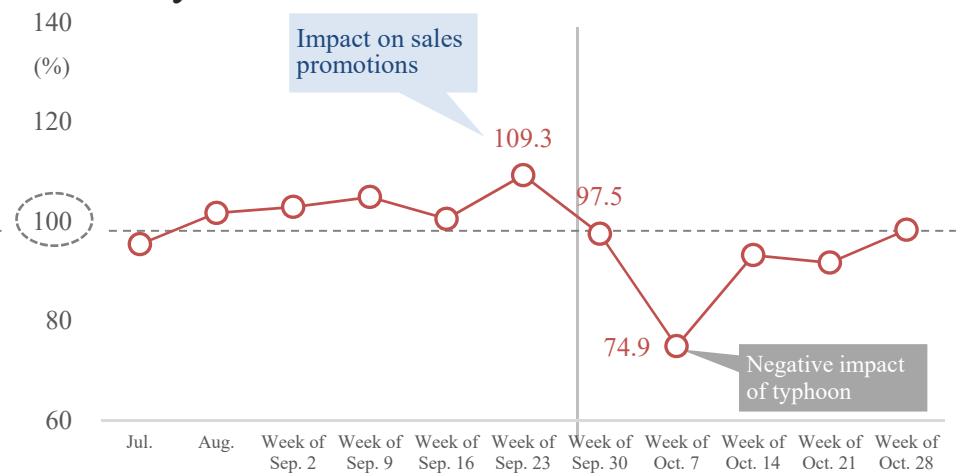
◆ Ito-Yokado (IY)



◆ Sogo & Seibu (SS)



◆ Denny's



Impact of the increase in the consumption tax rate is different for each business category

[Large effect] SS(Effect reaching into the long-term), IY

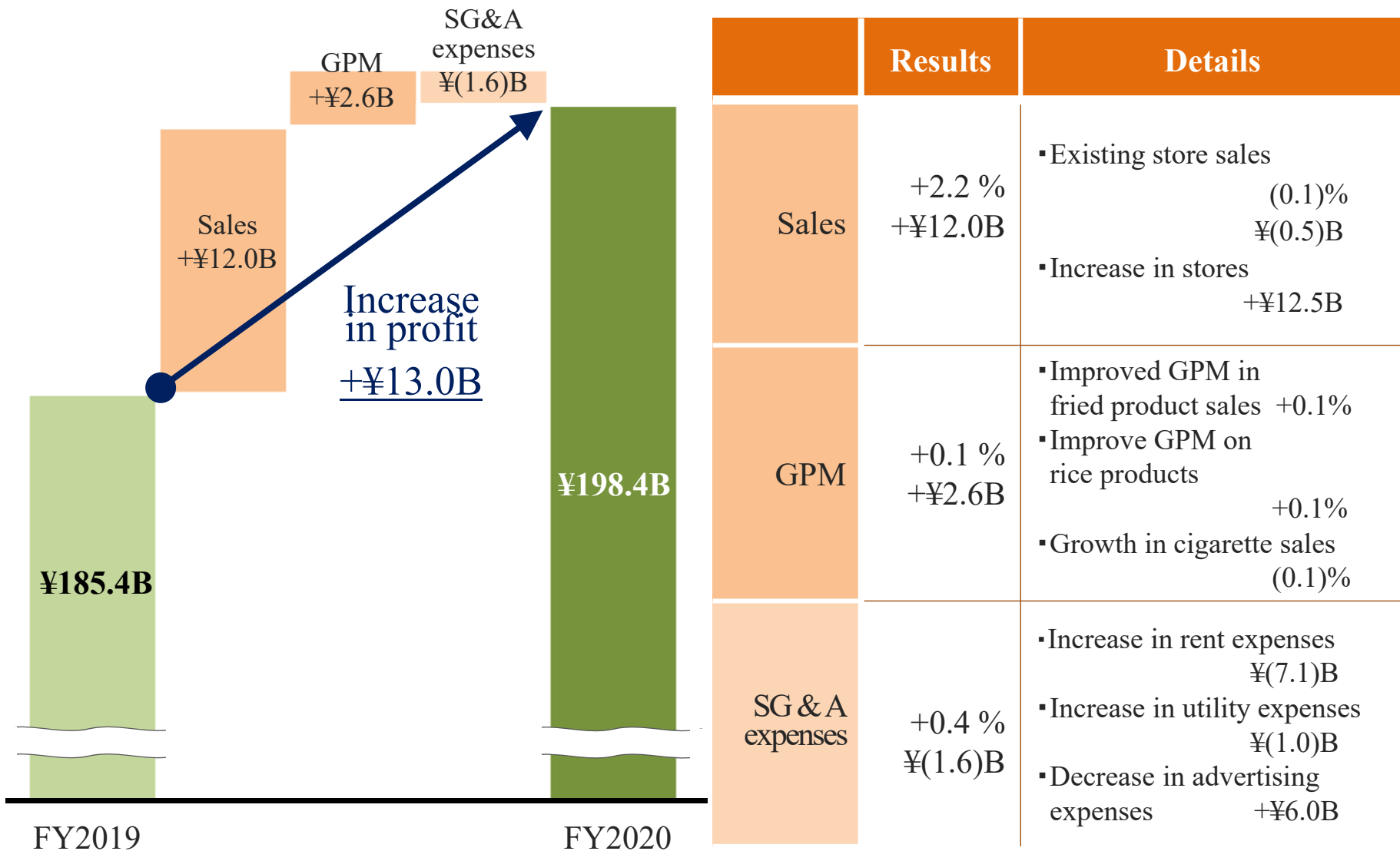
[Minor effect] Denny's

[Favorable] SEJ

Seven-Eleven Japan

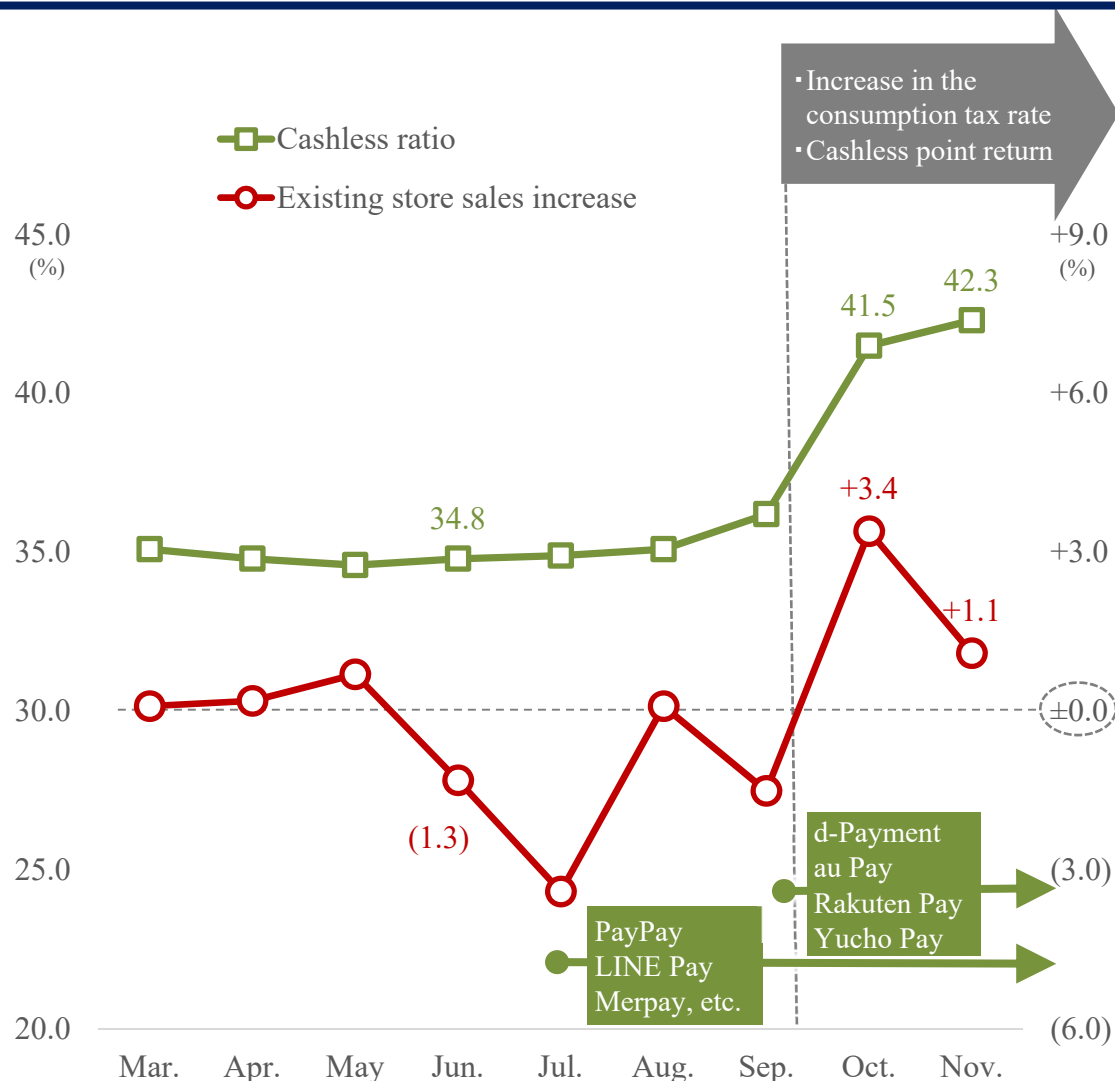
SEJ

Factors in YOY Change of Operating Income Q3 FY2020



Increased sales, improved gross profit margin and optimized SG&A expenses to increase profit significantly and achieve plans

Impact of Cashless Payment

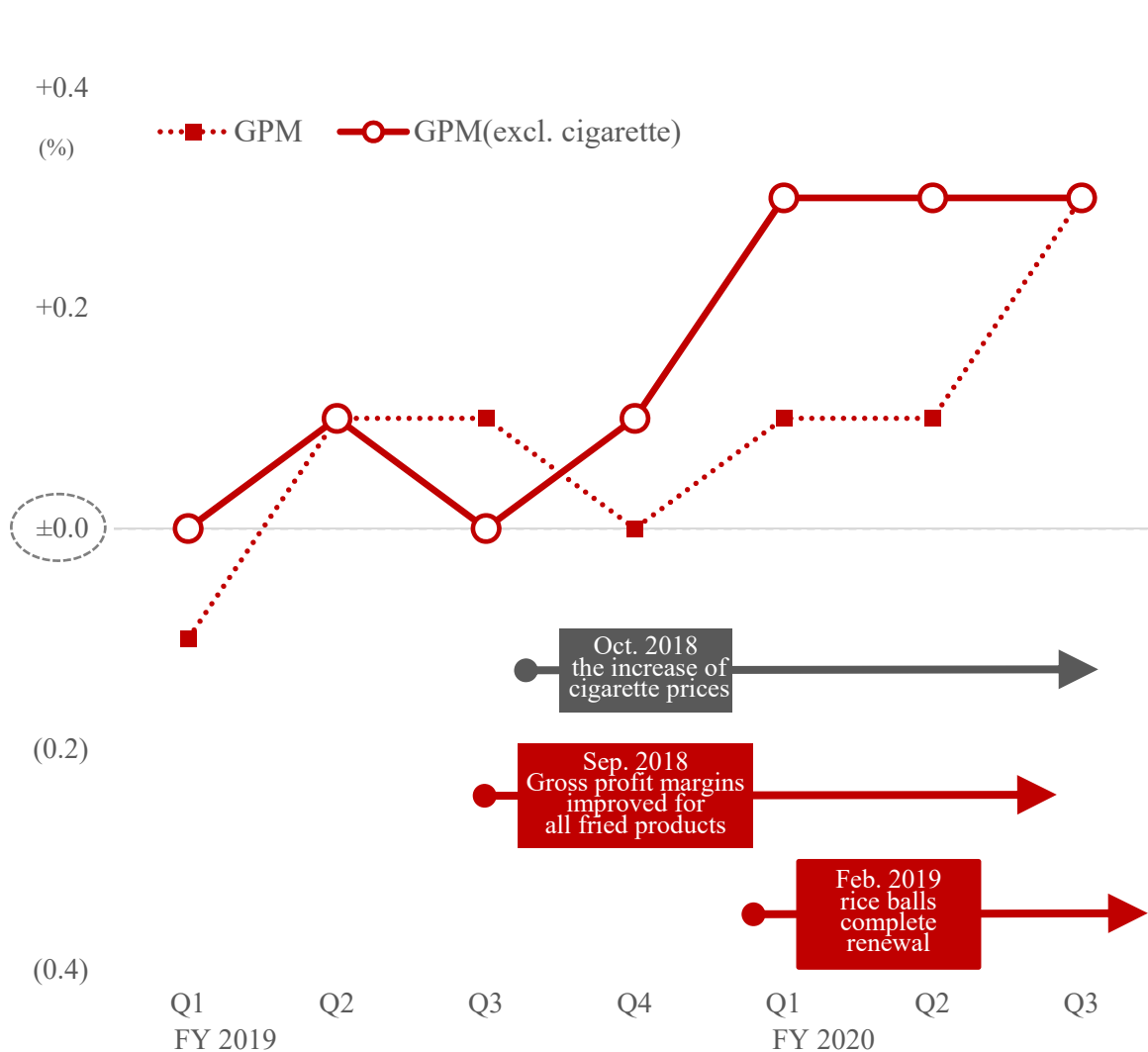


Change in the Composition Ratio (%)

	Jun.	Nov.	Variance
Cashless	34.8	42.3	+7.5
<i>nanaco</i>	23.2	23.0	(0.2)
E-money (excl. <i>nanaco</i>)	6.1	7.1	+1.0
Credit card	5.6	6.2	+0.6
Barcode payment	-	6.0	+6.0
Cash	65.2	57.7	(7.5)

Elevation in existing store sales thanks to the increase of cashless payment with high average customer spending (Difference from cash payment: approx. +¥20)

YOY Difference in Gross Profit Margin



■ Q3 YTD

	Variance
Total	+0.1
Total (excl. cigarette)	+0.3
Fresh foods, daily foods	+0.3
Fried products	+0.1
Rice products	+0.1
Others	+0.1
Alcoholic beverages	+0.0
Non-foods	+0.0
Processed foods	(0.0)
Ice cream, soft drink	(0.0)

Gross profit margin increased by 0.3% due to continuous renewal that includes quality improvement, excluding the impact of cigarette

Head Office Cost Structure Reforms (Announced October 2019)



Accelerate closure of unprofitable stores

- Close C-type unprofitable stores that have been open for more than one year and directly operated stores with first priority
- From 2H FY2020 to FY2021:
Close approx. 1,000 stores and implement scrap & build
⇒ FY2022: Improve income and expenditure by approx. ¥5.0 billion/year (vs FY2019)

Optimize rent expenses

- Stricter standards for store openings (Review contract format = reduce running costs)
- Negotiate with existing store owners (Balance between sales and rent expenses)

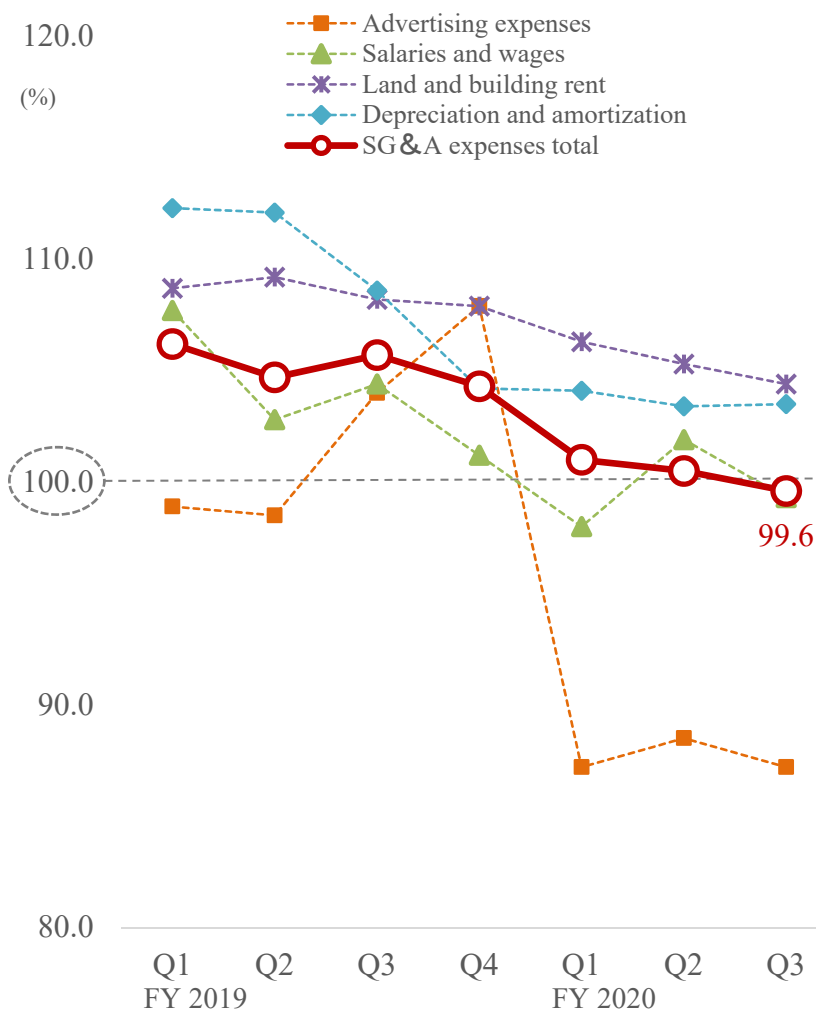
Optimize Head Office staff

- Reform accounting (optimize staff level by adopting paperless systems, etc. 1,100 people ⇒ 550 people)
⇒ Reduce costs by internalizing certain outsourced processes, etc. Approx. ¥(1.4) billion
- Optimize personnel for store development (Personnel allocation aligned with population trend 820 people ⇒ 520 people)
- Review staff composition in non-operating divisions

YOY SG&A Expenses



(Billions of yen)



	Variance		Factors in YOY changes
	Q3	YTD	
Advertising expenses	(2.0)	(6.0)	Optimized sales promotions (Shift to Seven-Eleven app-based sales promotions)
Salaries and wages	(0.12)	(0.15)	<ul style="list-style-type: none"> Structural reform promotion Reduce directly operated stores
Land and building rent	+1.9	+7.1	Curbs on store openings (459 fewer vs previous year)
Depreciation and amortization	+0.62	+1.9	Curbs on store openings
SG&A expenses	(0.55)	+1.6	Curbed to 100.4% YOY

Started structural reform of costs in the Head Office ⇒ SG&A Q3 expenses decreased YOY

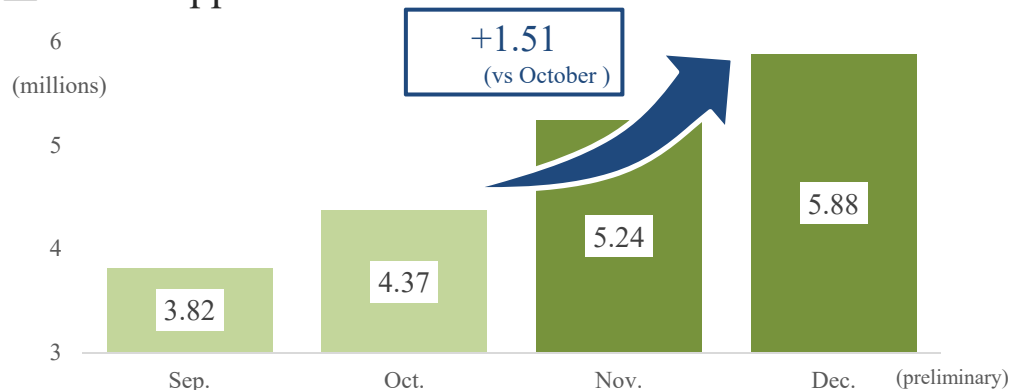
Effect on Seven-Eleven App-based Sales Promotions



◆ Verifying Effective from November 1 to November 30, 2019

Contents of sales promotion	No. of coupons issued per store	Usage rate
 (1) Buy 5 cups of <i>SEVEN CAFE</i> , get 6th cup free	70.6	41.1%
 (2) Buy 10 rice balls, get 11th free	25.7	35.7%
 (3) Buy 5 <i>Seven Premium</i> teas, get 6th free	15.4	40.0%
 (4) Buy 5 <i>Seven Premium</i> frozen foods, get ¥100 discount coupon for delicatessen items	13.4	12.6%
 (5) Buy 5 delicatessen items, get ¥100 discount coupon for <i>Seven Premium</i> frozen foods	7.9	11.4%

■ No. of App Members

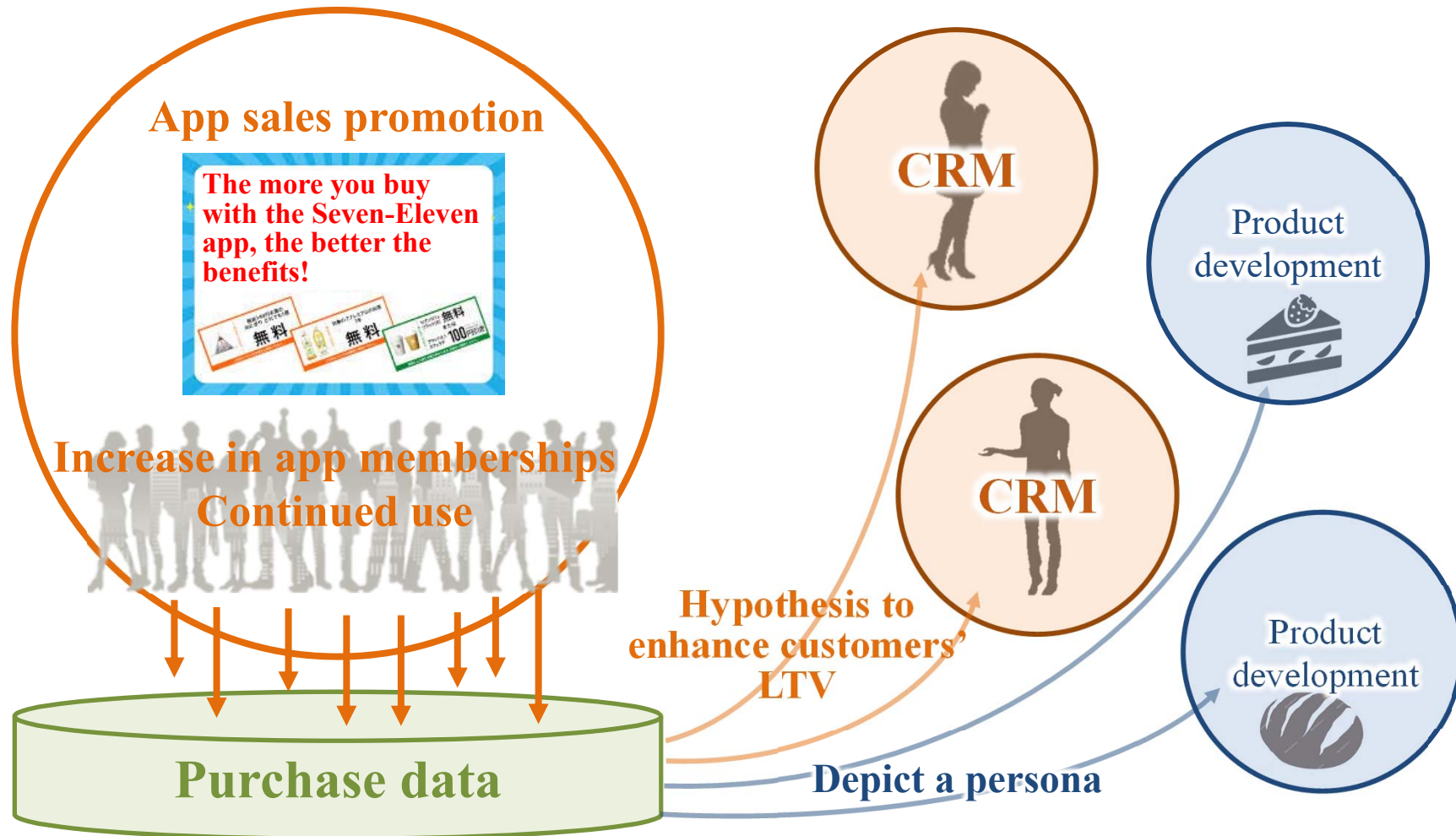


■ Results

Transactions	3.08 million
Sales	+¥2,150/day/store
No. of store visits	+3.9/day/store

The effective sales promotions contributed to growth in the number of customers and an improvement in the sales at franchised stores, even while curtailing costs

Basic Approach of App Sales Promotion



One-off discount

⇒ Promotes increase in overall purchase amounts in the long-term, using the app as an axis

Deepening understanding of customers' needs

⇒ Advances new product development and CRM strategy

Progress on Action Plan



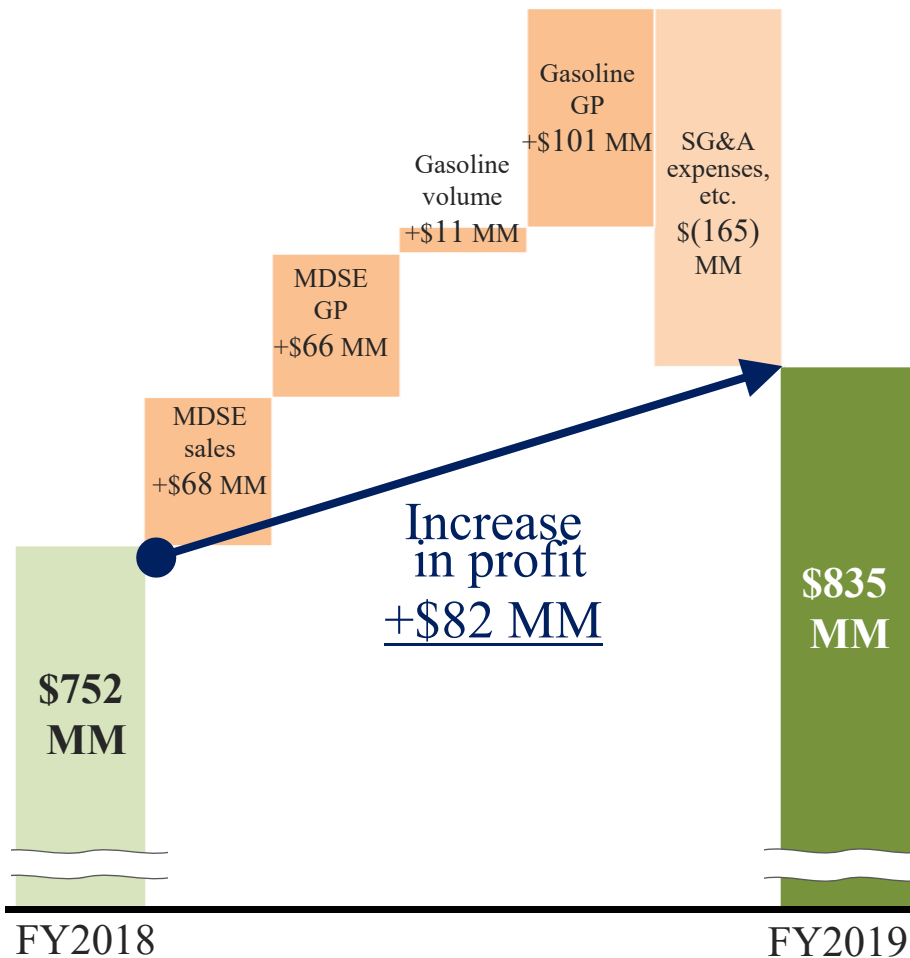
Closure in the midnight time	As of the end of November 2019 stores that have already started trial: approx. 350 stores As of December 1, 2019 35 stores have changed contracted opening hours
Improvement in cash register service training	Started new employee training from September 2019 ⇒ Held approx. 300 times by the end of November 2019
Promote dialogue with FZ stores	Implementation of owners meeting from October 2019 ⇒ Held in 2 areas per month from December 2019 to February 2020
New Layout	As of the end of November 2019 stores that have already introduced New Layout: approx. 7,900 stores ⇒ Sales increase effect in November: +13.3 thousand yen/ day*
Ethical Project	Trial in the Hokkaido / Shikoku area starting from October 30, 2019 ⇒ Aim to expand to all stores in spring 2020

*Figures excluding cigarette at 855 stores that introduced new layout in FY2019

7-Eleven, Inc.

SEI

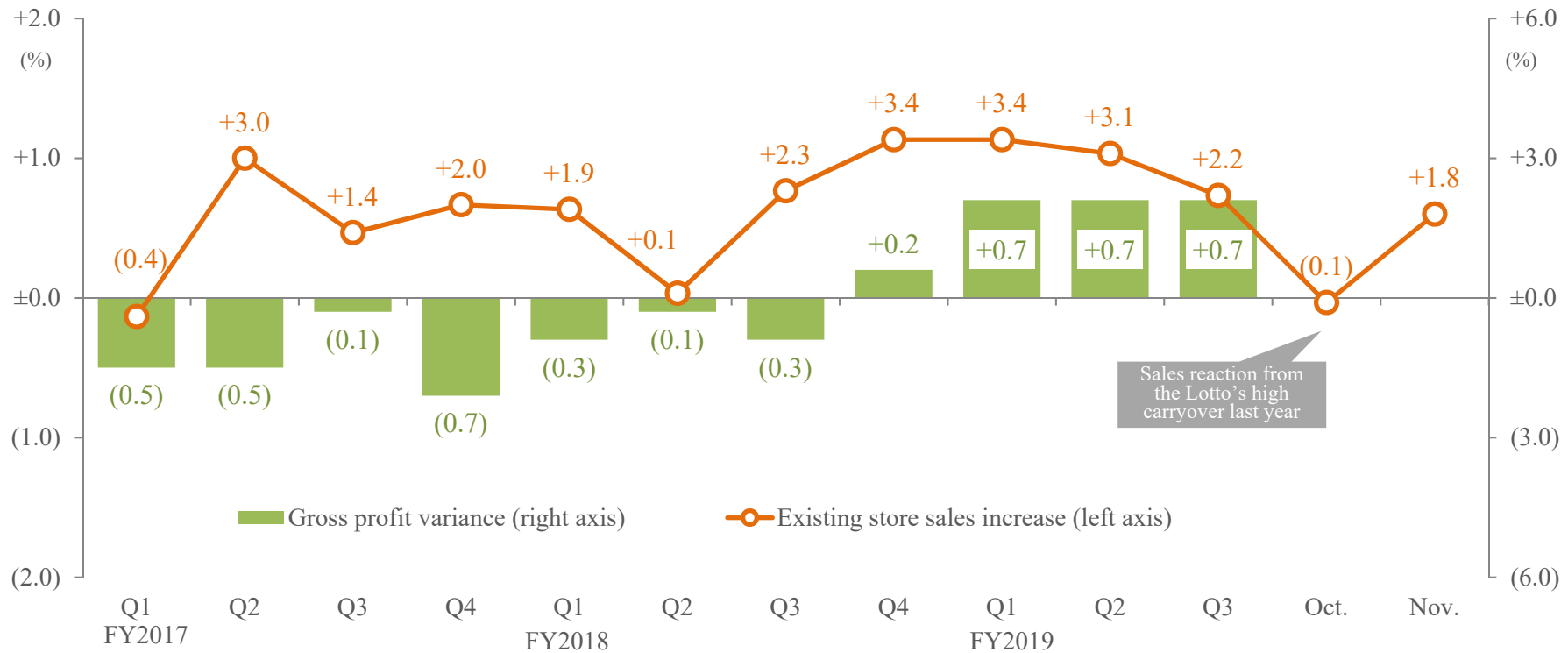
Factors in YOY Change of Operating Income Q3 FY2020



	Results	Details
Merchandise	Sales +\$68 MM	▪ US MDSE existing store +2.9 %
	GP +\$66 MM	▪ GPM YOY change: +0.7 %
Gasoline	Sales volume +\$11 MM	▪ Impact of Sunoco acquisition (acquired on Jan. 23, 2018)
	GP +\$101 MM	▪ CPG* YOY change: +¢1.92 * Cents per gallon
SG&A expenses, etc.	\$(165) MM	▪ Impact of Sunoco acquisition Increase in store days Increase in rents associated with sale-and-leaseback

Existing store sales, GPM growth and improvement in gasoline profit lifted profits \$82 million

Existing Store Sales and Gross Profit Margin



	Q3 2019 YTD	FY2019 plan	Main factors for YOY change
Existing store merchandise sales	+2.9%	+2.3%	Sales Drivers; Fresh food PB products "7-Select" Non-alcoholic / alcoholic beverages
Merchandise gross profit margin	+0.7%	+0.5%	Margin Drivers; Fresh food PB products "7-Select" ▪ Impact of 7Rewards: +0.1% ▪ Impact of Sunoco acquisition: +0.2%

Initiatives for Fresh Food with Warabeya (Dallas Area)

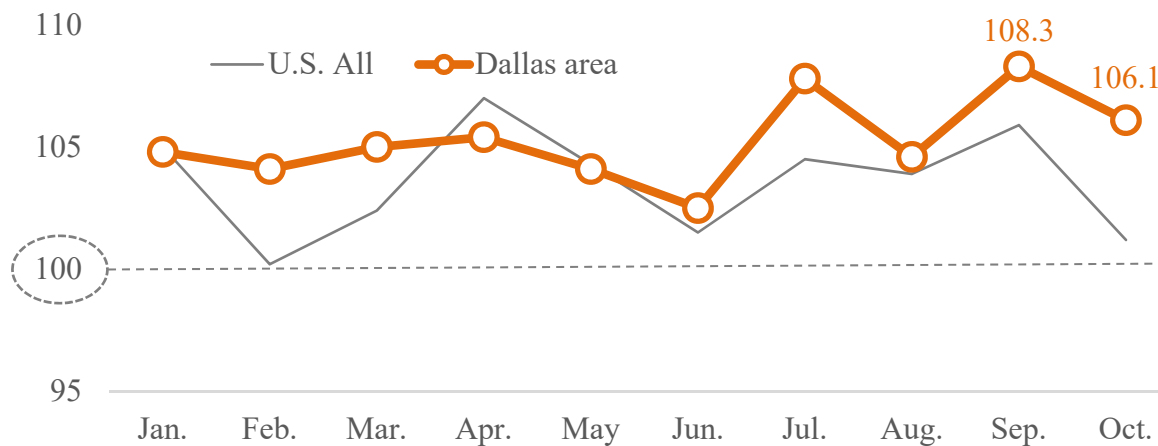


◆ What U.S. Customers Want (Grab & Go)

Customer Needs
High Quality
Affordable Snacks
Fast and Grab & Go
Hot Food



◆ Fresh Food Sales (YOY)



■ Dallas Area Category Break Out

Oct. 2019	Items	YOY
1	Hot Food	121.5%
2	Fresh Meals	229.0%
3	Bakery	108.6%
4	Fresh Sandwiches	107.7%
Total		106.1%

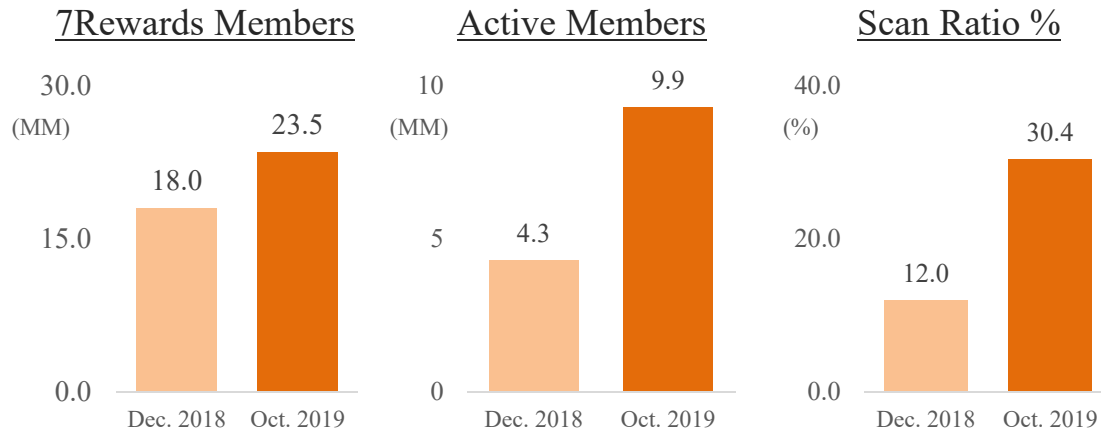
Categories tied to Warabeya serve as the driving force, trending with a higher-than-average growth rate across the U.S.

We continued trials and established a successful model in the Dallas area
 ⇒ Aim to expand the area for these initiatives in the next period

Digital Strategy



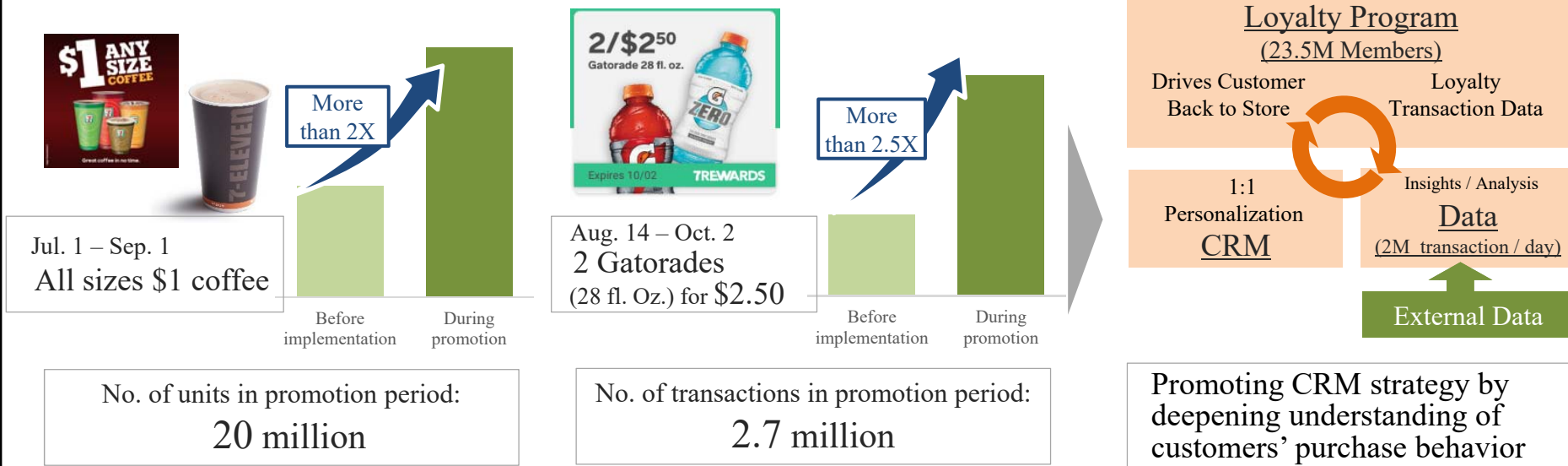
◆ KPIs for 7Rewards



■ Effects of 7Rewards (Q3 YTD)

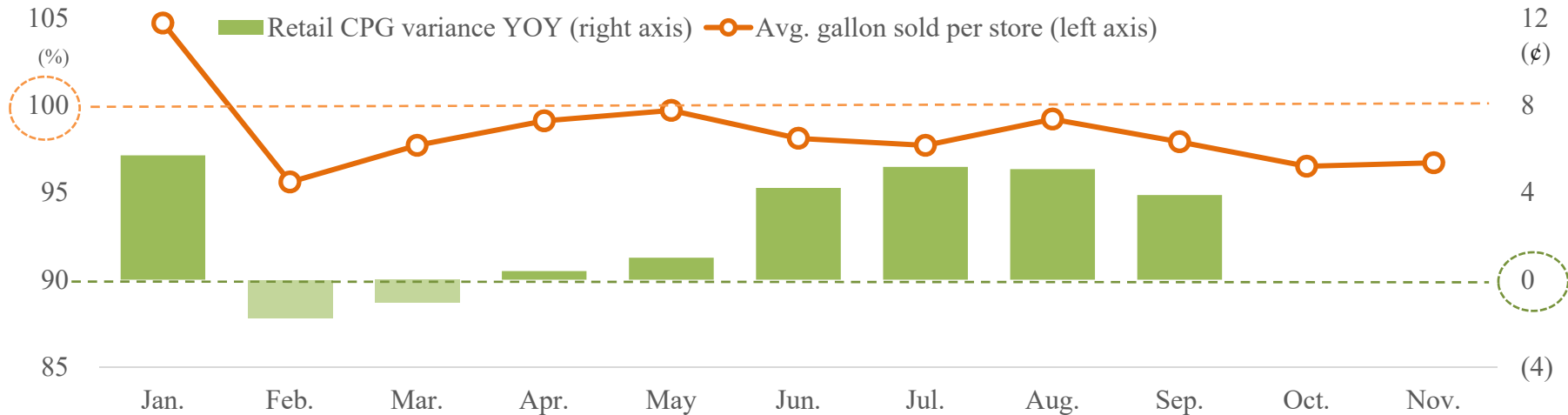
Transaction	2M / day (2X growth in 6 months)
Sales	+\$57.4/day/store
No. of store visits	+6.5/day/store

◆ Examples of Effectiveness (Member Only Offers)

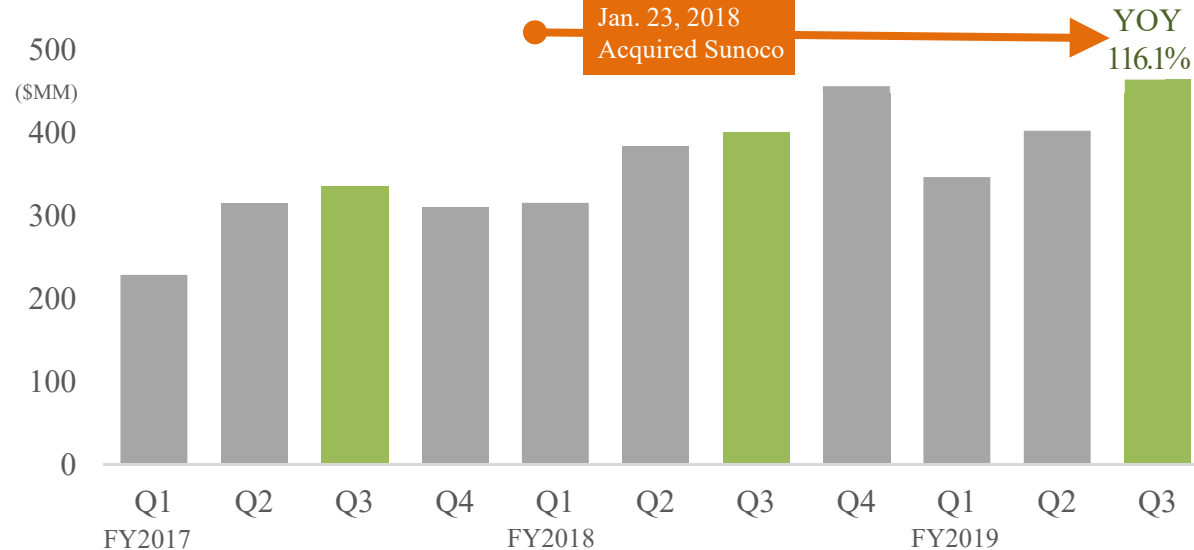


Gasoline Gross Profit

◆ YOY: Retail CPG Variance and Average Gallon Sold Per Store



◆ Gasoline Gross Profit



Results for Q3 2019	
YOY	110.2%
vs plan	102.0%

Gasoline GP grew stably due to favorable CPG, which offset a decline in gallons sold

Gasoline GP exceeded both last year's record and the plan

Sunoco Results (Q3 FY2019)



◆ Operating Figures (Average daily sales per store)

	Sunoco		SEI (excl. Sunoco)		SEI Total	
		Change		Change		Change
Merchandise (Millions of dollars)	5,041	+51	5,143	+143	5,132	+137
Gasoline (Millions of Gallons)	4,928	(162)	3,431	(48)	3,775	(54)

◆ Financial Figures

(Exchange rate: 1USD = 109.12JPY)

	Sunoco		SEI (excl. Sunoco)		SEI Total	
		YOY(%)		YOY(%)		YOY(%)
Operating income (Millions of dollars)	111	184.0	723	104.6	835	111.0
Operating income (Billions of yen)	12.2	182.9	78.9	104.1	91.1	110.5
Amortization of goodwill (Billions of yen)	5.6*	99.4	8.9	110.2	14.6	105.8
Contribution to consolidated operating income (Billions of yen)	6.5	680.3	69.9	103.4	76.4	111.4

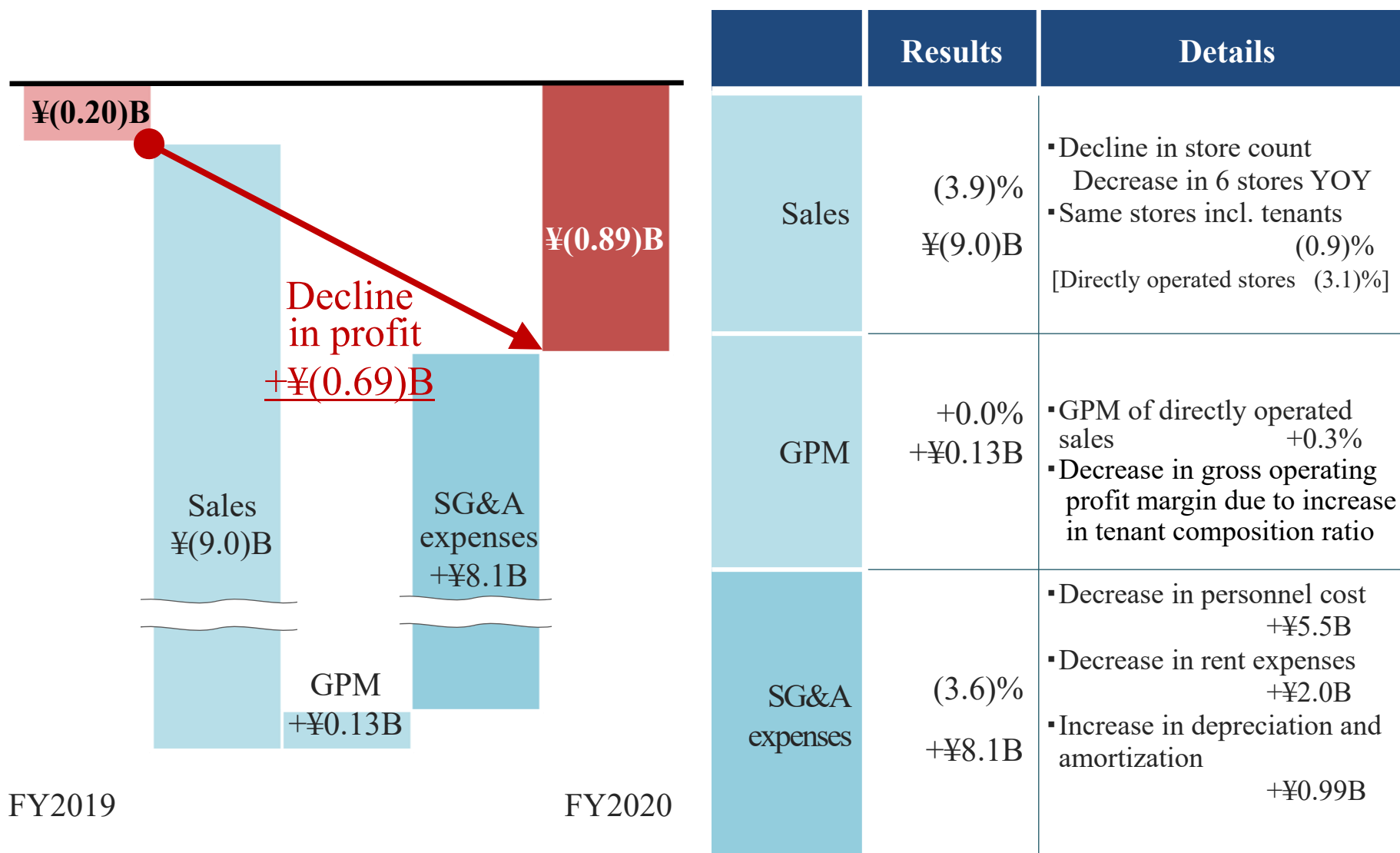
Operating income rose significantly due to improvements in merchandise and gasoline profit, etc. ⇒ Steady progress toward achieving full-year targets

*Goodwill: Calculated as 1,388 MM USD.

Ito-Yokado

IY

Factors in YOY Change of Operating Income Q3 FY2020



Even with promoting a decline in expenses, profits significantly under plan due to inability to cover struggling sales in existing stores

Store Initiatives (Announced October 2019)



	No. of stores	Responses
Sustainable stores	103	Advance adoption of shopping center format Attract strong tenants, accelerate horizontal deployment of successful examples
Unprofitable stores	33	Search Group companies and external alliances Store closure will also be considered
<i>Shokuhinkan</i> (food specialty store), etc.	22	Take steps to improve profitability by collaborating within the Group with a view to a company split

Closely surveying the profitability and future potential of each individual store and making decisions on response and direction

Progress on Store Structural Reforms

◆ Implementation Status of Store Structural Reforms and Closures

(Number of stores)

	FY2017	FY2018	FY2019	Q3 FY2020	Total*
Restructuring Reforms	7	19	23	24	58
Closures (Total 40 store closures through to FY2021)	15	9	6	5	35

By FY2019, increased profit by ¥2.9 billion at 43 stores* where structural reforms were implemented compared to before remodeling

* Excluding overlaps in second phase of renovations, etc.

◆ The Impact of Structural Reforms (Sales YOY after remodeling in 21 stores by October 2019)

(%)	Store names	Floor space change rate		Directly - managed sale per sqm	Customer traffic (store total)
		Directly-managed area	Tenant area		
1	Aomori	92.9	150.0	124.3	131.2
2	Akabane	75.1	198.3	128.8	122.9
3	Akishima	79.5	2,713.9*	118.4	115.3
	...				
Average of 21 stores		91.6	115.9	106.8	107.4

- Structural reform progressing in accordance with the plan
- Efficiency per square meter and the number of customers increased in remodeled stores
- Profit increased by ¥0.12 billion at 21 stores listed to the left

Verifying effects for horizontal deployment

*Only three service-type tenants before remodeling

Common Points in Successful Cases

Bold reduction of sales space in lifestyle areas

Attract large tenants to higher floors
⇒ Strengthen customer attraction and shopping around multiple sales area

Sales area zoning with the theme of "food"
~Food Court+Food products sales tenants
+Directly-managed food sales floor area

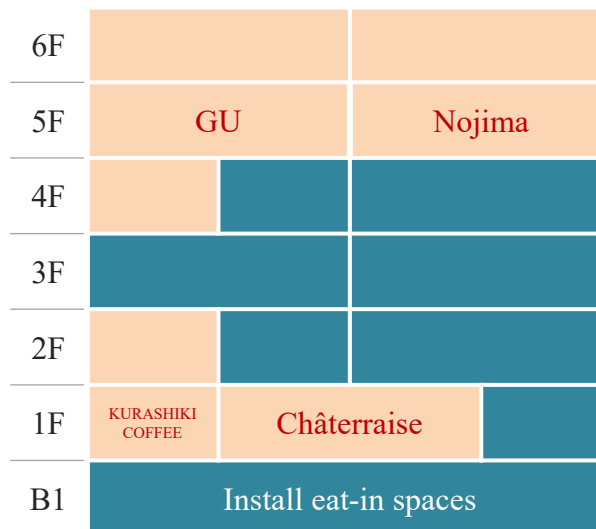
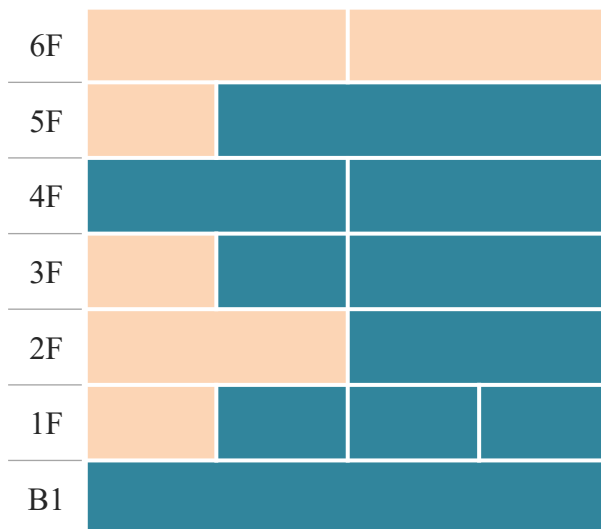
Example of Store Structural Reform (Akabane Store)



Issues	
Decrease in apparel sales	Decline in profit
Delay in remodeling food sales areas	
Competitors open stores and remodeling	

Build new shopping center models at stores in front of stations and multi-story stores	
Obtain tenants for higher floors	⇒ Improve floor-space efficiency at the directly-managed area
1F Introduce food products sales tenants	⇒ Attract customers to B1 food sales area
B1 Foods floor	⇒ Strengthen easy menu and install eat-in spaces

◆ Remodeling Details (Opened March, 2019)



	Compared with before remodeling	
	[<i>tsubo</i>]*	[%]
Lifestyle	(826)	70
Specialty stores	(29)	20
Food	+27	105
Directly managed sales area	(828)	75
Tenants	+880	198
Store total	+52	101

◆ Introduction Effect

(Store total sales YOY after remodeling from April to November, 2019)

No. of customer	Total sales	Sales per <i>tsubo</i> *
122.9%	111.5%	110.1%

Spread success example from structural reform through stores in front of station and multi-story stores

*1 *tsubo* = 3.31m²

Example of Store Structural (Akabane Store)

Zone food products sales areas combining directly managed sales area and tenants, have tenants enhance family fashion and household goods



Nojima (Electric and home appliances)



GU (Fashion)



Châtèrraise (Confectionary)



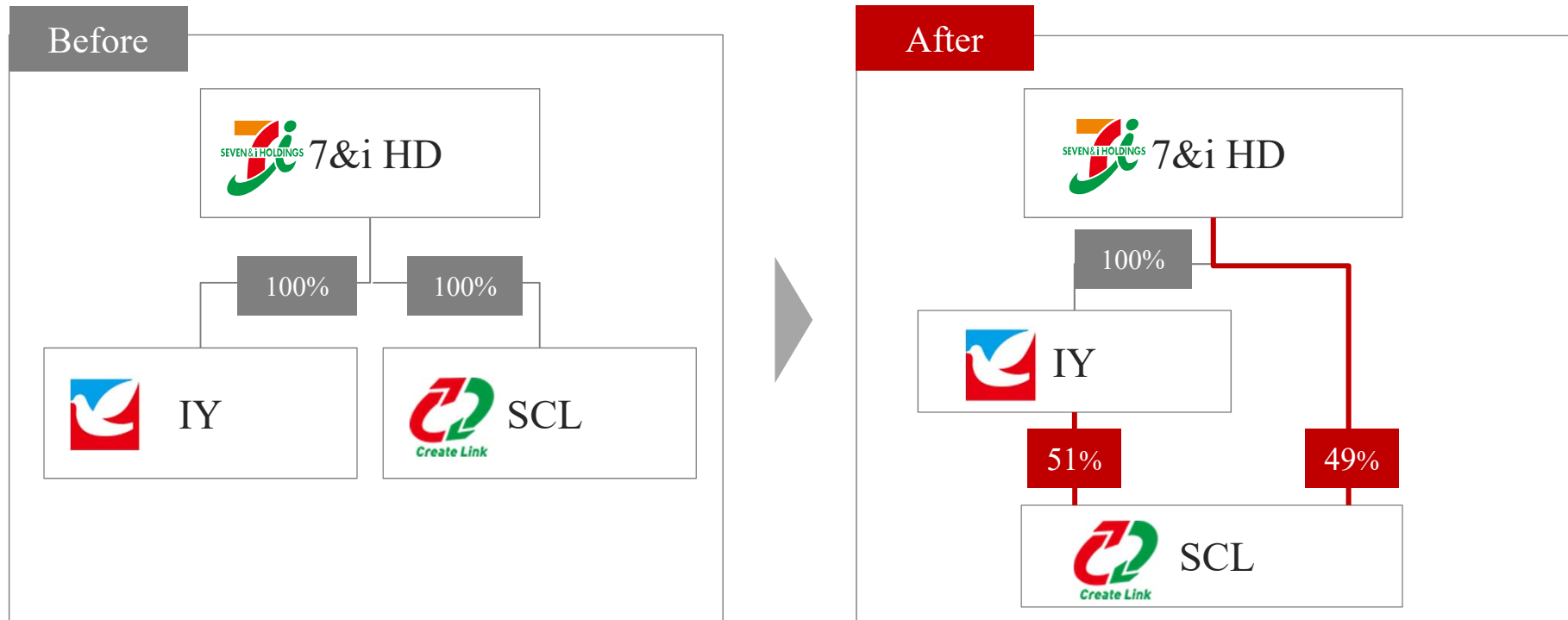
KURASHIKI COFFEE



Promoting Business Structural Reforms

◆ Seven & i Create Link Inc. (SCL) Share Transfer (Scheduled on March 1, 2020)

【Target】 Business structural reform promotion	Reorganize merchandise for the lifestyle business and reduce sales area	▶	(1) Strengthening partnership between IY and SCL
	Invite tenants with strong customer attraction and rehabilitate as commercial facilities attuned to local needs		(2) Accelerate decision making

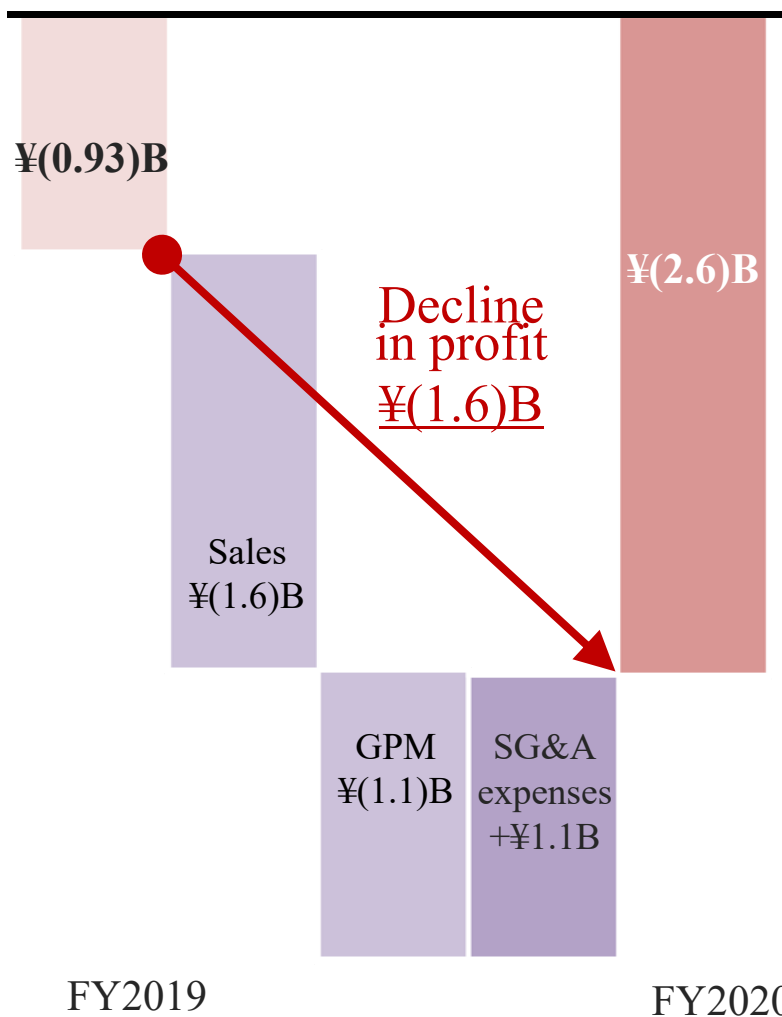


Develop and introduce new content and revitalize stores into commercial facilities aligned to local characteristics

Sogo & Seibu

SS

Factors in YOY Change of Operating Income Q3 FY2020



	Results	Details
Sales	(1.5)% ¥(1.6)B	<ul style="list-style-type: none"> Key stores* in Tokyo metropolitan area (0.4)% Regional and suburban stores (4.4)% Corporate outside sales division (1.6)%
GPM	(0.4)% ¥(1.1)B	<ul style="list-style-type: none"> Growth in sales of low GP products (food products and luxury brands)
SG&A expenses	(1.1)% +¥1.1B	<ul style="list-style-type: none"> Decrease in personnel cost (Efficiency gains from personnel allocation management) +¥0.95B Decrease in advertising expenses +¥0.24B Decrease in utility expenses (Decrease in consumption) +¥0.23B

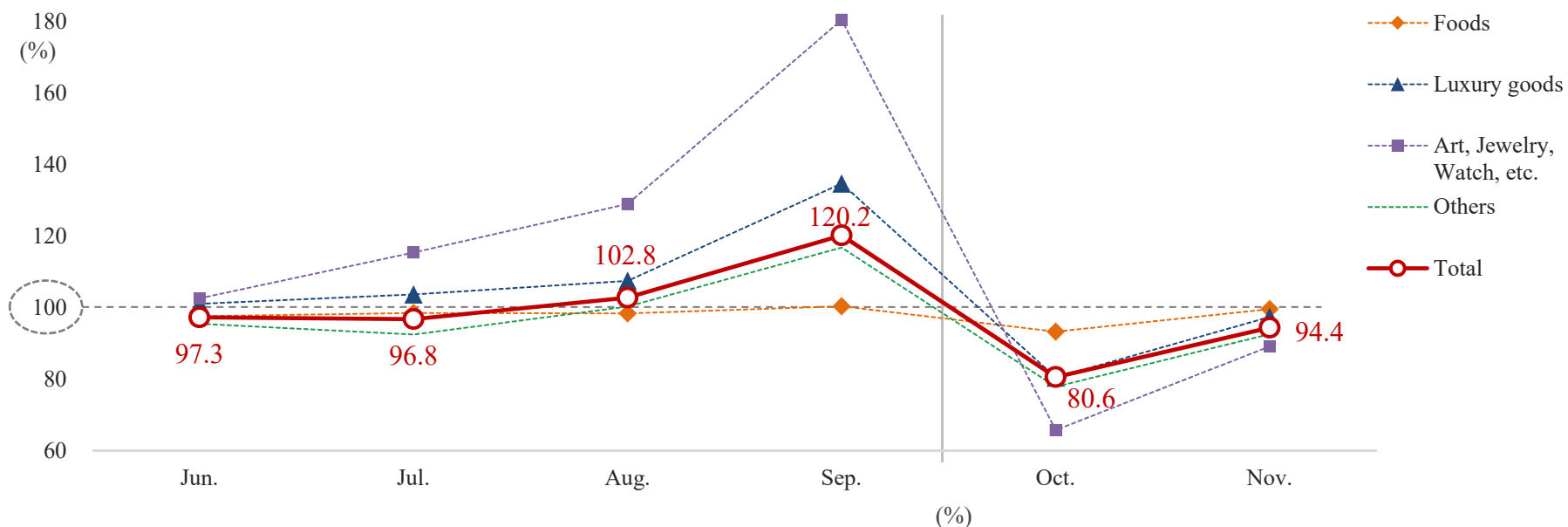
Profits drastically decreased due to struggling sales in existing stores and GPM

*Key stores in Tokyo metropolitan area: SEIBU Ikebukuro, Sogo Yokohama, Sogo Chiba, SEIBU Shibuya and Sogo Omiya

Impact of the Increase in the Consumption Tax Rate



◆ Comparison of YOY Sales Before and After Consumption Tax Increase (by main merchandise category)



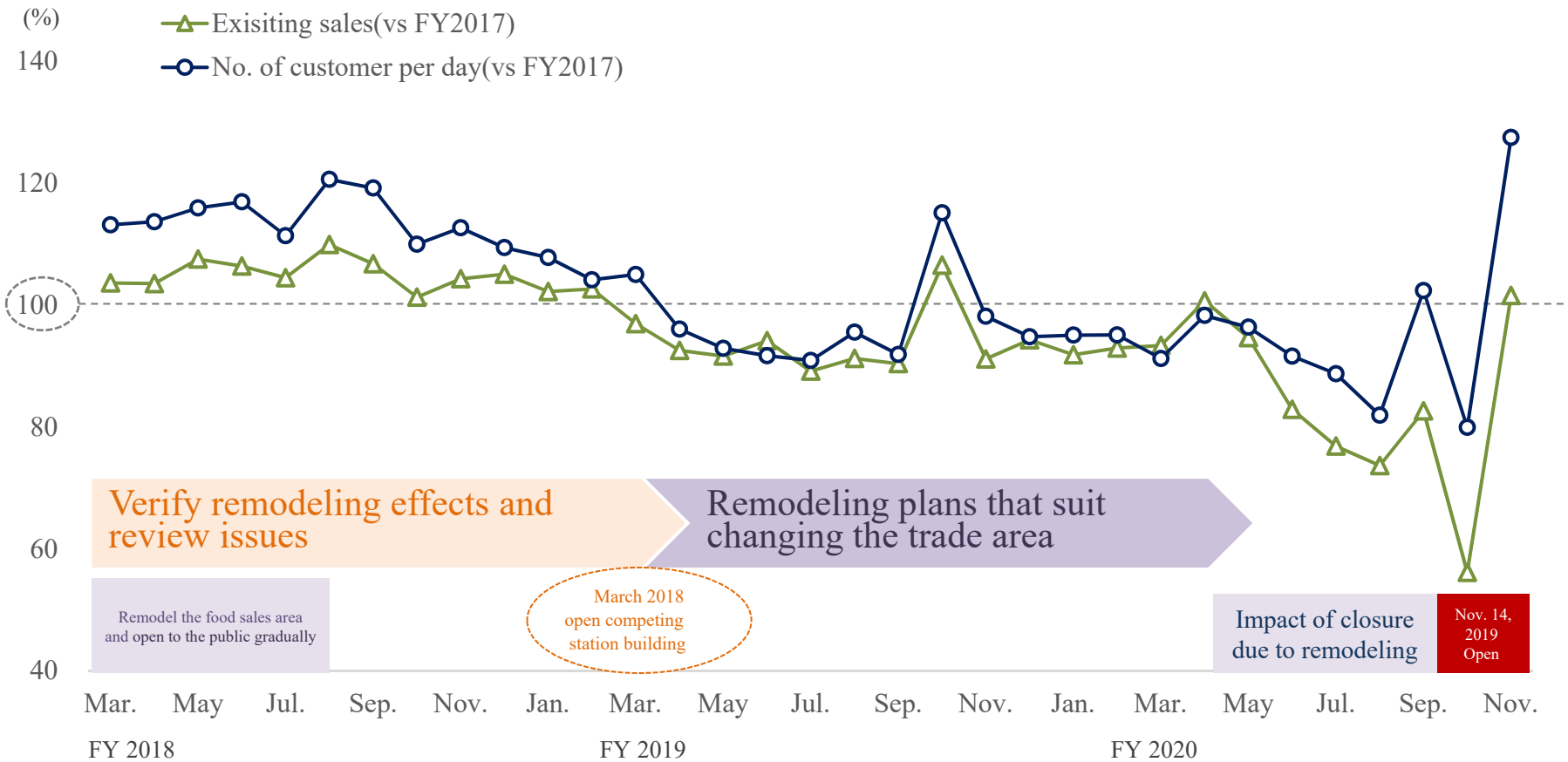
	1 H	October	Compare to 1H	November	Compare to 1H
Total	99.0	80.6	(18.4)	94.4	(4.6)
Food	99.3	93.3	(6.0)	99.6	+0.3
Luxury goods	104.8	80.5	(24.3)	97.4	(7.4)
Art, Jewelry, Watch, etc.	108.3	65.8	(42.5)	89.2	(19.1)
Others	96.8	77.9	(18.9)	92.6	(4.2)

Some rebound against last-minute demand remained from November onward
 ⇒Narrow targets and aim to reduce rebound

Strengthen customer attraction through product fairs, food events

Hold events for wealthy customers

Impact of Conversion to Shopping Center Format at SEIBU Tokorozawa



- ✓ Started store design that suits locational features from FY2017
- ✓ Improved customer attraction by strengthening food sales area
- ✓ Attracting visitors to higher floors is an issue

- ✓ Execute a PDCA cycle to further improve the building's charm
- ✓ Aim to improve customer attraction and profitability, and attract customers to multiple shops
⇒ Implement further store reform

Conversion to Shopping Center Format at SEIBU Tokorozawa



◆ Concept for Remodeling

- Conversion to shopping center format
(Tenant-managed floor space change rate 26%→75%)
- Establish a stable revenue base through property management

Imperatives

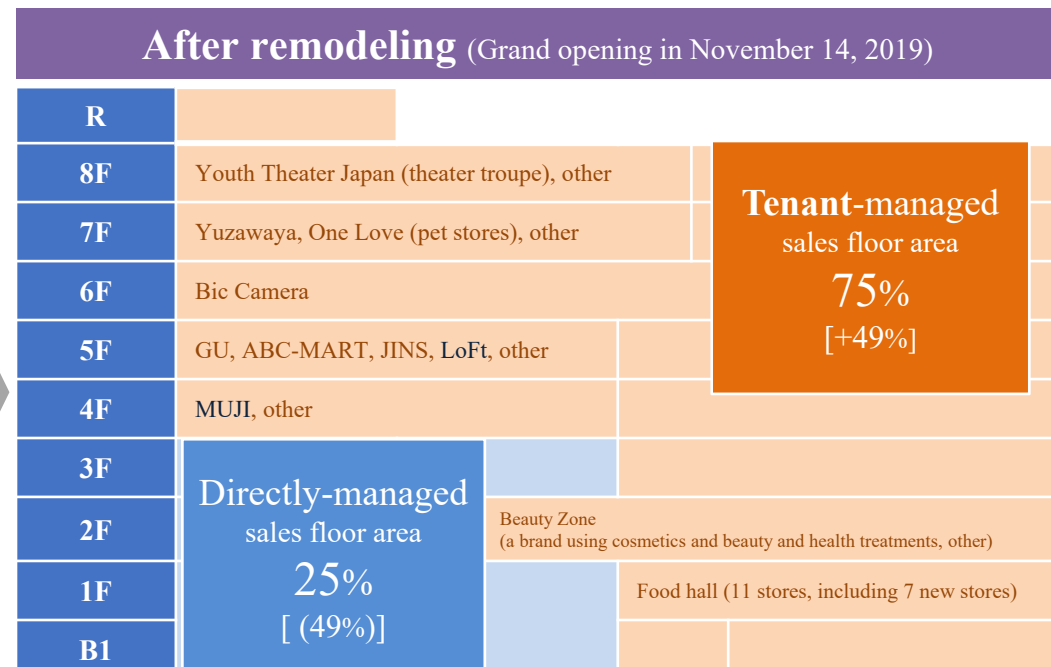
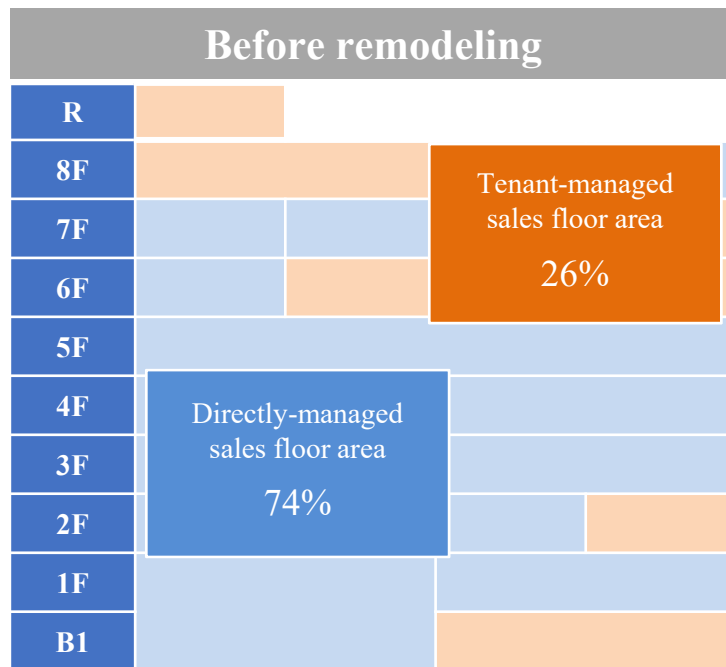
- (1) Utilize the strength of food and cosmetics
- (2) Attract customers by inviting attractive tenants
- (3) Corporate with SEIBU Ikebukuro
(Approach wealthy customers)
- (4) Efficiency operation (Optimize personnel)

The target of FY2022 (vs FY2019)

Customer	151%
Sales	113%
Employee	(72)%

⇒ Secure stable profits

◆ Floor of the Image



Clarify issues for building a system for shopping center conversions

⇒ Establish property management operations expertise ⇒ Transfer expertise to key stores

Conversion to Shopping Center Format at SEIBU Tokorozawa



Maintain department store strengths and enhance home appliances, household goods and beauty contents essential for living



Youth Theater Japan (Theater troupe)



Bic Camera (Electric and home appliances)



GU (Fashion)



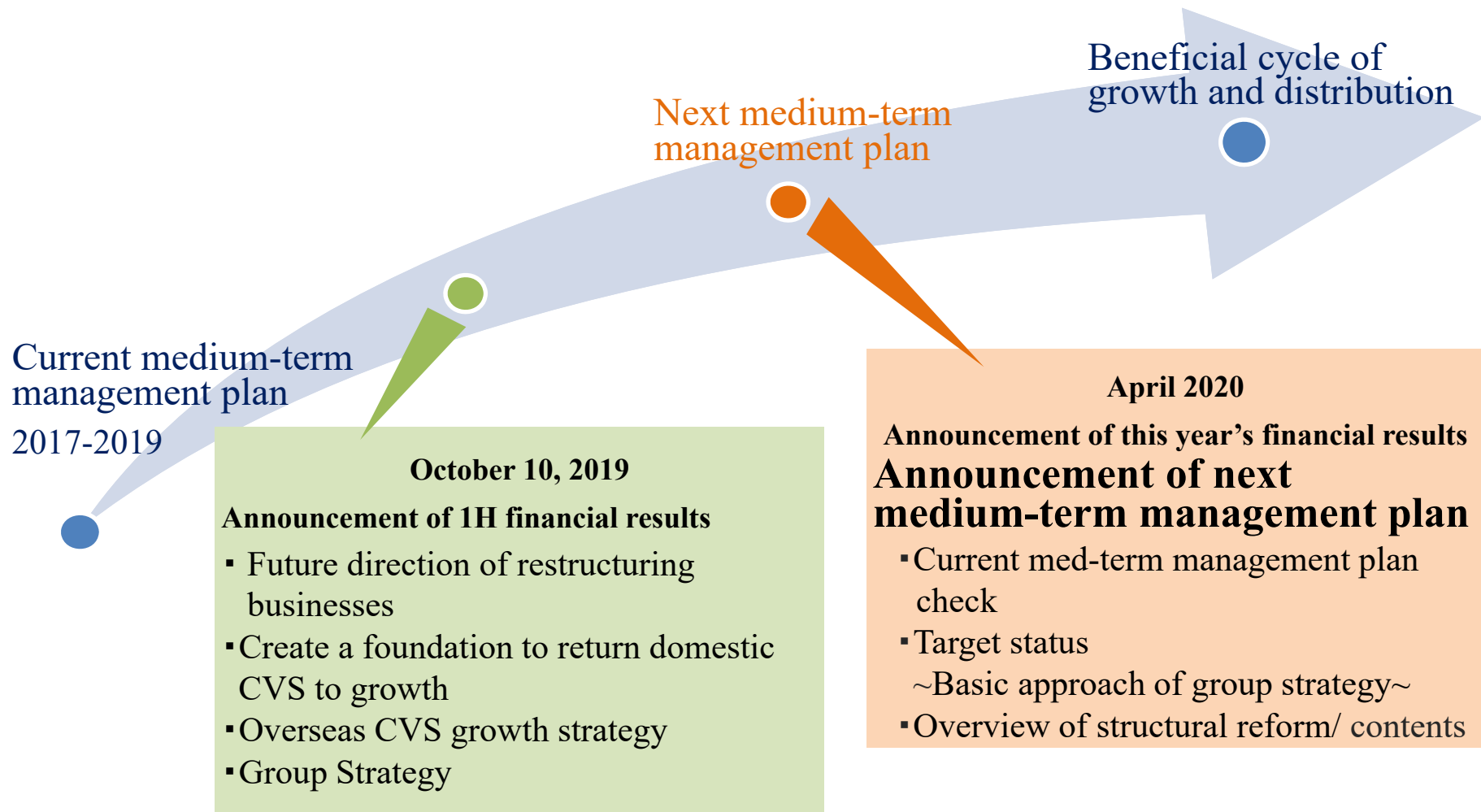
Loft (Household goods)




KAATU Beauty Terrace (Massage)



Initiatives Going Forward



Enlarge Group synergies and create a beneficial cycle of growth and distribution



A p p e n d i x

Revenues from Operations by Business Segment FY2020



(Billions of yen, %)

	1H		Q3		YTD		
		YOY/Variance		YOY/Variance		YOY	Variance
Consolidated revenues from operations	3,313.2	99.1 (30.3)	1,662.3	96.2 (66.5)	4,975.5	98.1	(96.8)
Domestic CVS operations	488.0	100.4 +1.8	245.6	102.8 +6.6	733.7	101.2	+8.4
Overseas CVS operations	1,364.6	100.5 +6.7	711.2	93.0 (53.7)	2,075.8	97.8	(47.0)
Superstore operations	922.9	97.3 (25.5)	443.2	96.8 (14.4)	1,366.2	97.2	(40.0)
Department store operations	283.3	99.1 (2.5)	137.3	97.7 (3.2)	420.6	98.6	(5.7)
Financial services	107.7	99.7 (0.32)	55.1	100.8 +0.45	162.9	100.1	+0.13
Specialty store operations	171.7	94.0 (10.9)	81.5	96.7 (2.7)	253.3	94.9	(13.7)
Others	12.0	104.5 +0.52	7.4	121.3 +1.3	19.4	110.4	+1.8
Eliminations / corporate	(37.3)	- +0.00	(19.3)	- (0.74)	(56.6)	-	(0.74)

Operating Income by Business Segment FY2020



(Billions of yen, %)

	1H		Q3		YTD		
		YOY/Variance		YOY/Variance		YOY	Variance
Consolidated revenues from operations	205.1	102.8 +5.5	113.9	108.9 +9.3	319.0	104.9	+14.8
Domestic CVS operations	133.3	104.4 +5.5	66.7	113.9 +8.1	200.1	107.3	+13.6
Overseas CVS operations	40.6	112.1 +4.4	35.8	110.6 +3.4	76.4	111.4	+7.8
Superstore operations	6.9	74.4 (2.4)	0.91	199.8 +0.45	7.9	80.2	(1.9)
Department store operations	(0.61)	- (0.71)	(1.3)	- (0.84)	(1.9)	-	(1.5)
Financial services	27.1	95.6 (1.2)	14.5	100.2 +0.02	41.7	97.1	(1.2)
Specialty store operations	4.0	107.1 +0.27	0.00	0.4 (1.5)	4.0	75.8	(1.3)
Others	0.79	59.8 (0.53)	0.74	103.7 +0.02	1.5	75.1	(0.50)
Eliminations / corporate	(7.2)	- +0.19	(3.5)	- (0.34)	(10.8)	-	(0.15)

Operating Income for Major Operating Companies FY2020



(Billions of yen)

	1H		Q3		YTD		
		YOY/Variance		YOY/Variance		YOY(%)	Variance
Seven-Eleven Japan	132.4	103.9 +4.9	66.0	114.0 +8.1	198.4	107.0	+13.0
7-Eleven, Inc.	50.4	111.8 +5.3	40.6	108.9 +3.3	91.1	110.5	+8.6
[Millions of dollar]	[458]	110.4 [+43]	[376]	111.7 [+39]	[835]	111.0	[+82]
Ito-Yokado	0.50	27.3 (1.3)	(1.4)	- +0.64	(0.89)	-	(0.69)
York-Benimaru* <incl. Life Foods*>	8.1	105.4 +0.42	2.9	106.6 +0.18	11.1	105.7	+0.60
Sogo & Seibu	(1.0)	- (0.78)	(1.5)	- (0.89)	(2.6)	-	(1.6)

* Life Foods is a wholly owned subsidiary which produces and sells delicatessen in York-Benimaru stores.

The combined operating income for York-Benimaru and Life Foods represents internal management reporting figures.

Consolidated B/S Summary (As of Nov. 30, 2019)

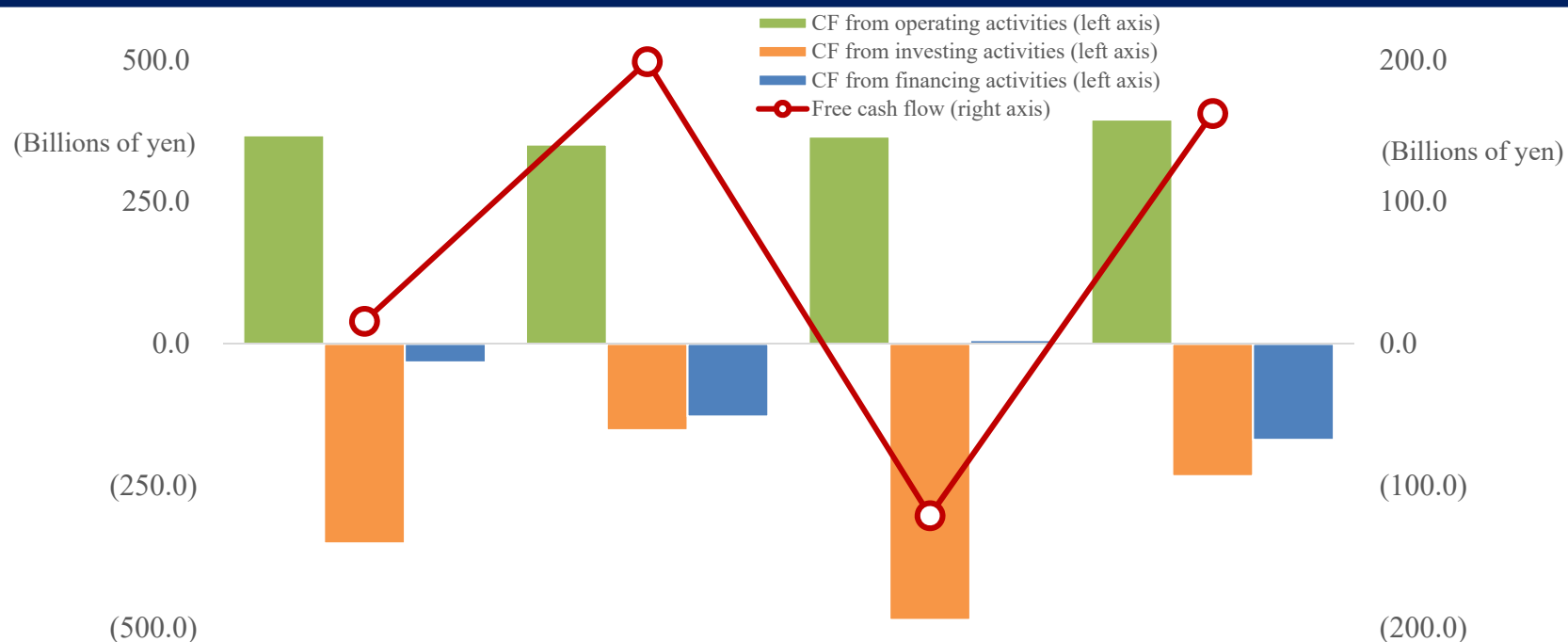


(Billions of yen)

Assets (Main items only)	Feb. 28 2019	Nov. 30 2019	Variance	Liabilities and net assets (Main items only)	Feb. 28 2019	Nov. 30 2019	Variance
Current assets	2,326.4	2,483.6	+157.2	Total liabilities	3,122.5	3,276.5	+153.9
Cash and bank deposits	1,314.5	1,303.9	(10.6)	Current liabilities	1,992.7	2,211.4	+218.6
Cash and due from banks at Seven Bank	775.4	798.2	+22.7	Notes and accounts payable, trade	411.6	466.0	+54.4
Notes and accounts receivable-trade	95.6	150.2	+54.5	Short-term loans	143.1	127.2	(15.9)
Non-current assets	3,468.5	3,478.4	+9.9	Current portion of bonds Current portion of long- term loans	156.6	205.7	+49.0
Property and equipment	2,118.6	2,148.1	+29.4	Deposits received	174.0	236.6	+62.5
Buildings and structures, net	954.0	979.6	+25.5	Deposit received in banking business	588.3	622.3	+33.9
Land	751.6	746.5	(5.0)	Non-current liabilities	1,129.8	1,065.0	(64.7)
Intangible assets	608.4	601.1	(7.3)	Bonds	361.9	281.9	(79.9)
Investments and other assets	741.3	729.1	(12.2)	Long-term loans	443.4	408.8	(34.6)
Deferred assets	0.10	2.5	+2.4	Total net assets	2,672.4	2,688.1	+15.6
Total assets	5,795.0	5,964.6	+169.6	Total liabilities and net assets	5,795.0	5,964.6	+169.6

Note) ASBJ Statement No. 28 has been adopted and reflected retroactively in the figures for the fiscal year ended February 28, 2019

Consolidated Statements of Cash Flows (Q3)



(Billions of yen)	FY2017	FY2018	FY2019	FY2020	vs. FY2019
CF from operating activities	367.2	351.0	365.2	395.2	+30.0
CF from investing activities	(351.2)	(152.0)	(486.2)	(232.8)	+253.3
Free cash flow	15.9	198.9	(120.9)	162.3	+283.3
CF from financing activities	(32.6)	(127.8)	6.5	(169.0)	(175.6)
Cash and cash equivalents at end of period	1,120.6	1,281.3	1,182.1	1,300.6	+118.5

FY 2020 Plan of Revenues from Operation and Operating Income by Business Segments (As of Nov. 30, 2019)



◆ The Plan of Consolidated and Each Segments Remains Unchanged

(Billions of yen, %)

	FY 2020 Revenues			FY 2020 Operating income		
		YOY	Variance		YOY	Variance
Consolidated	6,688.0	98.5	(103.2)	420.0	102.0	+8.4
Domestic CVS operations	972.2	101.8	+16.7	251.4	101.9	+4.6
Overseas CVS operations	2,740.0	97.1	(81.0)	102.7	111.3	+10.4
Superstore operations	1,869.2	98.2	(33.3)	26.1	123.3	+4.9
Department store operations	590.6	99.7	(1.5)	4.7	125.8	+0.96
Financial services	221.0	102.8	+5.9	46.3	87.6	(6.5)
Specialty store operations	349.0	98.2	(6.4)	8.1	121.3	+1.4
Others	27.0	113.8	+3.2	2.5	94.0	(0.15)
Eliminations / corporate	(81.0)	-	(6.9)	(21.8)	-	(7.2)

FX rate: 1USD = 110.00 JPY, 1CNY = 16.00 JPY

Note: The "Before Revision" column shows only items that revised the forecast

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FY2020 Plan for Major Operating Companies



◆ The Plan of Major Operating Companies Remains Unchanged

(Billions of yen, %)

	Operating income			Existing store sales growth	GPM variance
		YOY	Variance		
Seven-Eleven Japan	250.0	102.0	+4.9	± 0.0	+0.2
7-Eleven, Inc. [Millions of dollar]	122.6 [1,114]	110.4 [110.8]	+11.5 [+108]	+2.3	+0.5
Ito-Yokado	6.5	138.1	+1.7	(3.6)	+0.3
York-Benimaru 〈incl. Life Foods*〉	18.3	109.4	+1.5	(0.5)	+0.6
Sogo & Seibu	4.2	128.6	+0.93	± 0.0	± 0.0

* Life Foods is a wholly owned subsidiary which produces and sells delicatessen in York-Benimaru stores.

The combined operating income for York-Benimaru and Life Foods represents internal management reporting figures.

Note: The “Before Revision” column shows only items that revised the forecast

This document contains certain statements based on the Company's current plans, estimates, strategies, and beliefs; all statements that are not historical fact are forward-looking statements. These statements represent the judgments and hypotheses of the Company's management based on currently available information. It is possible that the Company's future performance will differ from the contents of these forward-looking statements. Accordingly, there is no assurance that the forward-looking statements in this document will prove to be accurate.