





**LARGE-SCALE COMMERCIAL BASE STRATEGY**

# Large-Scale Commercial Base Strategy

## (Business / Store Structure Reform in the Large-Scale Base Strategy)

	 Ito-Yokado	 Sogo & Seibu
Business structural reform	Unprofitable stores: Close down / scrutinize profitability	Review operations and personnel through store reform
	Personnel optimization	Personnel optimization
Store structural reform	Create stores that match the characteristics of the trade area (improvement of trade area analysis accuracy)	Create stores that match the characteristics of the trade area (improvement of trade area analysis accuracy)
	Improve productivity through AI orders, etc.	Expand customer contact points using DX
Non-store business	Online supermarkets: large-scale centers	Strengthening sales to outside customers (affluent customers)
	Expand “Tokushimaru” mobile supermarkets	Expand commercial business (BtoBtoC)

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## (Structural Reform / Growth Strategy Schedule)

		From FY2017 Priority measures	From FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	
Ito-Yokado	Structural reform	Unprofitable stores	30 stores closed	182⇒	Decision to close 5 stores				
		<i>Shokuhinkan, THE PRICE</i>	20 stores transferred	132 stores	Profitability scrutiny of 18 stores				
		Personnel optimization	-800 (compared to FY2019)	-900 (compared to FY2021)					
	Growth strategy	Create buildings that match the trade area	69 stores	20 stores	Approx. 20 stores/year (planned)				
		Non-store expansion	Online supermarkets, mobile supermarkets "Tokushimaru", etc.						
			Improve trade area analysis accuracy		Explore market needs				
Sogo & Seibu	Structural reform	Unprofitable stores	13 stores closed 2 local stores reduced (FY2021)	23⇒10 stores					
		Personnel optimization	-1,500 (compared to FY2019)	Optimization and relocation of growth fields in line with store reforms					
	Growth strategy	Create buildings that match the trade area	2 suburban stores converted to SC	6 major stores					
		Non-store expansion	Foreign business (affluent customers), commercial business (BtoBtoC), etc.						
			Improve trade area analysis accuracy		Explore market needs				