



May 18, 2006

To whom it may concern,

Company Name: Seven & I Holdings Co., Ltd.
Name of Representative:
Noritoshi Murata, President & Representative Director
(Code No. 3382/First Section of the Tokyo Stock Exchange)
Contact : Director Tadahiko Ujiie (TEL : 03-6238-3000)

Notice on Decrease in Additional Paid-in Capital

At its meeting of Board of Directors, Seven & I Holding Co., Ltd. (the “Company”) decided on decrease in additional paid-in capital. Such decrease is subject to the approval of its 1st Annual Shareholders’ Meeting to be held on May 25, 2006.

1. Objective

The major objective is to increase divisible surplus .

2. Amount of additional paid-in capital to be decreased

At the end of February 28, 2006, the Company carried a 1,375,211,806,312 yen in its additional paid-in capital account. A total of 300,000,000,000 yen additional paid-in capital shall be reduced in accordance with Article 289, Section 2 of the Commercial Code. The amount of additional paid-in capital of the Company and the amount equal to such decrease will be classified as “other capital surplus”.

3. Timetable

Resolution by the Board of Directors:	May 2, 2006
General meeting of shareholders:	May 25, 2006 (scheduled)
Date of public notice to creditors for objections:	June 1, 2006 (scheduled)
The last date of objections by creditors:	July 3, 2006 (scheduled)
Effective date of decrease in additional paid-in capital:	July 4, 2006 (scheduled)