



October 11, 2007

To whom it may concern:

Company name: Seven & i Holdings Co., Ltd.
Representative: Noritoshi Murata, President and Representative Director
(Code No. 3382/First Section of the Tokyo Stock Exchange)

Notice of Special Loss Resulting from the Early Adoption of a Change in Accounting Standards and Revision of Consolidated Results Forecast for the Fiscal Year Ending February 29, 2008

As described below, Seven & i Holdings Co., Ltd., has recorded a special loss in the interim fiscal period of the fiscal year ending February 29, 2008 as a result of the early adoption of a change in accounting standards and has revised its previous forecast, released on April 12, 2007, for consolidated net income in the fiscal year ending February 29, 2008.

1. Details of special loss

The Japanese Institute of Certified Public Accountants Auditing and Assurance Practice Committee Report No. 42, which was announced on April 13, 2007, includes a section regarding allowance for items originally recorded as liabilities and subsequently recognized as income. In accordance with that section, the company considered its handling of unredeemed gift tickets which have been recognized as income after certain periods from their issuance. The change in accounting standards is scheduled to take effect from the fiscal year ending February 28, 2009, but the company decided to apply early adoption of the change and recorded a loss of ¥7,085 million as a provision for losses on uncollected gift tickets for future use.

2. Revision of consolidated results forecast

(1) Consolidated results forecast for fiscal year ending February 29, 2008 (from March 1, 2007 to February 29, 2008)

(Units: ¥ million, %)

	Revenues from operations	Operating income	Ordinary income	Net income
Previous forecast (A)	5,755,000	300,000	292,000	150,000
Current forecast (B)	-	-	-	145,000
Difference (B - A)	-	-	-	(5,000)
% change (%)	-	-	-	(3.3)
Reference: Results in previous year (fiscal year ended February 2007)	5,337,806	286,838	282,016	133,419

(2) Reason for revision of consolidated results forecast

This revision takes into account the effect of about ¥5.0 billion on net income from the special loss that resulted from the early adoption of the change in accounting standards described in 1. above, which was published after the company announced its previous forecast. This revision is limited to net income.

(3) Forecast of non-consolidated results

There is no revision of the non-consolidated results forecast.

Note: The results forecast is the judgment of the company based on the information available at this point in time, and actual results might differ from the forecast due to a variety of factors.