



February 17, 2009

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)

Announcement of Establishment of Seven Internet Lab. Co., Ltd.

Seven & i Holdings Co., Ltd., hereby provides notice that two of its consolidated subsidiaries--Seven & i Netmedia Co., Ltd., and Seven and Y Corp., will establish a joint venture company in cooperation with NEC Corporation. The new company, Seven Internet Lab Co., Ltd., is described in more detail in the attached materials.

Seven & i Group and NEC Start Cooperative Alliance for R&D in the "Creation of Retail/IT Synergies"

--Establish a new company and create a new format in retail business--

Seven & i Holdings Co., Ltd. (Headquarters: Chiyoda-ku, Tokyo; President, Noritoshi Murata) and NEC Corporation (Headquarters: Minato-ku, Tokyo; President, Kaoru Yano) have agreed to establish a joint venture company. The new company, to be named Seven Internet Lab Co., Ltd., will undertake R&D targeting a wide-ranging response to the advent of the information society, with a focus on the theme of the "creation of retail/IT synergies."

1. Purpose of Establishment of New Company

This cooperative venture will bring together the capabilities of the Seven & i Group in retail business and NEC's system research and technology know-how. In these fields of research, it will be the world's first test of retail and IT cooperative activity.

Specifically, the cooperative venture will focus on making full use of technology in an Internet-oriented society and on research into new possibilities in the retail business. Moreover, through the retention and development of IT personnel in the retail business, the venture will support the cultivation of know-how and the implementation of joint operations. System development activities will focus on obtaining the maximum return on IT investment.

The ultimate objective will be to utilize the results of the R&D initiatives in the business reforms undertaken by the Seven & i Group and the new product development activities of the NEC Group.

2. Overview of New Company

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| Name: | Seven Internet Lab. Co., Ltd. | |
| Location: | 5-4 Koji-machi, Chiyoda-ku, Tokyo | |
| President: | Yasuhiro Suzuki (currently, President of Seven and Y Corp.) | |
| Date of establishment: | March 24, 2009 | |
| Stated capital: | 200 million yen | |
| Major shareholders and shareholding ratios: | Seven & i Netmedia Co., Ltd. | 50% |
| | NEC Corporation | 40% |
| | Seven and Y Corp. | 10% |

3. Principal Business Activities

(1) Research

- Research into the integration of Internet-based retail operations with real retail businesses

The venture will strive to use the Internet to enhance communication among customers, retailers, and producers and to create a new retail format.

- Research into the use of new technologies for next-generation solutions

The venture will research methods of using next-generation devices and new technologies in retail operations in an Internet-oriented information society.

- Research into the strategic use of data

The venture will work to accelerate the hypothesis/verification cycle using the massive amount of accumulated retail data.

(2) System development operations

- Establishment of joint development system

Users and developers will work together from upstream process stages, and development will be effectively implemented, with no communication-related losses during the feedback and review processes.

- Accumulation of development know-how

Personnel will be able to work on development projects on an ongoing basis, and as a result administrative and development know-how will be cultivated and productivity will be enhanced.

-Realization of low-cost operations

Low-cost operations will be realized through the integrated development, operation, and maintenance of the Seven & i Group's Internet-related systems.

Reference

Business field of Seven & i Netmedia

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|--|-------------------------------------|
| Name | Seven & i Netmedia |
| Establishment | July 11, 2008 |
| Stated capital | 325 million yen |
| Major shareholders and shareholding ratios | Seven & i Holdings Co., Ltd. (100%) |
| Representative director | Katsuhiko Goto |



IT Field

Services

| Name | Seven and Y | Name | 7dream.com | Name | Seven Internet Lab | Name | NittleSeven | Name | Seven Culture Network |
|-------------------------|-----------------|-------------------------|------------------|-------------------------|--------------------|-------------------------|------------------|-------------------------|-----------------------|
| Establishment | August 24, 1999 | Establishment | February 1, 2000 | Establishment | March 24, 2009 | Establishment | December 3, 2007 | Establishment | January 15, 2009 |
| Stated capital | 438 million yen | Stated capital | 5 billion yen | Stated capital | 200 million yen | Stated capital | 480 million yen | Stated capital | 450 million yen |
| Representative director | Yasuhiro Suzuki | Representative director | Yasushi Kamata | Representative director | Yasuhiro Suzuki | Representative director | Hime Miura | Representative director | Shigetada Aoki |

Online sales of books, CDs, DVDs, etc.

Integration of stores and IT through the provision of management support for Internet services, ticketing, and a range of other services

On the theme of the “creation of retail/IT synergies,” R&D targeting the creation of a new format in the field of retail.

Creation of a new sales channel through the integration of retail and media, including TV and the Internet

Leveraging the Group store network to provide a range of services through the integration of “learning” and “experiences (travel)”