

SEVEN-ELEVEN (Beijing) Co., Ltd.

Established : January 2004
 Headquarters : Beijing, China
 Contents of business : Operation of franchise convenience store chain in China
 Paid-in capital : US\$35,000,000
 Total sales : ¥5.2 billion
 Employees : 1,678
 Stores : 92



Hua Tang Yokado Commercial Co., Ltd.

Established : September 1997
 Headquarters : Beijing, China
 Contents of business : Operation of superstores selling apparel, food and household goods
 Paid-in capital : US\$65,000,000
 Total sales : ¥31.9 billion
 Employees : 3,172
 Stores : 9



Worldwide Store Network
39,100 stores (approx.)

Chengdu Ito-Yokado Co., Ltd.

Established : December 1996
 Headquarters : Sichuan Province, China
 Contents of business : Operation of superstores selling food products as well as apparel and household goods
 Paid-in capital : US\$23,000,000
 Total sales : ¥41.1 billion
 Employees : 3,151
 Stores : 4



7-Eleven, Inc.

Web site: <http://corp.7-eleven.com/>
 Established : August 1927 (as Southland Corporation. The corporate name was changed to 7-Eleven, Inc. in April 1999.)
 Headquarters : One Arts Plaza, 1722 Routh Street, Dallas, Texas, U.S.A.
 Contents of business : Operation of a franchise convenience store chain in North America and worldwide regional licensing
 Paid-in capital : US\$11,000
 Total sales : ¥1,394.6 billion
 Employees : 20,766
 Stores : 6,389



Beijing Wang fu jing Yokado Commercial Co., Ltd.

Established : November 2004
 Headquarters : Beijing, China
 Contents of business : Operation of superstores selling food products as well as apparel and household goods
 Paid-in capital : US\$18,000,000
 Total sales : ¥1.4 billion
 Employees : 201
 Stores : 1



Overseas Initiatives

--- Regions where stores are located

* The number of stores (end February 2010 for Japan; end December 2009 for all other countries/regions) includes the following:
 • Stores operated in various countries and regions by subsidiaries
 • Stores operated by companies in each country granted a defined area license by 7-Eleven, Inc.
 • Stores operating under contract with Sogo & Seibu and using the Sogo & Seibu name

Notes on the corporate data
 • The accounting year is January-December (numbers of stores are as of end December 2009)
 • Sales figures for China do not include value-added tax
 • Conversion rates: US\$1 = ¥93.65; 1 yuan = ¥13.72
 • Numbers of employees are as of end February 2010 and include part-time staff (monthly average number, with 8 hour/day counted as one employee).

Global Brand Establishment

Strengthening the Seven-Eleven brand

As of the end of June 2010, Seven-Eleven was operating 38,432 stores in 16 countries around the world. We hold International Licensee Summit to help these stores cooperate with each other more closely, sharing project studies and know-how to drive results at the individual business level and accelerate organizational growth.

Topics discussed at the 2010 Summit included Seven-Eleven Japan's environmentally friendly store designs and information and logistics systems, possibilities for establishing uniform store equipment and facilities and further development of the global brand.

Seven-Eleven actively pursues opportunities

for discussion as a means of building a more unified brand image to improve its sales capabilities in the various countries and pursue initiatives that benefit from its scale of operations.



A Seven-Eleven International Licensee Summit

Joint U.S.-Japan private brand

In November 2009, we began marketing a wine born through joint product planning and development by 7-Eleven, Inc. and Japanese operating companies. Production area information provided by 7-Eleven, Inc. helped identify an appropriate winery to partner with, and the product development followed a process employed by Seven-Eleven Japan. We are successfully reducing costs by pooling raw materials, sharing logistics and other infrastructure and benefiting from economies of scale.

We followed this initiative with joint development of a coffee product, which we introduced in our stores in September 2010. The product has been tailored to the customer

product development

preferences of each country—the coffee is freshly brewed in our stores in the United States but sold in cans and etc. in Japan. We plan to continue to share production facilities, products and raw materials in future joint development projects, applying development processes that take both the product and target market characteristics into consideration.



Project teams comprise members from the United States and Japan.

Reinforcing our Chinese operations

We are reinforcing collaboration among all our Group companies in China, regardless of their business sector, to maximize realization of their potential synergies. Since July 2004, we have been holding the Seven & i Holdings China Conference to confirm the status of sales and share vital management information concerning problems and solutions as well as strategies. The Group companies are also marketing jointly developed products successfully by sharing management know-how and supply routes.

In June 2010, we began sales in China of various confectioneries in our *Seven Premium* line. These products are made in China by Japan-based *Seven Premium* product

manufacturers who share our business policies. We will continue to respond to the needs of consumers in China for safe, secure foods by providing clearly differentiated, high-quality products.



Seven Premium products launched in China

Convenience Store Operations (United States)

***1**
The DeLand Store earned a 2010 Environmental Stewardship Award from CSP Information Group, a convenience store industry communication firm, for companies that focus on environmental excellence.

***2**
The 6-inch-thick Greenblock® walls not only insulate the store's interior from extreme temperatures, but they can also withstand 120 mph winds, a requirement for buildings in hurricane-prone areas.

First "Green" 7-Eleven Store Opened



Ecological store to blend in with the local community

7-Eleven opened its first "green" 7-Eleven® store as defined by the Leadership in Energy and Environmental Design (LEED) standards of the U.S. Green Business Council (USGBC) in DeLand, Florida.*1

With its sand-colored stucco exterior and brown and green accents, the store blends nicely into its site, which includes areas landscaped with native, drought-tolerant plants and permeable surfaces. An outdoor eating area with cypress pergolas and arbors provides an inviting area for students and workers at a local university to enjoy a meal or break in their day. The store's architectural features include a 24-foot façade, arched entryway, standing-seam roof, interior skylights and Florida ambiance to blend in with the local community.

To earn the third-party LEED certification, new structures must gain credits to satisfy specific green-building criteria in the areas of site sustainability, water efficiency, energy and atmosphere, materials and resources, indoor environmental design and design innovation. While the DeLand store's LEED certification application is

still in process, it incorporates a number of features and modifications that should help it qualify. 7-Eleven will verify the effects of the new store to study the feasibility of adopting similar innovations when designing new stores and remodeling existing ones.

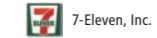


Florida's new "green" 7-Eleven store

Examples of the New Store's Environmental Features

Sustainable sites	<ul style="list-style-type: none"> Formerly covered with impermeable asphalt, the site is now 35-percent landscaped or surfaced with a permeable material, which reduces demand on the city's storm sewer system. A light-colored concrete parking surface reduces the "heat island effect." Reflective membrane roofing also reduces this heat build-up. Reserved spaces are designated for low-emission and fuel-efficient vehicles and for carpools.
Materials and resources	<ul style="list-style-type: none"> A waste management plan was implemented to make use of large volumes of construction waste. Many of the construction materials were sourced within 500 miles of the site. Materials with a high percentage of recycled content were specified and installed. At least half of the wood used was certified by the Forest Stewardship Council. Greenblock® Insulated Concrete Forms sourced and manufactured in Orlando were used for the walls. Indoor contaminants were reduced by employing materials with low levels of volatile organic compounds (VOCs).
Energy and atmosphere	<ul style="list-style-type: none"> High-efficiency HVAC (heating, ventilation, air-conditioning system) Heat-recovery system LED (light-emitting diode) signage and light fixtures help minimize energy demand while limiting heat output. High-performance prismatic day lighting with controls minimizes electric lighting use during the day. Insulated walls** minimize both heating and cooling costs. Ultra-violet lighting for two rooftop HVAC systems maintains energy efficiency while eliminating viruses, bacteria and mold from the atmosphere.
Water efficiency	<ul style="list-style-type: none"> Efficient restrooms reduce water usage. Drip irrigation and drought-tolerant plants reduce demand for water for irrigation.

Serving the Community As a Good Neighbor



Contributing to society through product sales

7-Eleven and its franchisees place a high priority on helping to solve social issues and nurturing good community relations.*3 This was evidenced again in February 2010, when the Company introduced a charity-oriented coffee campaign called Cup With A Cause.*4 The campaign features sales of a series of limited-edition 20 oz. coffee cups designed by entertainment and sports celebrities in 7-Eleven stores nationwide. The cups can be filled with any 7-Eleven hot beverage and a portion of the proceeds from sales goes to benefit the featured celebrity's charity of choice.

The Cup With A Cause campaign continues throughout 2010, with additional celebrity cup designs aimed at contributing to various charitable organizations. Annual donations could reach as high as \$2 million, depending on the number of cups sold. By combining the strength of the 7-Eleven brand, the quality of our coffee and the popularity of the

participating celebrities, Cup With A Cause is helping to raise awareness and funds for a variety of charities that support efforts to solve social issues impacting our communities and change people's lives.



The first Cup With A Cause campaign cups

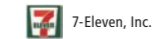
*3 7-Eleven's 2009 Contributions & Recipient Organizations

Cash donations from customers, franchisees and employees as well as corporate in-kind contributions and volunteer hours for local initiatives generated more than \$2.5 million in cash-equivalent value. The funds benefited some 500 local and national organizations.

*4 1st Cup With A Cause design by Nicole Richie and Joel and Benji Madden

7-Eleven donated \$250,000 from sales to the Richie-Madden Foundation for use toward construction of a playground.

Franchise Diversity Program Development



Franchise system offering better service and wide-ranging business opportunities

7-Eleven understands the value of strength through diversity and the importance of an inclusive work environment. We are an equal opportunity franchisor that offers hard-working individuals from all walks of life an affordable way to become independent business owners with the support of a leader in the industry.*5

As we continue to grow our store base and move toward a 100-percent franchise model, we are working on a new Franchise Diversity Program to ensure that we are even more inclusive in promoting our franchise business opportunities and to establish a sustainable, diverse franchise community.

With a growing number of retired veterans facing a difficult job market, veteran entrepreneurship offers an opportunity to start a successful business in which retired service personnel can use their skills to control their financial destiny. 7-Eleven launched a new Veterans Franchise Program*6 in 2009 to provide

those who have given generously to their country by serving in the U.S. military a way to achieve the American dream of owning their own business by offering them discounted franchise fees.



The Veterans Franchise Program Logo

*5

In 2009, 7-Eleven was recognized by several diversity and business publications for its focus on promoting 7-Eleven franchise opportunities to minorities and for the quality of its program.

*6

7-Eleven's Veterans Franchise Program gives veterans who become first-time 7-Eleven franchisees a 10-percent discount ranging from approximately \$5,000 to \$35,000 on the initial franchise fee for their first 7-Eleven® franchise store in one of 30 U.S. states.

Superstore Operations (China)

Efforts to Make our Stores Earth-friendly and Barrier-free

Hua Tang Yokado

Working to create stores that all our customers can visit comfortably and happily

Chinese public opinion is attentive to companies' CSR activities, and the government is asking businesses to give sufficient consideration to the environment and to ensure that their stores and service facilities are barrier-free.

Hua Tang Yokado has responded by introducing state-of-the-art facilities in its Shi li pu store, which opened in January 2010. The store's earth-friendly, barrier-free features are among the best in class for all of Beijing.

Earth-friendly features have already been introduced in many of our stores in China. We have selected low-energy alternatives for basic lighting and made such other equipment improvements as adding inverters to freezers and refrigeration equipment. To make stores barrier-free, we have designed the restrooms for use by the physically challenged and installed ramps at the store entrances. The Hua Tang

Yokado Shi li pu store features all these new developments.

We intend to continue increasing the pace of energy-saving initiatives at all our stores in China. Hua Tang Yokado is monitoring the effectiveness of the improvements introduced in its Shi li pu store with the aim of upgrading the facilities in all its stores to the same level. It also plans to introduce LED lighting to meet the basic lighting needs of the Majiapu store, scheduled to open in 2011. Within FY2010, moreover, it will conduct trial introduction of a more efficient air-conditioning system that makes use of nighttime electricity.

The Company's improvement plans also include employee training. Among other advances, it will appoint personnel who can communicate in sign language to improve its service for more customers.

Universal Design at the Hua Tang Yokado Shi li pu store

- A ramp at the store entrance improves wheelchair access.
- A checkout counter is built low for the convenience of customers in wheelchairs.
- Elevators buttons are labeled in Braille for the visually challenged.
- A sign directs customers in wheelchairs to our barrier-free checkout counter.
- Public telephones are placed on low stands.
- Restrooms are large, with toilets and handrails positioned for easy usability.

Offering Products with a Stress on Safety and Security

Hua Tang Yokado, Chengdu Ito-Yokado, Beijing Wang fu jing Yokado

Stepped-up product management and efforts to ensure food safety

Chinese consumers are becoming increasingly concerned with food safety and security. Our Group member companies in China are responding to these customer demands by reinforcing their efforts to optimize quality control and applying management know-how accumulated in Japan concerning best practices for proper sanitation and maximum freshness. We are also working to strengthen the implementation of our management know-how by conducting training sessions on sanitary handling and best storage practices for employees at all our stores who work with perishable foods.

At Wang fu jing Yokado, for example, we conduct weekly sanitation inspections of every employee. The inspection criteria include appearance and attire, proper hand sanitization and attention to sanitation in work areas. We also hold seminars four times a year for store managers on government-mandated food safety standards and product management practices.

Other efforts to ensure the safety and security

of our products include establishing a product traceability system. We are also working to expand our sales of local and organic agricultural produce.

The results of these efforts are already apparent in some stores. At Chengdu Ito-Yokado, for example, an information terminal now enables shoppers to locate the producer or area of origin of some of our fresh meats and eggs. At Hua Tang Yokado, meanwhile, signs accompanying product displays provide information on the producers of organic vegetables and production control, and information terminals are being introduced into sales areas to provide further information.

We will continue to expand and strengthen these efforts in order to fulfill our customers' expectations regarding the safety and security of our food products.



Contributing to the Local Community

Hua Tang Yokado, Chengdu Ito-Yokado

Donation program to help alleviate poverty and provide assistance to disaster victims

Our Group companies in China are committed to contributing to their local communities. They play an active role in anti-poverty programs in the regions in which their stores are located as well as in relief efforts following natural disasters and donation collection at the stores.

Hua Tang Yokado has cooperated with the Beijing Charity Society in establishing the Yokado Charity Fund for Assisting with the Education of Children. Through this fund, we have donated 100,000 yuan (approximately 1.37 million yen) to improve the educational environment of nursery and elementary schools in the outskirts of Beijing.

Chengdu Ito-Yokado responded to the April 2010 earthquake in Qinghai by donating food and beverages to the firefighters participating in the disaster relief. It also took collections at each of its stores to assist quake victims. Donations totaled

53,016.15 yuan (approximately 720,000 yen).

Our other Chinese subsidiaries, as well as the companies in Seven & i Holdings' various business segments, also collected donations in their stores and from employees to provide relief following the Qinghai earthquake.



Donations contribute to improving the educational environment at elementary schools.

Superstore & Convenience Store Operations (China)

*1 Friendly Service Recognition Program

Three professional trainers evaluate every employee, including the employees of tenant stores and sales staff seconded from business partners. They conduct four 15-minute training sessions on a selected weekday, and appraise the participants' skills according to the program's evaluation standards. Of the 503 employees who participated in this program in fiscal 2009, 416 received one star, five were awarded two stars and three earned three-star recognition.

*2 Project Presentation Events

Individuals and workplace teams report on initiatives such as efforts to improve customer service, promote sales, reduce costs and enhance their work environments. They receive recognition for initiatives that make a positive contribution.

*3 Employee numbers

SEVEN-ELEVEN (Beijing) has 14 employees on assignment from Seven-Eleven Japan and 1,678 Chinese employees (as of end February 2010).

*4 Operations Field Counselors

OFCs are trained advisors who visit stores to provide management advice.

Promoting Local Employee Training

Hua Tang Yokado, Chengdu Ito-Yokado, Beijing Wang fu jing Yokado

Efforts to establish systems and activities to develop employee capabilities

All our companies in China are pursuing efforts not only to provide products that meet regional needs, but also to develop their human resources and localize management.

To this end, we have assigned locally hired employees to approximately 90% of our management positions, from store and headquarter managers upward. We also proactively assign women to management positions. Raising the motivation of every employee is essential to furthering our goal of training local talent.

Beijing Wang fu jing Yokado introduced a Friendly Service Recognition Program*1 in January 2009 aimed at enhancing the capabilities of its store employees. It also began customer service training in fiscal 2009 for sales personnel with underdeveloped skills. Two sessions were held to teach skills in customer interaction, such as the proper manner of speaking to customers and advising them about products.

All Chengdu Ito-Yokado employees are invited to submit suggestions on work process improvements as part of efforts to increase customer satisfaction and

improve efficiency in daily work activities. The company also holds quarterly contests in work-related skills, such as display arrangement, fresh produce handling, checkout procedures and customer interaction, all aimed at encouraging employee development.

Hua Tang Yokado as well as Chengdu Ito-Yokado hold Project Presentation Events,*2 moreover, to enhance employees' motivation and capabilities.

In the future, our companies in China will continue these efforts to develop employee capabilities.



A Project Presentation Event

Nurturing locally hired staff

SEVEN-ELEVEN (Beijing) employs Chinese personnel in every workplace, and Japanese staff work along side them to share the attitudes and know-how of Seven-Eleven Japan.*3

We are working to develop Operations Field Counselors (OFCs).*4 One route to their development is through internships. We form partnerships with universities that offer commerce programs and accepting student interns to work in our stores. Those who wish to work for us following this experience are hired as employees. They then accumulate further experience in the stores before being assigned to positions as OFCs.

Another career path opens the way to store ownership. Employees who have set their sights of becoming future store owners are assigned to directly operated stores for two to three years, where they receive the training they need to become outstanding store managers. Nurturing independent owners in this way is one approach the company is taking to expanding its store network.

In our efforts to motivate employees, we recognize

high-performing individuals at every meeting of OFCs and store managers. Besides sharing their success stories, we acknowledge employees who have shown outstanding performance in securing advance orders for seasonal products or exhibiting outstanding customer service.

The company also offers overseas training experiences, sending selected employees to attend Seven-Eleven Japan's Product Exhibitions. These experiences provide opportunities for employees to acquire direct knowledge of initiatives in Japan.



An Operations Field Counselor leading a study session at a store

SEVEN-ELEVEN (Beijing)