

# "United in our Feelings"

## Our Initiatives

At the head office of Seven & i Holdings, the Earthquake Disaster Response Headquarters was established immediately after the earthquake struck on March 11, 2011, and focused on clarifying the damage at each of the stores under management. In the belief that our most important mission as a retailer is to restart promptly and continue operation of Group stores, we concentrated our efforts on personnel support, product supplies, and logistics support so that we could recommence operations at the affected stores.

## Protecting customers Responses immediately after the earthquake

### Promptly guided customers to safety based on store managers' decisions

More than 60% of York-Benimaru stores are located in Fukushima and Miyagi prefectures. A tsunami over 4 meters in height rushed over Minato-Kazuma store, isolating about 500 people, including employees. In severe conditions, the roof of the store building was used for evacuation.

Although contact with the head office was not possible at the time, the store manager and other employees came together and made their own decisions on what they could do for customers, such as opening the store at 6:30 a.m. for customers who formed a line each day before dawn.

### Offering a drink and a place to rest

Many stores of our operating companies continued to operate without regard to the closing hours, to assist people who had difficulty returning home.

For example, food and drink were offered along with areas with chairs where people could take a rest. These measures were intended to support the people who needed to keep warm or use the restrooms. Clerks at some stores guided pedestrians walking home amid the traffic jams that resulted because the traffic lights were out of order, and distributed copies of maps to help people find their way home.

### Responses immediately after the earthquake

Date	Responses by the Seven & i Group
Friday, March 11	• Around 14:46: The earthquake strikes.
	• 14:50: An Earthquake Response Headquarters is established at each Group company.
	• Arrangements are made to transport the first relief aid goods by helicopter and other means to Miyagi Prefecture.
	• Ishinomaki Akebono store of Ito-Yokado located in Miyagi Prefecture restarts operation at 18:00.
Saturday, March 12	• A second shipment of relief aid goods is sent to Miyagi, Iwate, and Fukushima prefectures (Koriyama).
	• All Ito-Yokado stores have restarted operation
	• Seven-Eleven Japan dispatches employees to the affected areas to confirm the damage.
Sunday, March 13	• Donations begin to be collected at about 14,000 Group stores.
	• Measures are taken to reduce electricity use at Group stores to deal with power shortages.
	• Ito-Yokado begins dispatching support personnel (in stages to six affected stores).
Monday, March 14	• 7-Eleven continues to operate during planned blackouts, using uninterruptible power sources as emergency batteries.
	• Ito-Yokado, Sogo & Seibu, and Denny's restaurants temporarily halt operations only during planned blackouts.
Thursday, March 15	• Seven-Eleven Japan begins dispatching support personnel (for restoring stores) (60 persons are sent in the first group between the 15th and 20th).

## Operating stores Business continuity

### Operations resume within three hours of the earthquake

Ito-Yokado stores damaged by the earthquake resume operations promptly. Food and other essential items were carried out from damaged stores and sold at the store front. Calculators were used when cash registers were unusable due to the blackout.

### Dispatching support personnel

Support personnel from Seven-Eleven Japan worked on March 15 to remove debris that had accumulated in front of stores and to complete other tasks. Starting on March 17, support personnel from Group companies helped organize and sort stocks at the Fukushima Grocery Center of York-Benimaru.

### Dispatched food vans to affected areas

Seven-Eleven Japan decided to sell products at certain areas using food vans, to assist people having difficulty obtaining food and other essential items because stores had closed. Food vans were offered to owners who needed time to restart their operations, responding to the retail needs of people in regional communities since early April.

Change in the number of closed stores \*Shown in ( ) are those in evacuation areas due to the accident at Fukushima Daiichi Nuclear Power Station of TEPCO

	Seven-Eleven	Ito-Yokado	York-Benimaru
	Total number of stores: 13,233	Total number of stores: 173	Total number of stores: 170
March 13	Approx. 600 (23)	0 (partially in operation: 32)	Approx. 100 (6)
March 18	Approx. 350 (110)	0 (partially in operation: 3)	71 (22)
March 31	Approx. 60 (23)	0 (partially in operation: 2)	23 (6)
April 12	59 (16)	0 (partially in operation: 2)	14 (6)
April 22	50 (16)	0 (partially in operation: 1)	10 (6)

### Offering ATM services with mobile ATM Vehicles

Seven Bank offered mobile ATM services for the first time, aiming to support the lives of affected people who have difficulty remitting and withdrawing cash. In collaboration with food vans of Seven-Eleven, mobile ATM Vehicles loaded with ATM units were operated between May 21 and the end of August.

### The head office systems that supported business continuity

#### A logistics system that never allows product supplies to run out

Plants, distribution centers, and related divisions collaborated to clarify the damage each day, aiming to facilitate the restoration of affected plants, and distribution centers. Also, organizations to supply products to stores in the Tohoku region from plants in Kanto, Niigata, Hokuriku, and other regions were quickly established to enable an operational restart.



#### Production management for packed lunches that also features excellent availability

Menu items that could no longer be produced because the supply of some of the raw ingredients ran out were handled by changing the menu or using replacement ingredients. This became possible because of the raw ingredients management database system, which comprehensively manages raw ingredients, manufacturers, types, and quantities of packaging materials, and

other matters for each product. The system enabled us to find out quickly which products could be produced and what quantity of raw ingredients was left over, along with other important information, and to respond immediately, so that we could supply packed lunches and other products to shops more effectively. Chilled packed lunches sold by Seven-Eleven remain tasty and fresh over long periods, which offered advantages when products were supplied over long distances to the Tohoku region from the Kanto and Koshinetsu regions.

#### Product procurement utilizing Group capabilities

When there was a shortage of products in the Tokyo metropolitan area, a greater product supply than usual became possible through procurement negotiations with manufacturers by the Group as a whole. When supplies of drinking water products were tight throughout Japan, the Group utilized its international procurement capabilities, and started selling in late April original beverages of 7-Eleven in Taiwan and 7-Eleven, Inc.



## Supporting affected areas Relief aid, fund raising, and donations

### Offered emergency relief aid goods on the day after the earthquake

Arrangements were promptly made to distribute water, onigiri rice balls, and other emergency relief aid goods on the day of the earthquake. On the following day, deliveries were made on land and using helicopters. Our Group continued delivering relief aid goods in response to government requests.



#### Major relief aid goods delivery by Seven & i Group companies

From Seven & i Holdings to localities

- 31,728 bottles of mineral water (2-liter)
- 1,000 pastries
- 5,918 bread loaves
- 1,080 cases of bananas (14-ton)
- 4,800 packages of Seven Premium steamed rice (200 g)
- 10,090 blankets
- One water tank truck

From Akachan Honpo to international cooperation NGO JOYCFP

- 9,600 packages of baby wipes
- 916 cans of powdered milk
- 1,260 packages of paper diapers
- 16,543 baby food and weaning food items
- 1,824 bottles of baby beverages

From York-Benimaru to evacuation centers

- 4,300 servings of Chinese noodles
- 4,200 servings of curry in retort packages
- 58,000 packages of vegetable juice
- 6,000 canned foods
- 4,800 cups of miso soup, and other such items

\* Besides the above, respective operating companies have offered relief aid goods at cost or free of charge

### Sales of menu items with matching donations

Denny's restaurants served menu items in which a total of 40 yen is donated each time, 20 yen by the company and 20 yen by customers expressing their support, for one month starting on April 15. The initiative was subsequently continued, and menu items where the company donates 20 yen each time were served for a period twice before the end of July. The amount raised in the three periods, which totaled about 3.76 million yen, was donated via the Japanese Red Cross Society to support affected areas. The initiative was conducted for the fourth time at the end of August, and it is scheduled to continue.



### Making donations

In addition to fund-raising campaigns at about 14,000 domestic stores of the Group, funds were also collected via company websites and point cards. Combined with 500 million yen from Seven & i Holdings, 1 billion yen from Honorary Chairman Masatoshi Ito, and 1 billion yen from Chairman Toshifumi Suzuki, a total of 3,693,816,482 yen was sent to affected areas via prefectural governments. At the request of 7-Eleven, Inc., of the U.S., funds were collected at about 25,000 7-Eleven stores of 11 countries of the world between March 19 and May 31. 425,510,000 yen collected was donated through the Red Cross Societies of each country.



#### Status of donations

Donated by	Amount
Customers, business partners, employees, and Seven-Eleven franchisee owners overseas	2.1 billion yen
Masatoshi Ito Honorary Chairman, Seven & i Holdings	1.0 billion yen
Toshifumi Suzuki Chairman and Chief Executive Officer, Seven & i Holdings	100 million yen
Seven & i Holdings	500 million yen
Overseas 7-Eleven stores	Approx. 400 million yen
Total	Approx. 4.1 billion yen

## Aiming to save electricity Measures to save electricity during summer

Each store in the Seven & i Group took steps to save electricity in response to the electricity shortage. Seven-Eleven Japan replaced lighting with LED lights inside stores, installed solar panels, and took other steps with the aim of reducing electricity consumption about 20% from the previous year (at stores served by TEPCO).

Ito-Yokado reduced the number of in-store spotlights,

electrical signboards, and fluorescent lamps used in stores and backyards.

An Energy Conservation Campaign was also run, at the homes of Group employees between July and September. The campaign urged each household to reduce electricity consumption by 15% or more from the previous year.

#### Major electricity saving measures and targeted electricity consumption reduction of Seven-Eleven (estimates)

Measures implemented		Reduction in electricity consumption (per store)	Reduction ratio
Facility replacement	• Replaced lighting inside stores with LED (approx. 5,000 stores) • Replaced store-front signboards with LED (approx. 5,000 stores) • Installed solar panels (approx. 1,000 stores) • Replaced old facilities with energy-conserving ones (approx. 2,000 stores)	Approx. 50 kWh/day	Approx. 10%
Installed Smart Sensors (approx. 6,000 stores)	• Sensors for measuring electricity consumption by each facility were installed, to make energy conservation activities visible	Approx. 50 kWh/day	Approx. 10%
Total		Approx. 100 kWh/day	Approx. 20%

\* The reduction in electricity consumption and the reduction rate are those compared to the average for July to September last year

\* The above are actions taken at areas served by TEPCO. Measures are also being taken at each of the areas served by the respective power companies.

## A smarter approach to sales Measures to support shopping

### Sold drinking water with priority given to persons with infants

Radioactive materials of an intensity surpassing the standard values for infants were detected in tap water, which caused a surge in demand for drinking water products. Ito-Yokado sold 2-liter drinking water products with priority to customers caring for a child below one year of age, at 40 stores in the Tokyo metropolitan area on March 24 and at 117 stores starting on and after the following day.



Photographs courtesy of Sankei Shimbun

### Voluntarily inspecting beef to be sold

To dispel anxiety among customers and prevent the spread of harmful rumors about radioactive materials detected in food materials, Ito-Yokado has developed systems for offering safe and reliable products. In addition to conducting voluntary inspections on agricultural products, Ito-Yokado has conducted a 100% inspection of cows for domestic beef, in collaboration with its partner manufacturers. Only products that show measurement values below the provisional standard values of the national government are being sold.



### Shopping support services using Hikari i Frame

Since July 30, shopping support services using Hikari i Frame, of NTT East's Flet's Hikari Internet service, have been offered to residents of temporary housing in Yamamoto Town, Miyagi prefecture. Services being offered include Seven Net Shopping, Ito-Yokado Net Supermarket, and Seven Meals.

### Opened temporary stores

On July 27, temporary Seven-Eleven stores opened in Kesennuma City and Iwanuma City in Miyagi prefecture. The store in Kesennuma is the first temporary store to open on a temporary housing site in the prefecture.

