

# Convenience Stores

## Seven-Eleven Japan

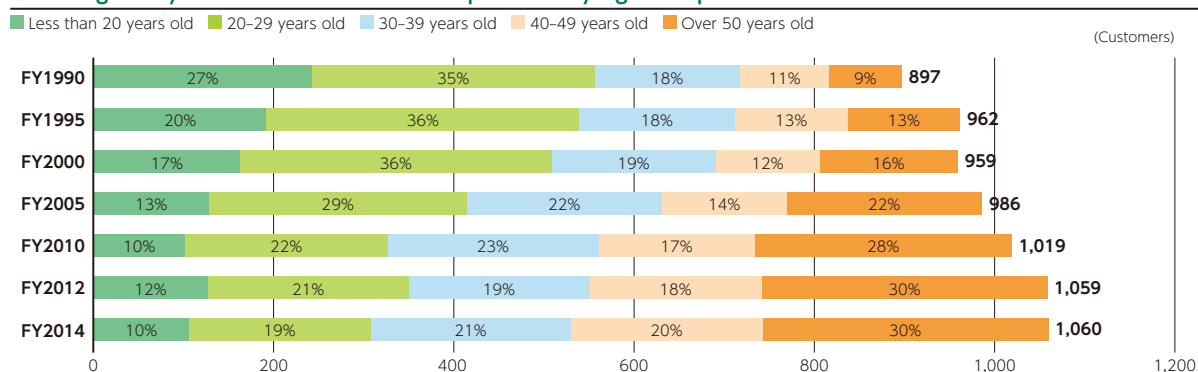
(¥ Million)

	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015
Revenues from operations	535,018	549,111	576,186	617,559	679,561	736,343
Selling, general and administrative expenses	285,856	301,538	326,216	364,893	397,767	439,785
Operating income	156,220	169,152	183,160	186,763	212,785	223,356
Ordinary income	164,445	176,144	189,759	194,104	220,927	232,593
Net income	92,439	102,049	100,738	112,446	134,371	136,924
Capital expenditures	66,222	56,989	93,644	112,514	124,350	129,438
Depreciation and amortization*1	28,587	30,831	38,368	46,292	39,002	47,698
Total assets	1,301,004	1,358,837	1,432,828	1,489,339	1,599,493	1,700,723
Net assets	1,022,065	1,068,453	1,104,944	1,143,288	1,204,465	1,255,621
Total store sales	2,784,997	2,947,606	3,280,512	3,508,444	3,781,267	4,008,261
Processed food	788,154	828,277	872,616	926,229	979,348	1,034,131
Fast food	751,949	792,906	852,933	940,263	1,077,661	1,186,445
Daily food	336,984	359,607	403,503	449,080	487,783	517,065
Nonfood	907,909	966,814	1,151,459	1,192,871	1,236,474	1,270,618
Existing stores sales increase*2	(2.1)%	2.2 %	6.7 %	1.3 %	2.3 %	2.4 %
Number of customers	0.5 %	1.1 %	2.6 %	0.5 %	2.4 %	0.7 %
Average spending per customer	(2.6)%	1.1 %	4.0 %	0.8 %	(0.1)%	1.7 %
Average daily sales per store (¥ Thousand)	616	629	669	668	664	655
Average daily sales per store of new stores (¥ Thousand)	525	554	570	527	522	513
Merchandise gross profit margin	30.3%	30.5%	29.7%	30.0%	30.7%	31.4%
Processed food	37.9%	38.3%	38.3%	38.2%	38.7%	38.8%
Fast food	33.8%	34.1%	34.3%	34.3%	35.1%	35.7%
Daily food	33.1%	33.3%	33.2%	33.1%	33.2%	33.1%
Nonfood	19.8%	19.8%	18.6%	19.1%	19.6%	20.7%
Number of stores	12,753	13,232	14,005	15,072	16,319	17,491
Openings	966	939	1,201	1,354	1,579	1,602
Closures	511	460	428	287	332	430
Relocations, etc.	414	393	346	237	255	347
Franchised stores	12,140	12,789	13,607	14,638	15,879	17,021
Type A	4,437	4,340	4,263	4,244	4,333	4,353
Type C	7,703	8,449	9,344	10,394	11,546	12,668
Provisional management contracts	12	1	1	1	0	0
Directly operated stores	601	442	397	433	440	470
Ratio of stores with liquor license	98.6%	98.8%	98.9%	98.9%	99.0%	98.9%
Ratio of stores with cigarette license	89.5%	91.7%	92.8%	94.1%	94.8%	95.5%
Total sales floor space (square meters)	1,571,247	1,641,368	1,769,560	1,924,768	2,106,262	2,278,784
Full-time employees (fiscal year-end)	5,763	5,729	5,686	6,070	6,567	7,191
Payment acceptance services						
Number of transactions (thousands)	323,966	342,427	358,732	384,913	402,999	418,845
Total value of transactions (¥ Million)	3,072,749	3,242,657	3,432,600	3,736,249	4,038,119	4,346,959

\*1 From FY2014, the Company changed the method for calculating the depreciation of property and equipment to the straight-line method from the previously used declining-balance method.

\*2 From FY2014, growth rates in existing stores are shown in the new standard.

### ■ Average Daily Number of Customer Visits per Store by Age Group

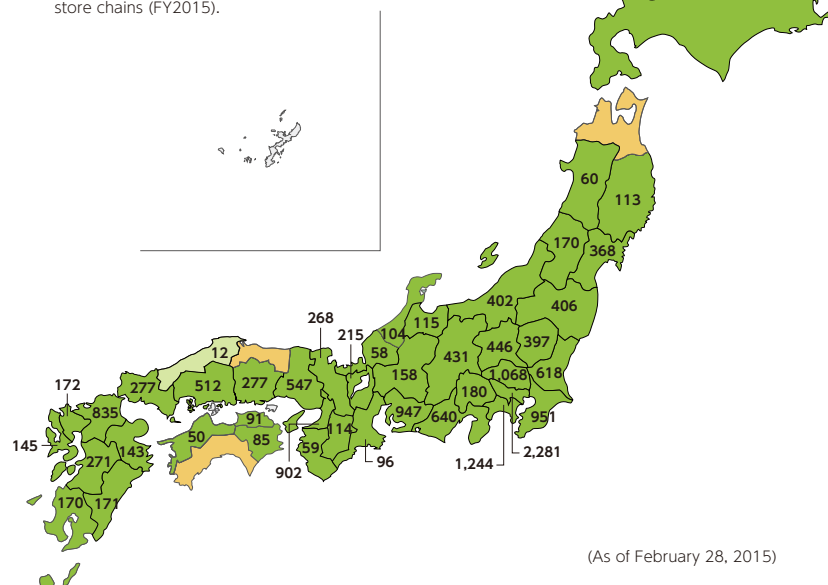


Source: Customer Survey by SEJ

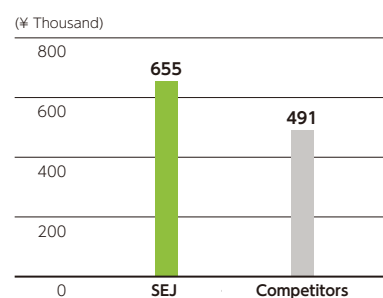
## Store Openings

■ Indicates prefectures where we open stores only in limited areas by utilizing existing commissaries and distribution networks of adjacent prefectures.  
 ■ New store openings to commence in Kochi Prefecture from March 2015, Aomori Prefecture from June, and Tottori Prefecture (planned) from October.

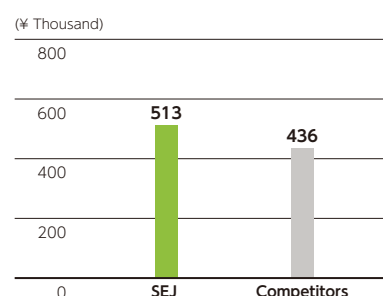
Note: Competitors' information is the simple average of three major convenience store chains (FY2015).



## AVERAGE DAILY SALES PER STORE



## AVERAGE DAILY SALES PER STORE OF NEW STORES



## Number of Major Convenience Store Chains in Japan

	FY2008	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015
SEJ	12,034	12,298	12,753	13,232	14,005	15,072	16,319	17,491
Lawson	8,587	9,527	9,761	9,994	10,457	11,130	11,606	12,276
FamilyMart	7,187	7,404	7,688	8,248	8,834	9,481	10,547	11,328
Circle K Sunkus	6,139	6,166	6,219	6,274	6,169	6,242	6,359	6,353
Other CVS	7,158	6,652	6,498	5,888	5,326	5,420	5,163	4,932
Nationwide	41,105	42,047	42,919	43,636	44,791	47,345	49,994	52,380

Source: Japan Franchise Association, public information of each company

## Franchise System

The franchise system is a joint operation undertaken by equal partners, based on a clear division of roles between franchise stores and Head Office. The system uses a method of allocating gross profit to realize mutual benefit for both partners.

Franchise stores	Head Office		
Dedicated to store management and sales	Store management support		
Performance indicator management	Management consultation	Merchandise development Merchandise information	Advertising and PR
Merchandise management	Information systems	Logistics systems	Accounting and bookkeeping
Personnel management	Leasing of sales equipment	Coverage of 80% of utility costs	Coverage of 15% of defective products

## Contract Type of Franchised Stores

	Type A (4,353 stores)	Type C (12,668 stores)
Type of ownership	Franchisee provides	SEJ provides
Land and buildings		
Sales equipment, computers, etc.	SEJ provides	
Contract period	15 years	
Utilities	SEJ 80%	Franchisee 20%
Seven-Eleven franchise fee (royalty)	43% of gross profit	An amount calculated on a sliding scale based on gross profit
Incentive system for multi-store operation	5-year incentives and 15-year contract renewal incentives (reductions in franchise fee) are offered	
Cost of disposing unsold items	SEJ 15%	Franchisee 85%
Minimum guarantee	¥19 million (Franchisee's annual gross profit)	¥17 million (Franchisee's annual gross profit)

Notes: 1. Number of stores is as of February 28, 2015.

2. The conditions of the Seven-Eleven franchise fee (royalty) and minimum guarantee apply to stores that are open for 24 hours a day.

3. Gross profit is equal to net sales minus cost of goods sold, which is calculated by subtracting costs of inventory loss, disposal merchandise and rebates from gross cost of goods sold.

4. Franchisee's gross profit is equal to gross profit minus the Seven-Eleven franchise fee (royalty).

## 7-ELEVEN, Inc.

(Fiscal year-end December, ¥ Million)

	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014
Revenues from operations*1	-	-	1,086,522	1,247,287	1,801,077	1,935,274
Revenues from operations (U.S.\$ Thousands)	-	-	13,615,565	15,628,206	18,429,117	18,293,553
Other operating revenues from above*2	-	-	133,997	149,593	192,656	219,307
Revenues from operations (former)*1	1,411,391	1,463,796	-	-	-	-
Net sales	1,394,694	1,445,571	-	-	-	-
Merchandise	883,229	859,632	-	-	-	-
Gasoline	511,464	585,939	-	-	-	-
Selling, general and administrative expenses	-	-	208,726	226,458	307,975	341,225
Selling, general and administrative expenses (U.S.\$ Thousands)	-	-	2,615,627	2,837,464	3,151,285	3,225,503
Operating income	34,427	33,328	32,737	38,175	51,207	59,651
Operating income (U.S.\$ Thousands)	367,613	379,633	410,238	478,326	523,971	563,868
Net income	17,975	18,918	22,413	22,378	29,738	35,870
Net income (U.S.\$ Thousands)	191,938	215,492	280,865	280,397	304,295	339,077
Capital expenditures	37,948	48,996	103,475	155,440	80,195	63,226
Depreciation and amortization	34,974	37,444	37,180	39,794	53,404	56,482
Total assets	511,766	472,566	510,901	726,876	903,326	1,088,910
Net assets	274,855	283,833	307,359	378,486	514,957	658,465
Total store sales	1,412,301	1,470,632	1,624,095	1,852,162	2,641,180	2,834,464
Merchandise	899,624	883,905	876,672	954,100	1,271,126	1,431,429
Gasoline	512,677	586,726	747,423	898,062	1,370,054	1,403,035
Exchange rate (Income statements) (U.S.\$1=)	¥93.65	¥87.79	¥79.80	¥79.81	¥97.73	¥105.79
Exchange rate (Balance sheets) (U.S.\$1=)	¥92.10	¥81.49	¥77.74	¥86.58	¥105.39	¥120.55
Existing stores sales increase (U.S. Merchandise sales)*3	0.6%	1.5%	2.8%	2.9%	1.0%	3.1%
Average daily sales per store (¥ Thousand)	399	381	349	350	424	473
Average daily sales per store (U.S.\$)	4,256	4,335	4,372	4,383	4,340	4,472
Merchandise gross profit margin	35.2%	35.1%	34.7%	35.2%	34.8%	34.5%
Number of stores	6,389	6,610	7,149	8,118	8,292	8,297
Openings	268	303	643	1,078	462	238
Closures	75	82	104	109	288	233
Franchised stores	4,649	5,064	5,437	5,870	6,219	6,390
Directly operated stores	1,740	1,546	1,712	2,248	2,073	1,907
Stores with gas station	2,495	2,481	2,719	3,195	3,300	3,165
Total sales floor space (square meters)	1,016,254	1,066,020	1,158,089	1,335,707	1,379,301	1,384,023
Full-time employees*4	14,397	13,263	13,596	17,330	16,553	15,591

Note: Figures for the amounts of each fiscal year reflect adjustments necessary for consolidation to Seven & i Holdings' consolidated account.

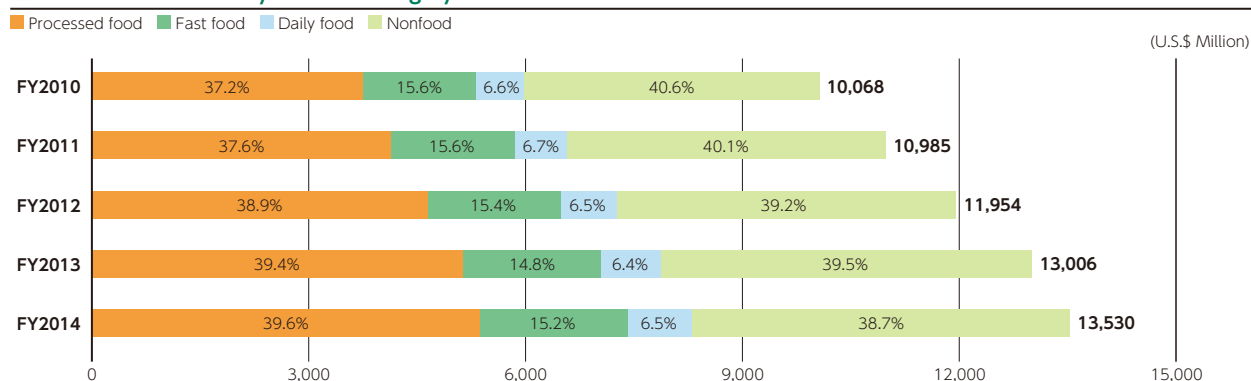
\*1 From the fiscal year ended December 2011, 7-Eleven, Inc. changed its accounting method for revenues from operation, related to franchise agreements, from "gross amount" to "net amount." Moreover, product sales from directly operated stores, gasoline sales, and other operating revenues are included in revenues from operations.

\*2 Other operating revenues includes franchise commission from franchised stores, gasoline agreement fees, royalty fees paid by area licensees, and so forth.

\*3 Existing store sales increase is calculated in U.S. dollars.

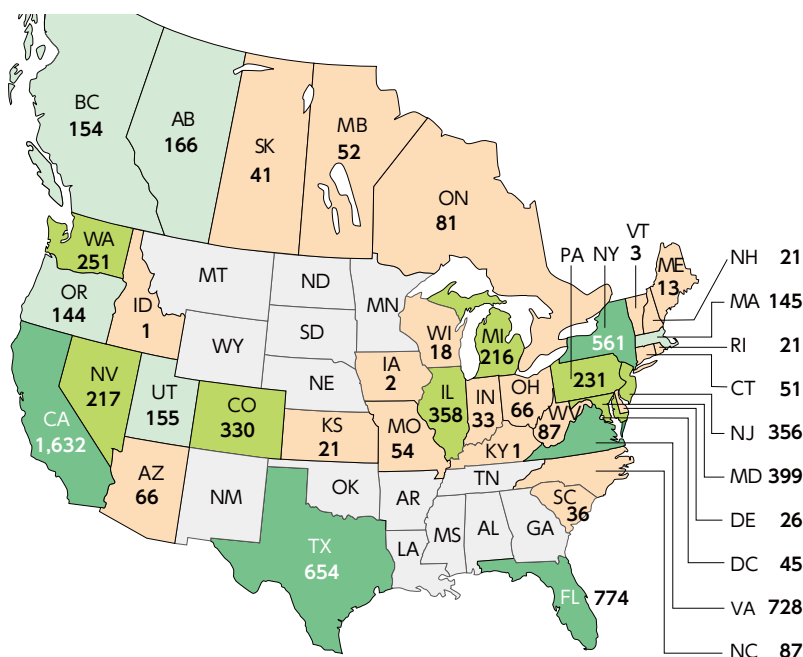
\*4 The numbers of employees are as of the end of February following each fiscal year.

### Breakdown of Sales by Product Category

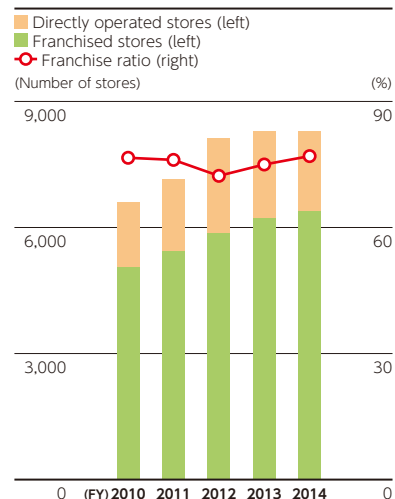


## Store Expansion

Number of stores 500~ 200~499 100~199 ~99 (As of December 31, 2014)



## TRENDS IN STORE TYPE



## Comparison of Seven-Eleven in Japan and the U.S./Canada

	Japan	U.S./Canada
<b>Store-related</b>		
Number of stores by type*1	A-type franchised stores	4,353
	C-type franchised stores	12,668
	Directly operated stores	470
	(As of February 28, 2015)	
Standard sales floor space (per store)*3	Approximately 130 m <sup>2</sup>	Approximately 160 m <sup>2</sup>
Stores with gas stations	78 stores*4	3,165 stores
<b>Products and services</b>		
Sales by product category	Processed foods	25.8%
	Fast food	29.6%
	Daily food	12.9%
	Nonfood	31.7%
	Gasoline	-
Services	ATM	20.0% (39.6%)*5
	Payment acceptance	7.7% (15.2%)
	Express package delivery service	3.3% (6.5%)
	Multi-functional Copy Machine*6	19.5% (38.7%)
	nanaco Point Service	49.5%
Payment method	Cash/electronic money/credit card	Cash/credit card/debit card/check
Online shopping	Free shipping and commission when picking up goods at stores	-
Number of items per store	Approximately 2,800 items	Approximately 2,300 items
<b>Accounting standard</b>		
Components of revenues from operations	Net sales of directly operated stores, franchise fees from franchised stores, and other operating revenues	Net sales of directly operated stores, gasoline sales, franchise fees from franchise stores, and other operating revenues

\*1 For A-type and BCP stores, franchisees provide land and buildings. For C-type, franchisor provides land and buildings.

\*2 BCP: Business Conversion Program

\*3 Most common size of store sales floor spaces.

\*4 SEJ's stores with gas stations are joint operations opened in partnership with EMG Marketing Godo Kaisha.

\*5 Numbers in parentheses ( ) represent the share of merchandise sales.

\*6 Copy, fax, printing, ticketing, prepaid services, sports promotion lotteries, certification and qualification processing, motorcycle liability insurance processing, public administration-related services (issuance of residence certificate, seal registration certificate, and copy of family register).

\*7 Multi-functional financial terminal with ATM, check cashing, and money order issuance capabilities.

# Superstores

## Ito-Yokado

(¥ Million)

	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015
Revenues from operations	1,387,831	1,373,670	1,361,060	1,332,292	1,311,989	1,285,942
Net sales	1,364,765	1,349,345	1,334,297	1,302,923	1,280,615	1,253,296
Apparel	240,060	255,052	240,068	230,807	204,051	193,354
Household goods	220,620	189,481	173,049	160,916	165,297	153,506
Food	663,768	656,491	648,506	623,571	608,343	592,913
Merchandise sales	1,124,450	1,101,024	1,061,624	1,015,295	977,692	939,774
Tenants	222,422	233,056	252,709	271,258	287,874	301,376
Other	17,892	15,264	19,964	16,369	15,048	12,145
Selling, general and administrative expenses	361,989	353,884	350,981	342,502	335,771	333,118
Operating income	1,757	2,155	10,554	9,009	11,236	1,859
Ordinary income	4,136	5,124	13,471	15,223	13,071	4,142
Net income	6,650	6,696	(520)	1,687	5,333	(6,881)
Capital expenditures	45,900	37,492	18,074	30,578	47,943	41,067
Depreciation and amortization*1	13,890	14,573	16,822	15,937	10,014	11,137
Total assets	805,242	779,389	790,851	791,020	807,425	817,735
Net assets	606,562	601,182	597,601	599,857	608,444	606,327
Existing stores sales increase (decrease)	(5.7)%	(2.5)%	(2.6)%	(4.3)%	(4.6)%	(4.5)%
Number of customers	(1.7)%	(1.3)%	(4.6)%	(5.2)%	(4.3)%	(5.7)%
Average spending per customer	(4.1)%	(1.2)%	2.0 %	1.0 %	(0.4)%	1.3 %
Merchandise gross profit margin	29.0 %	29.1 %	29.7 %	29.9 %	30.2 %	29.9 %
Number of stores	174	170	173	174	179	181
Openings	4	6	5	3	9	3
Closures	5	10	2	2	4	1
Total sales floor space (square meters)	2,661,184	2,673,225	2,704,252	2,751,439	2,817,665	2,832,235
Directly managed sales floor space (square meters)	1,723,580	1,678,730	1,665,268	1,642,954	1,639,943	1,630,246
Sales per square meter (¥ thousand)*2	644	645	636	613	597	572
Full-time employees (fiscal year-end)	9,642	9,484	9,136	8,672	8,289	8,029
Part-time employees*3	30,721	30,130	29,349	28,637	28,873	28,571
Ratio of part-time employees	76.7%	76.8%	77.0%	77.4%	78.6%	79.3%
Sales per employee (¥ thousand)*4	28,061	28,056	27,856	27,430	26,614	26,074

\*1 From FY2014, the Company changed the method for calculating the depreciation of property and equipment to the straight-line method from the previously used declining-balance method.

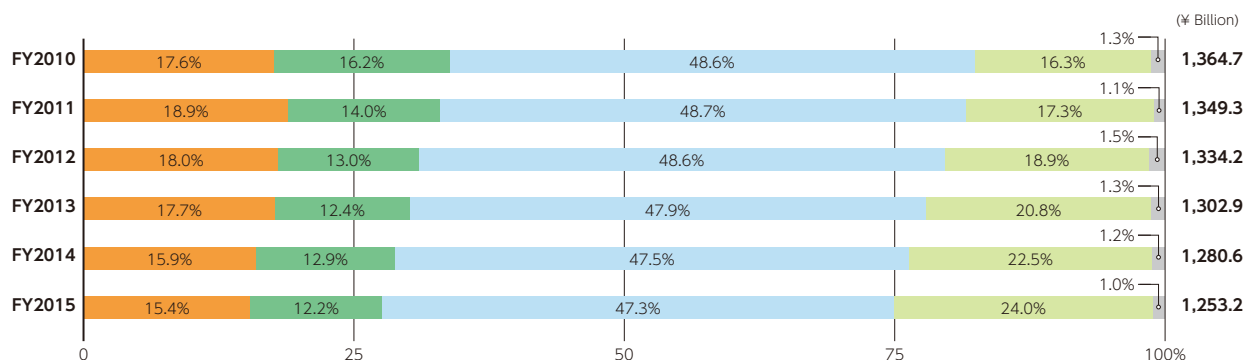
\*2 Sales per square meter = Merchandise sales ÷ Weighted average floor space

\*3 Part-time employees are counted by adjusting their working hours to a 163-hour working month.

\*4 Sales per employee = Merchandise sales ÷ Average number of employees (including part-time employees)

## Breakdown of Sales by Product Category

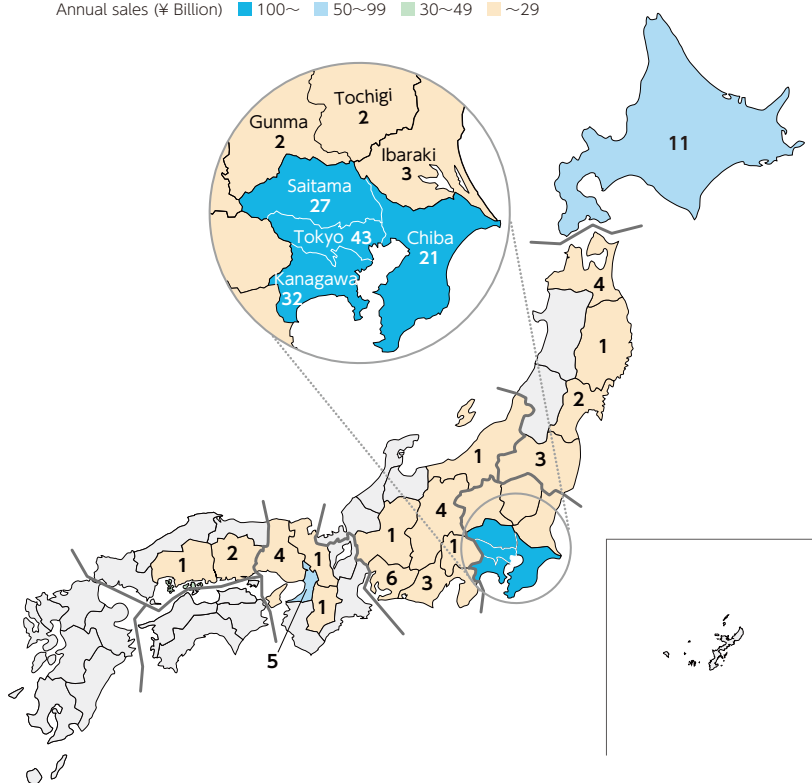
Apparel Household goods Food Tenants Other



Note: From the fiscal year ended February 28, 2014, the Group revised its product categories. Accordingly, part of the net sales for Apparel is now presented under net sales for Household goods.

## Store Expansion

Annual sales (¥ Billion) ■ 100~ ■ 50~99 ■ 30~49 ■ ~29



(As of February 28, 2015)

## SALES BREAKDOWN BY REGION FOR FY2015

	Sales (¥ Billion)	Composition (%)	Number of stores
Hokkaido	64.6	5.2	11
Tohoku	51.5	4.1	10
Kanto	914.7	73.0	130
Chubu	91.7	7.3	16
Kinki	113.1	9.0	11
Chugoku	17.4	1.4	3
Total	1,253.2	100.0	181

## CLASSIFICATION BY SALES FLOOR SPACE

	Number of stores	Composition (%)
13,000 m <sup>2</sup> —	32	17.7
10,000 m <sup>2</sup> —	55	30.4
8,000 m <sup>2</sup> —	30	16.6
5,000 m <sup>2</sup> —	26	14.4
Under 5,000 m <sup>2</sup>	38	21.0

## CLASSIFICATION BY STORE AGE

	Number of stores	Composition (%)
30 years—	60	33.1
20 years—	24	13.3
10 years—	55	30.4
5 years—	16	8.8
1 year—	23	12.7
Under 1 year	3	1.7

## Store Formats



### General merchandise stores (GMS)

Following the basic store format of Ito-Yokado, these stores are operated mainly in highly populated urban areas.

Directly managed sales floor space accounts for 70–80% of total sales floor space, offering a wide lineup of apparel, household goods, and foods.

We are also developing shopping centers (SC) under the *Ario* and *GRAND TREE* brands. Anchored by Ito-Yokado and host to around 100–200 tenants, SCs are located in metropolitan areas and operated under the concept of providing a wide-range of catchment areas. Opened in April 2005, *Ario Soga* was our first SC and the network has expanded to 18 stores as of February 28, 2015.



### Food Specialty Stores

*Shokuhinkan* is a type of store that specializes in fresh and processed foods, as well household goods that customers frequently purchase. Since 2010 these stores have been operating in markets that are highly populated areas with limited catchment in urban areas. As of February 28, 2015, there are 13 urban-style small-sized supermarkets.



### Discount stores

Under the name of *THE PRICE*, we operate a discount store chain offering reasonably priced items centered on food, apparel, and daily commodities. The network has expanded to 11 stores as of February 28, 2015.

## Numbers of Stores by Format

(Stores)

	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015
General merchandise store (GMS)	160	154	156	156	157	157
Shopping centers	7	10	13	14	17	18
Food Specialty Stores	3	5	6	8	11	13
Discount stores	11	11	11	10	11	11
Total	174	170	173	174	179	181



# Supermarkets

## York-Benimaru

(¥ Million)

	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015
Revenues from operations	348,735	343,379	348,600	363,862	380,869	396,930
Net sales	337,506	337,734	342,944	358,061	374,781	390,492
Fresh food	105,558	106,107	108,226	114,914	123,054	132,110
Processed food	82,862	82,861	83,542	86,219	89,761	92,181
Daily food	63,017	64,042	65,222	68,660	71,510	73,843
Food total	251,439	253,011	256,991	269,794	284,326	298,136
Apparel	17,230	16,586	17,358	17,642	17,597	16,614
Household goods	18,729	18,908	19,474	19,383	20,339	20,694
Merchandise sales	287,398	288,506	293,824	306,820	322,263	335,445
Tenants	50,107	49,227	49,120	51,240	52,518	55,047
Selling, general and administrative expenses	83,351	78,200	74,686	78,649	80,969	84,796
Operating income	9,402	8,877	14,955	11,854	12,714	12,820
Ordinary income	10,874	10,276	16,305	14,003	14,467	14,018
Net income	6,088	5,093	1,430	7,731	9,306	7,792
Capital expenditures	12,560	7,629	7,075	9,779	10,700	14,120
Depreciation and amortization*1	4,886	5,573	5,122	5,161	3,167	3,569
Total assets	145,258	147,454	150,789	156,212	168,013	182,267
Net assets	116,612	117,814	117,090	123,766	131,800	140,118
Existing stores sales increase (decrease)	(3.7)%	(4.1)%	1.5 %	0.0 %	0.1 %	0.2 %
Number of customers	(2.1)%	(4.1)%	(3.3)%	0.9 %	0.7 %	(0.1)%
Average spending per customer	(1.6)%	0.0 %	4.9 %	(1.0)%	(0.6)%	0.2 %
Merchandise gross profit margin	26.7 %	26.6 %	27.0 %	26.0 %	25.6 %	25.6 %
Number of stores	164	170	176	184	193	200
Openings	8	7	8	11	11	8
Closures	0	1	2	2	1	1
Total sales floor space (square meters)	547,920	560,684	573,187	590,698	606,812	628,639
Directly managed sales floor space (square meters)	409,360	421,362	433,346	450,581	469,142	485,123
Sales per square meter (¥ Thousand)*2	713	693	718	716	721	721
Full-time employees (fiscal year-end)	2,496	2,508	2,495	2,494	2,538	2,614
Part-time employees*3	10,582	10,606	10,165	10,395	10,729	10,984
Ratio of part-time employees	81.1%	80.6%	80.1%	80.3%	80.6%	80.6%
Sales per employee (¥ Thousand)*4	22,016	21,921	23,141	23,714	24,232	24,607

\*1 From FY2014, the Company changed the method for calculating the depreciation of property and equipment to the straight-line method from the previously used declining-balance method.

\*2 Sales per square meter = Merchandise sales ÷ Weighted average floor space

\*3 Part-time employees are counted adjusting their working hours to a 163-hour working month.

\*4 Sales per employee = Merchandise sales ÷ Average number of employees (including part-time employees)

## Life Foods

(¥ Million)

	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015
Net sales	36,484	36,396	36,974	38,509	39,894	42,487
Selling, general and administrative expenses	14,643	15,076	14,710	14,823	15,438	16,383
Operating income	2,251	2,651	3,450	3,704	3,823	4,204
Ordinary income	2,466	2,857	3,659	3,763	3,870	4,253
Net income	1,447	1,634	2,187	2,193	2,407	2,526
Total assets	25,409	26,788	26,645	27,688	27,928	30,309
Net assets	20,842	21,250	21,053	21,493	22,523	24,265

## York-Benimaru (Including results from Life Foods)

(¥ Million)

	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015
Operating income	11,654	11,528	18,407	15,558	16,539	17,025

Note: The above results are management figures.

## York Mart

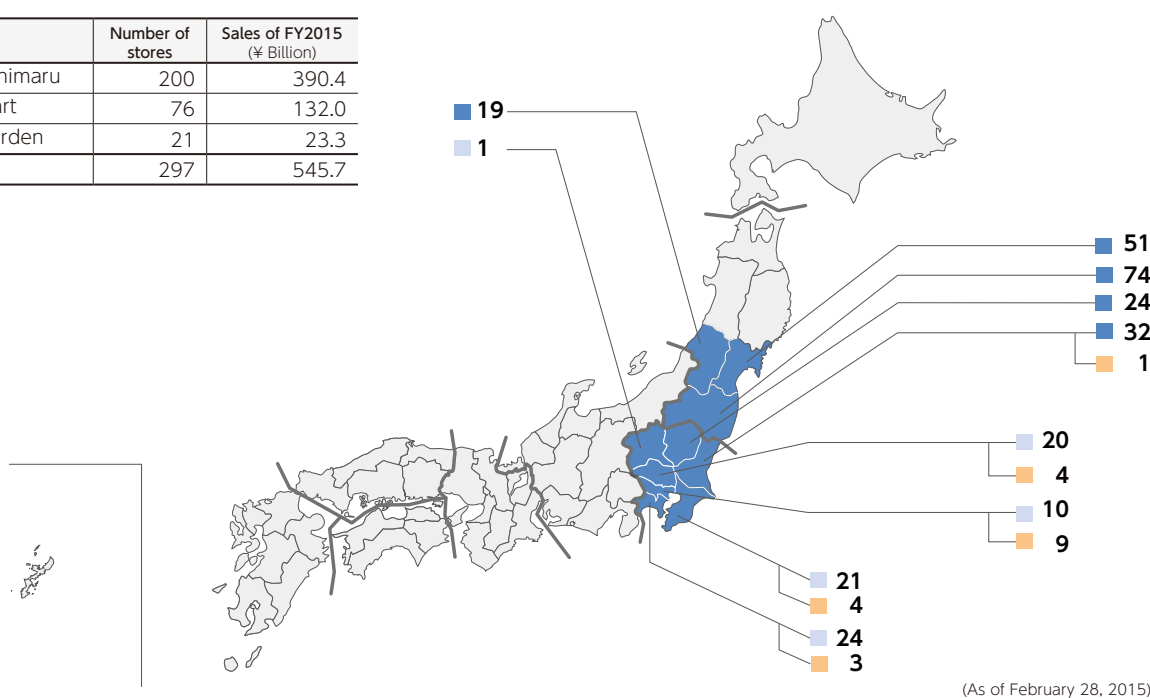
(¥ Million)

	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015
Revenues from operations	109,298	111,363	119,335	122,672	129,306	133,138
Net sales	108,690	110,510	118,422	121,640	128,214	132,067
Selling, general and administrative expenses	28,728	29,647	31,490	33,653	34,740	36,095
Operating income	3,117	3,070	3,925	2,007	2,891	2,445
Ordinary income	3,193	3,140	4,012	2,075	2,945	2,525
Net income	1,412	1,656	2,111	1,032	1,701	1,247
Total assets	35,320	37,124	39,272	41,410	41,991	45,555
Net assets	24,941	25,702	26,926	26,249	27,412	27,662

## Store Expansion

York-Benimaru has concentrated store openings in five prefectures in the southern Tohoku and northern Kanto regions. York Mart and Shell Garden are mainly being developed in the Kanto area.

	Number of stores	Sales of FY2015 (¥ Billion)
York-Benimaru	200	390.4
York Mart	76	132.0
Shell Garden	21	23.3
Total	297	545.7



(As of February 28, 2015)

## Life Foods

Life Foods is a wholly-owned subsidiary of York-Benimaru. The company produces and sells food inside York-Benimaru stores, including delicatessen products, sushi, bakery items, fast food and other take-out foods. As of February 2015, Life Foods delicatessen food plants are operating in three locations in Koriyama, Fukushima Prefecture and one location in Miyagi Prefecture.

A rising number of elderly people and people who live alone are stimulating demand for ready-to-eat foods. In response, York-Benimaru will step up its development of delicatessen products to suit different lifestyle scenarios and expand the delicatessen foods sales sections, mainly in new stores, to 1.5 times the size in conventional stores.



York-Benimaru



The Danran Deli Corner proposes prepared foods to suit customers' various dining situations.



York Mart



# Department Stores/Specialty Stores

## Sogo & Seibu

(¥ Million)

	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015
Revenues from operations	859,265	846,796	830,340	810,998	801,535	802,996
Net sales	847,044	834,723	817,927	798,427	789,203	790,244
Apparel	401,850	384,419	361,550	349,846	335,252	328,008
Household goods	81,576	80,679	79,476	78,127	81,536	80,217
Food	165,458	170,098	170,707	162,023	157,832	161,491
Merchandise sales	648,885	635,198	611,735	589,997	574,621	569,717
Tenants	155,673	159,243	164,297	168,201	174,418	180,085
Corporate sales	42,485	40,281	41,895	40,228	40,163	40,440
Selling, general and administrative expenses	200,386	192,039	180,772	175,804	171,607	170,700
Operating income	5,613	7,385	11,159	10,040	10,141	10,226
Ordinary income	3,149	5,623	9,890	9,160	9,265	9,216
Net income	(4,313)	5,831	9,964	(3,650)	1,814	3,992
Capital expenditures	15,481	25,240	13,374	15,465	12,156	12,762
Depreciation and amortization	15,741	12,779	12,181	12,608	11,793	11,996
Total assets	535,870	503,285	475,849	455,269	447,577	446,368
Net assets	116,540	120,221	129,320	124,561	126,400	131,361
Existing stores sales increase (decrease)	(8.4)%	0.0 %	(0.5)%	0.9 %	1.2 %	0.1 %
Merchandise gross profit margin	25.8 %	25.4 %	25.1 %	24.9 %	24.8 %	24.6 %
Key stores sales						
Ikebukuro	160,562	167,268	176,475	179,181	184,453	187,330
Yokohama	101,788	101,710	100,996	105,213	109,889	112,986
Chiba	76,771	77,967	78,632	78,780	78,924	76,908
Kobe	49,572	50,158	48,279	47,133	45,750	46,045
Hiroshima	43,082	41,973	41,446	41,291	42,967	43,049
Shibuya	43,583	42,325	39,802	39,298	39,490	40,211
Omiya	33,067	32,928	32,418	32,399	34,251	34,572
Number of stores	28	27	26	24	24	24
Openings	0	0	0	0	0	0
Closures	2	1	1	2	0	0
Total sales floor space (square meters)	939,911	924,980	894,481	863,832	868,762	870,584
Sales per square meter (¥ Thousand)*1	888	890	886	894	909	909
Full-time employees (fiscal year-end)	5,416	5,228	4,975	4,632	4,102	3,883
Part-time employees*2	5,587	5,404	5,179	4,925	5,109	5,395
Ratio of part-time employees	50.1%	50.2%	50.2%	50.6%	54.3%	57.4%

Notes: 1. Millennium Retailing, Sogo, and The SEIBU Department Stores were merged in August 2009, and Sogo, as the surviving company, changed its name to Sogo & Seibu Co., Ltd. Furthermore, Robinson Department Stores (two stores) was merged into Sogo & Seibu in September 2009.

2. The financial and operating figures for FY2010 have been calculated as if the former three companies had merged at the beginning of the fiscal year.

\*1 Sales per square meter = Net sales ÷ Weighted average floor space

\*2 Part-time employees are counted adjusting their working hours to a 163-hour working month.

## Store Operation Structure

Sogo & Seibu is promoting structural reforms for its department store operations by reorganizing its stores into three categories according to their characteristics as “key stores,” “regional leader stores,” and “suburban stores.”

### Key stores: Promoting structural reforms toward the establishment of a “new department store”

Introducing to other key stores the expertise nurtured by SEIBU Ikebukuro, Sogo & Seibu is working to further bolster its sales capabilities.

Key stores: SEIBU Ikebukuro, Sogo Yokohama, Sogo Chiba, Sogo Kobe, Sogo Hiroshima, SEIBU Shibuya, and Sogo Omiya

### Regional leader stores: Leveraging regional competitive superiority to turn more stores back to profitability

Regional leader stores play a role in promoting product development tied closely to local communities, event planning, and highly-developed customer services.

Region leader stores: SEIBU Tokorozawa, SEIBU Asahikawa, SEIBU Akita, SEIBU Okazaki, SEIBU Fukui and Sogo Tokushima

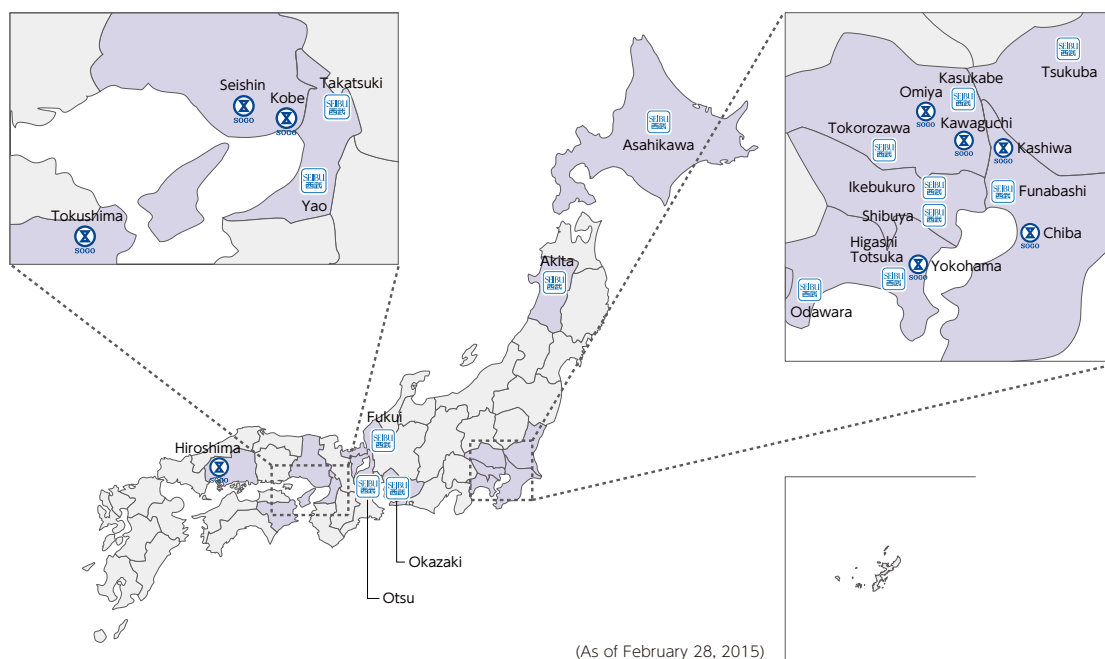
### Suburban stores: Transforming from “department stores” into multi-purpose commercial facilities

Sogo & Seibu continues to shift to a shopping center management system that utilizes leading specialty stores from inside and outside the Group.



SEIBU Ikebukuro

## Store Expansion



## Loft

(¥ Million)

	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015
Revenues from operations	80,179	84,415	87,001	87,326	85,136	88,304
Net sales	78,749	83,099	85,836	86,179	84,459	87,647
Selling, general and administrative expenses	29,842	31,259	32,316	33,334	33,058	33,920
Operating income	2,953	3,104	3,294	2,262	1,138	1,409
Ordinary income	2,887	3,046	3,230	2,202	1,080	1,374
Net income	1,472	1,826	1,510	728	(244)	701
Capital expenditures	1,317	2,275	1,528	2,239	1,357	852
Depreciation and amortization*1	700	867	1,125	1,305	1,096	1,023
Total assets	21,475	22,457	23,542	24,234	23,846	25,383
Net assets	8,366	9,818	10,954	11,308	10,965	11,667
Existing stores sales increase (decrease)	(1.1)%	2.0 %	(2.0)%	(4.4)%	(4.3)%	0.9 %
Merchandise gross profit margin	40.2 %	39.8 %	40.1 %	40.4 %	40.1 %	40.0 %
Number of stores	55	63	73	82	89	94
Openings	5	10	12	9	10	6
Closures	1	2	2	0	3	1
Total sales floor space (square meters)	92,102	100,774	107,967	114,926	116,235	120,962
Sales per square meter (¥ Thousand)*2	837	841	806	769	732	730
Full-time employees (fiscal year-end)	2,109	2,277	2,169	2,133	2,034	1,889
Part-time employees*3	1,122	1,132	1,356	1,610	1,742	2,111
Sales per employee (¥ Thousand)*4	25,305	25,320	25,113	24,310	23,585	23,740

\*1 From FY2014, the Company changed the method for calculating the depreciation of property and equipment to the straight-line method from the previously used declining-balance method.

\*2 Sales per square meter = Merchandise sales ÷ Weighted average floor space

\*3 Part-time employees are counted adjusting their working hours to a 163-hour working month.

\*4 Sales per employee = Net sales ÷ Average number of employees (including part-time employees)



## Specialty Stores/Food Services

### Akachan Honpo

(¥ Million)

	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015
Net sales	79,106	78,346	78,744	82,907	85,141	92,899
Operating income	(480)	526	1,474	1,920	2,365	2,866
Ordinary income	(678)	367	1,334	1,810	2,278	2,856
Net income	(848)	(145)	(200)	(1,394)	1,759	2,178
Capital expenditures	1,397	1,714	1,783	1,720	1,598	1,724
Depreciation and amortization*1	1,365	1,268	1,365	1,496	1,100	1,216
Total assets	30,333	29,771	30,649	28,946	28,554	29,720
Net assets	2,204	2,061	1,852	1,861	3,582	5,761
Existing stores sales increase (decrease)	(7.7)%	(6.5)%	(3.1)%	2.9 %	(1.8)%	3.5 %
Merchandise gross profit margin	27.8 %	29.4 %	30.2 %	30.1 %	30.3 %	29.7 %
Number of stores	78	85	87	92	93	99
Openings	10	13	11	9	8	7
Closures	4	6	9	4	7	1
Total sales floor space (square meters)	145,997	149,997	147,501	150,674	151,292	159,537
Sales per square meter (¥ Thousand)*2	556	530	535	550	562	582
Full-time employees (fiscal year-end)	925	914	852	844	877	895
Part-time employees*3	1,726	1,755	1,782	1,757	1,745	1,745
Sales per employee (¥ Thousand)*4	30,612	29,354	29,873	31,875	32,092	35,098
Membership (thousands)	1,586	1,584	1,721	1,755	1,794	1,855

\*1 From FY2014, the Company changed the method for calculating the depreciation of property and equipment to the straight-line method from the previously used declining-balance method.

\*2 Sales per square meter = Merchandise sales ÷ Weighted average floor space

\*3 Part-time employees are counted adjusting their working hours to a 163-hour working month.

\*4 Sales per employee = Net sales ÷ Average number of employees (including part-time employees)

### Seven & i Food Systems

(¥ Million)

	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015
Revenues from operations	86,400	80,167	77,940	78,238	78,484	80,932
Net sales	85,885	79,609	77,400	77,706	78,112	80,685
Restaurant division	69,394	63,668	60,821	61,011	61,539	62,496
Meal provision service division	7,926	8,189	9,346	10,071	10,383	12,231
Fast food division	8,564	7,751	7,231	6,624	6,189	5,957
Selling, general and administrative expenses	59,761	53,656	51,711	51,349	51,669	52,844
Operating income	(2,714)	(89)	22	868	829	163
Ordinary income	(2,464)	112	203	1,043	990	302
Net income	(5,564)	(2,009)	(879)	(439)	275	(449)
Capital expenditures	743	527	756	1,407	2,277	3,518
Depreciation and amortization*1	1,001	634	560	585	422	701
Total assets	47,181	43,948	44,777	44,144	44,511	46,700
Net assets	38,997	36,831	35,966	34,998	34,799	33,835
Existing store sales increase (decrease) (Restaurant division)	(7.2)%	0.5 %	(1.0)%	0.8 %	1.6 %	1.1 %
Number of customers	(2.1)%	0.7 %	(2.6)%	(0.7)%	(1.6)%	(1.3)%
Average spending per customer	(5.2)%	(0.2)%	1.6 %	1.5 %	3.3 %	2.5 %
Merchandise gross profit margin (Restaurant division)	67.3%	68.3%	68.3%	69.0%	69.4%	68.9%
Number of stores	892	846	858	844	840	846
Restaurant division	525	489	486	476	470	474
Meal provision service division	232	228	244	247	254	265
Fast food division	135	129	128	121	116	107
Full-time employees (fiscal year-end)	1,584	1,351	1,286	1,257	1,301	1,372
Part-time employees*2	11,073	10,403	10,432	10,131	9,974	10,013
Ratio of part-time employees	87.1%	87.2%	88.8%	88.8%	88.4%	87.9%

\*1 From FY2014, the Company changed the method for calculating the depreciation of property and equipment to the straight-line method from the previously used declining-balance method.

\*2 Part-time employees are counted adjusting their working hours to a 163-hour working month.

#### Akachan Honpo



#### Seven & i Food Systems



Restaurant division



Meal provision service division



Fast food division

# Financial Services

## Seven Bank

(Fiscal year-end March, ¥ Million)

	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015
Ordinary income	88,830	83,964	88,318	94,105	99,832	105,648
Ordinary profits	30,407	27,449	29,557	32,013	37,142	38,258
Net income	17,953	16,008	17,267	19,515	22,325	24,457
Total assets	502,782	600,061	652,956	809,465	785,380	850,369
Net assets	109,939	114,539	125,629	137,091	151,142	166,814
Ordinary deposits (fiscal year-end)	144,997	171,873	196,290	238,770	227,728	253,040
Time deposits (fiscal year-end)	63,381	140,604	134,949	154,910	209,703	248,327
Individual deposit accounts (thousands)	775	885	971	1,066	1,214	1,405
Number of installed ATMs (fiscal year-end)	14,601	15,363	16,632	18,123	19,514	21,056
Seven-Eleven	13,584	14,188	15,129	16,414	17,616	18,782
Ito-Yokado	295	294	300	305	312	315
York-Benimaru	30	40	60	69	71	86
York Mart	31	36	42	48	59	67
Other ATMs in the Group	45	65	74	78	84	85
Outside the Group	616	740	1,027	1,209	1,372	1,721
Correspondent financial institutions	555	567	577	584	589	594
ATM-related fee income per transaction	¥147.9	¥135.3	¥131.3	¥130.3	¥131.2	¥136.2
Daily average transactions per ATM	114.4	112.3	112.6	111.1	107.8	100.9
Total number of transactions (millions)	590	609	655	698	736	743
with banking financial institutions (millions)	509	545	597	638	673	679
with non-banking institutions (millions)	80	64	57	59	62	64
International money transfer service						
Number of contract accounts (thousands)	-	-	10	35	62	100
Cumulative number of transfers (thousands)	-	-	32	189	391	633
Consumer loan service						
Number of contract accounts (thousands)	2	9	17	23	34	55
Balance of loans	126	536	1,916	3,387	5,257	10,406
Gross profit margin	51.1%	44.8%	42.7%	52.0%	52.2%	62.6%
Full-time employees (fiscal year-end)	329	328	409	453	458	445

Note: The number of full-time employees at fiscal year-end includes employees on fixed-term contracts for the fiscal year ended March 31, 2012 and subsequent years.

## Seven Card Service

	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015
Transaction volume (¥ Billion)	767.8	882.9	1,000.4	1,299.1	1,615.5	2,119.5
Number of cards issued (10 Thousands)						
SEVEN CARD (credit card and point card)						
SEVEN CARD plus* <sup>1</sup>	297	311	322	337	350	359
nanaco (electronic money)* <sup>2</sup>	980	1,285	1,636	2,145	2,839	3,717
IY Point Card (Ito-Yokado)	687	712	701	665	635	625
Full-time employees (fiscal year-end)	99	106	114	125	163	184

\*1 The number indicates active members.

\*2 The nanaco figure includes the number of mobile nanaco members.

## Seven CS Card Service

	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015
Transaction volume (¥ Billion)	-	-	619.8	678.4	694.6	717.3
Number of cards issued (10 Thousands)						
CLUB ON/Millennium CARD SAISON*	-	-	312	321	328	320
Full-time employees (fiscal year-end)	-	-	455	468	477	478

Note: Seven CS Card Service was converted into a consolidated subsidiary of Seven & i Holdings through the acquisition of its shares on April 1, 2011.

\* The number indicates active members.