

# Group Business Strategy

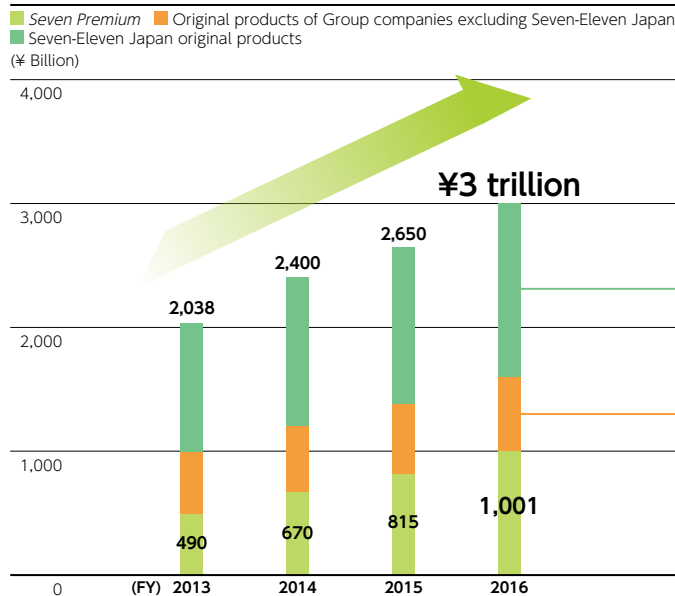
## Merchandising

### Group Merchandising Initiatives

The Seven & i Group is aiming to further increase both sales and income. One strategy is to pursue benefits of scale, such as private-brand product development and consolidated Group purchasing of merchandise and raw materials. Another focus is on building a distribution system that is totally optimized.

By the fiscal year ended February 29, 2016, we achieved annual sales of ¥3 trillion for Seven & i Group original products, of which *Seven Premium* contributed ¥1,001 billion. For the fiscal year ending February 28, 2017, we have set an annual sales target of ¥1.2 trillion for *Seven Premium*.

### SEVEN & i GROUP ORIGINAL PRODUCT SALES



SEPT PREMIÈRES

GALLORIA



LIMITED EDITION

### Addressing Regional Characteristics

The Seven & i Group is offering customers new ways to receive products to respond to their needs in detail and promotes product development in line with regional preferences.

For example, Seven-Eleven Japan has evolved the relationship between stores and the Head Office since its foundation, incorporating regional characteristics into merchandising and store operations.

### Seven Premium

Under its private brand, *Seven Premium*, the Group has developed products for Seven-Eleven Japan, including rice-based products, sandwiches, noodles, and others. Leveraging the methods for original product development that we have cultivated along the way, we are developing by concentrating the infrastructure, product development expertise, and sales capabilities of our Group companies.

### POSITIONING FOR PRIVATE-BRAND PRODUCTS



#### ○Seven Premium

- A wide-ranging product lineup from basic daily necessities to products meeting the needs of diversifying lifestyles
- Quality on par with or exceeding that of national brands at a very reasonable price

#### ○Seven Gold

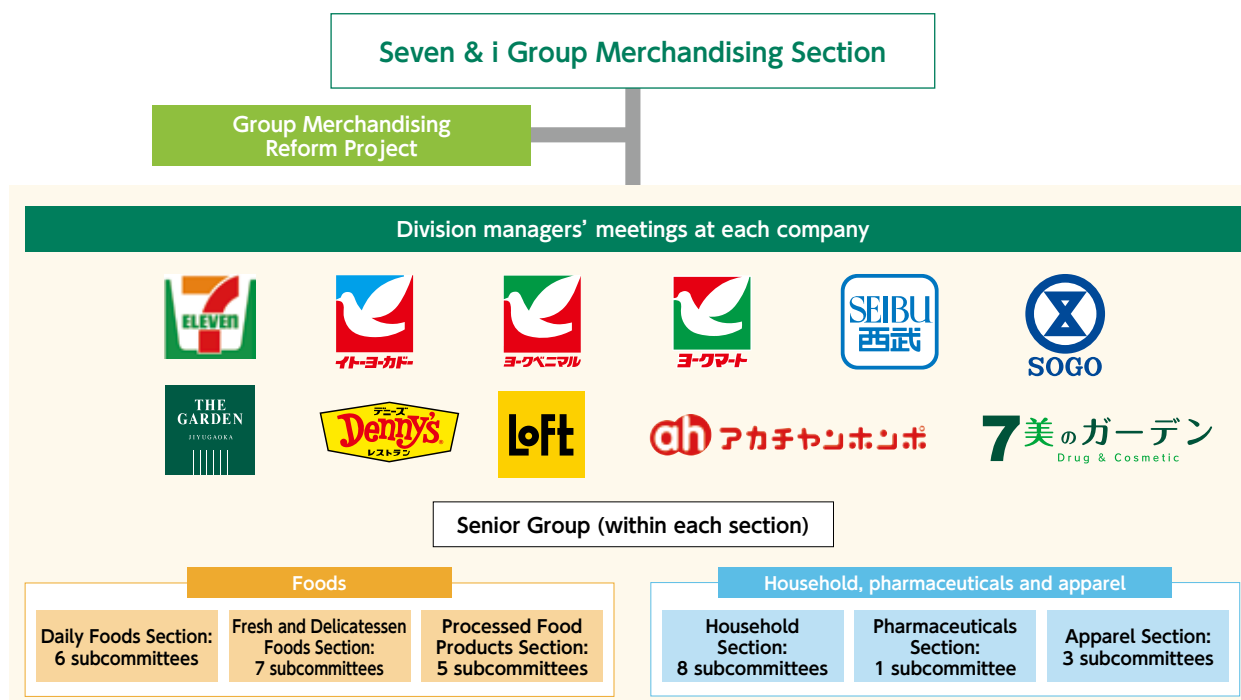
- *Seven Gold* products in the *Seven Premium* brand are developed to meet the needs of those who wish to try something a little more tasty as a luxury
- Equal to or better than the quality of products from specialty stores and popular stores at a reasonable price

#### ○Seven Lifestyle

- Miscellaneous goods offered under the concept of "Adding Higher Quality to Everyday Lives"
- A lineup paying careful attention to details of design and ingredients

## Product Development Process

Product development staff in Seven & i Group companies are organized into six sections and 30 subcommittees to conduct joint product development with product manufacturers.



## Development of Seven Premium

2006	Nov.	Launched the "Group Merchandising Reform Project"
2007	May	Started sales of <i>Seven Premium</i>
	Aug.	Started sales at Seven-Eleven Japan
	Nov.	Started sales of household goods
2008	Mar.	Started sales of processed fresh foods
2009	Jan.	Received the "Most Excellent Award, Nikkei Award" at the 2008 Nikkei Superior Products and Services Awards
	Feb.	Started sales at SEIBU Ikebukuro
	July	Launched the "Premium Life Enhancement Committee," a website community for product development that invites customers to participate
	Nov.	Started sales of wine simultaneously in Japan and North America as the Group's first private-brand product for the global market
2010	Sept.	Started sales of <i>Seven Gold</i>
2011	Mar.	Launched a new brand strategy Sweeping overhaul of product content, logo, and packaging
2012	May	Started sales of miscellaneous goods private-brand <i>Seven Lifestyle</i>
	July	Started sales of apparel
	Nov.	Launched private-brand beer product developed by a major Japanese brewer
2013	May	Launched <i>Golden Bread</i>
2014	Aug.	Started sales of eco-friendly <i>Seven Premium</i> products using timber from forest thinning and recycled PET bottle film
2015	Dec.	Acquired certification from the U.S. Organic Content Standard and launched sales of environmentally and socially considerate products
2016	Feb.	Achieved ¥1 trillion in <i>Seven Premium</i> sales in FY2016

### PROMOTING RENEWAL OF SEVEN PREMIUM

Around 50% of *Seven Premium*'s higher-selling existing products are renewed each year.

Through the Premium Life Enhancement Committee, a website community for product development that invites customers to participate, we research customers' opinions, create test products and conduct monitoring trials until we are satisfied. This process enables us to develop products that offer high quality at an agreeable price.

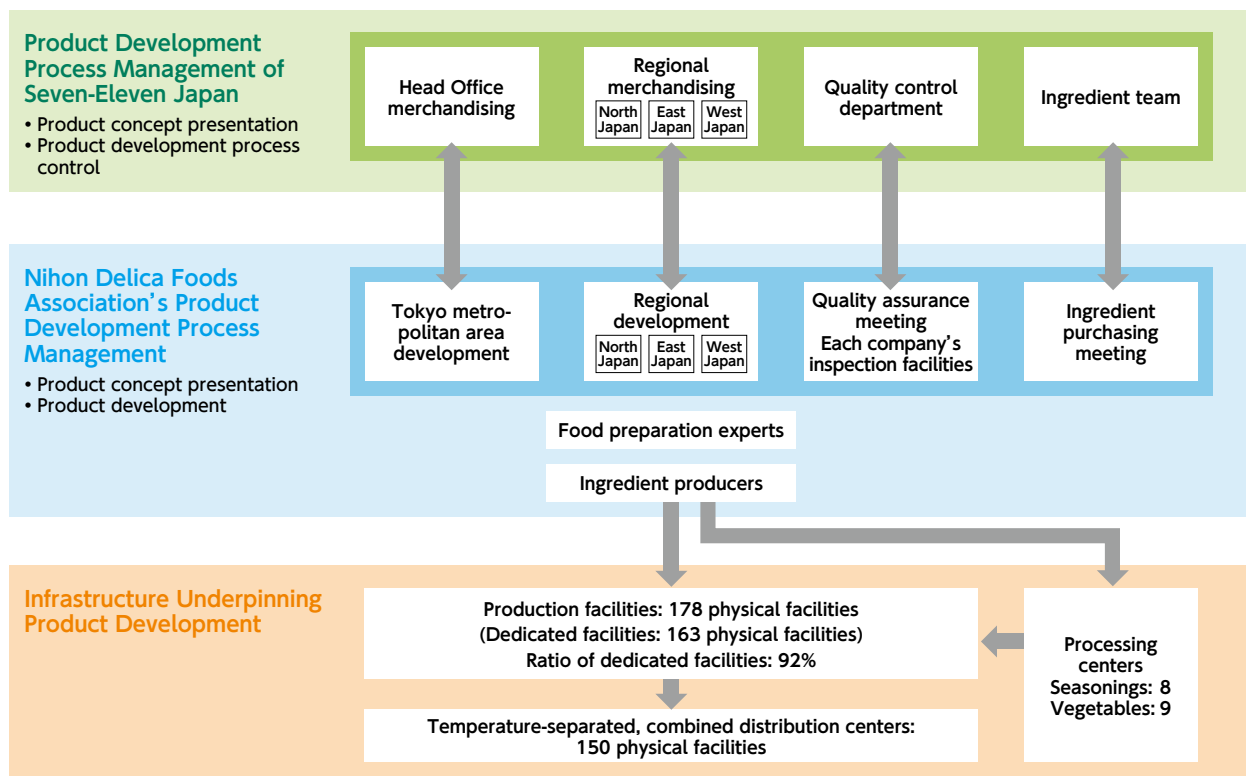
### PRODUCTS THAT SELL OVER ¥1 BILLION PER YEAR

The number of products that sold over ¥1 billion per year in FY2016 was 175 items, an increase of 31 items year on year.



## Original Daily Food Product Development by Seven-Eleven Japan

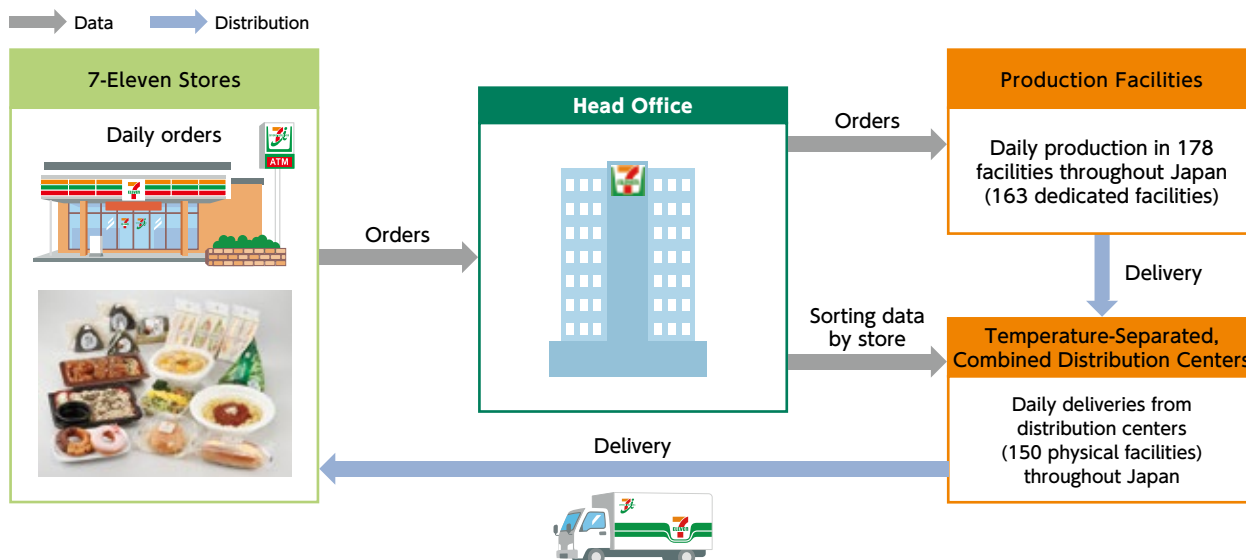
### Food Product Development System



Notes: 1. Nihon Delica Foods Association (NDF) was formed in 1979 mainly by vendors of rice-based products. NDF currently has approximately 70 member companies that engage in the vendor businesses of rice-based products, sandwiches, delicatessen items, noodles, and Japanese pickles. Members jointly develop products, manage quality, procure ingredients, and implement environmental measures.  
2. Figures for the development system, the number of dedicated production facilities, combined distribution centers, and processing centers are as of February 29, 2016.

### Supply System for Original Daily Food Products

Original daily food products are made in specialized facilities operated by independent collaborating companies and are delivered to 7-Eleven stores from combined distribution centers that have multiple temperature-separated zones. The production facilities and temperature-separated, combined distribution centers serve only Seven-Eleven Japan, allowing us to distinguish ourselves from the competition in terms of product development, hygiene, and quality control. Sharing stores' order data with manufacturers and temperature-separated, combined distribution centers enables more efficient deliveries in shorter times.



# Distribution Systems

## ■ Combined Delivery System

Seven & i Group companies adopted a combined distribution system for greater efficiency. The combined distribution system is a rationalized system that allows products from different suppliers and manufacturers to be delivered to stores in the same truck. The combined distribution centers are operated by third parties.

### TEMPERATURE-SEPARATED COMBINED DISTRIBUTION SYSTEM OF SEVEN-ELEVEN JAPAN



(As of February 29, 2016)

	Number of distribution centers	Number of physical facilities
5°C	71	5°C 10 20°C 14 Shared 61
20°C	75	
-20°C	19	19
Subtotal	165	104
Ambient temperature	-	46
Total	-	150

Note: The number of distribution centers represents the distribution centers counted by product categories where multiple product categories were handled in one distribution center.

### PROCESSING CENTERS AND PERISHABLES DISTRIBUTION CENTERS

#### Seven-Eleven Japan

Seasoning packaging centers	8
Vegetable processing centers	9

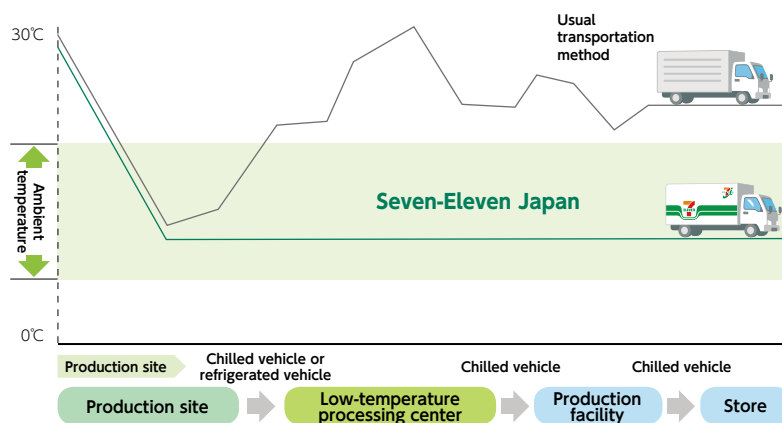
#### Ito-Yokado

Perishables distribution centers	13
Vegetables and fruits centers	4

#### York-Benimaru

Perishables distribution centers	6
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## ■ Cold Chain



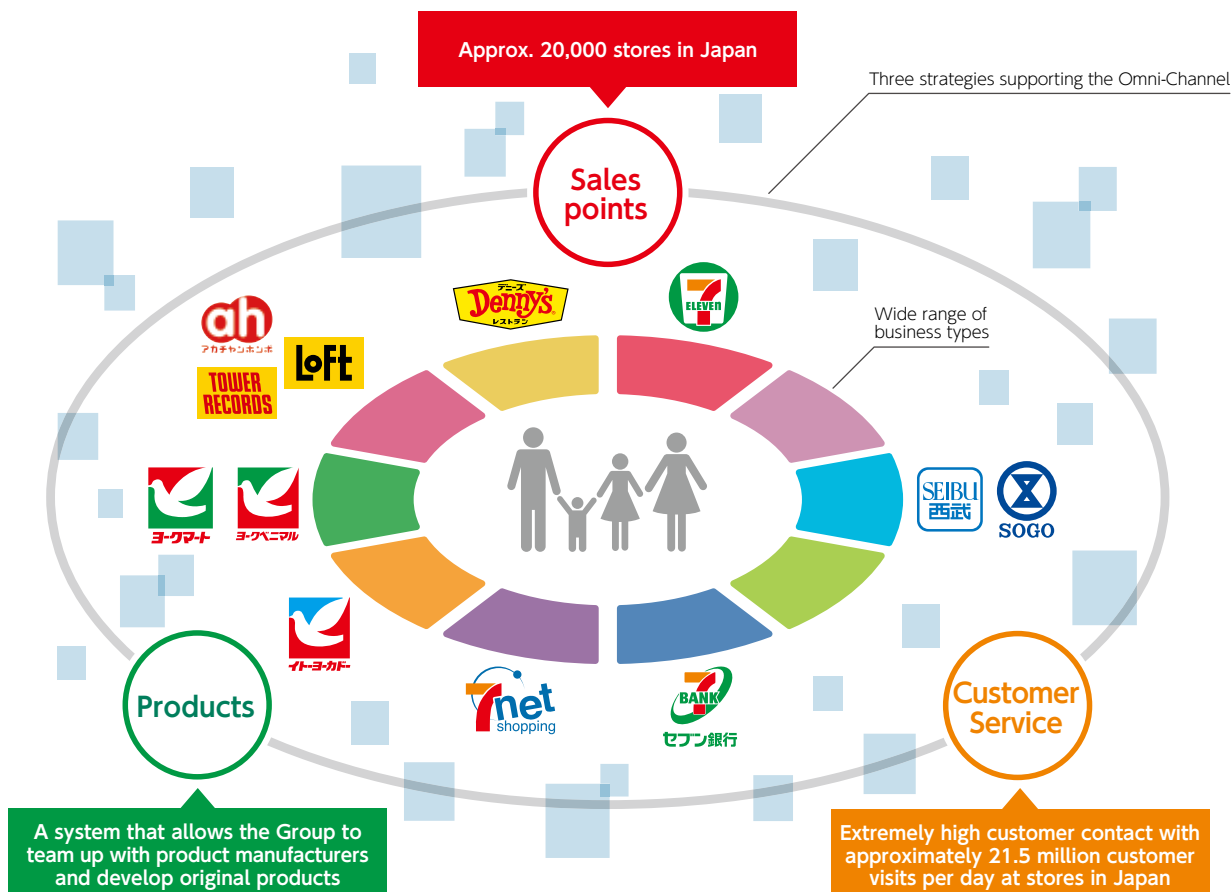
### Freshness Managed from the Field to the Store

We have implemented a cold chain (refrigerated distribution network) for transporting and processing vegetables in a fresh condition straight after they are harvested. The harvested vegetables are put into cold storage on the spot, and kept at a consistently managed temperature in their journey in the delivery vehicle, through the sorting center, and from the production facility to the store.

# Omni-Channel Strategy

## ■ Omni-Channel

Omni-Channel refers to a retail format for providing all customers with a seamless shopping experience of ordering, payment, and receiving products by integrating various sales channels such as real stores and online stores. By merging Internet-based services and the Seven & i Group's competitive advantage in real stores across a wide array of business formats such as convenience stores, supermarkets, superstores, department stores, and specialty stores, the Group aims to advance its sales points, products, and customer service to realize the Omni-Channel retail format for providing services that meet individual customers' needs. These efforts led to the grand opening of *omni7* in November 2015.



## The Convenience of *omni7*

Receiving	<ul style="list-style-type: none"> <li>· 7-Eleven stores, 24-hour pick-up throughout Japan</li> <li>· Free shipping and handling charges when receiving goods at Group stores</li> </ul>
Payment	In addition to online payments, payment at Group stores is also possible
Returns and refunds	Products can be returned or refunded easily at anytime through 7-Eleven stores

## ■ *omni7* Services

*omni7* has "site sales" and "store sales" services. In the "site sales" service, products are purchased on the Internet and then delivered to customers' homes or nearby Group stores for pick-up. The "store sales" service enables customers to order directly to real stores via the Internet, and the products are delivered from the stores. E-commerce sales combining these two services and Nissen amounted to ¥141.8 million in FY2016.

	Site sales					Store sales	
	Seven Net Shopping	Ito-Yokado Internet Mail-Order	Sogo & Seibu e-depart	Akachan Honpo Internet Mail-Order	THE LOFT Internet Mail-Order	Ito-Yokado Net Supermarket	Seven-Meal
Handled categories	Books, CDs, DVDs, etc.	Food, household goods, etc.	Cosmetics, premium sundries, etc.	Baby sundries, etc.	Miscellaneous goods	Food including fresh food, household goods, etc.	Boxed lunches, <i>sozai</i> prepared dishes, etc.
E-commerce sales	¥8.6 billion	¥0.5 billion	¥2.3 billion	¥6.5 billion	¥0.1 billion	¥46.8 billion	¥25.0 billion
Number of members	Approx. 1.55 million					Approx. 2.20 million	Approx. 0.77 million

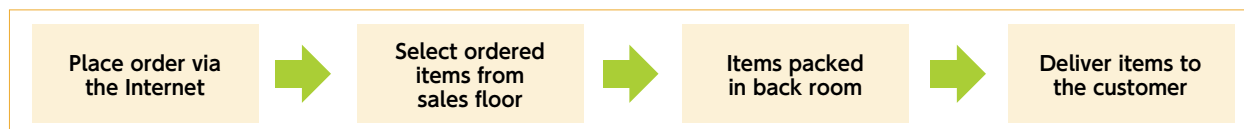
Note: Sales are for FY2016, and number of members is as of February 29, 2016

## ■ Ito-Yokado's Net Supermarket

Ito-Yokado stores manage *Net Supermarket*. Stores receive orders from customers in their catchment area over the Internet, and fresh products from the stores are delivered at a designated time in as little as four hours, for the same price as in the stores.

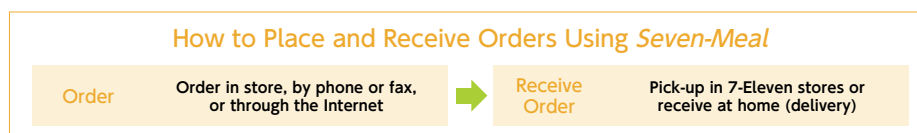
Products delivered daily are selected by professionals at each sales section and delivered directly to each store by a driver dedicated to the *Net Supermarket*. There are 10 shipments per day (excluding some stores).

In addition, in March 2015, Ito-Yokado established the Seven & i *Net Supermarket* Nishi Nippori store to serve as a business base for the Tokyo metropolitan area where Ito-Yokado has not opened nor could provide a *Net Supermarket* despite high latent needs. This is the first dedicated *Net Supermarket* store in the industry and it is equipped with specialized equipment and systems that enable it to handle as many as 2,000 orders daily, approximately five times the number of a regular store.



## ■ Meal Delivery Service Seven-Meal

This is an original Seven-Eleven Japan service for delivering merchandise such as special daily lunch sets and delicatessen food sets, each produced under the direction of a nutritionist. Delivery is free for orders of ¥500 (including tax) or over and costs ¥123 per delivery for smaller orders.



## ■ Progress with the Omni-Channel Strategy

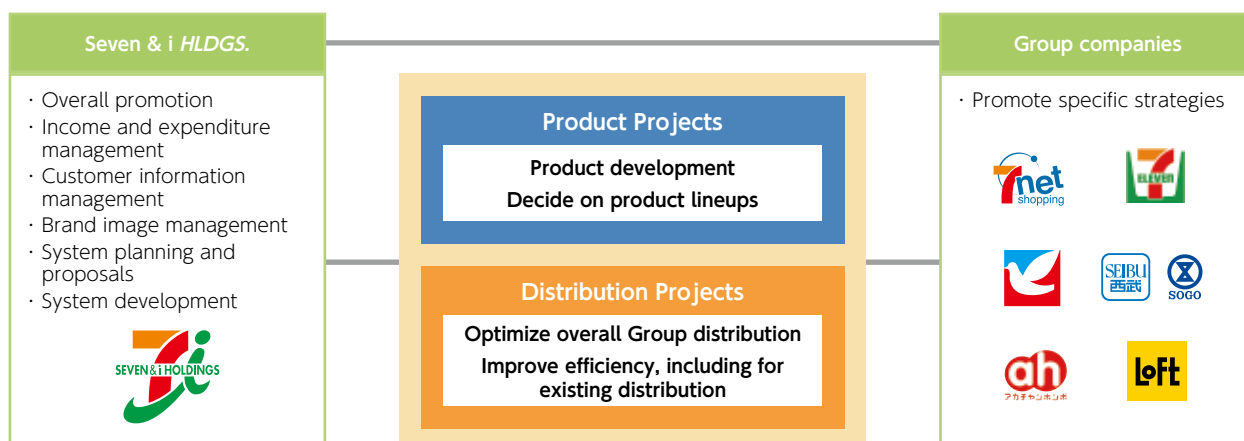
The Seven & i Group is promoting the Omni-Channel Strategy as its second growth stage. The Omni-Channel is intended to contribute to the entire Group's earnings, with Seven & i HLDGS. bearing the cost of the development investment and operational expense of the integrated system and each operating company bearing the costs of distribution and its website operation expenses and the like to elicit an ambitious spirit.

### ● Establishment of Omni-Channel Promotion Teams

Seven & i HLDGS. is mainly responsible for promoting the Omni-Channel Strategy, managing its income and expenditure, and planning and proposing in regard to the system. All major Group companies have established a department responsible for promoting the Omni-Channel Strategy throughout the entire Group along with the other Group companies.

### ● Building of a Dedicated Product Development System

Dedicated projects have been established for product development and distribution, with teams made up of the people in charge of product development and distribution at each Group company. Product development projects in particular are led by the president of each Group company, who manages progress in this area.





# Store-Opening Policy

## Group Store-Opening Strategy

The Seven & i Group develops stores in several formats within an area. Since each format has its own customer motivation factors and catchment area, the Group can achieve a high-density store-opening strategy across the different formats.

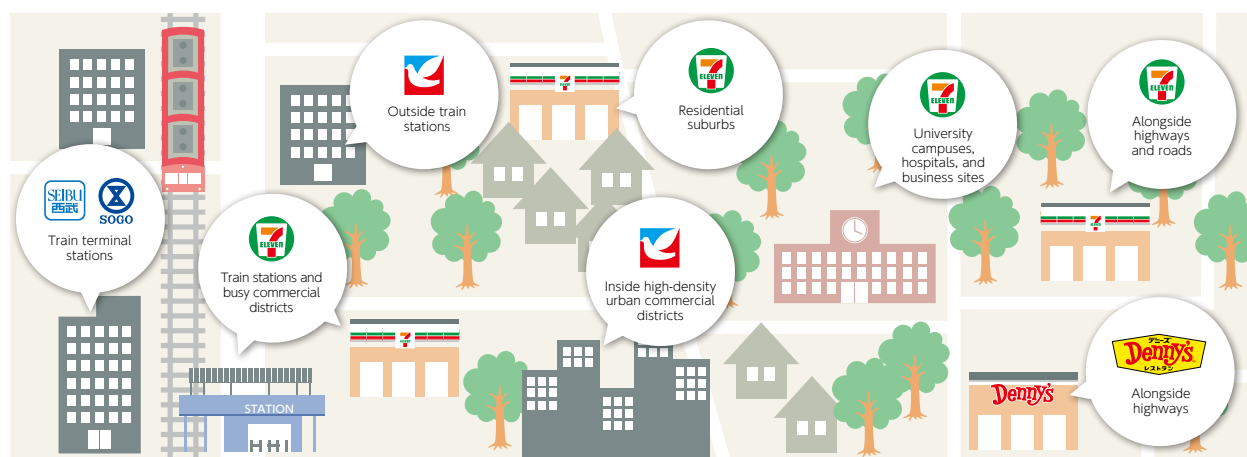
### ■ Market Concentration Strategy

Our fundamental strategy for openings in Group companies is market concentration. This involves opening a high concentration of stores within one area.

#### Effects of Market Concentration Strategy

- Greater familiarity with customers
- Efficient construction of production bases
- Effective sales promotions
- Efficient construction of distribution structures
- Improved quality of management consultation services for franchised stores
- Prevent entry by competitors

### ■ Market Concentration Strategy by Store Format



### ■ Store-Opening Policy by Store Format

Format	Store brand	Store development
Convenience store	7-Eleven	<ul style="list-style-type: none"> <li>• Formed market concentration mainly in residential areas in the 1990s and in urban areas after 2000</li> <li>• Implemented scrap-and-build strategy for revitalizing existing stores</li> <li>• In addition to the standard roadside-type stores, extended store openings in special locations, including train stations, business sites and universities</li> <li>• From November 2010, provision of support for store openings by franchisees who will operate two or more stores</li> <li>• Stores in 46 prefectures as of the end of February 2016</li> </ul>
Superstore	Ito-Yokado	<ul style="list-style-type: none"> <li>• Formed market concentration primarily in the Kanto region</li> <li>• Implemented store structure reform to make efficient use of key specialty stores both inside and outside of the Group</li> </ul>
Shopping center	Ario	<ul style="list-style-type: none"> <li>• Operate 18 shopping centers</li> <li>• Assembled tenants with Ito-Yokado as the anchor tenant</li> </ul>
Supermarket	York-Benimaru	<ul style="list-style-type: none"> <li>• York-Benimaru formed market concentration in the southern Tohoku and northern Kanto regions, aiming for a 300-store network over the medium to long term</li> <li>• York-Benimaru formed market concentration in the southern Kanto region</li> </ul>
	York Mart	
Department store	SEIBU	<ul style="list-style-type: none"> <li>• Developed two department store brands, SEIBU and Sogo</li> <li>• Seven key stores are Ikebukuro, Yokohama, Chiba, Kobe, Hiroshima, Shibuya, and Omiya</li> <li>• According to their characteristics, stores are classified into "key stores," "regional leader stores," or "suburban stores"</li> <li>• Operate small-sized department stores in Ario and Ito-Yokado stores</li> </ul>
	Sogo	
Restaurant	Denny's	<ul style="list-style-type: none"> <li>• Operate stores in 16 prefectures nationwide, primarily in the Kanto region</li> </ul>
Specialty store	Akachan Honpo	<ul style="list-style-type: none"> <li>• Operate stores primarily in shopping centers in 30 prefectures</li> <li>• Open 46 stores primarily in Ito-Yokado, Ario, and other stores operated by Group companies</li> </ul>
	THE LOFT	

Note: The number of stores and store development areas are as of February 29, 2016.

## Store Network in Japan

Seven & i HLDGS. focuses on the business factors that will make each and every store a success, creating stores to suit regional characteristics, rather than simply expanding the number of stores.

### Total Sales of Major Group Companies by Prefecture for FY2015



7-Eleven



Ito-Yokado's Ario



York-Benimaru



York Mart



Sogo



SEIBU



Denny's



Akachan Honpo












THE LOFT



### Domestic Store Network

(No. of stores as of February 29, 2016)

					 			
Hokkaido	941	11	–	–	1	6	3	2
Tohoku	1,190	10	144	–	1	19	4	5
Kanto	7,328	131	61	76	12	339	48	54
Chubu	3,186	16	–	–	2	84	17	13
Kinki	2,464	11	–	–	5	19	21	16
Chugoku	1,145	3	–	–	1	2	6	6
Shikoku	288	–	–	–	1	–	2	3
Kyushu	2,030	–	–	–	–	–	2	3
Total	18,572	182	205	76	23	469	103	102

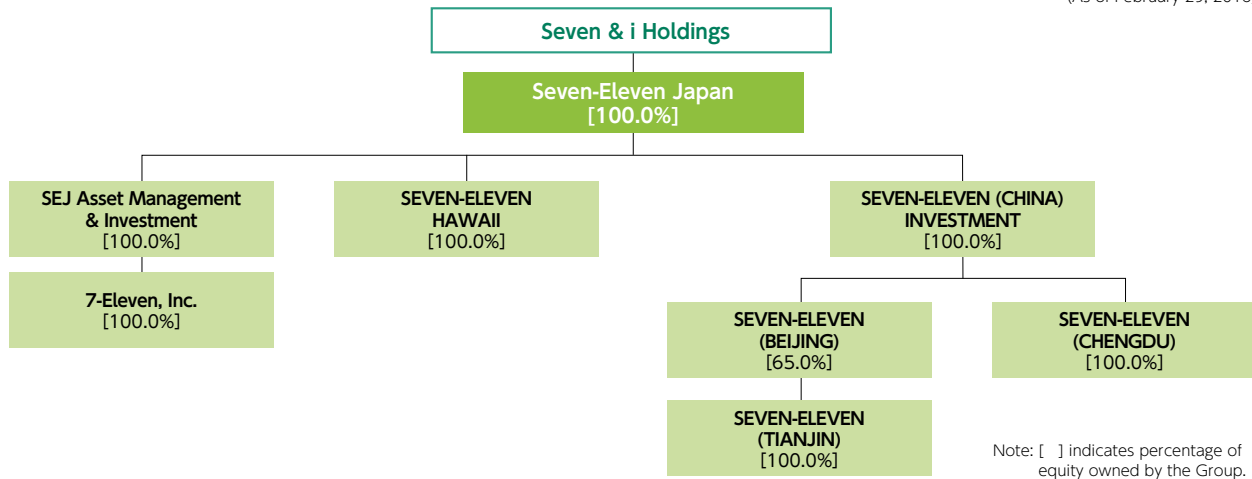


# Global Strategy

## Capital Relationships in the Group's Convenience Store Operations

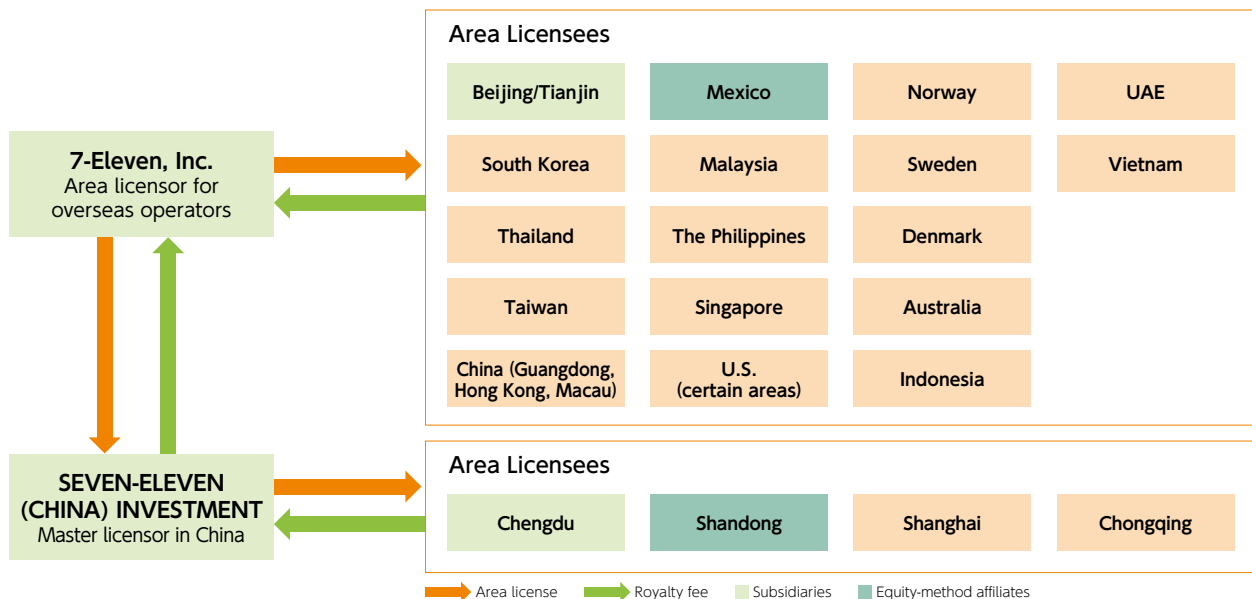
Seven & i Holdings' subsidiaries and affiliates operate 7-Eleven convenience stores in Japan, North and Central America, and China (Beijing, Tianjin, Chengdu, and Shandong). In countries and regions where the Company has no local subsidiaries, leading corporate groups operate 7-Eleven stores as area licensees.

(As of February 29, 2016)



## Overseas Licensing Scheme

7-Eleven, Inc. is responsible for granting area licenses to overseas operators of 7-Eleven stores excluding Japan and Hawaii. Royalty fees paid by area licensees are included in other income of 7-Eleven, Inc.



## Number of 7-Eleven Stores Worldwide

### TREND IN THE NUMBER OF 7-ELEVEN STORES

(Stores)

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Japan	11,735	12,034	12,298	12,753	13,232	14,005	15,072	16,319	17,491	18,572
U.S. and Canada	6,564	6,683	6,782	6,972	7,188	7,752	8,545	8,641	8,646	8,868
South Korea	1,421	1,750	1,995	2,186	3,145	5,249	6,986	7,085	7,231	8,000
Thailand	3,785	4,279	4,778	5,270	5,790	6,276	6,822	7,429	8,127	8,832
Taiwan	4,385	4,705	4,800	4,744	4,750	4,801	4,852	4,919	5,040	5,029
China	1,105	1,358	1,512	1,670	1,711	1,792	1,919	2,001	2,064	2,182
Others	2,840	3,104	3,573	4,101	4,477	5,110	5,563	6,039	6,682	7,228
Total	31,835	33,913	35,738	37,696	40,293	44,985	49,759	52,433	55,281	58,711

Note: Figures are as of the end of December, excluding figures for Japan which are as of the end of February of the following year.

## 7-Eleven Store Operators around the World

Country or region	Operator	Number of stores
Thailand	CP ALL Public Company Ltd. [Charoen Pokphand Group]	8,832
South Korea	Korea-Seven Co., Ltd. [Lotte Group]	8,000
Taiwan/China (Shanghai)	President Chain Store Corp. [Uni-President Enterprises Corp.]	5,110
Malaysia	7-Eleven Malaysia Sdn. Bhd. [Berjaya Retail Berhad]	1,944
Mexico	7-Eleven Mexico S.A. de C.V. [Valso, S.A. de C.V.]	1,879
China (Guangdong, Hong Kong, Macau)	The Dairy Farm Company, Limited [Dairy Farm International Holdings Limited]	1,727
The Philippines	Philippine Seven Corporation [President Chain Store Corporation]	1,602
Australia	7-Eleven Stores Pty. Ltd.	626
Norway/Sweden/Denmark	Reitan Servicehandel [Reitangruppen AS]	530
Singapore	Cold Storage Singapore (1983) Pte. Ltd. [Dairy Farm International Holdings Limited]	458
U.S.	Resort Retailers, Inc. Southwest Convenience Stores, Inc.	305
Indonesia	PT Modern Sevel Indonesia [PT Modern Internasional Tbk]	187
China (Shandong)	SHAN DONG ZHONG DI CONVENIENCE CO., LTD. [Zhong di Group Co., Ltd.]	32
China (Chongqing)	New Nine Business Development Co., Ltd. [New Hope Group Co., Ltd.]	25
UAE	SEVEN EMIRATES INVESTMENT L.L.C	2
Vietnam	Seven System Vietnam Co., Ltd.	–

Notes: 1. The number of stores is as of December 31, 2015.  
2. Company names in brackets are those of the corporate groups affiliated with the companies listed.  
3. Plan to open a store in Vietnam in 2017.

## Support Program for Existing Area Licensees

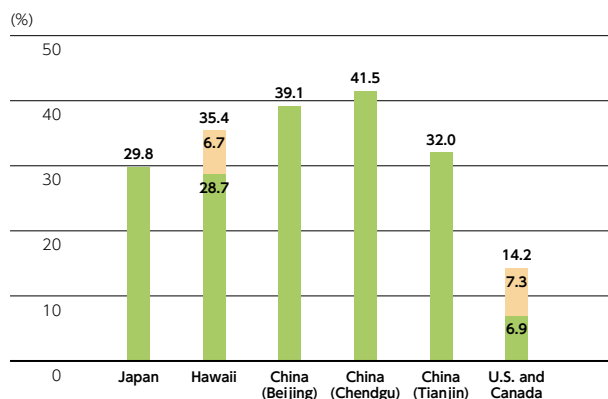
To enhance the value of the 7-Eleven brand, Seven-Eleven Japan and 7-Eleven, Inc. master licensors have developed a program to improve the operation level of area licensees around the world. The program is being implemented among new area licensees in the UAE and Vietnam, as well as among existing area licensees in South Korea, Singapore, Hong Kong and Macau, and is planned to expand further going forward.

### Contents of the support program

1. Provide support and advice for store operations, etc.
  - Methodologies for quality improvement of existing products and development of new products with a focus on fast food
  - Methodologies for store operations by area and counseling by operation field consultants
  - Comprehensive support for store development, logistics, construction & equipment and IT systems, etc.
2. Establish a model store
  - Remodel an existing store and execute enhanced product assortment and display, as well as friendly service based on Seven-Eleven Japan's experience
  - Roll out successful cases of model stores to other existing stores, build model areas, and support franchise business management methods
3. Management candidate training at Seven-Eleven Japan
  - Accept trainees from three departments, store operations, merchandising and store development
  - Conduct classroom and on-the-job training at each department

## Worldwide 7-Eleven Fast Food Sales

### FAST FOOD SALES AS A PERCENTAGE OF TOTAL SALES FOR FY2016



U.S. and Canada



China (Beijing)

Notes: 1. ■ represents counter-served drinks such as Slurpees and coffee.  
2. Percentages for Hawaii, U.S., and Canada are calculated using merchandise sales.  
3. The end of the fiscal year for overseas subsidiaries is December 31, 2015.

## Operations in China

In China, the Seven & i Group is developing convenience stores and superstores. We also share information across business sectors and jointly develop products.

(February 29, 2016)

	Business category	Establishment	Opening date of the first store	Capital	Ownership ratio
SEVEN-ELEVEN (BEIJING) CO., LTD.	Convenience stores	Jan. 2004	Apr. 15, 2004	U.S.\$35 million	SEVEN-ELEVEN (CHINA) INVESTMENT CO., LTD. 65.0% Beijing Wang fu jing Department Store Group Co., Ltd. 25.0% China National Sugar & Alcohol Group 10.0%
SEVEN-ELEVEN (CHENGDU) Co., Ltd.	Convenience stores	Dec. 2010	Mar. 17, 2011	U.S.\$46 million	SEVEN-ELEVEN (CHINA) INVESTMENT CO., LTD. 100.0%
SEVEN-ELEVEN (CHINA) INVESTMENT CO., LTD.	Investment company and 7-Eleven's master licensor in China*	Sept. 2012	-	CNY626.2 million	Seven-Eleven Japan Co., Ltd. 100.0%
SEVEN-ELEVEN (TIANJIN) CO., LTD.	Convenience stores	Nov. 2012	Nov. 2012	CNY124.6 million	SEVEN-ELEVEN (BEIJING) CO., LTD. 100.0%
SHAN DONG ZHONG DI CONVENIENCE CO., LTD.	Convenience stores	June 2012	Nov. 2012	CNY210 million	Zhongdi Group Co., Ltd. 65.0% Seven-Eleven Japan Co., Ltd. 20.0% SEVEN-ELEVEN (CHINA) INVESTMENT CO., LTD. 15.0%
Hua Tang Yokado Commercial Co., Ltd.	Superstores	Sept. 1997	Apr. 28, 1998	U.S.\$65 million	Ito-Yokado Co., Ltd. 75.8% ITOCHU Group 12.3% China National Sugar & Alcohol Group 12.0%
Chengdu Ito-Yokado Co., Ltd.	Superstores	Dec. 1996	Nov. 21, 1997	U.S.\$23 million	Ito-Yokado (China) Investment Co., Ltd. 75.0% China National Sugar & Alcohol Group 12.0% ITOCHU Corp. 8.0% CITYWELL (CHENGDU) DEVELOPMENT CO., LTD. 5.0%
Ito-Yokado (China) Investment Co., Ltd.	Investment company in China	July 2012	-	U.S.\$47.2 million	Ito-Yokado Co., Ltd. 100.0%

\* Excluding Beijing, Tianjin, and Hebei, as well as Guangdong, Hong Kong and Macau, which are already covered by an area license granted by 7-Eleven, Inc.

## Sales Trend

(¥ Million)

	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015
Chengdu Ito-Yokado	15,611	19,682	26,690	36,738	41,192	48,048	50,672	53,513	62,788	70,650	79,686
Hua Tang Yokado	20,585	26,514	33,901	36,369	31,932	30,008	28,477	27,902	34,015	31,814	24,066
SEVEN-ELEVEN (BEIJING)	882	1,997	3,563	4,686	5,204	5,874	7,754	11,273	14,458	17,983	21,781
SEVEN-ELEVEN (TIANJIN)	-	-	-	-	-	-	-	-	3,136	3,783	4,623
SEVEN-ELEVEN (CHENGDU)	-	-	-	-	-	-	517	1,909	3,505	4,204	4,036
Exchange rate (CNY1=)	¥13.57	¥14.62	¥15.51	¥14.85	¥13.72	¥12.90	¥12.32	¥12.72	¥15.92	¥17.18	¥19.23

Notes: 1. Sales exclude value added tax.

2. All companies' fiscal year-ends are on December 31.



Chengdu Ito-Yokado



Hua Tang Yokado



SEVEN-ELEVEN (BEIJING)



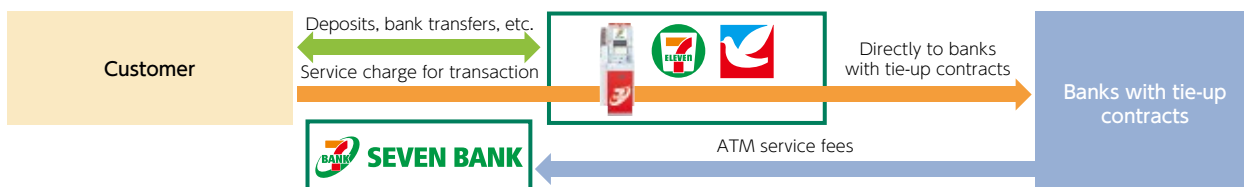
SEVEN-ELEVEN (CHENGDU)

# Financial Services

## Bank Business

### ATM Services

As of the end of March 2016, Seven Bank has tie-up contracts with 595 financial institutions and the like, and ATMs have been installed in 7-Eleven stores and other stores of Group companies in Japan. The main source of earnings in this business is fees from banks with tie-up contracts. The fees are paid to Seven Bank for the use of its ATMs by card holders of these banks.



### International Money Transfer Service

Since March 2011, Seven Bank has offered an international money transfer service to meet the needs of foreigners who live in Japan or Japanese people who have family or friends living abroad.

The number of transfers in FY2016 was 816,000, approximately 1.3 times more than the previous fiscal year.

#### Features of Seven Bank's International Money Transfer Service

- (1) Money can be transferred in principle 24 hours a day, every day of the year from a Seven Bank account via an ATM, PC, smartphone or mobile phone
- (2) Simple and reasonable transfer fees
- (3) Transfers can be received at over 510,000 locations affiliated with Western Union in over 200 countries and regions around the world
- (4) Money can be received in as little as a few minutes from completion of the transfer



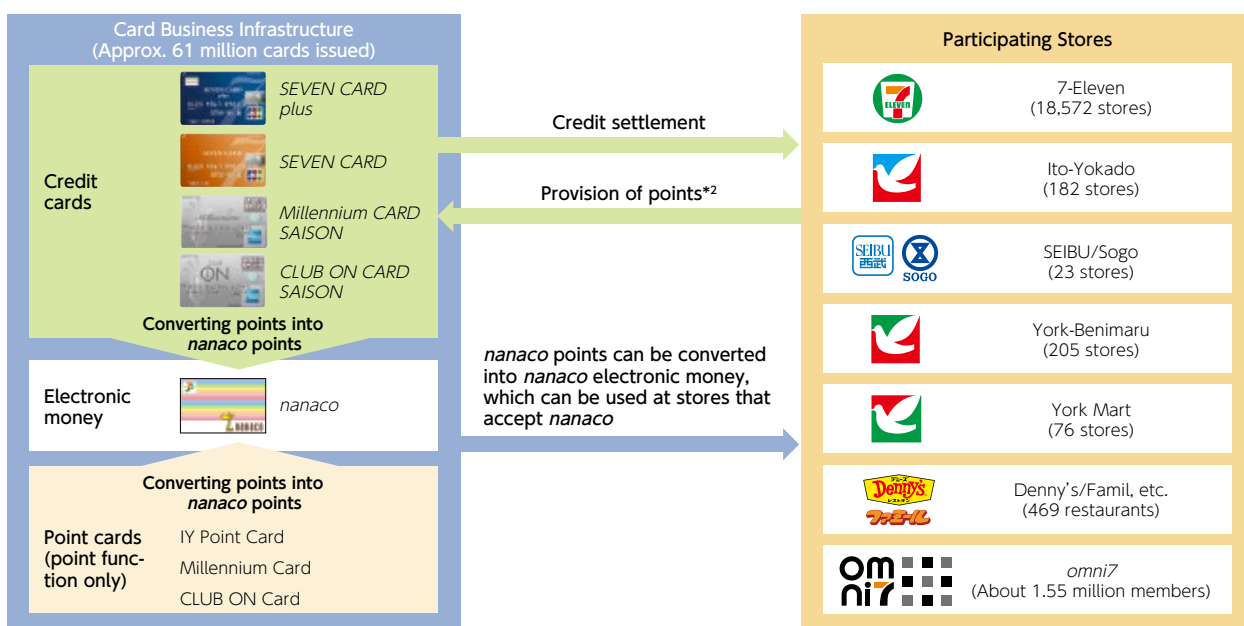
## Card Business

### Group Card Business

The Seven & i Group has issued over 61 million cards, and we are promoting a card strategy that allows members to utilize Group company cards between Group company stores. In addition, to encourage use of credit cards and electronic money at Group company stores, the whole Group is working to develop a shared point service linked to credit card transactions and to promote card service strategies for the entire Group.

### Seven & i Point Service

To encourage customers to utilize Seven & i Group company stores, we provide the *Seven & i Point Service*\*1.



Notes: 1. The numbers of cards issued, stores, and omni7 members are as of February 29, 2016.

2. Points can also be used in the previous way as points in the issuer's program.

\*1 Points collected through the use of Group company credit cards are designated within the *Seven & i Point Service*, which gives preferential treatment for points earned from purchases made at Group companies. Points accumulated at Group companies, which are amassed and can be used as *nanaco* points, fall under the *nanaco Point Club*.

\*2 Excluding York-Benimaru Co., Ltd.