

CORPORATE OUTLINE 2018

Corporate Creed

We aim to be a sincere company that our customers trust.

We aim to be a sincere company that our business partners, shareholders and local communities trust.

We aim to be a sincere company that our employees trust.

Corporate Outline 2018

The Company aims to be a sincere company in line with its corporate creed, earning the trust of all stakeholders, including customers, business partners and franchisees, shareholders and investors, local communities, and employees.

Guided by our Group slogan of “Responding to Change while Strengthening Fundamentals,” we conduct open and honest dialogue with our customers to stay in tune with their constantly changing needs. Learning about these needs yields opportunities to create and evolve new retail services in response to changes in the times.

In May 2016, the Group launched a new management framework. We believe that the core concept of corporate governance is to create “a system for being a sincere company trusted by all stakeholders,” and that this is in line with our corporate creed. We will redouble our efforts to improve and expand our corporate governance, based on the philosophy of our founder.

In the same way that we foster opportunities for creating services through dialogue with our customers, we believe that expanding dialogue with all of our stakeholders, including business partners and franchisees, shareholders and investors, local communities, and employees, will yield opportunities for increasing corporate value.

This Corporate Outline is designed to communicate an overview of our Group’s business in a clear manner to enable better understanding. We hope you will be able to use it to your benefit.

Profile

Corporate Overview (As of May 24, 2018)

| | |
|------------------------------|--|
| Company name | Seven & i Holdings Co., Ltd. |
| Date of establishment | September 1, 2005 |
| Head office | 8-8, Nibancho, Chiyoda-ku, Tokyo 102-8452, Japan |
| Representative | President: Ryuichi Isaka |
| Paid-in capital | 50 billion yen |
| Number of employees | 643 (nonconsolidated) 56,606 (consolidated) |

Note: Paid-in capital and the number of employees are as of February 28, 2018.

Group's Management Policy

| | |
|--------------------|--|
| Goals | <ul style="list-style-type: none"> Enhance convenience in daily life by supplying products and services, while staying closely attuned to the life stages and settings of customers Become an endearing group indispensable to communities |
| Imperatives | <ul style="list-style-type: none"> Harness all manner of resources, including business partners and technological innovation in society Pursue the absolute value of products and services and the maximization of customer satisfaction |

Roles and Functions of the Holding Company

- Strengthen corporate governance
- Maximize the Group's enterprise value

| | | |
|----------------------------------|--|-------------------------------|
| Support for management execution | Assessment and supervision of management execution | Optimal resource distribution |
|----------------------------------|--|-------------------------------|

- Share specific actions with operating companies regarding management challenges and solutions
- Set and monitor KPIs

Roles and Functions of Operating Companies

- Pursue maximization of customer satisfaction
- Operate autonomously, seek profit growth, and enhance asset efficiency

Business Segments

To strengthen segment management through management approach, business segments have changed from the fiscal year ending February 28, 2018.

| | | | | | | |
|---------------------------------------|---------------------------------------|-----------------------|-----------------------------|--------------------|----------------------------|--------|
| Domestic convenience store operations | Overseas convenience store operations | Superstore operations | Department store operations | Financial services | Specialty store operations | Others |
|---------------------------------------|---------------------------------------|-----------------------|-----------------------------|--------------------|----------------------------|--------|

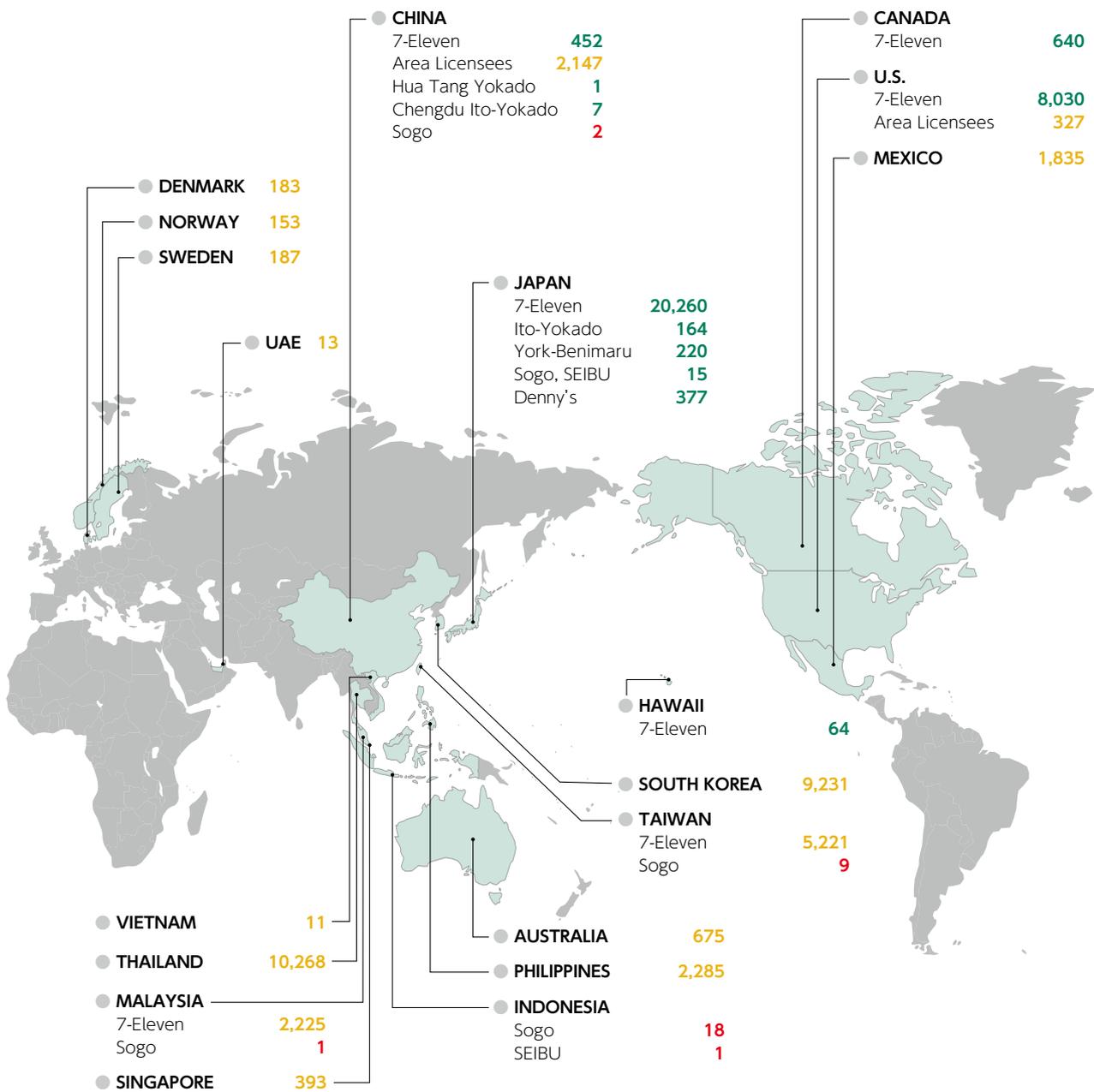
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Store Network

Centered in Japan, Seven & i HLDGS. store network extends worldwide to encompass convenience stores, superstores, supermarkets, department stores, restaurants, and other operations.

| Group's Total Sales ¥11.0 Trillion | | | |
|--|------------------------------|--|-----------------------------|
| Store Network of Seven & i HLDGS. | | Number of Customer Store-Visits per Day | |
| Global: | approx. 66,200 stores | Global: | approx. 64.0 million |
| Japan: | approx. 21,800 stores | Japan: | approx. 23.0 million |



Notes: 1. ■ Number of stores operated directly by our subsidiaries
 ■ Number of stores operated by companies in each country granted a defined area license
 ■ Number of stores with licenses to use the trademark of Sogo & Seibu Co., Ltd.
 2. Figures represent the number of stores on record as of February 28, 2018 in Japan and December 31, 2017 for all other areas.
 3. Group's total sales include the sales of Seven-Eleven Japan and 7-Eleven, Inc. franchisees. (Fiscal year ended February 28, 2018)

Overview of Main Group Companies

(As of February 28, 2018)

| | FY2018 sales | | Number of stores | | Employees | | Capital (¥ Million) | Equity owned by the Company (%) |
|--|-------------------------|-----------------|------------------|---------------------|-----------|---------------------|------------------------|---------------------------------|
| | (¥ Million) | Growth rate (%) | (Stores) | Increase (Decrease) | (People) | Increase (Decrease) | | |
| Domestic Convenience Store Operations | | | | | | | | |
| Seven-Eleven Japan Co., Ltd. | 4,678,083 ^{*1} | 3.6 | 20,260 | 838 | 12,981 | 610 | 17,200 | 100.0 |
| ○ SEVEN-ELEVEN HAWAII, INC. | 33,101 | 12.7 | 64 | 1 | 1,008 | 39 | U.S.\$20,000,000 | 100.0 |
| ○ SEVEN-ELEVEN (BEIJING) CO., LTD. | 24,458 ^{*2} | 17.2 | 247 | 28 | 1,376 | (72) | U.S.\$44,000,000 | 65.0 |
| ○ SEVEN-ELEVEN (CHENGDU) Co., Ltd. | 4,042 ^{*2} | 17.7 | 87 | 20 | 726 | 208 | CNY382,924,388 | 100.0 |
| ○ SEVEN-ELEVEN (TIANJIN) CO., LTD. | 5,364 ^{*2} | 17.9 | 118 | 36 | 377 | (181) | CNY200,000,000 | 65.0 |
| Overseas Convenience Store Operations | | | | | | | | |
| ○ 7-Eleven, Inc. | 3,134,412 ^{*1} | 14.6 | 8,670 | (37) | 35,178 | 11,218 | U.S.\$13,031 | 100.0 |
| Superstore Operations | | | | | | | | |
| Ito-Yokado Co., Ltd. | 1,213,613 | (0.5) | 164 | (7) | 35,413 | 219 | 40,000 | 100.0 |
| York-Benimaru Co., Ltd. | 429,064 | 2.5 | 220 | 7 | 14,600 | 562 | 9,927 | 100.0 |
| Life Foods Co., Ltd. | 46,739 | 1.8 | - | - | 4,640 | 130 | 120 | 100.0 |
| York Mart Co., Ltd. | 143,610 | 1.4 | 78 | 0 | 5,801 | 22 | 1,000 | 100.0 |
| SHELL GARDEN CO., LTD. | 27,561 | 0.0 | 24 | (3) | 839 | (237) | 100 | 100.0 |
| ○ Hua Tang Yokado Commercial Co., Ltd. | 6,826 ^{*2} | (57.0) | 1 | (1) | 189 | (228) | U.S.\$65,000,000 | 75.8 |
| ○ Chengdu Ito-Yokado Co., Ltd. | 71,638 ^{*2} | 6.5 | 7 | 1 | 3,232 | (161) | U.S.\$23,000,000 | 75.0 |
| Department Store Operations | | | | | | | | |
| Sogo & Seibu Co., Ltd. | 674,368 | (9.8) | 15 | (4) | 7,432 | (1,154) | 20,000 | 100.0 |
| Financial Services | | | | | | | | |
| ☆ Seven Bank, Ltd. | 116,650 ^{*3} | 3.1 | - | - | 478 | 8 | 30,572 | 45.8 |
| Seven Card Service Co., Ltd. | 49,204 ^{*3} | 1.7 | - | - | 267 | 7 | 7,500 | 95.5 |
| Seven CS Card Service Co., Ltd. | 20,154 ^{*3} | (1.2) | - | - | 587 | (90) | 100 | 51.0 |
| Specialty Store Operations | | | | | | | | |
| Akachan Honpo Co., Ltd. | 104,687 | 1.9 | 110 | 4 | 2,804 | (71) | 3,780 | 95.0 |
| Barneys Japan Co., Ltd. | 21,297 | 0.0 | 12 | 0 | 555 | (27) | 4,990 | 100.0 |
| Oshman's Japan Co., Ltd. | 4,729 | 2.1 | 8 | 0 | 189 | (18) | 2,500 | 100.0 |
| Seven & i Food Systems Co., Ltd. | 80,188 | (2.7) | 749 | (66) | 9,487 | (846) | 3,000 | 100.0 |
| THE LOFT CO., LTD. | 102,956 | 3.4 | 110 | 1 | 4,416 | (94) | 750 | 75.2 |
| Nissen Co., Ltd. | 38,428 | (39.4) | - | - | 1,444 | (294) | 100 | 100.0 |

○ Figures are for the fiscal year ended December 31, 2017. (No. of stores is as of December 31, 2017; No. of employees is as of February 28, 2018)

☆ Figures are for the fiscal year ended March 31, 2018.

Notes: 1. Exchange rates (average for the period): U.S.\$1=¥112.16; CNY1=¥16.62

2. Year-on-year comparisons for overseas subsidiaries are growth rates calculated on a yen basis.

3. Number of employees includes part-time employees (monthly average based on a 163-hour working month).

4. Ownership ratios include indirect holdings.

*1 Sales of Seven-Eleven Japan and 7-Eleven, Inc. represent total store sales.

*2 Sales for Chinese subsidiaries exclude value added tax.

*3 Sales for Seven Bank represent ordinary income, and sales for Seven Card Service and Seven CS Card Service represent revenues from operations.

① Further details on p28-31

② Further details on p29-31

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Profile

Performance Overview

Consolidated Financial Summary

Seven & i Holdings and its consolidated subsidiaries for the fiscal years ended February 28 or 29.

| | FY2008 | FY2009 | FY2010 | FY2011 | FY2012 | |
|--|-----------|-----------|-----------|-----------|-----------|--------|
| Revenues from operations | 5,752,392 | 5,649,948 | 5,111,297 | 5,119,739 | 4,786,344 | |
| Operating income | 281,088 | 281,865 | 226,666 | 243,346 | 292,060 | |
| EBITDA*1 | 436,375 | 434,033 | 377,768 | 391,913 | 444,969 | |
| Ordinary income | 278,262 | 279,306 | 226,950 | 242,907 | 293,171 | |
| Net income attributable to owners of parent | 130,657 | 92,336 | 44,875 | 111,961 | 129,837 | |
| Total assets | 3,886,680 | 3,727,060 | 3,673,605 | 3,732,111 | 3,889,358 | |
| Net assets | 2,058,038 | 1,860,672 | 1,793,940 | 1,776,512 | 1,860,954 | |
| Non-controlling interests | 73,020 | 75,092 | 71,251 | 73,016 | 93,748 | |
| Interest-bearing debt | 766,358 | 793,867 | 701,487 | 727,385 | 712,077 | |
| Debt/equity ratio (times) | 0.39 | 0.44 | 0.41 | 0.43 | 0.40 | |
| Interest coverage ratio (times) | 36.6 | 23.8 | 28.2 | 30.0 | 49.0 | |
| Cash flows from operating activities | 465,380 | 310,007 | 322,202 | 310,527 | 462,642 | |
| Cash flows from investing activities | (237,184) | (139,568) | (115,158) | (312,081) | (342,805) | |
| Free cash flows*2 | 228,195 | 170,438 | 207,044 | (1,553) | 119,836 | |
| Cash flows from financing activities | (130,136) | (169,755) | (156,708) | (56,258) | (40,561) | |
| Net (decrease) increase in cash and cash equivalents | 97,636 | (4,286) | 54,397 | (60,573) | 76,960 | |
| Cash and cash equivalents at end of fiscal year | 667,770 | 663,483 | 717,320 | 656,747 | 733,707 | |
| Capital expenditures*3 | 217,738 | 188,943 | 211,189 | 338,656 | 255,426 | |
| Depreciation and amortization*4 | 143,642 | 140,529 | 132,232 | 132,421 | 139,994 | |
| Net income per share | ¥137.03 | ¥100.54 | ¥49.67 | ¥126.21 | ¥146.96 | |
| Owners' equity per share | ¥2,081.85 | ¥1,975.95 | ¥1,905.97 | ¥1,927.09 | ¥1,998.84 | |
| Cash flow per share*5 | ¥287.68 | ¥253.56 | ¥196.03 | ¥275.48 | ¥305.41 | |
| Cash dividends per share | ¥54.00 | ¥56.00 | ¥56.00 | ¥57.00 | ¥62.00 | |
| Owners' equity ratio | 51.1% | 47.9% | 46.9% | 45.6% | 45.4% | |
| Return on equity (ROE) | 6.7% | 4.9% | 2.6% | 6.5% | 7.5% | |
| Return on total assets (ROA) | 3.4% | 2.4% | 1.2% | 3.0% | 3.4% | |
| Dividend payout ratio | 39.4% | 55.7% | 112.7% | 45.2% | 42.2% | |
| Ratio of total amounts of dividends to net assets | 2.6% | 2.8% | 2.9% | 3.0% | 3.2% | |
| Exchange rate (Income statements) | U.S.\$1= | ¥117.85 | ¥103.48 | ¥93.65 | ¥87.79 | ¥79.80 |
| | CNY1= | ¥15.51 | ¥14.85 | ¥13.72 | ¥12.90 | ¥12.32 |
| (Balance sheets) | U.S.\$1= | ¥114.15 | ¥91.03 | ¥92.10 | ¥81.49 | ¥77.74 |
| | CNY1= | ¥15.62 | ¥13.31 | ¥13.48 | ¥12.29 | ¥12.31 |

Notes: 1. U.S. dollar amounts are translated from yen, for convenience only, at the rate of U.S.\$1=¥107, the approximate rate of exchange prevailing on February 28, 2018.

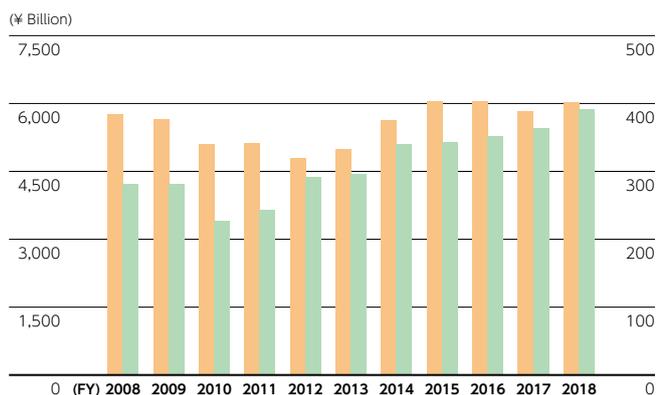
2. From FY2012, 7-Eleven, Inc. has changed its accounting method for revenues from operations, related to franchise agreements, from "gross amount" to "net amount."

3. For the results of mail order services in FY2014, only the balance sheets have been consolidated.

4. ROE and ROA are calculated based on the average of net assets and total assets at the beginning and end of each fiscal year.

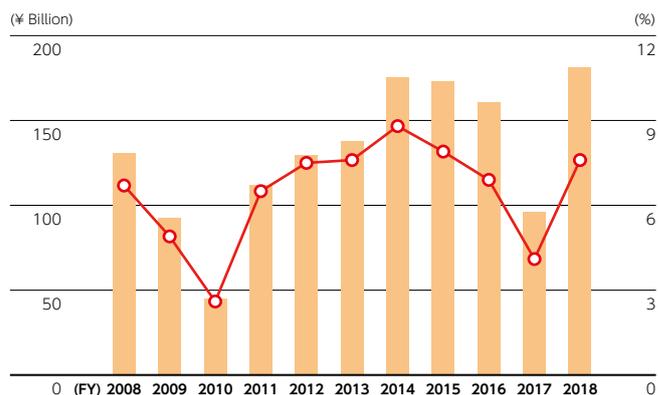
REVENUES FROM OPERATIONS AND OPERATING INCOME

■ Revenues from operations (left) ■ Operating income (right)



NET INCOME ATTRIBUTABLE TO OWNERS OF PARENT AND ROE

■ Net income attributable to owners of parent (left) ● ROE (right)



| | (¥ Million) | | | | | | (U.S.\$ Thousand) |
|--|-------------|-----------|-----------|-----------|-----------|-----------|-------------------|
| | FY2013 | FY2014 | FY2015 | FY2016 | FY2017 | FY2018 | FY2018 |
| | 4,991,642 | 5,631,820 | 6,038,948 | 6,045,704 | 5,835,689 | 6,037,815 | 56,428,177 |
| | 295,685 | 339,659 | 343,331 | 352,320 | 364,573 | 391,657 | 3,660,345 |
| | 465,782 | 505,662 | 534,464 | 569,064 | 588,214 | 621,445 | 5,807,897 |
| | 295,836 | 339,083 | 341,484 | 350,165 | 364,405 | 390,746 | 3,651,831 |
| | 138,064 | 175,691 | 172,979 | 160,930 | 96,750 | 181,150 | 1,692,990 |
| | 4,262,397 | 4,811,380 | 5,234,705 | 5,441,691 | 5,508,888 | 5,494,950 | 51,354,672 |
| | 1,994,740 | 2,221,557 | 2,430,917 | 2,505,182 | 2,475,806 | 2,575,342 | 24,068,616 |
| | 102,038 | 123,866 | 128,827 | 129,912 | 137,154 | 145,454 | 1,359,383 |
| | 853,064 | 934,396 | 948,252 | 1,032,970 | 1,048,490 | 983,061 | 9,187,485 |
| | 0.45 | 0.45 | 0.41 | 0.44 | 0.45 | 0.41 | 0.40 |
| | 41.1 | 39.4 | 37.8 | 43.8 | 57.2 | 48.7 | 48.7 |
| | 391,406 | 454,335 | 416,690 | 488,973 | 512,523 | 498,306 | 4,657,065 |
| | (340,922) | (286,686) | (270,235) | (335,949) | (371,602) | (240,418) | (2,246,897) |
| | 50,484 | 167,648 | 146,454 | 153,023 | 140,921 | 257,887 | 2,410,158 |
| | 10,032 | (55,227) | (79,482) | (2,312) | (78,190) | (168,510) | (1,574,859) |
| | 66,380 | 121,344 | 79,395 | 146,830 | 62,576 | 90,886 | 849,401 |
| | 800,087 | 921,432 | 1,000,762 | 1,147,086 | 1,209,497 | 1,300,383 | 12,153,112 |
| | 334,216 | 336,758 | 341,075 | 399,204 | 384,119 | 347,374 | 3,246,485 |
| | 155,666 | 147,379 | 172,237 | 195,511 | 207,483 | 213,167 | 1,992,214 |
| | ¥156.26 | ¥198.84 | ¥195.66 | ¥182.02 | ¥109.42 | ¥204.80 | \$1.91 |
| | ¥2,140.45 | ¥2,371.92 | ¥2,601.23 | ¥2,683.11 | ¥2,641.40 | ¥2,744.08 | \$25.64 |
| | ¥332.45 | ¥365.64 | ¥390.49 | ¥403.15 | ¥344.07 | ¥445.79 | \$4.16 |
| | ¥64.00 | ¥68.00 | ¥73.00 | ¥85.00 | ¥90.00 | ¥90.00 | \$0.84 |
| | 44.4% | 43.6% | 43.9% | 43.6% | 42.4% | 44.2% | 44.2% |
| | 7.6% | 8.8% | 7.9% | 6.9% | 4.1% | 7.6% | 7.6% |
| | 3.4% | 3.9% | 3.4% | 3.0% | 1.8% | 3.3% | 3.3% |
| | 41.0% | 34.2% | 37.3% | 46.7% | 82.3% | 43.9% | 43.9% |
| | 3.1% | 3.0% | 2.9% | 3.2% | 3.4% | 3.3% | 3.3% |
| | ¥79.81 | ¥97.73 | ¥105.79 | ¥121.10 | ¥108.78 | ¥112.16 | - |
| | ¥12.72 | ¥15.92 | ¥17.18 | ¥19.23 | ¥16.42 | ¥16.62 | - |
| | ¥86.58 | ¥105.39 | ¥120.55 | ¥120.61 | ¥116.49 | ¥113.00 | - |
| | ¥13.91 | ¥17.36 | ¥19.35 | ¥18.36 | ¥16.76 | ¥17.29 | - |

*1 EBITDA = Operating income + Depreciation and amortization + Amortization of goodwill

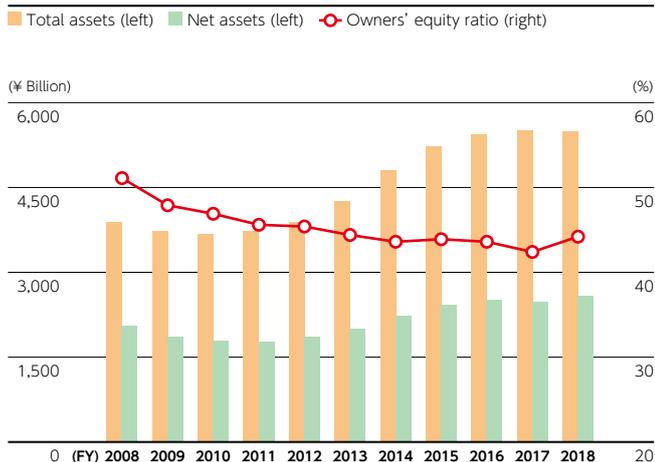
*2 Free cash flows = Cash flows from operating activities + Cash flows from investing activities

*3 Capital expenditures include long-term leasehold deposits and advances for store construction. Amounts do not include goodwill generated through acquisition of stores, etc.

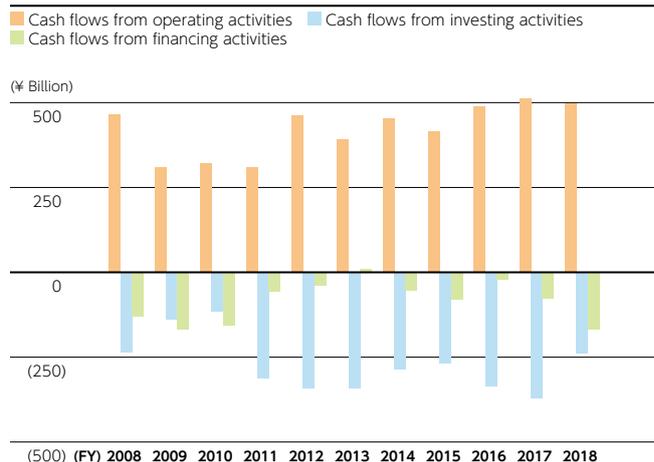
*4 From FY2014, Seven & i Holdings and its domestic consolidated subsidiaries (except for certain operating companies) changed the depreciation method for property and equipment from the declining-balance method to the straight-line method.

*5 Cash flow per share = (Net income + Depreciation and amortization) ÷ Average number of shares outstanding

TOTAL ASSETS, NET ASSETS AND OWNERS' EQUITY RATIO



CASH FLOWS



Segment Information

Business Segments

| REVENUES FROM OPERATIONS | FY2016 | | | FY2017 | | | FY2018 | | |
|---------------------------------------|------------------|------------------|------------------|-------------------|--|--|--------|--|--|
| | FY2016 | | | FY2017 | | | FY2018 | | |
| | FY2016 | | | FY2017 | | | FY2018 | | |
| Domestic convenience store operations | 863,373 | 901,306 | 928,649 | 8,678,962 | | | | | |
| Overseas convenience store operations | 1,819,838 | 1,658,542 | 1,981,533 | 18,519,000 | | | | | |
| Superstore operations | 1,982,381 | 1,949,313 | 1,901,164 | 17,767,887 | | | | | |
| Department store operations | 768,757 | 729,612 | 657,886 | 6,148,467 | | | | | |
| Financial services | 192,486 | 201,932 | 202,942 | 1,896,654 | | | | | |
| Specialty store operations | 468,003 | 450,488 | 416,616 | 3,893,607 | | | | | |
| Others | 30,340 | 23,854 | 23,533 | 219,934 | | | | | |
| Eliminations/corporate | (79,477) | (79,360) | (74,510) | (696,355) | | | | | |
| Total | 6,045,704 | 5,835,689 | 6,037,815 | 56,428,177 | | | | | |
| OPERATING INCOME | | | | | | | | | |
| | FY2016 | | | FY2017 | | | FY2018 | | |
| Domestic convenience store operations | 235,093 | 243,839 | 245,249 | 2,292,046 | | | | | |
| Overseas convenience store operations | 66,804 | 67,421 | 79,078 | 739,046 | | | | | |
| Superstore operations | 3,910 | 20,228 | 21,260 | 198,691 | | | | | |
| Department store operations | 3,041 | 2,867 | 5,369 | 50,177 | | | | | |
| Financial services | 49,672 | 50,136 | 49,713 | 464,607 | | | | | |
| Specialty store operations | (3,006) | (11,276) | 435 | 4,065 | | | | | |
| Others | 4,651 | 4,005 | 3,670 | 34,299 | | | | | |
| Eliminations/corporate | (7,846) | (12,650) | (13,120) | (122,616) | | | | | |
| Total | 352,320 | 364,573 | 391,657 | 3,660,345 | | | | | |
| CAPITAL EXPENDITURES | | | | | | | | | |
| | FY2016 | | | FY2017 | | | FY2018 | | |
| Domestic convenience store operations | 125,958 | 125,970 | 140,333 | 1,311,523 | | | | | |
| Overseas convenience store operations | 112,807 | 147,226 | 94,285 | 881,168 | | | | | |
| Superstore operations | 81,097 | 50,086 | 37,821 | 353,467 | | | | | |
| Department store operations | 13,368 | 12,151 | 12,992 | 121,420 | | | | | |
| Financial services | 33,422 | 26,070 | 38,803 | 362,644 | | | | | |
| Specialty store operations | 11,708 | 8,979 | 8,882 | 83,009 | | | | | |
| Others | 2,601 | 3,259 | 3,723 | 34,794 | | | | | |
| Corporate | 18,240 | 10,373 | 10,532 | 98,429 | | | | | |
| Total | 399,204 | 384,119 | 347,374 | 3,246,485 | | | | | |
| DEPRECIATION AND AMORTIZATION | | | | | | | | | |
| | FY2016 | | | FY2017 | | | FY2018 | | |
| Domestic convenience store operations | 54,024 | 61,101 | 66,500 | 621,495 | | | | | |
| Overseas convenience store operations | 65,381 | 64,992 | 69,582 | 650,299 | | | | | |
| Superstore operations | 22,850 | 24,397 | 23,893 | 223,299 | | | | | |
| Department store operations | 12,205 | 11,472 | 9,727 | 90,906 | | | | | |
| Financial services | 29,071 | 29,416 | 28,926 | 270,336 | | | | | |
| Specialty store operations | 7,284 | 7,787 | 5,588 | 52,224 | | | | | |
| Others | 2,393 | 2,189 | 2,257 | 21,093 | | | | | |
| Corporate | 2,299 | 6,125 | 6,691 | 62,532 | | | | | |
| Total | 195,511 | 207,483 | 213,167 | 1,992,214 | | | | | |

Geographic Area Segments

| REVENUES FROM OPERATIONS | FY2016 | | | FY2017 | | | FY2018 | | |
|--------------------------|------------------|------------------|------------------|-------------------|--|--|--------|--|--|
| | FY2016 | | | FY2017 | | | FY2018 | | |
| | FY2016 | | | FY2017 | | | FY2018 | | |
| Japan | 4,056,272 | 4,032,803 | 3,907,835 | 36,521,822 | | | | | |
| North America | 1,855,305 | 1,690,713 | 2,017,092 | 18,851,327 | | | | | |
| Others | 136,058 | 113,475 | 113,992 | 1,065,345 | | | | | |
| Eliminations | (1,931) | (1,303) | (1,104) | (10,317) | | | | | |
| Total | 6,045,704 | 5,835,689 | 6,037,815 | 56,428,177 | | | | | |
| OPERATING INCOME | | | | | | | | | |
| | FY2016 | | | FY2017 | | | FY2018 | | |
| Japan | 288,068 | 299,251 | 314,700 | 2,941,121 | | | | | |
| North America | 65,148 | 65,548 | 75,626 | 706,785 | | | | | |
| Others | (842) | (238) | 1,320 | 12,336 | | | | | |
| Eliminations | (53) | 11 | 10 | 93 | | | | | |
| Total | 352,320 | 364,573 | 391,657 | 3,660,345 | | | | | |

Notes: 1. U.S. dollar amounts are translated from yen, for convenience only, at the rate of U.S.\$1=¥107, the approximate rate of exchange prevailing on February 28, 2018.
2. Capital expenditures include long-term leasehold deposits and advances for store construction.
3. Others under geographic area segments are mainly China, etc.

Business Segments

Segments (FY2018)

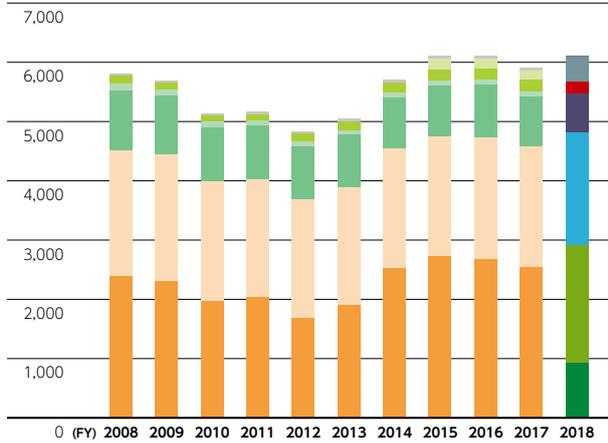
- Domestic convenience store operations
- Overseas convenience store operations
- Superstore operations
- Department store operations
- Financial services
- Specialty store operations
- Others
- Eliminations/corporate (excluding revenues from operations)

Former Segments (Until FY2017)

- Convenience store operations
- Superstore operations
- Department store operations
- Food services
- Financial services
- Mail order services
- Others
- Eliminations/corporate (excluding revenues from operations)

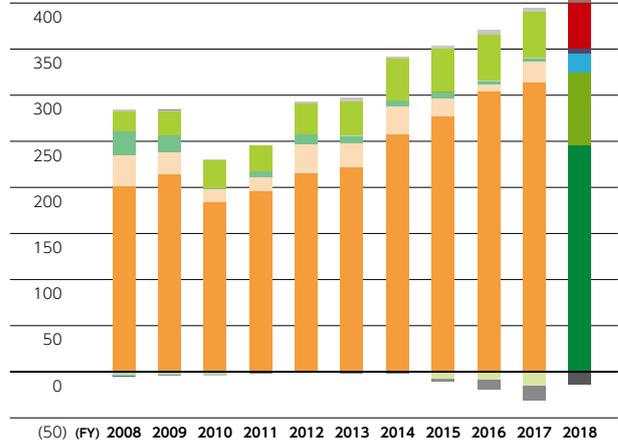
REVENUES FROM OPERATIONS

(¥ Billion)



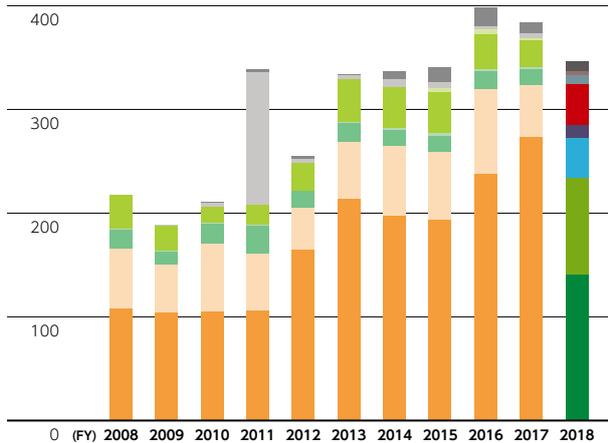
OPERATING INCOME

(¥ Billion)



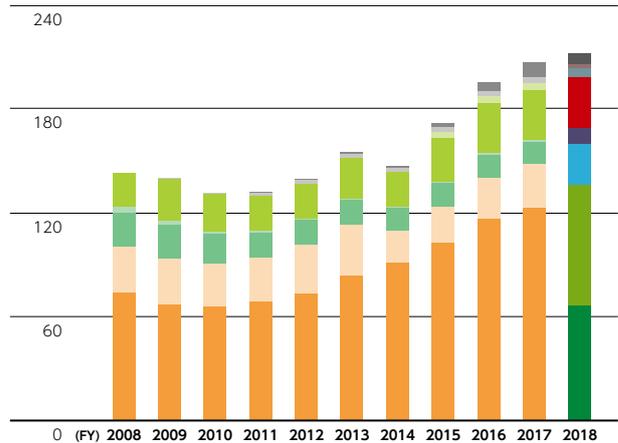
CAPITAL EXPENDITURES

(¥ Billion)



DEPRECIATION AND AMORTIZATION

(¥ Billion)



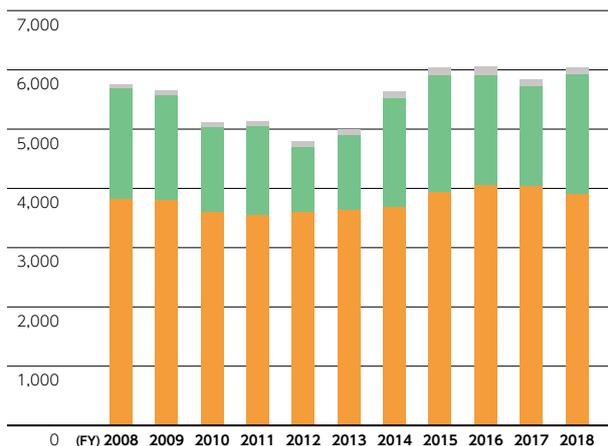
Note: In regard to capital expenditures for FY2011 of "Others," the land, buildings, and other facilities of SEIBU Ikebukuro, which were acquired by Seven & i Asset Management Co., Ltd. on September 24, 2010 and are valued at ¥123.0 billion, are included.

Geographic Area Segments

- Japan
- North America
- Others

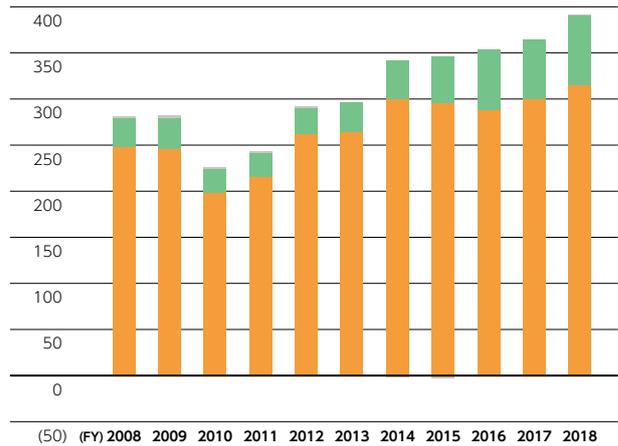
REVENUES FROM OPERATIONS

(¥ Billion)



OPERATING INCOME

(¥ Billion)



Performance Overview

Segment Information

■ Business Segments (Former Segments)

REVENUES FROM OPERATIONS

| | FY2008 | FY2009 | FY2010 | FY2011 |
|------------------------------|-----------|-----------|-----------|-----------|
| Convenience store operations | 2,395,701 | 2,308,690 | 1,968,555 | 2,036,464 |
| Superstore operations | 2,109,049 | 2,125,029 | 2,016,558 | 1,981,604 |
| Department store operations | 1,025,354 | 993,877 | 922,847 | 915,105 |
| Food services | 113,980 | 102,711 | 86,420 | 80,225 |
| Financial services | 117,955 | 124,866 | 110,444 | 106,953 |
| Mail order services | - | - | - | - |
| Others | 36,653 | 35,079 | 33,669 | 35,610 |
| Eliminations/corporate | (46,302) | (40,305) | (27,198) | (36,224) |
| Total | 5,752,392 | 5,649,948 | 5,111,297 | 5,119,739 |

OPERATING INCOME

| | FY2008 | FY2009 | FY2010 | FY2011 |
|------------------------------|---------|---------|---------|---------|
| Convenience store operations | 201,032 | 213,367 | 183,837 | 195,477 |
| Superstore operations | 34,058 | 24,742 | 14,178 | 15,708 |
| Department store operations | 25,764 | 18,335 | 1,366 | 5,622 |
| Food services | (4,231) | (2,948) | (2,741) | (193) |
| Financial services | 21,071 | 25,485 | 30,152 | 28,343 |
| Mail order services | - | - | - | - |
| Others | 2,488 | 2,069 | 567 | (690) |
| Eliminations/corporate | 902 | 814 | (694) | (921) |
| Total | 281,088 | 281,865 | 226,666 | 243,346 |

CAPITAL EXPENDITURES

| | FY2008 | FY2009 | FY2010 | FY2011 |
|------------------------------|---------|---------|---------|---------|
| Convenience store operations | 108,585 | 104,233 | 104,936 | 106,368 |
| Superstore operations | 57,561 | 46,064 | 65,379 | 54,133 |
| Department store operations | 17,512 | 12,464 | 19,734 | 27,807 |
| Food services | 1,545 | 1,177 | 752 | 527 |
| Financial services | 31,990 | 23,932 | 15,543 | 19,616 |
| Mail order services | - | - | - | - |
| Others | 518 | 1,058 | 3,702 | 127,429 |
| Corporate | 24 | 12 | 1,140 | 2,774 |
| Total | 217,738 | 188,943 | 211,189 | 338,656 |

DEPRECIATION AND AMORTIZATION

| | FY2008 | FY2009 | FY2010 | FY2011 |
|------------------------------|---------|---------|---------|---------|
| Convenience store operations | 74,065 | 67,299 | 66,158 | 68,743 |
| Superstore operations | 26,452 | 26,115 | 24,335 | 25,890 |
| Department store operations | 20,154 | 20,004 | 17,417 | 14,361 |
| Food services | 2,903 | 2,210 | 1,270 | 811 |
| Financial services | 19,773 | 24,532 | 22,246 | 20,693 |
| Mail order services | - | - | - | - |
| Others | 271 | 346 | 588 | 1,598 |
| Corporate | 21 | 20 | 214 | 321 |
| Total | 143,642 | 140,529 | 132,232 | 132,421 |

■ Geographic Area Segments

REVENUES FROM OPERATIONS

| | FY2008 | FY2009 | FY2010 | FY2011 |
|---------------|-----------|-----------|-----------|-----------|
| Japan | 3,822,210 | 3,806,717 | 3,602,982 | 3,552,691 |
| North America | 1,867,067 | 1,766,169 | 1,431,042 | 1,484,394 |
| Others | 66,043 | 80,401 | 80,561 | 86,033 |
| Eliminations | (2,928) | (3,339) | (3,289) | (3,380) |
| Total | 5,752,392 | 5,649,948 | 5,111,297 | 5,119,739 |

OPERATING INCOME

| | FY2008 | FY2009 | FY2010 | FY2011 |
|---------------|---------|---------|---------|---------|
| Japan | 247,272 | 245,248 | 197,618 | 215,231 |
| North America | 31,582 | 34,441 | 26,992 | 26,230 |
| Others | 2,228 | 2,328 | 2,021 | 1,857 |
| Eliminations | 3 | (151) | 32 | 27 |
| Total | 281,088 | 281,865 | 226,666 | 243,346 |

Notes: 1. From FY2012, 7-Eleven, Inc. has changed its accounting method for revenues from operations, related to franchise agreements, from "gross amount" to "net amount."

2. Capital expenditures include long-term leasehold deposits and advances for store construction.

3. In regard to capital expenditures for FY2011 of "Others," the land, buildings, and other facilities of SEIBU Ikebukuro, which were acquired by Seven & i Asset Management Co., Ltd. on September 24, 2010 and are valued at ¥123.0 billion, are included.

(¥ Million)

| | FY2012 | FY2013 | FY2014 | FY2015 | FY2016 | FY2017 |
|--|-----------|-----------|-----------|-----------|-----------|-----------|
| | 1,690,924 | 1,899,573 | 2,529,694 | 2,727,780 | 2,675,890 | 2,550,640 |
| | 1,992,298 | 1,994,588 | 2,009,409 | 2,012,176 | 2,060,516 | 2,025,534 |
| | 900,222 | 884,028 | 871,132 | 875,027 | 884,716 | 852,174 |
| | 78,026 | 78,361 | 78,566 | 80,980 | 83,839 | 82,562 |
| | 129,601 | 144,355 | 158,826 | 178,221 | 192,487 | 201,932 |
| | - | - | - | 185,802 | 158,732 | 139,226 |
| | 47,464 | 50,210 | 50,492 | 53,897 | 61,582 | 57,424 |
| | (52,193) | (59,475) | (66,301) | (74,937) | (72,061) | (73,805) |
| | 4,786,344 | 4,991,642 | 5,631,820 | 6,038,948 | 6,045,704 | 5,835,689 |

(¥ Million)

| | FY2012 | FY2013 | FY2014 | FY2015 | FY2016 | FY2017 |
|--|---------|---------|---------|---------|----------|----------|
| | 214,637 | 221,764 | 257,515 | 276,745 | 304,110 | 313,195 |
| | 32,432 | 25,491 | 29,664 | 19,340 | 7,234 | 22,903 |
| | 9,948 | 8,029 | 6,590 | 7,059 | 3,832 | 3,672 |
| | (95) | 721 | 604 | 44 | 917 | 515 |
| | 33,778 | 37,425 | 44,902 | 47,182 | 49,697 | 50,130 |
| | - | - | - | (7,521) | (8,451) | (15,097) |
| | 2,304 | 3,886 | 2,166 | 3,669 | 5,559 | 4,632 |
| | (945) | (1,634) | (1,784) | (3,188) | (10,578) | (15,379) |
| | 292,060 | 295,685 | 339,659 | 343,331 | 352,320 | 364,573 |

(¥ Million)

| | FY2012 | FY2013 | FY2014 | FY2015 | FY2016 | FY2017 |
|--|---------|---------|---------|---------|---------|---------|
| | 164,973 | 214,250 | 197,715 | 193,235 | 238,372 | 273,072 |
| | 40,284 | 54,243 | 66,686 | 65,490 | 81,354 | 50,630 |
| | 16,068 | 18,265 | 15,596 | 15,380 | 17,515 | 15,195 |
| | 831 | 1,407 | 2,277 | 3,506 | 1,853 | 2,081 |
| | 26,783 | 40,945 | 39,326 | 39,110 | 33,422 | 26,070 |
| | - | - | - | 3,815 | 4,766 | 1,864 |
| | 3,114 | 4,331 | 7,567 | 5,381 | 3,678 | 4,830 |
| | 3,371 | 772 | 7,588 | 15,152 | 18,240 | 10,373 |
| | 255,426 | 334,216 | 336,758 | 341,075 | 399,204 | 384,119 |

(¥ Million)

| | FY2012 | FY2013 | FY2014 | FY2015 | FY2016 | FY2017 |
|--|---------|---------|---------|---------|---------|---------|
| | 73,291 | 83,987 | 91,256 | 103,247 | 116,514 | 123,131 |
| | 28,626 | 29,129 | 18,472 | 20,696 | 23,800 | 25,280 |
| | 14,010 | 14,662 | 13,460 | 13,399 | 13,569 | 12,982 |
| | 667 | 639 | 438 | 709 | 828 | 869 |
| | 20,331 | 23,668 | 20,198 | 25,233 | 29,071 | 29,416 |
| | - | - | - | 3,842 | 3,730 | 3,956 |
| | 2,588 | 2,484 | 2,524 | 2,689 | 2,958 | 2,983 |
| | 480 | 1,094 | 1,029 | 2,419 | 5,036 | 8,862 |
| | 139,994 | 155,666 | 147,379 | 172,237 | 195,511 | 207,483 |

(¥ Million)

| | FY2012 | FY2013 | FY2014 | FY2015 | FY2016 | FY2017 |
|--|-----------|-----------|-----------|-----------|-----------|-----------|
| | 3,590,917 | 3,625,974 | 3,682,143 | 3,941,337 | 4,056,272 | 4,032,803 |
| | 1,106,449 | 1,269,302 | 1,831,482 | 1,968,854 | 1,855,305 | 1,690,713 |
| | 89,524 | 97,226 | 119,207 | 131,058 | 136,058 | 113,475 |
| | (546) | (861) | (1,012) | (2,301) | (1,931) | (1,303) |
| | 4,786,344 | 4,991,642 | 5,631,820 | 6,038,948 | 6,045,704 | 5,835,689 |

(¥ Million)

| | FY2012 | FY2013 | FY2014 | FY2015 | FY2016 | FY2017 |
|--|---------|---------|---------|---------|---------|---------|
| | 261,531 | 263,443 | 299,653 | 295,666 | 288,068 | 299,251 |
| | 29,181 | 33,137 | 41,519 | 49,825 | 65,148 | 65,548 |
| | 1,324 | (909) | (1,545) | (2,161) | (842) | (238) |
| | 22 | 13 | 32 | 1 | (53) | 11 |
| | 292,060 | 295,685 | 339,659 | 343,331 | 352,320 | 364,573 |

4. From FY2014, Seven & i Holdings and its domestic consolidated subsidiaries (except for certain operating companies) changed the depreciation method for property and equipment from the declining-balance method to the straight-line method.

5. Others under geographic area segments are mainly China, etc.

6. For the results of mail order services in FY2014, only the balance sheets have been consolidated.

Financial Position

Interest-Bearing Debt

At fiscal years ended February 28 or 29

| | (¥ Million) | | | | | (U.S.\$ Thousand) |
|------------------------------------|-------------|---------|-----------|-----------|---------|-------------------|
| | FY2014 | FY2015 | FY2016 | FY2017 | FY2018 | FY2018 |
| Short-term loans | 116,147 | 130,780 | 130,782 | 150,376 | 127,255 | 1,189,299 |
| Current portion of long-term loans | 100,775 | 70,013 | 101,329 | 64,301 | 82,656 | 772,485 |
| Current portion of bonds | 20,000 | 59,999 | 40,000 | 50,000 | 74,999 | 700,925 |
| Commercial paper | - | - | - | - | - | - |
| Subtotal | 236,923 | 260,792 | 272,111 | 264,678 | 284,911 | 2,662,719 |
| Bonds | 364,987 | 319,992 | 399,994 | 349,996 | 305,000 | 2,850,467 |
| Long-term loans | 332,485 | 367,467 | 360,864 | 433,814 | 393,149 | 3,674,289 |
| Commercial paper | - | - | - | - | - | - |
| Subtotal | 697,473 | 687,459 | 760,858 | 783,811 | 698,149 | 6,524,757 |
| Total | 934,396 | 948,252 | 1,032,970 | 1,048,490 | 983,061 | 9,187,485 |

BREAKDOWN BY SEGMENT

| | (¥ Million) | | | | | (U.S.\$ Thousand) |
|---------------------------------------|-------------|---------|-----------|-----------|---------|-------------------|
| | FY2014 | FY2015 | FY2016 | FY2017 | FY2018 | FY2018 |
| Domestic convenience store operations | - | - | - | - | - | - |
| Overseas convenience store operations | - | - | 132,671 | 177,601 | 163,867 | 1,531,467 |
| Superstore operations | - | - | 4,462 | 3,187 | 1,912 | 17,869 |
| Department store operations | - | - | 169,856 | 187,908 | 175,711 | 1,642,158 |
| Specialty store operations | - | - | 49,223 | 53,735 | 52,673 | 492,271 |
| Others | - | - | - | - | - | - |
| Eliminations/corporate | - | - | 329,994 | 289,996 | 269,999 | 2,523,355 |
| Subtotal | - | - | 686,207 | 712,429 | 664,164 | 6,207,140 |
| Financial services | - | - | 346,763 | 336,060 | 318,896 | 2,980,336 |
| Total | 934,396 | 948,252 | 1,032,970 | 1,048,490 | 983,061 | 9,187,485 |

Note: U.S. dollar amounts are translated from yen, for convenience only, at the rate of U.S.\$1=¥107, the approximate rate of exchange prevailing on February 28, 2018.

Bonds

ISSUED BY SEVEN & i HOLDINGS CO., LTD.

(As of February 28, 2018)

| | Total amount of issue | Issue date | Coupon | Redemption date |
|--|-----------------------|---------------|--------|-----------------|
| 3rd unsecured domestic straight bonds | 30 billion yen | July 3, 2008 | 1.94% | June 20, 2018 |
| 6th unsecured domestic straight bonds | 60 billion yen | June 29, 2010 | 1.399% | June 19, 2020 |
| 8th unsecured domestic straight bonds | 40 billion yen | Apr. 26, 2013 | 0.383% | June 20, 2019 |
| 9th unsecured domestic straight bonds | 20 billion yen | Apr. 26, 2013 | 0.671% | Mar. 20, 2023 |
| 10th unsecured domestic straight bonds | 30 billion yen | June 17, 2015 | 0.150% | June 20, 2018 |
| 11th unsecured domestic straight bonds | 60 billion yen | June 17, 2015 | 0.514% | June 20, 2022 |
| 12th unsecured domestic straight bonds | 30 billion yen | June 17, 2015 | 0.781% | June 20, 2025 |

ISSUED BY SEVEN BANK, LTD.

| | Total amount of issue | Issue date | Coupon | Redemption date |
|--|-----------------------|---------------|--------|-----------------|
| 7th unsecured domestic straight bonds | 10 billion yen | May 31, 2012 | 0.613% | June 20, 2019 |
| 8th unsecured domestic straight bonds | 15 billion yen | Mar. 7, 2013 | 0.243% | Mar. 20, 2018 |
| 9th unsecured domestic straight bonds | 20 billion yen | Mar. 7, 2013 | 0.460% | Mar. 19, 2020 |
| 10th unsecured domestic straight bonds | 20 billion yen | Mar. 7, 2013 | 0.803% | Mar. 20, 2023 |
| 11th unsecured domestic straight bonds | 15 billion yen | Dec. 17, 2014 | 0.536% | Dec. 20, 2024 |
| 12th unsecured domestic straight bonds | 30 billion yen | Oct. 20, 2017 | 0.390% | Sept. 17, 2027 |

Ratings

(As of March 31, 2018)

| | | S&P | Moody's | R&I | JCR |
|------------------------------|-------------|------|---------|-----|-----|
| Seven & i Holdings Co., Ltd. | Long-term | AA- | A1 | AA | AA+ |
| Seven-Eleven Japan Co., Ltd. | Long-term | AA- | - | - | AA+ |
| | Short-term* | A-1+ | P-1 | - | - |
| 7-Eleven, Inc. | Long-term | AA- | Baa1 | - | - |
| Seven Bank, Ltd. | Long-term | A+ | - | AA | - |
| | Short-term | A-1 | - | - | - |

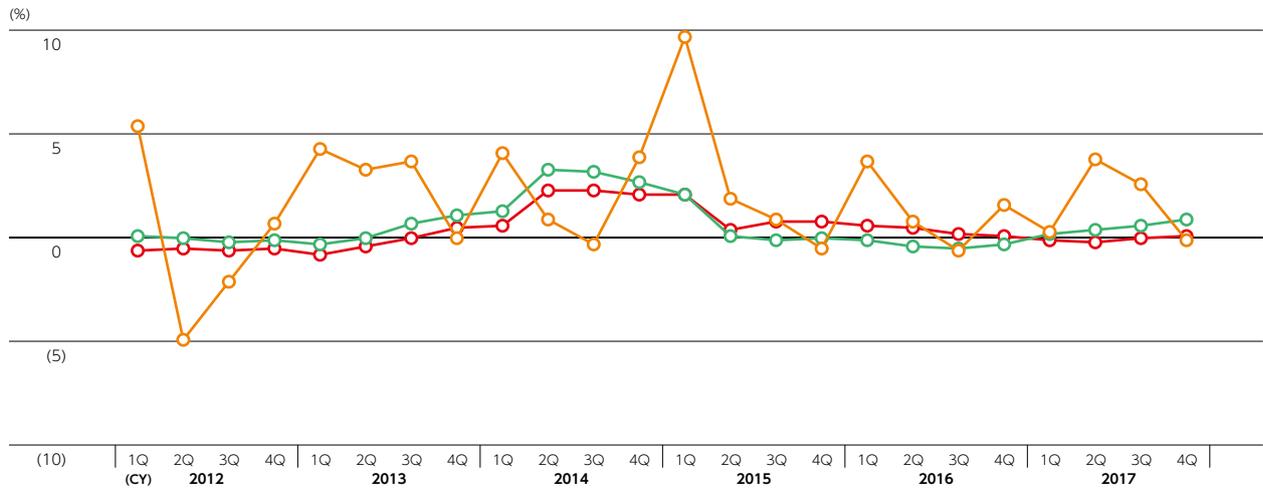
* From January 2006, Seven-Eleven Japan's short-term rating is its rating as the guarantor of 7-Eleven, Inc.'s commercial paper program.

Retail Environment in Japan

Macroeconomic Environment

YEAR-ON-YEAR COMPARISON OF ECONOMIC INDICES OVER FOUR QUARTERS

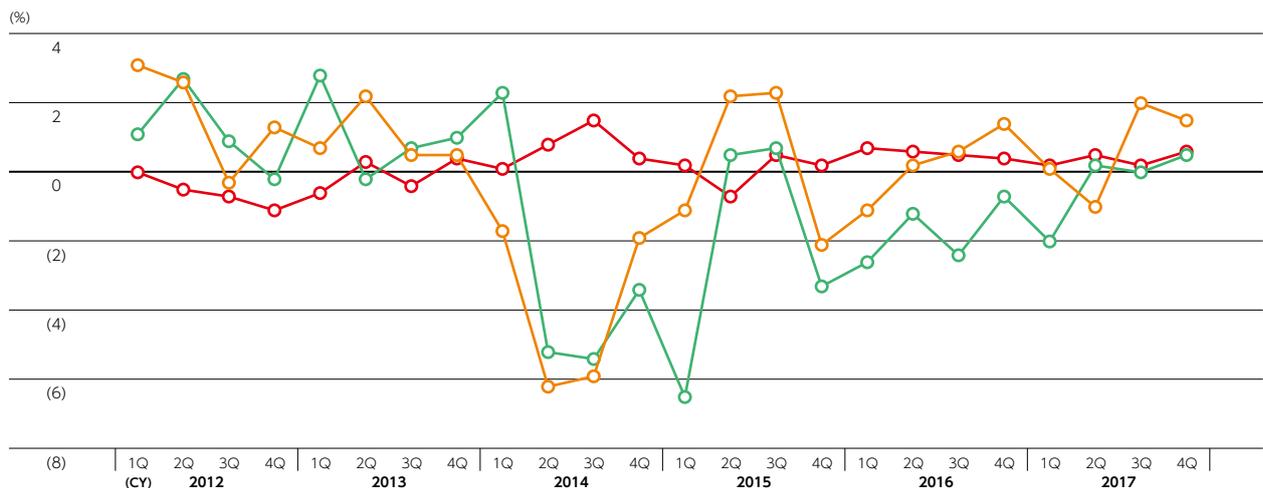
○ GDP (nominal) ● Consumer price index, excluding fresh products ● Consumer price index, excluding food (less alcoholic beverages) and energy



Sources: National Accounts (Economic and Social Research Institute, Cabinet Office) and Consumer Price Index (Ministry of Internal Affairs and Communications)

YEAR-ON-YEAR COMPARISON OF HOUSEHOLD CONSUMPTION INDICES OVER FOUR QUARTERS

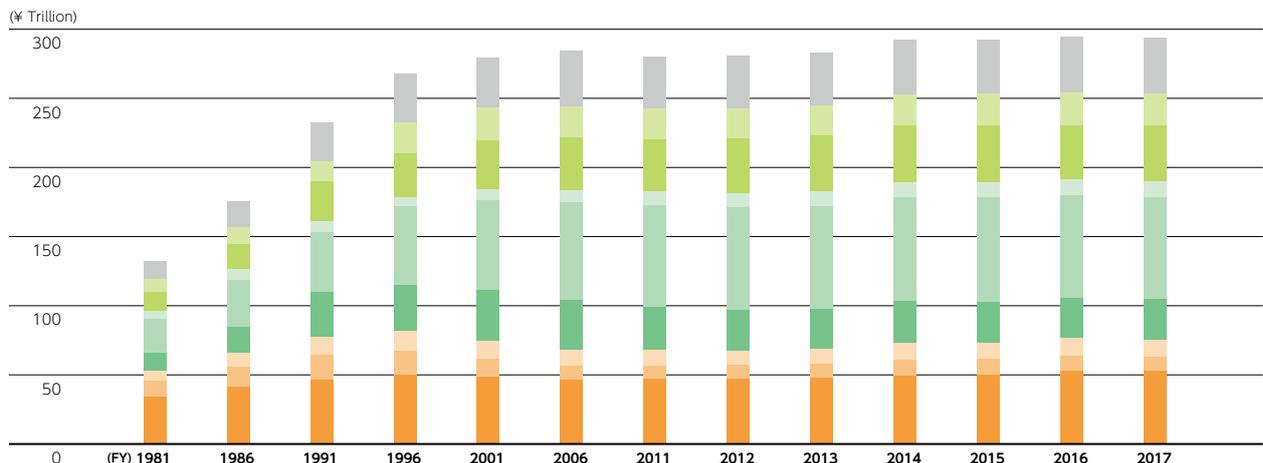
○ Real income (real) ● Consumption expenditure (real) ● Total wages



Sources: Family Income and Expenditure Survey (Ministry of Internal Affairs and Communications) and Monthly Labour Survey (Ministry of Health, Labour and Welfare)

DOMESTIC FINAL CONSUMPTION EXPENDITURE OF HOUSEHOLDS

■ Food, beverages and cigarettes ■ Clothing and footwear ■ Furniture and household appliances ■ Education, cultural services and entertainment ■ Housing and utilities
 ■ Medical care and health expenses ■ Transport and communications ■ Eating out and accommodation ■ Others

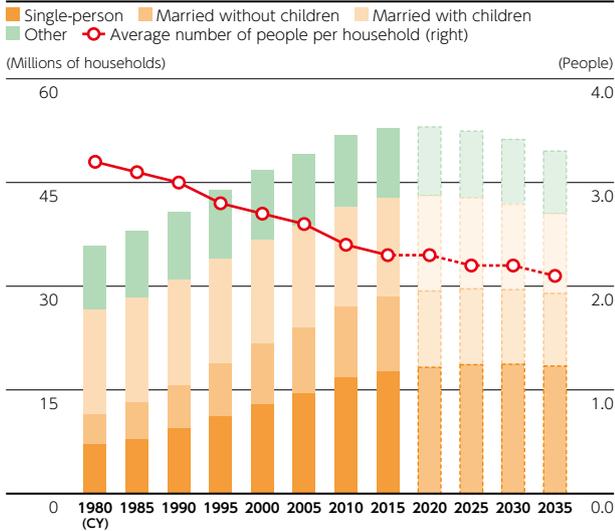


Note: The figures before 2000 are based on an old standard.
 Source: National Accounts (Economic and Social Research Institute, Cabinet Office)

Retail Environment in Japan

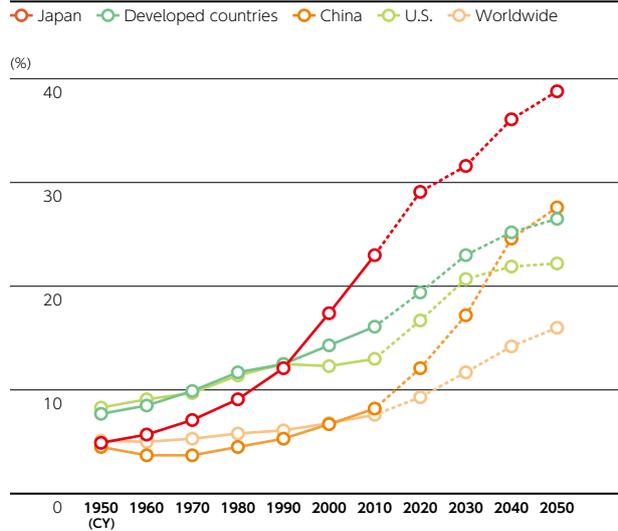
Macroeconomic Environment

CHANGES IN THE NUMBER OF HOUSEHOLDS



Source: National Institute of Population and Social Security Research

CHANGES IN THE POPULATION OF THOSE AGED OVER 65



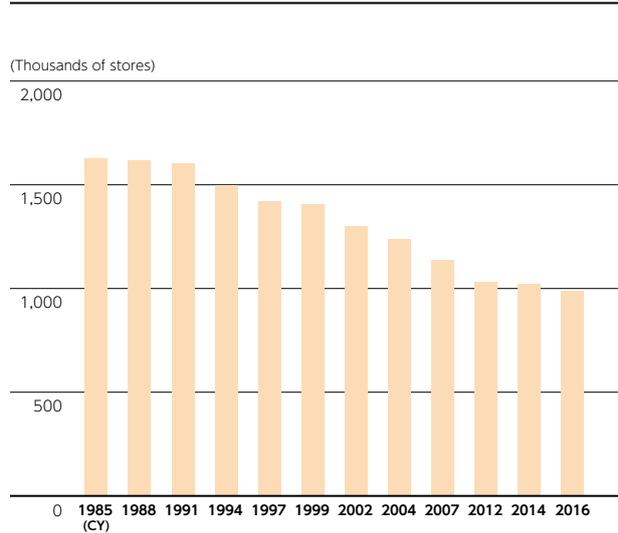
Source: Statistical Handbook of the World (Ministry of Internal Affairs and Communications)

THE NUMBER OF FEMALE WORKERS AND THEIR EMPLOYMENT RATE



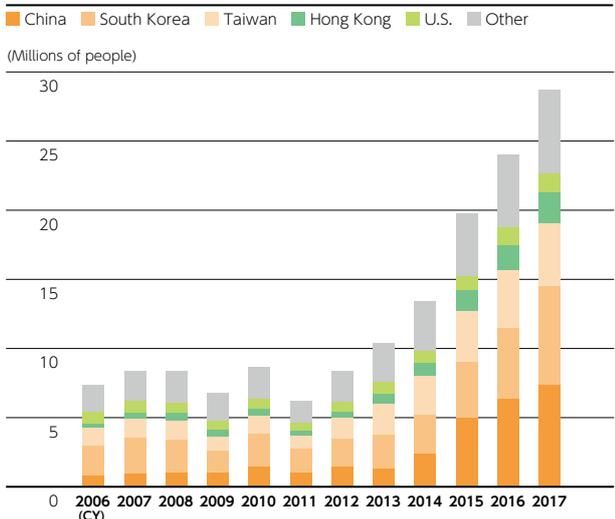
Source: Labour Force Survey (Ministry of Internal Affairs and Communications)

TREND IN THE NUMBER OF RETAIL STORES



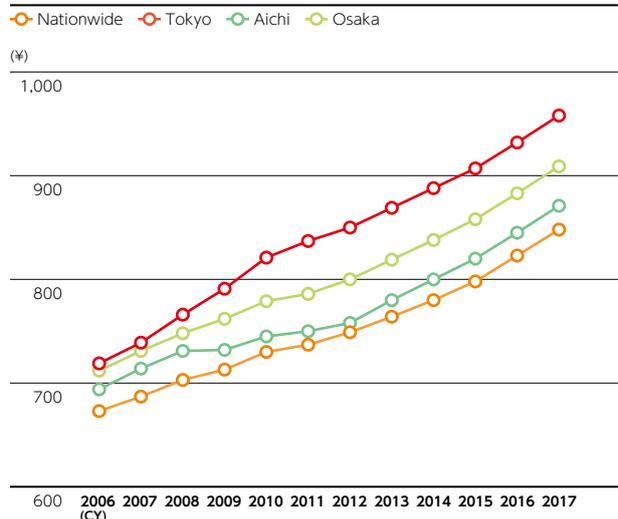
Sources: The Census of Commerce (Ministry of Economy, Trade and Industry) <until 2007> and Economic Census (Ministry of Economy, Trade and Industry; Ministry of Internal Affairs and Communications) <from 2012>

THE NUMBER OF FOREIGN TOURISTS



Source: Japan National Tourism Organization

MINIMUM WAGE NATIONWIDE AND IN THREE MAIN URBAN CENTERS

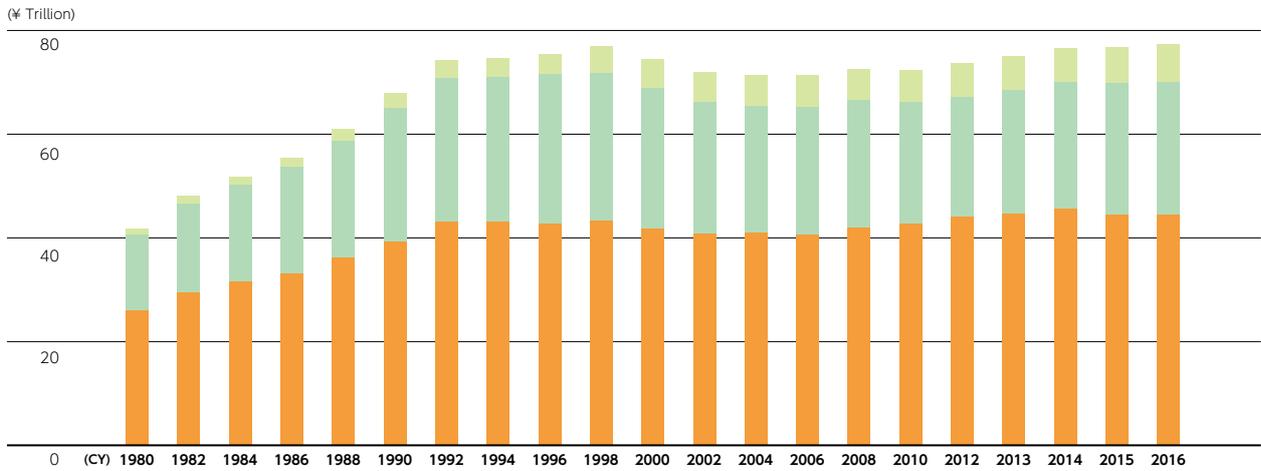


Note: National weighted average
Source: Ministry of Health, Labour and Welfare

Environment of the Retail Industry

TRENDS IN THE SCALE OF THE FOOD MARKET

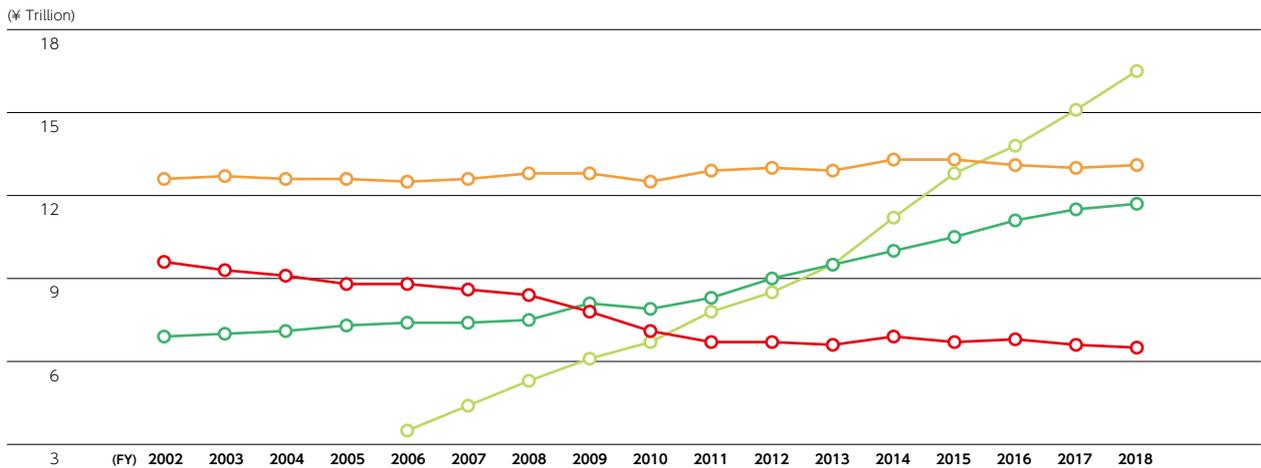
Food and beverages Food-service industry Takeout meals



Sources: Current Survey of Commerce (Ministry of Economy, Trade and Industry) and the Foodservice Industry Research Institute

TREND IN NET SALES AT MAJOR STORE FORMATS

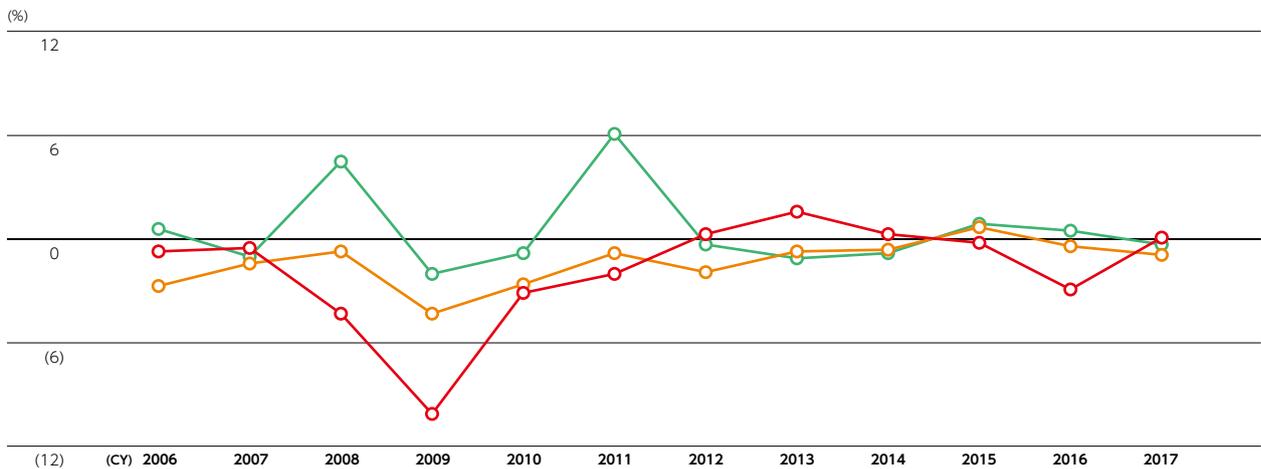
Department stores Supermarkets Convenience stores E-commerce (B to C)



Sources: Current Survey of Commerce and E-Commerce Market Survey (Ministry of Economy, Trade and Industry)

YEAR-ON-YEAR COMPARISON OF GROWTH IN EXISTING-STORE SALES AT MAJOR STORE FORMATS

Department stores Supermarkets Convenience stores



Sources: Japan Department Stores Association, Japan Chain Stores Association and Japan Franchise Association

Retail Environment in Japan

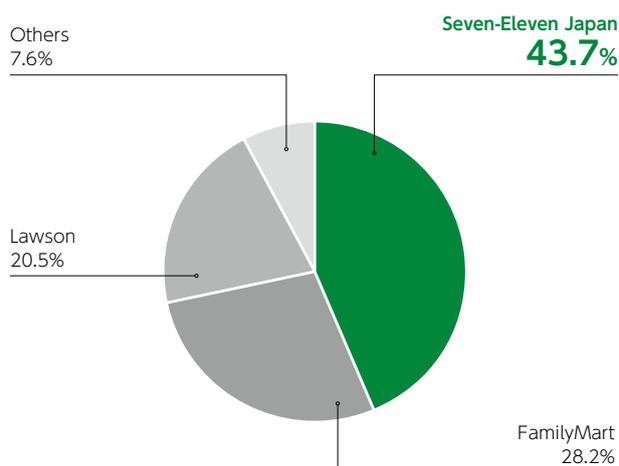
Major Group Companies' Market Share in Japan (Nonconsolidated)

AMONG TOP THREE FOR TOTAL STORE SALES AT CONVENIENCE STORES

| | FY2018 (¥ Billion) | Share (%) |
|-----------------------------------|-----------------------|--------------|
| Convenience stores total market*1 | 10,712.5 | 100.0 |
| 1 Seven-Eleven Japan | 4,678.0 | 43.7 |
| 2 FamilyMart | 3,016.0 | 28.2 |
| 3 Lawson*2 | 2,201.2 | 20.5 |
| Others | 817.1 | 7.6 |
| Top three combined | 9,895.4 | 92.4 |

*1 Figures for convenience stores and chain stores are sums of sales from March 2017 to February 2018, according to the Japan Franchise Association's Convenience Store Statistics Investigation Monthly Report.

*2 Total store sales of Lawson represent the respective sums of the nonconsolidated total store sales and the total store sales of their domestic convenience store subsidiaries.

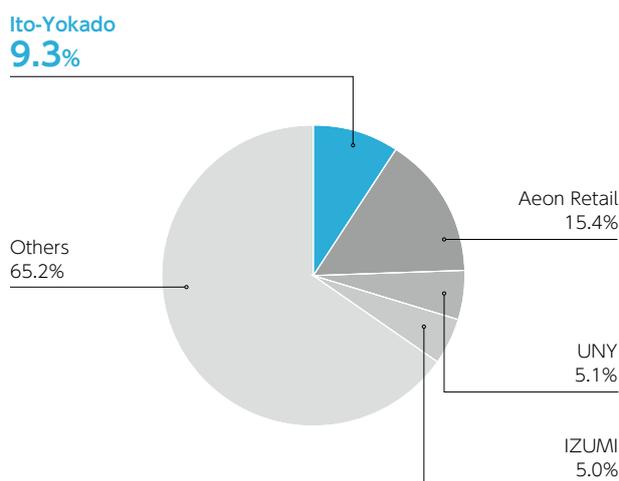


AMONG TOP FOUR FOR NET SALES AT SUPERSTORES

| | FY2018 (¥ Billion) | Share (%) |
|--------------------------|-----------------------|--------------|
| Superstores total market | 13,086.8 | 100.0 |
| 1 Aeon Retail | 2,021.3 | 15.4 |
| 2 Ito-Yokado | 1,213.6 | 9.3 |
| 3 UNY | 670.6 | 5.1 |
| 4 IZUMI | 652.6 | 5.0 |
| Others | 8,528.6 | 65.2 |
| Top four combined | 4,558.2 | 34.8 |

<Reference>

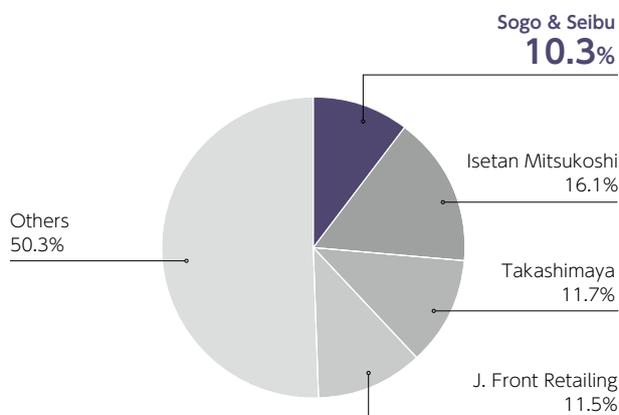
| | | |
|---------------|-------|-----|
| York-Benimaru | 429.0 | 3.3 |
| York Mart | 143.6 | 1.1 |



AMONG TOP FOUR FOR NET SALES AT DEPARTMENT STORES

| | FY2018 (¥ Billion) | Share (%) |
|--------------------------------|-----------------------|--------------|
| Department stores total market | 6,535.4 | 100.0 |
| 1 Isetan Mitsukoshi | 1,054.1 | 16.1 |
| 2 Takashimaya | 765.0 | 11.7 |
| 3 J. Front Retailing | 754.0 | 11.5 |
| 4 Sogo & Seibu | 674.3 | 10.3 |
| Others | 3,287.8 | 50.3 |
| Top four combined | 3,247.6 | 49.7 |

Note: Net sales of Isetan Mitsukoshi, Takashimaya and J. Front Retailing represent simplified sums of their subsidiaries of domestic department stores.



Sources: Published material from the Current Survey of Commerce (Ministry of Economy, Trade and Industry) and the Japan Franchise Association's Convenience Store Statistics Investigation Monthly Report

Global Retail Industry Data

Sales Ranking

Sales Ranking of Retailers—Worldwide in FY2017

| FY2017 | FY2016 | Company | Country | Sales | | CAGR (%) | Net income | |
|-----------|-----------|-------------------------------|--------------|---|--|------------|------------------|-------------|
| | | | | (U.S.\$ Million) | (¥ Billion) | | (U.S.\$ Million) | (¥ Billion) |
| 1 | 1 | Wal-Mart Stores | U.S. | 485,873 | 52,960.2 | 1.7 | 14,293 | 1,557.9 |
| 2 | 2 | Costco Wholesale | U.S. | 118,719 | 12,940.4 | 6.0 | 2,376 | 259.0 |
| 3 | 3 | Kroger | U.S. | 115,337 | 12,571.7 | 5.0 | 1,957 | 213.3 |
| 4 | 4 | Schwarz | Germany | 99,256 | 10,818.9 | 7.3 | - | - |
| 5 | 5 | Walgreen | U.S. | 97,058 | 10,579.3 | 6.1 | 4,191 | 456.8 |
| 6 | 10 | Amazon.com | U.S. | 94,665 | 10,318.5 | 17.6 | 2,371 | 258.4 |
| 7 | 6 | Home Depot | U.S. | 94,595 | 10,310.9 | 6.1 | 7,957 | 867.3 |
| 8 | 8 | Aldi | Germany | 84,923 | 9,256.6 | 7.7 | - | - |
| 9 | 7 | Carrefour | France | 84,131 | 9,170.3 | (1.1) | 989 | 107.8 |
| 10 | 12 | CVS Health | U.S. | 81,100 | 8,839.9 | 6.4 | 5,319 | 579.8 |
| 11 | 9 | Tesco | U.K. | 72,390 | 7,890.5 | (2.9) | 668 | 72.8 |
| 12 | 14 | AEON | Japan | 70,854 | 8,210.1 | 10.1 | 699 | 11.2 |
| 13 | 11 | Target | U.S. | 69,495 | 7,575.0 | 0.3 | 2,737 | 298.3 |
| 14 | 23 | Royal Ahold | Netherlands | 68,950 | 7,515.6 | 15.5 | 1,192 | 129.9 |
| 15 | 15 | Lowe's | U.S. | 65,017 | 7,086.9 | 5.3 | 3,093 | 337.1 |
| 16 | 13 | Metro | Germany | 64,863 | 7,070.1 | (2.6) | 729 | 79.5 |
| 17 | 17 | Albertsons | U.S. | 59,678 | 6,504.9 | 74.0 | (373) | (40.7) |
| 18 | 16 | Auchan | France | 57,219 | 6,236.9 | 3.5 | 888 | 96.8 |
| 19 | 18 | Edeka | Germany | 53,540 | 5,835.9 | 2.5 | - | - |
| 20 | 20 | Seven & i Holdings | Japan | 51,385 Group's total sales* 97,445 | 5,835.6 Group's total sales* 10,621.5 | 4.0 | 1,023 | 96.7 |
| 21 | 21 | Westfarmers | Australia | 47,690 | 5,198.2 | 4.6 | 2,165 | 236.0 |
| 22 | 22 | Rewe | Germany | 44,641 | 4,865.9 | 1.8 | 512 | 55.8 |
| 23 | 24 | Woolworths | Australia | 40,773 | 4,444.3 | 0.1 | 1,201 | 130.9 |
| 24 | 19 | Casino | France | 39,856 | 4,344.3 | 1.3 | 2,429 | 264.8 |
| 25 | 26 | E. Leclerc | France | 39,646 | 4,321.4 | 1.9 | - | - |
| 26 | 25 | Best Buy | U.S. | 39,403 | 4,294.9 | (4.9) | 1,228 | 133.9 |
| 27 | 27 | IKEA | Netherlands | 37,982 | 4,140.0 | 6.7 | 4,676 | 509.7 |
| 28 | 36 | JD.com | China | 35,777 | 3,899.7 | 62.6 | (514) | (56.0) |
| 29 | 30 | Publix | U.S. | 34,274 | 3,735.9 | 4.7 | 2,026 | 220.8 |
| 30 | 29 | Loblaws | Canada | 34,235 | 3,731.6 | 8.1 | 747 | 81.4 |

Notes: 1. CAGR is the compound annual growth rate over a five-year period.

2. CAGR is calculated on a local currency basis in each country.

3. Exchange rate: U.S.\$1=¥109, except for yen-based figures for Japanese companies which are based on public information

* Group's total sales include the sales of Seven-Eleven Japan and 7-Eleven, Inc. franchisees.

Source: Global Powers of Retailing 2018

Market Capitalization Ranking

Ranking by Market Capitalization of Retailers—Worldwide (As of April 27, 2018)

| | Company | Country | Market capitalization | | ROE (%) | EPS (U.S.\$) | PER (Times) | PBR (Times) |
|-----------|----------------------------------|--------------|-----------------------|----------------|------------|--------------|--------------|-------------|
| | | | (U.S.\$ Million) | (¥ Billion) | | | | |
| 1 | Amazon.com | U.S. | 763,078 | 83,228.9 | 12.9 | 6.25 | 251.59 | 27.54 |
| 2 | Alibaba | China | 455,209 | 49,649.6 | 17.4 | 2.53 | 70.13 | 11.13 |
| 3 | Wal-Mart Stores | U.S. | 257,722 | 28,109.7 | 12.7 | 3.34 | 26.13 | 3.31 |
| 4 | Home Depot | U.S. | 214,936 | 23,443.0 | 298.3 | 7.49 | 24.91 | 147.82 |
| 5 | LVMH Moët Hennessy Louis Vuitton | France | 173,835 | 18,960.2 | 18.6 | 12.29 | 28.01 | 4.98 |
| 6 | Industria de Diseño Textil | Spain | 95,648 | 10,432.3 | 25.7 | 1.31 | 23.47 | 5.86 |
| 7 | Costco Wholesale | U.S. | 86,263 | 9,408.7 | 23.4 | 6.11 | 32.20 | 8.00 |
| 8 | CVS Health | U.S. | 71,176 | 7,763.1 | 17.7 | 6.48 | 10.79 | 1.89 |
| 9 | Lowe's | U.S. | 69,364 | 7,565.6 | 55.8 | 4.16 | 20.19 | 11.81 |
| 10 | Walgreen | U.S. | 66,551 | 7,258.7 | 14.2 | 4.11 | 16.32 | 2.42 |
| 11 | TJX | U.S. | 54,242 | 5,916.1 | 54.0 | 4.16 | 20.80 | 10.54 |
| 12 | Wal-Mart de Mexico | Mexico | 48,809 | 5,323.6 | 20.0 | 0.10 | 27.94 | 5.72 |
| 13 | Fast Retailing | Japan | 46,879 | 5,113.1 | 18.3 | 10.31 | 42.87 | 6.99 |
| 14 | JD.com | China | 44,259 | 4,827.3 | (0.4) | (0.02) | - | 5.54 |
| 15 | Target | U.S. | 39,251 | 4,281.1 | 25.9 | 5.45 | 13.38 | 3.35 |
| 16 | Seven & i Holdings | Japan | 39,046 | 4,258.8 | 7.6 | 1.87 | 23.51 | 1.75 |
| 17 | Westfarmers | Australia | 37,235 | 4,061.2 | 12.3 | 1.92 | 17.12 | 2.05 |
| 18 | Tesco | U.K. | 32,082 | 3,499.2 | 11.7 | 0.14 | 23.49 | 2.22 |
| 19 | Ross Stores | U.S. | 30,927 | 3,373.2 | 47.0 | 3.60 | 22.69 | 10.14 |
| 20 | Ahold Delhaize | Netherlands | 30,305 | 3,305.3 | 11.6 | 1.76 | 13.78 | 1.65 |
| 21 | Woolworths | Australia | 27,573 | 3,007.4 | 17.0 | 0.88 | 23.76 | 3.82 |
| 22 | Dollar General | U.S. | 26,414 | 2,881.0 | 26.7 | 5.73 | 17.16 | 4.31 |
| 23 | H&M Hennes & Mauritz | Sweden | 24,994 | 2,726.1 | 26.8 | 1.28 | 13.41 | 3.63 |
| 24 | CP All | Thailand | 24,740 | 2,698.4 | 38.2 | 0.07 | 40.65 | 14.10 |
| 25 | Falabella | Chile | 23,734 | 2,588.7 | 11.9 | 0.35 | 28.23 | 3.27 |
| 26 | Dollar Tree | U.S. | 23,107 | 2,520.3 | 27.3 | 7.22 | 13.48 | 3.22 |
| 27 | Kroger | U.S. | 21,797 | 2,377.4 | 27.7 | 2.21 | 11.53 | 3.14 |
| 28 | Best Buy | U.S. | 21,780 | 2,375.6 | 24.0 | 3.54 | 21.78 | 6.03 |
| 29 | O'Reilly | U.S. | 21,660 | 2,362.5 | 99.4 | 13.78 | 19.10 | 33.17 |
| 30 | SM Investments | Philippines | 21,090 | 2,300.3 | 10.5 | 0.53 | 33.29 | 3.34 |

Note: Exchange rate (as of April 27, 2018): U.S.\$1=¥109.07
Source: FactSet

Group Business Strategy

Merchandising

■ Group Merchandising Initiatives

The Seven & i Group aims to further increase net sales and profits by providing unprecedented new value and high-quality products.

The Group will develop its private brand, *Seven Premium*, and the original products of each company it owns by pursuing scale benefits through unification of products and purchasing across the Group and building a framework to optimize overall logistics.

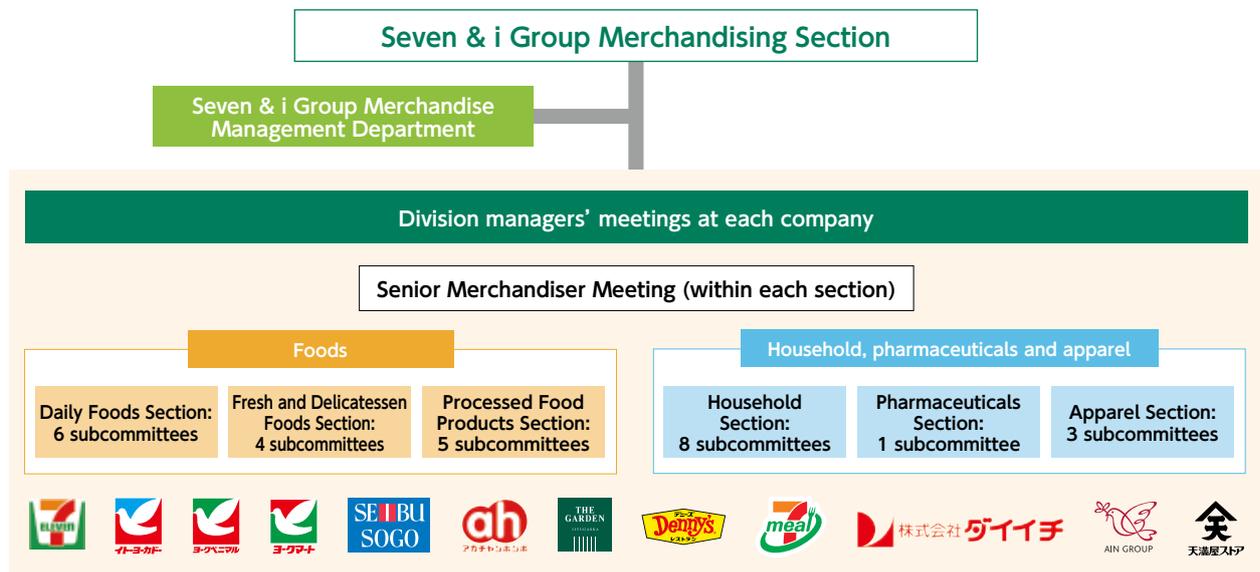
■ *Seven Premium*

Under its private brand, *Seven Premium*, the Group has developed products leveraging the methods for original product development cultivated by Seven-Eleven Japan, and concentrating the infrastructure, product development expertise, and sales capabilities of its Group companies.

Seven Premium celebrated its 10th anniversary in May 2017 and used the occasion to aim for greater success based on the three policies of further improvement of quality, new value creation and taking on challenges in new domains.

Product Development and Supply System

Product development staff in Seven & i Group companies are organized into 6 sections and 27 subcommittees to conduct joint product development with product manufacturers. As of February 28, 2018, they supply 12 companies in total.



Measures to Reach a New Stage

- FY2020 sales plan: ¥1.5 trillion
- Further upgrade products and strengthen product development considering security, safety, and health
- No longer use emulsifiers or yeast in *Seven Premium* bread and pastries
- Expand environmentally friendly initiatives to all products by the end of the fiscal year ending February 29, 2020
- Expand *Seven Premium* products globally

Statement

■ *Seven Premium*

The *Seven Premium* brand continues to evolve. We will continue to propose products that customers require. We will respond in detail to the increasing diversification of lifestyle needs including women's advancement in society, the aging population, interest in the environment, healthy living, and safety and security. *Seven Premium* will support your efforts to create more enjoyable, richer meals by providing better taste and better value.

■ *Seven Premium Gold*

Seven Premium Gold is our most luxurious brand. Products are prepared from the finest quality ingredients using meticulous technologies. We will enrich all customers' meals by providing satisfying flavors.

■ *Seven Premium Fresh*

Seven Premium Fresh is a safe and reliable fresh food brand offering a lineup of vegetables, fruits, meats, eggs and fish. The brand connects producers—who have labored long, taking the time to rigorously manage details of where and when food was produced, and carefully nurtured their products—with customers' needs for fresh and tasty foods.

■ SEVEN CAFÉ

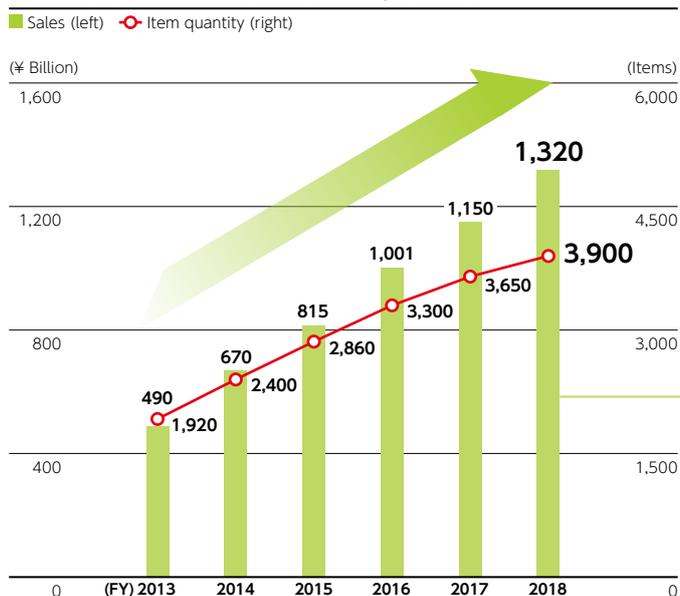
The *SEVEN CAFÉ* brand offers elegant experiences. We will provide relaxing moments in your life with freshly brewed coffee, made using the finest quality ingredients, and delicious authentic baked goods and desserts.

■ *Seven Premium Lifestyle*

With *Seven Premium Lifestyle*, we seek to enrich customers' lives. Products backed by sound technology and quality are provided conveniently in an easy-to-use manner, without burdening the environment. A substantial lineup supports people's lifestyles.

Merchandising

SEVEN PREMIUM SALES AND ITEM QUANTITY



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 | May | Launched a new brand strategy Sweeping overhaul of product content, logo, and packaging |
| | May | Started sales of miscellaneous goods private-brand <i>Seven Lifestyle</i> |
| 2012 | July | Started sales of apparel |
| | Nov. | Launched private-brand beer product developed by a major Japanese brewer |
| | Apr. | 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 |
| | Mar. | Start of sales of <i>Seven Premium Fresh</i> |
| 2017 | May | <i>Seven Premium's</i> 10th anniversary |

PROMOTING RENEWAL OF SEVEN PREMIUM

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

Through the Seven Premium 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 FY2018 was 243 items, an increase of 51 items year on year.

Daily food products

151 items
(+39 items)



Beverages and alcohol

43 items
(+2 items)



Confectionery
27 items
(+7 items)



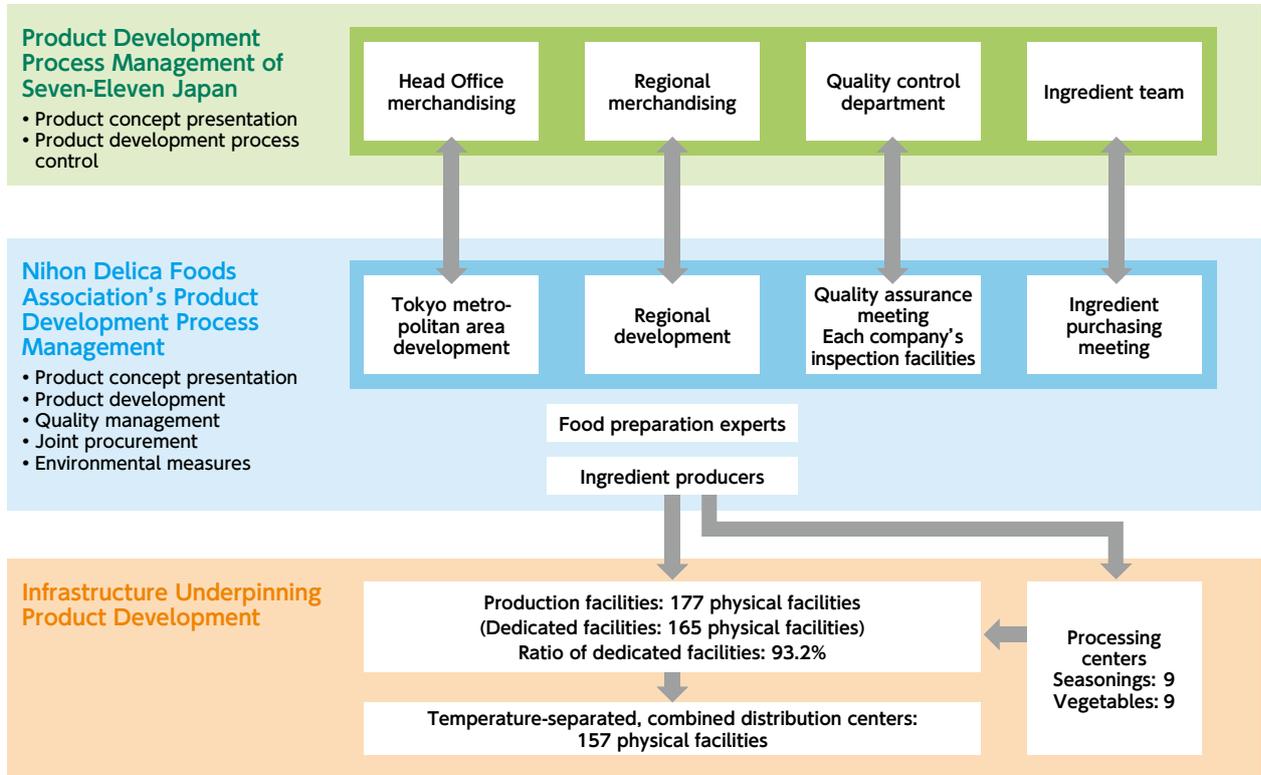
Total
243 items
(+51 items)

Processed food and sundries
22 items
(+3 item)



Original Daily Food Product Development by Seven-Eleven Japan

Food Product Development System

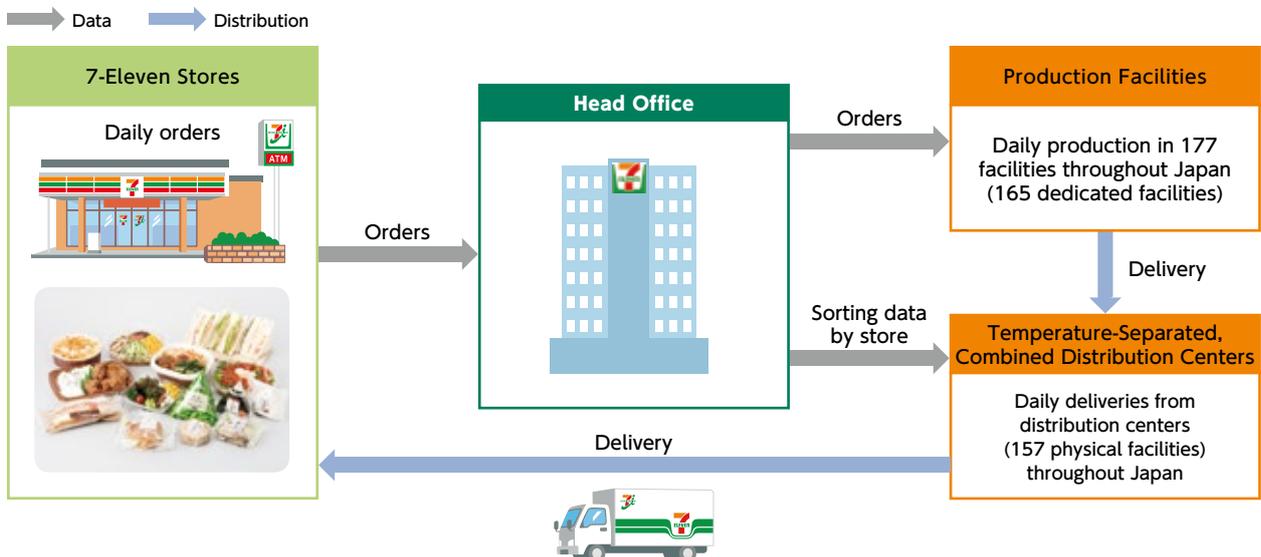


Notes: 1. Nihon Delica Foods Association (NDF) was formed in 1979 mainly by vendors of rice-based products. NDF currently has approximately 65 member companies that engage in the vendor businesses of rice-based products, sandwiches, delicatessen items, noodles, and Japanese pickles. Members jointly develop 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 28, 2018.

Supply System for Original Daily Food Products

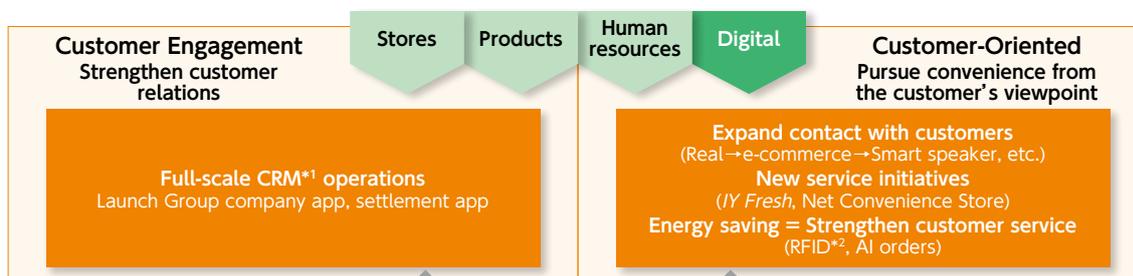
Original daily food products are made in specialized facilities operated by independent collaborating companies and are delivered to 7-Eleven stores from combined distribution centers that have multiple temperature-separated zones. The production facilities and temperature-separated, combined distribution 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.



Group Business Strategy

Digital Strategy

Seven & i HLDGS.' digital strategy aims to provide unprecedented customer experience through the strengthening of relations with customers and the pursuit of convenience from the customer's viewpoint, by adding digital capabilities to the Group's existing strengths of stores, products, and human resources.



*1 CRM (Customer Relationship Management): Collecting and managing customer information and customer service records and using them to make personal promotions

*2 RFID (Radio Frequency Identification): A technology for reading and writing data on contactless IC chips by sending and receiving radio wave transmissions

Services on omni7 (the Group's e-commerce site)

omni7, the Group's e-commerce site, utilizes the Group's strengths across a wide array of business formats such as convenience stores, superstores, general supermarkets, food supermarkets, department stores, and specialty stores. Since the start of November 2015, the website has continued to increase sales and the number of members. Sales are ¥108.7 billion, and membership at the end of February 2018 was about 7.85 million.

omni7 has "site sales" and "store sales" services. In the "site sales" service, products purchased online are delivered to customers' homes or nearby Group stores for pick-up. The "store sales" service enables customers to order directly to real stores, and the products are delivered from the stores. "Store sales" service sales are recorded by each individual store.

| | 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 | Seven-Meal | Ito-Yokado Net Supermarket |
| Handled categories | Books, CDs, DVDs, etc. | Food, household goods, etc. | Cosmetics, premium sundries, etc. | Baby sundries, etc. | Miscellaneous goods | Boxed lunches, sozai prepared dishes, etc. | Food including fresh food, household goods, etc. |
| E-commerce sales | ¥22.0 billion | ¥4.5 billion | ¥3.5 billion | ¥6.2 billion | ¥1.0 billion | ¥26.5 billion | ¥44.2 billion |
| Number of members | Approx. 7.85 million | | | | | | |

Note: Sales are for FY2018, and number of members is as of February 28, 2018.

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.



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, all produced under the direction of a registered dietician.



Seven-Eleven's Net Convenience Store

This service enables customers to use a smartphone to order items in stock in real stores. A trial service started in some Hokkaido stores from October 2017.



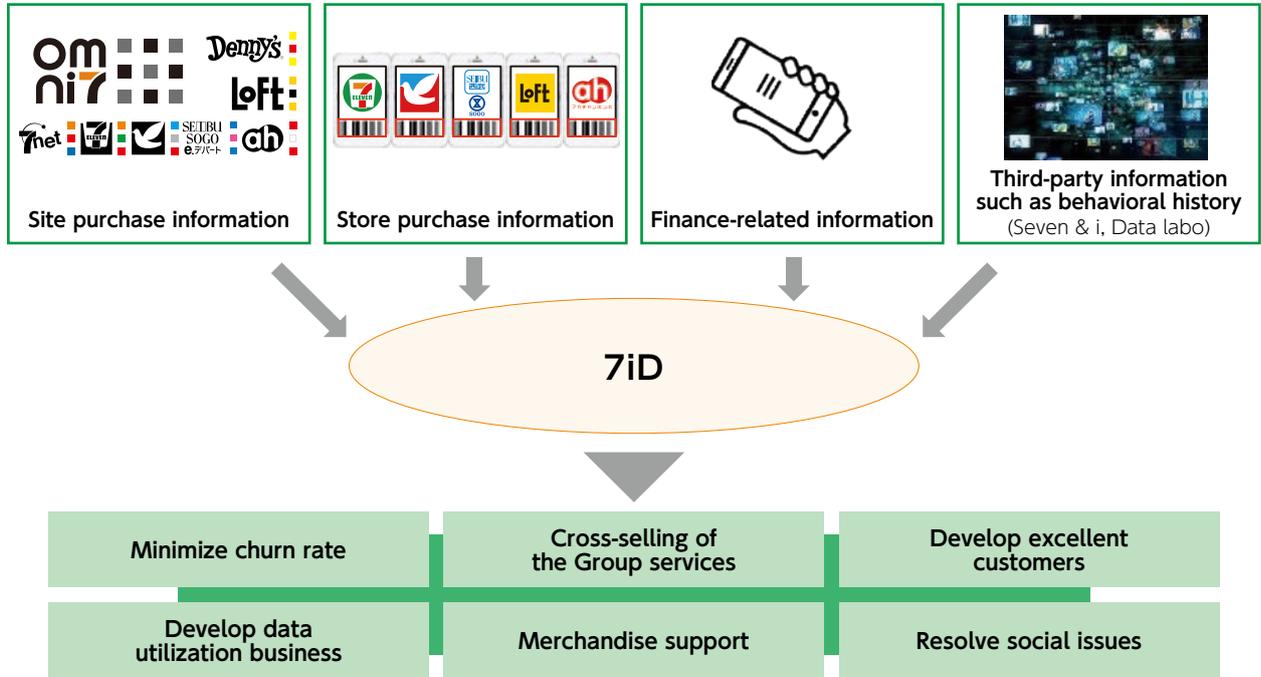
IY Fresh

In a joint project with ASKUL Corporation, home deliveries of fresh items started in Bunkyo and Shinjuku Wards from November 2017. LOHACO's distribution network is used.



■ CRM Strategy

This strategy focuses on the about 23 million customers that enter Group stores in Japan every day. SEVEN MILE PROGRAM, a Groupwide loyalty program, not only enables customers to enjoy shopping, but also assigns a 7iD that serves as a common Group ID, allowing for customer information to be shared in an integrated manner throughout the Group. In the future, consideration may be given to data collaboration with external parties and utilized for various types of marketing and product development.



Group Business Strategy

Smartphone App

A smartphone app is essential to promote CRM at real stores. At real stores, a bar code displayed on the top screen of the app is scanned at registers, verifying the individual and sharing their shopping history. On the site, customers are verified by logging in with their ID and password and their shopping history is shared. Customers are awarded miles according to their purchases and activities, and depending on their mile ranking, they can receive *nanaco* points or various types of benefits (free trials of paid apps, preferential treatment at events, etc.).

This system will enable customer information to be shared in a unified fashion, regardless of the Group company or shopping method (real store or website). Sharing customer information in this way will enable an even greater awareness of each and every customer, making it possible to provide them with tailored information.



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.

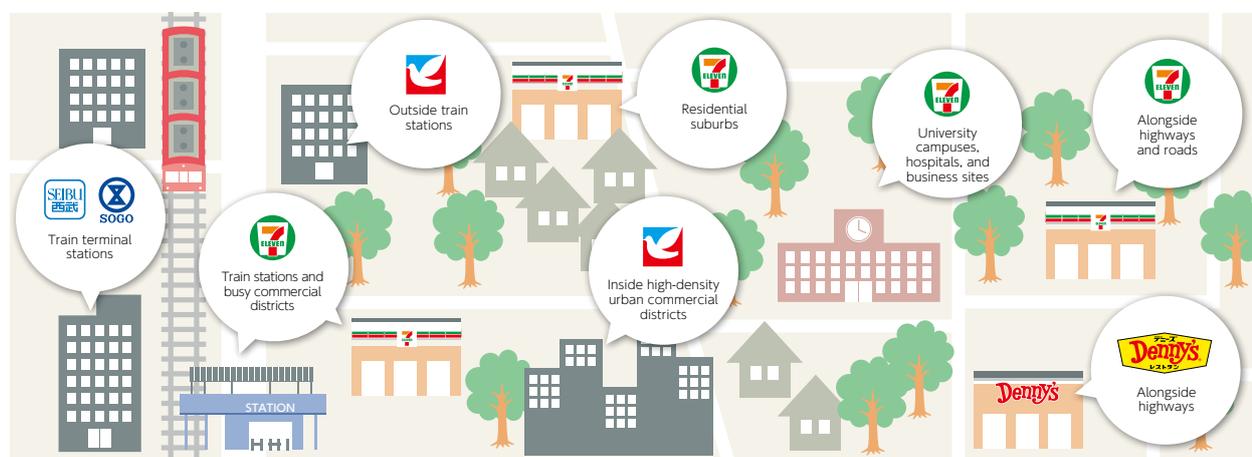
Market Concentration Strategy

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

- Increase familiarity of the chain with customers
- Efficient construction of production bases
- Effective sales promotions
- Efficient construction of distribution structures
- Improved quality of management consultation services for franchised stores
- Increasing store-visit frequency

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"> • Formed market concentration mainly in residential areas in the 1990s and in urban areas after 2000 • Implemented scrap-and-build strategy for revitalizing existing stores • In addition to the standard roadside-type stores, extended store openings in special locations, including train stations, business sites and universities • From November 2010, provision of support for store openings by franchisees who will operate two or more stores • Stores in 46 prefectures as of the end of February 2018 |
| Superstore | Ito-Yokado | <ul style="list-style-type: none"> • Formed market concentration primarily in the Kanto region • Implemented store structure reform to make efficient use of key specialty stores both inside and outside of the Group |
| Shopping center | Ario and others | <ul style="list-style-type: none"> • Operate 19 mall-type shopping centers • Assembled tenants with Ito-Yokado as the anchor tenant |
| Supermarket | York-Benimaru York Mart | <ul style="list-style-type: none"> • York-Benimaru formed market concentration in the southern Tohoku and northern Kanto regions • York Mart formed market concentration in the southern Kanto region |
| Department store | SEIBU Sogo | <ul style="list-style-type: none"> • Developed two department store brands, SEIBU and Sogo • Six key stores are Ikebukuro, Yokohama, Chiba, Hiroshima, Shibuya, and Omiya • According to their characteristics, stores are classified into "key stores," "regional leader stores," or "suburban stores" |
| Restaurant | Denny's | <ul style="list-style-type: none"> • Operate stores in 16 prefectures nationwide, primarily in the Kanto region |
| Specialty store | Akachan Honpo | <ul style="list-style-type: none"> • Operate stores primarily in shopping centers in 34 prefectures • Open 42 stores primarily in Ito-Yokado, Ario, and other stores operated by Group companies |
| | THE LOFT | <ul style="list-style-type: none"> • Operate stores primarily in department stores and shopping centers in 32 prefectures • Open 34 stores in SEIBU, Sogo, Ito-Yokado, Ario, and other stores operated by Group companies |

Note: The number of stores and store development areas are as of February 28, 2018.

Store Network in Japan

The Seven & i Group 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 FY2018



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 28, 2018)

| |  |  |  |  |  |  |  |  |  |
|----------|---|---|---|---|---|--|---|---|---|
| Hokkaido | 988 | 11 | - | - | - | - | - | 3 | 1 |
| Tohoku | 1,328 | 10 | 154 | - | 1 | 12 | 4 | 5 | |
| Kanto | 7,847 | 120 | 66 | 78 | 8 | 276 | 46 | 58 | |
| Chubu | 3,373 | 14 | - | - | 2 | 73 | 18 | 13 | |
| Kinki | 2,847 | 8 | - | - | 2 | 16 | 21 | 17 | |
| Chugoku | 1,286 | 1 | - | - | 1 | - | 8 | 8 | |
| Shikoku | 345 | - | - | - | 1 | - | 2 | 3 | |
| Kyushu | 2,246 | - | - | - | - | - | 8 | 5 | |
| Total | 20,260 | 164 | 220 | 78 | 15 | 377 | 110 | 110 | |

Distribution Systems

Combined Distribution 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



Number of Distribution Centers

Seven-Eleven Japan

(As of February 28, 2018)

| | Number of distribution centers | Number of physical facilities |
|------|--------------------------------|-------------------------------|
| 5°C | 74 | 5°C 10 20°C 14 |
| 20°C | 78 | Shared 64 |

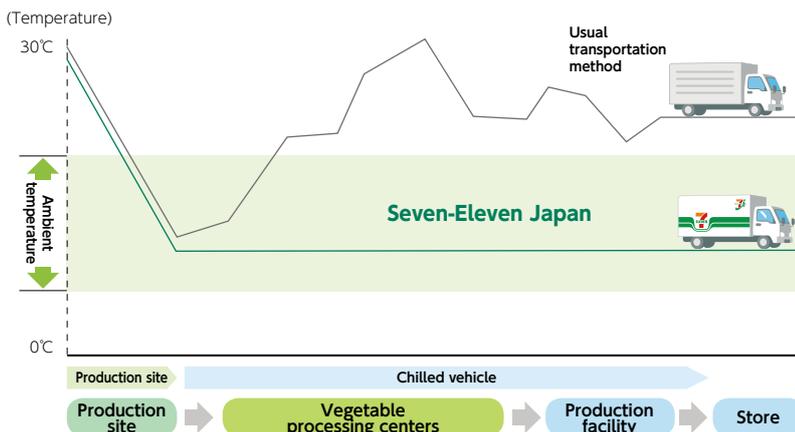
Ito-Yokado and York-Benimaru

(As of February 28, 2018)

| | Ito-Yokado | York-Benimaru |
|----------------------------------|------------|---------------|
| Perishables distribution centers | 12 | 6 |
| Vegetables and fruits centers | 4 | |

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

Cold Chain (Refrigerated Distribution Network)



Freshness Managed from the Field to the Store

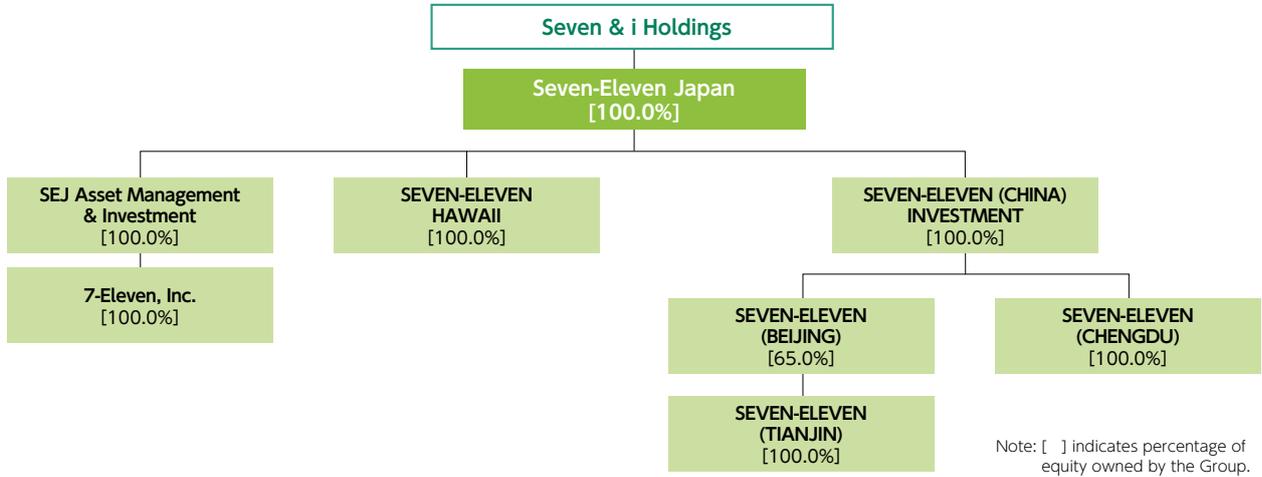
We have implemented a cold chain for transporting and processing vegetables in a fresh condition straight after they are harvested. The harvested vegetables are put into cold storage on the spot, and kept at a consistently managed temperature in their journey in the delivery vehicle, through the sorting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

Global Strategy

Capital Relationships in the Group's Convenience Store Operations

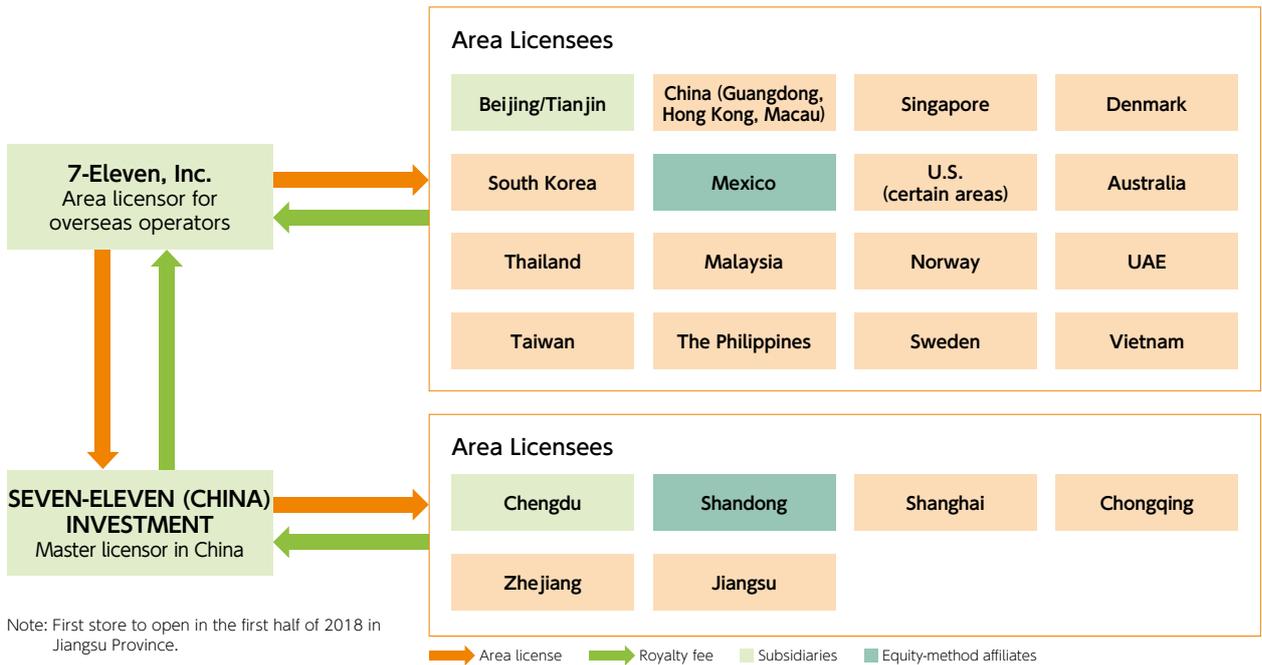
Seven & i Holdings' subsidiaries operate 7-Eleven convenience stores in Japan, North America, and China (Beijing, Tianjin, and Chengdu). In countries and regions where the Company has no local subsidiaries, leading corporate groups operate 7-Eleven stores as area licensees.

(As of February 28, 2018)



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

| | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 |
|-----------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Japan | 12,298 | 12,753 | 13,232 | 14,005 | 15,072 | 16,319 | 17,491 | 18,572 | 19,422 | 20,260 |
| Thailand | 4,778 | 5,270 | 5,790 | 6,276 | 6,822 | 7,429 | 8,127 | 8,832 | 9,542 | 10,268 |
| South Korea | 1,995 | 2,186 | 3,145 | 5,249 | 6,986 | 7,085 | 7,231 | 8,000 | 8,556 | 9,231 |
| U.S. and Canada | 6,782 | 6,972 | 7,188 | 7,752 | 8,545 | 8,641 | 8,646 | 8,868 | 9,077 | 9,061 |
| Taiwan | 4,800 | 4,744 | 4,750 | 4,801 | 4,852 | 4,919 | 5,040 | 5,029 | 5,107 | 5,221 |
| China | 1,512 | 1,670 | 1,711 | 1,792 | 1,919 | 2,001 | 2,064 | 2,182 | 2,357 | 2,599 |
| Others | 3,573 | 4,101 | 4,477 | 5,110 | 5,563 | 6,039 | 6,682 | 7,228 | 7,744 | 7,960 |
| Total | 35,738 | 37,696 | 40,293 | 44,985 | 49,759 | 52,433 | 55,281 | 58,711 | 61,805 | 64,600 |

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.

Global Strategy

7-Eleven Store Operators around the World

| Country or region | Operator | Number of stores |
|-------------------------------------|---|------------------|
| Thailand | CP ALL Public Company Ltd. [Charoen Pokphand Group] | 10,268 |
| South Korea | Korea-Seven Co., Ltd. [Lotte Group] | 9,231 |
| Taiwan/China (Shanghai) | President Chain Store Corp. [Uni-President Enterprises Corp.] | 5,339 |
| The Philippines | Philippine Seven Corporation [President Chain Store Corporation] | 2,285 |
| Malaysia | 7-Eleven Malaysia Sdn. Bhd. [Berjaya Retail Berhad] | 2,225 |
| China (Guangdong, Hong Kong, Macau) | The Dairy Farm Company, Limited [Dairy Farm International Holdings Limited] | 1,907 |
| Mexico | 7-Eleven Mexico S.A. de C.V. [Valso, S.A. de C.V.] | 1,835 |
| Australia | 7-Eleven Stores Pty. Ltd. | 675 |
| Norway/Sweden/Denmark | Reitan Convenience [Reitangruppen AS] | 523 |
| Singapore | Cold Storage Singapore (1983) Pte. Ltd. [Dairy Farm International Holdings Limited] | 393 |
| U.S. | Resort Retailers, Inc. | 327 |
| | Southwest Convenience Stores, Inc. | |
| China (Shandong) | SHAN DONG ZHONG DI CONVENIENCE CO., LTD. [Zhongdi Group Co., Ltd.] | 55 |
| China (Chongqing) | New Nine Business Development Co., Ltd. [New Hope Group Co., Ltd.] | 47 |
| China (Zhejiang) | PRESIDENT CHAIN STORE (ZHEJIANG) LTD. | 20 |
| UAE | SEVEN EMIRATES INVESTMENT L.L.C. | 13 |
| Vietnam | SEVEN SYSTEM VIET NAM JSC | 11 |
| China (Jiangsu) | Nanjing Golden Eagle Convenience Store and Supermarket Management Co., Ltd. | - |

Notes: 1. The number of stores is as of December 31, 2017.

2. Company names in brackets are those of the corporate groups affiliated with the companies listed.

3. First store opening in China (Jiangsu) planned for the first half of 2018.

Support Program for Existing Area Licensees

To enhance the value of the 7-Eleven brand, Seven-Eleven Japan and master licensor 7-Eleven, Inc. have developed a program to improve the operation level of area licensees around the world. The support program is currently in place for existing area licensees for Singapore, Hong Kong and Macau, UAE, and Vietnam. We plan to expand the program 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 skills of operation field consultants for forecasting product assortments
- Comprehensive support for store development, logistics, construction & equipment and IT systems, etc.

2. Establish a model store

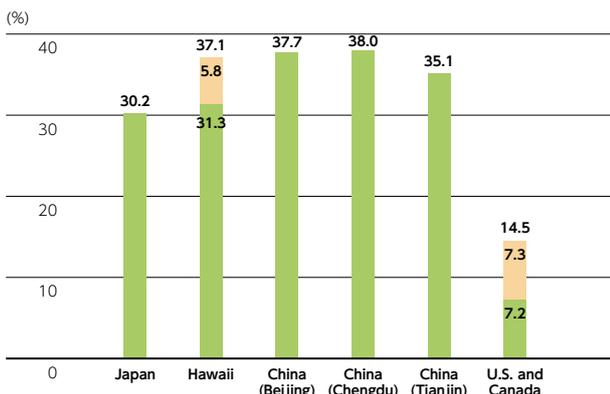
- Remodel an existing store and execute enhanced product assortment and display, as well as friendly service in line with local characteristics, based on Seven-Eleven Japan's experience
- Roll out successful cases of model stores to other existing stores, build model areas, and support franchise business management methods

3. Management candidate training at Seven-Eleven Japan

- 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 FY2018



U.S. and Canada



China (Beijing)

Notes: 1. ■ represents counter-served drinks such as Slurpees and coffee.

2. Percentages for Hawaii, the U.S., and Canada are calculated using merchandise sales.

3. The end of the fiscal year for overseas subsidiaries is December 31, 2017.

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.

(December 31, 2017)

| | 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.\$44 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 | CNY382.9 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 | - | CNY876.2 million | Seven-Eleven Japan Co., Ltd. 100.0% |
| SEVEN-ELEVEN (TIANJIN) CO., LTD. | Convenience stores | Nov. 2012 | Nov. 2012 | CNY200 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% |
| 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% |
| 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% |
| Ito-Yokado (China) Investment Co., Ltd. | Investment company in China | July 2012 | - | U.S.\$47.25 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)

| | FY2008 | FY2009 | FY2010 | FY2011 | FY2012 | FY2013 | FY2014 | FY2015 | FY2016 | FY2017 |
|------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Chengdu Ito-Yokado | 36,738 | 41,192 | 48,048 | 50,672 | 53,513 | 62,788 | 70,650 | 79,686 | 67,276 | 71,638 |
| Hua Tang Yokado | 36,369 | 31,932 | 30,008 | 28,477 | 27,902 | 34,015 | 31,814 | 24,066 | 15,869 | 6,826 |
| SEVEN-ELEVEN (BEIJING) | 4,686 | 5,204 | 5,874 | 7,754 | 11,273 | 14,458 | 17,983 | 21,781 | 20,871 | 24,458 |
| SEVEN-ELEVEN (TIANJIN) | - | - | - | - | - | 3,136 | 3,783 | 4,623 | 4,551 | 5,364 |
| SEVEN-ELEVEN (CHENGDU) | - | - | - | 517 | 1,909 | 3,505 | 4,204 | 4,036 | 3,435 | 4,042 |
| Exchange rate (CNY1=) | ¥14.85 | ¥13.72 | ¥12.90 | ¥12.32 | ¥12.72 | ¥15.92 | ¥17.18 | ¥19.23 | ¥16.42 | ¥16.62 |

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)

Major Group Companies' Data

Domestic Convenience Store Operations

Seven-Eleven Japan

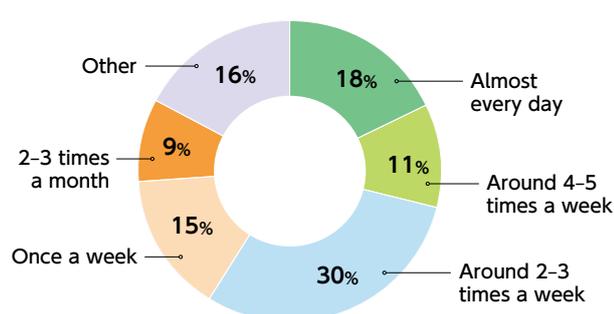
(¥ Million)

| | FY2013 | FY2014 | FY2015 | FY2016 | FY2017 | FY2018 |
|--|-----------|-----------|-----------|-----------|-----------|-----------|
| Revenues from operations | 617,559 | 679,561 | 736,343 | 793,661 | 833,743 | 849,862 |
| Selling, general and administrative expenses | 364,893 | 397,767 | 439,785 | 481,362 | 514,907 | 533,633 |
| Operating income | 186,763 | 212,785 | 223,356 | 235,033 | 243,493 | 244,110 |
| Ordinary income | 194,104 | 220,927 | 232,593 | 256,726 | 251,265 | 251,717 |
| Net income | 112,446 | 134,371 | 136,924 | 162,910 | 144,151 | 166,760 |
| Capital expenditures | 112,514 | 124,350 | 129,438 | 124,543 | 125,045 | 136,297 |
| Depreciation and amortization*1 | 46,292 | 39,002 | 47,698 | 51,784 | 58,829 | 64,294 |
| Total assets | 1,489,339 | 1,599,493 | 1,700,723 | 1,793,836 | 1,770,944 | 1,860,028 |
| Net assets | 1,143,288 | 1,204,465 | 1,255,621 | 1,325,737 | 1,293,157 | 1,365,202 |
| Total store sales | 3,508,444 | 3,781,267 | 4,008,261 | 4,291,067 | 4,515,605 | 4,678,083 |
| Processed food | 926,229 | 979,348 | 1,034,131 | 1,115,677 | 1,183,088 | 1,230,335 |
| Fast food | 940,263 | 1,077,661 | 1,186,445 | 1,278,738 | 1,350,166 | 1,412,781 |
| Daily food | 449,080 | 487,783 | 517,065 | 579,294 | 614,122 | 626,863 |
| Nonfood | 1,192,871 | 1,236,474 | 1,270,618 | 1,317,357 | 1,368,228 | 1,408,103 |
| Existing store sales increase*2 | 1.3 % | 2.3 % | 2.4 % | 2.9 % | 1.8 % | 0.7 % |
| Number of customers | 0.5 % | 2.4 % | 0.7 % | 1.3 % | 0.1 % | (0.9)% |
| Average spending per customer | 0.8 % | (0.1)% | 1.7 % | 1.6 % | 1.7 % | 1.6 % |
| Average daily sales per store (¥ Thousand) | 668 | 664 | 655 | 656 | 657 | 653 |
| Average daily sales per store of new stores (¥ Thousand) | 527 | 522 | 513 | 530 | 533 | 546 |
| Merchandise gross profit margin | 30.0% | 30.7% | 31.4% | 31.6% | 31.8% | 31.9% |
| Processed food | 38.2% | 38.7% | 38.8% | 38.9% | 39.2% | 39.4% |
| Fast food | 34.3% | 35.1% | 35.7% | 35.5% | 35.7% | 35.9% |
| Daily food | 33.1% | 33.2% | 33.1% | 33.2% | 33.4% | 33.5% |
| Nonfood | 19.1% | 19.6% | 20.7% | 20.9% | 21.0% | 20.7% |
| Number of stores | 15,072 | 16,319 | 17,491 | 18,572 | 19,422 | 20,260 |
| Openings | 1,354 | 1,579 | 1,602 | 1,651 | 1,682 | 1,554 |
| Closures | 287 | 332 | 430 | 570 | 832 | 716 |
| Relocations, etc. | 237 | 255 | 347 | 450 | 670 | 568 |
| Franchised stores | 14,638 | 15,879 | 17,021 | 18,071 | 18,977 | 19,792 |
| Type A | 4,244 | 4,333 | 4,353 | 4,448 | 4,554 | 4,563 |
| Type C | 10,394 | 11,546 | 12,668 | 13,623 | 14,423 | 15,229 |
| Provisional management contracts | 1 | 0 | 0 | 0 | 0 | 0 |
| Directly operated stores | 433 | 440 | 470 | 501 | 445 | 468 |
| Ratio of stores with liquor license | 98.9% | 99.0% | 98.9% | 98.7% | 98.6% | 98.5% |
| Ratio of stores with cigarette license | 94.1% | 94.8% | 95.5% | 95.5% | 95.7% | 95.8% |
| Total sales floor space (m ²) | 1,924,768 | 2,106,262 | 2,278,784 | 2,439,550 | 2,566,701 | 2,772,283 |
| Full-time employees (fiscal year-end) | 6,070 | 6,567 | 7,191 | 8,054 | 8,562 | 8,886 |
| Payment acceptance services | | | | | | |
| Number of transactions (thousand) | 384,913 | 402,999 | 418,845 | 439,138 | 460,585 | 481,800 |
| Total value of transactions (¥ Million) | 3,736,249 | 4,038,119 | 4,346,959 | 4,579,660 | 4,691,738 | 4,961,715 |

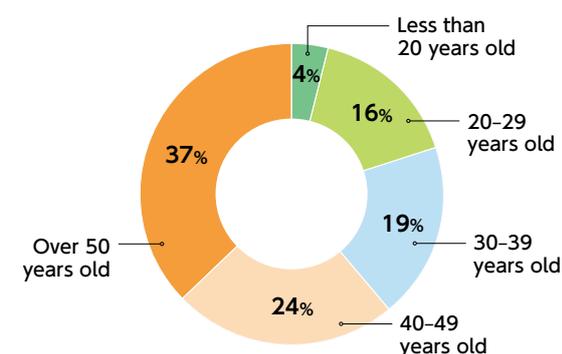
*1 From FY2014, the Company changed the method for calculating the depreciation of property and equipment to the straight-line method from the previously used declining-balance method.

*2 Existing store sales increase includes POSA card transactions from FY2014 onward.

Frequency of Store-Visits (FY2018)



Composition of Customers by Age Group (FY2018)



Overseas Convenience Store Operations

7-Eleven, Inc.

(Fiscal year-end December, ¥ Million)

| | FY2012 | FY2013 | FY2014 | FY2015 | FY2016 | FY2017 |
|--|------------|------------|------------|------------|------------|------------|
| Revenues from operations*1 | 1,247,287 | 1,801,077 | 1,935,274 | 1,819,838 | 1,658,542 | 1,981,533 |
| Revenues from operations (U.S.\$ Thousand) | 15,628,206 | 18,429,117 | 18,293,553 | 15,027,570 | 15,246,764 | 17,667,025 |
| Other operating revenues from above*2 | 149,593 | 192,656 | 219,307 | 271,081 | 260,078 | 276,179 |
| Selling, general and administrative expenses | 226,458 | 307,975 | 341,225 | 395,162 | 372,662 | 399,557 |
| Selling, general and administrative expenses (U.S.\$ Thousand) | 2,837,464 | 3,151,285 | 3,225,503 | 3,263,107 | 3,425,836 | 3,562,387 |
| Operating income | 38,175 | 51,207 | 59,651 | 77,478 | 76,671 | 90,852 |
| Operating income (U.S.\$ Thousand) | 478,326 | 523,971 | 563,868 | 639,790 | 704,832 | 810,023 |
| Net income | 22,378 | 29,738 | 35,870 | 45,181 | 45,470 | 76,048 |
| Net income (U.S.\$ Thousand) | 280,397 | 304,295 | 339,077 | 373,093 | 418,003 | 678,036 |
| Capital expenditures | 155,440 | 80,195 | 63,226 | 159,772 | 216,776 | 98,874 |
| Depreciation and amortization | 39,794 | 53,404 | 56,482 | 65,381 | 64,992 | 69,582 |
| Total assets | 726,876 | 903,326 | 1,088,910 | 1,137,495 | 1,231,149 | 1,356,972 |
| Net assets | 378,486 | 514,957 | 658,465 | 681,404 | 705,025 | 869,394 |
| Total store sales | 1,852,162 | 2,641,180 | 2,834,464 | 2,950,422 | 2,735,199 | 3,134,412 |
| Processed food | 370,882 | 500,880 | 567,290 | 695,119 | 650,509 | 682,470 |
| Fast food | 146,891 | 187,673 | 216,881 | 261,947 | 244,299 | 248,718 |
| Daily food | 62,226 | 81,057 | 93,544 | 110,427 | 101,814 | 101,888 |
| Nonfood | 374,099 | 501,514 | 553,712 | 661,355 | 624,655 | 688,325 |
| Merchandise | 954,100 | 1,271,126 | 1,431,429 | 1,728,848 | 1,621,278 | 1,721,403 |
| Gasoline | 898,062 | 1,370,054 | 1,403,035 | 1,221,573 | 1,113,921 | 1,413,009 |
| Existing store sales increase (U.S. merchandise sales)*3 | 2.9% | 1.0% | 3.1% | 5.8% | 2.1% | 1.6% |
| Average daily sales per store (¥ Thousand) | 350 | 424 | 473 | 569 | 519 | 543 |
| Average daily sales per store (U.S.\$) | 4,383 | 4,340 | 4,472 | 4,695 | 4,769 | 4,841 |
| Merchandise gross profit margin | 35.2% | 34.8% | 34.5% | 34.6% | 34.8% | 34.3% |
| Gasoline sales (thousand gallons) | - | 3,884,838 | 4,001,566 | 4,292,288 | 4,910,026 | 5,266,489 |
| Gasoline retail gross profit (cents/gallon) | - | 20.29 | 20.81 | 19.80 | 20.05 | 22.62 |
| Exchange rate (Income statements) (U.S.\$1=) | ¥79.81 | ¥97.73 | ¥105.79 | ¥121.10 | ¥108.78 | ¥112.16 |
| Exchange rate (Balance sheets) (U.S.\$1=) | ¥86.58 | ¥105.39 | ¥120.55 | ¥120.61 | ¥116.49 | ¥113.00 |
| Number of stores | 8,118 | 8,292 | 8,297 | 8,500 | 8,707 | 8,670 |
| Openings | 1,078 | 462 | 238 | 344 | 356 | 214 |
| Closures | 109 | 288 | 233 | 141 | 149 | 251 |
| Franchised stores | 5,870 | 6,219 | 6,390 | 6,752 | 7,008 | 7,161 |
| Directly operated stores | 2,248 | 2,073 | 1,907 | 1,748 | 1,699 | 1,509 |
| Stores with gas station | 3,195 | 3,300 | 3,165 | 3,168 | 3,374 | 3,376 |
| Total sales floor space (m ²) | 1,335,707 | 1,379,301 | 1,384,023 | 1,454,825 | 1,458,783 | 1,450,699 |
| Full-time employees*4 | 17,330 | 16,553 | 15,591 | 14,379 | 15,021 | 17,877 |

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

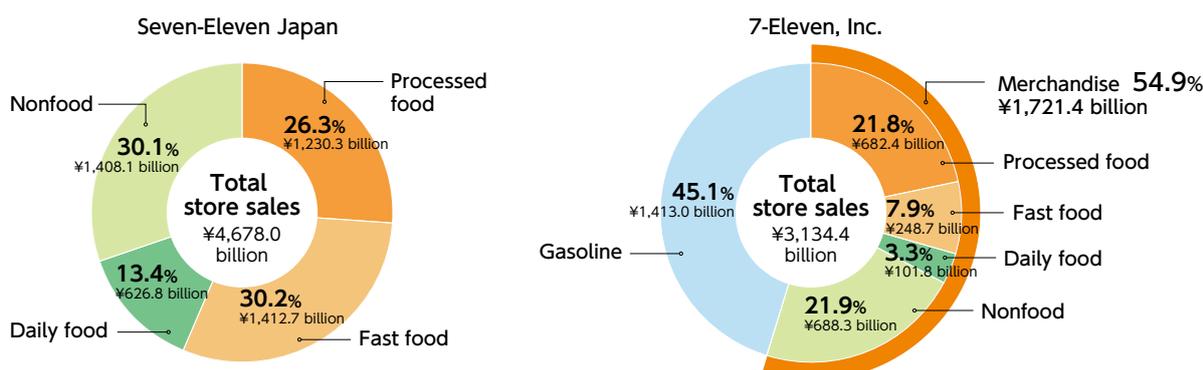
*1 Revenues from operations include sales at directly operated stores, gasoline sales and other operating revenues.

*2 Other operating revenues includes franchise commission from franchised stores, franchise 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 full-time employees are as of the end of February for each fiscal year.

Sales Composition by Product

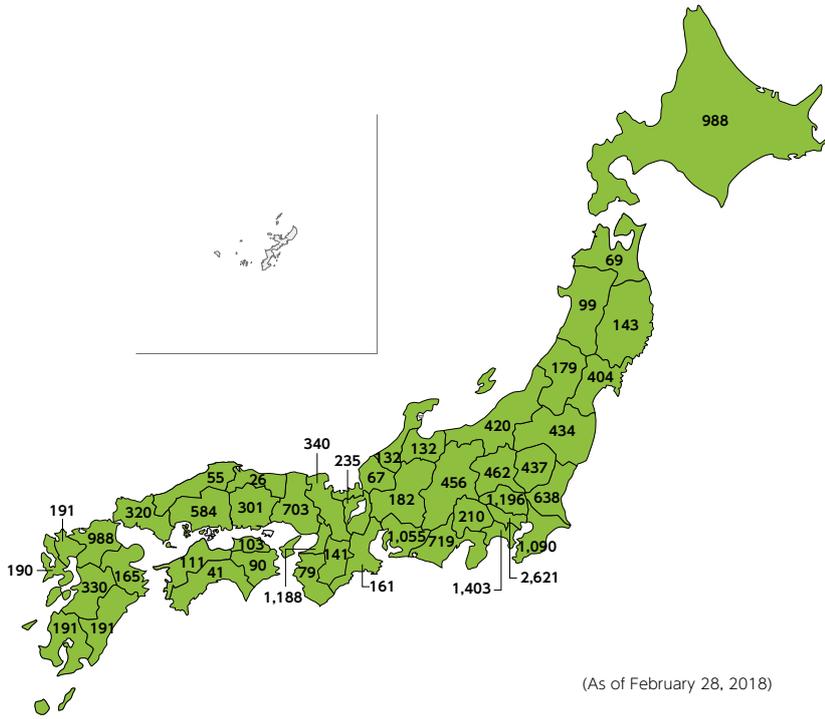


Major Group Companies' Data

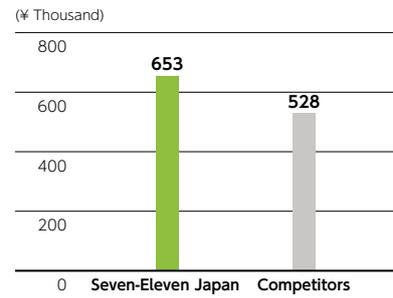
Domestic Convenience Store Operations/Overseas Convenience Store Operations

Store Network

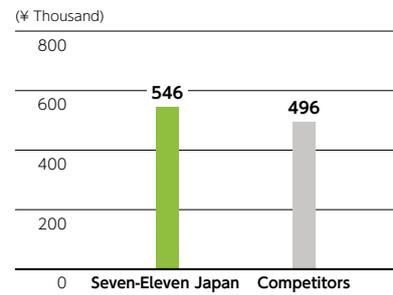
Seven-Eleven Japan



AVERAGE DAILY SALES PER STORE



AVERAGE DAILY SALES PER STORE OF NEW STORES



Note: Competitors' information is the simple average of two major convenience store chains (FY2018).

Number of Major Convenience Store Chains in Japan

| | FY2013 | FY2014 | FY2015 | FY2016 | FY2017 | FY2018 |
|---------------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Seven-Eleven Japan | 15,072 | 16,319 | 17,491 | 18,572 | 19,422 | 20,260 |
| Lawson | 11,130 | 11,606 | 12,276 | 12,395 | 13,111 | 13,992 |
| FamilyMart*1 | 9,481 | 10,547 | 11,328 | 11,656 | 18,125 | 17,232 |
| Circle K Sunkus | 6,242 | 6,359 | 6,353 | 6,350 | - | - |
| Other CVS*2 | 5,420 | 5,163 | 4,932 | 5,174 | 4,264 | 3,911 |
| Nationwide | 47,345 | 49,994 | 52,380 | 54,147 | 54,922 | 55,395 |

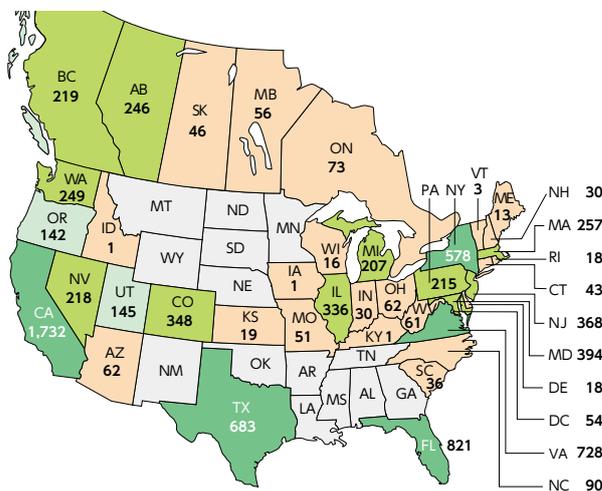
Sources: Japan Franchise Association and public information of each company

*1 The number of FamilyMart stores for the fiscal year ended February 28, 2017 and onward includes the number of Circle K Sunkus stores following management integration.

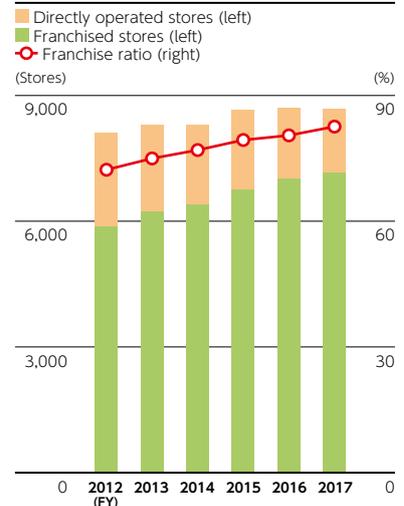
*2 Figures until the fiscal year ended February 29, 2016 exclude the four main companies.

7-Eleven, Inc.

Number of stores: 500~ (Dark Green), 200~499 (Light Green), 100~199 (Medium Green), ~99 (Orange) (As of December 31, 2017)

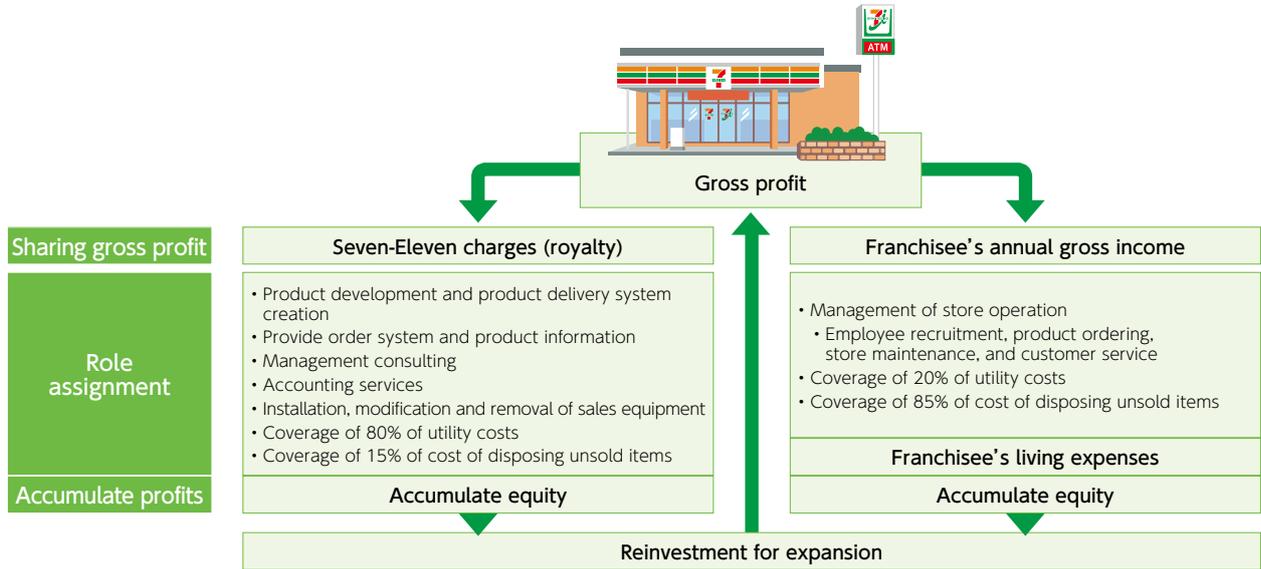


TRENDS IN STORE TYPE



■ Seven-Eleven Japan's Franchise System

Seven-Eleven Japan has developed its own unique franchise system, guided by an aim for "modernizing and revitalizing small- and medium-sized retail stores." Seven-Eleven Japan and its franchisees are on an equal footing with clear role assignments. The system uses a method of allocating gross profit and, as a result, Seven-Eleven Japan and its franchisees work together on improving gross profit margins instead of sales in a mutually beneficial relationship.



Contract Type of Franchised Stores

| | Type A (4,563 stores) | Type C (15,229 stores) |
|--|---|---|
| Type of ownership Land and buildings | Franchisee provides | Seven-Eleven Japan provides |
| Sales equipment, computers, etc. | Seven-Eleven Japan provides | |
| Contract period | 15 years | |
| Utilities | Seven-Eleven Japan 80% | Franchisee 20% |
| Seven-Eleven charges (royalty) | 43% of gross profit | An amount calculated on a sliding scale based on gross profit |
| Special reduction in charge | 5-year incentives and 15-year contract renewal incentives (reductions in franchise fee) are offered | |
| Cost of disposing unsold items | Seven-Eleven charges (royalty) reduced by 1% | |
| | Seven-Eleven Japan 15% | Franchisee 85% |
| Incentive system for multi-store operation | When one franchisee operates two or more 7-Eleven stores, a 3% incentive discount on the franchise fee is applied to the second and subsequent stores. When franchisees that have operated a 7-Eleven store for over five years open a new store, the "incentive for stores open over five years" is applied to the new store from the beginning of its operation. | |
| Minimum guarantee | ¥22 million (Franchisee's annual gross profit) | ¥20 million (Franchisee's annual gross profit) |

Notes: 1. Number of stores is as of February 28, 2018.

2. The conditions of the Seven-Eleven charges (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. The special reduction in Seven-Eleven charges (royalty) will start from September 2017 and apply for the time being.

5. Franchisee's gross profit is equal to gross profit minus Seven-Eleven charges (royalty).

■ Comparison of 7-Eleven in Japan and the U.S./Canada

| | Japan | U.S./Canada |
|--|---|--|
| Store-related | | |
| Number of stores by type*1 | A-type franchised stores 4,563 C-type franchised stores 15,229 Directly operated stores 468 (As of February 28, 2018) | BCP stores (A-type franchised stores)*2 460 C-type franchised stores 6,701 Directly operated stores 1,509 (As of December 31, 2017) |
| Standard sales floor space (per store)*3 | Approximately 140 m ² | Approximately 160 m ² |
| Stores with gas stations | 157 stores*4 | 3,376 stores |
| Products and services | | |
| Number of items per store*3 | Approximately 2,900 items | Approximately 2,500 items |
| Services | ATM Payment acceptance service Express package delivery service Multi-functional copy machine (ticketing services, administrative service, etc.) nanaco Point Service | ATM Payment acceptance service Sales of gift cards Sales of prepaid mobile phones |
| Payment methods | Cash/electronic money/credit card | Cash/credit card/debit card/check |

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

*2 BCP: Business Conversion Program

*3 Most common size of store sales floor spaces and number of items

*4 Seven-Eleven Japan's stores with gas stations are joint operations opened in partnership with JXTG Nippon Oil & Energy Corporation.

Major Group Companies' Data

Superstore Operations

Ito-Yokado

(¥ Million)

| | FY2013 | FY2014 | FY2015 | FY2016 | FY2017 | FY2018 |
|--|-----------|-----------|-----------|-----------|-----------|-----------|
| Revenues from operations | 1,332,292 | 1,311,989 | 1,285,942 | 1,289,586 | 1,255,017 | 1,244,262 |
| Net sales | 1,302,923 | 1,280,615 | 1,253,296 | 1,255,608 | 1,219,252 | 1,213,613 |
| Apparel | 230,807 | 204,051 | 193,354 | 187,047 | 179,027 | 162,589 |
| Household goods* ¹ | 160,916 | 165,297 | 153,506 | 142,811 | 122,445 | 165,083 |
| Food | 623,571 | 608,343 | 592,913 | 601,672 | 585,457 | 553,670 |
| Merchandise sales* ¹ | 1,015,295 | 977,692 | 939,774 | 931,531 | 886,930 | 881,343 |
| Tenants | 271,258 | 287,874 | 301,376 | 314,612 | 322,191 | 324,328 |
| Other | 16,369 | 15,048 | 12,145 | 9,464 | 10,130 | 7,940 |
| Selling, general and administrative expenses | 342,502 | 335,771 | 333,118 | 334,380 | 316,879 | 310,285 |
| Operating income | 9,009 | 11,236 | 1,859 | (13,980) | 52 | 3,077 |
| Ordinary income | 15,223 | 13,071 | 4,142 | (13,405) | 1,786 | 3,687 |
| Net income | 1,687 | 5,333 | (6,881) | (23,923) | (13,797) | (5,821) |
| Capital expenditures | 30,578 | 47,943 | 41,067 | 58,555 | 30,636 | 18,072 |
| Depreciation and amortization* ² | 15,937 | 10,014 | 11,137 | 13,125 | 13,654 | 12,606 |
| Total assets | 791,020 | 807,425 | 817,735 | 799,073 | 753,315 | 736,336 |
| Net assets | 599,857 | 608,444 | 606,327 | 581,223 | 544,808 | 539,608 |
| Existing store sales increase (decrease) | (4.3)% | (4.6)% | (4.5)% | 0.2 % | (4.2)% | (1.4)% |
| Number of customers | (5.2)% | (4.3)% | (5.7)% | (0.1)% | (4.4)% | (1.7)% |
| Average spending per customer | 1.0 % | (0.4)% | 1.3 % | 0.4 % | 0.3 % | 0.3 % |
| Merchandise gross profit margin | 29.9 % | 30.2 % | 29.9 % | 28.6 % | 29.1 % | 29.6 % |
| Number of stores | 174 | 179 | 181 | 182 | 171 | 164 |
| Openings | 3 | 9 | 3 | 3 | 4 | 2 |
| Closures | 2 | 4 | 1 | 2 | 15 | 9 |
| Total sales floor space (m ²) | 2,751,439 | 2,817,665 | 2,832,235 | 2,802,078 | 2,776,875 | 2,653,996 |
| Directly managed sales floor space (m ²) | 1,642,954 | 1,639,943 | 1,630,246 | 1,590,958 | 1,508,282 | 1,490,522 |
| Sales per square meter (¥ Thousand)* ³ | 613 | 597 | 572 | 585 | 564 | 575 |
| Full-time employees (fiscal year-end) | 8,672 | 8,289 | 8,029 | 7,820 | 7,654 | 7,663 |
| Part-time employees* ⁴ | 28,637 | 28,873 | 28,571 | 28,556 | 27,540 | 27,750 |
| Ratio of part-time employees | 77.4% | 78.6% | 79.3% | 80.0% | 79.9% | 79.8% |
| Sales per employee (¥ Thousand)* ⁵ | 27,430 | 26,614 | 26,074 | 26,099 | 25,716 | 25,341 |

*1 From FY2018, Seven Bi no Garden Co., Ltd. was absorbed through a merger and its figures are reflected.

*2 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.

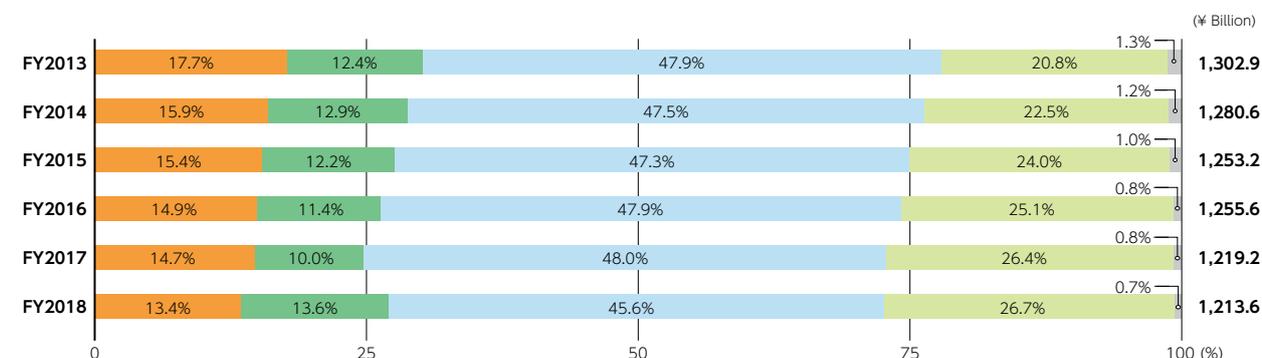
*3 Sales per square meter = Merchandise sales ÷ Weighted average floor space

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

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

Breakdown of Sales by Product Category

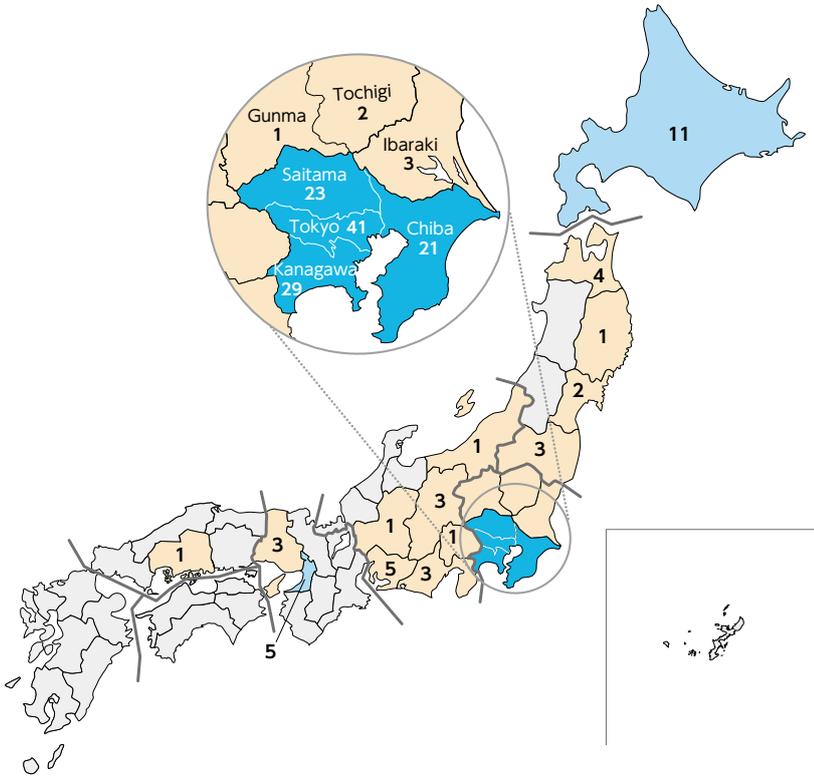
■ Apparel ■ Household goods ■ Food ■ Tenants ■ Other



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 Network

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



(As of February 28, 2018)

SALES BREAKDOWN BY REGION FOR FY2018

| | Sales (¥ Billion) | Composition (%) | Number of stores |
|----------|-------------------|-----------------|------------------|
| Hokkaido | 64.8 | 5.3 | 11 |
| Tohoku | 48.3 | 4.0 | 10 |
| Kanto | 916.6 | 75.5 | 120 |
| Chubu | 76.9 | 6.3 | 14 |
| Kinki | 98.5 | 8.1 | 8 |
| Chugoku | 8.1 | 0.7 | 1 |
| Total | 1,213.6 | 100.0 | 164 |

CLASSIFICATION BY TOTAL SALES FLOOR SPACE

| | Number of stores | Composition (%) |
|--------------------------------|------------------|-----------------|
| 16,000 m ² - | 63 | 38.4 |
| 10,000 - 15,999 m ² | 46 | 28.0 |
| 5,000 - 9,999 m ² | 27 | 16.5 |
| Under 5,000 m ² | 28 | 17.1 |
| Total | 164 | 100.0 |

CLASSIFICATION BY STORE AGE

| | Number of stores | Composition (%) |
|--------------|------------------|-----------------|
| 30 years - | 53 | 32.3 |
| 20 years - | 28 | 17.1 |
| 10 years - | 48 | 29.3 |
| 5 years - | 15 | 9.1 |
| 1 year - | 18 | 11.0 |
| Under 1 year | 2 | 1.2 |
| Total | 164 | 100.0 |

Major Group Companies' Data

■ Store Formats



General merchandise stores

Following the basic store format of Ito-Yokado, these stores are operated mainly in highly populated urban areas and offer a wide lineup of apparel, household goods, and foods. As of February 28, 2018, there are 121 stores.



Food specialty stores

Shokuhinkan and THE PRICE are types of store that specialize in fresh and processed foods, as well as frequently purchased products such as household goods. Since 2010, these stores have also been operating in highly populated, urban areas with limited catchment areas. As of February 28, 2018, there are 24 urban-style, small-sized stores.



Shopping centers

Developed under the names *Ario*, *GRAND TREE*, and *PRIMETREE*. Anchored by Ito-Yokado and host to around 100-200 tenants, shopping centers are located in metropolitan areas and operated under the concept of servicing a wide range of catchment areas. Opened in April 2005, *Ario Soga* was our first shopping center and the network has expanded to 19 stores as of February 28, 2018.

■ Number of Stores by Format

| | FY2013 | FY2014 | FY2015 | FY2016 | FY2017 | FY2018 |
|----------------------------|--------|--------|--------|--------|--------|--------|
| General merchandise stores | 139 | 137 | 136 | 136 | 127 | 121 |
| Shopping centers | 13 | 16 | 17 | 17 | 18 | 19 |
| Food specialty stores | 22 | 26 | 28 | 29 | 26 | 24 |
| Total | 174 | 179 | 181 | 182 | 171 | 164 |

(Stores)

Superstore Operations

York-Benimaru

(¥ Million)

| | FY2013 | FY2014 | FY2015 | FY2016 | FY2017 | FY2018 |
|--|---------|---------|---------|---------|---------|---------|
| Revenues from operations | 363,862 | 380,869 | 396,930 | 412,977 | 426,172 | 437,197 |
| Net sales | 358,061 | 374,781 | 390,492 | 406,223 | 418,729 | 429,064 |
| Fresh food | 114,914 | 123,054 | 132,110 | 139,489 | 145,105 | 149,910 |
| Processed food | 86,219 | 89,761 | 92,181 | 95,761 | 98,819 | 101,977 |
| Daily food | 68,660 | 71,510 | 73,843 | 77,433 | 81,101 | 84,097 |
| Food total | 269,794 | 284,326 | 298,136 | 312,683 | 325,026 | 335,985 |
| Apparel | 17,642 | 17,597 | 16,614 | 15,887 | 14,967 | 13,531 |
| Household goods | 19,383 | 20,339 | 20,694 | 20,398 | 20,296 | 19,993 |
| Merchandise sales | 306,820 | 322,263 | 335,445 | 348,970 | 360,290 | 369,510 |
| Tenants | 51,240 | 52,518 | 55,047 | 57,253 | 58,439 | 59,553 |
| Selling, general and administrative expenses | 78,649 | 80,969 | 84,796 | 88,784 | 92,185 | 94,713 |
| Operating income | 11,854 | 12,714 | 12,820 | 13,324 | 14,054 | 14,070 |
| Ordinary income | 14,003 | 14,467 | 14,018 | 14,529 | 15,344 | 15,301 |
| Net income | 7,731 | 9,306 | 7,792 | 8,969 | 8,982 | 9,350 |
| Capital expenditures | 9,779 | 10,700 | 14,120 | 10,642 | 12,330 | 13,452 |
| Depreciation and amortization*1 | 5,161 | 3,167 | 3,569 | 3,931 | 4,519 | 5,148 |
| Total assets | 156,212 | 168,013 | 182,267 | 184,894 | 177,983 | 184,302 |
| Net assets | 123,766 | 131,800 | 140,118 | 141,435 | 136,514 | 140,016 |
| Existing store sales increase (decrease) | 0.0 % | 0.1 % | 0.2 % | 1.2 % | 0.5 % | (0.4)% |
| Number of customers | 0.9 % | 0.7 % | (0.1)% | 1.5 % | 0.8 % | 0.0 % |
| Average spending per customer | (1.0)% | (0.6)% | 0.2 % | (0.3)% | (0.3)% | (0.5)% |
| Merchandise gross profit margin | 26.0 % | 25.6 % | 25.6 % | 25.7 % | 25.8 % | 25.7 % |
| Number of stores | 184 | 193 | 200 | 205 | 213 | 220 |
| Openings | 11 | 11 | 8 | 6 | 9 | 11 |
| Closures | 2 | 1 | 1 | 1 | 1 | 4 |
| Total sales floor space (m ²) | 590,698 | 606,812 | 628,639 | 640,667 | 656,950 | 675,128 |
| Directly managed sales floor space (m ²) | 450,581 | 469,142 | 485,123 | 494,201 | 505,269 | 519,177 |
| Sales per square meter (¥ Thousand)*2 | 716 | 721 | 721 | 727 | 733 | 735 |
| Full-time employees (fiscal year-end) | 2,494 | 2,538 | 2,614 | 2,660 | 2,685 | 2,697 |
| Part-time employees*3 | 10,395 | 10,729 | 10,984 | 11,168 | 11,353 | 11,903 |
| Ratio of part-time employees | 80.3% | 80.6% | 80.6% | 80.5% | 80.6% | 81.2% |
| Sales per employee (¥ Thousand)*4 | 23,714 | 24,232 | 24,607 | 25,156 | 25,581 | 25,208 |

*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 (excluding floor space of the stores which have been closed)

*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)

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 takeout foods. As of February 28, 2018, Life Foods delicatessen food plants are operating in three locations in Koriyama, Fukushima Prefecture and one location in Miyagi Prefecture.

(¥ Million)

| | FY2013 | FY2014 | FY2015 | FY2016 | FY2017 | FY2018 |
|--|--------|--------|--------|--------|--------|--------|
| Net sales | 38,509 | 39,894 | 42,487 | 44,603 | 45,913 | 46,739 |
| Selling, general and administrative expenses | 14,823 | 15,438 | 16,383 | 17,388 | 17,965 | 18,673 |
| Operating income | 3,704 | 3,823 | 4,204 | 4,422 | 4,704 | 4,028 |
| Ordinary income | 3,763 | 3,870 | 4,253 | 4,468 | 4,739 | 4,054 |
| Net income | 2,193 | 2,407 | 2,526 | 2,801 | 3,237 | 2,657 |
| Total assets | 27,688 | 27,928 | 30,309 | 32,188 | 34,504 | 36,211 |
| Net assets | 21,493 | 22,523 | 24,265 | 26,293 | 28,628 | 30,396 |

York-Benimaru (including results from Life Foods)

(¥ Million)

| | FY2013 | FY2014 | FY2015 | FY2016 | FY2017 | FY2018 |
|------------------|--------|--------|--------|--------|--------|--------|
| Operating income | 15,558 | 16,539 | 17,025 | 17,747 | 18,760 | 18,098 |

Note: The above results are management figures.

York Mart

| | FY2013 | FY2014 | FY2015 | FY2016 | FY2017 | FY2018 |
|--|-------------|---------|---------|---------|---------|---------|
| | (¥ Million) | | | | | |
| Revenues from operations | 122,672 | 129,306 | 133,138 | 141,242 | 142,864 | 144,829 |
| Net sales | 121,640 | 128,214 | 132,067 | 140,145 | 141,649 | 143,610 |
| Selling, general and administrative expenses | 33,653 | 34,740 | 36,095 | 38,313 | 38,801 | 39,936 |
| Operating income | 2,007 | 2,891 | 2,445 | 2,511 | 2,211 | 1,551 |
| Ordinary income | 2,075 | 2,945 | 2,525 | 2,540 | 2,231 | 1,532 |
| Net income | 1,032 | 1,701 | 1,247 | 1,611 | 963 | 251 |
| Capital expenditures | 5,216 | 2,951 | 4,801 | 5,234 | 2,677 | 3,286 |
| Depreciation and amortization*1 | 1,954 | 1,219 | 1,332 | 1,717 | 1,938 | 2,006 |
| Total assets | 41,410 | 41,991 | 45,555 | 48,494 | 47,321 | 47,660 |
| Net assets | 26,249 | 27,412 | 27,662 | 28,705 | 27,871 | 27,654 |
| Existing store sales increase (decrease) | (4.9)% | (0.2)% | 0.6 % | 1.8 % | (1.6)% | (0.5)% |
| Merchandise gross profit margin | 28.8 % | 28.9 % | 28.8 % | 28.8 % | 28.6 % | 28.6 % |
| Number of stores | 71 | 74 | 76 | 76 | 78 | 78 |
| Openings | 5 | 3 | 2 | 4 | 2 | 1 |
| Closures | 2 | 0 | 0 | 4 | 0 | 1 |
| Total sales floor space (m ²) | 116,042 | 121,115 | 124,223 | 126,639 | 129,000 | 128,194 |
| Sales per square meter (¥ Thousand)*2 | 1,108 | 1,118 | 1,130 | 1,158 | 1,149 | 1,154 |
| Full-time employees (fiscal year-end) | 1,325 | 1,191 | 1,231 | 1,249 | 1,260 | 1,309 |
| Part-time employees*3 | 4,018 | 4,206 | 4,368 | 4,717 | 4,525 | 4,495 |
| Sales per employee (¥ Thousand)*4 | 22,007 | 21,949 | 22,367 | 22,723 | 23,024 | 23,203 |

*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.

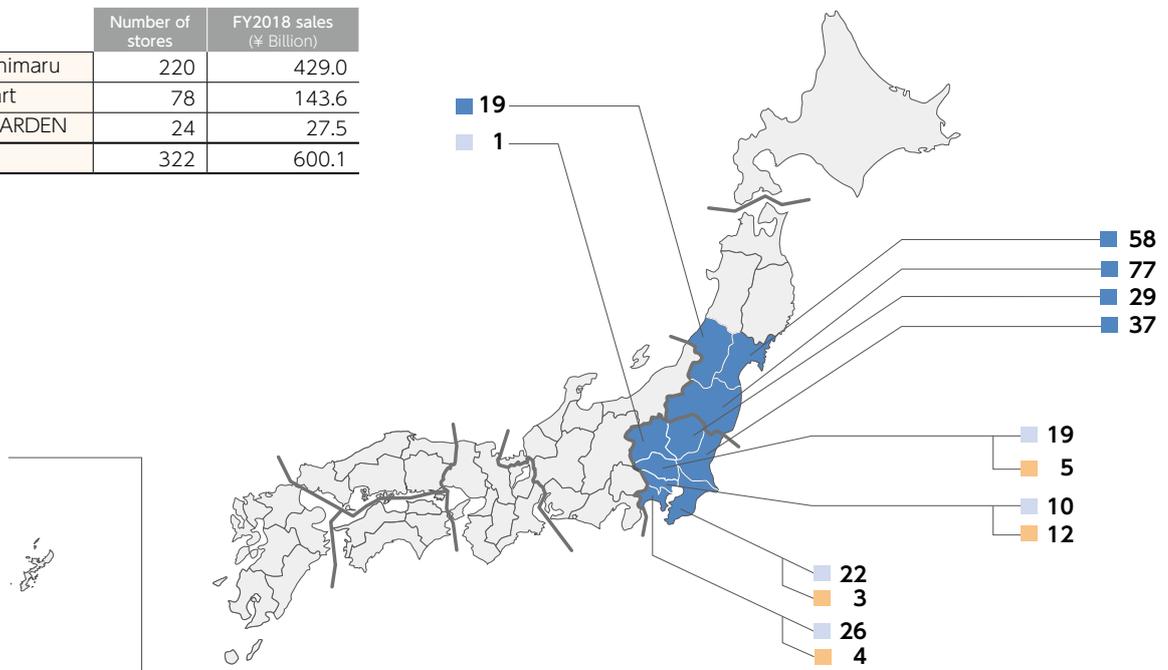
*4 Sales per employee = Net sales ÷ Average number of employees (including part-time employees)

Major
Group
Companies'
Data

Store Network

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

| | Number of stores | FY2018 sales (¥ Billion) |
|-----------------|------------------|--------------------------|
| ■ York-Benimaru | 220 | 429.0 |
| ■ York Mart | 78 | 143.6 |
| ■ SHELL GARDEN | 24 | 27.5 |
| Total | 322 | 600.1 |



(As of February 28, 2018)

Department Store Operations

Sogo & Seibu

(¥ Million)

| | FY2013 | FY2014 | FY2015 | FY2016 | FY2017 | FY2018 |
|---|---------|---------|---------|---------|----------|----------|
| Revenues from operations | 810,998 | 801,535 | 802,996 | 803,443 | 760,692 | 685,888 |
| Net sales | 798,427 | 789,203 | 790,244 | 790,708 | 747,951 | 674,368 |
| Apparel | 349,846 | 335,252 | 328,008 | 317,260 | 291,470 | 260,919 |
| Household goods | 78,127 | 81,536 | 80,217 | 81,115 | 75,770 | 67,873 |
| Food | 162,023 | 157,832 | 161,491 | 163,059 | 157,168 | 142,863 |
| Merchandise sales | 589,997 | 574,621 | 569,717 | 561,435 | 524,410 | 471,656 |
| Tenants | 168,201 | 174,418 | 180,085 | 188,554 | 183,696 | 167,519 |
| Corporate sales | 40,228 | 40,163 | 40,440 | 40,718 | 39,844 | 35,192 |
| Selling, general and administrative expenses | 175,804 | 171,607 | 170,700 | 170,514 | 161,306 | 144,772 |
| Operating income | 10,040 | 10,141 | 10,226 | 7,411 | 4,341 | 5,081 |
| Ordinary income | 9,160 | 9,265 | 9,216 | 6,070 | 2,593 | 3,254 |
| Net income | (3,650) | 1,814 | 3,992 | (4,034) | (28,426) | (29,973) |
| Capital expenditures | 15,465 | 12,156 | 12,762 | 12,650 | 11,773 | 12,474 |
| Depreciation and amortization | 12,608 | 11,793 | 11,996 | 11,751 | 10,664 | 8,927 |
| Total assets | 455,269 | 447,577 | 446,368 | 436,878 | 424,143 | 369,310 |
| Net assets | 124,561 | 126,400 | 131,361 | 124,905 | 93,827 | 68,771 |
| Existing store sales increase (decrease) | 0.9 % | 1.2 % | 0.1 % | 0.0 % | (2.7)% | 0.5 % |
| Merchandise gross profit margin | 24.9 % | 24.8 % | 24.6 % | 24.3 % | 23.9 % | 24.0 % |
| Key store sales | | | | | | |
| Ikebukuro (flagship store) | 179,181 | 184,453 | 187,330 | 190,018 | 186,597 | 185,149 |
| Yokohama | 105,213 | 109,889 | 112,986 | 114,200 | 109,690 | 110,603 |
| Chiba | 78,780 | 78,924 | 76,908 | 76,053 | 73,381 | 74,439 |
| Hiroshima | 41,291 | 42,967 | 43,049 | 43,115 | 41,438 | 40,909 |
| Shibuya | 39,298 | 39,490 | 40,211 | 42,376 | 41,779 | 43,671 |
| Omiya | 32,399 | 34,251 | 34,572 | 33,654 | 33,058 | 33,120 |
| Number of stores | 24 | 24 | 24 | 23 | 19 | 15 |
| Openings | 0 | 0 | 0 | 0 | 0 | 0 |
| Store closures and transferred stores | 2 | 0 | 0 | 1 | 4 | 4 |
| Total sales floor space (m ²) | 863,832 | 868,762 | 870,584 | 871,437 | 770,189 | 617,618 |
| Sales per square meter (¥ Thousand)* ¹ | 894 | 909 | 909 | 907 | 930 | 1,013 |
| Full-time employees (fiscal year-end) | 4,632 | 4,102 | 3,883 | 3,671 | 3,269 | 2,852 |
| Part-time employees* ² | 4,925 | 5,109 | 5,395 | 5,652 | 5,317 | 4,580 |
| Ratio of part-time employees | 50.6% | 54.3% | 57.4% | 59.5% | 60.0% | 59.8% |

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

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

Store Operation Structure

Sogo & Seibu is reorganizing its stores into three categories according to their characteristics as “key stores,” “regional leader stores,” and “suburban stores.”

| | FY2018 sales (¥ Million) | Stores* |
|------------------------|-----------------------------|---|
| Key stores | 512,747 | SEIBU Ikebukuro, Sogo Yokohama, Sogo Chiba, Sogo Hiroshima, SEIBU Shibuya, and Sogo Omiya |
| Regional leader stores | 63,155 | SEIBU Tokorozawa, SEIBU Akita, SEIBU Okazaki, SEIBU Fukui, and Sogo Tokushima |
| Suburban stores | 98,379 | SEIBU Higashi-Totsuka, Sogo Kawaguchi, SEIBU Otsu, and Sogo Seishin |

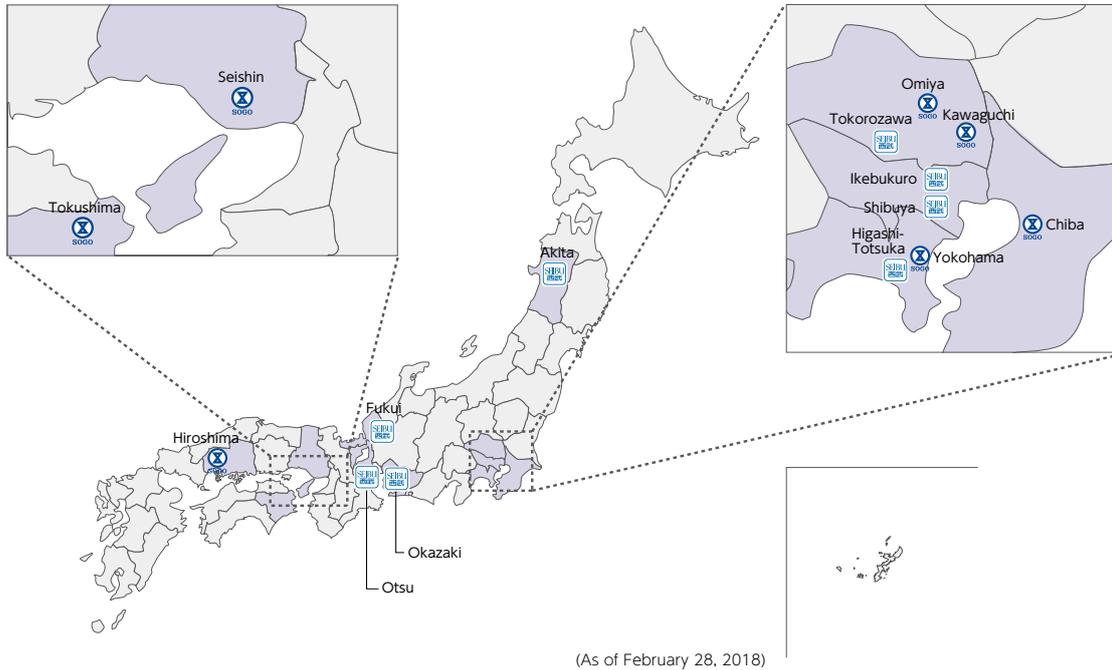
* Information as of February 28, 2018.



SEIBU Ikebukuro

Specialty Store Operations

Store Network



Major
Group
Companies'
Data

THE LOFT

| | FY2013 | FY2014 | FY2015 | FY2016 | FY2017 | FY2018 |
|--|-------------|---------|---------|---------|---------|---------|
| | (¥ Million) | | | | | |
| Revenues from operations | 87,326 | 85,136 | 88,304 | 95,645 | 100,264 | 103,668 |
| Net sales | 86,179 | 84,459 | 87,647 | 94,930 | 99,560 | 102,956 |
| Selling, general and administrative expenses | 33,334 | 33,058 | 33,920 | 36,572 | 38,225 | 38,304 |
| Operating income | 2,262 | 1,138 | 1,409 | 1,603 | 1,464 | 2,159 |
| Ordinary income | 2,202 | 1,080 | 1,374 | 1,579 | 1,381 | 2,072 |
| Net income | 728 | (244) | 701 | 572 | 138 | 908 |
| Capital expenditures | 2,239 | 1,357 | 852 | 2,084 | 1,836 | 1,804 |
| Depreciation and amortization*1 | 1,290 | 1,153 | 1,014 | 1,048 | 1,099 | 1,133 |
| Total assets | 24,234 | 23,846 | 25,383 | 27,563 | 29,551 | 31,614 |
| Net assets | 11,308 | 10,965 | 11,667 | 12,022 | 12,055 | 12,878 |
| Existing store sales increase (decrease) | (4.4)% | (4.3)% | 0.9 % | 4.4 % | 0.1 % | 3.3 % |
| Merchandise gross profit margin | 40.4 % | 40.1 % | 40.0 % | 39.9 % | 39.6 % | 39.0 % |
| Number of stores | 82 | 89 | 94 | 102 | 109 | 110 |
| Openings | 9 | 10 | 6 | 10 | 8 | 8 |
| Closures | 0 | 3 | 1 | 2 | 1 | 7 |
| Total sales floor space (m ²) | 114,926 | 116,235 | 120,962 | 128,040 | 135,286 | 134,083 |
| Sales per square meter (¥ Thousand)*2 | 769 | 732 | 730 | 755 | 738 | 748 |
| Full-time employees (fiscal year-end) | 2,133 | 1,935 | 1,889 | 2,077 | 2,045 | 2,119 |
| Part-time employees*3 | 1,610 | 1,841 | 2,111 | 2,317 | 2,311 | 2,253 |
| Sales per employee (¥ Thousand)*4 | 24,310 | 23,585 | 23,740 | 23,852 | 24,668 | 26,352 |

*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 = Net sales ÷ Average number of employees (including part-time employees)



Specialty Store Operations

Akachan Honpo

(¥ Million)

| | FY2013 | FY2014 | FY2015 | FY2016 | FY2017 | FY2018 |
|--|---------|---------|---------|---------|---------|---------|
| Net sales | 82,907 | 85,141 | 92,899 | 102,716 | 102,765 | 104,687 |
| Selling, general and administrative expenses | 23,041 | 23,401 | 24,755 | 27,128 | 26,588 | 27,638 |
| Operating income | 1,920 | 2,365 | 2,866 | 3,315 | 2,909 | 3,381 |
| Ordinary income | 1,810 | 2,278 | 2,856 | 3,339 | 2,919 | 3,400 |
| Net income | (1,394) | 1,759 | 2,178 | 3,336 | 1,621 | 2,541 |
| Capital expenditures | 1,720 | 1,598 | 1,724 | 1,371 | 1,142 | 1,342 |
| Depreciation and amortization*1 | 1,496 | 1,100 | 1,216 | 1,187 | 1,186 | 1,063 |
| Total assets | 28,946 | 28,554 | 29,720 | 32,401 | 31,065 | 31,916 |
| Net assets | 1,861 | 3,582 | 5,761 | 9,095 | 10,716 | 13,258 |
| Existing store sales increase (decrease) | 2.9 % | (1.8)% | 3.5 % | 4.8 % | (3.2)% | (0.4)% |
| Merchandise gross profit margin | 30.1 % | 30.3 % | 29.7 % | 29.6 % | 28.7 % | 29.6 % |
| Number of stores | 92 | 93 | 99 | 103 | 106 | 110 |
| Openings | 9 | 8 | 7 | 8 | 8 | 8 |
| Closures | 4 | 7 | 1 | 4 | 5 | 4 |
| Total sales floor space (m ²) | 150,674 | 151,292 | 159,537 | 162,013 | 164,327 | 168,201 |
| Sales per square meter (¥ Thousand)*2 | 550 | 562 | 582 | 631 | 626 | 622 |
| Full-time employees (fiscal year-end) | 844 | 877 | 895 | 929 | 927 | 900 |
| Part-time employees*3 | 1,757 | 1,745 | 1,745 | 1,889 | 1,958 | 2,015 |
| Sales per employee (¥ Thousand)*4 | 31,875 | 32,092 | 35,098 | 36,469 | 35,626 | 35,916 |
| Memberships (thousand) | 1,755 | 1,794 | 1,855 | 1,972 | 2,067 | 2,121 |

*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 = Net sales ÷ Average number of employees (including part-time employees)

Seven & i Food Systems

(¥ Million)

| | FY2013 | FY2014 | FY2015 | FY2016 | FY2017 | FY2018 |
|--|--------|--------|--------|--------|---------|--------|
| Revenues from operations | 78,238 | 78,484 | 80,932 | 83,839 | 82,562 | 80,350 |
| Net sales | 77,706 | 78,112 | 80,685 | 83,680 | 82,394 | 80,188 |
| Selling, general and administrative expenses | 51,349 | 51,669 | 52,844 | 52,636 | 52,001 | 49,692 |
| Operating income | 868 | 829 | 163 | 1,021 | 515 | 842 |
| Ordinary income | 1,043 | 990 | 302 | 1,121 | 595 | 907 |
| Net income | (439) | 275 | (449) | 457 | (1,688) | (523) |
| Capital expenditures | 1,407 | 2,277 | 3,518 | 1,853 | 3,348 | 2,076 |
| Depreciation and amortization*1 | 585 | 422 | 701 | 823 | 866 | 957 |
| Total assets | 44,144 | 44,511 | 46,700 | 43,979 | 40,901 | 36,638 |
| Net assets | 34,998 | 34,799 | 33,835 | 33,471 | 27,171 | 26,666 |
| Existing store sales increase (decrease) (Denny's) | 1.2 % | 2.1 % | 1.7 % | (0.2)% | (2.8)% | 1.0 % |
| Number of customers | (0.2)% | (1.2)% | (0.5)% | (3.5)% | 0.0 % | (1.7)% |
| Average spending per customer | 1.4 % | 3.4 % | 2.2 % | 3.4 % | (2.8)% | 2.8 % |
| Merchandise gross profit margin (Denny's) | 68.9 % | 69.4 % | 68.8 % | 68.2 % | 68.4 % | 68.0 % |
| Number of stores | 844 | 840 | 846 | 851 | 815 | 749 |
| Denny's | 385 | 385 | 392 | 389 | 386 | 377 |
| Others | 459 | 455 | 454 | 462 | 429 | 372 |
| Full-time employees (fiscal year-end) | 1,257 | 1,301 | 1,372 | 1,420 | 1,395 | 1,350 |
| Part-time employees*2 | 10,131 | 9,974 | 10,013 | 9,453 | 8,938 | 8,137 |
| Ratio of part-time employees | 88.8% | 88.4% | 87.9% | 86.9% | 86.2% | 85.3% |

*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 by adjusting their working hours to a 163-hour working month.

Financial Services

Seven Bank

(Fiscal year-end March, ¥ Million)

| | FY2013 | FY2014 | FY2015 | FY2016 | FY2017 | FY2018 |
|---|---------|---------|---------|---------|---------|-----------|
| Ordinary income | 94,105 | 99,832 | 105,648 | 110,465 | 113,109 | 116,650 |
| Ordinary profits | 32,013 | 37,142 | 38,258 | 39,002 | 38,911 | 42,262 |
| Net income | 19,515 | 22,325 | 24,457 | 26,107 | 26,871 | 29,106 |
| Total assets | 809,465 | 785,380 | 850,369 | 910,801 | 955,644 | 1,023,201 |
| Net assets | 137,091 | 151,142 | 166,814 | 183,174 | 199,602 | 217,036 |
| Ordinary deposits (fiscal year-end) | 238,770 | 227,728 | 253,040 | 292,142 | 336,023 | 393,753 |
| Time deposits (fiscal year-end) | 154,910 | 209,703 | 248,327 | 254,760 | 151,632 | 141,287 |
| Individual deposit accounts (thousand) | 1,066 | 1,214 | 1,405 | 1,562 | 1,690 | 1,827 |
| Number of installed ATMs (fiscal year-end) | 18,123 | 19,514 | 21,056 | 22,472 | 23,368 | 24,392 |
| 7-Eleven | 16,414 | 17,616 | 18,782 | 19,816 | 20,615 | 21,510 |
| Ito-Yokado | 305 | 312 | 315 | 320 | 305 | 294 |
| York-Benimaru | 69 | 71 | 86 | 118 | 154 | 167 |
| York Mart | 48 | 59 | 67 | 70 | 74 | 76 |
| Other ATMs in the Group | 78 | 84 | 85 | 91 | 90 | 84 |
| Outside the Group | 1,209 | 1,372 | 1,721 | 2,057 | 2,130 | 2,261 |
| Correspondent financial institutions | 584 | 589 | 594 | 595 | 601 | 600 |
| ATM-related fee income per transaction | ¥130.3 | ¥131.2 | ¥136.2 | ¥133.6 | ¥133.1 | ¥132.9 |
| Daily average transactions per ATM | 111.1 | 107.8 | 100.9 | 98.8 | 95.5 | 94.1 |
| Total number of transactions (million) | 698 | 736 | 743 | 782 | 796 | 815 |
| With banking financial institutions (million) | 638 | 673 | 679 | 712 | 724 | 739 |
| With non-banking institutions (million) | 59 | 62 | 64 | 70 | 71 | 75 |
| International money transfer service | | | | | | |
| Number of contract accounts (thousand) | 35 | 62 | 100 | 147 | 186 | 222 |
| Cumulative number of transfers (thousand) | 189 | 391 | 633 | 816 | 979 | 1,079 |
| Consumer loan service | | | | | | |
| Number of contract accounts (thousand) | 23 | 34 | 55 | 73 | 86 | 95 |
| Balance of loans | 3,387 | 5,257 | 10,406 | 16,208 | 19,829 | 22,715 |
| Gross profit margin | 52.0% | 52.2% | 62.6% | 80.6% | 64.9% | 72.7% |
| Full-time employees (fiscal year-end) | 453 | 458 | 445 | 456 | 472 | 468 |

Note: The number of full-time employees at the fiscal year-end includes employees on fixed-term contracts.

Seven Card Service

| | FY2013 | FY2014 | FY2015 | FY2016 | FY2017 | FY2018 |
|---|---------|---------|---------|---------|---------|---------|
| Transaction volume (¥ Billion)* ¹ | 1,280.9 | 1,596.6 | 2,099.4 | 2,501.8 | 2,790.6 | 2,925.1 |
| Number of cards issued (10 thousand) | | | | | | |
| SEVEN CARD plus/ SEVEN CARD (credit card and point card)* ² | 337 | 350 | 359 | 351 | 347 | 348 |
| nanaco (electronic money)* ³ | 2,145 | 2,839 | 3,717 | 4,543 | 5,350 | 5,983 |
| IY Point Card | 665 | 635 | 625 | 618 | 615 | 613 |
| Full-time employees (fiscal year-end) | 125 | 163 | 184 | 225 | 214 | 221 |

*¹ Shopping transaction volume using electronic money and credit cards.*² The number indicates active members.*³ The nanaco figure includes the number of mobile nanaco members.

Seven CS Card Service

| | FY2013 | FY2014 | FY2015 | FY2016 | FY2017 | FY2018 |
|---------------------------------------|--------|--------|--------|--------|--------|--------|
| Transaction volume (¥ Billion) | 678.4 | 694.6 | 717.3 | 719.3 | 713.5 | 708.6 |
| Number of cards issued (10 thousand) | | | | | | |
| CLUB ON/Millennium CARD SAISON* | 321 | 328 | 320 | 322 | 323 | 317 |
| Full-time employees (fiscal year-end) | 468 | 477 | 478 | 499 | 459 | 367 |

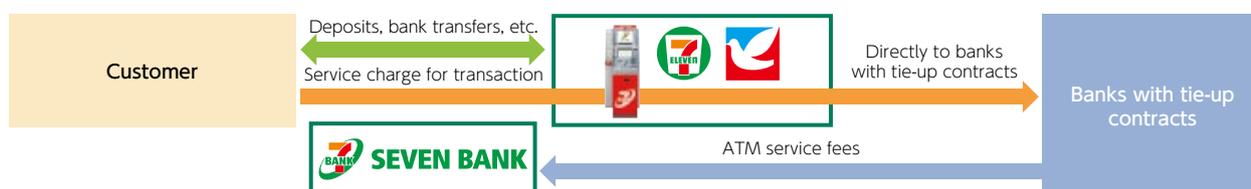
* The number indicates active members.

Financial Services

Bank Business

ATM Services

As of the end of March 2018, Seven Bank has tie-up contracts with 600 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 cardholders of these banks.



International Money Transfer Service

Seven Bank offers 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 FY2018 was 1,079,000, approximately 1.1 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 500,000 locations affiliated with Western Union in about 200 countries and regions around the world
- (4) Money can be received in as little as a few minutes from completion of the transfer



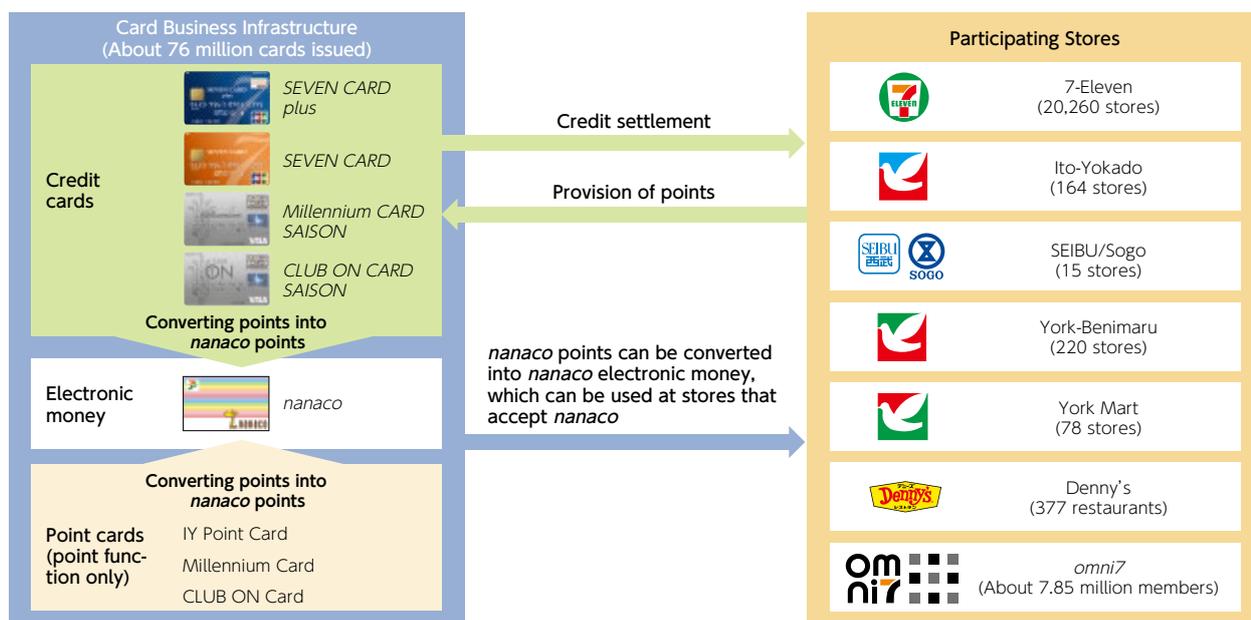
Card Business

Group Card Business

The Seven & i Group has issued about 76 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**.



Notes: 1. The numbers of cards issued, stores, and omni7 members are as of February 28, 2018.

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

* 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*.

Corporate Data

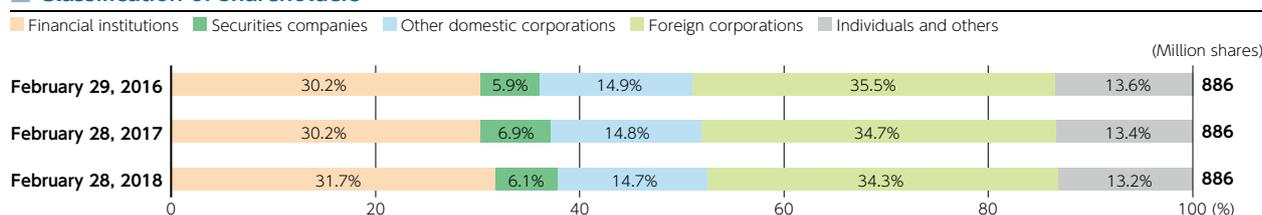
Stock Information

Major Shareholders

(As of February 28, 2018)

| | Number of shares held (thousand shares) | Percentage of shares held |
|--|---|---------------------------|
| Ito-Kogyo Co., Ltd. | 68,901 | 7.8% |
| The Master Trust Bank of Japan, Ltd. (Trust account) | 50,422 | 5.7% |
| Japan Trustee Services Bank, Ltd. (Trust account) | 42,329 | 4.8% |
| Nippon Life Insurance Company | 17,672 | 2.0% |
| GIC PRIVATE LIMITED – C | 17,035 | 1.9% |
| Masatoshi Ito | 16,799 | 1.9% |
| MITSUI & CO., LTD. | 16,222 | 1.8% |
| Japan Trustee Services Bank, Ltd. (Trust account 5) | 15,776 | 1.8% |
| Mitsubishi UFJ Morgan Stanley Securities Co., Ltd. | 13,952 | 1.6% |
| State Street Bank West Client – Treaty 505234 | 13,210 | 1.5% |

Classification of Shareholders



Stock Price Chart (Monthly)

Stock price (Yen)
6,000

4,000
2,000
0

Trading volume (Million shares)
120

80
40
0

(cy) 2012 2013 2014 2015 2016 2017 2018

| | FY2013 | FY2014 | FY2015 | FY2016 | FY2017 | FY2018 |
|----------------------------------|---------|---------|---------|---------|---------|---------|
| Stock price | | | | | | |
| Opening | ¥2,245 | ¥2,699 | ¥3,800 | ¥4,575 | ¥4,470 | ¥4,430 |
| High | ¥2,866 | ¥4,485 | ¥4,642 | ¥5,998 | ¥5,028 | ¥4,891 |
| Low | ¥2,222 | ¥2,680 | ¥3,611 | ¥4,370 | ¥4,051 | ¥4,234 |
| Closing | ¥2,706 | ¥3,813 | ¥4,574 | ¥4,495 | ¥4,400 | ¥4,461 |
| Trading volume (thousand shares) | 741,266 | 672,366 | 548,391 | 632,064 | 671,739 | 552,151 |

Investment Indices (Consolidated)

| | FY2013 | FY2014 | FY2015 | FY2016 | FY2017 | FY2018 |
|--|-------------|-------------|-------------|-------------|-------------|-------------|
| Number of shares outstanding | | | | | | |
| Average* | 883,532,139 | 883,564,722 | 884,064,278 | 884,132,485 | 884,214,252 | 884,531,496 |
| End of period* | 883,534,869 | 883,565,634 | 884,066,302 | 884,151,095 | 884,402,184 | 884,544,201 |
| Net income per share | ¥156.26 | ¥198.84 | ¥195.66 | ¥182.02 | ¥109.42 | ¥204.80 |
| Cash flow per share | ¥332.45 | ¥365.64 | ¥390.49 | ¥403.15 | ¥344.07 | ¥445.79 |
| Net assets per share | ¥2,140.45 | ¥2,371.92 | ¥2,601.23 | ¥2,683.11 | ¥2,641.40 | ¥2,744.08 |
| Price earnings ratio (times) | 17.3 | 19.2 | 23.4 | 24.7 | 40.2 | 21.8 |
| Price cash flow ratio (times) | 8.1 | 10.4 | 11.7 | 11.1 | 12.8 | 10.0 |
| Price book value ratio (times) | 1.3 | 1.6 | 1.8 | 1.7 | 1.7 | 1.6 |
| Dividends per share | ¥64.00 | ¥68.00 | ¥73.00 | ¥85.00 | ¥90.00 | ¥90.00 |
| Dividend payout ratio | 41.0% | 34.2% | 37.3% | 46.7% | 82.3% | 43.9% |
| Ratio of total amount of dividends to net assets | 3.1% | 3.0% | 2.9% | 3.2% | 3.4% | 3.3% |

* Figures exclude treasury stock.

Corporate History

■ Company establishment, capital policy and financial strategies ● Store openings and operating strategies

Before the establishment of Seven & i Holdings

- 1958 Apr.** ■ Yokado Co., Ltd. incorporated
- 1971 Mar.** ■ Yokado changed its name to Ito-Yokado Co., Ltd.
- 1972 Sept.** ■ Ito-Yokado listed on the Tokyo Stock Exchange (TSE)
- 1973 Mar.** ■ Business tie-up with York-Benimaru Co., Ltd.
- Nov.** ■ York-Seven Co., Ltd. established under a license agreement with the largest U.S. convenience store chain operator, The Southland Corporation
- Nov.** ■ Denny's Japan Co., Ltd. established under a license agreement with the U.S.-based restaurant chain, Denny's, Inc.
- 1974 May** ● Opened the first 7-Eleven store
- 1977 July** ■ Ito-Yokado registered American Depositary Receipts (ADRs) on NASDAQ
- 1978 Jan.** ■ York-Seven changed its name to Seven-Eleven Japan Co., Ltd.
- 1979 Oct.** ■ Seven-Eleven Japan listed on the TSE
- 1980 Nov.** ■ York-Benimaru listed on the TSE
- 1982 Feb.** ■ Denny's Japan listed on the TSE
- 1986 July** ■ Ito-Yokado's ADRs transferred from NASDAQ small-cap listing to the National Market System
- 1991 Mar.** ■ Ito-Yokado and Seven-Eleven Japan established IYG Holding Company to acquire and hold the major interest of The Southland Corporation
- 1996 Dec.** ■ Chengdu Ito-Yokado Co., Ltd. established in Chengdu, Sichuan Province, China
- 1997 Sept.** ■ Hua Tang Yokado Commercial Co., Ltd. established in Beijing, China
- 1999 May** ■ The Southland Corporation changed its name to 7-Eleven, Inc.
- 2000 July** ■ 7-Eleven, Inc. shares transferred from NASDAQ to NYSE
- 2001 Apr.** ■ IYBank Co., Ltd. established
- Oct.** ■ IY Card Service Co., Ltd. established
- 2003 May** ■ Ito-Yokado abolished the registration of ADRs on NASDAQ
- Aug.** ● The number of 7-Eleven stores in Japan topped 10,000
- 2004 Jan.** ■ SEVEN-ELEVEN (BEIJING) CO., LTD. established in Beijing, China
- 2005 Apr.** ● Grand opening of *Ario* Soga, the first *Ario* shopping center

Seven & i Holdings—From Establishment to Today

- 2005 Sept.** ■ Seven & i Holdings Co., Ltd. was established and listed on the TSE
- Oct.** ■ IYBank changed its name to Seven Bank, Ltd.
- Nov.** ■ 7-Eleven, Inc. made a wholly owned subsidiary
Made 7-Eleven, Inc. a wholly owned subsidiary with the aim of increasing long-term profits and promoting a global strategy.
- Nov.** ● Seven-Eleven Japan began to open stores in Gifu Prefecture
- Nov.** ● Ito-Yokado opened *Ario* Sapporo and *Ario* Kawaguchi
- 2006 Feb.** ■ Seven and Y Corp. made a subsidiary
Made Seven and Y a subsidiary as the core company in Group IT strategy.
- Feb.** ● Seven-Eleven Japan began to open stores in Mie Prefecture
- May** ● 7-Eleven stores in Japan commenced installation of the Sixth-Generation Total Information System
- June** ■ Millennium Retailing, Inc. made a wholly owned subsidiary through a stock-for-stock exchange
To strengthen the Group's department store operations, made Millennium Retailing, parent of Sogo and The Seibu Department Stores, a wholly owned subsidiary.
- July** ■ Seven & i Holdings cancelled 427,509,908 shares of treasury stock
Cancelled the shares of Seven-Eleven Japan and Denny's Japan, which Ito-Yokado had owned at the time of listing.
- Aug.** ■ White Hen Pantry, Inc. acquired by 7-Eleven, Inc.
The White Hen Pantry, Inc. convenience store chain owned approx. 200 stores in Chicago, U.S.
- Sept.** ■ York-Benimaru made a wholly owned subsidiary through a stock-for-stock exchange
Positioned as the core operating company of the super-market operations after transformation from an equity-method affiliate to a wholly owned subsidiary.
- Nov.** ● Group Merchandising Reform Project launched
- 2007 Jan.** ■ Seven & i Food Systems Co., Ltd. established
Established a new company with the aim of integrating and restructuring food services.
- Mar.** ■ THE LOFT CO., LTD. made a subsidiary
Millennium Retailing made THE LOFT, a nationwide chain of miscellaneous goods specialty stores, into a subsidiary.
- Mar.** ● 7-Eleven became the world's largest store chain
- Apr.** ● Seven-Eleven Japan launched *nanaco*, the Group's proprietary electronic money service
- May** ● Started sales of *Seven Premium*, the Group's new private-brand products
- July** ■ Akachan Honpo Co., Ltd. made a subsidiary
Ito-Yokado made Akachan Honpo, a nationwide chain of baby and children's products specialty stores, into a subsidiary.
- Aug.** ● Sales of *Seven Premium* products commenced at 7-Eleven stores in Japan
- Sept.** ■ Denny's Japan, Famil, and York Bussan merged into Seven & i Food Systems
- Nov.** ■ FUJIKOSHI CO., LTD. made a subsidiary
York-Benimaru made FUJIKOSHI, a supermarket chain in Fukushima Prefecture, into a subsidiary.
- Dec.** ■ NitteSeven Co., Ltd. established by Nippon Television Network Corporation, Dentsu Inc., and Seven & i Holdings
Seeking the integration of retail business and media, NitteSeven was established to develop a new business strategy.
- Dec.** ● Chengdu Ito-Yokado opened its Jin Hua store in Chengdu, Sichuan Province, China
- Dec.** ● *nanaco* introduced at Denny's restaurants
- 2008 Jan.** ■ SEVEN & i FINANCIAL GROUP CO., LTD. established
Established to oversee the Group's financial services-related management operations, excluding banking.
- Feb.** ■ Seven & i Holdings cancelled 11,329,000 shares of treasury stock
Cancelled all shares of treasury stock acquired from Seven-Eleven Japan in January 2008.
- Feb.** ■ Seven Bank listed on the Jasdq Securities Exchange
- Mar.** ● *nanaco* introduced at Ito-Yokado stores
- Mar.** ● Ito-Yokado opened *Ario* Otori
- Apr.** ■ SEVEN-ELEVEN CHINA Co., Ltd. established
Established to promote the development of 7-Eleven stores in China through area licensees.
- Apr.** ● QUICPay, postpaid electronic money, introduced at all 7-Eleven stores in Japan
- June** ● *nanaco* credit charge services launched
- July** ■ Seven & i Holdings issued 1st, 2nd, and 3rd unsecured domestic straight bonds in the total amount of ¥100 billion
- July** ■ Seven & i Net Media Co., Ltd. established
Established to further strengthen and take overall responsibility for IT-related operations.
- July** ■ Seven & i Holdings cancelled 50,000,000 shares of treasury stock
Cancelled all shares of treasury stock acquired from the market.
- Aug.** ■ Seven & i Holdings made a business and capital tie-up with AIN PHARMACIEZ INC.
A business and capital tie-up was made to promote cooperation with store opening, pharmaceutical product sales and development.

- Aug.** ■ Seven Farm Tomisato Co., Ltd. established—the Group's first agricultural production corporation
- Aug.** ● Ito-Yokado opened THE PRICE Nishiarai, its first discount store
-
- 2009**
- Jan.** ■ Seven Culture Network Co., Ltd. established
Established to start a new business by integrating existing community school business and travel business.
- Jan.** ● Seven-Eleven Japan began to open stores in Toyama and Fukui Prefectures
- Jan.** ● Seven Premium products received the "Most Excellent Award, Nikkei Award" of the 2008 Nikkei Superior Products and Services Awards
- Feb.** ● Seven-Eleven Japan began to open stores in Shimane Prefecture
- Apr.** ● 7-Eleven store openings through an area licensee commenced in Shanghai, China
- Aug.** ■ Millennium Retailing, Sogo, and The Seibu Department Stores were merged, and Sogo, as a surviving company, changed its name to Sogo & Seibu Co., Ltd.
- Sept.** ■ Robinson Department Stores merged into Sogo & Seibu
- Sept.** ● SEVEN-ELEVEN (BEIJING) opened its first stores in Tianjin, China
- Sept.** ● Seven-Eleven Japan entered a business alliance with Keihin Electric Express Railway Co., Ltd.
Business alliance formed with the aim of converting stores inside Keikyu Line stations into 7-Eleven stores.
- Oct.** ● Edy electronic money system introduced at all 7-Eleven stores in Japan
- Nov.** ● Started sales of wine simultaneously in Japan and North America as the Group's first private-brand product for the global market
- Nov.** ● Chengdu Ito-Yokado opened its Jian She Lu store in Chengdu, Sichuan Province, China
- Dec.** ■ New England Pantry, Inc. acquired by 7-Eleven, Inc.
The New England Pantry, Inc. convenience store chain owned 58 stores in Boston, U.S.
- Dec.** ■ Seven & i Holdings made a business and capital tie-up with PIA CORPORATION
A business and capital tie-up was made to promote cooperation with tickets and event-related businesses as well as membership businesses.
- Dec.** ● Seven-Eleven Japan began to open stores in Ishikawa Prefecture
- Dec.** ■ Seven and Y changed its name to Seven Net Shopping Co., Ltd.
- Dec.** ● Seven Net Shopping launched—the Group's Internet shopping service
-
- 2010**
- Jan.** ● Seven Bank started consumer loan services
- Mar.** ■ Seven & i Holdings made capital participation in Tower Records Japan, Inc.
Capital participation to foster cooperation in the entertainment, IT and Internet fields.
- Mar.** ● The number of *nanaco* cards issued exceeded 10 million
- June** ■ Seven & i Holdings cancelled 20,000,000 shares of treasury stock by purchasing them from the market
- June** ■ Seven & i Holdings issued 4th, 5th, and 6th unsecured domestic straight bonds in the total amount of ¥110 billion
- June** ■ Seven & i Asset Management Co., Ltd. established
Established to acquire and own trust beneficiary right (fixed assets) of SEIBU Ikebukuro.
- June** ● All 7-Eleven stores in Japan started handling credit card transactions using IY Cards and JCB cards
- July** ■ Seven Farm Co., Ltd. established
Established to enable centralized management of new agricultural production corporation launches and expansion, as well as the development of a food recycling network.
- Sept.** ■ Signed basic agreement concerning comprehensive business alliance with Credit Saison Co., Ltd.
Concluded the agreement to establish a joint venture between Credit Saison and Sogo & Seibu, thereby strengthening the Group's card business.
- Sept.** ■ Seven & i Asset Management acquired ownership of the land and building containing SEIBU Ikebukuro (totaling ¥123.0 billion)
- Sept.** ● Sales of high-end *Seven Premium Gold* products one rank up from *Seven Premium* commenced
- Sept.** ● All 7-Eleven stores in Japan started handling credit card transactions using VISA, MasterCard, American Express and Diners Club
- Oct.** ■ IY Card Service Co., Ltd. changed its name to Seven Card Service Co., Ltd.
- Oct.** ● Ito-Yokado opened Ito-Yokado *Shokuhinkan* Asagaya, an urban-style small supermarket
- Nov.** ● Seven-Eleven Japan extended the incentive system for multi-store operation
Introduced a new system for owners who operate two or more stores, under which the amount equivalent to 3% of gross profit on sales is deducted from the Seven-Eleven charges (royalty).
- Nov.** ● Seven-Eleven Japan formed a business alliance with Hokkaido Kiosk Corporation
Alliance formed with the aim of renewing convenience stores operated by Hokkaido Kiosk in major stations throughout Hokkaido as 7-Eleven stores.
- Nov.** ● Seven-Eleven Japan started the sale of various tickets handled by PIA CORPORATION using in-store multi-functional copy machines
- Dec.** ■ SEVEN-ELEVEN (CHENGDU) Co., Ltd. established
Established with the aim of expanding the network of 7-Eleven stores in Chengdu, Sichuan Province, China.
-
- 2011**
- Mar.** ■ SEVEN & i FINANCIAL GROUP CO., LTD., SE CAPITAL CORPORATION and Seven Cash Works Co., Ltd. merged, and SE CAPITAL, as a surviving company, changed its name to Seven Financial Service Co., Ltd.
- Mar.** ■ Seven-Eleven Japan acquired the 7-Eleven trademark in Japan
Seven-Eleven Japan acquired the rights held by 7-Eleven, Inc. for the use of the 7-Eleven trademark in Japan.
- Mar.** ■ 7-Eleven, Inc. acquired retail interests
7-Eleven, Inc. acquired a total of 183 convenience stores and other properties in Florida, U.S., previously held by Exxon Mobil Corporation.
- Mar.** ■ Lease agreement to operate retail stores by 7-Eleven, Inc.
7-Eleven, Inc. signed a lease agreement with the Illinois State Toll Highway Authority to operate 13 sites located at Tollway Oases in Illinois, U.S.
- Mar.** ● Seven-Eleven Japan opened its first store in Kagoshima Prefecture
- Mar.** ● All 7-Eleven stores in Japan started accepting payments and charges utilizing regional railway company electronic money systems
- Mar.** ● Seven Bank launched an international money transfer service
The service was launched in collaboration with Western Union, which offers the world's largest-scale money transfer services.
- Apr.** ■ Seven CS Card Service Co., Ltd. made a subsidiary
Initiative aimed at providing more comprehensive services in credit card, electronic money, and point services through cooperation with Seven Card Service.
- June** ■ 7-Eleven, Inc. acquired WFI Group, Inc.
WFI Group is the parent company of Wilson Farms, Inc., which operated 188 convenience stores in New York, U.S.
- June** ● Seven & i Holdings launched Groupwide *Seven & i Point Service*
Started a preferential point system to grant customers points for conducting credit card transactions using cards issued by Group companies.
- Sept.** ● Commenced *nanaco Point Club* service, in which points granted by Group companies can be converted into *nanaco* electronic money usable at stores operated by Group companies
- Nov.** ● Chengdu Ito-Yokado opened its Gaoxin store in Chengdu, Sichuan Province, China
- Dec.** ● Commenced Seven Spot free wireless Internet services
- Dec.** ■ Seven Bank listed on the TSE

Corporate History

- 2012 Jan.** ● Annual store sales of all 7-Eleven stores in Japan topped ¥3 trillion for the first time
- Jan.** ■ 7-Eleven, Inc. acquired retail interests
7-Eleven, Inc. acquired 51 convenience stores and other properties in Texas, U.S., previously held by Exxon Mobil Corporation.
- Feb.** ■ 7-Eleven, Inc. acquired retail interests
7-Eleven, Inc. acquired 55 convenience stores operated by Sam's Mart LLC in North Carolina and South Carolina, U.S.
- Mar.** ■ Seven Financial Service Co., Ltd. and K.K. York Insurance merged with Seven Financial Service as the surviving company
- Mar.** ● Started sales of electronic books via *Seven Net Shopping*
- Mar.** ● *nanaco* introduced at York Mart stores
- Mar.** ● Introduced Senior *nanaco*—electronic money issued with no service fees for customers aged 65 and older
- Apr.** ● *nanaco* introduced at York-Benimaru stores
- May** ● Started sales of the *Seven Lifestyle* brand of stationery and daily commodities with the concept of "Adding Higher Quality to Everyday Lives"
- May** ● Seven-Eleven Japan opened its first store in Akita Prefecture
- June** ■ Established SHAN DONG ZHONG DI CONVENIENCE CO., LTD.
The company was established by Seven-Eleven Japan as a joint venture with Zhongdi Group Co., Ltd. to develop 7-Eleven stores in Shandong, China.
- June** ■ Acquisition of retail interests by 7-Eleven, Inc.
7-Eleven acquired 23 convenience stores operated by Strasburger Enterprises, Inc. in Texas, U.S.
The company also acquired 18 convenience stores operated by Open Pantry Food Marts of Wisconsin, Inc. in Wisconsin, U.S.
- July** ● *Seven Raku-Raku Delivery* home delivery service was launched
- July** ■ Ito-Yokado (China) Investment Co., Ltd. established
In the superstore business in China, Ito-Yokado (China) Investment was established to oversee business and allow direct investment in its subsidiaries.
- Sept.** ■ Changed the business objective and increased the capital investment in SEVEN-ELEVEN CHINA Co. Ltd., and changed the company name to SEVEN-ELEVEN (CHINA) INVESTMENT CO., LTD.
- Oct.** ■ Established SEJ Asset Management & Investment Company
The company was established to strengthen the business framework for expanding operations and increasing earnings in North America.
- Oct.** ■ Acquisition of retail interests by 7-Eleven, Inc.
7-Eleven, Inc. acquired the following retail interests:
74 convenience stores operated by Prima Marketing LLC as an area licensee of 7-Eleven for West Virginia, Ohio, Pennsylvania, and Kentucky, U.S.
67 convenience stores and the fuel wholesale business operated by EZ Energy USA, Inc., in Ohio and Pennsylvania, U.S.
58 convenience stores operated by Handee Marts, Inc. as an area licensee of 7-Eleven for West Virginia and Maryland, U.S.
12 convenience stores operated by Fast Track, Inc. in North Carolina, U.S.
- Nov.** ■ SEVEN-ELEVEN (TIANJIN) CO., LTD. established
The company was established to proactively expand business operations in Tianjin, China.
- Nov.** ■ Acquisition of retail interests by 7-Eleven, Inc.
7-Eleven, Inc. acquired 174 convenience stores and the fuel wholesale business operated by Tetco, Inc. in Texas and Utah, U.S.
- Dec.** ■ Acquisition of retail interests by 7-Eleven, Inc.
7-Eleven, Inc. acquired 143 convenience stores and the fuel wholesale business operated by C.L. Thomas, Inc. in Texas, U.S.
- 2013 Feb.** ● The number of 7-Eleven stores in Japan topped 15,000
- Mar.** ● Seven-Eleven Japan opened its first stores in Kagawa and Tokushima Prefectures
- Mar.** ■ 7-Eleven, Inc. signed a lease agreement
7-Eleven, Inc. signed an agreement to operate 19 convenience stores in Pennsylvania, U.S., owned by Lehigh Gas Partners LP.
- Mar.** ■ Seven Bank issued 8th, 9th, and 10th series unsecured straight corporate bonds in the total amount of ¥55.0 billion
- Apr.** ● Seven-Eleven Japan launched *SEVEN CARD plus* featuring *nanaco* electronic money functionality
- Apr.** ■ Seven & i Holdings issued 7th, 8th, and 9th unsecured domestic straight bonds in the total amount of ¥100 billion
- Apr.** ■ Acquisition of retail interests by 7-Eleven, Inc.
7-Eleven, Inc. acquired 46 convenience stores operated by CB Mart, Inc. in South Carolina, U.S.
- July** ■ Ito-Yokado entered a business and capital alliance with DAIICHI CO., LTD.
Business and capital alliance formed with the aim of strengthening the food retail business base in the Hokkaido area.
- Sept.** ■ Seven Bank's wholly owned U.S. subsidiary FCTI acquired the ATM business of Global Access Corp.
- Oct.** ● Seven-Eleven Japan entered a business alliance with Shin-Keisei Electric Railway Co., Ltd.
Business alliance formed with the aim of converting stores inside Shin-Keisei Line stations into 7-Eleven stores.
- Nov.** ● Seven-Eleven Japan celebrated its 40th founding anniversary
- Dec.** ■ Capital and business alliance agreement signed with Nissen Holdings Co., Ltd.
Capital and business alliance formed with the aim of using the catalogue and Internet businesses of Nissen Holdings to advance the Omni-Channel Strategy.
- Dec.** ■ Business alliance formed with Tenmaya Store Co., Ltd. and Tenmaya Company, Limited
Ito-Yokado entered capital alliance with Tenmaya Store Co., Ltd.
Business alliance formed with the aim of strengthening the retailing operation base in Okayama and Hiroshima Prefectures.
- Dec.** ■ Entered a capital and business alliance with BALS CORPORATION
Capital and business alliance formed with the aim of selling high-value-added products through joint development of sundries-related products and pursuing collaboration in the Omni-Channel field.
- Dec.** ● Started opening 7-Eleven stores in Chongqing, China
- 2014 Jan.** ● Grand opening of Chengdu Ito-Yokado's Wenjiang store
- Jan.** ● *SEVEN CAFÉ* received "Most Excellent Award, Nikkei Award" of the 2013 Nikkei Superior Products and Services Awards
- Jan.** ■ Acquired shares of Barneys Japan Co., Ltd.
Acquired shares with the aim of strengthening product development capabilities in the department store business and to form alliances in the Omni-Channel field.
- Jan.** ■ Nissen Holdings Co., Ltd. made a consolidated subsidiary
- Mar.** ■ Seven Net Shopping Co., Ltd. was merged by Seven & i Net Media
- Mar.** ● Seven-Eleven Japan opened its first stores in Ehime Prefecture
- Mar.** ● Ito-Yokado was awarded the Minister of Agriculture, Forestry and Fisheries 2013 35th Food Industry Outstanding Corporation Award in the environmental division
- Mar.** ● Seven-Eleven Japan entered into a business alliance with West Japan Railway Company and West Japan Railway Daily Service Net Co., Ltd.
A business alliance formed to enable refurbishment of stores so they can become tie-up stores inside stations associated with West Japan Railway Co.
- May** ● Completion of the Sugito Fuel Storage Station
Stockpiled 400 kiloliters of fuel in Sugito Town, Saitama Prefecture, for emergency delivery to evacuation centers and stores.

- May** • Seven-Eleven Japan Memorial Foundation conducted Sendai Bay Seven & i Forest Project tree-planting
Supported regeneration of coastline trees as a disaster countermeasure in coastal areas along Sendai Bay with the Forestry Agency's Sendai Forestry Management Office.
- July** • Seven-Eleven Japan entered business alliances with JR Shikoku Railway Co., Ltd. and Shikoku Kiosk Co.
Business alliance formed with the aim of remodeling existing stores into tie-up stores within the JR Shikoku service area.
- July** • Started a new three-year plan for the Tohoku Kakehashi Project, a plan to support recovery from the Great East Japan Earthquake
- Nov.** • Grand opening of *GRAND TREE MUSASHIKOSUGI*
- Nov.** • Received the Best IR Award at the 19th Annual IR Grand Prix held by the Japan Investor Relations Association
- Dec.** ■ Seven Bank issued 11th series of unsecured straight corporate bonds in the total amount of ¥15.0 billion
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- 2015** **Jan.** • Awarded the Prime Minister's Award in the 1st Leading Companies Where Women Shine Awards held by the Prime Minister's Office
- Jan.** • Awarded a FY2014 Corporate Activity Award by the TSE
- Feb.** ■ Converted Barneys Japan Co., Ltd. into a consolidated subsidiary
- Feb.** • Annual store sales of all 7-Eleven stores in Japan topped ¥4.0 trillion
- Mar.** • Seven-Eleven Japan opened its first store in Kochi Prefecture
- Mar.** • Opened dedicated *Net Supermarket* store
Started operating the Seven & i *Net Supermarket* Nishi Nippori store.
- Mar.** • Business alliance formed with MANDAI Co., Ltd.
- Apr.** • Seven-Eleven Japan entered a business alliance with Kobe Electric Railway Co., Ltd. and Shintetsu Tourist Co., Ltd.
Business alliance formed with the aim of converting stores inside Shintetsu Line stations into 7-Eleven stores.
- May** ■ Acquisition of retail interests by 7-Eleven, Inc.
Acquired 181 convenience stores operated by Tedeschi Food Shops, Inc. in Massachusetts, U.S.
- June** ■ Seven & i Holdings issued 10th, 11th, and 12th unsecured domestic straight bonds in the total amount of ¥120.0 billion
- June** • Seven-Eleven Japan opened its first stores in Aomori Prefecture
- Oct.** • First 7-Eleven stores opened in the UAE
- Oct.** • Seven-Eleven Japan entered a business alliance with OSAKA MONORAIL CO., LTD.
Business alliance formed with the aim of converting stores inside Osaka Monorail stations into 7-Eleven stores.
- Oct.** • Seven-Eleven Japan opened its first stores in Tottori Prefecture
- Nov.** • Grand opening of *omni7*
- Nov.** ■ Acquired the fuel wholesale business operated by 7-Eleven, Inc.
Acquired 101 retail businesses related to gasoline and the fuel wholesale business operated by Biscayne Petroleum, LLC and Everglades Petroleum, LLC in Florida, U.S.
- Nov.** • Ito-Yokado awarded the METI Minister's Prize in the large retailer category of the Ninth METI Minister's Awards for Best Contributors to Product Safety
- Dec.** • Ito-Yokado awarded the Outstanding Prize (Health, Labour and Welfare Minister's Prize) in the First Awards for Enterprises Promoting Part-Time Workers to Play Active Roles at Work
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- 2016** **Mar.** ■ 7-Eleven, Inc. acquired retail interests
7-Eleven, Inc. acquired 148 convenience stores operated by Imperial Oil Limited in Alberta and British Columbia, Canada.
- Apr.** • Grand opening of *SEVENPARK ARIO KASHIWA*
- June** ■ 7-Eleven, Inc. acquired retail interests
7-Eleven, Inc. acquired 79 gas stations and convenience stores operated by CST Brands, Inc. in California and Wyoming, U.S.
- July** • Ito-Yokado awarded the Supply Chain Innovation Award (Ministry of Economy, Trade and Industry)
- Aug.** ■ Nissen Holdings Co., Ltd. made a wholly owned subsidiary
- Aug.** • 7-Eleven topped 60,000 stores globally
- Sept.** • Chosen as a component brand for the Dow Jones Sustainability Index Asia Pacific
- Oct.** ■ Formulated the three-year medium-term management plan
- Oct.** ■ Reached a basic agreement for a capital and business alliance with H2O Retailing Corp.
- Oct.** • Ito-Yokado certified as a gender-advanced company based on the law to promote active roles for women in the workplace
- Nov.** • Certified as a gender-advanced company based on the law to promote active roles for women in the workplace
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- 2017** **Jan.** • Chengdu Ito-Yokado Meishan store opened
- Mar.** • Chosen as a Nadeshiko Brand for 2017
- Apr.** • Seven-Eleven Japan opened its first store on the Joshin-etsu Expressway
- June** • First 7-Eleven store opened in Vietnam
- June** • First 7-Eleven store opened in Zhejiang Province, China
- July** • Reached a basic agreement for a business alliance with ASKUL Corporation
The two companies mutually referred customers between the Group's e-commerce website *omni7* and ASKUL's e-commerce website *LOHACO*, offering a new business format that uses the *LOHACO* platform.
Business tie-up with aims that include starting the *IY Fresh* service.
- Oct.** • Started childcare service for employees of franchised stores
Opened the Seven Nana Iro Nursery School.
- Oct.** • Seven-Eleven Japan phased in the Seventh-Generation Total Information System nationwide
- Oct.** ■ Seven-Eleven Japan established the wholly owned subsidiary Seven-Eleven Okinawa Co., Ltd.
- Nov.** • Grand opening of *PRIMETREE AKAIKE*
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- 2018** **Jan.** ■ 7-Eleven, Inc. acquired retail interests
7-Eleven, Inc. acquired 1,030 gas stations and convenience stores operated by Sunoco LP in Texas, Florida, and elsewhere in the U.S.
- Jan.** • 7-Eleven topped 20,000 stores in Japan
- Feb.** • Received the Excellence Award for its Sustainable Value Report in the Environmental Report Section of the 21st Environmental Communication Awards hosted by the Ministry of the Environment and the Global Environmental Forum
- Feb.** • Received Bronze Class Distinction in the RobecoSAM Sustainability Awards 2018
- Mar.** • Reached a basic agreement for a business alliance with Odakyu Electric Railway Co., Ltd. and Odakyu Shoji Co., Ltd.
- Apr.** • Business alliance formed with IZUMI CO., LTD.



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