



**Seven & i Holdings Co., Ltd.
Financial Results Presentation
for the Third Quarter of FY2012**

**January 6, 2012
Seven & i Holdings Co., Ltd.**

**Consolidated Financial Results
for the Nine Months ended November 30, 2011**

Overview of Consolidated Financial Results

Pro forma net income* for the nine months ended November 30, 2011 was 125.9% YOY, 113.6 billion yen.

*Net income excluding the impact of asset retirement obligations and loss on disaster.

(Billions of yen)

	Third Quarter (from Sept. to Nov.)			Nine Months ended Nov. 30, 2011		
	Amount	YOY	Change from previous year	Amount	YOY	Change from previous year
Group's total sales*	2,027.2	107.7%	+144.6	6,004.6	106.4%	+360.7
Revenues from operations	1,191.2	94.1%	(75.1)	3,548.4	92.8%	(277.0)
Operating income	66.0	117.0%	+9.6	216.2	123.0%	+40.4
Net income	30.8	111.1%	+3.0	83.6	92.7%	(6.5)

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

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Operating Income by Business Segments

Results in the third quarter were led by convenience stores, superstores, and financial services.

(Billions of yen)

	Third Quarter (from Sept. to Nov.)			Nine Months ended Nov. 30, 2011		
	Amount	YOY	Change from previous year	Amount	YOY	Change from previous year
Convenience stores	57.1	105.6%	+3.0	166.9	106.6%	+10.3
Superstores	0.7	-	+2.8	21.8	-	+20.4
Department stores	(0.7)	-	+0.3	1.4	-	+3.5
Food services	(0.6)	-	(0.0)	(0.3)	-	(0.0)
Financial services	9.1	130.5%	+2.1	25.4	115.0%	+3.3
Others	0.2	-	+1.1	1.3	-	+2.7
Consolidated operating income	66.0	117.0%	+9.6	216.2	123.0%	+40.4



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Special Gains / Losses

Loss on disaster [24.5 billion yen] and asset retirement obligation [22.5 billion yen] was booked on special losses, a total of approximately 47.0 billion yen.

	(Billions of yen)		
	Nine Months ended Nov. 30, 2011	Change	Nine Months ended Nov. 30, 2010
Special gains	6.9	(13.7)	20.6
Gain on donations received	-	(7.0)	7.0
Gain on changes in accounting policies applied to foreign subsidiary	4.5	+4.5	-
Others	2.4	(11.2)	13.6
Special losses	61.0	+33.4	27.5
Loss on disaster	24.5	+24.5	-
Asset retirement obligations	22.5	+22.5	-
Impairment loss	6.8	(7.4)	14.2
Others	7.1	(6.1)	13.2

Plans of Consolidated Financial Results for FY2012

Plans of Consolidated Financial Results

Pro forma net income* for the FY2012 is forecast to be 131.3% YOY, 147.0 billion yen.

*Net income excluding impact of asset retirement obligations, loss on disaster, and application of the consolidated tax payment system.

(Billions of yen)

	FY2012 Plans		
	Amount	YOY	Change from previous year
Group's total sales*	8,019.0	106.3%	+471.8
Revenues from operations	4,780.0	93.4%	(339.7)
Operating income	286.0	117.5%	+42.6
Net income	127.0	113.4%	+15.0

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

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Plans of Consolidated Financial Results: Operating Income by Business Segment

Expect growth in operating income for all business segments.

(Billions of yen)

	FY2012 Plans		
	Amount	YOY	Change from previous year
Convenience stores	208.5	106.7%	+13.0
Superstores	35.0	222.8%	+19.2
Department stores	9.0	160.1%	+3.3
Food services	0.8	-	+0.9
Financial services	31.0	109.4%	+2.6
Others	2.5	-	+3.1
Consolidated operating income	286.0	117.5%	+42.6



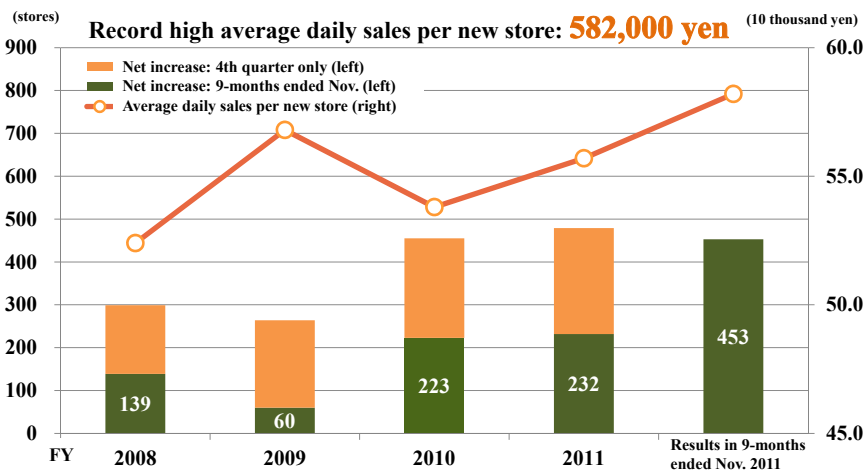
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Progress with Business Strategies

Convenience Store Operations: Seven-Eleven Japan

Store opening initiatives

- By the end of third quarter of FY2012, we have achieved the same level of net increase of stores that was recorded in the FY2011 and FY2010
- Achieved both a record high store openings and record high average daily sales per new store.



Convenience Store Operations: Seven-Eleven Japan

Merchandising

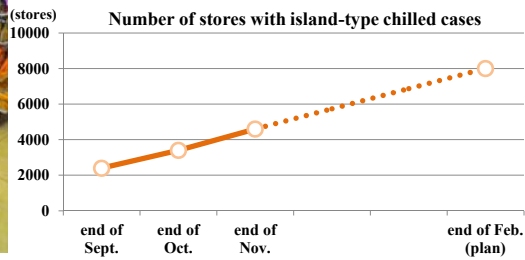
●Strengthen daily food products

→The introduction of island-type chilled cases is basically proceeding according to the plan.



End of Nov. 2011
Approx. 4,600 stores

End of Feb. 2012 (plan)
8,000 stores



Average daily sales at stores with island-type chilled cases increased
approx. 20,000 yen YOY

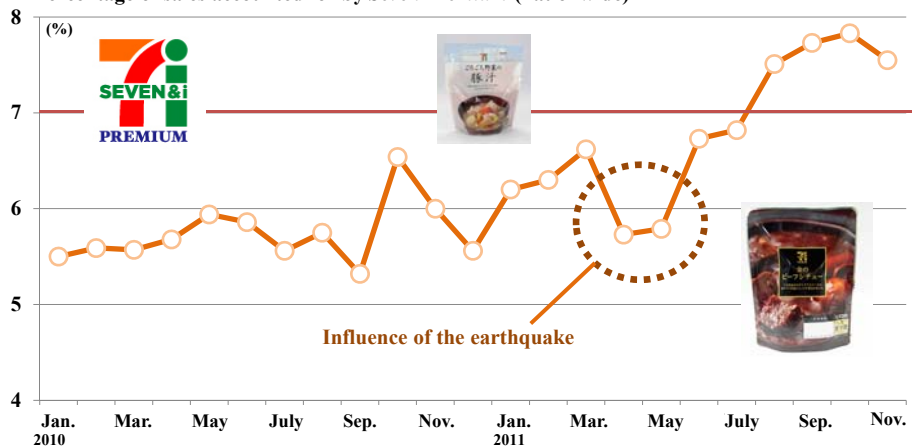
Convenience Store Operations: Seven-Eleven Japan

Merchandising

●Strengthening Seven Premium

→In the FY2012, the first half was sluggish due to the influence of the earthquake, but in recent months, *Seven Premium* has accounted for more than 7% of sales.

●Percentage of sales accounted for by Seven Premium (nationwide)

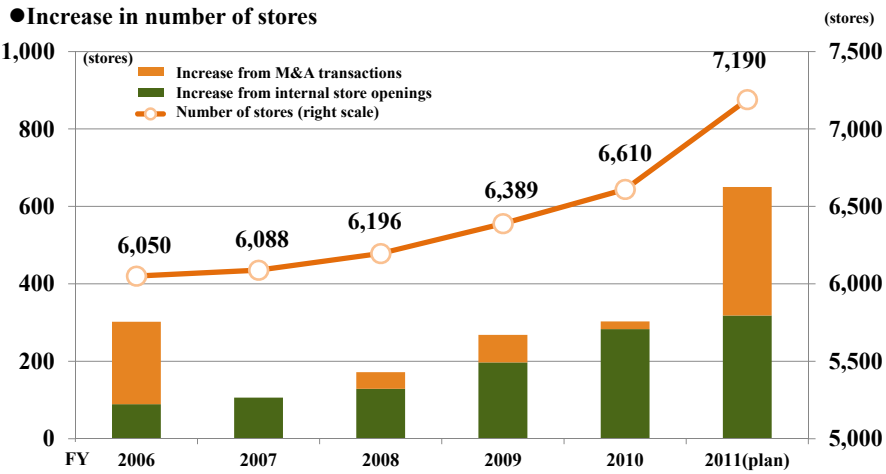


* Percentage of sales accounted for by Seven Premium is the share of total store sales.

Convenience Store Operations: Global

North American operations

- **Store openings / closures (as of the end of December)**
→ Including M&A transactions, record high increase in number of stores



* Fiscal year-end: December

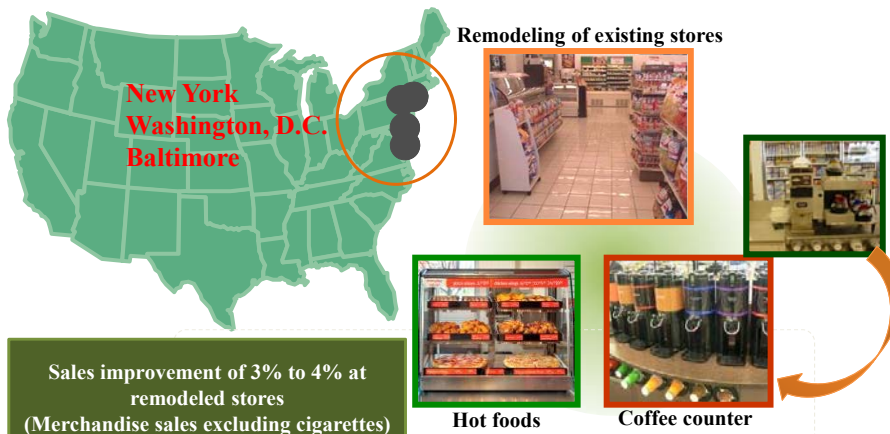


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Convenience Store Operations: Global

North American operations

- **Implementing Consolidated Market Rollout (CMR) initiative**
→ Providing a new, improved purchase experience to customers
No. of stores with new system: 945 stores (as of the end of Dec. 2011)



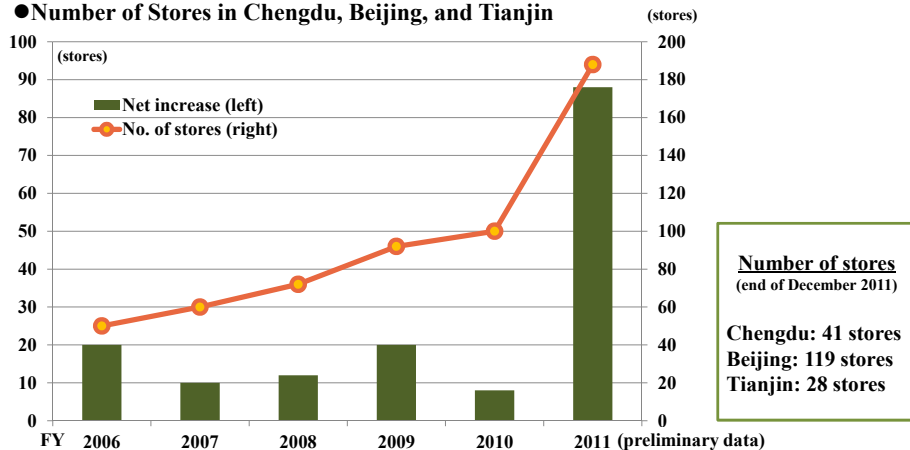
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Convenience Store Operations: Global

China operations

- In Chengdu, store openings commenced in March 2011 and are proceeding favorably.
- Seven-Eleven has 1,785 stores, including area licensees (end of December 2011).
→Of these, 188 stores developed by subsidiaries (end of December 2011).

● Number of Stores in Chengdu, Beijing, and Tianjin



* Fiscal year-end: December

* The figures for the end of December 2011 is preliminary data



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Superstore Operations: Ito-Yokado

Principal operating policies

Restructuring

Creating GMS from a new viewpoint

1) Making progress in reforming apparel department

- Building integrated sales system that extends from product development and sales promotion to sales-area creation and customer service. Major brands include [good day], [GALLORIA][L&B], [Kent], and [BODY HEATER].

2) Developing quality products and strengthening customer service

- Developing quality products with an emphasis on freshness and taste (direct delivery from producing regions, fish and seafood caught that morning in nearby coastal waters).
- Strengthening and training in customer service using Sogo & Seibu's sales trainers.

3) Developing store formats and Group Synergy Effects

- Converting existing stores to Ario mall-type shopping centers / urban-style small supermarket format
- Enhancing tenants through Sogo & Seibu, Akachan Honpo, THE LOFT, and *Seven Bi no Gardens*.

* GMS: General Merchandise Store



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Superstore Operations: Ito-Yokado

Apparel Reform

- Expanding private brands:
 - Improve margins and increase percentage of products sold at the initial listed price through apparel merchandising reforms for the four core brands.

【Four core private brands】



【Four core private brand's sales ratio to each department sales】

- Women's: approx. 25%
- Men's: approx. 10%
- Underwear: approx. 15%

- Contribution to improved merchandise gross profit margin: PB's margin exceeds all-department average by more than 10 percentage points.
- Utilization of Sogo & Seibu's sales trainers: Increasing average sales per customer and ratio of average number of purchase per customer by strengthening customer service capabilities.
- Status of progress: Making favorable progress toward the 20% sales ratio target for four PB ratio. Especially strong progress made by [GALLORIA][L&B].

Improvement in apparel gross profit margin in the third quarter only: +1.4 %

* 4PB ratio and merchandise gross profit margin are actual figures for the third quarter only in FY2012 13

Superstore Operations: Ito-Yokado

Sales Area Reforms

- FY2012 Plan: Restructuring reforms at 27 stores, "activation" investment at 17 stores
- Example of reforms of regional stores: Ario Matsumoto (December 16, 2011 reopened after remodeling)

Before remodeling	Directly managed: 11,471 sq. meters Tenants: 1,529 sq. meters		Directly managed: 4,735 sq. meters (▲6,736 sq. meters) Tenants: 8,265 sq. meters (+6,736 sq. meters)
7F	Restaurant zone		(Famil)
6F	Lifestyle sundries, shoes		
5F	Men's fashion, books		
4F	Sundries, toys & hobby		
3F	Babies, kids		(Akachan Honpo)
2F	Ladies, beauty salon, relaxation		
1F	Flowers		(Seven bi no garden)
B1	Bakery		

Tenants

IY directly managed sales areas

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Superstore Operations: Ito-Yokado

Pricing / sales promotion policies

- Revision of pricing policy: Increase percentage of products sold at the initial listed price through the development of high-quality products.
- Revision of sale promotion policy: Restriction of large-scale sales promotion and the use of flyers.

	Sales promotion	FY2011	FY2012
Mar.	Cash back	Five days	None
Apr.	Trade ins	Five days	None
May	Trade ins	Eight days	None
Jun.	Cash back	Six days	None
Oct.	Cash back	Six days	None

Results in sale promotion period (30 days)

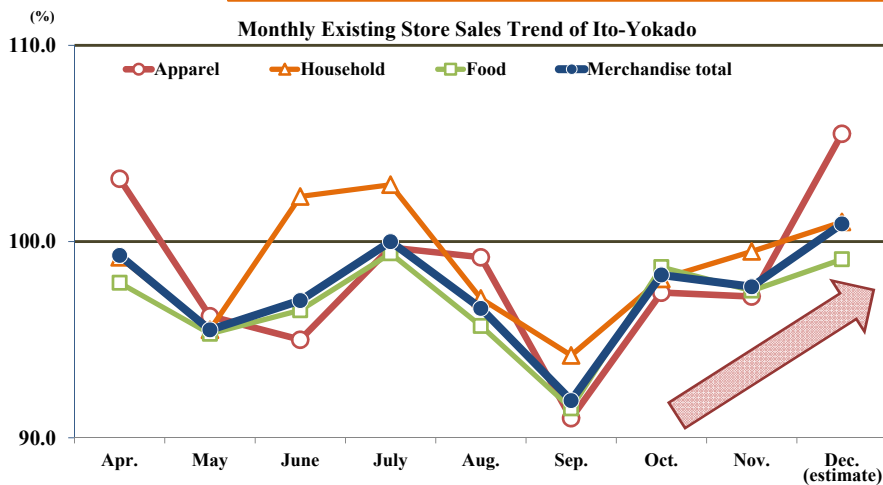
- Sales: 90% YOY
- Gross margin after sales promotion cost deduction: 105% YOY

	1st half FY2011	3rd quarter FY2011	4th quarter FY2011	1st quarter FY2012	2nd half FY2012	3rd quarter FY2012
Existing store sales increase	(2.5)%	(1.5)%	(3.3)%	(4.4)%	(2.1)%	(4.1)%
Merchandise Gross Profit Margin (change)	(0.1)%	+0.2%	+0.2%	+1.6%	+1.1%	+0.4%
Change in real costs (including sales discounts)	(5.6) bn yen	+2.9 bn yen	(4.0) bn yen	(3.1) bn yen	(3.8) bn yen	(3.8) bn yen

Superstore Operations: Ito-Yokado

Sales trend by product categories

- In the third quarter, sales were sluggish due to a reduction in sales promotions and to unseasonable weather.
- Sales was favorable in largest sales month of December, which was in the second year since pricing and sales promotion initiatives were revised.

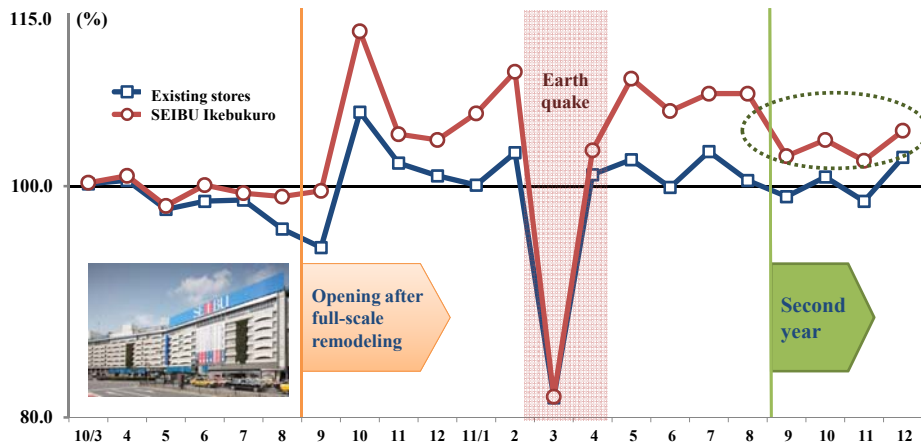


Department store Operations: Sogo & Seibu

Sales at SEIBU Ikebukuro

- Sales continue to increase YOY even in second year since remodeling
 - SEIBU Ikebukuro driving the company's results (contribution made by increase in number of customers making purchases)

● Rate of growth in monthly sales at SEIBU Ikebukuro (excluding corporate sales)



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