

Seven & i Holdings Co., Ltd.
Financial Results Presentation for the
Fiscal Year ended February 28, 2013

April 5, 2013

Seven & i Holdings Co., Ltd.



Consolidated Financial Results for the
Fiscal Year ended February 28, 2013

Overview of Consolidated Financial Results

Achieved growth in both revenues and income

(Billions of yen)

	FY2013 Results			
	Amount	YOY	Change from the previous year	Change from the plan
Group's total sales*	8,507.6	105.7%	+459.4	(22.3)
Revenues from operations	4,991.6	104.3%	+205.2	(38.3)
Operating income	295.6	101.2%	+3.6	(12.3)
Net income	138.0	106.3%	+8.2	(4.9)

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



Copyright (C) Seven & i Holdings Co., Ltd. All Rights Reserved.

1

Operating Income by Business Segment

Operating income up for convenience store operations, but down for superstore operations and department store operations

(Billions of yen)

	FY2013 Results			
	Amount	YOY	Change from the previous year	Change from the plan
Consolidated operating income	295.6	101.2%	+3.6	(12.3)
Convenience stores	221.7	103.3%	+7.1	(9.8)
Superstores	25.4	78.6%	(6.9)	(0.3)
Department stores	8.0	80.7%	(1.9)	(3.7)
Food services	0.7	-	+0.8	(0.3)
Financial services	37.4	110.8%	+3.6	+1.8
Others	3.8	168.7%	+1.5	+0.2



Copyright (C) Seven & i Holdings Co., Ltd. All Rights Reserved.

2

Operating Income for Major Operating Companies

Seven-Eleven Japan and 7-Eleven, Inc. achieved record-high operating income and Ito-Yokado exceeded the plan

(Billions of yen)

	FY2013 Results			
	Amount	YOY	Change from the previous year	Change from the plan
Seven-Eleven Japan	186.7	102.0%	+3.6	(8.2)
7-Eleven, Inc.	38.1	116.6%	+5.4	(1.8)
Ito-Yokado	9.0	85.4%	(1.5)	+2.0
York-Benimaru (including Life Foods*)	15.5	84.5%	(2.8)	+0.2
Sogo & Seibu	10.0	90.0%	(1.1)	(2.4)

*Life Foods is a wholly owned subsidiary which produces and sells delicatessen in York-Benimaru stores.



Copyright (C) Seven & i Holdings Co., Ltd. All Rights Reserved.

3

Special Gains / Losses

Special losses decreased drastically

(Billions of yen)

	FY2013 Results	Change from the previous year	FY2012 Results
Special Gains	2.1	(8.2)	10.4
Special Losses	35.2	(37.5)	72.7
Loss on disaster and Asset retirement obligations	-	(48.2)	48.2
Impairment loss	18.3	+3.8	14.4
Department store operations	7.7	+5.7	2.0
Others	10.5	(1.8)	12.4
Loss on disposals of property and equipment	6.6	+1.1	5.4
Others	10.2	+5.6	4.6
Impairment of goodwill for Beijing Wang fu jing Yokado	3.2	+3.2	-
Provision for store closing losses on two department stores	1.9	+1.9	-



Copyright (C) Seven & i Holdings Co., Ltd. All Rights Reserved.

4



Plans of Consolidated Financial Results for the Fiscal Year ending February 28, 2014

Plans of Consolidated Financial Results

Plans increased revenues and profit even disregarding the special factors

(Billions of yen)

	FY2014 Plans			Special Factors (Amount represent impact to the profit and loss)
	Amount	YOY	Change from the previous year	
Total Group sales*	9,560.0	112.4%	+1,052.3	<ul style="list-style-type: none"> SEJ: +214.5 bn yen SEI: +796.8 bn yen (currency effect: approx. +350.0 bn yen)
Revenues from operations	5,640.0	113.0%	+648.3	<ul style="list-style-type: none"> Currency effect: approx. +237.0 bn yen
Operating income	340.0	115.0%	+44.3	<ul style="list-style-type: none"> Effect from the change in depreciation method for property and equipment: +24.8 bn yen Currency effect: approx. +6.5 bn yen
Net income	170.0	123.1%	+31.9	

Exchange rate (income statements): FY2013 results 79.81 yen => FY2014 plan 92.00 yen [(12.19)yen YOY]

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



Copyright (C) Seven & i Holdings Co., Ltd. All Rights Reserved.

Plans of Consolidated Financial Results: Operating Income by Segment

Plans income growth for all business segments

(Billions of yen)

	FY2014 Plans			
	Amount	YOY	Change from the previous year	Amount effected from the change in depreciation method for property and equipment
Consolidated operating income	340.0	115.0%	+44.3	+24.8
Convenience stores	249.0	112.3%	+27.2	+11.0
Superstores	39.6	155.3%	+14.1	+9.6
Department stores	8.9	110.8%	+0.8	+0.2
Food services	1.4	194.0%	+0.6	+0.2
Financial services	41.4	110.6%	+3.9	+3.0
Others	4.0	102.9%	+0.1	+0.7



Copyright (C) Seven & i Holdings Co., Ltd. All Rights Reserved.

6

Plans of Capital Expenditures by Segment

Continues to invest with a focus on convenience store operations

(Billions of yen)

	FY2014 Plans		
	Amount	YOY	Change from the previous year
Consolidated capital expenditures	340.0	101.7%	+5.7
Convenience stores	204.0	95.2%	(10.2)
Superstores	69.0	127.2%	+14.7
Department stores	16.0	87.6%	(2.2)
Food services	1.2	85.3%	(0.2)
Financial services	43.0	105.0%	+2.0
Others	6.8	157.0%	+2.4
Corporate	-	-	(0.7)



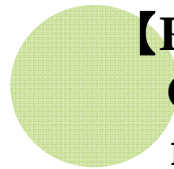
Copyright (C) Seven & i Holdings Co., Ltd. All Rights Reserved.

7

Plans of Capital Expenditures for Major Operating Companies

(Billions of yen)

	FY2014 Plans			Major plans
	Amount	YOY	Changes from the previous year	
Consolidated capital expenditures	340.0	101.7%	+5.7	
Seven-Eleven Japan	115.0	102.2%	+2.4	<ul style="list-style-type: none"> • Store openings: 1,500 stores • Invest in existing stores to strengthen its operational capability by introduction of coffee machines, etc.
7-Eleven, Inc. [include goodwill]	87.0	84.5% [56.0%]	(16.0) [(68.4)]	<ul style="list-style-type: none"> • Store openings: 600 stores YOY (478) stores • Remodeling expenses for converting M&A stores to 7-Eleven stores which was acquired last year
Ito-Yokado	44.6	145.9%	+14.0	<ul style="list-style-type: none"> • Store openings: 3 Ario stores • Include advance investment for store opening in FY2015
York-Benimaru	14.5	148.3%	+4.7	<ul style="list-style-type: none"> • Store openings: 14 stores YOY +3 stores • Aggressive store openings to deepen area concentration



【Reference】

Overview of Financial Results for Major Operating Companies

Results and Forecasts for Electricity Expenses

- Electricity expenses for consolidated and major operating companies (Billions of yen)

	FY2013 Results		FY2014 Plans	
	Amount	Change from the previous year	Amount	Change from the previous year
Seven-Eleven Japan	34.2	+5.0	/	/
Ito-Yokado	19.2	+1.6		
York-Benimaru	4.5	+0.5		
Sogo & Seibu	6.8	+0.5		
Others	26.9	+1.4		
Consolidated	91.7	+9.2		

Increased surcharge	+7.6
Reduction measures such as LED lighting	▲4.2
Increase due to new stores, etc.	+5.8

+6.0
▲3.5
+4.7

Convenience Store Operations: Results (1)

Seven-Eleven Japan

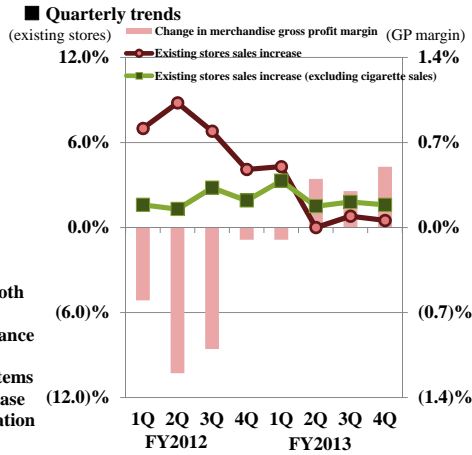


Record-high income achieved due to growth in both sales and merchandise gross profit margin, partly due to investment in existing stores

	Results	YOY
Operating income	186.7 bn yen	102.0% +3.6 bn yen
Existing store sales increase	+1.3%	
Merchandise gross profit margin	30.0%	+0.3%

Overview

- Opened 1,354 stores with net increase of 1,067 stores, both record-highs
- Existing store sales increased due to favorable performance in original daily food products, following a policy of strengthening these categories, and in *Seven Premium* items
- SG&A expenses increased 11.9% YOY, due to the increase in stores, enhanced support for franchisees, and installation of chilled cases, etc.



10

Copyright (C) Seven & i Holdings Co., Ltd. All Rights Reserved.

Convenience Store Operations: Results (2)

7-Eleven, Inc.

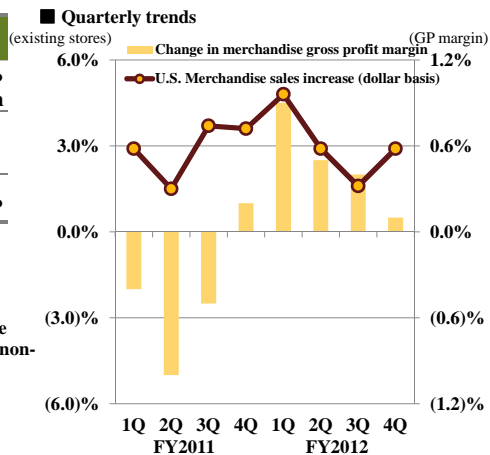


Record-high income as a result of increase from favorable sales of core products and improved merchandise gross profit margin

	Results	YOY
Operating income	38.1 bn yen	116.6% +5.4 bn yen
Existing stores sales increase (U.S. Merchandise sales in dollar basis)	+2.9%	
Merchandise gross profit margin	35.2%	+0.5%

Overview

- Opened a record-high 1,078 stores including store acquisitions, etc., with net increase of 969 stores
- High growth in merchandise sales and merchandise gross profit margin due to strong performances in non-alcoholic beverages, fresh foods and hot foods, and *7-Select* private-brand products
- Increase in gross profit on gasoline due to higher prices and sales volume



*Fiscal year-end: December



11

Copyright (C) Seven & i Holdings Co., Ltd. All Rights Reserved.

Convenience Store Operations: FY2014 Plans

Seven-Eleven Japan

Operating income: 205.0 bn yen [YOY109.8%, Change +18.2 bn yen]

	Plans [YOY]	Remarks
Total store sales	3,723.0 bn yen[106.1%]	Contribution by improvement in existing stores and new store openings
Existing store sales increase	+0.5%	Impact of cigarette: (1.2)%
Merchandise gross profit margin	30.5%[+0.5%]	Impact of cigarette: +0.3%
Number of stores	16,222 stores[+1,150 stores]	Openings: 1,500 stores Closures: 350 stores

7-Eleven, Inc.

Operating income: 49.7 bn yen [YOY130.2 %, Change +11.5 bn yen]

	Plans [YOY]	Remarks
Total store sales	2,649.0 bn yen[143.0%]	Improvements in existing stores and increase in gasoline sales
Existing stores sales increase (U.S. merchandise)	+2.5%	Strengthen operational capability and contribution by remodeling
Merchandise gross profit margin	35.3%[+0.1%]	Expansion of fresh food and private-brand product, 7-Select
Number of stores	8,533 stores [+415 stores]	Openings: 600 stores Closures: 185 stores

Superstore Operations: Results (1)

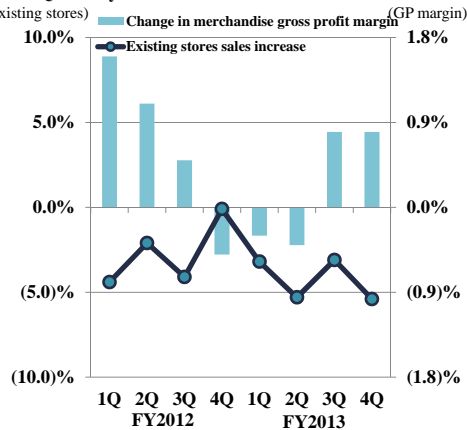
Ito-Yokado



Income increased in the second half coming in 2.0 billion yen higher than planned, mainly due to improved merchandise gross profit margin

	Results	YOY
Operating income	9.0 bn yen	85.4% (1.5 bn yen)
Existing store sales increase		(4.3)%
Merchandise gross profit margin	29.9%	+0.2%

Quarterly trends



Overview

- Sales were down due to weather conditions and backswing from post-earthquake surge, but merchandise gross profit margin improved, mainly for apparel.
- Electricity expenses increased, however SG&A in total were down due to cuts in labor cost, promotional expenses and rent fees.
- Operating income for the second half was 185% YOY (up 3.7 billion yen), coming in 2.0 billion yen higher than planned for the whole year

Superstore Operations: Results (2)

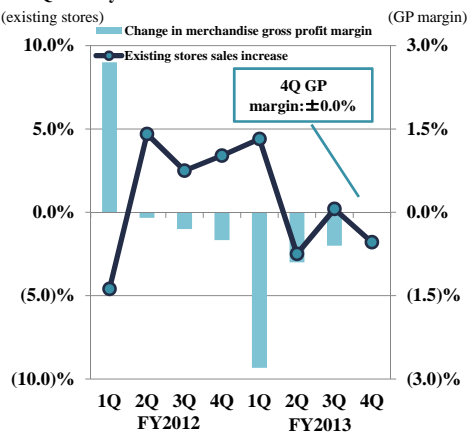
York-Benimaru



Despite a backswing from the post-earthquake demand surge in the previous year, achieved operating income as planned

	Results	YOY
Operating income	11.8 bn yen	79.3% (3.1 bn yen)
Existing store sales increase		±0.0%
Merchandise gross profit margin	26.0%	(1.0)%
Operating income (including Life Foods)*	15.5 bn yen	84.5% (2.8 bn yen)

Quarterly trends



Overview

- Existing store sales: +1.5% from two years ago
- Merchandise gross profit margin declined in a backswing from a post-earthquake demand surge in the previous fiscal year
- Operating income including Life Foods: 135%, 4.0 billion yen increase from two years ago, which was higher than planned

Superstore Operations: FY2014 Plans

Ito-Yokado

Operating income: 16.8 bn yen [YOY186.5%, Change +7.7 bn yen]

	Plans [YOY]	Remarks
Net sales	1,295.0 bn yen[99.4%]	—
Existing store sales increase	(2.8)%	Assume uncertain consumption environment continues
Merchandise gross profit margin	30.2%[+0.3%]	Expect improvements mainly on apparel and food
Number of stores	177 stores [+3 stores]	Openings 6 stores (3 Ario, 3 others) Closures: 3 stores

York-Benimaru

Operating income: 14.3 bn yen [YOY120.6%, Change +2.4 bn yen]

*Operating income (including Life Foods): 18.8 bn yen [YOY120.8%, Change +3.2 bn yen]

	Plans [YOY]	Remarks
Net sales	380.0 bn yen[106.1%]	Contribution by growth in existing stores and new stores
Existing store sales increase	+1.4%	Strengthening weekdays and differentiation by fresh food
Merchandise gross profit margin	26.2%[+0.2%]	Management of fresh food and strengthening sales of private-brand products
Number of stores	196 stores [+12 stores]	Openings: 14 stores* Closure: 1 store

*Out of 14 store openings by York-Benimaru, 1 store is the reopening of remodeled store that had been closed as a result of the earthquake disaster.



Copyright (C) Seven & i Holdings Co., Ltd. All Rights Reserved.

Department Store Operations: Results

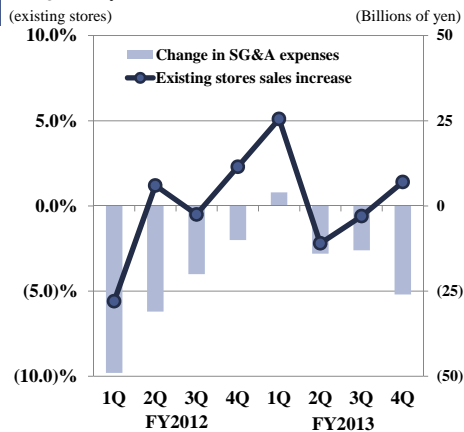
Sogo & Seibu



Income down due to lower existing store sales and merchandise gross profit margin, resulting primarily from weather conditions

	Results	YOY
Operating income	10.0 bn yen	90.0% (1.1) bn yen
Existing store sales increase	+0.9%	
Merchandise gross profit margin	24.9%	(0.2)%

Quarterly trends



Overview

- Existing store sales increased due to post-earthquake rebound effect in 1Q, and improvement in 4Q
- Merchandise gross profit margin declined due to poor apparel sales
- Fixed costs of 1.3 billion yen during the period when stores were shut in previous year due to the earthquake were recorded as special losses
- In January 2013, Seibu Numazu store and Sogo Kure store closed

Department Store Operations: FY2014 Plans

Sogo & Seibu

Operating income: 12.0 bn yen [YOY 119.5%, Change +1.9 bn yen]

	Plans [YOY]	Remarks
Net sales	800.0 bn yen[100.2%]	Plans positive growth in existing stores, but net sales increase is expected to remain slightly positive due to 2 store closures in last fiscal year
Existing store sales increase	+2.3%	—
Merchandise gross profit margin	25.2%[+0.3%]	Strengthening apparel by expansion of private-brand products
Number of stores	24 stores [±0 store]	—

This document contains certain statements based on the Company's current plans, estimates, strategies, and beliefs; all statements that are not historical fact are forward-looking statements. These statements represent the judgments and hypotheses of the Company's management based on currently available information. It is possible that the Company's future performance will differ from the contents of these forward-looking statements. Accordingly, there is no assurance that the forward-looking statements in this document will prove to be accurate.