



# Financial Results Presentation for the Fiscal Year Ended February 28, 2017

April 7, 2017

Seven & i Holdings Co., Ltd.

# FY2017 Summary and FY2018 Plan



## ◆FY2017 Summary

(Billions of yen)

	Results	YOY	Difference	Comments
Group sales	10,621.5	99.2%	(81.5)	Excluding the foreign exchange effects 102.4%
Operating income	364.5	103.5%	+12.2	New record high for 6th consecutive year
Net income	96.7	60.1%	(64.1)	Down YOY due to impact of structural reforms

- Identification of management issues, formulation of the Medium-Term Management Plan, and establishment of organization

## FY2018 plan (1<sup>st</sup> year of MTMP)

	Results	YOY	Difference	Comments
Group sales	11,150.0	105.0%	+528.4	CVS operations in Japan and U.S. are driving Group sales
Operating income	386.5	106.0%	+21.9	Steadily achieve the plan in the 1 <sup>st</sup> year of MTMP
Net income	177.0	182.9%	+80.2	Incorporate restructuring expenses into the plan conservatively

- First year of initiatives to establish an unrivaled lead in domestic and overseas convenience store operations
- Promote structure reforms aiming to improve earnings

Review of  
Medium-Term Management Plan  
(announced on October 7, 2016)

# Overview; Medium-Term Management Plan

■ Numerical target in FY2020;

Consolidated operating income 450.0 bn yen · ROE10%

I Concentrate a management resources with a core focus on growth in CVS operations in both Japan and North America

II Promote “selection and concentration” of each geographic area and business category

(1) Memorandum of Understanding on Capital and Business Alliance with H2O  
Succession of the department stores in Kansai region  
Concentration of management resources on major stores in Tokyo metropolitan area

(2) IY: Start an examination measures focused on Tokyo metropolitan area and food business

III Adopting a perspective of property development in revival of GMS and department store

IV Reviewing the Omni-Channel Strategy:  
Prioritize customer lifetime value from the standpoint of the customer’s strategy

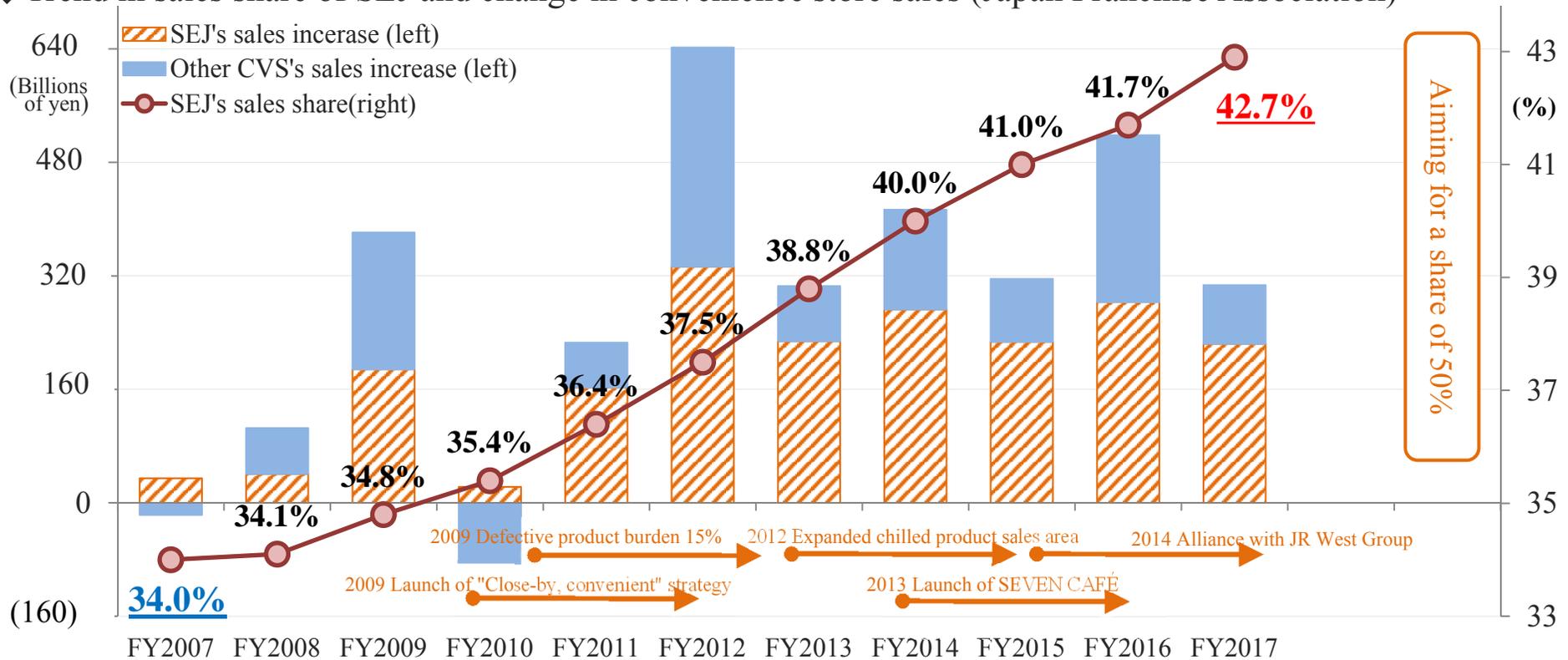
V Formulate our strategy, and revise our segments from the perspective of our management approach by next spring

# Seven-Eleven Japan SEJ

# Sales Share and Change by Fiscal Year

Accelerate reorganization by expanding SEJ's share

## ◆ Trend in sales share of SEJ and change in convenience store sales (Japan Franchise Association)



### ◇ Trends of major convenience store companies

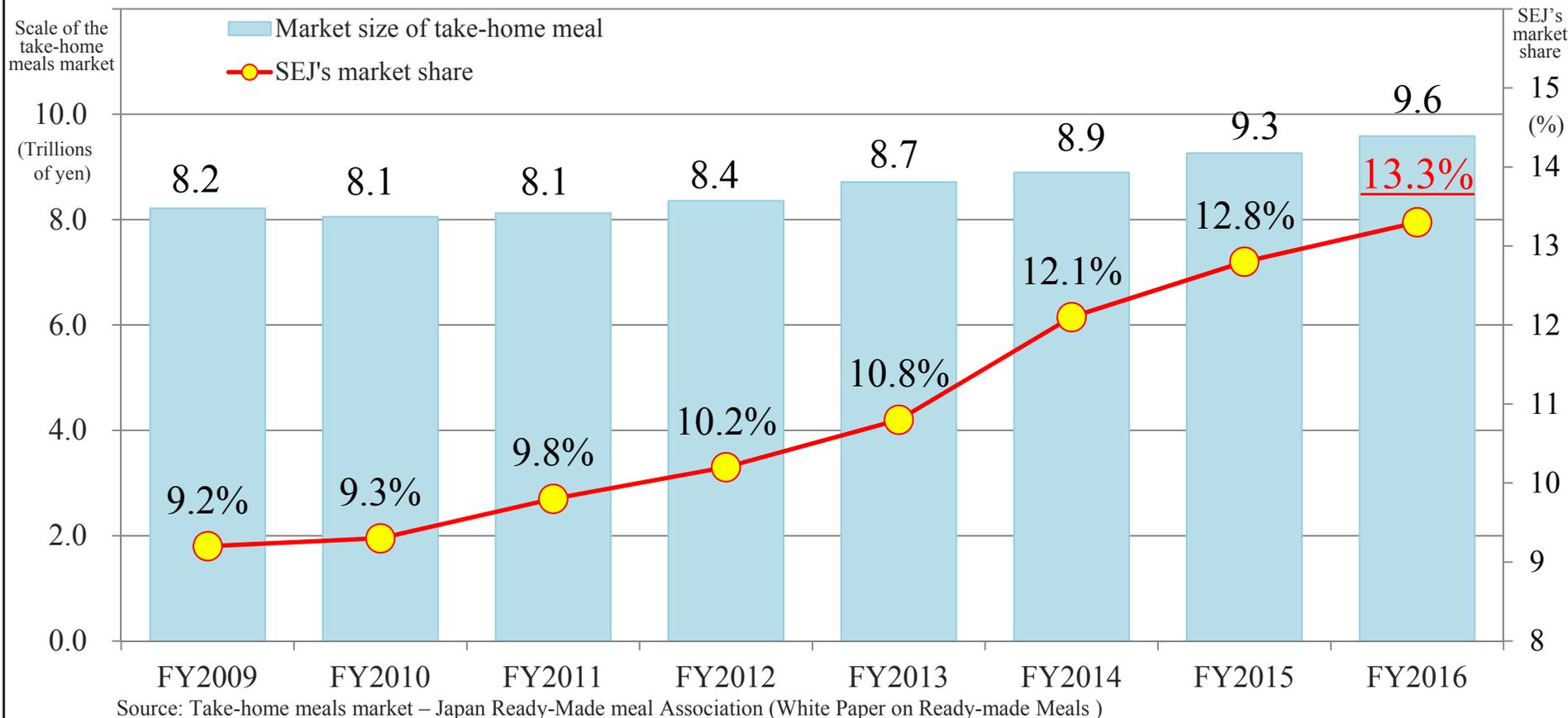


Amid accelerating reorganization with the sector, SEJ aims to achieve further growth by continuing to adapt to changes

# Response to Market Opportunities (Expansion in demand for take-home meals)



The take-home meals market is expanding in line with changing social structure, including an aging society, shrinking households, and increase in working women  
 ⇒SEJ will respond to changing needs and increase its market share by proactively strengthening its fast food offerings



We will continue to aim for further growth by strengthening merchandising capabilities and revising store layouts

# Growth Strategy for Existing stores

## 2009 Launch of "Close-by, convenient" strategy

Amid a changing social structure, we launched the "Close-by, convenient" strategy in response to an increase in demand for eating out

### ◇ Change in people using the stores (customer segment)

		FY2008	FY2017
Customer index <small>*Taking FY2008 as 100</small>		100	109
Purchasing customer segment	Ratio of female customers	42.3%	47.4% [+5.1%]
	Ratio of customers aged 50 or above	25.8%	40.0% [+14.2%]

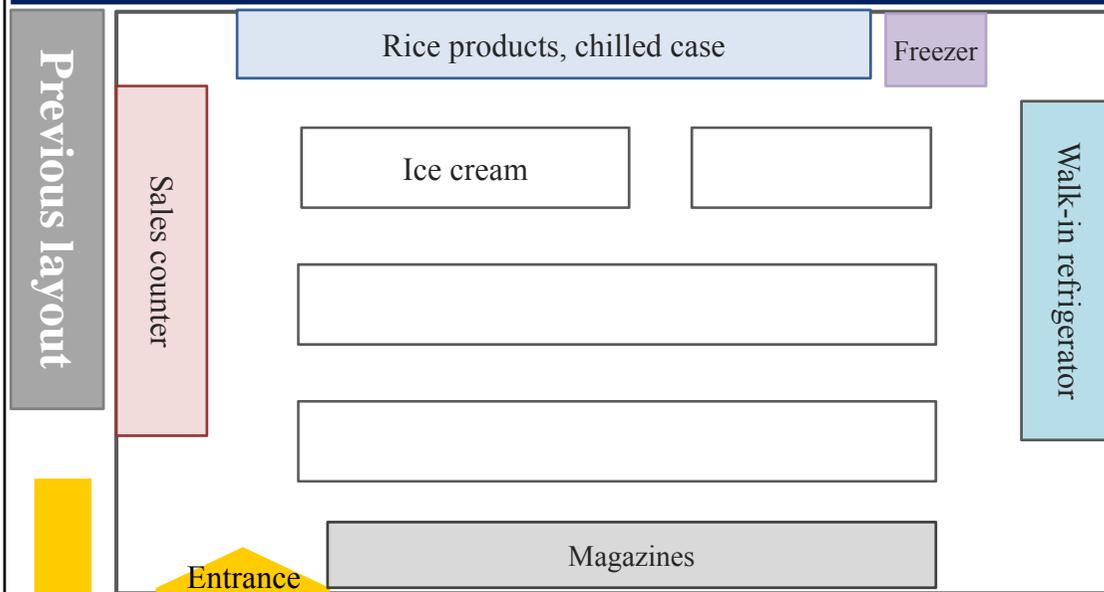
Source: Customer index (POS analysis), customer segment (*nanaco* data)

### ◆ Change in sales by category (comparison of average sales and average sales volumes for FY2007 and FY2016)

	Sales amount (daily)	Sales volume (daily)
Frozen foods <small>(excl. ice cubes)</small>	473 %	562 %
Counter products	257 %	232 %
Cigarettes	136 %	94 %
Daily products	116 %	122 %
Alcoholic beverages	77 %	81 %
Household goods	72 %	84 %
Magazines <small>(including comics and books)</small>	43 %	37 %

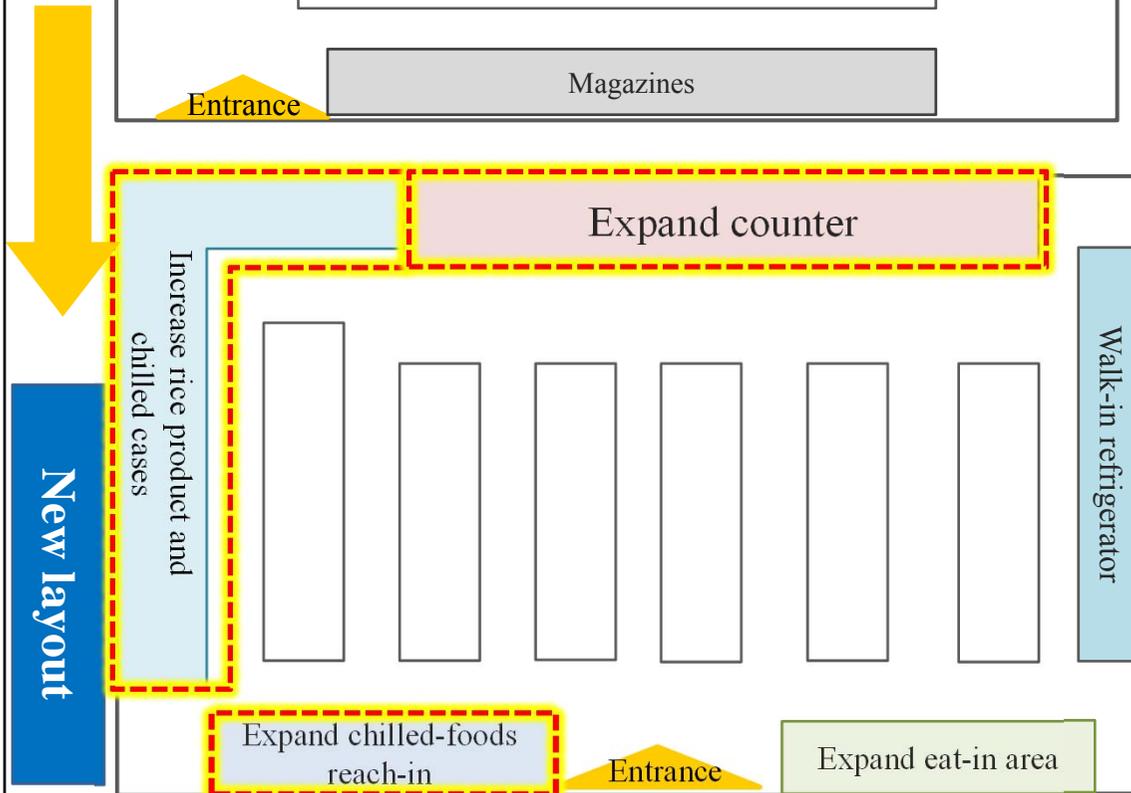
The customer segment is expanding, the customer segment and their way of using the stores both changed dramatically, bringing significant changes in sales for each category

# Existing-Store Growth Strategy (New Layout)



**“Increase in eating out”** and **“expansion in demand for take-home meals”** are expected to accelerate

**Change internal layout in line with sales composition change**  
 \*APSD increase effect of 30,000 – 40,000 yen expected



## ◆ New layout rollout plan

Time		Number of stores
FY2018	Existing stores	800
	New stores	1,100
Cumulative in FY2022	Existing stores	10,000 + new stores*

\* Excluding small stores and special locations, etc.

# Existing-Store Growth Strategy (Strengthen MDSE Capabilities)

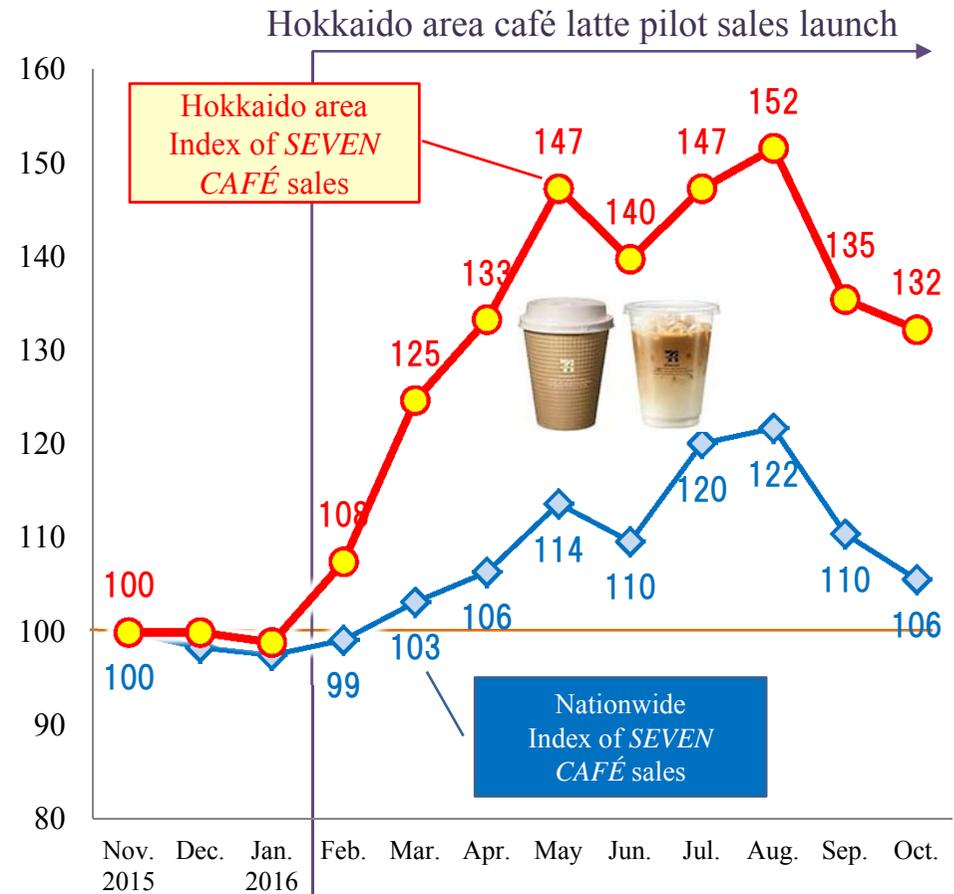
## New SEVEN CAFÉ Integrated café latte machine

Hot latte	Hot coffee
Iced latte	Iced coffee

Development of special milk to replace the conventional ice milk beads

## ◆ Sales in pilot sales area

\*Index taking the level for the fiscal year ended November 2015 as 100



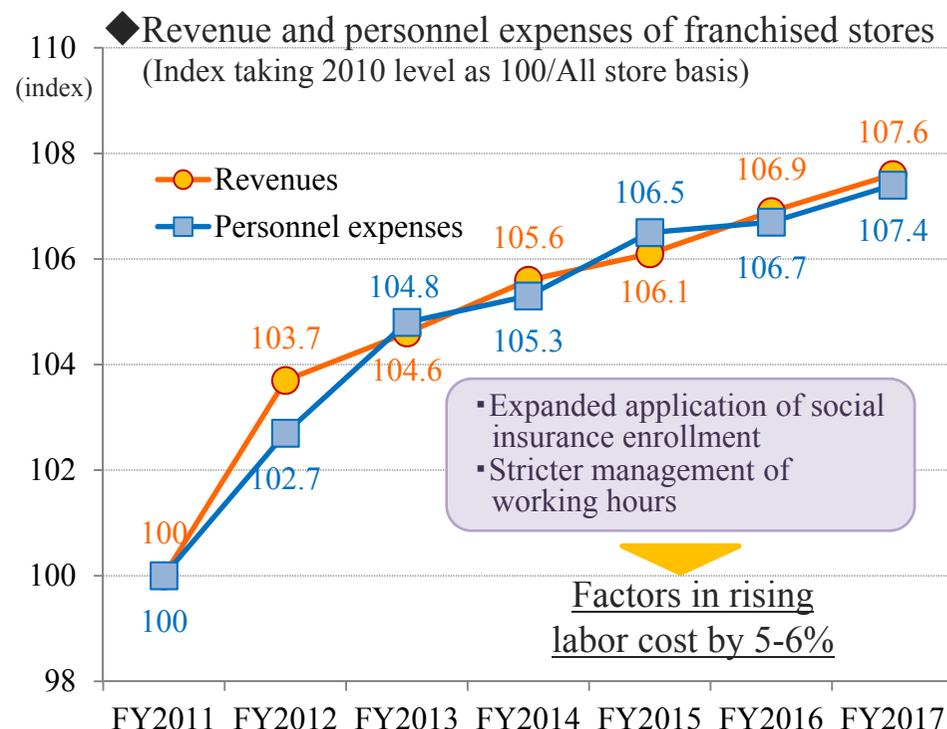
◇ To be rolled out at all stores during FY2018  
\*Rolled out at 2,800 stores as of February 28, 2017

SEVEN CAFÉ sales grew significantly in the café latte pilot sales area of Hokkaido

# Response to Risk (Labor Environment Change)



Conduct 1% Special Discount on Seven-Eleven Franchise Royalty Fees from September 2017  
(Impact of approx. 16 bn yen over 12 months)



Capture opportunities for further growth by taking steps to enhance franchisee satisfaction

- (1) Establish an environment that enables convenience store franchisees to achieve an expanding equilibrium in store management ⇒ Existing store growth
- (2) Encourage future new owners to become franchisees ⇒ Growth from new store openings

## Introduction of dishwashers for washing counter product sales equipment



- ◇ Roll-out at all stores during FY2018
- \* Rolled out at 1,260 stores as of February 28, 2017

### ◆ Work time

Manual washing → dishwasher  
**Approx. 1 hour shorter**

### ◆ Personnel expenses

Reduced 1 hour/day  
**Approx. (300) thousand yen/year**

### ◆ Water usage (per store)

Reduction effect  
**approx. (20)%/year**

SEJ's provisional calculation based on store trials

Increasing the quality of customer service while improving work efficiency

# Productivity Improvement (Support for Work Style Reforms)



Launch trial test of energy saving system for product inspection at stores using RFIDs around Aug.

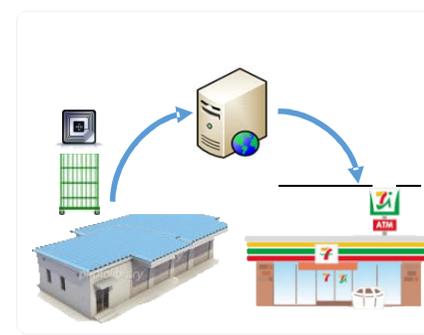
## Sorting at distribution center

RFID IC chips are attached to associate the product and the wheeled cart



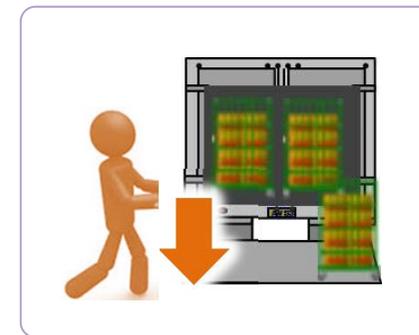
## Data transmission to stores

Sorting data is sent to stores



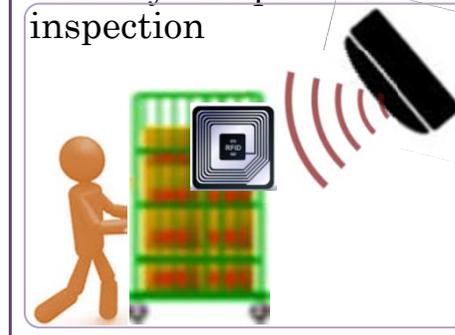
## Tail lift vehicles

Unload using tail lift



## Reduce product inspection time

Simply pass the RFID reader to perform delivery and product inspection



## Effect from utilization of RFID

\*1: RFID: A technology for contactless reading of data from an IC chip through transmission of radio waves

### ● Effect from energy saving system:

Daily product inspection time 170 min. ⇒ 8 min.

(Corresponds to a personnel expense reduction of approx. 800 thousand yen/year)

### ● Effect from improvement the work efficiency of drivers:

A major reduction in work for sorting and loading at the center, unloading goods from the vehicle to the cart, and unloading goods in the store had the following effects:

**(1) Promotion of employment of female drivers (2) Improved working conditions for drivers**

# Main Initiatives and Numerical Targets for FY2018



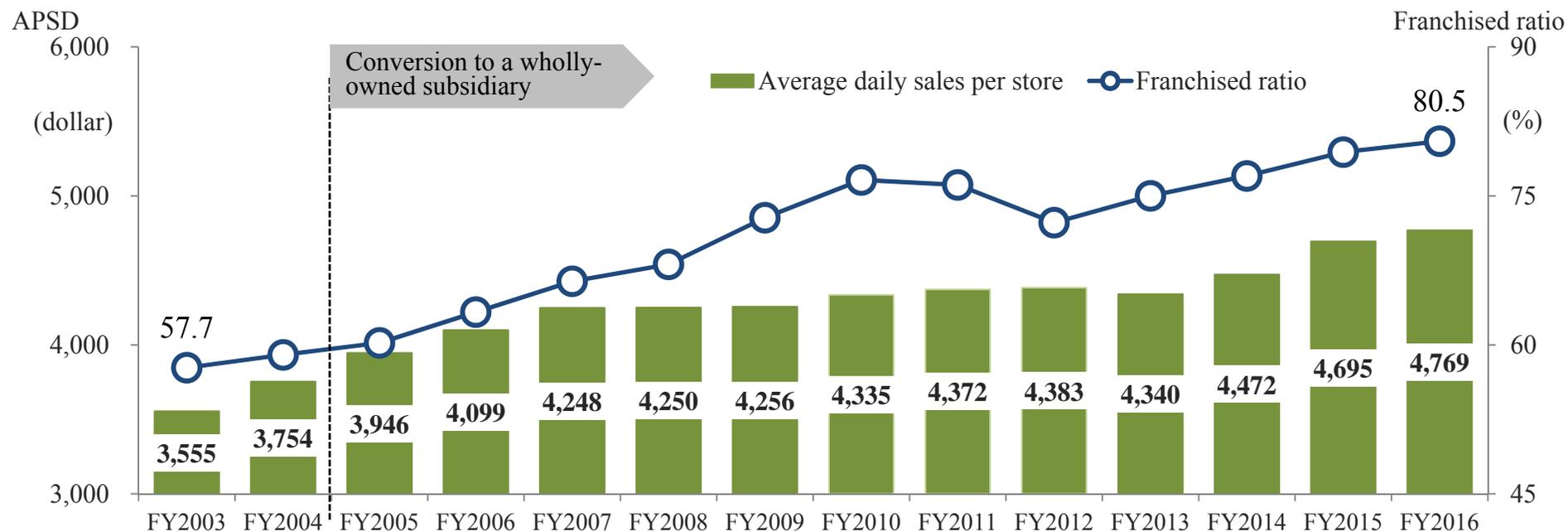
	FY2018 plan	YOY change
Total store sales	4,708.0 bn yen	+192.3 bn yen
Operating income	244.0 bn yen	+0.5 bn yen
Existing stores YOY	101.5%	-
GPM/YOY change	32.1%	+0.3%
Store Openings	1,600	(82)
Net increase in stores	700	(150)
Capital expenditure	180.0 bn yen	+54.9 bn yen

- Monitor cost effectiveness of advertising expenses and to control them
- The sales boost effect from new layout and introduction of dishwashing machines has not been factored in
- Store openings: 1,682  
⇒ 1,600 as railway store openings finish their cycle, and bolster the scrap & build strategy
- Main capital expenditure  
⇒ New layout [+27.0 bn yen], café latte machines [+13.5 bn yen], dishwashers [+15.0 bn yen]

7-Eleven, Inc.  
SEI

# Basic Strategy: Growth Driven by Quality

## ◆ Average daily sales per store (APSD) and franchised ratio



Operating income (Millions of \$)	137	172	293	275	269	335	367	379	410	478	523	563	639	704
Existing store MDSE sales increase in the U.S.	+3.2%	+5.3%	+4.4%	+3.1%	+3.1%	+0.4%	+0.6%	+1.5%	+2.8%	+2.9%	+1.0%	+3.1%	+5.8%	+2.1%
Total number of stores	5,784	5,799	5,829	6,050	6,088	6,196	6,389	6,610	7,149	8,118	8,292	8,297	8,500	8,707

(1) Strengthen fresh foods

(2) Revise store opening standards

(3) High quality acquisitions

Increase profitability by enhancing the quality of individual stores and promoting conversion to franchised stores

# Acquisition of Some of Sunoco LP Retail Assets

## ◆ Background to the acquisition

- (1) Major gasoline company withdrawing from retail business leaves rare opportunity to acquire high quality stores
- (2) Support existing store base



Enhanced supply chain

## ◆ Overview of Sunoco LP's retail business (fiscal year ended December 31, 2016)\*1

MDSE sales	Approx. \$4,800/day/store	Equal to or greater than APSD at SEI
Gasoline sales	Approx. 5,100 gallons/day/store	Approx. 1.5 times SEI's gallon volume

## ◆ Number of stores to be acquired

	No. of Sunoco stores to be acquired	No. of SEI's existing stores*2	Total No. of stores
Midwest area (State of Texas)	Approx. 550	Approx. 680	Approx. 1,230
Southeast area (State of Florida, etc.)	Approx. 110	Approx. 810	Approx. 920
Northeast area (State of New York, etc.)	Approx. 450	Approx. 2,960	Approx. 3,410
Total for three areas	1,108	Approx. 4,450	Approx. 5,560



- ◆ SEI  
Sales increase and medium- to long-term profitability enhancement through expansion of high quality stores
- ◆ Sunoco LP  
Strategic withdrawal from retail business and concentration on wholesale business

Acquisition amount \$3,305 .6million (sale and leaseback planned ),increase probability of medium- to long-term growth

\*1 Sunoco LP figures are extracted or estimated from its disclosed materials (10-K)

\*2 No. of SEI stores: as of Dec. 31, 2016

# Medium-Term Plan; Accelerate Growth Driven by Quality



## ◆ Number of stores and operating income



## ◆ Comparison of cash flows and compound annual growth rate (CAGR) of operating income before and after strategic M&As

(Millions of \$)	2005-2010 (annual average)	2011-2016 (annual average)
Capital expenditure	453	1,288
Operating income	320	553
Depreciation and amortization	398	506
Operating cash flow* <sup>1</sup>	590	838
Free cash flow* <sup>2</sup>	136	(449)
Operating income CAGR	5.3%	11.4%

Conduct M&As on high-quality targets  
Build a supply chain

FY2019 targets  
No. of stores: 10,000  
APSD: \$5,000  
Operating income: \$1.0 bn

\*1 Operating cash flow: (operating income × 60%) + depreciation and amortization

\*2 Free cash flow: Operating cash flow – Capital expenditure

# Main Initiatives and Numerical Targets for FY2017



	FY2017 plan	YOY change
Total store sales	3,141.0 bn yen	+405.8 bn yen
Operating income	89.0 bn yen	+12.3 bn yen
Existing stores YOY	103.1%	-
GPM/YOY change	34.9%	+0.1%
Store openings	1,408	+1,052
Net increase in stores	1,188	+981
Capital expenditure	510.0 bn yen	+293.2 bn yen

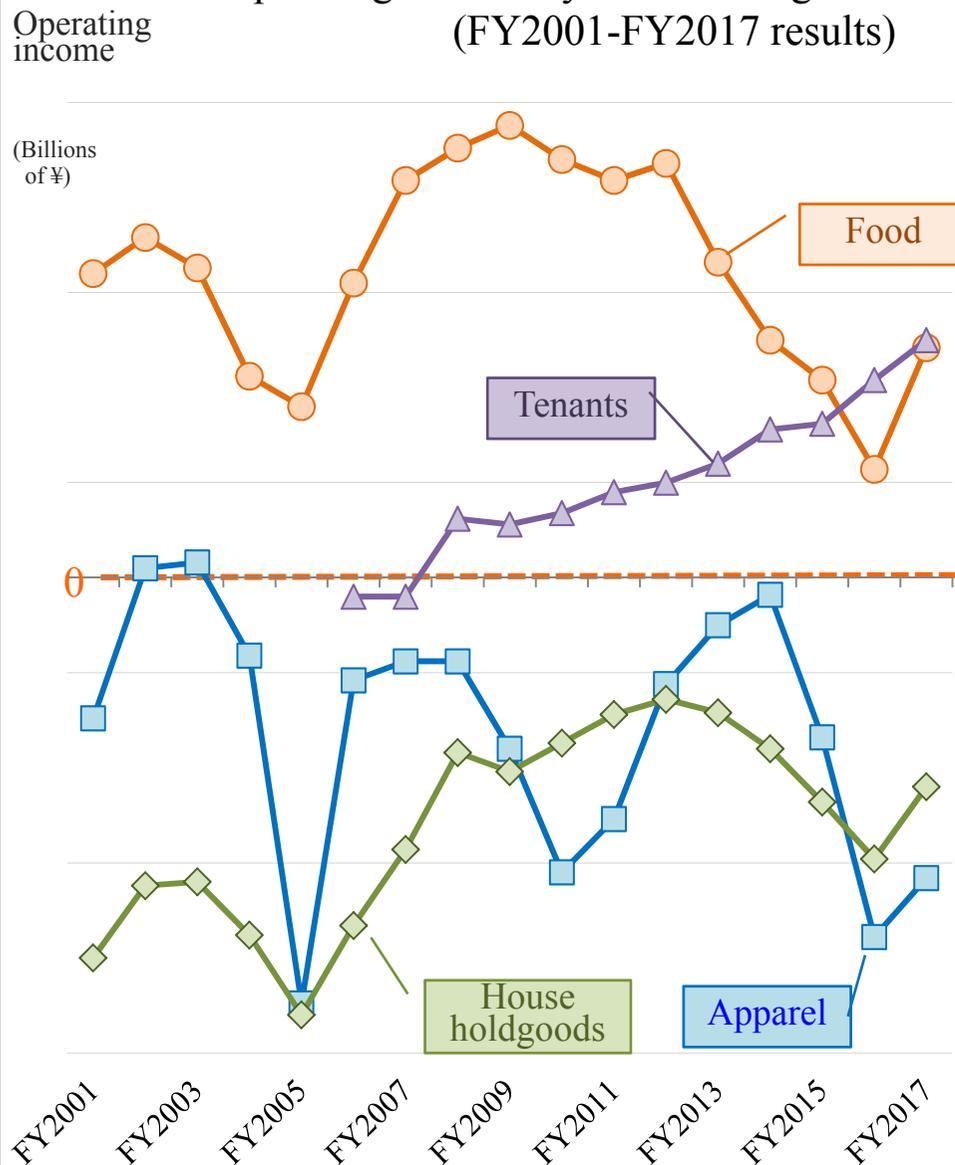
Exchange rate U.S.\$1= ¥108.78(FY2017 result), ¥110.00(FY2018 plan)

The amount of capital expenditure and number of acquired stores associated with the acquisition of some of Sunoco LP's retail assets have been incorporated into the plan, but not the financial data from revenues from operations downward. The data will be announced promptly once the details become clear.

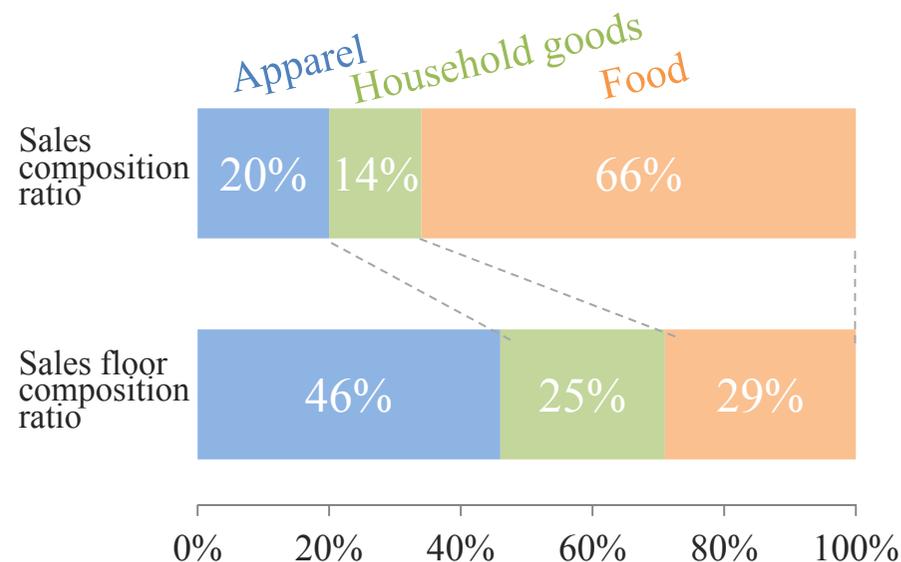
# Ito-Yokado IY

# Changes in Customer Needs

## ◆ Trends of operating income by MDSE categories (FY2001-FY2017 results)



## ◆ Composition ratio in FY2017



Changes in customer needs and divergence of product policy

Further strengthening  
+  
Tenant mix

Promote store structure reforms; review and revitalize store format and sales area composition

# Response ⇒ GMS Business Structure Reforms (Announced in Medium-Term Management Plan)



## ◆ Number of stores by store format

	At the start of FY2017	New stores during FY2017	Closures in FY2017	At the start of FY2018	New stores during FY2018	Closures between FY2018 – FY2021	At the end of FY2021
Ario	17	1	-	18	1	1	18
Superstore	136	-	9	127	-	20	107
Food specialty store	29	3	6	26	-	4	22
Total	182	4	15	171	1	25	147

Conversion to Ario	9
Tenant mix	31
Redevelopment, etc.	67
Total	107

\*Closures in FY2018: 8 stores

## ◆ Future direction by store format

Ario	Downsize directly operated sales floor space for apparel and household goods in line with the expiration of leases, targeting an operating profit margin of 3%* by strengthening shopping centers overall
GMS	Increase efficiency per area by downsizing apparel and household goods sales floor space and increasing the share of food. Conduct real estate redevelopment in cooperation with tenants
Food specialty store	Food is a growth category; conduct operations primarily in the Tokyo metropolitan area

# GMS Reform in FY2018 and the Medium-Term Management Plan



Promote store structure reforms and real estate redevelopment centered on 107 superstores as of the end of FY2021.

## ◆ Store structure reforms (results for FY2017 and Medium-Term Management Plan)

	Number of stores planned to undergo structure reforms	Carried out in FY2017	Planned for FY2018	Plan up to FY2020	From FY2021 onwards
Conversion to <i>Ario</i>	9	-	2	6	1
Tenant mix	31	2	8	15	6

## ◆ Timing of store openings in redevelopment initiatives, etc.

	Number of stores planned to undergo redevelopment	FY2020	FY2021	FY2022	FY2023	From FY2024 onwards
Redevelopment, etc.	67	4	6	6	8	43

- Store redevelopment will be considered mainly for stores that have been operating for 30 years or longer
- Figures for FY2021 onwards are planned figures, and we are currently examining conversion to *Ario* or measures for tenant mix in the case were plans change due to discussions with the owner or government, or trends in construction expenses.

## ◆ Additional measures for store structure reforms

(Renovation of existing *Ario* stores ⇒ Reduction of directly operated area and expansion of tenants)

	Planned number of stores	FY2018	FY2019	FY2020	From FY2021 onwards
Renovation of existing <i>Ario</i> stores	18	9	4	5	2

Includes renovations by the same store

# Superstore Structure Reforms – Results in FY2017



## Change in YOY sales before and after store renovations in conjunction with structure reforms

\*Figures in parentheses are results for all IY stores

### ◆ *Mishima* store

(Mar. 4, 2016 ⇒ tenant mix initiatives)

Period	Before renovation (Mar. 2015 – Feb. 2016)	After renovation (Apr. 2016 – Feb. 2017)
Sales YOY	93% (99%)	<b>108%</b> (97%)

### ◆ *Ario Kitasuna* store

(Sep. 16, 2016 ⇒ renovation of existing *Ario* store)

Period	Before renovation (Sep. 2015 – Aug. 2016)	After renovation (Oct. 2016 – Feb. 2017)
Sales YOY	99% (99%)	<b>108%</b> (96%)

### ◆ *Katsuradai* store

(Oct. 21, 2016 ⇒ tenant mix initiatives)

Period	Before renovation (Oct. 2015 – Sep. 2016)	After renovation (Nov. 2016 – Feb. 2017)
Sales YOY	101% (99%)	<b>105%</b> (96%)

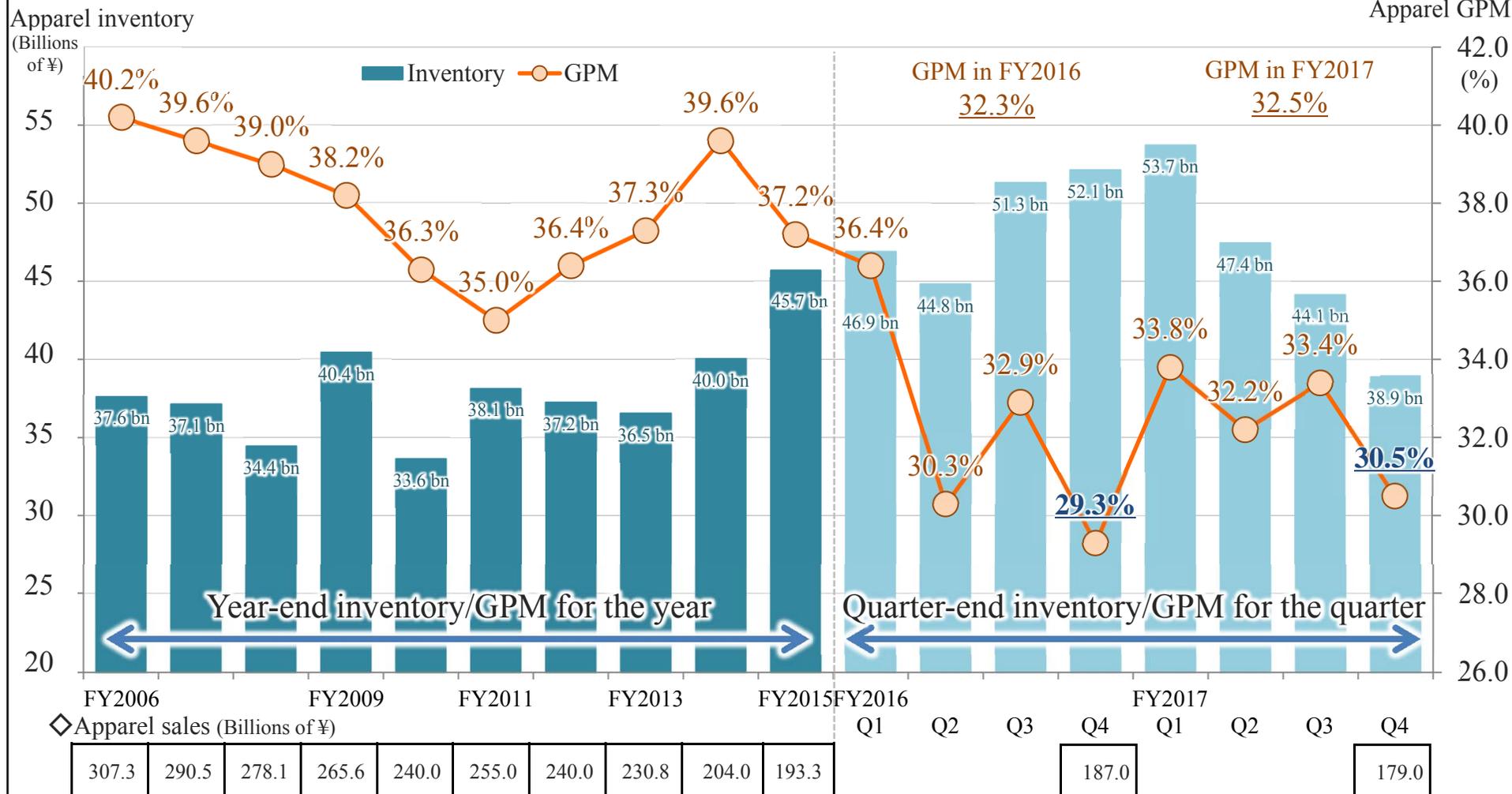
### ◆ *Ario Hashimoto* store

(Nov. 23, 2016 ⇒ renovation of existing *Ario* store)

Period	Before renovation (Nov. 2015 – Oct. 2016)	After renovation (Dec. 2016 – Feb. 2017)
Sales YOY	93% (98%)	<b>107%</b> (96%)

# Optimize Inventory Level of Apparel

## ◆ Apparel inventory and GPM



Promote optimization of inventory level in line with sales and reduction of losses  
 ⇒ Synergies are anticipated due to past accomplishments as well, due to optimization of inventory and improvement of GPM

# Main Initiatives and Numerical Targets for FY2018



	FY2018 plan	YOY change
Operating revenue	1,260.0 bn yen	+4.9 bn yen
Operating income	4.0 bn yen	+3.9 bn yen
Existing stores YOY	100.0%	-
GPM/YOY change	30.1%	+1.0%
Capital expenditure	19.3 bn yen	(11.3) bn yen
Store closures	8	(7)

▪ Store closure effect      Operating income +0.4 bn yen  
(FY2017; 15 FY2018 Q1; 5)

▪ Effect of integrating *Seven Bi no Garden Co., LTD.*

⇒ The cosmetic and drugs business of the household goods division that was transferred to *Seven Bi no Garden Co., LTD.* in a company split was transferred to IY on March 1 in an absorption-type company split.

Operating revenue of +47.0 bn yen and operating income of +1.0 bn yen are forecast

▪ Changes in sales area composition ratio (tenants sales area composition ratio)

⇒ Increase the tenant ratio of 44% at the end of FY2017 to 50% or higher by the end of FY2020

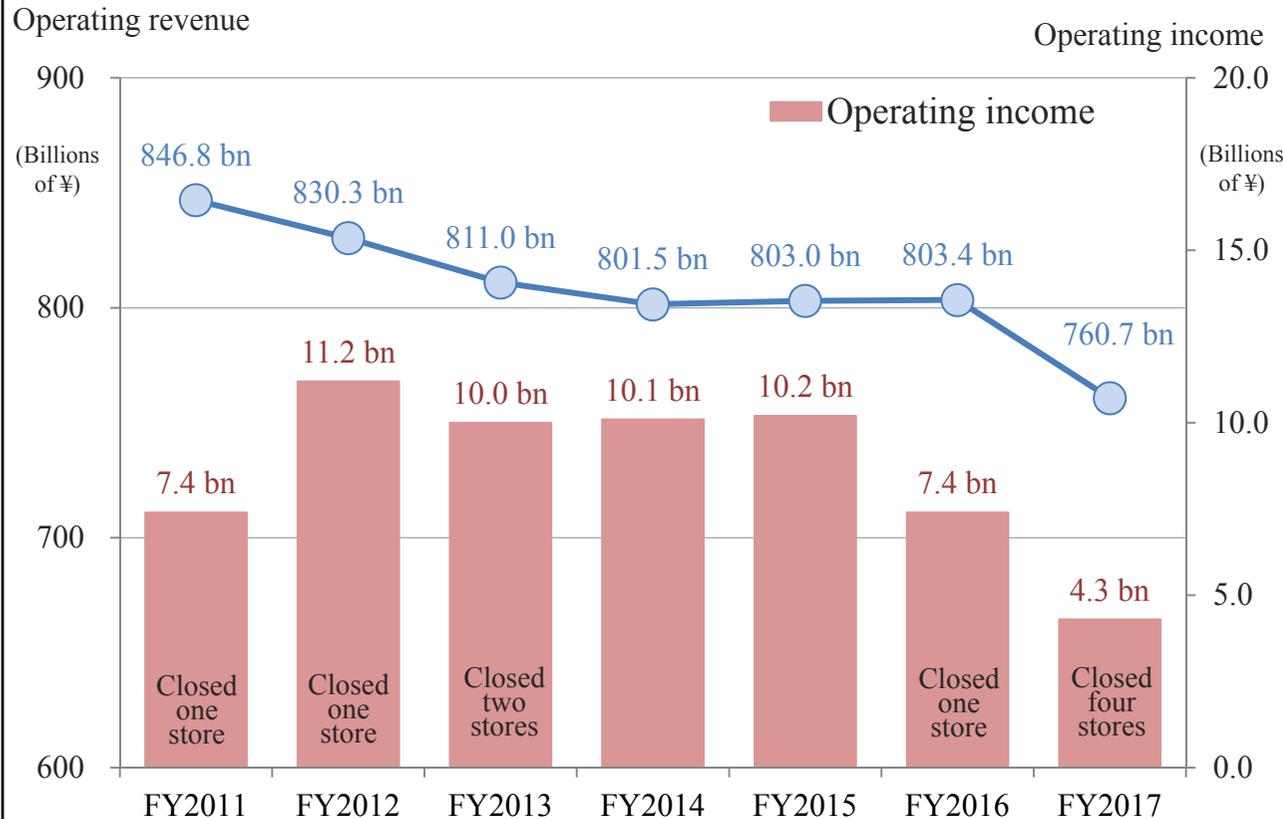
▪ Store closure plan      ⇒ No change to the store closure policy of closing 40 stores by February 28, 2021

# Sogo & Seibu SS

# Revenues from Operations, Operating Income, and Management Challenges



## ◆ Trends of operating revenue and operating income



## ◆ Management Challenges

Year-by-year contraction of department store market

Growth investment scope limited by declining profits

Detailed negotiations with *H2O Retailing Corp.* are in progress  
Details to be announced as they are confirmed

CA-PEX

25.2 bn

13.3 bn

15.4 bn

12.1bn

12.7 bn

12.6 bn

11.7 bn

Department store structural reforms are urgently needed  
Promote selection and concentration, and implement store structure reforms  
conducting at target stores where reforms are likely to be effective

# Results of Initiatives at *Ikebukuro* Flagship Store and Strategy for FY2018



## ◆ Operating income growth YOY at *SEIBU Ikebukuro* (indexed as FY2011 = 100)



## ◆ Operating income at *SEIBU Ikebukuro* (before allocation of head-office expenses)

	Net sales (change over 10 years)	Operating income (change over 10 years)
Cosmetics	167%	214%
Ladies miscellaneous total	130%	183%
Ladies apparel	80%	Lower income
Ladies select products	145%	Returned to profit
Apparel total	99%	Lower income
Art and jewelry	149%	273%
Household goods total	130%	Returned to profit
Food total	115%	152%
Tenant total	115%	-
Store total	112%	124%

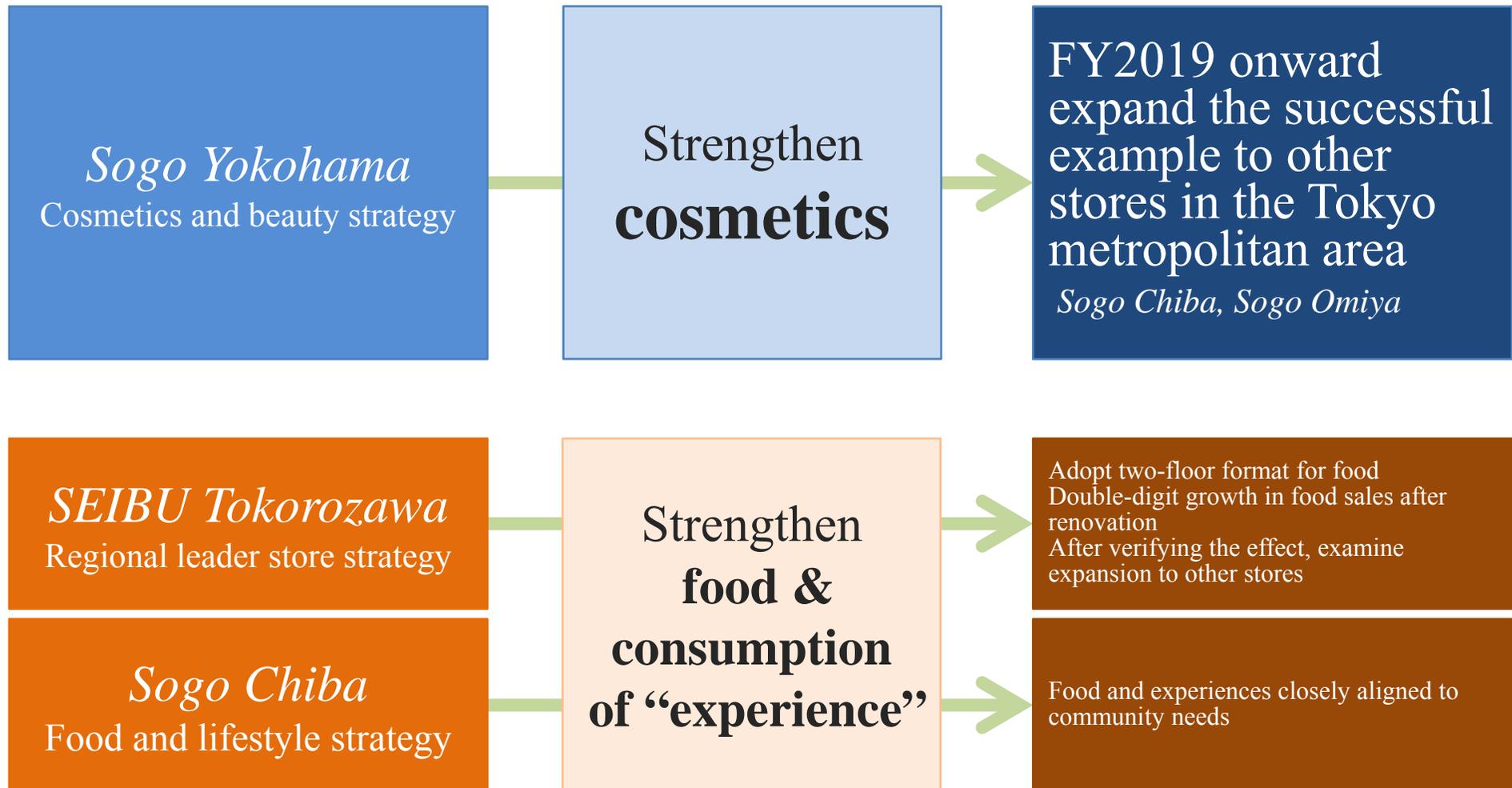
## ◆ *SEIBU Tokorozawa* changes in food sales and customer numbers

\*Figures in parentheses are store totals

Adopt two-floor format for food	Before renovation (Sep.1,2016 – Nov.22, 2016)		After renovation (Nov. 23, 2016-Mar. 31, 2017)			
	<ul style="list-style-type: none"> <li>● 1st Phase – From Nov. 23, 2016</li> <li>● 2nd Phase – From Feb. 25, 2017</li> <li>● 3rd Phase – May 2017 Grand opening</li> </ul>	YOY Sales	96% (97%)	111% (100%)	YOY No. of customer	95% (97%)

Expansion of domains that have received investment for growth has contributed significantly to store profits

# Expansion of Successful Example at *SEIBU Ikebukuro*



Use a PDCA cycle to expand successful examples from *SEIBU Ikebukuro* to other stores and achieve growth

# Main Initiatives and Numerical Targets for FY2018



	FY2018 plan	YOY change
Operating revenue	708.9 bn yen	(51.7) bn yen
Operating income	5.0 bn yen	+0.6 bn yen
Existing stores YOY	99.5%	-
GPM/YOY change	24.2%	+0.3%
Capital expenditure	13.0 bn yen	+1.2 bn yen

- Effect of FY2017 structural reforms ⇒ Operating income +1.4 bn yen
- Impact of four store closures in FY2018 ⇒ Net sales (48.5) bn yen  
Operating income (0.6) bn yen
- *SEIBU Tokorozawa* food strengthening accomplishments  
⇒ Overall store sales increased led by food
- Main growth investments in FY2018  
⇒ *Sogo Yokohama* (strengthen cosmetics) Planned for second half of FY2018  
*Sogo Chiba* (renovate annex building) Planned for second half of FY2018  
*SEIBU Tokorozawa* (strengthen food)

# Nissen Holdings

## NHD

# “Move Away from General Catalogue Mail Order Sales” and “Strengthen Size-Oriented Business Strategy”



## ◆Compositional ratio of LL size in the market

	Women’s apparel market	LL and above	Compositional ratio
Adult women population	31.33 million	3.60 million	11.5%
Scale	5,829.0 bn yen	205.9 bn yen	3.5%

## ◆Nissen’s predominance

- Number of LL-sized customer members: 2.3 million
- Biggest player with large-size market sales share of 6%
- Specification and manufacturing expertise in pursuit of optimal wearer comfort

Source: Female Population in 2015, Statistics Bureau, Ministry of Internal Affairs and Communications  
 Women’s Apparel Market Scale 2013, Yano Research Institute Ltd.  
 Estimates based on Nissen Co., Ltd.’s in-house Internet member survey (n=4,821) (2015)

The large-size sales channel is dispersed, and there are no purchasing locations for consumers

Considerable opportunities in the absence of a developed market

## ◆Opening of Japan’s first fashion e-commerce mall specializing in size-oriented merchandize (*alinoma*)



E-commerce mall bringing together 39 Japanese brands from many different companies

Grand opening on April 6 (Thu.)

<Example of brands in the mall>



Leverage competitive advantage in the large-size market to develop a new market

# The Omni-Chanel Strategy

## Group Financial Strategy

## Seven & i Holdings' vision for Omni-Channel

Set the launch of an app to achieve further leap ahead centered on CRM strategy to next spring and make a sweeping revision of functions under development

- Strengthen CRM strategies combining real stores with IT

- Ascertain purchase data for all customers, including customers paying by cash, rather than customers using *nanaco* only



- Launch an app around next spring targeting 80 million smartphone users
- Aim for simultaneous release among multiple operating companies in addition to SEJ

Objective: Further enhance convenience by providing financial services

- Provide new payment services for the Group's 22 million daily customers
- Establish a Group financial strategy team bringing together Seven & i Holdings and financial Group companies



Joining with the retail frontline to achieve growth in the financial business  
Aiming to create new financial services by Seven & i Group

# Change in Business Segments

# Change in Business Segments



[Previous segments]	[New segments]	[Major operating companies]
Convenience Store Operations	<b>Domestic Convenience Store Operations</b>	Seven-Eleven Japan Co., Ltd. Seven-Meal Service Co., Ltd. SEVEN-ELEVEN HAWAII, INC. SEVEN-ELEVEN (CHINA) INVESTMENT CO., LTD.
Superstore Operations	<b>Overseas Convenience Store Operations</b>	7-Eleven, Inc. SEJ Asset Management & Investment Company
Department Store Operations	Superstore Operations	Ito-Yokado Co., Ltd. York-Benimaru Co., Ltd. York Mart Co., Ltd. SHELL GARDEN CO., LTD.
Food Services	Department Store Operations	Sogo & Seibu Co., Ltd. GOTTSUO BIN CO., LTD.
Financial Services	Financial Services	Seven Bank, Ltd. Seven Financial Service Co., Ltd. Seven Card Service Co., Ltd. Seven CS Card Service Co., Ltd.
Mail Order Services	<b>Specialty Store Operations</b>	Seven & i Food Systems Co., Ltd. Akachan Honpo Co., Ltd. THE LOFT CO., LTD. Nissen Holdings Co., Ltd.
Others	Others	Seven & i Create Link., Ltd. Seven & i Netmedia Co., Ltd. SEVEN & i Publishing Co., Ltd.

Note:  Segment change  
 Segment-related company changes

# Financial Strategy

Capital expenditures	<p>FY2018 plan: 807.0 bn yen (+422.8 bn yen YOY)</p> <p>Domestic convenience store operations: 183.2 bn yen (+57.2 bn yen YOY)</p> <p>Overseas convenience store operations: 510.0 bn yen (+362.7 bn yen YOY)</p>
Shareholder returns	<p>Policy to maintain consolidated payout ratio of 40%</p> <p>FY2017: Dividend per share of 90 yen; dividend payout ratio of 82.3%</p> <p>FY2018 forecast: Dividend per share of 90 yen; dividend payout ratio of 45.0%</p>

- Invest aggressively in domestic and overseas convenience stores, which are a growth pillar
- Maintain dividend payout ratio of 45%, higher than the target of 40%

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.