



October 3, 2013

Consolidated Financial Results for the Six Months ended August 31, 2013

Seven & i Holdings Co., Ltd.

(URL <http://www.7andi.com/en>)

Securities Code No. 3382

President and COO: Noritoshi Murata

The Company's shares are listed on the First Section of the Tokyo Stock Exchange.

Submission date of quarterly securities report scheduled: October 11, 2013

Starting date of paying dividend: November 15, 2013

Preparation of brief summary materials for quarterly financial results: Yes

Holding of quarterly financial results presentation: Yes

Note: All amounts less than one million yen have been disregarded.

1. Business Results for the Six Months ended August 31, 2013 (from March 1, 2013 to August 31, 2013)

(1) Results of Operations (cumulative)

(Millions of yen, except per share amounts)

	Revenues from Operations		Operating Income		Ordinary Income	
Six Months ended August 31, 2013	2,807,664	14.6%	164,583	11.8%	164,813	12.0%
Six Months ended August 31, 2012	2,450,662	4.0%	147,195	(2.0)%	147,126	(2.5)%

	Net Income		Net Income per Share		Diluted Net Income per Share	
Six Months ended August 31, 2013	83,352	24.6%	94.34	(yen)	94.27	(yen)
Six Months ended August 31, 2012	66,912	26.8%	75.73	(yen)	75.68	(yen)

Notes: 1. Comprehensive income:

Six Months ended August 31, 2013: 144,911 million yen [77.0%]

Six Months ended August 31, 2012: 81,874 million yen [47.4%]

2. Percentages represent increase (decrease) from the corresponding period in the prior fiscal year.

*Total Group sales including the sales of Seven-Eleven Japan and 7-Eleven, Inc. franchisees:

Six Months ended August 31, 2013: 4,752,416 million yen [13.1%]

Six Months ended August 31, 2012: 4,201,170 million yen [5.6%]

(2) Financial Position

(Millions of yen, except per share amounts)

	Total Assets	Net Assets	Owners' Equity Ratio	Net Assets per Share
As of August 31, 2013	4,739,926	2,107,709	42.2%	2,262.49 (yen)
As of February 28, 2013	4,262,397	1,994,740	44.4%	2,140.45 (yen)

Note: Owners' Equity (net assets excluding minority interests in consolidated subsidiaries and subscription rights to shares) :

As of August 31, 2013: 1,999,073 million yen

As of February 28, 2013: 1,891,163 million yen

2. Dividends

Record Date	Dividends per Share (yen)				
	First Quarter	Second Quarter	Third Quarter	Year-end	Annual
Year ended February 28, 2013	-	31.00	-	33.00	64.00
Year ending February 28, 2014	-	33.00			
Year ending February 28, 2014 (forecast)			-	33.00	66.00

Note: Revision of dividends forecast during the current quarterly period: None

3. Forecast of Business Results for the Fiscal Year ending February 28, 2014 (from March 1, 2013 to February 28, 2014)

(Millions of yen, except per share amounts)

	Revenues from Operations		Operating Income		Ordinary Income		Net Income		Net Income per Share	
Entire Year	5,640,000	13.0%	340,000	15.0%	337,000	13.9%	170,000	23.1%	192.40	(yen)

Notes:

1. Percentages represent increase (decrease) from the corresponding period in the prior fiscal year.
2. Revision of business results forecast during the current quarterly period: None

* The forecast of total Group sales including the sales of Seven-Eleven Japan and 7-Eleven, Inc. franchisees:
Entire Year: 9,560,000 million yen [12.4%]

4. Others

- (1) Changes in significant subsidiaries during the period: None
- (2) Application of specific accounting for preparing the quarterly consolidated financial statements: None
- (3) Changes in accounting policies, changes in accounting estimates, and restatements
 1. Changes due to amendment of accounting standards: None

2. Changes due to other reasons: Yes
(Change in depreciation method)

Previously, the Company and its consolidated subsidiaries, excluding certain domestic and foreign consolidated subsidiaries, used the declining-balance method to calculate the depreciation of property and equipment.

However, effective March 1, 2013, the Company and its consolidated subsidiaries integrated to the straight-line method of depreciation.

The Company reviewed the depreciation methods of the Company and its consolidated subsidiaries that used the declining-balance method mainly because of Seven-Eleven Japan Co., Ltd.'s increased investments in the store-properties and Ito-Yokado Co., Ltd.'s investments in larger shopping centers to meet business environment changes and customer needs surrounding the Company and its consolidated subsidiaries.

The company believes that the change from the declining-balance method to the straight-line method better reflects its business performance in terms of the matching of costs and revenues more appropriately because it is expected that property and equipment are used evenly over their useful lives, revenues generated from the property and equipment are earned stably, and maintenance and repair expenses for those property and equipment are incurred regularly over their useful lives.

As a result of this change, operating income, ordinary income and income before income taxes for the six months ended August 31, 2013 increased by 14,063 million yen.

3. Changes in accounting estimates: Yes
4. Restatements: None

(4) Number of shares outstanding (common stock)

1. Number of shares outstanding at the end of period (including treasury stock)
As of August 31, 2013: 886,441,983 shares As of February 28, 2013: 886,441,983 shares
2. Number of treasury stock at the end of period
As of August 31, 2013: 2,870,077 shares As of February 28, 2013: 2,907,114 shares
3. Average number of shares during the period (cumulative quarterly consolidated period)
For the six months ended August 31, 2013: 883,560,720 shares
For the six months ended August 31, 2012: 883,528,633 shares

NOTICE REGARDING QUARTERLY REVIEW PROCEDURES FOR THE QUARTERLY FINANCIAL RESULTS

This quarterly financial results statement is exempt from the quarterly review procedures based upon the Financial Instruments and Exchange Act. At the time of disclosure of this quarterly financial results statement, the quarterly review procedure based upon the Financial Instruments and Exchange Act has not been completed.

FORWARD LOOKING STATEMENTS

1. The forecast for the year ending February 28, 2014 is based on Seven & i Holdings' hypotheses, plans and estimates at the date of publication. It is possible that some uncertain factors will cause the Company's future performance to differ significantly from the contents of the forecast.
2. Brief summary for the second quarter of FY 2014 is posted on the Company's website (<http://www.7andi.com/en/ir/library/kh/201402.html>). The materials related to financial results which will be used on financial results presentation scheduled on October 4, 2013, will be promptly posted after the presentation.

Attached Materials

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5. Consolidated Quarterly Financial Statements
(1) Consolidated Quarterly Balance Sheets

(Millions of yen)

	February 28, 2013	August 31, 2013
	Amount	Amount
ASSETS		
Current assets	1,655,528	1,956,127
Cash and bank deposits	710,968	779,712
Notes and accounts receivable, trade	285,817	315,656
Trade accounts receivable - financial services	64,053	63,768
Marketable securities	110,024	230,021
Merchandise and finished goods	159,645	169,557
Work in process	175	183
Raw materials and supplies	2,465	2,624
Prepaid expenses	33,954	39,192
Deferred income taxes	34,493	37,045
Other	258,886	323,249
Allowance for doubtful accounts	(4,955)	(4,883)
Non-current assets	2,606,564	2,783,546
Property and equipment	1,482,514	1,617,455
Buildings and structures, net	631,992	692,026
Furniture, fixtures and equipment, net	171,735	206,776
Land	627,251	667,911
Lease assets, net	16,892	17,088
Construction in progress	31,203	30,717
Other, net	3,439	2,934
Intangible assets	415,413	448,807
Goodwill	245,402	275,544
Software	37,178	36,963
Other	132,832	136,299
Investments and other assets	708,636	717,283
Investments in securities	163,456	174,036
Long-term loans receivable	18,017	18,022
Prepaid pension cost	31,786	31,728
Long-term leasehold deposits	400,867	404,601
Advances for store construction	7,609	598
Deferred income taxes	32,943	32,146
Other	60,626	62,525
Allowance for doubtful accounts	(6,671)	(6,376)
Deferred assets	304	252
New organization costs	28	21
Business commencement expenses	275	230
TOTAL ASSETS	4,262,397	4,739,926

(Millions of yen)

	February 28, 2013	August 31, 2013
	Amount	Amount
LIABILITIES		
Current liabilities	1,534,579	1,755,411
Notes and accounts payable, trade	328,800	412,354
Short-term loans	145,750	124,250
Current portion of long-term loans	124,857	168,519
Current portion of bonds	63,999	44,000
Income taxes payable	34,827	51,549
Accrued expenses	85,443	97,315
Deposits received	136,850	193,095
Allowance for sales promotion expenses	15,262	17,414
Allowance for bonuses to employees	13,293	14,595
Allowance for bonuses to Directors and Audit & Supervisory Board Members	342	171
Allowance for loss on future collection of gift certificates	3,406	3,047
Provision for loss on disaster	143	116
Deposits received in banking business	325,444	366,346
Other	256,156	262,636
Non-current liabilities	733,077	876,804
Bonds	229,983	364,985
Long-term loans	281,893	272,832
Commercial paper	6,579	-
Deferred income taxes	34,801	41,240
Allowance for accrued pension and severance costs	4,613	5,195
Allowance for retirement benefits to Directors and Audit & Supervisory Board Members	2,124	1,989
Deposits received from tenants and franchised stores	55,089	54,636
Asset retirement obligations	51,170	56,436
Other	66,822	79,487
TOTAL LIABILITIES	2,267,656	2,632,216
NET ASSETS		
Shareholders' equity	1,963,666	2,017,940
Common stock	50,000	50,000
Capital surplus	526,873	526,849
Retained earnings	1,393,935	1,448,176
Treasury stock, at cost	(7,142)	(7,085)
Total accumulated other comprehensive income	(72,503)	(18,866)
Unrealized gains (losses) on available-for-sale securities, net of taxes	7,416	9,893
Unrealized gains (losses) on hedging derivatives, net of taxes	(5)	(3)
Foreign currency translation adjustments	(79,914)	(28,756)
Subscription rights to shares	1,538	1,928
Minority interests in consolidated subsidiaries	102,038	106,707
TOTAL NET ASSETS	1,994,740	2,107,709
TOTAL LIABILITIES AND NET ASSETS	4,262,397	4,739,926

**(2) Consolidated Quarterly Statements of Income and Consolidated Quarterly
Statements of Comprehensive Income
Consolidated Quarterly Statements of Income**

(Millions of yen)

	Six Months ended August 31, 2012	Six Months ended August 31, 2013
	Amount	Amount
Revenues from operations	2,450,662	2,807,664
Net sales	2,030,994	2,337,457
Cost of sales	1,574,207	1,854,068
Gross profit on sales	456,786	483,388
Operating revenues	419,668	470,207
Gross profit from operations	876,455	953,596
Selling, general and administrative expenses	729,260	789,012
Operating income	147,195	164,583
Non-operating income	5,573	8,074
Interest income	2,663	2,751
Equity in earnings of affiliates	1,154	2,067
Other	1,755	3,255
Non-operating expenses	5,642	7,845
Interest expenses	2,469	3,299
Interest on bonds	1,435	1,458
Other	1,737	3,086
Ordinary income	147,126	164,813
Special gains	983	2,358
Gain on sales of property and equipment	331	421
Subsidy income	-	1,881
Compensation income for expropriation	214	-
Other	437	55
Special losses	17,097	16,219
Loss on disposals of property and equipment	3,422	4,709
Impairment loss on property and equipment	9,607	5,209
Loss on reduction of property and equipment	-	1,881
Other	4,067	4,418
Income before income taxes and minority interests	131,012	150,953
Total income taxes	57,817	61,106
Income taxes - current	52,710	61,565
Income taxes - deferred	5,107	(459)
Income before minority interests	73,194	89,847
Minority interests in income	6,282	6,494
Net income	66,912	83,352

Consolidated Quarterly Statements of Comprehensive Income

(Millions of yen)

	Six Months ended August 31, 2012	Six Months ended August 31, 2013
	Amount	Amount
Income before minority interests	73,194	89,847
Other comprehensive income		
Unrealized gains (losses) on available-for-sale securities, net of taxes	2,544	2,502
Unrealized gains (losses) on hedging derivatives, net of taxes	0	0
Foreign currency translation adjustments	6,134	52,474
Share of other comprehensive income of associates accounted for using equity method	1	86
Total other comprehensive income	8,679	55,064
Comprehensive income	81,874	144,911
Comprehensive income attributable to		
Shareholders of the parent	75,530	136,989
Minority interests	6,344	7,922

(3) Consolidated Quarterly Statements of Cash Flows

(Millions of yen)

	Six Months ended August 31, 2012	Six Months ended August 31, 2013
	Amount	Amount
Cash flows from operating activities:		
Income before income taxes and minority interests	131,012	150,953
Depreciation and amortization	73,885	71,640
Impairment loss on property and equipment	9,607	5,209
Amortization of goodwill	6,981	9,048
Interest income	(2,663)	(2,751)
Interest expenses and interest on bonds	3,904	4,758
Equity in losses (earnings) of affiliates	(1,154)	(2,067)
Gain on sales of property and equipment	(331)	(421)
Loss on disposals of property and equipment	3,422	4,709
Subsidy income	-	(1,881)
Loss on reduction of property and equipment	-	1,881
Decrease (increase) in notes and accounts receivable, trade	(17,236)	(26,258)
Decrease (increase) in trade accounts receivable, financial services	2,356	284
Decrease (increase) in inventories	894	(4,746)
Increase (decrease) in notes and accounts payable, trade	45,714	74,207
Increase (decrease) in deposits received	4,887	49,535
Net increase (decrease) in loans in banking business	10,000	(6,900)
Net increase (decrease) in corporate bonds in banking business	30,000	55,000
Net increase (decrease) in deposits received in banking business	9,381	40,901
Net decrease (increase) in call loan in banking business	(8,800)	-
Net increase (decrease) in call money in banking business	24,000	(38,700)
Net change in ATM-related temporary accounts	(10,669)	(34,172)
Other	(5,248)	8,484
Sub-total	309,944	358,715
Interest and dividends received	1,819	1,945
Interest paid	(3,640)	(4,710)
Income taxes paid	(53,624)	(44,744)
Net cash provided by operating activities	254,498	311,205
Cash flows from investing activities:		
Acquisition of property and equipment	(111,830)	(156,472)
Proceeds from sales of property and equipment	789	2,775
Acquisition of intangible assets	(7,686)	(7,625)
Payment for purchase of investments in securities	(92,500)	(85,652)
Proceeds from sales of investments in securities	89,022	84,503
Payment for long-term leasehold deposits	(12,554)	(16,132)
Refund of long-term leasehold deposits	16,517	23,101
Proceeds from deposits from tenants	1,797	1,982
Refund of deposits from tenants	(2,267)	(2,218)
Payment for acquisition of business	(10,758)	(6,077)
Payment for time deposits	(2,749)	(5,569)
Proceeds from withdrawal of time deposits	4,006	8,982
Other	(2,233)	(2,986)
Net cash used in investing activities	(130,447)	(161,388)

(Millions of yen)

	Six Months ended August 31, 2012	Six Months ended August 31, 2013
	Amount	Amount
Cash flows from financing activities:		
Net increase (decrease) in short-term loans	(1,990)	(14,600)
Proceeds from long-term debts	74,350	47,500
Repayment of long-term debts	(26,653)	(31,407)
Proceeds from commercial paper	-	171,337
Payment for redemption of commercial paper	(22,014)	(162,053)
Proceeds from issuance of bonds	-	99,700
Payment for redemption of bonds	-	(40,000)
Dividends paid	(29,162)	(29,132)
Dividends paid for minority interests	(3,157)	(3,230)
Other	(3,351)	(4,123)
Net cash provided by (used in) financing activities	(11,978)	33,991
Effect of exchange rate changes on cash and cash equivalents	692	5,841
Net increase (decrease) in cash and cash equivalents	112,765	189,649
Cash and cash equivalents at the beginning of period	733,707	800,087
Cash and cash equivalents at the end of period	846,473	989,737

(4) Doubts on the Premise of Going Concern

None

(5) Segment Information

I. Six Months ended August 31, 2012 (From March 1, 2012 to August 31, 2012)

1. Information on Revenues from Operations and Income (Loss) by Reportable Segment

(Millions of yen)

	Reportable segments						Total	Adjustments (Note 1)	Consolidated total (Note 2)
	Convenience store operations	Superstore operations	Department store operations	Food services	Financial services	Others			
Revenues from operations									
Revenues									
1. Customers	926,171	984,481	425,821	39,770	60,767	13,651	2,450,662	-	2,450,662
2. Intersegment	238	5,370	737	459	10,182	11,855	28,842	(28,842)	-
Total	926,410	989,851	426,558	40,229	70,949	25,506	2,479,505	(28,842)	2,450,662
Segment income (loss)	116,505	9,264	1,286	451	18,595	2,018	148,121	(926)	147,195

Notes:

1. The adjustments on segment income (loss) of (926) million yen are eliminations of intersegment transactions and certain expense items that are not allocated to reportable segments.
2. Segment income (loss) is reconciled with the operating income in the Consolidated Quarterly Statements of Income.

2. Impairment of Fixed Assets and Goodwill by Reportable Segment

(Major fluctuation of amount of goodwill)

Goodwill of the convenience store operation increased 14,511 million yen due to acquisition of business in North America.

II. Six Months ended August 31, 2013 (From March 1, 2013 to August 31, 2013)

1. Information on Revenues from Operations and Income (Loss) by Reportable Segment

(Millions of yen)

	Reportable segments						Total	Adjustments (Note 1)	Consolidated total (Note 2)
	Convenience store operations	Superstore operations	Department store operations	Food services	Financial services	Others			
Revenues from operations									
Revenues									
1. Customers	1,276,970	992,389	420,877	40,287	66,310	10,829	2,807,664	-	2,807,664
2. Intersegment	230	4,441	804	431	12,042	13,909	31,858	(31,858)	-
Total	1,277,201	996,830	421,681	40,718	78,352	24,738	2,839,523	(31,858)	2,807,664
Segment income (loss)	128,775	11,810	(550)	865	22,856	1,345	165,101	(517)	164,583

Notes:

1. The adjustments on segment income (loss) of (517) million yen are eliminations of intersegment transactions and certain expense items that are not allocated to reportable segments.
2. Segment income (loss) is reconciled with the operating income in the Consolidated Quarterly Statements of Income.

2. Impairment of Fixed Assets and Goodwill by Reportable Segment

(Major fluctuation of amount of goodwill)

Goodwill of the convenience store operation increased 5,406 million yen due to acquisition of business in North America.

3. Change in Reportable Segments

(Change in depreciation method)

Previously, the Company and its consolidated subsidiaries, excluding certain domestic and foreign consolidated subsidiaries, used the declining-balance method to calculate the depreciation of property and equipment. However, as described in changes in accounting policies, effective March 1, 2013, the Company and its consolidated subsidiaries integrated to the straight-line method of depreciation.

As a result of this change, the impact on segment income increased by 7,017 million yen in convenience store operations, 4,821 million yen in superstore operations, 135 million yen in department store operations, 88 million yen in food services, 1,609 million yen in financial services, 296 million yen in others, and 95 million yen in adjustments for the six months ended August 31, 2013.

(Reference)

Revenues from operations and operating income by geographic area segments are described below.

Six Months ended August 31, 2012 (From March 1, 2012 to August 31, 2012) (Millions of yen)

	Japan	North America	Others	Total before eliminations	Eliminations	Consolidated total
Revenues from operations						
Revenues						
1. Customers	1,790,552	609,013	51,097	2,450,662	-	2,450,662
2. Intersegment	263	40	-	304	(304)	-
Total	1,790,816	609,053	51,097	2,450,967	(304)	2,450,662
Operating income	131,237	15,510	443	147,191	3	147,195

Six Months ended August 31, 2013 (From March 1, 2013 to August 31, 2013) (Millions of yen)

	Japan	North America	Others	Total before eliminations	Eliminations	Consolidated total
Revenues from operations						
Revenues						
1. Customers	1,822,906	927,758	56,999	2,807,664	-	2,807,664
2. Intersegment	392	59	-	452	(452)	-
Total	1,823,298	927,818	56,999	2,808,116	(452)	2,807,664
Operating income (loss)	149,273	16,289	(995)	164,567	16	164,583

Notes:

1. The classification of geographic area segments is determined based on geographical distances.
2. "Others" consists of the business results in the People's Republic of China.

(6) Notes on Significant Changes in the Amount of Shareholders' Equity

None