



April 3, 2014

Consolidated Financial Results for the Fiscal Year ended February 28, 2014

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.

Date of the ordinary general meeting of shareholders: May 22, 2014

Submission date of the annual securities report scheduled: May 27, 2014

Starting date of paying year-end dividend: May 23, 2014

Preparation of brief summary materials for financial results: Yes

Holding of financial results presentation: Yes

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

1. Business Results for the Fiscal Year ended February 28, 2014 (from March 1, 2013 to February 28, 2014)

(1) Results of Operations

(Millions of yen, except per share amounts)

	Revenues from Operations		Operating Income		Ordinary Income		Net Income	
Year ended February 28, 2014	5,631,820	12.8 %	339,659	14.9 %	339,083	14.6 %	175,691	27.3 %
Year ended February 28, 2013	4,991,642	4.3 %	295,685	1.2 %	295,836	0.9 %	138,064	6.3 %

Note: Comprehensive income:

Year ended February 28, 2014: 277,175 million yen [40.9%] Year ended February 28, 2013: 196,778 million yen [56.8%]

	Net Income per Share		Diluted Net Income per Share		Ratio of Net Income to Owners' Equity	Ratio of Ordinary Income to Total Assets	Ratio of Operating Income to Revenues from Operations
Year ended February 28, 2014	198.84	(yen)	198.69	(yen)	8.8 %	7.5 %	6.0 %
Year ended February 28, 2013	156.26	(yen)	156.15	(yen)	7.6 %	7.3 %	5.9 %

Notes: 1. Equity in earnings of affiliates:

Year ended February 28, 2014: 2,649 million yen Year ended February 28, 2013: 1,874 million yen

2. Percentages represent increase (decrease) from the prior year unless otherwise stated.

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

Year ended February 28, 2014: 9,597,882 million yen [12.8%]

Year ended February 28, 2013: 8,507,647 million yen [5.7%]

(2) Financial Position

(Millions of yen, except per share amounts)

	Total Assets	Net Assets	Owners' Equity Ratio	Net Assets per Share
As of February 28, 2014	4,811,380	2,221,557	43.6%	2,371.92 (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 February 28, 2014: 2,095,746 million yen As of February 28, 2013: 1,891,163 million yen

(3) Cash Flows

(Millions of yen)

	Cash Flows from Operating Activities	Cash Flows from Investing Activities	Cash Flows from Financing Activities	Cash and Cash Equivalents at end of the Fiscal Year
Year ended February 28, 2014	454,335	(286,686)	(55,227)	921,432
Year ended February 28, 2013	391,406	(340,922)	10,032	800,087

2. Dividends

	Dividends per Share (yen)			Total Amount of Dividends (Millions of yen)	Dividends Payout Ratio (Consolidated)	Ratio of Total Amount of Dividends to Net Assets (Consolidated)
	Interim	Year-end	Annual			
Year ended February 28, 2013	31.00	33.00	64.00	56,547	41.0 %	3.1%
Year ended February 28, 2014	33.00	35.00	68.00	60,100	34.2 %	3.0%
Year ending February 28, 2015 (forecast)	35.00	35.00	70.00		33.6 %	

3. Forecast of Business Results for the Fiscal Year ending February 28, 2015 (From March 1, 2014 to February 28, 2015)

(Millions of yen, except per share amounts)

	Revenues from Operations		Operating Income		Ordinary Income		Net Income		Net Income per Share
Interim Period	3,040,000	8.3 %	170,000	3.3 %	169,000	2.5 %	83,500	0.2 %	94.50 (yen)
Entire Year	6,130,000	8.8 %	356,000	4.8 %	354,000	4.4 %	184,000	4.7 %	208.25 (yen)

Note: Percentages represent increase (decrease) from the corresponding period in the prior year.

* The forecast of group's total sales including total store sales of Seven-Eleven Japan and 7-Eleven, Inc.:

Interim Period: 5,050,000 million yen [6.3%]

Entire Year: 10,200,000 million yen [6.3%]

4. Others

(1) Changes in significant subsidiaries during the fiscal year ended February 28, 2014

(changes in specific subsidiaries accompanying change in scope of consolidation): Yes

Added: one company (Nissen Holdings Co., Ltd.)

Excluded: none

(2) Changes in accounting policies, accounting estimates or restatements

1. Changes due to amendment of accounting standards: None

2. Changes due to other reasons: Yes

3. Changes in accounting estimates: Yes

4. Restatements: None

Note: For details, please refer to Accounting Policies for the Preparation of Consolidated Financial Statements on page 12 and Changes in Accounting Policies on page 16 of attached materials.

(3) Number of shares outstanding (common stock)

Number of shares outstanding at the end of period (including treasury stock)

As of February 28, 2014: 886,441,983 shares

As of February 28, 2013: 886,441,983 shares

Number of treasury stock at the end of period

As of February 28, 2014: 2,876,349 shares

As of February 28, 2013: 2,907,114 shares

Average number of shares during the period

Year ended February 28, 2014: 883,564,722 shares

Year ended February 28, 2013: 883,532,139 shares

Note: For the number of shares as a basis of calculating net income per share (consolidated), please refer to Per Share Information on page 43 of attached materials.

Reference: Summary of Nonconsolidated Financial Statements

1. Nonconsolidated Business Results for the Fiscal Year ended February 28, 2014 (from March 1, 2013 to February 28, 2014)

(1) Results of Operations

(Millions of yen, except per share amounts)

	Revenues from Operations		Operating Income		Ordinary Income	
Year ended February 28, 2014	89,946	0.6%	81,250	0.1%	79,116	0.9%
Year ended February 28, 2013	89,383	14.5%	81,152	14.5%	78,421	15.3%

	Net Income		Net Income per Share		Diluted Net Income per Share	
Year ended February 28, 2014	77,953	(2.5)%	88.22	(yen)	88.16	(yen)
Year ended February 28, 2013	79,955	10.7%	90.49	(yen)	90.44	(yen)

Note: Percentages represent increase (decrease) from the prior year unless otherwise stated.

(2) Financial Position

(Millions of yen, except per share amounts)

	Total Assets	Net Assets	Equity Ratio	Net Assets per Share
	As of February 28, 2014	1,942,587	1,434,863	73.8%
As of February 28, 2013	1,915,367	1,412,526	73.7%	1,597.27 (yen)

Note: Owners' equity (net assets excluding subscription rights to shares) :

As of February 28, 2014: 1,433,306 million yen

As of February 28, 2013: 1,411,279 million yen

NOTICE REGARDING AUDIT PROCEDURES FOR THE CONSOLIDATED FINANCIAL RESULTS

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

FORWARD LOOKING STATEMENTS AND OTHER SPECIAL ITEMS

1. The forecast for the year ending February 28, 2015 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 forecast.

2. Brief summary for the fiscal year ended February 28, 2014 will be posted on the Company's website (<http://www.7andi.com/en/ir/library/kh/201402.html>).

The presentation materials related to financial results which will be used on financial results presentation planned to be held on April 4, 2014, will be posted as soon as possible after the presentation.

<Reference>

The consolidated financial forecasts for the fiscal year ending February 28, 2015 (March 1, 2014 to February 28, 2015) are as follows.

Consolidated financial forecast (Millions of yen)

	Year ending February 28, 2015	
		YOY
Revenues from operations	6,130,000	8.8%
Operating income	356,000	4.8%
Ordinary income	354,000	4.4%
Net income	184,000	4.7%

Assumed exchange rates: U.S.\$1 = 102.00 yen 1yuan = 16.50 yen

* The forecast of group's total sales including total store sales of Seven-Eleven Japan and 7-Eleven, Inc.: 10,200 billion yen [6.3%]

Revenues from operations and operating income forecast by business segment (Millions of yen)

	Year ending February 28, 2015			
	Revenues from operations		Operating income	
		YOY		YOY
Convenience store operations	2,770,000	9.5%	270,000	4.8%
Superstore operations	2,050,000	2.0%	32,800	10.6%
Department store operations	886,000	1.7%	8,200	24.4%
Food services	81,500	3.7%	1,300	115.2%
Financial services	177,000	11.4%	47,500	5.8%
Mail order services	196,800	-	(4,700)	-
Others	57,100	13.1%	3,700	70.8%
Total before eliminations	6,218,400	9.1%	358,800	5.1%
Eliminations / corporate	(88,400)	-	(2,800)	-
Consolidated Total	6,130,000	8.8%	356,000	4.8%

Note: Percentages represent increase (decrease) from the prior year unless otherwise stated.

Attached Materials

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1. Scope of Consolidated Subsidiaries and Affiliates

Major Seven & i Holdings Group Companies

Seven & i Holdings Group consists 149 diversified retail companies, mainly engaged in convenience store operations, superstore operations, department store operations, food services, financial services and mail order services.

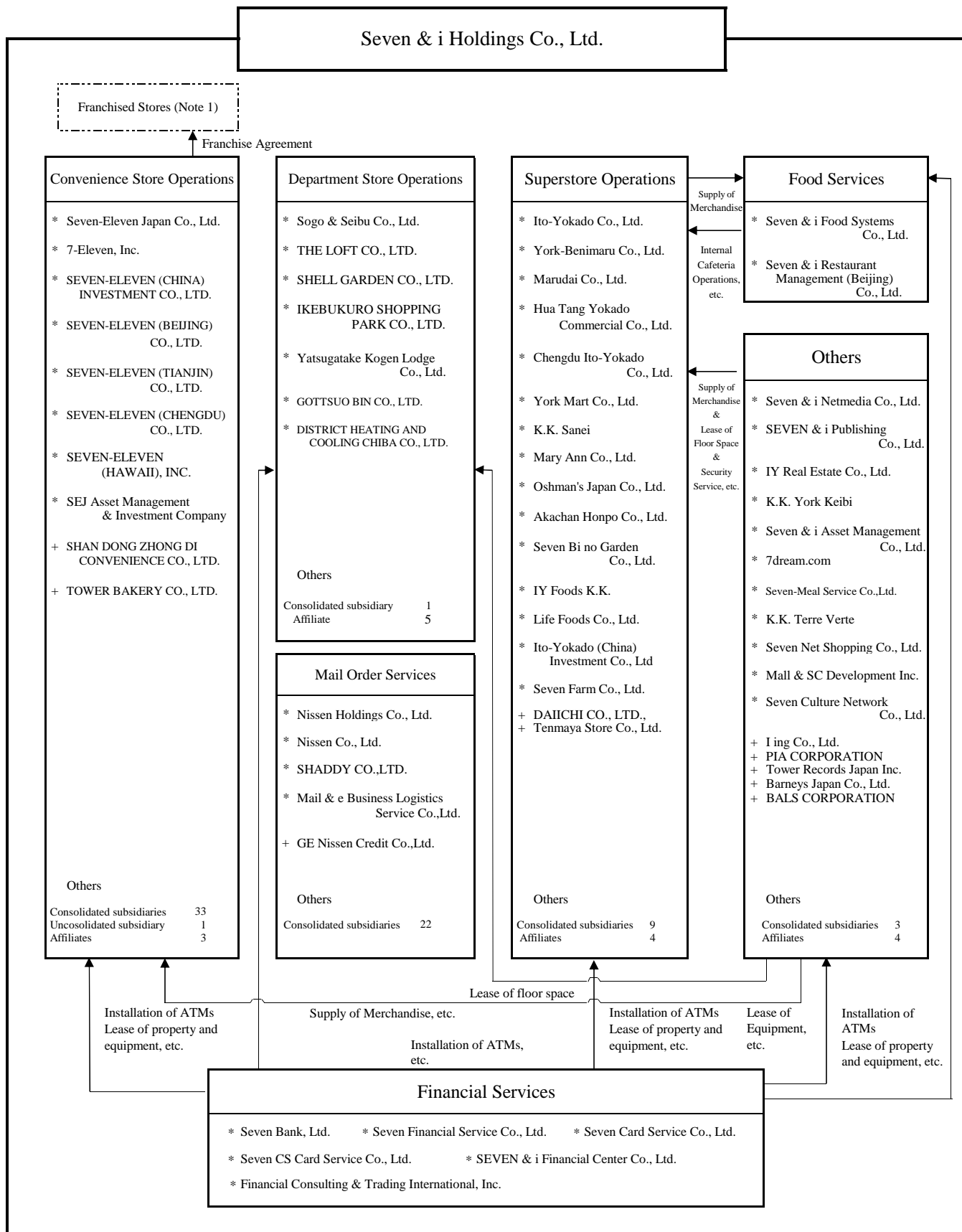
Business segments, major group companies and number of companies are as follows.

This segmentation is same as the reportable segment shown in the section of segment information.

Business Segments	Major Group Companies	Number of Companies
Convenience Store Operations	Seven-Eleven Japan Co., Ltd. 7-Eleven, Inc. SEVEN-ELEVEN (CHINA) INVESTMENT CO., LTD. SEVEN-ELEVEN (BEIJING) CO., LTD. SEVEN-ELEVEN (TIANJIN) CO., LTD. SEVEN-ELEVEN (CHENGDU) CO., LTD. SEVEN-ELEVEN (HAWAII), INC. SEJ Asset Management & Investment Company SHAN DONG ZHONG DI CONVENIENCE CO., LTD. TOWER BAKERY CO., LTD.	Consolidated Subsidiaries 41 Unconsolidated Subsidiary 1 Affiliates 5 <hr/> Total 47
Superstore Operations	Ito-Yokado Co., Ltd. York-Benimaru Co., Ltd. Marudai Co., Ltd. Hua Tang Yokado Commercial Co., Ltd. Chengdu Ito-Yokado Co., Ltd. York Mart Co., Ltd. K.K. Sanei Mary Ann Co., Ltd. Oshman's Japan Co., Ltd. Akachan Honpo Co., Ltd. Seven Bi no Garden Co., Ltd. IY Foods K.K. Life Foods Co., Ltd. Ito-Yokado (China) Investment Co., Ltd. Seven Farm Co., Ltd. DAIICHI CO., LTD. Tenmaya Store Co., Ltd.	Consolidated Subsidiaries 24 Affiliates 6 <hr/> Total 30
Department Store Operations	Sogo & Seibu Co., Ltd. THE LOFT CO., LTD. SHELL GARDEN CO., LTD. IKEBUKURO SHOPPING PARK CO., LTD. Yatsugatake Kogen Lodge Co., Ltd. GOTTSUO BIN CO., LTD. DISTRICT HEATING AND COOLING CHIBA CO., LTD.	Consolidated Subsidiaries 8 Affiliates 5 <hr/> Total 13
Food Services	Seven & i Food Systems Co., Ltd. Seven & i Restaurant Management (Beijing) Co., Ltd.	Consolidated Subsidiaries 2
Financial Services	Seven Bank, Ltd. Seven Financial Service Co., Ltd. Seven Card Service Co., Ltd. Seven CS Card Service Co., Ltd. SEVEN & i Financial Center Co., Ltd. Financial Consulting & Trading International, Inc.	Consolidated Subsidiaries 6
Mail Order Services	Nissen Holdings Co., Ltd. Nissen Co., Ltd. SHADDY CO.,LTD. Mail & e Business Logistics Service Co., Ltd. GE Nissen Credit Co., Ltd.	Consolidated Subsidiaries 26 Affiliates 1 <hr/> Total 27
Others	Seven & i Netmedia Co., Ltd. SEVEN & i Publishing Co., Ltd. IY Real Estate Co., Ltd. K.K. York Keibi Seven & i Asset Management Co., Ltd. 7dream.com Seven-Meal Service Co., Ltd. K.K. Terre Verte Seven Net Shopping Co., Ltd. Mall & SC Development Inc. Seven Culture Network Co., Ltd. I ing Co., Ltd. PIA CORPORATION Tower Records Japan Inc. Barneys Japan Co., Ltd. BALS CORPORATION	Consolidated Subsidiaries 14 Affiliates 9 <hr/> Total 23

1. SHAN DONG ZHONG DI CONVENIENCE CO., LTD., TOWER BAKERY CO., LTD., DAIICHI CO., LTD., Tenmaya Store Co., Ltd., Barneys Japan Co., Ltd., BALS CORPORATION, GE Nissen Credit Co.,Ltd., I ing Co., Ltd., PIA CORPORATION and Tower Records Japan Inc. are affiliates and other companies are consolidated subsidiaries.
2. On August 26, 2013, DAIICHI CO., LTD. became a consolidated affiliate of the Company through a stock acquisition.
3. On January 31, 2014, Tenmaya Store Co., Ltd. became a consolidated affiliate of the Company through a stock acquisition.
4. On August 27, 2013, Seven & i Restaurant (Beijing) Co., Ltd. changed its name to Seven & i Restaurant Management (Beijing) Co., Ltd.
5. On January 29, 2014, Nissen Holdings Co., Ltd. became a consolidated subsidiary of the Company through a stock acquisition. Accordingly Nissen Co., Ltd., SHADDY CO.,LTD., Mail & e Business Logistics Service Co.,Ltd., GE Nissen Credit Co.,Ltd., and other companies became consolidated subsidiaries or a consolidated affiliate of the Company.
6. On March 1, 2014, Seven Net Shopping Co., Ltd. was merged by Seven & i Netmedia Co., Ltd.
7. On January 10, 2014, Barneys Japan Co., Ltd. became a consolidated affiliate of the Company through a stock acquisition.
8. On January 31, 2014, BALS CORPORATION became a consolidated affiliate of the Company through a stock acquisition.

Business Relation in Group



* Consolidated subsidiary
+ Affiliate accounted for using the equity method

Notes: 1. Each franchised store is operated by an independent franchisee which enters into franchise agreement with Seven-Eleven Japan Co., Ltd. or 7-Eleven, Inc. or SEVEN-ELEVEN (BEIJING) CO., LTD. or SEVEN-ELEVEN (CHENGDU) CO., LTD.
2. As of February 28, 2014, Seven Bank, Ltd. has 19,394 units of ATMs placed mainly in the stores of Group companies.

2. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Millions of yen)

	February 28, 2013	February 28, 2014
	Amount	Amount
ASSETS		
Current assets	1,655,528	1,899,556
Cash and bank deposits	710,968	792,986
Call Loan	25,000	10,000
Notes and accounts receivable, trade	285,817	327,072
Trade accounts receivable, financial services	64,053	66,230
Marketable securities	110,024	150,000
Merchandise and finished goods	159,645	198,847
Work in process	175	210
Raw materials and supplies	2,465	3,060
Prepaid expenses	33,954	42,984
Deferred income taxes	34,493	40,812
Other	233,886	272,880
Allowance for doubtful accounts	(4,955)	(5,529)
Non-current assets	2,606,564	2,911,623
Property and equipment	1,482,514	1,709,990
Buildings and structures, net	631,992	749,201
Furniture, fixtures and equipment, net	171,735	232,991
Vehicles, net	3,439	2,482
Land	627,251	681,651
Lease assets, net	16,892	18,491
Construction in progress	31,203	25,171
Intangible assets	415,413	467,947
Goodwill	245,402	277,943
Software	37,178	43,428
Other	132,832	146,576
Investments and other assets	708,636	733,685
Investments in securities	163,456	189,102
Long-term loans receivable	18,017	17,868
Prepaid pension cost	31,786	31,822
Long-term leasehold deposits	400,867	402,878
Advances for store construction	7,609	591
Deferred income taxes	32,943	32,836
Other	60,626	65,552
Allowance for doubtful accounts	(6,671)	(6,966)
Deferred assets	304	200
New organization costs	28	14
Business commencement expenses	275	186
TOTAL ASSETS	4,262,397	4,811,380

(Millions of yen)

	February 28, 2013	February 28, 2014
	Amount	Amount
LIABILITIES		
Current liabilities	1,534,579	1,628,167
Notes and accounts payable, trade	328,800	383,972
Short-term loans	145,750	116,147
Current portion of long-term loans	124,857	100,775
Current portion of bonds	63,999	20,000
Income taxes payable	34,827	62,625
Accrued expenses	85,443	97,543
Deposits received	136,850	154,795
Allowance for sales promotion expenses	15,262	16,909
Allowance for bonuses to employees	13,293	14,773
Allowance for bonuses to Directors and Audit & Supervisory Board Members	342	372
Allowance for loss on future collection of gift certificates	3,406	2,932
Provision for sales returns	2	205
Provision for loss on disaster	143	-
Deposits received in banking business	325,444	403,062
Other	256,153	254,051
Non-current liabilities	733,077	961,656
Bonds	229,983	364,987
Long-term loans	281,893	332,485
Commercial paper	6,579	-
Deferred income taxes	34,801	51,220
Allowance for accrued pension and severance costs	4,613	6,853
Allowance for retirement benefits to Directors and Audit & Supervisory Board Members	2,124	2,019
Deposits received from tenants and franchised stores	55,089	55,046
Asset retirement obligations	51,170	60,376
Other	66,822	88,666
TOTAL LIABILITIES	2,267,656	2,589,823
NET ASSETS		
Shareholders' equity	1,963,666	2,081,295
Common stock	50,000	50,000
Capital surplus	526,873	526,850
Retained earnings	1,393,935	1,511,555
Treasury stock, at cost	(7,142)	(7,109)
Total accumulated other comprehensive income	(72,503)	14,450
Unrealized gains (losses) on available-for-sale securities, net of taxes	7,416	10,672
Unrealized gains (losses) on hedging derivatives, net of taxes	(5)	(6)
Foreign currency translation adjustments	(79,914)	3,785
Subscription rights to shares	1,538	1,944
Minority interests in consolidated subsidiaries	102,038	123,866
TOTAL NET ASSETS	1,994,740	2,221,557
TOTAL LIABILITIES AND NET ASSETS	4,262,397	4,811,380

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

(Millions of yen)

	Year ended February 28, 2013	Year ended February 28, 2014
	Amount	Amount
[Revenues from operations]	[4,991,642]	[5,631,820]
Net sales	4,149,003	4,679,087
Cost of sales	3,218,270	3,694,217
Gross profit on sales	930,732	984,870
Operating revenues	842,639	952,732
Gross profit from operations	1,773,371	1,937,603
Selling, general and administrative expenses	1,477,686	1,597,944
Advertising and decoration expenses	119,292	127,099
Salaries and wages	381,667	415,964
Provision for bonuses to employees	13,221	14,539
Pension expenses	16,957	14,083
Legal welfare expenses	49,344	50,704
Land and building rent	271,956	297,815
Depreciation and amortization	148,335	140,573
Utility expenses	101,344	116,091
Store maintenance and repair expenses	62,489	62,818
Other	313,077	358,252
Operating Income	295,685	339,659
Non-operating income	11,064	12,846
Interest income	5,363	5,659
Dividend income	760	882
Equity in earnings of affiliates	1,874	2,649
Other	3,065	3,654
Non-operating expenses	10,913	13,422
Interest expenses	5,113	6,497
Interest on bonds	2,850	2,774
Foreign currency exchange losses	0	1,768
Other	2,949	2,382
Ordinary income	295,836	339,083
Special gains	2,147	3,333
Gain on sales of property and equipment	1,404	1,299
Subsidy income	-	1,881
Other	743	152
Special losses	35,261	31,186
Loss on disposals of property and equipment	6,642	8,667
Impairment loss on property and equipment	18,330	15,094
Other	10,288	7,424
Income before income taxes and minority interests	262,722	311,230
Total income taxes	110,839	123,182
Income taxes - current	101,690	122,004
Income taxes - deferred	9,148	1,177
Income before minority interests	151,883	188,048
Minority interests in net income of consolidated subsidiaries	13,818	12,356
Net income	138,064	175,691

Consolidated Statements of Comprehensive Income

(Millions of yen)

	Year ended February 28, 2013	Year ended February 28, 2014
	Amount	Amount
Income before minority interests	151,883	188,048
Other comprehensive income		
Unrealized gains (losses) on available-for-sale securities, net of taxes	4,061	3,244
Unrealized gains (losses) on hedging derivatives, net of taxes	(0)	(0)
Foreign currency translation adjustments	40,773	85,768
Share of other comprehensive income of associates accounted for using equity method	60	114
Total other comprehensive income	44,895	89,127
Comprehensive income	196,778	277,175
Comprehensive income attributable to		
Shareholders of the parent	181,864	262,645
Minority interests	14,913	14,530

(3) Consolidated Statements of Changes in Net Assets

Fiscal year ended February 28, 2013 (From March 1, 2012 to February 28, 2013)

(Millions of yen)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock, at cost	Total shareholders' equity
Balance at March 1, 2012	50,000	526,886	1,312,613	(7,212)	1,882,287
Increase (decrease) for the year					
Cash dividends			(56,546)		(56,546)
Net income			138,064		138,064
Purchase of treasury stock				(13)	(13)
Disposal of treasury stock		(12)		83	70
Increase (decrease) resulting from adoption of U.S. GAAP by U.S. subsidiaries			(196)		(196)
Other				(0)	(0)
Net changes of items other than shareholder equity					
Net increase (decrease) for the year	-	(12)	81,321	69	81,378
Balance at February 28, 2013	50,000	526,873	1,393,935	(7,142)	1,963,666

	Accumulated other comprehensive income				Subscription rights to shares	Minority interests in consolidated subsidiaries	TOTAL NET ASSETS
	Unrealized gains (losses) on available-for-sale securities, net of taxes	Unrealized gains (losses) on hedging derivatives, net of taxes	Foreign currency translation adjustments	Total accumulated gains (losses) from valuation and translation adjustments			
Balance at March 1, 2012	3,360	(3)	(119,661)	(116,303)	1,222	93,748	1,860,954
Increase (decrease) for the year							
Cash dividends							(56,546)
Net income							138,064
Purchase of treasury stock							(13)
Disposal of treasury stock							70
Increase (decrease) resulting from adoption of U.S. GAAP by U.S. subsidiaries							(196)
Other							(0)
Net changes of items other than shareholder equity	4,055	(2)	39,747	43,800	315	8,290	52,406
Net increase (decrease) for the year	4,055	(2)	39,747	43,800	315	8,290	133,785
Balance at February 28, 2013	7,416	(5)	(79,914)	(72,503)	1,538	102,038	1,994,740

Fiscal year ended February 28, 2014 (From March 1, 2013 to February 28, 2014)

(Millions of yen)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock, at cost	Total shareholders' equity
Balance at March 1, 2013	50,000	526,873	1,393,935	(7,142)	1,963,666
Increase (decrease) for the year					
Cash dividends			(58,315)		(58,315)
Net income			175,691		175,691
Purchase of treasury stock				(133)	(133)
Disposal of treasury stock		(23)		167	143
Increase (decrease) resulting from adoption of U.S. GAAP by U.S. subsidiaries			244		244
Other				(0)	(0)
Net changes of items other than shareholder equity					
Net increase (decrease) for the year	-	(23)	117,620	33	117,629
Balance at February 28, 2014	50,000	526,850	1,511,555	(7,109)	2,081,295

	Accumulated other comprehensive income				Subscription rights to shares	Minority interests in consolidated subsidiaries	TOTAL NET ASSETS
	Unrealized gains (losses) on available-for-sale securities, net of taxes	Unrealized gains (losses) on hedging derivatives, net of taxes	Foreign currency translation adjustments	Total accumulated gains (losses) from valuation and translation adjustments			
Balance at March 1, 2013	7,416	(5)	(79,914)	(72,503)	1,538	102,038	1,994,740
Increase (decrease) for the year							
Cash dividends							(58,315)
Net income							175,691
Purchase of treasury stock							(133)
Disposal of treasury stock							143
Increase (decrease) resulting from adoption of U.S. GAAP by U.S. subsidiaries							244
Other							(0)
Net changes of items other than shareholder equity	3,255	(1)	83,699	86,953	406	21,827	109,187
Net increase (decrease) for the year	3,255	(1)	83,699	86,953	406	21,827	226,817
Balance at February 28, 2014	10,672	(6)	3,785	14,450	1,944	123,866	2,221,557

(4) Consolidated Statements of Cash Flows

(Millions of yen)

	Year ended February 28, 2013	Year ended February 28, 2014
Cash flows from operating activities:		
Income before income taxes and minority interests	262,722	311,230
Depreciation and amortization	155,666	147,379
Impairment loss on property and equipment	18,330	15,094
Amortization of goodwill	17,684	18,697
Increase (decrease) in allowance for bonuses to employees	(1,436)	1,284
Decrease (increase) in prepaid pension cost	2,851	(35)
Interest and dividends income	(6,124)	(6,542)
Interest expenses and interest on bonds	7,963	9,271
Equity in losses (earnings) of affiliates	(1,874)	(2,649)
Gain on sales of property and equipment	(1,404)	(1,299)
Loss on disposals of property and equipment	6,642	8,667
Subsidy income	-	(1,881)
Decrease (increase) in notes and accounts receivable, trade	(12,603)	(12,889)
Decrease (increase) in trade accounts receivable, financial services	4,638	(2,177)
Decrease (increase) in inventories	(6,474)	(13,344)
Increase (decrease) in notes and accounts payable, trade	4,005	8,311
Increase (decrease) in deposits received	6,914	15,996
Net increase (decrease) in loans in banking business	16,900	(15,900)
Net increase (decrease) in corporate bonds in banking business	30,000	31,000
Net increase (decrease) in deposits received in banking business	37,216	77,617
Net decrease (increase) in call loan in banking business	(20,000)	15,000
Net increase (decrease) in call money in banking business	37,900	(40,900)
Net change in ATM-related temporary accounts	(10,977)	(9,136)
Other	(12,028)	3,127
Sub-total	536,512	555,921
Interest and dividends received	3,190	3,516
Interest paid	(7,466)	(9,259)
Special contribution	(27,963)	-
Income taxes paid	(112,865)	(95,843)
Net cash provided by operating activities	391,406	454,335

(Millions of yen)

	Year ended February 28, 2013	Year ended February 28, 2014
Cash flows from investing activities:		
Acquisition of property and equipment	(276,941)	(274,531)
Proceeds from sales of property and equipment	7,927	21,059
Acquisition of intangible assets	(18,967)	(14,936)
Payment for purchase of investments in securities	(96,257)	(110,584)
Proceeds from sales of investments in securities	101,631	99,386
Payment for purchase of investments in subsidiaries	(0)	(449)
Payment of investments in subsidiaries resulting in change in scope of consolidations	(10,527)	(6,584)
Payment for long-term leasehold deposits	(23,746)	(27,305)
Refund of long-term leasehold deposits	30,315	36,693
Proceeds from deposits from tenants	3,485	3,376
Refund of deposits from tenants	(3,176)	(3,232)
Payment for acquisition of business	(52,671)	(8,245)
Payment for time deposits	(14,304)	(15,801)
Proceeds from withdrawal of time deposits	16,148	19,126
Other	(3,837)	(4,659)
Net cash used in investing activities	(340,922)	(286,686)
Cash flows from financing activities:		
Net increase (decrease) increase in short-term loans	(840)	(23,750)
Proceeds from long-term debts	195,883	117,100
Repayment of long-term debts	(97,861)	(124,436)
Proceeds from commercial paper	40,620	216,838
Payment for redemption of commercial paper	(56,580)	(224,266)
Proceeds from issuance of bonds	-	99,700
Payment for redemption of bonds	-	(40,000)
Dividends paid	(56,556)	(58,270)
Capital contribution from minority interests	0	0
Dividends paid for minority interests	(6,480)	(5,493)
Other	(8,152)	(12,650)
Net cash used in financing activities	10,032	(55,227)
Effect of exchange rate change on cash and cash equivalents	5,864	8,924
Net increase (decrease) in cash and cash equivalents	66,380	121,344
Cash and cash equivalents at beginning of year	733,707	800,087
Cash and cash equivalents at end of year	800,087	921,432

(5) Doubts on the Premise of Going Concern

None

(6) Accounting Policies for the Preparation of Consolidated Financial Statements

1. Scope of consolidation

(1) Number of consolidated subsidiaries: 121

Major consolidated subsidiaries: Seven-Eleven Japan Co., Ltd. Ito-Yokado Co., Ltd.,
Sogo & Seibu Co., Ltd., Seven & i Food Systems Co., Ltd.,
York-Benimaru Co., Ltd., Seven Bank, Ltd., and 7-Eleven, Inc.

Consolidated subsidiaries increased by 29

(Acquisition of shares)

Nissen Holdings Co.,Ltd

(Consolidation of Nissen Holdings Co.,Ltd)

Nissen Holdings Co.,Ltd. subsidiaries (Nissen Co., Ltd. SHADDY CO., LTD.

Mail & Business Logistics Service Co.,Ltd., and 22 other companies)

(Establishment)

Seven Farm Niigata Co., Ltd., Seven Farm Shonan Co., Ltd., Seven Farm Choshi Co., Ltd.

(2) Number of unconsolidated subsidiary: 1

7-Eleven Limited

The Company's portion of its net income or loss, retained earnings

and the effects on the Consolidated Financial Statements are not considered material.

2. Application of equity method

(1) Number of unconsolidated subsidiary to which equity method was applied: none

(2) Number of affiliates to which equity method was applied: 26

Major affiliates: PRIME DELICA CO., LTD., PIA CORPORATION

Affiliates to which equity method is applied increased by 6

(Acquisition of shares)

Barneys Japan Co.,Ltd., BALS CORPORATION, BALS INTERNATIONAL LIMITED

DAIICHI CO., LTD. Tenmaya Store Co., Ltd.

(Consolidation of Nissen Holdings Co., Ltd)

GE Nissen Credit Co., Ltd.

(3) Name of unconsolidated subsidiary to which equity method was not applied:

7-Eleven Limited

Reason for not applying equity method:

The Company's portion of its net income or loss (as calculated by the equity method), retained earnings (as calculated by the equity method) and the effect on the Consolidated Financial Statements are not considered material.

(4) Procedure for applying equity method

- (a) The affiliates which have different closing dates are included in the Consolidated Financial Statements based on their respective fiscal year-end.
- (b) When an affiliate is in a net loss portion, the Company's share of such loss is reduced from its loan receivable from affiliate.

3. Accounting period of consolidated subsidiaries

The fiscal year-end of some subsidiaries is December 20 or 31. The financial statements of such subsidiaries as of and for the year ended December 20 or 31 are used in preparing the Consolidated Financial Statements. All material transactions during the period from the closing date to February 28 or 29 are adjusted for in the consolidation process.

The closing date of Seven Bank, Ltd is March 31. Pro forma financial statements as of February 28 or 29 prepared in a manner that is substantially identical to the preparation of the official financial statements are prepared in order to facilitate its consolidation.

The closing date of some subsidiaries of Mail order services is March 31 or September 30. Pro forma financial statements as of December 31 prepared in a manner that is substantially identical to the preparation of the official financial statements are prepared in order to facilitate its consolidation.

All material transactions during the period from the closing date to February 28 or 29 are adjusted for in the consolidation process.

4. Summary of significant accounting policies

(1) Valuation method for major assets

(a) Valuation method for securities

(I) Held-to-maturity debt securities are carried at amortized cost.

(II) Available-for-sale securities are classified into two categories, where: (i) the fair value is available and (ii) the fair value is not available.

(i) Securities whose fair value is available are valued at the quoted market price prevailing at the end of the fiscal year. Net unrealized gains or losses on these securities are reported as a separate component of net assets at a net-of-tax amount. Cost of sales is determined using the moving-average method.

(ii) Securities whose fair value is not available are valued at cost, determined using the moving-average method.

(b) Valuation method for derivatives

Derivative financial instruments are valued at fair value.

(c) Valuation method for inventories

(I) Merchandise:

Inventories of domestic consolidated subsidiaries (excluding Mail order services) are stated mainly at cost determined by the retail method with book value written down to the net realizable value.

Cost is determined principally by the first-in, first-out (FIFO) method (except for gasoline inventory that is determined mainly by the weighted average cost method) for Mail order services and foreign consolidated subsidiaries.

(II) Supplies:

Supplies are carried at cost which is mainly determined by the last purchase price method with book value written down to the net realizable value.

(2) Depreciation and amortization

(a) Property and equipment (Excluding Lease assets)

Depreciation of property and equipment is computed generally using the straight-line method (excluding Mail order services).

Mail order services are using the declining-balance method except for buildings.

(b) Intangible assets (Excluding Lease assets)

Intangible assets are amortized using the straight-line method for the Company and its domestic consolidated subsidiaries. Software for internal use is amortized using the straight-line method over an estimated useful life of 5 years.

(c) Lease assets

For the depreciation of the assets leased under finance lease contracts that do not transfer ownership of leased property to the lessee, a useful life is determined based on the duration of the lease period and straight-line depreciation is applied with an assumed residual value at nil.

Finance leases, commenced prior to March 1, 2009, which do not transfer ownership of leased property to the lessee, are accounted for in the same manner as operating leases.

(3) Accounting for deferred assets

(a) New organization costs

New organization costs are amortized using the straight-line method over 5 years, or expensed as incurred if immaterial.

(b) Business commencement expenses

Business commencement expenses are amortized using the straight-line method over 5 years, or expensed as incurred if immaterial.

(4) Allowances

(a) Allowance for doubtful accounts

Allowance for doubtful accounts is provided in an amount sufficient to cover probable losses on collection. It consists of the estimated uncollectible amount with respect to certain identified doubtful receivables and an amount calculated using the actual historical rate of losses.

(b) Allowance for sales promotion expenses

Allowance for sales promotion expenses is provided for the use of points given to customers at the amount expected to be used on the balance sheet date in accordance with the sales promotion point card program.

(c) Allowance for loss on future collection of gift certificates

Allowance for loss on future collection of gift certificates issued by certain domestic consolidated subsidiaries is provided for collection of gift certificates recognized as income after remaining uncollected for certain periods from their issuance. The amount is calculated using the historical results of collection.

(d) Allowance for bonuses to employees

Allowance for bonuses to employees is provided at the amount expected to be paid in respect of the calculation period ended on the balance sheet date.

(e) Allowance for bonuses to directors and corporate auditors

Allowance for bonuses to directors and corporate auditors is provided at the amount estimated to be paid.

(f) Provision for sales returns

Provision for sales returns is provided at the amount estimated future loss due to sales returns. The amount is calculated using the historical results of collection.

(g) Allowance for accrued pension and severance costs (Prepaid pension cost)

Allowance for accrued pension and severance costs is provided at the amount incurred during the fiscal year, which is based on the estimated present value of the projected benefit obligation less the estimated fair value of plan assets at the end of the fiscal year. The excess amount of the estimated fair value of the plan assets over the estimated present value of projected benefit obligation adjusted by unrecognized actuarial differences at February 28, 2014 is recorded as prepaid pension cost. Also, certain domestic consolidated subsidiaries and consolidated subsidiaries in the United States provide allowance for accrued pension and severance cost.

Unrecognized actuarial differences are amortized on a straight-line basis over the period of mainly 10 years from the next year in which they arise which is shorter than the average remaining years of service of the eligible employees. Unrecognized prior service costs are amortized on a straight-line basis over the period of 5 years or 10 years.

(h) Allowance for retirement benefits to directors and corporate auditors

Allowance for retirement benefits to directors and corporate auditors is provided at the amount required to be paid in accordance with internal rules.

The Company and some of its consolidated subsidiaries have abolished the retirement benefits system for directors and corporate auditors, among which some subsidiaries have determined to pay the balance at the time of retirement.

(5) Foreign currency translation

All assets and liabilities of the Company and its domestic consolidated subsidiaries denominated in foreign currencies are translated into Japanese yen at the exchange rate in effect at the respective balance sheet dates. Translation gains or losses are included in the accompanying Consolidated Statements of Income.

All balance sheets accounts of foreign subsidiaries are translated into Japanese yen at the exchange rate in effect at the respective balance sheet dates except for shareholders' equity, which is translated at the historical rates. All income and expense accounts are translated at the average exchange rate for the period. The resulting translation adjustments are included in the accompanying Consolidated Balance Sheets under "Foreign currency translation adjustments" and "Minority interests in consolidated subsidiaries".

(6) Hedge accounting

(a) Hedge accounting

If interest rate swap contracts are used as hedges and meet certain hedging criteria, the recognition of gains and losses resulting from the changes in fair value of interest rate swap contracts is deferred until the related gains and losses on the hedged items are recognized. However, certain interest rate swap contracts that meet specific hedging criteria are not measured at market value but the differences between the paid and received amount under the swap contracts are recognized and included in interest income or expense as incurred.

(b) Hedge instruments and hedged items

Hedge instruments - Interest swap

Hedged items - Loans payable

(c) Hedging policies

The Company and its subsidiaries have policies to utilize derivative instruments for the purposes of hedging their exposure to fluctuations in foreign currency rates and interest rates and reducing financing costs. The Company and its subsidiaries do not hold or issue derivative instruments for trading or speculative purposes.

(d) Assessing hedge effectiveness

The hedge effectiveness for interest rate swap contracts is assessed quarterly except for those that meet specific hedging criteria.

(7) Goodwill and negative goodwill

Goodwill and negative goodwill which generated before March 1, 2011 are amortized mainly over a period of 20 years on a straight-line basis, or recognized as income or expenses immediately if immaterial. Negative goodwill arising on or after March 1, 2011 is recognized as income when it occurs.

The goodwill recognized in applying the equity method is accounted for the same manner.

(8) Cash and cash equivalents

Cash and cash equivalents in the accompanying Consolidated Statements of Cash Flows are comprised of cash on hand, demand deposits and short-term investments with maturities of three months or less from the date of acquisition, that are liquid, readily convertible into cash and are subject to minimum risk of price fluctuation.

(9) Other accounting treatments

(a) Accounting for franchised stores in convenience store operations

Seven-Eleven Japan Co., Ltd. and 7-Eleven, Inc. recognize franchise commission from its franchised stores as revenues and include it in "Operating revenues".

(b) Accounting for consumption taxes and excise tax

The Japanese consumption taxes withheld and consumption taxes paid are not included in the accompanying Consolidated Statements of Income. The excise tax levied in the U.S. and Canada is included in the revenues from operations.

(c) Application of consolidated taxation system

The Company and its wholly owned domestic subsidiaries have applied Consolidated Taxation System.

(7) Changes in Accounting Policies

(Change in depreciation method for property and equipment)

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 from the fiscal year ended February 28, 2014, the Company and its consolidated subsidiaries integrated to the straight-line method of depreciation, excluding Mail order services.

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 increased by 31,555 million yen.

(8) Changes in Method of Presentation

(Consolidated Balance Sheets)

“Provision for sales returns” which were previously included in “other” of non-current liabilities are separately presented for the fiscal year ended February 28, 2014.

To reflect this change in method of presentation, the Company reclassified Consolidated Financial Statements for the fiscal year ended February 28, 2013.

The amount of “Provision for sales returns” that was included in “other” of non-current liabilities at February 28, 2013 was 2 million yen.

(Consolidated Statements of Income)

“Foreign currency exchange losses” which were previously included in “other” are separately presented for the fiscal year ended February 28, 2014.

To reflect this change in method of presentation, the Company reclassified Consolidated Financial Statements for the fiscal year ended February 28, 2013.

The amount of “Foreign currency exchange losses” that was included in “other” at February 28, 2013 was 0 million yen.

“Gain on sales of investment securities” are included in “other” in Special gains for the fiscal year ended February 28, 2014 due to decrease in materiality.

To reflect this change in method of presentation, the Company reclassified Consolidated Financial Statements for the fiscal year ended February 28, 2013.

As a result of this change, 31 million yen presented as “Gain on sales of investment securities” for the fiscal year ended February 28, 2013 are classified “other” for the fiscal year ended February 28, 2013.

(9) Notes to Consolidated Financial Statements

Consolidated Balance Sheets;

1. Accumulated depreciation of Property and equipment

(Millions of yen)

	As of February 28, 2013	As of February 28, 2014
Accumulated depreciation	1,399,750	1,565,899

2. Assets pledged as collateral

(Millions of yen)

	As of February 28, 2013	As of February 28, 2014
Buildings and structures	2,703	3,204
Land	14,237	7,461
Investments in securities	89,348	90,065
Long-term leasehold deposits	3,805	3,655
Total	110,094	104,387
Debts for which above assets are pledged as collateral		
Short-term loans	3,400	3,400
Long-term loans (including current portion of long-term loans)	14,292	12,288
Long-term accounts payable, other	663	552
Deposits received from tenants and franchised stores	104	87
Total	18,460	16,329

Assets pledged as collateral for the debts of affiliates and vendors

(Millions of yen)

	As of February 28, 2013	As of February 28, 2014
Buildings	454	433
Land	1,368	1,368
Loans of affiliates for which above assets are pledged as collateral	3,343	3,243

Assets pledged as collateral for fund transfer

(Millions of yen)

	As of February 28, 2013	As of February 28, 2014
Investments in securities	7,302	6,001

Assets pledged as collateral for real estate business

(Millions of yen)

	As of February 28, 2013	As of February 28, 2014
Investments in securities	19	19
Long-term guarantee deposits	35	35

Assets pledged as collateral under installment sales law

(Millions of yen)

	As of February 28, 2013	As of February 28, 2014
Long-term guarantee deposits	1,335	1,335

Assets pledged as collateral to secure the amount of prepaid tickets issued

(Millions of yen)

	As of February 28, 2013	As of February 28, 2014
Investments in securities	421	200
Long-term guarantee deposits	788	123

3. Guarantees

(Millions of yen)

	As of February 28, 2013	As of February 28, 2014
Employees' housing Loans	273	266

4. Loan commitment

Seven Card Service Co., Ltd. and Seven CS Card Service Co., Ltd. conduct a cash loan business associated with its credit card business. Unused credit balance related to loan commitment in the cash loan business is as follows.

(Millions of yen)

	As of February 28, 2013	As of February 28, 2014
Credit availability of cash loan business	1,007,587	987,001
Outstanding balance	28,041	27,035
Unused credit balance	979,546	959,966

Unused credit balance will not have a material impact on future cash flows because most of the unused credit balance will remain unused considering the historical records. Seven Card Service Co., Ltd. and Seven CS Card Service Co., Ltd. will cease finance services or reduce the credit limit based on the credit situation of customers or other reasonable reasons.

5. Others

Government Bonds held by Seven Bank, Ltd.

Seven Bank, Ltd., one of the Company's consolidated subsidiaries, holds government bonds to serve as collateral for exchange settlement transactions and overdraft transactions with the Bank of Japan.

These government bonds are recorded in "Investments in securities" in the Consolidated Balance Sheets due to its nature of restriction though they have redemption at maturity less than one year.

Consolidated Statements of Income;

- The franchise commission from Seven-Eleven Japan Co., Ltd.'s franchised stores and 7-Eleven, Inc.'s are included in "Operating revenues".

The franchise commission from franchised stores and net sales of franchised stores are as follows:

Seven-Eleven Japan Co., Ltd

(Millions of yen)

	For the year ended February 28, 2013	For the year ended February 28, 2014
Franchise commission from franchised stores	521,863	579,073
Net sales of franchised stores	3,416,986	3,685,095

7-Eleven, Inc.

(Millions of yen)

	For the year ended February 28, 2013	For the year ended February 28, 2014
Franchise commission from franchised stores	133,586	172,720
Net sales of franchised stores	740,980	965,765

2. Major items included in "Gain on sales of property and equipment" are as follows:

(Millions of yen)

	For the year ended February 28, 2013	For the year ended February 28, 2014
Buildings and structures	799	662
Land	587	277
Others	17	359
Total	1,404	1,299

3. Major items included in "Loss on disposals of property and equipment" are as follows:

(Millions of yen)

	For the year ended February 28, 2013	For the year ended February 28, 2014
Buildings and structures	2,697	3,182
Furniture, fixtures and equipment	1,635	1,470
Others	2,309	4,015
Total	6,642	8,667

4. Impairment loss

For the fiscal year ended February 28, 2013, the Company and its consolidated subsidiaries recognized as impairment loss on the following group of assets.

(Millions of yen)

Description	Classification	Location		Amount
Stores (Convenience stores)	Land and buildings etc.	Tokyo Met.	46 Stores	17,463
		Hokkaido Pref.	32 Stores	
		Others (including U.S.)		
Stores (Superstores)	Land and buildings etc.	Ibaraki Pref.	5 Stores	
		Chiba Pref.	3 Stores	
		Others	12 Stores	
Stores (Department stores)	Land and buildings etc.	Saitama Pref.	2 Stores	
		Tokushima Pref.	2 Stores	
		Others	3 Stores	
Stores (Food services)	Land and buildings etc.	Tokyo Met. & others	37 Stores	
Other facility etc.	Land and buildings etc.	Fukushima Pref. U. S. & others		866
Total				18,330

The Company and its domestic consolidated subsidiaries group their fixed assets by store, which is the minimum cash-generating unit. The book values of stores whose land had significantly declined in market prices or which incurred consecutive operating losses were reduced to recoverable amounts, and such deducted amount was recorded as impairment loss in special losses.

Breakdown of impairment loss are as follows:

(Millions of yen)

	Stores	Other facilities etc.	Total
Building and structures	11,753	286	12,040
Land	3,370	144	3,515
Software	1	2	4
Other	2,337	432	2,770
Total	17,463	866	18,330

In the case where net selling prices were used as recoverable amounts, relevant assets were evaluated based on real estate appraisal standards, and in the case where values in use were used as recoverable amounts, relevant assets were evaluated by discounting estimated future cash flows to which the 1.7% - 6.0% discount rates were applied.

For the fiscal year ended February 28, 2014, the Company and its consolidated subsidiaries recognized as impairment loss on the following group of assets.

(Millions of yen)

Description	Classification	Location		Amount	
Stores (Convenience stores)	Land and buildings etc.	Tokyo Met.	58 Stores	14,248	
		Kanagawa Pref.	34 Stores		
		Others (including U.S.)			
Stores (Superstores)	Land and buildings etc.	Kanagawa Pref.	6 Stores		
		Tokyo Met.	4 Stores		
		Others	19 Stores		
Stores (Department stores)	Land and buildings etc.	Tokyo Met.	2 Stores		
		Osaka Pref.	1 Store		
		Others	1 Store		
Stores (Food services)	Land and buildings etc.	Tokyo Met. & others	31 Stores		
Other facility etc.	Land and buildings etc.	Fukushima Pref. & others			846
Total					15,094

The Company and its domestic consolidated subsidiaries group their fixed assets by store, which is the minimum cash-generating unit. The book values of stores whose land had significantly declined in market prices or which incurred consecutive operating losses were reduced to recoverable amounts, and such deducted amount was recorded as impairment loss in special losses.

Breakdown of impairment loss are as follows:

(Millions of yen)

	Stores	Other facilities etc.	Total
Building and structures	8,072	592	8,664
Land	3,584	19	3,604
Software	2	157	159
Other	2,589	76	2,665
Total	14,248	846	15,094

In the case where net selling prices were used as recoverable amounts, relevant assets were evaluated based on real estate appraisal standards, and in the case where values in use were used as recoverable amounts, relevant assets were evaluated by discounting estimated future cash flows to which the 2.2% - 6.0% discount rates were applied.

Consolidated Statement of Comprehensive Income;

1. The components of other comprehensive income including reclassification adjustments and tax(expense) or benefits for the fiscal years ended February 28, 2013 and 2014 are follows:

(Millions of yen)

	For the year end February 28, 2013	For the year end February 28, 2014
Unrealized gains (losses) on available-for-sale securities, net of taxes:		
Increase(decrease) during the fiscal year	5,839	4,686
Reclassification adjustments	2	120
Amount before tax	5,842	4,807
Tax (expense) or benefit	(1,781)	(1,562)
Subtotal	4,061	3,244
Unrealized gains (losses) on hedging derivatives, net of taxes		
Increase(decrease) during the fiscal year	(0)	(0)
Reclassification adjustments	-	-
Amount before tax	(0)	(0)
Tax (expense) or benefit	-	-
Subtotal	(0)	(0)
Foreign currency translation adjustments:		
Increase(decrease) during the fiscal year	40,773	85,768
Share of other comprehensive income of associates accounted for using equity method:		
Increase(decrease) during the fiscal year	60	114
Total other comprehensive income	44,895	89,127

Consolidated Statement of Changes in Net Assets;

(From March 1, 2012 to February 28, 2013)

1. Type and number of shares of outstanding and treasury stock

(1) Outstanding stock

(Thousands of shares)

	As of March 1, 2012	Number of shares increased	Number of shares decreased	As of February 28, 2013
Ordinary Share	886,441	-	-	886,441

(2) Treasury stock

(Thousands of shares)

	As of March 1, 2012	Number of shares increased (Note1)	Number of shares decreased (Note2)	As of February 28, 2013
Ordinary Share	2,935	5	33	2,907

Notes: (1) 5 thousand shares increased mainly due to the acquisition of odd-lot shares.

(2) 33 thousand shares and 0 thousand shares out of the 33 thousand decreased by exercising of stock options and sale of odd-lot shares, respectively.

2. Subscription rights to shares and treasury subscription rights to shares

Entity	The Company	Consolidated subsidiaries	Total
Description of subscription rights to shares	Subscription rights to shares as stock-linked compensation stock option	Subscription rights to shares as stock-linked compensation stock option	
Type of shares to be issued upon exercise of the rights	-	-	-
Number of shares to be issued upon the exercise of the rights (shares)	Number of shares as of March 1, 2012	-	-
	Number of shares increased	-	-
	Number of shares decreased	-	-
	Number of shares as of February 28, 2013	-	-
Balance as of February 28, 2013 (millions of yen)	1,247	291	1,538

3. Matters related to dividends

(1) Dividend payments

Resolution	Type	Total amount of cash dividends	Dividend per share	Record date	Effective date
May 24, 2012 Ordinary general meeting of shareholders	Ordinary Share	29,156 million yen	33.00 yen	Feb. 29, 2012	May 25, 2012
October 4, 2012 Board of directors' meeting	Ordinary Share	27,390 million yen	31.00 yen	Aug. 31, 2012	Nov. 15, 2012

(2) Dividends whose record date is within the fiscal year ended February 28, 2013, but to be effective after the fiscal year-end

Resolution	Type	Funds for dividends	Total amount of cash dividends	Dividend per share	Record date	Effective date
May 23, 2013 Ordinary general meeting of shareholders	Ordinary Share	Retained earnings	29,157 million yen	33.00 yen	Feb. 28, 2013	May 24, 2013

(From March 1, 2013 to February 28, 2014)

1. Type and number of shares of outstanding and treasury stock

(1) Outstanding stock

(Thousands of shares)

	As of March 1, 2013	Number of shares increased	Number of shares decreased	As of February 28, 2014
Ordinary Share	886,441	-	-	886,441

(2) Treasury stock

(Thousands of shares)

	As of March 1, 2013	Number of shares increased (Note1)	Number of shares decreased (Note2)	As of February 28, 2014
Ordinary Share	2,907	37	68	2,876

Notes : (1) 37 thousand shares increased mainly due to the acquisition of odd-lot shares.

(2) 67 thousand shares and 0 thousand shares out of the 68 thousand decreased by exercising of stock options and sale of odd-lot shares, respectively.

2. Subscription rights to shares and treasury subscription rights to shares

Entity		The Company	Consolidated subsidiaries	Total
Description of subscription rights to shares		Subscription rights to shares as stock-linked compensation stock option	Subscription rights to shares as stock-linked compensation stock option	
Type of shares to be issued upon exercise of the rights		-	-	-
Number of shares to be issued upon the exercise of the rights (shares)	Number of shares as of March 1, 2013	-	-	-
	Number of shares increased	-	-	-
	Number of shares decreased	-	-	-
	Number of shares as of February 28, 2014	-	-	-
Balance as of February 28, 2014 (millions of yen)		1,556	388	1,944

3. Matters related to dividends

(1) Dividend payments

Resolution	Type	Total amount of cash dividends	Dividend per share	Record date	Effective date
May 23, 2013 Ordinary general meeting of shareholders	Ordinary Share	29,157 million yen	33.00 yen	Feb. 28, 2013	May 24, 2013
October 3, 2013 Board of directors' meeting	Ordinary Share	29,158 million yen	33.00 yen	Aug. 31, 2013	Nov. 15, 2013

(2) Dividends whose record date is within the fiscal year ended February 28, 2014, but to be effective after the fiscal year-end

Resolution	Type	Funds for dividends	Total amount of cash dividends	Dividend per share	Record date	Effective date
May 22, 2014 Ordinary general meeting of shareholders	Ordinary Share	Retained earnings	30,942 million yen	35.00 yen	Feb. 28, 2014	May 23, 2014

Consolidated Statements of Cash Flows;

(For the fiscal year ended February 28, 2013)

1. Reconciliation of cash and cash equivalents of the Consolidated Statements of Cash Flows and account balances of the Consolidated Balance Sheets

(Millions of yen)

	As of February 28, 2013
Cash and bank deposits	710,968
Negotiable certificates of deposits included in marketable securities	110,000
Time deposits and negotiable certificates of deposits with an original maturity of more than three months	(20,880)
Cash and cash equivalents	800,087

2. Assets and Liabilities of a newly consolidated subsidiary by acquisition of shares are as follows:

Financial Consulting & Trading International, Inc

(Millions of yen)

	As of February 28, 2013
Current assets	176
Non-current assets	5,568
Current liabilities	(351)
Non-current liabilities	(1,645)
Goodwill	6,928
Acquisition of shares	10,675
Cash and cash equivalent	(148)
Payment for acquisition of business	10,527

3. Major non-cash transactions

	(Millions of yen)
	Fiscal year ended February 28, 2013
Finance lease obligations for property and equipment recorded in the Consolidated Balance Sheets for the current fiscal year	16,036
Asset retirement obligations recorded in the Consolidated Balance Sheets for the current fiscal year	7,681

4. Acquisition of business

The followings are the details of payment made by 7-Eleven, Inc. to acquire the assets and liabilities related to business acquisition.

	(Millions of yen)
	As of February 28, 2013
Inventory	5,709
Goodwill	52,380
Non-current liabilities	(8,695)
Other	3,276
Sub-total	52,671
Property and equipment	32,332
Total	85,004

Property and equipment set out above at an amount of 32,332 million yen is included in acquisition of property and equipment in Cash Flow Statements for the fiscal year ended February 28, 2013.

(For the fiscal year ended February 28, 2014)

1. Reconciliation of cash and cash equivalents of the Consolidated Statements of Cash Flows and account balances of the Consolidated Balance Sheets

	(Millions of yen)
	As of February 28, 2014
Cash and bank deposits	792,986
Negotiable certificates of deposits included in marketable securities	150,000
Time deposits and negotiable certificates of deposits with an original maturity of more than three months	(21,554)
Cash and cash equivalents	921,432

2. Assets and Liabilities of a newly consolidated subsidiary by acquisition of shares are as follows:

Nissen Holdings Co., Ltd and the subsidiaries

(Millions of yen)

	As of February 28, 2014
Current assets	63,604
Non-current assets	38,329
Current liabilities	(55,465)
Non-current liabilities	(21,126)
Subscription rights to shares	(16)
Goodwill	194
Minority interests in consolidated subsidiaries	(13,241)
Acquisition of shares	12,278
Cash and cash equivalent	(5,694)
Payment for acquisition of business	6,584

3. Major non-cash transactions

(Millions of yen)

	Fiscal year ended February 28, 2014
Finance lease obligations for property and equipment recorded in the Consolidated Balance Sheet for the current fiscal year	10,571
Asset retirement obligations recorded in the Consolidated Balance Sheet for the current fiscal year	10,408

4. Acquisition of business

The followings are the details of payment made by 7-Eleven, Inc. to acquire the assets and liabilities related to business acquisition.

(Millions of yen)

	As of February 28, 2014
Inventory	766
Goodwill	5,904
Current liabilities	(153)
Non-current liabilities	(6)
Other	1,304
Sub-total	7,816
Property and equipment	6,180
Total	13,996

Property and equipment set out above at an amount of 6,180 million yen is included in acquisition of property and equipment in Cash Flow Statement for the fiscal year ended February 28, 2014.

Segment Information

1. Overview of Reportable Segments

With respect to its reportable segments, the Company is able to obtain delineated financial data from its structural units. Its segments are subject to periodical review for the purpose of making decisions on allocation of managerial resources and evaluating business performance by the Board of Directors.

Under the holding company structure, the Company has classified its consolidated subsidiaries into seven segments which are "Convenience store operations", "Superstore operations", "Department store operations", "Food services", "Financial services", "Mail order services" and "Others", according to the nature of products, services and sales operations.

"Convenience store operations" operate corporate stores and franchised stores under the name of "7-Eleven". "Superstore operations" operate superstores, supermarkets, specialty shops and others. "Department store operations" operate department store business which mainly consists of Sogo & Seibu Co., Ltd. "Food services" operate restaurant operations, meal provision service business (mainly for company cafeteria, hospitals and schools) and fast food operations. "Financial services" operate bank, credit card, lease and other businesses. "Mail order services" operate mail order which mainly consists of Nissen Holdings Co., Ltd., and selling and wholesale of gift. "Others" operate IT business and other services. "Mail order services" is newly added to Reportable segment from fiscal year ended February 28, 2014, because the Company made Nissen Holdings Co., Ltd. a consolidated subsidiary of the Company by tender offer for shares and subscription to third-party allocation of share on January 29, 2014.

2. Calculation methodology for revenues from operations, income or losses, assets and liabilities and other items for each reporting segment

The accounting treatment of each reporting segment is in line with the "Accounting Policies for the Preparation of consolidated Financial Statements". Segment income (loss) and segment liabilities as reported in this section are based on operating income and interest bearing debt, respectively. Inter-segment revenues and transfers are calculated at prevailing market prices.

(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 from the fiscal year ended February 28, 2014, the Company and its consolidated subsidiaries integrated to the straight-line method of depreciation excluding Mail order services.

As a result of this change, the impact on segment income increased by 15,893 million yen in convenience store operations, 10,413 million yen in superstore operations, 280 million yen in department store operations, 203 million yen in food services, 3,900 million yen in financial services, 672 million yen in others, and 191 million yen in adjustments for the fiscal year ended February 28, 2014.

3. Information on revenues from operations, income, loss, assets, liabilities and other monetary items for each reportable segment

Fiscal Year ended February 28, 2013 (From March 1, 2012 to February 28, 2013)

(Millions of yen)

	Reportable segments						Total	Adjustments	Consolidated total
	Convenience store operations	Superstore operations	Department store operations	Food services	Financial services	Others			
Revenues from operations									
1. Customers	1,899,133	1,983,622	882,699	77,450	123,539	25,195	4,991,642	-	4,991,642
2. Intersegment	439	10,965	1,329	910	20,815	25,014	59,475	(59,475)	-
Total	1,899,573	1,994,588	884,028	78,361	144,355	50,210	5,051,118	(59,475)	4,991,642
Segment income (loss)	221,764	25,491	8,029	721	37,425	3,886	297,319	(1,634)	295,685
Segment Assets	1,370,292	967,887	517,075	21,843	1,716,745	168,047	4,761,891	(499,494)	4,262,397
Segment Liabilities (interest bearing debt)	132,144	22,045	185,005	-	303,136	750	643,081	209,982	853,064
Other items									
Depreciation	83,987	29,129	14,662	639	23,668	2,484	154,571	1,094	155,666
Amortization of goodwill	4,895	6,626	5,295	-	805	61	17,684	-	17,684
Investment in associates accounted for using the equity method	9,601	1,847	488	-	-	8,347	20,285	-	20,285
Impairment loss	5,944	3,790	7,782	410	373	28	18,330	-	18,330
Net increase in property and equipment, and intangible assets	193,689	53,066	16,473	1,156	36,942	4,282	305,610	772	306,383

Notes:

- The adjustments of (1,634) million yen for segment income (loss) are eliminations of inter-segment transactions and certain expense items that are not allocated to reportable segments.
- The adjustments of (499,494) million yen for segment assets are eliminations of inter-segment transactions and corporate assets.
- The adjustments of 209,982 million yen for segment liabilities are corporate liabilities and the Company's bonds. The amount of each segment liability does not include inter-segment transactions.
- Segment income (loss) is reconciled with the operating income in the Consolidated Statements of Income.

Fiscal Year ended February 28, 2014 (From March 1, 2013 to February 28, 2014)

(Millions of yen)

	Reportable segments							Total	Adjustments	Consolidated total
	Convenience store operations	Superstore operations	Department store operations	Food services	Financial services	Mail order services	Others			
Revenues from operations										
1. Customers	2,529,245	2,000,389	869,140	77,716	133,913	-	21,413	5,631,820	-	5,631,820
2. Intersegment	449	9,019	1,991	850	24,912	-	29,078	66,301	(66,301)	-
Total	2,529,694	2,009,409	871,132	78,566	158,826	-	50,492	5,698,122	(66,301)	5,631,820
Segment income (loss)	257,515	29,664	6,590	604	44,902	-	2,166	341,443	(1,784)	339,659
Segment Assets	1,630,826	1,000,318	501,856	22,398	1,798,059	103,437	169,602	5,226,498	(415,117)	4,811,380
Segment Liabilities (interest bearing debt)	115,955	19,245	180,345	-	331,768	17,093	-	664,409	269,987	934,396
Other items										
Depreciation	91,256	18,472	13,460	438	20,198	-	2,524	146,349	1,029	147,379
Amortization of goodwill	8,387	3,129	5,290	-	1,747	-	142	18,697	-	18,697
Investment in associates accounted for using the equity method	13,643	5,673	528	-	-	3,500	18,096	41,442	-	41,442
Impairment loss	4,322	6,814	3,128	606	29	-	192	15,094	-	15,094
Net increase in property and equipment, and intangible assets	174,795	64,809	13,493	2,057	34,305	-	7,452	296,913	7,588	304,502

Notes:

- The adjustments of (1,784) million yen for segment income (loss) are eliminations of inter-segment transactions and certain expense items that are not allocated to reportable segments.
- The adjustments of (415,117) million yen for segment assets are eliminations of inter-segment transactions and corporate assets.
- The adjustments of 269,987 million yen for segment liabilities are corporate liabilities and the Company's bonds. The amount of each segment liability does not include inter-segment transactions.
- Segment income (loss) is reconciled with the operating income in the Consolidated Statements of Income.

(Reference)

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

Fiscal Year ended February 28, 2013 (From March 1, 2012 to February 28, 2013) (Millions of yen)

	Japan	North America	Others	Total before eliminations	Eliminations	Consolidated total
Revenues from operations						
1. Customers	3,625,244	1,269,171	97,226	4,991,642	-	4,991,642
2. Intersegment	730	130	-	861	(861)	-
Total revenues	3,625,974	1,269,302	97,226	4,992,503	(861)	4,991,642
Operating income (loss)	263,443	33,137	(909)	295,671	13	295,685

Notes:

- The classification of geographic area segments is determined according to geographical distances.
- "Others" consist of the business results in the P.R.C.

Fiscal Year ended February 28, 2014 (From March 1, 2013 to February 28, 2014) (Millions of yen)

	Japan	North America	Others	Total before eliminations	Eliminations	Consolidated total
Revenues from operations						
1. Customers	3,681,318	1,831,294	119,207	5,631,820	-	5,631,820
2. Intersegment	824	187	-	1,012	(1,012)	-
Total revenues	3,682,143	1,831,482	119,207	5,632,833	(1,012)	5,631,820
Operating income (loss)	299,653	41,519	(1,545)	339,627	32	339,659

Notes:

- The classification of geographic area segments is determined according to geographical distances.
- "Others" consist of the business results in the P.R.C.

Related Parties Transactions

(From March 1, 2012 to February 28, 2013)

None

(From March 1, 2013 to February 28, 2014)

None

Related Information

Fiscal Year ended February 28, 2013 (From March 1, 2012 to February 28, 2013)

1. Information on products and services

Information is omitted since it is described in the segment information.

2. Information by region

(1) Revenues from operations

(Millions of yen)

Japan	North America	Others	Total
3,625,244	1,269,171	97,226	4,991,642

(2) Property and equipment

(Millions of yen)

Japan	North America	Others	Total
1,140,468	338,895	3,149	1,482,514

3. Information about major customers

Information is omitted because there is no customer accounting for 10% or more of the net sales on the consolidated statements of income

Fiscal Year ended February 28, 2014 (From March 1, 2013 to February 28, 2014)

1. Information on products and services

Information is omitted since it is described in the segment information.

2. Information by region

(1) Revenues from operations

(Millions of yen)

Japan	North America	Others	Total
3,681,318	1,831,294	119,207	5,631,820

(2) Property and equipment

(Millions of yen)

Japan	North America	Others	Total
1,281,622	425,913	2,453	1,709,990

3. Information about major customers

Information is omitted because there is no customer accounting for 10% or more of the net sales on the consolidated statements of income

Information regarding impairment loss on fixed assets by reporting segment

Fiscal Year ended February 28, 2013 (From March 1, 2012 to February 28, 2013)

Information is omitted since it is described in the segment information.

Fiscal Year ended February 28, 2014 (From March 1, 2013 to February 28, 2014)

Information is omitted since it is described in the segment information.

Information on amortization and outstanding balance of goodwill by reporting segment

Fiscal Year ended February 28, 2013 (From March 1, 2012 to February 28, 2013)

(Millions of yen)

	Reportable segments						Total	Eliminations / Corporate	Consolidated total
	Convenience store operations	Superstore operations	Department store operations	Food services	Financial services	Others			
Goodwill									
Amortization	4,895	6,626	5,295	-	805	61	17,684	-	17,684
Balance at the end of current year	114,773	42,343	69,672	-	17,803	1,084	245,678	-	245,678
Negative Goodwill									
Amortization	-	23	-	4	-	10	37	-	37
Balance at the end of current year	-	233	-	42	-	-	275	-	275

Fiscal Year ended February 28, 2014 (From March 1, 2013 to February 28, 2014)

(Millions of yen)

	Reportable segments							Total	Eliminations / Corporate	Consolidated total
	Convenience store operations	Superstore operations	Department store operations	Food services	Financial services	Mail order services	Others			
Goodwill										
Amortization	8,387	3,129	5,290	-	1,747	-	142	18,697	-	18,697
Balance at the end of current year	155,585	39,213	64,383	-	17,865	201	941	278,191	-	278,191
Negative Goodwill										
Amortization	-	23	0	4	-	-	-	28	-	28
Balance at the end of current year	-	210	-	37	-	-	-	248	-	248

Information regarding gain on negative goodwill by reporting segment

Fiscal Year ended February 28, 2013 (From March 1, 2012 to February 28, 2013)

None

Fiscal Year ended February 28, 2014 (From March 1, 2013 to February 28, 2014)

None

Deferred Income Taxes

1. The tax effects of temporary differences that give rise to the significant components of deferred tax assets and liabilities are as follows

(Millions of yen)

	As of February 28, 2013	As of February 28, 2014
Deferred tax assets:		
Allowance for bonuses to employees	5,013	5,584
Allowance for sales promotion expenses	5,613	6,244
Accrued payroll	5,383	7,604
Allowance for retirement benefits to directors and corporate auditors	855	753
Allowance for accrued pension and severance costs	679	1,360
Allowance for loss on future collection of gift certificates	1,284	1,096
Deposit received in relation to the electronic money business	4,673	-
Depreciation and amortization	14,101	15,053
Tax loss carried forward	29,812	34,674
Valuation loss on available-for-sale securities	1,190	1,098
Allowance for doubtful accounts	3,453	3,625
Unrealized loss on property and equipment	12,485	13,762
Impairment loss on property and equipment and valuation loss on land	39,671	40,156
Accrued enterprise taxes and business office taxes	4,956	6,336
Accrued expenses	9,674	13,740
Asset retirement obligations	15,001	16,519
Rights of trademark	7,998	6,958
Other	23,718	23,931
Sub-total	185,567	198,501
Less: valuation allowance	(77,400)	(78,202)
Total	108,167	120,298
Deferred tax liabilities:		
Unrealized gains on property and equipment	(37,370)	(52,034)
Royalties, etc.	(10,272)	(14,707)
Reserve for advanced depreciation of property and equipment	(991)	(953)
Unrealized gains on available-for-sale securities	(2,658)	(4,030)
Prepaid pension cost	(11,228)	(11,243)
Unrealized intercompany profit	(5,303)	(5,346)
Removal cost related to asset retirement obligations	(4,847)	(5,874)
Other	(3,022)	(4,155)
Total	(75,695)	(98,345)
Net deferred tax assets	32,471	21,952

Net deferred tax assets are included in the following items of Consolidated Balance Sheets.

(Millions of yen)

	As of February 28, 2013	As of February 28, 2014
Current assets - Deferred income taxes	34,493	40,812
Non-current assets	32,943	32,836
- Deferred income taxes		
Current liabilities	(163)	(475)
- Other		
Non-current liabilities	(34,801)	(51,220)
- Deferred income taxes		

2. Reconciliation between the statutory tax rate and the effective tax rate

(%)

	As of February 28, 2013	As of February 28, 2014
Statutory tax rate	40.7	38.0
Adjustments:		
Equity in earnings of affiliates	(0.3)	(0.3)
Non-deductible items such as entertainment expenses	0.2	0.2
Increase (decrease) in valuation allowance	(1.3)	(1.0)
Inhabitant taxes per capital	0.6	0.5
Amortization of goodwill	2.7	2.3
Elimination of gain on sales of subsidiaries' stock for consolidation	0.3	0.0
Other	(0.7)	(0.1)
Effective tax rate	42.2	39.6

Accounting for Retirement Benefits

1. Summary of the retirement benefit plans

The Company and its domestic consolidated subsidiaries provide two types of defined benefit plan: the employees' pension fund plan and the lump-sum severance payment plan.

Additional retirement benefits may be added upon the retirement of the employees. Consolidated subsidiaries in the United States have a defined contribution pension plan and a defined benefit plan.

2. Projected retirement benefit obligations

(Millions of yen)

	Fiscal year ended February 28, 2013	Fiscal year ended February 28, 2014
Projected benefit obligations (Note)	(218,009)	(224,779)
Fair value of plan assets (including employee retirement benefit trust)	219,117	244,665
Funded status	1,108	19,885
Unrecognized actuarial differences	25,856	5,015
Unrecognized prior service cost	208	67
Prepaid pension cost, net of allowance for accrued pension and severance costs	27,173	24,969
Prepaid pension cost	31,786	31,822
Allowance for accrued pension and severance costs	(4,613)	(6,853)

Note: For some of the consolidated subsidiaries, the simplified method is used for computing retirement benefit obligations.

3. Net periodic benefit cost

(Millions of yen)

	Fiscal year ended February 28, 2013	Fiscal year ended February 28, 2014
Service cost (Notes 1,2)	11,338	11,818
Interest cost	4,124	3,390
Expected return on plan assets	(4,280)	(5,460)
Amortization of actuarial differences	5,011	3,545
Amortization of prior year service cost	142	140
Additional retirement benefit and others	3,454	2,695
Net periodic benefit cost	19,790	16,129

Notes:

Fiscal year ended February 28, 2013	Fiscal year ended February 28, 2014
1. Net periodic benefit cost of subsidiaries using the simplified method is included.	1. Net periodic benefit cost of subsidiaries using the simplified method is included.
2. Besides the above net periodic benefit cost, benefit cost related to the defined contribution plan employed by consolidated subsidiaries in the United States, amounting to 510 million yen, is included.	2. Besides the above net periodic benefit cost, benefit cost related to the defined contribution plan employed by consolidated subsidiaries in the United States, amounting to 498 million yen, is included.

4. Assumptions used in accounting for retirement benefit obligations

	Fiscal year ended February 28, 2013	Fiscal year ended February 28, 2014
Allocation method of estimated total retirement benefits	Point basis	Mainly Point basis
Discount rate	Mainly 1.5% Consolidated subsidiaries in the United States 4.1%	Mainly 1.5% Consolidated subsidiaries in the United States 5.1%
Expected rate of return on plan assets	Mainly 2.5%	Mainly 2.5%
Periods over which the prior service cost are amortized	5 years or 10 years	5 years or 10 years
Periods over which the actuarial differences are amortized	Actuarial differences are amortized in the year following the year in which the differences are recognized primarily using the straight-line method over the period (mainly 10 years), which is shorter than the average remaining years of service of the employees. Consolidated subsidiaries in the United States adopt the corridor approach for the amortization of actuarial differences.	Actuarial differences are amortized in the year following the year in which the differences are recognized primarily using the straight-line method over the period (mainly 10 years), which is shorter than the average remaining years of service of the employees. Consolidated subsidiaries in the United States adopt the corridor approach for the amortization of actuarial differences.

Business Combinations and Other Matters

Business combination by acquisition

1.Outline of the business combination

(1)Name and main business of the acquired firm

Name : Nissen Holdings Co., Ltd.

Main business: Formulate growth strategies for the Nissen Group; design the Nissen Group business portfolio and develop new business through M&As and other means; supervise the Nissen Group's business execution.

(2)Business combination objectives

Seven & i Netmedia's acquiring the half of voting rights of Nissen Holdings Co., Ltd.(Nissen Holdings), Seven & i Holdings Co.,Ltd. decided to make Nissen Holdings a consolidated subsidiary of the Company, having judged that the cooperation of the Company Group and Nissen Holdings Group as one group and a robust capital relationship will facilitate more efficient mutual use of one another's business resources and the creation and expansion of corporate value at a higher level than would be possible through each individual group's growth alone, as well as contribute to the promotion of the Company Group's Omni Channel Strategy.

(3)Date of the business combination

January 29, 2014

(4)Form of the business combination

Stock acquisition

(5)The acquired firm's name after the business combination

No change

(6)Voting rights acquired through the business combination

50.74%

(7)Main basis of the decision of the acquired firm

Seven & i Netmedia acquired 50.74% voting rights of the acquired firm through the stock acquisition by means of tender offer and a third-party allocation.

2.Period for which the acquired firm's operating results are included in the consolidated financial statements

Regarding February 28, 2014 as the acquisition date, the Company does not include operating results of Nissen Holdings Co., Ltd. in the consolidated financial statements.

3.Acquisition costs and its detail

Consideration for the acquired company	stock purchase cost (cash)	13,278 million yen
Direct costs of the acquisition	advisory cost	309 million yen
<hr/>		
Acquisition cost		13,588 million yen

4.Amount, reason for recognition of goodwill

(1)Amount of goodwill

194 million yen

(2)Reason for recognition of goodwill

Expected excess earning power of future business development

(3)Period and method of amortization of goodwill

20 years using the straight line method

5.Assets and liabilities assumed on the date of the business combination and the main components

Current assets	63,604 million yen
Non-current assets	38,329 million yen
<hr/>	
Total assets	101,933 million yen
Current liabilities	55,465 million yen
Non-current liabilities	21,126 million yen
<hr/>	
Total liabilities	76,591 million yen

Per Share Information

(yen)

	Fiscal year ended February 28, 2013	Fiscal year ended February 28, 2014
Net assets per share	2,140.45	2,371.92
Net income per share	156.26	198.84
Diluted net income per share	156.15	198.69

Basis for calculation of net income per share and diluted net income per share is as follows.

(Millions of yen, except number of common stock)

	Fiscal year ended February 28, 2013	Fiscal year ended February 28, 2014
Net income	138,064	175,691
Amount not attributable to share holder	-	-
Net income attributable to common stock	138,064	175,691
Average number of common stock outstanding during the period (thousand of shares)	883,532	883,564
Adjustments to net income which is used for calculating diluted net income per share		
Minority interest	11	15
Adjustments to net income	11	15
Number of ordinary shares increased used for calculating the diluted net income per shares		
Subscription rights to shares (thousand of shares)	547	618
Number of ordinary shares increased (thousand of shares)	547	618

Basis for calculation of net assets per share is as follows.

(Millions of yen, except number of common stock)

	Fiscal year ended February 28, 2013	Fiscal year ended February 28, 2014
Total net assets	1,994,740	2,221,557
Amounts subtracted from total net assets:	103,577	125,811
Subscription rights to shares	1,538	1,944
Minority interest in consolidated subsidiaries	102,038	123,866
Net assets for common stock at the end of period	1,891,163	2,095,746
Number of common stock at the end of period used for calculating the amounts of net assets per share (thousand of shares)	883,534	883,565

Subsequent Event

None

Omission of Disclosure

Disclosure of notes on leases, financial instruments, securities information, derivative transactions, sock options, business combination, asset retirement obligations and real estate for lease was omitted as considered immaterial.

3. Nonconsolidated Financial Statements

(1) Nonconsolidated Balance Sheets

(Millions of yen)

	February 28, 2013	February 28, 2014
	Amount	Amount
ASSETS		
Current assets	34,154	46,680
Cash and bank deposits	390	380
Raw materials and supplies	2	0
Prepaid expenses	282	282
Deferred income taxes	116	135
Accounts receivable, other	30,508	40,996
Deposits held by subsidiaries and affiliates	1,739	3,265
Other	1,114	1,619
Non-current assets	1,881,212	1,895,907
Property and equipment	5,199	5,389
Buildings, net	2,208	2,096
Structures, net	89	83
Furniture, fixtures and equipment, net	187	160
Land	2,712	2,712
Construction in progress	1	336
Intangible assets	1,834	8,203
Lease assets	1,826	8,197
Other	8	6
Investments and other assets	1,874,178	1,882,313
Investments in securities	23,561	24,250
Stocks of subsidiaries and affiliates	1,737,786	1,745,253
Long-term loans receivable from employees	17	14
Deposits paid in subsidiaries and affiliates	110,000	110,000
Prepaid pension cost	600	583
Long-term leasehold deposits	2,192	2,192
Other	20	19
TOTAL ASSETS	1,915,367	1,942,587

(Millions of yen)

	February 28, 2013	February 28, 2014
	Amount	Amount
LIABILITIES		
Current liabilities	328,667	227,358
Current portion of bonds	39,999	-
Short-term loans payable to subsidiaries and affiliates	270,001	189,000
Current portion of long-term loans payable to subsidiaries and affiliates	8	9
Lease obligations	725	2,011
Accounts payable, other	5,294	1,019
Accrued expenses	697	804
Income taxes payable	10,847	33,412
Advance received	177	177
Allowance for bonuses to employees	232	242
Allowance for bonuses to directors and corporate auditors	49	54
Other	633	625
Non-current liabilities	174,172	280,365
Bonds	169,983	269,987
Long-term loans payable to subsidiaries and affiliates	17	14
Lease obligations	1,217	6,619
Deferred income taxes	1,297	1,459
Deposits received from tenants	1,657	1,655
Provision for loss on guarantees	-	629
TOTAL LIABILITIES	502,840	507,723
NET ASSETS		
Shareholders' equity	1,407,506	1,429,008
Common stock	50,000	50,000
Capital surplus	1,245,608	1,246,256
Additional paid-in capital	875,496	875,496
Other capital surplus	370,111	370,759
Retained earnings	118,996	138,633
Other retained earnings		
Retained earnings brought forward	118,996	138,633
Treasury stock, at cost	(7,099)	(5,881)
Accumulated gains (losses) from valuation and translation adjustments	3,773	4,298
Unrealized gains (losses) on available-for-sale securities, net of taxes	3,773	4,298
Subscription rights to shares	1,247	1,556
TOTAL NET ASSETS	1,412,526	1,434,863
TOTAL LIABILITIES AND NET ASSETS	1,915,367	1,942,587

(2) Nonconsolidated Statements of Income

(Millions of yen)

	Year ended February 28, 2013	Year ended February 28, 2014
	Amount	Amount
Revenues from operations	89,383	89,946
Dividends income	82,576	82,858
Management consulting fee income	3,829	4,072
Commission fee income	2,880	2,904
Other	96	110
Selling, general and administrative expenses	8,230	8,696
Advertising expenses	255	352
Salaries and wages	3,069	3,224
Provision for bonuses to employees	232	242
Legal welfare expenses	493	532
Pension expenses	265	233
Land and building rent	622	634
Commission paid	852	822
Other	2,438	2,652
Operating income	81,152	81,250
Non-operating income	1,894	2,119
Interest income	1,509	1,524
Dividends income	300	458
Other	84	137
Non-operating expenses	4,625	4,253
Interest expenses	1,773	1,178
Interest on bonds	2,850	2,774
Amortization of bond issuance cost	-	299
Other	2	1
Ordinary income	78,421	79,116
Special losses	-	2,129
Loss on valuation of stocks of subsidiaries and affiliates	-	1,500
Provision for loss on guarantees	-	629
Income before income taxes	78,421	76,987
Total income taxes	(1,534)	(965)
Income taxes - current	(6,133)	(946)
Income taxes - deferred	4,598	(19)
Net income	79,955	77,953

(3) Nonconsolidated Statements of Changes in Net Assets

Fiscal year ended February 28, 2013 (from March 1, 2012 to February 28, 2013)

(Millions of yen)

	Shareholders' Equity							
	Common Stock	Capital Surplus			Retained Earnings		Treasury Stock, at cost	Total Shareholders' Equity
		Additional Paid-in Capital	Other Capital Surplus	Total Capital Surplus	Other Retained Earnings	Total Retained Earnings		
Balance at March 1, 2012	50,000	875,496	370,124	1,245,621	95,587	95,587	(7,169)	1,384,039
Increase (decrease) for the year								
Cash dividends					(56,546)	(56,546)		(56,546)
Net income					79,955	79,955		79,955
Purchase of treasury stock							(13)	(13)
Disposal of treasury stock			(12)	(12)			83	70
Net changes of items other than shareholder equity								
Net increase (decrease) for the year	-	-	(12)	(12)	23,409	23,409	70	23,466
Balance at February 28, 2013	50,000	875,496	370,111	1,245,608	118,996	118,996	(7,099)	1,407,506

	Accumulated gains (losses) from valuation and translation adjustments		Subscription rights to shares	TOTAL NET ASSETS
	Unrealized gains (losses) on available-for-sale securities, net of taxes	Total accumulated gains (losses) from valuation and translation adjustments		
Balance at March 1, 2012	1,583	1,583	1,001	1,386,624
Increase (decrease) for the year				
Cash dividends				(56,546)
Net income				79,955
Purchase of treasury stock				(13)
Disposal of treasury stock				70
Net changes of items other than shareholder equity	2,547	2,547	245	2,792
Net increase (decrease) for the year	2,547	2,547	245	26,259
Balance at February 28, 2013	4,130	4,130	1,247	1,412,884

Fiscal year ended February 28, 2014 (from March 1, 2013 to February 28, 2014)

(Millions of yen)

	Shareholders' Equity							
	Common Stock	Capital Surplus			Retained Earnings		Treasury Stock, at cost	Total Shareholders' Equity
		Additional Paid-in Capital	Other Capital Surplus	Total Capital Surplus	Other Retained Earnings	Total Retained Earnings		
Balance at March 1, 2013	50,000	875,496	370,111	1,245,608	118,996	118,996	(7,099)	1,407,506
Increase (decrease) for the year								
Cash dividends					(58,315)	(58,315)		(58,315)
Net income					77,953	77,953		77,953
Purchase of treasury stock							(133)	(133)
Disposal of treasury stock			647	647			1,351	1,998
Net changes of items other than shareholder equity								
Net increase (decrease) for the year	-	-	647	647	19,637	19,637	1,217	21,502
Balance at February 28, 2014	50,000	875,496	370,759	1,246,256	138,633	138,633	(5,881)	1,429,008

	Accumulated gains (losses) from valuation and translation adjustments		Subscription rights to shares	TOTAL NET ASSETS
	Unrealized gains (losses) on available-for-sale securities, net of taxes	Total accumulated gains (losses) from valuation and translation adjustments		
Balance at March 1, 2013	4,130	4,130	1,247	1,412,884
Increase (decrease) for the year				
Cash dividends				(58,315)
Net income				77,953
Purchase of treasury stock				(133)
Disposal of treasury stock				1,998
Net changes of items other than shareholder equity		1,038	309	1,347
Net increase (decrease) for the year		1,038	309	22,849
Balance at February 28, 2014		5,168	1,556	1,435,733

(4) Doubts on the Premise of Going Concern

None

(5) Notes to Nonconsolidated Financial Statements

Nonconsolidated Balance Sheets;

1. Accumulated depreciation of Property and equipment

(Millions of yen)

	As of February 28, 2013	As of February 28, 2014
Accumulated depreciation	561	718

2. Notes on outstanding balances with subsidiaries and affiliates

Major balances included in each account on the balance sheet, which are not separately shown.

(Millions of yen)

	As of February 28, 2013	As of February 28, 2014
Accounts receivable, other	30,436	40,852
Current assets other	1,097	1,148
Lease obligations (current)	725	2,011
Accounts payable, other	4,908	606
Accrued expenses	4	2
Advance received	175	175
Lease obligations (non-current)	1,217	6,619
Deposits received from tenants	1,641	1,639

3. Guarantees

(Millions of yen)

	As of February 28, 2013	As of February 28, 2014
Loans of Seven Card Service Co., Ltd.	6,000	4,000
Electronic money guaranteed by Seven Card Service Co., Ltd.	8,349	-

Nonconsolidated Statements of Income;

Major transactions with subsidiaries and affiliates

(Millions of yen)

	For the year ended February 28, 2013	For the year ended February 28, 2014
Dividends income	82,576	82,858
Management consulting fee income	3,829	4,072
Commission fee income	2,880	2,904
Other operating revenue	95	110
Interest income	1,508	1,523
Interest expense	1,773	1,178

Nonconsolidated Statement of Changes in Net Assets;

Type and number of shares of treasury stock (from March 1, 2012 to February 28, 2013)

(Thousands of shares)

	As of March 1, 2012	Number of shares increased (Note 1)	Number of shares decreased (Note 2)	As of February 28, 2013
Common stock	2,913	5	33	2,884

Notes: (1) 5 thousand shares increased due to the acquisition of odd-lot shares.

(2) 33 thousand shares and 0 thousand shares out of the 33 thousand decreased by exercising of stock options and sale of odd-lot shares, respectively.

Type and number of shares of treasury stock (from March 1, 2013 to February 28, 2014)

(Thousands of shares)

	As of March 1, 2013	Number of shares increased (Note 1)	Number of shares decreased (Note 2)	As of February 28, 2014
Common stock	2,884	37	546	2,375

Notes: (1) 37 thousand shares increased due to the acquisition of odd-lot shares.

(2) 478 thousand shares, 67 thousand shares and 0 thousand shares out of the 546 thousand decreased by third-party allocation of shares for subsidiary, exercising of stock options and sale of odd-lot shares, respectively.

[Reference] Seven-Eleven Japan Co., Ltd.

Nonconsolidated Balance Sheets

(Millions of yen)

	February 28, 2013	February 28, 2014
	Amount	Amount
ASSETS		
Current assets	494,592	507,080
Cash and bank deposits	48,975	47,300
Accounts receivable due from franchised stores	12,339	13,623
Lease investment assets	3,082	3,689
Inventories	2,148	2,271
Prepaid expenses	13,889	15,831
Deferred income taxes	7,332	9,835
Deposits held by subsidiaries and affiliates	372,823	373,989
Accounts receivable, other	33,302	38,792
Other	996	1,982
Allowance for doubtful accounts	(297)	(236)
Non-current assets	994,746	1,092,413
Property and equipment	338,982	398,196
Buildings	177,963	210,909
Structures	26,801	31,697
Vehicles	-	0
Furniture, fixtures and equipment	29,206	49,949
Land	86,804	86,614
Lease assets	17,237	18,625
Construction in progress	969	398
Intangible assets	38,182	36,957
Goodwill	2,431	2,386
Rights of leasehold	9,613	10,986
Rights of trademark	22,284	19,541
Software	3,844	4,035
Other	7	6
Investments and other assets	617,581	657,260
Investments in securities	11,963	16,070
Stocks of subsidiaries and affiliates	406,236	429,212
Investments in capital of subsidiaries and affiliates	8,146	7,770
Long-term loans receivable	1,828	1,760
Long-term loans to subsidiaries and affiliates	3,496	3,303
Long-term prepaid expenses	28,144	29,175
Prepaid pension cost	2,007	1,953
Long-term leasehold deposits	144,210	156,091
Deferred income taxes	15,659	15,340
Other	583	589
Allowance for doubtful accounts	(4,695)	(4,007)
TOTAL ASSETS	1,489,339	1,599,493

Seven-Eleven Japan Co., Ltd.

(Millions of yen)

	February 28, 2013	February 28, 2014
	Amount	Amount
LIABILITIES		
Current liabilities	294,496	338,473
Accounts payable, trade	126,751	136,301
Accounts payable due to franchised stores	8,747	12,246
Lease obligations	4,702	5,708
Accounts payable, other	17,730	23,731
Accrued expenses	9,618	13,974
Income taxes payable	13,421	15,831
Accounts payable for parent company	26,857	31,893
Consumption taxes withheld	2,033	3,357
Deposits received	78,232	88,223
Allowance for bonuses to employees	2,524	2,624
Allowance for bonuses to directors and corporate auditors	44	59
Allowance for loss on disaster	143	-
Allowance for sales promotion expenses	2,366	2,684
Other	1,322	1,836
Non-current liabilities	51,555	56,554
Guarantee deposits received from franchised stores	7,748	8,341
Long-term deferred income	1	-
Long-term loans	209	203
Lease obligations	16,800	17,955
Allowance for retirement benefits to directors and corporate auditors	584	556
Allowance for loss on guarantee	1,750	1,750
Asset retirement obligations	24,460	27,747
TOTAL LIABILITIES	346,051	395,028
NET ASSETS		
Shareholder's equity	1,142,380	1,200,914
Common stock	17,200	17,200
Capital surplus	24,565	24,565
Additional paid-in capital	24,563	24,563
Other capital surplus	1	1
Retained earnings	1,100,615	1,159,148
Legal reserve	4,300	4,300
Other retained earnings		
General reserve	823,409	823,409
Retained earnings brought forward	272,905	331,439
Accumulated gains (losses) from valuation and translation adjustments	907	3,550
Unrealized gains (losses) on available-for-sale securities, net of taxes	907	3,550
TOTAL NET ASSETS	1,143,288	1,204,465
TOTAL LIABILITIES AND NET ASSETS	1,489,339	1,599,493

Seven-Eleven Japan Co., Ltd.

Nonconsolidated Statements of Income

(Millions of yen)

	Year ended February 28, 2013	Year ended February 28, 2014
	Amount	Amount
Operating income and expenses		
Revenues from operations	617,559	679,561
Franchise commission from franchised stores	521,863	579,073
Net sales reported by franchised stores		
Year ended February 28, 2013: 3,416,986		
Year ended February 28, 2014: 3,685,095		
Total net sales (including net sales of corporate stores)		
Year ended February 28, 2013: 3,508,444		
Year ended February 28, 2014: 3,781,267		
Other operating revenues	5,549	5,725
Net sales of corporate stores	90,146	94,762
Cost of sales	65,902	69,007
Gross profit from operations	551,656	610,553
Selling, general and administrative expenses	364,893	397,767
Land and building rent	98,832	112,746
Advertising expenses	45,059	52,179
Utility expenses	38,098	43,507
Salaries and wages	33,836	37,834
Depreciation and amortization	42,321	34,580
Other	106,746	116,919
Operating income	186,763	212,785
Non-operating income	7,779	8,574
Interest income	4,125	3,940
Dividends income	3,372	3,488
Reversal of allowance for doubtful accounts	-	538
Other	281	607
Non-operating expenses	438	432
Interest expenses	319	363
Other	118	68
Ordinary income	194,104	220,927
Special gains	1,807	172
Gain on sales of property and equipment	57	88
Gain from sales of subsidiary's common stock	1,691	-
Receipt of stock option income	58	83
Special losses	7,747	6,138
Loss on sales of property and equipment	481	214
Loss on disposals of property and equipment	1,701	1,252
Impairment loss	5,345	3,136
Valuation loss on investments in capital of subsidiaries and affiliates	-	948
Other	218	586
Income before income taxes	188,164	214,961
Income taxes - current	75,758	84,237
Income taxes - deferred	(40)	(3,647)
Net income	112,446	134,371

[Reference] Ito-Yokado Co., Ltd.

Nonconsolidated Balance Sheets

(Millions of yen)

	February 28, 2013	February 28, 2014
	Amount	Amount
ASSETS		
Current assets	289,732	273,937
Cash and bank deposits	28,440	26,122
Accounts receivable, trade	23,880	24,179
Inventories	67,234	72,134
Supplies	40	61
Advance paid	353	456
Prepaid expenses	8,345	7,732
Deferred income taxes	6,768	6,198
Short-term loans to employees	282	259
Short-term loans receivable	394	394
Short-term loans to subsidiaries and affiliates	2,000	2,000
Deposits held by subsidiaries and affiliates	110,847	96,729
Accounts receivable, other	21,060	20,694
Short-term leasehold deposits	15,043	12,636
Payments in advance	3,534	3,328
Other	1,504	1,006
Non-current assets	501,287	533,487
Property and equipment	266,486	305,188
Buildings	103,219	119,554
Structures	7,483	9,103
Vehicles	0	36
Furniture, fixtures and equipment	4,351	5,081
Land	135,213	160,361
Lease assets	2,960	2,297
Construction in progress	13,256	8,753
Intangible assets	1,849	1,837
Rights of leasehold	873	799
Trademark	15	10
Software	580	540
Other	380	486
Investments and other assets	232,951	226,460
Investments in securities	17,650	23,227
Stocks of subsidiaries and affiliates	8,923	12,665
Investments in capital	453	6
Investments in capital of subsidiaries and affiliates	7,140	7,140
Long-term loans receivable	14,934	14,501
Long-term prepaid expenses	7,803	7,081
Prepaid pension cost	21,555	21,666
Long-term leasehold deposits	147,903	140,491
Advances for store construction	7,256	-
Receivable in bankruptcy	0	5
Other	1,900	1,871
Allowance for doubtful accounts	(2,569)	(2,198)
TOTAL ASSETS	791,020	807,425

Ito-Yokado Co., Ltd.

(Millions of yen)

	February 28, 2013	February 28, 2014
	Amount	Amount
LIABILITIES		
Current liabilities	128,427	137,173
Accounts payable, trade	59,479	59,576
Short-term loans	103	96
Current portion of long-term loans	1,435	1,423
Lease obligations	926	966
Accounts payable, other	20,055	21,180
Accounts payable for parent company	-	3,256
Income taxes payable	490	956
Consumption taxes withheld	1,143	-
Accrued expenses	8,637	9,581
Advance received	761	784
Deposits received	13,969	18,482
Allowance for bonuses to employees	3,939	4,520
Allowance for bonuses to directors and corporate auditors	33	36
Allowance for sales promotion expenses	1,069	654
Allowance for loss on future collection of gift certificates	753	639
Gift certificates	14,373	13,765
Other	1,253	1,252
Non-current liabilities	62,735	61,806
Long-term loans	7,304	5,991
Lease obligations	2,295	1,618
Deferred income taxes	1,344	2,929
Allowance for retirement benefits to directors and corporate auditors	605	605
Deposits received from tenants	41,203	40,346
Asset retirement obligations	9,981	10,315
TOTAL LIABILITIES	191,162	198,980
NET ASSETS		
Shareholder's equity	593,811	597,716
Common stock	40,000	40,000
Capital surplus	165,621	165,621
Additional paid-in capital	165,621	165,621
Retained earnings	388,189	392,095
Legal reserve	11,700	11,700
Other retained earnings		
Reserve for deferred gains on property and equipment	1,207	1,149
Retained earnings brought forward	375,281	379,246
Accumulated gains (losses) from valuation and translation adjustments	6,046	10,727
Unrealized gains (losses) on available-for-sale securities, net of taxes	6,046	10,727
TOTAL NET ASSETS	599,857	608,444
TOTAL LIABILITIES AND NET ASSETS	791,020	807,425

Nonconsolidated Statements of Income

(Millions of yen)

	Year ended February 28, 2013	Year ended February 28, 2014
	Amount	Amount
[Revenues from operations]	[1,332,292]	[1,311,989]
Net sales	1,302,923	1,280,615
Cost of sales	980,780	964,980
Gross profit on sales	322,143	315,634
Other operating revenues	29,368	31,373
Rental income	24,322	25,374
Other income	5,046	5,999
Gross profit from operations	351,511	347,008
Selling, general and administrative expenses	342,502	335,771
Advertising and decoration expenses	30,891	30,481
Salaries and wages	111,483	111,343
Land and building rent	66,968	65,006
Depreciation and amortization	15,937	10,014
Other	117,221	118,925
Operating income	9,009	11,236
Non-operating income	7,265	4,022
Interest income	1,773	1,551
Interest on securities	6	0
Dividends income	4,620	1,468
Other	864	1,002
Non-operating expenses	1,051	2,187
Interest expenses	226	189
Provision of allowance for doubtful accounts	271	-
Foreign exchange losses	22	1,727
Other	531	270
Ordinary income	15,223	13,071
Special gains	78	231
Gain on sales of property and equipment	35	39
Receipt of stock option income	42	65
Gain on sales of investments in capital	-	120
Other	0	7
Special losses	10,690	6,480
Loss on sales of property and equipment	7	84
Loss on disposals of property and equipment	1,266	1,502
Impairment loss	1,750	3,337
Valuation loss on investments in securities of subsidiaries and affiliates	7,336	-
Other	329	1,556
Income before income taxes	4,611	6,822
Income taxes - current	(2,900)	1,865
Income taxes - deferred	5,824	(377)
Net income	1,687	5,333

[Reference] York-Benimaru Co., Ltd.

Nonconsolidated Balance Sheets

(Millions of yen)

	February 28, 2013	February 28, 2014
	Amount	Amount
ASSETS		
Current assets	45,657	46,641
Cash and bank deposits	13,884	14,984
Accounts receivable, trade	24	24
Inventories	8,184	8,497
Supplies	25	26
Prepaid expenses	725	795
Deferred income taxes	1,564	1,693
Short-term loans receivable	97	99
Deposits held by subsidiaries and affiliates	12,000	10,500
Accounts receivable, other	5,796	6,652
Payments in advance	2,541	2,549
Other	814	817
Non-current assets	110,555	121,372
Property and equipment	77,060	82,052
Buildings	28,133	31,419
Structures	5,192	5,840
Furniture, fixtures and equipment	1,297	1,299
Land	40,853	41,321
Construction in progress	1,582	2,171
Intangible assets	1,582	1,226
Goodwill	775	634
Software	768	556
Other	39	35
Investments and other assets	31,911	38,092
Investments in securities	11,279	17,077
Stocks of subsidiaries and affiliates	170	170
Investments in capital	1	1
Investments in capital of subsidiaries and affiliates	0	0
Long-term loans receivable	281	273
Long-term prepaid expenses	2,439	2,941
Prepaid pension cost	2,598	2,582
Long-term leasehold deposits	15,787	15,511
Advances for store construction	80	259
Allowance for doubtful accounts	(726)	(726)
TOTAL ASSETS	156,212	168,013

York-Benimaru Co., Ltd.

(Millions of yen)

	February 28, 2013	February 28, 2014
	Amount	Amount
LIABILITIES		
Current liabilities	26,247	28,199
Accounts payable, trade	14,697	16,368
Short-term loans	88	92
Accounts payable, other	3,598	4,075
Accounts payable for parent company	1,770	1,545
Income taxes payable	1,183	1,005
Accrued expenses	2,556	2,777
Deposits received	451	443
Suspense receipt	29	7
Advance received	230	232
Gift certificates	41	41
Allowance for bonuses to employees	1,544	1,551
Allowance for bonuses to directors and corporate auditors	34	39
Allowance for loss on future collection of gift certificates	22	19
Non-current liabilities	6,197	8,013
Long-term loans	177	176
Allowance for retirement benefits to directors and corporate auditors	290	290
Deferred income taxes	2,210	3,938
Asset retirement obligations	901	1,032
Other	2,618	2,577
TOTAL LIABILITIES	32,445	36,213
NET ASSETS		
Shareholder's equity	118,743	122,996
Common stock	9,927	9,927
Capital surplus	12,605	12,605
Additional paid-in capital	12,605	12,605
Other capital surplus	0	0
Retained earnings	96,209	100,463
Legal reserve	2,186	2,186
General reserve	69,423	69,415
Retained earnings brought forward	24,600	28,861
Accumulated gains (losses) from valuation and translation adjustments	5,023	8,803
Unrealized gains (losses) on available-for-sale securities, net of taxes	5,023	8,803
TOTAL NET ASSETS	123,766	131,800
TOTAL LIABILITIES AND NET ASSETS	156,212	168,013

York-Benimaru Co., Ltd.

Nonconsolidated Statements of Income

(Millions of yen)

	Year ended February 28, 2013	Year ended February 28, 2014
	Amount	Amount
[Revenues from operations]	[363,862]	[380,869]
Net sales	358,061	374,781
Cost of sales	273,359	287,184
Gross Profit on sales	84,701	87,596
Other operating revenues	5,801	6,087
Commission fee income	2,328	2,524
Rental income	3,473	3,563
Gross profit from operations	90,503	93,684
Selling, general and administrative expenses	78,649	80,969
Salaries and wages	33,550	34,805
Provision for bonuses to employees	1,544	1,551
Land and building rent	8,512	8,738
Store maintenance and repair expenses	3,871	4,168
Depreciation and amortization	5,506	3,525
Utility expenses	5,183	5,786
Delivery expenses	214	228
Other	20,266	22,166
Operating income	11,854	12,714
Non-operating income	2,250	1,877
Interest income	153	132
Interest on securities	0	-
Dividends income	2,067	1,699
Other	28	46
Non-operating expenses	101	125
Interest expenses	5	5
Maintenance expenses for idle assets	71	63
Cancellation expenses for lease contract	-	34
Other	24	21
Ordinary income	14,003	14,467
Special gains	198	138
Gain on sales of property and equipment	88	69
Receipt of stock option income	42	66
Compensation income for transfer	67	1
Special losses	1,932	1,037
Loss on sales of property and equipment	0	7
Loss on disposals of property and equipment	75	341
Impairment loss	1,645	550
Loss on disaster	-	134
Valuation loss on investments in securities of subsidiaries and affiliates	207	-
Other	4	3
Income before income taxes	12,269	13,568
Income taxes - current	4,349	4,681
Income taxes - deferred	189	(419)
Net income	7,731	9,306

[Reference] Sogo & Seibu Co., Ltd.

Nonconsolidated Balance Sheets

(Millions of yen)

	February 28, 2013	February 28, 2014
	Amount	Amount
ASSETS		
Current assets	84,434	85,393
Cash and bank deposits	16,384	15,341
Notes receivable, trade	1,136	936
Accounts receivable, trade	21,397	25,048
Inventories	18,363	21,078
Real estate for sale	2,585	2,535
Supplies	311	289
Prepaid expenses	3,699	3,685
Deferred income taxes	9,437	8,941
Short-term loans receivable	95	51
Accounts receivable, other	7,161	3,730
Current portion of construction contribution	2,635	2,540
Other	1,225	1,215
Allowance for doubtful accounts	(0)	(0)
Non-current assets	370,834	362,184
Property and equipment	236,035	231,532
Buildings	89,004	86,083
Structures	1,287	1,235
Machinery and equipment	424	462
Furniture, fixtures and equipment	3,522	3,275
Lease assets	5,329	4,590
Land	136,449	135,844
Construction in progress	17	39
Intangible assets	24,942	24,087
Rights of leasehold	20,292	19,932
Other	4,649	4,155
Investments and other assets	109,856	106,563
Investments in securities	2,331	2,340
Stocks of subsidiaries and affiliates	26,085	26,530
Long-term loans receivable	278	264
Long-term leasehold deposits	60,934	59,233
Construction contribution	13,156	11,409
Long-term accounts receivable, other	273	87
Receivable in bankruptcy	1,688	1,527
Deferred income taxes	4,040	4,013
Other	2,004	2,046
Allowance for doubtful accounts	(935)	(889)
TOTAL ASSETS	455,269	447,577

Sogo & Seibu Co., Ltd.

(Millions of yen)

	February 28, 2013	February 28, 2014
	Amount	Amount
LIABILITIES		
Current liabilities	233,895	231,961
Accounts payable, trade	33,327	34,448
Short-term loans	151,145	149,291
Accounts payable, other	8,209	8,344
Lease obligations	1,190	1,247
Accrued expenses	3,159	3,085
Income taxes payable	336	402
Consumption taxes withheld	342	394
Advance received	1,772	1,660
Gift certificates	15,695	15,515
Deposits received	6,791	7,091
Allowance for bonuses to employees	1,790	2,223
Allowance for bonuses to directors and corporate auditors	46	37
Allowance for sales promotion expenses	4,890	4,918
Allowance for loss on future collection of gift certificates	2,630	2,273
Allowance for store closing losses	1,609	499
Asset retirement obligations	448	100
Other	508	425
Non-current liabilities	96,812	89,215
Long-term loans	79,921	73,769
Long-term accounts payable, other	1,020	832
Lease obligations	5,486	4,504
Deposits received from tenants	8,003	7,771
Allowance for retirement benefits to directors and corporate auditors	57	41
Allowance for environmental obligations	378	346
Asset retirement obligations	1,923	1,937
Other	20	11
TOTAL LIABILITIES	330,707	321,177
NET ASSETS		
Shareholder's equity	124,534	126,348
Common stock	10,000	10,000
Capital surplus	52,298	52,298
Additional paid-in capital	39,317	39,317
Other capital surplus	12,981	12,981
Retained earnings	62,235	64,050
Other retained earnings		
Retained earnings brought forward	62,235	64,050
Accumulated gains (losses) from valuation and translation adjustments	27	52
Unrealized gains (losses) on available-for-sale securities, net of taxes	27	52
TOTAL NET ASSETS	124,561	126,400
TOTAL LIABILITIES AND NET ASSETS	455,269	447,577

Sogo & Seibu Co., Ltd.

Nonconsolidated Statements of Income

(Millions of yen)

	Year ended February 28, 2013	Year ended February 28, 2014
	Amount	Amount
[Revenues from operations]	[810,998]	[801,535]
Net sales	798,427	789,203
Cost of sales	625,153	619,786
Gross profit on sales	173,274	169,417
Operating revenues	12,570	12,332
Gross profit from operations	185,845	181,749
Selling, general and administrative expenses	175,804	171,607
Advertising and decoration expenses	25,820	24,459
Salaries and wages	47,020	46,346
Land and building rent	42,755	41,780
Depreciation and amortization	12,608	11,793
Utility expenses	9,659	10,299
Other	37,940	36,928
Operating income	10,040	10,141
Non-operating income	1,344	803
Interest and dividends income	676	346
Subsidy from renovation construction of sale area	221	52
Other	446	404
Non-operating expenses	2,224	1,679
Interest expenses	1,752	1,380
Other	471	299
Ordinary income	9,160	9,265
Special gains	889	214
Gain on sales of property and equipment	11	105
Gain on sales of investments in securities	812	36
Receipt of stock option income	-	73
Other	65	-
Special losses	12,204	7,109
Loss on disposals of property and equipment	1,927	2,408
Impairment loss	7,474	1,768
Early retirement benefit	-	2,149
Provision for store closing losses	1,973	-
Other	829	782
Income (loss) before income taxes	(2,154)	2,370
Income taxes - current	(1,034)	33
Income taxes - deferred	2,530	523
Net income (loss)	(3,650)	1,814

[Reference] Seven & i Food Systems Co., Ltd.

Nonconsolidated Balance Sheets

(Millions of yen)

	February 28, 2013	February 28, 2014
	Amount	Amount
ASSETS		
Current assets	29,658	28,855
Cash and bank deposits	2,617	2,438
Accounts receivable, trade	592	642
Inventories	87	64
Materials	366	422
Supplies	229	177
Prepaid expenses	613	599
Accounts receivable, other	1,185	781
Deferred income taxes	225	380
Deposits held by subsidiaries and affiliates	23,383	23,003
Current portion of leasehold deposits	196	185
Other	160	160
Non-current assets	14,485	15,655
Property and equipment	4,424	5,533
Buildings	2,168	2,290
Structures	177	194
Furniture, fixtures and equipment	457	1,015
Land	1,456	1,456
Lease assets	138	483
Construction in progress	26	93
Intangible assets	62	84
Rights of leasehold	36	36
Software	15	39
Utility rights of facilities	5	4
Other	5	5
Investments and other assets	9,998	10,037
Investments in securities	225	269
Long-term prepaid expenses	183	198
Prepaid pension cost	1,503	1,587
Long-term leasehold deposits	6,745	6,630
Investments in capital of subsidiaries and affiliates	482	482
Deferred income taxes	759	788
Allowance for doubtful accounts	(30)	(30)
Other	129	112
TOTAL ASSETS	44,144	44,511

Seven & i Food Systems Co., Ltd.

(Millions of yen)

	February 28, 2013	February 28, 2014
	Amount	Amount
LIABILITIES		
Current liabilities	6,561	6,731
Accounts payable, trade	1,754	1,655
Accounts payable, other	950	1,064
Income taxes payable	375	382
Consumption taxes withheld	237	242
Accrued expenses	2,299	2,316
Deposits received	176	190
Allowance for bonuses to directors and corporate auditors	18	15
Allowance for bonuses to employees	472	475
Accounts payable for acquisition of property and equipment	90	104
Short-term allowance for impairment loss on lease assets	11	2
Other	175	280
Non-current liabilities	2,584	2,980
Long-term allowance for impairment loss on lease assets	2	0
Lease obligations	171	513
Asset retirement obligations	2,147	2,138
Long-term guarantee deposited	161	227
Other	101	100
TOTAL LIABILITIES	9,145	9,711
NET ASSETS		
Shareholder's equity	34,948	34,714
Common stock	3,000	3,000
Capital surplus	53,679	53,170
Additional paid-in capital	750	750
Other capital surplus	52,929	52,420
Retained earnings	(21,730)	(21,455)
Other retained earnings	(21,730)	(21,455)
Retained earnings brought forward		
Accumulated gains (losses) from valuation and translation adjustments	49	84
Unrealized gains (losses) on available-for-sale securities, net of taxes	49	84
TOTAL NET ASSETS	34,998	34,799
TOTAL LIABILITIES AND NET ASSETS	44,144	44,511

Seven & i Food Systems Co., Ltd.

Nonconsolidated Statements of Income

(Millions of yen)

	Year ended February 28, 2013	Year ended February 28, 2014
	Amount	Amount
[Revenues from operations]	[78,238]	[78,484]
Net sales	77,706	78,112
Cost of sales	26,020	25,984
Gross profit on sales	51,686	52,127
Other operating revenues	531	371
Gross profit from operations	52,218	52,499
Selling, general and administrative expenses	51,349	51,669
Salaries and bonuses	26,277	26,977
Land and building rent	7,777	7,550
Utility expenses	4,625	4,636
Depreciation and amortization	562	407
Legal welfare expenses	2,166	2,288
Other	9,940	9,809
Operating income	868	829
Non-operating income	208	200
Interest income	142	122
Dividends income	4	4
Income related to advertising media installation	13	17
Miscellaneous income	47	55
Non-operating expenses	33	39
Miscellaneous expenses	33	39
Ordinary income	1,043	990
Special gains	31	35
Compensation income for expropriation	4	2
Other	27	33
Special losses	983	659
Impairment loss	410	606
Store-closing cost and removal expenses	6	14
Valuation loss on investments in securities of subsidiaries and affiliates	519	-
Other	47	39
Income before income taxes	91	366
Income taxes - current	(105)	284
Income taxes - deferred	635	(193)
Net income (loss)	(439)	275