March 8, 2016

To whom it may concern,

Company Name: Seven & i Holdings Co., Ltd.
Representative: Noritoshi Murata
President & Representative Director
(Code No. 3382/First Section of the Tokyo Stock Exchange)

Notice Regarding Group Growth Strategy and Structural Reform of Business

Seven & i Holdings Co., Ltd. operates various business formats including convenience stores, superstores, food supermarkets, department stores, specialty stores, banks, online businesses as a distribution service Group like no other in the world. The Group utilizes these strengths to develop and sell "*Seven Premium*, " the private-brand products shared throughout the Group, and promotes the Omni-Channel Strategy as its "second stage of growth" to realize synergies.

To increase its enterprise value, the Group is promoting its business under the management priorities of "break away from conventional chain store concept," "reinforce a store-led operating framework and product lineups that reflect regional characteristics." Seven & i Holdings Co., Ltd. ("the Company") hereby announced that today a resolution on the Group growth strategy was passed by the Board of Directors to achieve further growth.

As one aspect of the Group growth strategy, the Company also announced that today the boards of directors of Ito-Yokado Co., Ltd. and Sogo & Seibu Co., Ltd., have decided on new initiatives that promote structural reform further to create stores that will win even greater support from customers.

1. Seven & i Holdings Growth Strategy

The essence of Group management is to create synergies and utilize the management resources each business format possesses while creating a distribution system that responds to changing times and delivers new values to customers on a daily basis. This basis of the strategy is to achieve further growth in convenience store operations using the capabilities of each Group company.

i. Growth Strategy	:	Realizing growth through active investment in convenience store operations
	:	Seven-Eleven Japan Co., Ltd. (SEJ) will be involved in the development and sales of *Seven Premium* products and act as a pick-up point for the Omni-Channel Strategy to strengthen services, etc. in collaboration with other Group business formats to aim for further growth.
	:	Growth of 7-Eleven Inc. is due to the mutually strengthened collaboration resulting from becoming a wholly owned subsidiary of SEJ, and further strengthening collaboration going forward to connect to growth.
ii. Prior Investment	:	Omni-Channel Strategy should be the core for earnings and all Group capabilities will be directed toward this
iii. Structural Reform	:	Issues related to Ito-Yokado and Sogo & Seibu will be dealt with immediately to connect to future development

2. Ito-Yokado Co., Ltd. Structural Reform

As Ito-Yokado Co., Ltd. progresses in its initiative to expand independent store operation to all stores and to shift from a Head Office-led to a store-led operating framework, the following business structure reforms were announced on October 8, 2015 and are now underway.

(1) Business structure reforms announced on October 8, 2015

i. Store policy	:	Leverage advantage in site locations, particularly in the Tokyo metropolitan area In regional areas, strengthen ties with alliance partners, mainly in food
ii. Invigorate sales areas	:	As part of strengthening product lineup, further promote tenant mix through the consolidation of Mall & SC Development Inc. into Ito-Yokado
iii. New store openings	:	Concentrate on opening formats with earning potential, such as shopping centers and food-specialty stores
iv. Productivity enhancement	:	Reduce Head Office personnel by 30%, transfer certain head office functions to stores Close 40 stores without profitability improvement potential over the next five years In addition, conduct right-sizing of staff

(2) Structural reforms to be implemented from the fiscal year ending February 28, 2017 onward

i. Store closures	:	Close 20 stores in the fiscal year ending February 28, 2017 Will record special loss of approx. ¥4.0 billion associated with these closures in the fiscal year ended February 29, 2016
ii. Strengthen foods	:	Thoroughly strengthen foods that leverage Ito-Yokado Co., Ltd.'s advantages
iii. Store strategy	:	Utilize the tenant mix, with a core focus on strengthening food Optimize sales floor composition to the individual catchment areas of individual stores to increase profitability

3. Sogo & Seibu Co., Ltd. Structural Reform

Strengthened retailer-managed product development in coordination with the Omni-Channel Strategy and enhanced lineups tailored to regional characteristics, while closing SEIBU Kasukabe on February 29, 2016 as announced on October 8, 2015.

Structural reforms to be implemented from the fiscal year ending February 28, 2017 onward

i. Store closures	:	Close 2 stores (Sogo Kashiwa, SEIBU Asahikawa) on September 30, 2016 Will record special loss of approx. ¥1.5 billion associated with these closures in the fiscal year ended February 29, 2016
ii. Organizational reforms	:	Reduce Head Office personnel by 100 and assign them to stores to strengthen service capabilities Introduce merchandiser systems in the Merchandising Department and promote reforms in the product development system
iii. Invigorate regional stores	:	Strengthen retailer-managed products (*Limited Edition areamode*) Promote reform toward shopping centers utilizing tenants
iv. Expand market share	:	Cultivate areas utilizing location advantage, with a focus on the Omni-Channel Strategy Cooperate with Group companies to create an area strategic model