July 6, 2017

To whom it may concern:

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

Notice Regarding Memorandum of Understanding on Business Alliance with ASKUL Corporation

Seven & i Holdings Co., Ltd. ("the Company") announced that the Board of Directors meeting held today resolved as follows regarding a Memorandum of Understanding (the "MOU") on a business alliance with ASKUL Corporation ("ASKUL").

1. Purpose and Grounds of the Alliance

The Seven & i Group operates more than 60,000 stores in and outside Japan and encompasses an assortment of businesses to respond to the needs of a wide range of customers, in the field of convenience stores, general merchandise stores, department stores, food supermarkets, specialty stores, financial services and IT services, and is actively engaged in enhancing customer service, expanding store networks, and strengthening product development capabilities, procuring power and brand power on a daily basis.

The ASKUL Group, true to its corporate philosophy of "evolving for our customers," has pioneered in developing the total office support service that delivers products and services needed in offices in a swift and reliable manner. Since the inception of the business in 1993, the Group has been continually advancing its products, services, and systems, listening to the voices of customers. By catering to the diverse needs of customers, ranging from globally competing corporations to small and medium offices supporting them, the Group has established itself as the leader in the field of office supplies mail order. In addition, the Group has started online mail order business for general customers called "LOHACO" since 2012.

In its Medium-Term Management Plan starting in the fiscal year ending February 28, 2018, the Company is set to revise its Omni-Channel strategy, which has been centered on the e-commerce business. Specifically, the Company has redefined the Omni-Channel strategy as the Group customer strategy and is proceeding to strengthen its customer relationship management strategy for ascertaining all purchase data by merging real stores and IT. Meanwhile, with regard to the e-commerce business, the Company has revised its products and services in pursuit of better customer convenience.

The ASKUL Group has a different mainstay business format and targets different customer segments and product fields in its e-commerce business. The Company and the ASKUL Group therefore expect to leverage one another's management resources to create synergies. The two companies judged that they can maximize their corporate value by helping one another to increase convenience and satisfaction for their customers. Accordingly, the Company and the ASKUL Group concluded the MOU on a business alliance today.

2. Details of the Business Alliance

Both companies will confer with each other to execute definitive agreements on the following matters:

(1) Mutual customer referral

The two companies will mutually refer customers between the Company's e-commerce website *"omni7*" and the ASKUL's e-commerce website "LOHACO" around the end of November 2017.

(2) New e-commerce business in fresh food

The two companies will start a new e-commerce business in fresh foods utilizing the infrastructure of "LOHACO" around the end of November 2017.

(3) Start of discussions for increasing efficiency of *"omni7*"

The two companies have started discussions towards sharing e-commerce distribution and e-commerce website development and operation.

The implementation of other services that would be beneficial for the customers of both companies

3. Schedule

Execution of the MOU on Business Alliance: July 6, 2017

4. Future Outlook

If matters to be disclosed arise in the process of the negotiations on the business alliance to be conducted between both companies, relevant disclosures will appropriately be made in a timely manner.