March 8, 2018

To whom it may concern:

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

Notice Regarding Basic Agreement Regarding Business Alliance between Odakyu Electric Railway Co., Ltd. and Odakyu Shoji Co., Ltd.

Seven & i Holdings Co., Ltd. (“the Company”) gives notice that it has concluded a basic agreement with Odakyu Electric Railway Co., Ltd. (hereinafter “Odakyu Electric Railway”) and its subsidiary Odakyu Shoji Co., Ltd. (“hereinafter “Odakyu Shoji”) regarding a business alliance in the supermarket, train station store, and convenience store businesses operated by Odakyu Shoji (hereinafter “the Business Alliance”). The companies will now undertake detailed discussions with a view to concluding a final agreement regarding the Business Alliance.

1. Reason for the Business 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, superstores, department stores, financial services and specialty stores, 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.

Odakyu Electric Railway has positioned the planned completion of multiple double tracks in March 2018 as a major opportunity. The group is taking steps to increase the appeal of areas along railway lines, such as redeveloping areas near terminals and strengthening its existing businesses, aiming to create the most convenient living areas along railway lines in Japan. To enhance the appeal of these areas, it is essential to respond to increasingly diverse customer needs. In particular, the group recognizes that strengthening its retail business is an important strategy.

In light of the situation, the Seven & i Group aims to establish a dominant market presence by expanding openings of 7-Eleven stores along the Odakyu Line and through concentrated business development. The Group also means to further develop its business through mutual sharing of business expertise aimed at strengthening the supermarket business. For, the Odakyu Group, in the supermarket business (Odakyu OX) operated by Odakyu Shoji, the group aims to acquire the Seven & i Group’s operating expertise and establish a dominant position in the market by strengthening its business foundation and expanding its store network. At the same time, in the train station store and convenience store business the group will strengthen its retail business by converting its stores to 7-Eleven franchised stores. The two groups judged that mutual cooperation to achieve these goals would contribute to raising corporate value for both of them,

resulting in today's conclusion of the basic agreement regarding the Business Alliance between the Company, Odakyu Electric Railway, and Odakyu Shoji.

2. Details of the Business Alliance

(1) Supermarket business (Odakyu OX)

- Promote attractive store creation by collaboration on operations, sharing education expertise, and merchandising between the Seven & i Group and Odakyu Shoji through personnel exchanges
- Consideration to introduce the Seven & i Group's *Seven Premium* private brand products etc. in Odakyu OX stores

(2) Train station store business and convenience store business

- Promote conversion of train station store (Odakyu SHOP) and convenience store (Odakyu MART) formats to 7-Eleven stores

(3) Product procurement

- Streamlining and cost reduction through mutual use of logistics functions

3. Outline of the Counterparty to the Alliance (as of March 31, 2017)

(1) Odakyu Electric Railway Co., Ltd.

①	Name	Odakyu Electric Railway Co., Ltd.		
②	Location	2-28-12 Yoyogi, Shibuya-ku, Tokyo 1-8-3 Nishi-Shinjuku, Shinjuku-ku, Tokyo(Headquarters)		
③	Title and Name of Representative	President and Representative Director：Koji Hoshino		
④	Details of the Business	Railroad, real estate, other business		
⑤	Stated Capital	60,359 million yen		
⑥	Date of Incorporation	June 1, 1948		
⑦	Major Shareholders and Shareholding Ratio	The Dai-ichi Life Insurance Company, Limited 6.11% Japan Trustee Services Bank, Ltd(Trust account) 5.86% Nippon Life Insurance Company 5.05%		
⑧	Relationship between the Company and Odakyu	Capital Relationship	None	
		Personnel Relationship	None	
		Trading Relationship	None	
		Status of Applicability to Relevant Parties	None	
⑨	Odakyu's Management Performance and Financial Status for the Past Three (3) Years			
	Accounting Period	Year ended March 2015	Year ended March 2016	Year ended March 2017
	Consolidated Net Assets	308,209 million yen	317,023 million yen	338,703 million yen
	Consolidated Gross Assets	1,253,849 million yen	1,257,332 million yen	1,270,102 million yen
	Consolidated Net Assets per Share	422.33 yen	867.85 yen	927.30 yen
	Consolidated Sales	518,715 million yen	529,812 million yen	523,031 million yen
	Consolidated Operating Income	49,858 million yen	52,934 million yen	49,946 million yen
	Consolidated Ordinary Income	44,098 million yen	45,695 million yen	46,638 million yen
	Current Net Earnings Attributed to Parent Company Shareholders	30,147 million yen	27,497 million yen	26,067 million yen
	Consolidated Current Net Earnings per Share	41.80 yen	76.27 yen	72.31 yen
	Dividend per Share	8.50 yen	9.00 yen	14.50 yen

(2) Odakyu Shoji Co., Ltd.

①	Name	Odakyu Shoji Co., Ltd.
②	Location	2-1-33 Kyodo Setagaya-ku, Tokyo 3-1-2 Manpukuji, Asao-ku, Kawasaki, Kanagawa(Headquarters)
③	Title and Name of Representative	President and Representative Director: Michinobu Fujinami
④	Details of the Business	Supermarket business, Train station store business, Convenience store business, Specialty store business, External sales business
⑤	Stated Capital	360 million yen
⑥	Date of Incorporation	August 30, 1963
⑦	Major Shareholders and Shareholding Ratio	Odakyu Electric Railway Co., Ltd.（100%）

4. Schedule

Execution of the Basic Agreement on Business Alliance：March 8, 2018

Going forward, the two groups will continue discussions regarding the details of the alliance and proceed towards conclusion of the formal agreements by August 2018.

5. Future Outlook

The impact on the consolidated results of the Company and the Odakyu Electric Railway will be negligible. However, the Business Alliance will contribute to higher consolidated earnings for both companies over the medium to long term.