April 5, 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 Business Alliance with IZUMI CO., LTD.

Seven & i Holdings Co., Ltd. (“the Company”) gives notice that it has concluded an agreement with IZUMI CO., LTD. (hereinafter, “IZUMI”) regarding a business alliance (hereinafter, “the Business Alliance”). Details are as follows.

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.

With the retail business such as shopping centers and supermarkets positioned as its core business, IZUMI has been pursuing the development of retail spaces that impart customer satisfaction, along with aiming to create lifestyles and develop communities that will continue to thrive for many more years to come. Additionally, IZUMI has been working to enhance its competitiveness through measures such as adding better value to existing stores and supplying high-quality products at affordable prices. Concurrently, in terms of the development of stores, IZUMI has built a store network centered on the Chugoku, Shikoku and Kyushu regions. Therefore, IZUMI has a geographically complementary relationship with Ito-Yokado Co., Ltd. (hereinafter “Ito-Yokado”), one of the core Seven & i Group companies, despite operating in the same business formats.

Under these conditions, the Company and IZUMI have agreed that the two companies will be able to enhance business efficiency and expand earnings by effectively harnessing the management resources and expertise of both groups. Based on this consensus, the two companies have reached an agreement regarding the Business Alliance.

2. Details of the Business Alliance

(1) The following matters between Ito-Yokado and IZUMI will be considered:

① Integration of purchasing, the joint procurement of imported products, local products and other items, and the joint procurement and supply of other products

② Transfer of the operations of the Ito-Yokado Fukuyama Store around next spring

③ Cooperation on matters such as the joint operation and joint opening, etc. in the West Japan region

(2) Cooperation on electronic money
(3) Opening stores within the counterparty group's stores or sites (including ATMs)
(4) Joint procurement of materials and related items
(5) Studying the feasibility of carrying private-brand products
(6) Other matters that will help to increase the corporate value of both groups

3. Outline of the Counterparty to the Alliance (as of February 28, 2017)

(1)	Name	IZUMI CO., LTD		
(2)	Location	2-28-12 Yoyogi, Shibuya-ku, Tokyo		
(3)	Title and Name of Representative	President and Representative Director：Yasuaki Yamanishi		
(4)	Details of the Business	Sales and import of apparel, household goods, food, and other products in business formats such as shopping centers, general merchandising stores (GMS), and supermarkets		
(5)	Stated Capital	19,613.85 million yen		
(6)	Date of Incorporation	October 10, 1961		
(7)	Major Shareholders and Shareholding Ratio	Yamanishi World, Ltd. 25.28% DAIICHI FUDOUSAN CO., LTD. 5.34% Japan Trustee Services Bank, Ltd(Trust account) 3.75%		
(8)	Relationship between the Company and IZUMI	Capital Relationship	None	
		Personnel Relationship	None	
		Trading Relationship	None	
		Status of Applicability to Relevant Parties	None	
(9)	IZUMI's Management Performance and Financial Status for the Past Three (3) Years			
	Accounting Period	Year ended February 2015	Year ended February 2016	Year ended February 2017
	Consolidated Net Assets	145,709 million yen	157,851 million yen	171,963 million yen
	Consolidated Gross Assets	432,416 million yen	468,026 million yen	476,885 million yen
	Consolidated Net Assets per Share	1,876.22 yen	2,060.44 yen	2,240.66 yen
	Consolidated Sales	579,739 million yen	668,784 million yen	702,121 million yen
	Consolidated Operating Income	30,330 million yen	31,912 million yen	35,670 million yen
	Consolidated Ordinary Income	29,767 million yen	31,102 million yen	35,688 million yen
	Current Net Earnings Attributed to Parent Company Shareholders	17,360 million yen	18,766 million yen	17,015 million yen
	Consolidated Current Net Earnings per Share	241.60 yen	261.96 yen	237.45 yen
	Dividend per Share	51.00 yen	64.00 yen	66.00 yen

4. Schedule

Execution of the agreement on the Business Alliance：April 5, 2018

5. Future Outlook

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