Brief Summary
for the First Quarter of FY2019

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July 5, 2018
Seven & i Holdings Co., Ltd.

■Consolidated Results

Ⅰ. Financial Results

(Millions of yen)

	Three Months Ended May 31, 2017		Three Months Ended May 31, 2018		Fiscal Year Ended Feb. 28, 2018		Fiscal Year Ending Feb. 28, 2019 (Forecast)	
		YOY(%)		YOY(%)		YOY(%)		YOY(%)
Group's total sales[*1]	2,674,956	104.5	2,851,031	106.6	11,048,215	104.0	11,920,000	107.9
Revenues from operations	1,468,086	105.3	1,599,034	108.9	6,037,815	103.5	6,683,000	110.7
Domestic convenience store operations	228,099	104.2	233,890	102.5	928,649	103.0	958,000	103.2
Overseas convenience store operations	459,975	125.4	609,269	132.5	1,981,533	119.5	2,635,000	133.0
Superstore operations	476,045	96.4	476,079	100.0	1,901,164	97.5	1,947,000	102.4
Department store operations	162,638	93.1	141,614	87.1	657,886	90.2	615,000	93.5
Financial services	50,534	103.9	53,611	106.1	202,942	100.5	211,000	104.0
Specialty store operations	103,759	98.6	98,018	94.5	416,616	92.5	368,000	88.3
Others	5,637	87.5	5,644	100.1	23,533	98.7	25,000	106.2
Eliminations / corporate	(18,604)	-	(19,094)	-	(74,510)	-	(76,000)	-
Operating income (loss)	84,141	103.3	86,376	102.7	391,657	107.4	415,000	106.0
Domestic convenience store operations	59,478	102.3	55,394	93.1	245,249	100.6	247,900	101.1
Overseas convenience store operations	7,045	68.5	9,382	133.2	79,078	117.3	90,400	114.3
Superstore operations	5,291	98.4	6,236	117.9	21,260	105.1	29,000	136.4
Department store operations	400	-	365	91.4	5,369	187.2	5,700	106.2
Financial services	12,513	97.9	13,892	111.0	49,713	99.2	49,800	100.2
Specialty store operations	1,197	-	2,947	246.2	435	-	6,100	-
Others	986	105.0	608	61.7	3,670	91.6	3,100	84.4
Eliminations / corporate	(2,769)	-	(2,450)	-	(13,120)	-	(17,000)	-
Ordinary income	83,616	101.5	84,931	101.6	390,746	107.2	408,500	104.5
Special gains	734	122.6	876	119.4	13,347	302.6		
Special losses	27,664	340.2	15,200	54.9	127,774	84.5		
Income before income taxes	56,686	75.7	70,607	124.6	276,320	127.0		
Net income attributable to owners of parent	33,628	77.9	42,887	127.5	181,150	187.2	210,000	115.9
Net income per share	yen 38.02	% 79.6	yen 48.48	% 127.5	yen 204.80	% 187.2	yen 237.41	% 115.9
Number of shares outstanding								
Average[*2]	884,495,504		884,562,080		884,531,496			
End of period[*2]	884,512,634		884,571,703		884,544,201			

*1. Group's total sales include the sales of Seven-Eleven Japan and 7-Eleven, Inc. franchisees.

*2. Excluding treasury stock.

Exchange rates

(yen)

		Three Months Ended May 31, 2017	Three Months Ended May 31, 2018	Fiscal Year Ended Feb. 28, 2018	Fiscal Year Ending Feb. 28, 2019 (Forecast)
Income statements	U.S.$1=	113.60	108.22	112.16	110.00
	1yuan=	16.56	17.04	16.62	16.00
Balance sheets	U.S.$1=	112.19	106.24	113.00	-
	1yuan=	16.29	16.92	17.29	-

Operating income before amortization of goodwill

(Millions of yen)

	Three Months Ended May 31, 2017		Three Months Ended May 31, 2018		Fiscal Year Ended Feb. 28, 2018		Fiscal Year Ending Feb. 28, 2019 (Forecast)	
		YOY(%)		YOY(%)		YOY(%)		YOY(%)
Total	88,371	103.2	92,291	104.4	408,278	107.2	439,300	107.6
Domestic convenience store operations	59,478	102.3	55,394	93.1	245,249	100.6		
Overseas convenience store operations	10,058	82.3	14,094	140.1	90,848	118.5		
Superstore operations	6,066	98.6	7,011	115.6	24,359	104.4		
Department store operations	400	462.8	365	91.3	5,370	116.0		
Financial services	12,850	98.0	14,218	110.6	51,050	99.2		
Specialty store operations	1,300	-	3,050	234.6	848	-		
Others	986	105.0	608	61.7	3,670	91.6		
Eliminations / corporate	(2,769)	-	(2,450)	88.5	(13,120)	-		

Note: Eliminations / corporate in operating income mainly reflect the Company's operating expenses relating to the Group strategy.

Ⅱ. Major Factors for the Change

(Millions of yen) (yen)

	Three Months Ended May 31, 2018	Change	Major Factors for the Change
Group's total sales[*1]	2,851,031	+176,074	Total store sales at Seven-Eleven Japan: +52.6 bn. Total store sales at 7-Eleven, Inc.: +146.8 bn. The effect of exchange rate: (43.0) bn.
Revenues from operations	1,599,034	+130,947	Domestic CVS: +5.7 bn. Overseas CVS: +149.2 bn. Financial services: +3.0 bn. Superstore: (0.03) bn. Department store: (21.0) bn. Specialty store: (5.7) bn. The effect of exchange rate: (29.9) bn.
Operating income (loss)	86,376	+2,235	Retirement benefit expense: +0.45 bn. Electricity charge [unit price] : (1.3) bn. The effect of exchange rate: (0.4) bn.
Domestic convenience store operations	55,394	(4,084)	Seven-Eleven Japan: (3.8) bn. Sales: +4.8 bn., Gross profit margin: (0.29) bn., SG&A: (8.2) bn. Others: (0.27) bn.
Overseas convenience store operations	9,382	+2,337	7-Eleven, Inc.: +4.0 bn. Sales: +13.2 bn., Gross profit margin: +3.9 bn.[*2], SG&A: (12.4) bn. Amortization of goodwill: (1.6) bn. The effect of exchange rate: (0.46) bn.
Superstore operations	6,236	+944	Ito-Yokado: +1.7 bn. Sales: (1.2) bn., Gross profit margin: +0.21 bn., SG&A: +2.7 bn. York-Benimaru: (0.56) bn. Sales: +0.39 bn., Gross profit margin: ±0 bn., SG&A: (0.96) bn. Life Foods[*3]: (0.12) bn. Others: (0.09) bn.
Department store operations	365	(34)	Sogo & Seibu: (0.08) bn Sales: (5.3) bn., Gross profit margin: +0.43 bn., SG&A: +4.7 bn. Others: +0.05 bn.
Financial services	13,892	+1,379	Earnings increased mainly due to higher transaction volume for electronic money services in the non-bank business.
Specialty store operations	2,947	+1,750	Seven & i Food Systems: +0.18 bn. Nissen Holdings (Consolidated): +1.2 bn. Others: +0.27 bn.
Others	608	(377)	
Eliminations / corporate[*4]	(2,450)	+318	
Ordinary income	84,931	+1,314	Increase in operating income, Increase in Interest expenses, etc.
Income before income taxes	70,607	+13,920	Increase in ordinary income, decrease in special losses
Income attributable to owners of parent	42,887	+9,258	

*1. Group's total sales include the sales of Seven-Eleven Japan and 7-Eleven, Inc. franchisees.
*2. Gross profit margin was positive as gasoline gross profit exceeded the negative impact of merchandise gross profit.
*3. Life Foods is a wholly owned subsidiary which produces and sells delicatessen in York-Benimaru stores.
*4. Eliminations / corporate in operating income mainly reflect the Company's operating expenses relating to the Group strategy.

Ⅲ. Segment Information

Business segment information

(Millions of yen)

	Three Months Ended May 31, 2017		Three Months Ended May 31, 2018			Fiscal Year Ended Feb. 28, 2018		Fiscal Year Ending Feb. 28, 2019 (Forecast)	
		YOY(%)		YOY(%)	Composition(%)		YOY(%)		YOY(%)
Capital expenditures	65,255	69.2	266,797	408.9	100.0	347,374	90.4	778,400	224.1
Domestic convenience store operations	22,527	92.2	28,588	126.9	10.7	140,333	111.4	167,500	119.4
Overseas convenience store operations	20,297	82.3	198,536	978.1	74.4	94,285	64.0	480,000	509.1
Superstore operations	7,675	30.0	22,929	298.7	8.6	37,821	75.5	52,800	139.6
Department store operations	2,653	70.8	3,243	122.3	1.2	12,992	106.9	15,500	119.3
Financial services	7,378	109.4	7,700	104.4	2.9	38,803	148.8	43,600	112.4
Specialty store operations	1,596	48.1	2,925	183.3	1.1	8,882	98.9	10,600	119.3
Others	47	2.6	663	-	0.2	3,723	114.2	2,000	53.7
Corporate	3,079	78.1	2,209	71.7	0.8	10,532	101.5	6,400	60.8
Depreciation and amortization	53,014	102.7	53,187	100.3	100.0	213,167	102.7	227,900	106.9
Domestic convenience store operations	15,907	108.1	17,856	112.3	33.6	66,500	108.8	76,200	114.6
Overseas convenience store operations	17,740	105.9	18,010	101.5	33.9	69,582	107.1	76,600	110.1
Superstore operations	5,923	96.5	5,890	99.4	11.1	23,893	97.9	24,400	102.1
Department store operations	2,607	87.3	2,033	78.0	3.8	9,727	84.8	9,400	96.6
Financial services	7,234	99.7	7,523	104.0	14.1	28,926	98.3	30,700	106.1
Specialty store operations	1,412	75.2	1,175	83.3	2.2	5,588	71.8	6,900	123.5
Others	575	111.0	556	96.8	1.0	2,257	103.1	2,000	88.6
Corporate	1,613	116.9	138	8.6	0.3	6,691	109.2	1,700	25.4
Amortization of goodwill	4,229	102.8	5,915	139.8	100.0	16,620	102.9	24,300	146.2
Domestic convenience store operations	-	-	-	-	-	-	-		
Overseas convenience store operations	3,013	155.8	4,711	156.3	79.7	11,770	127.2		
Superstore operations	774	99.9	774	100.0	13.1	3,098	99.9		
Department store operations	0	0.1	-	-	-	1	0.1		
Financial services	337	98.9	325	96.5	5.5	1,336	102.3		
Specialty store operations	103	55.9	103	100.0	1.7	413	55.9		
Others	-	-	-	-	-	-	-		
Corporate	-	-	-	-	-	-	-		
Impairment loss	19,055	411.0	5,006	26.3	100.0	88,879	148.8		
Domestic convenience store operations	1,018	90.1	1,633	160.4	32.6	9,197	104.7		
Overseas convenience store operations	1	25.9	15	-	0.3	3,393	213.2		
Superstore operations	596	58.7	2,337	392.0	46.7	19,186	82.4		
Department store operations	17,139	-	158	0.9	3.2	29,674	168.4		
Financial services	-	-	-	-	-	-	-		
Specialty store operations	298	31.4	860	288.6	17.2	5,697	75.7		
Others	2	0.3	-	-	-	3	0.4		
Corporate	-	-	-	-	-	21,727	-		

Notes: 1. Capital expenditures include long-term leasehold deposits and advances for store construction. An increase of the future amortization of assets under the "Accounting Standard for Asset Retirement Obligations" is not included.
Figures for actual results don't include goodwill and others related to the acquisition of stores, etc.
Corporate in capital expenditures mainly reflect the Company's capital expenditures relating to the Group strategy.
2. Capital expenditures include investments related to openings of stores for each fiscal year and beyond.
3. Depreciation and amortization include amortization on intangible assets. Corporate in depreciation and amortization mainly reflect the Company's depreciation and amortization relating to the Group strategy.
4. Amortization of goodwill include only the amount recorded on selling, general and administrative expenses.
5. Impairment losses include 17,267 million yen, 1,063 million yen, and 31,809 million yen recorded as restructuring expenses in the consolidated income statements for the three months ended May 31, 2017 and 2018, and recorded as the same for the fiscal year ended Feb. 28, 2018.

Geographic area segment information

	Three Months Ended May 31, 2017		Three Months Ended May 31, 2018			Fiscal Year Ended Feb. 28, 2018	
		YOY(%)		YOY(%)	Composition(%)		YOY(%)
Revenues from operations	1,468,086	105.3	1,599,034	108.9	-	6,037,815	103.5
Japan	971,003	98.2	950,993	97.9	59.5	3,907,835	96.9
North America	468,689	125.0	618,088	131.9	38.6	2,017,092	119.3
Others	28,649	91.2	30,282	105.7	1.9	113,992	100.5
Eliminations	(255)	-	(330)	-	-	(1,104)	-
Operating income	84,141	103.3	86,376	102.7	-	391,657	107.4
Japan	77,486	107.9	77,851	100.5	90.1	314,700	105.2
North America	6,379	65.1	8,348	130.9	9.7	75,626	115.4
Others	272	-	174	63.9	0.2	1,320	-
Eliminations	2	84.3	2	102.9	-	10	88.0

Note: "Others" consists of the business results in China, etc.

Ⅳ. Interest-Bearing Debt

(Millions of yen)

	Three Months Ended May 31, 2017		Three Months Ended May 31, 2018		Fiscal Year Ended Feb. 28, 2018	
		YOY(%)/change		YOY(%)/change		YOY(%)/change
Short-term loans	153,334	116.0	265,724	173.3	127,255	84.6
Current portion of long-term loans	85,931	50.1	69,401	80.8	82,656	128.5
Current portion of bonds	65,000	162.5	59,999	92.3	74,999	150.0
Sub-total	304,265	88.5	395,125	129.9	284,911	107.6
Long-term loans	402,039	144.5	469,602	116.8	393,149	90.6
Bonds	334,997	83.8	305,000	91.0	305,000	87.1
Sub-total	737,036	108.7	774,602	105.1	698,149	89.1
Total	1,041,302	101.9	1,169,727	112.3	983,061	93.8
Ratio to total assets (%)	18.8	+0.2	20.1	+1.3	17.9	(1.1)
Ratio to owners' equity (%)	45.0	+0.4	49.1	+4.1	40.5	(4.4)

Segment Information excluding Financial Services

Domestic convenience store operations	-	-	-	-	-	-
Overseas convenience store operations	171,122	138.1	366,438	214.1	163,867	92.3
Superstore operations	2,887	69.4	1,612	55.8	1,912	60.0
Department store operations	187,883	110.6	175,686	93.5	175,711	93.5
Specialty store operations	51,990	106.3	50,113	96.4	52,673	98.0
Others	-	-	-	-	-	-
Corporate	289,997	87.9	269,999	93.1	269,999	93.1
Sub-total	703,882	104.0	863,849	122.7	664,164	93.2
Financial services	337,420	97.8	305,877	90.7	318,896	94.9
Total	1,041,302	101.9	1,169,727	112.3	983,061	93.8

Bond information

(As of May 31, 2018)

	Amount	Date of issue	Coupon	Redemption date
Issued by Seven & i Holdings				
3rd unsecured domestic straight bonds	30 billion yen	Jul. 3, 2008	1.94%	Jun. 20, 2018
6th unsecured domestic straight bonds	60 billion yen	Jun. 29, 2010	1.399%	Jun. 19, 2020
8th unsecured domestic straight bonds	40 billion yen	Apr. 26, 2013	0.383%	Jun. 20, 2019
9th unsecured domestic straight bonds	20 billion yen	Apr. 26, 2013	0.671%	Mar. 20, 2023
10th unsecured domestic straight bond	30 billion yen	Jun. 17, 2015	0.150%	Jun. 20, 2018
11th unsecured domestic straight bond	60 billion yen	Jun. 17, 2015	0.514%	Jun. 20, 2022
12th unsecured domestic straight bond	30 billion yen	Jun. 17, 2015	0.781%	Jun. 20, 2025
Issued by Seven Bank				
7th unsecured domestic straight bonds	10 billion yen	May 31, 2012	0.613%	Jun. 20, 2019
9th unsecured domestic straight bonds	20 billion yen	Mar. 7, 2013	0.460%	Mar. 19, 2020
10th unsecured domestic straight bond	20 billion yen	Mar. 7, 2013	0.803%	Mar. 20, 2023
11th unsecured domestic straight bond	15 billion yen	Dec. 17, 2014	0.536%	Dec. 20, 2024
12th unsecured domestic straight bond	30 billion yen	Oct. 20, 2017	0.390%	Sep. 17, 2027

Ratings

(As of June 30, 2018)

		S&P	Moody's	R&I	JCR
Seven & i Holdings	Long-term	AA-	A1	AA	AA+
Seven-Eleven Japan	Long-term	AA-	-	-	AA+
	Short-term*	A-1+	P-1	-	-
7-Eleven, Inc.	Long-term	AA-	Baa1	-	-
Seven Bank	Long-term	A+	-	AA	-
	Short-term	A-1	-	-	-

* From January 2006, Seven-Eleven Japan's short-term rating is its rating as the guarantor of 7-Eleven, Inc.'s commercial paper program.

Ⅴ. Consolidated Balance Sheets

(Millions of yen)

	Feb. 28,2018 Amount	May 31,2018 Amount
ASSETS		
Current assets	2,340,207	2,380,513
Cash and bank deposits	1,316,793	1,307,489
Notes and accounts receivable - trade	337,938	359,189
Trade accounts receivable - financial services	95,482	96,131
Merchandise and finished goods	173,999	183,314
Work in process	27	19
Raw materials and supplies	2,962	2,976
Prepaid expenses	52,282	56,294
ATM-related temporary payments	96,826	89,250
Deferred income taxes	27,981	28,226
Other	241,356	263,518
Allowance for doubtful accounts	(5,441)	(5,895)
Non-current assets	3,154,734	3,428,065
Property and equipment	1,989,455	2,111,746
Buildings and structures, net	872,271	968,961
Furniture, fixtures and equipment, net	327,961	314,909
Land	725,180	766,568
Lease assets, net	4,899	4,283
Construction in progress	53,677	50,447
Other, net	5,463	6,576
Intangible assets	461,966	604,189
Goodwill	251,233	375,465
Software	61,115	76,709
Other	149,617	152,014
Investments and other assets	703,313	712,129
Investments in securities	175,856	191,872
Long-term loans receivable	14,794	14,659
Long-term leasehold deposits	383,276	379,110
Advances for store construction	573	427
Net defined benefit asset	45,620	46,967
Deferred income taxes	28,375	26,752
Other	58,310	55,670
Allowance for doubtful accounts	(3,493)	(3,331)
Deferred assets	7	8
Business commencement expenses	7	8
TOTAL ASSETS	5,494,950	5,808,587

(Millions of yen)

	Feb. 28,2018 Amount	May 31,2018 Amount
LIABILITIES		
Current liabilities	1,944,007	2,213,203
Notes and accounts payable, trade	420,012	464,911
Short-term loans	127,255	265,724
Current portion of bonds	74,999	59,999
Current portion of long-term loans	82,656	69,401
Income taxes payable	32,211	13,624
Accrued expenses	117,362	125,024
Deposits received	174,382	251,649
ATM-related temporary advances	45,165	38,149
Allowance for sales promotion expenses	19,793	19,512
Allowance for bonuses to employees	14,662	26,587
Allowance for bonuses to Directors and Audit & Supervisory Board Members	345	39
Allowance for loss on future collection of gift certificates	1,590	1,507
Provision for sales returns	89	116
Deposits received in banking business	553,522	543,234
Call money	-	50,000
Other	279,957	283,720
Non-current liabilities	975,600	1,064,111
Bonds	305,000	305,000
Long-term loans	393,149	469,602
Deferred income taxes	35,416	32,805
Allowance for retirement benefits to Directors and Audit & Supervisory Board Members	988	876
Allowance for stock payments	95	119
Net defined benefit liability	9,185	7,452
Deposits received from tenants and franchised stores	54,806	54,037
Asset retirement obligations	79,412	83,801
Other	97,546	110,415
TOTAL LIABILITIES	2,919,607	3,277,314
NET ASSETS		
Shareholder's equity	2,348,841	2,352,015
Common stock	50,000	50,000
Capital surplus	409,128	409,154
Retained earnings	1,894,444	1,897,526
Treasury stock, at cost	(4,731)	(4,665)
Total accumulated other comprehensive income	78,423	31,828
Unrealized gains (losses) on available-for-sale securities, net of taxes	27,897	30,555
Unrealized losses on hedging derivatives, net of taxes	(92)	(63)
Foreign currency translation adjustments	46,638	(3,153)
Remeasurements of defined benefit plans	3,979	4,488
Subscription rights to shares	2,623	2,524
Non-controlling interests	145,454	144,905
TOTAL NET ASSETS	2,575,342	2,531,273
TOTAL LIABILITIES AND NET ASSETS	5,494,950	5,808,587

Ⅵ. Consolidated Statements of Income

(Millions of yen)

	Three Months ended May 31, 2017	Three Months ended May 31, 2018
Revenues from operations	1,468,086	1,599,034
Net sales	1,169,170	1,295,140
Cost of sales	919,536	1,034,555
Gross profit on sales	249,633	260,584
Operating revenues	298,916	303,894
Gross Profit from operations	548,549	564,479
Selling,general and administrative expenses	464,408	478,102
Operating income	84,141	86,376
Non-operating income	2,598	2,861
Interest income	1,217	1,353
Equity in earnings of affiliates	370	-
Other	1,010	1,508
Non-operating expenses	3,123	4,306
Interest expenses	1,590	2,585
Interest on bonds	623	580
Equity in losses of affiliates	-	106
Other	909	1,034
Ordinary income	83,616	84,931
Special gains	734	876
Gain on sales of property and equipment	178	686
Gain on sales of property and equipment related to Restructuring	325	-
Other	230	189
Special losses	27,664	15,200
Loss on disposals of property and equipment	3,813	4,772
Impairment loss on property and equipment	1,788	3,942
Loss on sales of shares of subsidiaries	1,644	3,320
Restructuring expenses	18,401	1,262
Other	2,015	1,902
Income before income taxes	56,686	70,607
Total income taxes	17,999	23,463
Income taxes - current	15,727	24,051
Income taxes - deferred	2,271	(587)
Net income	38,687	47,143
Net income attributable to non-controlling interests	5,058	4,256
Net income attributable to owners of parent	33,628	42,887

Ⅶ. Consolidated Statements of Cash Flows

(Millions of yen)

	Three Months Ended May 31, 2017	Three Months Ended May 31, 2018
Cash flows from operating activities:		
Income before income taxes	56,686	70,607
Depreciation and amortization	53,014	53,187
Impairment loss on property and equipment	19,055	5,006
Amortization of goodwill	4,229	5,915
Interest income	(1,217)	(1,353)
Interest expenses and interest on bonds	2,214	3,166
Equity in losses (earnings) of affiliates	(370)	106
Gain on sales of property and equipment	(503)	(686)
Loss on disposals of property and equipment	3,879	4,772
Loss on sales of stocks of subsidiaries	1,644	3,320
Decrease in notes and accounts receivable, trade	(11,812)	(32,562)
Decrease in trade accounts receivable, financial services	(1,880)	(648)
Decrease (increase) in inventories	884	(181)
Increase in notes and accounts payable, trade	29,666	55,815
Increase in deposits received	52,075	78,776
Net decrease in corporate bonds in banking business	-	(15,000)
Net decrease in deposits received in banking business	(3,775)	(10,287)
Net increase (decrease) in call money in banking business	(1,000)	50,000
Net change in ATM-related temporary accounts	2,639	554
Other	(18,787)	(4,234)
Sub-total	186,643	266,274
Interest and dividends received	794	915
Interest paid	(2,247)	(2,800)
Income taxes paid	(29,292)	(37,322)
Net cash provided by operating activities	155,898	227,066
Cash flows from investing activities:		
Acquisition of property and equipment	(59,220)	(265,361)
Proceeds from sales of property and equipment	6,222	43,335
Acquisition of intangible assets	(6,617)	(8,759)
Payment for purchase of investments in securities	(663)	(15,133)
Proceeds from sales of investments in securities	13,300	3,200
Proceeds from sales of investments in subsidiaries resulting in change in scope of consolidation	108	-
Payment for sales of investments in subsidiaries resulting in change in scope of consolidation	-	(127)
Payment for long-term leasehold deposits	(3,078)	(3,487)
Refund of long-term leasehold deposits	12,470	8,781
Proceeds from deposits from tenants	700	738
Refund of deposits from tenants	(1,932)	(1,227)
Payment for acquisition of business	(1,056)	(167,327)
Payment for time deposits	(2,060)	(2,323)
Proceeds from withdrawal of time deposits	1,370	997
Other	(3,968)	(1,004)
Net cash used in investing activities	(44,425)	(407,698)
Cash flows from financing activities:		
Net increase in short-term loans	3,200	140,646
Proceeds from long-term debts	11,980	106,898
Repayment of long-term debts	(15,889)	(32,540)
Proceeds from commercial paper	-	2,272
Payment for redemption of commercial paper	-	(2,272)
Proceeds from share issuance to non-controlling shareholders	347	0
Dividends paid	(39,296)	(39,365)
Dividends paid to non-controlling interests	(349)	(388)
Other	(7,166)	4,935
Net cash used in financing activities	(47,174)	180,184
Effect of exchange rate changes on cash and cash equivalents	(2,677)	(9,694)
Net increase (decrease) in cash and cash equivalents	61,621	(10,141)
Cash and cash equivalents at beginning of period	1,209,497	1,300,383
Cash and cash equivalents at end of period	1,271,118	1,290,241

■Financial Results and Business Performance of Major Companies

Ⅰ. Domestic Convenience Store Operations

Seven-Eleven Japan

Financial results

(Millions of yen)

	Three Months Ended May 31, 2017		Three Months Ended May 31, 2018		Fiscal Year Ended Feb. 28, 2018		Fiscal Year Ending Feb. 28, 2019 (Forecast)	
		YOY(%)		YOY(%)		YOY(%)		YOY(%)
Total store sales	1,148,709	104.4	1,201,394	104.6	4,678,083	103.6	4,875,000	104.2
Net sales of franchised stores	1,124,240	104.8	1,176,006	104.6	4,575,931	103.8		
Revenues from operations	209,865	103.3	214,992	102.4	849,862	101.9	872,700	102.7
Franchise commission from franchised stores	184,361	105.4	188,505	102.2	743,393	102.8		
Gross profit from operation	192,544	104.7	197,002	102.3	777,743	102.6		
SG&A expenses	132,957	105.9	141,230	106.2	533,633	103.6		
Advertising expenses	17,318	98.5	17,121	98.9	59,377	86.1		
Salaries and wages	18,476	101.4	19,900	107.7	74,404	102.6		
Land and building rent	40,611	108.8	44,149	108.7	166,947	107.8		
Depreciation and amortization*	15,356	109.0	17,240	112.3	64,294	109.3		
Utility expenses	10,713	101.0	10,888	101.6	46,366	105.4		
Others	30,481	110.1	31,929	104.7	122,243	105.7		
Operating income	59,586	102.1	55,772	93.6	244,110	100.3	246,500	101.0

* Depreciation and amortization include amortization on intangible assets.

Sales by product category (total store sales)

(Millions of yen)

	Three Months Ended May 31, 2017			Three Months Ended May 31, 2018			Fiscal Year Ended Feb. 28, 2018			Fiscal Year Ending Feb. 28, 2019 (Forecast)	
		YOY(%)	Composition(%)		YOY(%)	Composition(%)		YOY(%)	Composition(%)		YOY(%)
Total store sales	1,148,709	104.4	100.0	1,201,394	104.6	100.0	4,678,083	103.6	100.0	4,875,000	104.2
Processed food	299,813	103.2	26.1	313,563	104.6	26.1	1,230,335	104.0	26.3		
Fast food	341,166	106.2	29.7	364,022	106.7	30.3	1,412,781	104.6	30.2		
Daily food	157,373	105.2	13.7	162,188	103.1	13.5	626,863	102.1	13.4		
Nonfood	350,356	103.4	30.5	361,619	103.2	30.1	1,408,103	102.9	30.1		

Average daily sales per store

(Thousands of yen)

	Three Months Ended May 31, 2017		Three Months Ended May 31, 2018		Fiscal Year Ended Feb. 28, 2018		Fiscal Year Ending Feb. 28, 2019 (Forecast)	
		Change		Change		Change		Change
All stores	645	±0	646	+1	653	(4)		
Newly opened stores	565	+38	562	(3)	546	+13		

Existing store sales increase

(%)

	Three Months Ended May 31, 2017	Three Months Ended May 31, 2018	Fiscal Year Ended Feb. 28, 2018	Fiscal Year Ending Feb. 28, 2019 (Forecast)
Existing store sales increase *	+1.3	+1.3	+0.6	+1.5
[incl.prepaid card]	[+1.4]	-	[+0.7]	-
Number of customers	+0.2	(0.7)	(0.9)	
Average spending per customer*	+1.1	+2.0	+1.5	
[incl. prepaid card]	[+1.2]	-	[+1.6]	

* From FY2019 onward, the Company has changed its disclosure to exclude the impact of prepaid card in its figures. Accordingly, previous fiscal years' results have been restated under this standard, and there is no impact on the number of customers.

Gross profit margin by product category

(%)

	Three Months Ended May 31, 2017		Three Months Ended May 31, 2018		Fiscal Year Ended Feb. 28, 2018		Fiscal Year Ending Feb. 28, 2019 (Forecast)	
		Change		Change		Change		Change
Total	32.1	+0.2	32.0	(0.1)	31.9	+0.1	32.1	+0.2
Processed food	39.4	+0.1	39.6	+0.2	39.4	+0.2		
Fast food	36.2	+0.4	36.2	±0.0	35.9	+0.2		
Daily food	33.5	+0.1	33.4	(0.1)	33.5	+0.1		
Nonfood	21.1	(0.3)	20.6	(0.5)	20.7	(0.3)		

Ⅱ. Overseas Convenience Store Operations

7-Eleven, Inc.

Financial results

(Millions of yen)

	Three Months Ended Mar. 31, 2017		Three Months Ended Mar. 31, 2018		Fiscal Year Ended Dec. 31, 2017		Fiscal Year Ending Dec. 31, 2018 (Forecast)	
		YOY(%)		YOY(%)		YOY(%)		YOY(%)
Total store sales	721,686	114.5	868,494	120.3	3,134,412	114.6	3,840,000	122.5
Merchandise sales at directly operated stores	64,524	93.6	92,509	143.4	281,091	98.8		
Merchandise sales at franchised stores	326,133	100.1	323,422	99.2	1,440,311	107.7		
Gasoline sales	331,029	140.7	452,562	136.7	1,413,009	126.9		
Revenues from operations	459,975	125.4	609,269	132.5	1,981,533	119.5	2,635,000	133.0
Merchandise sales at directly operated stores ,etc	66,718	96.8	95,363	142.9	292,344	102.7		
Gasoline sales	331,029	140.7	452,562	136.7	1,413,009	126.9		
Other operating revenues	62,228	99.2	61,344	98.6	276,179	106.2		
Franchise commission from franchised stores	56,948	98.3	56,073	98.5	251,197	106.0		
Gross profit from operations	106,782	100.6	123,219	115.4	490,409	109.1		
SG&A expenses	96,718	103.0	109,132	112.8	399,557	107.2		
SG&A expenses（thousands of $）	851,398	104.6	1,008,429	118.4	3,562,387	104.0		
Directly operated stores*	124,705	102.4	176,800	141.8	501,643	97.3		
Operating income	10,064	82.3	14,087	140.0	90,852	118.5	110,000	121.1
Operating income (thousands of dollar)	88,592	83.6	130,172	146.9	810,023	114.9	1,000,000	123.5

* Selling expenses of directly operated stores.

Sales by product category (total store sales)

(Millions of yen)

	Three Months Ended Mar. 31, 2017			Three Months Ended Mar. 31, 2018			Fiscal Year Ended Dec. 31, 2017			Fiscal Year Ending Dec. 31, 2018 (Forecast)	
		YOY(%)	Composition(%)		YOY(%)	Composition(%)		YOY(%)	Composition(%)		YOY(%)
Net sales	721,686	114.5	-	868,494	120.3	-	3,134,412	114.6	-	3,840,000	122.5
Merchandise sales	390,657	98.9	100.0	415,932	106.5	100.0	1,721,403	106.2	100.0		
Processed food	153,268	99.0	39.2	164,289	107.2	39.5	682,470	104.9	39.6		
Fast food	55,965	94.3	14.3	61,792	110.4	14.9	248,718	101.8	14.4		
Daily food	25,723	99.7	6.6	24,078	93.6	5.8	101,888	100.1	5.9		
Nonfood	155,700	100.5	39.9	165,771	106.5	39.9	688,325	110.2	40.0		
Gasoline sales	331,029	140.7	-	452,562	136.7	-	1,413,009	126.9	-		

Existing store sales increase

(%)

	Three Months Ended Mar. 31, 2017	Three Months Ended Mar. 31, 2018	Fiscal Year Ended Dec. 31, 2017	Fiscal Year Ending Dec. 31, 2018 (Forecast)
U.S. merchandise sales increase (dollar basis)	(0.4)	+1.9	+1.6	+3.1

Average daily sales per store

	Three Months Ended Mar. 31, 2017		Three Months Ended Mar. 31, 2018		Fiscal Year Ended Dec. 31, 2017		Fiscal Year Ending Dec. 31, 2018 (Forecast)	
		Change		Change		Change		Change
All stores (dollar)	4,392	(36)	4,522	+130	4,841	+72		
All stores (thousands of yen)	499	(12)	489	(10)	543	+24		

Merchandise gross profit margin

(%)

	Three Months Ended Mar. 31, 2017		Three Months Ended Mar. 31, 2018		Fiscal Year Ended Dec. 31, 2017		Fiscal Year Ending Dec. 31, 2018 (Forecast)	
		Change		Change		Change		Change
Gross profit margin	34.3	(0.5)	34.0	(0.3)	34.3	(0.5)	34.7	+0.4

Gasoline

	Three Months Ended Mar. 31, 2017		Three Months Ended Mar. 31, 2018		Fiscal Year Ended Dec. 31, 2017		Fiscal Year Ending Dec. 31, 2018 (Forecast)	
		YOY(%)/change		YOY(%)/change		YOY(%)/change		YOY(%)/change
Sales (thousands of dollar)	2,913,989	142.9	4,181,873	143.5	12,598,161	123.0		
Gallons sold (thousands of gallon)	1,269,489	112.8	1,626,288	128.1	5,266,489	107.3		
Margin (cents per gallon)*	18.06	+0.16	19.46	+1.40	22.62	+2.57		
Average retail price (dollars per gallon)	2.38	+0.47	2.63	+0.25	2.48	+0.31		
Retail fuel margin (cents per gallon)	18.15	(1.00)	18.67	+0.52	23.01	+2.51		

*Gross profit is shown for the entire gasoline business, including wholesale business.

Exchange rates (Income statements)

(yen)

	Three Months Ended Mar. 31, 2017	Three Months Ended Mar. 31, 2018	Fiscal Year Ended Dec. 31, 2017	Fiscal Year Ending Dec. 31, 2018 (Forecast)
U.S. $1=	113.60	108.22	112.16	110.00

Ⅲ. Superstore Operations

Ito-Yokado

Financial results

(Millions of yen)

	Three Months Ended May 31, 2017		Three Months Ended May 31, 2018		Fiscal Year Ended Feb. 28, 2018		Fiscal Year Ending Feb. 28, 2019 (Forecast)	
		YOY(%)		YOY(%)		YOY(%)		YOY(%)
Revenues from operations	311,245	98.4	308,710	99.2	1,244,262	99.1	1,263,400	101.5
Net sales	303,581	98.8	301,040	99.2	1,213,613	99.5	1,232,100	101.5
Gross profit from operation	78,164	98.1	77,156	98.7	313,362	98.9		
SG&A expenses	77,469	97.8	74,733	96.5	310,285	97.9		
Advertising expenses	5,094	108.8	4,572	89.8	20,653	106.5		
Salaries and wages	33,294	100.2	32,057	96.3	132,474	99.5		
Land and building rent	14,956	97.3	14,473	96.8	59,005	95.7		
Depreciation and amortization*	3,209	90.9	2,937	91.5	12,606	92.3		
Utility expenses	3,622	88.0	3,467	95.7	15,290	96.9		
Others	17,292	94.5	17,225	99.6	70,255	95.9		
Operating income	695	170.5	2,422	348.5	3,077	-	10,000	325.0

* Depreciation and amortization include amortization on intangible assets.

Sales by product category

(Millions of yen)

	Three Months Ended May 31, 2017			Three Months Ended May 31, 2018			Fiscal Year Ended Feb. 28, 2018			Fiscal Year Ending Feb. 28, 2019 (Forecast)	
		YOY(%)	Composition(%)		YOY(%)	Composition(%)		YOY(%)	Composition(%)		YOY(%)
Net sales	303,581	98.8	100.0	301,040	99.2	100.0	1,213,613	99.5	100.0	1,232,100	101.5
Merchandise sales	219,277	98.4	72.2	213,142	97.2	70.8	881,343	99.4	72.6		
Apparel	43,955	92.4	14.5	41,227	93.8	13.7	162,589	90.8	13.4		
Household goods*	42,021	138.2	13.8	41,186	98.0	13.7	165,083	134.8	13.6		
Food	133,300	92.1	43.9	130,727	98.1	43.4	553,670	94.6	45.6		
Tenants	82,351	100.4	27.1	86,234	104.7	28.6	324,328	100.7	26.7		
Others	1,951	82.0	0.6	1,663	85.2	0.6	7,940	78.4	0.7		

* The cosmetic and drug sales areas in Ito-Yokado's household goods division were carved out in a corporate split and transferred to Seven Bi no Garden Co., LTD.; however, to facilitate a flexible sales area reorganization at Ito-Yokado, it absorbed Seven Bi no Garden Co., LTD. on March 1, 2017.

Existing store sales increase

(%)

	Three Months Ended May 31, 2017	Three Months Ended May 31, 2018	Fiscal Year Ended Feb. 28, 2018	Fiscal Year Ending Feb. 28, 2019 (Forecast)
Net sales	(2.1)	(0.3)	(0.9)	
Existing store sales increase	(3.2)	(0.9)	(1.4)	+0.1
Apparel	(4.7)	(4.0)	(4.0)	
Household goods	(1.4)	+0.9	(0.5)	
Food	(3.3)	(0.4)	(0.9)	
Number of customers	(3.1)	(1.4)	(1.7)	
Average spending per customer	(0.1)	+0.6	+0.3	
Tenants	+1.0	+0.9	+0.5	

Gross profit margin by product category

(%)

	Three Months Ended May 31, 2017		Three Months Ended May 31, 2018		Fiscal Year Ended Feb. 28, 2018		Fiscal Year Ending Feb. 28, 2019 (Forecast)	
		Change		Change		Change		Change
Total	29.7	+0.5	29.8	+0.1	29.6	+0.5	30.0	+0.4
Apparel	33.8	±0.0	35.5	+1.7	34.0	+1.5		
Household goods	31.1	+1.0	31.1	±0.0	31.3	+1.1		
Food	27.9	+0.5	27.6	(0.3)	27.7	(0.1)		

York-Benimaru

Financial results

(Millions of yen)

	Three Months Ended May 31, 2017		Three Months Ended May 31, 2018		Fiscal Year Ended Feb. 28, 2018		Fiscal Year Ending Feb. 28, 2019 (Forecast)	
		YOY(%)		YOY(%)		YOY(%)		YOY(%)
Revenues from operations	108,780	102.9	110,542	101.6	437,197	102.6	457,000	104.5
Net sales	106,810	102.8	108,545	101.6	429,064	102.5	449,000	104.6
Gross profit from operation	26,485	101.8	26,882	101.5	108,783	102.4		
SG&A expenses	23,204	103.7	24,168	104.2	94,713	102.7		
Advertising expenses	1,736	109.1	1,637	94.3	6,655	100.5		
Salaries and wages	12,312	103.7	12,709	103.2	50,184	103.5		
Land and building rent	2,377	102.4	2,467	103.8	9,601	102.4		
Depreciation and amortization*	1,230	116.0	1,372	111.5	5,148	113.9		
Utility expenses	1,181	91.3	1,298	109.9	5,422	100.2		
Others	4,364	103.1	4,683	107.3	17,701	99.6		
Operating income	3,281	90.3	2,713	82.7	14,070	100.1	14,700	104.5

* Depreciation and amortization include amortization on intangible assets.

[Reference] Results including Life Foods*

(Millions of yen)

	Three Months Ended May 31, 2017		Three Months Ended May 31, 2018		Fiscal Year Ended Feb. 28, 2018		Fiscal Year Ending Feb. 28, 2019 (Forecast)	
		YOY(%)		YOY(%)		YOY(%)		YOY(%)
Operating income	4,439	91.6	3,751	84.5	18,098	96.5	19,600	108.3

Note: Results including Life Foods represent internal management reporting figures.

* Life Foods is a wholly owned subsidiary which produces and sells delicatessen in York-Benimaru stores.

Sales by product category

(Millions of yen)

	Three Months Ended May 31, 2017			Three Months Ended May 31, 2018			Fiscal Year Ended Feb. 28, 2018			Fiscal Year Ending Feb. 28, 2019 (Forecast)	
		YOY(%)	Composition(%)		YOY(%)	Composition(%)		YOY(%)	Composition(%)		YOY(%)
Net sales	106,810	102.8	100.0	108,545	101.6	100.0	429,064	102.5	100.0	449,000	104.6
Merchandise sales	91,677	102.8	85.8	93,386	101.9	86.0	369,510	102.6	86.1		
Food	83,596	103.6	78.2	85,666	102.5	78.9	335,985	103.4	78.3		
Fresh food	37,371	103.5	35.0	38,318	102.5	35.3	149,910	103.3	34.9		
Processed food	25,317	103.8	23.7	25,862	102.2	23.8	101,977	103.2	23.8		
Daily food	20,907	103.7	19.5	21,485	102.8	19.8	84,097	103.7	19.6		
Apparel	3,277	89.3	3.1	3,071	93.7	2.8	13,531	90.4	3.1		
Household goods	4,803	99.1	4.5	4,648	96.8	4.3	19,993	98.5	4.7		
Tenants	15,132	103.0	14.2	15,158	100.2	14.0	59,553	101.9	13.9		
Life Foods*	12,447	102.8	11.7	12,545	100.8	11.6	49,691	101.7	11.6		
Others	2,685	103.9	2.5	2,613	97.3	2.4	9,861	102.9	2.3		

* Represents sales amount for delicatessen items in York-Benimaru stores.

Existing store sales increase

(%)

	Three Months Ended May 31, 2017	Three Months Ended May 31, 2018	Fiscal Year Ended Feb. 28, 2018	Fiscal Year Ending Feb. 28, 2019 (Forecast)
Existing store sales increase	(0.3)	(1.6)	(0.4)	+1.0
Food	+0.3	(1.1)	+0.2	
Apparel	(12.0)	(5.2)	(9.9)	
Household goods	(2.5)	(4.6)	(2.8)	
Tenants	+0.2	(2.5)	(0.4)	
Number of customers	+1.0	(1.0)	±0.0	
Average spending per customer	(1.3)	(0.6)	(0.5)	

Gross profit margin by product category

(%)

	Three Months Ended May 31, 2017		Three Months Ended May 31, 2018		Fiscal Year Ended Feb. 28, 2018		Fiscal Year Ending Feb. 28, 2019 (Forecast)	
		Change		Change		Change		Change
Total	25.1	(0.5)	25.1	±0.0	25.7	(0.1)	26.1	+0.4
Food	24.8	(0.4)	24.7	(0.1)	25.3	(0.2)		
Apparel	32.0	+0.8	32.4	+0.4	32.4	+0.9		
Household goods	26.8	(0.1)	26.6	(0.2)	26.5	(0.3)		

Ⅳ. Department Store Operations

Sogo & Seibu

Financial results

(Millions of yen)

	Three Months Ended May 31, 2017		Three Months Ended May 31, 2018		Fiscal Year Ended Feb. 28, 2018		Fiscal Year Ending Feb. 28, 2019 (Forecast)	
		YOY(%)		YOY(%)		YOY(%)		YOY(%)
Revenues from operations	169,927	93.0	147,573	86.8	685,888	90.2	641,300	93.5
Net sales	166,989	92.9	144,988	86.8	674,368	90.2	630,600	93.5
Gross profit from operation	37,643	92.6	32,767	87.0	149,853	90.5		
SG&A expenses	37,263	91.7	32,476	87.2	144,772	89.7		
Advertising expenses	6,183	90.8	5,114	82.7	22,274	87.5		
Salaries and wages	9,580	91.5	8,344	87.1	37,370	89.5		
Land and building rent	9,519	94.2	8,485	89.1	36,625	90.4		
Depreciation and amortization*	2,408	86.1	1,903	79.0	8,927	83.7		
Utility expenses	1,778	85.0	1,523	85.6	7,472	88.2		
Others	7,792	93.1	7,105	91.2	32,101	93.3		
Operating income	380	-	290	76.5	5,081	117.1	5,200	102.3

* Depreciation and amortization include amortization on intangible assets.

Sales results of major stores

(Millions of yen)

	Three Months Ended May 31, 2017		Three Months Ended May 31, 2018		Fiscal Year Ended Feb. 28, 2018		Fiscal Year Ending Feb. 28, 2019 (Forecast)	
		YOY(%)		YOY(%)		YOY(%)		YOY(%)
Ikebukuro (flagship store)	44,304	98.8	44,326	100.0	185,149	99.2		
Yokohama	26,058	99.9	25,875	99.3	110,603	100.8		
Chiba	17,950	101.4	18,272	101.8	74,439	101.4		
Hiroshima	9,650	99.4	9,442	97.8	40,909	98.7		
Shibuya	10,166	101.8	10,684	105.1	43,671	104.5		
Omiya	7,849	100.0	7,808	99.5	33,120	100.2		

Note: Store sales include corporate sales.

Sales by product category

(Millions of yen)

	Three Months Ended May 31, 2017			Three Months Ended May 31, 2018			Fiscal Year Ended Feb. 28, 2018			Fiscal Year Ending Feb. 28, 2019 (Forecast)	
		YOY(%)	Composition(%)		YOY(%)	Composition(%)		YOY(%)	Composition(%)		YOY(%)
Net sales	166,989	92.9	100.0	144,988	86.8	100.0	674,368	90.2	100.0	630,600	93.5
Merchandise sales	115,323	92.3	69.1	97,838	84.8	67.5	471,656	89.9	69.9		
Apparel	65,933	90.5	39.5	57,092	86.6	39.4	260,919	89.5	38.7		
Household goods	16,025	94.1	9.6	13,510	84.3	9.3	67,873	89.6	10.1		
Food	33,364	95.0	20.0	27,235	81.6	18.8	142,863	90.9	21.2		
Tenants	42,508	95.3	25.5	38,588	90.8	26.6	167,519	91.2	24.8		
Corporate sales	9,157	90.8	5.5	8,561	93.5	5.9	35,192	88.3	5.2		

Existing store sales increase

(%)

	Three Months Ended May 31, 2017	Three Months Ended May 31, 2018	Fiscal Year Ended Feb. 28, 2018	Fiscal Year Ending Feb. 28, 2019 (Forecast)
Existing store sales increase	(0.6)	(0.4)	+0.5	+3.3

Gross profit margin by product category

(%)

	Three Months Ended May 31, 2017		Three Months Ended May 31, 2018		Fiscal Year Ended Feb. 28, 2018		Fiscal Year Ending Feb. 28, 2019 (Forecast)	
		Change		Change		Change		Change
Total	24.5	(0.2)	24.9	+0.4	24.0	+0.1	24.5	+0.5
Apparel	29.5	±0.0	29.8	+0.3	28.6	+0.4		
Household goods	23.7	(0.2)	24.1	+0.4	23.5	(0.1)		
Food	15.0	+0.1	14.9	(0.1)	16.0	±0.0		

Ⅴ. Financial Services

Seven Bank

Number of ATMs

（1）Domestic installation

	Three Months Ended May 31, 2017	Change	Three Months Ended May 31, 2018	Change	Fiscal Year Ended Feb. 28, 2018	Change
Total	23,522	+169	24,481	+143	24,338	+985
Net ATMs in the Group	21,387	+155	22,227	+126	22,101	+869
Seven-Eleven Japan	20,769	+163	21,608	+127	21,481	+875
Ito-Yokado	296	(16)	293	(1)	294	(18)
York-Benimaru	157	+9	167	+2	165	+17
York Mart	75	+1	77	+2	75	+1
Others	90	(2)	82	(4)	86	(6)
Net ATMs outside the Group	2,135	+14	2,254	+17	2,237	+116

（2）Overseas installation

	Three Months Ended Mar. 31, 2017	Change	Three Months Ended Mar. 31, 2018	Change	Fiscal Year Ended Dec. 31, 2017	Change
North America	5,829	(398)	13,413	+1,831	11,582	+5,355

Average number of transaction per day per ATM during the period

	Three Months Ended May 31, 2017	Change	Three Months Ended May 31, 2018	Change	Fiscal Year Ended Feb. 28, 2018	Change
Average number of transactions	94.7	(1.6)	93.2	(1.5)	94.2	(1.4)

International money transfer service (Thousands)

	Three Months Ended May 31, 2017	Change	Three Months Ended May 31, 2018	Change	Fiscal Year Ended Feb. 28, 2018	Change
Number of contract accounts	191	+9	226	+7	219	+37
Cumulative number of transfers	254	+31	270	+16	1,074	+107

Seven Card Service / Seven CS Card Service

Number of credit cards, point cards and cash cards (10 thousands)

	Three Months Ended May 31, 2017	Change	Three Months Ended May 31, 2018	Change	Fiscal Year Ended Feb. 28, 2018	Change
Credit cards	662	(8)	666	+1	665	(5)
SEVEN CARD plus / SEVEN CARD	346	(1)	348	±0	348	+1
CLUB ON/Millennium CARD SAISON	316	(7)	318	+1	317	(6)
Electronic money (*nanaco*)	5,494	+144	6,136	+153	5,983	+633

Notes: 1. SEVEN CARD plus / SEVEN CARD and CLUB ON/Millennium CARD SAISON issued represent only the number of effective card members.

2. CLUB ON/Millennium CARD SAISON does not include dedicated cards for point services, without credit functions.

3. The number of *nanaco* includes the number of mobile *nanaco* holders.

Ⅵ. Specialty Store Operations

Seven & i Food Systems

Financial results

(Millions of yen)

	Three Months Ended May 31, 2017		Three Months Ended May 31, 2018		Fiscal Year Ended Feb. 28, 2018		Fiscal Year Ending Feb. 28, 2019 (Forecast)	
		YOY(%)		YOY(%)		YOY(%)		YOY(%)
Revenues from operations	20,425	97.2	19,977	97.8	80,350	97.3	80,600	100.3
Net sales	20,384	97.2	19,939	97.8	80,188	97.3	80,400	100.3
Gross profit from operation	12,989	97.3	12,594	97.0	50,535	96.2		
SG&A expenses	12,815	95.1	12,230	95.4	49,692	95.6		
Operating income	173	-	363	209.3	842	163.5	1,200	142.4

[Denny's] Existing store sales increase

(%)

	Three Months Ended May 31, 2017	Three Months Ended May 31, 2018	Fiscal Year Ended Feb. 28, 2018	Fiscal Year Ending Feb. 28, 2019 (Forecast)
Existing store sales increase	(0.8)	+1.9	+1.0	+2.8
Number of customers	(3.6)	(2.9)	(1.7)	
Average spending per customer	+2.9	+4.9	+2.8	

[Denny's] Gross profit margin

(%)

	Three Months Ended May 31, 2017		Three Months Ended May 31, 2018		Fiscal Year Ended Feb. 28, 2018		Fiscal Year Ending Feb. 28, 2019 (Forecast)	
		Change		Change		Change		Change
Gross profit margin	68.7	+0.5	68.3	(0.4)	68.0	(0.4)	68.4	+0.4

Nissen Holdings (Consolidated)

Financial results

(Millions of yen)

	Three Months Ended May 31, 2017		Three Months Ended May 31, 2018[*1]		Fiscal Year Ended Feb. 28, 2018		Fiscal Year Ending Feb. 28, 2019 (Forecast)[*1]	
		YOY(%)		YOY(%)		YOY(%)[*2]		YOY(%)
Net sales	24,053	90.4	17,686	73.5	102,202	73.4	50,100	49.0
Gross profit from operation	8,760	92.0	6,862	78.3	32,561	76.2		
SG&A expenses	9,982	79.7	6,795	68.1	37,924	65.6		
Operating income	(1,221)	-	66	-	(5,363)	-	(200)	-

*1. Figures excluding the impact of Shaddy Co., Ltd. and its subsidiaries, which were sold on April 27, 2018, are as follows.

FY2019 1Q: Net sales 10,098 million (42.0% YoY) / Operating income 330 million, FY2019 forecast: Net sales 42,200 million (41.3% YoY) / Operating income 100 million.

*2. Year-on-year comparisons are made relative to a 14-month accounting period reflecting a change in the end of FY2017 from December 20 to February 28.

Ⅶ. Group Strategy

(1) *Seven Premium*

	Three Months Ended May 31, 2017		Three Months Ended May 31, 2018		Fiscal Year Ended Feb. 28, 2018		Fiscal Year Ending Feb. 28, 2019 (Forecast)	
		Change		Change		Change		Change
Sales (billions of yen)	3,050	+210	3,510	+460	13,200	+1,700	14,100	+900
Items	3,800	+400	3,950	+150	3,900	+250	4,050	+150

(2) EC sales

(Millions of yen)

	Three Months Ended May 31, 2017		Three Months Ended May 31, 2018		Fiscal Year Ended Feb. 28, 2018		Fiscal Year Ending Feb. 28, 2019 (Forecast)	
		Change		Change		Change		Change
EC sales	25,039	+2,327	27,041	+2,002	108,785	+11,125	125,000	+16,215
Seven Net Shopping	4,942	+2,322	5,900	+958	22,048	+7,944		
Seven-Meal[*1]	6,237	+154	7,164	+927	26,548	(130)		
Ito-Yokado	871	+396	1,179	+308	4,500	+1,839		
Ito-Yokado's *Net Supermarket*[*1]	10,761	(572)	10,380	(381)	44,234	(501)		
Akachan Honpo[*2]	1,412	(192)	1,514	+102	6,257	+640		
Sogo & Seibu	495	+132	553	+58	3,599	+748		
LOFT	213	+128	275	+62	1,002	+410		
Other	105	(42)	73	(32)	595	+173		

*1 Delivery-type service while others are mail order sales-type services.

*2 Sales through the "omni7" website from September 2016.

Ⅷ. Capital Expenditures, Depreciation and Amortization of Major Companies

(Millions of yen)

	Three Months Ended May 31, 2017	YOY(%)	Three Months Ended May 31, 2018	YOY(%)	Fiscal Year Ended Feb. 28, 2018	YOY(%)	Fiscal Year Ending Feb. 28, 2019 (Forecast)	YOY(%)
Domestic convenience store operations								
Seven-Eleven Japan								
Total capital expenditures	22,242	91.3	28,235	126.9	136,297	109.0	160,000	117.4
Investment to new stores	14,566	98.4	14,945	102.6	70,329	94.9		
Investment to existing stores and other	7,204	80.0	10,137	140.7	57,824	126.4		
Software development	471	86.9	3,153	669.4	8,143	155.4		
Depreciation and amortization	15,356	109.0	17,240	112.3	64,294	109.3	73,500	114.3
Overseas convenience store operations								
7-Eleven, Inc.								
Total capital expenditures	21,321	81.5	353,494	-	98,874	45.6	480,000	485.5
Investment to new stores and other	11,369	84.6	345,277	-	50,682	31.4		
Investment to existing stores and other	9,702	101.8	6,926	71.4	44,589	92.4		
Software development	249	7.8	1,289	517.9	3,602	49.9		
Depreciation and amortization	17,740	105.9	18,010	101.5	69,582	107.1	76,600	110.1
Superstore operations								
Ito-Yokado								
Capital expenditures	2,416	12.5	17,994	744.8	18,072	59.0	28,400	157.1
Investment to new stores	131	0.8	653	498.5	2,168	11.4		
Investment to existing stores and other*	2,144	101.3	16,954	790.8	15,396	138.3		
Software development	141	63.2	387	274.5	508	108.5		
Depreciation and amortization	3,209	90.9	2,937	91.5	12,606	92.3	12,800	101.5
York-Benimaru								
Total capital expenditures	3,368	113.0	2,205	65.5	13,452	109.1	15,900	118.2
Investment to new stores	2,281	98.6	1,366	59.9	10,411	116.5		
Investment to existing stores and other	1,029	161.8	835	81.1	2,924	89.1		
Software development	57	197.4	4	7.0	117	100.9		
Depreciation and amortization	1,230	116.0	1,372	111.5	5,148	113.9	5,600	111.7
Department store operations								
Sogo & Seibu								
Total capital expenditures	2,379	68.5	3,143	132.1	12,474	106.0	15,000	120.3
Investment to new stores	-	-	-	-	-	-		
Investment to existing stores and other	2,234	68.9	3,050	136.5	10,734	97.8		
Software development	145	63.6	93	64.1	1,740	218.6		
Depreciation and amortization	2,408	86.1	1,903	79.0	8,927	83.7	8,700	97.5

* Investment to existing stores and other for FY2019 Q1 includes acquisition costs for leased stores.
The acquired property is scheduled for sale and leaseback in FY2019 Q2.

Notes: 1. Capital expenditures include long-term leasehold deposits and advances for store construction.
An increase of the future amortization of assets under the "Accounting Standard for Asset Retirement Obligations" is not included.
2. Capital expenditures include investments related to openings of stores for each fiscal year and beyond, and goodwill and others due to the acquisition of stores, etc.
3. Depreciation and amortization include amortization on intangible assets.

■Store Information

Ⅰ. Store Openings and Closures of Major Companies

	Three Months Ended May 31, 2017	Change	Three Months Ended May 31, 2018	Change	Fiscal Year Ended Feb. 28, 2018	Change	Fiscal Year Ending Feb. 28, 2019 (Forecast)	Change
Domestic convenience store operations								
Seven-Eleven Japan	19,579	+157	20,385	+125	20,260	+838	20,960	+700
Openings	362		319		1,554		1,500	
Closures	205		194		716		800	
Relocations, etc.	165		144		568			
Terminations of contract	40		50		148			
SEVEN-ELEVEN (BEIJING) *1	218	(1)	244	(3)	247	+28	300	+53
Openings	6		6		41		70	
Closures	7		9		13		17	
SEVEN-ELEVEN (TIANJIN) *1	78	(4)	122	+4	118	+36	157	+39
Openings	2		4		44		45	
Closures	6		0		8		6	
SEVEN-ELEVEN (CHENGDU) *1	66	(1)	82	(5)	87	+20	87	±0
Openings	2		2		29		11	
Closures	3		7		9		11	
Overseas convenience store operations								
7-Eleven, Inc. *1	8,705	(2)	9,696	+1,026	8,670	(37)	9,530	+860
Openings	22		1,060		214		1,230	
Closures	24		34		251		370	
Superstore operations								
Ito-Yokado	166	(5)	164	±0	164	(7)	158	(6)
Openings	0		1		2		1	
Closures	5		1		9		7	
York-Benimaru	214	+1	222	+2	220	+7	228	+8
Openings	3		2		11		10	
Closures	2		0		4		2	
York Mart	79	+1	80	+2	78	±0	80	+2
Openings	1		2		1		2	
Closures	0		0		1		0	
Hua Tang Yokado Commercial *1	2	±0	1	±0	1	(1)	1	±0
Openings	0		0		0		0	
Closures	0		0		1		0	
Chengdu Ito-Yokado *1	7	+1	7	±0	7	+1	9	+2
Openings	1		0		1		2	
Closures	0		0		0		0	
Department store operations								
Sogo & Seibu	19	±0	15	±0	15	(4)	15	±0
Openings	0		0		0		0	
Closures/Transfers	0		0		4		0	
Specialty store operations								
Akachan Honpo	106	±0	112	+2	110	+4	111	+1
Openings	1		2		8		7	
Closures	1		0		4		6	
LOFT *2	111	+2	113	+3	110	+1	114	+4
Openings	3		4		8		5	
Closures	1		1		7		1	
Seven & i Food Systems	789	(26)	744	(5)	749	(66)	736	(13)
Denny's	382	(4)	375	(2)	377	(9)	374	(3)
Openings	1		2		4		6	
Closures	5		4		13		9	
Other	407	(22)	369	(3)	372	(57)	362	(10)

Note: Changes in number of stores represent the net change from the beginning of the fiscal year.

*1. Figures are as of the end of September, or the end of December.

*2. The number of LOFT stores includes 16 franchised stores for the three months ended May 31, 2017, 17 franchised stores for the three months ended May 31, 2018 and for the fiscal year ended Feb. 28, 2018.

Ⅱ. Store Information on Domestic/Overseas Convenience Store Operations

Domestic Store Network

	May 2017	Feb. 2018	May 2018	Change
Hokkaido	963	988	1,000	+12
Aomori	52	69	74	+5
Iwate	131	143	144	+1
Miyagi	390	404	405	+1
Akita	87	99	99	±0
Yamagata	174	179	181	+2
Fukushima	422	434	433	(1)
Ibaraki	634	638	640	+2
Tochigi	425	437	437	±0
Gunma	457	462	463	+1
Saitama	1,157	1,196	1,196	±0
Chiba	1,063	1,090	1,094	+4
Tokyo	2,518	2,621	2,659	+38
Kanagawa	1,368	1,403	1,408	+5
Niigata	410	420	421	+1
Toyama	129	132	131	(1)
Ishikawa	129	132	132	±0
Fukui	67	67	68	+1
Yamanashi	207	210	210	±0
Nagano	448	456	456	±0
Gifu	169	182	186	+4
Shizuoka	701	719	715	(4)
Aichi	1,017	1,055	1,055	±0
Mie	139	161	162	+1
Shiga	231	235	238	+3
Kyoto	326	340	338	(2)
Osaka	1,146	1,188	1,209	+21
Hyogo	686	703	700	(3)
Nara	139	141	142	+1
Wakayama	76	79	78	(1)
Tottori	19	26	27	+1
Shimane	48	55	55	±0
Okayama	296	301	301	±0
Hiroshima	567	584	588	+4
Yamaguchi	314	320	323	+3
Tokushima	89	90	88	(2)
Kagawa	100	103	106	+3
Ehime	99	111	112	+1
Kochi	34	41	41	±0
Fukuoka	945	988	992	+4
Saga	187	191	192	+1
Nagasaki	178	190	194	+4
Kumamoto	312	330	337	+7
Oita	158	165	166	+1
Miyazaki	185	191	195	+4
Kagoshima	187	191	194	+3
Total	19,579	20,260	20,385	+125

Global Seven-Eleven Store Network

[Consolidated subsidiaries]

	May 2017	Feb. 2018	May 2018	Change
Japan	19,579	20,260	20,385	+125
North America *1	8,705	8,670	9,696	+1,026
U.S.A.	8,054	8,030	9,055	+1,025
Canada	651	640	641	+1
Hawaii	64	64	65	+1
China [Beijing]	218	247	244	(3)
China [Tianjin]	78	118	122	+4
China [Chengdu]	66	87	82	(5)
Sub-total	28,710	29,446	30,594	+1,148

*1. Figures for North America are the number of franchised stores and directly operated stores operated by 7-Eleven, Inc.

[Area licensees]

	Mar. 2017	Dec. 2017	Mar. 2018	Change
South Korea	8,679	9,231	9,294	+63
China	1,828	1,907	1,931	+24
[Hong Kong and others]*2				
China [Shanghai]	107	118	123	+5
China [Shandong]	38	55	57	+2
China [Chongqing]	35	47	49	+2
China [Zhejiang]	-	20	22	+2
Taiwan	5,137	5,221	5,245	+24
Thailand	9,788	10,268	10,533	+265
Philippines	2,031	2,285	2,329	+44
Malaysia	2,154	2,225	2,235	+10
Singapore	415	393	372	(21)
Australia	650	675	678	+3
UAE	8	13	13	±0
Vietnam	-	11	14	+3
U.S.A.	306	327	331	+4
Mexico	1,875	1,835	1,800	(35)
Norway	154	153	152	(1)
Sweden	183	187	187	±0
Denmark	186	183	183	±0
Sub-total*3	33,690	35,154	35,548	+394

*2. Figures for China [Hong Kong and others] include Guang Dong Province and Macau.

*3. Figures for Mar. 2017 include the number of stores in Indonesia.

	May 2017	Feb. 2018	May 2018	Change
Total worldwide*4	62,400	64,600	66,142	+1,542

*4. Figures for May 2017 include the number of stores in Indonesia.

Notes: 1. Figures for overseas stores are as of the end of March, or as of the end of December.

2. As of May 31, 2018, Seven-Eleven Japan operates in 46 prefectures out of 47 prefectures in Japan.

As of May 31, 2018, the number of 7-Eleven stores around the world including area licensees are 66,294 stores.

Ⅲ. Store Information of Superstore Operations

(1) Ito-Yokado

	Store name	Location	Date	Sales floor space	Directly managed sales floor space
Opening	*Shokuhinkan Seya* (food specialty store)	Kanagawa	Mar. 31, 2018	2,900	1,709
Closure	*Shokuhinkan Shinurayasu* (food specialty store)	Chiba	Apr. 8, 2018	-	4,683

In addition to the above, 6 stores will be closed in the fiscal year ending February 28, 2019.

(2) York-Benimaru

	Store name	Location	Date	Sales floor space	Directly managed sales floor space
Openings	Kanuma-Kamidonomachi	Tochigi	Mar. 9, 2018	1,962	1,792
	Takahata	Yamagata	Mar. 23, 2018	1,988	1,818
	Ishiokanisi	Ibaraki	July. 13, 2018	2,360	2,202

In addition to the above, 7 stores will be opened, and 2 stores will be closed in the fiscal year ending February 28, 2019.

Ⅳ. Number of Stores by Type

Seven-Eleven Japan

	Three Months Ended May 31, 2017			Three Months Ended May 31, 2018			Fiscal Year Ended Feb. 28, 2018		
		Change	Composition (%)		Change	Composition (%)		Change	Composition (%)
Number of stores	19,579	+157	100.0	20,385	+125	100.0	20,260	+838	100.0
Franchised stores	19,122	+145	97.7	19,943	+151	97.8	19,792	+815	97.7
Type A	4,559	+5	23.3	4,565	+2	22.4	4,563	+9	22.5
Type C	14,563	+140	74.4	15,378	+149	75.4	15,229	+806	75.2
Directly operated stores	457	+12	2.3	442	(26)	2.2	468	+23	2.3
Open 24 hours	18,812	+133	96.1	19,544	+100	95.9	19,444	+765	96.0
With liquor license	19,294	+148	98.5	20,051	+95	98.4	19,956	+810	98.5
With cigarette license	18,746	+164	95.7	19,609	+206	96.2	19,403	+821	95.8

7-Eleven, Inc.

	Three Months Ended Mar. 31, 2017			Three Months Ended Mar. 31, 2018			Fiscal Year Ended Dec. 31, 2017		
		Change	Composition (%)		Change	Composition (%)		Change	Composition (%)
Number of stores	8,705	(2)	100.0	9,696	+1,026	100.0	8,670	(37)	100.0
Franchised stores	6,995	(13)	80.4	7,166	+5	73.9	7,161	+153	82.6
BCP stores [Type A]*	450	(2)	5.2	466	+6	4.8	460	+8	5.3
Type C	6,545	(11)	75.2	6,700	(1)	69.1	6,701	+145	77.3
Directly operated stores	1,710	+11	19.6	2,530	+1,021	26.1	1,509	(190)	17.4
With Gasoline station	3,371	(3)	38.7	4,389	+1,013	45.3	3,376	+2	38.9

* BCP stands for Business Conversion Program.

Ⅴ. Sales Floor Space

Ito-Yokado

(Square meters)

	Three Months Ended May 31, 2017		Three Months Ended May 31, 2018		Fiscal Year Ended Feb. 28, 2018	
		YOY(%)		YOY(%)		YOY(%)
Total sales floor space	2,708,791	94.1	2,678,310	98.9	2,653,996	95.6
Directly managed floor space	1,543,934	97.1	1,488,559	96.4	1,490,522	98.8
Weighted average floor space	1,546,533	97.3	1,488,979	96.3	1,532,810	97.4

York-Benimaru

(Square meters)

	Three Months Ended May 31, 2017		Three Months Ended May 31, 2018		Fiscal Year Ended Feb. 28, 2018	
		YOY(%)		YOY(%)		YOY(%)
Total sales floor space	652,248	101.5	679,078	104.1	675,128	102.8
Directly managed floor space	503,771	101.5	522,874	103.8	519,177	102.8
Weighted average floor space*	496,882	102.2	516,185	103.9	502,690	102.3

* Excluding floor space of the stores which has been closed.

Sogo & Seibu

(Square meters)

	Three Months Ended May 31, 2017		Three Months Ended May 31, 2018		Fiscal Year Ended Feb. 28, 2018	
		YOY(%)		YOY(%)		YOY(%)
Total sales floor space	700,420	82.6	571,738	81.6	617,618	80.2
Weighted average floor space	700,260	84.6	571,739	81.6	665,507	82.8

Appendix

Fiscal periods of consolidated subsidiaries

	Q1	Q2	Q3	Fiscal year
Consolidated subsidiaries except for below	May	August	November	February
Overseas subsidiaries	March	June	September	December
Seven Bank	June	September	December	March

Note: For consolidated subsidiaries ending fiscal year on December, financial statements for the fiscal year ended December have been adopted.
For consolidated subsidiary ending fiscal year on March, financial statements which were applied correspondingly to regular financial stateme
on February have been adopted.

The information disclosed by the Company may contain forward-looking statements. These statements are based on management's judgment in accordance with materials available to the Company at the time of disclosure, with future projections based on certain assumptions. The forward-looking statements therefore incorporate various risks, estimates, and uncertainties, and as such, actual results and performance may differ from the future outlook included in disclosed information due to various factors, such as changes in business operations and the financial situation going forward.