Brief Summary
for the First Quarter of FY2021

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July 9, 2020
Seven & i Holdings Co., Ltd.

■Consolidated Results

Ⅰ. Financial Results

(Millions of yen)

	Three Months Ended May 31, 2019	YOY(%)	Three Months Ended May 31, 2020	YOY(%)	Fiscal Year Ended Feb. 29, 2020	YOY(%)	Fiscal Year Ending Feb. 28, 2021 (Forecast)	YOY(%)
Group's total sales[*1]	2,894,840	101.5	2,660,733	91.9	11,997,643	99.8	11,122,000	92.7
Revenues from operations	1,596,457	99.8	1,391,828	87.2	6,644,359	97.8	5,692,000	85.7
Domestic convenience store operations	236,422	101.1	218,947	92.6	971,236	101.7	928,000	95.5
Overseas convenience store operations	621,510	102.0	589,117	94.8	2,739,833	97.1	2,100,000	76.6
Superstore operations	467,605	98.2	428,315	91.6	1,849,121	97.2	1,781,000	96.3
Department store operations	140,506	99.2	65,086	46.3	577,633	97.6	443,000	76.7
Financial services	53,998	100.7	49,347	91.4	217,367	101.1	196,000	90.2
Specialty store operations	89,264	91.1	52,837	59.2	339,660	95.6	289,000	85.1
Others	5,574	98.8	4,184	75.1	25,202	106.2	20,000	79.4
Eliminations / Corporate	(18,424)	-	(16,008)	-	(75,695)	-	(65,000)	-
Operating income (loss)	90,335	104.6	71,390	79.0	424,266	103.1	322,000	75.9
Domestic convenience store operations	60,126	108.5	51,658	85.9	256,601	104.0	239,400	93.3
Overseas convenience store operations	12,923	137.7	11,485	88.9	102,001	110.6	75,800	74.3
Superstore operations	4,327	69.4	10,373	239.7	21,307	100.6	18,800	88.2
Department store operations	(329)	-	(1,211)	-	797	21.3	(8,400)	-
Financial services	13,491	97.1	11,485	85.1	53,610	101.4	37,900	70.7
Specialty store operations	2,866	97.3	(6,056)	-	4,690	70.2	(12,400)	-
Others	544	89.4	(646)	-	1,554	58.5	1,700	109.4
Eliminations / Corporate	(3,614)	-	(5,697)	-	(16,296)	-	(30,800)	-
Ordinary income	88,809	104.6	69,462	78.2	417,872	102.8	312,000	74.7
Special gains	1,211	138.2	551	45.5	8,554	55.0		
Special losses	7,602	50.0	40,622	534.3	79,957	76.4		
Income before income taxes	82,418	116.7	29,391	35.7	346,469	109.2		
Net income attributable to owners of parent	52,096	121.5	13,937	26.8	218,185	107.5	120,000	55.0
Net income per share	yen 58.89	% 121.5	yen 15.79	% 26.8	yen 246.95	% 107.6	yen 135.92	% 55.0

Number of shares outstanding

Average[*2]	884,592,007	882,849,001	883,508,868
End of period[*2]	884,593,646	882,894,376	882,845,467

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

*2. Excluding treasury stock. Seven & i Holdings has introduced the BIP Trust and ESOP Trust from fiscal year ended February 29, 2020. and the Company shares held by these Trusts are included in the number of treasury stock.

Exchange rates

(yen)

		Three Months Ended May 31, 2019	Three Months Ended May 31, 2020	Fiscal Year Ended Feb. 29, 2020	Fiscal Year Ending Feb. 28, 2021 (Forecast)
Income statements	U.S.$1=	110.22	108.86	109.03	108.00
	1yuan=	16.33	15.59	15.78	15.50
Balance sheets	U.S.$1=	110.99	108.83	109.56	-
	1yuan=	16.47	15.31	15.67	-

Operating income before amortization of goodwill

(Millions of yen)

	Three Months Ended May 31, 2019	YOY(%)	Three Months Ended May 31, 2020	YOY(%)	Fiscal Year Ended Feb. 29, 2020	YOY(%)	Fiscal Year Ending Feb. 28, 2021 (Forecast)	YOY(%)
Total	96,218	104.3	77,452	80.5	447,841	103.0	347,300	77.5
Domestic convenience store operations	60,126	108.5	51,658	85.9	256,601	104.0		
Overseas convenience store operations	17,825	126.5	16,567	92.9	121,655	109.5		
Superstore operations	5,102	72.8	11,148	218.5	24,405	100.6		
Department store operations	(329)	-	(1,211)	-	797	21.3		
Financial services	13,581	95.5	11,574	85.2	53,970	100.5		
Specialty store operations	2,982	97.8	(5,941)	-	5,153	72.6		
Others	544	89.4	(646)	-	1,554	58.5		
Eliminations / Corporate	(3,614)	-	(5,697)	-	(16,296)	-		

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) (Billions of yen)

	Three Months Ended May 31, 2020		Major Factors for the Change
		Change	
Group's total sales[*1]	2,660,733	(234,106)	Total store sales at Seven-Eleven Japan: (59.5) Total store sales at 7-Eleven, Inc.: (20.1) The effect of exchange rate: (12.2)
Revenues from operations	1,391,828	(204,628)	Domestic CVS: (17.4) Overseas CVS: (32.3) Financial services: (4.6) Superstore: (39.2) Department store: (75.4) Specialty store: (36.4) The effect of exchange rate: (8.6)
Operating income (loss)	71,390	(18,945)	The effect of exchange rate: (0.15)
Domestic convenience store operations	51,658	(8,468)	Seven-Eleven Japan: (7.9) Sales: (12.7) Gross profit margin: (1.0) SG&A expenses: +5.7 Others: (0.48)
Overseas convenience store operations	11,485	(1,437)	7-Eleven, Inc.: (1.2) Sales: (1.7) Gross profit margin: +5.3[*2] SG&A expenses: (4.8) Amortization of goodwill: (0.17) The effect of exchange rate: (0.20)
Superstore operations	10,373	+6,045	Ito-Yokado: +0.77 Sales: (12.9) Gross profit margin: +2.4 SG&A expenses: +11.3 York-Benimaru: +2.8 Sales: +2.7 Gross profit margin: +0.41 SG&A expenses: (0.32) Life Foods[*3]: +0.05 Others: +2.3
Department store operations	(1,211)	(881)	Sogo & Seibu: (0.87) Sales: (17.0) Gross profit margin: (0.98) SG&A expenses: +17.1 Others: (0.01)
Financial services	11,485	(2,006)	Decrease in ATM transactions and the decrease in credit card and electronic money transactions
Specialty store operations	(6,056)	(8,923)	Seven & i Food Systems: (3.1) Nissen Holdings [Consolidated]: (0.10) Others: (5.6)
Others	(646)	(1,190)	
Eliminations / Corporate[*4]	(5,697)	(2,082)	
Ordinary income	69,462	(19,346)	Decrease in operating income
Income before income taxes	29,391	(53,026)	Decrease in ordinary income, increase in special losses
Net income attributable to owners of parent	13,937	(38,159)	

*1. Group's total sales which include the sales of Seven-Eleven Japan, Seven-Eleven Okinawa and 7-Eleven, Inc. franchisees.
*2. Negative growth in the gross profit on product sales was outweighed by an increase in the gross profit on gasoline sales, leading to an overall rise in the gross profit margin.
*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, 2019		Three Months Ended May 31, 2020			Fiscal Year Ended Feb. 29, 2020		Fiscal Year Ending Feb. 28, 2021 (Forecast)	
		YOY(%)		YOY(%)	Composition(%)		YOY(%)		YOY(%)
Capital expenditures	77,267	29.0	76,434	98.9	100.0	360,909	66.9	449,200	124.5
Domestic convenience store operations	23,833	83.4	15,189	63.7	19.9	104,226	90.2	161,800	155.2
Overseas convenience store operations	20,795	10.5	27,159	130.6	35.5	134,684	46.7	131,000	97.3
Superstore operations	13,603	59.3	7,602	55.9	9.9	47,310	77.0	54,800	115.8
Department store operations	1,781	54.9	11,222	630.0	14.7	11,235	66.3	19,000	169.1
Financial services	9,392	122.0	8,596	91.5	11.2	36,099	103.4	41,200	114.1
Specialty store operations	2,541	86.9	2,600	102.3	3.4	10,427	113.9	7,400	71.0
Others	431	65.0	678	157.5	0.9	2,798	95.5	1,900	67.9
Corporate	4,889	221.3	3,384	69.2	4.4	14,127	139.1	32,100	227.2
Depreciation and amortization	55,629	104.6	58,698	105.5	100.0	226,475	102.4	245,200	108.3
Domestic convenience store operations	18,620	104.3	19,592	105.2	33.4	76,519	105.2	83,200	108.7
Overseas convenience store operations	19,241	106.8	20,119	104.6	34.3	77,204	101.4	84,000	108.8
Superstore operations	6,299	106.9	6,806	108.0	11.6	26,071	106.5	28,200	108.2
Department store operations	2,286	112.4	2,260	98.9	3.9	9,083	104.8	9,100	100.2
Financial services	7,258	96.5	7,616	104.9	13.0	29,031	93.4	30,200	104.0
Specialty store operations	918	78.1	1,009	109.9	1.7	3,879	93.7	4,300	110.8
Others	591	106.1	636	107.6	1.1	2,447	108.0	2,400	98.1
Corporate	412	297.6	656	158.9	1.1	2,238	135.5	3,800	169.8
Amortization of goodwill	5,882	99.4	6,061	103.0	100.0	23,574	101.7	25,300	107.3
Domestic convenience store operations	-	-	-	-	-	-	-		
Overseas convenience store operations	4,902	104.0	5,081	103.7	83.8	19,653	104.4		
Superstore operations	774	100.0	774	100.0	12.8	3,098	100.0		
Department store operations	-	-	-	-	-	-	-		
Financial services	89	27.6	89	100.0	1.5	359	42.7		
Specialty store operations	115	112.0	115	100.0	1.9	462	112.0		
Others	-	-	-	-	-	-	-		
Corporate	-	-	-	-	-	-	-		
Impairment loss	2,014	40.2	4,077	202.4	100.0	35,477	61.8		
Domestic convenience store operations	815	49.9	1,187	145.6	29.1	11,801	60.5		
Overseas convenience store operations	115	723.3	102	89.1	2.5	3,565	103.8		
Superstore operations	823	35.2	726	88.2	17.8	10,102	49.6		
Department store operations	172	109.1	111	64.4	2.7	3,179	106.2		
Financial services	-	-	0	-	0.0	4,651	43.2		
Specialty store operations	85	10.0	456	532.9	11.2	2,123	54.6		
Others	-	-	1,491	-	36.6	39	-		
Eliminations / Corporate	1	-	-	-	-	14	-		

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 2,337 million yen recorded as "Loss related to norvel coronavirus (COVID-19)" in the consolidated income statements for the three months ended May 31, 2020.
"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 162 million yen, 398 million yen, and 7,496 million yen recorded as "Loss on digital and settlement services" and "Restructuring expenses" in the consolidated income statements for the three months ended May 31, 2019 and 2020, and recorded as the same for the fiscal year ended February 29, 2020.

Geographic area segment information

(Millions of yen)

	Three Months Ended May 31, 2019		Three Months Ended May 31, 2020			Fiscal Year Ended Feb. 29, 2020	
		YOY(%)		YOY(%)	Composition(%)		YOY(%)
Revenues from operations	1,596,457	99.8	1,391,828	87.2	-	6,644,359	97.8
Japan	935,161	98.3	768,842	82.2	55.2	3,745,475	98.2
North America	631,365	102.1	599,483	95.0	43.1	2,782,055	97.2
Others	30,371	100.3	23,956	78.9	1.7	118,118	100.5
Eliminations	(440)	-	(454)	-	-	(1,289)	-
Operating income	90,335	104.6	71,390	79.0	-	424,266	103.1
Japan	77,843	100.0	59,872	76.9	83.7	321,441	100.6
North America	12,801	153.3	11,607	90.7	16.2	101,777	112.6
Others	(144)	-	80	-	0.1	1,199	76.8
Eliminations	(164)	-	(170)	-	-	(152)	-

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

Ⅳ. Interest-Bearing Debt

(Millions of yen)

	Three Months Ended May 31, 2019		Three Months Ended May 31, 2020		Fiscal Year Ended Feb. 29, 2020	
		YOY(%)/change		YOY(%)/change		YOY(%)/change
Short-term loans	140,360	52.8	349,165	248.8	129,456	90.4
Current portion of long-term loans	100,015	144.1	98,986	99.0	88,437	82.9
Current portion of bonds	70,000	116.7	60,000	85.7	80,000	160.0
Commercial paper	-	-	32,608	-	-	-
Subtotal	310,375	78.6	540,759	174.2	297,893	99.3
Long-term loans	447,559	95.3	394,593	88.2	403,151	90.9
Bonds	341,914	112.1	281,916	82.5	281,915	77.9
Subtotal	789,474	101.9	676,509	85.7	685,067	85.1
Total	1,099,850	94.0	1,217,269	110.7	982,960	88.9
Ratio to total assets (%)*	18.5	(1.6)	19.3	+0.8	16.4	(2.7)
Ratio to owners' equity (%)	44.1	(5.0)	47.5	+3.4	37.8	(6.0)

*"Partial Amendments to the Accounting Standard for Tax Effect Accounting" (ASBJ No.28; February 16, 2018), etc. have been applied from the beginning of the fiscal year ended February 29, 2020, and the total assets for the three months ended May 31, 2019 are those after retrospective application.

Segment Information excluding Financial Services

Domestic convenience store operations	-	-	-	-	-	-
Overseas convenience store operations	260,738	71.2	304,609	116.8	219,041	84.0
Superstore operations	337	20.9	-	-	-	-
Department store operations	163,564	93.1	160,999	98.4	160,999	98.4
Specialty store operations	46,795	93.4	40,948	87.5	17,743	40.1
Others	-	-	-	-	-	-
Corporate	276,914	102.6	386,916	139.7	236,915	84.0
Subtotal	748,351	86.6	893,473	119.4	634,699	84.5
Financial services	351,499	114.9	323,795	92.1	348,261	98.4
Total	1,099,850	94.0	1,217,269	110.7	982,960	88.9

Bond information

(As of May 31, 2020)

	Amount	Date of issue	Coupon	Redemption date
Issued by Seven & i Holdings				
6th unsecured domestic straight bonds	60 billion yen	Jun. 29, 2010	1.399%	Jun. 19, 2020
9th unsecured domestic straight bonds	20 billion yen	Apr. 26, 2013	0.671%	Mar. 20, 2023
11th unsecured domestic straight bonds	60 billion yen	Jun. 17, 2015	0.514%	Jun. 20, 2022
12th unsecured domestic straight bonds	30 billion yen	Jun. 17, 2015	0.781%	Jun. 20, 2025
USD-denominated senior unsecured notes	$ 600 million	Sep. 19, 2018	3.350%	Sep. 17, 2021
Issued by Seven Bank				
10th unsecured domestic straight bonds	20 billion yen	Mar. 07, 2013	0.803%	Mar. 20, 2023
11th unsecured domestic straight bonds	15 billion yen	Dec. 17, 2014	0.536%	Dec. 20, 2024
12th unsecured domestic straight bonds	30 billion yen	Oct. 20, 2017	0.390%	Sep. 17, 2027
13th unsecured domestic straight bonds	20 billion yen	Jan. 25, 2019	0.160%	Dec. 20, 2023
14th unsecured domestic straight bonds	20 billion yen	Jan. 25, 2019	0.385%	Dec. 20, 2028

Ratings

(As of June 30 2020)

		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)

ASSETS	Feb. 29, 2020 Amount	May 31, 2020 Amount
Current assets	2,471,921	2,746,663
Cash and bank deposits	1,357,733	1,617,355
Notes and accounts receivable - trade	351,915	316,457
Trade accounts receivable - financial services	102,723	100,879
Merchandise and finished goods	175,509	169,707
Work in process	44	51
Raw materials and supplies	2,541	2,639
Prepaid expenses	58,688	61,761
ATM-related temporary payments	153,057	173,115
Other	276,575	312,673
Allowance for doubtful accounts	(6,868)	(7,977)
Non-current assets	3,522,541	3,566,571
Property and equipment	2,183,375	2,205,745
Buildings and structures, net	992,368	1,001,764
Furniture, fixtures and equipment, net	323,436	323,810
Land	746,914	756,142
Lease assets, net	7,252	7,009
Construction in progress	98,618	101,554
Other, net	14,785	15,463
Intangible assets	608,883	630,554
Goodwill	359,618	375,116
Software	102,015	104,973
Other	147,249	150,463
Investments and other assets	730,282	730,272
Investments in securities	184,670	193,957
Long-term loans receivable	13,836	13,587
Long-term leasehold deposits	360,725	355,648
Advances for store construction	458	140
Net defined benefit asset	55,986	57,005
Deferred income taxes	57,071	52,926
Other	60,270	59,738
Allowance for doubtful accounts	(2,737)	(2,733)
Deferred assets	2,424	2,284
Business commencement expenses	2,424	2,284
TOTAL ASSETS	5,996,887	6,315,519

LIABILITIES	Feb. 29, 2020 Amount	May 31, 2020 Amount
Current liabilities	2,157,172	2,529,455
Notes and accoutns payable - trade	410,793	370,098
Short-term loans	129,456	349,165
Current portion of bonds	80,000	60,000
Current portion of long-term loans	88,437	98,986
Commercial paper	-	32,608
Income taxes payable	37,854	8,131
Accrued expenses	131,328	120,900
Deposits received	228,415	389,926
ATM-related temporary advances	74,227	79,988
Allowance for sales promotion expenses	18,996	19,095
Allowance for bonuses to employees	14,275	26,878
Allowance for bonuses to Directors and Audit & Supervisory Board Members	384	56
Allowance for loss on future collection of gift certificates	1,142	1,099
Provision for sales returns	80	73
Deposits received in banking business	655,036	671,192
Call money	-	50,000
Other	286,743	251,256
Non-current liabilities	1,082,492	1,069,830
Bonds	281,915	281,916
Long-term loans	403,151	394,593
Deferred income taxes	63,949	67,052
Allowance for retirement benefits to Directors and Audit & Supervisory Board	859	812
Allowance for stock payments	3,432	3,509
Net defined benefit liability	8,619	8,255
Deposits received from tenants and franchised stores	52,646	51,993
Asset retirement obligations	95,721	96,472
Other	172,196	165,225
TOTAL LIABILITIES	3,239,665	3,599,285
NET ASSETS		
Shareholders' equity	2,554,869	2,523,619
Common stock	50,000	50,000
Capital surplus	409,262	409,246
Retained earnings	2,106,920	2,075,499
Treasury stock, at cost	(11,313)	(11,126)
Total accumulated other comprehensive income	46,725	38,379
Unrealized gains on available-for-sale securities, net of taxes	25,953	30,859
Unrealized gains (losses) on hedging derivatives, net of taxes	(277)	(511)
Foreign currency translation adjustments	17,515	4,533
Remeasurements of defined benefit plans	3,533	3,498
Subscription rights to shares	331	331
Non-controlling interests	155,295	153,902
TOTAL NET ASSETS	2,757,222	2,716,233
TOTAL LIABILITIES AND NET ASSETS	5,996,887	6,315,519

Note: "Partial Amendments to the Accounting Standard for Tax Effect Accounting" (ASBJ No.28; February 16, 2018), etc. have been applied from the beginning of the fiscal year ended February 29, 2020.

Ⅵ. Consolidated Statements of Income

(Millions of yen)

	Three Months Ended May 31, 2019	Three Months Ended May 31, 2020
Revenues from operations	1,596,457	1,391,828
Net sales	1,278,095	1,094,317
Cost of sales	1,014,933	865,207
Gross profit on sales	263,162	229,110
Operating revenues	318,361	297,511
Gross profit from operations	581,524	526,621
Selling, general and administrative expenses	491,188	455,230
Operating income	90,335	71,390
Non-operating income	2,367	2,314
Interest income	917	800
Equity in earnings of affiliates	593	-
Other	857	1,514
Non-operating expenses	3,894	4,242
Interest expenses	2,410	1,433
Interest on bonds	438	397
Equity in losses of affiliates	-	916
Other	1,045	1,495
Ordinary income	88,809	69,462
Special gains	1,211	551
Gain on sales of property and equipment	534	470
Gain on sales of property and equipment related to restructuring	78	-
Compensation income	445	-
Other	152	80
Special losses	7,602	40,622
Loss on disposals of property and equipment	3,351	2,484
Impairment loss	1,852	3,678
Loss related to novel coronavirus (COVID-19)	-	29,510
Restructuring expenses	382	1,524
Other	2,015	3,424
Income before income taxes	82,418	29,391
Total income taxes	25,968	12,686
Income taxes - current	17,830	7,307
Income taxes - deferred	8,137	5,378
Net income	56,450	16,704
Net income attributable to non-controlling interests	4,353	2,767
Net income attributable to owners of parent	52,096	13,937

Ⅶ. Consolidated Statements of Cash Flows

(Millions of yen)

	Three Months Ended May 31, 2019	Three Months Ended May 31, 2020
Cash flows from operating activities:		
Income before income taxes	82,418	29,391
Depreciation and amortization	55,629	58,698
Impairment loss	2,014	4,077
Amortization of goodwill	5,882	6,061
Interest income	(917)	(800)
Interest expenses and interest on bonds	2,848	1,830
Equity in losses (earnings) of affiliates	(593)	916
Gain on sales of property and equipment	(613)	(470)
Loss on disposals of property and equipment	3,351	2,496
Decrease (increase) in notes and accounts receivable, trade	(44,590)	35,168
Decrease (increase) in trade accounts receivable, financial services	(912)	1,844
Decrease (increase) in inventories	(3,807)	5,268
Increase (decrease) in notes and accounts payable - trade	48,902	(39,930)
Increase (decrease) in deposits received	102,029	161,536
Net increase (decrease) in loans in banking business	(10,000)	-
Net increase (decrease) in corporate bonds in banking business	-	(20,000)
Net increase (decrease) in deposits received in banking business	3,504	16,155
Net increase (decrease) in call money in banking business	-	50,000
Net decrease (increase) in ATM-related temporary accounts	(5,464)	(14,315)
Other	(9,382)	(48,349)
Subtotal	230,302	249,579
Interest and dividends received	647	416
Interest paid	(2,849)	(2,380)
Income taxes paid	(45,844)	(52,043)
Net cash provided by (used in) operating activities	182,256	195,572
Cash flows from investing activities:		
Acquisition of property and equipment	(74,561)	(76,035)
Proceeds from sales of property and equipment	2,282	1,722
Acquisition of intangible assets	(9,796)	(10,262)
Payment for purchase of investments in securities	(7,484)	(10,143)
Proceeds from sales of investments in securities	4,973	6,519
Payment for purchase of shares in subsidiaries resulting in change in scope of consolidation	-	(43,090)
Proceeds from purchase of shares of subsidiaries resulting in change in scope of consolidation	12	-
Payment for long-term leasehold deposits	(3,086)	(1,356)
Refund of long-term leasehold deposits	8,874	5,620
Proceeds from deposits from tenants	790	470
Refund of deposits from tenants	(1,511)	(728)
Payment for acquisition of business	-	(4,858)
Payment for time deposits	(654)	(1,429)
Proceeds from withdrawal of time deposits	2,202	911
Other	(4,620)	(1,769)
Net cash provided by (used in) investing activities	(82,580)	(134,431)
Cash flows from financing activities:		
Net increase (decrease) in short-term loans	(2,800)	219,728
Proceeds from long-term debts	17,200	16,800
Repayment of long-term debts	(9,720)	(13,354)
Proceeds from commercial paper	-	101,783
Payment for redemption of commercial paper	-	(69,176)
Dividends paid	(41,421)	(44,510)
Dividends paid to non-controlling interests	(662)	(444)
Payments from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation	(1,120)	-
Other	(7,913)	(11,039)
Net cash provided by financing activities	(46,437)	199,786
Effect of exchange rate changes on cash and cash equivalents	294	(1,606)
Net increase (decrease) in cash and cash equivalents	53,532	259,321
Cash and cash equivalents at beginning of period	1,310,729	1,354,856
Cash and cash equivalents at end of period	1,364,261	1,614,178

Note: Subsidiaries in North America that adopt USGAAP have applied ASU No.2016-18 "Statement of Cash Flows Restricted Cash (a consensus of the FASB Emerging Issues Task Force)" from the beginning of the fiscal year ended February 29, 2020.

As a result of adopting this standard, cash and cash equivalents in the quarterly consolidated cash flow statements for the three months ended May 31, 2019 and 2020 indicate cash and cash equivalents including restricted cash.

■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, 2019		Three Months Ended May 31, 2020		Fiscal Year Ended Feb. 29, 2020		Fiscal Year Ending Feb. 28, 2021 (Forecast)	
		YOY(%)		YOY(%)		YOY(%)		YOY(%)
Total store sales	1,237,226	103.0	1,177,697	95.2	5,010,273	102.3	4,984,000	99.5
Net sales of franchised stores	1,216,142	103.4	1,158,829	95.3	4,923,751	102.5		
Revenues from operations	217,744	101.3	202,458	93.0	887,625	101.6	868,000	97.8
Franchise commission from franchised stores	195,403	103.7	182,567	93.4	796,266	102.9		
Gross profit from operations	202,909	103.0	189,167	93.2	827,084	102.5		
SG&A expenses	142,697	101.0	136,943	96.0	573,103	102.0		
Advertising expenses	14,921	87.2	10,419	69.8	57,188	94.7		
Salaries and wages	19,508	98.0	18,973	97.3	79,055	102.1		
Land and building rent	46,939	106.3	47,546	101.3	189,457	104.6		
Depreciation and amortization	17,939	104.1	18,807	104.8	73,538	104.8		
Utility expenses	11,626	106.8	10,919	93.9	48,012	100.0		
Others	31,760	99.5	30,276	95.3	125,850	101.1		
Operating income	60,212	108.0	52,224	86.7	253,980	103.6	240,000	94.5

Sales by product category (total store sales)

(Millions of yen)

	Three Months Ended May 31, 2019			Three Months Ended May 31, 2020			Fiscal Year Ended Feb. 29, 2020			Fiscal Year Ending Feb. 28, 2021 (Forecast)	
		YOY(%)	Composition(%)		YOY(%)	Composition(%)		YOY(%)	Composition(%)		YOY(%)
Total store sales	1,237,226	103.0	100.0	1,177,697	95.2	100.0	5,010,273	102.3	100.0	4,984,000	99.5
Processed food	319,204	101.8	25.8	306,201	95.9	26.0	1,297,660	101.5	25.9		
Fast food	378,591	104.0	30.6	342,709	90.5	29.1	1,533,143	102.3	30.6		
Daily food	162,076	99.9	13.1	160,166	98.8	13.6	661,356	103.1	13.2		
Nonfood	377,353	104.4	30.5	368,619	97.7	31.3	1,518,112	102.6	30.3		

Average daily sales per store

(Thousands of yen)

	Three Months Ended May 31, 2019		Three Months Ended May 31, 2020		Fiscal Year Ended Feb. 29, 2020		Fiscal Year Ending Feb. 28, 2021 (Forecast)	
		Change		Change		Change		Change
All stores	645	(1)	619	(26)	656	±0		
Newly opened stores	551	(11)	499	(52)	554	(6)		

Existing store sales increase

(%)

	Three Months Ended May 31, 2019	Three Months Ended May 31, 2020	Fiscal Year Ended Feb. 29, 2020	Fiscal Year Ending Feb. 28, 2021 (Forecast)
Existing store sales increase	+0.3	(4.6)	+0.2	±0.0
Number of customers	(2.0)	(13.0)	(2.1)	
Average spending per customer	+2.3	+9.7	+2.3	

Gross profit margin by product category

(%)

	Three Months Ended May 31, 2019		Three Months Ended May 31, 2020		Fiscal Year Ended Feb. 29, 2020		Fiscal Year Ending Feb. 28, 2021 (Forecast)	
		Change		Change		Change		Change
Total	32.1	+0.1	32.0	(0.1)	32.1	+0.2	32.1	±0.0
Processed food	39.6	±0.0	39.5	(0.1)	39.5	±0.0		
Fast food	36.8	+0.6	36.8	±0.0	36.6	+0.5		
Daily food	33.8	+0.4	33.8	±0.0	34.0	+0.6		
Nonfood	20.5	(0.1)	20.4	(0.1)	20.3	(0.2)		

Ⅱ. Overseas Convenience Store Operations

7-Eleven, Inc.

Financial results

(Millions of yen)

	Three Months Ended Mar. 31, 2019		Three Months Ended Mar. 31, 2020		Fiscal Year Ended Dec. 31, 2019		Fiscal Year Ending Dec. 31, 2020 (Forecast)	
		YOY(%)		YOY(%)		YOY(%)		YOY(%)
Total store sales	893,089	102.8	872,899	97.7	3,936,217	98.6	3,372,000	85.7
Merchandise sales at directly operated stores	100,939	109.1	99,989	99.1	437,055	98.7		
Merchandise sales at franchised stores	342,627	105.9	353,673	103.2	1,503,717	102.1		
Gasoline sales	449,522	99.3	419,236	93.3	1,995,444	96.1		
Revenues from operations	621,510	102.0	589,117	94.8	2,739,833	97.1	2,100,000	76.6
Merchandise sales at directly operated stores, etc	104,272	109.3	103,435	99.2	450,972	99.0		
Gasoline sales	449,522	99.3	419,236	93.3	1,995,444	96.1		
Other operating revenues	67,714	110.4	66,445	98.1	293,415	101.8		
Franchise commission from franchised stores	59,675	106.4	58,369	97.8	259,531	101.6		
Gross profit from operations	138,150	112.1	141,717	102.6	615,877	103.5		
SG&A expenses	120,318	110.3	125,122	104.0	494,223	102.1		
SG&A expenses (thousands of $)	1,091,624	108.2	1,149,388	105.3	4,532,911	103.4		
Directly operated stores*	186,852	105.7	195,499	104.6	785,541	100.3		
Operating income	17,831	126.6	16,595	93.1	121,654	109.5	97,200	79.9
Operating income (thousands of dollar)	161,781	124.3	152,448	94.2	1,115,785	110.9	900,000	80.7

* Selling expenses of directly operated stores.

Sales by product category (total store sales)

(Millions of yen)

	Three Months Ended Mar. 31, 2019			Three Months Ended Mar. 31, 2020			Fiscal Year Ended Dec. 31, 2019			Fiscal Year Ending Dec. 31, 2020 (Forecast)	
		YOY(%)	Composition(%)		YOY(%)	Composition(%)		YOY(%)	Composition(%)		YOY(%)
Net sales	893,089	102.8	-	872,899	97.7	-	3,936,217	98.6	-	3,372,000	85.7
Merchandise sales	443,566	106.6	100.0	453,662	102.3	100.0	1,940,773	101.3	100.0		
Processed food	176,215	107.3	39.7	184,417	104.7	40.7	802,806	103.1	41.4		
Fast food	65,659	106.3	14.8	64,951	98.9	14.3	289,052	102.4	14.9		
Daily food	24,196	100.5	5.5	22,398	92.6	4.9	95,111	92.2	4.9		
Nonfood	177,494	107.1	40.0	181,894	102.5	40.1	753,802	100.3	38.8		
Gasoline sales	449,522	99.3	-	419,236	93.3	-	1,995,444	96.1	-		

Existing store sales increase

(%)

	Three Months Ended Mar. 31, 2019	Three Months Ended Mar. 31, 2020	Fiscal Year Ended Dec. 31, 2019	Fiscal Year Ending Dec. 31, 2020 (Forecast)
U.S. merchandise sales increase (dollar basis)	+3.4	+0.7	+2.4	+0.4

Average daily sales per store

	Three Months Ended Mar. 31, 2019		Three Months Ended Mar. 31, 2020		Fiscal Year Ended Dec. 31, 2019		Fiscal Year Ending Dec. 31, 2020 (Forecast)	
		Change		Change		Change		Change
All stores (dollar)	4,673	+151	4,711	+38	5,075	+108		
All stores (thousands of yen)	515	+26	512	(3)	553	+4		

Merchandise gross profit margin

(%)

	Three Months Ended Mar. 31, 2019		Three Months Ended Mar. 31, 2020		Fiscal Year Ended Dec. 31, 2019		Fiscal Year Ending Dec. 31, 2020 (Forecast)	
		Change		Change		Change		Change
Gross profit margin	34.7	+0.7	34.2	(0.5)	34.8	+0.6	33.8	(1.0)

Gasoline

	Three Months Ended Mar. 31, 2019		Three Months Ended Mar. 31, 2020		Fiscal Year Ended Dec. 31, 2019		Fiscal Year Ending Dec. 31, 2020 (Forecast)	
		YOY(%)/change				YOY(%)/change		YOY(%)/change
Sales (thousands of dollar)	4,078,414	97.5	3,851,157	94.4	18,301,797	97.3		
Gallons sold (thousands of gallon)	1,679,925	103.3	1,597,386	95.1	6,972,004	100.8		
Gross profit (cents per gallon)*	20.66	+1.20	25.53	+4.87	23.95	+1.39		
Average retail price (dollars per gallon)	2.45	(0.18)	2.45	±0.00	2.65	(0.13)		
Average retail price (dollars per gallon)	19.50	+0.83	29.13	+9.63	24.09	+1.27		

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

Exchange rates (Income statements)

(yen)

	Three Months Ended Mar. 31, 2019	Three Months Ended Mar. 31, 2020	Fiscal Year Ended Dec. 31, 2019	Fiscal Year Ending Dec. 31, 2020 (Forecast)
U.S. $1=	110.22	108.86	109.03	108.00

Ⅲ. Superstore Operations

Ito-Yokado

Financial results

(Millions of yen)

	Three Months Ended May 31, 2019		Three Months Ended May 31, 2020		Fiscal Year Ended Feb. 29, 2020		Fiscal Year Ending Feb. 28, 2021 (Forecast)	
		YOY(%)		YOY(%)		YOY(%)		YOY(%)
Revenues from operations	301,222	97.6	248,720	82.6	1,185,147	95.9	1,069,700	90.3
Net sales	293,802	97.6	243,119	82.7	1,154,374	95.7	1,041,700	90.2
Gross profit from operations	74,506	96.6	63,944	85.8	297,573	96.2		
SG&A expenses	74,126	99.2	62,786	84.7	291,051	95.6		
Advertising expenses	4,970	108.7	2,985	60.1	17,873	90.4		
Salaries and wages	30,464	95.0	29,426	96.6	120,074	94.1		
Land and building rent	13,928	96.2	8,896	63.9	54,446	94.4		
Depreciation and amortization	3,166	107.8	2,624	82.9	13,254	108.7		
Utility expenses	3,652	105.3	2,846	77.9	14,014	91.8		
Others	17,943	104.2	16,005	89.2	71,388	99.1		
Operating income	379	15.7	1,158	304.9	6,522	138.5	3,000	46.0

Sales by product category

(Millions of yen)

	Three Months Ended May 31, 2019			Three Months Ended May 31, 2020			Fiscal Year Ended Feb. 29, 2020			Fiscal Year Ending Feb. 28, 2021 (Forecast)	
		YOY(%)	Composition(%)		YOY(%)	Composition(%)		YOY(%)	Composition(%)		YOY(%)
Net sales	293,802	97.6	100.0	243,119	82.7	100.0	1,154,374	95.7	100.0	1,041,700	90.2
Merchandise sales	206,213	96.7	70.2	189,826	92.1	78.1	815,594	94.5	70.7		
Lifestyle	77,204	95.1	26.3	54,001	69.9	22.2	285,985	92.0	24.8		
Specialty stores	3,535	101.0	1.2	3,119	88.2	1.3	13,488	102.1	1.2		
Food	125,473	97.7	42.7	132,705	105.8	54.6	516,120	95.8	44.7		
Tenants	86,492	100.3	29.4	50,984	58.9	21.0	335,359	99.7	29.1		
Others	1,096	65.9	0.4	2,308	210.6	0.9	3,420	52.0	0.3		

Existing store sales increase

(%)

	Three Months Ended May 31, 2019	Three Months Ended May 31, 2020	Fiscal Year Ended Feb. 29, 2020	Fiscal Year Ending Feb. 28, 2021 (Forecast)
Net sales	(0.1)	(18.3)	(1.0)	(6.0)
Existing store sales increase	(1.6)	(6.8)	(2.9)	(2.5)
Lifestyle	(2.9)	(29.1)	(4.9)	
Specialty stores	+1.7	(10.7)	+4.0	
Food	(1.0)	+7.4	(2.0)	
Number of customers	(2.7)	(12.7)	(3.5)	
Average spending per customer	+1.2	+6.8	+0.7	
Tenants	+2.9	(41.3)	+3.2	

Gross profit margin by product category

(%)

	Three Months Ended May 31, 2019		Three Months Ended May 31, 2020		Fiscal Year Ended Feb. 29, 2020		Fiscal Year Ending Feb. 28, 2021 (Forecast)	
		Change		Change		Change		Change
Total	29.8	±0.0	29.4	(0.4)	29.9	+0.3	29.7	(0.2)
Lifestyle	33.5	+0.1	32.1	(1.4)	33.8	+0.8		
Specialty stores	20.3	+0.8	21.8	+1.5	21.9	+1.9		
Food	27.8	(0.1)	28.5	+0.7	27.9	+0.1		

York-Benimaru

Financial results

(Millions of yen)

	Three Months Ended May 31, 2019		Three Months Ended May 31, 2020		Fiscal Year Ended Feb. 29, 2020		Fiscal Year Ending Feb. 28, 2021 (Forecast)	
		YOY(%)		YOY(%)		YOY(%)		YOY(%)
Revenues from operations	110,560	100.0	120,648	109.1	446,843	100.3	460,000	102.9
Net sales	108,527	100.0	118,485	109.2	438,637	100.3	451,600	103.0
Gross profit from operations	27,744	103.2	30,898	111.4	113,033	101.7		
SG&A expenses	24,330	100.7	24,659	101.4	99,932	101.6		
Advertising expenses	1,510	92.2	1,278	84.6	6,791	106.3		
Salaries and wages	12,854	101.1	13,380	104.1	52,184	101.8		
Land and building rent	2,513	101.9	2,588	103.0	10,133	101.6		
Depreciation and amortization	1,428	104.1	1,498	105.0	5,883	103.7		
Utility expenses	1,396	107.6	1,278	91.6	5,940	98.8		
Others	4,627	98.8	4,634	100.1	18,998	99.9		
Operating income	3,414	125.8	6,238	182.7	13,100	102.3	14,000	106.9

[Reference] Results including Life Foods*

(Millions of yen)

	Three Months Ended May 31, 2019		Three Months Ended May 31, 2020		Fiscal Year Ended Feb. 29, 2020		Fiscal Year Ending Feb. 28, 2021 (Forecast)	
		YOY(%)		YOY(%)		YOY(%)		YOY(%)
Operating income	4,361	116.3	7,242	166.1	16,887	101.0	17,900	106.0

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, 2019			Three Months Ended May 31, 2020			Fiscal Year Ended Feb. 29, 2020			Fiscal Year Ending Feb. 28, 2021 (Forecast)	
		YOY(%)	Composition(%)		YOY(%)	Composition(%)		YOY(%)	Composition(%)		YOY(%)
Net sales	108,527	100.0	100.0	118,485	109.2	100.0	438,637	100.3	100.0	451,600	103.0
Merchandise sales	93,539	100.2	86.2	103,799	111.0	87.6	378,571	100.4	86.3		
Food	86,340	100.8	79.6	96,899	112.2	81.8	347,818	100.8	79.3		
Fresh food	38,512	100.5	35.5	43,023	111.7	36.3	154,442	100.6	35.2		
Processed food	26,212	101.4	24.2	29,664	113.2	25.0	106,140	101.1	24.2		
Daily food	21,616	100.6	19.9	24,211	112.0	20.4	87,235	100.8	19.9		
Apparel	2,806	91.4	2.6	2,172	77.4	1.8	11,747	92.1	2.7		
Household goods	4,393	94.5	4.0	4,727	107.6	4.0	19,005	98.6	4.3		
Tenants	14,987	98.9	13.8	14,686	98.0	12.4	60,066	100.0	13.7		
Life Foods*	12,402	98.9	11.4	12,408	100.1	10.5	50,710	100.3	11.6		
Others	2,585	98.9	2.4	2,277	88.1	1.9	9,355	98.2	2.1		

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

Existing store sales increase

(%)

	Three Months Ended May 31, 2019	Three Months Ended May 31, 2020	Fiscal Year Ended Feb. 29, 2020	Fiscal Year Ending Feb. 28, 2021 (Forecast)
Existing store sales increase	(1.2)	+6.7	(1.2)	+0.9
Food	(0.6)	+9.6	(0.8)	
Apparel	(7.2)	(22.5)	(6.8)	
Household goods	(6.1)	+6.0	(2.8)	
Tenants	(2.2)	(4.3)	(1.4)	
Number of customers	(2.6)	(2.6)	(2.3)	
Average spending per customer	+1.3	+9.5	+1.1	

Gross profit margin by product category

(%)

	Three Months Ended May 31, 2019		Three Months Ended May 31, 2020		Fiscal Year Ended Feb. 29, 2020		Fiscal Year Ending Feb. 28, 2021 (Forecast)	
		Change		Change		Change		Change
Total	25.9	+0.8	26.3	+0.4	26.1	+0.3	26.3	+0.2
Food	25.6	+0.9	26.2	+0.6	25.9	+0.4		
Apparel	32.8	+0.4	31.1	(1.7)	32.7	+0.6		
Household goods	27.5	+0.9	27.3	(0.2)	26.5	±0.0		

Ⅳ. Department Store Operations

Sogo & Seibu

Financial results

(Millions of yen)

	Three Months Ended May 31, 2019		Three Months Ended May 31, 2020		Fiscal Year Ended Feb. 29, 2020		Fiscal Year Ending Feb. 28, 2021 (Forecast)	
		YOY(%)		YOY(%)		YOY(%)		YOY(%)
Revenues from operations	146,192	99.1	68,084	46.6	600,148	97.5	459,000	76.5
Net sales	143,536	99.0	65,979	46.0	589,410	97.5	450,000	76.3
Gross profit from operations	32,155	98.1	14,088	43.8	129,490	96.0		
SG&A expenses	32,526	100.2	15,330	47.1	129,318	98.3		
Advertising expenses	5,248	102.6	2,114	40.3	19,569	97.4		
Salaries and wages	8,130	97.4	4,304	52.9	32,233	95.7		
Land and building rent	8,517	100.4	3,786	44.5	33,902	99.9		
Depreciation and amortization	2,145	113.2	1,033	48.2	8,534	105.2		
Utility expenses	1,510	99.2	466	30.9	6,374	94.8		
Others	6,973	98.0	3,624	52.0	28,702	98.9		
Operating income	(371)	-	(1,241)	-	172	5.3	(8,800)	-

Sales results of major stores

(Millions of yen)

	Three Months Ended May 31, 2019		Three Months Ended May 31, 2020		Fiscal Year Ended Feb. 29, 2020		Fiscal Year Ending Feb. 28, 2021 (Forecast)	
		YOY(%)		YOY(%)		YOY(%)		YOY(%)
SEIBU Ikebukuro (flagship store)	44,250	99.8	23,267	52.6	182,369	99.1		
Sogo Yokohama	26,174	101.2	10,423	39.8	108,933	98.5		
Sogo Chiba	17,894	97.9	7,369	41.2	74,003	98.0		
Sogo Hiroshima	9,292	98.4	4,361	46.9	38,801	97.8		
SEIBU Shibuya	10,497	98.3	3,149	30.0	43,231	99.3		
Sogo Omiya	7,604	97.4	2,980	39.2	31,293	94.9		

Note: Store sales include sales at corporate trading business unit.

Sales by product category

(Millions of yen)

	Three Months Ended May 31, 2019			Three Months Ended May 31, 2020			Fiscal Year Ended Feb. 29, 2020			Fiscal Year Ending Feb. 28, 2021 (Forecast)	
		YOY(%)	Composition(%)		YOY(%)	Composition(%)		YOY(%)	Composition(%)		YOY(%)
Net sales	143,536	99.0	100.0	65,979	46.0	100.0	589,410	97.5	100.0	450,000	76.3
Merchandise sales	96,671	98.8	67.3	39,470	40.8	59.8	396,584	95.9	67.3		
Apparel	55,902	97.9	38.9	18,181	32.5	27.6	214,255	93.3	36.4		
Household goods	13,224	97.9	9.2	4,680	35.4	7.1	58,679	99.3	10.0		
Food	27,544	101.1	19.2	16,607	60.3	25.2	123,649	98.9	21.0		
Tenants	38,826	100.6	27.0	17,053	43.9	25.8	161,037	102.1	27.3		
Corporate sales	8,039	93.9	5.6	9,455	117.6	14.3	31,788	96.6	5.4		

Existing store sales increase

(%)

	Three Months Ended May 31, 2019	Three Months Ended May 31, 2020	Fiscal Year Ended Feb. 29, 2020	Fiscal Year Ending Feb. 28, 2021 (Forecast)
Existing store sales increase	(1.0)	(54.0)	(2.5)	(20.8)

Gross profit margin by product category

(%)

	Three Months Ended May 31, 2019		Three Months Ended May 31, 2020		Fiscal Year Ended Feb. 29, 2020		Fiscal Year Ending Feb. 28, 2021 (Forecast)	
		Change		Change		Change		Change
Total	24.5	(0.4)	22.0	(2.5)	23.9	(0.4)	23.1	(0.8)
Apparel	29.4	(0.4)	28.6	(0.8)	28.7	(0.3)		
Household goods	24.0	(0.1)	24.1	+0.1	23.6	(0.2)		
Food	14.7	(0.2)	14.1	(0.6)	15.8	(0.2)		

Ⅴ. Financial Services

Seven Bank

Number of ATMs

（1）Domestic

	Three Months Ended May 31, 2019	Change	Three Months Ended May 31, 2020	Change	Fiscal Year Ended Feb. 29, 2020	Change
Total	25,231	+148	25,241	+47	25,194	+111
Net ATMs in the Group	22,848	+109	22,835	(18)	22,853	+114
Seven-Eleven Japan	22,215	+101	22,169	(20)	22,189	+75
Ito-Yokado	286	±0	283	(1)	284	(2)
York-Benimaru	194	+8	232	+3	229	+43
York Mart	77	+1	76	+1	75	(1)
Others	76	(1)	75	(1)	76	(1)
Net ATMs outside the Group	2,383	+39	2,406	+65	2,341	(3)

（2）Overseas

	Three Months Ended Mar. 31, 2019	Change	Three Months Ended Mar. 31, 2020	Change	Fiscal Year Ended Dec. 31, 2019	Change
North America	12,378	(417)	10,759	(127)	10,886	(1,909)

Average number of transaction per day per domestic ATM during the period

	Three Months Ended May 31, 2019	Change	Three Months Ended May 31, 2020	Change	Fiscal Year Ended Feb. 29, 2020	Change
Average number of transactions	89.8	(3.4)	85.7	(4.1)	92.0	(0.4)

International money transfer service (Thousands)

	Three Months Ended May 31, 2019	Change	Three Months Ended May 31, 2020	Change	Fiscal Year Ended Feb. 29, 2020	Change
Cumulative number of contract accounts	266	+10	297	+3	294	+38
Cumulative number of transfers	291	+21	277	(14)	1,211	+76

Seven Card Service / Seven CS Card Service

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

	Three Months Ended May 31, 2019	Change	Three Months Ended May 31, 2020	Change	Fiscal Year Ended Feb. 29, 2020	Change
Credit cards	671	±0	669	(3)	672	+1
SEVEN CARD plus / SEVEN CARD *1	356	+1	363	+1	362	+7
CLUB ON/Millennium CARD SAISON *2	315	(1)	306	(4)	310	(6)
Electronic money (*nanaco*) *3	6,616	+98	7,020	+115	6,905	+387

*1. Only the number of effective card members.

*2. Excluding dedicated cards for point services, without credit functions.

*3. Including the number of mobile *nanaco* holders.

Ⅵ. Specialty Store Operations

Seven & i Food Systems

Financial results

(Millions of yen)

	Three Months Ended May 31, 2019		Three Months Ended May 31, 2020		Fiscal Year Ended Feb. 29, 2020		Fiscal Year Ending Feb. 28, 2021 (Forecast)	
		YOY(%)		YOY(%)		YOY(%)		YOY(%)
Revenues from operations	19,446	97.3	10,907	56.1	74,323	95.0	62,100	83.6
Net sales	19,340	97.0	10,797	55.8	73,868	94.6	61,600	83.4
Gross profit from operations	12,334	97.9	6,556	53.2	46,673	94.8		
SG&A expenses	11,810	96.6	9,232	78.2	46,252	96.5		
Operating income	524	144.0	(2,675)	-	420	32.5	(5,000)	-

[Denny's] Existing store sales increase

(%)

	Three Months Ended May 31, 2019	Three Months Ended May 31, 2020	Fiscal Year Ended Feb. 29, 2020	Fiscal Year Ending Feb. 28, 2021 (Forecast)
Existing store sales increase	+0.7	(43.7)	(1.6)	(17.1)
Number of customers	(2.5)	(47.4)	(4.2)	
Average spending per customer	+3.3	+7.1	+2.6	

[Denny's] Gross profit margin

(%)

	Three Months Ended May 31, 2019		Three Months Ended May 31, 2020		Fiscal Year Ended Feb. 29, 2020		Fiscal Year Ending Feb. 28, 2021 (Forecast)	
		Change		Change		Change		Change
Gross profit margin	68.7	+0.4	64.2	(4.5)	68.1	(0.1)	65.8	(2.3)

Nissen Holdings (Consolidated)

Financial results

(Millions of yen)

	Three Months Ended May 31, 2019		Three Months Ended May 31, 2020		Fiscal Year Ended Feb. 29, 2020		Fiscal Year Ending Feb. 28, 2021 (Forecast)	
		YOY(%)		YOY(%)		YOY(%)		YOY(%)
Net sales*	10,285	58.2	10,220	99.4	37,955	83.3	40,700	107.4
Gross profit from operation	4,897	71.4	4,912	100.3	18,107	92.0		
SG&A expenses	4,763	70.1	4,888	102.6	18,291	92.1		
Operating income*	133	202.8	24	18.0	(184)	-	200	-

* Figures excluding the impact of Shaddy Co., Ltd. and its subsidiaries, which were sold on April 27, 2018, are as follows :
Three months ended May 31, 2019: Net sales 10,285 million [101.9%YOY] / Operating income 133 million [40.6%YOY].
Fiscal year ended February 29, 2020: Net sales 37,955 million yen [99.9% YOY] / Operating income (184) million yen.

Ⅶ. Group Strategy

(1) *Seven Premium*

	Three Months Ended May 31, 2019		Three Months Ended May 31, 2020		Fiscal Year Ended Feb. 29, 2020		Fiscal Year Ending Feb. 28, 2021(Forecast)	
		Change		Change		Change		Change
Sales (billions of yen)	358.0	+7.0	358.0	±0.0	1,450.0	+37.0	1,480.0	+30.0
Number of items	4,070	+120	4,020	(50)	4,150	+100	3,700	(450)

(2) EC sales

(Millions of yen)

	Three Months Ended May 31, 2019		Three Months Ended May 31, 2020		Fiscal Year Ended Feb. 29, 2020		Fiscal Year Ending Feb. 28, 2021 (Forecast)	
		Change		Change		Change		Change
EC sales	24,868	(2,173)	25,876	+1,008	100,261	(12,932)	97,900	(2,361)
Seven Net Shopping	4,993	(907)	5,380	+387	20,066	(5,364)		
Seven-Meal *	5,635	(1,529)	5,921	+286	23,297	(4,701)		
Ito-Yokado	1,247	+68	1,812	+565	5,428	(5)		
Ito-Yokado's *Net Supermarket* *	10,291	(89)	9,381	(910)	39,732	(2,949)		
Akachan Honpo	1,756	+242	2,166	+410	6,485	+68		
Sogo & Seibu	657	+104	768	+111	4,075	+152		
LOFT	286	+11	446	+160	1,174	+58		
Other	-	(73)	-	-	-	(191)		

Note: EC sales indicates the sales of "*omni7*" of Seven & i Group.

*Delivery-type services (others are mail order sales-type services)

Ⅷ. Capital Expenditures, Depreciation and Amortization of Major Companies

(Millions of yen)

	Three Months Ended May 31, 2019	YOY(%)	Three Months Ended May 31, 2020	YOY(%)	Fiscal Year Ended Feb. 29, 2020	YOY(%)	Fiscal Year Ending Feb. 28, 2021 (Forecast)	YOY(%)
Domestic convenience store operations								
Seven-Eleven Japan								
Total capital expenditures	22,277	78.9	14,568	65.4	96,062	87.3	155,000	161.4
Investment to new stores	9,867	66.0	5,172	52.4	37,875	55.2		
Investment to existing stores and other	11,516	113.6	8,026	69.7	48,752	145.8		
Software development	893	28.3	1,369	153.3	9,434	118.9		
Depreciation and amortization	17,939	104.1	18,807	104.8	73,538	104.8	80,000	108.8
Overseas convenience store operations								
7-Eleven, Inc.								
Total capital expenditures	20,795	5.9	76,038	365.7	150,454	33.3	174,000	115.6
Investment to new stores and other	9,644	2.8	67,124	696.0	85,458	21.7		
Investment to existing stores and other	10,640	153.6	8,094	76.1	58,137	113.0		
Software development	510	39.6	819	160.6	6,858	92.5		
Depreciation and amortization	19,241	106.8	20,119	104.6	77,204	101.4	84,000	108.8
Superstore operations								
Ito-Yokado								
Total capital expenditures	9,192	51.1	2,270	24.7	27,305	62.0	30,600	112.1
Investment to new stores	3,054	467.7	180	5.9	3,543	160.1		
Investment to existing stores and other	5,471	32.3	1,758	32.1	21,172	52.7		
Software development	666	172.3	330	49.7	2,589	155.3		
Depreciation and amortization	3,166	107.8	2,624	82.9	13,254	108.7	13,500	101.9
York-Benimaru								
Total capital expenditures	2,082	94.5	2,724	130.8	13,148	127.3	15,200	115.6
Investment to new stores	1,277	93.6	1,165	91.2	8,306	132.6		
Investment to existing stores and other	788	94.5	1,554	197.1	4,270	109.6		
Software development	15	401.6	4	27.0	571	344.5		
Depreciation and amortization	1,428	104.1	1,498	105.0	5,883	103.7	6,300	107.1
Department store operations								
Sogo & Seibu								
Total capital expenditures	1,769	56.3	11,086	626.4	11,039	66.9	18,500	167.6
Investment to new stores	-	-	-	-	-	-		
Investment to existing stores and other	1,277	41.9	10,716	839.1	9,893	62.2		
Software development	492	525.7	369	75.1	1,146	189.7		
Depreciation and amortization	2,154	113.2	1,033	48.2	8,534	105.2	7,500	87.9

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.
The forecast for capital expenditures by 7-Eleven, Inc. in the fiscal year ending February 28, 2021 includes purchase of shares in Brown-Thompson General Partnership and 7-Eleven, L.L.C., both of which were acquired on March 1, 2020.

■Store Information

Ⅰ. Number of Stores and Store Openings / Closures of Major Companies

	Three Months Ended May 31, 2019	Change	Three Months Ended May 31, 2020	Change	Fiscal Year Ended Feb. 29, 2020	Change	Fiscal Year Ending Feb. 28, 2021 (Forecast)	Change
Domestic convenience store operations								
Seven-Eleven Japan	20,965	+89	20,884	(32)	20,916	+40	21,016	+100
Openings	211		110		743		600	
Closures	122		142		703		500	
Relocations, etc.	87		81		482			
Terminations of contract	35		61		221			
Seven-Eleven Okinawa	-	-	46	+7	39	+39	100	+61
Openings	-		7		39		61	
Closures	-		0		0		0	
SEVEN-ELEVEN (BEIJING)*1	270	+4	275	±0	275	+9	300	+25
Openings	9		1		50		40	
Closures	5		1		41		15	
SEVEN-ELEVEN (TIANJIN)*1	152	(3)	170	(8)	178	+23	202	+24
Openings	2		0		36		40	
Closures	5		8		13		16	
SEVEN-ELEVEN (CHENGDU)*1	74	(3)	72	(3)	75	(2)	92	+17
Openings	0		2		6		22	
Closures	3		5		8		5	
Overseas convenience store operations								
7-Eleven, Inc.*1	9,574	+1	9,802	+120	9,682	+109	9,687	+5
Openings	30		175		361		395	
Closures	29		55		252		390	
Superstore operations								
Ito-Yokado*2	159	±0	155	(2)	157	(2)	131	(26)
Openings	3		0		4		3	
Closures / transfers	3		2		6		29	
York-Benimaru	226	+1	233	+1	232	+7	234	+2
Openings	1		1		8		5	
Closures	0		0		1		3	
York Mart*2	80	+1	79	+1	78	(1)	100	+22
Openings / Successions	1		1		2		23	
Closures	0		0		3		1	
Chengdu Ito-Yokado*1	9	+1	9	±0	9	+1	9	±0
Openings	1		0		1		0	
Closures	0		0		0		0	
Hua Tang Yokado Commercial*1	1	±0	1	±0	1	±0	1	±0
Openings	0		0		0		0	
Closures	0		0		0		0	
Department store operations								
Sogo & Seibu	15	±0	15	±0	15	±0	10	(5)
Openings	0		0		0		0	
Closures	0		0		0		5	
Specialty store operations								
Akachan Honpo*3	110	±0	118	+1	117	+7	116	(1)
Openings	1		1		10		2	
Closures	1		0		3		3	
Seven & i Food Systems	702	(14)	668	(11)	679	(37)	667	(12)
Denny's	370	(1)	375	+3	372	+1	382	+10
Openings	2		4		9		15	
Closures	3		1		8		5	
Other	332	(13)	293	(14)	307	(38)	285	(22)
THE LOFT*4	118	+3	127	+3	124	+9	129	+5
Openings	5		3		11		9	
Closures	2		0		2		4	

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 March, or the end of December.
*2. The trade name of York Mart Co.,Ltd. was changed to York Co., Ltd. on June 1.
York took over 20 stores of *"Shokuhinkan"* (Food specialty store) and "THE PRICE" (Discount store) from Ito-Yokado on the same date.
*3. Including 1 franchised store for the fiscal year ended February 29, 2020 and the three months ended May 31, 2020.
*4. Including 18 franchised stores for the three months ended May 31, 2019, 19 franchised stores for the fiscal year ended February 29, 2020 and the three months ended May 31, 2020.

Ⅱ. Store Information on Domestic / Overseas Convenience Store Operations

Domestic Store Network

	May 2019	Feb. 2020	May 2020	Change
Hokkaido	1,010	1,003	1,000	(3)
Aomori	94	94	93	(1)
Iwate	148	147	146	(1)
Miyagi	410	412	411	(1)
Akita	108	108	108	±0
Yamagata	183	184	183	(1)
Fukushima	452	454	453	(1)
Ibaraki	649	648	644	(4)
Tochigi	447	450	451	+1
Gunma	471	469	470	+1
Saitama	1,220	1,207	1,205	(2)
Chiba	1,123	1,125	1,122	(3)
Tokyo	2,749	2,768	2,765	(3)
Kanagawa	1,454	1,460	1,461	+1
Niigata	430	430	429	(1)
Toyama	134	131	131	±0
Ishikawa	138	137	137	±0
Fukui	69	68	68	±0
Yamanashi	210	207	207	±0
Nagano	468	462	459	(3)
Gifu	197	195	195	±0
Shizuoka	745	737	734	(3)
Aichi	1,063	1,053	1,052	(1)
Mie	175	170	168	(2)
Shiga	240	239	238	(1)
Kyoto	357	357	354	(3)
Osaka	1,262	1,251	1,253	+2
Hyogo	710	698	696	(2)
Nara	141	140	139	(1)
Wakayama	84	85	86	+1
Tottori	34	39	39	±0
Shimane	60	60	60	±0
Okayama	306	310	311	+1
Hiroshima	599	599	598	(1)
Yamaguchi	333	330	328	(2)
Tokushima	86	83	83	±0
Kagawa	102	103	105	+2
Ehime	125	125	125	±0
Kochi	41	41	41	±0
Fukuoka	1,016	1,017	1,015	(2)
Saga	192	188	188	±0
Nagasaki	202	202	200	(2)
Kumamoto	350	353	356	+3
Oita	177	181	181	±0
Miyazaki	198	196	197	+1
Kagoshima	203	200	199	(1)
Okinawa	-	39	46	+7
Total	20,965	20,955	20,930	(25)

Global Seven-Eleven Store Network

[Consolidated subsidiaries]

	May 2019	Feb. 2020	May 2020	Change
Japan	20,965	20,955	20,930	(25)
North America *1	9,574	9,682	9,802	+120
U.S.A.	8,948	9,046	9,169	+123
Canada	626	636	633	(3)
Hawaii	65	66	66	±0
China [Beijing]	270	275	275	±0
China [Tianjin]	152	178	170	(8)
China [Chengdu]	74	75	72	(3)
Subtotal	31,100	31,231	31,315	+84

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

[Area licensees]

	Mar. 2019	Dec. 2019	Mar. 2020	Change
South Korea	9,485	10,016	10,101	+85
China [Hong Kong and others]*2	2,104	2,290	2,297	+7
China [Shanghai]	113	116	119	+3
China [Shandong]	77	93	94	+1
China [Chongqing]	64	37	36	(1)
China [Zhejiang]	28	39	39	±0
China [Jiangsu]	8	16	16	±0
China [Hubei]	2	12	12	±0
China [Shaanxi]	-	21	21	±0
China [Fujian]	-	4	5	+1
China [Taiwan]	5,443	5,647	5,751	+104
Thailand	11,299	11,712	11,983	+271
Philippines	2,593	2,864	2,880	+16
Malaysia	2,311	2,411	2,419	+8
Singapore	398	411	408	(3)
Australia	696	708	708	±0
UAE	14	12	12	±0
Vietnam	28	44	42	(2)
U.S.A.	327	252	247	(5)
Mexico	1,801	1,829	1,834	+5
Norway	152	154	154	±0
Sweden	84	83	85	+2
Denmark	170	172	172	±0
Subtotal	37,197	38,943	39,435	+492

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

	May 2019	Feb. 2020	May 2020	Change
Total worldwide	68,297	70,174	70,750	+576

Note: Figures for overseas stores are as of the end of March, or as of the end of December.
As of May 31, 2020, the number of Seven-Eleven stores around the world including area licensees are 70,850.

Ⅲ. Store Information on Superstore Operations

(1) Ito-Yokado

(Square meters)

	Store name	Location	Date	Total sales floor space	Directly managed sales floor space
Closures*	Susukino (S&B)	Hokkaido	May 17, 2020	2,161	1,829
	Nishikicho	Saitama	May 31, 2020	26,151	15,105
	Nagano	Nagano	Jun. 07, 2020	11,825	7,612

In addition to the above, 3 stores will be opened, and 6 stores will be closed in the fiscal year ending February 28, 2021.
* On June 1, 20 stores of *"Shokuhinkan"* and "THE PRICE" were transferred to York (Formerly York Mart)

(2) York-Benimaru

(Square meters)

	Store name	Location	Date	Total sales floor space	Directly managed sales floor space
Opening	Hitachi-Namekawa	Ibaraki	Mar. 18, 2020	2,781	2,535

In addition to the above, 4 stores will be opened, and 3 stores will be closed in the fiscal year ending February 28, 2021.

Note: S&B stands for Scrap & Build.

Ⅳ. Store Information on Department Store Operations

Sogo & Seibu

	Store name	Location	Date	Total sales floor space
Closures (Plan)	SEIBU Okazaki	Aichi	Aug. 31, 2020	16,274
	SEIBU Otsu	Shiga	Aug. 31, 2020	27,884
	Sogo Seishin	Hyogo	Aug. 31, 2020	16,588
	Sogo Tokushima	Tokushima	Aug. 31, 2020	22,010
	Sogo Kawaguchi	Saitama	Feb. 28, 2021	32,817

Ⅴ. Number of Stores by Type

Seven-Eleven Japan

	Three Months Ended May 31, 2019			Three Months Ended May 31, 2020			Fiscal Year Ended Feb. 29, 2020		
		Change	Composition (%)		Change	Composition (%)		Change	Composition (%)
Number of stores	20,965	+89	100.0	20,884	(32)	100.0	20,916	+40	100.0
Franchised stores	20,599	+100	98.3	20,505	(40)	98.2	20,545	+46	98.2
Type A	4,573	+15	21.8	4,525	(14)	21.7	4,539	(19)	21.7
Type C	16,026	+85	76.4	15,980	(26)	76.5	16,006	+65	76.5
Directly operated stores	366	(11)	1.7	379	+8	1.8	371	(6)	1.8
Open 24 hours	20,062	+63	95.7	19,645	(202)	94.1	19,847	(152)	94.9
With liquor license	20,620	+75	98.4	20,548	(26)	98.4	20,574	+29	98.4
With cigarette license	20,252	+140	96.6	20,248	(12)	97.0	20,260	+148	96.9

7-Eleven, Inc.

	Three Months Ended Mar. 31, 2019			Three Months Ended Mar. 31, 2020			Fiscal Year Ended Dec. 31, 2019		
		Change	Composition (%)		Change	Composition (%)		Change	Composition (%)
Number of stores	9,574	+1	100.0	9,802	+120	100.0	9,682	+109	100.0
Franchised stores	7,190	(23)	75.1	7,341	(38)	74.9	7,379	+166	76.2
BCP stores* [Type A]	475	±0	5.0	593	+2	6.0	591	+116	6.1
Type C	6,715	(23)	70.1	6,748	(40)	68.8	6,788	+50	70.1
Directly operated stores	2,384	+24	24.9	2,461	+158	25.1	2,303	(57)	23.8
With gasoline station	4,392	+7	45.9	4,594	+125	46.9	4,469	+84	46.2

* BCP stands for Business Conversion Program.

Ⅵ. Sales Floor Space

Ito-Yokado

(Square meters)

	Three Months Ended May 31, 2019		Three Months Ended May 31, 2020		Fiscal Year Ended Feb. 29, 2020	
		YOY(%)		YOY(%)		YOY(%)
Total sales floor space	2,539,907	94.8	2,457,872	96.8	2,506,284	98.4
Directly managed sales floor space	1,394,708	93.7	1,330,183	95.4	1,355,959	95.5
Weighted average directly managed sales floor space	1,437,855	96.6	1,346,615	93.7	1,380,409	93.5

York-Benimaru

(Square meters)

	Three Months Ended May 31, 2019		Three Months Ended May 31, 2020		Fiscal Year Ended Feb. 29, 2020	
		YOY(%)		YOY(%)		YOY(%)
Total sales floor space	684,288	100.8	700,427	102.4	697,646	102.2
Directly managed sales floor space	526,071	100.6	538,168	102.3	534,926	101.8
Weighted average directly managed sales floor space*	520,335	100.8	534,534	102.7	524,486	101.2

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

Sogo & Seibu

(Square meters)

	Three Months Ended May 31, 2019		Three Months Ended May 31, 2020		Fiscal Year Ended Feb. 29, 2020	
		YOY(%)		YOY(%)		YOY(%)
Total sales floor space	571,738	100.0	571,738	100.0	571,738	100.0
Weighted average sales floor space	571,738	100.0	571,738	100.0	571,738	100.0

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,Ltd. and its domestic consolidated subsidiaries	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 statements 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.