



July 23, 2013

To whom it may concern,

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

Notice Regarding Capital and Business Alliance between DAIICHI CO., LTD. and a Subsidiary

At a meeting held on July 23, 2013, the Board of Directors of Ito-Yokado Co., Ltd. (Ito-Yokado), a consolidated subsidiary of Seven & i Holdings Co., Ltd. (the Company), approved a resolution on a business and capital alliance between DAIICHI CO., LTD. (DAIICHI) and a subsidiary, as stated below.

1. Reason for business and capital alliance

The Company strives to create a “new lifestyle” by leveraging its Group synergies and innovative management utilizing the characteristics of each of our business formats. Particularly in the food retail operations, aiming to realize the concept of “making everyday dining more enjoyable, richer, and more convenient for customers,” the Company is strengthening product development, rigorously meeting such basic requirements as friendly service, cleanliness, freshness and taste, and reliability and safety, and creating stores rooted in their local communities.

Recently, in line with its current strategy of strengthening the operational foundations of the food retail operations in the Hokkaido area, Ito-Yokado decided on the implementation of a business and capital alliance with DAIICHI which operates a food supermarket mainly in the area of Obihiro, Asahikawa, and Sapporo.

Through this business and capital alliance, the Company will further grow the food retail operations of the Seven & i Group.

2. Details of business and capital alliance

(1) Business alliance

Ito-Yokado and DAIICHI will endeavor to reduce purchasing costs by the joint procurement of products, to further improve their customer-drawing power by the joint development of products, to reduce costs by the mutual use of logistics and infrastructure and by the joint procurement of ingredients and materials, and to conduct mutual exchanges of personnel.

(2) Capital alliance

Through a third-party allocation of shares, DAIICHI will issue 1,716,000 new shares (common stock), all of which Ito-Yokado will newly assume. As a result, Ito-Yokado will hold 30.00% of DAIICHI's share (30.04% of the voting rights) and become the top shareholder of DAIICHI.

3. Overview of the company implementing business and capital alliance

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| (1) Name: | DAIICHI CO., LTD. |
| (2) Representative: | President and Representative Director, Tatsuo Suzuki |
| (3) Location: | 1-14-47, West 20 South, Obihiro-shi, Hokkaido |
| (4) Establishment: | July 1958 |
| (5) Principal business activities: | Operation of food supermarkets |
| (6) Fiscal year-end: | September |
| (7) Number of employees: | 261 (as of the end of September 2012) |
| (8) Registered Capital: | ¥840 million |
| (9) Number of shares outstanding: | 4,003,320 shares |
| (10) Net sales: | ¥31,624 million (fiscal year ended September 2012, consolidated) |
| (11) Major shareholders (as of the end of March 2013): | |
| | Daiichi Client Stock Ownership 5.82% |
| | Noriko Konishi 4.69% |
| | The Hokuriku Bank, Ltd. 4.40% |
| | North Pacific Bank, LTD. 4.24% |
| (12) Relationship between the Company and DAIICHI: | |
| | Capital relationship: None |
| | Personal relationship: None |
| | Business relationship: None |
| | Related party status: None |

4. Schedule

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|-----------------|---|
| July 23, 2013 | Conclusion of business and capital alliance |
| | Conclusion of stock subscription contracts |
| August 26, 2013 | Date of payment (plan) |

5. Future Outlook

The influence of this business and capital alliance will have only a minimal effect on the Company's consolidated results for the fiscal year ending February 2014, but this alliance is expected to contribute to profits over the medium to long-term.