

July 1, 2021

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

Notice Regarding the Company Split within the Group (Simple Absorption-Type Company Split)

At the Board of Directors' meeting on July 1, 2021, Seven & i Holdings Co., Ltd. (the “Company”) passed a resolution to transfer the rights and obligations concerning the management business of Peace Deli Co., Ltd. (“Peace Deli”), a wholly owned subsidiary of the Company, to Ito-Yokado Co., Ltd. (“Ito-Yokado”) and York Co., Ltd. (“York”) by means of a company split (the “Company Split”), as mentioned below.

The Company Split regards our wholly-owned subsidiaries as the succeeding companies, so the matters to be disclosed and the content thereof has been partially omitted.

1. Objectives of the Company Split

To promote the Tokyo metropolitan area food strategy, the Seven & i Group (the “Group”) changed the trading name of York Mart Co., Ltd. to York on June 1, 2020. We also undertook a reorganization in which a total of 20 *Shokuhinkan* and THE PRICE stores were transferred from Ito-Yokado.

Based on our Medium-Term Management Plan, announced on July 1, 2021, we have decided to undertake a further reorganization with a view to building a common infrastructure and expanding joint procurement functions for the purpose of promoting the Group food strategy as part of our Group strategy. By strengthening cooperation with Ito-Yokado and York, the Company aims to build a common infrastructure for the Group and thus to realize a high-quality and efficient product supply system. To this end, the Company will transfer 60% of its shares in Peace Deli, a wholly owned subsidiary, to Ito-Yokado and York, with each receiving 30%. The Company will retain a portion of its Peace Deli shares and will continue participating in initiatives related to the Group food strategy, with a view to collaborating with other Group operating companies.

2. Outline of the Company Split

(1) Schedule for the Company Split

Date when the absorption-type split contract was approved at the Board of Directors' meeting	July 1, 2021
Date when the absorption-type split contract was concluded	July 1, 2021
Planned date for the absorption-type split (Effective date)	September 1, 2021

* The Company Split qualifies as a simple absorption-type split under the provision of Article 784, Paragraph 2 of the Companies Act, so a resolution approving the split will not be obtained at our Shareholders' Meeting.

(2) Structure of the Company Split

Absorption-type split in which the Company is the split company and both Ito-Yokado and York are the succeeding companies.

- (3) Outline of the allotment in relation to the Company Split
Ito-Yokado and York, the succeeding companies, are wholly-owned subsidiaries of the Company, so shares, money or other consideration for the Company Split will not be issued to the Company.
- (4) Handling of share subscription rights and corporate bonds with share subscription rights in relation to the Company Split
Not applicable.
- (5) Capital that increases or decreases in relation to the Company Split
The stated capital of the Company will not change in relation to the Company Split.
- (6) Rights and obligations assumed by the succeeding companies
Ito-Yokado and York will each receive 30% of Peace Deli shares, which are currently 100% owned by the Company, as a result of the Company Split.
- (7) Prospect of discharging liabilities
In regard to the Company Split, the succeeding companies will not succeed debt.

3. Overview of the Companies involved in the Company Split (FY2021)

(1) The split company (As of February 28, 2021)

(i)	Company name	Seven & i Holdings Co., Ltd.	
(ii)	Original location	8-8, Nibancho, Chiyoda-ku, Tokyo	
(iii)	Title and name of representative	Ryuichi Isaka, President and Representative Director	
(iv)	Area of operation	Planning, management, and operation of the corporate group for each business, centered on Domestic convenience store operations, Overseas convenience store operations, Superstore operations, Department store operations, Financial Services and Specialty store operations, etc.	
(v)	Stated capital	50.0 billion yen	
(vi)	Date of establishment	September 1, 2005	
(vii)	Total shares issued	886,441,983 shares	
(viii)	Business year end	End of February	
(ix)	Major shareholders and their percentage holdings	THE MASTER TRUST BANK OF JAPAN, LTD. (TRUST ACCOUNT)	9.6%
		ITO-KOGYO CO., LTD.	8.0%
		CUSTODY BANK OF JAPAN, LTD. (TRUST ACCOUNT)	5.5%
		SMBC NIKKO SECURITIES INC.	2.7%
		NIPPON LIFE INSURANCE COMPANY (STANDING PROXY: THE MASTER TRUST BANK OF JAPAN, LTD.)	2.0%
		MASATOSHI ITO	1.9%
		MITSUI & CO., LTD. (STANDING PROXY: TRUST & CUSTODY SERVICES BANK, LTD.)	1.8%
		JAPAN SECURITIES FINANCE CO., LTD.	1.8%
		CUSTODY BANK OF JAPAN, LTD. (TRUST ACCOUNT 4)	1.8%
		STATE STREET BANK WEST CLIENT-TREATY 505234 (STANDING PROXY: MIZUHO BANK, LTD.)	1.4%
(x)	Consolidated financial status and business performance from the last fiscal year		
	Net assets	2,831,335 million yen	

Total assets	6,946,832 million yen
Net assets per share	3,022.68 yen
Revenues from operations	5,766,718 million yen
Operating income	366,329 million yen
Ordinary income	357,364 million yen
Net income attributable to owners of parent	179,262 million yen
Net income per share	203.03 yen

(2) The succeeding company (As of February 28, 2021)

Ito-Yokado Co., Ltd

(i) Company name	Ito-Yokado Co., Ltd.
(ii) Original location	8-8, Nibancho, Chiyoda-ku, Tokyo
(iii) Title and name of representative	Tomihiko Saegusa, President and Representative Director
(iv) Area of operation	Retail business
(v) Stated capital	40.0 billion yen
(vi) Date of establishment	March 1, 2006
(vii) Total shares issued	400,000,000 shares
(viii) Business year end	End of February
(ix) Shareholder and its percentage holdings	Seven & i Holdings Co., Ltd. 100.0%
(x) Financial status and business performance from the last fiscal year	
Net assets	512,489 million yen
Total assets	682,167 million yen
Net assets per share	1,281.22 yen
Revenues from operations	1,053,284 million yen
Operating income	7,781 million yen
Ordinary income	7,698 million yen
Net income	(3,705) million yen
Net income per share	(9.26) yen

York Co., Ltd

(i) Company name	York Co., Ltd.
(ii) Original location	2-5-10, Aomi, Koto-ku, Tokyo
(iii) Title and name of representative	Masato Otake, President and Representative Director
(iv) Area of operation	Retail business
(v) Stated capital	3.0 billion yen
(vi) Date of establishment	December 25, 1975
(vii) Total shares issued	10,000,000 shares
(viii) Business year end	End of February
(ix) Shareholder and its percentage holdings	Seven & i Holdings Co., Ltd. 100.0%
(x) Financial status and business performance from the last fiscal year	
Net assets	43,700 million yen

Total assets	67,998 million yen
Net assets per share	4,370.06 yen
Revenues from operations	182,219 million yen
Operating income	3,253 million yen
Ordinary income	3,290 million yen
Net income	963 million yen
Net income per share	120.41 yen

4. Overview of the business division to split

(1) The split business

Management business of Peace Deli

(2) Business performance of the business to split in the fiscal year ended February 28, 2021

There aren't any matters to mention.

(3) Capital and debt items, and the amounts to split

The Company Split with Ito-Yokado as the succeeding company

Assets		Liabilities	
Item	Book value	Item	Book value
Shares	6,186 million yen		

The Company Split with York as the succeeding company

Assets		Liabilities	
Item	Book value	Item	Book value
Shares	6,186 million yen		

5. Status of Seven & i Holdings, Ito-Yokado, and York after the Company Split

The trading name, business description, head office location, representative's name and title, stated capital, or fiscal year-end of all three companies will remain unchanged.

6. Future outlook

This split is made between our wholly-owned subsidiaries, and its effect on our consolidated results is negligible.

Reference:

The consolidated financial results forecast for this fiscal year and consolidated results for the last fiscal year
(The consolidated financial results forecast for this fiscal year was released on July 1, 2021)

	(Millions of yen)			
	Revenues from operations	Operating income	Ordinary income	Net income attributable to owners of parent
Forecast of business results for FY2022 (Entire year)	8,038,000	380,000	343,500	190,000
Business results for FY2021 (Entire year)	5,766,718	366,329	357,364	179,262