

June 22, 2000

7dream.com
Seven-Eleven Japan Co., Ltd.

7dream.com Open for Business--site begins by offering music, travel, merchandise and gifts, car-related services, and photos

On Saturday, July 1, 7dream.com will begin the first stage of its full-fledged development of Japanese-styled e-commerce operations by opening its Internet site 7dream.com (URL: <http://www.7dream.com>).

7dream.com was established on February 1, 2000 as a joint venture by Seven-Eleven Japan Co., Ltd., NEC Corporation, Nomura Research Institute, Ltd. (NRI), Sony Corp., Sony Marketing (Japan) Inc., Mitsui & Co., Ltd., Japan Travel Bureau, Inc. (JTB), and KINOTROPE, INC. By combining their content, information, technical resources and infrastructure and know-how of the capital participants and business partners, 7dream.com is aiming to develop a new type of e-commerce. As the first step in that process, 7dream.com is opening its Internet Web site, offering sales and referral services for approximately 100,000 items in the areas of music, travel, merchandise and gifts, car-related services, and photos.

In its business, 7dream.com will use the infrastructure of Seven-Eleven Japan, including its information and distribution networks. Customers will be able to use the network of more than 8,200 stores to pick up and pay for their purchases on a 24-hour basis (credit card payments and reliable pay-on-delivery and home delivery courier services are also available). Also, by enlisting the services of multiple contents providers as well as those of the joint venture companies to provide a wide-range of goods and services, the Web site is structured to make it easy to do comparative shopping and to buy related goods. It is a convenient and enjoyable one-stop shopping service. 7dream.com will also open its mobile phone format site, Petitdream.com (URL: <http://phone.7dream.com>) at the same time, and carry out a variety of promotions for the two sites. In the future, the company will aim to strengthen the appeal of its sites by linking up different access channels, such as game consoles and digital broadcasts, and by reinforcing its promotional mix, which comprises various channels and media.

Based on a cooperative organization with the joint venture companies, 7dream.com will expand its content. In the fall, it will add game software sales as well as information services on education courses through cooperation with Zenken Corporation, Opt Japan, Inc., JMA Management Center Inc., PA Co., Ltd., Japan Kanji Aptitude Testing Foundation, and Toppan Printing Co., Ltd. Moreover, 7dream.com will begin developing new services using "Dream Navi"(temporary name), the multimedia terminal being installed in all 7-Eleven stores during the period from fall 2000 to spring 2001. The services will include ticket sales, music download sales, digital prints, and others. Through these measures, 7dream.com will aim to expand its e-commerce business by providing even more convenient services for customers and enjoyable digital services.

Cooperating with the business of the Internet site being developed and run by 7dream.com,

Seven-Eleven Japan will create new sales and promotion schemes that link up with its stores and different channels and media, in addition to the ordering, payment acceptance, and delivery services. Through the services of 7dream.com, Seven-Eleven Japan will meet the interest in and demand for Internet services. In addition, Seven-Eleven Japan will use these services to increase the popularity of its stores, achieve synergies between regular and Internet sales, promote greater store loyalty, and strengthen our customer base and store organization. Seven-Eleven Japan believes that this business scheme is a highly convenient Internet shopping system. Consequently, we have applied for a patent on the business model.

7dream.com and Seven-Eleven Japan plan to expand their ties with a wide range of business partners that are leaders in their industries to develop new contents and business models, thus contributing to the development of e-commerce in Japan.

Reference

I. Special features of 7dream.com

1. Payment and pick up of items at 7-Eleven stores
 - Items purchased at 7dream.com may be picked up and paid for at any of the more than 8,200 7-Eleven stores throughout Japan on a 24-hour basis.
2. An attractive and diverse line up of goods and services, including music, travel services, merchandise, gifts, car-related services, and photos.
 - By linking up with a diverse range of contents providers, we will offer a convenient and enjoyable line up of goods and services that are interesting and in a format that makes it easy to do comparative shopping.
 - More than 100,000 are available starting July 1, when the site opens.
3. Convenient and easy one-stop service
 - Having analyzed customers lifestyles from a variety of angles, the site's screens are designed to allow customers to simply collect and purchase items related to a certain theme or lifestyle. For example, travel-related goods, maps, and guidebooks are connected by links under a shopping cart system.
4. Members7, a membership system with plentiful benefits
 - By joining Members7, customers can take advantage of convenient and enjoyable services.
 - No initial fee, no annual membership fee
 - Simplified purchasing process
 - Members receive notification of latest information on sales campaigns and special offers by email.
 - Members can participate in electronic communities, such as the "I want it!" project, which will collect comments from members on what they would like to be able to buy on-line and arrange for or create the item.
5. Easy to understand instructions guide for Internet beginners
 - We have designed an easy to understand interface with a navigator function, "Navi Family," that encourages customer and provides guidance when customers who are not used to the Internet or computer run into trouble.

- To commemorate the opening of the site, personal computer packages (including a computer, printer, and provider contract), which even Internet beginners will find easy to set up and use, will be sold at Seven-Eleven stores.
6. Quality customer service.
- We have established the 7dream Service Center to provide customer support by telephone and email.
(Toll free number: 0077-787-711)
7. Access by mobile phone
- Along with the opening of our main Internet site, we will also begin services through our mobile phone format site, Petitdream.com.
 - Using their mobile phones, customers can access information services and purchase some of the items offered on the main site (music CDs).
 - 7dream.com intends to expand the goods and services available on the mobile phone site and also to link it to other new media.

II. Outline of Contents*(the title within the [] brackets is the item category on the web site)*

1. Music

[Music CD-DVD] (approximately 90,000 items)

In addition to selling entertainment items, such as CDs, DVDs, and videos, the site also carries artist information and sells a variety of music-related goods. Through the cooperation of contents partners, such as SEIKODO, YAMAHA MUSIC MEDIA CORPORATION, the site offers an excellent and expansive item line up.

2. Travel

[Travel and Leisure] (approximately 5,500 items)

The site handles domestic and international package tours, hotel accommodations, travel-related goods, and souvenirs as well as travel-related documents, such as guidebooks and maps.

The accommodation category has approximately 3,500 items, including original plans, such as pool and hotel or a fireworks show. The site's follow up service leads customers through the process of notification, reservation, and payment.

Customers can choose from 60 items among 12 brands of famous domestic and overseas tours. Reservations are made by phoning a special 7dream Travel Desk. To satisfy a variety of customer needs, we intend to carry the travel products of local travel agencies.

With the help of JTB and other travel agencies, we have achieved an appealing line up of travel products.

3. Merchandise and Gifts

[Hot Items] (approximately 400 items)

We aim to be the first to offer hot items. We will carry topical items featured in magazines and other media and limited items not available elsewhere.

Through cooperation with such contents partners as One Channel Corporation,

CATALOG HOUSE CO., LTD., and publishing companies and other leading companies, we offer an excellent and expansive item line up.

[Gifts] (approximately 100 items)

We have flower gifts that can be made year round and original order-made gifts. We also have a format that allows the person receiving the gift to select what they want from a catalog.

Through the cooperation of contents partners, such as HIBIYA-KADAN FLORAL CO., LTD., and FLOWER GATE INC., and several other flowershops, we offer an excellent and expansive item line up.

[Internet Life] (approximately 1,300 items)

We sell a variety of computer related items, such as personal computers, printers, mice, and other peripherals that support people's Internet life.

To commemorate the opening of the site, we are offering a Internet Debut Program, which include a personal computer, printer, and Internet connection service at a discount price that will get purchasers up and running with a minimum of worry.

Through the cooperation of contents partners, such as NEC Personal Systems, Ltd., NEC Interchannel Ltd., and Sony Marketing, we offer an excellent and expansive item line up. We also expect to further expand our line up.

4. Car-related Services

[Cars] (approximately 350 items Note: automobile goods and referrals to driving schools, etc.)

Under the banner of supporting customers' car life, we offer car-related goods and services, including sales of such goods as child safety seats, automobile goods, hobby-related goods, and accessories and the provision of such services as applications to driving schools and information on new and used cars. We plan to steadily expand services, such as car safety inspections, rent-a-car, and others.

Through the cooperation of contents partners, such as Car Point K. K., CENTRAL AUTOMOBILE PRODUCTS LTD., FUJISANKEI LIVING SERVICE, INC., COG INTERFACE CO., Ltd., Epcott Co., Ltd., we offer an excellent and expansive item line up.

5. Photos

[Internet Print]

We offer a service where customers can order, create, and pick up at a specified 7-Eleven store prints of pictures taken with digital cameras or original postcards with their pictures on them.

Through the cooperation of contents partners, such as Fuji Photo Film Co., Ltd., affiliate Nippatsu Enterprises, we offer an excellent and expansive item line up.

III. Flow Chart*[Flow of goods and services from order to pick up (in the case of pick up at a 7-Eleven store)]*

1. Customers use their personal computers at home or work to order goods from our Internet site (7dream.com).
2. Customer can choose from the following methods of payment and delivery.
 - a) Pick up goods and pay in cash at a 7-Eleven store.
 - b) Prepayment in cash at store and have goods delivered to home.

c)Prepayment by credit card over the Internet and have goods delivered to home.

d)Pay cash on delivery to home.

(Methods of delivery are limited with some goods.)

3. When customers decide to pick up their purchases at a store, they can specify which store on a map at the Internet site.
4. Orders are processed and shipped by the 7dream.com Order Center.
5. Purchased items are delivered to specified 7-Eleven stores via the Seven-Eleven's Combined Distribution Centers for chilled items in each region.
6. The Order Center informs customers of the pick up date by email.
7. After receiving the email, customers go to the store. Customer bring a payment slip that they printed out when they made the order from their computer, and pick up the purchased item after payment. If customers have already prepaid for the purchase, they bring a payment receipt printed out from the computer and exchange it for the item.

IV.Business Model Patent

1.Application date June 19, 2000

2.Applicant Seven-Eleven Japan Co., Ltd.

3.Title of Discovery System that utilizes the infrastructure of a franchise chain system for order taking and delivery and for realizing a service business including information collection and processing, sales of goods, sales of electronic information, referral services, and information services using the Internet and other communications systems

4. Major Contents

1. An on-line shopping system that features the ability to provide or refer the goods and services of contents partners to customers through multimedia terminals at each 7-Eleven store in addition to personal computers and mobile phones.
2. An order taking, settlement and delivery system that has diversified the methods of payment by including cash payment at 7-Eleven store with credit and pay-on-delivery and that makes it possible to select the method of delivery from either home delivery or pick up at 7-Eleven stores.
3. A commission system whereby 7dream.com pays commission fees to 7-Eleven stores according to its frequency of use of the existing store network.
4. A system whereby 7dream.com pays Seven-Eleven Japan for the use of its infrastructure and for a license fee based on a fixed proportion.

V. Promotions

On June 15, 2000, 7dream.com set up a promotional site and began actively promoting itself through various events, magazines, and television commercials.

1. MIYUKI tie-up debut program
 - Through a tie-up with Tetsuya Komuro, the famous songwriter, we started a tie-up debut program with MIYUKI, a new artist.
 - We are offering a series of limited goods on our site as well as MIYUKI's daily diary.
2. Free magazine PURCHASE! distributed through 7-Eleven stores
 - Starting Saturday June 25, we will be distributing a free monthly magazine PURCHASE! through 7-Eleven stores.
 - To link up a wide-range of contents to PURCHASE!, we will include information on new CDs, tickets, movies and interviews with artists in addition to introducing the contents of 7dream.com and information on various promotional events.
3. Internet Debut Program
 - To commemorate the opening of the 7dream.com site, we are offering a special discount price on NEC Value Star Original Service.
 - The Internet Debut Program is a discount pack that helps first time Internet users get started easily.
 - The pack contains a personal computer, printer, Internet provider contract and other items necessary to connecting to the Internet (limited to 20,000 sets).
 - For a fee, computer beginners can also make use of our Home Set Up Service.
 - The pack can be applied for at 7-Eleven stores from Saturday July 1 to Thursday August 31.
4. 7dream.com (Special CD-ROM)
 - Beginning on Sunday June 25, we will be distributing a free Special CD-ROM (total of approximately 900,000 CDs) at all 7-Eleven stores that will introduce 7dream.com and make it easy to register as a member over the Internet.
 - The CD-ROM contains exclusive contents, such as interviews with popular artists and the latest information on them, an introduction to the site guide Navi Family that makes the site easy to use, and information on special gift offers on rare items.
5. Toyota Opa Campaign Car
 - Decorated with the 7dream.com character, Navi Family, Toyota's popular new model Opa will drive around Tokyo as a campaign car to advertise the opening of the site.
6. TV and radio commercials
 - To widely advertise the opening of the Internet site, TV and radio commercial will be broadcast on Saturday, July 1.
7. Cooperative promotions in magazines
 - Through link ups with the women's magazine Saita and the information magazine Walker, we will carry out various promotions to raise the public's awareness of

VI. Development Schedule

Saturday June 24, 2000

- 7dream.com pre-site opens

Saturday July 1

- 7dream.com site opens
- Mobile phone site Petitdream.com opens

Fall 2000

- Start offering services, such as game software sales, information on educational courses, etc.
- Begin installing multimedia terminals

Spring 2000

- Installation of multimedia terminals completed at all 7-Eleven stores

Merchandise Carried and Main Contents Providers by Category (at July 1, 2000)

Group	Category	Items or Service	Contents Providers
Music (about 90,000 items)	Music CD/DVD	Music CD/DVD	SEIKODO
		Sheet music, practice books	YAMAHA MUSIC MEDIA
		Sheet music	Gakufu Net
Travel (about 5,500 items)	Travel & Leisure	Tour packages, accommodation	JTB
		Travel goods	VANGUARD COMPANY
		Maps, guides	Shobunsha Publications
		Souvenirs	Traveler
		Guide books	JTB Publishing
			One Channel, Shogakukan
Merchandise and gifts (about 1,800 items)	Hot Items	Hot Items	CATALOG HOUSE
		Daily-related goods	SANRIO, Happinet
		Character goods	HIBIYA-KADAN, FLOWER GATE
	Gifts	Flower gifts	YAMATO, MUSIC BOX COMPANY, J WORKS,
		Gifts	NEC Personal System (NEC/NEC Interchannel), Sony Marketing
	Internet Life	Personal computers, Software, Peripherals	Kokuyo, Sony Marketing
		Office automation equipment and peripherals	
		Audio video equipment, clocks, etc.	Sony Marketing, CASIO COMPUTER
Car-related (about 200 items)	Car	New and used car estimates	CarPoint

Referral service for drivers' COG INTERFACE

school

Rally videos

EPCOTT

Car goods

JAPS,

CENTRAL AUTOMOTIVE PRODUCTS,

FUJISANKEI LIVING SERVICE

Photos

Internet print

Internet print service

Nippatsu Enterprise, (Fuji Photo
Film)

*Distribution: by Retail System Service Co., Ltd.