

## **Seven-Eleven Japan Announces Opening of First Stores in Nagoya and Okazaki**

### **--Begins full-fledged store network development in Aichi Prefecture, aiming to open 80 stores by next February--**

On December 4, 2002, Seven-Eleven Japan Co., Ltd., will open five 7-Eleven stores in Nagoya and two stores in Okazaki. Including these seven stores, the Company plans to open approximately 30 stores in Aichi Prefecture during December. Furthermore, including the eleven stores already opened in Toyohashi and Toyokawa, Seven-Eleven Japan aims to expand its store network in Aichi Prefecture to 80 stores by the end of February 2003, concentrating approximately 40 stores around Toyohashi and Toyokawa and about 40 stores around Nagoya. Following this drive, the Company will continue to aggressively develop its store network in Aichi Prefecture.

Seven-Eleven Japan's full-fledged store network development in Aichi Prefecture centered on Nagoya and Okazaki comes at the request of customers and would-be franchise owners in this prefecture. By concentrating its store openings on a specific region, Seven-Eleven Japan also is aiming to heighten brand name recognition and provide greater convenience to its customers.

The Company is proceeding with the establishment of the necessary production and distribution infrastructure in Aichi Prefecture to supply stores with its original items, principally fast foods, such as lunch boxes and side dishes. Preparations have been completed, and the operations of specialized factories and distribution centers will be getting under way at the same time as the store openings in Nagoya and Okazaki. This organization will enable thorough management of the freshness and temperature of fast foods to maintain taste and quality, allowing Seven-Eleven Japan to efficiently supply each store with fresh items. In addition, the Company plans to meet the specific needs of Aichi Prefecture customers by pursuing product development that takes into account regional preferences.

By further shortening construction time and reducing costs, Seven-Eleven Japan is working to increase construction efficiency and thereby speed up store openings. Specifically, the Company is developing a new construction method with the assistance of the Housing Division of Toyota Motor Corporation, and is working to improve the existing construction method.

Moreover, in response to strong customer demand, IYBank's ATMs are being installed and made available as soon as stores open. This is the first time 7-Eleven stores have offered ATM services immediately upon opening in a new area. With the start of ATM services, IYBank card holders will be able to use the ATMs and withdraw or deposit cash, in principle, 24 hours a day, 365 days a year. In addition, the cards of a wide range of city and regional banks and securities, life insurance, credit card, consumer credit, and consumer loan companies can also be used in the ATMs. The Company will continue to increase the convenience of customers as IYBank expands the number of cards that can be used in the ATMs.

Since its founding, Seven-Eleven Japan has striven to realize the business principles of "modernizing and revitalizing small and medium-sized retail stores," and "co-existence and co-

prosperity with franchisees." Based on this commitment, the Company has aggressively developed its store network in a dense grouping around its manufacturing and distribution infrastructure. At the end of November 2002, Seven-Eleven Japan had 9,386 stores in 32 of Japan's prefectures. Based on team merchandising, the Company is developing original items to supply customers with high-quality food items that target excellent taste and freshness. Seven-Eleven Japan is also actively responding to the growing concern with health among customers. Since October 2001, the Company ceased using food preservatives and artificial colorings in its cooked rice items, side dishes, sandwiches, and cooked noodle items. In its store network development, Seven-Eleven Japan is striving to build strong ties with each region, stressing "co-existence and co-prosperity with franchisees" by working with those retailers that wish to convert to 7-Eleven stores. The Company remains committed to its efforts to develop new products and services to meet the ever-changing needs of customers.