

## **Seven-Eleven Opens First Store in Beijing**

### **--Full-fledged store openings get underway in Beijing, China--**

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On Thursday, April 15, 2004, Seven-Eleven (Beijing) Co., Ltd., a subsidiary of Seven-Eleven Japan Co., Ltd., will open its first convenience store in the People's Republic of China. The opening of the Dongzhimen store in Beijing will mark the first time that a Chinese-foreign joint venture has launched a convenience store chain in China. Seven-Eleven (Beijing) plans to open five convenience stores in Beijing by the end of May 2004. Mainly targeting Beijing, Seven-Eleven (Beijing) will steadily expand the scope of its store-openings based on an area-dominance strategy of concentrating stores in specific areas.

Seven-Eleven Japan has been working with its joint venture partners Beijing ShouLian (Capital Allied) Commercial Group Co., Ltd. and China National Sugar & Alcohol Group Corporation in preparation for store openings in China since January 2002. The Government of the People's Republic of China and the Beijing Municipal authority regard the introduction of advanced convenience store operating systems as making an important contribution to their policies of creating employment and modernizing China's logistics systems. Accordingly, the Government strongly requested that Seven-Eleven Japan introduce its leading-edge systems to China. On December 22, 2003, the Ministry of Commerce of the People's Republic of China officially ratified the project--the first time that the launch of a Japanese foreign-affiliated convenience chain had been granted approval by China's central government. The joint venture company, Seven-Eleven (Beijing), was officially established on January 2, 2004. At the same time, the new company concluded an area license agreement with the U.S. licensor 7-Eleven, Inc., with a view to opening stores in Beijing in spring 2004.

Through these initial store openings in the Beijing area, we aim to fully cater to customer needs. Our goal is to heighten customers' awareness of Seven-Eleven and offer enhanced convenience by concentrating store openings in specific areas. We intend to work with our joint venture partners to develop stores that reflect the characteristics of China's market while helping to solve some of the country's economic and social issues. We hope to contribute in such areas as, the modernization and upgrading of China's current logistics systems, technological innovation, and employment creation. Seven-Eleven (Beijing) will take full advantage of the know-how that Seven-Eleven Japan has built up over 30 years by applying it to China's existing infrastructure. These efforts will include leveraging our expertise in original product development--primarily such fast food items as lunch boxes, rice balls, and side dishes. Moreover, we will introduce our know-how in basic computer systems and the integration of production, delivery, and sales systems to cater to customer needs. Further, through aggressive outsourcing, Seven-Eleven (Beijing) will develop operations that meet demand in China's market. At the same time, we will ensure the standardization and rationalization of operations by uniformly incorporating the Ito-Yokado Group's fundamental philosophy with respect to such concepts as item-by-item management, area-dominance store opening, and team merchandising.

Since its founding in 1973, 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" in Japan. In August 2003, Seven-Eleven Japan became the world's first modern retail chain to top 10,000 stores. Seven-Eleven Japan had 10,303 stores in 32 of Japan's prefectures as of February 29, 2004. Around the world, there are 26,153 7-Eleven stores in 18 countries and regions in total, with each store developed to closely reflect the characteristics of local markets. In line with 7-Eleven store networks worldwide, Seven-Eleven (Beijing) will tirelessly focus on developing and offering new products and services that cater to customers' constantly changing needs.

## Store Details

<b>1.Opening</b>	April 15, 2004 (Thursday) (7 a.m.)
<b>2.Store Name and Location</b>	Seven-Eleven Dongzhimen Store No.5 Dongzhimennei Avenue, Dongcheng District, Beijing
<b>3.Store Size</b>	Floor area, 187 square meters
<b>4.Number of Products</b>	Approximately 2,000 items
<b>5.Business Hours</b>	24 hours a day, 7 days a week

## Company Overview

1.	<b>Name:</b>	Seven-Eleven (Beijing) Co., Ltd.		
2.	<b>Head Office Address:</b>	No.5 Dongzhimennei Avenue, Dongcheng District, Beijing		
3.	1) Board of Directors:			
	<b>Chairman</b>	Noritomo Banzai (Senior Managing Director General Affairs and Legal, Joint Venture Project in China, Seven-Eleven Japan Co., Ltd.)		
	2) Officer:			
	<b>President</b>	Akira Ushijima		
4.	<b>Total Investment:</b>	US\$70 million		
5.	<b>Registered Capital:</b>	US\$35 million		
	Capital Participation			
	65%	<b>Seven-Eleven Japan</b>		
	25%	<b>Beijing ShouLian Commercial Group</b>		
	10%	<b>China National Sugar &amp; Alcohol Group</b>		
6.	<b>License:</b>	<b>Licensor</b>	<b>7-Eleven, Inc.</b>	
		<b>Area</b>	<b>Beijing, Tianjin, and in and around Hebei Province</b>	
7.	<b>Date of Establishment:</b>	January 2, 2004		