



# Presentation for the Third Quarter of FY2022

[Year Ending February 28, 2023]



January 12, 2023

Yoshimichi Maruyama

Director & Managing Executive Officer

General Manager of the Corporate Finance & Accounting Division

Seven & i Holdings Co., Ltd.

**Fiscal years are indicated by the year in which that fiscal year begins, starting from the first quarter of the fiscal year ending February 28, 2023.**

	<b>FY indicated by</b>	<b>Domestic Mar. 1, 2022~Feb. 28, 2023</b>	<b>Overseas Jan. 1, 2022~Dec. 31, 2022</b>
<b>【Before】</b>	<b>the end of the FY</b>	<b>FY2023</b>	<b>FY2022</b>
<b>【After】</b>	<b>the beginning of the FY</b>	<b>FY2022</b>	<b>FY2022</b>

- ✓ Both revenues and income in Q3 YTD consolidated financial results achieved record highs
- ✓ SEJ income expanded on further growth from existing store sales in Q3
- ✓ SEI income expanded due to strong merchandise and fuel revenues as well as stricter management of expenses and expenditures
- ✓ Speedway has made solid progress in PMI
- ✓ We made an upward revision of full-year forecasts

— TODAY'S

# AGENDA

1

Q3 YTD Results

2

Revision of Full-Year  
Forecasts

— TODAY'S

# AGENDA

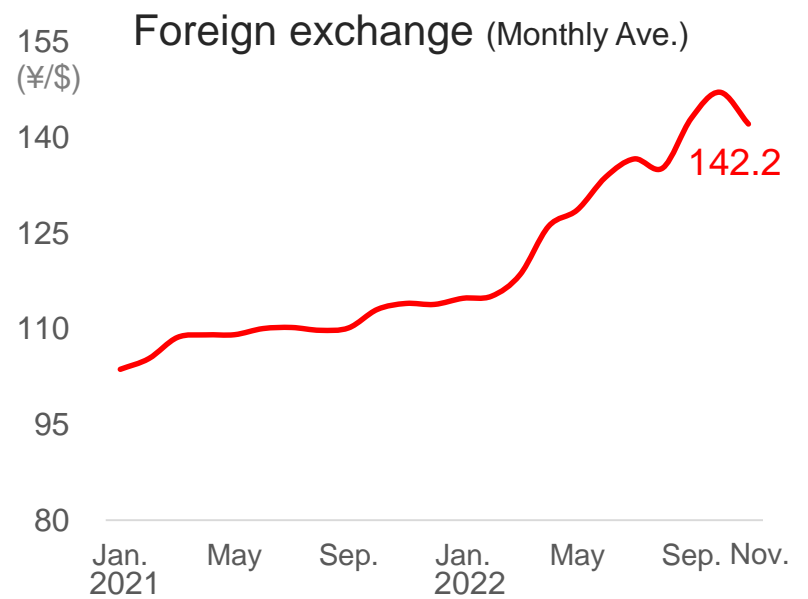
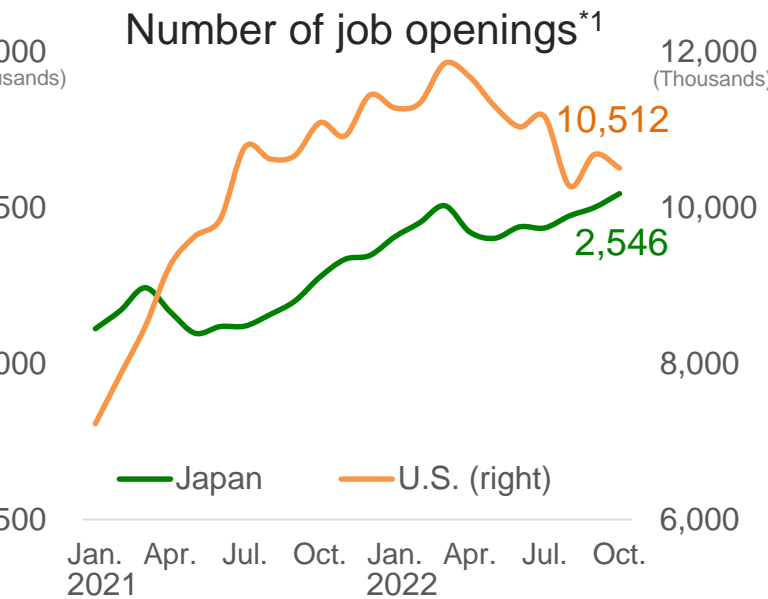
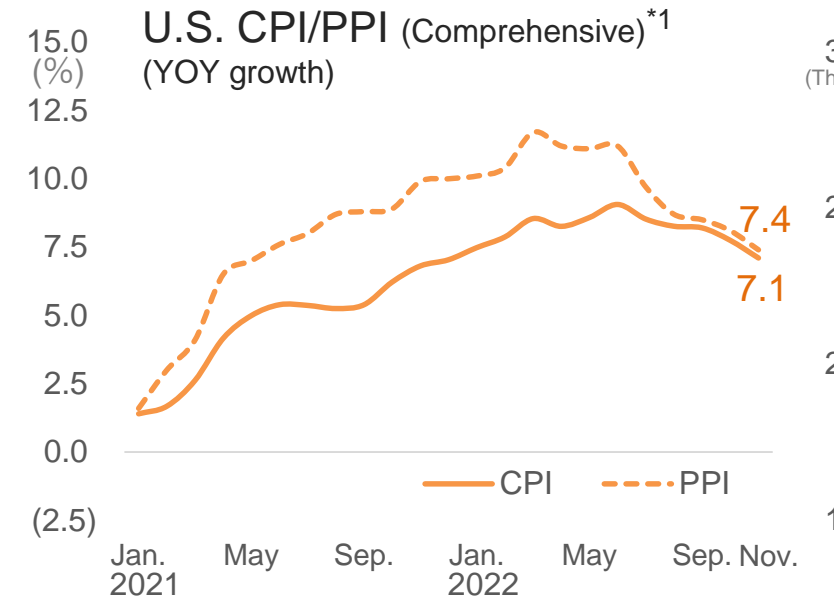
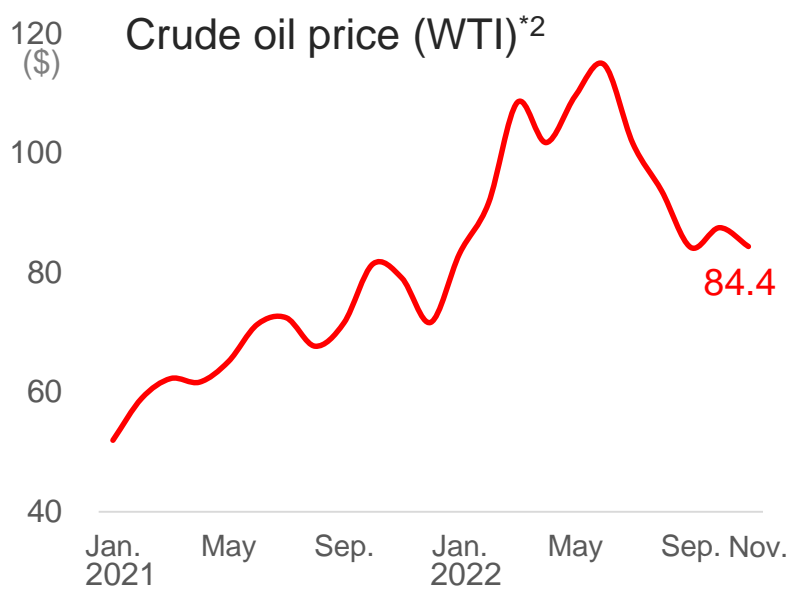
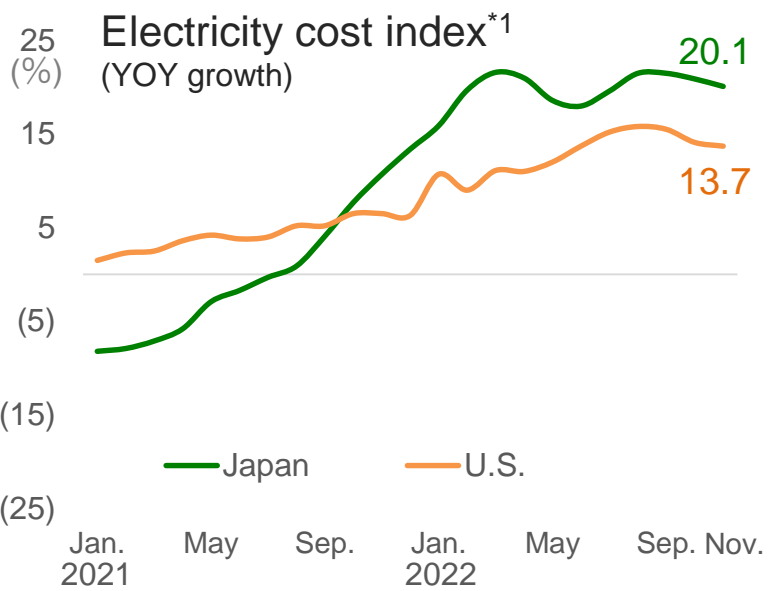
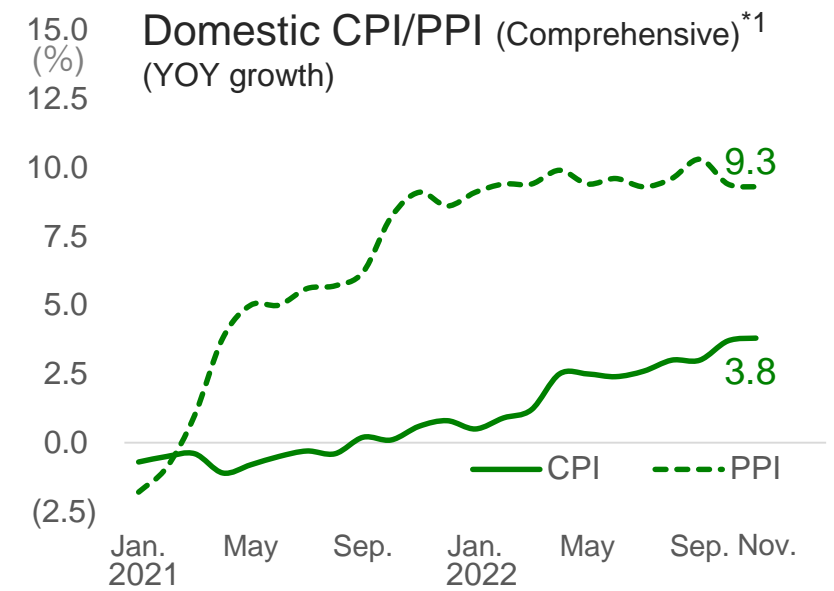
1

Q3 YTD Results

2

Revision of Full-Year  
Forecasts

# External Environment



Source:\*1 e-Stat, Bank of Japan, BLS, \*2 EIA

# Q3 YTD Consolidated Results Highlight

(Billions of yen, %)

	Q3 YTD FY2021	Q3 YTD FY2022	YOY	Change	vs. Plan	Change
Group's total sales <sup>*1</sup>	10,278.2	13,332.2	129.7	+3,053.9	100.5	+62.9
Revenues from operations	6,149.4	8,823.7	143.5	+2,674.3	100.8	+73.6
Gross revenues from operations [reference]	-	9,319.4	151.5	+3,169.9	100.5	+44.0
Operating income	302.9	394.8	130.4	+91.9	106.0	+22.2
Ordinary income	282.1	370.2	131.2	+88.1	106.7	+23.3
Net income attributable to owners of parent	174.8	234.7	134.2	+59.8	109.5	+20.4
EPS (yen)	198.04	265.75	134.2	+67.72	109.5	+23.11
EPS before amortization of goodwill (yen)	251.12	359.21	143.0	+108.09	106.9	+23.05
EBITDA <sup>*2</sup>	558.5	755.4	135.3	+196.9	103.4	+24.6

\*1 Group's total sales include the sales of Seven-Eleven Japan, Seven-Eleven Okinawa and 7-Eleven, Inc. franchisees

\*2 Operating income + Depreciation and amortization + Amortization of goodwill

Notes) 1. Exchange rate: 1USD = 128.30JPY, 1CNY = 19.38JPY

2. Consolidated results for Q3 YTD FY2022 are based on figures after applying the "Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29, March 31, 2020), etc.  
Revenues from operations based on the previous accounting standard are presented as "Gross revenues from operations [reference]."

# Q3 YTD Revenues from Operations and Operating Income by Operating Segment

(Billions of yen, %)

	Revenues from operations			Operating income		
		YOY	YOY change		YOY	YOY change
Consolidated	8,823.7	143.5	+2,674.3	394.8	130.4	+91.9
Domestic CVS operations	671.6	101.5	+9.6	185.3	104.6	+8.0
Overseas CVS operations	6,628.2	188.3	+3,107.5	227.5	182.3	+102.7
Superstore operations	1,064.8	79.6	(272.1)	1.2	12.8	(8.8)
Department store and specialty store operations	337.3	66.1	(172.9)	(0.79)	-	+9.4
Financial services	145.7	99.8	(0.23)	29.9	98.9	(0.33)
Others	18.8	132.8	+4.6	(0.17)	-	(0.16)
Eliminations/corporate	(42.9)	-	(2.2)	(48.2)	-	(18.9)

Note) Exchange rate : 1USD = 128.30JPY, 1CNY = 19.38JPY



# Q3 YTD Impact of Energy Cost Increase

Rising energy cost continues to affect profit in Q3

(Billions of yen)

	Operating income		Utility expenses <sup>*1</sup>	
		YOY change		YOY change
Seven-Eleven Japan	185.6	+8.5	47.3	+12.9
Ito-Yokado	(5.6)	(3.1)	13.6	+4.7
York-Benimaru <sup>*2</sup>	11.9	(2.0)	7.1	+2.4
Sogo & Seibu	(1.3)	+5.0	4.6	+1.2
Total	190.7	+8.4	72.7	+21.4
Consolidated [reference]	394.8	+91.9	136.6	+47.5

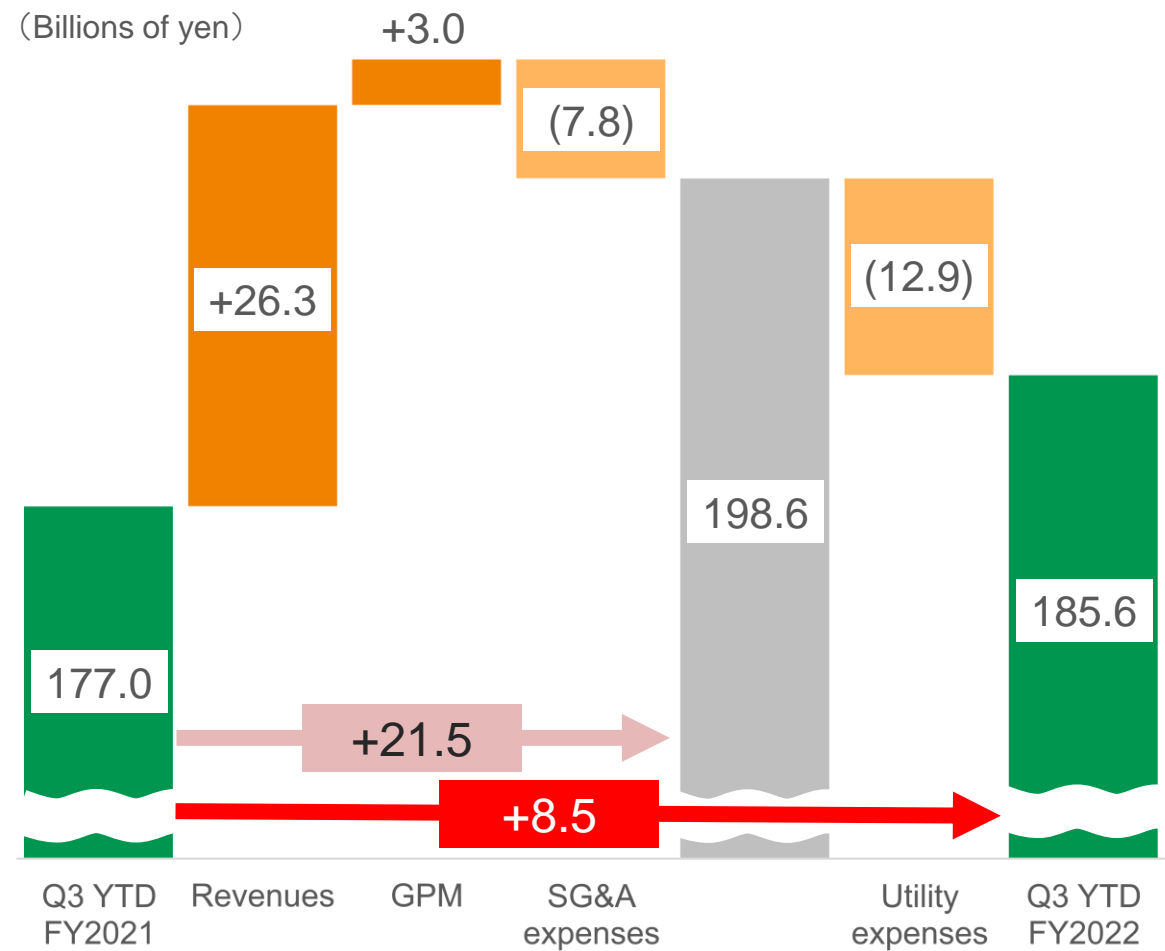
\*1. Impact of “Accounting Standard for Revenue Recognition” is excluded for the figures of Ito-Yokado and Sogo & Seibu

\*2. Include the business of formerly Life Foods

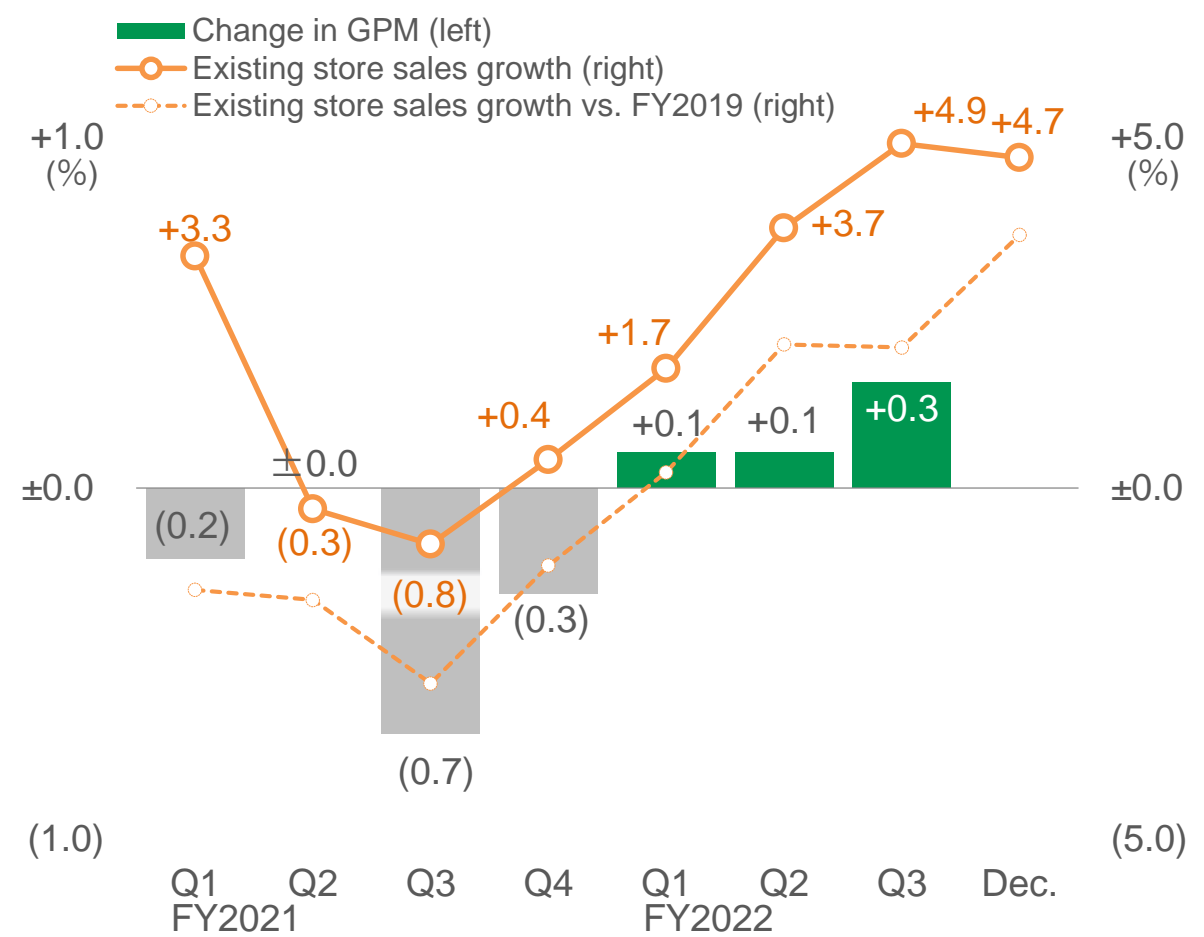
# Seven-Eleven Japan (1)

Energy cost increase has been absorbed by the expansion of merchandise assortments and the effect of various fair events resulted in acceleration in profit growth

Change in operating income

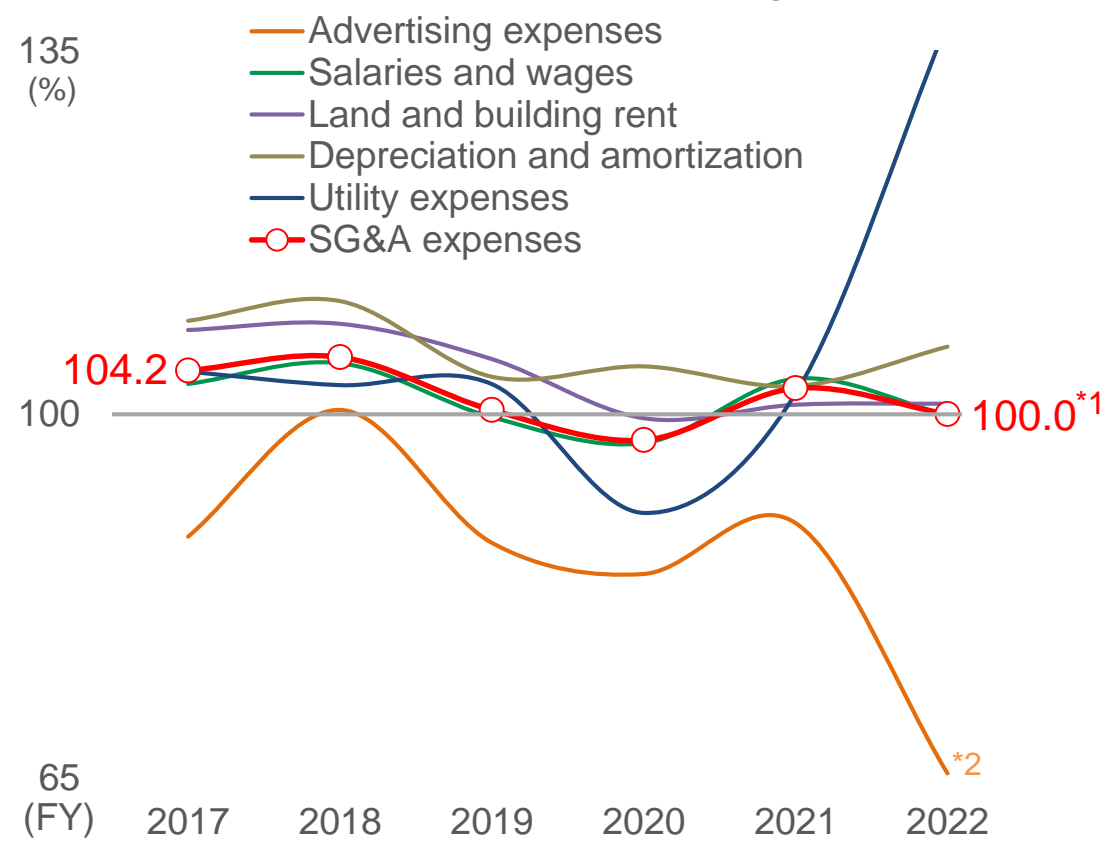


Existing store sales and GPM



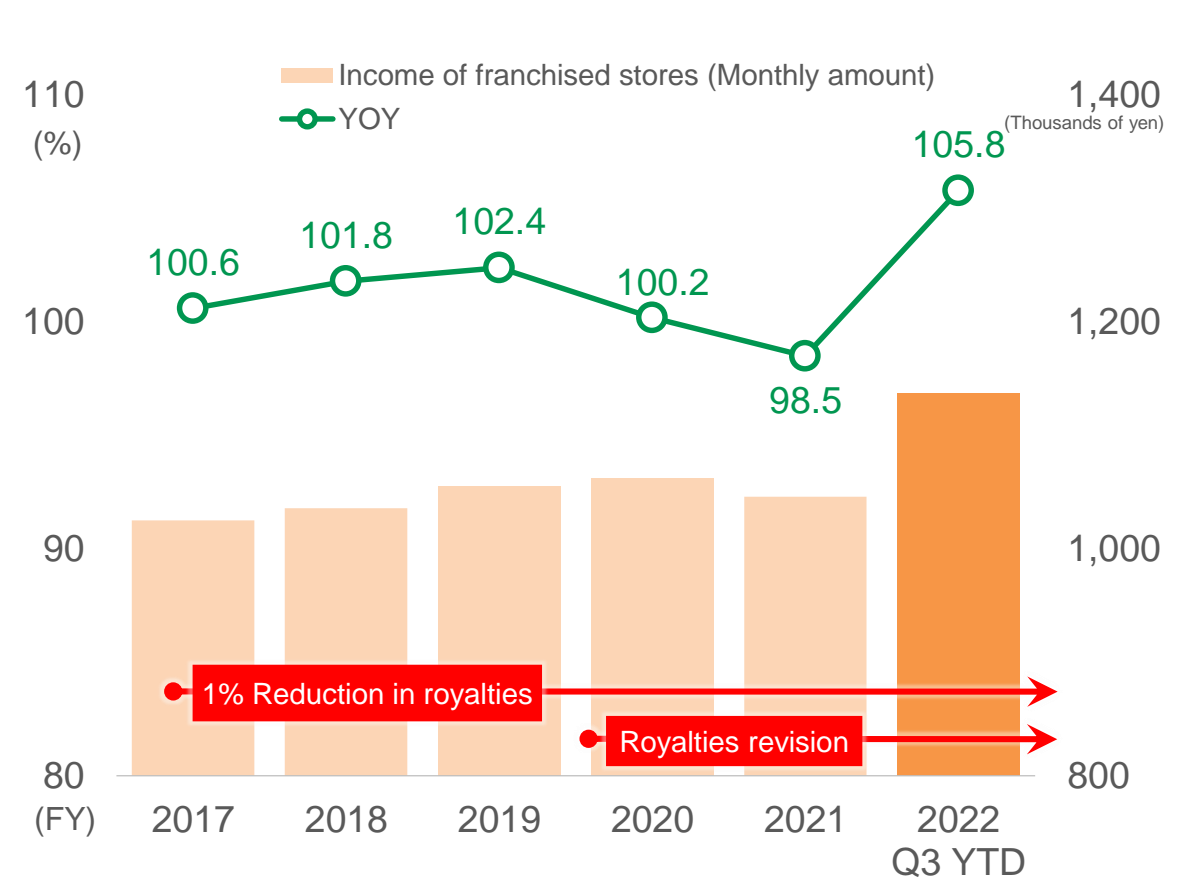
Income of franchised stores grows steadily despite the impact of the external environment

### Q3 YTD YOY SG&A expenses



Figures before applying the "Accounting Standard for Revenue Recognition"	SG&A expenses (*1)	104.9%
	Advertising expenses (*2)	99.2%

### Income YOY franchised stores



# Seven-Eleven Japan (3)

Continue holding fairs to stimulate motivation of store visit

Balance of value and price

Merchandise assortment responding to diverse needs

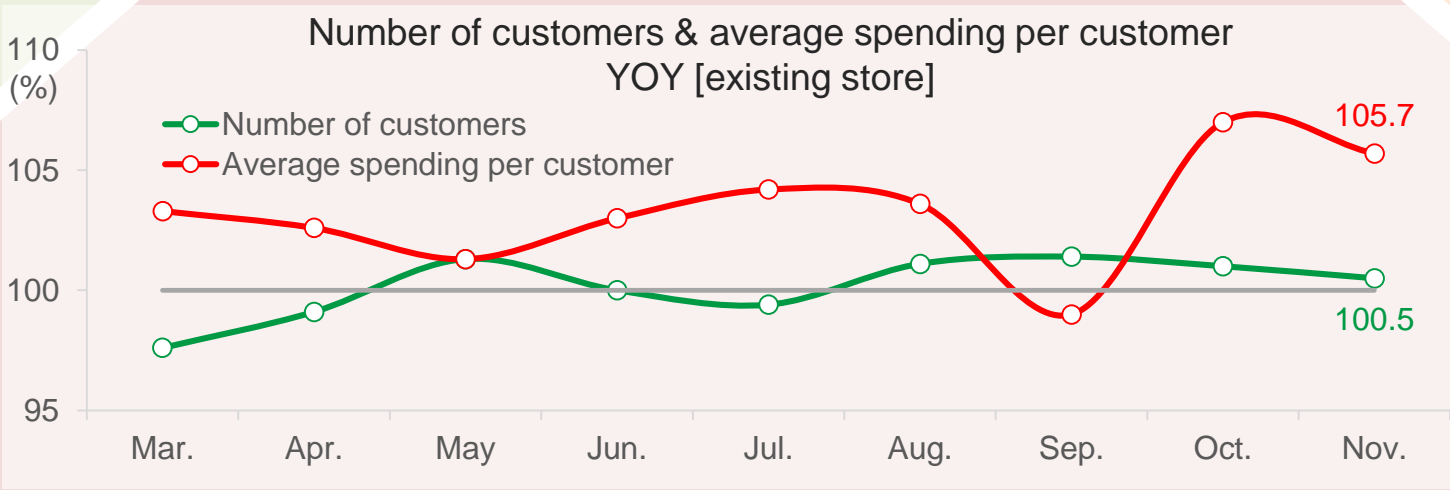
Effects on average daily sales per store



number of items/store  
(difference between implemented and not implemented stores\*)

Approx. +90 items

\* Excluding special stores  
Including room temperature merchandise

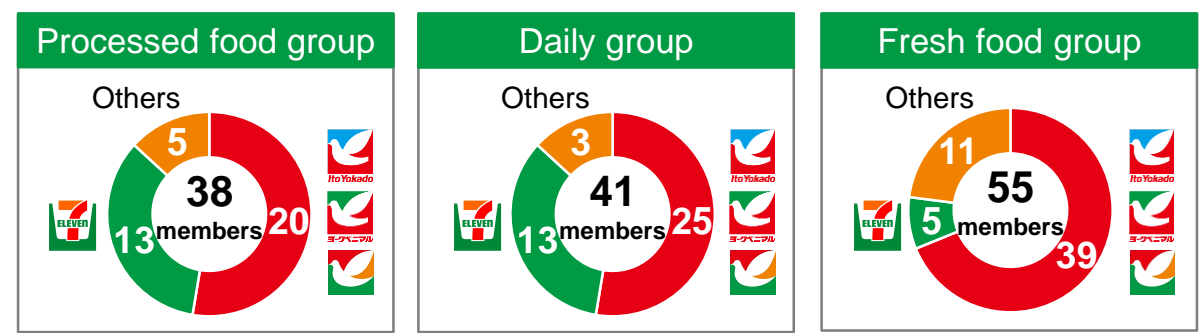
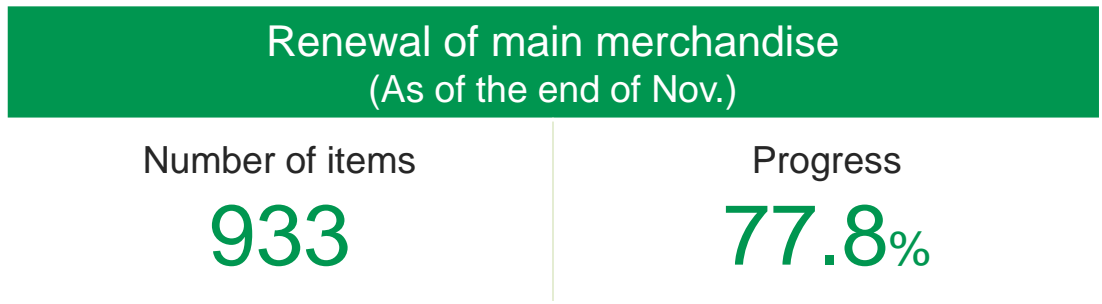
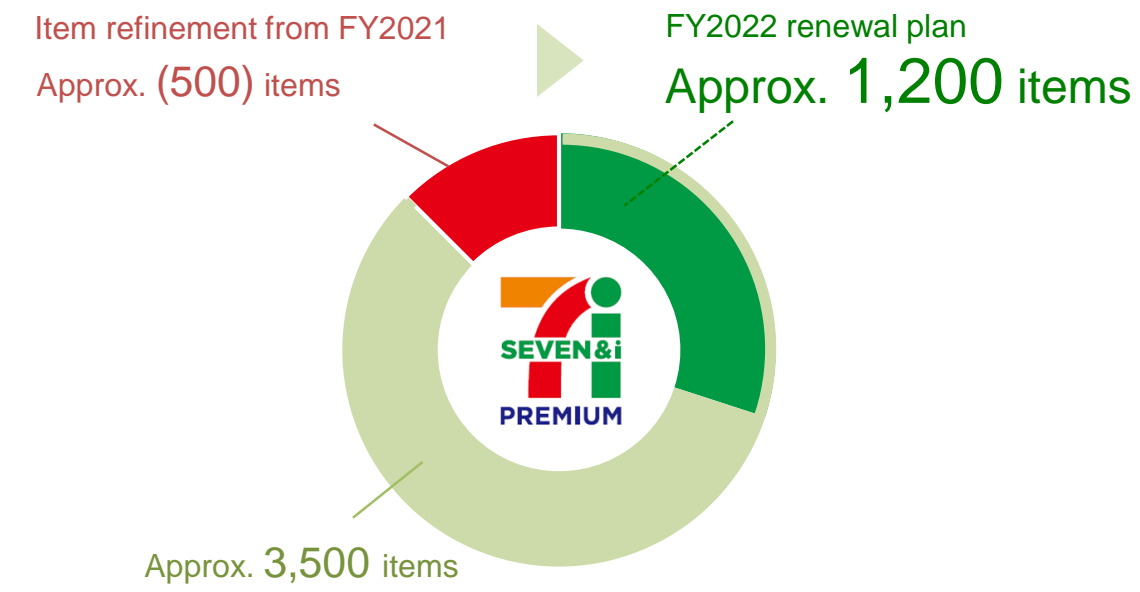


# Seven-Eleven Japan (4)

*Seven Premium*: Further improvement of value and price advantage by narrowing down items and renewal

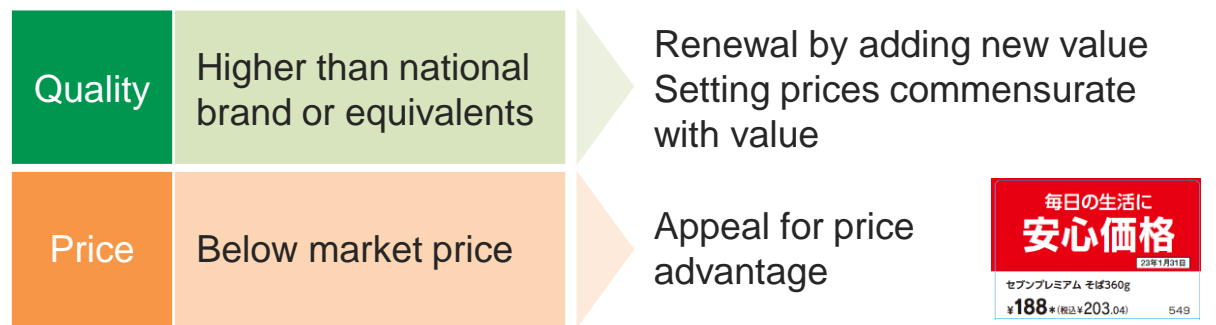
Review the merchandise assortments and initiatives for improvement

*Seven Premium* (food) development organization\*



\* As of Mar. 2022

Practical use for features of *Seven Premium*



# Seven-Eleven Japan (5)

Sales enhanced due to rising support for *Seven Premium*

Changes in single merchandise sales top 10\*  
(instant noodles sales volume in descending order)

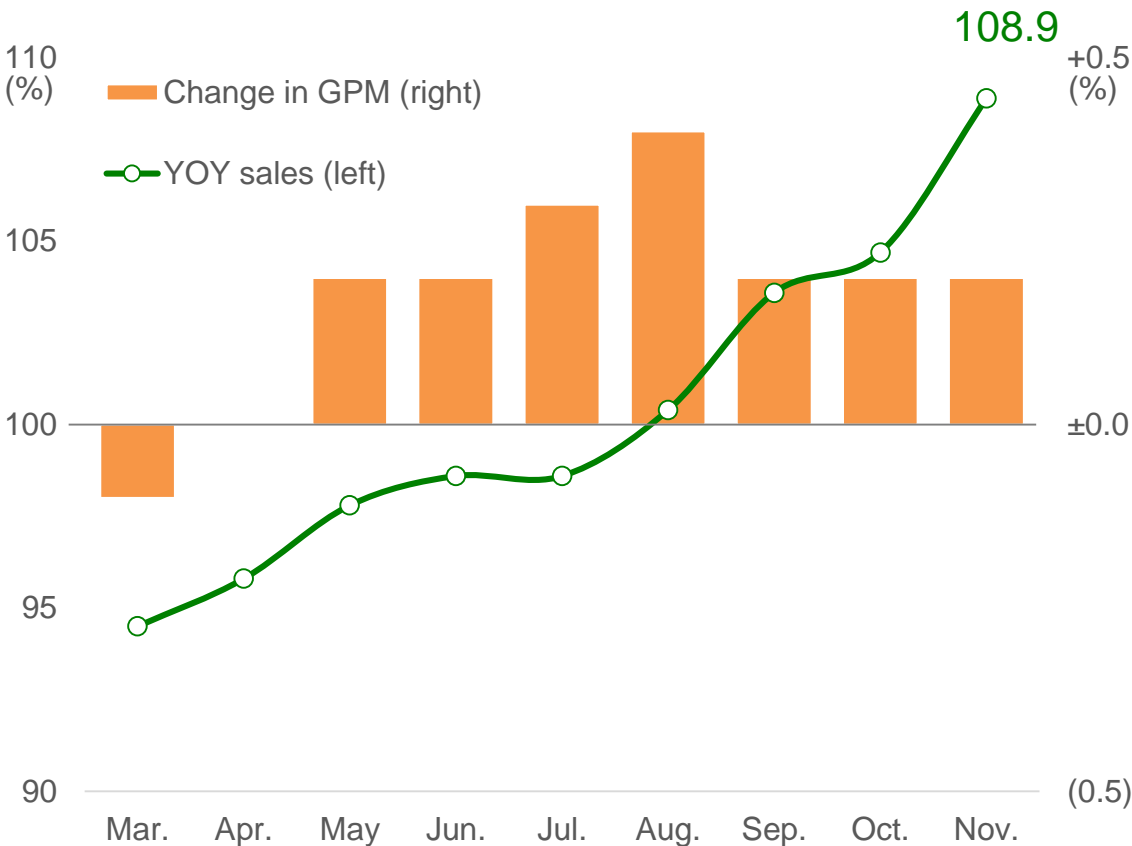
Per store sales volume per day for Nov. 22-28, 2021

	Merchandise name	Sales price
1	<i>Seven Premium</i> Moukotanmen-Nakamoto Spicy Miso	200
2	Ramen YouTuber SUSURU Wants to Eat: Menya Rokutousei Thick Pork Bone Soy Sauce	228
3	<i>Seven Premium</i> Soba with Tempura (cup)	128
4	<i>Seven Premium</i> Moukotanmen-Nakamoto Hard-hitting Cheese	208
5	Maruchan Mini-wonton Soy Sauce Noodles	109

Per store sales volume per day for Nov. 21-27, 2022

	Merchandise name	Sales price
1	<i>Seven Premium</i> Moukotanmen-Nakamoto Spicy Miso	200
2	<i>Seven Premium</i> Moukotanmen-Nakamoto Tomato and Cheese	208
3	<i>Seven Premium</i> Soba with Tempura	118
4	<i>Seven Premium</i> Curry Noodles	118
5	<i>Seven Premium</i> Soy Sauce Noodles	118
6	<i>Seven premium</i> Seafood Noodles	118
7	<i>Seven Premium</i> Soba with Tempura (bowl)	118
8	<i>Seven Premium</i> Udon with Meat	128
9	NISSIN BIG CUP NOODLE SEAFOOD NOODLE	245
10	Kinseisohonke Mufu Scorched Miso Ramen	198

Seven Premium SEJ sales and GPM

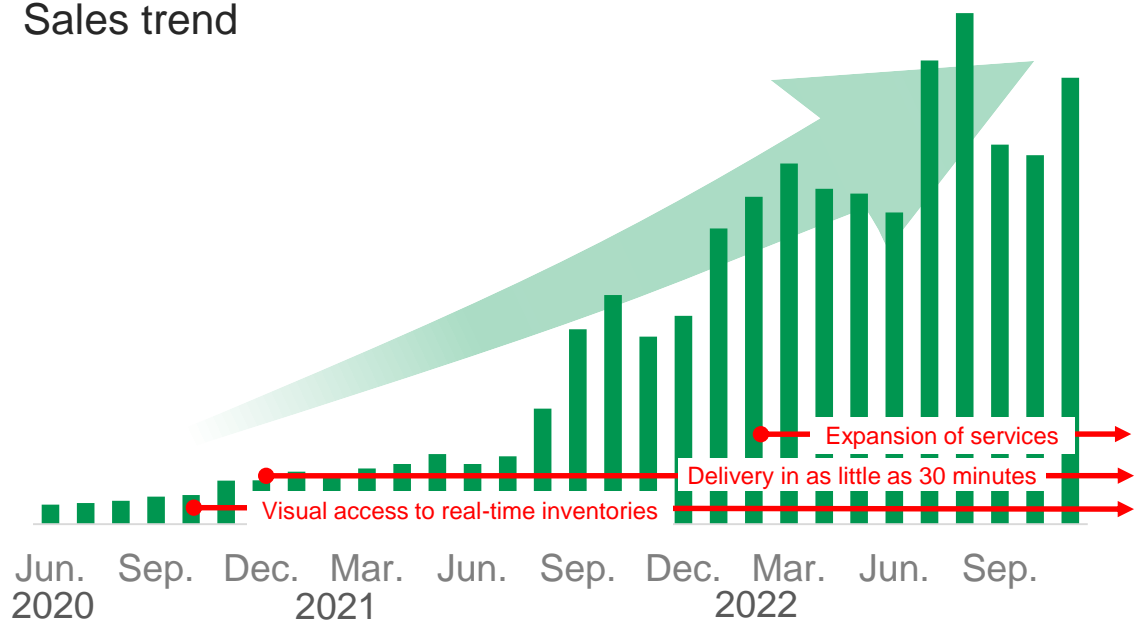


Accelerate growth by enhancing assortment of merchandise that meet the changing needs

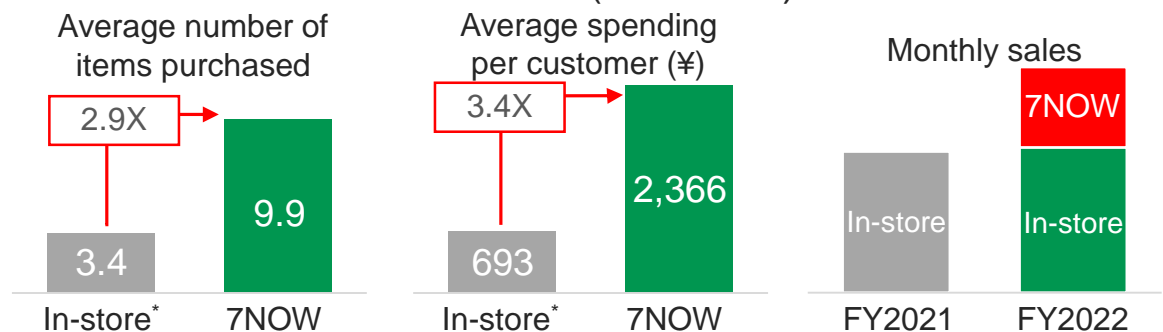
# Seven Eleven Japan (6)

## 7NOW sales grow steadily

Sales trend



## Features of 7NOW results (Nov. YTD)



\* 7iD membership results

## Progress on schedule for 7NOW nationwide expansion

Improvement of store operations	<ul style="list-style-type: none"> <li>Order terminal operability</li> <li>Store employee training</li> </ul>
Improvement of logistics network	<ul style="list-style-type: none"> <li>Preparation for expansion into new areas</li> <li>Strengthening of system integration</li> </ul>

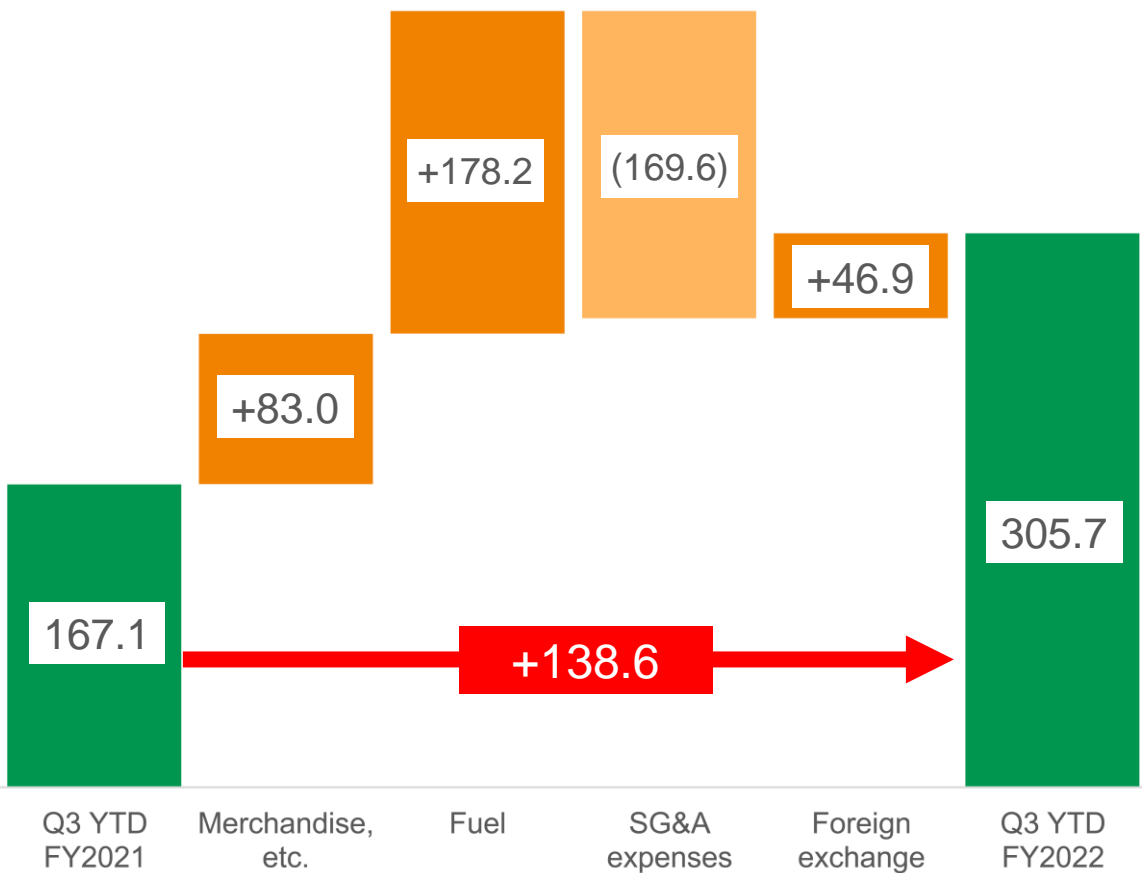
	Number of stores
End of Nov. 2022	1,401 stores
End of Feb. 2023	Approx. 5,000 stores
	⋮
FY2024	Roll out nationwide

# 7-Eleven, Inc. (1)

SEI has made a significant increase in operating income due to Speedway integration effect, strong fuel GP growth and stricter management of expenses and expenditures

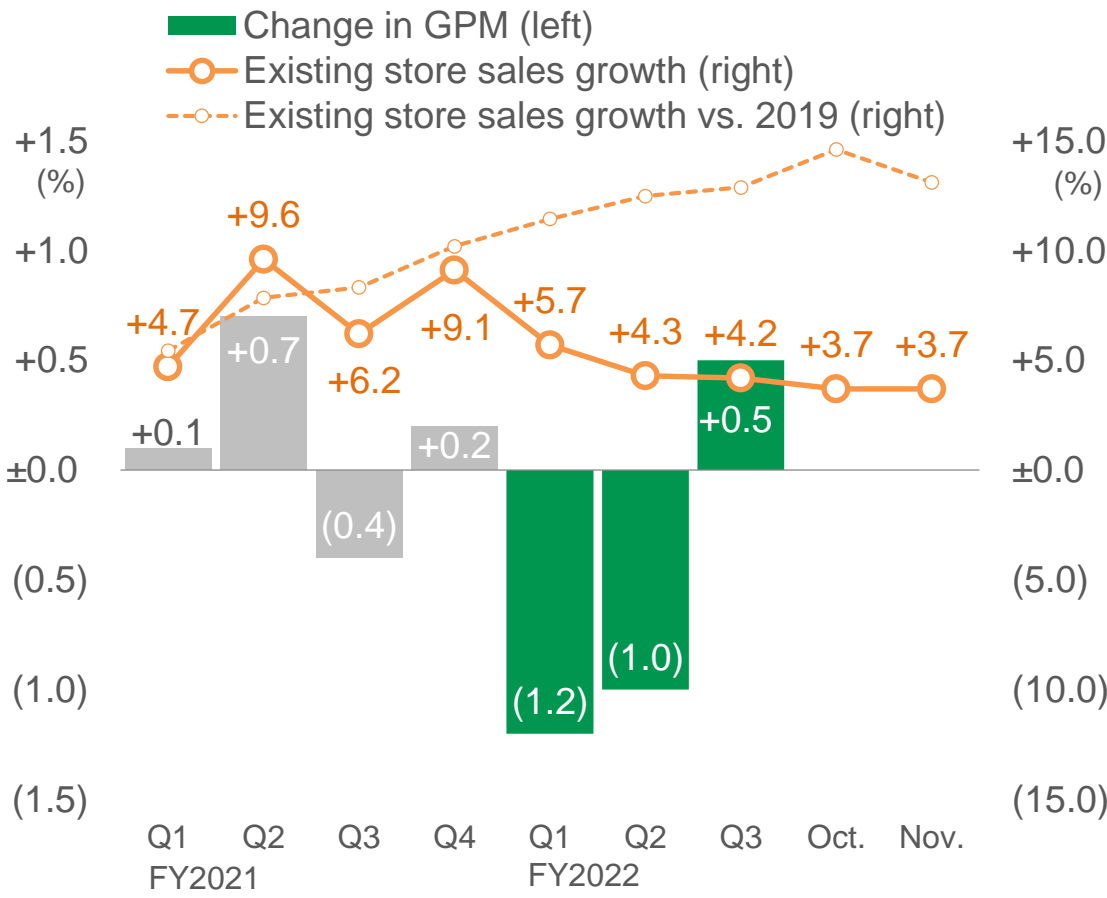
## Change in operating income

(Billions of yen)



Note) Figures of existing store sales do not include Speedway through Q2 FY2022 but include it in Q3, Oct. and Nov. 2022

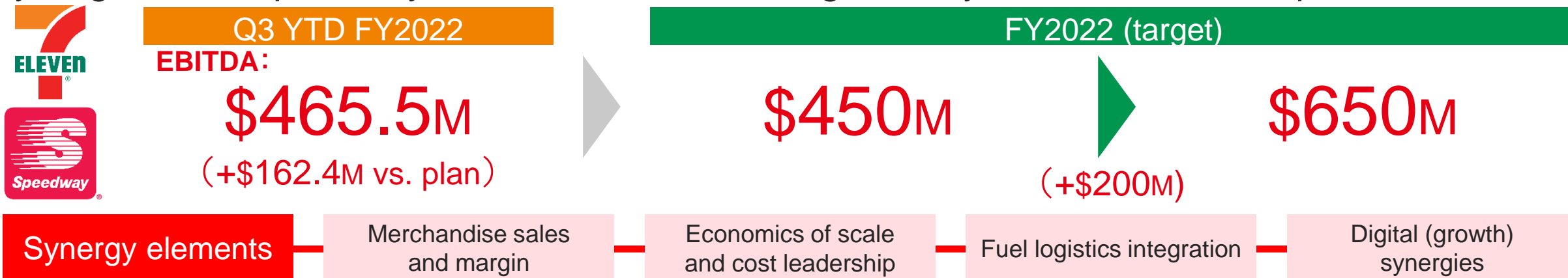
## Existing store sales growth and GPM






# 7-Eleven, Inc. (2)

Synergies with Speedway have been materializing steadily, much faster than planned



Speedway keeps growing steadily after 1 year of its acquisition (Jul.-Sep. 2022 YOY growth)

Merchandise				SG&A	
Existing store sales	Change in GPM	Gross profit	<ul style="list-style-type: none"><li>· Develop differentiated merchandise</li><li>· Introduce merchandise to Speedway</li><li>· Strong supply chain</li></ul>	+3.5%	<ul style="list-style-type: none"><li>· Practical use in economics of scale</li><li>· Personnel optimization</li><li>· Promote CLC* initiatives</li></ul>
+4.2%	+0.5%	+5.0%			
Fuel				Operating income	In-store photo of Speedway
Fuel sales volume per store	Change in CPG	Gross profit	<ul style="list-style-type: none"><li>· Gross profit increased due to high CPG to cover the decrease in fuel sales volume</li></ul>	+27.0%	
(6.4)%	+9.1 ¢	+19.6%			

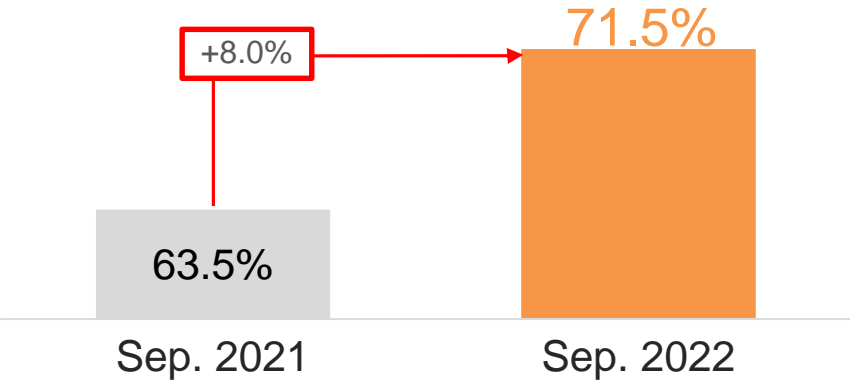
\* Cost Leadership Committee

# 7-Eleven, Inc. (3)

Realize resilient operations to environmental changes

Stable supply system of merchandise through the practical use of consolidated distribution center

Composition of supply stores by consolidated distribution center



Fresh food & proprietary beverage sales YOY



Preparations for the start of operations at the Virginia and Ohio commissaries in FY2023 and beyond are progressing on schedule

Improve profitability by expanding private brand with high GP

High-quality

- Enhancing core merchandise
- Expanding merchandise assortment

Appropriate pricing

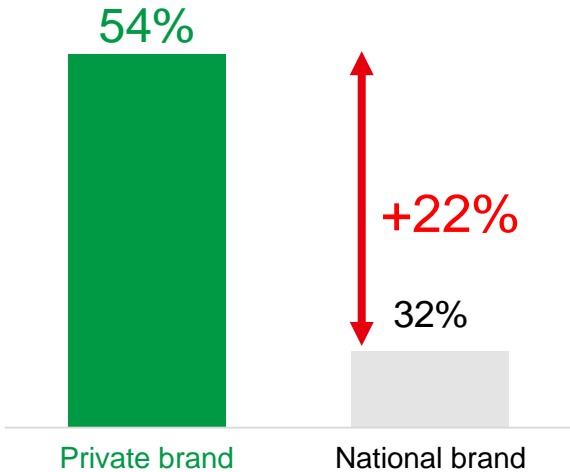
- Providing high-quality merchandise with the appropriate price

Merchandise innovation

- Differentiated merchandise development

Number of private brand items

GPM comparison



936 +150

End of Sep. 2022 FY2023 (plan)

# 7-Eleven, Inc. (4)

Profitability has been improved steadily by CLC initiatives

## Results for CLC initiatives

Promote short-term reductions and long-term efficiency improvements

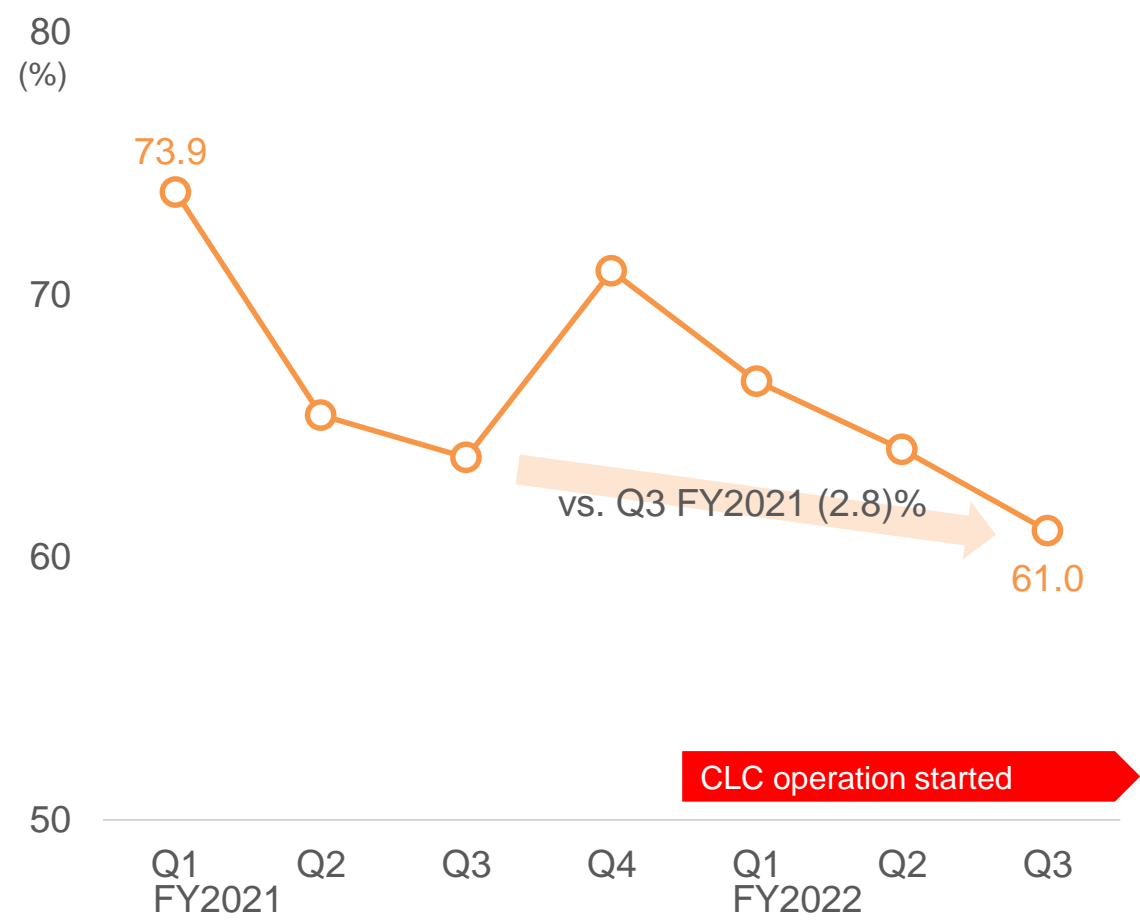
- |  |  |
|--|--|
| <ul style="list-style-type: none"> <li>✓ Communication Network</li> <li>✓ Financial Services</li> <li>✓ Building Equipment</li> <li>✓ Merchandise</li> </ul> | <ul style="list-style-type: none"> <li>✓ Procurement of store supplies</li> <li>✓ Personnel Optimization</li> <li>✓ Store Management</li> <li>✓ Digital Marketing</li> </ul> |
|--|--|

Savings and cost avoidance	
Q3 FY2022 YTD	FY2022 (forecast)

Approx.  
\$175M

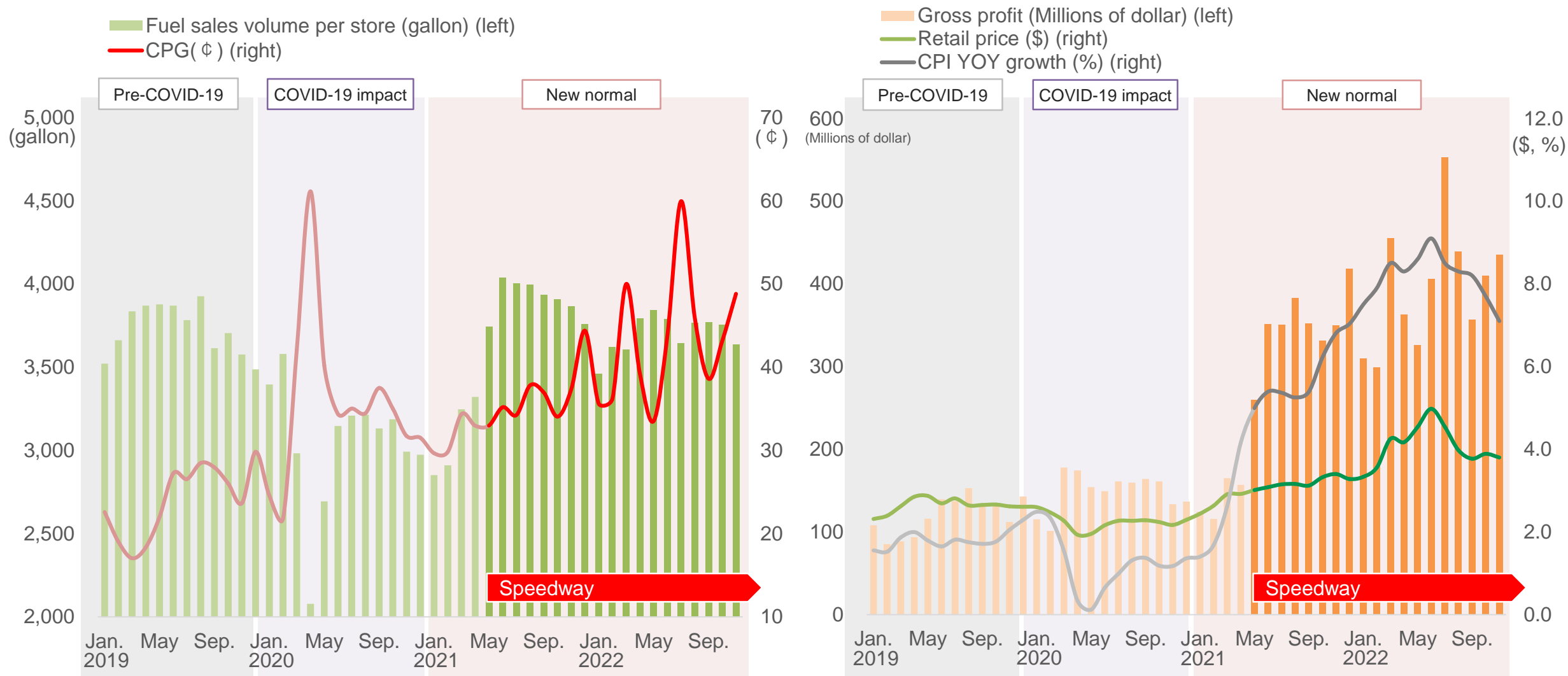
Approx.  
\$265M

## SG&A/total gross profit trend



# 7-Eleven, Inc. (5)

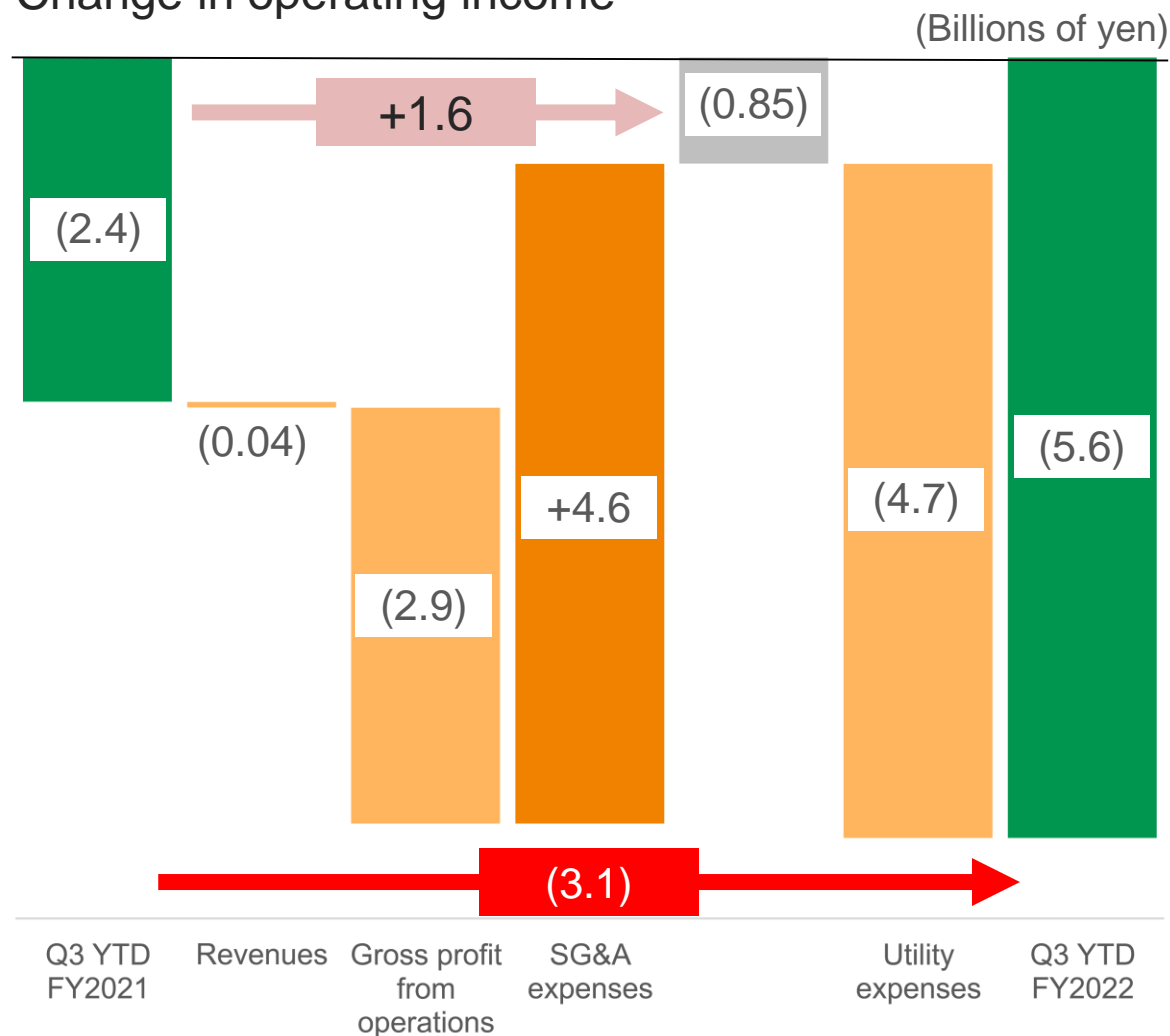
## Fuel business is shifting to new normal after COVID-19 impact



Note) Fuel related indices indicate the figures of retailing

Although structural reform effects were confirmed, operating income decreased due to rising raw material and energy prices

## Change in operating income

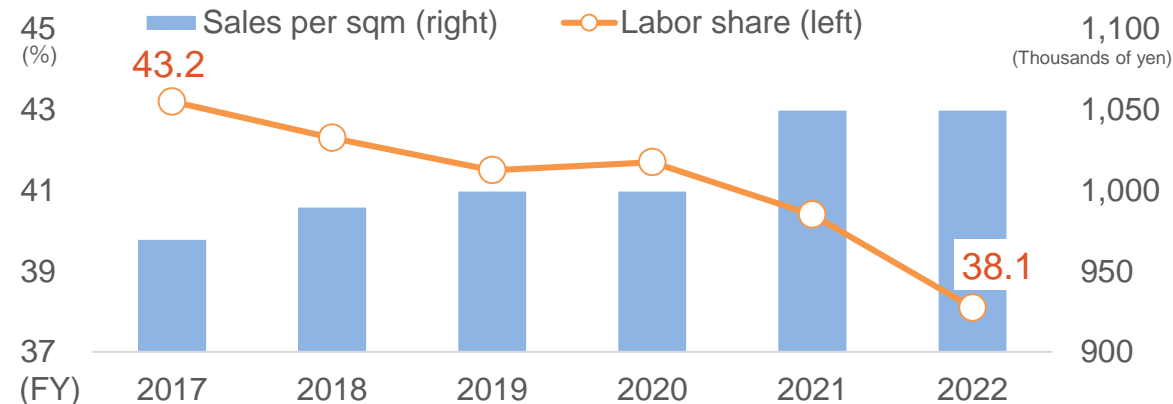


## Effects of store structural reform initiatives

(%)

	Structurally reformed stores (80 stores)	Other stores (45 stores)	Existing stores (incl. tenants)
YOY sales	102.2	98.2	101.1
YOY number of customers	103.5	98.3	102.4

## Results of productivity improvement initiatives (Q3 YTD)



Promote efficiency through DX-based initiatives and personnel optimization

# Promotion of Sustainable Management (1)

Sustainable management efforts are the basis for the “Medium-Term Management Plan 2021 – 2025”  
 Promote group-wide efforts to address climate change

**Environmental Declaration**  
 “GREEN CHALLENGE 2050”



— FY2050 target —

**① Reduce CO2 emissions**  
 Target **net zero emissions** through group’s operational management  
 Aim to reduce through whole supply chain including Scope 3

**③ Reduce food waste & food waste recycling**

<b>Food waste volume</b>	<b>75% reduction</b>
<b>Food waste recycling rate</b>	<b>100%</b>

**② Measures against plastic**  
 Includes reduction of overall plastic materials related to sales  
**Containers used for original merchandise**  
**100%** made with Eco-friendly materials  
**No usage** of plastic bags

**④ Sustainable sourcing**  
**Raw materials for original merchandise**  
**100%** sustainability-sourced materials



— Disclosed in June 2020 —  
 \* Revised in March 2022



— Committed since March 2021 —



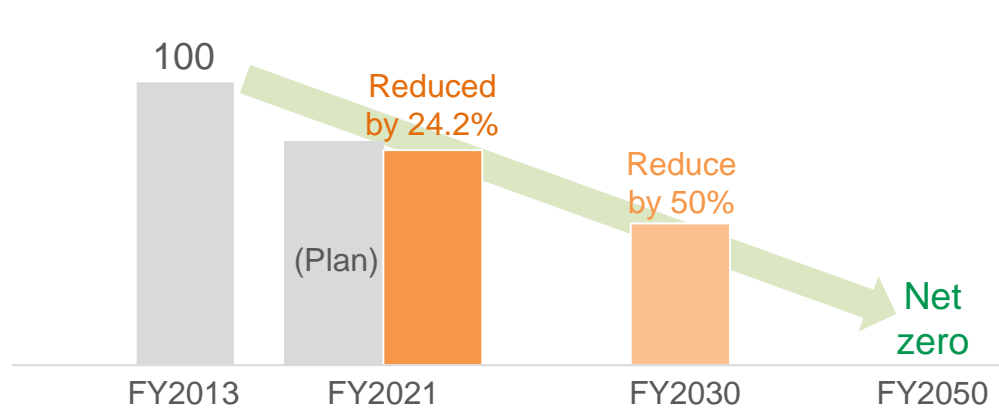
— Preparation in progress in 2023 —

**Achieving sustainable society with global perspectives**

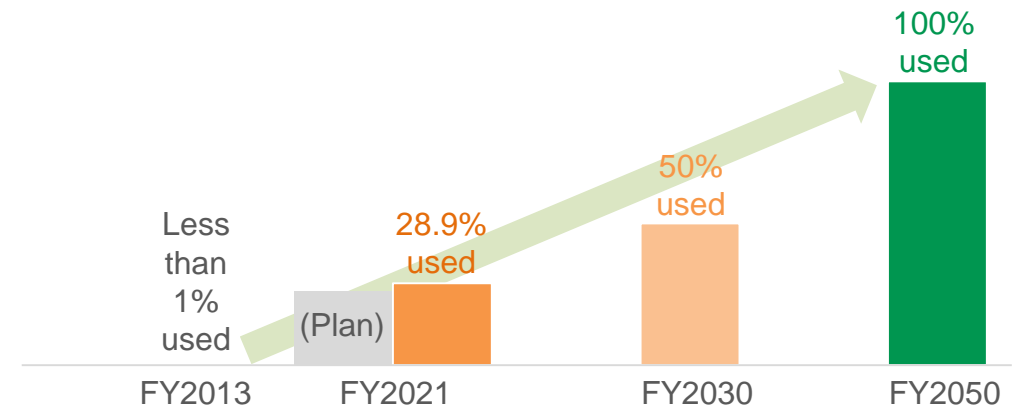
# Promotion of Sustainable Management (2)

Further strengthen efforts to meet the targets of the Environmental Declaration by 2050

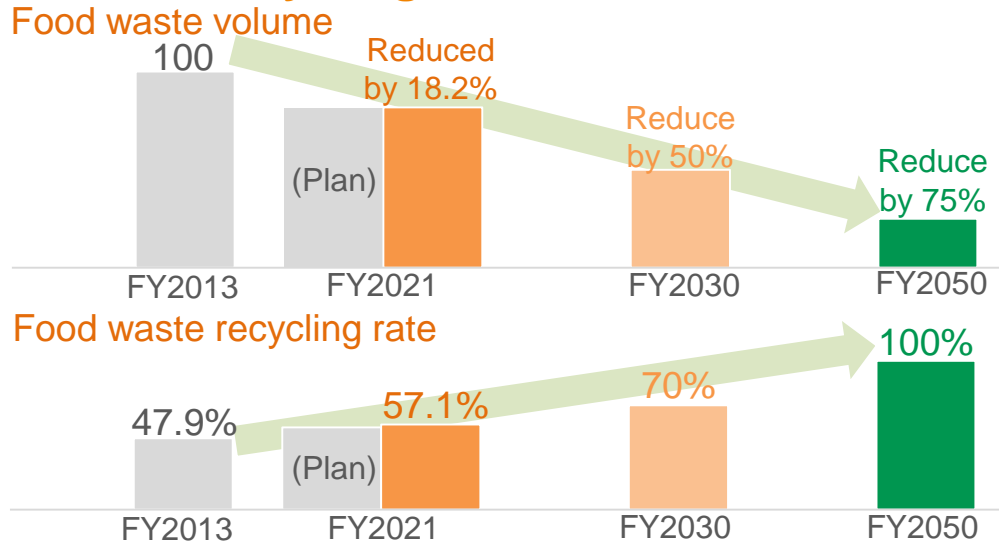
## ① Reduce CO2 emissions



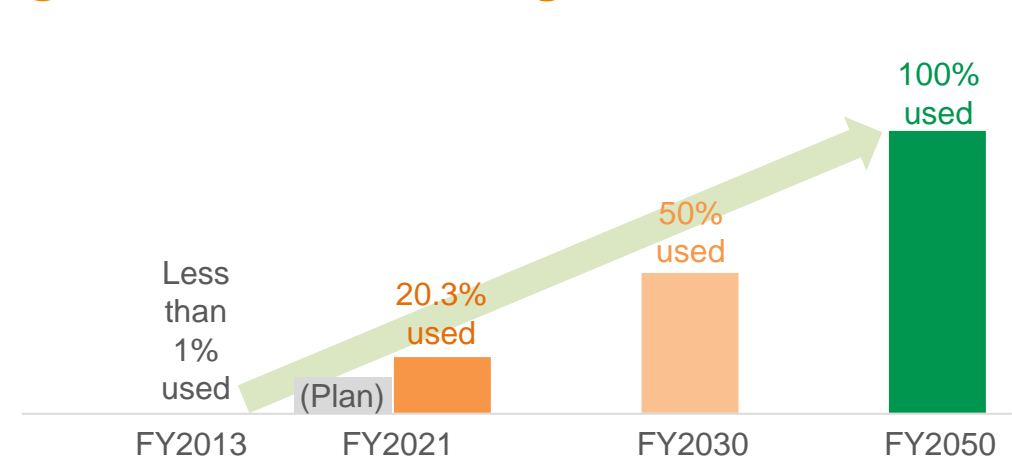
## ② Measures against plastic



## ③ Reduce food waste & food waste recycling



## ④ Sustainable sourcing



— TODAY'S

# AGENDA

1

Q3 YTD Results

2

Revision of Full-Year  
Forecasts



# FY2022 Revised Consolidated Forecasts

(Billions of yen, %)

	Before revision	After revision			Amount of revision
			YOY	YOY change	
Group's total sales	17,685.0	17,829.0	125.2	+3,585.7	+144.0
Revenues from operations	11,646.0	11,812.0	135.0	+3,062.2	+166.0
Gross revenues from operations [reference]	12,365.0	12,498.0	142.8	+3,748.2	+133.0
Operating income	477.0	500.0	129.0	+112.3	+23.0
Ordinary income	442.4	467.5	130.4	+108.9	+25.1
Net income attributable to owners of parent	264.0	280.0	132.8	+69.2	+16.0
EPS (yen)	298.92	317.03	132.8	+78.35	+18.12
EPS before amortization of goodwill (yen)	426.30	444.07	139.0	+124.67	+17.78
EBITDA	964.6	985.5	131.1	+234.0	+20.9

Notes) 1. There are no changes in exchange rate: 1USD=131.00JPY, 1CNY=19.00JPY  
2. Consolidated forecasts for FY2022 are based on figures after applying the "Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29, March 31, 2020), etc.  
Revenues from operations based on the previous accounting standard are presented as "Gross revenues from operations [reference]."  
3. Financial figures do not include the result of the transfer of Sogo & Seibu's shares announced on November 11, 2022.

# FY2022 Revised Forecasts of Operating Income by Operating Segment

(Billions of yen, %)

	Before revision	After revision			Amount of revision
			YOY	YOY change	
<b>Consolidated</b>	477.0	500.0	129.0	+112.3	+23.0
Domestic CVS operations	230.3	231.7	103.7	+8.3	1.4
Overseas CVS operations	263.6	286.6	179.3	+126.7	+23.0
Superstore operations	14.9	13.2	70.2	(5.5)	(1.7)
Department and specialty store operations	3.0	0.70	-	+8.8	(2.3)
Financial services	36.3	37.1	98.8	(0.44)	+0.80
Others	0.70	(0.40)	-	(0.28)	(1.1)
Eliminations/corporate	(71.8)	(68.9)	-	(25.2)	+2.9
<b>Dollar basis [reference]</b>					
(Millions of dollar, %)					
Overseas CVS operations	2,012	2,187	150.4	+733	+175

Notes) 1. There are no changes in exchange rate: 1USD=131.00JPY, 1CNY=19.00JPY

2. Financial figures do not include the result of the transfer of Sogo & Seibu's shares announced on November 11, 2022

# FY2022 Revised Forecasts of Operating Income of Major Operating Companies

(Billions of yen, %)

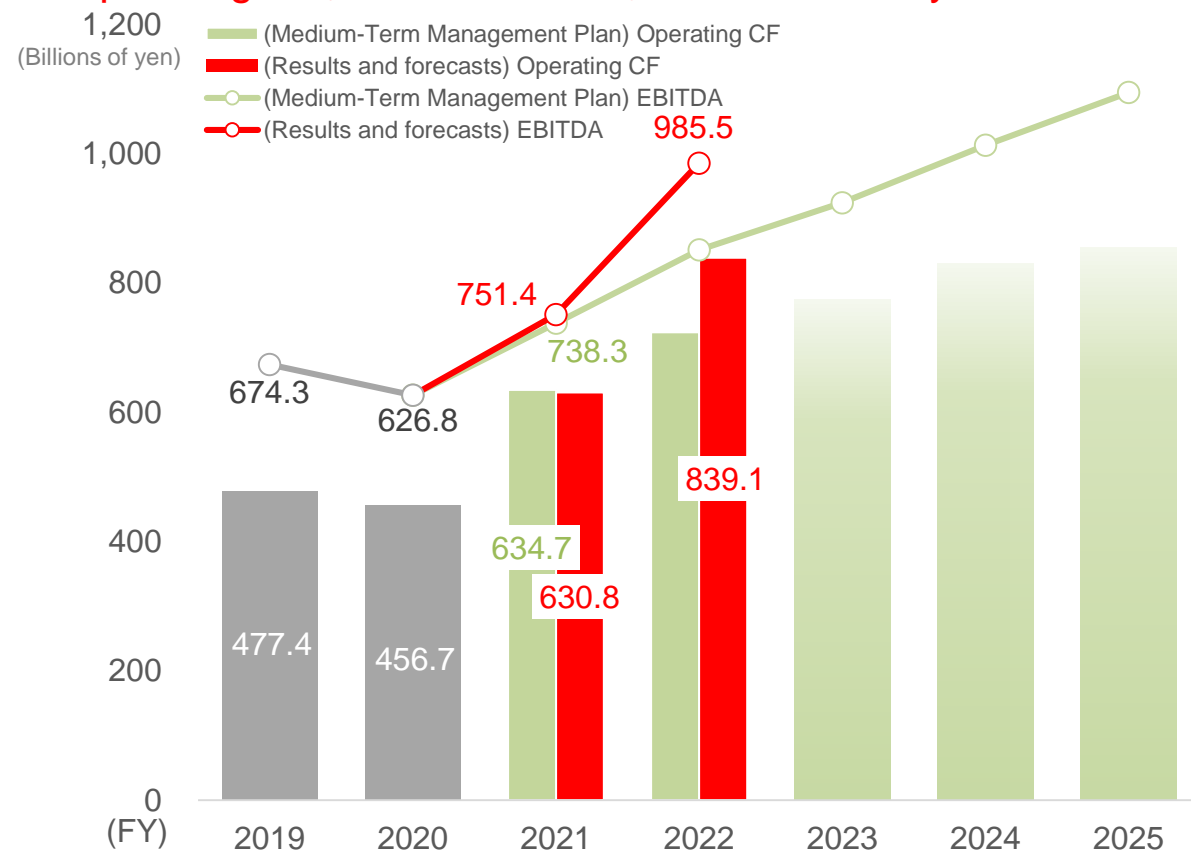
	Before revision			After revision				
	Operating income	Existing store sales growth	Change in merchandise GPM	Operating income			Existing store sales growth	Change in merchandise GPM
					YOY	YOY change		
Seven-Eleven Japan	230.0	+2.5	+0.2	232.0	104.0	+8.9	+3.5	+0.2
7-Eleven, Inc.	371.0	+4.1	(0.4)	393.0	174.8	+168.1	+4.5	(0.2)
[Millions of dollar]	[2,832]			[3,000]	[146.6]	[+953]		
Ito-Yokado	1.0	+1.2 (incl. tenants)	+0.3	1.0	61.7	(0.62)	+1.2 (incl. tenants)	+0.3
York-Benimaru	19.0	+0.1	+4.6	19.0	129.2	+4.2	+0.1	+4.6
Sogo & Seibu	3.0	+12.6	+0.4	3.0	-	+6.5	+12.6	+0.4

# Progress of Consolidated Financial KPI

## EBITDA・CF from operating activities

【Until FY2025】

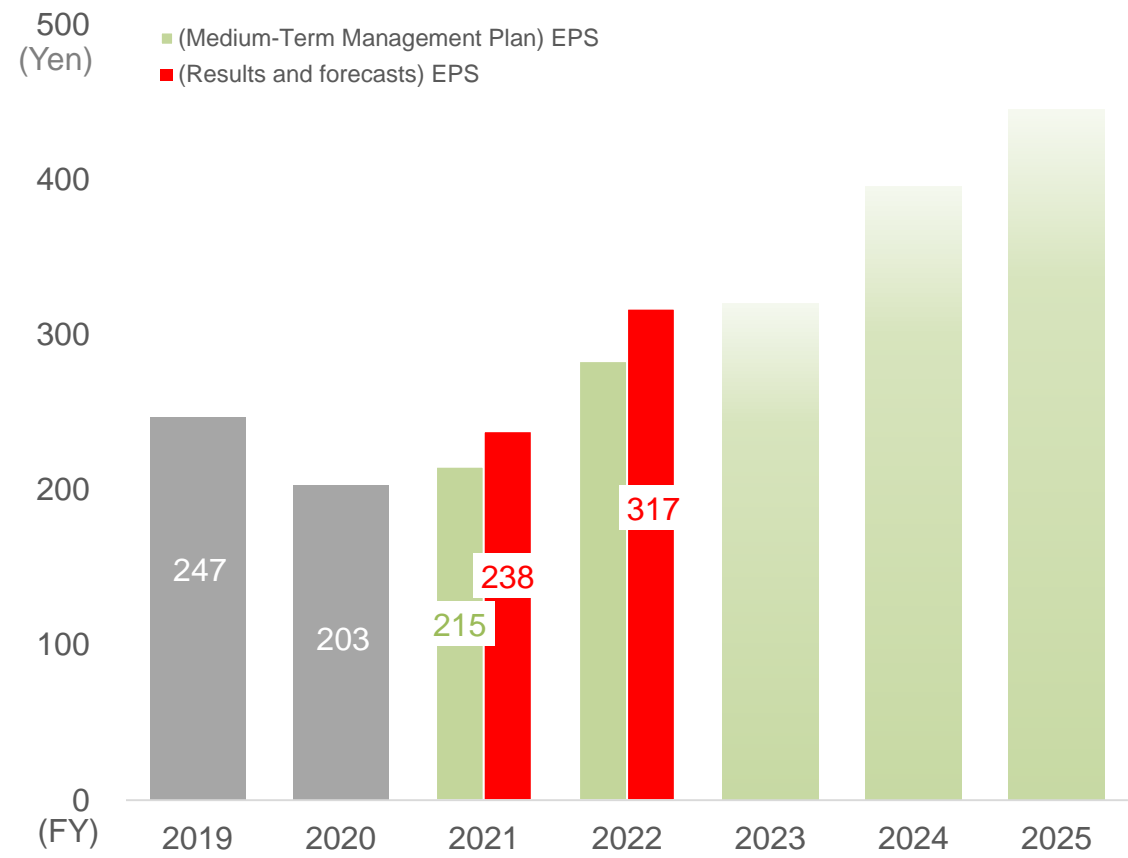
EBITDA  
Operating CF(excl. financial services)<sup>\*1</sup> 800 billion of yen or more  
1 trillion of yen or more



## EPS

【FY2021-2025】

Aim for EPS growth rate 15% or more<sup>\*2</sup>



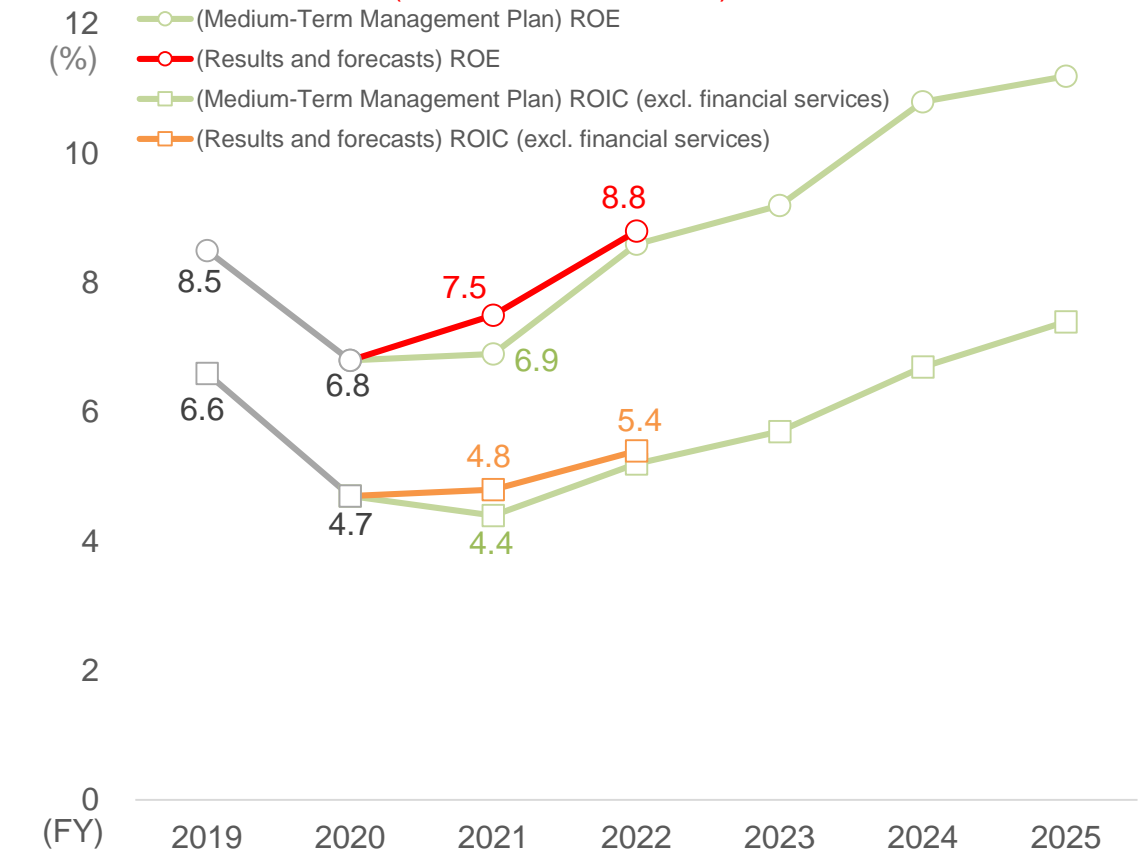
<sup>\*1</sup> Operating CF: Management accounting figures based on NOPAT  
Notes) 1. Exchange rate: Medium-Term Management Plan: 1USD=107JPY (FY2021), 1USD=105JPY (FY2022-2025)  
Results and forecasts: 1USD=109.9JPY(FY2021), 1USD=131JPY (FY2022)  
2. Effects of sale leaseback are excluded from the figures of Medium-Term Management Plan

<sup>\*2</sup> Estimated by CAGR (Compound Annual Growth Rate) for FY2020

# Progress of Consolidated Financial KPI

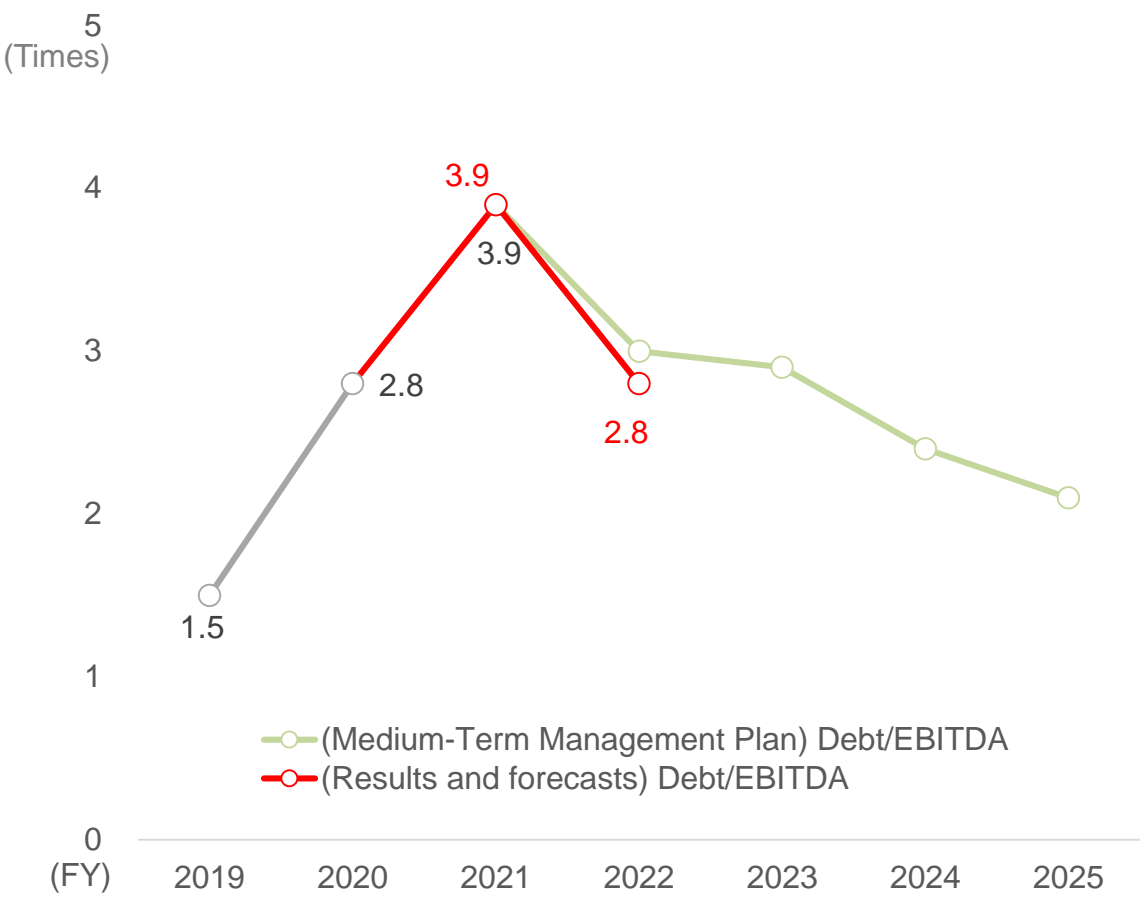
## ROE・ROIC 【Until FY2025】

ROE 10% or more  
ROIC 7% or more (excl. financial services)



## Debt/EBITDA Ratio 【FY2025】

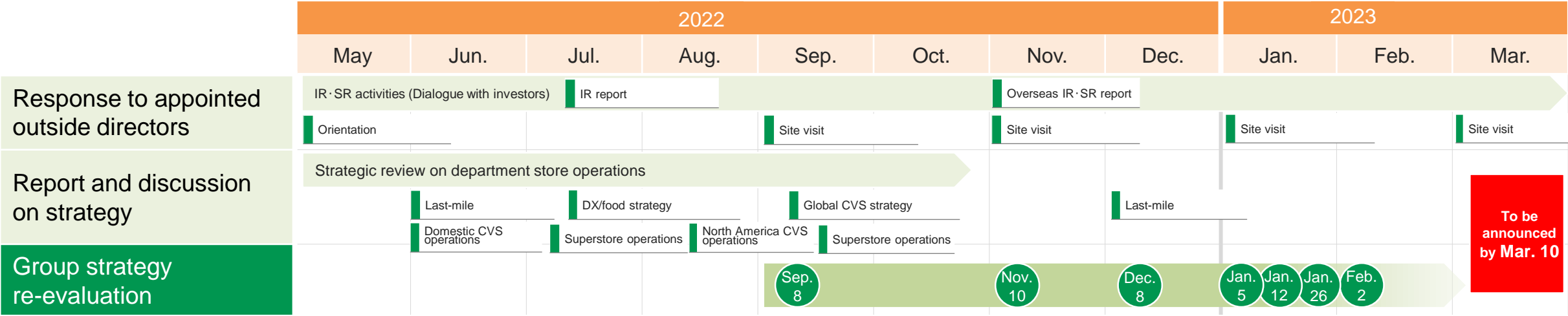
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Note) Effects of sale leaseback are excluded from the figures of Medium-Term Management Plan

# Status of Consideration on the Group Strategy at the BOD

- We are continuing discussions on strategic initiatives which contribute to Group corporate value enhancement considering the efficiency and the growth of each business under the new BOD/governance framework after the announcement of the Management Message on April 7, 2022.
  - ✓ We assigned independent outside advisors to pursue Group growth strategy focused on CVS business.
  - ✓ While we view maximizing Group synergy originated by “Food” as a basic strategic direction, the discussion about strategic alternatives including superstore business and drastic Group business structure reform is ongoing, without ruling out all possibilities.
- Based on the above-mentioned discussion, we plan to announce the results of Group strategy re-evaluation by March 10, 2023.





# Appendix

# Consolidated B/S Summary (As of Nov. 30, 2022)

(Billions of yen)

Assets (Main items only)	As of Feb.28, 2022	As of Nov. 30, 2022	Change	Liabilities and net assets (Main items only)	As of Feb.28, 2022	As of Nov. 30, 2022	Change
Current assets	2,604.7	2,948.9	+344.2	Total liabilities	5,591.5	7,084.4	+1,492.9
Cash and bank deposits	1,420.6	1,511.8	+91.1	Current liabilities	2,480.7	3,068.3	+587.6
Cash and bank deposits at Seven Bank	934.6	895.5	(39.1)	Notes and accounts payable, trade	483.9	616.5	+132.6
Notes and accounts receivable - trade, and contract assets	365.7	460.9	+95.2	Short-term loans	140.1	141.7	+1.6
Merchandise and finished goods	246.5	314.1	+67.5	Current portion of bonds and current portion of long-term loans	181.2	378.6	+197.4
Non-current assets	6,132.6	7,951.1	+1,818.5	Contract liabilities	-	209.7	+209.7
Property and equipment	3,232.3	4,590.7	+1,358.4	Lease obligations	20.4	136.1	+115.7
Buildings and structures, Net	1,527.8	1,711.6	+183.7	Deposits received in banking business	787.8	772.2	(15.5)
Land	1,119.7	1,258.6	+138.8	Non-current liabilities	3,110.8	4,016.0	+905.2
Right-of-use assets, net	10.8	955.3	+944.5	Bonds	1,582.9	1,642.8	+59.9
Intangible assets	2,140.0	2,578.2	+438.2	Long-term loans	994.3	994.2	(0.12)
Investments and other assets	760.3	782.1	+21.8	Lease obligations	36.5	900.7	+864.1
Deferred assets	1.8	1.2	(0.55)	Total net assets	3,147.7	3,817.0	+669.2
Total assets	8,739.2	10,901.4	+2,162.1	Total liabilities and net assets	8,739.2	10,901.4	+2,162.1



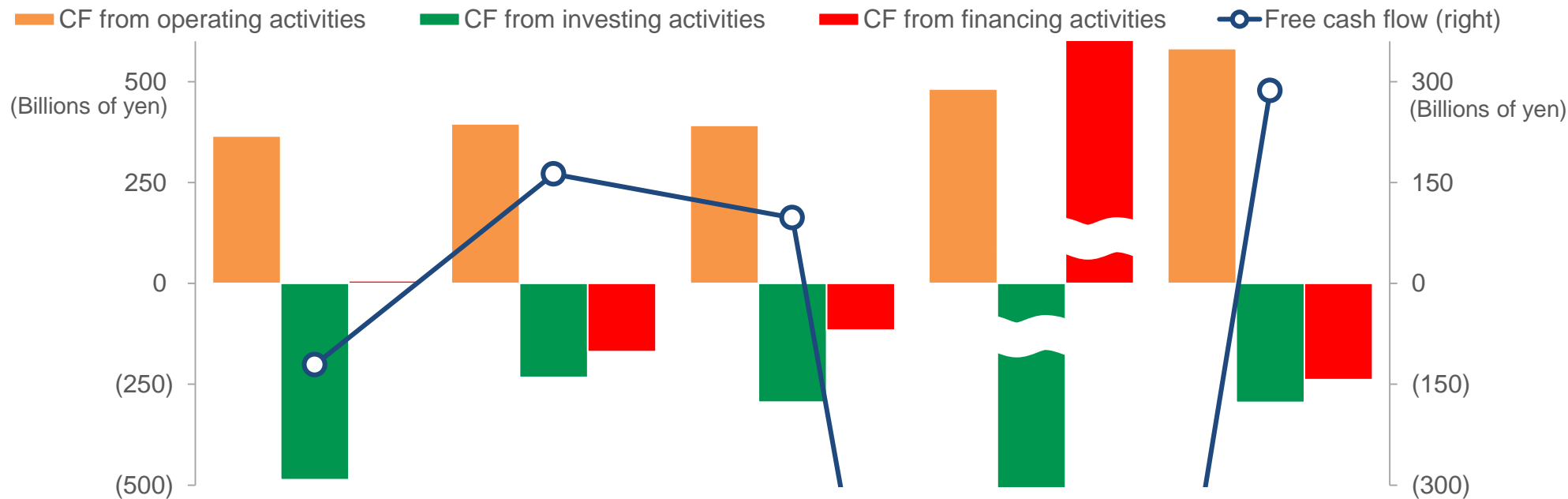
# Consolidated Results Highlight (1H and Q3)

(Billions of yen, %)

	Amount	1H			Amount	Q3		
		YOY	YOY change	vs. Plan		YOY	YOY change	vs. Plan
Group's total sales	8,590.7	134.7	+2,214.2	107.5	4,741.5	121.5	+839.7	101.3
Revenues from operations	5,651.5	155.0	+2,005.0	112.3	3,172.2	126.7	+669.2	102.4
Gross revenues from operations [reference]	5,978.6	164.0	+2,332.1	111.1	3,340.8	133.5	+837.8	101.3
Operating income	234.7	126.1	+48.5	105.5	160.1	137.1	+43.3	116.2
Ordinary income	219.7	126.7	+46.3	105.9	150.5	138.5	+41.8	118.4
Net income attributable to owners of parent	136.0	127.8	+29.5	110.6	98.6	144.2	+30.2	126.1
EPS (yen)	154.09	127.8	+33.48	110.6	111.66	144.2	+34.23	126.1
EPS before amortization of goodwill (yen)	214.19	145.5	+66.95	108.0	145.02	139.6	+41.14	118.9
EBITDA	468.3	137.2	+127.0	102.9	287.1	132.2	+69.8	109.4

Notes) 1. Exchange rate: 1USD= 128.30JPY, 1CNY= 19.38JPY  
2. FY2022 consolidated results are based on figures after applying the "Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29, March 31, 2020), etc.  
Revenues from operations based on the previous accounting standard are presented as "Gross revenues from operations [reference]."

# Q3 YTD Consolidated Statements of Cash Flows



(Billions of yen)	FY2018	FY2019	FY2020	FY2021	FY2022	vs. FY2021
CF from operating activities	365.2	395.2	391.4	481.5	581.5	+99.9
CF from investing activities	(486.2)	(232.8)	(294.0)	(2,367.0)	(295.0)	+2,072.0
Free cash flow	(120.9)	162.3	97.4	(1,885.4)	286.5	+2,172.0
CF from financing activities	6.5	(169.0)	(115.5)	1,030.3	(238.6)	(1,268.9)
Cash and cash equivalents at end of period	1,182.1	1,300.6	1,334.4	1,379.0	1,516.0	+137.0

# Q3 YTD Revenues from Operations and Gross Revenues from Operations by Operating Segment

(Billions of yen, %)

	Revenues from operations			Gross revenues from operations [reference]		
		YOY	YOY change		YOY	YOY change
<b>Consolidated</b>	<b>8,823.7</b>	<b>143.5</b>	<b>+2,674.3</b>	<b>9,319.4</b>	<b>151.5</b>	<b>+3,169.9</b>
Domestic CVS operations	671.6	101.5	+9.6	692.4	104.6	+30.5
Overseas CVS operations	6,628.2	188.3	+3,107.5	6,628.2	188.3	+3,107.5
Superstore operations	1,064.8	79.6	(272.1)	1,305.0	97.6	(31.9)
Department store and specialty store operations	337.3	66.1	(172.9)	564.1	110.6	+53.8
Financial services	145.7	99.8	(0.23)	155.1	106.3	+9.2
Others	18.8	132.8	+4.6	18.4	129.8	+4.2
Eliminations/corporate	(42.9)	-	(2.2)	(44.0)	-	(3.4)

Note) Exchange rate : 1USD = 128.30JPY, 1CNY = 19.38JPY

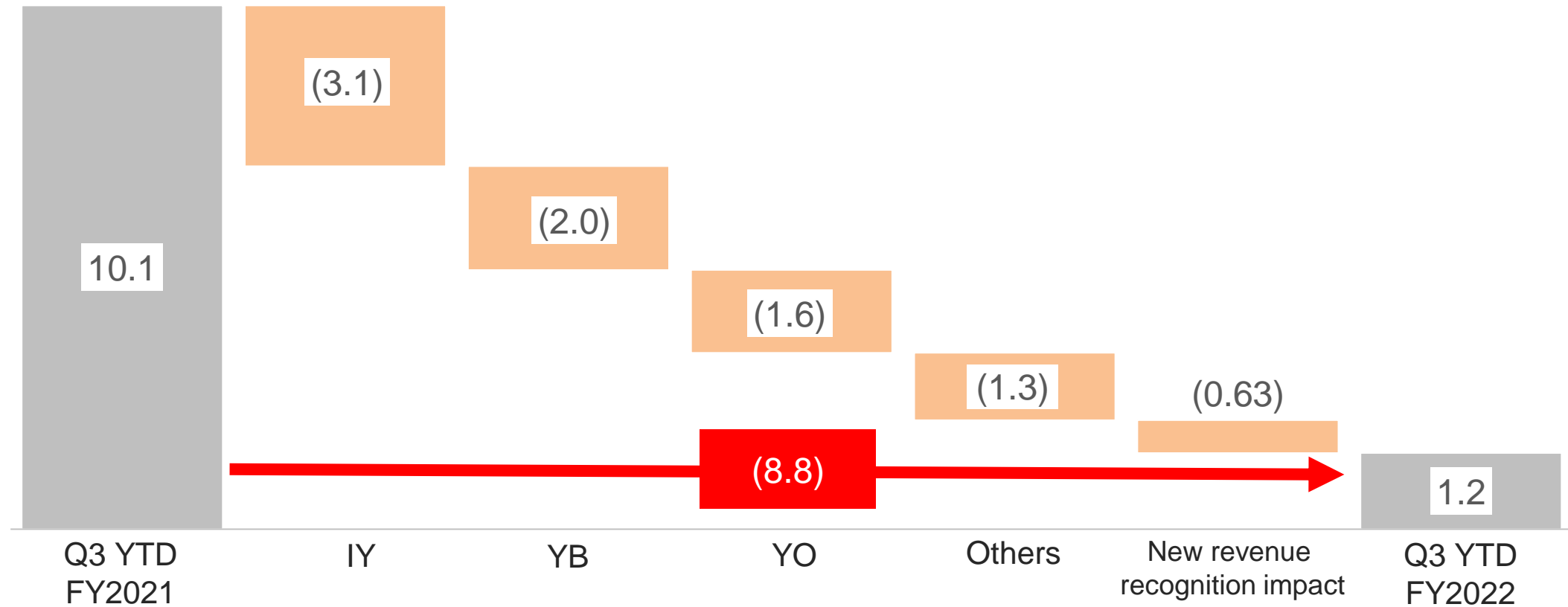
# Q3 YTD Special Losses

(Billions of yen)

	Q3 YTD FY2021	Q3 YTD FY2022	Change	Major factors for the change
Special losses	39.6	42.7	+3.0	Increase due to the SEI management rationalization, etc. Decrease in loss related to COVID-19
Loss on disposals of property and equipment	10.0	10.1	+0.08	-
Impairment loss	12.1	17.5	+5.4	SS[+3.1]: Expiration of contract in a certain stores SEI[+3.0]: store closings, etc.
Restructuring expenses	0.86	0.57	(0.28)	IY[(0.30)]: Store closures, personnel measures, etc. in previous year SS[+0.01]
Loss related to COVID-19	9.9	-	(9.9)	Transfer of fix costs, etc. in previous year
Others	6.6	14.4	+7.7	SEI: Personnel optimization, etc. YB: Disaster related

Note) SS:Sogo & Seibu, IY:Ito-Yokado, YB: York-Benimaru (incl. formerly Life Foods)

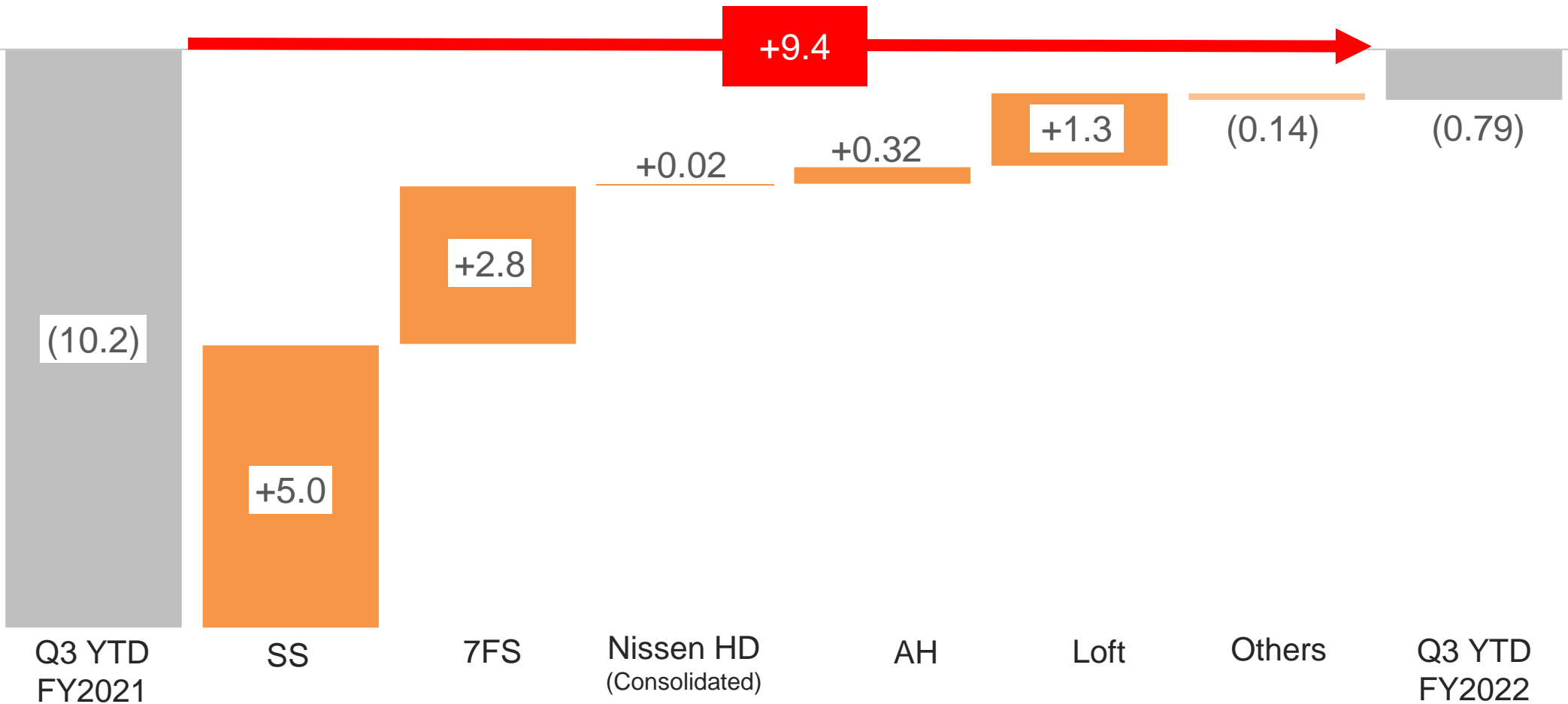
## Change in operating income (Billions of yen)



Note) IY:Ito-Yokado, YB:York-Benimaru (incl. formerly Life Foods), YO:York

# Department and Specialty Store Operations

Change in operating income (Billions of yen)



Note) SS:Sogo & Seibu, 7FS:Seven & i Food Systems, AH:Akachan Honpo

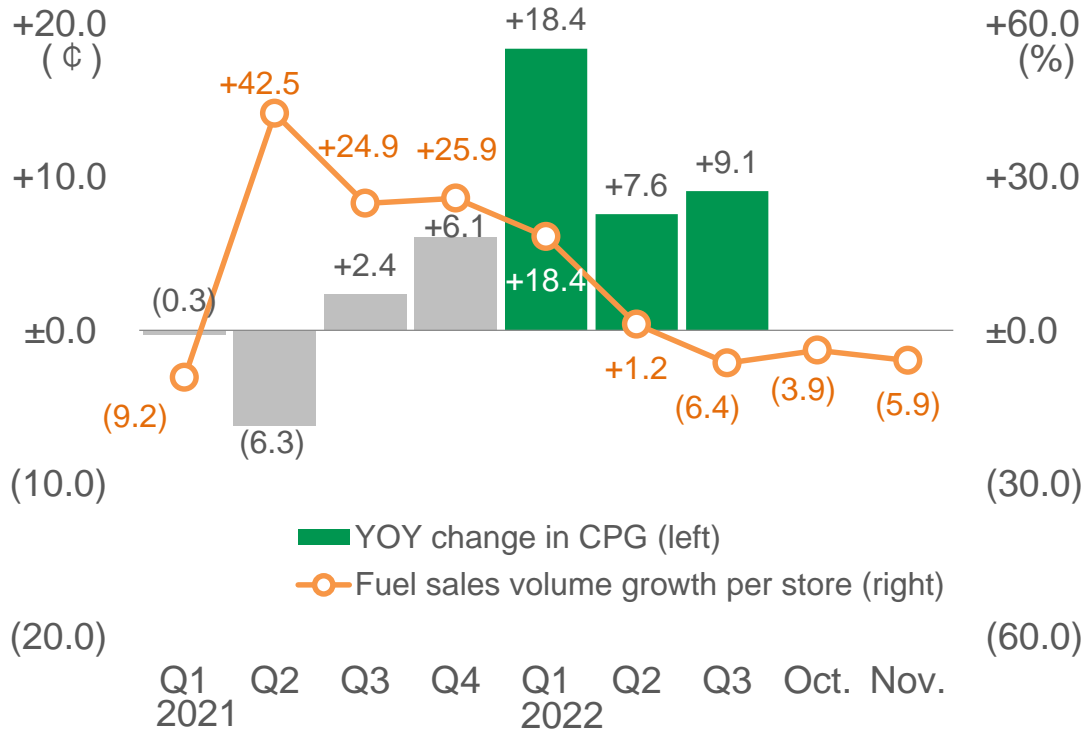
# Q3 YTD Operating Income of Major Operating Companies

(Billions of yen, %)

		Operating income		Existing store sales growth	Change in merchandise GPM
		YOY	YOY change		
Seven-Eleven Japan	185.6	104.8	+8.5	+3.4	+0.2
7-Eleven, Inc.	305.7	182.9	+138.6	+4.8	(0.5)
[Millions of dollar]	[2,383]	[154.8]	[+843]		
Ito-Yokado	(5.6)	-	(3.1)	+1.1 (incl. tenants)	+0.1
York-Benimaru	11.9	112.7	+1.3	(1.2)	+4.6
Sogo & Seibu	(1.3)	-	+5.0	+12.3	±0.0

## Stable gross profit regardless of fluctuation in fuel sales volume

### Fuel sales volume & GP (CPG)



**Q3 YTD FY2022**  
**Fuel GP : +\$1,641M (+61.8%)**

### Changes in the environment surrounding the fuel business

- Increase in business operating costs due to inflation
- Decline in sales volume due to COVID-19 impact and fuel price hikes
- WTI volatility due to geopolitical and other factors

Industry structure with small businesses accounting for approx. 65% of the market

**Trend of CPG under new normal environment**



# 7-Eleven, Inc.

## Results of Speedway after 1 year of its acquisition (YOY growth)

### Merchandise

	(%)		
	Q1	Q2	Q3
Existing store sales*	+5.7	+4.3	+4.2
Change in GPM	(1.2)	(1.0)	+0.5
Change in gross profit	+34.3	+12.0	+5.0

### Fuel

	(%)		
	Q1	Q2	Q3
Fuel sales volume per store	+18.4	+1.2	(6.4)
Change in CPG ( ¢ )	+18.4	+7.6	+9.1
Change in gross profit	+185.7	+56.6	+19.6

### SG&A · Operating income

	(%)		
	Q1	Q2	Q3
SG&A	+74.3	+28.6	+3.5
Advertising expenses	+79.9	+3.1	(51.1)
Salaries and wages	+121.6	+39.3	+4.2
Land and building rent	+30.2	+21.5	+15.7
Depreciation and amortization	+71.3	+30.5	+20.2
Utility expenses	+64.9	+23.9	+16.1
Others	+60.5	+23.4	(6.1)

## Q3 represents the results after 1 year

Merchandise	Sales & gross profit are growing steadily
Fuel	Gross profit increased due to high CPG regardless of a decline in fuel sales volume
SG&A	Reduce the increase in SG&A by CLC initiatives under inflation

Operating income	+249.2	+37.1	+27.0
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\* Speedway is not included in Q1 and Q2 of existing store sales

# Eliminations/Corporate Expenses and Investments for Group Strategy

(Billions of yen)

Q3 YTD results	Expenses			Investments		
	Results	YOY change	vs. Plan	Results	YOY change	vs. Plan
DX, System, Security, etc.	(37.6)	(13.6)	+1.0	20.8	(6.2)	(1.6)
Others	(10.6)	(5.2)	+2.3	10.3	+1.5	+0.18
Eliminations/corporate (Operating income)	(48.2)	(18.9)	+3.4	31.2	(4.6)	(1.5)

FY2022 plan	FY2022 plan	Before revision	Amount of revision	FY2022 plan	Before revision	Amount of revision
DX, System, Security, etc.	(51.8)	(53.0)	+1.2	28.8	31.2	(2.4)
Others	(17.1)	(18.8)	+1.7	12.4	14.4	(1.9)
Eliminations/corporate (Operating income)	(68.9)	(71.8)	+2.9	41.3	45.7	(4.4)

# FY2022 Revised Forecast of Revenues from Operations by Operating Segment

(Billions of yen, %)

	Before revision		After revision		Amount of revision
			YOY	YOY Change	
<b>Consolidated</b>	11,646.0	11,812.0	135.0	+3,062.2	+166.0
Domestic CVS operations	853.0	891.0	102.0	+17.7	+38.0
Overseas CVS operations	8,703.0	8,840.0	170.2	+3,645.6	+137.0
Superstore operations	1,451.0	1,445.0	79.8	(365.7)	(6.0)
Department and specialty store operations	471.0	467.0	65.6	(245.2)	(4.0)
Financial services	193.0	194.0	99.8	(0.39)	+1.0
Others	28.0	26.0	127.8	+5.6	(2.0)
Eliminations/corporate	(53.0)	(51.0)	-	+4.5	+2.0
<b>Dollar basis</b> [reference]					(Millions of dollar, %)
Overseas CVS operations	66,435	67,480	142.8	+20,216	+1,045

Notes) 1. There are no changes in exchange rate: 1USD=131.00JPY, 1CNY=19.00JPY

2. Financial figures do not include the results for the transfer of Sogo & Seibu's shares announced on November 11, 2022

# Consolidated Financial KPI

All consolidated financial KPI targets for the full-year are expected to be achieved

	FY2021 results	FY2022			FY2025 forecasts
		Plan at the beginning of the FY2022	Forecasts	Progress in Q3 YTD	
EBITDA	¥751.4 B	¥882.3 B	¥985.5 B	◎	¥1 T or more
Operating cash flow (excl. financial services)	¥630.8 B	¥760.5 B	¥839.1 B	◎	¥800 B or more
Free cash flow level (excl. financial services)	¥279.5 B	¥295.4 B	¥445.3 B	◎	¥400 B or more
ROE	7.5 %	7.9 %	8.8 %	◎	10 % or more
ROIC (excl. financial services)	4.8 %	4.8 %	5.4 %	◎	7 % or more
Debt/EBITDA ratio	3.9 x	2.9 x	2.8 x	◎	Below 2.0 x
EPS	¥238	¥271	¥317	◎	15 % or more (CAGR)

# Creating a Sustainable Future, Together



The information disclosed by the Company may contain forward-looking statements. These statements are based on management's judgment in accordance with materials available to the Company at the time of disclosure, with future projections based on certain assumptions. The forward-looking statements therefore incorporate various risks, estimates, and uncertainties, and as such, actual results and performance may differ from the future outlook included in disclosed information due to various factors, such as changes in business operations and the financial situation going forward.