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Annual Securities Report

(Pursuant to Article 24, paragraph (1) of the Financial Instruments and Exchange Act)

For the 21st Fiscal Year (From March 1, 2025 to February 28, 2026)

Seven & i Holdings Co., Ltd.

(E03462)

21st Fiscal Year (From March 1, 2025 to February 28, 2026)

Annual Securities Report

1. This document was prepared for printing by adding a table of contents and pages to the Annual Securities Report pursuant to Article 24, paragraph (1) of the Financial Instruments and Exchange Act submitted on May 20, 2026 as data using the Electronic Disclosure for Investors' NETwork (EDINET) prescribed in Article 27-30-2 of the Financial Instruments and Exchange Act.
2. Although the attached documents to the Annual Securities Report submitted as described above are not included in this document, the Audit Report and Internal Control Report are included at the end of this document.

Seven & i Holdings Co., Ltd.

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Audit Report
Fiscal year ended February 28, 2026 (Consolidated)
Fiscal year ended February 28, 2026 (Non-consolidated)

Internal Control Report

[Cover]

[Document title]	Annual Securities Report
[Clause of stipulation]	Article 24, paragraph (1) of the Financial Instruments and Exchange Act
[Place of filing]	Director-General of the Kanto Local Finance Bureau
[Filing date]	May 20, 2026
[Fiscal year]	21st fiscal year (From March 1, 2025 to February 28, 2026)
[Company name]	*Kabushiki-Kaisha Seven & i Holdings*
[Company name in English]	Seven & i Holdings Co., Ltd.
[Title and name of representative]	Stephen Hayes Dacus, Representative Director, President & CEO
[Address of registered head office]	8-8, Nibancho, Chiyoda-ku, Tokyo
[Telephone number]	+81-3-6238-3000 (Main)
[Name of contact person]	Akira Okamoto, Executive Officer, Senior Officer of the Accounting Department
[Nearest place of contact]	8-8, Nibancho, Chiyoda-ku, Tokyo
[Telephone number]	+81-3-6238-3000 (Main)
[Name of contact person]	Akira Okamoto, Executive Officer, Senior Officer of the Accounting Department
[Place for public inspection]	Tokyo Stock Exchange, Inc. (2-1, Nihonbashi-Kabutocho, Chuo-ku, Tokyo)

Part I. [Company Information]

I. [Overview of the Company]

1. [Trends in key management indicators]

(1) Management indicators (Consolidated)

		17th fiscal year	18th fiscal year	19th fiscal year	20th fiscal year	21st fiscal year
Fiscal year-end		February 2022	February 2023	February 2024	February 2025	February 2026
Revenues from operations	(Millions of yen)	8,749,752	11,811,303	11,471,753	11,972,762	10,430,269
Ordinary income	(Millions of yen)	358,571	475,887	507,086	374,586	377,411
Net income attributable to owners of parent	(Millions of yen)	210,774	280,976	224,623	173,068	292,760
Comprehensive income	(Millions of yen)	415,883	572,887	424,311	486,357	296,261
Net assets	(Millions of yen)	3,147,732	3,648,161	3,900,624	4,223,212	3,648,195
Total assets	(Millions of yen)	8,739,279	10,550,956	10,592,117	11,386,111	9,142,957
Net assets per share	(Yen)	1,125.17	1,311.31	1,416.94	1,555.39	1,566.06
Net income per share	(Yen)	79.56	106.05	84.88	66.62	118.81
Diluted net income per share	(Yen)	79.56	106.04	84.87	66.61	118.80
Equity ratio	(%)	34.1	32.9	35.1	35.4	39.6
Return on equity	(%)	7.5	8.7	6.2	4.5	7.6
Price earnings ratio	(Times)	23.4	19.1	26.3	32.2	18.5
Cash flows from operating activities	(Millions of yen)	736,476	928,476	673,015	876,458	666,736
Cash flows from investing activities	(Millions of yen)	(2,505,566)	(413,229)	(431,809)	(732,363)	(477,343)
Cash flows from financing activities	(Millions of yen)	937,077	(270,373)	(377,065)	(392,648)	(1,109,880)
Cash and cash equivalents at the end of the fiscal year	(Millions of yen)	1,414,890	1,674,787	1,562,493	1,349,820	426,146
Number of employees [Separately, average number of temporary employees]	(Persons)	83,635 [87,122]	84,154 [83,094]	77,902 [79,275]	62,012 [90,847]	35,967 [50,395]

Notes:
1. The Company has introduced the BIP Trust and the ESOP Trust, and the Company's shares held by these trusts are recorded as treasury stock in the consolidated financial statements. Accordingly, the Company's shares held by the trusts are included in the number of shares of treasury stock deducted from the total number of shares issued at the end of period to calculate net assets per share, and included in the number of shares of treasury stock deducted for the computation of the average number of shares during the period, to calculate net income per share and diluted net income per share.
2. The Company has applied the "Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29, March 31, 2020; hereinafter referred to as the "Revenue Recognition Accounting Standard"), etc., from the beginning of the 18th fiscal year, and the key management indicators, etc., for the 18th fiscal year and beyond are those after applying the Revenue Recognition Accounting Standard, etc.
3. The Company implemented a three-for-one share split of its common stock on March 1, 2024. "Net assets per share," "Net income per share," and "Diluted net income per share" are calculated on the assumption that the share split was implemented at the beginning of the 17th fiscal year.

4. The Company has applied “Accounting Standard for Current Income Taxes” (ASBJ Statement No. 27, October 28, 2022), etc. from the beginning of the fiscal year under review, and each figure for the 20th fiscal year is an indicator, etc. after retroactive application of such accounting standards, etc.

(2) The Company’s management indicators (Non-consolidated)

		17th fiscal year	18th fiscal year	19th fiscal year	20th fiscal year	21st fiscal year
Fiscal year-end		February 2022	February 2023	February 2024	February 2025	February 2026
Revenues from operations	(Millions of yen)	152,208	248,468	202,277	209,743	189,014
Ordinary income	(Millions of yen)	100,680	173,656	122,042	121,679	110,510
Net income	(Millions of yen)	107,109	179,780	42,915	109,556	119,355
Capital	(Millions of yen)	50,000	50,000	50,000	50,000	50,000
Total number of shares issued	(Thousands of shares)	886,441	886,441	877,742	2,604,555	2,604,555
Net assets	(Millions of yen)	1,421,117	1,511,564	1,399,685	1,349,685	762,053
Total assets	(Millions of yen)	2,561,080	2,593,865	2,657,276	2,690,398	1,941,718
Net assets per share	(Yen)	536.37	570.44	533.61	520.11	329.55
Dividend per share [Of which, interim dividend per share]	(Yen)	100.00 [48.00]	113.00 [49.50]	113.00 [56.50]	40.00 [20.00]	50.00 [25.00]
Net income per share	(Yen)	40.43	67.85	16.22	42.17	48.44
Diluted net income per share	(Yen)	40.43	67.85	16.22	42.17	48.43
Equity ratio	(%)	55.5	58.3	52.7	50.2	39.2
Return on equity	(%)	7.6	12.3	2.9	8.0	11.3
Price earnings ratio	(Times)	46.1	29.9	137.5	50.8	45.3
Dividend payout ratio	(%)	82.4	55.5	232.2	94.9	103.2
Number of employees [Separately, average number of temporary employees]	(Persons)	969 [15]	1,017 [15]	1,074 [17]	1,097 [14]	866 [12]
Total shareholder return [Comparative indicator: TOPIX including dividend]	(%) (%)	141.0 [103.4]	156.1 [112.2]	173.8 [154.4]	170.4 [158.4]	177.9 [238.4]
Highest share price	(Yen)	6,083	6,203	2,245 [6,734]	2,703	2,417
Lowest share price	(Yen)	4,095	5,041	1,721 [5,162]	1,600	1,826

Notes: 1. The highest and lowest share prices are those on the Tokyo Stock Exchange (Prime Market) on and after April 4, 2022, and those on the Tokyo Stock Exchange (First Section) on and before April 3, 2022.

2. The Company has introduced the BIP Trust and the ESOP Trust, and the Company’s shares held by these trusts are recorded as treasury stock in the nonconsolidated financial statements. Accordingly, the Company’s shares held by the trusts are included in the number of shares of treasury stock deducted from the total number of shares issued at the end of period to calculate net assets per share, and included in the

number of shares of treasury stock deducted for the computation of the average number of shares during the period, to calculate net income per share and diluted net income per share.

3. The Company has applied the Revenue Recognition Accounting Standard, etc., from the beginning of the 18th fiscal year, and the key management indicators, etc., for the 18th fiscal year and beyond are those after applying the Revenue Recognition Accounting Standard, etc.
4. The Company implemented a three-for-one share split of its common stock on March 1, 2024. “Net assets per share,” “Net income per share,” and “Diluted net income per share” are calculated on the assumption that the share split was implemented at the beginning of the 17th fiscal year. The highest and lowest share prices for the 19th fiscal year are those after the share split, and those before the share split are shown in brackets.
5. The dividend per share for the 18th fiscal year includes a commemorative dividend of ¥10 per share for the 50th anniversary of the establishment of SEVEN-ELEVEN JAPAN CO., LTD.
6. Of the ¥50.00 per share dividend for the 21st fiscal year, the year-end dividend of ¥25.00 per share is subject to approval at the Annual Shareholders’ Meeting scheduled to be held on May 27, 2026.

2. [History]

Date	Outline
April 2005	SEVEN-ELEVEN JAPAN CO., LTD., Ito-Yokado Co., Ltd., and Denny's Japan Co., Ltd. (hereinafter the "3 Companies") resolved at the Board of Directors' meeting to jointly establish a holding company that is a wholly owning parent company (the Company) through share transfers and entered into a share transfer agreement.
May 2005	The establishment of a holding company through share transfers was approved at the shareholders' meetings of the 3 Companies.
September 2005	Seven & i Holdings Co., Ltd. was established. Listed its shares on the First Section of the Tokyo Stock Exchange.
November 2005	Shares of 7-Eleven, Inc. were acquired by means of tender offer through a subsidiary, and the said company became a wholly owned subsidiary.
December 2005	Entered into a basic agreement regarding a business alliance and management integration with Millennium Retailing, Inc.
January 2006	The Company acquired 65.45% of shares of Millennium Retailing, Inc., and 11 subsidiaries of said company including Sogo Co., Ltd. and The Seibu Department Stores, Ltd. became subsidiaries of the Company.
June 2006	After the additional acquisition of shares of Millennium Retailing, Inc., a share exchange was conducted and said company became a wholly owned subsidiary.
September 2006	A share exchange was conducted with York-Benimaru Co., Ltd., and said company became a wholly owned subsidiary.
January 2007	To achieve synergies in the restaurant business area, decided to integrate and reorganize three companies in said business area (Denny's Japan Co., Ltd., Famil Co., Ltd. and York Bussan K.K.), and established Seven & i Food Systems Co., Ltd., which became a wholly owning parent company of these three companies.
January 2008	To strengthen the financial services, established SEVEN & i FINANCIAL GROUP CO., LTD., a new company that oversees the services.
February 2008	Seven Bank, Ltd. listed its shares on the Jasdaq Securities Exchange (currently JASDAQ (Standard) market of the Tokyo Stock Exchange) on February 29, 2008.
July 2008	To strengthen IT services, established Seven & i Net Media Co., Ltd. (currently SpireX Co., Ltd.), a new company that oversees the services.
June 2009	To tap into the over-the-counter drug market, established Seven Health Care Co., Ltd.
August 2009	Three companies, Millennium Retailing, Inc., Sogo Co., Ltd. and The Seibu Department Stores, Ltd., were integrated, and the company name of Sogo Co., Ltd., the surviving company, was changed to Sogo & Seibu Co., Ltd.
March 2011	SEVEN & i FINANCIAL GROUP CO., LTD. merged with SE CAPITAL CORPORATION and dissolved, and SE CAPITAL CORPORATION, the surviving company, changed its company name to Seven Financial Service Co., Ltd.
April 2011	The Company acquired 51.00% of shares of Seven CS Card Service Co., Ltd., and said company became a subsidiary.
December 2011	Seven Bank, Ltd. listed its shares on the First Section of the Tokyo Stock Exchange on December 26, 2011.
January 2014	Seven & i Net Media Co., Ltd. acquired 50.74% of voting rights of Nissen Holdings Co., Ltd. through tender offer and underwriting of a third-party allotment of new shares, and Nissen Holdings Co., Ltd. and its 25 subsidiaries became consolidated subsidiaries of the Company.
November 2016	Seven & i Net Media Co., Ltd. acquired shares of Nissen Holdings Co., Ltd. through a share exchange, and Nissen Holdings Co., Ltd. became a wholly owned subsidiary.
May 2021	SEI Speedway Holdings, LLC, which was established as a wholly owned subsidiary of 7-Eleven, Inc., acquired shares and other interests in Speedway LLC and other 20 companies from Marathon Petroleum Corporation in the U.S., and Speedway LLC and other companies became consolidated subsidiaries of the Company.
April 2022	Due to the Tokyo Stock Exchange's market restructuring, the Company and Seven Bank, Ltd. moved from the First Section to the Prime Market of the Tokyo Stock Exchange.
September 2023	The Company transferred all of the issued shares of Sogo & Seibu Co., Ltd. it held, resulting in Sogo & Seibu Co., Ltd. and its subsidiaries excluded from the scope of consolidation.
June 2025	The Company transferred a portion of the issued shares of Seven Bank, Ltd. it held, resulting in Seven Bank, Ltd. and its subsidiaries excluded from the scope of consolidation. Seven Bank, Ltd. became an equity-method affiliate.

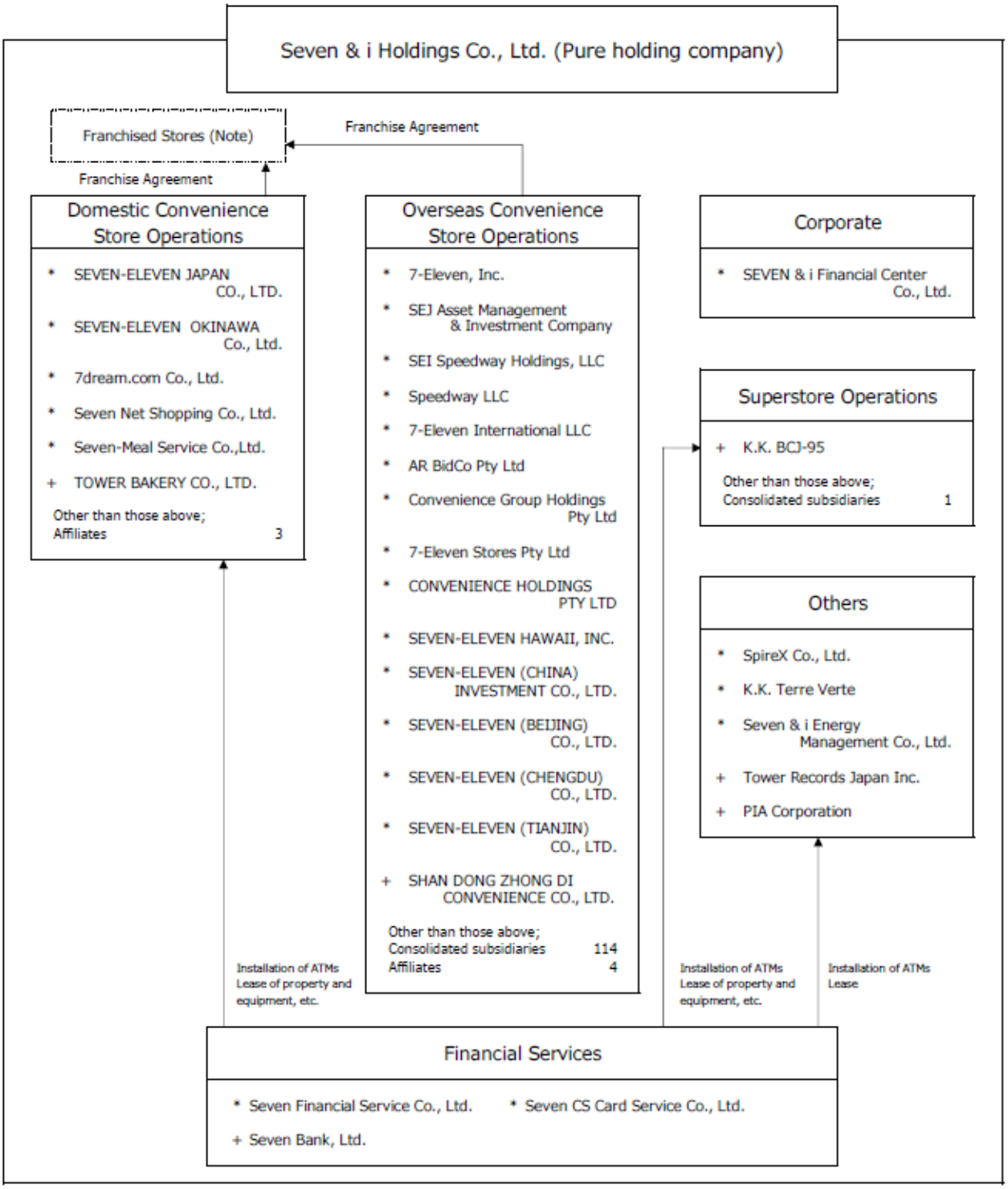
Date	Outline
September 2025	In connection with an absorption-type split of YORK Holdings Co., Ltd., the subsidiaries under YORK Holdings Co., Ltd. were removed from the scope of consolidation. In connection with the investment in K.K. BCJ-95, the parent company of the successor company to the absorption-type company split, K.K. BCJ-95 became an equity-method affiliate.

3. [Details of business]
Consisting of 154 companies (including the Company), the Group is a corporate group, under which the Company serves as the pure holding company, operates mainly in the distribution industry with the focus on domestic convenience store operations, and overseas convenience store operations. Operating segment, major group companies and number of companies are as follows. This segmentation is same as the reportable segment shown in the section of segment information.
The Company is a specified listed company, etc. Because the Company falls under the category of specified listed companies, etc., a judgment is to be made based on figures on a consolidated basis regarding the de minimis thresholds for material events under the insider trading regulations.
At a meeting of the Board of Directors held on April 9, 2026, the Company resolved to change the classification of operating segments. Various business activities reflecting the changes in segment classification resulting from this, as well as the principal company names and number of companies, are as set forth in [Reference (New operating segments)] on pages 9–10.

Operating segment	Major group companies	Number of companies	
Domestic convenience store operations (9 companies)	SEVEN-ELEVEN JAPAN CO., LTD. SEVEN-ELEVEN OKINAWA Co., Ltd. 7dream.com Co., Ltd. Seven Net Shopping Co., Ltd. Seven-Meal Service Co., Ltd. TOWER BAKERY CO., LTD.*1	Consolidated subsidiaries Affiliates Total	5 4 9
Overseas convenience store operations (133 companies)	7-Eleven, Inc. SEJ Asset Management & Investment Company SEI Speedway Holdings, LLC Speedway LLC 7-Eleven International LLC AR BidCo Pty Ltd Convenience Group Holdings Pty Ltd 7-Eleven Stores Pty Ltd CONVENIENCE HOLDINGS PTY LTD SEVEN-ELEVEN HAWAII, INC. SEVEN-ELEVEN (CHINA) INVESTMENT CO., LTD. SEVEN-ELEVEN (BEIJING) CO., LTD. SEVEN-ELEVEN (CHENGDU) CO., LTD. SEVEN-ELEVEN (TIANJIN) CO., LTD. SHAN DONG ZHONG DI CONVENIENCE CO., LTD.*1	Consolidated subsidiaries Affiliates Total	128 5 133
Superstore operations (2 companies)	K.K. BCJ-95*1	Consolidated subsidiary Affiliate Total	1 1 2
Financial services (3 companies)	Seven Financial Service Co., Ltd. Seven CS Card Service Co., Ltd. Seven Bank, Ltd.*1	Consolidated subsidiaries Affiliate Total	2 1 3
Others (5 companies)	SpireX Co., Ltd.*2 K.K. Terre Verte Seven & i Energy Management Co., Ltd. Tower Records Japan Inc.*1 PIA Corporation*1	Consolidated subsidiaries Affiliates Total	3 2 5
Corporate (1 company)	SEVEN & i Financial Center Co., Ltd.	Consolidated subsidiary	1

Notes: *1. TOWER BAKERY CO., LTD., SHAN DONG ZHONG DI CONVENIENCE CO., LTD., K.K. BCJ-95, Seven Bank, Ltd., Tower Records Japan Inc., and PIA Corporation are affiliates.
*2. SpireX Co., Ltd. changed its corporate name from Seven & i Net Media Co., Ltd. effective November 16, 2025.

The structure of businesses is basically as indicated by the following chart.



* Consolidated subsidiary
\+ Affiliate accounted for using the equity method

Note: Each franchised store is operated by an independent franchisee which enters into franchise agreement with SEVEN-ELEVEN JAPAN CO., LTD., SEVEN-ELEVEN OKINAWA Co., Ltd., 7-Eleven, Inc., 7-Eleven Stores Pty Ltd, SEVEN-ELEVEN (BEIJING) CO., LTD., SEVEN-ELEVEN (CHENGDU) CO., LTD., and SEVEN-ELEVEN (TIANJIN) CO., LTD.

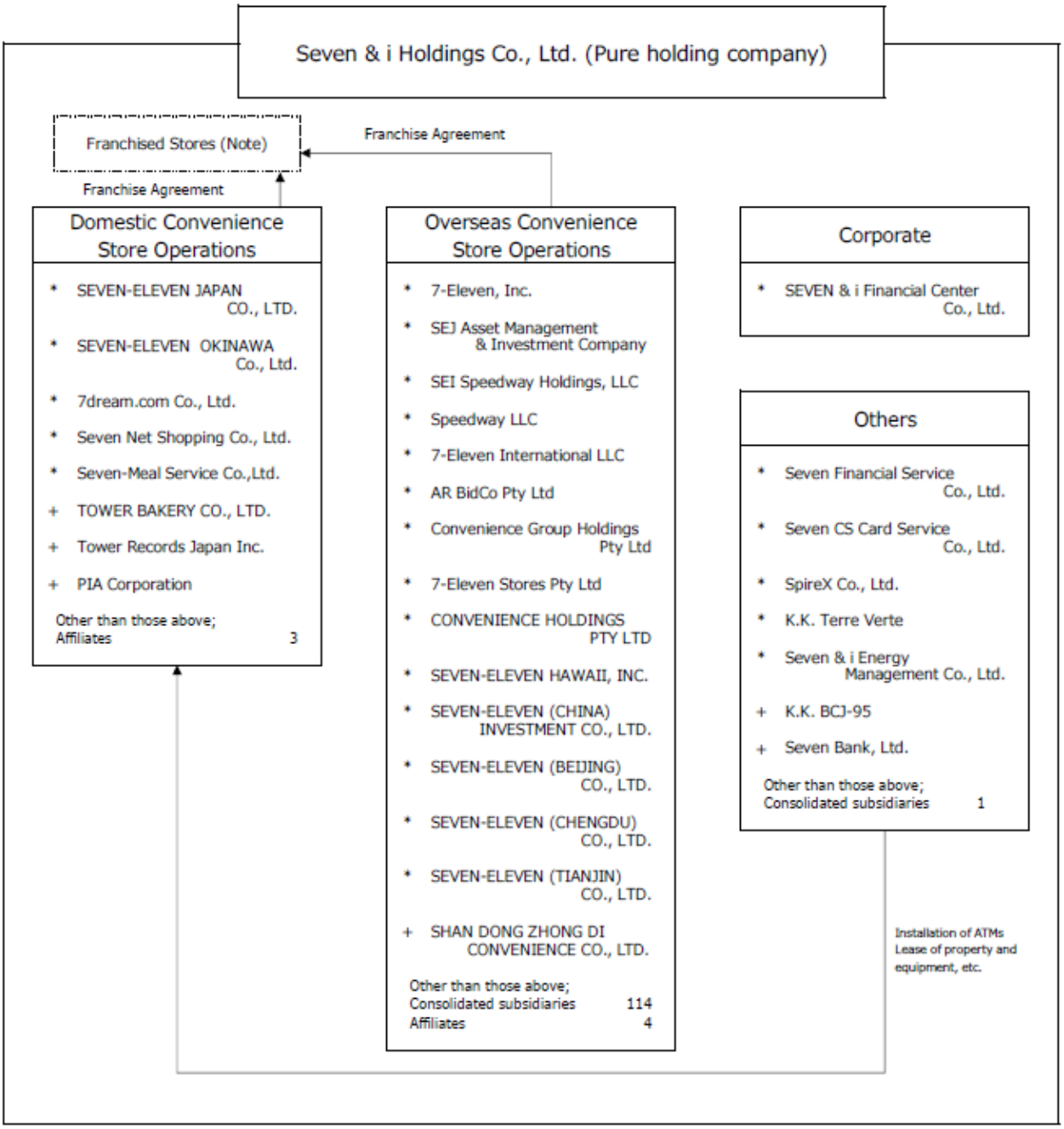
[Reference (New operating segments)]

Operating segment	Major group companies	Number of companies	
Domestic convenience store operations (11 companies)	SEVEN-ELEVEN JAPAN CO., LTD. SEVEN-ELEVEN OKINAWA Co., Ltd. 7dream.com Co., Ltd. Seven Net Shopping Co., Ltd. Seven-Meal Service Co., Ltd. TOWER BAKERY CO., LTD.*1 Tower Records Japan Inc.*1 PIA Corporation*1	Consolidated subsidiaries Affiliates Total	5 6 11
Overseas convenience store operations (133 companies)	7-Eleven, Inc. SEJ Asset Management & Investment Company SEI Speedway Holdings, LLC Speedway LLC 7-Eleven International LLC AR BidCo Pty Ltd Convenience Group Holdings Pty Ltd 7-Eleven Stores Pty Ltd CONVENIENCE HOLDINGS PTY LTD SEVEN-ELEVEN HAWAII, INC. SEVEN-ELEVEN (CHINA) INVESTMENT CO., LTD. SEVEN-ELEVEN (BEIJING) CO., LTD. SEVEN-ELEVEN (CHENGDU) CO., LTD. SEVEN-ELEVEN (TIANJIN) CO., LTD. SHAN DONG ZHONG DI CONVENIENCE CO., LTD.*1	Consolidated subsidiaries Affiliates Total	128 5 133
Others (8 companies)	Seven Financial Service Co., Ltd. Seven CS Card Service Co., Ltd. SpireX Co., Ltd.*2 K.K. Terre Verte Seven & i Energy Management Co., Ltd. K.K. BCJ-95*1 Seven Bank, Ltd.*1	Consolidated subsidiaries Affiliates Total	6 2 8
Corporate (1 company)	SEVEN & i Financial Center Co., Ltd.	Consolidated subsidiary	1

Notes: *1. TOWER BAKERY CO., LTD., Tower Records Japan Inc., PIA Corporation, SHAN DONG ZHONG DI CONVENIENCE CO., LTD., K.K. BCJ-95, and Seven Bank, Ltd. are affiliates.

*2. SpireX Co., Ltd. changed its corporate name from Seven & i Net Media Co., Ltd. effective November 16, 2025.

The structure of businesses is basically as indicated by the following chart.



* Consolidated subsidiary
\+ Affiliate accounted for using the equity method

Note: Each franchised store is operated by an independent franchisee which enters into franchise agreement with SEVEN-ELEVEN JAPAN CO., LTD., SEVEN-ELEVEN OKINAWA Co., Ltd., 7-Eleven, Inc., 7-Eleven Stores Pty Ltd, SEVEN-ELEVEN (BEIJING) CO., LTD., SEVEN-ELEVEN (CHENGDU) CO., LTD., and SEVEN-ELEVEN (TIANJIN) CO., LTD.

4. [Status of subsidiaries and affiliates]

Name	Location	Capital or investments in capital (Millions of yen)	Principal business	Voting rights held by the Company (%)	Relationship		
					Interlocking officers		Business transaction
					The Company's officers (Persons)	The Company's employees (Persons)	
(Consolidated subsidiaries) SEVEN-ELEVEN JAPAN CO., LTD. (Note 3)	Tokyo Met. Chiyoda-ku	17,200	Domestic convenience store operations	100.0	2	1	• The Company provides various services and benefits, etc. in addition to those concerning management strategies, and receives consideration. • The Company is entrusted with various business operations.
7-Eleven, Inc. (Notes 3, 7)	U.S. Texas	Thousands of U.S. dollars 17	Overseas convenience store operations	100.0 [100.0]	4	–	–
SEVEN-ELEVEN OKINAWA Co., Ltd.	Okinawa Pref. Naha-shi	1,500	Domestic convenience store operations	100.0 [100.0]	–	–	• The Company provides various services and benefits, etc. in addition to those concerning management strategies, and receives consideration.
7dream.com Co., Ltd.	Tokyo Met. Chiyoda-ku	450	Domestic convenience store operations	68.0 [68.0]	–	–	• The Company provides various services and benefits, etc. in addition to those concerning management strategies, and receives consideration. • The Company contracts out various business operations.
Seven Net Shopping Co., Ltd.	Tokyo Met. Chiyoda-ku	10	Domestic convenience store operations	100.0 [100.0]	–	–	• The Company provides various services and benefits, etc. in addition to those concerning management strategies, and receives consideration.

Name	Location	Capital or investments in capital (Millions of yen)	Principal business	Voting rights held by the Company (%)	Relationship		
					Interlocking officers		Business transaction
					The Company's officers (Persons)	The Company's employees (Persons)	
Seven-Meal Service Co., Ltd.	Tokyo Met. Chiyoda-ku	300	Domestic convenience store operations	90.0 [90.0]	–	–	• The Company provides various services and benefits, etc. in addition to those concerning management strategies, and receives consideration. • The Company is entrusted with various business operations.
SEJ Asset Management & Investment Company (Notes 3, 7)	U.S. Delaware	Thousands of U.S. dollars 159	Overseas convenience store operations	100.0 [73.7]	1	–	–
SEI Speedway Holdings, LLC (Notes 3, 7)	U.S. Delaware	–	Overseas convenience store operations	100.0 [100.0]	–	–	–
Speedway LLC (Notes 3, 7)	U.S. Delaware	–	Overseas convenience store operations	100.0 [100.0]	–	–	–
7-Eleven International LLC (Notes 3, 7)	U.S. Delaware	–	Overseas convenience store operations	100.0 [100.0]	3	–	–
AR BidCo Pty Ltd (Notes 3, 7)	Australia Victoria	Thousands of Australian dollars 1,766,503	Overseas convenience store operations	100.0 [100.0]	–	–	–
Convenience Group Holdings Pty Ltd (Notes 3, 7)	Australia Victoria	Thousands of Australian dollars 203,909	Overseas convenience store operations	100.0 [100.0]	–	–	–
7-Eleven Stores Pty Ltd (Note 7)	Australia Victoria	Thousands of Australian dollars 240	Overseas convenience store operations	100.0 [100.0]	–	–	–
CONVENIENCE HOLDINGS PTY LTD (Notes 3, 7)	Australia Victoria	Thousands of Australian dollars 72,000	Overseas convenience store operations	100.0 [100.0]	–	–	–
SEVEN-ELEVEN HAWAII, INC.	U.S. Hawaii	Thousands of U.S. dollars 20,000	Overseas convenience store operations	100.0 [100.0]	–	–	–

Name	Location	Capital or investments in capital (Millions of yen)	Principal business	Voting rights held by the Company (%)	Relationship		
					Interlocking officers		Business transaction
					The Company's officers (Persons)	The Company's employees (Persons)	
SEVEN-ELEVEN (CHINA) INVESTMENT CO., LTD. (Note 3)	China Beijing	Thousands of yuan 876,217	Overseas convenience store operations	100.0 [100.0]	–	–	–
SEVEN-ELEVEN (BEIJING) CO., LTD.	China Beijing	Thousands of U.S. dollars 44,000	Overseas convenience store operations	65.0 [65.0]	–	–	–
SEVEN-ELEVEN (CHENGDU) CO., LTD. (Note 3)	China Sichuan Province	Thousands of yuan 482,924	Overseas convenience store operations	100.0 [100.0]	–	–	–
SEVEN-ELEVEN (TIANJIN) CO., LTD.	China Tianjin	Thousands of yuan 200,000	Overseas convenience store operations	100.0 [100.0]	–	–	–
Seven Financial Service Co., Ltd.	Tokyo Met. Chiyoda-ku	75	Financial services	100.0	–	1	• The Company provides various services and benefits, etc. in addition to those concerning management strategies, and receives consideration. • The Company leases non-current assets. • The Company is entrusted with various business operations.
Seven CS Card Service Co., Ltd.	Tokyo Met. Chiyoda-ku	100	Financial services	51.0 [51.0]	–	–	• The Company is entrusted with various business operations.
SpireX Co., Ltd.	Tokyo Met. Chiyoda-ku	2,500	Others	100.0	–	2	• The Company provides various services and benefits, etc. in addition to those concerning management strategies, and receives consideration. • The Company is entrusted with and contracts out various business operations.

Name	Location	Capital or investments in capital (Millions of yen)	Principal business	Voting rights held by the Company (%)	Relationship		
					Interlocking officers		Business transaction
					The Company's officers (Persons)	The Company's employees (Persons)	
K.K. Terre Verte	Hokkaido Kitami-shi	400	Others	99.0 [25.0]	–	2	• The Company provides various services and benefits, etc. in addition to those concerning management strategies, and receives consideration. • The Company is entrusted with various business operations.
Seven & i Energy Management Co., Ltd.	Tokyo Met. Chiyoda-ku	400	Others	100.0	1	3	• The Company is entrusted with various business operations.
SEVEN & i Financial Center Co., Ltd.	Tokyo Met. Chiyoda-ku	10	Corporate	100.0	1	3	• The Company deposits and borrows funds. • The Company is entrusted with various business operations.
115 other companies (Note 6)	–	–	–	–	–	–	–
(Affiliates accounted for using the equity method) TOWER BAKERY CO., LTD.	Saitama Pref. Koshigaya-shi	100	Domestic convenience store operations	20.0 [20.0]	–	–	–
SHAN DONG ZHONG DI CONVENIENCE CO., LTD.	China Shandong Province	Thousands of yuan 210,000	Overseas convenience store operations	35.0 [35.0]	–	–	–
K.K. BCJ-95	Tokyo Met. Shinagawa-ku	0	Superstore operations	35.1	–	–	–
Seven Bank, Ltd. (Note 4)	Tokyo Met. Chiyoda-ku	30,724	Financial services	33.4 [33.4]	–	–	–
Tower Records Japan Inc.	Tokyo Met. Shibuya-ku	100	Others	45.0	–	2	–
PIA Corporation (Notes 4, 5)	Tokyo Met. Shibuya-ku	6,468	Others	18.4 [9.2]	–	1	–
7 other companies (Note 6)	–	–	–	–	–	–	–

Notes: 1. Names of reportable segments are shown in "Principal business."

2. In “Voting rights held by the Company,” the figures shown in brackets (included in total) represent indirect ownership.
3. Falls under the category of specified subsidiaries.
4. Has submitted a securities registration statement or annual securities report.
5. Deemed as an affiliate based on substantial judgment.
6. Since other companies do not significantly affect the consolidated financial statements, information on them is omitted.
7. Revenues from operations (excluding intersegment revenues between consolidated companies) of 7-Eleven, Inc. account for over 10% of consolidated revenues from operations. Major profit/loss information, etc., of 7-Eleven, Inc. is as follows.

	Revenues from operations (Millions of yen)	Ordinary income (Millions of yen)	Net income (Millions of yen)	Net assets (Millions of yen)	Total assets (Millions of yen)
7-Eleven, Inc.*	8,467,576	316,724	246,729	3,845,224	7,889,249

* The amounts including SEJ Asset Management & Investment Company and its consolidated subsidiaries are shown.

5. [Status of employees]

(1) Consolidated companies

February 28, 2026

Name of segment	Number of employees	
Domestic convenience store operations	8,388	[1,789]
Overseas convenience store operations	26,048	[48,470]
Superstore operations	0	[0]
Financial services	341	[100]
Others	324	[24]
Corporate (shared)	866	[12]
Total	35,967	[50,395]

Notes:
1. The number of employees represents the number of workers (excluding people dispatched from the Group to outside the Group, but including people dispatched from outside the Group to the Group), and the monthly average number of temporary employees through the conversion of their working hours to a 163-hour working month is shown in brackets and not included in the total.
2. The number of employees for “Corporate (shared)” is the number of employees of the Company.
3. The decrease in the number of employees in overseas convenience store operations is due to a decrease in the number of directly managed corporate stores at 7-Eleven, Inc., as well as ongoing efforts toward improving labor efficiency at existing directly managed corporate stores. The decrease in the number of employees in the superstore operations and others is due to the removal of subsidiaries under YORK Holdings Co., Ltd. from the scope of consolidation. The decrease in the number of employees in the financial services is due to the removal of Seven Bank, Ltd. and its subsidiaries from the scope of consolidation. The decrease in the number of employees in corporate (shared) is due to the ongoing reorganization of functions within the Group and optimization of personnel allocation as part of business structure reform focused on the convenience store operations.

(2) The Company

February 28, 2026

Number of employees		Average age	Average number of years of continuous service	Average annual salary (Yen)
866	[12]	45.1	17.5	8,550,415

Notes:
1. Most of the Company’s employees have been transferred from the Group companies. The average number of years of continuous service is the total of the number of years of continuous service at each Group company.
2. The number of employees represents the number of workers, and the monthly average number of temporary employees through the conversion of their working hours to a 163-hour working month is shown in brackets and not included in the total.
3. Average annual salary includes bonuses.

(3) Labor union

Labor unions are organized in certain parts of the Group.

There are no noteworthy matters that are pertinent to labor relations.

(4) Ratio of female workers in managerial positions, ratio of childcare leave taken by male workers, and gender wage gap

(i) The Company

Year ended February 28, 2026					Supplementary explanation
Ratio of female workers in managerial positions (%) (Note 1)	Ratio of childcare leave taken by male workers (%) (Note 2)	Gender wage gap (%) (Notes 1, 3)			
		All employees	Regular employees	Part-time/fixed-term employees	
19.7	100.0	78.6	77.5	80.7	–

Notes: 1. The ratio is calculated in accordance with the provisions of the "Act on the Promotion of Women's Active Engagement in Professional Life" (Act No. 64, 2015).

2. In accordance with the provisions of the "Act on the Welfare of Workers Who Take Care of Children or Other Family Members Including Child Care and Family Care Leave" (Act No. 76, 1991), the percentage of employees who took childcare leave, etc. as stipulated in Article 71-6-1 of the "Ordinance for Enforcement of the Act on Childcare Leave, Caregiver Leave, and Other Measures for the Welfare of Workers Caring for Children or Other Family Members" (Ordinance of the Ministry of Labor No. 25, 1991) was calculated. The calculation of the percentage is based on regular employees.

3. Gender pay gap represents the ratio of women's wages to men's wages. There is no difference in treatment based on gender in the wage system.

(ii) Major consolidated subsidiaries in Japan

Year ended February 28, 2026						Supplementary explanation
Name	Ratio of female workers in managerial positions (%) (Note 1)	Ratio of childcare leave taken by male workers (%) (Notes 2, 3)	Gender wage gap (%) (Notes 1, 4)			
			All employees	Regular employees	Part-time/fixed-term employees	
SEVEN-ELEVEN JAPAN CO., LTD.	21.8	66.9	61.6	78.3	74.2	–
Seven Financial Service Co., Ltd.	15.0	100.0	66.3	74.1	72.0	–
Seven CS Card Service Co., Ltd.	20.0	–	–	–	–	–
SpireX Co., Ltd.	25.0	116.7	83.4	84.0	53.4	–

Notes: 1. The ratio is calculated in accordance with the provisions of the "Act on the Promotion of Women's Active Engagement in Professional Life" (Act No. 64, 2015).

2. In accordance with the provisions of the "Act on the Welfare of Workers Who Take Care of Children or Other Family Members Including Child Care and Family Care Leave" (Act No. 76, 1991), the percentage of employees who took childcare leave, etc. as stipulated in Article 71-6-1 of the "Ordinance for Enforcement of the Act on Childcare Leave, Caregiver Leave, and Other Measures for the Welfare of Workers Caring for Children or Other Family Members" (Ordinance of the Ministry of Labor No. 25, 1991) was calculated. The calculation of the percentage is based on regular employees.

3. The ratio of taking childcare leave may exceed 100% because childcare leave may be taken in the fiscal year ended February 28, 2026, for childbirth cases from prior fiscal years.

4. Gender pay gap represents the ratio of women's wages to men's wages. Within our Group, there are no gender-based differences in the human resources system, and the compensation system reflects each individual's role and contribution, regardless of gender. However, across Group companies, men tend to have a higher average age and managerial ratio, while more women opt for shorter working hours or regional roles to balance work and family, resulting in wage differences. To close these gaps, we continue promoting childcare leave for men, reducing long working hours, and creating a more supportive work environment, while also advancing women's career development, training, and promotion to managerial positions.

II. [Overview of Business]

1. [Management policies, business environment and issues to address]

The management policies, business environment, and issues to address of the Group are as follows.

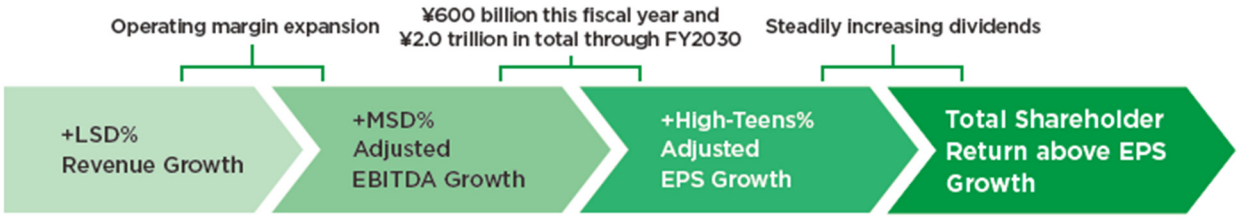
This section includes forward-looking statements and future expectations of the Group as of the end of the fiscal year under review.

(1) Basic management policies

In September 2025, the Company transitioned to a new structure focused on convenience store (CVS) operations. Prior to this, in August of the same year, we announced a plan titled the "Transformation of 7-Eleven" (hereinafter the "Transformation Plan"). This is the Company's first truly global strategic plan, clearly defining the priorities for growing as a global company and the ways we will achieve them. By formulating this plan, we are fostering a shared direction and sense of unity as 7-Eleven. To ensure the rapid execution and achievement of this plan, we have also fundamentally reformed our management processes and systems from the perspectives of communication, speed, and accountability. As 7-Eleven operates globally, the Company has unmatched scale and a unique business model, giving us significant untapped potential. By executing a consistent, integrated growth strategy as one unified 7-Eleven brand in the truest sense, while pursuing disciplined management processes and autonomous operations through the empowerment of each operating company, we will further enhance the Company's corporate value and shareholder value.

(2) Committed to long-term value creation

Guided by a disciplined capital allocation policy, we are executing the Transformation Plan and are fully committed to maximizing long-term shareholder value.



* Inclusive of deconsolidation of the SST Business Group and 7BK, and IPO of SEI
Note: LSD = Low Single Digit; MSD = Middle Single Digit

(3) Management vision in the medium to long term

Based on the Group Strategy Reevaluation in FY2022, the Ideal Group Image for 2030 was established as "A world-class retail group centered around its 'food' that leads retail innovation through global growth strategies centered on the 7-Eleven business and proactive utilization of technology."

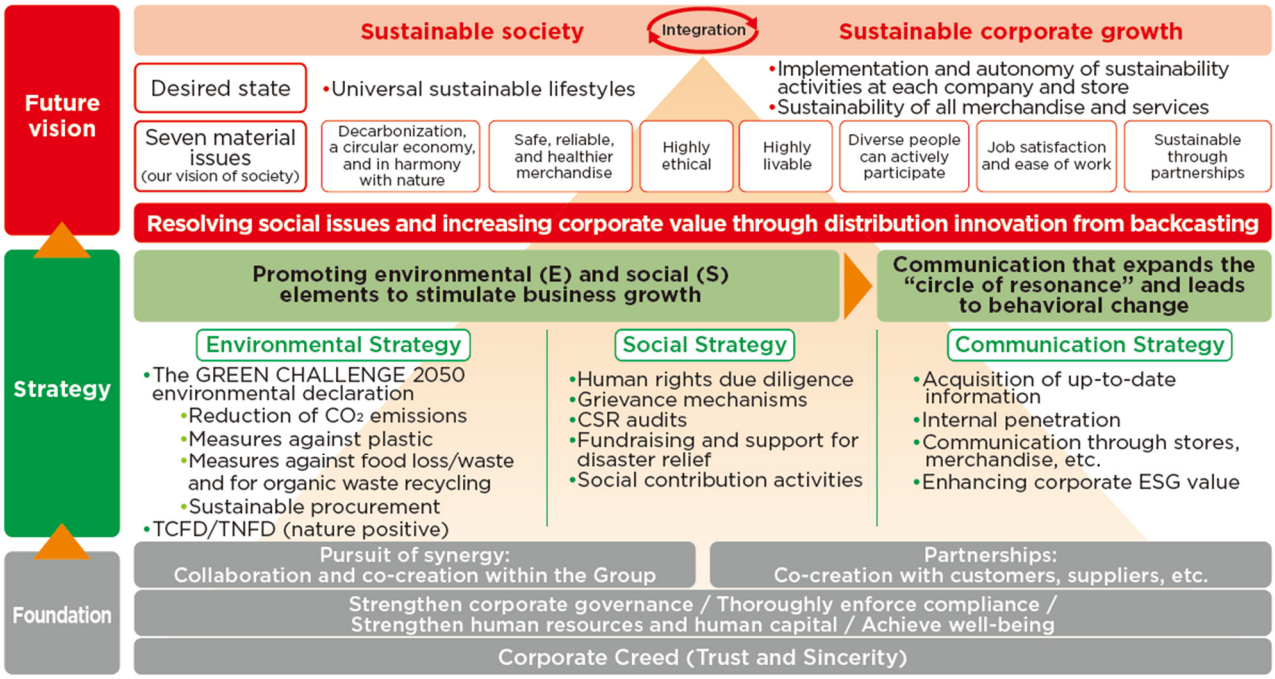
(4) Business environment and management issues

Through the Transformation Plan, the Company will build a lean, resilient organization capable of responding swiftly to all forms of change. The Company has expanded the 7-Eleven business globally, maintaining a leading position for many years and firmly establishing itself as a market leader. However, alongside these many successes, the risks of slowing innovation and declining business momentum have become increasingly apparent in recent years. The new management team recognizes the urgency of this issue and shares a strong sense of the need to rapidly transform the way the business is operated. In driving this transformation forward, we will uphold the founder's mentality of "Trust and sincerity" and "Responding to Change" as unwavering values and philosophy. Based on this, we will cultivate a corporate culture within our Group characterized by a humble attitude toward learning and a proactive stance toward driving change. We believe it is essential to redefine our business from the ground up, challenge ourselves, think proactively, and change our actions. By encouraging every employee to think and act like a founder, we can drive innovation and accelerate growth. To rebuild our corporate culture on a company-wide scale and carry out the fundamental reforms outlined in this plan, the new management team will work closely with the leadership teams of each operating company, establishing a unified management structure and executing a wide range of initiatives as one team. In formulating the Transformation Plan, the

management team engaged in extensive dialogue and discussion with each operating company and identified the management challenges requiring immediate attention.

Key challenges		How to address the challenges		Our approach for growth
HD/HQ	• Global planning and mgmt. • Global decision making • Global talent • HQ not fit for purpose • Global leverage	HD/HQ	**Establish a basis for effective management**	·Set **clear global management approach and cadence** ·Upgrade our **HD function**
Across SEI/SEJ/ 7IN	• Consumer spending • Channel shift • Cost inflation • Franchisee profitability	Across SEI/SEJ/ 7IN	**Elevating customer experience** **Shift to digital** **Optimize value chain**	·**Invest in stores/equipment** for distinctive food offering ·**Store network expansion** with optimal store formats ·**7NOW/Operational Excellence** ·**Cost control** to invest in growth
SEI	• Consumer perception re: food • Fuel demand	SEI	**Build foundation as growth engine** **Maximize existing opportunities**	·Expand **proprietary products and Private Brand** ·Maximize **fuel vertical integration opportunities**
SEJ	• Consumer perception re: brand • Intensifying competition	SEJ	**Reestablish SEJ as the leader in innovation**	·Enhance **customer engagement**
7IN	• Global talent • Investment process	7IN	**Solidify and roll out the equity model**	• Accelerate global talent acquisition /development • Set rigorous investment criteria and mgmt. rules

A solid management foundation supporting the Transformation of 7-Eleven
—Sustainability strategy, human capital initiatives, and strengthening corporate governance—
The Group is advancing a sustainability strategy based on its Seven Material Issues to achieve both a sustainable society and enhanced corporate value. In FY2024, we formulated a sustainability strategy map and further strengthened initiatives including CO_2 emissions reduction, plastic reduction measures, food loss and food recycling initiatives, sustainable sourcing, and human rights due diligence. We have also advanced initiatives aimed at achieving a nature-positive society, expanded disclosures on climate- and nature-related risks based on the TCFD and TNFD frameworks, and conducted assessments of the financial impact of business-related risks.



With respect to human capital initiatives, we recognize that talent policies aligned with our management strategy are essential, including "Fostering a culture of continuous challenge and innovation," "Enhancing job satisfaction and ease of work," and "Developing and recruiting

global human resources." Through initiatives such as transforming corporate culture, promoting DEI, supporting work-life balance, strengthening skills development and training programs, and supporting career development, we are focused on creating an environment where employees can grow and thrive.
With regard to corporate governance, under a Board structure in which Independent Outside Directors constitute the majority, we have separated the roles of Chairperson of the Board (Gicho) and CEO in order to enable faster strategic decision-making and enhance transparency and objectivity, while also strengthening management oversight functions. We are also ensuring the independence of the Nomination and Compensation Committees, while advancing initiatives such as skills assessments for Directors and Audit & Supervisory Board Members and the introduction of performance-linked remuneration.

Going forward, the Company will continue striving to achieve both a "sustainable society" and "sustainable corporate growth," while sincerely listening to the voices of all stakeholders and pursuing the medium- to long-term enhancement of corporate value in the global marketplace.

2. [Sustainability policies and initiatives]

The Group's sustainability policies and initiatives are as follows.

This section includes forward-looking statements and future expectations of the Group as of the end of the fiscal year under review.

Based on the Corporate Creed of "aiming to be a sincere company trusted" by all stakeholders, including customers, business partners, shareholders, investors, local communities, member stores, and employees, the Group is working towards a sustainable society as outlined in the Sustainable Development Goals (SDGs).

We believe that the starting point of our business activities and the basis of our pursuit of sustainability is to stay close to our customers' lives and to continue to provide new customer experiences and values inspired by our customers' lifestyles.

To this end, having identified material issues (Materiality) through dialogue with our stakeholders, we are working to resolve social issues of high importance for society and the Group through our core business.

In 2019, we announced the "GREEN CHALLENGE 2050" environmental declaration in order to make the most of the limited global environment and resources and pass them on to future generations. We have set visions and specific goals for 2030 and 2050, and formed innovation teams for each of the four themes in order to achieve these visions and goals. With each team working to introduce diverse new technologies and build a recycling-oriented society in cooperation with customers, business partners, and local communities, the Group is making a concerted effort to reduce environmental impact.

In addition, in order to understand the human rights of all people and fulfill our responsibility to respect human rights, we have established the "Seven & i Holdings Human Rights Policy" in accordance with international principles and standards. The Policy applies to all officers and employees, and we ask for the continued support of all business partners, thereby working together to promote human rights due diligence and respect for human rights.

We recognize that mitigating medium- and long-term risks and proactively taking advantage of opportunities through these sustainability measures will enhance the resilience and sustainability of our business activities and increase the social and economic value of the Group as an indispensable presence in the lives of our customers in Japan and overseas.

Described below are our approaches to (1) Overall sustainability, (2) Climate change, and (3) Human capital and diversity, in four aspects of (i) Governance, (ii) Strategy, (iii) Risk management, and (iv) Indicators and targets, respectively.

(1) Overall sustainability

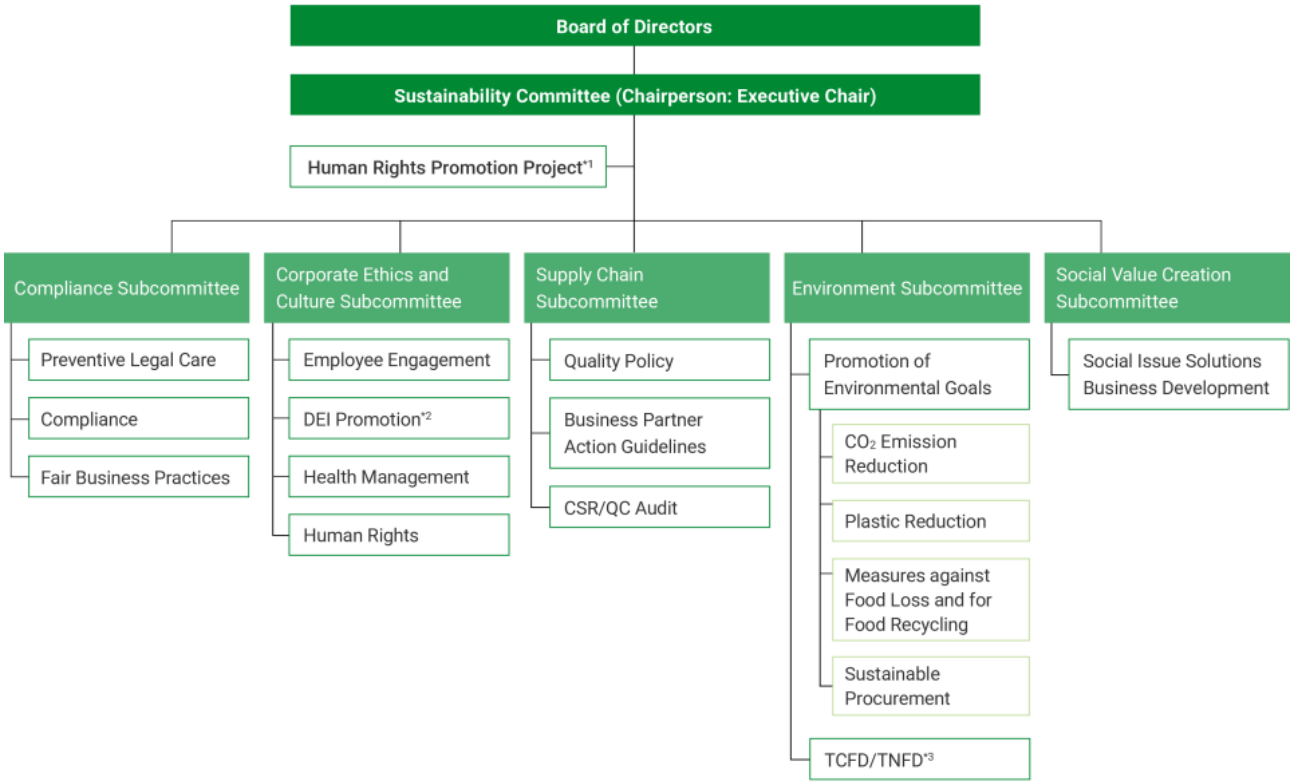
(i) Governance

In order to contribute to solving social issues and aim for sustainable growth for both society and the Group, the Company has established, in accordance with the Sustainability Basic Rules, the "Sustainability Committee," which is chaired by the Representative Director and Executive Chair (Kaicho) and meets twice a year, to promote, administer, and supervise the sustainability activities through operating activities. The Company has also established five subcommittees (Compliance Subcommittee, Corporate Ethics and Culture Subcommittee, Supply Chain Subcommittee, Environment Subcommittee, and Social Value Creation Subcommittee) under the Sustainability Committee tasked with the examination and promotion of concrete measures to promote operating activities that will contribute to solving material issues (Materiality) identified to address the expectations and demands of stakeholders and realizing a more thorough compliance practice. Through these subcommittees, the Company has carried out initiatives to find solutions to issues and implemented preventive measures.

The Sustainability Committee receives reports on the activities of the five subcommittees under its umbrella and provides guidance and improvements, while strengthening cooperation between the holding company and operating companies.

In addition, to strengthen sustainability governance, we are considering a review of the Group's sustainability promotion framework.

Organizational Structure of Sustainability Promotion



*1 Promoting human rights due diligence and responding to serious human rights incidents
*2 Diversity, Equity, and Inclusion. Promote a diverse organization that respects individual differences and emphasizes fairness
*3 Task Force on Climate-related Financial Disclosures/Task Force on Nature-related Financial Disclosures

- Compliance Subcommittee
  Ensuring that employees of Group companies comply with laws, regulations, and social norms, including conducting fair transactions with customers and business partners, forms the essential foundation for the realization of the Group's Corporate Creed, "Trust and sincerity." As a holding company, the Company supports the strengthening of the compliance system of each Group company and provides effective supervision, thereby ensuring thorough compliance at each Group company. The Compliance Subcommittee is chaired by the Executive Officer and General Manager of the Corporate General Affairs & Legal Division of the Company, and is managed by the department in charge of legal affairs of the Company to promote specific measures.

- Corporate Ethics and Culture Subcommittee
  Ensuring that employees of Group companies understand the Group's Corporate Creed and comply with the Corporate Action Guidelines forms the essential foundation for the realization of the Group's Corporate Creed, "Trust and sincerity." The Corporate Ethics and Culture Subcommittee is engaged in activities aimed at having employees of Group companies thoroughly adhere to the Corporate Action Guidelines, including making the Corporate Creed and the Corporate Action Guidelines thoroughly known to them and raising awareness among them through education. In addition, in order to create a rewarding workplace, the Corporate Ethics and Culture Subcommittee carries out Culture & Engagement Surveys, promotes the activities of diverse human resources, including women and people with disabilities, supports the balancing of work and nursing care, improves the working environment, including correcting long working hours, and encourages employees to take leave and holidays. Through these measures, the Subcommittee strives to create an environment in which all employees can work with peace of mind. The Corporate Ethics and Culture Subcommittee is chaired by the Executive Officer and General Manager of the Human Resources Division of the Company, and is managed by the department in charge of personnel affairs of the Company to promote specific measures.

- Supply Chain Subcommittee
  Promptly responding to the "U.N. Guiding Principles on Business and Human Rights" and the "Sustainable Development Goals (SDGs)" and establishing a sound supply chain that takes human rights and the environment into consideration is one of the important social responsibilities of companies, and is also strongly demanded by stakeholders. In order to fulfill our social responsibility throughout the product and service supply chains, the Supply Chain Subcommittee asks business partners to understand and comply with the "Seven & i Holdings Business Partner Sustainable Action Guidelines." The status of compliance is regularly verified and shared through CSR audits, etc., and education, awareness-raising, and corrective measures are promoted. In addition, in order to improve quality and ensure the safety of each Group company, the Supply Chain Subcommittee is developing and reinforcing the quality standards and management systems of each Group company in accordance with the Group's "Quality Policy." The Supply Chain Subcommittee is chaired by the Executive Officer and General Manager of the Group Merchandise Strategy & Planning Division of the Company, and is managed by the department in charge of merchandise strategy of the Company to promote specific measures.

- Environment Subcommittee
  In response to issues such as climate change and resource depletion, working to reduce the environmental impact throughout our entire supply chain by using products, raw materials, and energy with zero waste, while asking for our customers' and business partners' cooperation in our efforts is an important element that contributes to the sustainable development of not only society but also the Group. To this end, the Environment Subcommittee is promoting initiatives aimed at realizing a "decarbonized society," "circular economy," and a "society in harmony with nature" in accordance with the "GREEN CHALLENGE 2050" environmental declaration, which was approved by the Board of Directors in April 2019 and announced in May of the same year. The Environment Subcommittee is also conducting analyses based on the frameworks of the Task Force on Climate-related Financial Disclosures (TCFD) and the Taskforce on Nature-related Financial Disclosures (TNFD) and stepping up our response measures. The Environment Subcommittee is chaired by the Executive Officer and Head of the Sustainability Development Office, and is managed by the department in charge of environmental measures of the Company to promote specific measures.

- Social Value Creation Subcommittee
  The Social Value Creation Subcommittee is engaged in activities aimed at creating businesses that generate both social and economic value (CSV: Creating Shared Value), based on the recognition that, as business domains expand and the social issues involved diversify, working to solve social issues will lead to new business opportunities. In an effort to address "Seven Material Issues" identified through dialogue with various stakeholders towards the realization of a sustainable society, the Social Value Creation Subcommittee will plan, develop, and execute new businesses originating from addressing social issues through our core business which utilizes our business characteristics and management resources, including the business infrastructure and know-how we have cultivated to date. The Subcommittee will also consider working together with external parties, such as business partners, social entrepreneurs, and NPOs, to step up its initiatives. The Social Value Creation Subcommittee is chaired by the Director and Managing Executive Officer, Chief Strategy Officer (CSO), and General Manager of the Management Planning Division, and is managed by the department in charge of corporate planning of the Company to promote specific measures.

(ii) Strategy
The Group is actively engaged in the promotion of sustainability, with both the resolution of social issues and the enhancement of corporate value as the fundamental basis of its management. As social issues and social demands related to our business diversify, we have, in order to focus on and appropriately respond to issues that require special emphasis, determined "Seven Material Issues (Materiality)" which are particularly relevant to the Group's business domain, and striven to resolve them. Through these efforts, we are working through our core businesses to create a new business model that takes social

issues and material issues as its starting points. In addition, as the structure of the Group is changing, we are considering a review of our material issues (materiality)

<Seven Material Issues (Materiality)>
Material Issue 1: Create a livable society with local communities through various customer touchpoints
Material Issue 2: Provide safe, reliable, and healthier merchandise and services
Material Issue 3: Realize decarbonization, circular economy, and society in harmony with nature, through environmental efforts
Material Issue 4: Achieve a society in which diverse people can actively participate
Material Issue 5: Improve work engagement and environment for people working in Group businesses
Material Issue 6: Create an ethical society through dialogue and collaboration with customers
Material Issue 7: Achieve a sustainable society through partnerships

Risks and opportunities related to material issues

Seven Material Issues (Materiality)	Risks	Opportunities
(i) Create a livable society with local communities through various customer touchpoints	・Declining population, depopulation, and aging of society due to fewer living centers, resulting in fewer sales opportunities ・New store opening not proceeding as planned due to lack of cooperation with local communities, resulting in loss of opportunities to provide new value	・Stakeholders' trust earned thanks to expanding social role as lifestyle infrastructure ・Expansion of sales opportunities through regional revitalization
(ii) Provide safe, reliable, and healthier merchandise and services	・Customer defection due to product accidents and in-store accidents ・Loss of credibility due to violations of quality control, labeling, and other laws and regulations ・Customer defection due to delays in health product development	・Increased customer loyalty supported by thorough safety and quality control ・Expansion of sales opportunities by offering health-conscious products and new products that meet customer needs
(iii) Realize decarbonization, circular economy, and society in harmony with nature, through environmental efforts	・Physical damage to stores and distribution networks due to increased natural disasters brought about by climate change ・Soaring purchase prices due to changes in supply and demand brought about by abnormal weather conditions and fluctuations in the prices of crude oil and other raw materials ・Customer defection due to widespread environment-unfriendly corporate image deriving from food waste generation, greenhouse gas emissions, etc.	・Cost reduction through energy savings, waste reduction, recycling, and review of energy supply sources ・Creation of brand value as a company taking advanced environmental measures
(iv) Achieve a society in which diverse people can actively participate	・Discrimination, prejudice, etc., left unchecked, resulting in damage to corporate image, customer defection, and lower employee engagement ・Difficulty in securing human resources and outflow of human resources outside the company	・Securing prospective customers and development of new services through dialogue with and nurturing of the next generation, the youth generation, and people with different values

Seven Material Issues (Materiality)	Risks	Opportunities
(v) Improve work engagement and environment for people working in Group businesses	・Decline in employee engagement due to lack of improvement in working environment ・Difficulty in securing human resources and outflow of human resources outside the company	・Enhanced competitiveness through the active participation of diverse talent ・Increased productivity through enhancing employee competence and autonomy ・New business development and acquisition of talented human resources
(vi) Create an ethical society through dialogue and collaboration with customers	・Delays in responding to changes in consumer lifestyles and diversification of values, resulting in loss of opportunities to provide new value through products and services	・Expansion of sales opportunities by offering products and services that help promote ethical consumption ・Increased customer loyalty through collaboration
(vii) Achieve a sustainable society through partnerships	・Discontinuation of supply of products or deterioration of product quality due to labor environment or human rights issues or noncompliance in the supply chain, and resulting in decline in social reputation due to boycott campaigns	・Improving resilience through sustainable sourcing of raw materials ・Provision of new products and services through collaboration with business partners and players in the same and other industries

・ For more information about risks and opportunities related to material issues, please refer to “Seven Material Issues (Materiality)” on page 40 of our Management Report 2025 (Integrated Report), which is available at the following URL.
https://www.7andi.com/library/en/ir/library/mr/pdf/mr_pdf-06.pdf

Specific measures to address material issues

Seven Material Issues (Materiality)	Specific measures
(i) Create a livable society with local communities through various customer touchpoints	1. Management rooted in local communities Expansion of delivery service for those who experience shopping inconvenience (The 7NOW delivery service and mobile sales vehicles) Development and sales of products that reduce household chores for those who experience inconvenience or difficulty in having meals Contribution to local crime prevention as a familiar community hub
(ii) Provide safe, reliable, and healthier merchandise and services	2. Support for a safe, secure, and prosperous society Development and expansion of sales of nutritional and health-conscious products Further strengthening quality control system
(iii) Realize decarbonization, circular economy, and society in harmony with nature, through environmental efforts	3. Environmentally friendly management Establishment of a retail electricity company aimed at expanding the use of renewable energy Reduction of plastic use, closed-loop recycling system of recycling PET bottles into new PET bottles Food recycling through feed and composting, and procurement of sustainably sourced products
(iv) Achieve a society in which diverse people can actively participate	4. Realization of a society that is tolerant towards people with different values and lifestyles Provide educational opportunities for future generations (including outreach classes), and operate daycare centers Support for persons with disabilities

Seven Material Issues (Materiality)	Specific measures
(v) Improve work engagement and environment for people working in Group businesses	5. Creating an organization where employees feel a sense of fulfillment and accomplishment Promotion of diversity, equity, and inclusion (DEI) Improving employee engagement through human resource development and dialogue Improvement of working environment through DX
(vi) Create an ethical society through dialogue and collaboration with customers	6. Realization of a prosperous community with our customers Organizing surplus food donation activities and environmental conservation events Customer participation initiatives that contribute to solving social issues
(vii) Achieve a sustainable society through partnerships	7. Realization of a prosperous community with our customers Collaboration with business partners conscious of human rights and the global environment Collaboration with NPOs, NGOs, and companies in the same and other industries Expansion of services as social infrastructure in collaboration with national and local governments

- For specific initiatives aimed at addressing these material issues, please refer to “Seven Material Issues (Materiality)” on page 40 of our Management Report 2025 (Integrated Report), which is available at the following URL.
https://www.7andi.com/library/en/ir/library/mr/pdf/mr_pdf-06.pdf

(iii) Risk management
In addressing sustainability-related issues, we have established a framework centered on the Sustainability Committee under the oversight of the Board of Directors. The Sustainability Committee monitors the progress of responses to sustainability-related risks and opportunities, as well as trends in related indicators.
In addition, the Company has established a Risk Management Committee as one of the various committees related to corporate governance, which regularly identifies risks in business activities, determines important risks, and strengthens the management system for such risks.
This risk management system covers sustainability risks as well. For details on risk management, including individual risks, please refer to “Part I. Company Information, II. Overview of Business, 3. Risk factors” below.

(iv) Indicators and targets
Each operating company sets its own targets for activities that contribute to the resolution of the “Seven Material Issues (Materiality)” through the Group’s businesses by each material issue. Details of targets and results are provided on page 311 and further in the “Data Section” of our Sustainability Data Book 2025 (results for the fiscal year ended February 28, 2025), which are available at the following URL.
https://www.7andi.com/library/dbps_data/_template_/_res/en/sustainability/sustainabilityreport/2025/pdf/2025_26_01.pdf

(2) Climate change
As described above, the Group has set “3. Realize decarbonization, circular economy, and society in harmony with nature, through environmental efforts” as one of its material issues, and addressing climate change as one of its management issues in its management strategy as well. To accelerate our response to climate change, we announced our environmental declaration “GREEN CHALLENGE 2050” in 2019, identifying CO_2 emission reduction as one of the key focus areas. The declaration sets quantitative targets for 2030 and the 2050 Vision. We have established a Group-wide promotion structure to drive our initiatives forward. We have performed scenario analysis in line with TCFD recommendations to identify risks and opportunities related to climate change for each entity and taken measures to reduce the risks and maximize the opportunities.

(i) Governance

For information on the promotion framework for overall sustainability, please refer to "Part I. Company Information, II. Overview of Business, 2. Sustainability policies and initiatives, (1) Overall sustainability, (i) Governance." The table below shows the framework for climate change response. The CO_2 emissions reduction targets in the "GREEN CHALLENGE 2050" environmental declaration formulated in May 2019 have been added from FY2020 as non-financial indicators to the KPIs for stock compensation in compensation for directors and other officers.

Framework	Roles	Members
Board of Directors	・Oversee climate change mitigation efforts by receiving reports on progress of such efforts and achievement of targets at least once a year ・Review and decide on policies and important matters	・Directors ・Audit & Supervisory Board Members Members include internal and outside Directors with extensive knowledge and experience in sustainability
Sustainability Committee	・Meet twice a year to share trends in indicators related to climate change issues (e.g. CO_2 emissions) and mitigation and adaptation measures ・Approve and give advice on initiatives implemented by the Environment Subcommittee and Group companies	・Chairperson: Representative Director and Executive Chair (Kaicho), Seven & i Holdings Co., Ltd. ・Members: Persons responsible for sustainability promotion at Group companies (e.g. Representative Director and President, etc.); persons responsible for sustainability development departments at Seven & i Holdings Co., Ltd.
Environment Subcommittee	・Sub-organization of the Sustainability Committee ・Meet twice a year ・Promote actions to combat climate change ・Promote response to TCFD recommendations	・Chairperson: Executive Officer and Head of the Sustainability Development Office, Seven & i Holdings Co., Ltd. ・Members: Persons responsible for sustainability development and those responsible for practical affairs related to climate change at Group companies

(ii) Strategy

1. Scenario analysis based on TCFD recommendations

<Background>

From FY2019 to FY2021, the Group conducted a scenario analysis of its domestic convenience store operations, which accounted for 60% of its operating income (as of 2019). The analysis gave us some insight into the inherent risks of the convenience store operations. In FY2022, a scenario analysis was conducted for the superstore operations as a domestic business with similar geographical conditions. Starting in FY2023, we effectively utilized the results of scenario analysis conducted for our domestic operations in analyzing our overseas operations, and carried out a more effective and efficient scenario analysis for 7-Eleven, Inc., focusing on climate-related physical risks, transition risks, and opportunities. From FY2024, we have begun disclosing the results of our analysis of the overseas convenience store operations, and are reviewing updates to the scenario analysis of our domestic operations and progress on related countermeasures.

<Assumptions for the analysis>

Scenario*	Decarbonization scenario (1.5°C to 2°C), Warming scenario (2.7°C to 4°C) *Two scenarios were established with reference to reports on future projections issued by governments and international organizations, including the Stated Policies Scenario (STEPS), Announced Pledges Scenario (APS), and Net Zero Emissions by 2050 (NZE2050) Scenario presented in the International Energy Agency (IEA) "World Energy Outlook."
Analytical method	Analyze not only the direct physical impact on stores, but also costs incurred in store operations, the supply chain of products (raw materials, product manufacturing plants, and product delivery) and customer behavior, which have a significant impact on store operations
Target years	Domestic convenience store operations: Impact as of 2030 Overseas convenience store operations: Short-term (0-5 years), medium-term (5-10 years), and long-term (10-30 years)

<Target entities>

- Domestic convenience store operations: SEVEN-ELEVEN JAPAN CO., LTD.
- Overseas convenience store operations: 7-Eleven, Inc.

<Business environment>

- Decarbonization scenario

We envision a world in which various laws and regulations will be introduced to achieve the 1.5°C target, and the cost of store operations will rise due to the cost of dealing with such laws and regulations, and portfolio diversification will be required. In this scenario, we also expect that consumers' interest in sustainable products and services, as well as their interest in EVs, will increase, and that sales of products that respond to this interest will lead to business growth.

- Warming scenario

This scenario assumes an increase in the occurrence and severity of natural disasters, a marked change in weather patterns, damage to stores and other facilities, impact on raw material procurement, and an increase in air conditioning costs at stores due to higher temperatures.

<Analysis results>

1. Climate change-related risks and opportunities identified

The Company has identified the risks and opportunities related to climate change and the measures to deal with them, some of which are common to the Group and others are specific to some operations or entities.

* For detailed analysis results, please refer to "4.1 Risk and opportunity analysis" (page 10) and "4.2 Climate change" (page 11) in the Company's "CLIMATE and NATURE Disclosures: Integrated report based on TCFD/TNFD recommendations" available at the following URL.
https://www.7andi.com/library/sustainability/pdf/environment/TCFD_TNFD_2025_en.pdf

	Significant risks and opportunities identified	Response measures
Decarbonization scenario	<Risks> ・The global introduction of emissions regulations and carbon pricing, such as carbon taxes, resulting in a cost burden for CO_2 emissions from store operations and increased costs in the supply chain that will affect products and other items (For the projected financial impact of carbon taxes, please refer to "2. Business impact" below.) ・Increased electricity payments due to higher electricity retail prices ・(Overseas convenience store operations) Increase in costs related to Extended Producer Responsibility (EPR) due to product waste regulations (medium-term) ・(Overseas convenience store operations) Especially in the decarbonization scenario, lower demand for petroleum-based fuels owing to changing consumer preferences, adoption of new technologies, and improved fuel efficiency, resulting in a decrease in revenues from petroleum-based fuels (long-term)	・Promote measures to reduce CO_2 emissions in accordance with the "GREEN CHALLENGE 2050" environmental declaration (aiming for a 50% reduction in 2030 from the FY2013 level and net-zero emissions in 2050). ・Promote initiatives and investments to save energy and improve energy efficiency in stores ・Aggressively increase the percentage of renewable energy use in stores ・Increase sustainable products and services (low-carbon products, environmentally friendly containers and packaging, PET bottle collection and recycling, certified products, etc.) ・Promote measures to reduce the amount of food waste generated (reduce the amount of food to be incinerated) in accordance with measures against food loss and for food recycling set in the "GREEN CHALLENGE 2050" environmental declaration ・Promote various measures against product packaging in accordance with measures

	Significant risks and opportunities identified	Response measures
	<Opportunities> ・Increased consumer interest in sustainable products and services ・Increased demand for EV charging due to tighter regulations and changing consumer preferences ・(Overseas convenience store operations) Reduction in overall energy use by investing in measures to improve energy efficiency (medium-term)	against plastic set in the "GREEN CHALLENGE 2050" environmental declaration ・Expand EV charging services at stores (Overseas convenience store operations: Plan to expand deployment of EV fast-charging ports for the "7Charge" EV fast-charging network in the U.S. and Canada in the future)
Warming scenario	<Risks> ・Increased frequency and intensity of severe natural disasters, resulting in store damage, merchandise damage, supply chain disruptions, blocked store access, lost sales due to store closures, and increased losses due to restoration costs and others ・Changes in precipitation and weather patterns, resulting in higher merchandise costs due to reduced harvest of merchandise raw materials ・Rising operating costs for air conditioning and refrigeration/freezer equipment due to soaring global temperatures ・Difficulty maintaining product quality due to supply shortages and declining quality caused by climate change, resulting in lower brand value and reduced customer satisfaction	・Develop a contingency plan to be followed during severe weather events such as floods and storms ・Establish a system for information gathering and early recovery in the event of a disaster (such as "7VIEW") ・Ensure stable procurement by expanding procurement sources, such as vegetable plants and land-based fish farms ・Promote energy saving and install energy-saving equipment in stores ・Expand delivery and e-commerce services
	<Opportunities> ・Customers seldom going out during summer season due to high temperatures, which will boost demand for delivery and e-commerce services	

2. Business impact

・ Impact of carbon tax (2030)

Business	Business impact
Domestic convenience store operations	¥14.4 billion
Overseas convenience store operations	¥13.3 billion
Total	¥27.7 billion

<Assumption> ・Carbon tax amount: $135/t-$CO_2$ (maximum amount from IEA "World Energy Outlook 2022")

・Exchange rate: ¥150/$ (approximately the exchange rate used at the time of closing of the fiscal year ended February 28, 2025)

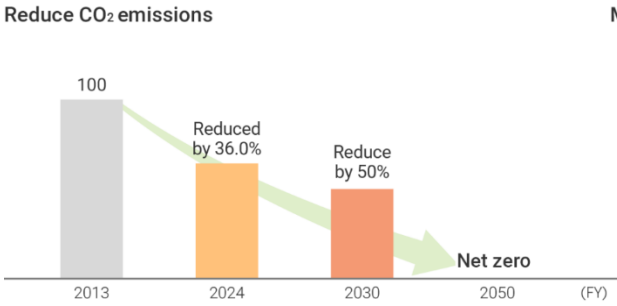
The carbon tax amount as of 2030 is set at $135/t-$CO_2$ with reference to the IEA "World Energy Outlook 2022" and the impact is estimated using the maximum amount. We expect to be able to significantly reduce the carbon tax amount in 2030 by promoting initiatives based on the targets set forth in the "GREEN CHALLENGE 2050" environmental declaration. Moreover, by achieving our 2050 target of net-zero CO_2 emissions, our business will not be subject to the carbon tax.

(iii) Risk management

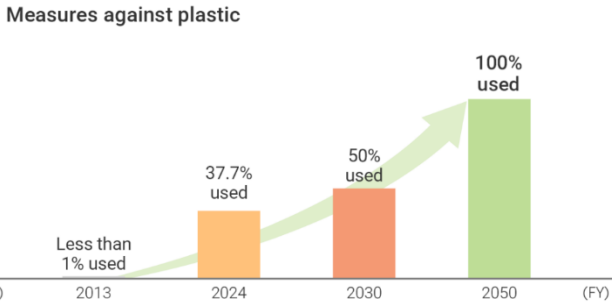
The Group's risk management system covers climate change-related risks as well. For details on risk management, please refer to "Part I. Company Information, II. Overview of Business, 3. Risk factors" below.

(iv) Indicators and targets

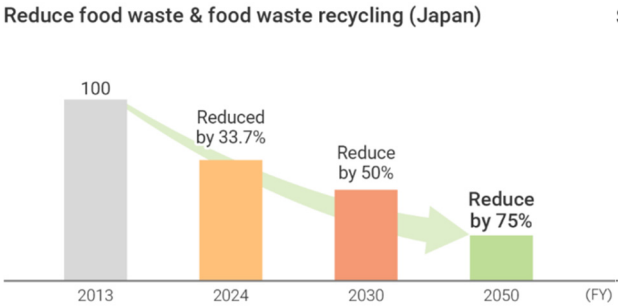
Indicators and targets of and progress in the four areas of the "GREEN CHALLENGE 2050" environmental declaration are as follows. In addition, following the Group reorganization in September 2025, we are reviewing our environmental targets.



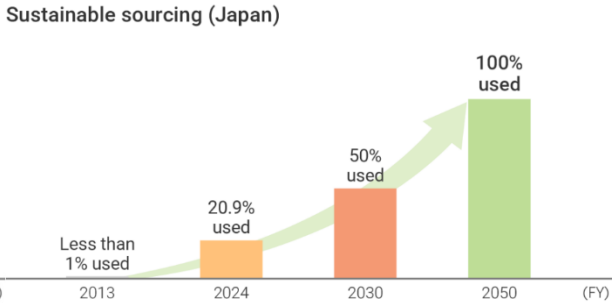
Reduction rate of CO_2 emissions from group store operations (compared to FY2013)[*1]



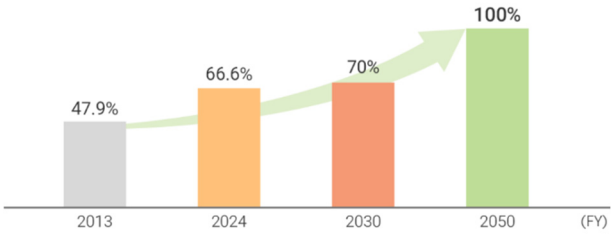
Ratio of environmentally friendly materials used in containers for original products[*2]



Amount of food waste[*3]



Ratio of sustainable food ingredients used in original products[*5]



Food waste recycling rate[*4]

*1 Total of nine companies: SEVEN-ELEVEN JAPAN CO., LTD., 7-Eleven, Inc., and subsidiaries of K.K. BCJ-95 (an equity-method affiliate), including Ito-Yokado Co., Ltd., York-Benimaru Co., Ltd., SHELL GARDEN CO., LTD., former IY Foods K.K., Akachan Honpo Co., Ltd., Denny's Japan Co., Ltd., and THE LOFT CO., LTD.

*2 Ratio of environmentally friendly materials (biomass, biodegradable, recycled materials, paper, etc.) used in containers for original products (including SEVEN PREMIUM) Calculated for seven companies that handle original products (SEVEN-ELEVEN JAPAN CO., LTD., 7-Eleven, Inc., and subsidiaries of K.K. BCJ-95 (an equity-method affiliate), including Ito-Yokado Co., Ltd., York-Benimaru Co., Ltd., Peace Deli Co., Ltd., Akachan Honpo Co., Ltd., and Denny's Japan Co., Ltd.)

*3 Food waste generated per million yen in sales. Calculated for five food-related operating companies (SEVEN-ELEVEN JAPAN CO., LTD. and subsidiaries of K.K. BCJ-95 (an equity-method affiliate), including Ito-Yokado Co., Ltd., York-Benimaru Co., Ltd., SHELL GARDEN CO., LTD., and Denny's Japan Co., Ltd.)
*Preparations are underway at 7-Eleven, Inc. to calculate accurate figures.

*4 Calculated for five food-related operating companies (SEVEN-ELEVEN JAPAN CO., LTD. and subsidiaries of K.K. BCJ-95 (an equity-method affiliate), including Ito-Yokado Co., Ltd., York-Benimaru Co., Ltd., SHELL GARDEN CO., LTD., and Denny's Japan Co., Ltd.)
*Preparations are underway at 7-Eleven, Inc. to calculate accurate figures.

*5 Ratio of food ingredients used in original products (including SEVEN PREMIUM) that have been certified as sustainable. Calculated for five food-related operating companies (SEVEN-ELEVEN JAPAN CO., LTD. and subsidiaries of K.K. BCJ-95 (an equity-method affiliate), including Ito-Yokado Co., Ltd., York-Benimaru Co., Ltd., Peace Deli Co., Ltd., and Denny's Japan Co., Ltd.)
*Preparations are underway at 7-Eleven, Inc. to calculate accurate figures.

In addition, in order to meet the world's target of limiting global warming to "1.5°C target" as called for in the Paris Agreement, we have set targets to reduce CO_2 emissions from Group store operations by 50% from the 2013 level by 2030, and to net zero by 2050. We also aim to reduce CO_2 emissions, including Scope 3, across our entire supply chain.

- Results of CO_2 emissions from store operations (Scopes 1 and 2)

· FY2024: 2,545 thousand t-CO_2 (2.2% reduction from the previous fiscal year)

*Total of ten companies: SEVEN-ELEVEN JAPAN CO., LTD., 7-Eleven, Inc., and subsidiaries of K.K. BCJ-95 (an equity-method affiliate), including Ito-Yokado Co., Ltd., York-Benimaru Co., Ltd., SHELL GARDEN CO., LTD., former IY Foods K.K., Akachan Honpo Co., Ltd., THE LOFT CO., LTD., Denny's Japan Co., Ltd., and Create Link Co., Ltd.

*CO_2 emissions in FY2025 are scheduled to be disclosed on the Company's website in September or October 2026.

- Results of CO_2 emissions across the entire supply chain excluding store operations (Scope 3)

· FY2024: 170,923 thousand t-CO_2

*Total of nine companies: SEVEN-ELEVEN JAPAN CO., LTD., 7-Eleven, Inc., subsidiaries of K.K. BCJ-95 (an equity-method affiliate), including Ito-Yokado Co., Ltd., York-Benimaru Co., Ltd., SHELL GARDEN CO., LTD., Akachan Honpo Co., Ltd., THE LOFT CO., LTD., and Denny's Japan Co., Ltd., in addition to Seven Bank, Ltd. (an equity-method affiliate).

(3) Human capital and diversity

(i) Governance

For information on governance over human capital, please refer to "Part I. Company Information, II. Overview of Business, 2. Sustainability policies and initiatives, (1) Overall sustainability, (i) Governance."

(ii) Strategy

We are undertaking a fundamental upgrade of our headquarters organization to coincide with our transformation into a dedicated CVS group in September 2025. By creating an

organizational structure with governance, human resources, DX, supply chain, and other functions meeting global-level standards, we aim to provide firm growth support for 7-Eleven all around the world, while improving cost efficiency and accelerating decision making.
In order to achieve global growth, it is essential to maximize the power of our most important asset, our human resources, and strengthen the foundation that supports growth in the face of rapidly changing social and market environments. Guided by the spirit of “Trust and sincerity,” the Group views its people as the driving force behind growth, and is promoting the following three pillars of its human resource policies to achieve sustainable growth even in highly uncertain environments.
Human Resource Measure 1: Fostering a culture of continuous challenge and innovation
Human Resource Measure 2: Enhancing job satisfaction and ease of work
Human Resource Measure 3: Developing and recruiting talent to realize our strategic goals

Human Resource Measure 1: Fostering a culture of continuous challenge and innovation
In an era of increasingly rapid and unpredictable change, it is essential to build an organization where each employee can take initiative and continue to embrace challenges in order to keep meeting customer needs. We are working to foster a culture that boldly confronts the challenges of changing times while upholding the founding spirit of the Company.

・Philosophy training
To deepen understanding of the spirit of “Trust and sincerity” as stated in our Corporate Creed and to instill and carry forward a culture of continuous challenge and innovation, the Ito Training Center, the Group’s hub for talent development, conducts Group philosophy training. The center also houses an archive room where employees can learn about the Group’s philosophy and its history of challenge and innovation. In FY2025, 535 employees from the Company and Group companies participated in the Group philosophy training. Licensees from various countries also visit the center, and by sharing these values, we are expanding a corporate culture of challenge and innovation around the world.
At SEVEN-ELEVEN JAPAN CO., LTD., after joining the company, employees spend time managing a store (as a store manager or assistant manager) at a training store (directly managed store). This on-site practice is not only an opportunity to challenge themselves, but also a place to learn the fundamental stance of putting themselves in the customer’s shoes, an area we value at the Group, and to instill this in their daily actions. Through this training and practice, we develop talent with both on-site skills and a customer orientation.

・An organizational culture of challenge and innovation built on dialogue and praise
SEVEN-ELEVEN JAPAN CO., LTD. has established its values, standards of thought and action. These values are: 1. Challenges and Reforms; 2. Autonomy and Independence; 3. Co-creation and Empathy; 4. Trust and Sincerity; and 5. Appreciation and Contributions. We have launched a project to build a new culture that will enable each employee to embody these five elements. We invite not only internal lecturers but also those from outside the Group so that our employees can gain new perspective, and to change the way they communicate with each other toward a more open workplace. Furthermore, we have introduced an employee recognition program to deepen the bonds among employees and foster a culture of appreciation and praise throughout the organization. Under this system, winners are determined by a vote of all employees, and teams and individuals who enter receive messages of praise and support. When congratulating the entrants and award winners at the awards ceremony, we create an opportunity for them to express praise and appreciation for each other, leading to the creation of a workplace that celebrates challenge and innovation.

・Fostering a culture in which diverse talent can actively participate
The Group promotes DEI to build an organization where each individual, regardless of background, can thrive and take on challenges. In Japan, the Company has established the DEI Promotion Project to support the activities of each company by presenting

strategic guidance. In particular, with regard to women's empowerment, an important challenge for us, we have set targets by the end of February 2030 to achieve a 30% ratio of female Executive Officers and a 30% ratio of female managers (including division managers, section managers, and team leaders) for the Company and SEVEN-ELEVEN JAPAN CO., LTD. Since 2021, we have also been holding Women Encouragement Seminars, aimed at nurturing female candidates for managerial positions. At these seminars, members of senior management convey management policies and other information, which is discussed among participants. Since the seminars were implemented online, female employees nationwide have been able to participate without location restrictions, including those with reduced work hours due to childcare. This initiative, in which participants hear from perspectives and viewpoints that differ from their usual work, provides an opportunity to increase their motivation for growth. Through the sessions, we aim to empower future growth and challenges by encouraging each person's unique leadership style, as well as to build connections among participants.
SEVEN-ELEVEN JAPAN CO., LTD. is actively working to appoint female employees as operation field counselors (OFCs), who provide a variety of management counseling services to franchise owners. We are holding study sessions for female OFCs and employees working at directly managed stores who aspire to become OFCs in each region of Japan. These sessions are intended to provide more opportunities to share concerns with each other and consult with more senior employees. In addition, our training program for new employees incorporates the "AsuChare!" ("Challenge for Tomorrow") program, which features a para-athlete as an instructor to help new employees learn how to be mindful of customers with disabilities. We aim to improve the quality of our services by cultivating a practical perspective that can be applied in the field from early on in the employee's career. In addition, to deepen understanding of mental health and developmental disabilities, we are encouraging participation in training courses to become "work supporters." As of the end of February 2026, 341 people have participated in the course. This initiative is designed to improve internal support systems and psychological safety. We are actively promoting the acquisition of the Universal Manners Certificate Level 3 for managers, and as of the end of February 2026, 953 employees have obtained this certificate. Through these efforts, we aim to improve our ability to tailor our response to each customer's individual situation and continue our training and dialogue to instill the concept of normalization and reflect it in our daily management.
7-Eleven, Inc. believes that fostering an environment where all employees feel a sense of belonging and acceptance is essential. It is a key pillar of the Corporate Philosophy. Supporting the Associate Business Resource Group (ABRG) platform is core to these efforts. ABRGs are employee led groups of people sharing a common interest or lived experience who seek to support the professional development of its members and enhance their sense of belonging and inclusion. Members develop practical leadership, strategic planning, and project management skills while sharing their own experiences. They also strengthen connections both inside and outside the workplace through mentoring, networking, and community engagement activities. ABRGs play a vital role in not only enhancing their members' sense of belonging, but also in building a pipeline of future leaders. As ABRGs expand their range of activities, employee participation is also increasing, accelerating the creation of an environment where everyone can work with energy and purpose. In fact, in a participant survey conducted in 2025, 89% of respondents said that participating in an ABRG increased their sense of engagement with the company.

Human Resource Measure 2: Enhancing job satisfaction and ease of work

We aim to create an environment where employees can fully exercise their autonomy, while enhancing their sense of job satisfaction and ease of working. To create an environment where diverse employees can work comfortably and actively participate, we believe it is necessary to provide finely tuned support and expand systems in line with each employee's values.

・Fostering job satisfaction through dialogue with employees

The Group places great importance on direct communication between employees and leadership. The Company and SEVEN-ELEVEN JAPAN CO., LTD. conduct roundtable

discussions and café meetings with the president and dialogue sessions with officers. These meetings create venues for communication that enable each individual to understand the direction their company is heading and the approach from senior management, as well as to clarify their own individual visions. 7-Eleven, Inc. also uses the town hall meeting in each department as a way to enhance dialogue with employees. These meetings share Companywide developments and divisional priorities, and by responding to employee questions in real time, they enhance transparency and understanding of information while enabling timely communication of changing strategies and business policies. These ongoing dialogue mechanisms not only improve ease of work, but also help foster job satisfaction by enabling employees to find meaning in their own roles.

・Career development support encouraging employees to take on challenges
At each Group company in Japan, we regularly provide opportunities for employees to reflect on their careers and work toward achieving their personal goals. Through systems such as self-assessment and interviews with supervisors, we also actively support employees in taking the initiative to shape their own careers. SEVEN-ELEVEN JAPAN CO., LTD. has a candidacy system for other departments and positions so that human resources who are willing to take on challenges can fully demonstrate their abilities and skills. In addition, to support employees' second careers, we have a program to help them become franchise owners. This program supports employees in carrying out their new life plans, and as part of this support, offers the option of becoming a franchise owner.

・Improving employee health and supporting work-life balance
The Group is making efforts to create a workplace environment in which employees can work in a healthy and positive manner. We believe that improving the health of our employees energizes the Company as a whole and contributes to a better quality of life, and we support each employee's proactive efforts to improve their health. In order to help employees maintain and improve their health, Group companies in Japan will implement initiatives to increase the rate of secondary health checkups during regular health checkups, as well as hold an "Aru Fes" (an event to get together for walking) and other regular events to promote the adoption of healthy and active habits.
We also operate a variety of programs to help employees remain at work with peace of mind through life events such as childbirth, childcare, and caregiving. SEVEN-ELEVEN JAPAN CO., LTD. encourages male employees to take childcare leave as part of its efforts to support work-life balance, and is working to visually present role models to all employees through case studies of those who have taken childcare leave. Through this initiative, we are expanding understanding in the workplace and establishing a corporate culture that supports a balance between career and life regardless of gender.

Human Resource Measure 3: Developing and recruiting talent to realize our strategic goals
To achieve global growth, we will secure and systematically develop talented human resources who will be responsible for our strategies, and put in place a system that will enable them to demonstrate their abilities to the fullest extent.

・Human resource strategy and global human resource recruitment
To advance our global strategies, it is essential to secure and develop talent who can think from a global perspective, but also understand and adapt to local characteristics and execute strategies locally. In addition to training to enhance cross-cultural responsiveness and leadership skills, we will develop planned career paths that will ensure growth through work performance for those who are expected to perform well globally in the future. Furthermore, we will enhance the competitiveness of the entire Group by stimulating the exchange of talent across borders and aligning personnel systems, such as evaluation and compensation, with global standards so that employees can continue to be active in the Group over the long term. We will also actively recruit external talent with expertise and experience (including those from different industries and overseas). Having talent with diverse backgrounds and skills is key to building competitive advantage in a rapidly changing marketplace. We will take strong action to recruit and develop global talent, and

will ensure that people who understand the strengths of our Group will excel globally, leading to further Group growth.

・Developing global human resources

We have positioned the development of global talent as an important management issue and are developing a variety of measures to foster the ability of our employees to play an active role on the international stage. These efforts are designed not only to improve language skills and cross-cultural understanding, but also to foster logical thinking and problem-solving skills, as well as the ability to do business in a globally oriented way. In our short-term overseas study program as part of this, participants not only hone language skills necessary for business, but also improve business skills by attending MBA lectures and through curricula that explore the future of food. Through visits to local companies and stores and interaction with local community members, we emphasize the development of cross-cultural understanding and a humble attitude toward learning. By doing so, we aim to help our employees gain a broad range of experience and develop problem-solving skills from a global perspective.

In addition, SEVEN-ELEVEN JAPAN CO., LTD. and other Group companies offer Seven-Eleven English Training (SET), an English-language training program designed to develop human resources over the medium to long term who can play an active role in global business and to enhance their English language skills and cross-cultural understanding. More than 500 employees have participated in this training between 2021 and 2025, and about 40 of the graduates have already been assigned to overseas divisions or overseas operating companies, working around the world while making their own career goals a reality. In addition, in 2024, we launched new exchange programs, co-created by the Company, SEVEN-ELEVEN JAPAN CO., LTD., 7-Eleven, Inc., and 7-Eleven International LLC. The SEI Exchange Program between Japan and the United States and the SEA Exchange Program between Japan and Australia provide opportunities for domestic talent to gain a deeper understanding of overseas business models and for international talent to gain a deeper understanding of Japanese business models, respectively, and for them to learn from each other. This training is designed to help participants understand the importance of optimizing business development in each country in a cross-cultural communication environment. By providing opportunities for such experiences, we work to develop truly global talent by cultivating their ability to deliver results in collaboration with those around them. In addition to these measures, we also offer a variety of self-development support systems and other growth support measures. These measures play an important role in supporting employee growth as the foundation for global human resource development.

Key metrics for measuring progress on our policies

At each Group company in Japan, the Culture & Engagement Survey is used to monitor progress in fostering a culture of continuous challenge and innovation, and enhancing job satisfaction and ease of work. The survey is conducted once a year to objectively and quantitatively assess the culture and engagement within each organization, and to use the results to build a better organizational environment. The survey calculates scores based on unique items related to culture (such as integrity, respect for autonomy, encouragement to take on challenges, openness) and engagement, making the state of these aspects visible. In FY2025, the survey was conducted with approximately 10,000 employees across 10 Group companies in Japan. Of those surveyed, 76% gave positive responses to culture-related questions, and the engagement score was 57%.

In addition to the Culture & Engagement Survey, SEVEN-ELEVEN JAPAN CO., LTD. conducts a pulse survey of all employees to measure the status of communication and the effectiveness of measures implemented by each department within the company. We are using the survey results as a basis for measures to improve engagement.

(iii) Risk management

For details on human capital risk, please refer to “Part I. Company Information, II. Overview of Business, 3. Risk factors” below.

(iv) Indicators and targets

Because not all companies within the consolidated Group have established metrics and targets for the above initiatives, it is difficult to provide comprehensive disclosure. Accordingly, the indicators and targets presented here include results for the filing company and certain consolidated subsidiaries.

(a) Culture & Engagement Survey results

These surveys measure workplace culture conditions, including sincerity, respect for initiative, encouragement of challenges, and openness in communication, as well as employee engagement with the company.

Fiscal year	Culture score (workplace)	Engagement score (company)
FY2025	76%	57%

* Metrics for 10 companies in Japan (the Company, SEVEN-ELEVEN JAPAN CO., LTD., SEVEN-ELEVEN OKINAWA Co., Ltd., 7dream.com Co., Ltd., Seven Net Shopping Co., Ltd., Seven-Meal Service Co., Ltd., Seven Financial Service Co., Ltd., Seven CS Card Service Co., Ltd., SpireX Co., Ltd., and K.K. Terre Verte)

(b) Ratio of female Executive Officers / ratio of female managers

		Ratio of female Executive Officers*1	Ratio of female managers*1,2
End of February 2026	Achieve-ment	14.3%	21.4%
End of February 2030	Target	30.0%	30.0%

*1 Covers the Company and SEVEN-ELEVEN JAPAN CO., LTD.

*2 The ratio of female managers includes employees at the general manager, section manager, and team leader levels.

(c) Ratio of men taking childcare leave

FY2025	69.1%

*1 Covers the Company and SEVEN-ELEVEN JAPAN CO., LTD.

*2 In addition to childcare leave, the Company and its domestic subsidiaries have established a Group-specific childcare support system that provides paid childcare leave, available in one-day increments for up to five days per year, for employees with preschool-aged children. This system may be used for a wide range of childcare-related purposes, including attending children's entrance ceremonies, graduation ceremonies, and sports festivals, and has been widely utilized by employees since its introduction.

In FY2025, a total of 567 employees at the Company and SEVEN-ELEVEN JAPAN CO., LTD. used this system.

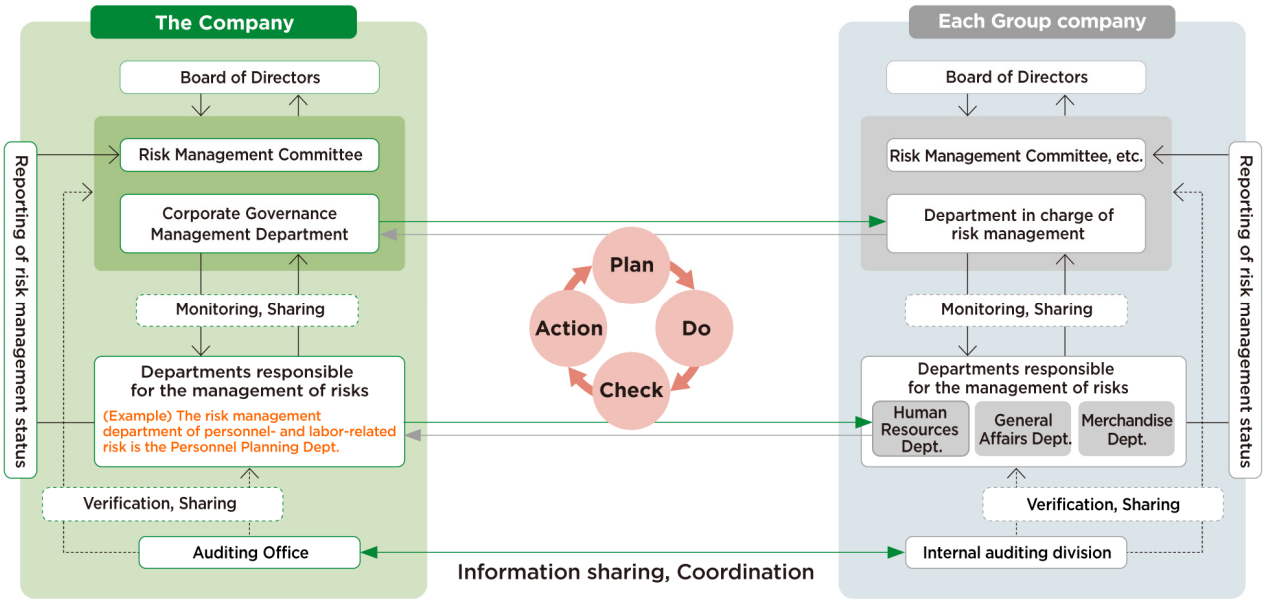
3. [Risk factors]

The Company strives to appropriately manage various risks through practical and effective measures in order to enhance corporate value and maintain the continuous development of the Group. Among the risks identified through these efforts, those that may have a significant influence on the decisions of investors based on the likelihood of the risk materializing, the timing of the risk, and the degree of impact are described below. However, these do not cover all risks related to the Group; there are risks other than those listed that are difficult to foresee. Also, these risks are not independent of each other, and certain events may lead to an increase in various other risks. This section includes forward-looking statements and future expectations of the Group as of the submission date of the Group's Securities Report.

<Group risk management system>

The Company and Group companies have established a Risk Management Committee. As a general rule, the Risk Management Committee meets once every six months to receive reports on the risk management status of the respective companies from the departments responsible for the management of risks, to comprehensively identify, assess, and analyze risks and discuss measures, and to determine the future direction going forward.

Meanwhile, with regard to various risks, Group policies related to such risks, initiatives to mitigate risks undertaken by each company, and various internal and external examples illustrating signs of materializing risks, etc., are shared through a group-wide meeting body, etc., headed by the Company's departments responsible for the management of risks.



<PDCA for risk management>

The Group conducts risk management based on information from inside and outside the Group, through "the comprehensive identification of risks," "risk assessment and proposal of improvement measures," "prioritization of risks," and "improvement activities and monitoring."

In addition, the Auditing Office of each company verifies whether risk management is being conducted effectively, from an independent perspective, through periodic internal audits, and provides each department with advice for improving risk management, as required.

<Group growth strategy and risk situation>

Since September 2025, as a corporate group specializing in the convenience store (CVS) business, we have been promoting our global growth strategy, “Transformation of 7-Eleven,” with a view to 2030. The following is a description of the risk situation as it pertains to the main businesses that constitute the growth strategy.

(1) Domestic Convenience Store Operations

To meet increasingly complex consumer needs, SEVEN-ELEVEN JAPAN CO., LTD. is strengthening its efforts to communicate 7-Eleven’s vision and the appeal of its merchandise through a new television commercial series, social media, and other channels. In addition, by sincerely listening to customer feedback through social listening and suggestion boxes, and rebuilding two-way communication, we are working to enhance brand awareness and favorability, particularly among younger consumers. However, customer needs change unceasingly, and in the event that we are unable to provide new value, the performance and financial standing of the Group could be affected.

In terms of merchandise, in response to the recent polarization of consumer trends between a “preference for high quality” and a “defensive consumer mindset,” we are strengthening innovative merchandise and promotional initiatives that satisfy both the desire for “small luxuries” and the sense of “getting a good deal.” In response to the trend toward a “preference for high quality,” we are making aggressive investments totaling approximately ¥300 billion to pursue added value in our merchandise and are expanding our “Live Meal” line of freshly prepared foods. As a core component of this strategy, we will expand deployment of “SEVEN CAFÉ Bakery” to approximately 18,000 stores and “SEVEN CAFÉ Tea” to approximately 10,000 stores by FY2026. Meanwhile, in response to the growing “defensive consumer mindset,” we implemented measures to support customers in managing household expenses, such as the “Onigiri & Sushi Super Sale” and our first-ever Black Friday promotion. On the service front, we have expanded the mobile ordering feature of our nationwide delivery service, “7NOW.” Regarding store expansion, we plan to open stores in new formats, including compact stores, and strategically expand into sparsely populated areas, with the goal of increasing the number of domestic stores by approximately 1,000 by FY2030. However, the Group’s performance and financial standing could be adversely affected if we fail to achieve our plans if the planned number of stores cannot be opened as scheduled, if equipment cannot be introduced according to the planned schedule due to soaring material costs and other factors, or if the anticipated effects are not achieved because consumers judge similar services offered by competitors to be superior to our own.

In addition, to address the worsening labor shortage and strengthen support for our franchised stores, we are expanding labor-saving equipment, such as an “Employee Monitoring System.” We have also begun pilot introductions of robotics that utilize the latest technologies, such as “AI-powered Stocking Robots.” We will continue striving to improve the labor environment and enhance the productivity of store operations. However, if defects in equipment or systems are discovered and additional investments are required due to a review of specifications or other factors, this could affect the Group’s performance and financial standing.

(2) Overseas Convenience Store Business

In order to drive further growth for the Group, 7-Eleven, Inc. is working to strengthen proprietary merchandise, promote digitalization and delivery measures, enhance efficiency and cost leadership, and grow and enhance store networks.

We will continue to invest in differentiating our fresh food offerings, a cornerstone of our growth strategy, and accelerate the opening of new stores through 2030. Furthermore, while we aim to enhance customer experience value through the provision of freshly prepared products by expanding a model with more than 1,000 restaurant-equipped stores, issues such as logistics disruptions, food safety concerns, and competition from fast-food chains could affect the Group's performance and financial standing.

In terms of promoting digitalization and delivery initiatives, these include the expansion of the 7Rewards loyalty program and the 7NOW delivery network, with 7NOW operating in approximately 7,500 stores across the United States, but in the event that information security problems occur or that we are unable to respond to customer needs, the performance and financial standing of the Group could be affected.

With regard to improving efficiency and cost leadership, we continue to keep increases in selling, general and administrative expenses below growth in sales and gross profit, while achieving cost reductions through a comprehensive review of the overall cost structure of the business, including merchandise and gasoline costs and store expenses. However, if changes in the business environment or competitive landscape prevent us from capturing growth opportunities or achieving gains in efficiency, this could affect the Group's performance and financial standing.

Furthermore, in North America, we aim to increase market share through M&A, strengthen store operations, and develop new standard stores. However, the performance and financial standing of the Group may be affected by the impact on the business of intensifying competition or changes in environmental laws and regulations, difficulties in securing personnel, litigation, law and order problems, and climate change and natural disasters.

7-Eleven International LLC plans to develop Europe into the Group's fourth major growth pillar by entering new markets and pursuing concentrated store openings through the equity model. Furthermore, in new markets and new stores, 7IN will deploy its three core strengths of merchandising, operational excellence and store network to improve and enhance the performance of its investment targets. In countries where it already operates, the company is supporting the transformation into a food-focused convenience store. It is also accelerating business growth in key markets through strategic investments.

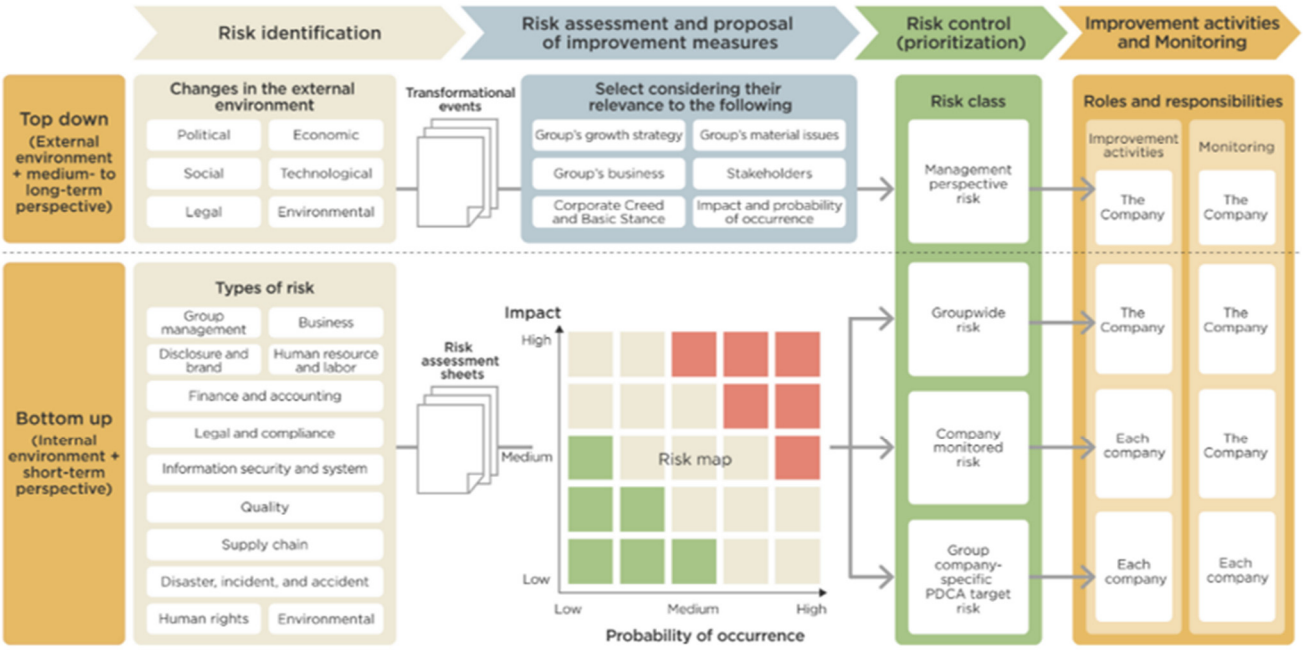
However, the development of the business in overseas areas is expected to be affected by political and social instability, economic fluctuations such as exchange rates and trade, and the revision and strengthening of legal regulations, including those related to the environment and data protection. If these factors limit our growth potential and prevent us from realizing the benefits and profits we initially anticipated, the performance and financial standing of the Group could be affected.

Progress in these key strategies of the Group is monitored by the Board of Directors, a majority of the members of which are independent outside directors.

<Risk assessment process>

In addition to changes in the internal environment of the Group, there is a need to recognize global shifts in trend such as heightened geopolitical and ESG-related risks, and various alterations in the business environment including changes in consumer values and the growth of online shopping. In recent years in particular, there has been a rise in factors that heighten the uncertainty of the environments in which corporate activities take place, such as the unpredictable international situation.

In response to these conditions, we have added external environment risks and medium- to long-term risks, alongside the internal environment and short-term risks that had previously been the focus of our risk management efforts, as well as maintaining and expanding risk categories to enable us to address changes in the internal and external environments. Moreover, from the perspective of assessing the degree of impact on performance arising from the emergence of risk, by adding qualitative elements such as business continuity, damage to the Group's brand image, and other factors to the quantitative factors previously considered, we seek to take a more multifaceted and sophisticated approach to assessment and analysis of all risks.



In addition, having formed a comprehensive judgment of each risk from the perspectives of significance, commonality, the degree of emergence, and efficiency, we divide them into four classes of risk. The roles and responsibilities of the Company and each company in the Group are clarified for each risk class, and improvement activities for various risks are carried out by the entities responsible for them, thereby enhancing the effectiveness of risk management for the Group as a whole.

Risk class	Definition	Roles and responsibilities	
		Improvement activities	Monitoring
Management perspective risk	Risks that have a high impact on the Group in the medium- to long-term, and are characterized by requiring a unified approach for the Group as a whole	The Company	The Company
Groupwide risk	Risks that are common across the Group as a whole, relatively high, and characterized by requiring cross-group action from the perspective of efficiency of risk measure	The Company	The Company
Company monitored risk	Risks that are relatively high and that should be addressed by each company	Each company	The Company
Group company-specific PDCA target risk	Risks other than those described above that should be addressed by each company	Each company	Each company

<Major risks to the Group>

Based on assessment and analysis of various risks, significant risk events that would be expected to have an impact on the growth strategy, performance, or financial standing of the Group are as follows.

1. Medium- to long-term perspective risk (Management perspective risk)

After identifying change events that are anticipated to occur in the external environment over the medium to long term, and assessing their relevance to the growth strategies, material issues, nature of business, stakeholders, and other aspects of the Group, change events that could have a medium- to long-term impact on the growth strategies and sustainability of the Group if they were to occur in the future are designated as events in the category of management perspective risks (emerging risks). For each risk a risk owner (responsible department) is selected, which proceeds to investigate anticipated scenarios and measures. Trends in these change events are also monitored periodically and updated, and their measures are revised as necessary.

By monitoring for the occurrence of anticipated scenarios, we seek to detect risks at an early stage, initiate measures promptly, and control the impact on the Group. Decisions on risk measures (risk taking/risk hedging) will continue to be taken at a level of management that takes into consideration such factors as the growth strategy and material issues of the Group.

Management perspective risks (change events) identified at this point in time are as described in the following table.

№	Classification	Management perspective risk (change events)	Anticipated risk scenarios
1	Politics	Political change, disruption, dysfunction	Changing and strengthening of laws and regulations following changes of government or of policies in countries in which we operate may have an impact on business licenses and the taxation regime, customs, foreign exchange rates, and other matters. In addition, political disruption, political dysfunction, economic crises, and other factors could lead to social instability and changes in market demand and the competitive environment. In recent years, political transitions, policy instability, and protectionist tendencies have been increasing in various countries, and there is a possibility that regulations, taxation regimes, trade conditions, etc. may change rapidly.
2		Collapse of security due to conflict, etc.	The health and safety of customers, employees, and others may be threatened as a result of outbreaks of conflict in countries in which we operate, or due to them being embroiled in such crimes as terrorism, violence, and kidnapping. In addition, the destruction or looting of assets such as stores, logistics facilities, product supply networks, and product warehouses could make the continuation or recovery of the business infeasible. Furthermore, the prolongation of regional conflicts, their spread to surrounding regions, and the materialization of risks associated with deteriorating public safety could cause supply chain disruptions, logistics constraints, and restrictions on employee movement and deployment, which may affect business continuity.

№	Classification	Management perspective risk (change events)	Anticipated risk scenarios
3	Economy	Decline of demand for gasoline	Recently, regional disparities in the progress of the adoption of electric vehicles (EVs), etc. and policy changes have emerged across various countries, and a slowdown in EV sales growth and a shift back to hybrid vehicles have also been observed. Depending on the direction of decarbonization policies in each country, restrictions on the sale of gasoline-powered vehicles and the transition to EVs and other alternatives may progress, which could reduce revenue from gasoline sales in the future and also decrease customer traffic to stores that have gasoline filling stations. Such a scenario might require changes to the business, and could incur costs in order to comply with relevant laws and regulations, or to increase the number of facilities, etc. for EV charging, and so on.
4	Society	Food crises	For a variety of reasons, including natural disasters, abnormal weather related to climate change, pandemics, crop pests and diseases, and violent conflict, shortages of raw materials could occur globally or in specific regions, which could make the stable supply of products infeasible.
5		Human resources/ manpower shortage	Wage inflation, insufficiently developed labor environments, changing demographics, and other factors could have a serious impact on our ability to secure human resources and labor, such as producers in the agricultural, fishery, and livestock sectors, and employees engaged in food production facility, delivery, and store operations.
6		Growing demands for respect for human rights	If we are unable to demonstrate respect for the human rights of our various stakeholders, this could lead to a backlash from consumers and society, leading to a situation in which we have no choice but to discontinue product supply and services.
7	Technology	Acceleration of technological innovation (including AI)	Various technologies, such as autonomous driving, labor-saving store operations, and generative AI, are evolving year by year. While the introduction of these new technologies could lead to the streamlining of operations and improvements in efficiency on the one hand, on the other hand it could also lead to the emergence of new risks associated with the use of generative AI and other technologies, such as information leaks, copyright infringement, and inappropriate use that violates AI ethics, which could result in a loss of trust among consumers and society. In addition, costs may increase in connection with responding to changes in domestic and international laws, regulations, and guidelines, as well as capital expenditures.
8	Environmental	Acceleration of decarbonization	In the event that the Group fails to make progress in its decarbonization initiatives, this could lead to an increase in the burden of taxation, emissions trading, and costs associated with procurement of the energy required for business operations. The Group could also lose trust and reputation among stakeholders, which could affect business profits.
9		Growing demand for mitigation of environmental impact of food supply chain	In the event that the Group fails to make progress in its initiatives for mitigating the environmental impact of the food supply chain as a whole, it could result in an increase in the burden of costs associated with changes in production methods, means of delivery, and container and packaging materials. The Group could also lose trust and reputation among consumers and in society, which could affect business profits.

№	Classification	Management perspective risk (change events)	Anticipated risk scenarios
10		Growing demands for reductions in food loss	In the event that food demand forecasting and inventory management do not function adequately, a failure to make progress in initiatives for reducing food waste could lead to an increase in costs associated with the disposal of foods and increase in environmental impacts. The Group could also lose trust and reputation among stakeholders, which could affect business profits.

For some of the management perspective risks (change events) described above, a risk owner (responsible department) has been selected, and various initiatives are being implemented. The following are examples of such initiatives.

"2. Collapse of security due to conflicts, etc." (risk owner: Corporate Planning Division)

- Update of the Business Continuity Plan (added geopolitical risks and system-related risks)

"3. Decline of demand for gasoline" (risk owner: Corporate Planning Division)

- U.S.: Enhancement of competitiveness through the gasoline loyalty program and 7-Eleven Gold Pass
- Australia: Maintaining competitiveness and securing gross profit through the introduction of price optimization tools, and strengthening sales to corporate customers

"4. Food crises" (risk owner: Sustainability Development Office and the Merchandising Divisions of each company)

- Implementation of an assessment of nature-related risks and opportunities for coffee and rice (For details, please refer to the "CLIMATE and NATURE Disclosures: Integrated report based on TCFD/TNFD recommendations" at the URL below.)
  https://www.7andi.com/library/sustainability/pdf/environment/TCFD_TNFD_2025_en.pdf
- Expanding the handling of certified products related to agricultural, livestock, and marine products

Main examples of initiatives related to "6 Growing demands for respect for human rights" (risk owner: Human Rights Promotion Project)

- Formulation and promotion of human rights policy
- Implementation of human rights due diligence
- Assessment of impact of human rights (identifying human rights risks and creating human rights risk map)
- Implementation of prevention and remedial measures (education and training for employees, awareness-raising activities for business partners, establishing of internal environment and systems)
- Implementation of monitoring (culture & engagement surveys, CSR audits of factories at which the Group's original products are manufactured)
- Establishment of grievance mechanism and measures for redress (Groupwide Employee Helpline, Business Partner Helpline, Audit & Supervisory Board Hotline)
- Initiatives to prevent customer harassment (creation of guidelines and manuals to address, implementation of training)

Main examples of initiatives related to "7 Acceleration of technological innovation (including AI)" (risk owner: Group DX Division)

- Creation of guidelines for the use of generative AI to proactively prevent new risks such as information leaks and copyright infringement
  Also established a Generative AI Secretariat and a Generative AI Risk Consultation Desk to build a response framework
- Continuous monitoring of trends in AI- and data-related laws and regulations in Japan and overseas
- Recruitment and training of DX human resources in each department

Main examples of initiatives related to “8 Acceleration of decarbonization” (risk owner: Sustainability Development Office)

- Promotion of energy conservation by employees
- Promotion of energy-saving and energy-generation facilities in stores (installation of solar panels, etc.)
- Long-term procurement of electricity derived exclusively from power plants using renewable energy such as solar and wind (offsite PPA, etc.)
- Establishment of a broader renewable energy procurement framework through the newly established retail electric operating company

Main examples of initiatives related to “9 Growing demand for mitigation of environmental impact of food supply chain” (risk owner: Sustainability Development Office)

- Identify important raw materials from the perspectives of the volume handled, and dependencies and impacts on nature, and analyze and formulate measures to address the risks and opportunities of the place of production
- Procure products that are guaranteed to be sustainable
- Monitor the impact on the Group of new materials, the latest technologies, and the latest trends in laws and regulations for environmentally friendly containers and packaging, etc.
- Share and roll out some GREEN CHALLENGE 2050 initiatives throughout the supply chain as a whole

Main examples of initiatives related to “10 Growing demands for reductions in food loss” (risk owner: Sustainability Development Office)

- Initiatives for the supply chain as a whole (easing of delivery deadlines)
- Initiatives for the reduction of food waste at each company (promotion of Eco-Price discounted sales, donations to food bank organizations, etc.)
- Encouraging customers to participate (promotion of the “Temaedori Project”)

2. Short-term perspective risk

After coming to a decision based on a comprehensive consideration of the degree of impact, likelihood of occurrence, and other aspects of the various risks identified by the Company and Group companies, we select risk events that should be managed by the Company and monitor the status of various risks and execution of risk measures periodically.

The significant risk events that the Company takes a leading role in managing are as follows.

(1) Group management risk

Risk details	Risk class
Risks related to Group management strategy and growth strategy	Company monitored risk
Anticipated risk scenarios	
Based on “Transformation of 7-Eleven,” the global growth strategy looking ahead to 2030 announced in August 2025, the Group is focusing on the convenience store business and promoting new store openings and renovations of existing stores in Japan and overseas, as well as expanding immediate delivery and digital initiatives. However, if integrated global management and strategic execution do not progress sufficiently due to differences in the business environments and operating structures of various countries and regions, the effects of growth initiatives may be limited, resulting in delays in investment recovery and a decline in competitiveness, which could affect the realization of the Group’s growth strategy, as well as its performance and financial condition.	
Measures	
- Formulation of group-wide strategies and establishment of KPIs tailored to the issues facing each company - Promotion of the development and assignment of global talent and the sharing of know-how - Promotion of the standardization of operations through the sharing of IT and digital infrastructure - Establishment of globally consistent investment decision-making and post-investment monitoring processes - Introduction of a process to manage the performance of individual companies and the progress of execution of strategies	

Risk details	Risk class
Risks related to the failure of M&A, sale or business alliance (recovery of investment)	Company monitored risk
Anticipated risk scenarios	
The Group engages in strategic investments such as M&A in order to expand the business. Due to insufficient due diligence at the time of the acquisition, or for other reasons, PMI (Post Merger Integration) may not proceed smoothly, or the expected synergies may not be realized, which could lead to impairment losses. These factors could also result in a reduction in corporate value and affect the performance and financial standing of the Group.	
Measures	
- Implement due diligence thoroughly at the time of acquisition - Periodic monitoring of the integration process	

Risk details	Risk class
Risks related to M&A (takeover defense)	Company monitored risk
Anticipated risk scenarios	
If a takeover bid against the Company that would damage our corporate value succeeds, changes in the strategic direction and corporate culture under the control of new shareholders and a new management team, and changes in the management team and senior managers, could lead to anxiety and dissatisfaction among employees, putting a huge burden on the integration of business processes and IT systems and causing a variety of problems. These factors could also result in a reduction in corporate value and affect the performance and financial standing of the Group.	
Measures	
- Maximize corporate value of the Group through such measures as enhancing performance further and strengthening corporate governance	

(2) Business risk

Risk details	Risk class
Risks related to the business model	Company monitored risk
Anticipated risk scenarios	
The Group not only conducts its main businesses in Japan and the United States, but also operates in other regions around the world. In order to strengthen product development and product lineups to take regional characteristics into account and to respond accurately to customer needs, the Group undertakes joint development of products with business partners in a range of fields, in accordance with its sales strategy, and uses the apps of each company to make effective use of sales promotions by collecting and analyzing a variety of data. However, in the event that the economic situation in Japan, the United States, or in other countries and regions in which the Group operates deteriorates due to business conditions or trends in consumer spending or due to an inability to provide products and services that meet the needs of customers and markets, the performance and financial standing of the Group could be affected.	
Measures	
- Monitor the state of business at operating companies using the Board of Directors, a majority of the members of which are independent outside directors - Strengthens synergies and collaborative structures associated with “food” - Revise price strategy based on surveys of markets and customer needs	

(3) Disclosure and brand risk

Risk details	Risk class
Risks related to blowing up on social media or crisis management public relations	Company monitored risk
Anticipated risk scenarios	
Inappropriate behavior by customers or employees, or the posting of undisclosed information on social media may lead to a wave of criticism, which if taken up and distributed by mass media could result in damage to the corporate image of the Group. Delays or failures in the disclosure of appropriate information could have a significant impact on the business operations of the Group.	
Measures	
- Provide training on social media to employees and strengthen their sense of crisis regarding its use (e-learning, regular dissemination of information on risks associated with social media) - Hold risk measure training for risk management personnel, public relations personnel, social media operations personnel, etc. - Establish a structure for the gathering, early detection, analysis, investigation, and assessment of information on social media and mass media, with the assistance of external specialist companies - Prepare and distribute a crisis management public relations manual - Strengthen the Company and Group company cooperative structures (information sharing, first response)	

Risk details	Risk class
Risks related to corporate brand management	Company monitored risk
Anticipated risk scenarios	
Brand image could be damaged by PR or marketing strategies that are not congruent with corporate philosophy or by inappropriate communication by an official account. Blowing up on social media and coverage by various mass media could result in criticism from customers and business partners and significantly affect the business operations of the Group.	
Measures	
- Put in place preventive measures such as establishing operational guidelines for social media use, screening documents through the use of a checking department, and verifying business appropriateness based on the compliance program - Hold seminars to teach examples of blowing up on social media and measures, and provide training on information dissemination risks	

(4) Personnel and labor risk

Risk details	Risk class
Risks related to violations of labor laws and regulations and the health and safety of employees	Company monitored risk
Anticipated risk scenarios	
In accordance with the standards of behavior set out in the Seven & i Holdings Corporate Action Guidelines, the Group has devised measures for occupational safety and health and for the prevention of occupational accidents, as well as introducing and supporting mechanisms to enable employees to work healthily. Nevertheless, in the event that deficiencies in the employment management of employees lead to a violation of the Labor Standards Act (unpaid overtime allowance, annual pay leave not being taken, etc.) and subsequently to administrative punishment (business suspension, fines, etc.), in the event of damage to mental or physical health due to injury, illness, or overwork as a result of inadequate occupational health and safety measures, or in the event of adverse mental or physical impacts on employees due to malicious claims from customers, etc. (customer harassment), this could lead to a loss of appropriateness and efficiency in business operations and affect the performance and financial standing of the Group.	

Measures
- Manage working hours (overtime) and the taking of leave through the use of a working hours management system - Have workplaces inspected by industrial physicians - Disseminate information through the Health and Safety Committee - Conduct stress checks for employees

(5) Financial and accounting risk

Risk details	Risk class
Risks related to fluctuations in interest rates and exchange rates	Company monitored risk
Anticipated risk scenarios	
The Group engages in derivatives transactions, such as those involving forward foreign exchange contracts and swaps, to optimize future cash flows, mitigate the risk of volatility in foreign exchange rates and interest rates, and reduce financing costs. However, fluctuations in interest rates have an impact on interest receipts and payments and on the value of financial assets and liabilities, and could affect the performance and financial standing of the Group. Assets and liabilities of overseas group companies denominated in local currencies are converted to Japanese yen for the preparation of consolidated financial statements. Some of the products sold by the Group are products developed overseas that are affected by changes in foreign exchange rates, and so such fluctuations could affect the performance and financial standing of the Group.	
Measures	
- Use forward foreign exchange contracts, swaps, and other derivatives transactions - Monitor continuously	

Risk details	Risk class
Risks related to impairment of non-current assets	Company monitored risk
Anticipated risk scenarios	
The ratio of property, plant and equipment and goodwill, etc. to consolidated total assets is high, and revenue management is implemented rigorously for stores, etc. However, in the event that it becomes necessary to record impairment losses going forward due to deterioration in the profitability of stores, and significant declines in the market value of assets owned, the performance and financial standing of the Group could be affected.	
Measures	
- Establish screening criteria for opening stores and monitor periodically - Establish criteria for purchasing assets and monitor market value for assets held periodically	

(6) Legal and compliance risk

Risk details	Risk class
Risks related to competition law (violations of the toriteki-hou(※) or of regulations on abuse of dominant bargaining position) ※toriteki-hou＝Act on Preventing Delay in Payment to Small and Medium-Sized Entrusted Business Operators in Relation to Manufacturing Consignment	Company monitored risk
Anticipated risk scenarios	
The Group conducts business in Japan, the United States, and other countries around the world in compliance with the laws and regulations of each country and region with respect to fair competition. We monitor the status of compliance with these laws and regulations and have put in place structures to enable us to respond appropriately as required. However, in the event of violations of the toriteki-hou or of regulations on abuse of dominant bargaining position as a result of reducing fees, delaying payments, demanding the dispatch of temporary employees, or other inappropriate behavior, the Group may be subject to measures taken by an administrative agency involved in matters of fair trade, such as guidance, recommendations, public announcements, cease and desist orders, surcharge payment orders, or criminal penalties. Consequently, the business activities, performance, and financial standing of the Group could be affected.	

Measures
- Implement voluntary inspections, monitoring programs, and establish Business Partner Helpline - Provide internal education through e-learning and training on fair trade (to ensure compliance with trading rules and raise awareness among employees)

Risk details	Risk class
Risks related to intellectual property rights	Company monitored risk
Anticipated risk scenarios	
Products and services of the Group could infringe intellectual property rights held by third parties, leading to disputes, etc., and resulting in reductions in revenue caused by injunctions to prevent usage, liability for damages, and other outcomes. On the other hand, violations of intellectual property rights of the Company through the imitation by third parties of designs and technology pertaining to the products and services of the Group could lead to a reduction in competitiveness and the impairment of our brand image. These could affect the performance and financial standing of the Group.	
Measures	
- Establish a system for researching the intellectual property rights of third parties when providing new products and services - Implement “patrols” of the intellectual property rights of the Company (activities to look out for infringements) - Provide intellectual property education (e-learning, study group sessions, etc.)	

Risk details	Risk class
Risks related to response to antisocial forces	Company monitored risk
Anticipated risk scenarios	
Based on the Seven & i Holdings Corporate Action Guidelines, the Group has set a policy of not engaging with antisocial forces, but in the event that it becomes clear that dealings with antisocial forces have taken place, the consequences could include sanctions such as public announcements and punishments based on relevant laws and regulations, dispositions by administrative agencies, suspension of dealings with financial institutions, cancellation of agreements with trusted business partners, and so on. In addition, mistakes in the approach used to address the issue could result in the matter being taken up by social media and mass media, leading to impairment of the corporate image of the Group. These could affect the performance and financial standing of the Group.	
Measures	
- Build system for group-wide checks for antisocial forces and monitor periodically - Prepare a manual on how to respond when dealings with antisocial forces come to light - Information exchange with external police-affiliated organizations	

(7) Information security and system risk

Risk details	Risk class
Risks related to cybersecurity	Company monitored risk
Anticipated risk scenarios	
In order to provide customers with new value and services in each of its businesses, centered on retail, the Group handles data entrusted by customers, confidential commercial information, and other important information. In order to protect such information, the Group has designated cyberattacks a serious risk to the business and is striving to strengthen its cybersecurity measures. However, methods of attack are becoming more diverse and sophisticated with every passing day, and include attacks such as targeted threat email and ransomware on specific targets, DDoS and other attacks that put a burden on the system, and attacks that target vulnerabilities in teleworking and online meeting systems. In the event of an external cyberattack resulting in such damage as leaks of important information, alteration or loss of data, takeovers of customer accounts, or interruptions of systems and services, this could have a tremendous impact on our reputation among consumers and in society.	

Measures
- Use 7&i CSIRT (7&i Computer Security Incident Response Team) to provide rapid responses and promote prevention measures and countermeasures - Use SOC (Security Operation Center) to detect security risks and analyze and respond to threat information - Collaborate on information security with specialist external organizations - Implement security reviews and diagnostics for information security measures and vulnerabilities - Provide cybersecurity education and training for incident response personnel at Group companies - Provide periodic training on targeted threat email for all employees - Implement job-specific (directors, managers, general employees) information security education program

Risk details	Risk class
Risks related to systems	Company monitored risk
Anticipated risk scenarios	
The Group operates a large number of IT systems to enable it to perform its business activities. Given the requirement for stable operation of these systems, the Group has designated risks related to information systems a serious risk to the business and is striving to strengthen measures. However, insufficient quality management during development, deficiencies in system settings, human errors in operation, unexpected suspensions of external services including cloud services, and natural disasters such as major earthquakes or windstorm, flood, or other phenomena could result in damage to information systems and hinder stable operation, which could cause damage to assets, interrupt business operations and services, and have a tremendous impact on our reputation among consumers and in society.	
Measures	
- Implement thorough reviews at each stage of the development process, beginning with IT service planning - Strengthen management of system development schedules and resource management - Secure human resources with knowledge and skills for new development techniques - Monitor for deficiencies in system settings and deploy software for security measures - Selection and evaluation of cloud services - Build redundancy into core information systems such as servers and networks - Strengthen fault monitoring of hardware and networks, etc. - Enhance protective measures for important facilities and equipment	

Risk details	Risk class
Risks related to personal information	Company monitored risk
Anticipated risk scenarios	
In order to provide customers with new value and services in each of its businesses, centered on retail, the Group handles personal information from customers, suppliers, and other parties. In response to the rising importance of personal information, which requires it to be handled in compliance with laws and regulations, the Group has designated risks related to personal information a serious risk to the business and is striving to strengthen measures. However, insufficient enhancement of internal controls in response to changes in internal and external environments, insufficient safety measures, human error in the handling of personal information, illicit behavior by employees, deficiencies in the management of subcontractors, etc. could lead to leakage, destruction, or impairment of personal information, resulting in violations of laws and regulations, which could cause damage to assets, interrupt business operations and services, and have a tremendous impact on our reputation among consumers and in society.	
Measures	
- Maintain and revise “Group Personal Information Protection Policy” - Maintain procedures that are compliant with laws and regulations, including the Act on the Protection of Personal Information - Maintain safety measures that are compliant with ISO27001 and other standards - Implement education and training for employees - Strengthen management of subcontractors - Establish emergency countermeasures in the event of an accident involving personal information	

(8) Quality risk

Risk details	Risk class
Risks related to food quality labeling and sanitation	Company monitored risk
Anticipated risk scenarios	
In accordance with relevant laws and regulations, the Group strives to provide safe and secure products to customers and to communicate information accurately. The Group is also taking on the challenge of expanding “Seven Premium” as well as original products from Group companies in order to continue to provide new value and high-quality products and services to customers. Nevertheless, in the event of a serious incident occurring as a result of violations of the Food Labeling Act, deficiencies in food sanitation management, or other events, the performance and financial standing of the Group could be affected by such factors as a loss of trust in the Group’s products, payment of compensation to customers, and product recall and other remedial costs.	
Measures	
- Implement joint initiatives with business partners to improve quality management, and put in place measures to prevent labeling errors, deficiencies in sanitation management, and other serious incidents. - Promote training to prevent labeling errors and deficiencies in sanitation management in stores, and promote the introduction of countermeasure facilities - Implement internal and external audit of production facilities for Seven Premium products	

(9) Supply chain risk

Risk details	Risk class
Risks related to the hindrance of stable supply (operational factors)	Company monitored risk
Anticipated risk scenarios	
For the business activities of the Group, it is essential that we are able to purchase products and raw materials, etc. of adequate quality, in sufficient quantity and at the required time, and we seek to diversify procurement so that we are not overly dependent on specific regions, suppliers, products, technologies, or other factors. In particular, there is a possibility that rising temperatures, changes in precipitation and weather patterns, and other forms of climate change will lead to reductions in the yield and quality of agricultural, livestock and marine products, as well as changes in fishing grounds and regions suitable for the cultivation of agricultural products. In response to such potential changes we are making efforts to diversify procurement and to work with primary producers to improve yields, but in the event that rising temperatures, changes in weather patterns, and other forms of climate change may lead to the suspension of factory production and to the subsequent interruption of some procurement routes. Supply chains could also be interrupted by soaring prices for fuel used by operators of delivery services and human capital shortages in the logistics industry. In future, purchasing prices could also be affected by soaring prices for energy, including electricity, at the product manufacturing stage, caused by such factors as regulations arising from climate change, policies, and conflicts. These could affect the performance and financial standing of the Group.	
Measures	
- Secure substitute sources of energy and facilities, prepare manuals for response in times of emergency, and implement training - Monitor market trends, revise prices, and develop high-markup products, procure raw materials at a fixed cost, etc. - Monitor credit information and cash flows at business partners, diversify risk to avoid dependence on specific suppliers - Stabilize deliveries by improving logistics cost efficiencies and through cooperation with operators of delivery services	

(10) Disaster, accident and incident risk

Risk details	Risk class
Risks related to earthquakes, tsunami, and volcanic eruptions	Company monitored risk
Anticipated risk scenarios	
The Group not only conducts business in Japan and the United States but also in other regions around the world. Moreover, the core business of the Group is retail, which acts as a lifeline to local communities, and in the event of a major earthquake, especially one that occurs in a metropolitan area in which the stores that constitute our core business are concentrated, our supply chains could be interrupted and our business activities suspended, leading to massive costs being incurred for the restoration of facilities, and creating enormous obstacles to the business operations of the Group, the performance and financial standing of the Group could be affected. Furthermore, in the event that the process of restoring business activities is prolonged, the Group may be unable to fulfill its role as a provider of social infrastructure, such as engaging in aid activities in regions in the aftermath of the disaster.	
Measures	
- Establish and update Business Continuity Plan (BCP) for responding to a major disaster and establish systems to enable us to put human life first in accordance with the BCP - Build system of Business Continuity Management (BCM) for the Group as a whole, centered on training - Provide education to employees (disaster prevention e-learning and training, etc.) - Implement countermeasures exercises simulating a major natural disaster (including cooperation between Group companies)	

Risk details	Risk class
Risks related to floods, typhoons, torrential rain, tornadoes, lightning or heavy snowfall	Company monitored risk
Anticipated risk scenarios	
In the event of river flooding, etc. as a result of typhoons or other strong winds and torrential rain, our supply chains could be interrupted and our business activities suspended, leading to massive costs being incurred for the restoration of facilities, and creating enormous obstacles to the business operations of the Group, the performance and financial standing of the Group could be affected. Furthermore, in the event that the process of restoring business activities is prolonged, the Group may be unable to fulfill its role as a provider of social infrastructure, such as engaging in aid activities in regions in the aftermath of the disaster.	
Measures	
- Gather information and hold meetings to discuss measures in advance - Disseminate plans for responding to a major disaster (BCP) and establish systems to enable us to put human life first in accordance with the BCP - Implement water countermeasures (flood barriers, installation of watertight panels), and implement disaster prevention education and training - Established alternative locations and establish backup structures for logistics centers	

(11) Human rights risk

Risk details	Risk class
Risks related to violations of human rights (employees, business partners)	Company monitored risk
Anticipated risk scenarios	
With the increasing globalization of corporate activities, there is growing social interest in the human rights efforts of companies. In October 2021, we established the Seven & i Group Human Rights Policy based on the International Bill of Human Rights (Universal Declaration of Human Rights and International Covenants on Human Rights), the ILO Declaration on Fundamental Principles and Rights at Work, and the UN Guiding Principles on Business and Human Rights, and we are striving to prevent and mitigate negative impacts on human rights by establishing a human rights due diligence mechanism. With the cooperation of our business partners, we are also moving forward with initiatives to respect human rights based on the Seven & i Holdings Business Partner Sustainable Action Guidelines. However, any deviation from these policies could lead to a decline in trust in the Group among customers and business partners, which may adversely affect the performance and financial standing of the Group.	
Measures	
- Provide education and training to employees (harassment prevention training, e-learning, etc.) and awareness-raising activities for business partners - Implement culture & engagement surveys, questionnaire surveys for business partners, and CSR audits of factories at which the Group's original products are manufactured - Promote use of whistleblowing system (Group-wide Employee Helpline, Business Partner Helpline, Audit & Supervisory Board Hotline) to enable early detection of and corrective action for human rights violations, etc.	

(12) Environmental risk

Risk details	Risk class
Risks related to climate change and natural capital (physical risks)	Company monitored risk
Anticipated risk scenarios	
A range of environmental problems have begun to emerge, including global climate change and the issue of plastic pollution. To address such changes in society, the Group has drawn up the "GREEN CHALLENGE 2050" environmental declaration, in which it designates decarbonization, a circular economy, and a society in harmony with nature as its vision for society, and is proceeding with initiatives to accomplish these goals. However, increases in the frequency of occurrence and severity of natural disasters resulting from climate change could cause damage to stores and the distribution network, and lead to a rise in associated costs of store operation. Increases in the frequency of occurrence and severity of natural disasters, and changes in weather patterns could also make procurement of raw material difficult. Moreover, because as a food-focused retail group we are highly dependent on nature for the production of raw materials and particularly agricultural produce, decreases in the production of and soaring prices for raw materials driven by deterioration in natural capital, damage to biodiversity, and other factors could make it difficult for the Company to source raw materials and products, which may adversely affect the performance and financial standing of the Group.	

Measures
[Response to general climate change and natural capital risks] - Formulation of GREEN CHALLENGE 2050 environmental declaration (2019) - We are moving forward with initiatives led by innovation teams based on the following four themes of GREEN CHALLENGE 2050 [Response to climate change] - Scenario analysis and information disclosure based on TCFD framework - Evolution of scenarios based on social changes - Consideration and implementation of substantive measures to address risks and opportunities in the supply chain as a whole [Response to natural capital] - Formulation of natural capital policy (October 2024) - Disclosure based on the TNFD framework - Assessment of businesses and their dependencies and impacts on nature, analysis of coffee beans using the LEAP approach, and also analysis of rice - Further expand scope of raw material subject to analysis [TCFD and TNFD integrated disclosure] - While climate change causes changes in the natural environment, such as water and soil, as the conservation of natural capital, including forest conservation, contributes to climate change mitigation by maintaining CO_2 sinks, we conducted an integrated analysis of climate change and natural capital and disclosed the results (September 2025)

Risk details	Risk class
Risks related to response to environmental regulations and laws (transition risks)	Company monitored risk
Anticipated risk scenarios	
A range of environmental problems have begun to emerge, including global climate change and the issue of plastic pollution. To address such changes in society, the Group has drawn up the “GREEN CHALLENGE 2050” environmental declaration, in which it designates decarbonization, a circular economy, and a society in harmony with nature as its vision for society, and is proceeding with initiatives to accomplish these goals. Conversely, the Group is subject to the application of a variety of environmental laws and regulations dealing with climate change measures, including reductions in energy usage and CO_2 emissions, food waste, recycling of containers and packaging made out of plastic and other materials, and treatment of waste. In the future, it is possible that laws and regulations will be strengthened, for example, heightened interest in natural capital and biodiversity could lead to the introduction of regulations associated with procurement of raw materials, or regulations controlling greenhouse gas emissions may be bolstered not only in Japan but in various countries as a climate change measure, or new laws and regulations and policies, such as carbon taxes, may be introduced. For the Group, compliance with laws and regulations could lead to additional costs and constraints on its business activities. In addition, fluctuations in the cost of energy such as gas and electricity resulting from strengthened regulations could increase expenses associated with store operation, and affect the performance and financial standing of the Group.	

Measures
[Response to general environmental regulation/legislation risks] We are moving forward with initiatives led by innovation teams based on the following four themes of all GREEN CHALLENGE 2050 ●Reduction of CO_2 emissions - Encourage the adoption of energy-saving and energy-generation facilities in stores - Long-term procurement of electricity derived exclusively from power plants using renewable energy such as solar and wind (offsite PPA, etc.) - Establishment of a broader renewable energy procurement framework through the newly established retail electric operating company ●Measures against plastic - Reduce use of plastic materials, replace them with environmentally friendly materials, establish goals and plans to promote recovery and recycling ●Measures against food loss/ waste and for organic waste recycling - Place the highest priority on curbing the generation of food waste in stores, and promote initiatives for food waste that has been generated with an awareness of the circular economy ●Sustainable procurement - Promote procurement of products that are guaranteed to be sustainable, in accordance with the Seven & i Group Sourcing Principles and Policies

4. [Management analysis of financial position, business results and cash flows]
   (1) Overview of business results
      (i) Business results

In the domestic economy during the fiscal year under review, the economy recovered moderately. In addition, although consumer confidence showed downside risks due to factors such as rising prices, consumer spending maintained a gradual increasing trend against the backdrop of improvements in the employment and income environment.
In the North American economy, while the economy remained firm, consumer spending showed a tendency toward restraint, particularly among lower-income groups, due to factors such as rising prices.
Under these circumstances, in the initiatives toward global growth through transformation of the convenience store operations set forth in the “Transformation of 7-Eleven” announced on August 6, 2025, the Company rebuilt its management foundation during the fiscal year ended February 28, 2026 to solidify future growth, and advanced initiatives to realize effects as early as possible.
Our consolidated results for the period are summarized below.

(Consolidated results)

(Millions of yen)

	Year ended February 28, 2025		Year ended February 28, 2026	
		Compared to previous year		Compared to previous year
Revenues from operations	11,972,762	104.4%	10,430,269	87.1%
Operating income	420,991	78.8%	422,993	100.5%
Ordinary income	374,586	73.9%	377,411	100.8%
Net income attributable to owners of parent	173,068	77.0%	292,760	169.2%

Exchange rate (Income statement)	U.S.$1 = ¥151.69	U.S.$1 = ¥149.61
	1 yuan = ¥21.04	1 yuan = ¥20.81
Exchange rate (Balance sheet)	U.S.$1 = ¥158.18	U.S.$1 = ¥156.56
	1 yuan = ¥21.67	1 yuan = ¥22.36

Total Group sales (including sales of franchisees of SEVEN-ELEVEN JAPAN CO., LTD., SEVEN-ELEVEN OKINAWA Co., Ltd., 7-Eleven, Inc., and 7-Eleven Stores Pty Ltd) amounted to ¥16,992,087 million (92.1% of the previous year). With respect to the impact of foreign exchange, compared with the previous fiscal year, Group sales decreased by ¥146.6 billion, revenues from operations decreased by ¥119.7 billion, and operating income decreased by ¥3.1 billion.
In addition, net income attributable to owners of parent was 169.2% compared with the previous year, due to the increase in operating income, the impact of deconsolidating subsidiaries under YORK Holdings Co., Ltd., etc., and the impact of matters that had been recorded as extraordinary losses in the previous fiscal year, such as the closure of unprofitable stores of 7-Eleven, Inc. and the withdrawal from the Ito-Yokado Online Supermarket operations.

Business overview by operating segment for the fiscal year ended February 28, 2026 is as follows.
(Revenues from operations by operating segment)

(Millions of yen)

	Year ended February 28, 2025		Year ended February 28, 2026	
		Compared to previous year		Compared to previous year
Domestic convenience store operations	904,152	98.1%	914,583	101.2%
Overseas convenience store operations	9,170,782	107.7%	8,556,832	93.3%
Superstore operations	1,432,126	96.9%	689,478	48.1%
Financial services	212,127	102.2%	137,197	64.7%
Others	320,914	78.0%	179,716	56.0%
Total	12,040,102	104.4%	10,477,807	87.0%
Adjustments (Eliminations/corporate)	(67,339)	–	(47,538)	–
Total	11,972,762	104.4%	10,430,269	87.1%

(Operating income by operating segment)

(Millions of yen)

	Year ended February 28, 2025		Year ended February 28, 2026	
		Compared to previous year		Compared to previous year
Domestic convenience store operations	233,554	93.2%	222,521	95.3%
Overseas convenience store operations	216,248	71.7%	222,223	102.8%
Superstore operations	10,415	76.7%	17,515	168.2%
Financial services	32,015	83.9%	20,970	65.5%
Others	5,779	215.0%	6,979	120.8%
Total	498,014	82.1%	490,211	98.4%
Adjustments (Eliminations/corporate)	(77,023)	–	(67,218)	–
Total	420,991	78.8%	422,993	100.5%

a. Domestic convenience store operations
Revenues from the domestic convenience store operations were ¥914,583 million (101.2% of the previous year), and operating income was ¥222,521 million (95.3% of the previous year).
SEVEN-ELEVEN JAPAN CO., LTD., in order to respond to changes in customers' consumption behavior, has, under the new structure since May 2025, advanced initiatives aimed at expanding its customer base and increasing visit frequency, and transforming to a management structure less susceptible to external environmental impacts, by positioning differentiation of fresh foods, strengthening the store network, and maximizing customer value of 7NOW, as well as strengthening engagement with customers, as key measures. As an example, it pursued nationwide rollout of freshly prepared products such as SEVEN CAFÉ Bakery and SEVEN CAFÉ Tea.
In the fiscal year under review, while same-store sales exceeded the previous fiscal year, the gross profit margin rate fell below the previous fiscal year due to soaring prices of raw materials such as rice. In addition, SG&A expenses exceeded the previous fiscal year due to factors such as rising prices, and operating income was ¥220,263 million (94.2% of the previous year). Total sales of all stores in the chain (the sum of sales from directly managed stores and franchisees) amounted to ¥5,469,315 million (101.9% of the previous year).

During the three months of the fourth quarter of the year ended February 28, 2026, in addition to continued collaboration among the four departments of product development, marketing, operations, and communication, we worked on strengthening product development and sales through co-creation marketing that also incorporated external expertise. As a product development strategy, we focused on each category and strengthened daily products. In addition, as measures to strengthen communication with customers, we undertook initiatives such as airing new-concept TV commercials, holding events linked with mass media and influencers, and disseminating information via social media, etc., and as a result, same-store sales exceeded the previous fiscal year. As for the gross profit margin, while there was growth in sales of freshly prepared counter products, it fell below the previous fiscal year due to the impact of soaring raw material prices.

b. Overseas convenience store operations

Revenues from the overseas convenience store operations were ¥8,556,832 million (93.3% of the previous year), and operating income was ¥222,223 million (102.8% of the previous year).

In North America, 7-Eleven, Inc., amid a trend toward saving on food and daily necessities mainly among lower-income groups due to factors such as rising prices, worked on initiatives with differentiation of fresh foods, strengthening the store network, maximizing customer value of 7NOW, and cross-value-chain control of SG&A expenses as key measures.

While U.S. domestic same-store merchandise sales on a dollar basis for the fiscal year under review fell below the previous year, operating income (before amortization of goodwill) was ¥332,381 million (100.8% of the previous year) due to the continued implementation of cost optimization. Total sales of all stores in the chain (the sum of sales from directly managed stores and franchisees) amounted to ¥9,725,461 million (92.7% of the previous year).

During the three months of the fourth quarter of the fiscal year ended February 28, 2026, while average spend per customer exceeded the previous fiscal year due to value-offer initiatives centered on fresh foods, same-store merchandise sales fell below the previous fiscal year because it was not able to cover the impact of lower customer traffic due to factors such as the impact of the government shutdown in October and November. For fuel sales, earnings recovered due to the impact of market conditions. In addition, while continuing cost optimization, SG&A expenses exceeded the previous fiscal year due to rising labor costs and rent, etc.

7-Eleven International LLC is strengthening support for existing regions and advancing the transformation to “food-focused convenience stores” tailored to the characteristics of each market. For the fiscal year under review, operating income (before amortization of goodwill) was ¥20,723 million (144.9% of the previous year). At 7-Eleven Australia, which became a subsidiary in FY2024, while there is an impact on sales due to strengthened tobacco sales regulations, customer traffic increased due to strengthened product development for fresh foods and expanded assortments, etc., and same-store sales exceeded the previous fiscal year.

c. Superstore operations

Revenues from the superstore operations were ¥689,478 million (48.1% of the previous year), and operating income was ¥17,515 million (168.2% of the previous year).

In addition, as of September 1, 2025, the subsidiaries under the umbrella of YORK Holdings Co., Ltd. were removed from the scope of consolidation. The subsidiaries under YORK Holdings Co., Ltd. are recorded as consolidated subsidiaries through the six months ended August 31, 2025.

d. Financial services

Revenues from the financial services operations were ¥137,197 million (64.7% of the previous year), and operating income was ¥20,970 million (65.5% of the previous year).

In addition, as of June 24, 2025, Seven Bank, Ltd. and its nine subsidiaries were removed from the scope of consolidation. Seven Bank, Ltd. and its nine subsidiaries are recorded as consolidated subsidiaries through the six months ended August 31, 2025.

e. Others
Revenues from operations for the “Others” segment amounted to ¥179,716 million (56.0% of the previous year), and operating income was ¥6,979 million (120.8% of the previous year).
In addition, as of September 1, 2025, the subsidiaries under the umbrella of YORK Holdings Co., Ltd. were removed from the scope of consolidation. The subsidiaries under YORK Holdings Co., Ltd. are recorded as consolidated subsidiaries through the six months ended August 31, 2025.

f. Adjustments (Eliminations/corporate)
Operating loss under adjustments (eliminations/corporate) totaled ¥67,218 million (compared with operating loss of ¥77,023 million in the previous year).
This operating loss mainly reflected head office expenses, including expenses related to the construction of the Group’s shared infrastructure system for purposes such as enhancing operating efficiency and bolstering security.

(ii) Financial position

a. Assets, liabilities and net assets
At the fiscal year-end, total assets amounted to ¥9,142,957 million, down ¥2,243,153 million from a year earlier.
Current assets declined ¥1,331,235 million from the end of the previous fiscal year, mainly due to a decrease in cash and deposits resulting from the deconsolidation of Seven Bank, Ltd. and its subsidiaries.
Non-current assets decreased by ¥911,730 million compared with the end of the previous fiscal year, mainly due to decreases in buildings and structures and land as a result of deconsolidating subsidiaries under YORK Holdings Co., Ltd.
Total liabilities decreased by ¥1,668,136 million compared with the end of the previous fiscal year due to the deconsolidation of Seven Bank, Ltd. and its subsidiaries, etc., to ¥5,494,762 million.
Net assets decreased by ¥575,017 million compared with the end of the previous fiscal year due to the acquisition of treasury shares, etc., to ¥3,648,195 million.
In addition, due to foreign exchange impacts during the fiscal year under review, compared with the end of the previous fiscal year, total assets decreased by ¥72,049 million and liabilities decreased by ¥39,460 million.

b. Cash flows
Cash and cash equivalents at the end of the fiscal year under review totaled ¥426,146 million, a decrease of ¥923,673 million from the end of the previous fiscal year.
Net cash provided by operating activities amounted to ¥666,736 million (76.1% of the previous year). This was largely due to income before income taxes of ¥434,564 million and depreciation and amortization of ¥382,009 million.
Net cash used in investing activities totaled ¥477,343 million (65.2% of the previous year). This was mainly due to capital expenditures of ¥333,618 million for the acquisition of property and equipment associated with new store openings and renovations; ¥758,627 million in payments for sale of shares in subsidiaries resulting in change in scope of consolidation due to the deconsolidation of Seven Bank, Ltd. and its subsidiaries, etc.; and ¥538,359 million in proceeds from sale of shares in subsidiaries resulting in change in scope of consolidation due to the deconsolidation of the subsidiaries under the umbrella of YORK Holdings Co., Ltd., among other factors.
Net cash used in financing activities totaled ¥1,109,880 million (282.7% of the previous year). This was mainly due to the repayment of long-term debt of ¥271,746 million, payment for redemption of bonds of ¥210,000 million, and purchase of treasury shares of ¥600,004 million.

(2) Production, orders, and sales results

(i) Production and orders

None

(ii) Purchases

Purchases in the fiscal year ended February 28, 2026 by segment are as follows.

Name of segment	Purchases (Millions of yen)	Compared to previous year (%)
Domestic convenience store operations	45,248	97.1
Overseas convenience store operations	6,502,291	91.4
Superstore operations	465,341	47.2
Financial services	25,766	112.1
Others	98,581	55.9
Total	7,137,229	85.6

Notes:
1. The main changes in the superstore operations and others were due to the removal of subsidiaries under YORK Holdings Co., Ltd. from the scope of consolidation.
2. Purchases in the domestic and overseas convenience store operations in the above table only include purchases of directly managed stores.
3. The above purchase results are amounts after eliminating inter-company transactions among consolidated companies.

(iii) Sales

Net sales (net sales among revenues from operations) in the fiscal year ended February 28, 2026 by segment are as follows.

Name of segment	Net sales (Millions of yen)	Compared to previous year (%)
Domestic convenience store operations	60,693	95.9
Overseas convenience store operations	8,022,436	92.7
Superstore operations	638,978	48.0
Financial services	27,747	123.0
Others	143,836	52.5
Total	8,893,693	86.0

Notes:
1. The main changes in the superstore operations and others were due to the removal of subsidiaries under YORK Holdings Co., Ltd. from the scope of consolidation.
2. Net sales in the domestic and overseas convenience store operations in the above table only include sales of directly managed stores.
3. The above sales results are amounts after eliminating inter-company transactions among consolidated companies.

3. Sales of major subsidiaries are as follows.

(1) Domestic convenience store operations

SEVEN-ELEVEN JAPAN CO., LTD.

Category	Total sales of all stores in the chain (Millions of yen)	Compared to previous year (%)	Composition (%)
Processed food	1,498,861	102.6	27.3
Fast food	1,564,745	102.6	28.5
Daily food	669,820	100.2	12.2
Food sales	3,733,428	102.2	68.0
Nonfood	1,756,907	101.2	32.0
Total	5,490,335	101.9	100.0

Note: The above amounts are before the application of the Revenue Recognition Accounting Standard, etc., and do not include consumption taxes, etc. Total sales of all stores in the chain represent the total amount of sales of franchised stores (franchisees) and training stores (directly managed stores).

(2) Overseas convenience store operations

7-Eleven, Inc.

Category	Total sales of all stores in the chain (Millions of yen)	Compared to previous year (%)	Composition (%)
Processed food	1,895,656	98.5	19.5
Fast food	528,760	95.9	5.4
Daily food	153,647	94.5	1.6
Food sales	2,578,065	97.8	26.5
Nonfood	1,417,015	96.0	14.6
Merchandise sales	3,995,081	97.1	41.1
Fuel sales	5,730,380	89.8	58.9
Total	9,725,461	92.7	100.0

Note: Total sales of all stores in the chain represent the total amount of sales of franchised stores (franchisees) and training stores (directly managed stores).

(3) Details of analysis and considerations regarding the status of business results from management's perspective

The details of recognition as well as analysis and considerations regarding the status of business results of the Group from management's perspective are as follows. This section includes forward-looking statements and future expectations as of the end of the fiscal year under review.

(i) Analysis of business results

a. Revenues from operations and operating income

Revenues from operations for the fiscal year under review amounted to ¥10,430,269 million (87.1% of the previous year), a decrease of ¥1,542,493 million from the previous fiscal year. Operating income was ¥422,993 million (100.5% of the previous year), an increase of ¥2,001 million from the previous fiscal year.

(Millions of yen)

	Year ended February 28, 2025	Year ended February 28, 2026	Increase/decrease
Revenues from operations			
Domestic convenience store operations	904,152	914,583	10,430
Overseas convenience store operations	9,170,782	8,556,832	(613,950)
Superstore operations	1,432,126	689,478	(742,648)
Financial services	212,127	137,197	(74,929)
Others	320,914	179,716	(141,198)
Total	12,040,102	10,477,807	(1,562,295)
Eliminations/corporate	(67,339)	(47,538)	19,801
Total	11,972,762	10,430,269	(1,542,493)
Operating income			
Domestic convenience store operations	233,554	222,521	(11,032)
Overseas convenience store operations	216,248	222,223	5,974
Superstore operations	10,415	17,515	7,099
Financial services	32,015	20,970	(11,045)
Others	5,779	6,979	1,200
Total	498,014	490,211	(7,803)
Eliminations/corporate	(77,023)	(67,218)	9,805
Total	420,991	422,993	2,001

Revenues from the domestic convenience store operations were ¥914,583 million (101.2% of the previous year), and operating income was ¥222,521 million (95.3% of the previous year).

SEVEN-ELEVEN JAPAN CO., LTD., in order to respond to changes in customers' consumption behavior, has, under the new structure since May 2025, advanced initiatives aimed at expanding its customer base and increasing visit frequency, and transforming to a management structure less susceptible to external environmental impacts, by positioning differentiation of fresh foods, strengthening the store network, and maximizing customer value of 7NOW, as well as strengthening engagement with

customers, as key measures. As an example, it pursued nationwide rollout of freshly prepared products such as SEVEN CAFÉ Bakery and SEVEN CAFÉ Tea.
In the fiscal year under review, while same-store sales exceeded the previous fiscal year, the gross profit margin rate fell below the previous fiscal year due to soaring prices of raw materials such as rice. In addition, SG&A expenses exceeded the previous fiscal year due to factors such as rising prices, and operating income was ¥220,263 million (94.2% of the previous year). Total sales of all stores in the chain (the sum of sales from directly managed stores and franchisees) amounted to ¥5,469,315 million (101.9% of the previous year).
During the three months of the fourth quarter of the year ended February 28, 2026, in addition to continued collaboration among the four departments of product development, marketing, operations, and communication, we worked on strengthening product development and sales through co-creation marketing that also incorporated external expertise. As a product development strategy, we focused on each category and strengthened daily products. In addition, as measures to strengthen communication with customers, we undertook initiatives such as airing new-concept TV commercials, holding events linked with mass media and influencers, and disseminating information via social media, etc., and as a result, same-store sales exceeded the previous fiscal year. As for the gross profit margin, while there was growth in sales of freshly prepared counter products, it fell below the previous fiscal year due to the impact of soaring raw material prices.
Revenues from the overseas convenience store operations were ¥8,556,832 million (93.3% of the previous year), and operating income was ¥222,223 million (102.8% of the previous year).
In North America, 7-Eleven, Inc., amid a trend toward saving on food and daily necessities mainly among lower-income groups due to factors such as rising prices, worked on initiatives with differentiation of fresh foods, strengthening the store network, maximizing customer value of 7NOW, and cross-value-chain control of SG&A expenses as key measures.
While U.S. domestic same-store merchandise sales on a dollar basis for the fiscal year under review fell below the previous year, operating income (before amortization of goodwill) was ¥332,381 million (100.8% of the previous year) due to the continued implementation of cost optimization. Total sales of all stores in the chain (the sum of sales from directly managed stores and franchisees) amounted to ¥9,725,461 million (92.7% of the previous year).
During the three months of the fourth quarter of the fiscal year ended February 28, 2026, while average spend per customer exceeded the previous fiscal year due to value-offer initiatives centered on fresh foods, same-store merchandise sales fell below the previous fiscal year because it was not able to cover the impact of lower customer traffic due to factors such as the impact of the government shutdown in October and November. For fuel sales, earnings recovered due to the impact of market conditions. In addition, while continuing cost optimization, SG&A expenses exceeded the previous fiscal year due to rising labor costs and rent, etc.
7-Eleven International LLC is strengthening support for existing regions and advancing the transformation to “food-focused convenience stores” tailored to the characteristics of each market. For the fiscal year under review, operating income (before amortization of goodwill) was ¥20,723 million (144.9% of the previous year). At 7-Eleven Australia, which became a subsidiary in FY2024, while there is an impact on sales due to strengthened tobacco sales regulations, customer traffic increased due to strengthened product development for fresh foods and expanded assortments, etc., and same-store sales exceeded the previous fiscal year.
Revenues from the superstore operations were ¥689,478 million (48.1% of the previous year), and operating income was ¥17,515 million (168.2% of the previous year).
In addition, as of September 1, 2025, the subsidiaries under the umbrella of YORK Holdings Co., Ltd. were removed from the scope of consolidation. The subsidiaries under YORK Holdings Co., Ltd. are recorded as consolidated subsidiaries through the six months ended August 31, 2025.

Revenues from the financial services operations were ¥137,197 million (64.7% of the previous year), and operating income was ¥20,970 million (65.5% of the previous year).
In addition, as of June 24, 2025, Seven Bank, Ltd. and its nine subsidiaries were removed from the scope of consolidation. Seven Bank, Ltd. and its nine subsidiaries are recorded as consolidated subsidiaries through the six months ended August 31, 2025.

b. Non-operating income/expenses and ordinary income
Non-operating income/expenses came to loss of ¥45,581 million (net amount), compared with loss of ¥46,404 million (net amount) in the previous fiscal year. This was mainly due to a decrease in interest expenses for 7-Eleven, Inc.
As a result, ordinary income increased by ¥2,825 million from the previous fiscal year to ¥377,411 million.

c. Special gains/losses and income before income taxes
Special gains/losses came to profit of ¥57,152 million (net amount), compared with loss of ¥105,235 million (net amount) in the previous fiscal year. This was due to factors including the recording of extraordinary income as a result of the deconsolidation of subsidiaries under YORK Holdings Co., Ltd., etc.
As a result, income before income taxes increased ¥165,212 million from the previous fiscal year to ¥434,564 million.

d. Income taxes (including income taxes - deferred) and net income attributable to owners of parent
Income taxes amounted to ¥135,472 million, up ¥49,141 million from the previous fiscal year. Effective rate of income taxes after application of deferred tax accounting was 31.2%.
As a result, net income attributable to owners of parent increased ¥119,692 million from the previous fiscal year to ¥292,760 million. Net income per share was ¥118.81, an increase of ¥52.19 from ¥66.62 in the previous fiscal year.

(ii) Analysis of financial position

a. Assets, liabilities and net assets

(Millions of yen)

	February 28, 2025	February 28, 2026	Increase/decrease
Total assets	11,386,111	9,142,957	(2,243,153)
Liabilities	7,162,898	5,494,762	(1,668,136)
Net assets	4,223,212	3,648,195	(575,017)

Note: The Company has applied “Accounting Standard for Current Income Taxes” (ASBJ Statement No. 27, October 28, 2022), etc. from the beginning of the fiscal year under review, and the figures for the fiscal year ended February 28, 2025 are shown after retroactive application.

As of the end of the fiscal year under review, total assets amounted to ¥9,142,957 million, down ¥2,243,153 million from the end of the previous fiscal year.
Current assets declined ¥1,331,235 million from the end of the previous fiscal year to ¥1,492,546 million, mainly due to a decrease of ¥930,028 million in cash and deposits resulting from the deconsolidation of Seven Bank, Ltd. and its subsidiaries.
Property and equipment decreased by ¥483,330 million, mainly due to decreases in buildings and structures and land as a result of deconsolidating subsidiaries under YORK Holdings Co., Ltd. Intangible assets decreased by ¥242,356 million, mainly due to a decrease associated with exchange rate fluctuations. In addition, in investments and other assets, these decreased by ¥186,044 million due to factors including a decrease in long-term leasehold deposits as a result of the deconsolidation of subsidiaries under YORK Holdings Co., Ltd. As a result, non-current assets declined ¥911,730 million from the end of the previous fiscal year to ¥7,650,015 million.
Total liabilities declined ¥1,668,136 million from the end of the previous fiscal year to ¥5,494,762 million.

Current liabilities decreased by ¥1,415,944 million compared with the end of the previous fiscal year to ¥1,900,670 million, due to factors including decreases in ATM temporary receipts, deposits received in the banking business, and call money as a result of the deconsolidation of Seven Bank, Ltd. and its subsidiaries.
Non-current liabilities decreased by ¥252,191 million compared with the end of the previous fiscal year to ¥3,594,091 million, due to factors including a decrease of ¥314,208 million in bonds while lease obligations increased by ¥175,552 million.
Total net assets decreased by ¥575,017 million compared with the end of the previous fiscal year due to the acquisition of treasury shares, etc., to ¥3,648,195 million.
Retained earnings increased ¥178,339 million from the end of the previous fiscal year, mainly due to an increase of ¥292,760 million resulting from recording of net income attributable to owners of parent and a decrease of ¥113,635 million resulting from payment of dividends.
Foreign currency translation adjustments declined ¥16,274 million, mainly due to translation of the financial statements of 7-Eleven, Inc.
As a result, net assets per share amounted to ¥1,566.06, up ¥10.67 from the end of the previous fiscal year, and equity ratio advanced to 39.6% from 35.4% at the end of the previous fiscal year.

b. Cash flows

(Millions of yen)

	Year ended February 28, 2025	Year ended February 28, 2026	Increase/decrease
Cash flows from operating activities	876,458	666,736	(209,722)
Cash flows from investing activities	(732,363)	(477,343)	255,019
Cash flows from financing activities	(392,648)	(1,109,880)	(717,231)
Cash and cash equivalents at end of period	1,349,820	426,146	(923,673)

Cash and cash equivalents (hereinafter “net cash”) decreased by ¥923,673 million from the end of the previous fiscal year to ¥426,146 million, primarily due to the deconsolidation of Seven Bank, Ltd. and its subsidiaries, etc., expenditures for new store openings and store renovations mainly in the domestic and overseas convenience store operations, repayment of debts and redemption of bonds, despite the cash flow generated by high operating profitability mainly in the domestic and overseas convenience store operations and the deconsolidation of the subsidiaries under YORK Holdings Co., Ltd.

(Cash flows from operating activities)
Net cash provided by operating activities amounted to ¥666,736 million (76.1% of the previous year). The ¥209,722 million decrease from the previous fiscal year was mainly because while the change in notes and accounts payable - trade increased by ¥78,998 million, the change in notes and accounts receivable - trade and net change in call money in banking business decreased by ¥66,070 million and ¥160,000 million, respectively.
(Cash flows from investing activities)
Net cash used in investing activities amounted to ¥477,343 million (65.2% of the previous year). The ¥255,019 million decrease from the previous fiscal year was mainly because while payment for sale of shares in subsidiaries resulting in change in scope of consolidation grew by ¥736,053 million, proceeds from sale of shares in subsidiaries resulting in change in scope of consolidation increased by ¥535,756 million, and payment for purchase of shares in subsidiaries resulting in change in scope of consolidation and payment for acquisition of business decreased by ¥166,657 million and ¥104,652 million, respectively.
(Cash flows from financing activities)
Net cash used in financing activities amounted to ¥1,109,880 million (282.7% of the previous year). The ¥717,231 million increase from the previous fiscal year was mainly

because while payment for redemption of bonds decreased by ¥131,302 million, repayment of long-term debt and purchase of treasury stock increased by ¥125,052 million and ¥540,361 million, respectively.

(iii) Strategic current state and outlook

In the domestic economy, while it is necessary to be mindful of downside risks to the economy such as price trends and developments surrounding U.S. trade policy, a moderate recovery trend is expected due to improvements in the employment and income environment and the effects of various policies.

The North American economy remains firm as an underlying trend, but the effects of polarization in consumption are expected to continue.

In each market, there is a possibility of a prolonged period of geopolitical risks going forward, and the economic outlook remains uncertain.

While taking this management environment into account, we will update the initiatives toward global growth through transformation of the convenience store business set forth in the “Transformation of 7-Eleven” announced on August 6, 2025, and further enhance their effectiveness.

As of June 24, 2025, Seven Bank, Ltd. and its nine subsidiaries, and as of September 1, 2025, subsidiaries under YORK Holdings Co., Ltd. were removed from the scope of consolidation. Seven Bank, Ltd. and its nine subsidiaries, and subsidiaries under YORK Holdings Co., Ltd. are recorded as consolidated subsidiaries through the six months ended August 31, 2025 for the fiscal year ended February 28, 2026, and from the second half onward, Seven Bank, Ltd. and K.K. BCJ-95 are recorded in consolidated results as affiliates accounted for using the equity method. The results of consolidated subsidiaries and affiliates accounted for using the equity method of K.K. BCJ-95 are reflected in consolidated results through the company’s profit and loss. In addition, from the fiscal year ending February 28, 2027, we will reclassify our operating segments. For the fiscal year ended February 28, 2026, the relevant operating companies under the new operating segments are recorded in “Others.” Please refer to pages 7–10 for details of the businesses under the old and new segments.

In light of these factors, we have summarized our consolidated performance forecasts for the fiscal year ending February 28, 2027, as follows.

(Consolidated forecasts) (Millions of yen)

	Year ending February 28, 2027		
		Compared to previous year	[Versus adjusted basis]
Revenues from operations	9,448,000	90.6%	99.3%
Operating income	405,000	95.7%	105.3%
Ordinary income	367,000	97.2%	104.2%
Net income attributable to owners of parent	270,000	92.2%	105.9%
Net income per share (Yen)	117.42	98.8%	113.5%

(Reference) (Millions of yen)

	Year ending February 28, 2027		
		Compared to previous year	[Versus adjusted basis]
Convenience store group merchandise sales	10,030,000	102.7%	102.7%
EBITDA	891,000	94.5%	102.8%
EPS before goodwill amortization (Yen)	162.56	100.5%	111.6%

Notes: 1. Assumed exchange rates: U.S.$1 = ¥150.00; 1 yuan = ¥21.00

2. Convenience store group merchandise sales are merchandise sales at directly operated stores and franchised stores of convenience store operating companies among consolidated subsidiaries.

3. “Net income per share” and “EPS before goodwill amortization” in the consolidated forecasts for the fiscal year ending February 28, 2027 factors in the expected impact of the purchase of treasury stock.
4. “Versus adjusted basis” refers to the year-on-year comparison with the previous year, compared against fiscal year ended February 28, 2026 figures (adjusted basis) that have been adjusted for the impacts of subsidiaries under YORK Holdings Co., Ltd. and Seven Bank, Ltd., etc. that were removed from the scope of consolidation, and recomposed into results primarily for the convenience store operations.
   Main adjustments: From the fiscal year ended February 28, 2026 results, deduct first-half results of subsidiaries under YORK Holdings Co., Ltd. and Seven Bank, Ltd., etc. that were removed from the scope of consolidation; add equity method investment profit and loss calculated by multiplying such first-half results by the ownership ratio after removal; and deduct extraordinary gains/losses related to such removal.

(Forecasts for revenues from operations and operating income by new operating segment)

(Millions of yen)

	Year ending February 28, 2027			
	Revenues from operations		Operating income	
		Compared to previous year		Compared to previous year
Domestic convenience store operations	950,000	103.9%	224,200	100.8%
Overseas convenience store operations	8,466,000	98.9%	247,800	111.5%
Others	50,000	5.1%	1,800	4.1%
Total	9,466,000	90.6%	473,800	96.9%
Adjustments (Eliminations/corporate)	(18,000)	–	(68,800)	–
Total [Versus adjusted basis]	9,448,000	90.6% [99.3%]	405,000	95.7% [105.3%]

(Reference: Results of revenues from operations and operating income by new operating segment)

(Millions of yen)

	Year ended February 28, 2026			
	Revenues from operations		Operating income	
		Compared to previous year		Compared to previous year
Domestic convenience store operations	914,583	101.2%	222,521	95.3%
Overseas convenience store operations	8,556,832	93.3%	222,223	102.8%
Others	978,617	50.8%	44,060	91.6%
Total	10,450,033	87.1%	488,805	98.2%
Adjustments (Eliminations/corporate)	(19,763)	–	(65,812)	–
Total [Versus adjusted basis]	10,430,269 [9,510,382]	87.1% –	422,993 [384,665]	100.5% –

Note: The “adjusted basis” refers to fiscal year ended February 28, 2026 figures that have been adjusted for the impacts of subsidiaries under YORK Holdings Co., Ltd. and Seven Bank, Ltd., etc. that were removed from the scope of consolidation, and recomposed into results primarily for the convenience store operations. “Versus adjusted basis” refers to the year-on-year comparison with the previous year compared against the adjusted basis.
Main adjustments: From the fiscal year ended February 28, 2026 results, deduct first-half results of subsidiaries under YORK Holdings Co., Ltd. and Seven Bank, Ltd., etc. that were removed from the scope of consolidation; add equity method investment profit and loss calculated by multiplying such first-half results by the ownership ratio after removal; and deduct extraordinary gains/losses related to such removal.

a. Domestic convenience store operations
In order to achieve steady growth amid increasing uncertainty in the business environment, SEVEN-ELEVEN JAPAN CO., LTD. will, in its merchandising policies, maintain basic assortments common to all stores while also incorporating limited-quantity and limited-area items, and will expand the introduction of freshly prepared products such as SEVEN CAFÉ Bakery and SEVEN CAFÉ Tea, which offer new products and experiences that allow customers to feel value in addition to conventional deliciousness. With respect to strengthening the store network, in addition to conventional standard-format store openings, we will aim for a net increase of 1,000 stores from FY2025 to FY2030 through openings of small-format urban stores, openings for suburban and depopulated areas, and satellite-format openings operated through labor-saving operations. In addition, we aim for continued growth through digital initiatives such as 7NOW and mobile ordering, cost control that enables growth investment, co-creation marketing, etc.

b. Overseas convenience store operations
In North America, 7-Eleven, Inc. will focus on the following key priorities amid intensifying competition in the immediate consumption market in the U.S.: grow proprietary products, accelerate digital and delivery, improve efficiency and cost leadership, vertically integrate the fuel business, and grow and enhance store network. Specifically, through implementing a transformation program that includes strengthening the superiority of fresh foods and PB/original products, expanding the store network with diverse and optimal store formats, expanding 7NOW, and strengthening cost control, we will optimize the entire value chain and execute measures to further enhance competitive advantage.
7-Eleven International LLC has plans to continue to advance its growth strategy through the two wheels of both existing countries of operation and new countries of operation, and through disciplined investment execution, pursue greater results more quickly.

(iv) Capital resources and liquidity of funds

Fund demand

Major demand for working capital of the Group is purchases of goods and operating expenses such as selling, general and administrative expenses. Fund demand aimed at investments is mainly for capital expenditures for opening of new stores, renovation of stores and investments in software, as well as for M&A.
Funds necessary for capital expenditures made during the fiscal year ended February 28, 2026 were procured through loans from financial institutions and funds on hand.

Financial policies

To stably secure funds needed to maintain and expand the Group's business activities, we raise funds through utilization of funds on hand as well as loans from financial institutions and issuance of bonds.
We procure long-term funds such as long-term loans and bonds by appropriately judging size and method of financing after taking into account fund demand based on business plans, financing environment such as interest-rate trend, timing of repayment of existing loans, and other factors.
With regard to financial policies, in order to sustainably increase corporate value, we have our basic policy of increasing returns in excess of the cost of capital and enhancing our ability to generate cash flow.
The balance of interest bearing debt including loans, bonds and lease obligations at the end of fiscal year under review was ¥2,274,466 million.

(v) Objective indicators, etc. for judging achievement of management policies, strategies and management targets

The objective indicators for assessing the achievement status of management policies, management strategies, and management targets are as stated in "1. Management policies, business environment and issues to address."

(vi) Significant accounting estimates and assumptions used in such estimates

The consolidated financial statements of the Group have been prepared in accordance with accounting principles generally accepted in Japan. In the preparation of these consolidated financial statements, we used estimates and assumptions that might affect reported amounts of assets, liabilities, revenue and expenses, but figures based on the estimates and assumptions may differ from actual results.

Of accounting estimates used in the preparation of the consolidated financial statements and assumptions used in such estimates, significant ones are described in “Significant Accounting Estimates” under “V. Financial Information, 1. Consolidated financial statements and other information, (1) Consolidated Financial Statements, Notes to Consolidated Financial Statements.”

5. [Critical contracts]
   (1) Group management administration agreement
   The Company has entered into a “Master Agreement for Provision of Group Management Services, etc.” with each of SEVEN-ELEVEN JAPAN CO., LTD., and seven other subsidiaries with regard to management administration conducted by the Company for each company.
   (2) Franchise agreement
   The overview of the franchise agreement between SEVEN-ELEVEN JAPAN CO., LTD. and each franchised store is as follows.
      (i) Agreement concluded between the parties (SEVEN-ELEVEN JAPAN CO., LTD. and a franchised store)
         a. Name of the agreement
         Franchise agreement and supplemental agreement thereto
         b. Purpose of the agreement
         To form a franchise contractual relationship with a franchised store for convenience store operation under license from SEVEN-ELEVEN JAPAN CO., LTD.
      (ii) Matters related to conditions of merchandise sales for franchisees
      Except asking for purchase of stock at the time of store opening, SEVEN-ELEVEN JAPAN CO., LTD. does not sell merchandise subsequently, and franchisees buy merchandise from suppliers recommended by SEVEN-ELEVEN JAPAN CO., LTD. or any other suppliers that they choose.
      (iii) Matters related to guidance on management
      SEVEN-ELEVEN JAPAN CO., LTD. continuously sends a person in charge to the franchised store to have him or her observe the status of the store, merchandise and sales, and provide advice and guidance, or cooperates to solve various problems arising in management. In addition, SEVEN-ELEVEN JAPAN CO., LTD. continues to conduct provision of materials including sales information, transmission of information regarding systems, effective disclosure of standard retail prices, assistance in various purchases, advertising, business consulting, and calculation and others for management through figures as well as to provide services such as extending credit for purchase of merchandise to franchisees.
      (iv) Matters related to trademark, trade name and other signs allowed to be used
      SEVEN-ELEVEN JAPAN CO., LTD. grants franchisees the right to use the “7-Eleven” trademark, other business symbols, and copyrighted materials for operating convenience stores.
      (v) Matters related to the term of agreement, etc.
      The term of agreement is 15 years from the day the franchise store first opens. Renewal of the agreement is subject to mutual discussion and agreement between the parties.
      (vi) Matters related to money collected regularly from franchisees
      The amount derived from certain calculation based on monthly gross profit on sales (amount computed by deducting monthly cost of merchandise sold (net cost of sales calculated by deducting each cost of merchandise loss and defective goods and purchase discounts from gross cost of merchandise sold) from monthly net sales) is paid to SEVEN-ELEVEN JAPAN CO., LTD. as consideration for services provided by SEVEN-ELEVEN JAPAN CO., LTD.

6. [Research and development activities]
   None

III. [Facilities]

1. [Capital expenditures]

Breakdown of capital expenditures in the fiscal year ended February 28, 2026 is as follows:

(Millions of yen)

Name of segment	Year ended February 28, 2026
Domestic convenience store operations	114,499
Overseas convenience store operations	226,309
Superstore operations	17,090
Financial services	35,638
Others	4,602
Eliminations/corporate	4,136
Total	402,277

Notes: 1. The amounts above include guarantee deposits and advances for store construction.

2. The amount for “Eliminations/corporate” is an aggregate of eliminated intersegment transactions and the Company’s capital expenditures.

The amount of capital expenditures in the fiscal year ended February 28, 2026 totaled ¥402,277 million. In the domestic convenience store operations and overseas convenience store operations, investments of ¥114,499 million and ¥226,309 million, respectively, were made mainly due to opening of new stores and store renovation. In the superstore operations and the others, investments of ¥17,090 million and ¥4,602 million, respectively, were made mainly due to opening of new stores and store renovation. Furthermore, in the financial services, investments of ¥35,638 million were made mainly for lease investments of Seven Financial Service Co., Ltd.

2. [Major facilities]
Major facilities as of February 28, 2026 are as follows.
(1) Breakdown by segment

Name of segment	Book value (Millions of yen)							Number of employ-ees (Per-sons)
	Property and equipment				Intangible assets		Total	
	Buildings and structures	Furniture, fixtures and equipment, other	Land [m^2]	Right-of-use assets	Lease-hold interests in land	Software		
Domestic convenience store operations	377,506	106,041	117,700 [1,478,205]	–	17,357	92,562	711,168	8,388 [1,789]
Overseas convenience store operations	1,050,104	332,413	763,352 [20,396,372]	1,451,665	–	81,238	3,678,774	26,048 [48,470]
Superstore operations	–	–	– [–]	–	–	–	–	– [–]
Financial services	19,345	21,549	18,470 [205,386]	–	–	414	59,778	341 [100]
Others	178	173	11 [10,549]	–	–	123	486	324 [24]
Corporate (shared)	2,640	2,643	2,712 [3,622]	–	–	27,343	35,340	866 [12]
Total	1,449,775	462,821	902,246 [22,094,134]	1,451,665	17,357	201,682	4,485,548	35,967 [50,395]

Notes: 1. The amounts above do not include construction in progress.
2. The number of employees represents the number of workers, and the monthly average number of temporary employees through the conversion of their working hours to a 163-hour working month is shown in brackets and not included in the total.
3. “Corporate (shared)” represents the facilities and the number of employees of the Company.

(2) The Company

Name (Location)	Name of segment	Description	Book value (Millions of yen)								Number of employees (Persons)
			Property and equipment				Intangible assets			Total	
			Buildings and structures	Furniture, fixtures and equipment, other	Land [m²]	Lease assets	Leasehold interests in land	Software	Lease assets		
Headquarters (Tokyo Met.)	Corporate (shared)	Office	1,497	2,046	– [–]	528	–	28,029	8,240	40,341	862 [8]
Ito Training Center (Kanagawa Pref.)	Corporate (shared)	Training center	1,024	54	2,712 [3,622]	–	–	–	–	3,791	4 [4]
Others	Corporate (shared)	Others	118	0	– [–]	–	–	–	–	118	– [–]

Notes: 1. The amounts above do not include construction in progress.

2. The number of employees represents the number of workers, and the monthly average number of temporary employees through the conversion of their working hours to a 163-hour working month is shown in brackets and not included in the total.

(3) Domestic subsidiaries

(i) SEVEN-ELEVEN JAPAN CO., LTD. (Domestic convenience store operations)

Name (Location)	Description	Book value (Millions of yen)						Number of employees (Persons)
		Property and equipment			Intangible assets		Total	
		Buildings and structures	Furniture, fixtures and equipment, other	Land [m²]	Leasehold interests in land	Software		
Minami 7-Jo and 991 other stores (Hokkaido)	Stores, etc.	18,801	4,658	13,540 [232,889]	431	–	37,433	37 [8]
Aomori Nitta 3 Chome and 112 other stores (Aomori Pref.)	Stores	1,877	544	300 [5,628]	73	–	2,795	2 [–]
Ichinoseki Jonai and 162 other stores (Iwate Pref.)	Stores, etc.	8,963	833	1,007 [67,155]	184	–	10,989	– [–]
Sendai Haranomachi and 443 other stores (Miyagi Pref.)	Stores	8,160	2,120	5,160 [59,665]	513	–	15,954	12 [3]
Yokote Matsubaramachi and 124 other stores (Akita Pref.)	Stores	2,785	656	36 [2,188]	129	–	3,607	2 [–]
Murayama Tateoka Shinmachi and 185 other stores (Yamagata Pref.)	Stores	3,485	803	729 [13,982]	180	–	5,198	4 [1]

Name (Location)	Description	Book value (Millions of yen)						Number of employees (Persons)
		Property and equipment			Intangible assets		Total	
		Buildings and structures	Furniture, fixtures and equipment, other	Land [m²]	Leasehold interests in land	Software		
Koriyama Yatagawa and 456 other stores (Fukushima Pref.)	Stores	5,073	1,883	1,749 [27,113]	260	–	8,966	2 [–]
Tsuchiura Naka and 649 other stores (Ibaraki Pref.)	Stores	10,254	2,576	3,668 [51,938]	467	–	16,966	12 [3]
Oyama Joto and 481 other stores (Tochigi Pref.)	Stores	7,400	2,004	3,052 [48,777]	570	–	13,028	6 [1]
Takasaki Midoricho and 489 other stores (Gunma Pref.)	Stores	9,169	2,142	3,476 [53,293]	693	–	15,481	4 [1]
Saitama Kawajima and 1,272 other stores (Saitama Pref.)	Stores, etc.	26,055	6,697	7,071 [45,778]	1,101	–	40,925	44 [9]
Kakemama and 1,192 other stores (Chiba Pref.)	Stores, etc.	18,316	5,885	7,802 [116,399]	584	–	32,589	30 [6]
Chiyoda Nibancho and 2,936 other stores (Tokyo Met.)	Stores	41,501	15,599	17,626 [132,132]	1,066	–	75,793	104 [22]
Aioi and 1,535 other stores (Kanagawa Pref.)	Stores, etc.	20,463	7,622	8,747 [53,613]	684	–	37,517	45 [10]
Niigata Kurumaba and 429 other stores (Niigata Pref.)	Stores	7,617	1,923	4,085 [65,805]	340	–	13,967	7 [2]
Toyama Nishiosawa and 137 other stores (Toyama Pref.)	Stores	2,737	644	150 [5,978]	153	–	3,686	4 [1]
Kanazawa Ishikawa Kenchomae and 138 other stores (Ishikawa Pref.)	Stores	3,462	571	833 [21,285]	271	–	5,138	7 [2]
Fukui Haruyama 1 Chome and 71 other stores (Fukui Pref.)	Stores	1,617	332	617 [5,876]	95	–	2,663	– [–]
Kofu Kotobukicho and 208 other stores (Yamanashi Pref.)	Stores	3,172	834	563 [11,792]	204	–	4,774	6 [1]
Shiojiri Daimon and 452 other stores (Nagano Pref.)	Stores	6,410	1,739	1,476 [32,533]	426	–	10,053	5 [1]
Hashima Takehanacho Hachijiri and 192 other stores (Gifu Pref.)	Stores	3,966	803	679 [12,648]	333	–	5,783	3 [1]

Name (Location)	Description	Book value (Millions of yen)						Number of employees (Persons)
		Property and equipment			Intangible assets		Total	
		Buildings and structures	Furniture, fixtures and equipment, other	Land [m²]	Leasehold interests in land	Software		
Shizuoka Oshika and 763 other stores (Shizuoka Pref.)	Stores	11,291	3,126	4,293 [39,294]	641	–	19,351	13 [3]
Nagoya Amazukacho and 1,066 other stores (Aichi Pref.)	Stores	18,125	4,195	2,764 [28,882]	1,502	–	26,587	46 [10]
Kuwana Eba and 176 other stores (Mie Pref.)	Stores	3,183	728	122 [1,813]	158	–	4,192	7 [2]
Otsu Kinoshitacho and 222 other stores (Shiga Pref.)	Stores	3,341	938	1,790 [17,331]	254	–	6,324	8 [2]
Kyoto Karasuma Jujo and 349 other stores (Kyoto Pref.)	Stores	5,311	1,566	570 [2,597]	257	–	7,705	20 [4]
Osaka Ono 1 Chome and 1,309 other stores (Osaka Pref.)	Stores	18,052	5,660	1,648 [8,860]	809	–	26,171	81 [17]
JR Hyogo Ekimae and 695 other stores (Hyogo Pref.)	Stores, etc.	9,991	2,921	2,944 [34,122]	441	–	16,299	29 [6]
Nara Takabatakecho and 136 other stores (Nara Pref.)	Stores	2,217	572	62 [426]	88	–	2,940	2 [–]
Wakayama Tsuwada and 86 other stores (Wakayama Pref.)	Stores	1,608	404	180 [2,261]	55	–	2,248	– [–]
Yonago Kawasaki and 61 other stores (Tottori Pref.)	Stores	2,081	420	– [–]	33	–	2,535	– [–]
Hamada Aioicho and 72 other stores (Shimane Pref.)	Stores	1,946	435	133 [2,132]	83	–	2,598	– [–]
Okayama Daigakumae and 321 other stores (Okayama Pref.)	Stores	5,710	1,510	1,648 [22,226]	283	–	9,154	7 [2]
Hiroshima Shimogochi and 599 other stores (Hiroshima Pref.)	Stores	9,606	2,593	4,712 [43,736]	661	–	17,574	12 [3]
Shimonoseki Ozuki and 314 other stores (Yamaguchi Pref.)	Stores	5,149	1,172	2,127 [38,715]	369	–	8,818	5 [1]
Tokushima Showacho and 83 other stores (Tokushima Pref.)	Stores	1,325	486	322 [4,768]	33	–	2,168	2 [–]

Name (Location)	Description	Book value (Millions of yen)						Number of employees (Persons)
		Property and equipment			Intangible assets		Total	
		Buildings and structures	Furniture, fixtures and equipment, other	Land [m²]	Leasehold interests in land	Software		
Takamatsu Sunport and 123 other stores (Kagawa Pref.)	Stores, etc.	4,424	731	736 [26,418]	67	–	5,959	2 [–]
Matsuyama Daigakumae and 135 other stores (Ehime Pref.)	Stores	2,954	786	66 [1,048]	124	–	3,932	5 [1]
Kochi Hommachi 1 Chome and 49 other stores (Kochi Pref.)	Stores	1,027	317	– [–]	42	–	1,386	4 [1]
Hakata Sumiyoshibashi and 1,061 other stores (Fukuoka Pref.)	Stores, etc.	16,784	4,472	4,000 [32,538]	1,138	–	26,397	20 [4]
Tosu Sonezakimachi and 192 other stores (Saga Pref.)	Stores	3,437	851	823 [18,733]	189	–	5,301	2 [–]
Nagasaki Matsuyamamachi and 208 other stores (Nagasaki Pref.)	Stores	3,366	898	136 [2,712]	188	–	4,589	7 [2]
Kumamoto Nuyamazu 4 Chome and 385 other stores (Kumamoto Pref.)	Stores	8,371	1,851	1,586 [15,967]	327	–	12,137	5 [1]
Oita Benten and 192 other stores (Oita Pref.)	Stores	4,199	952	62 [3,212]	220	–	5,435	2 [–]
Miyazaki Hiroshima 2 Chome and 208 other stores (Miyazaki Pref.)	Stores	4,284	1,018	562 [9,996]	167	–	6,033	– [–]
Kagoshima Kukomae and 217 other stores (Kagoshima Pref.)	Stores	4,472	1,037	495 [13,671]	141	–	6,146	4 [1]
Headquarters and regional offices, etc. (Tokyo Met. & others)	Offices, etc.	2,852	3,687	1,730 [12,087]	106	93,708	102,085	7,471 [1,611]

Notes:
1. The amounts above do not include construction in progress.
2. Stores show the total number of franchised stores (franchisees) and training stores (directly managed stores), and for franchised stores (franchisees), only lent equipment owned by the Company is shown.
3. The number of employees represents the number of workers, and the monthly average number of temporary employees through the conversion of their working hours to a 163-hour working month is shown in brackets and not included in the total.

(4) Foreign subsidiaries

Company name	Location	Name of segment	Description	Book value (Millions of yen)						Number of employees (Persons)
				Buildings and structures	Furniture, fixtures and equipment, other	Land [m^2]	Right-of-use assets	Software	Total	
7-Eleven, Inc.	U.S. Texas	Overseas convenience store operations	Stores, etc.	1,047,078	325,824	760,009 [20,359,735]	1,436,120	81,165	3,650,198	24,589 [47,949]

Notes: 1. The amounts above do not include construction in progress.
2. The book value includes leased equipment to franchisees.
3. The number of employees represents the number of workers, and the monthly average number of temporary employees through the conversion of their working hours to a 163-hour working month is shown in brackets and not included in the total.

3. [Plans for new construction and disposal of facilities]

(1) New construction of important facilities

Company name	Location	Name of segment	Description	Expenditure plan		Financing method	Start date	Scheduled completion date
				Total amount (Millions of yen)	Paid amount (Millions of yen)			
SEVEN-ELEVEN JAPAN CO., LTD.	Tokyo Met. & others	Domestic convenience store operations	New store construction, renovation, etc.	155,000	1,933	Funds on hand	January 2026	February 2027
7-Eleven, Inc.	U.S. Texas, etc.	Overseas convenience store operations	New store construction, renovation, etc.	320,000	–	Funds on hand and loans	January 2026	December 2026

(2) Disposal of important facilities

None

IV. [Information about the Company]

1. [Information about shares, etc.]

(1) [Total number of shares, etc.]

(i) [Total number of shares]

Type	Number of shares authorized to be issued (Shares)
Common stock	10,000,000,000
Total	10,000,000,000

(ii) [Issued shares]

Type	As of end of fiscal year Number of issued shares (Shares) (February 28, 2026)	As of filing date Number of issued shares (Shares) (May 20, 2026)	Name of financial instruments exchange on which shares are listed or name of authorized financial instruments firms association with which Company has registered	Description
Common stock	2,604,555,849	2,604,555,849	Tokyo Stock Exchange Prime Market	Number of shares per share unit: 100 shares
Total	2,604,555,849	2,604,555,849	–	–

(2) [Share subscription rights]

(i) [Details of stock option program]

None

(ii) [Rights plan]

None

(iii) [Share subscription rights for other uses]

None

(3) [Exercise of bond certificates with share subscription rights with exercise price amendment clause]

None

(4) [Trends in total number of shares issued and capital stock]

Date	Change in total number of shares issued (Thousands of shares)	Balance of total number of shares issued (Thousands of shares)	Change in capital stock (Millions of yen)	Balance of capital stock (Millions of yen)	Change in additional paid-in capital (Millions of yen)	Balance of additional paid-in capital (Millions of yen)
February 29, 2024 (Note 1)	(8,699)	877,742	–	50,000	–	875,496
March 1, 2024 (Note 2)	1,755,484	2,633,226	–	50,000	–	875,496
June 28, 2024 (Note 1)	(28,670)	2,604,555	–	50,000	–	875,496
July 17, 2025 (Note 3)	–	2,604,555	–	50,000	(450,000)	425,496

Notes:
1. The decrease in total number of shares issued is due to retirement of treasury stock based on the provisions of Article 178 of the Companies Act.
2. The Company implemented a three-for-one share split of its common stock on March 1, 2024. As a result, the total number of shares issued increased by 1,755,484 thousand shares.
3. This represents a reduction in additional paid-in capital and a transfer to other capital surplus, pursuant to the provisions of Article 448, Paragraph 1 of the Companies Act.

(5) [Classification of shareholders]

February 28, 2026

Category	Shares (Number of shares constituting one unit: 100 shares)								Odd-lot shares (Shares)
	Governmental organizations	Financial institutions	Securities companies	Other Japanese corporations	Foreign shareholders		Individuals and others	Total	
					Other than individuals	Individuals			
Number of shareholders (Persons)	–	138	35	2,105	834	750	253,891	257,753	–
Number of shares held (Units)	–	8,075,505	1,218,402	4,180,595	7,119,390	3,323	5,439,813	26,037,028	853,049
Shareholding ratio (%)	–	31.02	4.68	16.06	27.34	0.01	20.89	100.00	–

Notes: 1. As for treasury stock of 289,783,358 shares, 2,897,833 units are included in “individuals and others,” and 58 shares are included in “odd-lot shares.” In addition, it is equal to the actual number of shares held as of February 28, 2026.

2. “Financial institutions” includes the shares of the Company held by the BIP Trust and the ESOP Trust of 18,255 units and 12,039 units, respectively. These shares are presented as treasury stock in the consolidated financial statements and the nonconsolidated financial statements.

3. “Other Japanese corporations” includes 32 units of shares under the name of Japan Securities Depository Center.

(6) [Major shareholders]

February 28, 2026

Name	Address	Number of shares held (Thousands of shares)	Percentage of number of shares held in the total number of shares issued (excluding treasury stock) (%)
The Master Trust Bank of Japan, Ltd. (Trust account)	8-1, 1-chome, Akasaka, Minato-ku, Tokyo	395,433	17.08
Ito-Kogyo Co., Ltd.	12-3, Gobancho, Chiyoda-ku, Tokyo	212,103	9.16
Custody Bank of Japan, Ltd. (Trust account)	8-12, 1-chome, Harumi, Chuo-ku, Tokyo	142,434	6.15
Nippon Life Insurance Company (Standing proxy: The Master Trust Bank of Japan, Ltd.)	6-6, 1-chome, Marunouchi, Chiyoda-ku, Tokyo (8-1, 1-chome, Akasaka, Minato-ku, Tokyo)	53,017	2.29
MITSUI & CO., LTD. (Standing proxy: Custody Bank of Japan, Ltd.)	2-1, 1-chome, Otemachi, Chiyoda-ku, Tokyo (8-12, 1-chome, Harumi, Chuo-ku, Tokyo)	48,667	2.10
JP MORGAN CHASE BANK 385864 (Standing proxy: Mizuho Bank, Ltd.)	25 BANK STREET, CANARY WHARF, LONDON, E14 5JP, UNITED KINGDOM (15-1, 2-chome, Konan, Minato-ku, Tokyo)	47,916	2.07
STATE STREET BANK AND TRUST COMPANY 505001 (Standing proxy: Mizuho Bank, Ltd.)	ONE CONGRESS STREET, SUITE 1, BOSTON, MASSACHUSETTS (15-1, 2-chome, Konan, Minato-ku, Tokyo)	46,922	2.02
SMBC Nikko Securities Inc.	3-1, 3-chome, Marunouchi, Chiyoda-ku, Tokyo	38,247	1.65
Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.	9-2, 1-chome, Otemachi, Chiyoda-ku, Tokyo	33,864	1.46
THE CHASE MANHATTAN BANK, N.A. LONDONSECS LENDING OMNIBUS ACCOUNT (Standing proxy: Mizuho Bank, Ltd.)	WOOLGATE HOUSE, COLEMAN STREET LONDON EC2P 2HD, ENGLAND (15-1, 2-chome, Konan, Minato-ku, Tokyo)	33,200	1.43
Total	–	1,051,807	45.43

Notes:
1. Of the number of shares of the Company held in The Master Trust Bank of Japan, Ltd. (Trust account), 393,184 thousand shares are shares owned in trust for trust business (such as securities investment trust).
2. Of the number of shares of the Company held in Custody Bank of Japan, Ltd. (Trust account), 141,980 thousand shares are shares owned in trust for trust business (such as securities investment trust).
3. Treasury stock excluded from the above shares issued does not include the shares of the Company held by the BIP Trust and the ESOP Trust.

(7) [Voting rights]

(i) [Issued shares]

February 28, 2026

Category	Number of shares (Shares)		Number of voting rights (Units)	Description
Shares without voting rights		–	–	–
Shares with restricted voting rights (Treasury stock, etc.)		–	–	–
Shares with restricted voting rights (Other)		–	–	–
Shares with full voting rights (Treasury stock, etc.)	Common stock	289,783,300	–	–
Shares with full voting rights (Other)	Common stock	2,313,919,500	23,139,195	–
Odd-lot shares	Common stock	853,049	–	–
Total number of shares issued		2,604,555,849	–	–
Total number of voting rights		–	23,139,195	–

Notes: 1. Common stock in “Shares with full voting rights (Other)” includes 3,261 shares of shares under the name of Japan Securities Depository Center. “Number of voting rights” includes 32 voting rights related to shares with full voting rights under the name of said center.

2. Common stock in “Shares with full voting rights (Other)” includes 1,825,500 shares (number of voting rights: 18,255) of the shares of the Company held by the BIP Trust and 1,203,900 shares (number of voting rights: 12,039) of the shares of the Company held by the ESOP Trust.

(ii) [Treasury stock, etc.]

February 28, 2026

Name of shareholder	Address of shareholder	Number of shares held under own name (Shares)	Number of shares held under the name of others (Shares)	Total number of shares held (Shares)	Percentage of number of shares held in the total number of shares issued (%)
(Treasury stock) Seven & i Holdings Co., Ltd.	8-8, Nibancho, Chiyoda-ku, Tokyo	289,783,300	–	289,783,300	11.12
Total	–	289,783,300	–	289,783,300	11.12

Note: The shares of the Company held by the BIP Trust and the ESOP Trust are not included in the above treasury stock.

(8) [Details of officer and employee share ownership programs]

(Performance-Based Stock Compensation Plan for Directors)

The Company has introduced a Performance-Based Stock Compensation Plan (hereinafter the “Plan”) for Directors of the Company (excluding nonexecutive Directors and Directors residing overseas, the same applies hereinafter) using the Directors’ Compensation BIP (Board Incentive Plan) Trust (hereinafter “BIP Trust”), mainly aiming to raise willingness to contribute to the improvement of medium- and long-term corporate value and to share interests with shareholders.

(i) Outline of the Plan

The Plan is a program in which shares of the Company and others are granted to persons eligible for the BIP Trust depending on the position and the achievement level of performance targets, etc. in each fiscal year.

The covered period of the BIP Trust shall be three fiscal years from the fiscal year ended February 29, 2024 to the fiscal year ended February 28, 2026 (hereinafter the “Covered Period”). When the BIP Trust is continued, the following three fiscal years shall be the new Covered Period.

(ii) Total number of shares or total amount of money to be acquired by officers
As compensation granted to persons eligible for the BIP Trust in the Covered Period, money of up to ¥1,200 million shall be contributed. In addition, the maximum number of points granted from the BIP Trust to persons eligible for the BIP Trust shall be 240,000 points per fiscal year (one point = one share of common stock).

(iii) Scope of persons who may receive beneficiary rights or other rights under the Plan
Of the Company's Directors, persons who meet the beneficiary requirements

(Performance-Based Stock Compensation Plan for Executive Officers)
The Company has introduced a Performance-Based Stock Compensation Plan (hereinafter the "Plan") for Executive Officers of the Company (excluding those residing overseas, the same applies hereinafter) using the Stock Grant Employee Stock Ownership Plan (ESOP) Trust (hereinafter "ESOP Trust"), mainly aiming to raise willingness to contribute to the improvement of medium- and long-term corporate value and to share interests with shareholders.

(i) Outline of the Plan
This is a program in which shares of the Company and others are granted to persons eligible for the ESOP Trust depending on the position and the achievement level of performance targets, etc. in each fiscal year.
The covered period of the ESOP Trust shall be three fiscal years from the fiscal year ended February 29, 2024 to the fiscal year ended February 28, 2026 (hereinafter the "Covered Period"). When the ESOP Trust is continued, the following three fiscal years shall be the new Covered Period.

(ii) Total number of shares or total amount of money to be acquired by officers
As compensation granted to persons eligible for the ESOP Trust in the Covered Period, money of up to ¥600 million shall be contributed. In addition, the maximum number of points granted from the ESOP Trust to persons eligible for the ESOP Trust shall be 120,000 points per fiscal year (one point = one share of common stock).

(iii) Scope of persons who may receive beneficiary rights or other rights under the Plan
Of the Company's Executive Officers, persons who meet the beneficiary requirements

2. [Acquisition of treasury stock, etc.]
[Class of shares, etc.]
Acquisition of common stock falling under Article 155, item (iii) of the Companies Act and acquisition of common stock falling under Article 155, item (vii) of the Companies Act

(1) [Acquisition by resolution of the shareholders' meeting]
None

(2) [Acquisition by resolution of the Board of Directors]
Acquisition under the provisions of Article 155, item (iii) of the Companies Act

Classification	Number of shares (Shares)	Total value (Yen)
Status of the resolution of the Board of Directors (April 9, 2025) (Acquisition period: April 10, 2025 - February 28, 2026)	400,000,000 (Upper limit)	600,000,000,000 (Upper limit)
Treasury stock acquired prior the fiscal year ended February 28, 2026	–	–
Treasury stock acquired during the fiscal year ended February 28, 2026	284,297,500	599,999,827,083
Non-exercised portion at the end of the fiscal year ended February 28, 2026	115,702,500	172,917
Ratio of non-exercised portion at the end of the fiscal year ended February 28, 2026 (%)	28.9	0.0
Treasury stock acquired during the period after the reporting period to the filing date of this report	–	–
Ratio of non-exercised portion as of the filing date (%)	28.9	0.0

Note: The number of shares of treasury stock acquired does not include the number of shares acquired by the BIP Trust and the ESOP Trust.

(3) [Acquisition not based on resolution of the shareholders' meeting or Board of Directors]
Acquisition under the provisions of Article 155, item (vii) of the Companies Act

Classification	Number of shares (Shares)	Total value (Yen)
Treasury stock acquired during the fiscal year ended February 28, 2026	2,275	4,930,918
Treasury stock acquired during the period after the reporting period to the filing date of this report	327	687,904

Notes: 1. Treasury stock acquired during the period after the reporting period to the filing date of this report does not include the shares acquired through the purchase of odd-lot shares from May 1, 2026 until the filing date of this Annual Securities Report.
2. The number of shares of treasury stock acquired does not include the number of shares acquired by the BIP Trust and the ESOP Trust.

(4) [Status of disposal and ownership of acquired treasury stock]

Classification	Year ended February 28, 2026		Period after the reporting period to the filing date of this report	
	Number of shares (Shares)	Total value of disposal (Yen)	Number of shares (Shares)	Total value of disposal (Yen)
Treasury stock acquired for which subscribers were solicited	–	–	–	–
Treasury stock acquired which was retired	–	–	–	–
Treasury stock acquired which was transferred in association with a merger, share exchange, delivery of shares, or company split	–	–	–	–
Other (Exercise of subscription rights to shares)	36,000	72,907,917	–	–
Other (Sale of odd-lot shares based on demand for sale)	80	165,809	55	108,267
Number of shares of treasury stock	289,783,358	–	289,783,630	–

Notes: 1. The number of shares of treasury stock does not include the number of shares owned by the BIP Trust and the ESOP Trust.
2. Treasury stock owned in the period after the reporting period to the filing date of this report does not include shares resulting from the exercise of share subscription rights, purchase and sale of odd-lot shares from May 1, 2026 until the filing date of this Annual Securities Report.

3. [Dividend policy]

The Company has adopted a "progressive dividend" policy where the dividend is expected to rise in line with increases in profits.
The Company follows a basic policy of paying dividends of surplus twice a year as interim dividend and year-end dividend. The body deciding on these dividends of surplus is the shareholders' meeting for year-end dividend, and the Board of Directors for interim dividend.
Dividends of surplus as of February 28, 2026 are planned to be ¥25.00 per share. Together with the interim dividend of ¥25.00 per share, annual dividends amount to ¥50.00 per share.
The Company's policy is to promote accelerated growth by allocating retained earnings to strategic investments in the convenience store operations, the Group's growth driver, based on investment decisions taking capital efficiency into consideration.
The Articles of Incorporation stipulate that the Company "may, by resolution of the Board of Directors, pay an interim dividend with August 31 of each year as the record date."
Dividends of surplus for the fiscal year ended February 28, 2026 are as follows.

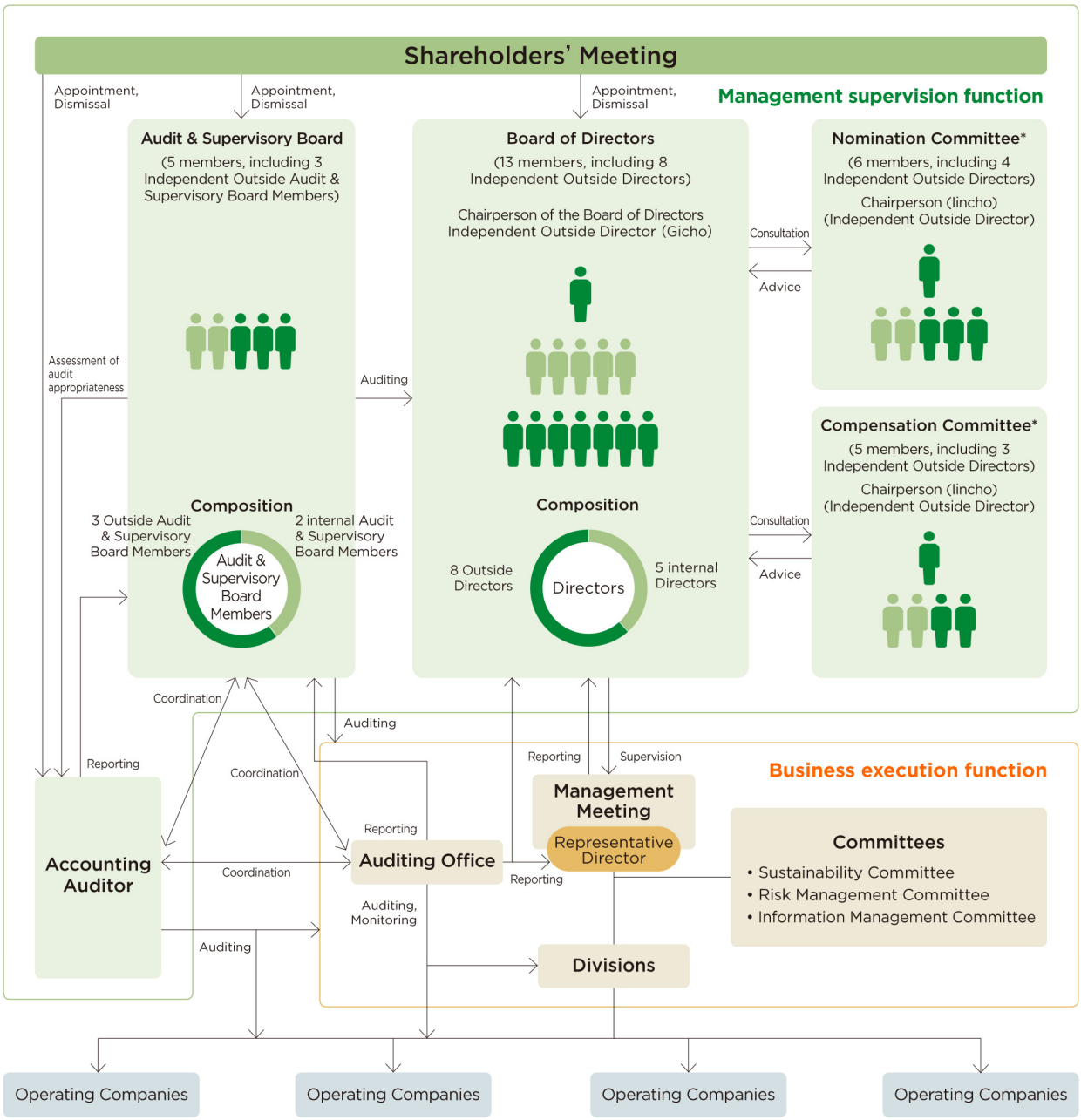
Date of resolution	Total amount of cash dividends (Millions of yen)	Dividend per share
October 9, 2025 Board of Directors	61,654	¥25.00
May 27, 2026 Annual shareholders' meeting (Planned)	57,869	¥25.00

4. [Corporate governance, etc.]
   (1) [Overview of corporate governance]
      (i) Basic views on corporate governance
         ○ Corporate Philosophy
         The Company formulated its “Corporate Creed” as below. The Corporate Creed is unchanging and comprehensively symbolizes the Group’s corporate philosophy, thus, the Company values it most as the fundamental basis of the Group’s management.
         “Corporate Creed”
         We aim to be a sincere company that our customers trust.
         We aim to be a sincere company that our business partners, shareholders and local communities trust.
         We aim to be a sincere company that our employees trust.
         ○ Corporate Action Guidelines
         The spirit embraced in the “Corporate Creed” is an abiding universal philosophy no matter how significantly the social environment will change in the future, and the Company has formulated ideas needed to realize this philosophy as the “Corporate Action Guidelines.”
         The “Corporate Action Guidelines” shows the basic stance of all officers and employees of the Group, and is divided into the “basic policy,” which stipulates views as a group and the “code of conduct,” which sets forth principles of action. In addition, each group company has established guidelines and standards of conduct which reflect the views and principles at the concrete action level according to business categories, and these guidelines and standards of conduct, together with the Group’s guidelines, are disseminated through training for new employees and newly appointed officers, etc. Moreover, the dissemination level of the Corporate Creed and compliance awareness is regularly confirmed with the “employee engagement survey.”
         ○ Basic views on corporate governance
         The Company considers corporate governance to be a system for sustainable growth by establishing and maintaining a sincere management structure and continuously increasing the Group’s corporate value over the medium- and long-term in both financial and non-financial (ESG) aspects to ensure the trust and longstanding patronage of all stakeholders, including customers, business partners and franchisees, shareholders and investors, local communities, and employees, based on the Corporate Creed.
         The Company’s mission as a holding company is to strengthen corporate governance and maximize the Group’s corporate value, and the Company will strive to achieve this mission through the provision of support, oversight, and optimal resource allocation to its operating companies.

(ii) Overview of corporate governance system and reasons for adopting the system

○ Corporate governance system

The Company's corporate governance system (as of the date of filing of this Annual Securities Report) is as follows.



* The Chairperson and committee members are selected by the Board of Directors.

○ Reason for adoption of current corporate governance system

As of the date of filing of this Annual Securities Report, the Company ensures the effectiveness of its corporate governance by coordinating "audits" conducted by the Audit & Supervisory Board Members (Audit & Supervisory Board), including multiple Outside Audit & Supervisory Board Members who maintain their independence and have specialized knowledge in such areas as legal affairs and financial accounting, through their actively cooperating with the accounting auditor and the internal audit division, and "formulation of management strategies" and "supervision of business execution" conducted by the Board of Directors (11 men and 2 women), including 8 Independent Outside Directors who maintain their independence and have advanced management knowledge and experience.

The Company has adopted above corporate governance structure because it judges the structure to be workable for realizing and ensuring the Company's corporate governance and for conducting appropriate and efficient corporate management.

○ Separation of the Board of Directors' supervisory functions and Executive Officers' business execution functions through introduction of the executive officer system

To facilitate prompt decision making and business execution even amid a dramatically changing operating environment, the Company has introduced the executive officer system and separated the Board of Directors' supervisory function from the Executive Officers' business execution function. This developed an environment where the Board of Directors is able to focus on the "formulation of management strategies" and the "supervision of business execution," while the Executive Officers can focus on "business execution." As of the date of filing of this Annual Securities Report, the Company had 21 Executive Officers (18 men and 3 women).

The term of office of the Directors is set to one year in order to reflect the intentions of shareholders regarding the appointment of the management team in a more timely manner.

○ Monitoring based on the Audit & Supervisory Board Member system

The Company conducts monitoring of management based on the Audit & Supervisory Board Member system. As of the date of filing of this Annual Securities Report, the Company's Audit & Supervisory Board is composed of 5 members (including 3 Independent Outside Audit & Supervisory Board Members / 3 men and 2 women). For details of Audit & Supervisory Board Member audits, etc., please refer to "(3) Status of audits, (i) Audit & Supervisory Board Member audits, (ii) Internal audits, (iii) Coordination between Audit & Supervisory Board Member audits, internal audits and accounting audits" provided below.

○ Oversight and audits by Outside Directors and Outside Audit & Supervisory Board Members who have independence

As of the date of filing of this Annual Securities Report, the Company has designated all Outside Directors (8 persons) and all Outside Audit & Supervisory Board Members (3 persons) as Independent Outside Directors and Independent Outside Audit & Supervisory Board Members based on the provisions of the financial instruments exchange, and oversight and audits are conducted by these Outside Directors and Outside Audit & Supervisory Board Members who have independence. For details of oversight and audits, etc. by Outside Directors and Outside Audit & Supervisory Board Members, please refer to "(2) Status of officers, (ii) Outside Directors and Outside Audit & Supervisory Board Members, (iii) Coordination between oversight or audits by Outside Directors or Outside Audit & Supervisory Board Members, and internal audits, Audit & Supervisory Board Member audits and accounting audits, and relationships with the internal control divisions" provided below.

In addition, in light of the fact that the Board of Directors is composed of a majority of Outside Directors with diverse experience and knowledge, the Company has appointed a Lead Independent Outside Director as of May 2022, with the aim of further ensuring the effectiveness of the oversight function of the Board of Directors by fulfilling the following roles.

<Roles of the Lead Independent Outside Director>

i Ensure mutual coordination and follow-up among Outside Directors
ii Further enhance and maintain dialogue and communication between Outside Directors and senior management
iii Strengthen coordination between Outside Directors and the Audit & Supervisory Board
iv Promote "constructive dialogue with shareholders and investors" in which Outside Directors participate

At the Board of Directors meeting held on April 18, 2024, it was resolved that the Company would separate the positions of Chairperson of the Board (Gicho) and CEO for the purpose of strengthening the corporate governance system and improving the transparency and objectivity of management decision-making, among others. Additionally, the proposal (resolution) for the election of 13 Directors is scheduled to be presented at the Annual Shareholders' Meeting held on May 27, 2026. If this proposal is approved, Fuminao Hachiuma is expected to be appointed as the Lead Independent

Outside Director and Chairperson of the Board (Gicho) at the Board of Directors meeting scheduled for the same day.

- Nomination Committee and Compensation Committee system
  The Company has established the “Nomination Committee” and the “Compensation Committee,” with the chairperson and a majority of the committee members being Independent Outside Directors, as advisory bodies to the Board of Directors, in order to utilize the knowledge and advice of a more diverse range of Outside Directors and Outside Audit & Supervisory Board Members, and ensure more objectivity and transparency of procedures for appointment of Representative Directors, Directors, Audit & Supervisory Board Members and Executive Officers and determination of compensation, etc., and hence to improve the Board of Directors’ supervisory functions and further enhance corporate governance functions.
- Corporate governance by various committees
  The Company has established the “Sustainability Committee,” “Risk Management Committee,” and “Information Management Committee,” which report to the Representative Directors. Each committee determines Group policies in cooperation with the operating companies, and strengthens corporate governance by managing and supervising their dissemination and execution.
  - Sustainability Committee
    The Company has established the Sustainability Committee based on Sustainability Basic Rules for the purpose of promoting, administrating and supervising the sustainability activities of the entire Group through operating activities in order to contribute to solving social issues and aim for sustainable growth for both society and the Group. The Company has also established five subcommittees under the Sustainability Committee tasked with the examination and promotion of specific measures to promote operating activities that will contribute to solving material issues (Materiality) identified to address the expectations and demands of stakeholders and realizing a more thorough compliance practice. Through these subcommittees, the Company works to solve problems and prevent the occurrence of such problems.
    Under the Sustainability Committee, to resolve material issues that should be addressed by the Group, the Company tasks a subcommittee with each relevant issue: the “Environment Subcommittee” with helping mitigate climate change, depletion of resources, and other environmental burdens; the “Supply Chain Subcommittee” with building a sound supply chain that takes human rights and the environment into consideration and with ensuring safety and improving quality for merchandise and services; the “Corporate Ethics and Culture Subcommittee” with ensuring thorough awareness and adoption of the Corporate Creed and the Corporate Action Guidelines, building worker-friendly workplaces, promoting advancement of diverse human resources and improving the labor environments; the “Compliance Subcommittee” with strengthening compliance and internal controls; and the “Social Value Creation Subcommittee” with the planning, proposal and operation of new businesses originating from addressing social issues through our core business, by utilizing business characteristics and management resources. These subcommittees have formulated and carried out measures to address such individual issues on a group-wide basis.
    Through the activities of these subcommittees, we will promote business activities that further ensure compliance and contribute to the resolution of the material issues (Materiality) related to stakeholders, while aiming for sustainable development of both society and our Group from sustainability perspective.
    In addition, to strengthen sustainability governance, we are considering a review of the Group’s sustainability promotion framework.
  - Risk Management Committee
    In accordance with the Basic Rules for Risk Management, the Company and its Group companies establish, streamline, and manage comprehensive risk management systems, centered on the Risk Management Committee, in order to properly analyze, evaluate, and appropriately respond to risks associated with each business, with consideration for changes in the management environment and risk factors.

The Risk Management Committee receives reports from the departments in charge of risk management regarding the risk management status of their respective companies. The committee comprehends, assesses, and analyzes risks and discusses measures, and determines the future direction going forward.
In recent years, in addition to changes in the Group's internal environment, various changes in the external environment, such as the rise of geopolitical risks and ESG-related risks, have had a greater impact on our business activities. In response to these changes, the Company is engaged in risk management that takes into account not only short-term risks but also medium- to long-term risks. In addition, the Company identifies various risks with high priority in terms of importance, commonality, etc., and clarifies the roles and responsibilities of the Company and each company in the Group, thereby enhancing the effectiveness of risk management for the entire Group.

- Information Management Committee
  In accordance with the Information Control Regulations, the Company has carried out risk analysis, evaluation and measures regarding the information management of operations-related information that is learned, created or retained by officers and employees of the Group under the Information Management Committee, chaired by the information management supervisor.
  In the fiscal year under review, as in the previous fiscal year, the committee continued working to strengthen its information collection and management system, and strengthened the system to collect important information from each Group company in a timely and appropriate manner and to cooperate with each other to deal with such information, as well as to centrally manage such information and report it to management and related departments without omission and without delay.
  In addition, the committee is stepping up organizational, human, physical, and technical security measures by reviewing information handling procedures, strengthening management of contractors, educating and training officers and employees, and establishing systems to promptly detect suspicious communications, in order to strengthen the information security management system to respond to cyber attacks that are becoming more sophisticated and complex every day, as well as to comply with information security and personal data protection laws, regulations, and guidelines.
  Also, the committee conducts in-house training for the officers of the Group for prohibiting insider trading, in order to familiarize them with the "Rules against Insider Trading," an in-house regulation, to prevent insider trading from occurring, and to ensure the proper handling of information such as material facts.
  The Information Management Committee is responsible for spreading these initiatives across the Group companies and setting the direction thereof, and helps them autonomously and continuously promote the initiatives by monitoring and evaluating them, with the aim of strengthening governance in information management.

○ Members of bodies established
As of the date of filing of this Annual Securities Report, members of the Board of Directors, the Audit & Supervisory Board, the Nomination Committee, the Compensation Committee, the Management Meeting, the Sustainability Committee,

the Risk Management Committee and the Information Management Committee are as follows (◎ indicates the chairperson or the committee chairperson).

Name	Position in the Company	Board of Directors	Audit & Supervisory Board	Nomination Committee	Compensation Committee	Management Meeting	Sustainability Committee	Risk Management Committee	Information Management Committee
Junro Ito	Representative Director and Executive Chair (Kaicho) Executive Officer and Executive Chair (Kaicho)	○		○		○	◎	○	○
Stephen Hayes Dacus	Representative Director and President Executive Officer and President Chief Executive Officer (CEO)	○		○		◎	○		
Shigeki Kimura	Representative Director and Vice President Executive Officer and Vice President Chief Administrative Officer (CAO) Information Management Supervisor	○			○	○	○	○	◎
Yoshimichi Maruyama	Director Managing Executive Officer	○				○	○	○	○
Tamaki Wakita	Director Managing Executive Officer Chief Strategy Officer (CSO) General Manager of the Management Planning Division	○			○	○	○	◎	○
Fuminao Hachiuma	Lead Independent Outside Director	◎		○					
Yoshiyuki Izawa	Independent Outside Director	○		○					
Meyumi Yamada	Independent Outside Director	○		◎	○				
Paul Yonamine	Independent Outside Director	○			◎				
Takashi Sawada	Independent Outside Director	○							
Masaki Akita	Independent Outside Director	○		○	○				
Tatsuya Terazawa	Independent Outside Director	○							
Christine Edman	Independent Outside Director	○							
Shinya Ishii	Standing Audit & Supervisory Board Member		◎			○	○	○	○
Nobutomo Teshima	Standing Audit & Supervisory Board Member		○			○	○	○	○

Name	Position in the Company	Board of Directors	Audit & Supervisory Board	Nomination Committee	Compensation Committee	Management Meeting	Sustainability Committee	Risk Management Committee	Information Management Committee
Kazuhiro Hara	Independent Outside Audit & Supervisory Board Member		○						
Mitsuko Inamasu	Independent Outside Audit & Supervisory Board Member		○						
Kaori Matsuhashi (Real name: Kaori Hosoya)	Independent Outside Audit & Supervisory Board Member		○						
Izuru Nishimura	Managing Executive Officer General Manager of the Group DX Division						○	○	○
Seiji Oku	Executive Officer General Manager of the Corporate General Affairs & Legal Division						○	○	○
Seiji Kitamura	Executive Officer General Manager of the Group Merchandise Strategy & Planning Division						○	○	○
Takuya Enomoto	Executive Officer General Manager of the Human Resources Division						○	○	○
Hirotake Henmi	Executive Officer General Manager of the Corporate Communication Division						○	○	○
Other members	Senior Officers of the sustainability-related departments, etc.						○		
	Officers responsible for sustainability promotion of operating companies						○		
	Senior Officers of the departments responsible for the management of risks, etc.							○	
	Officers responsible for information management of each department								○

Note: Because the name of Mr. Yoshiyuki Izawa contains a letter other than letters that are set usable based on the provisions of “Considerations regarding special provisions, etc. of procedures conducted by electronic data processing system for disclosure, etc.” and “file specifications for submitted documents” (Planning and Coordination Bureau of the Financial Services Agency), a letter that can be used in the Electronic Disclosure for Investors NETwork (EDINET) is used as a substitute.

The “Election of 13 Directors” and “Election of 3 Audit & Supervisory Board Members” are on the proposals (resolutions) for the Annual Shareholders’ Meeting to be held on May 27, 2026. If the proposals are approved, the status of the Company’s officers will be as described in “(2) [Status of officers], (i) Directors and Audit & Supervisory Board Members, 2).”

○ Activities of the Board of Directors

Members of the Board of Directors and its advisory committees as of the date of filing of this Annual Securities Report, and frequency of and attendance at meetings during the fiscal year under review

Name	Position in the Company	Frequency of meetings and attendance of each member at the meetings		
		Board of Directors	Nomination Committee	Compensation Committee
Junro Ito	Representative Director and Executive Chair (Kaicho) Executive Officer and Executive Chair (Kaicho)	15/15	6/6	5/5
Stephen Hayes Dacus	Representative Director and President Executive Officer and President Chief Executive Officer (CEO)	15/15	8/9	
Shigeki Kimura	Representative Director and Vice President Executive Officer and Vice President Chief Administrative Officer (CAO) Information Management Supervisor	11/11		7/7
Yoshimichi Maruyama	Director Managing Executive Officer	15/15	10/10	
Tamaki Wakita	Director Managing Executive Officer Chief Strategy Officer (CSO) General Manager of the Management Planning Division	15/15		12/12
Fuminao Hachiuma	Lead Independent Outside Director	15/15	16/16	4/4
Yoshiyuki Izawa	Independent Outside Director	15/15	16/16	
Meyumi Yamada	Independent Outside Director	15/15	16/16	7/7
Paul Yonamine	Independent Outside Director	15/15		12/12
Takashi Sawada	Independent Outside Director	11/11		
Masaki Akita	Independent Outside Director	11/11	6/6	7/7
Tatsuya Terazawa	Independent Outside Director	11/11		
Christine Edman	Independent Outside Director	11/11		

Notes: 1. Mr. Joseph Michael DePinto resigned as a Director of the Company on March 9, 2025. Attended all subject Board of Directors meetings (1/1).

2. Ms. Jenifer Simms Rogers resigned as a Director of the Company on March 11, 2025. Attended all subject Board of Directors meetings (1/1) and Compensation Committee meetings (1/1).

3. Ms. Elizabeth Miin Meyerdirk resigned as a Director of the Company on March 11, 2025. Attended all subject Board of Directors meetings (1/1).
4. Mr. Junro Ito retired as a member of the Compensation Committee on May 27, 2025 and was appointed as a member of the Nomination Committee on the same day.
5. Mr. Stephen Hayes Dacus retired as a member of the Nomination Committee on March 25, 2025 and was appointed as a member of the Nomination Committee on May 27, 2025.
6. Mr. Shigeki Kimura was appointed as a member of the Compensation Committee on May 27, 2025.
7. Mr. Yoshimichi Maruyama retired as a member of the Nomination Committee on May 27, 2025.
8. Mr. Fuminao Hachiuma was appointed as a member of the Compensation Committee on March 27, 2025 and retired as a member of the Compensation Committee on May 27, 2025.
9. Ms. Meyumi Yamada was appointed as a member of the Compensation Committee on May 27, 2025.
10. Mr. Masaki Akita was appointed as a member of the Nomination Committee and the Compensation Committee on May 27, 2025.
11. Mr. Ryuichi Isaka retired as a member of the Nomination Committee on May 27, 2025. Attended all subject Nomination Committee meetings (10/10).
12. Mr. Toshiro Yonemura retired as a member of the Compensation Committee on May 27, 2025. Attended all subject Compensation Committee meetings (5/5).

- Matters deliberated by the Board of Directors
  The Board of Directors deliberates, receives reports, and makes resolutions on important management matters in accordance with laws, regulations, and the Articles of Incorporation. The Board of Directors met 15 times during the fiscal year under review to set key management targets and budget allocations for the Company and its Group companies, and to address important management issues, including inspection and review of the efficiency and soundness of business execution, by receiving reports from the Company's Directors and managers responsible for business execution.

- Matters deliberated by the Nomination Committee and the Compensation Committee
  The "Nomination Committee" and the "Compensation Committee" have been established, with the chairperson and a majority of the committee members being Independent Outside Directors, as advisory bodies to the Board of Directors, in order to utilize the knowledge and advice of a more diverse range of Outside Directors and Outside Audit & Supervisory Board Members, and ensure more objectivity and transparency of procedures for appointment of Representative Directors, Directors, Audit & Supervisory Board Members and Executive Officers and determination of compensation, etc., and hence to improve the Board of Directors' supervisory functions and further enhance corporate governance functions.
  The main topics of discussion during the fiscal year under review were as follows.

Committee	Main topics of discussion
Nomination Committee	Basic policy and criteria for nominating candidates Proposal of candidates
Compensation Committee	Basic policy and standards for compensation, etc. Proposal for the upper limit of the total compensation amount Compensation, etc. by individual

(iii) Other matters concerning corporate governance

- Status of development of internal control systems
  The Company has adopted the following resolutions regarding "the development of systems for ensuring that the execution of duties by the Directors complies with laws, regulations, and the Articles of Incorporation and other systems required by the Ministry of Justice Ordinance for ensuring the compliance of operations performed by a corporation and by the corporate group comprised of the corporation and its subsidiaries," as stipulated by the Companies Act.

I Systems for ensuring that the execution of duties by the Company's and its subsidiaries' Directors and employees is compliant with laws, regulations, and the Articles of Incorporation

i The Group shall, in the "Corporate Creed" and the "Corporate Action Guidelines," etc. and in order to continue to be trusted and known for integrity, announce that it shall implement ethical corporate activities; strictly observe laws, regulations, and social norms; and fulfill corporate social responsibilities as required by society. Based on this, the Company will establish, develop, and operate a framework for promoting, managing, and overseeing compliance and corporate ethics within the Group, and will further ensure thorough compliance through operating an internal whistleblowing system, promoting fair trade, and disseminating the Corporate Action Guidelines and each company's guidelines.

ii The Group will announce its commitment to not having any contact with antisocial groups and will clearly refuse unreasonable requests, etc. Through cooperation with outside specialists, such as the police and lawyers, we will rapidly implement legal countermeasures, both civil and criminal.

iii The Company's internal auditing division, which is independent from operating divisions, will internally audit the status of the maintenance and operation of the Company's compliance systems and, in collaboration with the internal auditing divisions of the Company's subsidiaries, confirm the status of the maintenance and operation of the compliance systems of each subsidiary.

iv The Group's Audit & Supervisory Board Members will ensure that the execution of duties by their respective companies' Directors is compliant with laws, regulations, and the Articles of Incorporation and work to raise the effectiveness of the supervisory function.

II Systems for the storage and control of information related to the execution of duties by the Company's Directors

i In accordance with laws, regulations, and related internal regulations, the Company shall properly produce, store, and manage documents for which production and storage are legally required, such as minutes of shareholders' meetings, minutes of Board of Directors' meetings (including electromagnetic records; hereafter the same), circular decision-making documents (ringisho), and other documents and information necessary to secure appropriate operational execution.

ii The Company shall establish, maintain, and utilize systems to supervise management of business information and control planning, development and facilitation of initiatives related to the information management, ensuring enhanced effectiveness of timely and accurate information disclosure by the function responsible for comprehensively collecting and disclosing important information, and conducting integrated information management in view of the safe management of such important information as trade secrets and personal information.

III The Company's and its subsidiaries' regulations and systems for loss risk management

i The Company shall establish, maintain, and utilize systems to properly analyze, evaluate, and appropriately respond to risks associated with each business, with consideration for changes in the management environment and risk factors relevant to the Group.

ii The Board of Directors, Directors, and people responsible for operating divisions of each Group company shall conduct sufficient analysis and evaluation of risks associated with operational execution, and improvement measures shall be implemented rapidly.

iii In the case where a business experiences a major disruption, a serious incident or accident, or a large-scale disaster, etc., the Company shall establish a countermeasures headquarters in order to minimize damage to the Group, and implement measures to facilitate the continuation of operations immediately.

IV The Company's systems for ensuring the efficiency of the execution of duties by Directors

i The details of the decision-making authority of the Directors and Executive Officers and the divisions with responsibility for each administrative area shall be clearly and appropriately defined in the Decision Authority Regulations, etc. In this way, the Company shall avoid administrative duplication and conduct flexible decision-making and administrative execution.

ii To secure the sustained growth of the Company, the Company's Board of Directors shall make decisions on such matters as important management objectives and budget allocations for the Group. Through such means as periodic reports from the Company's Directors and people responsible for operating divisions, the efficiency and soundness of administrative execution shall be investigated and appropriate reevaluations shall be conducted.

iii The Company's Board of Directors, as a general rule, shall meet once each month. In addition, when necessary, extraordinary meetings of the Company's Board of Directors shall be held or resolutions of the Company's Board of Directors shall be adopted through documents. Rapid decision making will be implemented and efficient administrative execution will be promoted. The Company shall comply with the Articles of Incorporation, Rules of the Board of Directors, etc. of the Company concerning specific operations of the Board of Directors.

V Systems for ensuring the appropriateness of operations within the corporate group consisting of the Company and its subsidiaries

i The Company shall establish a framework to regularly report the status of development and operation of the internal control system of the Group to the Board of Directors and Audit & Supervisory Board Members of the Company.

ii With respect to important decision-making matters of subsidiaries, the Company shall define the items and procedures subject to approval by the Company's Board of Directors, etc., and establish a subsidiary management framework.

iii The Company shall define the items and procedures to be reported by subsidiaries to the Company and establish a framework for cooperation with subsidiaries.

VI The Company's systems for ensuring the appropriateness of financial reporting

i In order to ensure the Company is able to provide shareholders, investors, creditors, and other stakeholders with highly reliable, timely financial reports in compliance with laws and regulations, the Company shall build, develop, and appropriately operate internal control systems that ensure appropriate accounting procedures and financial reporting, in accordance with the relevant rules, such as Rules on Establishing Internal Controls for Financial Reporting.

ii The Company's internal auditing division, which is independent from operating divisions, shall, in collaboration with the internal auditing divisions of the Company's subsidiaries, check and assess the effectiveness of the development and operational status of internal controls for the financial reporting of the Group.

iii Directors, Audit & Supervisory Board Members, and the accounting auditor shall appropriately share information about matters recognized as highly likely to have a significant effect on financial standing.

VII Matters related to the provision of support staff for the Company's Audit & Supervisory Board Members when so requested

The Company shall provide full-time staff to support Audit & Supervisory Board Members, with the number of staff determined after consultation with the Audit & Supervisory Board.

VIII Matters related to the independence from the Company's Directors of the support staff for the Company's Audit & Supervisory Board Members and securing effectiveness of instructions

The selection (including subsequent replacements) of support staff to work exclusively for the Audit & Supervisory Board Members shall be subject to the approval of the Audit & Supervisory Board Members. In addition, the support staff shall comply with the Employment Rules of the Company. However, the Audit & Supervisory Board Members shall have the authority to provide directions and orders to the support staff and personnel matters such as

working conditions and disciplinary actions shall be implemented upon prior consultation with the Audit & Supervisory Board Members.

IX Systems for reporting to the Company's Audit & Supervisory Board Members

i Systems for Directors and employees of the Company to report to the Audit & Supervisory Board Members of the Company

When matters that could cause significant damage to the Company, as well as malfeasances or violations of laws, regulations, or the Articles of Incorporation, etc. committed by a Director or an employee are found, Directors and employees of the Company shall report them to the Audit & Supervisory Board Members of the Company pursuant to the predetermined procedures.

ii Systems for Directors, Audit & Supervisory Board Members, and employees of the Company's subsidiaries, or persons who have received reporting from these people to report to the Audit & Supervisory Board Members of the Company

When matters that could cause significant damage to the Group companies, as well as malfeasances or violations of laws, regulations, or the Articles of Incorporation, etc. in the Group companies are found, Directors, Audit & Supervisory Board Members and employees of the Company's subsidiaries shall report them to the Audit & Supervisory Board Members of the Company pursuant to the predetermined procedures.

iii Systems for reporting to the Audit & Supervisory Board Members of the Company through an internal whistleblowing system

Directors, Audit & Supervisory Board Members, and employees of the Group companies may use an internal whistleblowing system established by the Company at any time when acts constituting a violation of laws and regulations, social norms, internal rules or the like are found in the operations of the Group companies, and the secretariat operating the internal whistleblowing system shall provide reports to the Audit & Supervisory Board Members of the Company concerning the content of the reports and the operation of the internal whistleblowing system, pursuant to the internal rules.

X Systems for ensuring that no one providing such reports defined in the preceding item shall suffer any disadvantageous treatment due to such reporting made

The Company shall clearly state in its internal rules that no person who has made a report as described in the preceding item shall suffer any disadvantageous treatment in terms of personnel affairs or any other respect due to having made such a report. In addition, the Company will likewise thoroughly inform each of its subsidiaries so that the person who made the report described in the preceding item will not receive disadvantageous treatment at each company.

XI Matters concerning policies for processing prepayment or repayment of costs incurred in relation to execution of duties of the Audit & Supervisory Board Members of the Company and other processing of costs or liabilities incurred in relation to execution of duties thereof

The Company shall bear the costs incurred in relation to the execution of duties by the Audit & Supervisory Board Members of the Company. In addition, the Company will handle advance payments or reimbursement of audit expenses in accordance with internal regulations.

XII Other systems for ensuring that the Company's Audit & Supervisory Board Members can conduct their activities effectively

i The Company's Audit & Supervisory Board Members shall meet regularly with the Representative Directors, and exchange opinions concerning important audit matters.

ii The Company's Audit & Supervisory Board Members shall maintain close contact with the Company's internal auditing division, and may request the division to conduct inspections when necessary.

iii The Company's Audit & Supervisory Board Members shall meet regularly with the Audit & Supervisory Board Members, etc. of each subsidiary and work together from time to time in order to conduct appropriate audits within the corporate group.

iv The Company's Audit & Supervisory Board Members may consult with the accounting auditor and lawyers as needed, and the Company shall bear all of the costs of such consultation.

Summary of operational status of systems for ensuring appropriate operations is as follows:

I Status of the Company's corporate governance

As of the date of filing of this Annual Securities Report, the Company's Board of Directors is composed of 13 Directors (including 8 Independent Outside Directors / 11 men and 2 women) and meets once a month in principle. To facilitate prompt decision making and business execution even amid a dramatically changing operating environment, the Company has introduced the executive officer system and separated the Board of Directors' supervisory function from the Executive Officers' business execution function. This developed an environment where the Board of Directors is able to focus on the "formulation of management strategies" and the "supervision of business execution," while the Executive Officers can focus on "business execution." The Executive Officers consist of 21 members (18 men and 3 women) as of the date of filing of this Annual Securities Report. The term of office of the Directors is set to one year in order to reflect the intentions of shareholders regarding the appointment of the management team in a timely manner.

Matters to be decided by the Board of Directors at the Company are stipulated in the Board of Directors Regulations, the Decision Authority Regulations, and so forth, and matters stipulated by the Companies Act and the Company's internal regulations are decided by the Board of Directors. The Decision Authority Regulations clearly set forth the scope of matters to be decided by the Representative Director and President. This clarifies the decision-making process for management and the structure of responsibility, while also expediting decision-making by rational delegation of authority.

The Board of Directors met 15 times during the fiscal year under review to set key management targets and budget allocations for the Company and its Group companies, and to address important management issues, including inspection and review of the efficiency and soundness of business execution, by receiving reports from the Company's Directors and managers responsible for business execution.

As of the date of filing of this Annual Securities Report, the Company's Audit & Supervisory Board is composed of 5 members (including 3 Independent Outside Audit & Supervisory Board Members / 3 men and 2 women) and monitors management based on the Audit & Supervisory Board Member system. In addition to attending Board of Directors' meetings and other important meetings, the Audit & Supervisory Board Members exchange opinions with the Representative Directors and periodically interview Directors regarding the status of business execution, and they investigate the status of business operations and assets of the Company and its operating companies based on the audit plan. In addition, they share information with operating companies' Directors and Audit & Supervisory Board Members and audit the Directors' performance of duties. Further, the Audit & Supervisory Board Members exchange information with the accounting auditor to maintain close ties with them with respect to accounting audits.

The Outside Directors and Outside Audit & Supervisory Board Members provide advice and suggestions to ensure the validity and appropriateness of decision-making and business execution by the Board of Directors. They also supervise and audit the execution of business by exchanging opinions regarding company management, corporate governance, and other matters at meetings with Directors and others.

II Initiatives at internal auditing divisions

The Company has established an Auditing Office as an independent internal auditing division to evaluate the internal controls related to financial reporting for the entire Group. In addition to auditing our own holding company, we conduct a

confirmation of internal audits or direct audits of major operating companies, including the establishment and operation of compliance systems, in order to enhance and strengthen the audit functions of the entire Group.

III Coordination between Audit & Supervisory Board Member audits, internal audits and accounting audits

In order to improve the overall quality of audits, the Company ensures that the Audit & Supervisory Board Members (including the Outside Audit & Supervisory Board Members), the Auditing Office, and the auditing firm proactively exchange information and endeavor to maintain close ties with each other, by such means as periodically holding tri-partite meetings. In the meeting, the Audit & Supervisory Board Members (including the Outside Audit & Supervisory Board Members) receive reports from the auditing firm on, among other matters, the performance of accounting audits, and reports from the Auditing Office on, among other matters, the performance of internal audits, respectively, and request explanations as necessary.

Moreover, the Company periodically holds reporting sessions for accounting audits, which are attended by the Representative Directors and other officers, as well as the Standing Audit & Supervisory Board Members and the Auditing Office, etc. In the sessions, they receive reports from the auditing firm on the accounting audits, and confirm, among other matters, the results of the accounting audits.

Furthermore, the Standing Audit & Supervisory Board Members and the Auditing Office hold meetings, basically once a month. In the meetings, the Auditing Office reports on the results of operational audits and the progress of internal control evaluations, etc., and also actively exchanges opinions with the Standing Audit & Supervisory Board Members regarding, among other matters, priority matters that should be examined in order to improve the quality of audits. With these efforts, the two parties aim to ensure comprehensive sharing of audit information between each other.

In the Audit & Supervisory Board meetings and other meetings, the Standing Audit & Supervisory Board Members report to the Outside Audit & Supervisory Board Members on, inter alia, the status of the reporting session for accounting audits and the contents of the meeting with the Auditing Office, respectively described above, and thereby share and discuss issues to be addressed and the like. Furthermore, by providing the Auditing Office and the auditing firm with feedback on the matters thus discussed, the Standing Audit & Supervisory Board Members aim to ensure that (i) audits by the Audit & Supervisory Board Members, including the Outside Audit & Supervisory Board Members; (ii) internal audits; and (iii) accounting audits are linked with each other in a timely manner.

Further, the Auditing Office reports on the performance and the results of internal audits in the Audit & Supervisory Board meetings and other meetings from time to time, and provides explanations in response to questions and so on from the Audit & Supervisory Board Members (including the Outside Audit & Supervisory Board Members).

At each audit, the Audit & Supervisory Board Members (including the Outside Audit & Supervisory Board Members), the Auditing Office, and the auditing firm receive reports and materials, etc. from the internal control divisions, and request explanations as deemed necessary, and the internal control divisions cooperate in the appropriate performance of these audits.

IV Efforts of each committee

The information is the same as information provided in “4. Corporate governance, etc. (1) Overview of corporate governance, (ii) Overview of corporate governance system and reasons for adopting the system.”

○ Overview of the liability limitation agreement

The Company has concluded an agreement with each of the Outside Directors and Outside Audit & Supervisory Board Members as per Article 427, paragraph (1) of the Companies Act, limiting their liability for compensation for damage under Article 423, paragraph (1) of the Companies Act.

These agreements limit the amount of their liability for compensation for damage to the minimum legally stipulated amounts.

- Overview of the directors' and officers' liability insurance contract
  The Company has entered into a directors' and officers' liability insurance contract, as stipulated in Article 430-3, paragraph (1) of the Companies Act, with an insurance company. Directors and Audit & Supervisory Board Members will be insured under the contract. The brief overview of the said insurance contract is as follows:
  I Scope of the insured individuals
    Directors, Audit & Supervisory Board Members, and Executive Officers of the Company and its subsidiaries (excluding certain subsidiaries)
  II The ratio of premiums to be actually borne by the insured individuals
    The Company will bear the full amount of insurance premiums, and thus, the insured individuals need not to bear any premiums.
  III Outline of insured events covered by the said insurance
    The contract covers damage (including the legal compensation for damages and legal fees) that may be incurred by the insured individuals due to claims filed against them in relation to the execution of their duties as officers of the Company (including omissions) during the insurance term. However, the coverage is subject to certain exclusions, such as in cases where violations of laws and regulations were knowingly committed.
- Overview of the indemnification agreements
  The Company has entered into indemnification agreements with each Director and Audit & Supervisory Board Member, under which the Company indemnifies, within the scope prescribed by laws and regulations, the expenses set forth in Article 430-2, Paragraph 1, Item 1 of the Companies Act and the losses set forth in Item 2 of the same paragraph. However, such agreements are subject to conditions including requiring the relevant Director or Audit & Supervisory Board Member to return the expenses, etc. for which indemnification was provided if it is found that such Director or Audit & Supervisory Board Member executed their duties for the purpose of seeking improper benefit for themselves or a third party, or of causing damage to the Company.

(iv) Number of Directors
The Articles of Incorporation stipulate that the number of Directors of the Company shall be no more than 15.

(v) Requirements for resolution of election of Directors
The Company has stipulated in its Articles of Incorporation that resolutions to elect Directors shall be adopted by a majority of the voting rights of the shareholders present at the meeting where shareholders holding one-third or more of the voting rights of shareholders entitled to exercise voting rights are present, and that no cumulative voting shall be used in resolutions to elect Directors.

(vi) Matters requiring resolution at a shareholders' meeting that shall be able to be resolved by the Board of Directors
  I The Articles of Incorporation stipulate that pursuant to the provisions of Article 165, paragraph (2) of the Companies Act, the Company may acquire its own shares by resolution of the Board of Directors. This is aimed to allow flexible implementation of a capital policy that addresses changes in the business environment.
  II The Articles of Incorporation stipulate that pursuant to the provisions of Article 426, paragraph (1) of the Companies Act, the Company may, by resolution of the Board of Directors, exempt Directors (including former Directors) and Audit & Supervisory Board Members (including former Audit & Supervisory Board Members) from liability for damages under Article 423, paragraph (1) of the Companies Act where the requirements set forth in laws and regulations are satisfied, to the extent of the amount obtained by deducting the minimum amount of liability set forth in laws or regulations from the amount of liability for damages. This is aimed to prevent from undermining flexibility of the management and the management's overly shrinking due to careful and detailed examination more than necessary with more complex and diversified duties of Directors, and from Audit & Supervisory Board Members' excessively putting a brake on managerial judgments of Directors which results in hampering efficiency of the management in the situation where the scope of Directors' business execution that is subject to audits is very complex and extensive, and to allow Directors and Audit & Supervisory Board Members to play their expected role sufficiently in carrying out their duties.

III The Articles of Incorporation stipulate that pursuant to the provisions of Article 454, paragraph (5) of the Companies Act, the Company may, by resolution of the Board of Directors, pay an interim dividend with August 31 of each year as the record date. This is aimed to flexibly provide returns on profits to shareholders.

(vii) Requirements for special resolutions at the shareholders' meeting

The Company has stipulated in its Articles of Incorporation that special resolutions at the shareholders' meeting set forth in Article 309, paragraph (2) of the Companies Act shall be adopted by two-thirds or more of the voting rights of shareholders present at the meeting where shareholders holding one-third or more of the voting rights of shareholders entitled to exercise voting rights are present. This is aimed to smoothly run a shareholders' meeting by reducing the quorum for special resolution at a shareholders' meeting.

(2) [Status of officers]

(i) Directors and Audit & Supervisory Board Members

1) The following table shows the status of the officers as of May 20, 2026 (the date of filing of this Annual Securities Report).
Men: 14, Women: 4 (ratio of female officers: 22.2%)

Title	Name	Date of birth	Brief personal history	Term of office	Number of shares held (Thousands of shares)
Representative Director and Executive Chair (Kaicho) Executive Officer and Executive Chair (Kaicho)	Junro Ito	June 14, 1958	Aug. 1990 Joined SEVEN-ELEVEN JAPAN CO., LTD. May 2002 Director of SEVEN-ELEVEN JAPAN CO., LTD. May 2003 Executive Officer of SEVEN-ELEVEN JAPAN CO., LTD. Jan. 2007 Managing Executive Officer of SEVEN-ELEVEN JAPAN CO., LTD. May 2009 Director of the Company Executive Officer of the Company May 2015 Audit & Supervisory Board Member of York-Benimaru Co., Ltd. May 2016 In charge of Group Corporate Support of the Company Dec. 2016 Managing Executive Officer of the Company Head of the Corporate Development Office of the Company Mar. 2017 Director of Ito-Yokado Co., Ltd. Mar. 2018 General Manager of the Corporate Development Division of the Company July 2019 Outside Director of AIN HOLDINGS INC. May 2020 Member of the Compensation Committee of the Company Sept. 2021 Representative Director of Ito-Kogyo Co., Ltd. Apr. 2023 Representative Director of the Company Senior Managing Executive Officer of the Company Chief Sustainability Officer (CSuO) of the Company General Manager of ESG Development Division of the Company Supervising Officer of Superstore Operations of the Company May 2024 Representative Director and Vice President of the Company Executive Officer and Vice President of the Company Chief Administrative Officer (CAO) of the Company Aug. 2024 Representative Director and President of Seven & i Energy Management Co., Ltd. (incumbent)	(Note 3)	9,519

Title	Name	Date of birth	Brief personal history		Term of office	Number of shares held (Thousands of shares)
			Oct. 2024	Chairman and Representative Director of YORK Holdings Co., Ltd.		
			May 2025	Representative Director and Executive Chair (Kaicho) of the Company (incumbent) Executive Officer and Executive Chair (Kaicho) of the Company (incumbent) Member of the Nomination Committee of the Company (incumbent)		
			Sept. 2025	Director and Chairman of YORK Holdings Co., Ltd. (incumbent)		

Title	Name	Date of birth	Brief personal history	Term of office	Number of shares held (Thousands of shares)
Representative Director and President Executive Officer and President Chief Executive Officer (CEO)	Stephen Hayes Dacus	Novem-ber 7, 1960	Sept. 1983 Joined Northrop Corporation (currently Northrop Grumman Corporation) Sept. 1985 Joined Coopers & Lybrand L.L.P. (currently Pricewaterhouse Coopers) Mar. 1994 Joined Mars, Incorporated June 2001 CEO of MasterFoods Ltd. Sept. 2005 Senior Vice President of FAST RETAILING CO., LTD. July 2007 Senior Vice President of Walmart Stores, Inc. Apr. 2010 Executive Vice President of Walmart Japan Holdings G.K. (currently Seiyu Co., Ltd.) June 2011 CEO of Walmart Japan Holdings G.K. Oct. 2015 Outside Director of Sushiro Global Holdings Co., Ltd. (currently FOOD & LIFE COMPANIES LTD.) July 2016 Chairman and Representative Director of Sushiro Global Holdings Co., Ltd. May 2019 Non-executive Director of Hana Group SAS June 2019 CEO of Hana Group SAS July 2020 Chairman of the Supervisory Board of Hana Group SAS Nov. 2021 Chairman of Daiso California L.L.C. (currently Daiso USA L.L.C.) (incumbent) May 2022 Outside Director of the Company Dec. 2022 Member of the Nomination Committee of the Company Oct. 2023 Non-executive Director of Hana Group SAS (incumbent) Apr. 2024 Lead Independent Outside Director of the Company May 2025 Representative Director and President of the Company (incumbent) Executive Officer and President of the Company (incumbent) Chief Executive Officer (CEO) of the Company (incumbent) Member of the Nomination Committee of the Company (incumbent) June 2025 Director of 7-Eleven, Inc. (incumbent) Director of 7-Eleven International LLC (incumbent)	(Note 3)	–

Title	Name	Date of birth	Brief personal history	Term of office	Number of shares held (Thousands of shares)
Representative Director and Vice President Executive Officer and Vice President Chief Administrative Officer (CAO) Information Management Supervisor	Shigeki Kimura	March 16, 1962	Mar. 1986 Joined SEVEN-ELEVEN JAPAN CO., LTD. Mar. 2014 Executive Officer of SEVEN-ELEVEN JAPAN CO., LTD. Dec. 2016 Executive Officer of the Company Mar. 2019 General Manager of the Corporate Personnel Planning Division of the Company Director of SEVEN-ELEVEN JAPAN CO., LTD. May 2019 Director of the Company Mar. 2020 Senior Managing Executive Officer of SEVEN-ELEVEN JAPAN CO., LTD. General Manager of the Administration Division of SEVEN-ELEVEN JAPAN CO., LTD. Mar. 2021 Director of SEVEN-ELEVEN OKINAWA Co., Ltd. Mar. 2024 Director and Vice President of SEVEN-ELEVEN JAPAN CO., LTD. Executive Vice President of SEVEN-ELEVEN JAPAN CO., LTD. July 2024 Outside Director of AIN HOLDINGS INC. (incumbent) May 2025 Director of SEVEN-ELEVEN JAPAN CO., LTD. (incumbent) Representative Director and Vice President of the Company (incumbent) Executive Officer and Vice President of the Company (incumbent) Chief Administrative Officer (CAO) of the Company (incumbent) Member of the Compensation Committee of the Company (incumbent) June 2025 Information Management Supervisor of the Company (incumbent)	(Note 3)	25

Title	Name	Date of birth	Brief personal history		Term of office	Number of shares held (Thousands of shares)
Director Managing Executive Officer	Yoshimichi Maruyama	Novem-ber 2, 1959	Apr. 1982	Joined The Long-Term Credit Bank of Japan, Limited	(Note 3)	5
			July 2008	Joined the Company		
			May 2012	Senior Officer of the Risk Management Department of the Company		
			Nov. 2014	Senior Officer of the Information Management & Security Office of the Company		
			July 2016	Senior Officer of the Corporate Planning Department of the Company		
			Dec. 2016	Senior Officer of the Corporate Development Department of the Company		
			May 2017	Executive Officer of the Company Senior Officer of the Finance Planning Department of the Company Representative Director and President of SEVEN & i Financial Center Co., Ltd.		
			Oct. 2017	Representative Director and President of Seven & i Asset Management Co., Ltd.		
			Mar. 2018	General Manager of the Corporate Finance & Accounting Division of the Company		
			May 2020	Director of the Company (incumbent)		
			Jan. 2021	Director of 7-Eleven, Inc. (incumbent)		
			Oct. 2021	Director of 7-Eleven International LLC (incumbent)		
			Mar. 2022	Managing Executive Officer of the Company (incumbent)		
			May 2022	Member of the Compensation Committee of the Company		
			Apr. 2023	Chief Financial Officer (CFO) of the Company		
			May 2024	Member of the Nomination Committee of the Company		

Title	Name	Date of birth	Brief personal history	Term of office	Number of shares held (Thousands of shares)
Director Managing Executive Officer Chief Strategy Officer (CSO) General Manager of the Management Planning Division	Tamaki Wakita	May 12, 1972	Apr. 1995 Joined Nichimen Corporation (currently Sojitz Corporation) Feb. 2002 Joined General Electric International, Inc. Feb. 2003 Joined Nissen Co., Ltd. (currently Nissen Holdings Co., Ltd.) June 2006 Executive Officer of Nissen Co., Ltd. Mar. 2012 Director of Nissen Holdings Co., Ltd. Sept. 2016 CEO and Representative Director of Nissen Holdings Co., Ltd. Chairman and Director of SHADDY CO., LTD Mar. 2019 Senior Officer of the Corporate Development Department of the Company May 2019 Director of Francfranc Corporation Mar. 2020 Director of Ito-Yokado Co., Ltd. Jan. 2021 Director of 7-Eleven, Inc. (incumbent) Oct. 2021 Director of 7-Eleven International LLC (incumbent) Mar. 2022 Executive Officer of the Company Apr. 2023 Chief Strategy Officer (CSO) of the Company (incumbent) General Manager of the Management Planning Division of the Company (incumbent) Aug. 2023 Director of Sogo & Seibu Co., Ltd. May 2024 Director of the Company (incumbent) Member of the Compensation Committee of the Company (incumbent) May 2025 Managing Executive Officer of the Company (incumbent)	(Note 3)	6

Title	Name	Date of birth	Brief personal history	Term of office	Number of shares held (Thousands of shares)
Director Chairperson of the Board (Gicho) (Note 1)	Fuminao Hachiuma	Decem-ber 8, 1959	Apr. 1983 Joined Ajinomoto Co., Inc. July 1998 President of PT AJINOMOTO SALES INDONESIA July 2008 Director and Vice President of AJINOMOTO USA Inc. June 2013 Corporate Executive Officer of Ajinomoto Co., Inc. June 2015 Corporate Vice President of Ajinomoto Co., Inc. Representative Director, President of J-OIL MILLS, Inc. June 2016 Representative Director, President and CEO of J-OIL MILLS, Inc. Apr. 2022 Director of J-OIL MILLS, Inc. May 2023 Outside Director of the Company June 2023 Outside Audit & Supervisory Board Member of YKK AP Inc. (incumbent) Outside Director of SUBARU CORPORATION (incumbent) Aug. 2023 Member of the Nomination Committee of the Company (incumbent) Mar. 2025 Member of the Compensation Committee of the Company May 2025 Lead Independent Outside Director of the Company (incumbent) Chairperson of the Board (Gicho) of the Company (incumbent)	(Note 3)	–

Title	Name	Date of birth	Brief personal history	Term of office	Number of shares held (Thousands of shares)
Director (Note 1)	Yoshiyuki Izawa	February 10, 1948	Apr. 1970 Joined MITSUI & CO., LTD. June 2000 Director of MITSUI & CO., LTD. Apr. 2004 Executive Managing Officer of MITSUI & CO., LTD. Apr. 2007 Senior Executive Managing Officer of MITSUI & CO., LTD. June 2007 Representative Director, Senior Executive Managing Officer of MITSUI & CO., LTD. Apr. 2008 Representative Director, Executive Vice President of MITSUI & CO., LTD. (Retired in November 2009) Sept. 2008 Asian Executive Board Member of MIT Sloan School of Management Dec. 2009 President & CEO, Representative Executive Officer of JAPAN POST BANK Co., Ltd. June 2010 Director and Representative Executive Officer, Executive Vice President of JAPAN POST HOLDINGS Co., Ltd. June 2013 Director of JAPAN POST HOLDINGS Co., Ltd. May 2015 Chairman & CEO, Representative Director of BlackRock Japan Co., Ltd. Apr. 2021 Director and Chairman of BlackRock Japan Co., Ltd. (Retired in March 2022) May 2022 Outside Director (Member of the Audit and Supervisory Committee) of Nitori Holdings Co., Ltd. (incumbent) Outside Director of the Company (incumbent) June 2022 Outside Director of Sanoh Industrial Co., Ltd. (incumbent) Dec. 2022 Member of the Nomination Committee of the Company (incumbent)	(Note 3)	0

Title	Name	Date of birth	Brief personal history	Term of office	Number of shares held (Thousands of shares)
Director (Note 1)	Meyumi Yamada	August 30, 1972	Apr. 1995 Joined KOEI KOGYO Co., Ltd. May 1997 Joined Kiss Me Cosmetics Co., Ltd. (currently ISEHAN Co., Ltd.) July 1999 Representative Director of istyle LLC Apr. 2000 Representative Director of istyle Inc. Dec. 2009 Director of istyle Inc. (incumbent) May 2012 Representative Director and President of Cyberstar Co., Ltd. Sept. 2016 Director of Eat Smart, Inc. June 2017 Outside Director of JAPAN POST INSURANCE Co., Ltd. Outside Director of SEINO HOLDINGS CO., LTD. June 2021 Outside Director of Sompo Holdings, Inc. (incumbent) Nov. 2021 Representative Director of Bank For Smiles (incumbent) May 2022 Outside Director of the Company (incumbent) Member of the Nomination Committee of the Company May 2023 Chair of the Nomination Committee of the Company (incumbent) May 2025 Member of the Compensation Committee of the Company (incumbent)	(Note 3)	–

Title	Name	Date of birth	Brief personal history	Term of office	Number of shares held (Thousands of shares)
Director (Note 1)	Paul Yonamine	August 20, 1957	June 1979 Joined Peat, Marwick, Mitchell & Co. (currently KPMG LLP) May 1983 Registered as U.S. Certified Public Accountant Apr. 1995 Managing Partner of KPMG LLP Hawaii Mar. 1997 Representative Partner of KPMG Global Solutions LLC (currently PwC Advisory LLC) Aug. 2001 Representative Partner and Chairman of KPMG Global Solutions LLC Apr. 2006 President and CEO of Hitachi Consulting Co., Ltd. May 2010 VP & CFO of IBM Japan, Ltd. Apr. 2013 Vice President of IBM Japan, Ltd. Jan. 2015 President of IBM Japan, Ltd. Mar. 2017 Director of GCA Corporation June 2017 Director of Central Pacific Bank July 2017 Director and Chairman of GCA Corporation Oct. 2018 Director and Non-executive Chairman of GCA Corporation Chairman & CEO of Central Pacific Financial Corp. Executive Chairman of Central Pacific Bank June 2019 Outside Director of Sumitomo Mitsui Banking Corporation (incumbent) Dec. 2020 Outside Director of circlace Inc. May 2022 Outside Director of the Company (incumbent) Jan. 2023 Chairman Emeritus & Director (Non Executive Director) of Central Pacific Financial Corp. Chairman Emeritus & Director (Non Executive Director) of Central Pacific Bank May 2023 Member of the Compensation Committee of the Company June 2023 Outside Director (Audit and Supervisory Committee Member) of PayPay Corporation (incumbent) May 2025 Chair of the Compensation Committee of the Company (incumbent) Aug. 2025 Outside Director of 7-Eleven, Inc. (incumbent) Nov. 2025 Chairman Emeritus of Central Pacific Bank (incumbent)	(Note 3)	–

Title	Name	Date of birth	Brief personal history	Term of office	Number of shares held (Thousands of shares)
Director (Note 1)	Takashi Sawada	July 12, 1957	Apr. 1981 Joined ITOCHU Corporation May 1997 Joined FAST RETAILING CO., LTD. Nov. 1997 Managing Director of FAST RETAILING CO., LTD. Nov. 1998 Director and Vice President of FAST RETAILING CO., LTD. Jan. 2003 Representative Director and President of KIACON Corporation Oct. 2005 Representative Director, President and Chief Executive Officer of Revamp Corporation June 2008 Outside Director of Nomura Research Institute, Ltd. Apr. 2012 Outside Director of Culture Convenience Club Co., Ltd. June 2013 Outside Director of SECOM CO., LTD. June 2014 Outside Director of K'S HOLDINGS CORPORATION Mar. 2015 Outside Director of Link and Motivation Inc. May 2016 Director, Senior Managing Executive Officer and Assistant to President of FamilyMart Co., Ltd. Sept. 2016 Representative Director and President of FamilyMart Co., Ltd. Mar. 2018 Representative Director, Executive Vice President and Executive Officer of FamilyMart UNY Holdings Co., Ltd. (currently FamilyMart Co., Ltd.) May 2019 Representative Director and President of FamilyMart Co., Ltd. Jan. 2022 External Director of CellSource Co., Ltd. Mar. 2022 Representative Director of LOTTE VENTURES JAPAN CO., LTD. June 2022 Outside Director of Hey Inc. (currently STORES, Inc.) (incumbent) Jan. 2024 Director of LOTTE VENTURES JAPAN CO., LTD. Representative Director and CEO of CellSource Co., Ltd. May 2025 Outside Director of the Company (incumbent) June 2025 Outside Director of FUJI MEDIA HOLDINGS, Inc. (incumbent) Nov. 2025 Director and Chairman of the Board of CellSource Co., Ltd. Feb. 2026 Director and Chairman of the Board of LOTTE VENTURES JAPAN CO., LTD. (incumbent)	(Note 3)	–

Title	Name	Date of birth	Brief personal history	Term of office	Number of shares held (Thousands of shares)
Director (Note 1)	Masaki Akita	December 24, 1958	Apr. 1983 Joined Hankyu Corporation (currently Hankyu Hanshin Holdings, Inc.) July 1991 Joined Matsuya Co., Ltd. May 1999 Director of Matsuya Co., Ltd. May 2001 Managing Director of Matsuya Co., Ltd. Mar. 2005 Senior Managing Director of Matsuya Co., Ltd. May 2005 Representative Director and Vice President of Matsuya Co., Ltd. May 2007 Representative Director and President of Matsuya Co., Ltd. May 2008 Representative Director, President and Executive Officer of Matsuya Co., Ltd. July 2017 Outside Director of Meiji Yasuda Life Insurance Company (incumbent) Mar. 2023 Director, Chair and Chairperson of the Board of Directors of Matsuya Co., Ltd. (incumbent) May 2025 Outside Director of the Company (incumbent) Member of the Nomination Committee of the Company (incumbent) Member of the Compensation Committee of the Company (incumbent) June 2025 Chairman of Tax-Free Shop Association (incumbent)	(Note 3)	0

Title	Name	Date of birth	Brief personal history	Term of office	Number of shares held (Thousands of shares)
Director (Note 1)	Tatsuya Terazawa	January 20, 1961	Apr. 1984 Joined Ministry of International Trade and Industry June 2013 Director-General of Commerce and Distribution Safety Policy of Ministry of Economy, Trade and Industry July 2015 Director-General of Trade and Economic Cooperation Bureau of Ministry of Economy, Trade and Industry July 2017 Director-General of Commerce and Information Policy Bureau of Ministry of Economy, Trade and Industry July 2018 Vice-Minister for International Affairs of Ministry of Economy, Trade and Industry Aug. 2020 Outside Director of Toyo Engineering Corporation (incumbent) Jan. 2021 Special Advisor to the Cabinet Office July 2021 Chairman and CEO of The Institute of Energy Economics, Japan (incumbent) May 2025 Outside Director of the Company (incumbent)	(Note 3)	0
Director (Note 1)	Christine Edman	December 23, 1975	Nov. 1997 Joined Mattel International K.K. Jan. 2000 Joined Aunt Stella Inc. Aug. 2005 Joined H&M Hennes & Mauritz AB (Sweden) Feb. 2007 Area Manager of H&M Hong Kong Mar. 2008 Representative Director and President of H&M Hennes & Mauritz Japan June 2017 Director of LVMH Fashion Group Japan Co., Ltd. (currently LVMH Fashion Group Japan G.K.) President & CEO of GIVENCHY Japan Dec. 2021 Executive Officer of ZOZO, Inc. May 2025 Outside Director of the Company (incumbent)	(Note 3)	–

Title	Name	Date of birth	Brief personal history	Term of office	Number of shares held (Thousands of shares)
Standing Audit & Supervisory Board Member Chairman of the Audit & Supervisory Board	Shinya Ishii	February 21, 1965	Mar. 1987 Joined SEVEN-ELEVEN JAPAN CO., LTD. Jan. 2011 General Manager of the Budget Department, Planning Office of SEVEN-ELEVEN JAPAN CO., LTD. May 2016 Senior Officer of the Secretary Office of the Company Dec. 2016 Senior Officer of the Corporate Management Department of the Company May 2017 Director of Sogo & Seibu Co., Ltd. Mar. 2018 Executive Officer of the Company Mar. 2022 Director of THE LOFT CO., LTD. Mar. 2024 Director of Akachan Honpo Co., Ltd. May 2024 Audit & Supervisory Board Member of York-Benimaru Co., Ltd. May 2025 Standing Audit & Supervisory Board Member of the Company (incumbent) Chairman of the Audit & Supervisory Board of the Company (incumbent)	(Note 4)	16
Standing Audit & Supervisory Board Member	Nobutomo Teshima	June 15, 1962	Oct. 1991 Joined SEVEN-ELEVEN JAPAN CO., LTD. Feb. 2008 General Manager of the Accounting Administrative Department of SEVEN-ELEVEN JAPAN CO., LTD. Jan. 2013 Senior Officer of the Operational Support Department of the Company Sept. 2017 Senior Officer of the Accounting Management Department of the Company Mar. 2018 Executive Officer of the Company Mar. 2019 Senior Officer of the Auditing Office of the Company Mar. 2021 Audit & Supervisory Board Member of York-Benimaru Co., Ltd. May 2022 Audit & Supervisory Board Member of SEVEN-ELEVEN JAPAN CO., LTD. Standing Audit & Supervisory Board Member of the Company (incumbent)	(Note 4)	11

Title	Name	Date of birth	Brief personal history	Term of office	Number of shares held (Thousands of shares)
Audit & Supervisory Board Member (Note 2)	Kazuhiro Hara	February 25, 1954	Aug. 1983 Joined Chuo Accounting Office Mar. 1985 Registered as a Certified Public Accountant July 2007 Joined Ernst & Young ShinNihon (currently Ernst & Young ShinNihon LLC) July 2016 Director of Hara Certified Accounting Office (incumbent) Nov. 2016 Registered as a Certified Tax Accountant Director of Hara Kazuhiro Tax Accountant Office (incumbent) Sept. 2017 Representative Director of Hara Consulting Office May 2018 Outside Audit & Supervisory Board Member of the Company (incumbent) Dec. 2020 Supervisory Director of SMBC Private REIT Investment Corporation (incumbent)	(Note 4)	–
Audit & Supervisory Board Member (Note 2)	Mitsuko Inamasu	March 15, 1976	Oct. 2000 Registered as an Attorney at Law (Tokyo Bar Association) Joined Hattori Law Office (incumbent) May 2018 Outside Audit & Supervisory Board Member of the Company (incumbent) June 2022 Outside Director, Member of the Audit and Supervisory Committee of NTT DATA Corporation (currently NTT DATA Group Corporation) (incumbent)	(Note 4)	–

Title	Name	Date of birth	Brief personal history	Term of office	Number of shares held (Thousands of shares)
Audit & Supervisory Board Member (Note 2)	Kaori Matsuhashi (Real name: Kaori Hosoya)	June 7, 1969	Apr. 2006 Registered as a Certified Public Accountant July 2006 Joined Asset Investors, Inc. (currently MBK Co., Ltd.) Nov. 2007 General Manager of the Corporate Planning Division of Asset Investors, Inc. Mar. 2008 Joined MK Capital Management Corporation (currently IDERA Capital Management Ltd.) Executive Officer of MK Capital Management Corporation May 2009 Representative Director of Luminous Consulting Co., Ltd. (incumbent) Jan. 2014 External Auditor of NTS Holdings Company, Limited June 2014 External Director of Spiber Inc. June 2017 Outside Audit & Supervisory Board Member of Kakaku.com, Inc. May 2019 Outside Audit & Supervisory Board Member of the Company (incumbent) May 2022 Outside Director (Member of the Audit and Supervisory Committee) of YASKAWA Electric Corporation (incumbent)	(Note 4)	2
Total					9,588

Notes:
1. Directors Fuminao Hachiuma, Yoshiyuki Izawa, Meyumi Yamada, Paul Yonamine, Takashi Sawada, Masaki Akita, Tatsuya Terazawa, and Christine Edman are Independent Outside Directors.
2. Audit & Supervisory Board Members Kazuhiro Hara, Mitsuko Inamasu, and Kaori Matsuhashi are Independent Outside Audit & Supervisory Board Members.
3. The term of office of the Director is one year starting from May 2025.
4. The term of office of Standing Audit & Supervisory Board Member Shinya Ishii is four years starting from May 2025; the term of office of Standing Audit & Supervisory Board Member Nobutomo Teshima and Outside Audit & Supervisory Board Members Kazuhiro Hara and Mitsuko Inamasu is four years starting from May 2022; and the term of office of Outside Audit & Supervisory Board Member Kaori Matsuhashi is four years starting from May 2023.
5. The Company has introduced the executive officer system, which makes each person's sphere of responsibility and performance target clearer, makes decision-making and implementation in management speedier and more efficient, allows each person to focus on their operational execution, and clarifies the business management and oversight functions and functions of executing targets on which a policy decision was made.

Of the 21 Executive Officers, those who do not serve concurrently as Director are the following 16 persons.

Title	Name
Managing Executive Officer, Head of the Superstore Business Management Office	Seiichiro Ishibashi
Managing Executive Officer, General Manager of the Group DX Division	Izuru Nishimura
Executive Officer, Chief Financial Officer (CFO) and General Manager of the Corporate Finance & Accounting Division	Tetsuya Takagi
Executive Officer, General Manager of the Corporate General Affairs & Legal Division	Seiji Oku
Executive Officer, Head of the Sustainability Development Office	Nobuyuki Miyaji
Executive Officer, General Manager of the Group Merchandise Strategy & Planning Division	Seiji Kitamura
Executive Officer, General Manager of the Human Resources Division	Takuya Enomoto
Executive Officer, General Manager of the Corporate Communication Division	Hirotake Henmi
Executive Officer, Associate Head of the Corporate Finance & Accounting Division	Yasukiyo Toda
Executive Officer, Senior Officer of the Public Relations Department	Yuki Oda
Executive Officer, Senior Officer of the Brand Communication Department	Miho Terada
Executive Officer, Senior Officer of the Sustainability Development Office	Junko Waseda
Executive Officer, Senior Officer of the Accounting Department	Akira Okamoto
Executive Officer, Senior Officer of the Corporate Governance Management Department	Shinichiro Endo
Executive Officer, Senior Officer of the Corporate Planning Department	Kei Hamada
Executive Officer, Head of Global HR Strategy, Office of the CEO	Minoru Nakamura

2) The “Election of 13 Directors” and “Election of 3 Audit & Supervisory Board Members” are on the proposals (resolutions) for the Annual Shareholders’ Meeting to be held on May 27, 2026, and if these proposals are approved and passed, the Company’s officers will be as follows.
Brief personal histories are based on information as of May 20, 2026.
Men: 14, Women: 4 (ratio of female officers: 22.2%)

Title	Name	Date of birth	Brief personal history (May 20, 2026)	Term of office	Number of shares held (Thousands of shares)
Representative Director and Executive Chair (Kaicho) Executive Officer and Executive Chair (Kaicho) (Note 1)	Junro Ito	June 14, 1958	Aug. 1990 Joined SEVEN-ELEVEN JAPAN CO., LTD. May 2002 Director of SEVEN-ELEVEN JAPAN CO., LTD. May 2003 Executive Officer of SEVEN-ELEVEN JAPAN CO., LTD. Jan. 2007 Managing Executive Officer of SEVEN-ELEVEN JAPAN CO., LTD. May 2009 Director of the Company Executive Officer of the Company May 2015 Audit & Supervisory Board Member of York-Benimaru Co., Ltd. May 2016 In charge of Group Corporate Support of the Company Dec. 2016 Managing Executive Officer of the Company Head of the Corporate Development Office of the Company Mar. 2017 Director of Ito-Yokado Co., Ltd. Mar. 2018 General Manager of the Corporate Development Division of the Company July 2019 Outside Director of AIN HOLDINGS INC. May 2020 Member of the Compensation Committee of the Company Sept. 2021 Representative Director of Ito-Kogyo Co., Ltd. Apr. 2023 Representative Director of the Company Senior Managing Executive Officer of the Company Chief Sustainability Officer (CSuO) of the Company General Manager of ESG Development Division of the Company Supervising Officer of Superstore Operations of the Company May 2024 Representative Director and Vice President of the Company Executive Officer and Vice President of the Company Chief Administrative Officer (CAO) of the Company Aug. 2024 Representative Director and President of Seven & i Energy Management Co., Ltd. (incumbent)	(Note 4)	9,519

Title	Name	Date of birth	Brief personal history (May 20, 2026)	Term of office	Number of shares held (Thousands of shares)
			Oct. 2024 Chairman and Representative Director of YORK Holdings Co., Ltd. May 2025 Representative Director and Executive Chair (Kaicho) of the Company (incumbent) Executive Officer and Executive Chair (Kaicho) of the Company (incumbent) Member of the Nomination Committee of the Company (incumbent) Sept. 2025 Director and Chairman of YORK Holdings Co., Ltd. (incumbent)		

Title	Name	Date of birth	Brief personal history (May 20, 2026)	Term of office	Number of shares held (Thousands of shares)
Representative Director and President Executive Officer and President Chief Executive Officer (CEO) (Note 1)	Stephen Hayes Dacus	Novem-ber 7, 1960	Sept. 1983 Joined Northrop Corporation (currently Northrop Grumman Corporation) Sept. 1985 Joined Coopers & Lybrand L.L.P. (currently Pricewaterhouse Coopers) Mar. 1994 Joined Mars, Incorporated June 2001 CEO of MasterFoods Ltd. Sept. 2005 Senior Vice President of FAST RETAILING CO., LTD. July 2007 Senior Vice President of Walmart Stores, Inc. Apr. 2010 Executive Vice President of Walmart Japan Holdings G.K. (currently Seiyu Co., Ltd.) June 2011 CEO of Walmart Japan Holdings G.K. Oct. 2015 Outside Director of Sushiro Global Holdings Co., Ltd. (currently FOOD & LIFE COMPANIES LTD.) July 2016 Chairman and Representative Director of Sushiro Global Holdings Co., Ltd. May 2019 Non-executive Director of Hana Group SAS June 2019 CEO of Hana Group SAS July 2020 Chairman of the Supervisory Board of Hana Group SAS Nov. 2021 Chairman of Daiso California L.L.C. (currently Daiso USA L.L.C.) (incumbent) May 2022 Outside Director of the Company Dec. 2022 Member of the Nomination Committee of the Company Oct. 2023 Non-executive Director of Hana Group SAS (incumbent) Apr. 2024 Lead Independent Outside Director of the Company May 2025 Representative Director and President of the Company (incumbent) Executive Officer and President of the Company (incumbent) Chief Executive Officer (CEO) of the Company (incumbent) Member of the Nomination Committee of the Company (incumbent) June 2025 Director of 7-Eleven, Inc. (incumbent) Director of 7-Eleven International LLC (incumbent)	(Note 4)	–

Title	Name	Date of birth	Brief personal history (May 20, 2026)	Term of office	Number of shares held (Thousands of shares)
Representative Director and Vice President Executive Officer and Vice President Chief Administrative Officer (CAO) Information Management Supervisor (Note 1)	Shigeki Kimura	March 16, 1962	Mar. 1986 Joined SEVEN-ELEVEN JAPAN CO., LTD. Mar. 2014 Executive Officer of SEVEN-ELEVEN JAPAN CO., LTD. Dec. 2016 Executive Officer of the Company Mar. 2019 General Manager of the Corporate Personnel Planning Division of the Company Director of SEVEN-ELEVEN JAPAN CO., LTD. May 2019 Director of the Company Mar. 2020 Senior Managing Executive Officer of SEVEN-ELEVEN JAPAN CO., LTD. General Manager of the Administration Division of SEVEN-ELEVEN JAPAN CO., LTD. Mar. 2021 Director of SEVEN-ELEVEN OKINAWA Co., Ltd. Mar. 2024 Director and Vice President of SEVEN-ELEVEN JAPAN CO., LTD. Executive Vice President of SEVEN-ELEVEN JAPAN CO., LTD. July 2024 Outside Director of AIN HOLDINGS INC. (incumbent) May 2025 Director of SEVEN-ELEVEN JAPAN CO., LTD. (incumbent) Representative Director and Vice President of the Company (incumbent) Executive Officer and Vice President of the Company (incumbent) Chief Administrative Officer (CAO) of the Company (incumbent) Member of the Compensation Committee of the Company (incumbent) June 2025 Information Management Supervisor of the Company (incumbent)	(Note 4)	25

Title	Name	Date of birth	Brief personal history (May 20, 2026)	Term of office	Number of shares held (Thousands of shares)
Director Managing Executive Officer Chief Strategy Officer (CSO) General Manager of the Management Planning Division	Tamaki Wakita	May 12, 1972	Apr. 1995 Joined Nichimen Corporation (currently Sojitz Corporation) Feb. 2002 Joined General Electric International, Inc. Feb. 2003 Joined Nissen Co., Ltd. (currently Nissen Holdings Co., Ltd.) June 2006 Executive Officer of Nissen Co., Ltd. Mar. 2012 Director of Nissen Holdings Co., Ltd. Sept. 2016 CEO and Representative Director of Nissen Holdings Co., Ltd. Chairman and Director of SHADDY CO., LTD Mar. 2019 Senior Officer of the Corporate Development Department of the Company May 2019 Director of Francfranc Corporation Mar. 2020 Director of Ito-Yokado Co., Ltd. Jan. 2021 Director of 7-Eleven, Inc. (incumbent) Oct. 2021 Director of 7-Eleven International LLC (incumbent) Mar. 2022 Executive Officer of the Company Apr. 2023 Chief Strategy Officer (CSO) of the Company (incumbent) General Manager of the Management Planning Division of the Company (incumbent) Aug. 2023 Director of Sogo & Seibu Co., Ltd. May 2024 Director of the Company (incumbent) Member of the Compensation Committee of the Company (incumbent) May 2025 Managing Executive Officer of the Company (incumbent)	(Note 4)	6

Title	Name	Date of birth	Brief personal history (May 20, 2026)	Term of office	Number of shares held (Thousands of shares)
Director Executive Officer Chief Financial Officer (CFO) General Manager of the Corporate Finance & Accounting Division	Tetsuya Takagi	August 16, 1963	Apr. 1986 Joined Fuji Xerox Co., Ltd. (currently FUJIFILM Business Innovation Corp.) July 2015 Executive Officer, General Manager of Corporate Planning Division of Fuji Xerox Co., Ltd. July 2017 Executive Counselor of Fuji Xerox Co., Ltd. Apr. 2018 Managing Executive Officer, responsible (deputy) for Corporate Planning Division and Financial Planning Division of UNIZO Holdings Company, Limited July 2019 Chief Financial Officer (CFO) of Twinbird Corporation Executive Officer, Group Executive of Administration Division and Deputy Group Executive of Corporate Planning Division of Twinbird Corporation Apr. 2022 Senior Executive Officer, responsible for Accounting and Corporate Communications Division of Morinaga & Co., Ltd. June 2022 Director of Morinaga & Co., Ltd. Senior Executive Officer of Morinaga & Co., Ltd. Chief Financial Officer (CFO) of Morinaga & Co., Ltd. Representative Director, President of Morinaga Finance Co., Ltd. Apr. 2026 Joined the Company Executive Officer of the Company (incumbent) Chief Financial Officer (CFO) of the Company (incumbent) General Manager of the Corporate Finance & Accounting (incumbent) May 2026 Representative Director and President of SEVEN & i Financial Center Co., Ltd. (incumbent)	(Note 4)	–

Title	Name	Date of birth	Brief personal history (May 20, 2026)	Term of office	Number of shares held (Thousands of shares)
Director Chairperson of the Board (Gicho) (Note 2)	Fuminao Hachiuma	December 8, 1959	Apr. 1983 Joined Ajinomoto Co., Inc. July 1998 President of PT AJINOMOTO SALES INDONESIA July 2008 Director and Vice President of AJINOMOTO USA Inc. June 2013 Corporate Executive Officer of Ajinomoto Co., Inc. June 2015 Corporate Vice President of Ajinomoto Co., Inc. Representative Director, President of J-OIL MILLS, Inc. June 2016 Representative Director, President and CEO of J-OIL MILLS, Inc. Apr. 2022 Director of J-OIL MILLS, Inc. May 2023 Outside Director of the Company June 2023 Outside Audit & Supervisory Board Member of YKK AP Inc. (incumbent) Outside Director of SUBARU CORPORATION (incumbent) Aug. 2023 Member of the Nomination Committee of the Company (incumbent) Mar. 2025 Member of the Compensation Committee of the Company May 2025 Lead Independent Outside Director of the Company (incumbent) Chairperson of the Board (Gicho) of the Company (incumbent)	(Note 4)	–

Title	Name	Date of birth	Brief personal history (May 20, 2026)	Term of office	Number of shares held (Thousands of shares)
Director (Note 2)	Yoshiyuki Izawa	February 10, 1948	Apr. 1970 Joined MITSUI & CO., LTD. June 2000 Director of MITSUI & CO., LTD. Apr. 2004 Executive Managing Officer of MITSUI & CO., LTD. Apr. 2007 Senior Executive Managing Officer of MITSUI & CO., LTD. June 2007 Representative Director, Senior Executive Managing Officer of MITSUI & CO., LTD. Apr. 2008 Representative Director, Executive Vice President of MITSUI & CO., LTD. (Retired in November 2009) Sept. 2008 Asian Executive Board Member of MIT Sloan School of Management Dec. 2009 President & CEO, Representative Executive Officer of JAPAN POST BANK Co., Ltd. June 2010 Director and Representative Executive Officer, Executive Vice President of JAPAN POST HOLDINGS Co., Ltd. June 2013 Director of JAPAN POST HOLDINGS Co., Ltd. May 2015 Chairman & CEO, Representative Director of BlackRock Japan Co., Ltd. Apr. 2021 Director and Chairman of BlackRock Japan Co., Ltd. (Retired in March 2022) May 2022 Outside Director (Member of the Audit and Supervisory Committee) of Nitori Holdings Co., Ltd. (incumbent) Outside Director of the Company (incumbent) June 2022 Outside Director of Sanoh Industrial Co., Ltd. (incumbent) Dec. 2022 Member of the Nomination Committee of the Company (incumbent)	(Note 4)	0

Title	Name	Date of birth	Brief personal history (May 20, 2026)	Term of office	Number of shares held (Thousands of shares)
Director (Note 2)	Meyumi Yamada	August 30, 1972	Apr. 1995 Joined KOEI KOGYO Co., Ltd. May 1997 Joined Kiss Me Cosmetics Co., Ltd. (currently ISEHAN Co., Ltd.) July 1999 Representative Director of istyle LLC Apr. 2000 Representative Director of istyle Inc. Dec. 2009 Director of istyle Inc. (incumbent) May 2012 Representative Director and President of Cyberstar Co., Ltd. Sept. 2016 Director of Eat Smart, Inc. June 2017 Outside Director of JAPAN POST INSURANCE Co., Ltd. Outside Director of SEINO HOLDINGS CO., LTD. June 2021 Outside Director of Sompo Holdings, Inc. (incumbent) Nov. 2021 Representative Director of Bank For Smiles (incumbent) May 2022 Outside Director of the Company (incumbent) Member of the Nomination Committee of the Company May 2023 Chair of the Nomination Committee of the Company (incumbent) May 2025 Member of the Compensation Committee of the Company (incumbent)	(Note 4)	–

Title	Name	Date of birth	Brief personal history (May 20, 2026)	Term of office	Number of shares held (Thousands of shares)
Director (Note 2)	Paul Yonamine	August 20, 1957	June 1979 Joined Peat, Marwick, Mitchell & Co. (currently KPMG LLP) May 1983 Registered as U.S. Certified Public Accountant Apr. 1995 Managing Partner of KPMG LLP Hawaii Mar. 1997 Representative Partner of KPMG Global Solutions LLC (currently PwC Advisory LLC) Aug. 2001 Representative Partner and Chairman of KPMG Global Solutions LLC Apr. 2006 President and CEO of Hitachi Consulting Co., Ltd. May 2010 VP & CFO of IBM Japan, Ltd. Apr. 2013 Vice President of IBM Japan, Ltd. Jan. 2015 President of IBM Japan, Ltd. Mar. 2017 Director of GCA Corporation June 2017 Director of Central Pacific Bank July 2017 Director and Chairman of GCA Corporation Oct. 2018 Director and Non-executive Chairman of GCA Corporation Chairman & CEO of Central Pacific Financial Corp. Executive Chairman of Central Pacific Bank June 2019 Outside Director of Sumitomo Mitsui Banking Corporation (incumbent) Dec. 2020 Outside Director of circlace Inc. May 2022 Outside Director of the Company (incumbent) Jan. 2023 Chairman Emeritus & Director (Non Executive Director) of Central Pacific Financial Corp. Chairman Emeritus & Director (Non Executive Director) of Central Pacific Bank May 2023 Member of the Compensation Committee of the Company June 2023 Outside Director (Audit and Supervisory Committee Member) of PayPay Corporation (incumbent) May 2025 Chair of the Compensation Committee of the Company (incumbent) Aug. 2025 Outside Director of 7-Eleven, Inc. (incumbent) Nov. 2025 Chairman Emeritus of Central Pacific Bank (incumbent)	(Note 4)	–

Title	Name	Date of birth	Brief personal history (May 20, 2026)	Term of office	Number of shares held (Thousands of shares)
Director (Note 2)	Takashi Sawada	July 12, 1957	Apr. 1981 Joined ITOCHU Corporation May 1997 Joined FAST RETAILING CO., LTD. Nov. 1997 Managing Director of FAST RETAILING CO., LTD. Nov. 1998 Director and Vice President of FAST RETAILING CO., LTD. Jan. 2003 Representative Director and President of KIACON Corporation Oct. 2005 Representative Director, President and Chief Executive Officer of Revamp Corporation June 2008 Outside Director of Nomura Research Institute, Ltd. Apr. 2012 Outside Director of Culture Convenience Club Co., Ltd. June 2013 Outside Director of SECOM CO., LTD. June 2014 Outside Director of K'S HOLDINGS CORPORATION Mar. 2015 Outside Director of Link and Motivation Inc. May 2016 Director, Senior Managing Executive Officer and Assistant to President of FamilyMart Co., Ltd. Sept. 2016 Representative Director and President of FamilyMart Co., Ltd. Mar. 2018 Representative Director, Executive Vice President and Executive Officer of FamilyMart UNY Holdings Co., Ltd. (currently FamilyMart Co., Ltd.) May 2019 Representative Director and President of FamilyMart Co., Ltd. Jan. 2022 External Director of CellSource Co., Ltd. Mar. 2022 Representative Director of LOTTE VENTURES JAPAN CO., LTD. June 2022 Outside Director of Hey Inc. (currently STORES, Inc.) (incumbent) Jan. 2024 Director of LOTTE VENTURES JAPAN CO., LTD. Representative Director and CEO of CellSource Co., Ltd. May 2025 Outside Director of the Company (incumbent) June 2025 Outside Director of FUJI MEDIA HOLDINGS, Inc. (incumbent) Nov. 2025 Director and Chairman of the Board of CellSource Co., Ltd. Feb. 2026 Director and Chairman of the Board of LOTTE VENTURES JAPAN CO., LTD. (incumbent)	(Note 4)	–

Title	Name	Date of birth	Brief personal history (May 20, 2026)	Term of office	Number of shares held (Thousands of shares)
Director (Note 2)	Masaki Akita	December 24, 1958	Apr. 1983 Joined Hankyu Corporation (currently Hankyu Hanshin Holdings, Inc.) July 1991 Joined Matsuya Co., Ltd. May 1999 Director of Matsuya Co., Ltd. May 2001 Managing Director of Matsuya Co., Ltd. Mar. 2005 Senior Managing Director of Matsuya Co., Ltd. May 2005 Representative Director and Vice President of Matsuya Co., Ltd. May 2007 Representative Director and President of Matsuya Co., Ltd. May 2008 Representative Director, President and Executive Officer of Matsuya Co., Ltd. July 2017 Outside Director of Meiji Yasuda Life Insurance Company (incumbent) Mar. 2023 Director, Chair and Chairperson of the Board of Directors of Matsuya Co., Ltd. (incumbent) May 2025 Outside Director of the Company (incumbent) Member of the Nomination Committee of the Company (incumbent) Member of the Compensation Committee of the Company (incumbent) June 2025 Chairman of Tax-Free Shop Association (incumbent)	(Note 4)	0

Title	Name	Date of birth	Brief personal history (May 20, 2026)	Term of office	Number of shares held (Thousands of shares)
Director (Note 2)	Tatsuya Terazawa	January 20, 1961	Apr. 1984 Joined Ministry of International Trade and Industry June 2013 Director-General of Commerce and Distribution Safety Policy of Ministry of Economy, Trade and Industry July 2015 Director-General of Trade and Economic Cooperation Bureau of Ministry of Economy, Trade and Industry July 2017 Director-General of Commerce and Information Policy Bureau of Ministry of Economy, Trade and Industry July 2018 Vice-Minister for International Affairs of Ministry of Economy, Trade and Industry Aug. 2020 Outside Director of Toyo Engineering Corporation (incumbent) Jan. 2021 Special Advisor to the Cabinet Office July 2021 Chairman and CEO of The Institute of Energy Economics, Japan (incumbent) May 2025 Outside Director of the Company (incumbent)	(Note 4)	0
Director (Note 2)	Christine Edman	December 23, 1975	Nov. 1997 Joined Mattel International K.K. Jan. 2000 Joined Aunt Stella Inc. Aug. 2005 Joined H&M Hennes & Mauritz AB (Sweden) Feb. 2007 Area Manager of H&M Hong Kong Mar. 2008 Representative Director and President of H&M Hennes & Mauritz Japan June 2017 Director of LVMH Fashion Group Japan Co., Ltd. (currently LVMH Fashion Group Japan G.K.) President & CEO of GIVENCHY Japan Dec. 2021 Executive Officer of ZOZO, Inc. May 2025 Outside Director of the Company (incumbent)	(Note 4)	–

Title	Name	Date of birth	Brief personal history (May 20, 2026)	Term of office	Number of shares held (Thousands of shares)
Standing Audit & Supervisory Board Member Chairman of the Audit & Supervisory Board	Shinya Ishii	February 21, 1965	Mar. 1987 Joined SEVEN-ELEVEN JAPAN CO., LTD. Jan. 2011 General Manager of the Budget Department, Planning Office of SEVEN-ELEVEN JAPAN CO., LTD. May 2016 Senior Officer of the Secretary Office of the Company Dec. 2016 Senior Officer of the Corporate Management Department of the Company May 2017 Director of Sogo & Seibu Co., Ltd. Mar. 2018 Executive Officer of the Company Mar. 2022 Director of THE LOFT CO., LTD. Mar. 2024 Director of Akachan Honpo Co., Ltd. May 2024 Audit & Supervisory Board Member of York-Benimaru Co., Ltd. May 2025 Standing Audit & Supervisory Board Member of the Company (incumbent) Chairman of the Audit & Supervisory Board of the Company (incumbent)	(Note 5)	16
Standing Audit & Supervisory Board Member	Seiji Oku	April 16, 1962	Apr. 1987 Joined Nissan Motor Co., Ltd. Jan. 2012 Joined the Company Mar. 2017 Director of Seven-Meal Service Co., Ltd. June 2018 Audit & Supervisory Board Member of Seven & i Net Media Co., Ltd. (currently SpireX Co., Ltd.) (incumbent) Sept. 2019 Audit & Supervisory Board Member of Barneys Japan Co., Ltd. Mar. 2021 General Manager of the Corporate General Affairs & Legal Division of the Company (incumbent) Mar. 2023 Executive Officer of the Company (incumbent) May 2024 Director of SEVEN-ELEVEN JAPAN CO., LTD. May 2026 Audit & Supervisory Board Member of SEVEN-ELEVEN JAPAN CO., LTD. (incumbent)	(Note 5)	–

Title	Name	Date of birth	Brief personal history (May 20, 2026)	Term of office	Number of shares held (Thousands of shares)
Audit & Supervisory Board Member (Note 3)	Kaori Matsuhashi (Real name: Kaori Hosoya)	June 7, 1969	Apr. 2006 Registered as a Certified Public Accountant July 2006 Joined Asset Investors, Inc. (currently MBK Co., Ltd.) Nov. 2007 General Manager of the Corporate Planning Division of Asset Investors, Inc. Mar. 2008 Joined MK Capital Management Corporation (currently IDERA Capital Management Ltd.) Executive Officer of MK Capital Management Corporation May 2009 Representative Director of Luminous Consulting Co., Ltd. (incumbent) Jan. 2014 External Auditor of NTS Holdings Company, Limited June 2014 External Director of Spiber Inc. June 2017 Outside Audit & Supervisory Board Member of Kakaku.com, Inc. May 2019 Outside Audit & Supervisory Board Member of the Company (incumbent) May 2022 Outside Director (Member of the Audit and Supervisory Committee) of YASKAWA Electric Corporation (incumbent)	(Note 5)	2

Title	Name	Date of birth	Brief personal history (May 20, 2026)	Term of office	Number of shares held (Thousands of shares)
Audit & Supervisory Board Member (Note 3)	Hitoshi Matsumoto	February 19, 1960	Oct. 1982 Joined Tohmatsu Awoki & Co. (currently Deloitte Touche Tohmatsu LLC) Mar. 1986 Registered as a Certified Public Accountant Aug. 1989 Seconded to Detroit office of Deloitte & Touche LLP June 1996 Partner of Tohmatsu & Co. (currently Deloitte Touche Tohmatsu LLC) June 1999 Audit Partner and Deputy Partner in charge of International Services Management Duties of Tohmatsu & Co. July 2003 Audit Partner and Japanese Company Service Group Joint Leader, New York office of Deloitte & Touche LLP June 2011 Japanese Company Service Group Managing Partner and Joint Chairman of Deloitte & Touche LLP June 2013 Executive Officer in charge of Global of Deloitte Touche Tohmatsu LLC June 2015 Global Board Member of Deloitte & Touche LLP Nov. 2015 Board Member of Deloitte Tohmatsu LLC Sept. 2018 Chairman of the Board of Deloitte Asia Pacific Limited June 2020 Deputy Chairman of the Board of Deloitte Global Oct. 2024 Representative of MATSUMOTO HITOSHI CPA OFFICE (incumbent) Jan. 2025 Outside Audit & Supervisory Member of Crasus Chemical Inc. June 2025 Outside Director of SEIKITOKYU KOGYO CO., LTD. (incumbent) Mar. 2026 Outside Director (Audit and Supervisory Committee Member) of Crasus Chemical Inc. (incumbent)	(Note 5)	2

Title	Name	Date of birth	Brief personal history (May 20, 2026)	Term of office	Number of shares held (Thousands of shares)
Audit & Supervisory Board Member (Note 3)	Yukiko Omura (Real name: Yukiko Yuyama)	January 15, 1979	Apr. 2003 Joined Toyota Motor Corporation Sept. 2007 Joined Nagashima Ohno & Tsunematsu Sept. 2013 U.S. Court of Appeals for the Federal Circuit Fellow Aug. 2014 Seconded to the Financial Services Agency Mar. 2019 Joined Miura & Partners (incumbent) Jan. 2020 Outside Director of ASIRO Inc. May 2020 Outside Audit & Supervisory Board Member of Kokopelli Inc. Sept. 2022 Outside Director (Audit & Supervisory Committee Member) of Halmek Holdings Co., Ltd. (incumbent) Mar. 2024 External Director (Audit & Supervisory Board Member) of Sodick Co., Ltd. (incumbent) Mar. 2026 Outside Director (Audit and Supervisory Committee Member) of Euglena Co., Ltd. (incumbent)	(Note 5)	–
			Total		9,573

Notes:
1. Scheduled to be appointed at the Board of Directors meeting following the Annual Shareholders' Meeting to be held on May 27, 2026.
2. Directors Fuminao Hachiuma, Yoshiyuki Izawa, Meyumi Yamada, Paul Yonamine, Takashi Sawada, Masaki Akita, Tatsuya Terazawa, and Christine Edman are Independent Outside Directors.
3. Audit & Supervisory Board Members Kaori Matsuhashi, Hitoshi Matsumoto, and Yukiko Omura are Independent Outside Audit & Supervisory Board Members.
4. The term of office of the Director is one year starting from May 2026.
5. The term of office of Standing Audit & Supervisory Board Member Shinya Ishii is four years starting from May 2025; the term of office of Standing Audit & Supervisory Board Member Seiji Oku and Outside Audit & Supervisory Board Members Hitoshi Matsumoto and Yukiko Omura is four years starting from May 2026; and the term of office of Outside Audit & Supervisory Board Member Kaori Matsuhashi is four years starting from May 2023.
6. The Company has introduced the executive officer system, which makes each person's sphere of responsibility and performance target clearer, makes decision-making and implementation in management speedier and more efficient, allows each person to focus on their operational execution, and clarifies the business management and oversight functions and functions of executing targets on which a policy decision was made.

Of the 20 Executive Officers, those who do not serve concurrently as Director are the following 15 persons.

Title	Name
Managing Executive Officer, Head of the Superstore Business Management Office	Seiichiro Ishibashi
Managing Executive Officer, General Manager of the Group DX Division	Izuru Nishimura
Executive Officer, Head of the Sustainability Development Office	Nobuyuki Miyaji
Executive Officer, General Manager of the Group Merchandise Strategy & Planning Division	Seiji Kitamura
Executive Officer, General Manager of the Human Resources Division	Takuya Enomoto
Executive Officer, General Manager of the Corporate Communication Division	Hirotake Henmi
Executive Officer, General Manager of the Corporate General Affairs & Legal Division	Hajime Seki
Executive Officer, Associate Head of the Corporate Finance & Accounting Division	Yasukiyo Toda
Executive Officer, Senior Officer of the Public Relations Department	Yuki Oda
Executive Officer, Senior Officer of the Brand Communication Department	Miho Terada
Executive Officer, Senior Officer of the Sustainability Development Office	Junko Waseda
Executive Officer, Senior Officer of the Accounting Department	Akira Okamoto
Executive Officer, Senior Officer of the Corporate Governance Management Department	Shinichiro Endo
Executive Officer, Senior Officer of the Corporate Planning Department	Kei Hamada
Executive Officer, Head of Global HR Strategy, Office of the CEO	Minoru Nakamura

(ii) Outside Directors and Outside Audit & Supervisory Board Members

I View on independence of Outside Directors and Outside Audit & Supervisory Board Members and independence standards

・ Designation of Independent Directors and Independent Audit & Supervisory Board Members
The Company designates all Outside Directors and Outside Audit & Supervisory Board Members who satisfy the qualifications for independent officers as the Independent Outside Directors and Independent Outside Audit & Supervisory Board Members.

・ Standards for the independence of Outside Directors and Outside Audit & Supervisory Board Members, etc.
The Company emphasizes diversity in its Directors and Audit & Supervisory Board Members, including in Outside Directors and Outside Audit & Supervisory Board Members, and strives to secure highly capable external human resources who will support enhanced corporate governance. Accordingly, the Company has adopted the following standards for independence of Outside Directors and Outside Audit & Supervisory Board Members, considering that it is better to judge each candidate from the essential perspective of “whether they have any potential conflict of interest with general shareholders.”

1. Independence standards for Outside Directors and Outside Audit & Supervisory Board Members

(1) Fundamental approach
Independent Directors and Independent Audit & Supervisory Board Members are defined as Outside Directors and Outside Audit & Supervisory Board Members who have no potential conflicts of interest with general shareholders of the Company.
In the event that an Outside Director or an Outside Audit & Supervisory Board Member is likely to be significantly controlled by the management of the Company or is likely to significantly control the management of the Company, that Outside Director or Outside Audit & Supervisory Board

Member is considered to have a potential conflict of interest with general shareholders of the Company and is considered to lack independence.

(2) Independence standards

In accordance with this fundamental approach, the Company uses the independence standards established by the financial instruments exchange as the independence standards for the Company's Outside Directors and Outside Audit & Supervisory Board Members.

2. De minimis thresholds for information disclosure regarding the attributes of Independent Directors and Independent Audit & Supervisory Board Members as negligible

(In the most-recent business year of the Company)

- With regard to transactions, "less than 1% of the nonconsolidated revenues from operations of the Company in the most recent accounting period"
- With regard to donations, "less than ¥10 million"

II Main activities of Outside Directors and Outside Audit & Supervisory Board Members

- Attendance and remarks at meetings of the Board of Directors and the Audit & Supervisory Board during the fiscal year ended February 28, 2026

(Outside Directors)

Name	Attendance at the meetings of the Board of Directors (Attendance rate)	Main remarks made and summary of duties performed with respect to the roles expected of Outside Directors
Fuminao Hachiuma	15/15 100.0%	Mr. Fuminao Hachiuma gave advice and made proposals to ensure the validity and appropriateness of the Board of Directors' decision making, primarily by expressing his opinions based on his broad high level knowledge and experience regarding business management, organizational management, marketing, and sustainability.
Yoshiyuki Izawa	15/15 100.0%	Mr. Yoshiyuki Izawa gave advice and made proposals to ensure the validity and appropriateness of the Board of Directors' decision making, primarily by expressing his opinions based on his broad high level knowledge and experience regarding international corporate management, management administration, finance & accounting, sustainability, capital market, etc.
Meyumi Yamada	15/15 100.0%	Ms. Meyumi Yamada gave advice and made proposals to ensure the validity and appropriateness of the Board of Directors' decision making, primarily by expressing her opinions based on her broad high level knowledge and experience regarding e-commerce, DX (digital transformation), organizational management, marketing, sustainability, etc.
Paul Yonamine	15/15 100.0%	Mr. Paul Yonamine gave advice and made proposals to ensure the validity and appropriateness of the Board of Directors' decision making, primarily by expressing his opinions based on his broad high level knowledge and experience regarding DX (digital transformation), organizational management, finance, accounting, etc.
Takashi Sawada	11/11 100.0%	Mr. Takashi Sawada gave advice and made proposals to ensure the validity and appropriateness of the Board of Directors' decision making, primarily by expressing his opinions based on his broad high level knowledge and experience regarding overseas expansion in the retail industry, franchise business, branding, finance, accounting, etc.
Masaki Akita	11/11 100.0%	Mr. Masaki Akita gave advice and made proposals to ensure the validity and appropriateness of the Board of Directors' decision making, primarily by expressing his opinions based on his broad knowledge regarding inbound tourism business and food, and his broad high level knowledge and experience regarding marketing, risk management, etc.
Tatsuya Terazawa	11/11 100.0%	Mr. Tatsuya Terazawa gave advice and made proposals to ensure the validity and appropriateness of the Board of Directors' decision making, primarily by expressing his opinions based on his broad high level knowledge and experience regarding international trade, franchise business, risk management, sustainability, etc.
Christine Edman	11/11 100.0%	Ms. Christine Edman gave advice and made proposals to ensure the validity and appropriateness of the Board of Directors' decision making, primarily by expressing her opinions based on her broad knowledge regarding global retail industry and broad high level knowledge and experience regarding DX (digital transformation), marketing, branding, etc.

(Outside Audit & Supervisory Board Members)

Name	Attendance at the meetings of the Board of Directors (Attendance rate)	Attendance at the meetings of the Audit & Supervisory Board (Attendance rate)	Main remarks
Kazuhiro Hara	15/15 100.0%	22/22 100.0%	Mr. Kazuhiro Hara asked questions and expressed his opinions as he deemed appropriate, with his abundant experience and technical knowledge related to finance, accounting, tax and risk management.
Mitsuko Inamasu	14/15 93.3%	22/22 100.0%	Ms. Mitsuko Inamasu asked questions and expressed her opinions as she deemed appropriate, with her abundant experience and technical knowledge related to overall corporate legal affairs and risk management.
Kaori Matsuhashi (Real name: Kaori Hosoya)	15/15 100.0%	22/22 100.0%	Ms. Kaori Matsuhashi asked questions and expressed her opinions as she deemed appropriate, with her abundant experience and technical knowledge related to finance, accounting, management administration, and risk management.

- Exchanges of opinions with Directors, etc.
  In addition to meetings of the Board of Directors, Outside Directors and Outside Audit & Supervisory Board Members meet with the Representative Directors, Directors, Standing Audit & Supervisory Board Members, and others. These meetings including Management Opinion Exchange Meetings are held on a regular or as-needed basis. These meetings, including the Board of Directors meetings, have themes set for each of the meetings, centered on various management issues and matters of high social concern. Reports are provided by Directors, the internal control divisions, and so forth, regarding the status of business execution and internal control at the Company and its Group companies, and explanations are given in response to questions from the Outside Directors and Outside Audit & Supervisory Board Members, who also express their opinions regarding the Company's management, corporate governance, and other topics based on their respective expert knowledge and wide-ranging, high-level experience and insight into management. In these and other ways, the Outside Directors and Outside Audit & Supervisory Board Members coordinate with each other while exchanging frank and lively opinions.
  The Outside Directors and Outside Audit & Supervisory Board Members also exchange opinions with the Directors and Audit & Supervisory Board Members, etc. of operating companies.
  Through these activities, Outside Directors supervise operational execution, and Outside Audit & Supervisory Board Members perform audits of operational execution and accounting practices.
- Functions and roles of Outside Directors and Outside Audit & Supervisory Board Members
  The Outside Directors and Outside Audit & Supervisory Board Members provide supervision or audits and advice and proposals from an external perspective based on their respective expertise and wide-ranging, high-level experience and insight into management from an objective and neutral standpoint with no risk of conflict of interest with general shareholders, and fulfill the function and role of ensuring valid and appropriate decision-making and business execution by the Board of Directors.
- Support system for Outside Directors and Outside Audit & Supervisory Board Members
  The Company has assigned dedicated staff to assist the Outside Directors and Outside Audit & Supervisory Board Members in their duties, enabling close coordination and smooth exchange of information with the internal Directors and internal Audit & Supervisory Board Members. The Company has entered into liability limitation agreements with each Outside Director and each Outside Audit &

Supervisory Board Member to ensure that their expected roles are fully fulfilled. These agreements limit the amount of their liability for compensation for damage to the minimum legally stipulated amounts.

III Personal relationships, capital relationships or trading relations, or other interest between Outside Directors and Outside Audit & Supervisory Board Members, and the Company

There are no special personal relationships, capital relationships or trading relations, or other interest between 8 Outside Directors and 3 Outside Audit & Supervisory Board Members, and the Company as of the date of filing of this Annual Securities Report.

In addition, other than compensation for serving as Directors and Audit & Supervisory Board Members, the Company does not pay any fees for services as a legal, accounting or tax expert or as a consultant to each Independent Outside Director or Independent Outside Audit & Supervisory Board Member.

(iii) Coordination between oversight or audits by Outside Directors or Outside Audit & Supervisory Board Members, and internal audits, Audit & Supervisory Board Member audits and accounting audits, and relationships with the internal control divisions

Outside Directors and Outside Audit & Supervisory Board Members work to make coordination with Audit & Supervisory Board Member audits, internal audits and accounting audits through exchange of opinions, etc. with the Board of Directors, the Audit & Supervisory Board, Directors and others, and oversee and audit the status of establishment and operation of internal control systems. At the Board of Directors' meeting, as well as reports on accounting audits and reports on Audit & Supervisory Board Member audits, reports on internal audits are periodically made by the Auditing Office, and the status of internal control, etc. is also reported by the internal control divisions on an as-needed basis. For the status of the coordination in audits by Outside Audit & Supervisory Board Members, please also refer to information provided in "Coordination between Audit & Supervisory Board Member audits, internal audits and accounting audits" above.

(3) [Status of audits]

(i) Audit & Supervisory Board Member audits

(a) Organization and personnel for Audit & Supervisory Board Member audits

As of the date of filing of this Annual Securities Report, Audit & Supervisory Board consists of 5 Audit & Supervisory Board Members (including 3 Outside Audit & Supervisory Board Members).

The Company has elected Audit & Supervisory Board Members who possess a respectable level of knowledge on finance and accounting as follows.

- Standing Audit & Supervisory Board Member Shinya Ishii was engaged in operations relating to corporate management in the corporate management division in the Company and its Group companies.
- Standing Audit & Supervisory Board Member Nobutomo Teshima was engaged in operations relating to finance and accounting in the finance and accounting division in the Company and its Group companies.
- Audit & Supervisory Board Member Kazuhiro Hara is a certified public accountant and certified tax accountant.
- Audit & Supervisory Board Member Kaori Matsuhashi is a certified public accountant.

Additionally, as a proposal (resolution) for the Annual Shareholders' Meeting scheduled for May 27, 2026, we are proposing the "Election of 3 Audit & Supervisory Board Members" due to the expiration of the terms of the Standing Audit & Supervisory Board Member, Nobutomo Teshima, and Outside Audit & Supervisory Board Members, Kazuhiro Hara and Mitsuko Inamasu. If this proposal is approved, the Audit & Supervisory Board will continue to be composed of 5 members (including 3 Outside Audit & Supervisory Board Members).

Among the new candidates, Hitoshi Matsumoto, who is scheduled to take office as Outside Audit & Supervisory Board Member, is a certified public accountant.

In addition, the Audit & Supervisory Board has established the Audit & Supervisory Board Members Office and has two dedicated staff members to support Audit & Supervisory Board Members.

(b) Activities of the Audit & Supervisory Board and its members
Attendance at meetings of the Audit & Supervisory Board and the Board of Directors is as follows:

Title	Name	Attendance at the meetings held in the fiscal year ended February 28, 2026	
		Audit & Supervisory Board	Board of Directors
Standing Audit & Supervisory Board Member Chairman of the Audit & Supervisory Board	Shinya Ishii	100.0% (13/13)	100.0% (11/11)
Standing Audit & Supervisory Board Member	Nobutomo Teshima	100.0% (22/22)	100.0% (15/15)
Independent Outside Audit & Supervisory Board Member	Kazuhiro Hara	100.0% (22/22)	100.0% (15/15)
Independent Outside Audit & Supervisory Board Member	Mitsuko Inamasu	100.0% (22/22)	93.3% (14/15)
Independent Outside Audit & Supervisory Board Member	Kaori Matsuhashi	100.0% (22/22)	100.0% (15/15)

The Audit & Supervisory Board held a total of 22 meetings during the fiscal year ended February 28, 2026. The Audit & Supervisory Board meeting is held for four hours in principle, and receives reports on, discusses or resolves important matters related to audits.
Specifically, the following resolutions, discussions, deliberations, and reports were made throughout the year.

[Resolutions]
Audit policy, audit plan and division of duties, audit report of the Audit & Supervisory Board, reappointment of accounting auditors, agreement on audit fees for accounting auditors, agreement on the election of candidates for Audit & Supervisory Board Member, etc.
[Matters for discussion and deliberation]
Agenda for exchange of opinions with Representative Directors, agenda for exchange of opinions with the Chairperson of the Board (Gicho) and Lead Independent Outside Director, appropriateness of agenda for Board of Directors meetings, contents of reports of the Audit & Supervisory Board to the Board of Directors, evaluation of accounting auditors, non-assurance services of accounting auditors, matters stated in the Annual Securities Report (status of audit), evaluation of the effectiveness of the Audit & Supervisory Board, Audit & Supervisory Board Member succession process, etc.
[Reporting matters]
Status of execution of duties by Standing Audit & Supervisory Board Members, reports on important meetings (management meetings, etc.) and important facts, results of internal audits, the status of development and operation of governance system, the status of litigation, the status of financial results, the status of corporate management, whistleblowing, etc.

(c) Effectiveness evaluation by the Audit & Supervisory Board
The Audit & Supervisory Board reviewed the audit activities during the fiscal year under review and conducted an evaluation of the effectiveness of the Audit & Supervisory Board by means of a questionnaire filled in by each Audit & Supervisory

Board Member to improve the quality and effectiveness of the audit and to reflect the results in the audit plan for the next fiscal year.
The evaluation items were 21 in all, including the operation of the Audit & Supervisory Board, independence, cooperation among the three audits, audit activities, and summary. After conducting a five-point evaluation and free-form comments on each item, and discussing and verifying them with the Audit & Supervisory Board, we have concluded that the effectiveness of the Audit & Supervisory Board is ensured. On the other hand, there was an assessment that there is room for further improvement regarding the “ensuring of continuity of audits and information sharing systems,” “confirmation of the status of the maintenance and operation of the group audit system including overseas subsidiaries,” and “liaison of information with Outside Directors,” etc. Therefore, the Audit & Supervisory Board shared the recognition of the issue and confirmed that it will be addressed as a specific action in the audit plan for the next fiscal year.
In FY2026, the Company will continue an effectiveness evaluation by the Audit & Supervisory Board in order to further improve audit quality and effectiveness.

(d) Key audit items
As priority audit items for the fiscal year ended February 28, 2026, the Audit & Supervisory Board Members conducted audits on the progress of business transformation centered on the convenience store operations, which is the core business of the Group, and on the status of the governance framework and the development and operation of the internal control systems accompanying the advancement of the optimal Group structure.
In the convenience store operations, as transformation of the business model and operating structure is being promoted mainly in domestic and overseas CVS operations, the Audit & Supervisory Board Members, through attendance at meetings of the Board of Directors and related meetings, confirmed the important decision-making processes relating to these measures, management’s risk recognition, and response policies.
As a result, we determined that the governance framework and decision-making processes relating to the relevant business transformation were generally functioning appropriately in the fiscal year ended February 28, 2026. On the other hand, as the relevant business transformation is a medium- to long-term initiative and is currently at an early stage of transformation, we have continuously monitored it under the recognition that it is necessary to continue to closely watch changes in the business environment and the status of risk materialization.
In addition, as initiatives toward optimizing the Group structure are progressing in earnest, we focused on confirming whether governance frameworks at the holding company and major operating companies, and the internal control systems in accordance with changes in structure, have been appropriately built and are being operated.
Furthermore, we positioned as important audit matters the Group governance framework, including overseas subsidiaries, and the status of development and operation of an IT governance framework responding to changes in the Group structure, and continuously monitored the status in cooperation with internal auditing divisions, etc.

(e) Group audit
In Group audits, a Standing Audit & Supervisory Board Member concurrently serves as an Audit & Supervisory Board Member of some major subsidiaries in Japan. Group audit meetings with Audit & Supervisory Board Members of domestic subsidiaries are held twice a year to share information on the status of efforts to strengthen the Group governance system, audit findings, the status of Group whistleblowing and reports on audits by Audit & Supervisory Board Members of each company, thereby strengthening cooperation and confirming the status of management and governance systems of each Group company.
In addition, the Standing Audit & Supervisory Board Members regularly meet the Audit & Supervisory Board Members of each company on an individual basis to receive reports on the progress of each company’s audit plan, issues and status of

response, and to provide appropriate advice. The Standing Audit & Supervisory Board Members also regularly meet their counterparts (Outside Directors, supervisors, etc. in charge of audit) of major overseas subsidiaries to confirm and discuss the status of development and operation of governance systems, and work to improve the quality of Group audits.
In addition, the Standing Audit & Supervisory Board Members provide training and education and continuous support to newly appointed Audit & Supervisory Board Member of domestic subsidiaries.

(f) Operation of a whistleblower hotline independent of management (Audit & Supervisory Board Hotline)
As an internal whistleblowing system that is independent of the execution functions, the "Audit & Supervisory Board Hotline," which receives reports and provides consultation for actions violating laws and regulations, social norms and internal rules in relation to the top management team such as the Group's Directors, Audit & Supervisory Board Members and Executive Officers, has been operated.

(g) Division of roles between Standing Audit & Supervisory Board Members and Outside Audit & Supervisory Board Members

Target	Roles	Standing	Outside
Directors	Board of Directors meetings	○	○
	Observer participation in Nomination Committee and Compensation Committee meetings	○	Optional
	Exchanges of opinions with Representative Directors	○	○
	Exchange of opinions with the Chairperson of the Board (Gicho) and Lead Independent Outside Director	○	○
Business execution	Attendance at management meetings and other important meetings	○	
	Exchanges of opinions with CxOs and General Managers	○	○
	Exchange of opinions with business execution departments	○	○
	Regular meetings between internal control departments and Standing Audit & Supervisory Board Members	○	
	Inspection of important documents such as circular decision-making documents (ringisho)	○	
Subsidiaries	On-site audits of headquarters, stores, etc. of operating companies	○	Optional
	Individual meetings with Audit & Supervisory Board Members of subsidiaries	○	
	Group audit meetings	○	Optional

(ii) Internal audits

(a) Organization and personnel for internal audits
The Company has established an Auditing Office as an independent internal auditing division to evaluate the internal controls related to financial reporting for the entire Group. In addition to auditing our own holding company, we conduct a confirmation of internal audits or direct audits of major operating companies, including the establishment and operation of compliance systems, in order to enhance and strengthen the audit functions of the entire Group.
As of the date of filing of this Annual Securities Report, there were 18 employees dedicated to internal audit services. A total of 13 employees hold certifications directly related to internal auditing, including a Systems Auditor, Qualified Internal Auditor (QIA), and Internal Auditor specializing in information systems auditing.
For highly specialized IT areas, the Company utilizes the expertise of outside specialists to improve the effectiveness of its audits.

(b) Activities of the Auditing Office

With the “Internal Audit Policy” focusing on “audits that contribute to management,” the Auditing Office formulates risk-based annual plans and conducts internal audits of operating companies and the Company’s overall operations, which are critical to the achievement of the Medium-Term Management Plan.

The annual audit plan is formulated based on the opinions of the Representative Director and President, Audit & Supervisory Board Members, risk management departments, and the accounting auditor (KPMG AZSA LLC), as well as risk assessment conducted every year. In addition, the annual audit plan is reviewed as necessary in line with changes in the management, business, and risk environments surrounding the Company.

Regarding the “assessment of the effectiveness of internal control over financial reporting” in accordance with the Financial Instruments and Exchange Act, the Auditing Office assesses the status of Group-wide internal control and business process control at important locations, and reports the results to the Board of Directors (10 companies including the Company were subject to this assessment in FY2025). Meanwhile, the Auditing Office is understanding the actual status of major overseas subsidiaries through regular exchanges of opinions and information sharing with the internal audit departments and accounting departments.

To improve the internal audit function of the entire Group, the Auditing Office provides supervising support to the audit departments of domestic and overseas operating companies. We regularly hold meetings for each operating company, share audit cases for each company, and consider themes aimed at improving the quality of audit activities, and we also implement practical support initiatives such as jointly conducting internal audits in accordance with the risks of each operating company and the resources of the audit divisions.

Audit results, audit plans, etc. are reported directly to the Representative Director and President and the Board of Directors, as well as directly to the Audit & Supervisory Board, in order to improve the effectiveness of audits through collaboration with the Audit & Supervisory Board Member audits and discussion with them.

(iii) Coordination between Audit & Supervisory Board Member audits, internal audits and accounting audits

(a) Coordination between the Audit & Supervisory Board Members, the Auditing Office, and the accounting auditor

In order to improve the quality of Group-wide audits, the Company ensures that the Audit & Supervisory Board Members, the Auditing Office, and the accounting auditor proactively share information, exchange opinions, hold discussions and endeavor to maintain close ties with each other, by such means as periodically holding tri-partite meetings.

Coordination method	Schedule	Proceedings	Responsibility	
			Standing	Outside
Tri-partite meetings	April, October	Exchanges information on the performance of accounting audits with the accounting auditor, the performance of internal audits with the Auditing Office, and the performance of Audit & Supervisory Board Member audits with the Audit & Supervisory Board Members and conducts exchanges of opinions	○	○

(b) Coordination between the Audit & Supervisory Board Members and the accounting auditor

The Audit & Supervisory Board Members receive reports from the accounting auditor at the beginning of the fiscal year on the annual audit plan, and on the procedures

and results of accounting audits and internal control audits on a quarterly basis, and exchange opinions to coordinate with them.

Coordination method	Schedule	Proceedings	Responsibility	
			Standing	Outside
Explanation of audit and interim review plans	June	Receives an explanation of the audit plan and proposed audit fees for the fiscal year from the accounting auditor	○	○
Report of interim review (status of annual audit) results	July, October, January	Receives reports on interim review (status of annual audit) results from the accounting auditor and exchanges opinions	○	○
Interview with Audit & Supervisory Board Members	February	The accounting auditor conducts interviews and exchanges opinions with the Audit & Supervisory Board Members.	○	○
Exchange of opinions on key audit matters (KAM)	July, October, January, April, May	Receives explanations from the accounting auditor on matters that may become KAM and on the draft text thereof, reviews their contents, and exchanges opinions. Examines the appropriateness of information disclosure	○	○
Report on audit results under the Companies Act	April	Receives a report on the audit results under the Companies Act from the accounting auditor	○	○
Report on audit results under the Financial Instruments and Exchange Act	May	Receives a report on the audit results under the Financial Instruments and Exchange Act from the accounting auditor	○	○
Report on audit results of major overseas subsidiaries	September	Receives reports on audit results from accounting auditors of overseas network firms and exchanges opinions	○	○

(c) Coordination between the Audit & Supervisory Board Members and the Auditing Office
The Audit & Supervisory Board Members and the Auditing Office ensure comprehensive sharing of audit information between each other in order to improve the quality of audits.

Coordination method	Schedule	Proceedings	Responsibility	
			Standing	Outside
Regular meetings between the Standing Audit & Supervisory Board Members and the Auditing Office	Monthly	Receives reports from the Auditing Office on the audit plan, the results of operational audits, the progress of internal control evaluations, etc., and exchanges opinions. The Standing Audit & Supervisory Board Members report important matters to Outside Audit & Supervisory Board Members.	○	
Information sharing and exchange of opinions on the status and results of internal audits	April, October	Receives reports on the results of operational audits and activity status from the Auditing Office and exchanges opinions	○	○
Report on the status and results of evaluations of internal controls regarding the financial reporting	Quarterly	Receives reports from the Auditing Office on the internal controls regarding the Group's financial reporting as stipulated by the Financial Instruments and Exchange Act	○	○

(d) Coordination between the Audit & Supervisory Board Members and the Auditing Office, and between the accounting auditor and the internal control departments
At each audit, the Audit & Supervisory Board Members, the Auditing Office, and the accounting auditor receive reports and materials, etc. from the internal control divisions, and request explanations as deemed necessary, and the internal control divisions cooperate in the appropriate performance of these audits.

(iv) Accounting audits

(a) Name of auditing firm
KPMG AZSA LLC

(b) Continuous audit period
20 years
For the fiscal year ended February 28, 2007, joint audits were performed with MISUZU Audit Corporation.

(c) Certified public accountants who executed the audit duties
Reiji Kobayashi, Designated Engagement Partner
Masahiro Sasaki, Designated Engagement Partner
Susumu Komiyama, Designated Engagement Partner

(d) Composition of support staff for the auditing team
Support staff for the auditing team in the fiscal year ended February 28, 2026 were as follows.
52 certified public accountants and 82 others

(e) Policy and basis for selection of the auditing firm
The Audit & Supervisory Board obtains necessary materials and reports from Directors, relevant internal departments and the accounting auditor, and assesses independence and the status of development of quality control system, etc. as an auditing firm, and skills, experience and abilities as an auditing team, auditing

method, status of audit results, etc., based on the “assessment basis for the accounting auditor” prepared by the Audit & Supervisory Board to make a selection. In addition, if the accounting auditor is in the situation that falls under any event set forth in items of Article 340, paragraph (1) of the Companies Act, the Company’s Audit & Supervisory Board considers dismissing the accounting auditor. When the dismissal is deemed appropriate, the accounting auditor is dismissed in accordance with the agreement of all Audit & Supervisory Board Members. Furthermore, if it is deemed necessary to change the accounting auditor, taking into account the performance of duties of the accounting auditor and the Company’s audit system, the Company’s Audit & Supervisory Board decides to submit a proposal on non-reappointment of the accounting auditor to a shareholders’ meeting.

(f) Assessment of the auditing firm by the Audit & Supervisory Board and its members
The Audit & Supervisory Board and its members continued to make an assessment through cooperation with the accounting auditor, observation of the accounting auditor’s audits, etc. during the fiscal year, judged that there was no special problem in audits by KPMG AZSA LLC, the accounting auditor, including judgment on reasonableness of the accounting auditor’s audits based on the “assessment basis for the accounting auditor” prepared by the Audit & Supervisory Board, and resolved to reappoint the accounting auditor.

(v) Details of audit-related compensation

(a) Compensation for auditing certified public accountants

(Millions of yen)

Category	Year ended February 28, 2025		Year ended February 28, 2026	
	Compensation for audit attestation	Compensation for non-auditing services	Compensation for audit attestation	Compensation for non-auditing services
The Company	192	60	222	27
Consolidated subsidiaries	661	20	453	10
Total	854	80	675	37

(Year ended February 28, 2025)
The Company’s non-auditing services consist of accounting advisory services. In addition, details of non-auditing services for consolidated subsidiaries are validation services for the status of design and operation of internal control in contracted businesses and other services.

(Year ended February 28, 2026)
The Company’s non-auditing services consist of accounting advisory services. In addition, details of non-auditing services for consolidated subsidiaries are validation services for the status of design and operation of internal control in contracted businesses and other services.

(b) Compensation for organizations which belong to the same network (KPMG) as the auditing certified public accountants (excluding (a))

(Millions of yen)

Category	Year ended February 28, 2025		Year ended February 28, 2026	
	Compensation for audit attestation	Compensation for non-auditing services	Compensation for audit attestation	Compensation for non-auditing services
The Company	–	238	–	120
Consolidated subsidiaries	810	111	695	70
Total	810	350	695	190

(Year ended February 28, 2025)
Details of non-auditing services for the Company are advisory services for accounting and tax affairs related to the Group's strategy and other services.
In addition, details of non-auditing services for consolidated subsidiaries are support services for tax affairs and other services.

(Year ended February 28, 2026)
Details of non-auditing services for the Company are advisory services for accounting and tax affairs related to the Group's strategy and other services.
In addition, details of non-auditing services for consolidated subsidiaries are support services for tax affairs and other services.

(c) Details of other material compensation for audit attestation

None

(d) Policy for determining audit-related compensation

The Company determines audit-related compensation for auditing certified public accountants, etc. with the consent of the Audit & Supervisory Board through consultation with auditing certified public accountants, etc., comprehensively taking into account the number of auditing days, details of audits and other factors.

(e) Basis of consent to the amount of compensation, etc. for the accounting auditor by the Audit & Supervisory Board

The Audit & Supervisory Board decided to provide consent as set forth in Article 399, paragraph (1) of the Companies Act as for the amount of compensation, etc. for the accounting auditor after conducting necessary verifications on details of its audit plans, performance of duties for accounting audits, and whether the calculation base for estimates of the compensation amount is appropriate.

(4) [Compensation, etc. of Directors and Audit & Supervisory Board Members]

Fiscal year ended February 28, 2026

I. Matters regarding policies on determining the amount of compensation, etc. of Directors and Audit & Supervisory Board Members and calculation method thereof

1. Basic views on compensation for Directors and Audit & Supervisory Board Members

The Company considers the compensation system for Directors and Audit & Supervisory Board Members of the Company (in this Policy, "officers") to be "a mechanism to appropriately take risks for the sake of the continued growth of the medium- and long-term corporate value and sustainable growth of the Group, based on our basic views on corporate governance," and builds and operates the system based on the points set forth below.

○ Emphasis is placed on the link between the financial results and corporate value of the Group, and establishing a system that further increases the motivation and morale to contribute to improved financial results and increased corporate value continuously over the medium to long term.

- To secure highly capable human resources who will support enhanced corporate governance through appropriate oversight and auditing of operational execution, provide compensation levels and systems commensurate with responsibilities.
- In order to secure human resources with global experience and a high level of expertise in our business domain and further enhance our corporate value, we will establish a compensation level and compensation system that is competitive in the global human resources market.
- Ensure the objectivity and transparency of the compensation decision process, and establish a compensation system trusted by all stakeholders.
- With regard to the design of a specific compensation system for officers, continue to consider tailoring it more appropriately in light of future trends in legal systems and society.

2. Compensation levels
The levels of compensation for officers will be determined, taking into consideration various fundamentals in the business content and the business environment of the Company, with reference to the compensation levels of officers in major companies of the same size as the Company based on market capitalization and revenues, etc.

3. Compensation composition
(1) Operating Directors
(a) Compensation composition ratios
The compensation composition ratios for operating Directors (*1) are generally as follows:
Due to its operating structure, the Company's performance-based and stock-based compensation system currently applies only to persons who reside in Japan. Also, to share value with stockholders and provide further incentives toward sustainable improvements to the Company's corporate value, separately from the performance-based and stock-based compensation system, Mr. Dacus, as Representative Director, President & CEO (*2) is also eligible for restricted stock units that are based on fulfillment of commitments over a certain period.

	Fixed compensation	Performance-based compensation		Restricted stock units
		Bonuses	Performance-based and stock-based compensation	
Representative Director and Chairman	30%	30%	40%	–
President & Representative Director and CEO	13%	27%	–	60%
Other Representative Directors	35%	30%	35%	–
Directors	50%	25%	25%	–

← Monetary compensation →← Stock-based compensation →

(*1) Calculated under the assumption that performance-based compensation (bonuses) and performance-based and stock-based compensation are based on a standard compensation amount.
(*2) The basic compensation ratio of fixed compensation, performance-based compensation (bonuses), and restricted stock units for Mr. Dacus is generally set at 1:2:4.5. However,

the ratio of fixed compensation may be increased if the Company pays certain allowances to persons who reside overseas.

(b) Composition

(i) Fixed compensation

- A fixed monetary compensation commensurate with the responsibilities of each position will be paid.
- Compensation will be paid monthly during the term of office.
- After deliberation and reporting by the Compensation Committee, and based on a decision by the Board of Directors, it is possible to pay certain allowances to persons who reside overseas as part of their base compensation.
- Executive allowance according to their position may be paid based on the resolution by the Board of Directors meeting after deliberation and reporting by the Compensation Committee.

(ii) Performance-based compensation (bonuses)

- Short-term incentive compensation will be a performance-based compensation that varies based on the Company's business performance and individual evaluations, etc., for the relevant fiscal year.
- Compensation will be paid annually after the Company's business performance and individual evaluations, etc., for the relevant fiscal year have been confirmed.
- Performance-based compensation (bonuses) for Mr. Dacus, who is Representative Director, President & CEO, and those for other Directors, are designed somewhat differently considering the differences between their duties and responsibilities.

<Performance-based compensation (bonuses) for Mr. Dacus, as Representative Director, President & CEO>

- The Key Performance Indicator (KPI), percentages, and evaluation objectives related to performance-based compensation (bonuses) for Mr. Dacus will be determined by the Board of Directors. This decision by the Board of Directors will be based on reports received from the Compensation Committee, which deliberates taking into account the KPI that will be prioritized in the Company's new growth strategy and measures to reform the Company's capital structure and business, as well as the Company's previous KPI used for performance-based compensation (bonuses) indicated below.
- With regard to the coefficient for bonuses used as performance-based compensation, the Company will set a wider range of the coefficient so that bonuses will be more affected by the link to business performance.

<Performance-based compensation (bonuses) for other Directors>

- The KPIs for performance-based compensation (bonuses) are per the table below. While evaluating the cash-generating capability in the main business, for incorporating the shareholders' viewpoint, consolidated net income is also used together as a KPI.

(KPIs for performance-based compensation (bonuses))

KPI	Ratio	Purpose of evaluation	Year ended February 28, 2026 Targets	Year ended February 28, 2026 Results
(a) Consolidated operating CF (excluding financial services) (*)	60%	Evaluation of the capability of generating cash by the main business	¥747.4 billion	¥759.0 billion
(b) Consolidated net income	40%	Evaluation of the degree of achievement of budgeted net income	¥255.0 billion	¥292.7 billion

<Coefficient formula pertaining to performance-based compensation (bonuses)>

Coefficient pertaining to performance-based compensation (bonuses) = {(a) + (b)} × (c)

(a) “Consolidated operating CF (excluding financial services) (*)” related coefficient × 60%

(b) “Consolidated net income” related coefficient × 40%

(c) “Individual evaluations” related coefficient

- When evaluating KPIs, the range of compensation of Representative Directors is set wider by using different coefficients pertaining to performance-based compensation (bonuses) from other Directors, so that the compensation of Representative Directors will be more affected by the link to performance.
- The coefficient pertaining to performance-based compensation (bonuses) will vary depending on, not only an evaluation of KPI, but also individual evaluations.

(*) A management accounting figure based on NOPAT (excluding financial services)

(iii) Performance-based and stock-based compensation

- Performance-based and stock-based compensation currently applies only to Directors who reside in Japan.
- Medium- and long-term incentive compensation will be a performance-based and stock-based compensation that varies based on the Company’s business performance, management indicators, non-financial indicators, etc. (introduction of the BIP Trust system (*) as a stock-based compensation system was resolved at the Annual Shareholders’ Meeting held in May 2019).
- Performance-based and stock-based compensation will enhance sharing profits and risks with our shareholders who have medium- and long-term perspectives by providing points during the term of office based on which shares will be delivered.
- The initial covered period shall be four fiscal years starting from the fiscal year ended February 29, 2020 and the subsequent covered periods shall be per three fiscal years.
- Shares will be delivered to Directors upon their retirement.
- Points to be granted for each fiscal year will be calculated by multiplying the standard points based on their position by a coefficient pertaining to performance-based and stock-based compensation and will vary between 0% and 200% depending on the achievement level of targets, etc.
- The KPIs for performance-based and stock-based compensation are per the table below. In order to incorporate medium- and long-term shareholder perspectives, consolidated ROE and consolidated EPS are used as

indicators, and the degree of achievement of these indicators will be evaluated.

- The Company, aiming for the balance of corporate value and social value, added a target to reduce the amount of CO_2 emissions under the environmental declaration called "GREEN CHALLENGE 2050" made in May 2019, as an indicator of the KPIs for performance-based and stock-based compensation from the fiscal year ended February 28, 2021.
- The degree of improvement in employee engagement was added as the KPI for performance-based and stock-based compensation in the fiscal year ended February 28, 2023 to further promote the creation of an environment that allows various human resources to exercise their abilities, and to ensure the strengthening of corporate competitiveness through increased employee motivation to contribute.

(*) A BIP (Board Incentive Plan) trust is an incentive plan for officers established with reference to a performance share plan and a restricted share compensation plan in the U.S.

(KPIs for performance-based and stock-based compensation)

KPI	Ratio	Purpose of evaluation	Year ended February 28, 2026 Targets	Year ended February 28, 2026 Results
(a) Consolidated ROE	60%	Evaluation of profitability against equity	6.9%	7.6%
(b) Consolidated EPS	40%	Evaluation of net income from shareholders' viewpoint	¥101.96	¥118.81
(c) CO_2 emissions	See the formula below	Evaluation of the degree of promotion of reducing the environmental burden	1,820,431 t	1,626,302 t

<Coefficient formula pertaining to performance-based and stock-based compensation>

Coefficient pertaining to performance-based and stock-based compensation = {(a) + (b)} × {(c) + (d)}

(a) "Consolidated ROE" related coefficient × 60%

(b) "Consolidated EPS" related coefficient × 40%

(c) "CO_2 emissions" related coefficient

(d) "Employee engagement" related coefficient

- When evaluating KPIs, the range of compensation of Representative Directors is set wider by using different coefficients pertaining to performance-based and stock-based compensation from other Directors, so that the compensation of Representative Directors will be more affected by the link to performance.

Notes:
1. The CO_2 emissions target and result are FY2024 data.
2. The CO_2 emissions target for every fiscal year is calculated on the assumption that emissions are reduced evenly each year toward the CO_2 emissions target of FY2030 set forth in "GREEN CHALLENGE 2050" (to achieve 50% reduction in emissions from the Group's store operations compared to FY2013).
3. "Employee engagement" related coefficient is determined by the Compensation Committee's overall evaluation.

(iv) Restricted stock units

- The restricted stock units are applicable only to operating Directors who reside overseas (Mr. Dacus, as Representative Director, President & CEO); thus, there will not be an overlap between the compensation and the performance-based and stock-based compensation mentioned in item (iii) above.

- Restricted stock units (Restricted Stock Unit Plan (*)) will be delivered as incentive-based compensation conditional on fulfillment of commitments over a certain period of time.
- In the restricted stock unit plan, units for delivery of shares will be provided to eligible Directors during the relevant Director's term in office, to share value with shareholders and to provide further incentives toward sustainable improvements to the Company's corporate value.
- The initial period of eligibility will be three fiscal years starting from the fiscal year ended February 28, 2026.
- The delivery, etc. of shares, etc. to eligible Directors shall be conducted based on a resolution to be passed at the Board of Directors meeting held after the adjournment of the first Annual Shareholders' Meeting convened after expiration of the aforementioned period of eligibility.

(*) A restricted stock unit plan is a system of stock compensation through which eligible Directors are delivered a number of units determined by the Board of Directors in advance. Conditional on continuous fulfillment of duties as eligible Directors, a specified number of shares, or the cash equivalent, is issued to eligible Directors based on the number of vested units after the end of a specified period. Such specific period is the period from the Company's first Annual Shareholders' Meeting convened during the number of fiscal years specified by the Board of Directors to the adjournment of the first Annual Shareholders' Meeting convened after the conclusion of said number of fiscal years.

(c) Malus and clawback

- If a Director who is eligible for each type of compensation engages in serious misconduct or commits a violation, the Board of Directors passes a resolution to change the Company's past financial statements due to material errors in accounting or accounting fraud, or any similar events to be designated by the Board of Directors, depending on the nature of the relevant compensation, occurs, the Company may choose not to deliver or provide all or a part of each type of compensation (malus) or may request the return of all or a part of each type of compensation delivered or provided to that Director (clawback).

(2) Outside Directors and Audit & Supervisory Board Members

(a) Compensation composition ratios

The compensation composition ratios for Outside Directors and Audit & Supervisory Board Members will be fixed compensation only as described in (b) below.

(b) Composition

Fixed compensation

- With an emphasis on further strengthening the independence of Outside Directors and Audit & Supervisory Board Members from management, the compensation of Outside Directors and Audit & Supervisory Board Members consists only of fixed compensation. Performance-based compensation (bonuses and stock-based compensation) will not be paid to Outside Directors and Audit & Supervisory Board Members.
- Compensation will be paid monthly during the term of office.
- Executive allowance according to their position may be paid based on the resolution by the Board of Directors meeting after deliberation and reporting by the Compensation Committee.

4. Compensation governance

(1) Compensation Committee

The Company has established a compensation committee (in this Policy, the "Compensation Committee") to ensure objectivity and transparency in the procedures for deciding the compensation of officers, etc. (referring in this Policy to Directors, Audit & Supervisory Board Members, and executive officers). The committee's chair and the majority of its members are Independent Outside Directors, and all of its members are Directors.

(2) Method of determining compensation

This Policy, a basic policy on compensation of officers, has been determined by the Board of Directors through deliberations by the Compensation Committee. Based on

this Policy, the amount of compensation of each Director is deliberated by the Compensation Committee in accordance with the evaluation of each Director's function, degree of contribution, and the Group's results, as well as the degree of achievement of KPIs, and then determined by the Board of Directors based on the reports submitted by the Compensation Committee.
The compensation of each Audit & Supervisory Board Member is determined through discussions by the Audit & Supervisory Board Members.

(3) Details of activities of the Board of Directors and the Compensation Committee of the Company in the process of determination of amounts of compensation of officers for the latest fiscal year
The Compensation Committee held twelve meetings during the fiscal year under review. The Committee members deliberated performance-related coefficient and appropriate levels of performance-linked compensation of officers, such as bonuses and stock compensation and reported to the Board of Directors. Then these matters were resolved by the Board of Directors.

5. Compensation limit for Directors and Audit & Supervisory Board Members
The amount of compensation of officers is decided within the following compensation limits, determined at the shareholders' meeting.
The Company has already abolished the severance payment system for Directors and Audit & Supervisory Board Members, and no severance payments will be paid.

(1) Directors

・ Monetary compensation
Not more than ¥2.0 billion per year (and to within ¥0.5 billion per year for Outside Directors—neither limit includes employee salaries paid to Directors who serve concurrently as employees)
(Resolved at the 20th Annual Shareholders' Meeting held on May 27, 2025)

・ Shares
Performance-based and stock-based compensation
3 fiscal years/not more than ¥1,200 million (not more than ¥400 million per fiscal year)
Limit on the points granted per fiscal year: 240,000 points (1 point = 1 share of common stock)
(Resolved at the 17th Annual Shareholders' Meeting held on May 26, 2022, separately from monetary compensation. Although the limit on the points granted per fiscal year was 80,000 points, which was resolved at the same Meeting, it is adjusted to 240,000 points in line with a three-for-one share split of common stock effective on March 1, 2024.)

Restricted stock units
500,000 shares per fiscal year (however, after the end of the appointment term, the Company may deliver the total number of common shares corresponding to that term)
In the case of (1) delivery of shares, etc. without consideration, the maximum amount will be an amount calculated by multiplying the amount calculated based on the closing price of the common shares in the Company ("Common Shares") on Tokyo Stock Exchange, Inc. on the business day immediately preceding the day on which the Company's Board of Directors passes a resolution concerning this system to issue or dispose of Common Shares ("Company Stock Closing Price") or another fairly appraised amount per share, by the number of Common Shares to be delivered to eligible Directors. In the case of (2) a contribution in kind, the maximum amount will be the amount calculated by multiplying the per-share amount to be paid, which is to be determined by the Company's Board of Directors based on the Company Stock Closing Price and is to be an amount that is within a scope that is not particularly advantageous to the eligible Directors who receive Common Shares by the number of Common Shares to be delivered to eligible Directors.
(Resolved at the 20th Annual Shareholders' Meeting held on May 27, 2025)

(2) Audit & Supervisory Board Members

・ Monetary compensation
Not more than ¥200 million per year
(Resolved at the 14th Annual Shareholders' Meeting held on May 23, 2019)

6. Reasons the Board of Directors has deemed that compensation, etc. of each Director pertaining to the fiscal year ended February 28, 2026 aligns with the determination policy
The determination of details of compensation, etc. of each Director pertaining to the fiscal year ended February 28, 2026 is made by the Board of Directors, which receives a report from the Compensation Committee, and the Board of Directors has determined that it is in line with the determination policy as the decision is based on the report by the Compensation Committee, which is an advisory body to the Board of Directors, after deliberation by the Compensation Committee in accordance with the evaluation of each Director's function, degree of contribution, and the Group's results, as well as the degree of achievement of KPIs based on the policy on compensation of officers.

II. Total amount of compensation, etc. for each officer category, total amount of compensation, etc., by type, and number of eligible officers

Classification of Directors/Audit & Supervisory Board Members	Number of eligible Directors/Audit & Supervisory Board Members	Total amount of compensation, etc. (Millions of yen)	Total amount of compensation, etc., by type (Millions of yen)				
			Fixed compensation	Performance-based compensation (Note 9)			
				Bonuses	Stock-based compen-sation (BIP Trust)	Restricted stock units (RSU) (Note 8)	Non-monetary compen-sation, etc., among those listed on the left
Directors (excluding Outside Directors)	8	2,022	399	538	185	900	1,085 (Note 11)
Outside Directors	12	259	259	–	–	–	–
Audit & Supervisory Board Members (excluding Outside Audit & Supervisory Board Members)	3	84	84	–	–	–	–
Outside Audit & Supervisory Board Members	3	71	71	–	–	–	–

Notes:
1. The above includes three Directors (including one Outside Director) and one Audit & Supervisory Board Member who retired at the conclusion of the 20th Annual Shareholders' Meeting held on May 27, 2025, one Internal Director who resigned on March 9, 2025, and two Outside Directors who resigned on March 11, 2025.
2. With respect to one person who assumed office as Representative Director and President from Outside Director as of May 27, 2025, the portion corresponding to the period of service as Outside Director is stated as Outside Director, and the portion corresponding to the period of service as Representative Director and President is stated as Director (excluding Outside Directors).
3. The amounts of compensation, etc. of Directors shown above do not include amounts paid as salaries for employees to Directors who serve concurrently as employees.
4. It was resolved at the 20th Annual Shareholders' Meeting held on May 27, 2025 that the annual amount of compensation paid to Directors shall not exceed ¥2 billion (including an annual amount not exceeding ¥500 million for Outside Directors; not including amounts paid as salaries for employees who also serve as Directors). The number of Directors related to the said resolution of the Annual Shareholders' Meeting is 13.
5. The 17th Annual Shareholders' Meeting held on May 26, 2022 resolved as follows regarding compensation amounts for Directors' stock-based compensation (BIP Trust). The number of Directors related to the said resolution of the Annual Shareholders' Meeting is 4.

   3 fiscal years/not more than ¥1,200 million (not more than ¥400 million per fiscal year)

   Limit on the points granted per fiscal year: 80,000 points (1 point = 1 share of common stock)

The number of points to be granted per fiscal year has been adjusted to no more than 240,000 points following a three-for-one share split of common stock on March 1, 2024.

6. The 20th Annual Shareholders' Meeting held on May 27, 2025 resolved as follows regarding compensation amounts for Directors' restricted stock units (RSU). The number of Directors related to the said resolution of the Annual Shareholders' Meeting is 13.

   500,000 shares per fiscal year (however, after the end of the appointment term, the Company may deliver the total number of common shares corresponding to that term)

   In the case of (1) delivery of shares, etc. without consideration, the maximum amount will be an amount calculated by multiplying the amount calculated based on the closing price of the common shares in the Company ("Common Shares") on Tokyo Stock Exchange, Inc. on the business day immediately preceding the day on which the Company's Board of Directors passes a resolution concerning this system to issue or dispose of Common Shares ("Company Stock Closing Price") or another fairly appraised amount per share, by the number of Common Shares to be delivered to eligible Directors. In the case of (2) a contribution in kind, the maximum amount will be the amount calculated by multiplying the per-share amount to be paid, which is to be determined by the Company's Board of Directors based on the Company Stock Closing Price and is to be an amount that is within a scope that is not particularly advantageous to the eligible Directors who receive Common Shares by the number of Common Shares to be delivered to eligible Directors.
7. It was resolved at the 14th Annual Shareholders' Meeting held on May 23, 2019 that the annual amount of compensation paid to Audit & Supervisory Board Members shall not exceed ¥200 million. The number of Audit & Supervisory Board Members related to the said resolution of the Annual Shareholders' Meeting is 5.
8. The amount of restricted stock units (RSU) is calculated in the fiscal year under review based on the number of units granted for the three fiscal years from the fiscal year ended February 28, 2026 through the fiscal year ending February 29, 2028 as the covered period, and is calculated by multiplying the total number of the Company's common shares to be delivered if all such units vest by the fair value at the time of grant of such units. The restricted stock units expense for the fiscal year ended February 28, 2026 is ¥225 million.
9. The amount of performance-based compensation above includes the amount of provision for bonuses for directors (and other officers), provision for share awards for directors (and other officers) and restricted stock units expenses in the fiscal year under review.
10. Stock-based compensation (BIP Trust) is for 5 Directors, including 1 internal Director who retired. Furthermore, restricted stock units (RSU) were granted to one (1) Director (excluding Outside Directors).
11. The total amount of non-monetary compensation, etc. for Directors (excluding Outside Directors) consists of stock-based compensation (BIP Trust) of ¥185 million and restricted stock units (RSU) of ¥900 million.

III. Total amount of consolidated compensation, etc. for each officer

Name	Classification of Directors /Audit & Supervisory Board Members	Company category	Total amount of compensation, etc., by type (Millions of yen)							Total amount of consolidated compensation, etc. (Millions of yen) (Note 1)
			Fixed compensation	Performance-based compensation					Severance pay	
				Short-term incentive (bonuses) (Note 2)	Long-term incentive			Non-monetary compensation, etc., among those listed on the left (Note 4)		
					Monetary compensation (Note 2)	Stock-based compensation (BIP Trust) (Note 2)	Restricted stock units (RSU) (Note 3)			
Junro Ito	Director	The Company	103	103	–	146	–	146	–	354
Stephen Hayes Dacus	Director	The Company (Note 5)	172	400	–	–	900	900	–	1,472
Shigeki Kimura	Director	The Company	40	45	–	52	–	52	–	182
	Director	SEVEN-ELEVEN JAPAN CO., LTD.	10	16	–	17	–	17	–	
Joseph Michael DePinto	Director	The Company	1	–	–	–	–	–	–	13,417
	Director	7-Eleven, Inc. (Note 6)	291	99	2,656	–	–	–	10,368	

Notes: 1. Information is provided only on persons whose total amount of consolidated compensation, etc. is ¥100 million or more.

2. The amount of the above short-term incentive (bonuses), monetary compensation within the long-term incentive, and stock-based compensation (BIP Trust) includes the amount of provision for bonuses for directors (and other officers) and provision for share awards for directors (and other officers) in the fiscal year ended February 28, 2026.

3. The amount of restricted stock units (RSU) is calculated in the fiscal year under review based on the number of units granted for the three fiscal years from the fiscal year ended February 28, 2026 through the fiscal year ending February 29, 2028 as the covered period, and is calculated by multiplying the total number of the Company's common shares to be delivered if all such units vest by the fair value at the time of grant of such units. The restricted stock units expense for the fiscal year ended February 28, 2026 is ¥225 million.
4. The total amount of non-monetary compensation, etc., is all stock-based compensation (BIP trust) or restricted stock units (RSU).
5. The amount of compensation for Mr. Stephen Hayes Dacus, who became Representative Director, President & CEO from Outside Director of the Company as of May 27, 2025, is stated as the total of the compensation amounts as Outside Director and as Representative Director, President & CEO.
6. Joseph Michael DePinto, who resigned as a Director of the Company effective March 9, 2025, was paid compensation as Director & CEO of 7-Eleven, Inc. in addition to his compensation as a Director of the Company (fixed compensation only) for the fiscal year ended February 28, 2026.
A summary of his compensation as Director & CEO of 7-Eleven, Inc. is as follows. The compensation structure of 7-Eleven, Inc.'s CEO consists of "fixed compensation," which is fixed pecuniary compensation, and "short-term incentives" and "long-term incentives," which are performance-based pecuniary compensation, emphasizing the relationship between performance and corporate value and aiming to increase morale and the motivation to contribute to the mid- to long-term enhancement of 7-Eleven, Inc.'s performance and corporate value. In order to encourage the achievement of performance targets, more than 90% of the total compensation is performance-based compensation. Setting the short-term incentives for one year and the long-term incentives for three years as an evaluation period, we evaluate their performance based on their target achievement levels and value increased levels. The evaluation period for the short-term incentives and long-term incentives paid in 2025 were 2024 and from 2022 to 2024 respectively. Compensation is paid in local currency. In 2025, fixed compensation of U.S.$1,950 thousand, short-term incentives of U.S.$664 thousand, and long-term incentives of U.S.$17,754 thousand were paid and converted to yen at ¥149.61 to the dollar. The compensation levels of 7-Eleven, Inc.'s CEO refer to the compensation levels in the U.S. market, and factor in the knowledge of external evaluation organizations, from the perspective of securing and retaining talented personnel, etc. The amount of compensation is ultimately determined by resolution of the board of directors of 7-Eleven, Inc., after discussion by the Company's Compensation Committee, to secure objectivity and transparency in the decision-making process. In addition, in the "Severance pay" column, the amount of severance pay (a special allowance paid upon termination of a mandate agreement or employment agreement) that 7-Eleven, Inc. will pay to Mr. Joseph Michael DePinto in accordance with the existing agreement between the parties upon his retirement as Director & CEO of 7-Eleven, Inc. is stated. The impact on profit and loss for FY2025 is ¥5,635 million, of which ¥2,977 million is recorded in Other of special losses.

(Year ending February 28, 2027)

Matters regarding policies on determining the amount of compensation, etc. of Directors and Audit & Supervisory Board Members and calculation method thereof

An overview of the policy for determining the details of compensation, etc. for each individual Director of the Company, as revised by the Board of Directors at its meeting held on April 16, 2026, subject to the approval of resolutions regarding the revision of compensation for Directors, the partial revision of stock-based compensation for Directors (excluding Outside Directors), and the introduction of a stock-based compensation plan for Outside Directors at the 21st Annual Shareholders' Meeting scheduled to be held on May 27, 2026, is as in the following Executive Compensation Policy.

○ Purpose of formulating the new officer compensation system

With the launch of the new management structure from the shareholders' meeting in May 2025, in August 2025 the Company announced the Transformation of 7-Eleven, which is our future strategy including business transformation and its execution plan, and has set new Group management policies and management targets. In order to decisively promote this Transformation Plan and enhance the Company's corporate value, it is essential to ensure a structure in which executive Directors are deeply committed to management; therefore, from 2026 the Company will review the officer compensation system and revise it to compensation content that functions as a sound incentive toward the Company's sustainable growth, while ensuring objective and transparent procedures.

In establishing the new officer compensation system this time, based on the fact that the above Transformation of 7-Eleven sets forth the establishment of globally integrated management processes and frameworks as initiatives toward growth, the Company will formulate globally integrated common compensation guidelines for the officer compensation systems of the Company and major operating subsidiaries, and will formulate the officer compensation systems

of each company in accordance with the functions and roles in Group management of the Company and major operating subsidiaries.

Executive Compensation Policy

1. Basic Philosophy on Executive Compensation

The Company's compensation plan for Directors and Audit & Supervisory Board Members (collectively, "Executives") is based on our "Basic Policy on Corporate Governance." The Company positions this plan as a mechanism to encourage appropriate risk-taking in pursuit of sustained medium-to-long-term Group corporate value growth. The plan shall be established and operated in accordance with the following basic policies.

(1) Basic Policy on Executive Compensation

The Company shall establish its executive compensation plan based on an integrated compensation framework (the "Global Executive Compensation Framework") developed for the Company and its key operating subsidiaries: Seven-Eleven Japan Co., Ltd. ("SEJ"), 7-Eleven, Inc. ("SEI"), and 7-Eleven International LLC ("7IN"). While using this as a common foundation, specific plans for the Company and its key operating subsidiaries shall be designed according to their respective functions and roles within the Group's management.

(2) Compensation Philosophy by Position

(a) Executive Directors

Compensation plans for our Executive Directors of the Company shall be established and operated based on the Global Executive Compensation Framework. Compensation plans will be designed ensuring Executive Directors of the Company and Executives of key operating subsidiaries work together with a shared sense of purpose regarding strategic objectives and foster mutual cooperation while enhancing transparency and fairness in setting compensation with a view to creating corporate value of the medium-to-long term. The Global Executive Compensation Framework shall be operated based on the following Guiding Principles of Compensation.

《Guiding Principles of Compensation》

○ Attracting and Retaining Premier Executive Talent
○ World-Class Long-Term Value Creation
○ Engaging Leaders Around Strategic Priorities
○ Pay-for-Performance Alignment
○ Alignment with Broad Stakeholder Interests
○ Encouraging Appropriate Risk Management
○ Transparency and Accountability

(b) Outside Directors

The Company's Outside Directors oversee and advise the Board from an objective and independent standpoint, drawing on their individual expertise and broad management experience in a manner that is free from any potential conflicts of interest with general shareholders. Given this role in ensuring the soundness and appropriateness of the Board of Directors' decision-making and business execution, outside director compensation is set at a level commensurate with the significance of their responsibilities and is not linked to performance.

(c) Audit & Supervisory Board Members

The basic policy of our Audit & Supervisory Board Members is to ensure the sound and sustainable growth of the Company and its group companies and to establish high-quality corporate governance practices that meet societal expectations. They conduct audits

based on plans that prioritize the establishment of internal control systems, compliance, and risk management. Accordingly, their compensation shall consist solely of fixed compensation.

2. Compensation Levels

Executive compensation levels shall be determined referencing compensation practices of major companies of similar size in terms of market capitalization and revenue, while considering various fundamentals in our business and operating environment.

In determining compensation levels for Executive Directors, the Company selects appropriate benchmarking peer groups for individuals or groups of Executive Directors based on the following:

・Similarity in industry of the relevant business entity
・Similarity in scale of the relevant business entity
・The talent market where the relevant Executive Director is sourced
・The scope of authority and responsibility of the relevant Executive Director
・Where more careful consideration is warranted, the Company will consider validating compensation levels against additional peer groups, rather than relying solely on a single peer group as the basis for benchmarking.

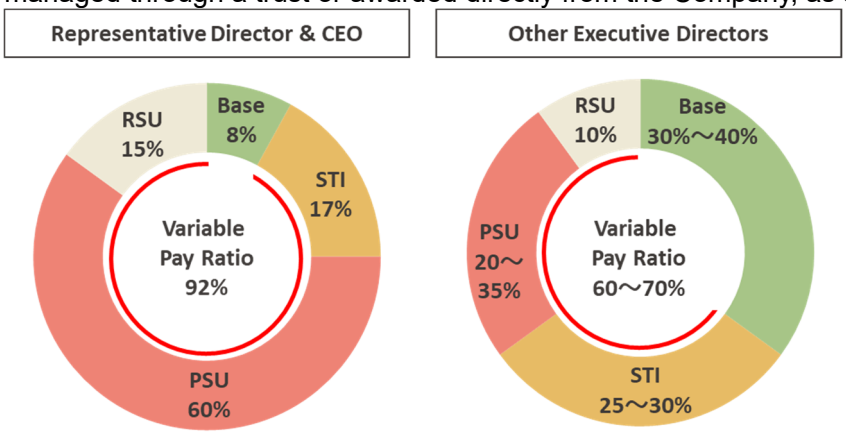
For the Representative Director, President and CEO, global retailers are used as the peer group. The Compensation Committee shall appropriately select the constituent companies of this global retail peer group based on their performance and other factors.

3. Composition of Compensation

(1) Executive Directors

(a) Compensation Mix Ratio

The ratio of compensation mix of Executive Directors (*1) is generally as follows. Performance-linked stock plan whereby units are converted to shares after vesting (Performance Share Units: PSUs) and Time/tenure-based stock plan whereby units are converted to shares after vesting (Restricted Stock Units: RSUs) shall be managed through a trust or awarded directly from the Company, as appropriate.



(*1) Represents target pay for Short Term Incentive and PSUs. Where allowances are paid to Directors who are non-residents of Japan or in connection with specific roles, the proportion of fixed compensation may be higher than the mix shown in the table above.

(b) Compensation Components

(i) Fixed Compensation

・Fixed cash compensation set for each position reflecting scope of responsibilities.
・Paid in regular monthly installments during the term of office.
・Additional allowances as a part of base salaries for Directors who are non-residents of Japan may be payable based on the Board of Directors' decision following the Compensation Committee's deliberations and recommendations.

・Position-based allowances may be paid based on the Board of Directors' decision following the Compensation Committee's deliberations and recommendations.

(ii) Variable Compensation

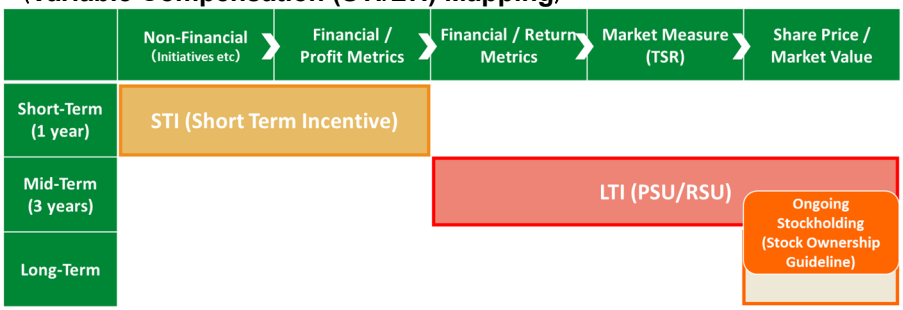
〇Design Principles of Variable Compensation

The Company's variable compensation plans have been designed to strongly incentivize and motivate the Company's Executive Directors to achieve "World-Class Long-Term Value Creation" as defined in the Global Executive Compensation Framework.

The Group aims to create corporate value over the long-term through holistic initiatives that span different time horizons. These include strengthening the Company's "ability to earn" to achieve short-term organic growth through expansion of the CVS business and enhancement of its profitability; achieving mid-to-long-term growth through improvements in capital efficiency driven by strategic capital allocation; and maintaining and continuing to enhance the corporate value thus generated. The Company's variable compensation plans contextualize these management actions across short-, medium-, and long-term time horizons through a three-tier incentive structure comprising Short Term Incentives, long-term incentives (PSU and RSU), and Stock Ownership Guidelines - with the aim of clarifying the strategic priorities of each time horizon and ensuring Executive Directors are taking action to meet those priorities.

The Company's variable compensation plans also ensures an appropriate link between corporate value and performance-linked compensation which thereby ensures accountability, objectivity and transparency of the Company's compensation plan.

〈Variable Compensation (STI/LTI) Mapping〉



※STI: Short Term Incentive, LTI: Long Term Incentive

Moreover, the same design principles described above, in accordance with the Global Executive Compensation Framework, will also be applied to the design of compensation for executives that are responsible for the management of the Company's key operating subsidiaries (SEJ, SEI and 7IN). The Company has adopted TSR (Total Shareholder Return) as a KPI (Key Performance Indicator) for the long-term incentive plan, and the same TSR assessment has also been incorporated into the long-term incentive plans of the Company's key operating subsidiaries. In doing so, awareness toward corporate value creation of the entire Group is shared across the Group's executives at the subsidiary level who are involved in business operations, thereby securing a collaborative framework that promotes common strategic goals and mutual cooperation.

Specific design considerations are as follows:

〈Short Term Incentives〉

KPIs assessed in the Short Term Incentive include consolidated revenues from operations, consolidated operating income in addition to strategic objectives and non-financial metrics with a view to incentivize Executive Directors to manage day-to-day activities with a view to strengthen the Group's "ability to earn."

〈PSU (performance-linked stock plan whereby units are converted to shares on vesting)〉

The PSU plan is the most important component within the Company's variable compensation plan. To assess management's contribution toward mid-to-long-term corporate value creation, including mid-to-long-term improvement in capital efficiency, the Company has adopted as KPIs consolidated EBITDA, consolidated ROIC, and relative TSR as an evaluation of performance against the external market Given the importance of enhancing corporate value during the Company's transformation period, relative TSR is given the highest weighting for the PSU performance assessment. Moreover, the Company's TSR performance is evaluated relative to two defined groups – TOPIX (dividends readjusted) and a global retail peer group. The purpose of this approach is to strongly instill in management the importance of creating expectations of corporate value creation through the steady progress of the transformation, and the mindset that the Company must achieve growth that outperforms both domestic listed companies and global retailers.

〈RSU (Time/tenure-based stock plan whereby units are converted to shares on vesting) and Stock Ownership Guidelines〉

RSU units are granted at a fixed value each financial year without any performance hurdles to promote the sharing of profits and risks with shareholders on an ongoing basis. Stock Ownership Guidelines which require Executive Directors to retain – without selling – the Company's shares until a prescribed guideline level is reached, have also been put in place. This serves to clarify the commitment of Executive Directors to sustain and further enhance the outcomes of corporate value creation over the long-term, as well as their accountability to shareholder value.

Based on the above, the variable compensation of each Executive Director shall be structured in accordance with the following principles.

○Target setting and evaluation

Goals for KPIs are set with sufficient stretch to ensure targets are appropriately challenging and geared toward meeting stakeholder expectations (including shareholders and investors) to create value. In parallel, design elements that encourage short-termism or excessive risk-taking are avoided.

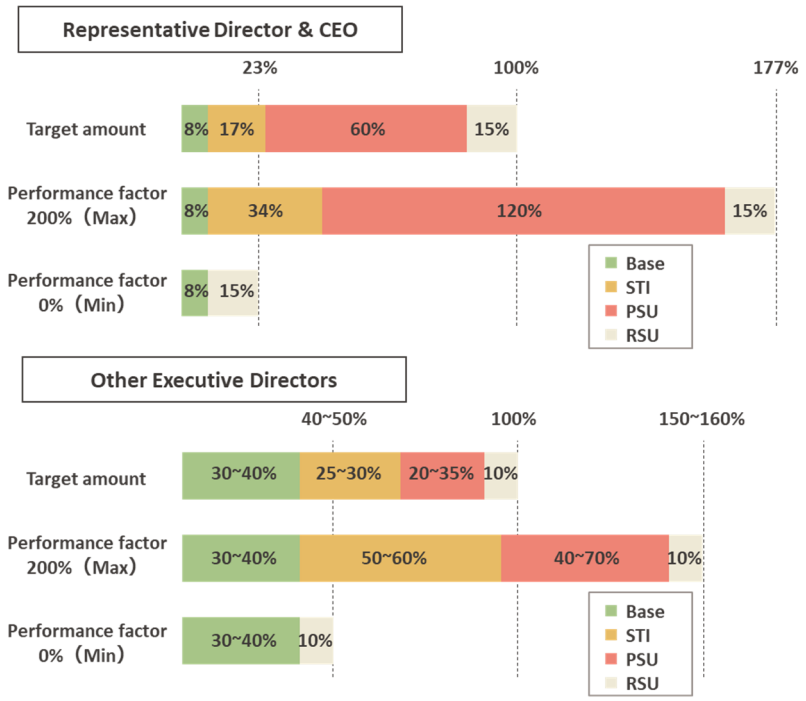
○Payout ranges for Short Term Incentive and PSU

The payout range for both Short Term Incentive and PSUs are set at 0~200% (The range reflects the variation from the target amount for Short Term Incentive, and from the target number of units for PSUs.)

The below figure illustrates total compensation for cases where variable pay components payout at minimum or maximum.

〈Illustration of compensation in minimum and maximum payouts scenarios〉

The compensation plan is designed to strengthen the link between changes in corporate value and award payouts, thereby ensuring accountability and objectivity across the overall compensation program. Note that the ratio of PSU・RSU below may also vary based on fluctuations in stock price.



○Discretionary adjustment at end of service period

To ensure the effectiveness of incentive plans, the Board of Directors will retain the discretion to adjust the final payouts for incentive plans based on the recommendations of the Compensation Committee following careful discussion of the impact of special circumstances. These may include unforeseen changes in the business environment or extraordinary gains / losses that impact the payouts of variable compensation components

(ii-1) Short Term Incentive

- Short Term Incentive compensation will be performance-linked cash compensation that varies based on the Company's business performance and individual evaluations, etc., for the relevant fiscal year.
- Compensation will be paid annually after the Company's business performance and individual evaluations, etc., for the relevant fiscal year have been confirmed.
- The KPIs for the Short Term Incentive are as set out in the table below. These KPIs focus on the growth and profitability of the Group's businesses during the relevant fiscal year, as well as qualitative initiatives and non-financial metrics which assess initiatives specific to each Executive Director.
  - "Employee Engagement Improvement" is employed as a non-financial KPI with the aim (i) of further promoting an environment in which diverse talent can fully demonstrate their abilities, and (ii) of strengthening corporate competitiveness by enhancing employees' motivation to contribute.
  - As a company seeking to achieve both a sustainable society and sustainable corporate growth, the Company added the CO_2 emissions reduction targets set forth in our environmental declaration "GREEN CHALLENGE 2050," formulated in May 2019, as KPIs for performance-linked stock-based compensation starting from fiscal year 2020. However, in connection with the Group restructuring implemented in September 2025, the Company is currently reviewing the CO_2 emissions reduction targets and related matters. Once such review is finalized, the revised "progress in promoting initiatives to reduce CO_2 emissions and other environmental impacts" will be evaluated as a non-financial KPI for Short Term Incentives.

（KPIs for Short Term Incentives）

KPI	Weight	Evaluation Objectives
(a) Consolidated Revenues from Operations	35%	Evaluates annual business growth of the entire Group
(b) Consolidated Operating Income	35%	Evaluates annual business profitability of the entire Group
(c) Individual Performance	25%	Evaluates each Executive Director's annual progress on strategic objectives
(d) Non-financial Score(*)	5%	Evaluates the level of improvement in employee engagement, the progress in promoting initiatives to reduce CO_2 emissions and other environmental impacts, and other non-financial indicators

(*) Overall Evaluation by the Compensation Committee

＜Calculation Formula for Short Term Incentives＞

Performance Factor for Short Term Incentives＝(a)＋(b)＋(c)＋(d)

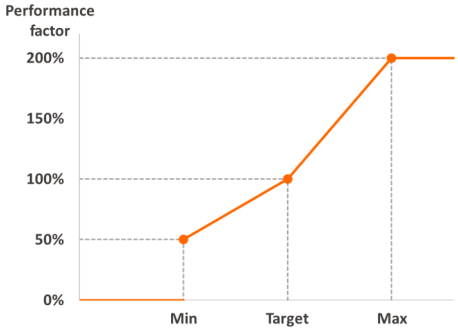
(a)「Consolidated Revenues from Operations」-linked Factor × 35%

(b)「Consolidated Operating Income」-linked Factor × 35%

(c)「Individual Performance」-linked Factor× 25%

(d)「Non-financial Score」-linked Factor × 5%

＜Illustration of the Performance-Linked Mechanism for Consolidated Revenue from Operations and Consolidated Operating Income＞



・The payout for Short Term Incentives ranges from 0% to 200% of the target amount.

(ii-2) PSU (Performance-linked stock plan whereby units are converted to shares after vesting, Performance Share Units)

- The PSU is a performance-linked medium to long-term stock incentive compensation plan that is variable based on corporate performance, management metrics and other relevant factors.
- Units are granted to directors annually. Units vest upon completion of a service period spanning three consecutive years, subject in principle to continued service as a director during the service period, at which point units are converted to ordinary shares of the Company. The initial service period shall run from the conclusion of the 2026 Annual General Meeting of Shareholders through the conclusion of the Annual General Meeting of Shareholders scheduled for 2029, with units granted annually (overlapping structure).
- Vesting shall, in principle, occur after the expiration of the service period (3-years) (cliff vesting).
- If a director retires before the end of the service period, units will in principle be forfeited; however, in the event of retirement due to death or other good reason, vesting may be accelerated and the number of units to be vested may be

reasonably adjusted as necessary.

- In the event of an organizational restructuring, etc., vesting may be accelerated; however, vesting shall not be triggered solely by the organizational restructuring, etc., itself. Vesting is triggered only if the director also loses his or her directorship or a designated position as a result of the organizational restructuring, etc. (so-called “double trigger” vesting).
- The KPIs for the performance-linked stock compensation (PSU) are set forth in the table below.

（KPIs for PSU）

KPI	Weitght	Evaluation Objectives
(a) Consolidated EBITDA	25%	Evaluates medium- to long-term growth in the scale of profits and cash flow generated by the business
(b) Consolidated ROIC	25%	Evaluates medium- to long-term improvement in the efficiency of profits generated by the business relative to invested capital
(c) Relative TSR (vs. TOPIX Total Return Index)	25%	Evaluates the Company’s relative performance in the domestic stock market over the medium to long term
(d) Relative TSR (vs. Global Retail Peers)	25%	Evaluates the Company’s relative performance against global retailers over the medium- to long-term

＜Calculation Formula for PSU＞

PSU Performance Factor＝(a)＋(b)＋(c)＋(d)

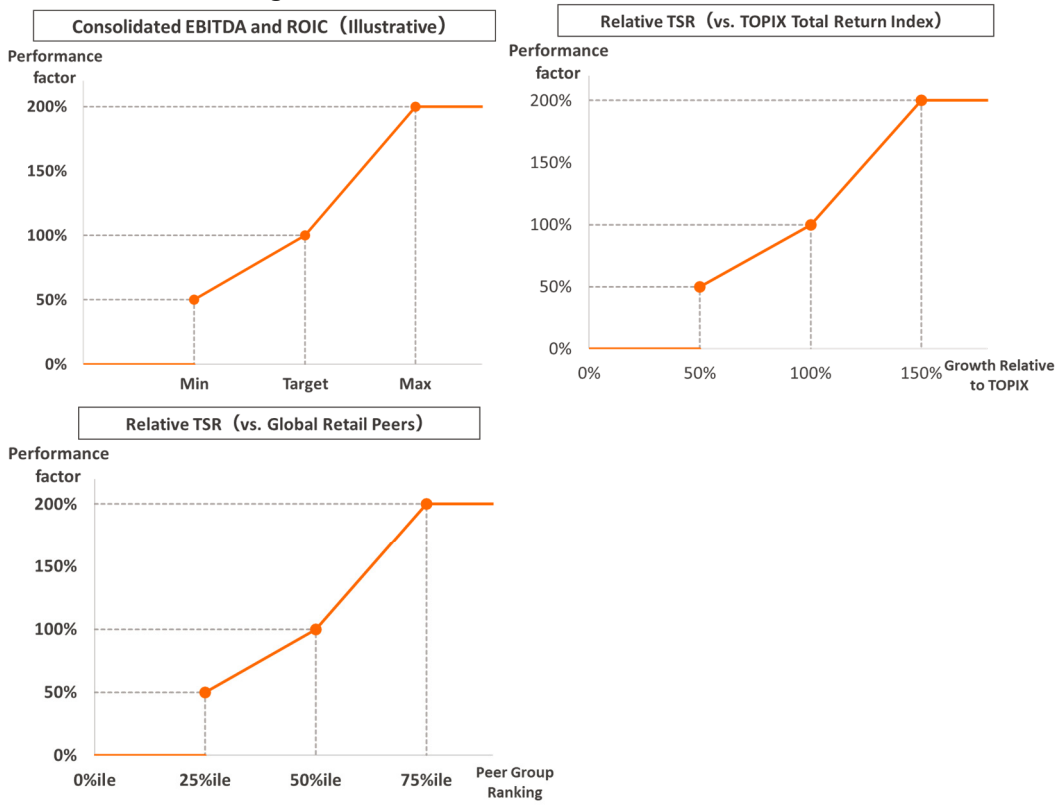
(a)「Consolidated EBITDA」-linked Factor × 25%

(b)「Consolidated ROIC」-linked Factor × 25%

(c)「Relative TSR（vs. TOPIX Total Return Index）」-linked Factor × 25%

(d)「Relative TSR（vs. Global Retail Peers）」-linked Factor × 25%

〈 Performance-Linkage Mechanism for Each KPI 〉

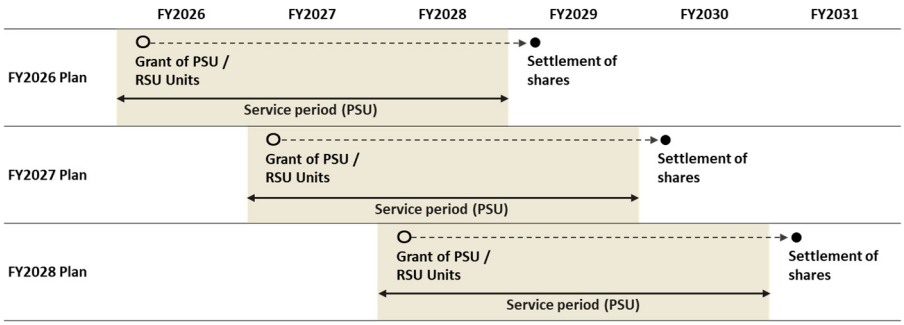


＊The global retail peer group shall be selected by the Compensation Committee based on the performance and other relevant factors of the constituent companies.

(ii-3) RSU (Time/Tenure-Based Stock Plan Whereby Units are Converted to Shares After Vesting)

- To promote continuous share ownership and alignment with shareholder value during tenure, this is structured as a time/tenure-based stock plan conditioned on continued service throughout the applicable service period.
- The initial service period runs from the close of the 2026 AGM to the close of the AGM scheduled for 2029. Units are granted annually on an overlapping basis.
- Vesting occurs, in principle, in a single lump sum upon completion of the service period (3-years).
- If a director leaves before the end of the service period, unvested units are generally forfeited. However, in the case of death or other good reason for departure, vesting may be accelerated, with the number of vested units adjusted as reasonably appropriate.
- In the event of a organizational restructuring, etc., vesting may be accelerated; however, vesting does not occur solely on account of the restructuring, etc. Vesting is triggered only if the director also loses his or her directorship or a designated position as a result of the restructuring, etc. (i.e., “double trigger” vesting).

〈Illustration of the PSU・RSU grant〉



(c) Stock Ownership Guidelines

To ensure long-term and sustained alignment of interests with shareholders, the Company has established Stock Ownership Guidelines as shown in the table below. Executive Directors are expected to maintain holdings at or above the target ownership levels throughout their tenure, even after the target has been reached.

(Stock Ownership Guidelines)
Target ownership levels are to be achieved within 5 years of appointment (or, for Executive Directors in office as of the effective date of these Guidelines, within 5 years from such effective date). For the purpose of measuring compliance, unvested RSUs that are considered substantially equivalent to actual shareholdings may be included.

	Target Ownership Level
Representative Director, President & CEO	5x annual base salary
Other Executive Directors	1x annual base salary

(d) Malus & Clawback

If a director engages in serious misconduct or violations, or if the Board of Directors resolves to restate financials due to a material accounting error or fraud — or in other circumstances as defined by the Board of Directors for each compensation

type — the Company may withhold all or part of any unpaid compensation (malus), or seek for the return of all or part of compensation already paid or delivered (clawback). Note that compensation subject to clawback is limited to variable compensation paid or delivered during the fiscal year in which the clawback trigger is identified and the preceding three fiscal years.

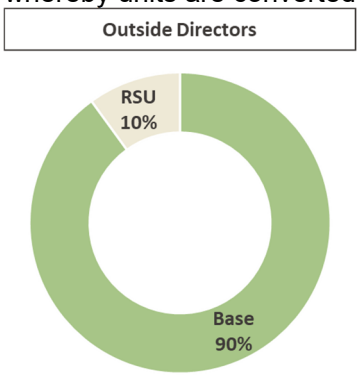
(e) Severance

Beyond the compensation described in this policy, considering compensation levels and practices in the relevant talent market (based on the relevant director's responsibility, background, country of residence, etc.), the Board of Directors — upon recommendation from the Compensation Committee — may determine that severance payments are appropriate. In such cases, severance in an amount deemed appropriate by the Board of Directors may be paid, subject to shareholder approval at the AGM.

(2) Outside Directors

(a) Compensation Mix Ratio

Compensation consists of fixed compensation and time/tenure-based stock plan whereby units are converted to shares after vesting (RSU). The ratio of fixed compensation (before any role-based allowances) to time/tenure-based stock plan whereby units are converted to shares after vesting (RSU) is approximately 9:1.



(b) Compensation Structure

(i) Fixed Compensation

- A fixed cash payment is made monthly throughout the term of office.
- Subject to Compensation Committee deliberation and Board of Directors' approval, additional role-based allowances may be paid for positions such as Chair of the Board of Directors, Chair of the Nomination Committee, and Chair of the Compensation Committee.

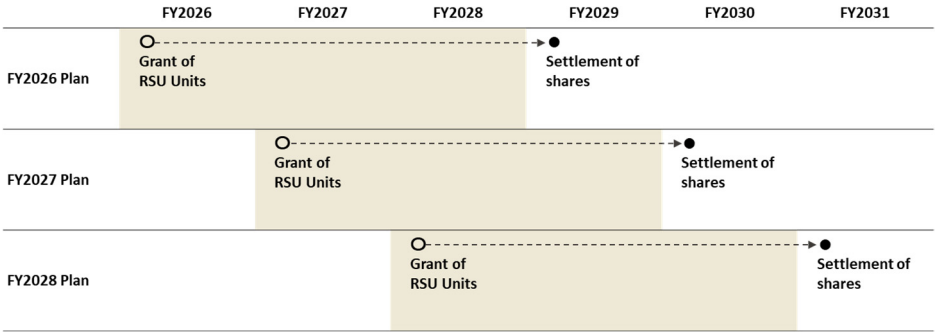
(ii) RSU (Time/Tenure-Based Stock Plan Whereby Units are Converted to Shares After Vesting)

- RSUs are granted to Outside Directors to enhance their motivation to contribute to medium- to long-term corporate value creation and to align their interests with those of shareholders, while fulfilling their oversight and advisory role — drawing on their individual expertise and broad management experience — from an objective and independent standpoint, free from any potential conflicts of interest with general shareholders, and to support sound and appropriate decision-making by the Board of Directors.
- The initial service period runs from the close of the 2026 AGM to the close of the AGM scheduled for 2029. Units are granted annually on an overlapping basis.
- Vesting occurs, in principle, in a single lump sum upon completion of the service period (3-years).
- If a director leaves before the end of the service period, unvested units are

generally forfeited. However, in the case of death or other good reason for departure, vesting may be accelerated, with the number of vested units adjusted as reasonably appropriate.

- In the event of a organizational restructuring, etc., vesting may be accelerated; however, vesting does not occur solely on account of the restructuring, etc. Vesting is triggered only if the director also loses his or her directorship or a designated position as a result of the restructuring, etc. (i.e., “double trigger” vesting).

〈Illustration of the RSU grant〉



(c) Malus & Clawback (RSU)

If an Outside Director engages in serious misconduct or violations, or if the Board of Directors resolves to restate financials due to a material accounting error or fraud — or in other circumstances as defined by the Board of Directors — the Company may withhold all or part of any undelivered RSU awards (malus), or seek for the return of all or part of RSU awards already delivered (clawback). RSU awards subject to clawback shall be limited to those granted during the fiscal year in which the triggering event is identified and the three preceding fiscal years.

(d) Stock Ownership Guidelines

Outside Directors are expected to retain all shares of the Company acquired during their term of office until their departure, with the sole exception of sales made to cover tax obligations arising from stock compensation.

(3) Audit & Supervisory Board Members

(a) Compensation Mix Ratio

Compensation consists solely of the fixed compensation described in (b) below.

(b) Compensation Structure

Fixed Compensation

- To further strengthen independence from management, compensation is limited to a fixed cash payment only. No Short Term Incentives or stock-based compensation is provided.
- Paid monthly installments throughout the term of office.

4. Compensation Governance

(1) Compensation Committee

The Company has established a Compensation Committee — chaired by, and with a majority of members being, independent Outside Directors — to ensure objectivity and transparency in the process of determining compensation for the Executives and Executive Officers (the “Executives, etc.”). Under the Global Executive Compensation Framework, the Committee is authorized to deliberate on and make recommendations regarding the compensation structure and individual compensation for the Company’s Executives, etc., as well as the Representative Director of SEJ and the CEOs of SEI and 7IN.

In carrying out its deliberations, the Committee considers alignment with the Global Executive Compensation Framework, changes in the business environment, and feedback from dialogue with shareholders and investors, in order to exercise its roles and authorities appropriately. The Committee also engages WTW (Willis Towers Watson) as its compensation advisor, bringing extensive global expertise, to provide relevant information and advice necessary for deliberations as well as procedural support.

(2) Method of Determining Compensation

The basic policy on Executive compensation is determined by the Board of Directors and is based on the deliberations of the Compensation Committee.
Individual compensation amounts for each director are determined by the Board of Directors based on a recommendation from the Compensation Committee. The Committee's recommendation considers each director's role, contribution, Group performance evaluation, and KPI achievement.
The compensation of each Audit & Supervisory Board Member is determined through discussions among themselves.

5. Executive Compensation Limits

The compensation amounts for Executives will be determined within the limits outlined below, subject to shareholder approval of the relevant agenda items — specifically, the revision of director compensation and the introduction of a stock plan whereby units are converted to real shares on vesting — at the Company's 21st Annual General Meeting of Shareholders, scheduled for May 27, 2026.
Note that the Company has already abolished its Executive retirement allowance program, and no such allowances will be paid.

(1) Directors

・Monetary Compensation
No more than ¥2.5 billion per year (of which, no more than ¥0.5 billion per year applies for Outside Directors; neither limit includes employee salaries paid to Directors who serve concurrently as employees)

・Stock plan whereby units are converted to real shares on vesting

The maximum number of shares per service period is 4,500,000 shares for directors other than Outside Directors (of which 4,000,000 are PSUs and 500,000 are RSUs), and 45,000 shares (all RSUs) for Outside Directors. Note that in certain circumstances such as a organizational restructuring, etc., units granted across multiple service periods may vest simultaneously.
The maximum compensation amount is calculated as follows:
① Trust delivery: For each service period, the maximum is calculated by multiplying the closing price of the Company's shares on the Tokyo Stock Exchange at the time of the trust being established (or extended) — or, if no trades were executed on that day, the closing price on the most recent preceding trading day — by the maximum number of shares expected to vest under the stock plan whereby units are converted to real shares on vesting for the eligible directors.
② Direct delivery: For each service period, the maximum is calculated by multiplying the fair per-share value or per-share payment amount — based on the closing price of the Company's shares on the Tokyo Stock Exchange on the business day prior to the Board resolution authorizing the issuance or disposal of shares (or, if no trades were executed on that day, the closing price on the most recent preceding trading day) — by the maximum number of shares expected to vest under the stock plan whereby units are converted to real shares on vesting for the eligible directors.

(2) Audit & Supervisory Board Members

・Monetary Compensation
Not more than ¥200 million per year
(Resolved at the 14th Annual Shareholders' Meeting held on May 23, 2019)

(5) [Status of shareholdings]

Standard and approach for the classification of investment shares

The Company does not hold any so-called shares held for a pure investment purpose which are aimed to gain profits solely through changes in value of the shares or dividends on the shares. The Company holds shares for which there is an accepted rationale for doing so, such as maintaining or strengthening business alliances or business relationships, in order to maintain and strengthen business competitiveness, as cross-shareholdings, and classifies them as shares held for other than pure investment purposes.

I Information on SEVEN-ELEVEN JAPAN CO., LTD., which is the company whose carrying amount of investment shares (recorded amount of investment shares) is the largest (largest holding company) among the Company and its consolidated subsidiaries, is as follows.

(i) Investment shares held for any purpose other than a pure investment purpose

(a) Holding policy and method of verifying the reasonableness of shareholding, and details of verification of appropriateness of holding of individual issues in the Board of Directors, etc.

In principle, SEVEN-ELEVEN JAPAN CO., LTD. does not hold listed cross-shareholdings except where there is an accepted rationale for doing so, such as maintaining or strengthening business alliances or business relationships, in order to maintain and strengthen business competitiveness. Stocks held are reviewed annually and shares with less rationale for or less effectiveness of holding are to be sold in view of the circumstances of the investee companies. The Company's Board of Directors assesses the following matters regarding the rationale for and effectiveness of holding listed cross-shareholdings of SEVEN-ELEVEN JAPAN CO., LTD. and makes comprehensive decisions regarding the appropriateness of holding said shares, taking into account details of verification by SEVEN-ELEVEN JAPAN CO., LTD.

Qualitative matters: (a) Background of acquisition, (b) Presence or absence of business relationship, (c) Strategic significance at the time of holding, (d) Possibility of future business, (e) Risks related to survival or stability, etc. of business if shares are not held, and (f) Continuity of advantages, future outlook for business, and risks if shares continue to be held

Quantitative matters: (a) The most recent amounts of transactions and profits if any business is conducted through business alliances, etc., (b) Annual dividends received and gain or loss on valuation of shares, and (c) Whether the benefits and risks from each holding cover the Company's cost of capital

(b) Number of stocks and the amount recorded on the balance sheet

	Number of stocks (Stocks)	Total amount recorded on the balance sheet (Millions of yen)
Unlisted shares	9	7,330
Shares other than unlisted shares	15	51,490

(Stocks whose number of shares increased in the fiscal year ended February 28, 2026)

	Number of stocks (Stocks)	Total acquisition costs associated with increase in number of shares (Millions of yen)	Reason for increase in number of shares
Unlisted shares	1	507	For strengthening business alliances
Shares other than unlisted shares	–	–	–

(Stocks whose number of shares decreased in the fiscal year ended February 28, 2026)

	Number of stocks (Stocks)	Total sale value associated with decrease in number of shares (Millions of yen)
Unlisted shares	1	0
Shares other than unlisted shares	–	–

(c) Information on the number of shares, carrying amount, etc. of specified investment shares and deemed shareholdings by issue

Specified investment shares

Stock	Year ended February 28, 2026	Year ended February 28, 2025	Purpose of shareholding, outline of business alliance etc., quantitative effectiveness of shareholding and reason for increase in number of shares (Note 1)	Holding of the Company's shares
	Number of shares (Shares)	Number of shares (Shares)		
	Carrying amount (Millions of yen)	Carrying amount (Millions of yen)		
Nomura Research Institute, Ltd.	7,804,500	7,804,500	Reinforcement of business collaboration in system operations, etc., of the Group companies	Yes
	34,082	38,842		
WARABEYA NICHIYO HOLDINGS CO., LTD.	2,195,400	2,195,400	Reinforcement of business collaboration in promotion of joint merchandise development, etc.	Yes
	7,552	4,498		
PIA Corporation	704,700	704,700	Reinforcement of business collaboration with the Group operating companies in relation to ticket sales	No
	2,131	2,107		
STI Foods Holdings, Inc.	1,500,000	1,500,000	Reinforcement of business collaboration in promotion of joint merchandise development, etc.	Yes
	1,929	1,822		
Hachijuni Nagano Bank, Ltd.	700,000	700,000	Reinforcement of business collaboration in financial transactions, etc., with the Group companies.	Yes
	1,455	674		
Mebuki Financial Group, Inc.	819,000	819,000	Reinforcement of business collaboration in financial transactions, etc., with the Group companies.	No (Note 2)
	1,099	518		
Sumitomo Mitsui Financial Group, Inc.	177,900	177,900	Reinforcement of business collaboration in financial transactions, etc., with the Group companies.	No (Note 2)
	1,066	674		
MS&AD Insurance Group Holdings, Inc.	117,900	117,900	Reinforcement of business collaboration in financial transactions, etc., with the Group companies.	No (Note 2)
	515	369		
Kyushu Financial Group, Inc.	300,000	300,000	Reinforcement of business collaboration in financial transactions, etc., with the Group companies.	No (Note 2)
	401	213		
PICKLES HOLDINGS CO., LTD	280,000	280,000	Reinforcement of business collaboration in promotion of joint merchandise development, etc.	No (Note 2)
	346	270		

Stock	Year ended February 28, 2026	Year ended February 28, 2025	Purpose of shareholding, outline of business alliance etc., quantitative effectiveness of shareholding and reason for increase in number of shares (Note 1)	Holding of the Company's shares
	Number of shares (Shares)	Number of shares (Shares)		
	Carrying amount (Millions of yen)	Carrying amount (Millions of yen)		
MEGMILK SNOW BRAND Co., Ltd.	82,800	82,800	Reinforcement of business collaboration in promotion of joint merchandise development, etc.	Yes
	289	213		
NAKAMURAYA CO., LTD.	70,000	70,000	Reinforcement of business collaboration in promotion of joint merchandise development, etc.	Yes
	232	222		
Resona Holdings, Inc.	76,700	76,700	Reinforcement of business collaboration in financial transactions, etc., with the Group companies.	No (Note 2)
	146	89		
ITOCHU-SHOKUHIN Co., Ltd.	10,000	10,000	Reinforcement of business collaboration in promotion of joint merchandise development, etc.	Yes
	131	74		
KITOKU SHINRYO CO., LTD.	50,000	10,000	Reinforcement of business collaboration in promotion of joint merchandise development, etc. Because a share split was conducted at the ratio of five shares per one share of common stock as of July 1, 2025, the number of shares increased.	Yes
	109	61		

Notes: 1. Although the quantitative effects of shareholding are not indicated in view of confidentiality of contracts and agreements pertaining to individual transactions, the Company's Board of Directors assesses the following matters regarding the rationale for and effectiveness of holding listed cross-shareholdings of SEVEN-ELEVEN JAPAN CO., LTD. and makes comprehensive decisions regarding the appropriateness of holding said shares, taking into account details of verification by SEVEN-ELEVEN JAPAN CO., LTD.
Qualitative matters: (a) Background of acquisition, (b) Presence or absence of business relationship, (c) Strategic significance at the time of holding, (d) Possibility of future business, (e) Risks related to survival or stability, etc. of business if shares are not held, and (f) Continuity of advantages, future outlook for business, and risks if shares continue to be held
Quantitative matters: (a) The most recent amounts of transactions and profits if any business is conducted through business alliances, etc., (b) Annual dividends received and gain or loss on valuation of shares, and (c) Whether the benefits and risks from each holding cover the Company's cost of capital

2. Although the company whose shares the Company holds does not hold the Company's shares, a subsidiary/subsidiaries of the company hold(s) the Company's shares.

Not applicable as for deemed shareholdings.

(ii) Investment shares held for a pure investment purpose
None

II Information on the Company, which is the company whose carrying amount of investment shares (recorded amount of investment shares) is the next largest after the largest holding company among the Company and its consolidated subsidiaries, is as follows.

(i) Investment shares held for any purpose other than a pure investment purpose

(a) Holding policy and method of verifying the reasonableness of shareholding, and details of verification of appropriateness of holding of individual issues in the Board of Directors, etc.
In principle, the Company does not hold cross-shareholdings except where there is an accepted rationale for doing so, such as maintaining or strengthening business alliances or business relationships, in order to maintain and strengthen business competitiveness. Stocks held are reviewed annually and shares with less rationale for or less effectiveness of holding are to be sold in view of the circumstances of the investee companies.

The Company's Board of Directors assesses the following matters regarding the rationale for and effectiveness of holding listed cross-shareholdings and makes comprehensive decisions regarding the appropriateness of holding said shares.
Qualitative matters: (a) Background of acquisition, (b) Presence or absence of business relationship, (c) Strategic significance at the time of holding, (d) Possibility of future business, (e) Risks related to survival or stability, etc. of business if shares are not held, and (f) Continuity of advantages, future outlook for business, and risks if shares continue to be held
Quantitative matters: (a) The most recent amounts of transactions and profits if any business is conducted through business alliances, etc., (b) Annual dividends received and gain or loss on valuation of shares, and (c) Whether the benefits and risks from each holding cover the Company's cost of capital

(b) Number of stocks and the amount recorded on the balance sheet

	Number of stocks (Stocks)	Total amount recorded on the balance sheet (Millions of yen)
Unlisted shares	5	540
Shares other than unlisted shares	5	34,200

(Stocks whose number of shares increased in the fiscal year ended February 28, 2026)

	Number of stocks (Stocks)	Total acquisition costs associated with increase in number of shares (Millions of yen)	Reason for increase in number of shares
Unlisted shares	–	–	–
Shares other than unlisted shares	–	–	–

(Stocks whose number of shares decreased in the fiscal year ended February 28, 2026)

	Number of stocks (Stocks)	Total sale value associated with decrease in number of shares (Millions of yen)
Unlisted shares	–	–
Shares other than unlisted shares	1	8,113

(c) Information on the number of shares, carrying amount, etc. of specified investment shares and deemed shareholdings by issue

Specified investment shares

Stock	Year ended February 28, 2026 Number of shares (Shares) Carrying amount (Millions of yen)	Year ended February 28, 2025 Number of shares (Shares) Carrying amount (Millions of yen)	Purpose of shareholding, outline of business alliance etc., quantitative effectiveness of shareholding and reason for increase in number of shares (Note 1)	Holding of the Company's shares
AIN HOLDINGS INC.	2,750,000	2,750,000	For strengthening collaboration regarding pharmaceuticals among the Group's operating companies	No
	16,967	12,298		
Mitsui Fudosan Co., Ltd.	3,051,000	3,051,000	Reinforcement of business collaboration in transactions, etc., related to stores, logistics facilities, and other real estate for the Group operating companies	Yes
	6,426	3,966		
SEIBU HOLDINGS INC.	1,088,000	1,088,000	Reinforcement of business collaboration in joint development of stores, areas, etc., of the Group operating companies	No (Note 2)
	5,048	3,435		
TBS HOLDINGS, INC.	804,000	804,000	Reinforcement of business collaboration in sales promotion, etc. leveraging media content	No (Note 2)
	4,751	3,281		
Dai-ichi Life Holdings, Inc.	624,400	156,100	Reinforcement of business collaboration in life insurance and other financial transactions, etc., with the Group companies Because a share split was conducted at the ratio of four shares per one share of common stock as of April 1, 2025, the number of shares increased.	No (Note 2)
	1,005	689		
Credit Saison Co., Ltd.	–	2,050,000	–	No
	–	7,218		

Notes: 1. Although the quantitative effects of shareholding are not indicated in view of confidentiality of contracts and agreements pertaining to individual transactions, the Company's Board of Directors assesses the following matters regarding the rationale for and effectiveness of holding listed cross-shareholdings and makes comprehensive decisions regarding the appropriateness of holding said shares.
Qualitative matters: (a) Background of acquisition, (b) Presence or absence of business relationship, (c) Strategic significance at the time of holding, (d) Possibility of future business, (e) Risks related to survival or stability, etc. of business if shares are not held, and (f) Continuity of advantages, future outlook for business, and risks if shares continue to be held
Quantitative matters: (a) The most recent amounts of transactions and profits if any business is conducted through business alliances, etc., (b) Annual dividends received and gain or loss on valuation of shares, and (c) Whether the benefits and risks from each holding cover the Company's cost of capital

2. Although the company whose shares the Company holds does not hold the Company's shares, a subsidiary/subsidiaries of the company hold(s) the Company's shares.

3. A "–" indicates that the relevant issue is not held.

Not applicable as for deemed shareholdings.

(ii) Investment shares held for a pure investment purpose

None

V. [Financial Information]

1. Preparation of the consolidated financial statements and nonconsolidated financial statements
   (1) The consolidated financial statements of the Company are prepared in accordance with the "Regulation on Terminology, Forms, and Preparation Methods of Consolidated Financial Statements" (Ministry of Finance Order No. 28 of 1976; hereinafter referred to as the "Regulation on Consolidated Financial Statements").

   (2) The nonconsolidated financial statements of the Company are prepared in accordance with the "Regulation on Terminology, Forms, and Preparation Methods of Financial Statements" (Ministry of Finance Order No. 59 of 1963; hereinafter referred to as the "Regulation on Financial Statements").
   The Company is a company filing nonconsolidated financial statements prepared in accordance with special provisions and prepares non-consolidated financial statements pursuant to Article 127 of the Regulation on Financial Statements.

2. Note on independent audit
   The consolidated financial statements and the nonconsolidated financial statements for the fiscal year from March 1, 2025 to February 28, 2026 were audited by KPMG AZSA LLC in accordance with Article 193-2, paragraph (1) of the Financial Instruments and Exchange Act.

3. Remarkable efforts to ensure fair presentation of consolidated financial statements, etc.
   The Company takes remarkable efforts to ensure fair presentation of consolidated financial statements, etc. To be specific, the Company has joined the Financial Accounting Standards Foundation and attends training seminars held by auditing firms and various organizations in order to properly understand details of accounting standards and other rules and establish a system that enables appropriate response to changes.

1. [Consolidated financial statements and other information]
(1) Consolidated Financial Statements
(i) Consolidated Balance Sheets

(Millions of yen)

	February 28, 2025	February 28, 2026
ASSETS		
Current assets		
Cash and bank deposits	1,368,663	438,634
Notes and accounts receivable - trade, and contract assets	*1 441,630	*1 298,684
Trade accounts receivable-financial services	111,029	42,214
Merchandise and finished goods	312,739	223,018
Work in process	46	94
Raw materials and supplies	3,002	286
Prepaid expenses	94,707	89,344
ATM-related temporary payments	118,172	–
Other	388,696	407,277
Allowance for doubtful accounts	(14,905)	(7,008)
Total current assets	2,823,782	1,492,546
Non-current assets		
Property and equipment		
Buildings and structures	3,571,664	2,982,992
Accumulated depreciation	(1,822,497)	(1,533,217)
Buildings and structures, net	*3 1,749,166	1,449,775
Furniture, fixtures and equipment	1,679,198	1,523,047
Accumulated depreciation	(1,140,599)	(1,087,713)
Furniture, fixtures and equipment, net	538,598	435,334
Land	*3 1,172,559	902,246
Right-of-use assets	1,690,613	1,994,134
Accumulated depreciation	(400,805)	(542,468)
Right-of-use assets, net	1,289,807	1,451,665
Construction in progress	206,223	231,458
Other	48,725	46,054
Accumulated depreciation	(23,784)	(18,567)
Other, net	24,941	27,487
Total property and equipment	4,981,298	4,497,967
Intangible assets		
Goodwill	2,264,441	2,109,806
Software	295,814	201,682
Other	151,125	157,537
Total intangible assets	2,711,382	2,469,026

(Millions of yen)

	February 28, 2025	February 28, 2026
Investments and other assets		
Investments in securities	*2, *3, *6 321,086	*2 363,740
Long-term loans receivable	14,295	7,056
Long-term leasehold deposits	*3 264,136	157,112
Net defined benefit asset	126,974	67,194
Deferred income taxes	75,058	37,148
Other	69,189	52,406
Allowance for doubtful accounts	(1,675)	(1,637)
Total investments and other assets	869,065	683,021
Total non-current assets	8,561,745	7,650,015
Deferred assets		
Bond issuance cost	582	395
Total deferred assets	582	395
TOTAL ASSETS	11,386,111	9,142,957

(Millions of yen)

	February 28, 2025	February 28, 2026
LIABILITIES		
Current liabilities		
Notes and accounts payable, trade	328,748	223,916
Accounts payable, franchised stores	190,748	192,167
Short-term loans	172,497	135,580
Current portion of bonds	210,000	255,657
Current portion of long-term loans	*3 290,128	190,456
Income taxes payable	36,003	37,440
Accrued expenses	282,395	258,979
Contract liabilities	178,031	70,667
Deposits received	146,967	177,934
ATM-related temporary advances	73,388	–
Lease obligations	180,624	164,772
Allowance for loss on business of subsidiaries and associates	18,235	3,299
Allowance for restructuring expenses	2,626	–
Allowance for sales promotion expenses	815	335
Allowance for bonuses to employees	14,249	5,388
Allowance for bonuses to Directors and Audit & Supervisory Board Members	501	718
Deposits received in banking business	813,388	–
Call money	100,000	–
Other	277,264	183,357
Total current liabilities	3,316,615	1,900,670
Non-current liabilities		
Bonds	1,244,036	929,828
Long-term loans	*3 778,068	718,495
Deferred tax liabilities	233,635	224,633
Allowance for retirement benefits to Directors and Audit & Supervisory Board Members	439	134
Allowance for stock payments	4,947	1,504
Net defined benefit liability	16,313	16,566
Deposits received from tenants and franchised stores	44,178	13,796
Lease obligations	1,223,438	1,398,990
Asset retirement obligations	235,024	225,304
Other	66,201	64,836
Total non-current liabilities	3,846,283	3,594,091
TOTAL LIABILITIES	7,162,898	5,494,762

(Millions of yen)

	February 28, 2025	February 28, 2026
NET ASSETS		
Shareholders' equity		
Common stock	50,000	50,000
Capital surplus	293,455	293,429
Retained earnings	2,727,937	2,906,276
Treasury stock, at cost	(17,108)	(615,450)
Total shareholders' equity	3,054,284	2,634,255
Accumulated other comprehensive income		
Unrealized gains (losses) on available-for-sale securities, net of taxes	51,770	55,662
Unrealized gains (losses) on hedging derivatives, net of taxes	5,035	4,622
Foreign currency translation adjustments	901,059	884,784
Remeasurements of defined benefit plans	23,827	40,900
Total accumulated other comprehensive income	981,693	985,971
Share award rights	–	225
Subscription rights to shares	80	–
Non-controlling interests	187,154	27,743
TOTAL NET ASSETS	4,223,212	3,648,195
TOTAL LIABILITIES AND NET ASSETS	11,386,111	9,142,957

(ii) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income

Consolidated Statements of Income

(Millions of yen)

	Year ended February 28, 2025	Year ended February 28, 2026
Revenues from operations	*1 11,972,762	*1 10,430,269
Net sales	10,342,323	8,893,693
Cost of sales	8,485,841	7,300,235
Gross profit on sales	1,856,482	1,593,457
Operating revenues	*2 1,630,439	*2 1,536,575
Gross profit from operations	3,486,921	3,130,033
Selling, general and administrative expenses		
Advertising and decoration expenses	93,224	81,673
Salaries and wages	723,719	615,086
Provision for bonuses to employees	14,276	14,953
Pension expenses	12,765	10,856
Legal welfare expenses	88,532	65,718
Land and building rent	480,095	451,985
Depreciation and amortization	422,032	370,926
Utility expenses	192,189	172,591
Store maintenance and repair expenses	182,536	152,505
Other	856,557	770,743
Total selling, general and administrative expenses	3,065,929	2,707,040
Operating income	420,991	422,993
Non-operating income		
Interest income	10,372	11,098
Dividend income	1,876	1,903
Gain on valuation of investments securities	7,632	2,214
Other	5,823	3,566
Total non-operating income	25,705	18,782
Non-operating expenses		
Interest expenses	40,841	29,773
Interest on bonds	20,541	19,709
Equity in losses of affiliates	450	5,304
Other	10,277	9,576
Total non-operating expenses	72,110	64,363
Ordinary income	374,586	377,411

(Millions of yen)

	Year ended February 28, 2025	Year ended February 28, 2026
Special gains		
Gain on sales of property and equipment	*3 91,933	*3 94,599
Gain on sales of property and equipment related to restructuring	*3 3,118	–
Gain on change in equity in superstore business	–	26,946
Gain on sales of investments in securities	11,807	5,485
Insurance income	4,623	344
Other	4,223	15,540
Total special gains	115,706	142,915
Special losses		
Loss on disposals of property and equipment	*4 23,165	*4 22,525
Impairment loss	*5 98,260	*5 32,829
Restructuring expenses	*4, *5, *6 25,605	*4, *6 873
Loss on business of subsidiaries and associates	*5, *7 46,416	–
Loss on transfer of subsidiary	4,782	–
Other	22,711	29,534
Total special losses	220,941	85,762
Income before income taxes	269,351	434,564
Income taxes - current	80,171	114,352
Income taxes - deferred	6,160	21,120
Total income taxes	86,331	135,472
Net income	183,020	299,091
Net income attributable to non-controlling interests	9,952	6,330
Net income attributable to owners of parent	173,068	292,760

Consolidated Statements of Comprehensive Income

(Millions of yen)

	Year ended February 28, 2025	Year ended February 28, 2026
Net income	183,020	299,091
Other comprehensive income		
Unrealized gains (losses) on available-for-sale securities, net of taxes	5,618	2,883
Unrealized gains (losses) on hedging derivatives, net of taxes	697	(412)
Foreign currency translation adjustments	294,534	(22,985)
Remeasurements of defined benefit plan, net of taxes	2,416	7,881
Share of other comprehensive income (loss) of entities accounted for using equity method, net of taxes	70	9,802
Total other comprehensive income (loss)	* 303,336	* (2,830)
Comprehensive income (loss)	486,357	296,261
Comprehensive income (loss) attributable to owners of parent	474,298	297,038
Comprehensive income (loss) attributable to non-controlling interests	12,059	(777)

(iii) Consolidated Statements of Changes in Net Assets
Year ended February 28, 2025

(Millions of yen)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock, at cost	Total shareholders' equity
Balance at March 1, 2024	50,000	351,851	2,650,575	(16,368)	3,036,059
Cumulative effects of changes in accounting policies			5,766		5,766
Restated balance	50,000	351,851	2,656,342	(16,368)	3,041,825
Increase (decrease) for the year					
Cash dividends			(101,469)		(101,469)
Net income attributable to owners of parent			173,068		173,068
Purchase of treasury stock				(59,643)	(59,643)
Disposal of treasury stock		0		840	840
Cancellation of treasury stock		(58,062)		58,062	–
Other		(333)	(3)	(0)	(337)
Net changes of items other than shareholders' equity					
Net increase (decrease) for the year	–	(58,396)	71,595	(740)	12,458
Balance at February 28, 2025	50,000	293,455	2,727,937	(17,108)	3,054,284

	Accumulated other comprehensive income					Sub-scrip-tion rights to shares	Non-controll-ing interests	TOTAL NET ASSETS
	Unreal-ized gains (losses) on available-for-sale securi-ties, net of taxes	Unreal-ized gains (losses) on hedging deriva-tives, net of taxes	Foreign currency transla-tion adjust-ments	Remea-surements of defined benefit plans	Total accumu-lated other compre-hensive income			
Balance at March 1, 2024	46,116	4,823	608,057	21,466	680,464	60	184,041	3,900,624
Cumulative effects of changes in accounting policies								5,766
Restated balance	46,116	4,823	608,057	21,466	680,464	60	184,041	3,906,391
Increase (decrease) for the year								
Cash dividends								(101,469)
Net income attributable to owners of parent								173,068
Purchase of treasury stock								(59,643)
Disposal of treasury stock								840
Cancellation of treasury stock								–
Other								(337)
Net changes of items other than shareholders' equity	5,654	211	293,002	2,361	301,229	19	3,112	304,362
Net increase (decrease) for the year	5,654	211	293,002	2,361	301,229	19	3,112	316,821
Balance at February 28, 2025	51,770	5,035	901,059	23,827	981,693	80	187,154	4,223,212

Year ended February 28, 2026

(Millions of yen)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock, at cost	Total shareholders' equity
Balance at March 1, 2025	50,000	293,455	2,727,937	(17,108)	3,054,284
Increase (decrease) for the year					
Cash dividends			(113,635)		(113,635)
Net income attributable to owners of parent			292,760		292,760
Purchase of treasury stock				(600,004)	(600,004)
Disposal of treasury stock		(23)		1,659	1,636
Other		(3)	(785)	2	(786)
Net changes of items other than shareholders' equity					
Net increase (decrease) for the year	–	(26)	178,339	(598,342)	(420,029)
Balance at February 28, 2026	50,000	293,429	2,906,276	(615,450)	2,634,255

	Accumulated other comprehensive income					Share award rights	Sub-scri-ption rights to shares	Non-controlling interests	TOTAL NET ASSETS
	Unreal-ized gains (losses) on available-for-sale securi-ties, net of taxes	Unreal-ized gains (losses) on hedging deriva-tives, net of taxes	Foreign currency transla-tion adjust-ments	Remea-surements of defined benefit plans	Total accumu-lated other compre-hensive income				
Balance at March 1, 2025	51,770	5,035	901,059	23,827	981,693	–	80	187,154	4,223,212
Increase (decrease) for the year									
Cash dividends									(113,635)
Net income attributable to owners of parent									292,760
Purchase of treasury stock									(600,004)
Disposal of treasury stock									1,636
Other									(786)
Net changes of items other than shareholders' equity	3,892	(412)	(16,274)	17,072	4,277	225	(80)	(159,410)	(154,987)
Net increase (decrease) for the year	3,892	(412)	(16,274)	17,072	4,277	225	(80)	(159,410)	(575,017)
Balance at February 28, 2026	55,662	4,622	884,784	40,900	985,971	225	–	27,743	3,648,195

(iv) Consolidated Statements of Cash Flows

(Millions of yen)

	Year ended February 28, 2025	Year ended February 28, 2026
Net cash provided by operating activities		
Income before income taxes	269,351	434,564
Depreciation and amortization	436,593	382,009
Impairment loss	143,993	32,829
Amortization of goodwill	138,209	137,890
Increase (decrease) in allowance for bonuses to employees	766	928
Increase in net defined benefit asset	(9,806)	(6,967)
Interest and dividends income	(12,249)	(13,002)
Interest expenses and interest on bonds	61,382	49,482
Equity in losses (earnings) of affiliates	450	5,304
Insurance income	(4,623)	(344)
Gain on sales of property and equipment	(95,052)	(94,599)
Loss on disposals of property and equipment	24,744	23,122
Loss on transfer of subsidiary	4,782	–
Loss (gain) on sale of investment in securities	(11,723)	(5,458)
Gain on change in equity in superstore business	–	(26,946)
Decrease (increase) in notes and accounts receivable, trade	48,376	(17,694)
Decrease (increase) in trade accounts receivable, financial services	(10,383)	(10,748)
Decrease (increase) in inventories	7,911	12,049
Increase (decrease) in notes and accounts payable, trade	(73,035)	5,962
Increase (decrease) in deposits received	6,197	34,315
Net increase (decrease) in borrowings in banking business	–	10,000
Net increase (decrease) in bonds in banking business	(15,000)	–
Net increase (decrease) in deposits received in banking business	9,625	28,797
Net increase (decrease) in call money in banking business	60,000	(100,000)
Net decrease (increase) in ATM-related temporary accounts	(5,937)	(41,969)
Other	(26,729)	(51,108)
Subtotal	947,843	788,419
Interest and dividends received	11,399	14,209
Interest paid	(57,962)	(52,505)
Insurance income received	7,910	2,809
Income taxes paid	(51,628)	(88,643)
Income taxes refund	18,896	2,446
Net cash provided by operating activities	876,458	666,736

(Millions of yen)

	Year ended February 28, 2025	Year ended February 28, 2026
Cash flows from investing activities		
Acquisition of property and equipment	*7 (430,866)	*7 (333,618)
Proceeds from sales of property and equipment	130,005	143,587
Acquisition of intangible assets	(108,151)	(70,705)
Payment for purchase of investments in securities	(64,402)	(46,618)
Proceeds from sales of investments in securities	43,208	56,047
Payment for purchase of shares in subsidiaries resulting in change in scope of consolidation	*3 (166,657)	–
Proceeds from sales of shares in subsidiaries resulting in change in scope of consolidation	2,603	*4 538,359
Payment for sales of shares in subsidiaries resulting in change in scope of consolidation	*2 (22,573)	*5 (758,627)
Payment for long-term leasehold deposits	(8,847)	(5,303)
Refund of long-term leasehold deposits	25,645	20,776
Proceeds from deposits from tenants	3,715	1,338
Refund of deposits from tenants	(3,368)	(1,322)
Payment for acquisition of business	*7 (109,675)	*7 (5,023)
Payment for time deposits	(7,104)	(4,505)
Proceeds from withdrawal of time deposits	5,036	6,381
Other	(20,929)	(18,108)
Net cash used in investing activities	(732,363)	(477,343)
Cash flows from financing activities		
Net increase (decrease) in short-term loans	82,447	(39,681)
Proceeds from long-term debts	201,945	144,700
Repayment of long-term debts	(146,693)	(271,746)
Payment for redemption of bonds	(341,302)	(210,000)
Proceeds from share issuance to non-controlling shareholders	619	–
Purchase of treasury stock	(59,643)	(600,004)
Dividends paid	(101,408)	(113,563)
Dividends paid to non-controlling interests	(7,620)	(4,447)
Payment for changes in ownership interests in subsidiaries that do not result in change in scope of consolidation	(367)	(0)
Other	(20,625)	(15,137)
Net cash used in financing activities	(392,648)	(1,109,880)
Effect of exchange rate changes on cash and cash equivalents	35,879	(3,185)
Net increase (decrease) in cash and cash equivalents	(212,673)	(923,673)
Cash and cash equivalents at beginning of period	1,562,493	1,349,820
Cash and cash equivalents at end of period	*1 1,349,820	*1 426,146

Notes to Consolidated Financial Statements

Accounting Policies for the Preparation of Consolidated Financial Statements

1. Scope of consolidation

Number of consolidated subsidiaries: 140

Major consolidated subsidiaries:

SEVEN-ELEVEN JAPAN CO., LTD., 7-Eleven, Inc., SEJ Asset Management & Investment Company, 7-Eleven International LLC, 7-Eleven Stores Pty Ltd, and Seven Financial Service Co., Ltd.

During the fiscal year under review, certain or all shares of Seven Bank, Ltd. (hereinafter "Seven Bank") held by SEVEN-ELEVEN JAPAN CO., LTD., Ito-Yokado Co., Ltd., and York-Benimaru Co., Ltd. were tendered in response to Seven Bank's announced share repurchase program. As a result, Seven Bank and its nine subsidiaries were excluded from the scope of consolidation, and Seven Bank became an affiliate accounted for using the equity method.

The Company resolved to have YORK Holdings Co., Ltd. (hereinafter "York HD"), a wholly owned subsidiary of the Company, transfer to K.K. BCJ-96, a wholly owned subsidiary of K.K. BCJ-95, a special purpose acquisition company established by Bain Capital Private Equity, L.P. and its group companies, through an absorption-type company split, all rights and obligations relating to York HD's head office functions and all other business operations and management functions of 29 companies consisting of 22 consolidated subsidiaries and seven equity-method affiliates of the Company attributable to the Group's food supermarket operations and specialty store and other operations. These rights and obligations include all shares held directly by York HD in Ito-Yokado Co., Ltd., York-Benimaru Co., Ltd., THE LOFT CO., LTD., Akachan Honpo Co., Ltd., Seven & i Food Systems Co., Ltd. (currently Denny's Japan Co., Ltd.), Seven & i Create Link Co., Ltd. (currently Create Link Co., Ltd.), and SHELL GARDEN CO., LTD. The absorption-type company split (hereinafter the "Absorption-type Company Split") was completed following the completion of the required procedures. In addition, on the same date, the Company made an investment in K.K. BCJ-95 such that its ownership interest would be 35.07% following the effective date of the Absorption-type Company Split. As a result, the 21 subsidiaries under York HD were excluded from the scope of consolidation, and K.K. BCJ-95 became an affiliate accounted for using the equity method.

In addition to the transactions described above, two companies were liquidated, one company was divested through a share transfer, and one company was absorbed through a merger. As a result, 35 companies were excluded from the scope of consolidation.

2. Application of the equity method

(1) Number of unconsolidated subsidiaries to which the equity method was applied: None

(2) Number of affiliates to which the equity method was applied: 13

Major affiliates:

K.K. BCJ-95, Seven Bank, Ltd., and PIA Corporation

During the fiscal year under review, as described in "1. Scope of consolidation" above, K.K. BCJ-95 and Seven Bank, Ltd. were newly accounted for using the equity method, while seven equity-method affiliates attributable to YORK Holdings Co., Ltd., a wholly owned subsidiary of the Company, were excluded from the scope of application of the equity method. In addition, one company was excluded from the scope of application of the equity method as a result of a share transfer and one company was excluded as a result of liquidation, bringing the total number of companies excluded from the scope of application of the equity method to nine.

(3) Procedure for applying the equity method

(i) The affiliates which have different closing dates are included in the consolidated financial statements based on their respective fiscal year-end, or financial statements prepared on the basis of provisional settlements of accounts.

(ii) When an affiliate has a deficit net worth, the Company's share of such loss is reduced from its loan receivable from affiliate.

3. Accounting period of consolidated subsidiaries

The fiscal year-end of some subsidiaries is December 31. The financial statements of such subsidiaries as of and for the year ended December 31 are used in preparing the consolidated financial statements. All material transactions during the period from the closing date to the end of February are adjusted for the consolidation purpose.

4. Summary of significant accounting policies

(1) Valuation method for major assets

(i) Valuation method for securities

a. Held-to-maturity debt securities are carried at amortized cost.

b. Other available-for-sale securities are classified into two categories, where: (A) Securities other than shares that do not have a market value and (B) Shares that do not have a market value.

(A) Securities other than shares that do not have a market value are valued at fair value. Net unrealized gains or losses on these securities are reported as a separate component of net assets at a net-of-tax amount. Cost of securities sold is determined using the moving-average method.

(B) Shares that do not have a market value are mainly valued at cost, determined using the moving-average method.

(ii) Valuation method for derivatives

Derivative financial instruments are valued at fair value.

(iii) Valuation method for inventories

a. Merchandise:

Inventories of domestic consolidated subsidiaries are stated mainly at cost determined by the retail method with book value written down to the net realizable value.

Cost is determined principally by the first-in, first-out (FIFO) method (except for gasoline inventory that is determined by the weighted average cost method) for foreign consolidated subsidiaries. Some domestic consolidated subsidiaries applied the FIFO method.

b. Supplies:

Supplies are carried at cost which is mainly determined by the last purchase price method with book value written down to the net realizable value.

(2) Depreciation and amortization

(i) Property and equipment (excluding Right-of-use assets)

Property and equipment are depreciated using the straight-line method.

(ii) Intangible assets

Intangible assets are amortized using the straight-line method. Internal use software is amortized using the straight-line method over an estimated useful life, generally 5 to 10 years.

(iii) Right-of-use assets

Some foreign consolidated subsidiaries have adopted IFRS 16 Leases and application of Accounting Standards Update (“ASU”) 2016-02, Leases (Topic842). Therefore, lessees are in principle required to recognize all leases as assets and liabilities on their consolidated balance sheets. Right-of-use assets recorded in assets as result of the application of IFRS 16 Leases are depreciated using the straight-line method.

Moreover, as a result of the application of ASU 2016-02, Leases (Topic842), the amount equivalent to depreciation of right-of-use assets for operating lease is recorded not as “Depreciation and amortization” but as “Land and building rent,” because it is not depreciable assets.

(3) Accounting for deferred assets

Bond issuance cost

Bond issuance cost is amortized using the straight-line method over the redemption period.

(4) Allowances

(i) Allowance for doubtful accounts

Allowance for doubtful accounts is provided in an amount sufficient to cover probable losses on collection. It consists of the estimated uncollectible amount with respect to

certain identified doubtful receivables and an amount calculated using the actual historical rate of losses.

(ii) Allowance for loss on business of subsidiaries and associates
Allowance for loss on business of subsidiaries and associates is provided. The estimated amount is recorded in preparation for expenses or losses associated with the withdrawal from the online supermarket business.

(iii) Allowance for restructuring expenses
Allowance for restructuring expenses is provided. The estimated amount is recorded in preparation for expenses or losses associated with business restructuring.

(iv) Allowance for sales promotion expenses
Points granted to customers under the loyalty program, which is designed to promote sales, are divided into two types: points granted based on the amount of purchases and points granted based on events other than purchases.
Of these, allowance for sales promotion expenses is provided for the use of points granted to customers for events other than purchases at the amount expected to be used in the future as at the balance sheet date.

(v) Allowance for bonuses to employees
Allowance for bonuses to employees is provided at the amount calculated based on the estimation of payment.

(vi) Allowance for bonuses to Directors and Audit & Supervisory Board Members
Allowance for bonuses to Directors and Audit & Supervisory Board Members is provided at the amount estimated to be paid.

(vii) Allowance for retirement benefits to Directors and Audit & Supervisory Board Members
Allowance for retirement benefits to Directors and Audit & Supervisory Board Members is provided at the amount required to be paid in accordance with internal rules.
The Company and some of its consolidated subsidiaries abolished the retirement benefits policy for Directors and Audit & Supervisory Board Members, for which some consolidated subsidiaries have determined to pay the balance at the time of retirement.

(viii) Allowance for stock payments
Allowance for stock payments is provided to prepare for payments of stock benefits to directors and executive officers of the Company and some of its consolidated subsidiaries. The amount is based on the expected stock benefit payable as at the balance sheet date.

(5) Accounting method for retirement benefits

(i) Allocation method of estimated total retirement benefits
When calculating retirement benefit obligation, the benefit formula basis is used to allocate estimated total retirement benefits to the period up to the fiscal year-end.

(ii) Amortization method of the actuarial difference and the prior service cost
The amount of actuarial differences is amortized on a straight-line basis over a period of 10 years from the year following the year in which they arise, which is within the average remaining years of service of the eligible employees.
The amount of prior service costs is amortized on a straight-line basis over a period of 5 years or 10 years, which are within the average remaining years of service of the eligible employees.

(6) Revenue recognition
The Group recognizes revenue based on the following five-step approach.
Step 1: Identifying the contract
Step 2: Identifying the performance obligations
Step 3: Determining the transaction price
Step 4: Allocating the transaction price to the performance obligations
Step 5: Recognizing revenue as the performance obligation is satisfied

(i) Revenue recognition criteria for each operating segment

a. Domestic convenience store operations
Domestic convenience store operations operate a convenience store business comprising directly managed corporate stores and franchised stores mainly under SEVEN-ELEVEN JAPAN CO., LTD.

The Group sells processed foods, fast foods, daily delivered foods, and non-food merchandise to customers visiting the directly managed corporate stores. For these merchandise sales, revenue is recognized at the delivery of the merchandise to the customer by determining that the performance obligation of the merchandise is satisfied at the time of delivery.
The Group assumes contractual obligations to franchised convenience stores, such as licensing of the use of the business expertise and trademarks, lending of equipment, purchase cooperation, advertising, management consulting, credit support for merchandise purchases, preparation for business commencement, as well as provision of services including training and accounting/bookkeeping services. These activities are determined to be a single performance obligation since they are closely connected with each other and cannot be separately performed as distinct services. This performance obligation is satisfied over time or as the service is provided. In addition, revenue is recognized over the contract period as gross profit on sales is generated, since the transaction prices are royalties based on the gross profit on sales of the stores.
Sales promotion expenses and other consideration paid to customers are deducted from the transaction prices.

b. Overseas convenience store operations

Overseas convenience store operations operate a convenience store business comprising directly managed corporate stores and franchised stores mainly under 7-Eleven, Inc.
The Group sells processed foods, fast foods, daily delivered foods, and non-food merchandise to customers visiting the directly managed corporate stores. For these merchandise sales, revenue is recognized at the delivery of the merchandise to the customer by determining that the performance obligation of the merchandise is satisfied at the time of delivery.
The Group sells gasoline to customers visiting the stores and dealers. For these merchandise sales, revenue is recognized at the time of delivery of the merchandise to the customer by determining that the performance obligation of the merchandise is satisfied at the time of delivery.
The Group assumes contractual obligations to franchised convenience stores, such as licensing of the use of the trademarks, provision of training, preparation for business commencement, advertising, management instructions, and permitting the use of the land, buildings and equipment. These activities are determined to be a single performance obligation since they are closely connected with each other and cannot be separately performed as distinct services. This performance obligation is satisfied over time or as the service is provided. In addition, revenue is recognized over the contract period as gross profit on sales is generated, since the transaction prices are royalties based on the gross profit on sales of the stores.
The revenue is measured at the amount of the consideration promised under the contract with the customer less discounts or others.
Subsidiaries in North America that adopt US GAAP have applied ASU No. 2014-09 “Revenue from Contracts with Customers (Topic606).”

c. Superstore operations

Superstore operations of the Group, whose main components are Ito-Yokado Co., Ltd., York-Benimaru Co., Ltd., etc., comprise general merchandise store (GMS) operations and food supermarket operations, and operate a retail business that provides a comprehensive range of daily life necessities such as food and other daily necessities. Superstore operations operate merchandise sales at the Company or provision of services to tenants. As for merchandise sales at the Company, revenue is recognized at the delivery of the merchandise to the customer by determining that the performance obligation is satisfied at the time of delivery of the merchandise. As for the provision of services to tenants, revenue is recognized as the service is provided by determining that the performance obligation is satisfied over the contract period.
As for merchandise sales at the Company, revenue is measured at the amount of the consideration promised under the contract with the customer less discounts or others. The provision of services to tenants includes some

transactions where mainly the transaction price is a variable consideration based on net sales to the tenant.

d. Financial services

Financial services operate a banking business, credit card business, electronic money business, and leasing business. Commission fee income received for the provision of various services are recognized as revenue at the point when each transaction occurs.

(ii) Granting options for customers to obtain additional goods or services

Based on the loyalty program, which is designed to promote sales, the Group grants points in accordance with the amount of purchase by members and provide goods or services equivalent to the points used. The Group identifies the points granted as performance obligations, and the transaction price is allocated based on the stand-alone selling price calculated considering the estimated future forfeitures, etc.

(iii) Determination of a principal or an agent

If the Group has control of the merchandise or service before it is transferred to a customer, the transaction is deemed to be a transaction by a principal, and the revenue is recognized at the total amount. If the Group does not have such control or if the Group's performance obligation is to arrange the provision of the merchandise or service, the transaction is deemed to be a transaction by an agent, and the revenue is recognized on the net amount (an amount equivalent to the commission fee). In our group, revenue related to commission fees for the sales on wholesaler owned goods and merchandise sales by tenants is recognized on the net amount by subtracting payments to suppliers from the total amount.

(7) Foreign currency translation

All assets and liabilities of the Company and its domestic consolidated subsidiaries denominated in foreign currencies are translated into Japanese yen at the exchange rate in effect as at the respective balance sheet dates. Translation gains or losses are included in the accompanying consolidated statements of income.

All balance sheets accounts of foreign subsidiaries are translated into Japanese yen at the exchange rate in effect at the respective balance sheet dates. All income and expense accounts are translated at the average exchange rate for the period. The resulting translation adjustments are included in the accompanying consolidated balance sheets under "Non-controlling interests" and "Foreign currency translation adjustments."

(8) Hedge accounting

(i) Method of hedge accounting

If derivative financial instruments are used as hedges and meet certain hedging criteria, the recognition of gains and losses resulting from the changes in fair value of derivative financial instruments is deferred until the related gains and losses on the hedged items are recognized. The forward foreign exchange contracts are accounted for by the designated accounting treatment when they meet certain treatment for that. Certain interest rate swap contracts that meet specific accounting treatment are not measured at market value but the differences between the paid and received amount under the swap contracts are recognized and included in interest income or expense as incurred. The Company applies integral accounting treatment (specific accounting treatment, designated accounting treatment) to interest rate and currency swap contracts that meet the requirements of integral accounting treatment.

(ii) Hedge instruments and hedged items

a. Hedge instruments – Forward foreign exchange contracts
   Hedged items – Foreign currency-denominated monetary asset and liability

b. Hedge instruments – Interest rate swap
   Hedged items – Loans

c. Hedge instruments – Interest rate and currency swap
   Hedged items – Foreign currency-denominated loans

(iii) Hedging policies

The Company and its subsidiaries have policies to utilize derivative instruments for the purposes of hedging their exposure to fluctuations in foreign currency rates and interest rates and reducing financing costs as well as optimizing future cash flow. The

Company and its subsidiaries do not hold or issue derivative instruments for trading or speculative purposes.

(iv) Assessing hedge effectiveness

The hedge effectiveness is assessed by comparing the fluctuation quarterly except for those that meet specific accounting treatment and integral accounting treatment.

(9) Goodwill and negative goodwill

Goodwill is amortized mainly over a period of 20 years on a straight-line basis, or recognized as income or expenses immediately if immaterial.

Negative goodwill is recognized as income when it occurs.

The goodwill recognized in applying the equity method is accounted for in the same manner.

(10) Cash and cash equivalents

Cash and cash equivalents in the accompanying consolidated statements of cash flows consist of cash on hand, demand deposits and short-term investments with maturities of three months or less from the date of acquisition, that are liquid, readily convertible into cash and are subject to minimum risk of price fluctuation.

(11) Other accounting treatments

(i) Accounting for franchised stores in Domestic and Overseas convenience store operations

SEVEN-ELEVEN JAPAN CO., LTD. and 7-Eleven, Inc. (including 7-Eleven Stores Pty Ltd) recognize franchise commission from its franchised stores as revenues and include it in “Operating revenues.”

(ii) Accounting for consumption taxes and excise tax

The excise tax levied in the U.S. and Canada is included in the revenues from operations.

Significant Accounting Estimates
Year ended February 28, 2025
Accounting estimates are based on reasonable amounts based on information available at the time of preparation of the consolidated financial statements. Of the accounting estimates in the items recorded in the consolidated financial statements for the fiscal year ended February 28, 2025 whose amounts are based on accounting estimates, the following items have the risk of significantly impacting the consolidated financial statements for the following fiscal year:

Judgment of necessity of recognizing impairment losses on non-current assets

(1) Amount recorded on the consolidated financial statements for the fiscal year ended February 28, 2025
The Group has retail stores in a variety of forms such as GMSs and food supermarkets. Of them, Ito-Yokado Co., Ltd., which is included in the superstore operations segment, runs superstore operations.
Amounts recorded in the consolidated balance sheets and consolidated statements of income for the fiscal year ended February 28, 2025 of Ito-Yokado Co., Ltd. are as follows.

(Millions of yen)

Company name	Property and equipment	Intangible assets	Impairment loss
Ito-Yokado Co., Ltd.	340,992	9,767	34,962

(2) Information on the content of significant accounting estimates for identified items
(i) Method of calculation
In Ito-Yokado Co., Ltd., the smallest unit that generates independent cash flows is mainly stores. Although Ito-Yokado Co., Ltd. promotes restructuring, there seemed to be an indication of impairment loss in multiple stores in the current fiscal year due to the significant impact of rising prices and fluctuations in foreign exchange rates.
If there is considered to be an indication of impairment on non-current assets of stores, and if necessity of recognizing an impairment loss is judged by comparing the total amount of undiscounted future cash flows obtained from the non-current assets of stores with the book value, the book value is reduced to the recoverable value and the reduction amount is recorded as an impairment loss.
(ii) Major assumptions
Undiscounted future cash flows used in the judgment of necessity of recognizing an impairment loss include significant assumptions such as the sales growing rate, gross margin ratio and expected changes in expenses.
(iii) Impact on the consolidated financial statements for the next fiscal year
The above estimates and assumptions may be affected by future changes in uncertain economic conditions, and if review of the assumptions becomes required, this may have significant impact on the consolidated financial statements for the next fiscal year.

Year ended February 28, 2026
Accounting estimates are based on reasonable amounts based on information available at the time of preparation of the consolidated financial statements. Of the accounting estimates in the items recorded in the consolidated financial statements for the fiscal year ended February 28, 2026 whose amounts are based on accounting estimates, the following items have the risk of significantly impacting the consolidated financial statements for the following fiscal year:

Impairment test for goodwill

(1) Amount recorded on the consolidated financial statements for the fiscal year ended February 28, 2026
Goodwill has been recognized by SEJ Asset Management & Investment Company and its consolidated subsidiaries, which are included in the Overseas convenience store operations segment, as a result of business combinations undertaken to support the global expansion of the business.
Amounts recorded in the consolidated balance sheets and consolidated statements of income for the fiscal year ended February 28, 2026 are as follows.

(Millions of yen)

	Year ended February 28, 2025	Year ended February 28, 2026
Goodwill (Note)	2,253,978	2,106,574
Impairment loss	–	–

Note: Goodwill is stated net of accumulated amortization in accordance with PITF No. 18 “Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries, etc. for Consolidated Financial Statements.”

(2) Information on the content of significant accounting estimates for identified items

(i) Method of goodwill impairment testing

SEJ Asset Management & Investment Company is an overseas consolidated subsidiary that applies U.S. GAAP. As part of the consolidation procedures, adjustments related to the amortization of goodwill and other items are made in accordance with PITF No. 18 “Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries, etc. for Consolidated Financial Statements.” In addition, goodwill impairment testing is performed at the reporting-unit level in accordance with U.S. GAAP.

In accordance with U.S. GAAP, the company performs a qualitative assessment to determine whether a quantitative goodwill impairment test is required.

If the qualitative assessment indicates that it is not likely that the fair value of a reporting unit is less than its carrying amount, a quantitative goodwill impairment test is not required. Conversely, if the qualitative assessment indicates that it is likely that the fair value of a reporting unit is less than its carrying amount, a quantitative goodwill impairment test is performed. If the fair value of the reporting unit is determined to be less than its carrying amount, a goodwill impairment loss is recognized.

During the fiscal year under review, the company conducted the qualitative assessment described above and concluded that it was not likely that the fair value of the reporting unit was less than its carrying amount. As a result, a quantitative goodwill impairment test was not required, and no goodwill impairment loss was recognized.

(ii) Major assumptions

The qualitative assessment described above incorporates major assumptions, including analyses of current conditions and future forecasts relating to the reporting unit’s macroeconomic environment, industry and market considerations, cost factors, overall financial performance, and other relevant company-specific events.

(iii) Impact on the consolidated financial statements for the next fiscal year

The above assumptions may be affected by future changes in uncertain economic conditions. Changes in these major assumptions may have a significant impact on the consolidated financial statements for the next fiscal year.

Changes in Accounting Policies

Application of “Accounting Standard for Current Income Taxes,” etc.

The Company has applied “Accounting Standard for Current Income Taxes” (ASBJ Statement No. 27, October 28, 2022; hereinafter “2022 Revised Accounting Standard”) and related guidance from the beginning of the fiscal year under review.

With respect to the amendments concerning the classification of corporate income taxes (taxation on other comprehensive income), the Company has applied the transitional treatment prescribed in the proviso to paragraph 20-3 of the 2022 Revised Accounting Standard and the transitional treatment prescribed in the proviso to paragraph 65-2 (2) of the “Implementation Guidance on Accounting Standard for Tax Effect Accounting” (ASBJ Guidance No. 28, October 28, 2022; hereinafter the “2022 Revised Guidance”). This change in accounting policy had no impact on the consolidated financial statements.

In addition, regarding the accounting treatment of tax effects when gains or losses arising from the sale of subsidiary shares and similar assets between consolidated companies are deferred for tax purposes, the Company previously did not adjust, in the consolidation process, deferred tax assets or deferred tax liabilities recognized on temporary differences related to such gains or losses in the financial statements of the selling entity. Under the revised treatment, such deferred tax assets or deferred tax liabilities related to those temporary differences are reversed.

The Company applied the amendments relating to the revised accounting treatment in the consolidated financial statements for gains or losses arising from the sale of subsidiary shares and similar assets between consolidated companies that are deferred for tax purposes, as prescribed in the 2022 Revised

Guidance, from the beginning of the fiscal year under review. This change in accounting policy has been applied retrospectively, and the consolidated financial statements for the previous fiscal year have been restated accordingly.
As a result, compared with the amounts before retrospective application, deferred tax liabilities in the consolidated balance sheet for the year ended February 28, 2025 decreased by ¥5,766 million, and net assets per share increased by ¥2.22. In addition, as the cumulative effect of the retrospective application was reflected in opening net assets for the year ended February 28, 2025, the opening balance of retained earnings for the year ended February 28, 2025 increased by ¥5,766 million.

Accounting Standards Issued But Not Yet Applied
Accounting Standard for Leases, etc.

- "Accounting Standard for Leases" (ASBJ Statement No. 34, September 13, 2024, Accounting Standards Board of Japan (ASBJ))
- "Implementation Guidance on Accounting Standard for Leases" (ASBJ Guidance No. 33, September 13, 2024, ASBJ), etc.

(1) Overview
As part of efforts to make the Japanese GAAP internationally consistent, the ASBJ has been considering to develop accounting standards for leases in which assets and liabilities are recognized for all leases of lessees, taking into account international accounting standards. The basic policy is to base the accounting standards on the single accounting model of IFRS 16, by not adopting all the provisions of IFRS 16, but adopting only the main provisions, which will result in simple and convenient accounting standards that will basically not require any amendments even if a company that voluntarily adopts IFRS for its consolidated financial statements uses the provisions of IFRS 16 for its nonconsolidated financial statements.
As for the accounting treatment of lessees, the single accounting model will be applied to the method of allocating lease expenses to lessees in which depreciation expenses for right-of-use assets and interest expenses for lease liabilities are recorded for all leases, regardless of whether the lease is a finance lease or an operating lease, same as IFRS 16.

(2) Scheduled date of application
This accounting standard will be applied effective from the beginning of the fiscal year ending February 28, 2029.

(3) Effects of application of the accounting standard, etc.
The effects of applying the "Accounting Standard for Leases" on the consolidated financial statements are currently undetermined.

Accounting Standard for Subsequent Events, etc.

- "Accounting Standard for Subsequent Events" (ASBJ Statement No. 41, January 9, 2026, ASBJ)
- "Implementation Guidance on Accounting Standard for Subsequent Events" (ASBJ Implementation Guidance No. 35, January 9, 2026, ASBJ)

(1) Overview
The "Accounting Standard for Subsequent Events" and related guidance were developed with the primary objective of establishing comprehensive accounting standards covering the definition, accounting treatment, and disclosure of subsequent events. Based on the fundamental policy of substantially carrying forward the accounting-related provisions set forth in Auditing Standards Statement No. 560, Practical Guideline No. 1, "Audit Considerations Relating to Subsequent Events," issued by the Auditing and Assurance Standards Committee of the Japanese Institute of Certified Public Accountants, and transferring those provisions to the ASBJ, the standards revise certain terminology and reorganize the evaluation period for subsequent events. They also establish accounting and disclosure requirements for subsequent events, including a newly required note regarding the approval of the issuance of financial statements.

(2) Scheduled date of application
This accounting standard will be applied effective from the beginning of the fiscal year ending February 28, 2029.

Changes in Method of Presentation
Consolidated Balance Sheets
"Vehicles" and "Lease assets" under property and equipment, which had been separately presented until the fiscal year ended February 28, 2025, are included in "Other" for the fiscal year ended February 28, 2026 since they have become insignificant in terms of amount. To reflect this change in method of

presentation, the Company reclassified consolidated balance sheets for the fiscal year ended February 28, 2025.
As a result, in the consolidated balance sheet for the year ended February 28, 2025, “Vehicles” of ¥37,135 million, “Accumulated depreciation” of ¥(13,835) million, and “Vehicles, net” of ¥23,300 million, together with “Lease assets” of ¥11,590 million, “Accumulated depreciation” of ¥(9,948) million, and “Lease assets, net” of ¥1,641 million, have been reclassified as “Other” of ¥48,725 million, accumulated depreciation of ¥(23,784) million, and “Other, net” of ¥24,941 million.

Supplementary Information
Performance-Based Stock Compensation Plan for Directors
The Company and certain consolidated subsidiaries (hereinafter the “Companies”) have introduced a Performance-Based Stock Compensation Plan (hereinafter the “Plan”) for the directors of the Companies (excluding nonexecutive Directors and Directors residing overseas, the same applies hereinafter) using the Directors’ Compensation BIP (Board Incentive Plan) Trust (hereinafter “BIP Trust”), mainly aiming to raise willingness to contribute to the improvement of medium- and long-term corporate value and to share interests with shareholders.
The accounting treatment for the BIP Trust agreement is in accordance with “Practical Solution on Transactions of Delivering the Company’s Own Stock to Employees etc. through Trusts” (PITF (Practical Issue Task Force) No. 30, March 26, 2015).

(1) Outline of the transaction
The Plan is a performance-based stock compensation plan whereby the Companies contribute an appropriate amount of money to the BIP Trust, which is used as funds to acquire Company’s shares. The Company’s shares are delivered to directors in accordance with Share Delivery Rules for directors stipulated by the Companies. Directors shall receive delivery of the Company’s shares, etc., in principle, upon their retirement.
(2) Company’s shares remaining in the BIP Trust
The Company’s shares remaining in the BIP Trust are recorded as treasury stock under net assets at their carrying amounts (excluding incidental expenses). As of February 28, 2026, the carrying amount and the number of the Company’s shares remaining in the Trust are ¥2,673 million and 1,825 thousand shares, respectively.

(Performance-Based Stock Compensation Plan for Executive Officers)
The Company and certain consolidated subsidiaries (hereinafter the “Companies”) have introduced a Performance-Based Stock Compensation Plan (hereinafter the “Plan”) for the executive officers of the Companies (excluding those residing overseas, the same applies hereinafter) using the Stock Grant Employee Stock Ownership Plan (ESOP) Trust (hereinafter “ESOP Trust”), mainly aiming to raise willingness to contribute to the improvement of medium- and long-term corporate value and to share interests with shareholders.
The Companies adopted “Practical Solution on Transactions of Delivering the Company’s Own Stock to Employees etc. through Trusts” (PITF No. 30, March 26, 2015) to account for the said trust agreement.
(1) Outline of the transaction
The Plan is a performance-based stock compensation plan whereby the Companies contribute an appropriate amount of money to the ESOP Trust, which is used as funds to acquire the Company’s shares. The Company’s shares are delivered to executive officers in accordance with the Share Delivery Rules for executive officers stipulated by the Companies. Executive officers shall receive delivery of the Company’s shares, etc., in principle, upon their retirement.
(2) Company’s shares remaining in the ESOP Trust
The Company’s shares remaining in the ESOP Trust are recorded as treasury stock under net assets at their carrying amounts (excluding incidental expenses). As of February 28, 2026, the carrying amount and the number of the Company’s shares remaining in the Trust are ¥1,622 million and 1,203 thousand shares, respectively.

Consolidated Balance Sheets
*1. Claims and contract assets arising from contracts with customers
For notes and accounts receivable - trade, and contract assets, the amounts of claims arising from contracts with customers and contract assets are stated in “Note (Revenue Recognition) 3 (i) Balance of claims, contract assets and contract liabilities arising from contracts with customers.”

*2. The following “Investments in securities” under “Investments and other assets” are made in unconsolidated subsidiaries and associates.

(Millions of yen)

	Year ended February 28, 2025	Year ended February 28, 2026
Investments in securities (shares)	41,730	214,388

*3. Assets pledged as collateral

(1) Assets pledged as collateral for the debts

Assets pledged as collateral

(Millions of yen)

	Year ended February 28, 2025	Year ended February 28, 2026
Buildings and structures	1,077	–
Land	1,258	–
Investments in securities	97,682	–
Total	100,018	–

Debts for which above assets are pledged as collateral

(Millions of yen)

	Year ended February 28, 2025	Year ended February 28, 2026
Long-term loans (including current portion of long-term loans)	5,752	–

(2) Assets pledged as collateral for fund transfer

Assets pledged as collateral

(Millions of yen)

	Year ended February 28, 2025	Year ended February 28, 2026
Long-term leasehold deposits	7,000	–

(3) Assets pledged as collateral for real estate business

Assets pledged as collateral

(Millions of yen)

	Year ended February 28, 2025	Year ended February 28, 2026
Long-term leasehold deposits	20	–

4. Guarantees

Guarantees for loans from financial institutions of employees of consolidated subsidiaries are as follows:

(Millions of yen)

	Year ended February 28, 2025	Year ended February 28, 2026
Employees’ housing loans	21	–

5. Loan commitment
Some financial subsidiaries conduct a cash loan business that is associated with their credit card business. Unused credit balance related to the cash loan business is as follows:

(Millions of yen)

	Year ended February 28, 2025	Year ended February 28, 2026
Credit availability of cash loan business	767,987	326,004
Outstanding balance	66,979	7,079
Unused credit balance	701,008	318,924

Unused credit balance will not have a material impact on future cash flows because most of the unused credit balance will remain unused considering the historical record. Some financial subsidiaries will cease finance services or reduce the credit limit based on the credit situation of customers or other justifiable reasons.

*6. Others
Bonds held by Seven Bank, Ltd.
Seven Bank, Ltd., one of the Company's consolidated subsidiaries, holds bonds to serve as collateral for exchange settlement transactions and overdraft transactions with the Bank of Japan. These bonds are recorded in "Investments in securities" in the consolidated balance sheets due to its nature of restriction even if they have redemption at maturity less than one year. Furthermore, as of June 24, 2025, Seven Bank, Ltd. was removed from the scope of consolidation.

Consolidated Statements of Income

*1. Revenues from contracts with customers
For revenues from operations, revenues from contracts with customer and other revenues are not separately stated. The amount of revenues from contracts with customers are stated in "Note (Revenue Recognition) 1. Components of revenues from contracts with customers" in the consolidated financial statements.

*2. The franchise commission from SEVEN-ELEVEN JAPAN CO., LTD.'s franchised stores and those from 7-Eleven, Inc. (including 7-Eleven Stores Pty Ltd) is included in "Operating revenues." The franchise commission from franchised stores is as follows:

(Millions of yen)

	Year ended February 28, 2025	Year ended February 28, 2026
SEVEN-ELEVEN JAPAN CO., LTD.	818,141	828,927
7-Eleven, Inc.	440,600	451,113
Total	1,258,741	1,280,041

Net sales of franchised stores is as follows:

(Millions of yen)

	Year ended February 28, 2025	Year ended February 28, 2026
SEVEN-ELEVEN JAPAN CO., LTD.	5,313,789	5,419,947
7-Eleven, Inc.	2,493,394	2,490,304
Total	7,807,183	7,910,252

*3. Major items included in “Gain on sales of property and equipment” are as follows:

(Millions of yen)

	Year ended February 28, 2025	Year ended February 28, 2026
Buildings and structures	42,495	34,310
Land	51,997	59,252
Others	559	1,036
Total	95,052	94,599

Notes: 1. ¥1,660 million (Buildings and structures), ¥1,458 million (Land), and ¥(0) million (Other) are included in “Gain on sales of property and equipment related to restructuring” in consolidated statements of income for the fiscal year ended February 28, 2025.

2. Regarding the year ended February 28, 2025, a gain on sales of property and equipment of ¥88,210 million was recorded due to a sale-leaseback executed in November 2024 by the U.S. consolidated subsidiary 7-Eleven, Inc. Regarding the year ended February 28, 2026, a gain on sales of property and equipment of ¥51,413 million was recorded due to a sale-leaseback executed in December 2025 by the U.S. consolidated subsidiary 7-Eleven, Inc.

*4. Major items included in “Loss on disposals of property and equipment” are as follows:

(Millions of yen)

	Year ended February 28, 2025	Year ended February 28, 2026
Buildings and structures	10,564	7,599
Furniture, fixtures and equipment	5,767	4,175
Software	371	9,622
Removal expenses	7,677	1,662
Others	363	62
Total	24,744	23,122

Note: ¥265 million (Buildings and structures), ¥64 million (Furniture, fixtures and equipment), and ¥1,248 million (Removal expenses) are included in “Restructuring expenses” in consolidated statements of income for the fiscal year ended February 28, 2025. ¥157 million (Buildings and structures), ¥11 million (Furniture, fixtures and equipment), and ¥427 million (Removal expenses) are included in “Restructuring expenses” in consolidated statements of income for the fiscal year ended February 28, 2026.

*5. Impairment loss

The Company and its consolidated subsidiaries recognized an impairment loss on the following group of assets.

Year ended February 28, 2025

Description	Classification	Location			Amount (Millions of yen)
Stores	Land and buildings, etc.	Tokyo Met.	Domestic convenience stores	123 stores	98,763
			Others	2 stores	
		Osaka Pref.	Domestic convenience stores	97 stores	
			Others	2 stores	
		Aichi Pref.	Domestic convenience stores	92 stores	
			Others	1 store	
		U.S. & others	Overseas convenience stores	800 stores	
Other facility, etc.	Software, etc.	Tokyo Met., Kanagawa Pref., Chiba Pref., & others			45,230
Total					143,993

Note: In the consolidated statements of income, ¥19,192 million (Stores) is included in “Restructuring expenses” and ¥26,540 million (Other facility, etc.) is included in “Loss on business of subsidiaries and associates.”

Year ended February 28, 2026

Description	Classification	Location			Amount (Millions of yen)
Stores	Land and buildings, etc.	Tokyo Met.	Domestic convenience stores	371 Stores	28,842
		Osaka Pref.	Domestic convenience stores	186 stores	
			Others	1 store	
		Kanagawa Pref.	Domestic convenience stores	108 stores	
		U.S. & others	Overseas convenience stores	1,356 stores	
Other facility, etc.	Software, etc.	Tokyo Met., Yamagata Pref.			3,986
Total					32,829

The Company and its domestic consolidated subsidiaries group their fixed assets by store, which is the minimum cash-generating unit.

The book values of stores whose land had significantly declined in market prices or which incurred consecutive operating losses were reduced to recoverable amounts when the book values exceed future cash flows before discount, and such deducted amount was recorded as impairment loss in special losses.

U.S. consolidated subsidiary 7-Eleven, Inc. reassessed its asset groupings for purposes of promoting closing underperforming retail locations and other measures based on current strategic long-term plans. As a result, ¥56,797 million is recorded as “impairment loss” in the third quarter of the fiscal year ended February 28, 2025.

A breakdown of impairment loss is as follows:

Year ended February 28, 2025

(Millions of yen)

	Stores	Other facilities, etc.	Total
Buildings and structures	75,760	3,387	79,147
Furniture, fixtures and equipment	12,937	4,554	17,492
Land	7,047	1	7,049
Software	1	28,496	28,497
Other	3,016	8,790	11,806
Total	98,763	45,230	143,993

Note: ¥3,455 million (Buildings and structures), ¥134 million (Furniture, fixtures and equipment), ¥15,490 million (Software), and ¥111 million (Other) are included in “Restructuring expenses” in consolidated statements of income. In addition, ¥3,260 million (Buildings and structures), ¥4,412 million (Furniture, fixtures and equipment), ¥10,445 million (Software), and ¥8,422 million (Other) are included in “Loss on business of subsidiaries and associates.”

Year ended February 28, 2026

(Millions of yen)

	Stores	Other facilities, etc.	Total
Buildings and structures	22,405	1	22,406
Furniture, fixtures and equipment	3,373	64	3,437
Land	2,721	0	2,722
Software	0	1,370	1,370
Other	342	2,549	2,891
Total	28,842	3,986	32,829

In the case where net selling prices were used as recoverable amounts, relevant assets were evaluated based on the real estate appraisal standards, etc., and in the case where values in use were used as recoverable amounts, relevant assets were evaluated by discounting estimated future cash flows using discount rates of 4.5% - 8.6% (4.0% - 8.6% for fiscal year ended February 28, 2025).

*6. Restructuring expenses
A breakdown of restructuring expenses is as follows:

(Millions of yen)

	Year ended February 28, 2025	Year ended February 28, 2026
Loss on disposals of property and equipment	1,578	597
Impairment loss	19,192	–
Early retirement benefit	1,125	–
Other	3,708	276
Total	25,605	873

*7 Loss on business of subsidiaries and associates
Loss on business of subsidiaries and associates is the loss on withdrawal from the online supermarket business, and the breakdown is as follows.

(Millions of yen)

	Year ended February 28, 2025	Year ended February 28, 2026
Impairment loss	26,540	–
Early termination fee	14,278	–
Other	5,597	–
Total	46,416	–

Consolidated Statements of Comprehensive Income

The components of other comprehensive income including reclassification adjustments, income taxes, and tax effects

(Millions of yen)

	Year ended February 28, 2025	Year ended February 28, 2026
Unrealized gains (losses) on available-for-sale securities, net of taxes:		
Increase (decrease) during the fiscal year	9,709	15,171
Reclassification adjustments	(1,777)	(7,802)
Before income tax and tax effect adjustments	7,932	7,368
Income taxes and tax effects	(2,313)	(4,484)
Unrealized gains on available-for-sale securities, net of taxes	5,618	2,883
Unrealized gains (losses) on hedging derivatives, net of taxes:		
Increase (decrease) during the fiscal year	789	(551)
Reclassification adjustments	(11)	(0)
Before income tax and tax effect adjustments	777	(551)
Income taxes and tax effects	(79)	138
Unrealized gains (losses) on hedging derivatives, net of taxes	697	(412)
Foreign currency translation adjustments:		
Increase (decrease) during the fiscal year	294,534	(22,985)
Remeasurements of defined benefit plan, net of taxes:		
Increase (decrease) during the fiscal year	6,017	25,741
Reclassification adjustments	(3,880)	(15,263)
Before income tax and tax effect adjustments	2,137	10,478
Income taxes and tax effects	278	(2,596)
Remeasurements of defined benefit plans included in other comprehensive income	2,416	7,881
Share of other comprehensive income of entities accounted for using the equity method:		
Increase (decrease) during the fiscal year	70	9,935
Reclassification adjustments	–	(133)
Share of other comprehensive income (loss) of entities accounted for using equity method, net of taxes	70	9,802
Total other comprehensive income (loss)	303,336	(2,830)

Consolidated Statements of Changes in Net Assets

Year ended February 28, 2025

1. Type and number of shares outstanding and treasury stock

(Thousands of shares)

	As of March 1, 2024	Number of shares increased	Number of shares decreased	As of February 28, 2025
Outstanding stock				
Ordinary Share	877,742	1,755,484	28,670	2,604,555
Treasury stock				
Ordinary Share	3,437	35,549	29,263	9,723

Notes:
1. The increase of 1,755,484 thousand shares in the total number of ordinary shares issued and outstanding was due to a three-for-one share split of common stock on March 1, 2024.
2. The increase in treasury stock of 35,549 thousand shares of common stock was due to the three-for-one share split of common stock on March 1, 2024, which resulted in an increase of 6,875 thousand shares, the purchase of 28,670 thousand shares of treasury stock based on a resolution of the Board of Directors, and the purchase of odd-lot shares, which resulted in an increase of 3 thousand shares.
3. The decrease in treasury stock of 29,263 thousand shares of common stock consists of the decrease of 28,670 thousand shares due to the cancellation of treasury stock, the decrease of 592 thousand shares due to the delivery of the shares held by the BIP Trust and the ESOP Trust, and the decrease of 0 thousand shares due to the sale of odd-lot shares.
4. The number of shares of treasury stock as of February 28, 2025 includes 4,137 thousand shares of the Company held by the BIP Trust and the ESOP Trust.

2. Subscription rights to shares and subscription rights to treasury shares

Entity		The Company	Consolidated subsidiaries	Total
Description of subscription rights to shares		Subscription rights to shares as stock-linked compensation stock option		
Type of shares to be issued upon exercise of the rights		–	–	–
Number of shares to be issued upon the exercise of the rights (shares)	Number of shares as of March 1, 2024	–	–	–
	Number of shares increased	–	–	–
	Number of shares decreased	–	–	–
	Number of shares as of February 28, 2025	–	–	–
Balance as of February 28, 2025 (millions of yen)		49	30	80

3. Matters related to dividends

(1) Dividend payments

Resolution	Type	Total amount of cash dividends	Dividend per share	Record date	Effective date
May 28, 2024 Ordinary general meeting of shareholders	Ordinary Share	¥49,488 million	¥56.50	Feb. 29, 2024	May 29, 2024
October 10, 2024 Board of Directors meeting	Ordinary Share	¥51,980 million	¥20.00	Aug. 31, 2024	Nov. 15, 2024

Notes: 1. The total amount of cash dividends determined by the resolution of the ordinary general meeting of shareholders held on May 28, 2024 includes ¥89 million of the dividends for the shares of the Company held by the BIP Trust and the ESOP Trust. Also, the Company implemented a three-for-one share split of its common stock on March 1, 2024. The dividend per share is the amount before the share split.

2. The total amount of cash dividends determined by the resolution of the Board of Directors meeting held on October 10, 2024 includes ¥84 million of the dividends for the shares of the Company held by the BIP Trust and the ESOP Trust.

(2) Dividends whose record date is within the fiscal year ended February 28, 2025, but to be effective after the fiscal year-end

Resolution	Type	Funds for dividends	Total amount of cash dividends	Dividend per share	Record date	Effective date
May 27, 2025 Ordinary general meeting of shareholders	Ordinary Share	Retained earnings	¥51,980 million	¥20.00	Feb. 28, 2025	May 28, 2025

Note: The total amount of cash dividends includes ¥82 million of the dividends for the shares of the Company held by the BIP Trust and the ESOP Trust.

Year ended February 28, 2026

1. Type and number of shares outstanding and treasury stock

(Thousands of shares)

	As of March 1, 2025	Number of shares increased	Number of shares decreased	As of February 28, 2026
Outstanding stock				
Ordinary Share	2,604,555	–	–	2,604,555
Treasury stock				
Ordinary Share	9,723	284,300	1,147	292,876

Notes: 1. The increase in treasury stock of 284,300 thousand shares of common stock was due to the purchase of 284,297 thousand shares of treasury stock based on a resolution of the Board of Directors, and the purchase of odd-lot shares, which resulted in an increase of 2 thousand shares.

2. The decrease in treasury stock of 1,147 thousand shares of common stock consists of the decrease of 1,107 thousand shares due to the delivery of the shares held by the BIP Trust and ESOP Trust, a decrease of 36 thousand shares resulting from the exercise of subscription rights to shares, a decrease of 3 thousand shares resulting from changes in ownership interests in equity-method affiliates, and a decrease of 0 shares resulting from the sale of odd-lot shares.

3. The number of shares of treasury stock as of February 28, 2026 includes 3,029 thousand shares of the Company held by the BIP Trust and the ESOP Trust.

2. Subscription rights to shares and subscription rights to treasury shares

None

3. Matters related to dividends

(1) Dividend payments

Resolution	Type	Total amount of cash dividends	Dividend per share	Record date	Effective date
May 27, 2025 Ordinary general meeting of shareholders	Ordinary Share	¥51,980 million	¥20.00	Feb. 28, 2025	May 28, 2025
October 9, 2025 Board of Directors meeting	Ordinary Share	¥61,654 million	¥25.00	Aug. 31, 2025	Nov. 14, 2025

Notes: 1. The total amount of cash dividends determined by the resolution of the ordinary general meeting of shareholders held on May 27, 2025 includes ¥82 million of the dividends for the shares of the Company held by the BIP Trust and the ESOP Trust.

2. The total amount of cash dividends determined by the resolution of the Board of Directors meeting held on October 9, 2025 includes ¥75 million of the dividends for the shares of the Company held by the BIP Trust and the ESOP Trust.

(2) Dividends whose record date is within the fiscal year ended February 28, 2026, but to be effective after the fiscal year-end

The following proposal is scheduled to be put on the agenda of the ordinary general meeting of shareholders to be held on May 27, 2026.

Resolution	Type	Funds for dividends	Total amount of cash dividends	Dividend per share	Record date	Effective date
May 27, 2026 Ordinary general meeting of shareholders	Ordinary Share	Retained earnings	¥57,869 million	¥25.00	Feb. 28, 2026	May 28, 2026

Note: The total amount of cash dividends includes ¥75 million of the dividends for the shares of the Company held by the BIP Trust and the ESOP Trust.

Consolidated Statements of Cash Flows

*1. Reconciliation of cash and cash equivalents of the consolidated statements of cash flows and account balances of the consolidated balance sheets

(Millions of yen)

	Year ended February 28, 2025	Year ended February 28, 2026
Cash and bank deposits	1,368,663	438,634
Restricted cash	1,974	2,275
Time deposits and negotiable certificates of deposits with an original maturity of more than three months	(20,818)	(14,764)
Cash and cash equivalents	1,349,820	426,146

*2. The “Payment for sales of shares in subsidiaries resulting in change in scope of consolidation” for the fiscal year ended February 28, 2025 includes the payment of ¥22,068 million for the unrecognized amount related to price adjustments, etc., for the sale of shares of Sogo & Seibu Co., Ltd., which ceased to be a consolidated subsidiary in the fiscal year ended February 29, 2024.

*3. Assets and liabilities of a newly consolidated subsidiary by acquisition of shares are as follows:

Year ended February 28, 2025

The components of assets and liabilities of newly consolidated subsidiaries acquired by purchase of shares at the start of their consolidation, and the relationship between the acquisition cost of their shares and the related payments (net amount) are as follows:

Convenience Group Holdings Pty Ltd

(Millions of yen)

Current assets	57,123
Non-current assets	225,417
Goodwill	143,261
Current liabilities	(76,799)
Non-current liabilities	(152,495)
Acquisition of shares	196,507
Cash and cash equivalents	(29,850)
Payment for acquisition of business	166,657

*4 Major classes of assets and liabilities related to the transfer of shares of subsidiaries for cash and cash equivalents consideration

Year ended February 28, 2026

The major classes of assets and liabilities at the time of the transfer, as well as the transfer price and proceeds from the transfer, resulting from the subsidiaries of YORK

Holdings Co., Ltd. ceasing to be consolidated subsidiaries due to the transfer of shares, were as follows.

(Millions of yen)

Current assets	326,088
Non-current assets	825,324
Current liabilities	(258,262)
Non-current liabilities	(114,934)
Accumulated other comprehensive income	(13,698)
Non-controlling interests	(6,006)
Investment account after sale of shares	(88,191)
Gain on change in equity	31,018
Transfer price	701,337
Accounts receivable, other	(13,184)
Cash and cash equivalents	(149,793)
Proceeds from sales of shares in subsidiaries resulting in change in scope of consolidation	538,359

*5 Assets and liabilities of companies ceasing to be consolidated subsidiaries due to sale of shares are as follows:

Year ended February 28, 2026

The breakdown of assets and liabilities as of the sale of Seven Bank, Ltd. and its subsidiaries, which ceased to be consolidated subsidiaries as a result of the sale of shares, and the sales price and cash outflow from the sale of shares of Seven Bank, Ltd. and its subsidiaries are as follows:

(Millions of yen)

Current assets	1,362,660
Non-current assets	236,942
Current liabilities	(1,259,742)
Non-current liabilities	(52,343)
Accumulated other comprehensive income	(3,701)
Subscription rights to shares	(47)
Non-controlling interests	(154,095)
Investment account after sale of shares	(91,227)
Loss (gain) on sale of shares	1,900
Sales price of shares	40,344
Cash and cash equivalents	(797,063)
Payment for sales of shares in subsidiaries resulting in change in scope of consolidation	(756,718)

*6. Major non-cash transactions

(Millions of yen)

	Year ended February 28, 2025	Year ended February 28, 2026
Finance lease assets for property and equipment recorded in the consolidated balance sheet for the current fiscal year	6,928	5,791
Right-of-use assets recorded in the consolidated balance sheet for the current fiscal year	240,515	380,139
Asset retirement obligations recorded in the consolidated balance sheet for the current fiscal year	71,992	20,158

*7. Acquisition of business

Year ended February 28, 2025

The followings are the details of payment made by 7-Eleven, Inc. to acquire the assets and liabilities related to business acquisition.

(Millions of yen)

Inventory	5,432
Goodwill	107,145
Others	(2,901)
Subtotal	109,675
Property and equipment	44,187
Total	153,863

Property and equipment set out above at an amount of ¥44,187 million is included in acquisition of property and equipment in the Statements of Cash Flows for the fiscal year ended February 28, 2025.

Year ended February 28, 2026

The followings are the details of payment made by 7-Eleven, Inc. to acquire the assets and liabilities related to business acquisition.

(Millions of yen)

Goodwill	5,426
Non-current assets	5,483
Non-current liabilities	(5,593)
Others	(292)
Subtotal	5,023
Property and equipment	2,652
Total	7,676

Property and equipment set out above at an amount of ¥2,652 million is included in acquisition of property and equipment in the Statements of Cash Flows for the fiscal year ended February 28, 2026.

Leases

Operating lease transactions

As lessee:

Future lease payments to be paid under non-cancellable leases of operating lease transactions

(Millions of yen)

	Year ended February 28, 2025	Year ended February 28, 2026
Due within one year	16,188	2,087
Due after one year	76,085	2,353
Total	92,274	4,441

As lessor:

Future lease payments to be received under non-cancellable leases of operating lease transactions

(Millions of yen)

	Year ended February 28, 2025	Year ended February 28, 2026
Due within one year	12,821	14,004
Due after one year	31,659	37,221
Total	44,480	51,226

Financial Instruments

1. Status of financial instruments

(1) Policy on financial instruments

For the management of surplus funds, the Group follows a basic policy of prioritizing safety, liquidity, and efficiency and limits the management of such funds to management through deposits with banks. The Group mainly raises funds through bank loans and bond issuance.

In addition, the Group uses derivative instruments to hedge the exposure to the risk of fluctuations in currency exchange rates regarding foreign currency-denominated asset and liability and hedge the exposure to the risk of fluctuations in interest rates regarding interest bearing debt as well as to optimize cash flows for future interest payments. The Company does not hold or issue derivative instruments for short-term trading or speculative purposes.

(2) Description of financial instruments and their risks, and risk management system

The Group has stipulated responsible departments for each risk type and departments in charge of comprehensive risk management in the “basic rules for risk management,” and recognizes and manages risks with regard to financial instruments as follows.

While notes and accounts receivable-trade, which are operating receivables, are exposed to customers’ credit risks, relevant due dates and balances are managed for each counterparty. In addition, the Group works to monitor credibility of counterparties regularly and in a timely manner to early discover uncollectable receivables due to deterioration of financial conditions, etc., and avoid and mitigate losses.

Although leasehold deposits which mainly arise in association with lease agreements for stores are also exposed to credit risks of entities to which the deposits are made, like notes and accounts receivable-trade, the Group strives to early discover uncollectable receivables and avoid and mitigate losses by monitoring credibility of counterparties.

Although investments in securities are mainly shares of companies with which the Group has business relationships, government bonds held by Seven Bank, Ltd., etc. and are exposed to risks of fluctuations in market prices, the Group periodically assesses fair value of the securities, financial conditions of issuers, and others, and continuously reviews shareholdings in view of relationships with counterparty companies.

Of notes and accounts payable, trade, which are operating payables, foreign currency-denominated payables are exposed to risks of exchange rate fluctuations, but the Group enters into forward foreign exchange contracts for part of the amount of transactions settled for the purpose of avoiding and mitigating the risks. Furthermore, for forward foreign exchange contracts, the Group regularly assesses the status of gain or loss on valuation.

Of debt obligations, short-term loans are mainly aimed at procurement of funds for operating transactions, and long-term loans and bonds are principally aimed at procurement of funds for capital expenditures and M&A. For these items, the Group undertakes comprehensive asset-liability management (ALM).

While foreign currency-denominated loans are exposed to risks of exchange rate fluctuations, the Group strives to avoid such risks using interest rate and currency swap contracts.

Although bonds and long-term loans with floating interest rate are exposed to risks of interest rate fluctuations, the Group strives to avoid and mitigate such risks using interest rate swap contracts and interest rate and currency swap contracts for some of the bonds and long-term loans.

For the above derivative transactions (forward foreign exchange contracts, interest rate swap contracts, and interest rate and currency swap contracts), the Group avoids and mitigates credit risks due to contractual default of counterparties by limiting transactions to contracts with financial institutions with high credibility.

In addition, although operating payables, loans and bonds are exposed to the liquidity risk of failure to make a payment on the due date, in the management of this risk, each operating company of the Group develops and manages the financial plan appropriately and the Company conducts cash management on a group-wide basis.

(3) Supplemental explanation regarding items relating to the market values of financial instruments
Because the determination of the value of financial instruments incorporates variable factors, the value may change by using different preconditions. In addition, the contract amount for derivative transactions in the note “Derivatives” itself does not represent market risks related to derivative transactions.

2. Items relating to the market values of financial instruments
The amounts recorded on the consolidated balance sheet, the market values, and the difference between these amounts are as follows. Shares and other equity instruments without a market price, as well as investments in partnerships and similar entities, are not included in the following table (Note). In addition, “Cash and deposits,” “Notes and accounts payable, trade” and “Short-term loans,” are omitted because their carrying amounts approximate fair values due to the short maturity.

Year ended February 28, 2025

(Millions of yen)

	Consolidated Balance Sheet	Market value	Difference
(1) Notes and accounts receivable - trade, and contract assets	441,630		
Allowance for doubtful accounts(*1)	(5,098)		
	436,532	440,508	3,975
(2) Investments in securities	231,068	235,603	4,535
(3) Long-term leasehold deposits(*2)	268,570		
Allowance for doubtful accounts(*3)	(171)		
	268,398	258,519	(9,879)
Total assets	935,999	934,631	(1,368)
(1) Deposits received in banking business	813,388	813,208	(180)
(2) Bonds(*4)	1,454,036	1,239,034	(215,002)
(3) Long-term loans(*5)	1,068,196	1,045,587	(22,608)
(4) Deposits received from tenants and franchised stores(*6)	44,846	39,260	(5,585)
Total liabilities	3,380,468	3,137,091	(243,376)
Derivative instruments(*7)			
(i) Derivative transactions to which hedge accounting is not applied	(19)	(19)	–
(ii) Derivative transactions to which hedge accounting is applied	–	–	–
Total derivative instruments	(19)	(19)	–

(*1) Net allowance (after deducting allowance for doubtful accounts for notes and accounts receivable - trade, and contract assets).
(*2) Including current portion of long-term leasehold deposits.
(*3) Net allowance (after deducting allowance for doubtful accounts for long-term leasehold deposits).
(*4) Including current portion of bonds.
(*5) Including current portion of long-term loans.
(*6) Including current portion of deposits received from tenants and franchised stores.
(*7) Net credit or debt generated from derivative transactions is indicated on a net basis whereas net obligations in total are indicated in parentheses.

Year ended February 28, 2026

(Millions of yen)

	Consolidated Balance Sheet	Market value	Difference
(1) Notes and accounts receivable - trade, and contract assets	298,684		
Allowance for doubtful accounts(*1)	(1,837)		
	296,846	300,063	3,217
(2) Investments in securities	93,454	99,365	5,910
(3) Long-term leasehold deposits(*2)	156,727		
Allowance for doubtful accounts(*3)	(112)		
	156,614	152,584	(4,029)
Total assets	546,915	552,013	5,098
(1) Deposits received in banking business	–	–	–
(2) Bonds(*4)	1,185,486	1,025,511	(159,974)
(3) Long-term loans(*5)	908,952	883,911	(25,040)
(4) Deposits received from tenants and franchised stores(*6)	13,820	12,079	(1,741)
Total liabilities	2,108,259	1,921,502	(186,756)
Derivative instruments(*7)			
(i) Derivative transactions to which hedge accounting is not applied	–	–	–
(ii) Derivative transactions to which hedge accounting is applied	–	–	–
Total derivative instruments	–	–	–

(*1) Net allowance (after deducting allowance for doubtful accounts for notes and accounts receivable - trade, and contract assets).

(*2) Including current portion of long-term leasehold deposits.

(*3) Net allowance (after deducting allowance for doubtful accounts for long-term leasehold deposits).

(*4) Including current portion of bonds.

(*5) Including current portion of long-term loans.

(*6) Including current portion of deposits received from tenants and franchised stores.

(*7) Net credit or debt generated from derivative transactions is indicated on a net basis whereas net obligations in total are indicated in parentheses.

Note: The book value of unmarketable shares, etc., and investment in partnerships, etc., on the consolidated balance sheet are shown below, which are not included in Assets (2) Investments in securities.

(Millions of yen)

Category	Year ended February 28, 2025	Year ended February 28, 2026
Unlisted shares(*1)	43,217	46,145
Stocks of affiliates(*1)	30,911	211,772
Investments in partnerships, etc.(*2)	15,890	12,368

(*1) The market value of unlisted stocks and stocks of affiliates is not disclosed based on Paragraph 5 of Guidance on Disclosures about Fair Value of Financial Instruments (ASBJ Guidance No. 19, March 31, 2020).

(*2) The market value of investment in partnerships, etc. is not disclosed based on Paragraph 24-16 of Implementation Guidance on Accounting Standard for Fair Value Measurement (ASBJ Guidance No. 31, June 17, 2021).

Note 1: Expected redemption amounts of monetary claims and securities with maturity after the consolidated balance sheet date

Year ended February 28, 2025

(Millions of yen)

	Within 1 year	After 1 year through 5 years	After 5 years through 10 years	After 10 years
Cash and bank deposits	1,368,663	–	–	–
Notes and accounts receivable - trade, and contract assets	427,193	12,071	1,890	475
Investments in securities				
Available-for-sale securities with maturities				
Government and municipal bonds	–	67,260	–	–
Corporate bonds	–	39,300	1,000	–
Other	–	–	–	–
Long-term leasehold deposits	23,800	57,289	61,660	125,820
Total	1,819,657	175,920	64,551	126,295

Year ended February 28, 2026

(Millions of yen)

	Within 1 year	After 1 year through 5 years	After 5 years through 10 years	After 10 years
Cash and bank deposits	438,634	–	–	–
Notes and accounts receivable - trade, and contract assets	295,704	2,980	–	–
Investments in securities				
Available-for-sale securities with maturities				
Government and municipal bonds	–	–	–	–
Corporate bonds	–	–	–	–
Other	–	–	–	–
Long-term leasehold deposits	8,038	34,474	42,668	71,545
Total	742,377	37,454	42,668	71,545

Note 2: Expected redemption amounts of deposits received in banking business after the consolidated balance sheet date

Year ended February 28, 2025

(Millions of yen)

	Within 1 year	After 1 year through 5 years	After 5 years through 10 years	After 10 years
Deposits received in banking business	704,718	108,669	–	–

(*) Of deposits received in banking business, demand deposits are included in “Within 1 year.”

Year ended February 28, 2026

(Millions of yen)

	Within 1 year	After 1 year through 5 years	After 5 years through 10 years	After 10 years
Deposits received in banking business	–	–	–	–

(*) Seven Bank, Ltd. was removed from the scope of consolidation.

Note 3: Repayment schedule of bonds payable and long-term loans after the consolidated balance sheet date

Year ended February 28, 2025

(Millions of yen)

	Within 1 year	After 1 year through 2 years	After 2 years through 3 years	After 3 years through 4 years	After 4 years through 5 years	After 5 years
Bonds	210,000	257,288	70,000	237,405	–	679,342
Long-term loans	290,128	164,497	324,197	83,047	75,479	130,846
Total	500,128	421,786	394,197	320,452	75,479	810,189

Year ended February 28, 2026

(Millions of yen)

	Within 1 year	After 1 year through 2 years	After 2 years through 3 years	After 3 years through 4 years	After 4 years through 5 years	After 5 years
Bonds	255,657	40,000	216,035	–	30,000	643,792
Long-term loans	190,456	344,120	109,988	102,768	93,890	67,729
Total	446,114	384,120	326,023	102,768	123,890	711,522

3. Market value of financial instruments by level
The market value of financial instruments is classified into the following three levels in proportion to the observability and significance of inputs used for the calculation of market value.

Market value of Level 1: Of the observable inputs used for the calculation of market value, market values calculated using market prices of assets or liabilities formed in an active market, which are subject to the calculation of the relevant market value
Market value of Level 2: Of the observable inputs used for the calculation of market value, market values calculated using inputs other than those inputs used in Level 1
Market value of Level 3: Market values calculated using inputs for the calculation of unobservable market values

In the event of using multiple inputs that have a significant impact on the calculation of market value, of the inputs belong to each Level, market value is classified as the lowest priority level for the calculation of market value.

(1) Financial assets and liabilities stated on the consolidated balance sheet with market values
Year ended February 28, 2025

(Millions of yen)

Category	Market value			
	Level 1	Level 2	Level 3	Total
Investments in securities				
Available-for-sale securities				
Shares	97,363	–	–	97,363
Municipal bonds	–	67,073	–	67,073
Bonds	–	40,079	–	40,079
Other	–	15,732	–	15,732
Total assets	97,363	122,886	–	220,249
Derivative instruments				
Currency related	–	(19)	–	(19)
Interest related	–	–	–	–
Total liabilities	–	(19)	–	(19)

Year ended February 28, 2026

(Millions of yen)

Category	Market value			
	Level 1	Level 2	Level 3	Total
Investments in securities				
Available-for-sale securities				
Shares	90,838	–	–	90,838
Municipal bonds	–	–	–	–
Bonds	–	–	–	–
Other	–	–	–	–
Total assets	90,838	–	–	90,838
Derivative instruments				
Currency related	–	–	–	–
Interest related	–	–	–	–
Total liabilities	–	–	–	–

(2) Financial assets and liabilities stated at not market value on the consolidated balance sheet

Year ended February 28, 2025

(Millions of yen)

Category	Market value			
	Level 1	Level 2	Level 3	Total
Notes and accounts receivable - trade, and contract assets	–	365,752	74,755	440,508
Investments in securities				
Available-for-sale securities				
Shares	15,354	–	–	15,354
Long-term leasehold deposits	–	258,519	–	258,519
Total assets	15,354	624,272	74,755	714,382
Deposits received in banking business	–	813,208	–	813,208
Bonds	–	1,239,034	–	1,239,034
Long-term loans	–	1,045,587	–	1,045,587
Deposits received from tenants and franchised stores	–	39,260	–	39,260
Total liabilities	–	3,137,091	–	3,137,091

Year ended February 28, 2026

(Millions of yen)

Category	Market value			
	Level 1	Level 2	Level 3	Total
Notes and accounts receivable - trade, and contract assets	–	253,035	47,028	300,063
Investments in securities				
Available-for-sale securities				
Shares	8,526	–	–	8,526
Long-term leasehold deposits	–	152,584	–	152,584
Total assets	8,526	405,619	47,028	461,175
Deposits received in banking business	–	–	–	–
Bonds	–	1,025,511	–	1,025,511
Long-term loans	–	883,911	–	883,911
Deposits received from tenants and franchised stores	–	12,079	–	12,079
Total liabilities	–	1,921,502	–	1,921,502

Note: Explanation regarding the valuation method and inputs used for calculation of the market value

(Assets)

Investments in securities

The market value of listed stocks is classified as Level 1 because their market prices are used. Market values of municipal bonds and corporate bonds are classified as Level 2 because the frequency of their transactions in the market is low and transaction prices cannot be regarded as market prices in an active market.

Notes and accounts receivable - trade, and contract assets

The market value of notes and accounts receivable-trade, and contract assets with short settlement periods is classified as Level 2 because the relevant book values are used as market values and book values are almost equivalent. The market value of items with long settlement periods is classified as Level 3 because it is the present value, which is calculated by discounting the total of principal and interest by the corresponding yield on government bonds over the remaining period, making allowance for credit risk.

Long-term leasehold deposits

The market value of long-term leasehold deposits is classified as Level 2 because it is the present value, which is calculated by discounting future cash flows—reflecting collectability—by the corresponding yield on government bonds over the remaining period.

(Liabilities)

Deposits received in banking business

For demand deposits, the market value is regarded as the amount payable (book value) if demands were received on the consolidated balance sheet date. Time deposits are classified according to certain periods, and the market value of time deposits is the present value, which is calculated by discounting future cash flows. The discount rate used for this is the interest rate used when new deposits are received. For time deposits with short remaining periods (within one (1) year), the market value is the relevant book value because the market value approximates the book value. The relevant market value is classified as Level 2.

Bonds

The market value of domestic bonds that have market prices is based on these prices. The market value of bonds that do not have market prices is the present value, which is calculated by discounting the total of principal and interest to reflect the remaining period of the said bonds and an interest rate that allows for credit risk. So they are classified as Level 2. In addition, since foreign currency-denominated bonds are subject to designated accounting treatment, their market value is determined by the method where fair value is calculated by discounting future cash flows treated as a part of the currency swaps using the interest rate assumed to be applied if a new similar domestic bond is issued. Therefore it is classified as Level 2.

Long-term loans

The market value of long-term loans is the present value, which is calculated by discounting the total of principal and interest by the interest rate assumed to be applied if the same loan were to be newly taken. Therefore it is classified as Level 2. Long-term loans with floating interest rate are subject to specific accounting treatment for interest rate swaps or integral accounting treatment (specific accounting treatment or designated accounting treatment) for interest rate and currency swaps, and the market value is calculated by discounting the total of principal and interest that were treated as a part of the interest rate swaps or interest rate and currency swaps at a reasonably estimated interest rate that would be applied for similar loans. Therefore it is classified as Level 2.

Deposits received from tenants and franchised stores

The market value of deposits received from tenants and franchised stores is the present value, which is calculated by discounting future cash flows—reflecting collectability—by the corresponding yield on government bonds over the remaining period. So it is classified as Level 2.

Valuation method for derivatives

The currency related market value is calculated by the discounted present method using observable inputs such as interest and exchange rate. The fair value of forward foreign exchange contracts that are accounted for using designated accounting is included in that of corresponding notes and accounts payable, trade, since those forward foreign exchange contracts are treated as an adjustment to accounts payable, trade, as hedged items. The relevant market value is classified as Level 2.

The interest related fair value is calculated by the discounted present method using observable inputs such as interest and exchange rate. The fair value of interest rate swaps that are accounted for using specific accounting is included in that of corresponding long-term loans, since those interest rate swaps are treated as an adjustment to the long-term loans as hedged items. The fair value of interest rate and currency swaps that are accounted for using integral accounting treatment (specific accounting treatment, designated accounting treatment) is included in that of corresponding long-term loans, since those interest rate and currency swaps are treated as an adjustment to the long-term loans as hedged items. The relevant market value is classified as Level 2.

Securities

1. Available-for-sale securities

Year ended February 28, 2025

(Millions of yen)

	Classification	Carrying amount	Acquisition cost	Difference
Items whose carrying amount exceeds acquisition cost	(1) Shares	97,140	23,829	73,311
	(2) Debentures			
	(i) Government and municipal bonds, etc.	–	–	–
	(ii) Bonds	–	–	–
	(iii) Other	–	–	–
	(3) Other	–	–	–
	Subtotal	97,140	23,829	73,311
Items whose carrying amount does not exceed acquisition cost	(1) Shares	222	233	(10)
	(2) Debentures			
	(i) Government and municipal bonds, etc.	67,073	67,431	(357)
	(ii) Bonds	40,079	40,388	(308)
	(iii) Other	–	–	–
	(3) Other	–	–	–
	Subtotal	107,376	108,053	(677)
Total		204,516	131,882	72,634

Note: Unmarketable stocks, etc. (¥43,217 million on the consolidated balance sheet) are not included in the above table.

Year ended February 28, 2026

(Millions of yen)

	Classification	Carrying amount	Acquisition cost	Difference
Items whose carrying amount exceeds acquisition cost	(1) Shares	90,606	17,427	73,178
	(2) Debentures			
	(i) Government and municipal bonds, etc.	–	–	–
	(ii) Bonds	–	–	–
	(iii) Other	–	–	–
	(3) Other	–	–	–
	Subtotal	90,606	17,427	73,178
Items whose carrying amount does not exceed acquisition cost	(1) Shares	232	233	(1)
	(2) Debentures			
	(i) Government and municipal bonds, etc.	–	–	–
	(ii) Bonds	–	–	–
	(iii) Other	–	–	–
	(3) Other	–	–	–
	Subtotal	232	233	(1)
Total		90,838	17,660	73,177

Note: Unmarketable stocks, etc. (¥46,145 million on the consolidated balance sheet) are not included in the above table.

2. Available-for-sale securities sold during the fiscal year ended February 28, 2026

Year ended February 28, 2025 (From March 1, 2024 to February 28, 2025)

(Millions of yen)

Classification	Sale proceeds	Total gain on sale	Total loss on sale
(1) Shares	18,967	11,807	83
(2) Debentures			
(i) Government and municipal bonds, etc.	–	–	–
(ii) Bonds	–	–	–
(iii) Other	–	–	–
(3) Other	–	–	–
Total	18,967	11,807	83

Year ended February 28, 2026 (From March 1, 2025 to February 28, 2026)

(Millions of yen)

Classification	Sale proceeds	Total gain on sale	Total loss on sale
(1) Shares	9,414	5,485	26
(2) Debentures			
(i) Government and municipal bonds, etc.	–	–	–
(ii) Bonds	–	–	–
(iii) Other	–	–	–
(3) Other	–	–	–
Total	9,414	5,485	26

3. Securities for which an impairment loss has been recognized

In the fiscal year ended February 28, 2025, impairment losses of ¥718 million were recognized for securities.

In the fiscal year ended February 28, 2026, impairment losses of ¥53 million were recognized for securities.

In the recognition of impairment losses, impairment losses are recognized for the full amount if the fair value at year-end has fallen by 50% or more compared to the acquisition cost, and for the amount deemed necessary in light of recoverability, etc. if the fair value at year-end has fallen by 30% to 50% or so.

Derivatives

1. Derivative transactions to which hedge accounting is not applied

Currency related

February 28, 2025

(Millions of yen)

Category	Type of transaction	Contract amount	Due after one year	Fair value	Valuation gain (loss)
Transactions other than at the exchange	Forward foreign exchange contracts				
	Purchased				
	USD	1,329	–	(16)	(16)
	EUR	75	–	0	0
	RMB	123	–	(3)	(3)
	Sold				
	TWD	27	–	0	0
Total		1,556	–	(19)	(19)

February 28, 2026

None

2. Derivative transactions to which hedge accounting is applied

Interest related

February 28, 2025

(Millions of yen)

Method of hedge accounting	Type of transaction	Major hedged items	Contract amount	Due after one year	Fair value
Specific accounting treatment for interest rate swaps	Interest rate swap contracts Payment: fixed / Receipt: floating	Long-term loans	125	–	–
Integral accounting treatment (specific accounting treatment, designated accounting treatment) for interest rate and currency swaps	Interest rate and currency swap contracts Payment: fixed / Receipt: floating Receipt: USD / Payment: JPY	Foreign currency-denominated long-term loans	298,974	298,974	–

February 28, 2026

(Millions of yen)

Method of hedge accounting	Type of transaction	Major hedged items	Contract amount	Due after one year	Fair value
Integral accounting treatment (specific accounting treatment, designated accounting treatment) for interest rate and currency swaps	Interest rate and currency swap contracts Payment: fixed / Receipt: floating Receipt: USD / Payment: JPY	Foreign currency-denominated long-term loans	298,974	249,068	–

Retirement Benefits

1. Overview of retirement benefit plans adopted
   The Company and consolidated domestic subsidiaries have established corporate pension fund plans mainly as defined benefit plans, and the Company and certain subsidiaries have also adopted selection-type defined contribution pension plans. Certain subsidiaries have adopted defined contribution plans or lump-sum retirement benefit plans. In addition, extra retirement payments may be made upon retirement, etc. of employees.
   Certain consolidated subsidiaries in the U.S. have established defined contribution pension plans in addition to defined-benefit-type retirement benefit plans.
   Certain consolidated subsidiaries apply the simplified method in calculating retirement benefit obligations.
   The Company and certain subsidiaries participate in a corporate pension fund plan under a multi-employer plan. Since the amount of pension assets corresponding to the Company's own contributions can be reasonably calculated, it is included in the notes on defined benefit plans.

2. Defined benefit plans
   (1) Changes in retirement benefit obligations

(Millions of yen)

	Year ended February 28, 2025	Year ended February 28, 2026
Balance of retirement benefit obligations at beginning of period	260,461	252,426
Service cost (Note 1)	12,655	8,942
Interest cost	3,833	2,814
Actuarial gains and losses accrued	(2,408)	(13,954)
Retirement benefits paid	(23,761)	(6,973)
Decrease resulting from changes in the scope of consolidation (Note 2)	–	(156,379)
Other	1,644	69
Balance of retirement benefit obligations at end of period	252,426	86,943

Notes: 1. Pension expenses of consolidated subsidiaries using the simplified method are recorded in "service cost."
2. The "Decrease resulting from changes in the scope of consolidation" mainly reflects decreases arising from the exclusion of Seven Bank, Ltd. and its subsidiaries, as well as subsidiaries under YORK Holdings Co., Ltd., from the scope of consolidation.

(2) Changes in plan assets

(Millions of yen)

	Year ended February 28, 2025	Year ended February 28, 2026
Balance of plan assets (including retirement benefit trust) at beginning of period	360,991	363,088
Expected return on plan assets	7,188	4,808
Actuarial gains and losses accrued	3,609	12,109
Contribution from employer	12,052	9,174
Retirement benefits paid	(20,406)	(6,518)
Decrease resulting from changes in the scope of consolidation (Note)	–	(245,090)
Other	(347)	–
Balance of plan assets at end of period	363,088	137,571

Note: The “Decrease resulting from changes in the scope of consolidation” mainly reflects decreases arising from the exclusion of Seven Bank, Ltd. and its subsidiaries, as well as subsidiaries under YORK Holdings Co., Ltd., from the scope of consolidation.

(3) Reconciliation between ending balance of retirement benefit obligations and plan assets, and net defined benefit liability/asset recorded in the consolidated balance sheet

(Millions of yen)

	Year ended February 28, 2025	Year ended February 28, 2026
Retirement benefit obligations of funded plans	236,113	70,376
Plan assets	(363,088)	(137,571)
	(126,974)	(67,194)
Retirement benefit obligations of unfunded plans	16,313	16,566
Net amount of liabilities and assets recorded in the consolidated balance sheet	(110,661)	(50,627)
Net defined benefit liability	16,313	16,566
Net defined benefit asset	(126,974)	(67,194)
Net amount of liabilities and assets recorded in the consolidated balance sheet	(110,661)	(50,627)

(4) Amounts of retirement benefit expenses and their components

(Millions of yen)

	Year ended February 28, 2025	Year ended February 28, 2026
Service cost(Note)	12,655	8,942
Interest cost	3,833	2,814
Expected return on plan assets	(7,188)	(4,808)
Amortization of actuarial gains and losses	(3,403)	(3,086)
Amortization of prior service cost	0	0
Extra amount paid on a non-regular basis	1,301	545
Retirement benefit expenses for defined benefit plans	7,198	4,407

Note: Pension expenses of consolidated subsidiaries using the simplified method are recorded in “service cost.”

(5) Remeasurements of defined benefit plans included in other comprehensive income

The components of remeasurements of defined benefit plans (before deduction of income taxes and tax effects) are as follows:

(Millions of yen)

	Year ended February 28, 2025	Year ended February 28, 2026
Prior service cost	(1)	0
Actuarial gains and losses	2,139	10,477
Total	2,137	10,478

(6) Remeasurements of defined benefit plans

The components of remeasurements of defined benefit plans (before deduction of income taxes and tax effects) are as follows:

(Millions of yen)

	Year ended February 28, 2025	Year ended February 28, 2026
Unrecognized prior service cost	14	14
Unrecognized actuarial gains and losses	(35,150)	(41,984)
Total	(35,135)	(41,970)

Note: The amounts above relate to the Company and its consolidated subsidiaries. In addition to the amounts presented above, the remeasurements of defined benefit plans include the Company's share of unrecognized items of equity-method affiliates.

(7) Matters related to plan assets

(i) Major components of plan assets

The ratio of each major category to total plan assets is as follows:

	Year ended February 28, 2025	Year ended February 28, 2026
Debentures	49 %	45 %
Shares	22	23
Other	29	32
Total	100	100

(ii) Method for setting the long-term expected rate of return on plan assets

To determine the long-term expected rate of return on plan assets, the Company takes into account current and expected allocation of plan assets, and current and expected long-term return rate on various types of assets constituting plan assets.

(8) Actuarial assumptions

Major actuarial assumptions

	Year ended February 28, 2025	Year ended February 28, 2026
Discount rate	Primarily 1.3% (5.6% for consolidated subsidiaries in the U.S.)	Primarily 2.8% (5.3% for consolidated subsidiaries in the U.S.)
Long-term expected rate of return	Primarily 2.0%	Primarily 2.0%
Expected rate of salary increase	Primarily 2.3%	Primarily 2.3%

3. Defined contribution plans

The amounts of required contributions to defined contribution plans of the Company and certain consolidated subsidiaries in Japan and the U.S. were ¥6,785 million as of February 28, 2025 and ¥6,450 million as of February 28, 2026.

Stock Options

1. Expenses and account titles for stock options

(Millions of yen)

	Year ended February 28, 2025	Year ended February 28, 2026
Selling, general and administrative expenses	19	8

2. Amount recorded as profit due to unexercised rights

(Millions of yen)

	Year ended February 28, 2025	Year ended February 28, 2026
Non-operating income	0	0

3. Details, volume and changes of stock options

The Company

(1) Details of stock options

	15th share subscription rights issue (Stock option as stock-based compensation)	17th share subscription rights issue (Stock option as stock-based compensation)	19th share subscription rights issue (Stock option as stock-based compensation)	21st share subscription rights issue (Stock option as stock-based compensation)
Category and number of grantees	Directors of the Company: 8	Directors of the Company: 7	Directors of the Company: 6	Directors of the Company: 7
Class and number of shares granted(Note 1)	Ordinary share: 28,100 shares	Ordinary share: 16,500 shares	Ordinary share: 16,100 shares	Ordinary share: 18,200 shares
Grant date	August 5, 2015	August 3, 2016	August 4, 2017	August 3, 2018
Vesting conditions	(Note 2)	Same as left	Same as left	Same as left
Requisite service period	Not prescribed	Same as left	Same as left	Same as left
Exercise period	From February 29, 2016 to August 5, 2035	From February 28, 2017 to August 3, 2036	From February 28, 2018 to August 4, 2037	From February 28, 2019 to August 3, 2038

Notes: 1. The number of stock options is converted and stated as number of shares. The numbers of shares at the time of granting them to Directors of the Company is shown.

2. A share subscription right holder may exercise the share subscription rights only within ten (10) days from the day following the day he/she loses his/her position as a Director or executive officer of the Company, or as a Director or executive officer of a subsidiary of the Company.

(2) Volume and changes of stock options

Targeting stock options that existed in the fiscal year ended February 28, 2026, the number of stock options is converted and stated as number of shares.

(i) Number of stock options

	15th share subscription rights issue (Stock option as stock-based compensation)	17th share subscription rights issue (Stock option as stock-based compensation)	19th share subscription rights issue (Stock option as stock-based compensation)	21st share subscription rights issue (Stock option as stock-based compensation)
Stock options before vesting (shares)				
At end of previous fiscal year	–	–	–	–
Granted	–	–	–	–
Lapsed	–	–	–	–
Vested	–	–	–	–
Unvested balance	–	–	–	–
Stock options after vesting (shares)				
At end of previous fiscal year	9,000	9,000	9,000	9,000
Vested	–	–	–	–
Exercised	9,000	9,000	9,000	9,000
Lapsed	–	–	–	–
Unexercised balance	–	–	–	–

(ii) Unit price information

	15th share subscription rights issue (Stock option as stock-based compensation)	17th share subscription rights issue (Stock option as stock-based compensation)	19th share subscription rights issue (Stock option as stock-based compensation)	21st share subscription rights issue (Stock option as stock-based compensation)
Exercise price(Note)	¥1 per share	¥1 per share	¥1 per share	¥1 per share
Average share price at the time of exercise	¥2,152	¥2,152	¥2,152	¥2,152
Fair value per unit at grant date(Note)	¥533,000 per subscription right	¥361,300 per subscription right	¥369,800 per subscription right	¥380,600 per subscription right

Note: The number of shares to be issued upon exercise of one subscription right is adjusted to 300 shares of the Company's common stock.

4. Method for estimating the fair value per unit of stock options
   None

5. Method for estimating the number of stock options vested
   Because it is difficult to reasonably estimate the number of options that will expire in the future, the number of stock options vested only reflects the number of options that have actually lapsed.

Deferred Tax Accounting

1. Major components of deferred tax assets and liabilities

(Millions of yen)

	Year ended February 28, 2025	Year ended February 28, 2026
Deferred tax assets		
Contract liabilities	20,376	14,779
Allowance for bonuses to employees	4,481	1,630
Allowance for sales promotion expenses	230	82
Denial of accrued personnel expenses	13,847	16,975
Allowance for retirement benefits to Directors and Audit & Supervisory Board Members	138	41
Excess of allowable limit of deductible expenses for net defined benefit liability	926	265
Excess of allowable limit of deductible expenses for depreciation and amortization	12,147	4,478
Tax loss carried forward(Note 2)	121,609	82,563
Loss on valuation of securities	777	293
Excess of allowable limit of deductible expenses for allowance for doubtful accounts	2,611	830
Valuation difference on non-current assets	4,512	4,132
Valuation difference on land and denial of impairment loss	47,449	20,602
Accrued enterprise taxes and business office taxes	3,574	2,555
Denial of accrued expenses	31,239	40,892
Asset retirement obligations	33,607	30,045
Unearned revenue	638	535
Other	28,870	16,879
Subtotal (deferred tax assets)	327,037	237,585
Valuation allowance for tax loss carried forward(Note 2)	(72,869)	(52,531)
Valuation allowance for total deductible temporary differences, etc.	(25,973)	(6,058)
Subtotal (valuation allowance)	(98,843)	(58,590)
Total deferred tax assets	228,194	178,995
Deferred tax liabilities		
Valuation difference on non-current assets	(243,558)	(220,468)
Valuation difference on royalties, etc.	(62,121)	(80,742)
Reserve for advanced depreciation of non-current assets	(583)	–
Valuation difference on securities	(22,872)	(24,135)
Net defined benefit asset	(38,867)	(21,178)
Removal cost related to asset retirement obligations	(16,215)	(16,998)
Other	(2,552)	(2,955)
Total deferred tax liabilities	(386,771)	(366,480)
Net deferred tax liabilities	(158,576)	(187,484)

Notes: 1. In the year ended February 28, 2026, the Company retrospectively applied a change in accounting policy as described in “Changes in Accounting Policies,” and the figures for the year ended February 28, 2025 have been retrospectively adjusted to reflect such change.

2. Amounts of tax loss carried forward and the relevant deferred tax assets by expiration of carryforwards

February 28, 2025

(Millions of yen)

	Within 1 year	After 1 year through 2 years	After 2 years through 3 years	After 3 years through 4 years	After 4 years through 5 years	After 5 years	Total
Tax loss carried forward(a)	2,091	3,126	1,866	3,124	2,849	108,550	121,609
Valuation allowance	1,926	2,963	1,854	3,124	2,787	60,213	72,869
Deferred tax assets	165	163	12	–	61	48,336	(b) 48,739

(a) Tax loss carried forward is the amount calculated by multiplying the tax loss carried forward by the statutory effective tax rate.

(b) Deferred tax assets for the tax loss carried forward are considered recoverable based on expected future taxable profit.

February 28, 2026

(Millions of yen)

	Within 1 year	After 1 year through 2 years	After 2 years through 3 years	After 3 years through 4 years	After 4 years through 5 years	After 5 years	Total
Tax loss carried forward(a)	934	504	66	763	1,618	78,675	82,563
Valuation allowance	934	504	66	761	1,608	48,655	52,531
Deferred tax assets	–	–	–	2	9	30,019	(b) 30,031

(a) Tax loss carried forward is the amount calculated by multiplying the tax loss carried forward by the statutory effective tax rate.

(b) Deferred tax assets for the tax loss carried forward are considered recoverable based on expected future taxable profit.

Net deferred tax liabilities in the fiscal years ended February 28, 2025 and February 28, 2026 are included in the following items in the consolidated balance sheets.

(Millions of yen)

	Year ended February 28, 2025	Year ended February 28, 2026
Deferred tax assets: Non-current assets	75,058	37,148
Deferred tax liabilities: Non-current liabilities	(233,635)	(224,633)

2. Reconciliation of significant differences between the statutory effective tax rate and the actual effective rate of income taxes after application of deferred tax accounting

	Year ended February 28, 2025	Year ended February 28, 2026
Statutory effective tax rate	30.6%	30.6%
(Adjustments)		
Equity in earnings of affiliates	0.1	0.4
Expenses not deductible permanently, such as entertainment expenses	0.4	0.1
Change in valuation allowance	4.9	4.0
Inhabitant per capita taxes	0.5	0.2
Amortization of goodwill	15.7	9.7
Differences in tax rates of foreign subsidiaries	(8.4)	(4.1)
Tax effect adjustments for consolidated journal entry	(12.0)	(7.4)
Effects of exclusion from the scope of consolidation(Note)	(0.1)	(3.0)
Other	0.4	0.7
Effective rate of income taxes after application of deferred tax accounting	32.1	31.2

Note: The “Effects of exclusion from the scope of consolidation” in the year ended February 28, 2026 mainly reflects decreases arising from the exclusion of Seven Bank, Ltd. and its subsidiaries, as well as subsidiaries under YORK Holdings Co., Ltd., from the scope of consolidation.

3. Accounting treatment of corporate tax and local corporate tax and their deferred tax accounting
The Company and some of its domestic consolidated subsidiaries have applied the Group Tax Sharing System. Furthermore, the Company undertakes and discloses the accounting treatment for national corporate taxes and local corporate taxes or tax effect accounting relating to these taxes in compliance with provisions in the “Practical Solution on the Accounting and Disclosure Under the Group Tax Sharing System” (ASBJ Practical Issues Task Force No. 42, August 12, 2021).

4 Change in income tax rate after fiscal year-end
The “Act for Partial Revision of the Income Tax Act, etc.” (Act No. 13 of 2025) was enacted by the Diet on March 31, 2025, and the “Special Defense Corporation Tax” will be imposed from the fiscal years beginning on or after April 1, 2026.
As a result, the statutory effective tax rate used for calculating deferred tax assets and deferred tax liabilities has been changed from 30.6% to 31.5%, pertaining to temporary differences that are expected to be settled in the fiscal year beginning on or after March 1, 2027.
The impact of this change will be immaterial.

Business Combinations, etc.

Year ended February 28, 2026

I Business divestiture

Transfer of Subsidiary Shares

At a meeting of its Board of Directors held on March 6, 2025, the Company resolved to transfer, by way of an absorption-type company split (hereinafter “Absorption-Type Split”), to K.K. BCJ-96 (hereinafter “SPC (2)”), a wholly owned subsidiary of K.K. BCJ-95 (hereinafter “SPC (1)”), a special purpose company established by Bain Capital Private Equity, L.P. and its affiliates (hereinafter collectively, “Bain Capital”), the rights and obligations relating to the head office functions of the Company’s wholly owned subsidiary YORK Holdings Co., Ltd. (hereinafter “York HD”), as well as the management functions and all other business operations of 29 companies consisting of 22 consolidated subsidiaries and 7 equity-method affiliates belonging to the Group’s grocery retail, specialties, and other retail business (hereinafter collectively, “SST Business Group”). These rights and obligations include all shares directly held by York HD in Ito-Yokado Co., Ltd., York-Benimaru Co., Ltd., THE LOFT CO., LTD., Akachan Honpo Co., Ltd., Seven & i Food Systems Co., Ltd. (currently Denny’s Japan Co., Ltd.), Seven & i Create Link Co., Ltd. (currently Create Link Co., Ltd.), and SHELL GARDEN CO., LTD. In addition, the procedures for the Absorption-Type Split were completed on September 1, 2025.

The Company had planned to make an investment in SPC (1) (hereinafter “Reinvestment”) so that its ownership interest would be 35.07% following the effective date of the Absorption-Type Split, and such Reinvestment was completed on the same date.

As a result, the Company’s consolidated subsidiaries belonging to the SST Business Group were excluded from the scope of consolidation, and SPC (1) became an equity-method affiliate of the Company.

1 Outline of the business divestiture

(1) Name of the successor entity
K.K. BCJ-96 (corporate name is currently YORK Holdings Co., Ltd.)

(2) Description of the divested businesses
Superstore operations, etc.

(3) Main objectives of the business divestiture
The Company has engaged in extensive discussions with Bain Capital to maximize value for its shareholders and stakeholders. As a result, the Company determined that leveraging Bain Capital’s expertise in the consumer and retail industry and financial strength, backed by its strong investment track record as one of the world’s leading private equity fund, will contribute to the sustainable growth of the SST Business Group.

(4) Date of business divestiture
September 1, 2025

(5) Other items regarding overview of transaction, including the legal form thereof
An absorption-type company split in which York HD is the splitting company and SPC (2) is the succeeding company

2 Overview of the accounting treatment

(1) Amount of gain on changes in equity interests
¥26,946 million
The amount of gain on changes in equity interests is stated after deducting expenses related to the business transfer.

(2) Appropriate carrying amounts of assets and liabilities related to the transferred business and major breakdown thereof

Current assets	¥326,088 million
Non-current assets	¥825,324 million
Total assets	¥1,151,413 million
Current liabilities	¥258,262 million
Non-current liabilities	¥114,934 million
Total liabilities	¥373,197 million

(3) Accounting treatment
The difference between the consolidated carrying amount of the relevant assets and liabilities and the sale price has been recognized as gain on change in equity in superstore business under special gains.

3 Name of the reportable segment in which the divested business was included
Superstore operations, Others

4 Approximate amount of profit or loss related to the divested business recorded in the consolidated statements of income for the current fiscal year
Revenues from operations ¥837,994 million
Operating income ¥23,032 million

II Business divestiture

Transfer of a Portion of Subsidiary Shares

Three of the Company's wholly owned subsidiaries, SEVEN-ELEVEN JAPAN CO., LTD. (hereinafter "Seven-Eleven Japan"), Ito-Yokado Co., Ltd., and York-Benimaru Co., Ltd. (hereinafter collectively, "Subsidiaries"), decided to tender some or all of their respective shareholdings in the Company's subsidiary Seven Bank, Ltd. (hereinafter "Seven Bank") in response to Seven Bank's repurchase announced on June 19, 2025 (hereinafter "Transfer"). The change in subsidiary status was completed on June 24, 2025, when the Transfer was executed. As a result of the Transfer, the Group's voting interest in Seven Bank became 39.9%.
Accordingly, Seven Bank and its nine subsidiaries were excluded from the scope of consolidation, and Seven Bank became an equity-method affiliate of the Company.

1 Outline of the business divestiture
(1) Name of the successor entity
Seven Bank, Ltd.
(2) Description of the divested businesses
Financial services
(3) Main objectives of the business divestiture
The Company held extensive discussions with Seven Bank and carefully considered measures that would enable sustainable growth for both companies while maintaining the synergies between their respective businesses. As a result, the Company concluded that a more autonomous management structure would enable Seven Bank to collaborate with a broader range of partners, pursue higher value-added business initiatives, and achieve further growth. The Company also determined that such a structure would allow Seven Bank to implement a variety of capital policies with greater agility in response to changes in the business environment, thereby enhancing its corporate value and shareholder value. Based on this assessment, Seven Bank announced on June 19, 2025 that it would acquire its own shares (hereinafter "Share Repurchase"), and the Subsidiaries decided to tender some or all of their respective holdings of Seven Bank shares in response to the Share Repurchase.
As a result, Seven Bank and its subsidiaries were excluded from the Company's consolidated subsidiaries. However, the Company believes that synergies with its financial services business will continue to be maintained through Seven-Eleven Japan's ongoing ownership of a certain number of Seven Bank shares. At the same time, the Company expects that a greater focus on its convenience store operations will accelerate growth and maximize corporate value and shareholder value.
(4) Date of business divestiture
June 24, 2025 (deemed transfer date: August 31, 2025)
(5) Other items regarding overview of transaction, including the legal form thereof
Share transfers for which the consideration to be received is assets such as cash only.

2 Overview of the accounting treatment
(1) Amount of gains on the transfer
¥1,889 million

(2) Appropriate carrying amounts of assets and liabilities related to the transferred business and major breakdown thereof

Current assets	¥1,362,660 million
Non-current assets	¥236,942 million
Total assets	¥1,599,602 million
Current liabilities	¥1,259,742 million
Non-current liabilities	¥52,343 million
Total liabilities	¥1,312,086 million

(3) Accounting treatment
The difference between the consolidated carrying amount of the shares transferred and the sale price has been recognized under “Special gains - Other.”

3 Name of the reportable segment in which the divested business was included
Financial services

4 Approximate amount of profit or loss related to the divested business recorded in the consolidated statements of income for the current fiscal year
Revenues from operations ¥81,982 million
Operating income ¥15,303 million

Asset Retirement Obligations

Asset retirement obligations recorded in the consolidated balance sheet

(1) Overview of the asset retirement obligations
They are mainly obligations to restore the site to its original condition associated with real estate lease agreements for buildings for stores.

(2) Method of calculating the amount of the asset retirement obligations
The expected use period is estimated to be the contractual period of the real estate lease agreement, etc. and is one to 32 years. The amount of the asset retirement obligations was calculated using the discount rate of 0% to 8.3%.

(3) Increase (decrease) in the total amount of the asset retirement obligations

(Millions of yen)

	Year ended February 28, 2025	Year ended February 28, 2026
Balance at beginning of period	168,599	237,721
Increase due to acquisition of property and equipment	20,399	4,978
Adjustments due to the passage of time	3,444	4,910
Decrease due to fulfillment of asset retirement obligations	(10,488)	(5,694)
Increase (decrease) due to change of estimates	48,148	10,269
Decrease due to exclusion from the scope of consolidation(Note 1)	(233)	(24,772)
Other increase (decrease)(Note 2)	7,850	(1,392)
Balance at end of period	237,721	226,021

Notes: 1. Decrease due to exclusion from the scope of consolidation for the current fiscal year was mainly because of the exclusion of subsidiaries under YORK Holdings Co., Ltd. from the scope of consolidation.
2. “Other increase (decrease)” is mainly due to exchange rate fluctuations.

(4) Change of the estimated amount of the asset retirement obligations
For asset retirement obligations recorded as obligations to restore the site to its original condition for the fiscal years ended February 28, 2025 and February 28, 2026, the estimates of the costs to restore the site to its original condition and the expected use period were changed as a result of obtaining new information, such as the most

recent data on restoration costs, and the increases of ¥48,148 million and ¥10,269 million due to the changed estimates were added to the balances of the asset retirement obligations before the change.

Rental and Other Investment Property

The information is omitted as the total amount of rental and other investment property is immaterial.

Revenue Recognition

1. Components of revenues from contracts with customers

Year ended February 28, 2025

(Millions of yen)

	Reportable segment				Others (Note 1)	Total	Adjust-ments (Note 2)	Revenue from external customers
	Domestic convenience store operations	Overseas convenience store operations	Superstore operations	Financial services				
Japan	898,374	–	1,392,791	119,059	283,894	2,694,119	634	2,694,754
North America	–	8,416,261	–	11,221	–	8,427,482	–	8,427,482
Others (Note 3)	–	466,571	33,463	11,857	2,268	514,160	–	514,160
Revenues from contracts with customers	898,374	8,882,832	1,426,254	142,137	286,163	11,635,762	634	11,636,397
Other revenues (Note 4)	3,814	285,601	2,282	43,493	1,172	336,365	–	336,365
Revenue from external customers	902,189	9,168,434	1,428,536	185,631	287,336	11,972,128	634	11,972,762

Notes: 1. Others that are not allocated to reportable segments include specialty store operations, real estate business, etc.

2. “Adjustments” are in the segment of operating revenues that do not belong to reportable segments.

3. “Others” consist of the business results in Australia, China, etc.

4. Other revenues are revenues based on ASU No. 2016-02, Leases (Topic 842), rental revenues from movable property or real estate based on Accounting Standard for Lease Transactions (ASBJ Statement No. 13), financial revenues based on Accounting Standard for Financial Instruments (ASBJ Statement No. 10), etc.

5. The classification of geographic area segments is determined according to geographical distances.

Year ended February 28, 2026

(Millions of yen)

	Reportable segment				Others (Note 1)	Total	Adjust-ments (Note 2)	Revenue from external customers
	Domestic convenience store operations	Overseas convenience store operations	Superstore operations	Financial services				
Japan	908,437	–	670,848	66,999	149,305	1,795,590	1,302	1,796,892
North America	–	7,660,380	–	6,428	–	7,666,808	–	7,666,808
Others (Note 3)	–	601,408	15,823	5,931	1,333	624,497	–	624,497
Revenues from contracts with customers	908,437	8,261,788	686,671	79,359	150,639	10,086,897	1,302	10,088,199
Other revenues (Note 4)	3,722	294,399	951	42,455	540	342,069	–	342,069
Revenue from external customers	912,159	8,556,188	687,623	121,815	151,180	10,428,966	1,302	10,430,269

Notes: 1. Others that are not allocated to reportable segments include specialty store operations, real estate business, etc.

2. “Adjustments” are in the segment of operating revenues that do not belong to reportable segments.

3. “Others” consist of the business results in Australia, China, etc.

4. Other revenues are revenues based on ASU No. 2016-02, Leases (Topic 842), rental revenues from movable property or real estate based on Accounting Standard for Lease Transactions (ASBJ Statement No. 13), financial revenues based on Accounting Standard for Financial Instruments (ASBJ

Statement No. 10), etc.

5. The classification of geographic area segments is determined according to geographical distances.

2. Basic information for understanding revenue
Basic information for understanding revenue arising from contracts with customers is described in “Notes to Accounting Policies for the Preparation of Consolidated Financial Statements 4. Summary of significant accounting policies, (6) Revenue recognition.”

3. Relationship between satisfied performance obligation based on contracts with customers and cash flows generated from the contracts, and information on the amount and time of expected revenues from contracts with customers existing at the end of the current fiscal year, which could be recognized in and after the next fiscal year

Year ended February 28, 2025

(i) Balance of claims, contract assets and contract liabilities arising from contracts with customers

The amounts of claims, contract assets and contract liabilities arising from contracts with customers are as follows:

(Millions of yen)

	March 1, 2024	February 28, 2025
Claims arising from contracts with customers		
Notes receivable	2	–
Accounts receivable-trade	463,022	440,269
Other	130,901	124,706
Contract assets	5	4
Contract liabilities	188,890	178,031

Contract assets are related to considerations of recognized revenues that have not been claimed under a contract in which performance obligation is satisfied over a certain period of time. Contract assets shall be transferred to operating receivables at the time when the claim to payment becomes unconditional and the payment request is made. Contract assets are included in “Notes and accounts receivable - trade, and contract assets” on the consolidated balance sheet.

Contract liabilities are the balance of the amount of outstanding performance obligation that have not been satisfied as of the end of the fiscal year for gift certificates issued by the Group, electronic money, granted points, store opening preparation expenses, etc., to be received form franchised stores. Contract liabilities arising from electronic money, gift certificates, points, etc., shall be reversed depending on their use, and those arising from store opening preparation expenses, etc., to be received from franchised stores shall be reversed on the recognition of revenues with the passage of time.

Of the recognized revenues, the amount of recognized revenues included in contract liabilities as of the beginning of the fiscal year was ¥122,367 million. Revenues recognized from performance obligation that was satisfied in the past period have no significance in the amount.

(ii) Transaction price allocated to remaining performance obligation
The total transaction prices allocated to the remaining performance obligations were ¥224,937 million as of the end of fiscal year ended February 28, 2026. Revenues from remaining performance obligations of electronic money, gift certificates, points, etc. are estimated to be recognized depending on their use, and revenues from those of fixed rent to be received from tenants and store opening preparation expenses, etc. to be received from franchised stores are recognized with the passage of time within approximately 15 years.

Transactions and sales within a year of the estimated original contract period, or variable considerations including royalties based on the usage fees are not included in the above revenues. Sales or royalties based on the usage fees are mainly royalties received from franchised stores. Remaining contract periods are one year to 15 years

for each contract.

Year ended February 28, 2026

(i) Balance of claims, contract assets and contract liabilities arising from contracts with customers

The amounts of claims, contract assets and contract liabilities arising from contracts with customers are as follows:

(Millions of yen)

	March 1, 2025	February 28, 2026
Claims arising from contracts with customers		
Accounts receivable-trade	440,269	296,747
Other	124,706	84,037
Contract assets	4	–
Contract liabilities	178,031	70,667

Contract assets are related to considerations of recognized revenues that have not been claimed under a contract in which performance obligation is satisfied over a certain period of time. Contract assets shall be transferred to operating receivables at the time when the claim to payment becomes unconditional and the payment request is made. Contract assets are included in “Notes and accounts receivable - trade, and contract assets” on the consolidated balance sheet.

Contract liabilities are the balance of the amount of outstanding performance obligation that have not been satisfied as of the end of the fiscal year for gift certificates issued by the Group, electronic money, granted points, store opening preparation expenses, etc., to be received form franchised stores. Contract liabilities arising from electronic money, gift certificates, points, etc., shall be reversed depending on their use, and those arising from store opening preparation expenses, etc., to be received from franchised stores shall be reversed on the recognition of revenues with the passage of time. The ¥107,364 million decrease in contract liabilities in the year ended February 28, 2026 mainly reflects decreases arising from the exclusion of Seven Bank, Ltd. and its subsidiaries, as well as subsidiaries under YORK Holdings Co., Ltd., from the scope of consolidation.

Of the recognized revenues, the amount of recognized revenues included in contract liabilities as of the beginning of the fiscal year was ¥107,633 million. Revenues recognized from performance obligation that was satisfied in the past period have no significance in the amount.

(ii) Transaction price allocated to remaining performance obligation

The total transaction prices allocated to the remaining performance obligations were ¥70,145 million as of the end of fiscal year ended February 28, 2026. Revenues from remaining performance obligations of electronic money, gift certificates, points, etc. are estimated to be recognized depending on their use, and revenues from those of fixed rent to be received from tenants and store opening preparation expenses, etc. to be received from franchised stores are recognized with the passage of time within approximately 15 years.

Transactions and sales within a year of the estimated original contract period, or variable considerations including royalties based on the usage fees are not included in the above revenues. Sales or royalties based on the usage fees are mainly royalties received from franchised stores. Remaining contract periods are one year to 15 years for each contract.

Segment Information

Segment Information

1. Overview of reportable segments
   With respect to its reportable segments, the Company is able to obtain delineated financial data from its structural units. Its segments are subject to periodical review for the purpose of making decisions on allocation of managerial resources and evaluating business performance by the Board of Directors.
   Under the holding company structure, the Company has classified its consolidated subsidiaries into four segments which are “Domestic convenience store operations,” “Overseas convenience store operations,” “Superstore operations,” and “Financial services,” according to the nature of products, services and sales operations.
   “Domestic convenience store operations” operate a convenience store business comprising directly managed corporate stores and franchised stores mainly under SEVEN-ELEVEN JAPAN CO., LTD. “Overseas convenience store operations” operate a convenience store business comprising directly managed corporate stores and franchised stores mainly under 7-Eleven, Inc. (including 7-Eleven Stores Pty Ltd). “Superstore operations” operate a retail business that provides a comprehensive range of daily life necessities such as food and other daily necessities. “Financial services” operate a banking business, credit card business and leasing business.

2. Calculation methodology for revenues from operations, income or losses, assets and liabilities and other items for each reportable segments
   The accounting treatment of each reportable segments is in line with the “Accounting policies for the preparation of consolidated financial statements.”
   Segment income (loss) and segment liabilities as reported in this section are based on operating income and interest bearing debt, respectively. Intersegment revenues and transfers are calculated at prevailing market prices.

3. Information on revenues from operations, income, loss, assets, liabilities and other monetary items for each reportable segments
Year ended February 28, 2025

(Millions of yen)

	Reportable segment				Others	Total	Adjust-ments	Consoli-dated total
	Domestic convenience store operations	Overseas convenience store operations	Superstore operations	Financial services				
Revenues from operations								
Customers	902,189	9,168,434	1,428,536	185,631	287,336	11,972,128	634	11,972,762
Intersegment	1,962	2,347	3,589	26,496	33,578	67,974	(67,974)	–
Total	904,152	9,170,782	1,432,126	212,127	320,914	12,040,102	(67,339)	11,972,762
Segment income (loss)	233,554	216,248	10,415	32,015	5,779	498,014	(77,023)	420,991
Segment assets	1,315,808	6,965,924	980,415	1,820,541	172,816	11,255,506	130,605	11,386,111
Segment liabilities (interest bearing debt)	–	1,520,446	423	247,751	16,562	1,785,184	909,546	2,694,730
Other items								
Depreciation	91,312	237,661	38,529	40,024	6,413	413,940	22,653	436,593
Amortization of goodwill	–	133,931	3,150	697	429	138,209	–	138,209
Investment in associates accounted for using the equity method	9,785	11,303	9,319	–	11,321	41,730	–	41,730
Impairment loss	9,655	64,874	40,095	1,640	1,679	117,945	26,048	143,993
Net increase in property and equipment, and intangible assets	104,520	290,785	63,216	58,784	7,156	524,462	11,339	535,802

Notes:
1. Others that are not allocated to reportable segments include specialty store operations, real estate business, etc.
2. The adjustments of ¥(77,023) million for segment income (loss) are eliminations of intersegment transactions and certain expense items that are not allocated to reportable segments.
3. The adjustments of ¥130,605 million for segment assets are eliminations of intersegment transactions and corporate assets.
4. The adjustments of ¥909,546 million for segment liabilities are corporate liabilities and the Company's bonds. The amount of each segment liability does not include intersegment transactions.
5. The adjustments of ¥22,653 million for depreciation are depreciation for corporate assets.
6. The adjustments of ¥11,339 million for net increase in property and equipment, and intangible assets, are eliminations of intersegment transactions and net increase in corporate assets.
7. Segment income (loss) is reconciled with the operating income in the consolidated statements of income.
8. ¥26,540 million out of "Impairment loss" in the table above is included in "Loss on business of subsidiaries and associates," and ¥19,192 million is included in "Restructuring expenses" in consolidated statements of income for the fiscal year ended February 28, 2025.

(Reference)

Revenues from operations and operating income by geographic area segments are as described below.

Year ended February 28, 2025

(Millions of yen)

	Japan	North America	Others	Total before eliminations	Eliminations	Consolidated total
Revenues from operations						
Customers	2,744,719	8,713,222	514,820	11,972,762	–	11,972,762
Intersegment	16,488	1,858	79	18,426	(18,426)	–
Total revenues	2,761,208	8,715,080	514,900	11,991,189	(18,426)	11,972,762
Operating income (loss)	220,838	219,207	(4,402)	435,642	(14,651)	420,991

Notes: 1. The classification of geographic area segments is determined according to geographical distances.

2. “Others” consist of the business results in Australia, China, etc.

Year ended February 28, 2026

(Millions of yen)

	Reportable segment				Others	Total	Adjust-ments	Consoli-dated total
	Domestic convenience store operations	Overseas convenience store operations	Superstore operations	Financial services				
Revenues from operations								
Customers	912,159	8,556,188	687,623	121,815	151,180	10,428,966	1,302	10,430,269
Intersegment	2,423	643	1,854	15,382	28,536	48,840	(48,840)	–
Total	914,583	8,556,832	689,478	137,197	179,716	10,477,807	(47,538)	10,430,269
Segment income (loss)	222,521	222,223	17,515	20,970	6,979	490,211	(67,218)	422,993
Segment assets	1,411,755	7,012,907	114,611	417,031	24,363	8,980,669	162,288	9,142,957
Segment liabilities (interest bearing debt)	–	1,302,026	–	190,302	–	1,492,328	737,690	2,230,018
Other items								
Depreciation	91,492	223,900	17,075	24,361	3,491	360,321	21,687	382,009
Amortization of goodwill	–	135,749	1,575	359	206	137,890	–	137,890
Investment in associates accounted for using the equity method	7,988	9,575	92,213	95,874	8,735	214,388	–	214,388
Impairment loss	9,084	18,446	1,201	275	128	29,137	3,692	32,829
Net increase in property and equipment, and intangible assets	110,490	226,277	16,253	28,535	4,320	385,876	4,190	390,067

Notes:
1. Others that are not allocated to reportable segments include specialty store operations, real estate business, etc.
2. The adjustments of ¥(67,218) million for segment income (loss) are eliminations of intersegment transactions and certain expense items that are not allocated to reportable segments.
3. The adjustments of ¥162,288 million for segment assets are eliminations of intersegment transactions and corporate assets.
4. The adjustments of ¥737,690 million for segment liabilities are corporate liabilities and the Company's bonds. The amount of each segment liability does not include intersegment transactions.
5. The adjustments of ¥21,687 million for depreciation are depreciation for corporate assets.
6. The adjustments of ¥4,190 million for net increase in property and equipment, and intangible assets, are eliminations of intersegment transactions and net increase in corporate assets.
7. Segment income (loss) is reconciled with the operating income in the consolidated statements of income.

(Reference)

Revenues from operations and operating income by geographic area segments are as described below.

Year ended February 28, 2026

(Millions of yen)

	Japan	North America	Others	Total before eliminations	Eliminations	Consolidated total
Revenues from operations						
Customers	1,844,286	7,960,998	624,984	10,430,269	–	10,430,269
Intersegment	13,983	2,292	17	16,293	(16,293)	–
Total revenues	1,858,269	7,963,291	625,002	10,446,562	(16,293)	10,430,269
Operating income (loss)	211,169	225,371	(1,177)	435,363	(12,370)	422,993

Notes: 1. The classification of geographic area segments is determined according to geographical distances.

2. “Others” consist of the business results in Australia, China, etc.

Related Information

Year ended February 28, 2025

1. Information on products and services

Information is omitted since it is described in the segment information.

2. Information by region

(1) Revenues from operations

(Millions of yen)

Japan	North America [of which, the U.S.]	Others	Total
2,744,719	8,713,222 [8,344,154]	514,820	11,972,762

(2) Property and equipment

(Millions of yen)

Japan	North America [of which, the U.S.]	Others	Total
1,258,118	3,484,251 [3,387,807]	238,928	4,981,298

3. Information about major customers

Information is omitted because there is no customer accounting for 10% or more of the net sales on the consolidated statements of income.

Year ended February 28, 2026

1. Information on products and services

Information is omitted since it is described in the segment information.

2. Information by region

(1) Revenues from operations

(Millions of yen)

Japan	North America [of which, the U.S.]	Others	Total
1,844,286	7,960,998 [7,624,333]	624,984	10,430,269

(2) Property and equipment

(Millions of yen)

Japan	North America [of which, the U.S.]	Others	Total
670,268	3,606,165 [3,511,936]	221,533	4,497,967

3. Information about major customers

Information is omitted because there is no customer accounting for 10% or more of the net sales on the consolidated statements of income.

Information Regarding Impairment Loss on Non-current Assets by Reportable Segment

Year ended February 28, 2025

Information is omitted since it is described in the segment information.

Year ended February 28, 2026

Information is omitted since it is described in the segment information.

Information on Amortization and Outstanding Balance of Goodwill by Reportable Segment

Year ended February 28, 2025

(Millions of yen)

	Reportable segment				Others	Total	Elimi-nations/ Corpo-rate	Consolidated total
	Domestic convenience store operations	Overseas convenience store operations	Superstore operations	Financial services				
Depreciation and amorti-zation in the fiscal year	–	133,931	3,150	697	429	138,209	–	138,209
Balance at the end of current year	1,782	2,253,978	5,669	2,185	826	2,264,441	–	2,264,441

Year ended February 28, 2026

(Millions of yen)

	Reportable segment				Others	Total	Elimi-nations/ Corpo-rate	Consolidated total
	Domestic convenience store operations	Overseas convenience store operations	Superstore operations	Financial services				
Depreciation and amorti-zation in the fiscal year	–	135,749	1,575	359	206	137,890	–	137,890
Balance at the end of current year	1,406	2,106,574	–	1,825	–	2,109,806	–	2,109,806

Significant Change in Amount of Goodwill

During the previous fiscal year, 7-Eleven International LLC, a consolidated subsidiary of the Company, acquired shares of Convenience Group Holdings Pty Ltd through its wholly owned subsidiary, AR BidCo Pty Ltd. As a result, Convenience Group Holdings Pty Ltd and 20 other companies have been included in the scope of consolidation. Consequently, goodwill of ¥142,996 million was recognized in the overseas convenience store operations segment.

Information Regarding Gain on Negative Goodwill by Reportable Segment

Year ended February 28, 2025

None

Year ended February 28, 2026

None

Related Parties Transactions

1. Transactions with related parties

(1) Transactions between the Company and related parties

(a) Unconsolidated subsidiaries and affiliates

None

(b) A director of the Company and primary shareholders (limited to individuals)

Year ended February 28, 2025

Classification	Name of company or Name	Address	Capital or investments	Business or title	Voting rights held by the Company/ Holding of voting rights of the Company (%)	Business relationship	Details of trans-action	Trans-action amount	Account	Year-end balance
Director	Junro Ito	–	–	Representative Director and Vice President of the Company	(Holding) Directly owns 0.36	–	Receipt of donation	500	–	–

Notes: 1. Consumption tax, etc., is not included in the transaction amount.

2. Funds were received in cash to support the development of employees expected to contribute to the Group's further global expansion.

Year ended February 28, 2026

None

2. Notes about the parent company and the important affiliates

None

Per Share Information

	Year ended February 28, 2025	Year ended February 28, 2026
Net assets per share	1,555.39 yen	1,566.06 yen
Net income per share	66.62 yen	118.81 yen
Diluted net income per share	66.61 yen	118.80 yen

Notes: 1. The Company has applied "Accounting Standard for Current Income Taxes" (ASBJ Statement No. 27, October 28, 2022), etc. from the beginning of the current fiscal year, and for the fiscal year ended February 28, 2025, the figures are shown after retroactive application.

2. Basis for calculation of net income per share and diluted net income per share is as follows:

	Year ended February 28, 2025	Year ended February 28, 2026
Net income attributable to owners of parent on the consolidated statements of income (millions of yen)	173,068	292,760
Amount not attributable to owners of ordinary shares (millions of yen)	–	–
Net income attributable to owners of ordinary shares of parent (millions of yen)	173,068	292,760
Average number of ordinary shares outstanding during the period (thousands of shares)	2,597,855	2,464,077
Adjustments to net income attributable to owners of parent which is used for calculating diluted net income per share (millions of yen)		
Net income attributable to non-controlling interests	(22)	(24)
Adjustments to net income attributable to owners of parent (millions of yen)	(22)	(24)
Number of ordinary shares increased used for calculating the diluted net income per share (thousands of shares)		
Subscription rights to shares	35	1
Share award rights	–	93
Number of ordinary shares increased (thousands of shares)	35	95

Notes: 1. As the Company has introduced the BIP Trust and the ESOP Trust, the Company's shares held by the trusts are included in the number of shares of treasury stock deducted for the computation of the average number of shares during the period, to calculate net income per share and diluted net income per share. The average number of shares of treasury stock during the period deducted for the computation is 4,381 thousand shares for the fiscal year ended February 28, 2025 and 3,458 thousand shares for the fiscal year ended February 28, 2026.

2. Basis for calculation of owner's equity per share is as follows:

	Year ended February 28, 2025	Year ended February 28, 2026
Total net assets (millions of yen)	4,223,212	3,648,195
Amounts subtracted from total net assets (millions of yen)	187,234	27,968
[Subscription rights to shares] (millions of yen)	[80]	–
[Share award rights] (millions of yen)	–	[225]
[Net income attributable to non-controlling interests] (millions of yen)	[187,154]	[27,743]
Owners' equity for ordinary shares at the end of period (millions of yen)	4,035,978	3,620,226
Number of ordinary shares at the end of period used for calculating the amounts of owner's equity per share (thousands of shares)	2,594,832	2,311,679

Notes: 1. The Company has applied "Accounting Standard for Current Income Taxes" (ASBJ Statement No. 27, October 28, 2022), etc. from the beginning of the current fiscal year, and for the fiscal year ended February 28, 2025, the figures are shown after retroactive application.

2. As the Company has introduced the BIP Trust and the ESOP Trust, the Company's shares held by the trusts are included in the number of shares of treasury stock deducted for the computation of the total number of shares outstanding at the end of period, to calculate owners' equity per share. The total number of shares of treasury stock at the end of period deducted for the computation is 4,137 thousand shares as of February 28, 2025 and 3,029 thousand shares as of February 28, 2026.

Subsequent Event

Changes in classification of reportable segments

At a meeting of the Board of Directors held on April 9, 2026, the Company resolved to change the classification of operating segments. The details of the change in the segment classification due to this change are as follows.

1 “Superstore operations” and “Financial services” were reclassified into “Others.”
2 Certain companies previously included in “Others” (PIA Corporation and Tower Records Japan Inc.) were reclassified into “Domestic convenience store operations.”

Based on the revised segment classification, revenues from operations and segment income or loss by reportable segments in the fiscal year ended February 28, 2026 would be as follows.

Year ended February 28, 2026

Information on revenues from operations and income (loss) by reportable segments

(Millions of yen)

	Reportable segment		Others	Total	Adjustments (Note 1)	Consolidated total (Note 2)
	Domestic convenience store operations	Overseas convenience store operations				
Revenues from operations						
Customers	912,159	8,556,188	960,618	10,428,966	1,302	10,430,269
Intersegment	2,423	643	17,998	21,066	(21,066)	–
Total	914,583	8,556,832	978,617	10,450,033	(19,763)	10,430,269
Segment income (loss)	222,521	222,223	44,060	488,805	(65,812)	422,993

Notes: 1. The adjustments of ¥(65,812) million for segment income (loss) are eliminations of intersegment transactions and certain expense items that are not allocated to reportable segments.

2. Segment income (loss) is reconciled with the operating income in the consolidated statements of income.

(v) Annexed Consolidated Detailed Schedules

Consolidated Detailed Schedule of Corporate Bonds

Company name	Issue name	Date of issuance	Balance at March 1, 2025 (Millions of yen)	Balance at February 28, 2026 (Millions of yen)	Interest rate (%)	Secured/ un-secured	Maturity
Seven & i Holdings Co., Ltd.	(JPY) 12th Unsecured straight bonds	June 17, 2015	30,000 (30,000)	–	0.781	Un-secured	June 20, 2025
Seven & i Holdings Co., Ltd.	(JPY) 14th Unsecured straight bonds	Dec. 14, 2020	180,000 (180,000)	–	0.190	Un-secured	Dec. 19, 2025
Seven & i Holdings Co., Ltd.	(JPY) 15th Unsecured straight bonds	Dec. 14, 2020	40,000	40,000	0.280	Un-secured	Dec. 20, 2027
Seven & i Holdings Co., Ltd.	(JPY) 16th Unsecured straight bonds	Nov. 2, 2023	60,000	60,000 (60,000)	0.400	Un-secured	Nov. 2, 2026
Seven & i Holdings Co., Ltd.	(JPY) 17th Unsecured straight bonds	Nov. 2, 2023	60,000	60,000	0.687	Un-secured	Nov. 2, 2028
Seven & i Holdings Co., Ltd.	(JPY) 18th Unsecured straight bonds	Nov. 2, 2023	30,000	30,000	1.040	Un-secured	Nov. 1, 2030
Seven & i Holdings Co., Ltd.	(JPY) 19th Unsecured straight bonds	Nov. 2, 2023	70,000	70,000	1.392	Un-secured	Nov. 2, 2033
7-Eleven, Inc.	(USD) Mature in 2026 Unsecured straight bonds	Feb. 10, 2021	197,288 [$1,247 million]	195,657 [$1,249 million] (195,657)	0.950	Un-secured	Feb. 10, 2026
7-Eleven, Inc.	(USD) Mature in 2028 Unsecured straight bonds	Feb. 10, 2021	157,405 [$995 million]	156,035 [$996 million]	1.300	Un-secured	Feb. 10, 2028
7-Eleven, Inc.	(USD) Mature in 2031 Unsecured straight bonds	Feb. 10, 2021	267,475 [$1,690 million]	264,956 [$1,692 million]	1.800	Un-secured	Feb. 10, 2031
7-Eleven, Inc.	(USD) Mature in 2041 Unsecured straight bonds	Feb. 10, 2021	116,657 [$737 million]	115,561 [$738 million]	2.500	Un-secured	Feb. 10, 2041
7-Eleven, Inc.	(USD) Mature in 2051 Unsecured straight bonds	Feb. 10, 2021	195,208 [$1,234 million]	193,274 [$1,234 million]	2.800	Un-secured	Feb. 10, 2051
Seven Bank, Ltd.	(JPY) 12th Unsecured straight bonds	Oct. 20, 2017	30,000	–	0.390	Un-secured	Sept. 17, 2027
Seven Bank, Ltd.	(JPY) 14th Unsecured straight bonds	Jan. 25, 2019	20,000	–	0.385	Un-secured	Dec. 20, 2028
Total		–	1,454,036 (210,000)	1,185,486 (255,657)	–	–	–

Notes: 1. The figures shown in round brackets ( ) represent the amount to be redeemed within one year.

2. The figures shown in square brackets [ ] represent the amount denominated in U.S. dollars.

3. If the consolidated fiscal year end and the fiscal year end of consolidated subsidiaries are different, bonds with the maturity date before the consolidated fiscal year end are included.
4. Seven Bank, Ltd. has been excluded from the scope of consolidation and is now accounted for as an equity-method affiliate.
5. The scheduled amount of redemption of bonds within five years after the consolidated balance sheet date is as follows:

(Millions of yen)

Within 1 year	After 1 year through 2 years	After 2 years through 3 years	After 3 years through 4 years	After 4 years through 5 years
255,657	40,000	216,035	–	30,000

Consolidated Detailed Schedule of Borrowings

Category	Balance at March 1, 2025 (Millions of yen)	Balance at February 28, 2026 (Millions of yen)	Average interest rate (%)	Payment due
Short-term loans	172,497	135,580	3.53	–
Current portion of long-term loans	290,128	190,456	2.82	–
Current portion of lease obligations	28,744	10,238	–	–
Long-term loans (excluding current portion)	778,068	718,495	3.34	2027-2038
Lease obligations (excluding current portion)	46,870	34,210	–	2027-2041
Total	1,316,308	1,088,980	–	–

Notes:
1. Average interest rate represents weighted average interest rate with respect to the ending balance of borrowings.
2. The Balance of lease obligations excludes lease obligations posted according to the adoption of ASU No. 2016-02, Leases (Topic 842) by foreign subsidiaries who adopted US GAAP because they have no burden of interest.
3. The average interest rate of lease obligations is not provided, since lease obligations are recorded in the amount before deduction of the amount equivalent to interest included in the lease payments in the consolidated balance sheets.
4. The repayment schedule of long-term loans and lease obligations (excluding current portion) within five years after the consolidated balance sheet date is as follows:

(Millions of yen)

Category	After 1 year through 2 years	After 2 years through 3 years	After 3 years through 4 years	After 4 years through 5 years
Long-term loans	344,120	109,988	102,768	93,890
Lease obligations	7,650	5,851	4,501	3,723
Total	351,770	115,839	107,269	97,613

Consolidated Detailed Schedule of Asset Retirement Obligations

The consolidated detailed schedule of asset retirement obligations is omitted, as matters to be provided in the detailed schedule are stated as notes set forth in Article 15-23 of the Regulation on Consolidated Financial Statements.

(2) Other Information

Quarterly information for the fiscal year ended February 28, 2026

Cumulative period	Three months ended May 31, 2025	Six months ended August 31, 2025	Nine months ended November 30, 2025	Year ended February 28, 2026
Revenues from operations (Millions of yen)	2,777,370	5,616,637	8,050,937	10,430,269
Income before income taxes (Millions of yen)	77,971	203,566	309,650	434,564
Net income attributable to owners of parent (Millions of yen)	49,014	121,802	198,461	292,760
Net income per share (Yen)	18.97	47.83	79.28	118.81

Note: For the first and third quarters, financial information for the quarter has been prepared in accordance with the rules established by the financial instruments exchange, but the information has not been reviewed during the period.

2. [Nonconsolidated financial statements and other information]

(1) Nonconsolidated Financial Statements

(i) Nonconsolidated Balance Sheets

(Millions of yen)

	February 28, 2025	February 28, 2026
ASSETS		
Current assets		
Cash and bank deposits	* 874	* 982
Prepaid expenses	* 3,577	3,432
Accounts receivable, other	* 74,007	* 30,211
Income taxes receivable	125	124
Deposits held by subsidiaries and affiliates	14,244	3,748
Other	* 1,562	* 5,167
Total current assets	94,391	43,666
Non-current assets		
Property and equipment		
Buildings and structures	2,683	2,640
Fixtures, equipment and vehicles	2,498	2,100
Land	2,712	2,712
Lease assets	656	528
Construction in progress	277	76
Total property and equipment	8,828	8,058
Intangible assets		
Software	35,864	26,667
Software in progress	3,702	1,362
Lease assets	24,256	8,240
Other	1,045	1,046
Total intangible assets	64,868	37,316
Investments and other assets		
Investments in securities	41,188	45,964
Stocks of subsidiaries and affiliates	2,443,849	1,783,723
Prepaid pension cost	2,522	2,796
Long-term leasehold deposits	* 4,250	3,561
Deferred tax assets	26,178	13,914
Other	3,737	2,321
Total investments and other assets	2,521,726	1,852,281
Total non-current assets	2,595,424	1,897,656
Deferred assets		
Bond issuance costs	582	395
Total deferred assets	582	395
TOTAL ASSETS	2,690,398	1,941,718

(Millions of yen)

	February 28, 2025	February 28, 2026
LIABILITIES		
Current liabilities		
Current portion of bonds	210,000	60,000
Short-term loans from subsidiaries and affiliates	328,504	382,505
Current portion of long-term loans	61,856	84,161
Lease obligations	* 6,087	* 6,034
Accounts payable, other	* 35,280	* 21,644
Accrued expenses	* 5,386	* 5,110
Income taxes payable	301	5
Advance received	* 294	* 196
Allowance for bonuses to employees	784	372
Allowance for bonuses to Directors and Audit & Supervisory Board Members	183	601
Allowance for loss on business of subsidiaries and associates	18,039	3,299
Other	911	1,048
Total current liabilities	667,630	564,981
Non-current liabilities		
Bonds	260,000	200,000
Long-term loans	377,690	393,528
Long-term loans from subsidiaries and affiliates	4	14
Lease obligations	* 21,694	* 16,681
Allowance for stock payments	1,884	868
Provision for loss on guarantees	5,696	–
Deposits paid in subsidiaries	3,228	944
Deposits received from tenants	* 2,090	* 1,687
Other	794	958
Total non-current liabilities	673,082	614,683
TOTAL LIABILITIES	1,340,713	1,179,665

(Millions of yen)

	February 28, 2025	February 28, 2026
NET ASSETS		
Shareholders' equity		
Common stock	50,000	50,000
Capital surplus		
Additional paid-in capital	875,496	425,496
Other capital surplus	253,930	703,906
Total capital surplus	1,129,427	1,129,403
Retained earnings		
Other retained earnings		
Retained earnings brought forward	171,857	177,577
Total retained earnings	171,857	177,577
Treasury stock, at cost	(17,061)	(615,406)
Total shareholders' equity	1,334,223	741,574
Accumulated gains from valuation and translation adjustments		
Unrealized gains on available-for-sale securities, net of taxes	15,413	20,253
Total accumulated gains from valuation and translation adjustments	15,413	20,253
Share award rights	–	225
Subscription rights to shares	49	–
TOTAL NET ASSETS	1,349,685	762,053
TOTAL LIABILITIES AND NET ASSETS	2,690,398	1,941,718

(ii) Nonconsolidated Statements of Income

(Millions of yen)

	Year ended February 28, 2025	Year ended February 28, 2026
Revenues from operations		
Dividend income	*1 202,421	*1 182,181
Management consulting fee income	*1 4,423	*1 3,912
Commission fee income	*1 2,188	*1 2,236
Other	*1 709	*1 683
Total revenues from operations	209,743	189,014
General and administrative expenses	*1, *2 81,818	*1, *2 70,532
Operating income	127,925	118,481
Non-operating income		
Interest income	*1 159	*1 80
Dividend income	741	705
Other	*1 375	*1 114
Total non-operating income	1,276	900
Non-operating expenses		
Interest expenses	*1 4,224	*1 6,185
Interest on bonds	2,623	2,397
Other	*1 675	*1 288
Total non-operating expenses	7,523	8,872
Ordinary income	121,679	110,510
Special gains		
Gain on sales of investments in securities	9,115	4,884
Reversal of provision for loss on guarantees	–	2,625
Reversal of provision for loss on business of subsidiaries and associates	–	1,941
Other	500	*1 7
Total special gains	9,615	9,458
Special losses		
Loss on disposals of property and equipment	107	294
Impairment loss	172	12,679
Acquisition proposal response expenses	–	4,691
Superstore business restructuring expenses	–	4,072
Loss on business of subsidiaries and associates	*1, *3 36,212	–
Loss on transfer of subsidiary	*1 5,921	–
Other	*1 4,994	*1 1,952
Total special losses	47,408	23,689
Income before income taxes	83,886	96,278
Income taxes - current	(29,316)	(32,822)
Income taxes - deferred	3,647	9,745
Total income taxes	(25,669)	(23,076)
Net income	109,556	119,355

(iii) Nonconsolidated Statements of Changes in Net Assets
Year ended February 28, 2025

(Millions of yen)

	Shareholders' equity					
		Capital surplus			Retained earnings	
	Common stock	Additional paid-in capital	Other capital surplus	Total capital surplus	Other retained earnings Retained earnings brought forward	Total retained earnings
Balance at March 1, 2024	50,000	875,496	311,992	1,187,489	163,770	163,770
Increase (decrease) for the year						
Cash dividends					(101,469)	(101,469)
Net income					109,556	109,556
Purchase of treasury stock						
Disposal of treasury stock			0	0		
Cancellation of treasury stock			(58,062)	(58,062)		
Net changes of items other than shareholders' equity						
Net increase (decrease) for the year	–	–	(58,062)	(58,062)	8,086	8,086
Balance at February 28, 2025	50,000	875,496	253,930	1,129,427	171,857	171,857

	Shareholders' equity		Accumulated gains (losses) from valuation and translation adjustments		Subscription rights to shares	TOTAL NET ASSETS
	Treasury stock, at cost	Total shareholders' equity	Unrealized gains (losses) on available-for-sale securities, net of taxes	Total accumulated gains (losses) from valuation and translation adjustments		
Balance at March 1, 2024	(16,321)	1,384,938	14,697	14,697	49	1,399,685
Increase (decrease) for the year						
Cash dividends		(101,469)				(101,469)
Net income		109,556				109,556
Purchase of treasury stock	(59,643)	(59,643)				(59,643)
Disposal of treasury stock	840	840				840
Cancellation of treasury stock	58,062	–				–
Net changes of items other than shareholders' equity			715	715	–	715
Net increase (decrease) for the year	(739)	(50,715)	715	715	–	(49,999)
Balance at February 28, 2025	(17,061)	1,334,223	15,413	15,413	49	1,349,685

Year ended February 28, 2026

(Millions of yen)

	Shareholders' equity					
		Capital surplus			Retained earnings	
	Common stock	Additional paid-in capital	Other capital surplus	Total capital surplus	Other retained earnings Retained earnings brought forward	Total retained earnings
Balance at March 1, 2025	50,000	875,496	253,930	1,129,427	171,857	171,857
Increase (decrease) for the year						
Cash dividends					(113,635)	(113,635)
Net income					119,355	119,355
Reversal of legal capital surplus		(450,000)	450,000	–		
Purchase of treasury stock						
Disposal of treasury stock			(23)	(23)		
Net changes of items other than shareholders' equity						
Net increase (decrease) for the year	–	(450,000)	449,976	(23)	5,719	5,719
Balance at February 28, 2026	50,000	425,496	703,906	1,129,403	177,577	177,577

	Shareholders' equity		Accumulated gains (losses) from valuation and translation adjustments		Share award rights	Sub-scription rights to shares	TOTAL NET ASSETS
	Treasury stock, at cost	Total share-holders' equity	Unrealized gains (losses) on available-for-sale securities, net of taxes	Total accumu-lated gains (losses) from valuation and translation adjustmen ts			
Balance at March 1, 2025	(17,061)	1,334,223	15,413	15,413	–	49	1,349,685
Increase (decrease) for the year							
Cash dividends		(113,635)					(113,635)
Net income		119,355					119,355
Reversal of legal capital surplus		–					–
Purchase of treasury stock	(600,004)	(600,004)					(600,004)
Disposal of treasury stock	1,659	1,636					1,636
Net changes of items other than shareholders' equity			4,840	4,840	225	(49)	5,016
Net increase (decrease) for the year	(598,344)	(592,648)	4,840	4,840	225	(49)	(587,632)
Balance at February 28, 2026	(615,406)	741,574	20,253	20,253	225	–	762,053

Notes to Nonconsolidated Financial Statements

Significant Accounting Policies

1. Valuation basis and method for securities

(1) Stocks of subsidiaries and affiliates

Securities whose fair value is not available are valued at cost, determined using the moving-average method.

(2) Available-for-sale securities

Securities other than unmarketable shares, etc.

Market value method (Net unrealized gains or losses on these securities are reported as a separate component of net assets at a net-of-tax amount. Cost of securities sold is determined using the moving-average method) is used.

Unmarketable shares, etc.

Securities whose fair value is not available are valued at cost, determined using the moving-average method.

(3) Valuation basis and method for derivatives

Derivative financial instruments are valued at fair value.

2. Methods of depreciation for non-current assets

(1) Property and equipment (excluding Lease assets)

Property and equipment are depreciated using the straight-line method.

(2) Intangible assets (Excluding Lease assets)

Intangible assets are amortized using the straight-line method. Internal use software is amortized using the straight-line method over an estimated useful life of 5 years.

(3) Lease assets

Lease assets in finance leases which do not transfer ownership of leased property to the lessee

These assets are amortized using the straight-line method with no residual value over the lease period which is treated as the expected lifetime.

3. Accounting for deferred assets

Bond issuance costs

All costs are expensed when paid. However, when cost is recorded as deferred asset, it is amortized using the straight-line method over a redemption period of the bond.

4. Methods of accounting for allowances

(1) Allowance for bonuses to employees

Allowance for bonuses to employees is provided at the amount calculated based on the estimation of payment.

(2) Allowance for bonuses to Directors and Audit & Supervisory Board Members

Allowance for bonuses to Directors and Audit & Supervisory Board Members is provided at the amount estimated to be paid.

(3) Allowance for loss on business of subsidiaries and associates

Allowance for loss on business of subsidiaries and associates is provided. The estimated amount is recorded in preparation for expenses or losses associated with the withdrawal from the online supermarket business.

(4) Allowance for stock payments

Allowance for stock payments is provided to prepare for payments of stock benefits to directors and executive officers. The amount is based on the expected stock benefit payable as at the end of the fiscal year.

(5) Allowance for accrued pension and severance costs (Prepaid pension cost)

Allowance for accrued pension and severance costs is provided to prepare for payments of retirement benefits to employees. The amount is based on the estimated retirement benefit obligation and the estimated pension plan assets at the end of the fiscal year.

(i) Allocation method of estimated total retirement benefits

In calculating retirement benefit obligations, the estimated total retirement benefit obligation is allocated to the period up to the end of the fiscal year on a benefit formula basis.

(ii) Amortization of actuarial gains and losses
The amount of actuarial differences is amortized on a straight-line basis over a period of 10 years from the year following the year in which they arise, which is within the average remaining years of service of the eligible employees.

(6) Provision for loss on guarantees
Provision for loss on guarantees is provided to cover losses related to guarantees offered to subsidiaries and affiliates. The estimated loss amount is recorded, taking into account the financial position and other factors of the guaranteed parties.

5. Accounting standard for recognition of revenues and expenses
Revenues of the Company as a holding company are mainly management fees, commission fees and dividend income from subsidiaries. The Company's performance obligation is to provide subsidiaries with commissioned business according to the contract. Management fees and commission fees from subsidiaries are recognized when its performance obligation is satisfied. Dividend income is recognized on the effective date of dividend.

6. Hedge accounting
(1) Method of hedge accounting
In principle, hedging activities are accounted for by the deferred hedge method. The Company applies integral accounting treatment (specific accounting treatment, designated accounting treatment) to interest rate and currency swap contracts that meet the requirements of integral accounting treatment.
(2) Hedge instruments and hedged items
Hedge instruments – Interest rate and currency swap
Hedged items – Foreign currency-denominated loans
(3) Hedging policies
The Company has policies to utilize derivative instruments for the purposes of hedging its exposure to fluctuations in foreign currency rates and interest rates, and optimizing future cash flow. The Company does not hold or issue derivative instruments for short-term trading or speculative purposes.
(4) Assessing hedge effectiveness
Comparing the fluctuation of the hedged items with that of hedging instruments quarterly, we assess the hedge effectiveness based on changes in both. Interest rate and currency swaps that are accounted for using integral accounting treatment, the assessment of effectiveness is omitted.

7. Other significant items that form the basis of the preparation of nonconsolidated financial statements
Accounting method related to retirement benefits
The method for accounting for unrecognized actuarial differences related to retirement benefits differs from that in the Consolidated Financial Statements.

Significant Accounting Estimates
Year ended February 28, 2025
Accounting estimates are based on reasonable amounts based on information available at the time of preparation of the nonconsolidated financial statements.
Accounting estimates in the items recorded in the nonconsolidated financial statements for fiscal year ended February 28, 2025 whose amounts are based on accounting estimates and that have the risk of significantly impacting the nonconsolidated financial statements for the following fiscal year are as follows:

Valuation of stocks of subsidiaries and affiliates
(1) Amounts recorded in the financial statements for the current fiscal year

Unmarketable stocks of subsidiaries	¥2,439,058 million
Unmarketable stocks of affiliates	¥3,288 million

(2) Information on the content of significant accounting estimates for identified items

An impairment loss is recognized for unmarketable stocks of subsidiaries and affiliates, when their substantive value, which is calculated by multiplying the amount of net assets per share by the number of shares held, declines significantly due to deterioration in the financial condition of the company issuing the shares, unless there is sufficient persuasive evidence to support a subsequent recovery.

In the current fiscal year, there are no unmarketable stocks of subsidiaries and affiliates whose substantive value has declined significantly but for which no impairment loss has been recognized.

Year ended February 28, 2026

Accounting estimates are based on reasonable amounts based on information available at the time of preparation of the nonconsolidated financial statements.

Accounting estimates in the items recorded in the nonconsolidated financial statements for fiscal year ended February 28, 2026 whose amounts are based on accounting estimates and that have the risk of significantly impacting the nonconsolidated financial statements for the following fiscal year are as follows:

Valuation of stocks of subsidiaries and affiliates

(1) Amounts recorded in the financial statements for the current fiscal year

Unmarketable stocks of subsidiaries	¥1,681,518 million
Unmarketable stocks of affiliates	¥100,702 million

(2) Information on the content of significant accounting estimates for identified items

An impairment loss is recognized for unmarketable stocks of subsidiaries and affiliates, when their substantive value, which is calculated by multiplying the amount of net assets per share by the number of shares held, declines significantly due to deterioration in the financial condition of the company issuing the shares, unless there is sufficient persuasive evidence to support a subsequent recovery.

In the current fiscal year, there are no unmarketable stocks of subsidiaries and affiliates whose substantive value has declined significantly but for which no impairment loss has been recognized.

Changes in Method of Presentation

Nonconsolidated Statements of Income

“Gain on donation,” which was separately presented under special gains for the fiscal year ended February 28, 2025, has been included in “Other” for the fiscal year ended February 28, 2026 since it became insignificant in terms of amount. Accordingly, we have reclassified the prior fiscal year’s financial statements to reflect this change in presentation.

As a result, ¥500 million that was presented as “Gain on donation” under special gains for the fiscal year ended February 28, 2025 has been reclassified as “Other.”

Supplementary Information

Performance-Based Stock Compensation Plan for Directors and Executive Officers

The Company has introduced a performance-based stock-based compensation plan for the Company’s Directors (excluding non-executive Directors and Directors residing overseas) and executive officers (excluding executive officers residing overseas). An overview of the plan is described in “Supplementary Information” under “V. Financial Information, 1. Consolidated financial statements and other information, (1) Consolidated Financial Statements, Notes to Consolidated Financial Statements.”

Nonconsolidated Balance Sheets

* Monetary claims and monetary obligations in regard to subsidiaries and affiliates (excluding items listed elsewhere) are as follows:

(Millions of yen)

	Year ended February 28, 2025	Year ended February 28, 2026
Short-term receivables	68,455	21,935
Long-term receivables	12	–
Short-term payables	35,964	19,916
Long-term payables	23,746	18,237

Nonconsolidated Statements of Income

*1. Transaction amounts with subsidiaries and affiliates are as follows:

(Millions of yen)

	Year ended February 28, 2025	Year ended February 28, 2026
Operating transactions		
Revenues from operations	209,097	187,712
General and administrative expenses	8,441	5,856
Non-operating transactions	36,877	6,613

*2. Main components and amounts of general and administrative expenses are as follows:

(Millions of yen)

	Year ended February 28, 2025	Year ended February 28, 2026
Salaries and wages	9,400	7,449
Provision for bonuses to employees	784	372
Pension expenses	312	326
Depreciation and amortization	14,294	14,062
Commissions paid	12,484	11,399
Electronical data processing expenses	29,861	23,578

*3. Loss on business of subsidiaries and associates

Loss on business of subsidiaries and associates is the loss on withdrawal from the online supermarket business, and the breakdown is as follows.

(Millions of yen)

	Year ended February 28, 2025	Year ended February 28, 2026
Impairment loss	25,909	–
Early termination fee	10,153	–
Other	150	–
Total	36,212	–

Securities

Stocks of subsidiaries and affiliates

Year ended February 28, 2025

(Millions of yen)

Category	Carrying amount	Fair value	Difference
Stocks of affiliates	1,501	4,214	2,712
Total	1,501	4,214	2,712

Year ended February 28, 2026

(Millions of yen)

Category	Carrying amount	Fair value	Difference
Stocks of affiliates	1,501	4,263	2,761
Total	1,501	4,263	2,761

Note: Unmarketable stock, etc., excluded from the above table.

(Millions of yen)

Category	Year ended February 28, 2025	Year ended February 28, 2026
Stocks of subsidiaries	2,439,058	1,681,518
Stocks of affiliates	3,288	100,702

Deferred Tax Accounting

1. Major components of deferred tax assets and liabilities

(Millions of yen)

	Year ended February 28, 2025	Year ended February 28, 2026
Deferred income taxes		
Allowance for bonuses to employees	274	131
Accrued enterprise taxes and business office taxes	104	16
Accounts payable, other / accrued expenses	1,188	1,062
Allowance for loss on business of subsidiaries and associates	2,954	1,010
Subscription rights to shares	15	–
Tax loss carried forward	58,684	55,824
Denial of impairment loss	4,911	4,057
Loss on valuation of stocks of subsidiaries and affiliates	4,747	4,885
Allowance for stock payments	362	197
Provision for loss on guarantees	1,744	–
Adjustment of gain/loss on transfer	206	137
Other	170	166
Subtotal (deferred tax assets)	75,365	67,490
Valuation allowance for tax loss carried forward	(31,959)	(37,174)
Valuation allowance for total deductible temporary differences, etc.	(8,478)	(6,192)
Subtotal (valuation allowance)	(40,437)	(43,366)
Total deferred tax assets	34,927	24,123
Deferred tax liabilities		
Prepaid pension cost	(772)	(881)
Adjustment of gain/loss on transfer	(1,172)	–
Unrealized gains (losses) on available-for-sale securities, net of taxes	(6,804)	(9,322)
Other	–	(4)
Total deferred tax liabilities	(8,749)	(10,208)
Net deferred income taxes	26,178	13,914

2. Reconciliation of significant differences between the statutory effective tax rate and the actual effective rate of income taxes after application of deferred tax accounting

	Year ended February 28, 2025	Year ended February 28, 2026
Statutory effective tax rate	30.6%	30.6%
(Adjustments)		
Expenses not deductible permanently, such as entertainment expenses	14.9	1.5
Income not taxable permanently, such as dividend income	(73.7)	(57.8)
Change in valuation allowance	(3.0)	2.9
Expiration of tax loss brought forward	0.5	0.4
Other	0.1	(1.6)
Effective rate of income taxes after application of deferred tax accounting	(30.6)	(24.0)

3. Accounting treatment of corporate tax and local corporate tax and their deferred tax accounting
The Company applies the Group Tax Sharing System. Furthermore, the Company undertakes and discloses the accounting treatment for national corporate taxes and local corporate taxes or tax effect accounting relating to these taxes in compliance with provisions in the “Practical Solution on the Accounting and Disclosure Under the Group Tax Sharing System” (ASBJ Practical Issues Task Force No. 42, August 12, 2021).

4 Change in income tax rate after fiscal year-end
The “Act for Partial Revision of the Income Tax Act, etc.” (Act No. 13 of 2025) was enacted by the Diet on March 31, 2025, and the “Special Defense Corporation Tax” will be imposed from the fiscal years beginning on or after April 1, 2026.
As a result, the statutory effective tax rate used for calculating deferred tax assets and deferred tax liabilities has been changed from 30.6% to 31.5%, pertaining to temporary differences that are expected to be settled in the fiscal year beginning on or after March 1, 2027.
The impact of this change will be immaterial.

Revenue Recognition
Basic information for understanding revenues from contracts with customers
It is described in “Significant Accounting Policies,” “5. Accounting standard for recognition of revenues and expenses.”

Subsequent Event
None

(iv) Annexed Nonconsolidated Detailed Schedules

Detailed Schedule of Property and Equipment and Others

(Millions of yen)

Category	Type of assets	Balance at March 1, 2025	Increase during the fiscal year	Decrease during the fiscal year	Depreciation and amortization in the fiscal year	Balance at February 28, 2026	Accumulated depreciation
Property and equipment	Buildings and structures	2,683	355	134	263	2,640	2,840
	Fixtures, equipment and vehicles	2,498	164	104 [59]	458	2,100	2,079
	Land	2,712	–	–	–	2,712	–
	Lease assets	656	77	–	206	528	554
	Construction in progress	277	55	256	–	76	–
	Total	8,828	652	495 [59]	927	8,058	5,474
Intangible assets	Software	35,864	5,805	1,869 [843]	13,133	26,667	–
	Software in progress	3,702	4,304	6,644 [255]	–	1,362	
	Lease assets	24,256	978	11,508 [11,508]	5,485	8,240	
	Other	1,045	2	–	0	1,046	
	Total	64,868	11,090	20,022 [12,608]	18,619	37,316	

Notes:
1. Major increase in “Buildings and structures” and “Fixtures, equipment and vehicles” during the current fiscal year are related to the facilities jointly used by Group companies.
2. Major increase in “Construction in progress” during the current fiscal year is related to the acquisition of PCs and network equipment jointly used by Group companies.
3. Major increase in “Software” and major increase / decrease in “Software in progress” during the current fiscal year are related to development of software jointly used by Group companies.
4. Major increase in “Lease assets (intangible)” during the current fiscal year is related to the sale and leaseback of software jointly used by Group companies.
5. Major decrease in “Lease assets (intangible)” during the current fiscal year is related to the impairment of accounting systems and other assets used jointly by the Company and its Group companies.
6. The figures shown in square brackets [ ] in “Decrease during the fiscal year” are included in the figures shown outside of round brackets, and represent the amount of impairment losses recorded.

Detailed Schedule of Allowances

(Millions of yen)

Account title	Balance at March 1, 2025	Increase during the fiscal year	Decrease during the fiscal year	Balance at February 28, 2026
Allowance for bonuses to employees	784	372	784	372
Allowance for bonuses to Directors and Audit & Supervisory Board Members	183	601	183	601
Allowance for loss on business of subsidiaries and associates	18,039	720	15,459	3,299
Allowance for stock payments	1,884	235	1,251	868
Provision for loss on guarantees	5,696	–	5,696	–

(2) Components of Major Assets and Liabilities
Information is omitted as the consolidated financial statements have been prepared.

(3) Other Information
None

VI. [Administrative Information on the Company's Shares]

<table>
<tr><td>Fiscal year</td><td>From March 1 to the last day of February</td></tr>
<tr><td>Annual shareholders' meeting</td><td>May</td></tr>
<tr><td>Record date</td><td>The last day of February</td></tr>
<tr><td>Record dates for dividends from surplus</td><td>August 31
The last day of February</td></tr>
<tr><td>Number of shares constituting one unit</td><td>100 shares</td></tr>
<tr><td>Purchase or sale of shares less than one unit

Office for handling business

Shareholder register administrator

Forwarding office

Fee for purchase or sale</td><td>

(Special account)
4-5, 1-chome, Marunouchi, Chiyoda-ku, Tokyo
Mitsubishi UFJ Trust and Banking Corporation, Corporate Agency Division
(Special account)
4-5, 1-chome, Marunouchi, Chiyoda-ku, Tokyo
Mitsubishi UFJ Trust and Banking Corporation

———

None</td></tr>
<tr><td>Method of public notice</td><td>Electronic public notice will be made; provided, however, that if the Company is unable to give an electronic public notice because of an accident or any other unavoidable reason, public notices may be given in "The Nikkei" newspaper.
URL for public notice:
https://www.7andi.com/ir/koukoku.html (in Japanese)</td></tr>
<tr><td>Special benefits for shareholders</td><td>Shareholders listed or recorded in the shareholder register as of the end of February each year and holding at least one unit (100 shares) of the Company's stock can either choose Seven & i Gift certificates*1 or donation to charitable organizations*2, based on the number of shares held and the length of continuous ownership.
<table>
<tr><td>Number of shares held</td><td>Holding period: less than three years*3</td><td>Holding period: three years and more*3</td></tr>
<tr><td>100 shares and more</td><td>¥2,000</td><td>¥2,500</td></tr>
<tr><td>400 shares and more</td><td>¥2,500</td><td>¥3,000</td></tr>
<tr><td>700 shares and more</td><td>¥3,000</td><td>¥3,500</td></tr>
</table>
*1 There are some stores, goods or services that are not available for this benefit plan.
*2 Shareholders' donation to charitable organizations will be donated to the World Food Programme (UN WFP) by the Company through its official support contact, Japan Association for the World Food Programme.
*3 The continuous holding period is a period during which a shareholder is continuously registered with the same shareholder No. on the shareholder register as of the effective date (as of the last day of every February).</td></tr>
</table>

Note: As provided for in the Company's Articles of Incorporation, a shareholder of the Company holding shares less than one unit may not exercise any rights other than the rights listed below with regard to shares less than one unit held by the shareholder:

(1) Rights set forth in items of Article 189, paragraph (2) of the Companies Act;

(2) Right to make a demand pursuant to the provisions of Article 166, paragraph (1) of the Companies Act;

(3) Right to receive an allotment of offered shares and offered share acquisition rights in proportion to the number of shares held by the shareholder; and

(4) Right to request the Company to sell to the shareholder a number of shares which will, when combined with the number of shares already held by the shareholder, constitute one share unit.

VII. [Reference Information on the Company]

1. [Information on the parent company or equivalent of the Company]
   The Company does not have a parent company or equivalent.

2. [Other reference information]
   From the beginning of the current fiscal year until the filing date of this Annual Securities Report, the Company has filed the following documents.
   (1) Amended Shelf Registration Statement
   Filed to Director-General of the Kanto Local Finance Bureau on March 6, 2025
   Filed to Director-General of the Kanto Local Finance Bureau on March 6, 2025
   Filed to Director-General of the Kanto Local Finance Bureau on April 17, 2025
   Filed to Director-General of the Kanto Local Finance Bureau on May 29, 2025
   Filed to Director-General of the Kanto Local Finance Bureau on June 12, 2025
   Filed to Director-General of the Kanto Local Finance Bureau on June 24, 2025
   Filed to Director-General of the Kanto Local Finance Bureau on July 1, 2025
   (2) Annual Securities Report and Appendices, and Written Confirmation
   20th fiscal year from March 1, 2024 to February 28, 2025 filed to Director-General of the Kanto Local Finance Bureau on May 23, 2025
   (3) Internal Control Report and Appendices
   Filed to Director-General of the Kanto Local Finance Bureau on May 23, 2025
   (4) Semiannual Securities Report and Written Confirmations
   1st Half of 21st fiscal year from March 1, 2025 to August 31, 2025: filed to Director-General of the Kanto Local Finance Bureau on October 14, 2025
   (5) Extraordinary Securities Report
   Filed to Director-General of the Kanto Local Finance Bureau on March 6, 2025
   Extraordinary Securities Report based on Article 24-5, paragraph (4) of the Financial Instruments and Exchange Act and Article 19, paragraph (2), item (ix) of the Cabinet Office Order on Disclosure of Corporate Affairs.
   Filed to Director-General of the Kanto Local Finance Bureau on March 6, 2025
   Extraordinary Securities Report based on Article 24-5, paragraph (4) of the Financial Instruments and Exchange Act and Article 19, paragraph (2), item (iii) of the Cabinet Office Order on Disclosure of Corporate Affairs.
   Filed to Director-General of the Kanto Local Finance Bureau on April 17, 2025
   Extraordinary Securities Report based on Article 24-5, paragraph (4) of the Financial Instruments and Exchange Act and Article 19, paragraph (2), item (ix) of the Cabinet Office Order on Disclosure of Corporate Affairs.
   Filed to Director-General of the Kanto Local Finance Bureau on May 29, 2025
   Extraordinary Securities Report based on Article 24-5, paragraph (4) of the Financial Instruments and Exchange Act and Article 19, paragraph (2), item (ix)-2 of the Cabinet Office Order on Disclosure of Corporate Affairs.
   Filed to Director-General of the Kanto Local Finance Bureau on June 12, 2025
   Extraordinary Securities Report based on Article 24-5, paragraph (4) of the Financial Instruments and Exchange Act and Article 19, paragraph (2), item (ii) of the Cabinet Office Order on Disclosure of Corporate Affairs.
   Filed to Director-General of the Kanto Local Finance Bureau on June 24, 2025
   Extraordinary Securities Report based on Article 24-5, paragraph (4) of the Financial Instruments and Exchange Act and Article 19, paragraph (2), item (iii) of the Cabinet Office Order on Disclosure of Corporate Affairs.
   Filed to Director-General of the Kanto Local Finance Bureau on July 1, 2025
   Extraordinary Securities Report based on Article 24-5, paragraph (4) of the Financial Instruments and Exchange Act and Article 19, paragraph (2), item (xv) and (xix) of the Cabinet Office Order on Disclosure of Corporate Affairs.
   (6) Report on the purchase of treasury shares
   Report period from May 1, 2025 to May 31, 2025: filed to Director-General of the Kanto Local Finance Bureau on June 10, 2025
   Report period from June 1, 2025 to June 30, 2025: filed to Director-General of the Kanto Local Finance Bureau on July 10, 2025
   Report period from July 1, 2025 to July 31, 2025: filed to Director-General of the Kanto Local Finance Bureau on August 8, 2025

Report period from August 1, 2025 to August 31, 2025: filed to Director-General of the Kanto Local Finance Bureau on September 12, 2025
Report period from September 1, 2025 to September 30, 2025: filed to Director-General of the Kanto Local Finance Bureau on October 10, 2025
Report period from October 1, 2025 to October 31, 2025: filed to Director-General of the Kanto Local Finance Bureau on November 10, 2025
Report period from November 1, 2025 to November 30, 2025: filed to Director-General of the Kanto Local Finance Bureau on December 10, 2025
Report period from December 1, 2025 to December 31, 2025: filed to Director-General of the Kanto Local Finance Bureau on January 9, 2026
Report period from January 1, 2026 to January 31, 2026: filed to Director-General of the Kanto Local Finance Bureau on February 10, 2026
Report period from February 1, 2026 to February 28, 2026: filed to Director-General of the Kanto Local Finance Bureau on March 10, 2026

(7) Revised report on the purchase of treasury shares
Report period from January 1, 2026 to January 31, 2026: filed to Director-General of the Kanto Local Finance Bureau on February 20, 2026

Part II. [Information on Guarantors for the Company]

None

Independent Auditor's Audit Report and Internal Control Audit Report (Translation)

May 20, 2026

Seven & i Holdings Co., Ltd.

To Board of Directors

KPMG AZSA LLC

Tokyo Office, Japan

Designated Limited Liability Partner Engagement Partner	Certified Public Accountant	Reiji Kobayashi
Designated Limited Liability Partner Engagement Partner	Certified Public Accountant	Masahiro Sasaki
Designated Limited Liability Partner Engagement Partner	Certified Public Accountant	Susumu Komiyama

<Audit of the Consolidated Financial Statements>

Audit Opinion

Pursuant to the provisions of Article 193-2, paragraph (1) of the Financial Instruments and Exchange Act, we have audited the consolidated financial statements, that is, the consolidated balance sheets, consolidated statements of income, consolidated statements of comprehensive income, consolidated statements of changes in net assets, consolidated statements of cash flows, accounting policies for the preparation of consolidated financial statements, other notes and annexed consolidated detailed schedules, of Seven & i Holdings Co., Ltd. for the fiscal year from March 1, 2025 to February 28, 2026, which are provided in "Financial Information."

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position as of February 28, 2026 and business results and cash flow situation for the fiscal year ended February 28, 2026 of Seven & i Holdings Co., Ltd. and its consolidated subsidiaries in accordance with accounting principles generally accepted in Japan.

Basis for Audit Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Japan (including those applicable to audits of financial statements of public interest entities), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Appropriateness of the accounting treatment for the absorption-type company split involving YORK Holdings Co., Ltd. and the acquisition of shares of K.K. BCJ-95	
Description of the Key Audit Matter and Reason for Determining the Matter	How We Addressed the Matter in Our Audit
As described in Notes (Business Combinations, etc. I. Business divestiture (Transfer of Subsidiary Shares)), Seven & i Holdings Co., Ltd. (hereinafter "Company") resolved to transfer, through an absorption-type company split, the head office functions of YORK Holdings Co., Ltd., a wholly owned subsidiary of the Company, as well as the management functions and all other rights and obligations related to the businesses of 29 companies consisting of 22 consolidated subsidiaries and 7 equity-method affiliates belonging to the Group's grocery retail, specialties, and other retail business (hereinafter collectively, "SST Business Group"), to K.K. BCJ-96, a wholly owned subsidiary of K.K. BCJ-95 (hereinafter "SPC (1)"), an acquisition vehicle established by Bain Capital Private Equity, L.P. and its affiliated companies. The transaction was completed on September 1, 2025. On the same date, the Company also made an investment in SPC (1) so that its ownership interest would be 35.07% after the effective date of the Absorption-Type Split (the Absorption-Type Split and investment are collectively referred to as the "Transaction"). As a result of the Transaction, the consolidated subsidiaries belonging to the SST Business Group were excluded from the scope of consolidation, and SPC (1) became an equity-method affiliate of the Company. As a result, the Company recognized investment securities of ¥88,191 million and a gain on change in equity in superstore business of ¥26,946 million. The accounting treatment for the Transaction was performed in accordance with the Accounting Standard for Business Divestitures and the Guidance on Accounting Standard for Business Combinations and Accounting Standard for Business Divestitures. In calculating the investment securities in SPC (1) and the gain on change in equity in superstore business, the Company considered adjustments to the investment balance, including post-acquisition retained earnings of the SST Business Group that had been recognized in the consolidated financial statements up to the date control was lost. The Transaction involves multiple audit considerations, including the reasonableness of the consideration for the absorption-type company split and the appropriateness of the accounting treatment, including the determination of the consolidated carrying amounts of the assets and liabilities of the divested business and the acquisition cost of the shares of SPC (1). Furthermore, the Transaction is non-recurring and quantitatively significant, and therefore has a material impact on the consolidated financial statements. Accordingly, we determined that the appropriateness of the accounting treatment for the Transaction was of particular significance in the audit of the consolidated financial statements for the fiscal year ended February 28, 2026, and was one of "key audit matters."	We principally performed the following audit procedures to consider the appropriateness of the accounting treatment for the Transaction. (1) Assessment of internal control We assessed effectiveness of the development and operation of internal control related to the accounting for the Transaction, including the determination of the consideration for the absorption-type company split. (2) Consideration of reasonableness of the consideration for the absorption-type company split and the appropriateness of the accounting treatment for the Transaction ・ We obtained an understanding of the Transaction through inspection of Board of Directors and management meeting materials, review of the absorption-type company split agreement and other relevant documents, and inquiries of appropriate personnel. ・ With the involvement of valuation specialists from our domestic network firm, we reviewed the business valuation prepared by external specialists engaged by management and assessed the reasonableness of the consideration for the absorption-type company split. ・ To verify the financial information as of the date control was lost, which formed the basis for determining the appropriate consolidated carrying amounts of the assets and liabilities of the divested business, we determined and instructed the audit procedures to be performed by component auditors, obtained reports on the results of those procedures, and evaluated whether sufficient and appropriate audit evidence had been obtained. ・ To assess the appropriateness of the consolidated carrying amounts of the assets and liabilities of the divested business, we reconciled adjustments to the investment balance, including post-acquisition retained earnings recognized in the consolidated financial statements up to the date control was lost, to the related consolidation journal entries. ・ In verifying the acquisition cost of the shares of SPC (1), we confirmed the consistency of the acquisition cost calculation with the supporting documentation underlying SPC (1)'s consolidated financial information.

Other information

Other information is information in this Securities Report other than consolidated financial statements, non-consolidated financial statements and their audit report. The management is responsible for

preparing and disclosing other information. Audit & Supervisory Board Members and the Audit & Supervisory Board are responsible for overseeing the Directors' performance of their duties including the design, implementation and maintenance of the Group's reporting process of other information.
Other information is not subject to our audit opinions on consolidated financial statements, and we do not express our opinions on that.
We are responsible for reading through other information, and in the process of reading, we are responsible for examining if there is any significant difference between the other information and consolidated financial statements or our knowledge obtained in the audit process, and paying attention if there is an indication of any significant error in the other information other than such significant difference.
If we judge there is any significant error in the other information based on our audit procedures, we are required to report such fact.
We have nothing to report on the other information.

Responsibilities of Management, Audit & Supervisory Board Members and the Audit & Supervisory Board for the Consolidated Financial Statements
The management is responsible for the preparation and fair presentation of consolidated financial documents in accordance with corporate accounting standards generally accepted in Japan. This includes the development and implementation of internal control deemed necessary by the management for the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.
In preparing the consolidated financial statements, management is responsible for assessing whether it is appropriate to prepare the consolidated financial statements with the assumption of the Group's ability to continue as a going concern, and disclosing matters related to going concern as applicable in accordance with accounting principles generally accepted in Japan.
Audit & Supervisory Board Members and the Audit & Supervisory Board are responsible for overseeing the Directors' performance of their duties including the design, implementation and maintenance of the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements
Our responsibilities are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion on the consolidated financial statements based on our audit from an independent point of view. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.
In accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risk of material misstatements due to fraud or error. Prepare and implement an audit plan addressing the risk of material misstatements. The procedures selected to be applied depend on the auditor's judgment. In addition, obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

- Obtain, in making those risk assessments, an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, while the objective of the audit of the consolidated financial statements is not to express an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used by management and their method of application, as well as the reasonableness of accounting estimates made by management and related notes thereto.

- Conclude on the appropriateness of management's use of the going concern basis for preparing the consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related notes to the consolidated financial statements or, if such notes are inadequate, to express a qualified opinion with exceptions on the consolidated financial statements. Our conclusions are based on the audit evidence

obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate whether the presentation of the consolidated financial statements and the notes thereto are in accordance with accounting principles generally accepted in Japan, the overall presentation, structure and content of the consolidated financial statements, including the related notes thereto, and whether the consolidated financial statements represent the underlying transactions and accounting events in a manner that achieves fair presentation.

- The audit of the consolidated financial statements is planned and conducted to obtain sufficient and appropriate audit evidence regarding the financial information of the Company and its consolidated subsidiaries, which forms the basis for expressing an opinion on the consolidated financial statements. As auditors, we are responsible for the direction, supervision, and review of the audit of the consolidated financial statements. We remain solely responsible for our audit opinion.

We communicate with Audit & Supervisory Board Members and the Audit & Supervisory Board regarding the planned scope and timing of the audit, significant audit findings, including any significant deficiencies in internal control that we identify during our audit, and other matters required by auditing standards.
We also provide Audit & Supervisory Board Members and the Audit & Supervisory Board with a statement that we have complied with relevant ethical requirements in Japan regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence. In the event that some measures are taken in order to eliminate obstruction factors, or related safeguards are applied to reduce them to the acceptable level, we provide them with the contents of such measures and safeguards.
Out of the matters we share in our cooperation with the Audit & Supervisory Board Members and the Audit & Supervisory Board, we determine those matters that we judge as being of most significance in our audit of the consolidated financial statements for the fiscal year ended February 28, 2026 to be key audit matters, and we present those matters as such in our auditor's report. However, in cases where the disclosure of such matters are prohibited by laws, regulations, etc., or although very limited, in cases where it is our judgment that such matters should not be reported by us because it can be reasonably expected that the disadvantages that could arise from reporting them in our auditor's report would outweigh the public benefit from doing so, we don't present those matters.

<Audit of Internal Control>
Audit Opinion
Pursuant to Article 193-2, paragraph (2) of the Financial Instruments and Exchange Act, we have audited the Internal Control Report as of February 28, 2026 of Seven & i Holdings Co., Ltd.
In our opinion, the Internal Control Report referred to above, which represents that internal control over financial reporting of the consolidated financial statements as of February 28, 2026 is effective, presents fairly, in all material respects, the result of the management's assessment on internal control over financial reporting in conformity with assessment standards for internal control over financial reporting generally accepted in Japan.

Basis for Audit Opinion
We conducted our internal control audit in accordance with auditing standards for internal control over financial reporting generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of Internal Control section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Japan (including those applicable to audits of financial statements of public interest entities), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management, Audit & Supervisory Board Members and the Audit & Supervisory Board for the Internal Control Report

The management is responsible for designing and operating internal control over financial reporting, and for the preparation and fair presentation of the Internal Control Report in accordance with assessment standards for internal control over financial reporting generally accepted in Japan.
The Audit & Supervisory Board Members and the Audit & Supervisory Board are responsible for overseeing and verifying the design and operation of internal control over financial reporting.
Internal control over financial reporting may not fully prevent or detect misstatements.

Auditor's Responsibilities for the Audit of Internal Control
Our responsibilities are to obtain reasonable assurance about whether the Internal Control Report is free from material misstatement, and to issue an internal control audit report that includes our opinion on the Internal Control Report based on our internal control audit from an independent point of view.
In accordance with auditing standards for internal control over financial reporting generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit.
We also:

- Perform audit procedures to obtain audit evidence regarding the results of the assessment of internal control over financial reporting in the Internal Control Report. The procedures selected and applied depend on the auditor's judgment, including the significance of effects on the reliability of financial reporting.

- Evaluate the overall presentation of the Internal Control Report, including disclosures on scope, procedures and conclusions of management's assessment of internal control over financial reporting.

- The audit of internal control is planned and conducted to obtain sufficient appropriate audit evidence regarding the evaluation results of internal control over financial reporting as stated in the internal control report. As auditors, we are responsible for the direction, supervision, and review of the audit of the internal control report. We remain solely responsible for our audit opinion.

We communicate with the Audit & Supervisory Board Members and the Audit & Supervisory Board regarding the planned scope and timing of the internal control audit, result of the internal control audit, any identified significant deficiencies in internal control which should be disclosed and the results of their remediation, and any other matters required by the auditing standards for internal control.
We also provide Audit & Supervisory Board Members and the Audit & Supervisory Board with a statement that we have complied with relevant ethical requirements in Japan regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence. In the event that some measures are taken in order to eliminate obstruction factors, or related safeguards are applied to reduce them to the acceptable level, we provide them with the contents of such measures and safeguards.

<Information on compensation>
The amounts of audit attestation duty-based compensation and non-audit-based compensation for us as well as persons who belong to the same network of our firm are provided in (3) Status of audits under Corporate governance etc. included in "Information about the Company."

Interest Required to Be Disclosed by the Certified Public Accountants Act of Japan
Our firm and the designated engagement partners do not have any interest in the Group which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

End

Notes: 1. The original version of the Audit Report presented above is kept separately by the Company (the filing company of the Annual Securities Report).
2. XBRL data is not included in the scope of audit.

Independent Auditor's Report (Translation)

May 20, 2026

Seven & i Holdings Co., Ltd.

To Board of Directors

KPMG AZSA LLC

Tokyo Office, Japan

Designated Limited Liability Partner Engagement Partner	Certified Public Accountant	Reiji Kobayashi
Designated Limited Liability Partner Engagement Partner	Certified Public Accountant	Masahiro Sasaki
Designated Limited Liability Partner Engagement Partner	Certified Public Accountant	Susumu Komiyama

<Audit of the Financial Statements>

Audit Opinion

Pursuant to the provisions of Article 193-2, paragraph (1) of the Financial Instruments and Exchange Act, we have audited the nonconsolidated financial statements, that is, the nonconsolidated balance sheets, nonconsolidated statements of income, nonconsolidated statements of changes in net assets, significant accounting policies, other notes and annexed nonconsolidated detailed schedules, of Seven & i Holdings Co., Ltd. for the 21th fiscal year from March 1, 2025 to February 28, 2026, which are provided in "Financial Information."

In our opinion, the nonconsolidated financial statements referred to above present fairly, in all material respects, the financial position as of February 28, 2026 and business results for the fiscal year ended February 28, 2026 of Seven & i Holdings Co., Ltd. in accordance with accounting principles generally accepted in Japan.

Basis for Audit Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Nonconsolidated Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Japan (including those applicable to audits of financial statements of public interest entities), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the nonconsolidated financial statements of the current period. These matters were addressed

in the context of our audit of the nonconsolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Reasonableness of the valuation of unmarketable stocks of subsidiaries and affiliates	
Description of the Key Audit Matter and Reason for Determining the Matter	How We Addressed the Matter in Our Audit
In the nonconsolidated balance sheets as of February 28, 2026, stocks of subsidiaries and affiliates of ¥1,783,723 million were recorded. As stated in Securities under Notes to Nonconsolidated Financial Statements, these amounts include ¥1,681,518 million of stocks of subsidiaries and ¥100,702 million of stocks of affiliates which are unmarketable shares, etc., as per ASBJ Statement No. 10 “Accounting Standard for Financial Instruments” (hereinafter referred to as “unmarketable stocks of subsidiaries and affiliates”), and they account for 91.8% of total assets of ¥1,941,718 million. As stated in Significant Accounting Policies and Significant Accounting Estimates under Notes to Nonconsolidated Financial Statements, for unmarketable stocks of subsidiaries and affiliates, acquisition cost is used as the book value. An impairment loss needs to be recognized, when their substantive value, which is calculated by multiplying the amount of net assets per share by the number of shares held, declines significantly due to deterioration in the financial condition of the company issuing the shares, unless there is sufficient persuasive evidence to support a subsequent recovery. In the fiscal year ended February 28, 2026, there are no unmarketable stocks of subsidiaries and affiliates whose substantive value has declined significantly but for which no impairment loss has been recognized, the recoverability of the substantive value has not become a problem. However, since Seven & i Holdings Co., Ltd. is a pure holding company, unmarketable stocks of subsidiaries and affiliates account for a major portion of its assets and their amount is material. Therefore, we judged that reasonableness of the valuation of unmarketable stocks of subsidiaries and affiliates was of particular significance in the audit of the nonconsolidated financial statements for the fiscal year ended February 28, 2026, and was one of “key audit matters.”	To examine reasonableness of the valuation of unmarketable stocks of subsidiaries and affiliates, we principally performed the following audit procedures. (1) Assessment of internal control We assessed effectiveness of the design and operation of internal control related to the valuation of unmarketable stocks of subsidiaries and affiliates. (2) Reasonableness of the valuation of unmarketable stocks of subsidiaries and affiliates ・ Understood the business environment of subsidiaries and affiliates through reviewing minutes of the Board of Directors’ meetings and asking questions to the management and relevant departments, and confirmed whether or not there is any subsidiary or affiliate who shows an indication of deterioration in the financial condition. ・ As for financial figures of significant subsidiaries and affiliates, assessed credibility of the financial information based on the audit procedures performed by the component auditors and the results thereof. ・ To confirm accuracy of the substantive value used in the comparison with the book value, made a recalculation based on the net asset amount and the ratio of shareholdings of subsidiaries and affiliates. ・ Confirmed whether or not the substantive value had declined significantly, by making comparison examination between the book value of stocks of subsidiaries and affiliates and substantive value of subsidiaries and affiliates.

Other information

Other information is information in this Securities Report other than consolidated financial statements, non-consolidated financial statements and their audit report. The management is responsible for preparing and disclosing other information. Audit & Supervisory Board Members and the Audit & Supervisory Board are responsible for overseeing the Directors’ performance of their duties including the design, implementation and maintenance of the Company’s financial reporting process of other information.

Other information is not subject to our audit opinions on financial statements, and we do not express our opinions on that.

We are responsible for reading through other information, and in the process of reading, we are responsible for examining if there is any significant difference between the other information and nonconsolidated financial statements or our knowledge obtained in the audit process, and paying attention if there is an indication of any error in the other information other than such significant difference.

If we judge there is any significant error in the other information based on our audit procedures, we are required to report such fact.

We have nothing to report on the other information.

Responsibilities of Management, Audit & Supervisory Board Members and the Audit & Supervisory Board for the Nonconsolidated Financial Statements

The management is responsible for the preparation and fair presentation of financial documents in accordance with corporate accounting standards generally accepted in Japan. This includes the development and implementation of internal control deemed necessary by the management for the preparation and fair presentation of nonconsolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the nonconsolidated financial statements, management is responsible for assessing whether it is appropriate to prepare the consolidated financial statements with the assumption of the Company's ability to continue as a going concern, and disclosing matters related to going concern as applicable in accordance with accounting principles generally accepted in Japan.

Audit & Supervisory Board Members and the Audit & Supervisory Board are responsible for overseeing the Directors' performance of their duties including the design, implementation and maintenance of the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Nonconsolidated Financial Statements

Our responsibilities are to obtain reasonable assurance about whether the nonconsolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion on the nonconsolidated financial statements based on our audit from an independent point of view. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these nonconsolidated financial statements.

In accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risk of material misstatements due to fraud or error. Prepare and implement an audit plan addressing the risk of material misstatements. The procedures selected to be applied depend on the auditor's judgment. In addition, obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

- Obtain, in making those risk assessments, an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, while the objective of the audit of the nonconsolidated financial statements is not to express an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used by management and their method of application, as well as the reasonableness of accounting estimates made by management and related notes thereto.

- Conclude on the appropriateness of management's use of the going concern basis for preparing the nonconsolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related notes to the nonconsolidated financial statements or, if such notes are inadequate, to express a qualified opinion with exceptions on the nonconsolidated financial statements. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate whether the presentation of the nonconsolidated financial statements and the notes thereto are in accordance with accounting principles generally accepted in Japan, the overall presentation, structure and content of the nonconsolidated financial statements, including the related notes thereto, and whether the nonconsolidated financial statements represent the underlying transactions and accounting events in a manner that achieves fair presentation.

We communicate with Audit & Supervisory Board Members and the Audit & Supervisory Board regarding the planned scope and timing of the audit, significant audit findings, including any significant deficiencies in internal control that we identify during our audit, and other matters required by auditing standards.

We also provide Audit & Supervisory Board Members and the Audit & Supervisory Board with a statement that we have complied with relevant ethical requirements in Japan regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence. In the event that some measures are taken in order to eliminate obstruction factors, or related safeguards are applied to reduce them to the acceptable level, we provide them with the contents of such measures and safeguards.
Out of the matters we share in our cooperation with the Audit & Supervisory Board Members and the Audit & Supervisory Board, we determine those matters that we judge as being of most significance in our audit of the nonconsolidated financial statements for the fiscal year ended February 28, 2026 to be key audit matters, and we present those matters as such in our auditor's report. However, in cases where the disclosure of such matters are prohibited by laws, regulations, etc., or although very limited, in cases where it is our judgment that such matters should not be reported by us because it can be reasonably expected that the disadvantages that could arise from reporting them in our auditor's report would outweigh the public benefit from doing so, we don't present those matters.

<Information on compensation>
Information on compensation is described in Audit Report of consolidated financial statements.

Interest Required to Be Disclosed by the Certified Public Accountants Act of Japan
Our firm and the designated engagement partners do not have any interest in the Company which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

End

Notes: 1. The original version of the Audit Report presented above is kept separately by the Company (the filing company of the Annual Securities Report).
2. XBRL data is not included in the scope of audit.

[Cover]

[Document title]	Internal Control Report
[Clause of stipulation]	Article 24-4-4, paragraph (1) of the Financial Instruments and Exchange Act
[Place of filing]	Director-General of the Kanto Local Finance Bureau
[Filing date]	May 20, 2026
[Company name]	*Kabushiki-Kaisha Seven & i Holdings*
[Company name in English]	Seven & i Holdings Co., Ltd.
[Title and name of representative]	Stephen Hayes Dacus, Representative Director, President & CEO
[Title and name of chief financial officer]	Tetsuya Takagi, Executive Officer and Chief Financial Officer (CFO)
[Address of registered head office]	8-8, Nibancho, Chiyoda-ku, Tokyo
[Place for public inspection]	Tokyo Stock Exchange, Inc. (2-1, Nihonbashi-Kabutocho, Chuo-ku, Tokyo)

1. Basic framework for internal controls regarding the financial reporting

Stephen Hayes Dacus, Representative Director, President & CEO, and Tetsuya Takagi, Executive Officer and CFO, are responsible for the design and operation of internal control over financial reporting, and have designed and operated internal control over financial reporting in accordance with the basic framework for internal control set forth in “On the Revision of the Standards and Practice Standards for Management Assessment and Audit concerning Internal Control Over Financial Reporting (Council Opinions)” released by the Business Accounting Council.

Internal control is aimed at achieving its goal to a reasonable extent through basic elements of internal control organically intertwining and functioning in an integrated manner. Accordingly, internal control over financial reporting may not fully prevent or detect misstatements.

2. Scope of assessment, record date, and assessment procedures

The assessment of internal control over financial reporting was conducted as of February 28, 2026, the last day of the fiscal year, and was performed in accordance with assessment standards for internal control over financial reporting generally accepted in Japan.

In this assessment, we assessed internal control that significantly affects the entire financial reporting on a consolidated basis (Company Level Controls), and then, based on the results, selected business processes to be assessed. In the assessment of the business processes, we assessed the effectiveness of internal control by analyzing the selected business processes, and then identifying key controls that have a significant impact on the credibility of financial reporting and assessing the design and operation for the key controls.

During the fiscal year ended February 28, 2026, taking into account the following significant changes in the scope of consolidation, we determined the scope of evaluation of internal control over financial reporting for the Company, its consolidated subsidiaries, and its equity-method affiliates based on the significance of their impact on the credibility of financial reporting.

· Seven Bank, Ltd.

On June 24, 2025, Seven Bank, Ltd. and its consolidated subsidiaries were excluded from the scope of consolidation, and Seven Bank, Ltd. became an equity-method affiliate.

· K.K. BCJ-95

On September 1, 2025, 21 subsidiaries under YORK Holdings Co., Ltd., a wholly owned subsidiary of the Company, were excluded from the scope of consolidation, and K.K. BCJ-95 became an equity-method affiliate.

The significance of the impact on the credibility of financial reporting was determined by considering quantitative and qualitative effects as well as the likelihood of occurrence.

The scope of evaluation of internal controls over business processes was reasonably determined based on the results of the evaluation of “Company Level Controls” for the Company and four consolidated subsidiaries (five companies in total), three consolidated subsidiaries of K.K. BCJ-95, an affiliate of the Company, and Seven Bank, Ltd., as well as the results of the evaluation of “Financial Closing and Reporting Processes assessed from an entity-level perspective,” including YORK Holdings Co., Ltd., a consolidated subsidiary of K.K. BCJ-95, in addition to the business locations described above.

Business locations determined to have only an insignificant impact on the credibility of financial reporting from the standpoint of quantitative and qualitative effects and likelihood of occurrence were excluded from the scope of the assessment of Company Level Controls.

In determining the scope of evaluation of internal controls over business processes, because the Group operates multiple businesses, principally convenience store operations under both company-operated and franchise formats, as well as leasing and credit card businesses, gross profit from operations (after elimination of intercompany transactions) was deemed an appropriate quantitative indicator of the relative scale of each business location. Based on this measure, business locations were aggregated in descending order of prior-year gross profit from operations (after elimination of intercompany transactions), and considering the favorable results of the Company Level Control evaluation, two business locations that collectively accounted for approximately two-thirds of consolidated gross profit from operations for the previous fiscal year were designated as “Significant Business Entities.”

At the selected Significant Business Entities, sales, accounts receivable, and inventories were identified as accounts significantly related to the Company’s business objectives, as they are closely related to revenue generation, quantitatively material, and susceptible to material misstatement in the Company’s principal business of convenience store operations under both company-operated and franchise formats. Accordingly, the business processes relating to those accounts were selected for evaluation. Furthermore, despite the designation of certain business locations as

Significant Business Entities, we also included other business locations in the scope of evaluation and examined accounts involving estimates and forecasts, as well as accounts with a high risk of error, in order to assess their impact on financial reporting and identify business processes with a high likelihood of material misstatement. Specifically, accounts representing at least 1% of consolidated total assets were identified and selected as candidates for evaluation after considering their inherent risks and the complexity of the related businesses. Next, significant business processes were determined based on their quantitative impact, and the final scope of evaluation was established after considering the results of risk assessments and fraud risk analyses for each business location. We also reviewed the status of controls over IT systems and considered the impact of risks arising from the IT environment when determining the scope of evaluation. As a result of these considerations, business processes relating to “tax and deferred tax accounting,” “calculation of retirement benefit obligations,” and “valuation of goodwill,” among others, were selected for evaluation.

3. Results of the assessment
   As a result of the above assessment, we judged that the Company’s internal control over financial reporting was effective as of February 28, 2026.

4. Supplementary notes
   None

5. Special notes
   None