

Seven & i Holdings Co., Ltd.

Presentation for the Second Quarter of FY2023

(Fiscal Year Ending February 29, 2024)

October 12, 2023

Executive Summary



- ✓ FY2023 1H operating income and ordinary income achieved record highs
- ✓ Completed the transfer of the shares of Sogo & Seibu, making steady progress on strategic initiatives
- ✓ Making steady progress on fundamental transformation of the SST operations in the Tokyo metropolitan area to achieve the FY2025 target

TODAY'S AGENDA

- 1 1H Results
- 2 FY2023 Forecasts
- 3 Management Policy

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- 2 FY2023 Forecasts
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1H Consolidated Results Highlight



						(Billions of yen, %)
	FY2022	FY2023	YOY	Change	vs. Initial plan	Change
Group's total sales*1	8,590.7	8,693.8	101.2	+103.1	100.4	+33.8
Revenues from operations	5,651.5	5,547.0	98.2	(104.4)	99.9	(5.9)
Operating income	234.7	241.1	102.7	+6.3	102.2	+5.1
Ordinary income	219.7	226.8	103.2	+7.1	103.1	+6.8
Net income attributable to owners of parent	136.0	80.2	59.0	(55.8)	58.1	(57.7)
EPS (yen)	154.09	90.83	58.9	(63.26)	58.1	(65.41)
EPS before amortization of goodwill (yen)	214.19	156.06	72.9	(58.13)	71.1	(63.59)
Adjusted*2						
Net income attributable to owners of parent	136.0	143.9	105.8	+7.9	104.3	+5.9
EPS (yen)	154.09	163.03	105.8	+8.93	104.3	+6.78
EPS before amortization of goodwill (yen)	214.19	228.26	106.6	+14.06	103.9	+8.61

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

^{*2} Adjusted figures for the effects of the transfer of the shares of Sogo & Seibu and Barneys Japan

Notes) 1. Exchange rate: 1USD=135.00JPY, 1CNY=19.46JPY

^{2. &}quot;Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29, March 31, 2020), etc. have been applied since the fiscal year ended February 28, 2023 Copyright(C) Seven & i Holdings Co., Ltd. All Rights Reserved.

1H Revenues from operations, Operating Income and EBITDA by Operating Segment (YOY)



(Billions of yen, %)

	Revenues fro	m operations	Operating income		EBI	TDA
		YOY/Change		YOY/Change		YOY/Change
Consolidated	5,547.0	98.2 (104.4)	241.1	102.7 +6.3	496.4	106.0 +28.1
Domestic CVS operations	470.7	105.4 +24.0	138.5	109.3 +11.7	182.5	108.1 +13.7
Overseas CVS operations	4,026.8	96.2 (157.6)	112.8	97.6 (2.7)	269.3	105.3 +13.6
Superstore operations	729.0	102.0 +14.0	4.4	102.9 +0.12	24.2	105.1 +1.1
Financial services	102.8	107.4 +7.1	19.9	103.3 +0.63	37.0	99.4 (0.20)
Others	248.4	104.7 +11.2	2.4	- +2.2	10.2	130.3 +2.3
Eliminations/Corporate	(31.0)	(3.1)	(37.0)	- (5.7)	(26.9)	(2.6)

1H Revenues from operations, Operating Income and EBITDA by Operating Segment (vs. Initial Plan)



(Billions of yen, %)

	Revenues fro	m operations	Operating income		EBI	TDA
		vs. Initial plan/Change		vs. Initial plan/Change		vs. Initial plan/Change
Consolidated	5,547.0	99.9 (5.9)	241.1	102.2 +5.1	496.4	102.8 +13.4
Domestic CVS operations	470.7	103.0 +13.7	138.5	107.0 +9.0	182.5	105.4 +9.3
Overseas CVS operations	4,026.8	99.6 (15.1)	112.8	87.5 (16.1)	269.3	95.3 (13.4)
Superstore operations	729.0	99.6 (2.9)	4.4	192.6 +2.1	24.2	106.3 +1.4
Financial services	102.8	100.9 +0.87	19.9	121.2 +3.4	37.0	109.8 +3.3
Others	248.4	98.2 (4.5)	2.4	+2.3	10.2	340.9 +7.2
Eliminations/Corporate	(31.0)	- +1.9	(37.0)	- +4.3	(26.9)	- +5.5

TODAY'S AGENDA

- 1 1H Results
- 2 FY2023 Forecasts
- 3 Management Policy

FY2023 Revised Consolidated Forecasts



						(Billions of yen, %)
	Initial plan	Before revision (As of Sep. 1)	After revision	YOY	YOY change	Amount of revision/%
Group's total sales*1	17,418.0	-	17,773.0	99.6	(69.6)	-
Revenues from operations	11,154.0	11,527.0	11,432.0	96.8	(379.3)	(95.0)/(0.8)*1
Operating income	513.0	525.0	525.0	103.6	+18.4	-
Ordinary income	480.0	490.0	490.0	103.0	+14.1	-
Net income attributable to owners of parent	285.0	230.0	230.0	81.9	(50.9)	-
EPS (yen)	322.68	260.40	260.39	81.8	(57.75)	(0.01)
EPS before amortization of goodwill (yen)	450.06	-	393.52	88.3	(52.22)	-
Adjusted*2						
Net income attributable to owners of parent	-	-	293.7	104.6	+12.7	-
EPS (yen)	-	-	332.58	104.5	+14.44	-
EPS before amortization of goodwill (yen)	-	-	465.72	104.5	+19.97	-

^{*1} Revised consolidated revenues from operations due to the current and future status of retail fuel prices and merchandise sales of CVS operations in Japan and U.S.

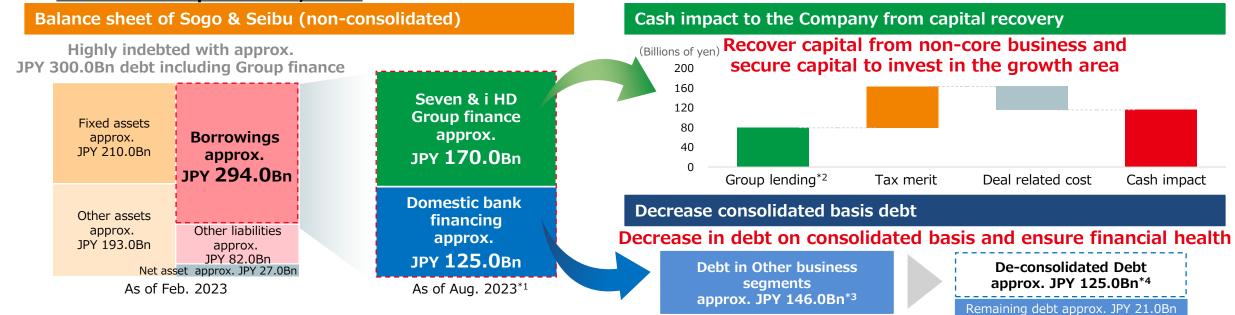
Note) Exchange rate: 1USD=137.00JPY, 1CNY=19.00JPY

^{*2} Adjusted figures for the effects of the transfer of the shares of Sogo & Seibu and Barneys Japan

Purpose and Outcomes of the Transfer



- Sogo & Seibu ended with a deficit in the last four years and owed approx. JPY 300.0Bn in debt including financing from the Group. A drastic reform to rebuild the business, including support from a new sponsor, was unavoidable
- However, the transformation of Sogo & Seibu using the Group management resource did not match the direction of the updated Group strategy announced in March 9, 2023, and the Company determined that it is difficult for the Company to maximize the value provided by Sogo & Seibu to its customers and Sogo & Seibu's business value
- The Company conducted a process to choose the best alternative owner with maximum consideration for Sogo & Seibu's
 "business continuation" and "continuation of employment", and after sincerely considering from several potential partners,
 decided on Fortress as the best owner and entered in to the agreement on November 11, 2022, and completed the
 transfer on September 1, 2023

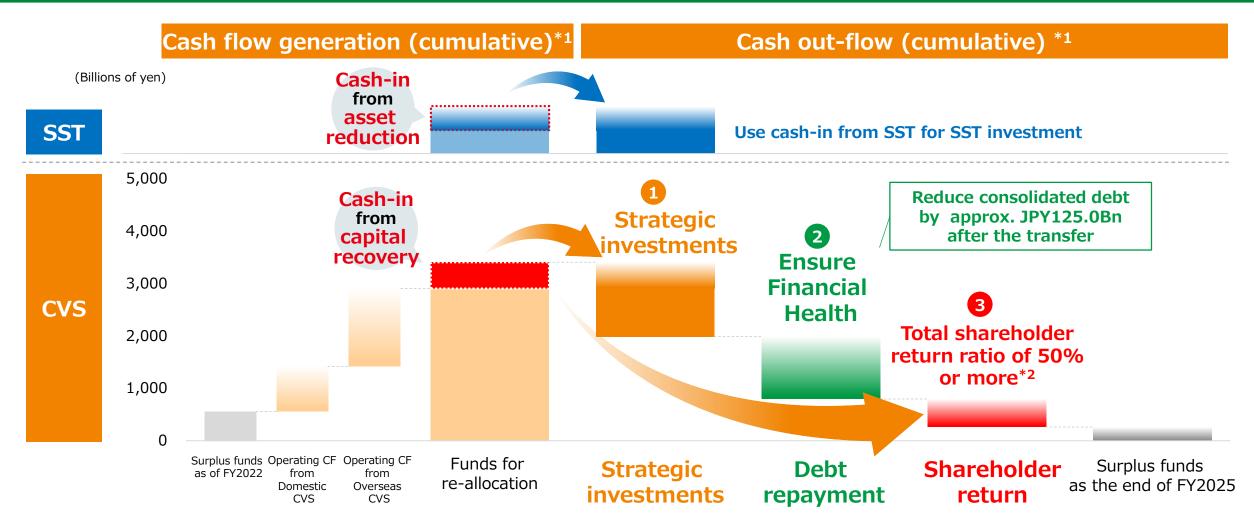


*1 Difference of borrowings between Feb. 2023 and Aug. 2023 is due to change in operating working capital *2 Excludes debt forgiveness *3 As of August 31, 2023 *4 As of September 1, 2023

Conducted an assessment based on the alignment with the Group strategy and the best owner who could contribute to Sogo & Seibu's re-growth

Capital Re-Allocation Plan





^{*1} Total figures of fiscal year 2023 to 2025

*2 Cumulative total return to shareholders from fiscal year 2023 to 2025

Plan to use the cash-in from CVS Operating CF and capital recovery not only for CVS strategic-investments but also shareholder returns including share buyback

TODAY'S AGENDA

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Progress of Strategic Initiatives





Continue to accelerate various strategic initiatives to realize the corporate vision

EBITDA of Tokyo Metropolitan Area SST Operations



						(Billions of yen, %)
		1H (results)	YOY	vs. Initial plan	FY2023	YOY
ı	Ito-Yokado	5.4	93.1	120.9	15.7	99.3
	York	1.5	188.6	214.1	2.9	131.4
	New Ito-Yokado	6.9	104.6	133.6	18.6	103.3
	SHELL GARDEN	(0.23)	-	-	(0.02)	-
	kyo metropolitan area T operations	6.4	109.2	139.5	18.1	105.2

Achieved the 1H EBITDA plan and realize full-scale fundamental transformation

Fundamental Transformation of SST Operations Overview: 5 Fundamental Initiatives (Reposting of the Presentation Materials on March 9, 2023)



Drastically transform business and profitability of the SST business within 3 years

Further structural changes

Growth strategy

Infrastructure for transformation

- Exit from the apparel business*1
 - ✓ Focus on "food" as the center of our Group strategy



Accelerate focus on Tokyo metropolitan area with additional store closures

- Accelerate focus on Tokyo metropolitan area
- ✓ Strategically close stores with low profitability or strategic fit even in Tokyo metropolitan area



Consolidate SST operations in Tokyo metropolitan area to maximize synergies and operation efficiencies







4) Establish Group's strategic infrastructures

✓ Realize a profit structure that can achieve further profit growth utilizing strategic infrastructures: PC/CK*² and online supermarket center

- 5 Ensure complete execution and monitoring with visibility
 - ✓ Ensure complete execution of initiatives and process management by <u>retaining external advisors</u>
 - ✓ Monitoring by Board of Directors and Strategy Committee and progress update to shareholders with visibility

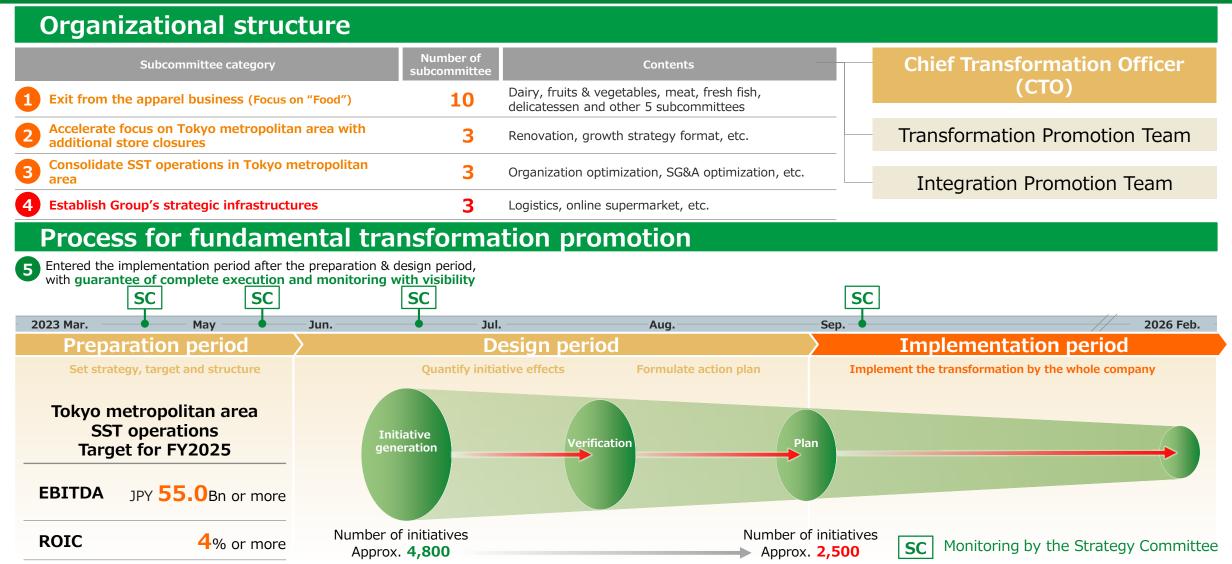
*1 Self-operated apparel business

*2 PC: Processing Center, CK: Central Kitchen

*3 Ito-Yokado (IY), York (YO), SHELL GARDEN (SG)

Process for Implementing a Fundamental Transformation of SST Operations





Narrowed down the number of initiatives to approx. 2,500 and moved into the implementation phase to achieve strategic target

Fundamental Transformation Roadmap



Major initiatives

- 1) Exit from the apparel business
 - Optimize directly operated sales floor space
 - Implement external MD
 - Expand Food & Drug
- 2) Accelerate focus on Tokyo metropolitan area with additional store closures
 - Store closures & external succession
 - Optimize organization scale
- Consolidate SST operations in Tokyo metropolitan area
 - Execute PMI
 - Improve productivity
- 4) Establish Group's strategic infrastructures
 - Improve store productivity by PC
 - Sales & GP growth by CK (Enhance delicatessen)

^{*} Figures exclude York Mart, York Foods, etc.

	Majo	r KPI			Major effec
	FY2022	FY2023	FY2024	FY2025	
Number of stores with self-operated apparel* [All stores excluding Shokuhinkan]	113 stores	98 stores	32 stores	Completely exit	Store expenses reduction
Number of Ito-Yokado stores*	126 stores	(33	3) stores	→ 93 stores	Profit /loss imp
SG&A reduction ratio (vs. FY2022)	-	+2.5%	(6.9)%	(17.0)%	Profit/loss important from store clos
Labor share [Salaries and wages/gross profit from operations×100]	39.5%	37.9%	34.9%	32.7%	SG&A optimiza
Sales composition of delicatessen	13%	13%	14%	15%	Effects of sales
Store productivity [Sales per tsubo] (vs. FY2022)	3.65 Million yen (-)	3.78 Million yen (+3.6%)	3.92 Million yen (+7.4%)	4.25 Million yen (+16.4%)	TV Effects of sales

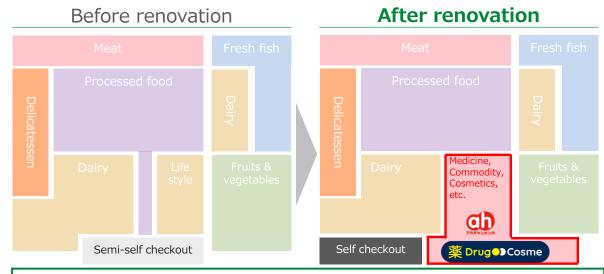
Aim to achieve solid effects by implementing fundamental transformation centered on cost structure reforms

Examples of Initiatives



1) Exit from the apparel business

Food & Drug initiatives



Seamless connection between food & Drug Cosme sales floor to increase both customer traffic

Food & Drug 1H results (Food and H&B*1)

Installed stores (30 stores)

Sales YOY

101.8%

Uninstalled stores (95 stores)

99.8%

(difference between installed stores and uninstalled stores)

(+2.0%)

*1 Health & Beauty

FY2025 plan number of installed stores

86 stores

3) Consolidate SST operations in Tokyo metropolitan area

Example of productivity improvement - Installation of self checkout



- Allocate cashier staff to sales
- Faster checkout
- Improve labor share

Improve overall store productivity

Verification of installation effects*2 (food sales/man-hour)

Installed stores (50 stores)

Uninstalled stores (75 stores)

116
Thousand yen
*2 FY2023 1H

107 Thousand yen

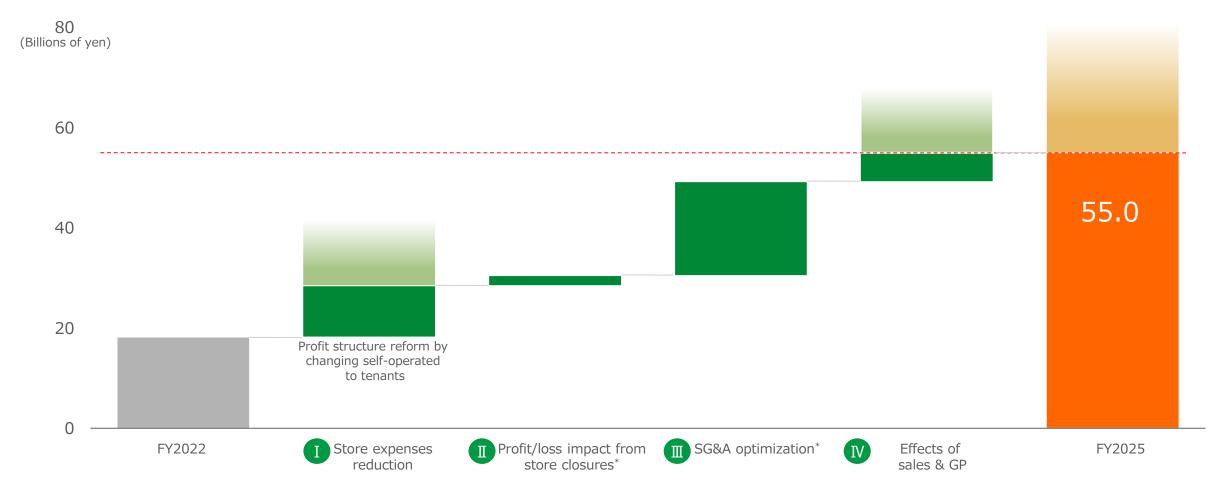
Store productivity improvement (sales per man-hour)



Verify the results of initiatives and lead to a solid effects

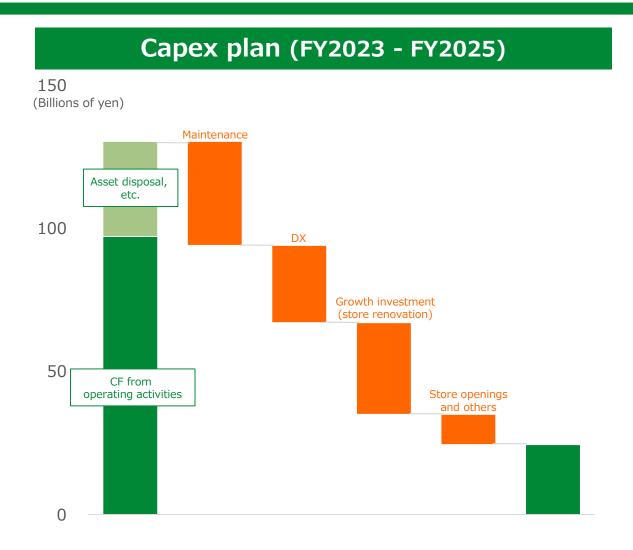
EBITDA Plan of Tokyo Metropolitan Area SST Operations

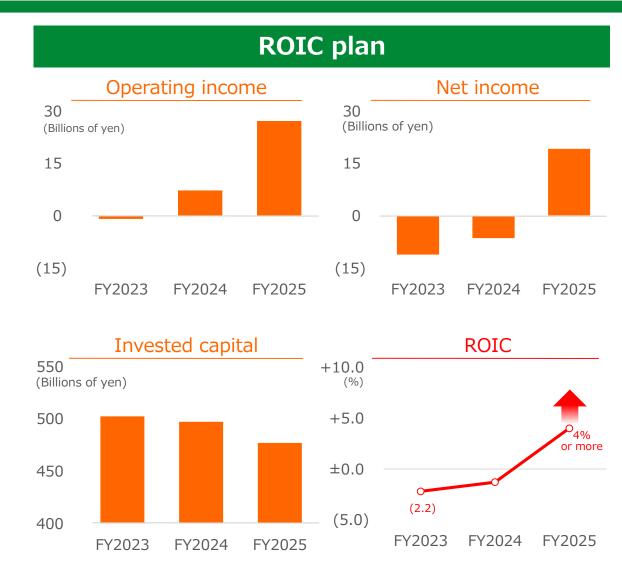




^{*} SG&A impact from store closures is included in the profit/loss impact from store closures

ROIC Plan of Tokyo Metropolitan Area SST Operations 🞉

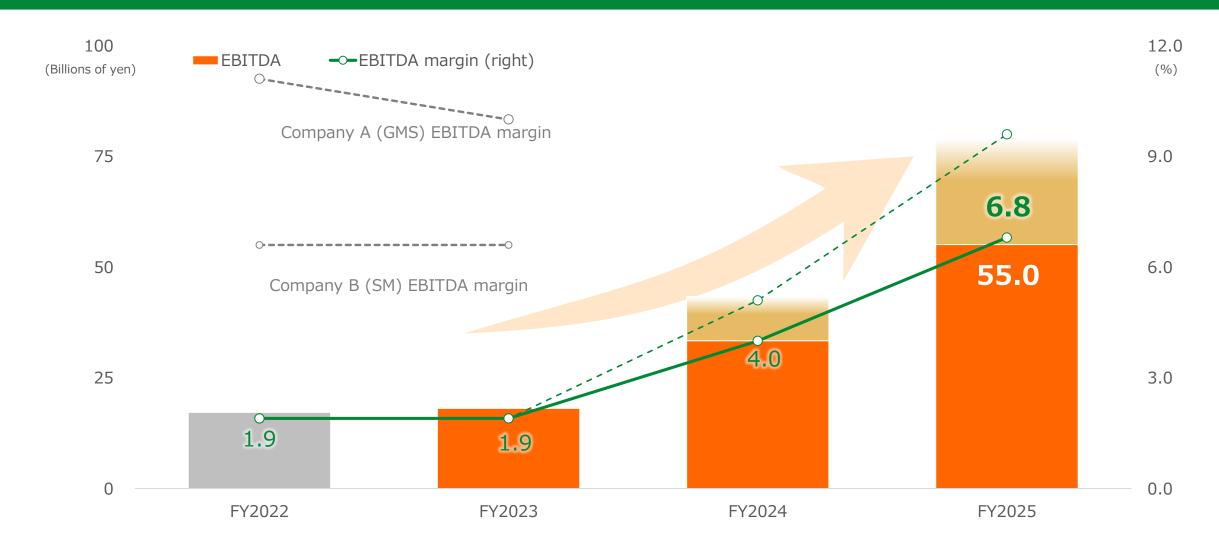




Conduct Capex within the CF of SST operations and aim to achieve ROIC target

Profit Structure of Tokyo Metropolitan Area SST Operations



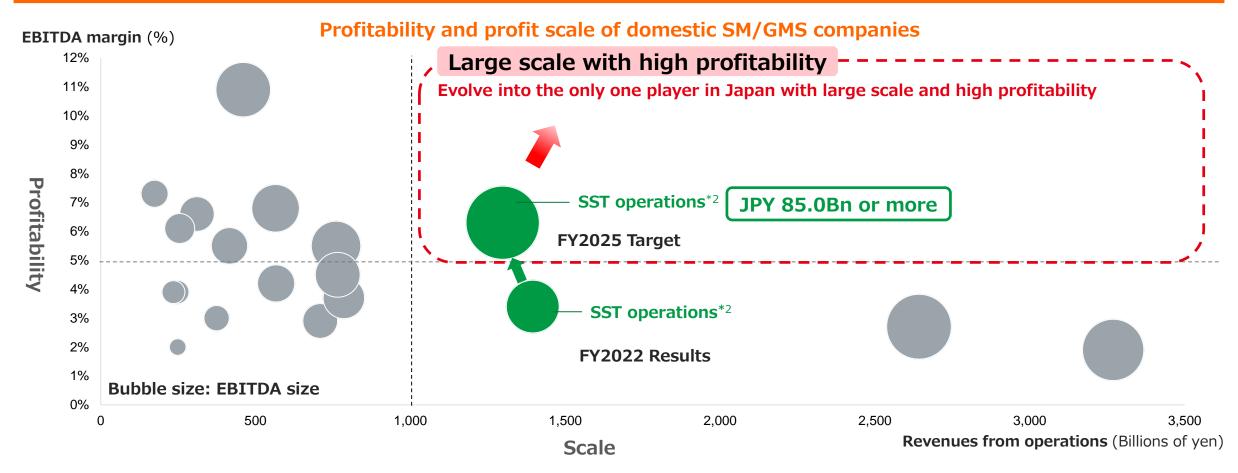


Strengthen competitiveness by EBITDA expansion and profit structure reform

Aimed Positioning of SST Operations



Change of profitability of the SST operations*1



^{*1} Companies with multiple segments are shown by each segment

^{*2} SST operations: IY, SG, YB (York Benimaru)

Strategy Committee: Status of Progress



Background and purpose

- Monitor progress of the Group's strategic priorities (domestic and overseas CVS growth strategy, SST operations transformation, etc.)
- Continue to comprehensively and objectively review the optimal Group portfolio structure and strategic alternatives
 (IPO, spin-off, etc.) and provide advice to the Board of Directors to enhance medium-to long- term corporate value

Status of progress of discussions in the Strategy Committee

- The Strategy Committee, composed only of independent outside directors, has retained external advisors and <u>held the</u> committee 10 times since March 2023
- Continue to evaluate and analyze the Group's strategic priorities and the optimal Group portfolio structure/strategic alternatives
- The Strategy Committee is sharing its analysis and evaluation status to all Directors on the Board as necessary

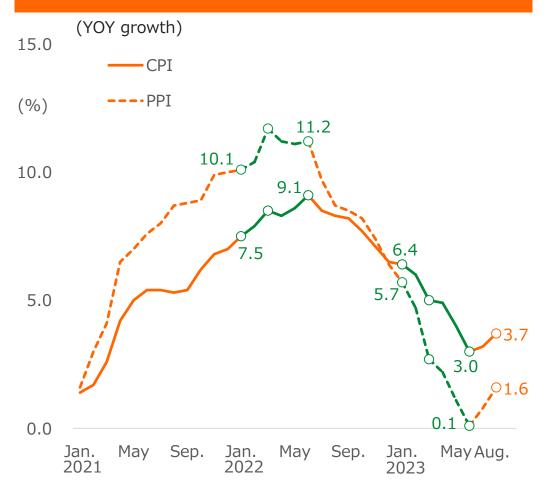


Active discussions on not limited to the transformation of the SST operations and Group portfolio structure but also the global CVS growth strategy

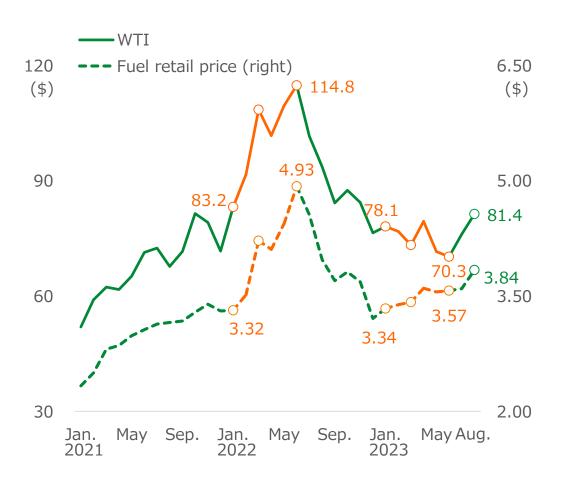
7-Eleven, Inc. (1)







Crude oil price (WTI) Fuel retail price*2

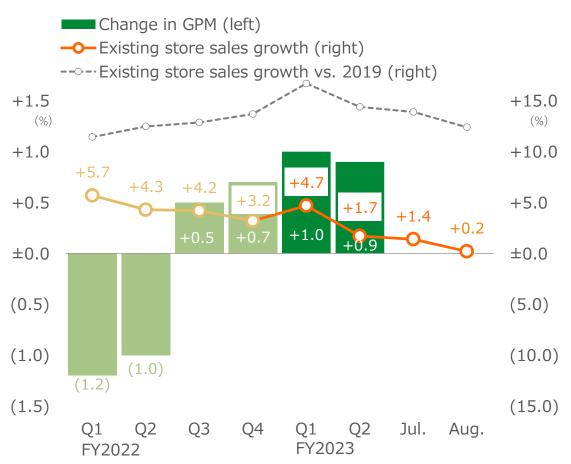


Source: *1 BLS, *2 EIA

7-Eleven, Inc. (2)

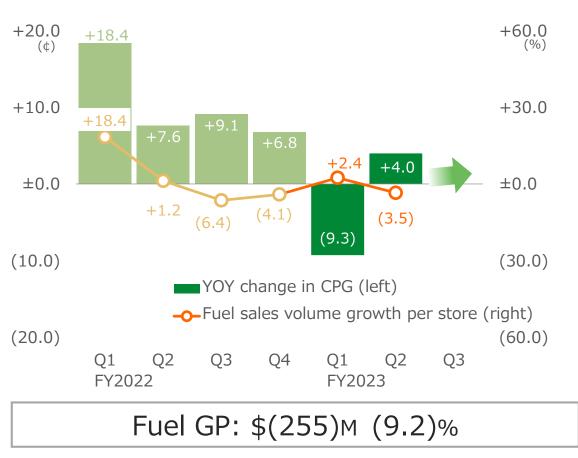


Merchandise existing store sales growth & GPM



Note) Figures of existing store sales do not include Speedway through Q2 FY2022

Fuel sales volume & GP (Total CPG*)

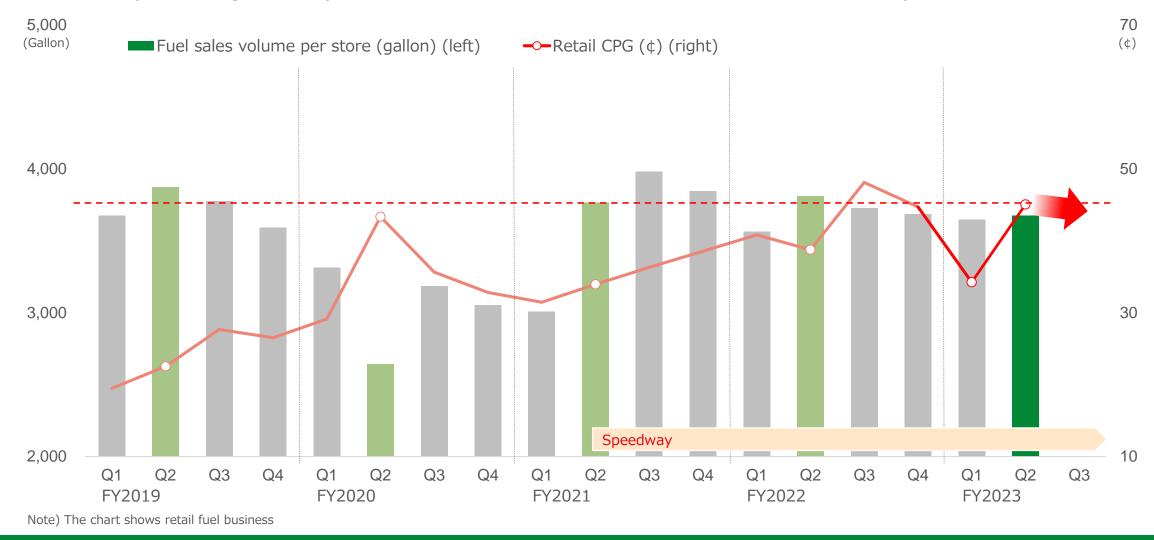


^{*} Total CPG is inclusive of Retail, Supply and Wholesale business

7-Eleven, Inc. (3)



Retail CPG improved significantly in Q2 and recovered to the same level as the 1H last year



Fuel profits are expected to remain stable over the medium-term, despite cycling historically high margin last year

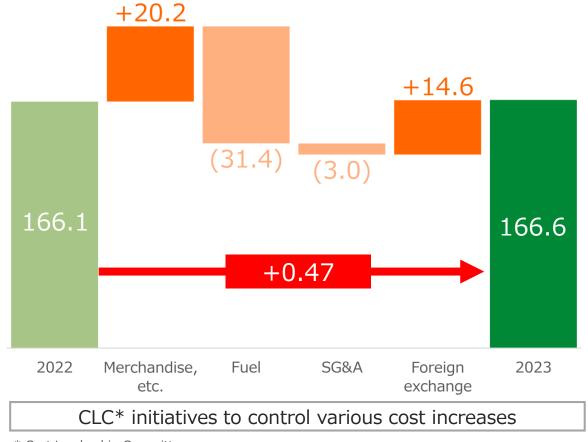
7-Eleven, Inc. (4)



SG&A								
					(Millions of dollar, %)			
			1H		Major factors			
		YOY YOY change		for change				
S	G&A	4,606	101.3	+57				
	Advertising expenses	74	77.6	(21)	Timing of Media Ad			
	Salaries and wages	1,508	100.1	+1.8	Increase due to inflation			
	Land and building rent	528	105.5	+27	Increase due to inflation			
	Depreciation and amortization	731	103.4	+24	Organic new store build and IT investment			
	Utility expenses	252	108.1	+18	Increase in utility cost			
	Others	1,510	100.4	+6.3	Increase due to inflation			

Change in operating income

(Billions of yen)

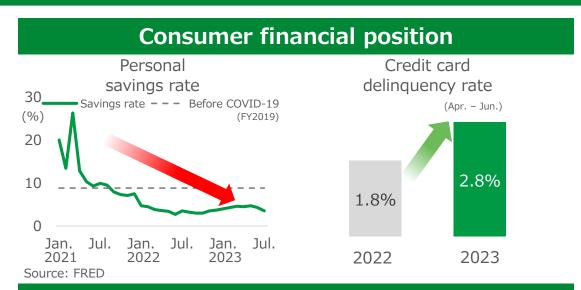


^{*} Cost Leadership Committee

Merchandise profit increased while cycling 1H 2022 historically high fuel margin

7-Eleven, Inc. (5)





Consumer behavior change

Affordable, high-quality food & beverage

Leverage digital to seek value and frictionless shopping

High quality & low-price Private Brands

Delivery remains part of everyday life

Value focus causing a shift in C-Store expectations

Drive sales through offering more value

Fresh food promotion



Fresh Food existing store Sales growth

+8.8% (Q2 YTD)

Leverage digital to drive in-store trips

Advertise promotions while fueling at the pump





Buy fuel with the 7-Eleven app and get \$2 OFF any large pizza.

FIND A STORE

Fuel Price Lock* User characteristics

% of user purchase items in store

57%

Store visit frequency

1.9x
Compared to
Fuel Price Lock non-user

Respond to the challenging consumption environment by providing a wide merchandise assortment and high-quality proprietary products

^{*} Customers lock fuel price for next 4 days and use at any 7-Eleven branded pump

7-Eleven, Inc. (6)



Enhance value-chain



Virginia commissary started on Sep. 11, 2023

Products developed by Warabeya

Product Assortment (examples)



Accelerate product innovation by enhancing value-chain

Effects of Virginia commissary started

Sales of Warabeya products

Distribute to 278 stores with 26 items
(As of the end of Sep.)

Sales growth of the subject categories

 $+28\%^{*1}$

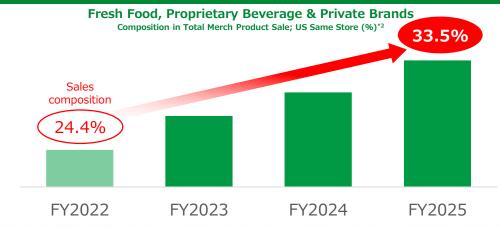
Store distribution plan

FY2023

Distribute to

approx. 1,300 stores

Enhance proprietary products



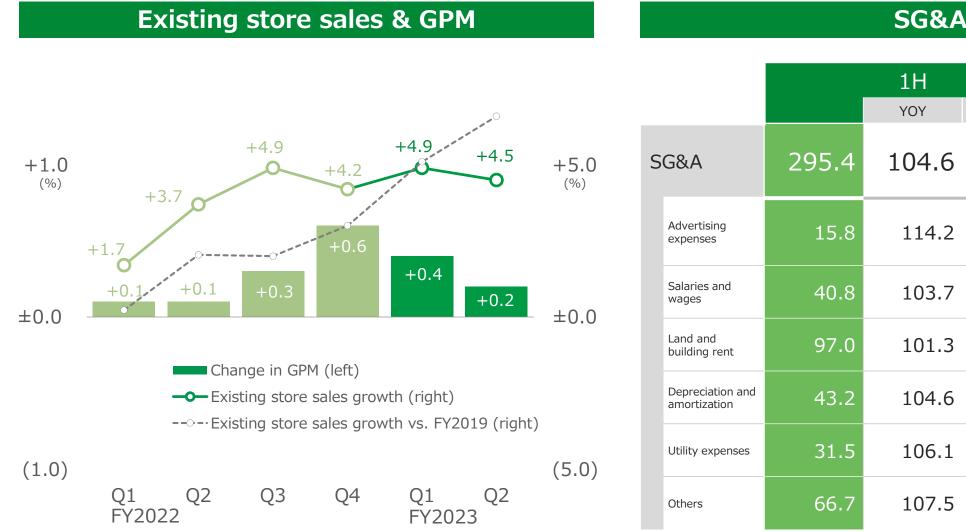
^{*2} Include SEI existing stores and Speedway stores which systems are fully integrated

Growing mix of high-margin proprietary products to ~34% by 2025

^{*1} Three-week average compared to a week before opening

Seven-Eleven Japan (1)



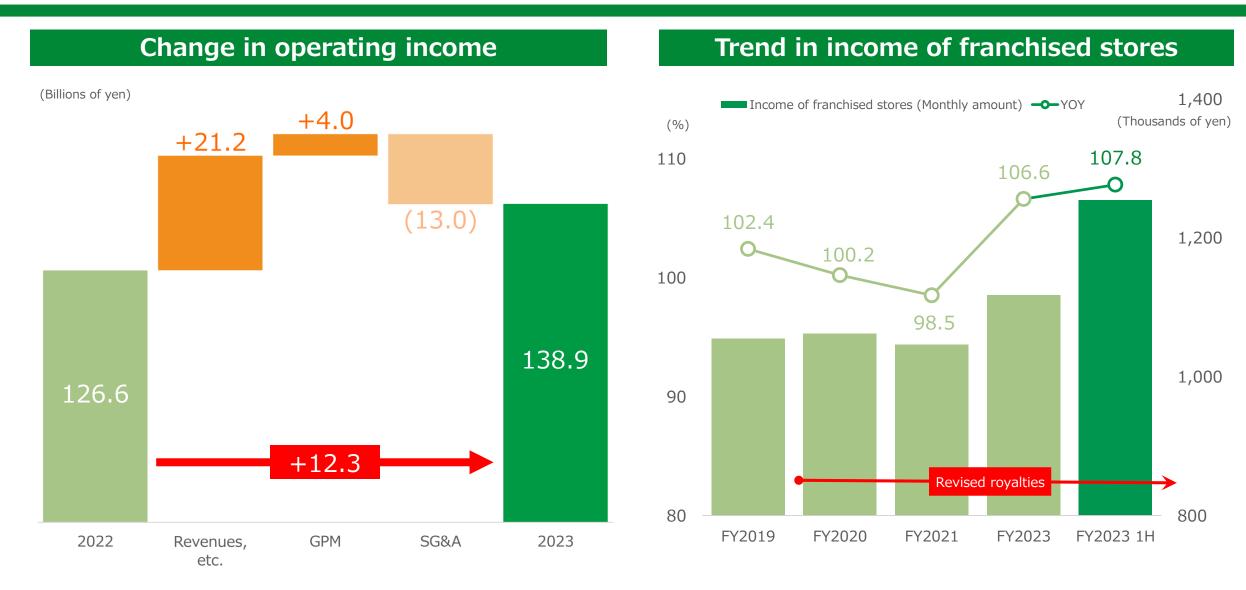


Such								
		(Billions of yen, %)						
			1H	Major factors				
			YOY	YOY change	for change			
S	G&A	295.4	104.6	+13.0				
	Advertising expenses	15.8	114.2	+1.9	Resumption of merchandise exhibitions 50 th anniversary related expenses			
	Salaries and wages	40.8	103.7	+1.4	Revision of compensation system			
	Land and building rent	97.0	101.3	+1.2	Increase in number of			
	Depreciation and amortization	43.2	104.6	+1.8	stores			
	Utility expenses	31.5	106.1	+1.8	Increase in utility cost			
	Others	66.7	107.5	+4.6	Increase in settlement fees			

Growth in sales and gross profit due to the initiatives of linking the development of high quality merchandise, sales promotions including fairs, and setting up sales floor

Seven-Eleven Japan (2)



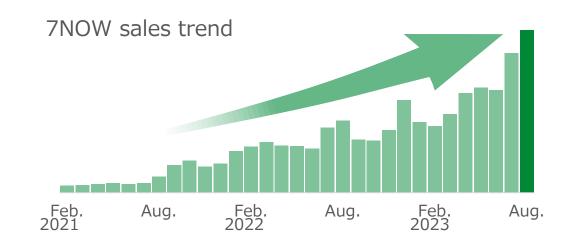


Despite cost increase such as energy cost, operating income increased thanks to strong sales

Seven-Eleven Japan (3)







Comparison of customer purchase amounts



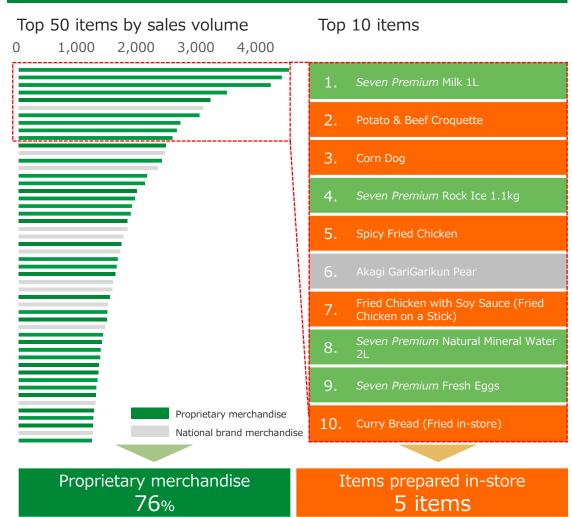
Total spending by 7iD members who use both

Approx.

 $+1.5\times$

compared to in-store purchase

7NOW purchase trend (Aug. 2023)



Raise customer experience value through strengthening proprietary merchandise as well as enhancing convenience, and plan to recommend nationwide

^{* 7}iD members (4,754 stores conducting 7NOW)

^{*} Comparison between FY2022 (Mar. - Aug. 2022) and FY2023 (Mar. - Aug. 2023)

Seven-Eleven Japan (4)



7NOW App started on September 5, 2023





Installation number of 7NOW App

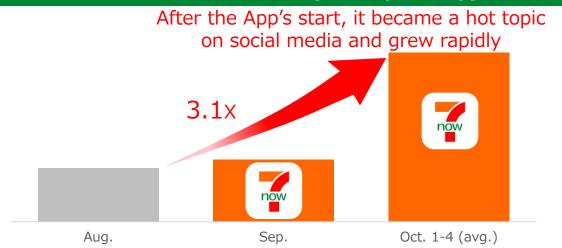


Improvement in conversion rate

By operability and a wide range of merchandise



7NOW sales trend (sales per day)



Improve usability as well as high quality merchandise assortment, and plan to recommend nationwide

^{*} APPLION ranking on iOS App (food & drink categories)

IR Day





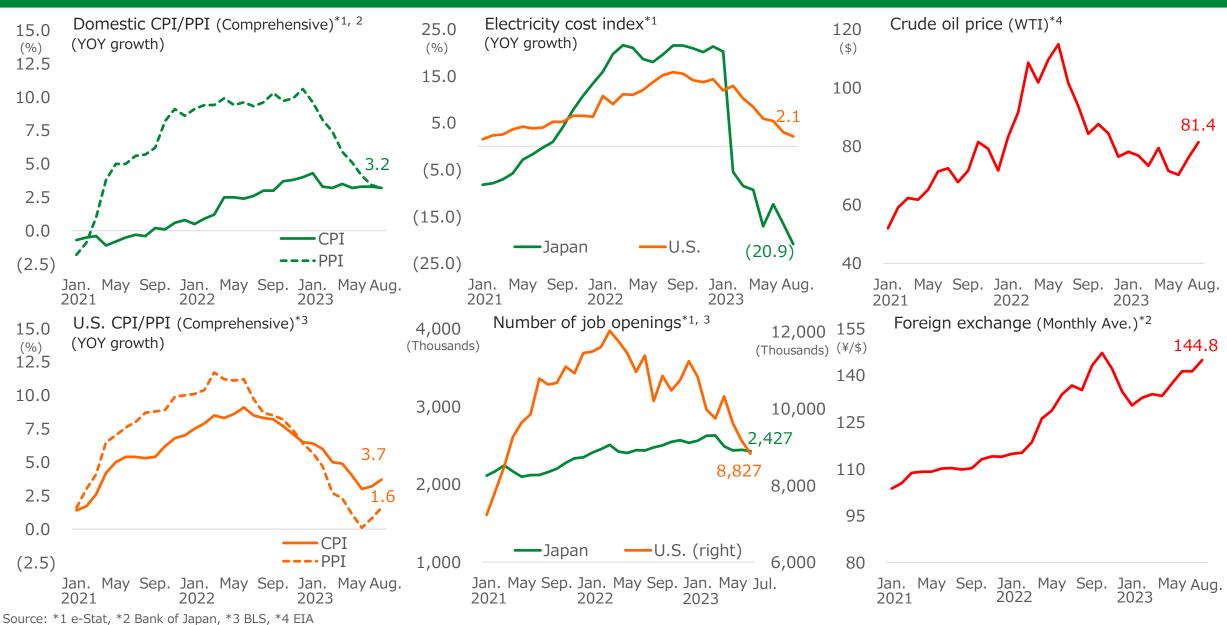
- Introduce the Group's strategic initiatives to domestic and overseas investors
- Explain each initiative from a medium-to-long-term perspective by head of each operation
- Hold regularly with the themes including ESG in the future

IR Day 2023 will be held on Tuesday October 31, 2023

Appendix

External Environment





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Consolidated B/S Summary (As of August 31, 2023)



Assets (Main items only)	As of Feb. 28, 2023	As of Aug. 31, 2023	Change
Current assets	3,060.6	2,858.7	(201.8)
Cash and bank deposits	1,670.8	1,369.7	(301.1)
Cash and bank deposits at Seven Bank	1,024.3	840.2	(184.1)
Notes and accounts receivable - trade, and contract assets	422.6	444.8	+22.1
Merchandise and finished goods	280.0	308.6	+28.6
Non-current assets	7,489.1	7,979.4	+490.2
Property and equipment	4,341.7	4,599.7	+258.0
Buildings and structures, net	1,614.8	1,681.9	+67.1
Land	1,196.0	1,255.5	+59.5
Right-of-use assets, net	885.6	974.3	+88.7
Intangible assets	2,364.6	2,517.2	+152.5
Investments and other assets	782.7	862.4	+79.6
Deferred assets	1.1	0.73	(0.36)
Total assets	10,550.9	10,838.9	+288.0

			(=
Liabilities and net assets (Main items only)	As of Feb. 28, 2023	As of Aug. 31, 2023	Change
Total liabilities	6,902.7	6,930.9	+28.2
Current liabilities	3,265.0	3,470.9	+205.8
Notes and accounts payable, trade	536.1	605.6	+69.5
Short-term loans	143.5	154.0	+10.4
Current portion of bonds and current portion of long-term loans	501.4	678.9	+177.4
Allowance for related loss on transfer of department store	-	130.3	+130.3
Lease obligations	121.4	134.3	+12.8
Deposits received in banking business	810.1	790.8	(19.2)
Non-current liabilities	3,637.7	3,460.0	(177.6)
Bonds	1,394.7	1,169.7	(224.9)
Long-term loans	936.0	868.4	(67.6)
Lease obligations	834.9	917.2	+82.3
Total net assets	3,648.1	3,907.9	+259.8
Total liabilities and net assets	10,550.9	10,838.9	+288.0

1H Consolidated Results Highlight (Q1 and Q2)



								(Billions of yell, 70)
		Q1				Q:	2	
		YOY	YOY change	vs. Initial plan		YOY	YOY change	vs. Initial plan
Group's total sales	4,162.0	108.4	+322.2	99.1	4,531.7	95.4	(219.1)	101.6
Revenues from operations	2,650.6	108.3	+203.3	98.2	2,896.3	90.4	(307.8)	101.5
Operating income	81.9	80.1	(20.3)	94.5	159.1	120.2	+26.7	106.7
Ordinary income	73.7	77.2	(21.8)	94.3	153.1	123.3	+28.9	108.0
Net income attributable to owners of parent	42.1	64.9	(22.8)	86.1	38.0	53.6	(33.0)	42.8
EPS (yen)	47.76	64.8	(25.89)	86.1	43.07	53.5	(37.37)	42.7
EPS before amortization of goodwill (yen)	79.75	78.3	(22.06)	91.4	76.31	67.9	(36.07)	57.7
EBITDA*	208.3	97.2	(6.0)	99.2	288.1	113.5	+34.1	105.5

^{*} EBITDA: Operating income + Depreciation and amortization + Amortization of goodwill

Notes) 1. Exchange rate: 1USD = 135.00JPY, 1CNY = 19.46JPY

^{2. &}quot;Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29, March 31, 2020), etc. have been applied since the fiscal year ended February 28, 2023 Copyright(C) Seven & i Holdings Co., Ltd. All Rights Reserved.

1H Operating Income by Operating Segment (Q1 and Q2)



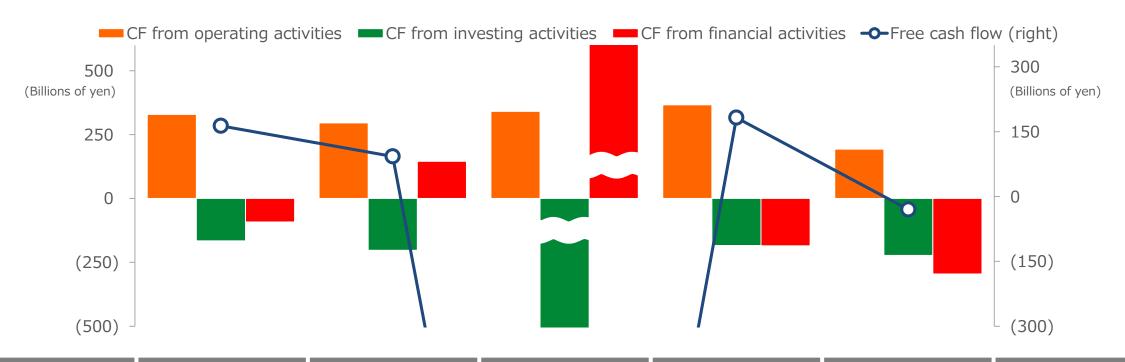
		Q1				Q2			
		YOY	YOY change	vs. Initial plan		YOY	YOY change	vs. Initial plan	
Consolidated	81.9	80.1	(20.3)	94.5	159.1	120.2	+26.7	106.7	
Domestics CVS operations	64.0	108.1	+4.8	105.1	74.4	110.4	+6.9	108.6	
Overseas CVS operations	20.9	47.7	(22.9)	58.0	91.8	128.3	+20.2	99.0	
Superstore operations	3.3	94.2	(0.20)	207.3	1.1	142.0	+0.32	159.1	
Financial services	9.9	108.1	+0.74	122.8	10.0	98.9	(0.10)	119.6	
Others	1.8	187.2	+0.86	-	0.59	-	+1.4	427.0	
Eliminations/corporate	(18.1)	-	(3.5)	-	(18.8)	-	(2.1)	-	

Notes) 1. Exchange rate: 1USD = 135.00JPY, 1CNY = 19.46JPY

^{2. &}quot;Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29, March 31, 2020), etc. have been applied since the fiscal year ended February 28, 2023

1H Consolidated Statements of Cash Flows



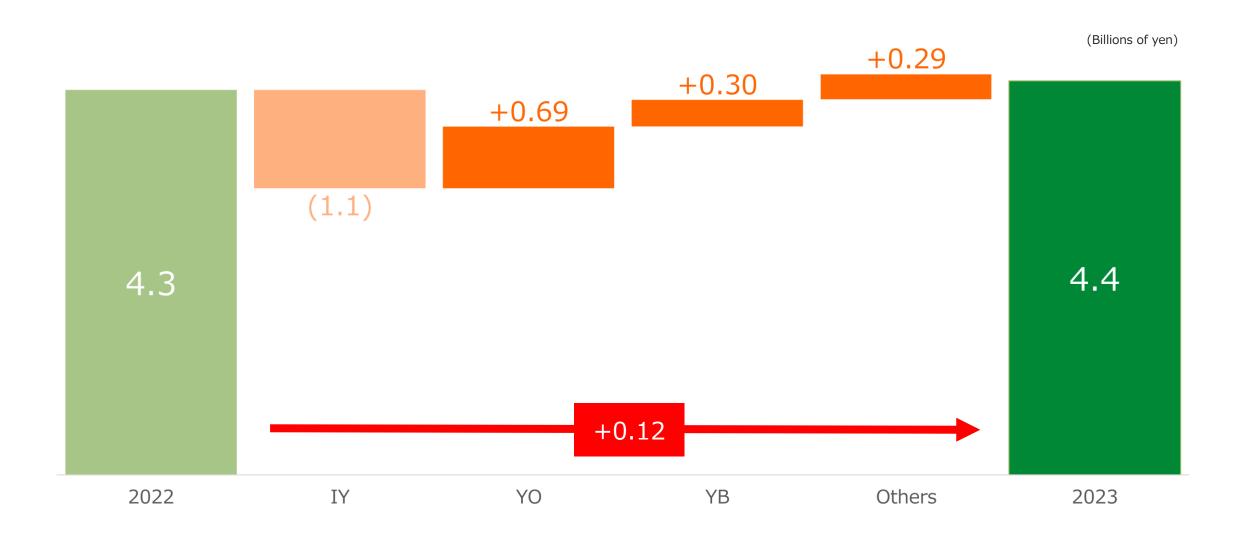


(Billions of yen)	FY2019	FY2020	FY2021	FY2022	FY2023	vs. FY2022
CF from operating activities	329.0	295.5	340.8	366.4	192.9	(173.4)
CF from investing activities	(165.7)	(202.7)	(2,343.9)	(184.2)	(223.1)	(38.9)
Free cash flow	163.3	92.7	(2,003.1)	182.2	(30.1)	(212.3)
CF from financing activities	(91.9)	145.6	1,243.1	(185.4)	(295.2)	(109.8)
Cash and cash equivalents at the end of the year	1,379.7	1,591.5	1,466.3	1,442.5	1,372.1	(70.4)

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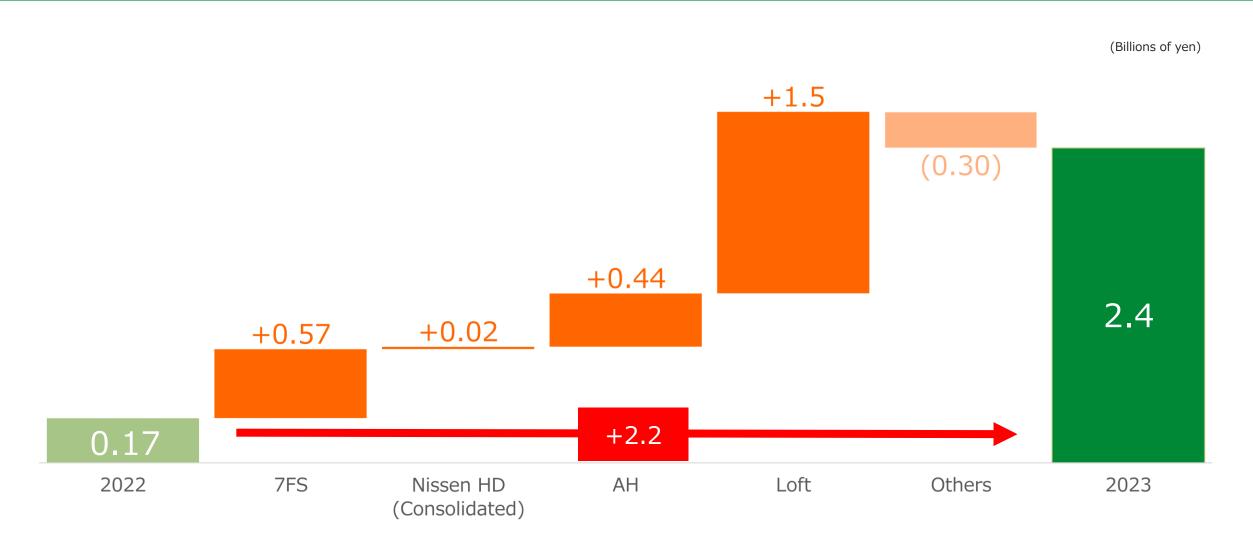
1H Superstore Operations – Change in Operating Income





1H Others – Change in Operating Income





1H Operating Income of Major Operating Companies 🞉



(Billions of yen, %)

	Орє	erating incom	Existing store	Change in merchandise		
		YOY	YOY change	sales growth	GPM	
Seven-Eleven Japan	138.9	109.7	+12.3	+4.7	+0.3	
7-Eleven, Inc. [Millions of dollar]	166.6 [1,234]	100.3 [91.5]	+0.47 [(115)]	+3.1	+1.0	
Ito-Yokado	(2.8)	-	(1.1)	+2.0 (SC total)	(0.2)	
York-Benimaru	9.2	103.4	+0.30	+2.1	(0.1)	

Note) Exchange rate: 1USD = 135.00JPY

1H Impact of Energy Cost Increase



	Operatin	g income	Utility expenses		
		YOY change		YOY change	
Seven-Eleven Japan	138.9	+12.3	31.5	+1.8	
Ito-Yokado	(2.8)	(1.1)	11.5	+0.06	
York-Benimaru	9.2	+0.30	5.3	+0.83	
Total	145.3	+11.4	48.5	+2.7	
Consolidated [reference]	241.1	+6.3	92.7	+8.6	

7-Eleven, Inc.



Trend of merchandise, fuel, SG&A and operating income (YOY growth on a dollar basis)

	Mercha	ndise			Fue	el	
			(%)				(%)
	Q4	Q1	Q2		Q4	Q1	Q2
Existing store sales	+3.2	+4.7	+1.7	Fuel sales volume per store	(4.1)	+2.4	(3.5)
YOY change in GPM	+0.7	+1.0	+0.9	YOY change in CPG (¢)	+6.8	(9.3)	+4.0
Change in gross profit	+5.1	+7.4	+4.5	Change in gross profit	+13.7	(21.0)	+2.0

Q2 results

Merchandise

Growth in both sales and gross profit



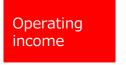
Gross profit increased due to the improvement in CPG despite a decline in fuel sales volume



Continue to manage the increase in SG&A by CLC* initiatives under inflationary environment

SG&A, Operating income

				(%)
		Q4	Q1	Q2
S	G&A	+1.9	+2.2	+0.4
	Advertising expenses	(66.6)	(28.9)	(15.6)
	Salaries and wages	+1.3	(0.6)	+0.8
	Land and building rent	+14.7	+5.8	+5.2
	Depreciation and amortization	+7.1	+4.8	+2.1
	Utility expenses	+7.4	+7.7	+8.5
	Others	+0.1	+3.8	(2.7)



+24.3

(38.1) +14.0

^{*}Cost Leadership Committee

FY2023 Consolidated Forecasts (1H and 2H)



								(Dillions of yell, 70)
		1H (Re	esults)			2H	1	
		YOY	YOY change	vs. Initial plan		YOY	YOY change	vs. Initial plan
Group's total sales	8,693.8	101.2	+103.1	100.4	9,079.1	98.1	(172.8)	103.7
Revenues from operations	5,547.0	98.2	(104.4)	99.9	5,884.9	95.5	(274.8)	105.1
Operating income	241.1	102.7	+6.3	102.2	283.8	104.5	+12.1	102.5
Ordinary income	226.8	103.2	+7.1	103.1	263.1	102.7	+7.0	101.2
Net income attributable to owners of parent	80.2	59.0	(55.8)	58.1	149.7	103.4	+4.8	101.9
EPS (yen)	90.83	58.9	(63.26)	58.1	169.56	103.4	+5.51	101.9
EPS before amortization of goodwill (yen)	156.06	72.9	(58.13)	71.1	237.46	102.6	+5.91	103.1
EBITDA	496.4	106.0	+28.1	102.8	544.1	103.3	+17.1	103.3

Notes) 1. Exchange rate: 1H (Results) 1USD = 135.00JPY, 1CNY = 19.46JPY, FY2023 forecasts 1USD = 137.00JPY, 1CNY = 19.00JPY

^{2. &}quot;Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29, March 31, 2020), etc. have been applied since the fiscal year ended February 28, 2023

FY2023 Forecasts by Operating Segment



					(Billions of yen, %)	
	Revenues fro	m operations	Operatin	g income	EBI	TDA
		YOY/Change		YOY/Change		YOY/Change
Consolidated	11,432.0	96.8 (379.3)	525.0	103.6 +18.4	1,040.6	104.5 +45.2
Domestics CVS operations	937.0	105.2 +46.7	244.0	105.2 +11.9	334.4	105.3 +16.8
Overseas CVS operations	8,445.0	95.5 (401.1)	310.0	107.0 +20.2	629.3	106.4 +37.8
Superstore operations	1,484.0	102.4 +34.8	14.5	117.0 +2.1	55.2	108.5 +4.3
Financial services	208.0	107.1 +13.7	33.5	90.2 (3.6)	68.4	98.1 (1.3)
Others	424.0	86.8 (64.3)	0.10	3.9 (2.4)	10.8	59.9 (7.2)
Eliminations/corporate	(66.0)	(9.0)	(77.1)	(9.7)	(57.5)	(5.1)

FY2023 Forecasts of Major Operating Companies



(Billions of yen, %)

		Before	e revision		After revision			
	Operating	income	Existing store	Change in	Operating	income	Existing store	Change in
		YOY/ Change	sales growth	merchandise GPM		YOY/ Change		merchandise GPM
Coven Floven Janan	245.0	105.2	+2.5	+0.2	245.0	105.2	12.4	.0.2
Seven-Eleven Japan	245.0	+12.1		+3.4	+0.2			
	402.2	101.7			421.6	106.3		
7-Eleven, Inc.	403.2	+6.6	. 4 5	. 0 0	721.0	+25.0	+1.3	10.4
[Millions of dollar]	[2 070]	[102.2]	+4.5	+0.9	[2.070]	[102.2]	+1.5	+0.4
	[3,078]	[+65]			[3,078]	[+65]		
The Volvade	/1 F)	-	+2.2*	. 0. 1	(1 F)	-	(Former IY) +2.2*	+0.1
Ito-Yokado	(1.5)	(1.9)	+2.2	+0.1	(1.5)	(1.9)	(Former YO) + 3.1	+0.3
Varly Ranimary	10.2	101.0	.1.2	10.2	10.2	101.0	.1.2	10.2
York-Benimaru * Figure of SC total	18.2	+0.18	+1.2	+0.3	18.2	+0.18	+1.2	+0.3

^{*} Figure of SC total

Note) Exchange rate: 1USD = 137.00JPY

Eliminations/Corporate Expenses and Capex for Group Strategy



		Expenses	
1H results	Results	YOY change	vs. Initial plan
DX, system, security, etc.	(27.3)	(2.4)	+0.19
Others	(9.7)	(3.2)	+4.1
Eliminations/Corporate (Operating income)	(37.0)	(5.7)	+4.3

Capex				
Results	YOY change	vs. Initial plan		
8.6	(3.4)	(4.3)		
3.5	(7.1)	(4.9)		
12.2	(10.6)	(9.2)		

FY2023 plan	FY2023 plan	Initial plan	Amount of revision
DX, system, security, etc.	(52.3)	(52.3)	-
Others	(24.7)	(23.2)	(1.5)
Eliminations/Corporate (Operating income)	(77.1)	(75.6)	(1.5)

FY2023 plan	Initial Plan	Amount of revision
25.5	25.5	-
13.7	13.7	-
39.3	39.3	-

Promotion of Sustainable Management (1)



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

Environmental
Declaration
"GREEN CHALLENGE 2050"



-FY2050 target

1 Reduce CO2 emissions

Target **net zero emissions** through group's operational management Aim to reduce through whole supply chain including Scope 3

3 Reduce food waste & food waste recycling

Food waste volume 75% reduction Food waste recycling rate 100%

2 Measures against plastic

Includes reduction of overall plastic materials related to sales

Containers used for original merchandise 100% made with Eco-friendly materials No usage of plastic bags

4 Sustainable sourcing

Raw materials for original merchandise 100% sustainability-sourced materials

TCFD





Taskforce on Nature-related Financial Disclosures

Preparation in progress — in 2023

Achieving sustainable society with global perspectives

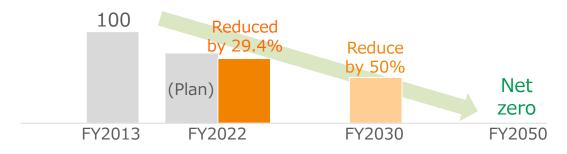
Promotion of Sustainable Management (2)



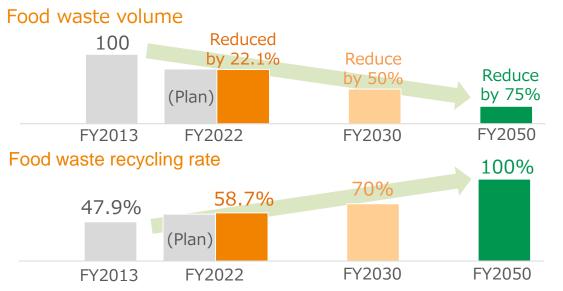
Further strengthen efforts to meet the targets by 2050 in the Environmental Declaration

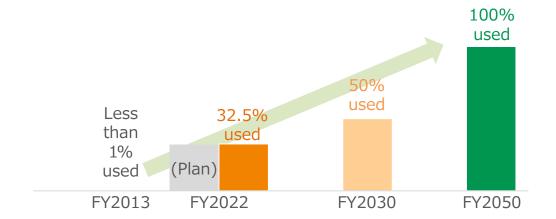
Reduce CO2 emissions

Measures against plastic

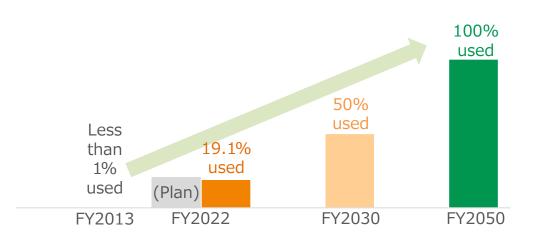


3 Reduce food waste & food waste recycling





4 Sustainable sourcing



Note) Data subject to all domestic operating companies



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