



Seven & i Holdings Co., Ltd.

# Presentation for the Second Quarter of FY2024

(Fiscal Year Ending February 28, 2025)

October 10, 2024

- ✓ The FY2024 financial forecasts has been revised based on the 1H results and the effects of initiatives for the Domestic and Overseas CVS operations in 2H onward
- ✓ Achieve growth by accelerating business strategies and adding new initiatives towards next fiscal year
- ✓ Accelerate the execution of specific initiatives based on the Action Plan announced on April 10 to maximize corporate and shareholder value

# TODAY'S AGENDA

- 1 1H Results
- 2 Revision of Full-Year Financial Forecasts
- 3 Status of Major Operation Strategies  
Domestic CVS Operations and North American CVS Operations
- 4 Strategic Initiatives

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# 1H Consolidated Results Highlight

(Billions of yen, %)

	FY2023	FY2024	YOY	Change	vs. Initial plan	Change from initial plan
Group's total sales* <sup>1</sup>	8,693.8	9,287.0	106.8	+593.1	104.4	+394.0
Revenues from operations	5,547.0	6,035.5	108.8	+488.5	107.7	+429.5
Operating income	241.1	186.9	77.6	(54.1)	84.2	(35.0)
Ordinary income	226.8	167.2	73.7	(59.6)	83.2	(33.7)
Net income attributable to owners of parent	80.2	52.2	65.1	(27.9)	47.1	(58.7)
EPS (yen)	30.28	20.09	66.3	(10.19)	47.1	(22.59)
EPS before amortization of goodwill (yen)* <sup>2</sup>	45.81	38.87	84.8	(6.94)	64.0	(21.84)
EBITDA* <sup>3</sup>	496.4	471.5	95.0	(24.9)	94.9	(25.4)

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

\*2 Tax impact related to amortization of goodwill is taken into account.

\*3 EBITDA: Operating income + Depreciation and amortization + Amortization of goodwill

Notes) 1. Exchange rate: 1USD=152.36JPY, 1CNY=21.07JPY

2. The Company conducted a 3-for-1 common share split on March 1, 2024. "EPS" and "EPS before amortization of goodwill" are calculated as if the share split had occurred at the beginning of the previous fiscal year.

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

(Billions of yen, %)

	Revenues from operations		Operating income		EBITDA	
		YOY/Change		YOY/Change		YOY/Change
Consolidated	6,035.5	108.8 +488.5	186.9	77.6 (54.1)	471.5	95.0 (24.9)
Domestic CVS operations	462.3	98.2 (8.4)	127.7	92.2 (10.7)	174.0	95.4 (8.4)
Overseas CVS operations	4,612.5	114.5 +585.6	73.3	65.0 (39.5)	255.2	94.8 (14.1)
Superstore operations	724.5	99.4 (4.5)	3.5	79.3 (0.91)	24.8	102.4 +0.57
Financial services	105.2	102.3 +2.3	17.4	87.4 (2.5)	36.9	99.8 (0.06)
Others	164.5	66.2 (83.8)	3.8	156.8 +1.3	7.2	71.0 (2.9)
Eliminations/Corporate	(33.6)	- (2.6)	(38.8)	- (1.7)	(26.8)	- +0.09

Note) Exchange rate: 1USD=152.36JPY, 1CNY=21.07JPY

# 1H Revenues from Operations, Operating Income and EBITDA by Operating Segment (vs. initial plan)

(Billions of yen, %)

	Revenues from operations		Operating income		EBITDA	
		vs. plan/change		vs. plan/change		vs. plan/change
Consolidated	6,035.5	107.7 +429.5	186.9	84.2 (35.0)	471.5	94.9 (25.4)
Domestic CVS operations	462.3	96.9 (14.6)	127.7	91.9 (11.2)	174.0	94.0 (11.1)
Overseas CVS operations	4,612.5	110.2 +428.5	73.3	67.9 (34.6)	255.2	91.3 (24.4)
Superstore operations	724.5	100.4 +2.5	3.5	175.7 +1.5	24.8	106.0 +1.4
Financial services	105.2	102.2 +2.2	17.4	87.3 (2.5)	36.9	94.0 (2.3)
Others	164.5	105.5 +8.5	3.8	- +3.8	7.2	213.7 +3.8
Eliminations/Corporate	(33.6)	- +2.3	(38.8)	- +8.1	(26.8)	- +7.1

Note) Exchange rate: 1USD=152.36JPY, 1CNY=21.07JPY

# 1H Special Losses

(Billions of yen)

	FY2023	FY2024	YOY/Change	Major factors
Special losses	159.6	86.2	(73.3)	
Loss on disposals of property and equipment	6.6	6.8	+0.18	-
Impairment loss	10.5	10.6	+0.03	-
Loss on business of subsidiaries and associates	-	45.8	+45.8	IYNS :Loss incurred due to business withdrawal
Restructuring expenses	0.80	5.1	+4.3	IY (+4.6):Impairment loss, etc. on the subject stores
Loss on transfer of subsidiary	4.8	4.7	(0.08)	-
Loss on transfer of department store	130.3	-	(130.3)	SS :Stock transfer carried out last year
Other	6.3	12.8	+6.5	IY (+4.7):Store renovation costs associated with Typhoon No. 7, etc.

Note) IYNS: Ito-Yokado Online Supermarket, IY: Ito-Yokado, SS: Sogo & Seibu

**Operating losses eliminate due to the exit of online supermarket business, and contribute to increased profits in the SST operations from next year onward. The store-based delivery service will be maintained and revised, and Last-Mile strategy will be restructured**



# EBITDA of SST Operations

(Billions of yen, %)					
	1H results	YOY		FY2024 plan	YOY
			vs. plan		
Ito-Yokado	8.4	120.5	124.0	27.9	152.2
SHELL GARDEN	(0.10)	-	-	0.14	-
Tokyo metropolitan area SST operations	8.8	137.6	129.6	28.2	150.8
York-Benimaru	14.5	102.5	99.8	30.1	104.5
SST operations*	22.7	104.5	109.2	56.6	113.4

\*SST operations: Figures exclude Ito-Yokado in China and other operating companies from SST operations

Accelerate laying the foundations for further growth of the SST operations

# Fundamental Transformation Roadmap of Tokyo Metropolitan Area SST Operations

	FY2022	FY2023	FY2024			FY2025
			1H plan	1H results	FY2024 plan	
<b>Number of stores with self-planned apparel*</b> [All stores excluding <i>Shokuhinkan</i> ] [stores as of the end of fiscal year]	113 stores	98 stores	90 stores	90 stores 100% achieved	32 stores	Completely exit
<b>Number of Ito-Yokado stores*</b>	126 stores	123 stores	111 stores	111 stores 100% achieved	92 stores	-
<b>SG&amp;A reduction ratio</b> (vs. FY2022)	-	(1.4)%	(4.3)%	(4.9)% Reduction more than planned	(7.6)%	(19.7)%
<b>Labor share</b> [Salaries and wages/gross profit from operations x 100] ( ) indicate the level of productivity Gross profit from operations/Salaries and wages	39.5%	38.4%	39.3%	39.1% 100% achieved	36.4%	34.0%
	(2.5x)	(2.6x)	(2.5x)	(2.6x)	(2.7x)	(2.9x)
<b>Sales composition of delicatessen</b>	13%	13%	14%	13%	14%	15%
<b>Store productivity [Sales per tsubo]</b> (vs. FY202)	3.65 million yen (-)	3.78 million yen (+3.6%)	-	3.48 million yen	3.92 million yen (+7.4%)	4.25 million yen (+16.4%)

Tokyo metropolitan area SST operations is progressing with expectations of achieving JPY 55.0Bn or more of EBITDA and 4% or more of ROIC

**Dividends per share**

**20.0** yen

**Effective date of dividends**

(Starting date of paying dividends)

November 15, 2024

FY2024 dividends forecasts

Annual 40.0 yen  
[Interim 20.0 yen / Year-end 20.0 yen]

FY2024 interim dividend will be conducted according to the disclosure based on the “Progressive Dividend” policy

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# FY2024 Revised Consolidated Financial Forecasts

(Billions of yen, %)

	Initial plan	After revision	YOY	YOY change	vs. Initial plan
Group's total sales* <sup>1</sup>	17,815.0	18,993.0	106.8	+1,203.0	106.6
Revenues from operations	11,246.0	11,879.0	103.5	+407.2	105.6
Operating income	545.0	403.0	75.4	(131.2)	73.9
Ordinary income	502.0	356.0	70.2	(151.0)	70.9
Net income attributable to owners of parent	293.0	163.0	72.6	(61.6)	55.6
EPS (yen)	112.80	62.74	73.9	(22.13)	55.6
EPS before amortization of goodwill (yen)* <sup>2</sup>	149.65	100.47	85.7	(16.76)	67.1
EBITDA	1,102.0	975.8	92.5	(79.1)	88.5

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

\*2 Tax impact related to amortization of goodwill is taken into account.

Note) Exchange rate: Before revision 1USD=145.00JPY, 1CNY=19.00JPY, After revision 1USD=149.00JPY, 1CNY=19.00JPY

# FY2024 Transient Special Gains and Losses

(Billions of yen)

	FY2024 (Forecasts)	Major Factors
Transient Special Gains	91.6	
7-Eleven, Inc.	77.3	Sale and leaseback (\$520M)
7&iHD (nonconsolidated)	9.6	Gain on transfer of subsidiary, etc.
Others	4.7	
Transient Special Losses	128.7	
7-Eleven, Inc.	54.3	Closure of unprofitable stores (\$365M)
Ito-Yokado Online Supermarket	45.8	Loss on withdrawal from business
Ito-Yokado	18.7	Losses due to disaster response and transformation of Tokyo metropolitan area SST operations
7&iHD (nonconsolidated)	9.9	Loss on transfer of subsidiaries and associates, etc.

# FY2024 Forecasts by Segment (Revised)

(Billions of yen, %)

	Revenues from operations		Operating income		EBITDA	
		YOY/Change		YOY/Change		YOY/Change
Consolidated	11,879.0	103.5 +407.2	403.0	75.4 (131.2)	975.8	92.5 (79.1)
Domestic CVS operations	915.0	99.3 (6.7)	239.6	95.6 (10.9)	333.2	97.8 (7.5)
Overseas CVS operations	9,067.0	106.5 +550.0	207.2	68.7 (94.4)	572.7	91.7 (51.8)
7-Eleven, Inc. [Millions of dollar]*	57,302	95.9 (2,476)	2,150	76.3 (666)	3,602	84.6 (654)
Superstore operations	1,439.0	97.4 (38.3)	13.5	99.3 (0.08)	57.3	106.7 +3.5
Financial services	212.0	102.2 +4.5	30.4	79.6 (7.7)	70.5	96.5 (2.5)
Others	312.0	75.9 (99.3)	3.6	133.9 +0.91	10.5	77.3 (3.0)
Eliminations/Corporate	(66.0)	- (2.9)	(91.3)	- (18.9)	(68.4)	- (17.6)

• Figures are shown on SEI consolidated basis.  
 Note) Exchange rate: Before revision 1USD=145.00JPY, 1CNY=19.00JPY, After revision 1USD=149.00JPY, 1CNY=19.00JPY  
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# FY2024 Financial Forecasts of Major Operating Companies

(Billions of yen, %)

	Before Revision				Revised			
	Operating income		Existing store sales growth	Change in merchandise GPM	Operating income		Existing store sales growth	Change in merchandise GPM
		YOY/Change				YOY/Change		
Seven-Eleven Japan	260.0	103.6 +8.9	+2.5	+0.2	240.0	95.6 (11.0)	+0.4	(0.1)
7-Eleven, Inc.*1	424.9	107.2 +28.6	+0.5	±0.0	320.4	80.9 (75.8)	(3.0)	(0.9)
[Millions of dollar]	[2,930]	[104.0] [+113]			[2,150]	[76.3] [(666)]		
Ito-Yokado	5.4	- +6.6	(Former IY) (Former YO)	(1.9) <sup>*2</sup> +0.6	5.4	- +6.6	(Former IY) (Former YO)	(1.9) <sup>*2</sup> +0.6
				(Former IY) (Former YO)				(Former IY) (Former YO)
York-Benimaru	18.9	101.1 +0.19	+1.9	+0.1	18.9	101.1 +0.19	+1.9	+0.1

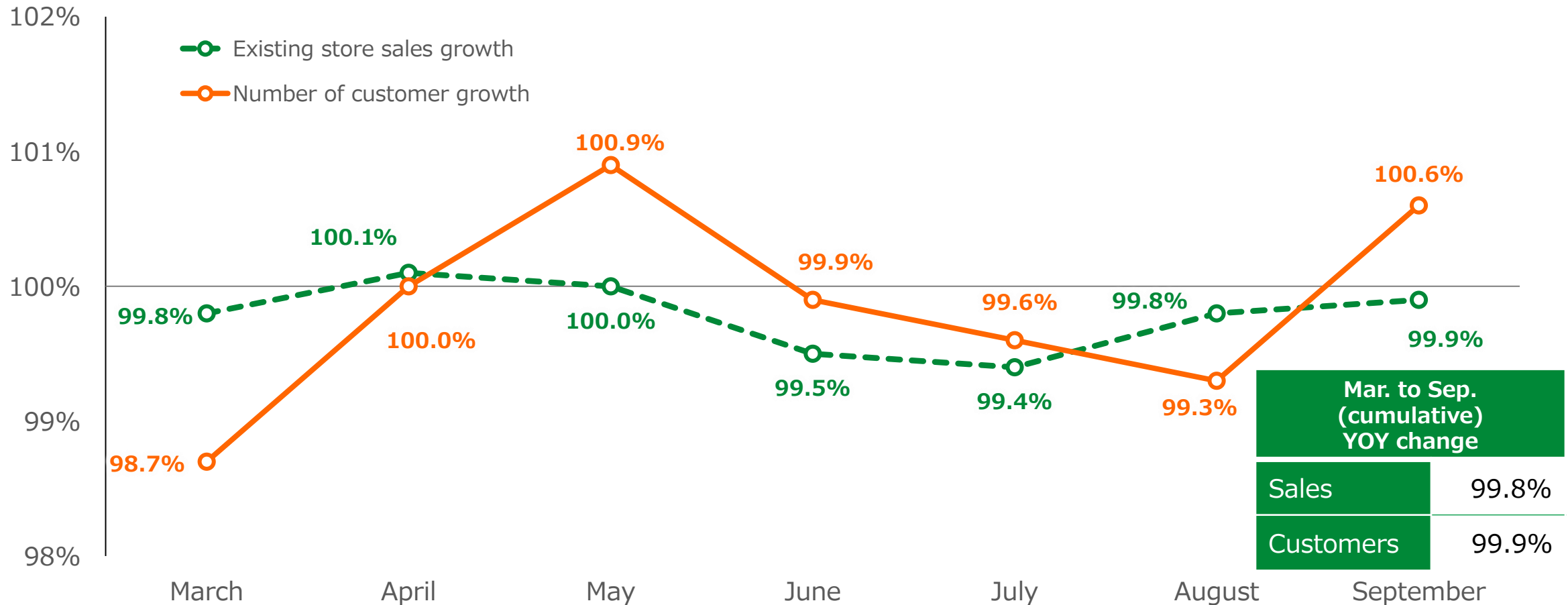
\*1 Figures are shown on SEI consolidated basis.  
 Note) Exchange rate: Before revision 1USD=145.00JPY, After revision 1USD=149.00JPY  
 \*2 Represents SC total  
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## Sales and number of customers' trend



Various initiatives have been taken and the number of customers is improving

## Pricing Strategy Increase customer number

### “Pleasant Value! Declaration”



Pursue Deliciousness

Affordable Pricing

Creative Packaging

Offer reliable quality at affordable prices

## Expansion of new products Rise GP

### • New counter products





Freshly made・Fresh Merchandises

Applying Successful Practices

Contribute earnings through expansion of high GP merchandise

## To realize “The store that customer want to visit again and again” Increase customer number


### • Utilizing point program initiatives • Creating excitement by events


Increase the frequency of customer visits through various initiatives

## Expansion of 7NOW Rise GP

### • Expansion of 7NOW



- ✓ Delivering in as little as 20 minutes
- ✓ In-store inventory is updated in real-time.
- ✓ Proposals and coupon distribution tailored to customers

Evolving the services to expand nationwide

Aim to ‘Increase the frequency of visits’, ‘Attracting new customers’, and ‘Rise GP’ through various initiatives

## Pleasant Value (balance price and value)



### “Pleasant Value! Declaration”

- Original Fresh Food: Approx. 65 items
- *Seven Premium*: Approx. 205 items

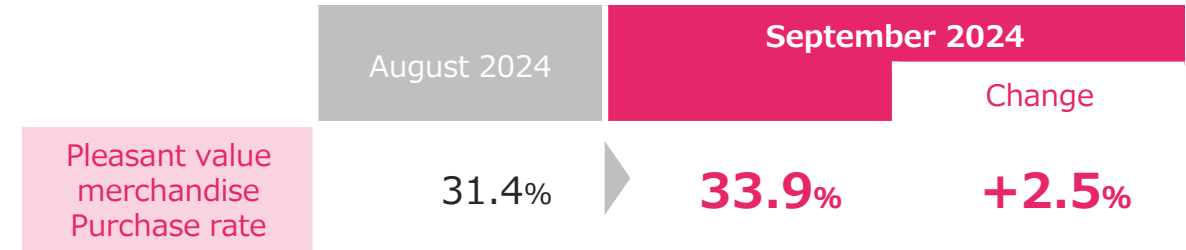
## ▼ Communicating value to customers



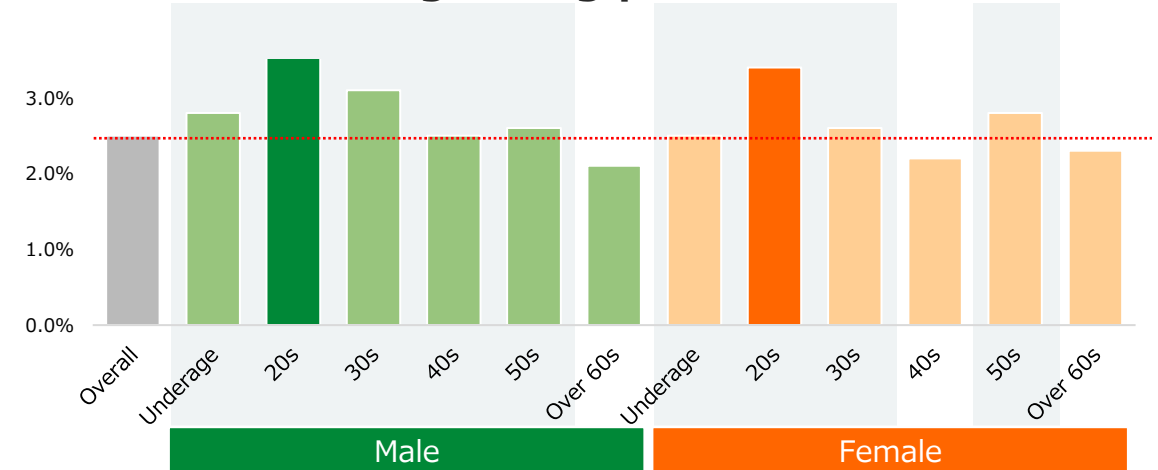
Optimize price range variations to meet customer needs

## Changes in customer base

### Change in the purchase rate of “Pleasant Value” merchandise



### Customers with a growing purchase rate

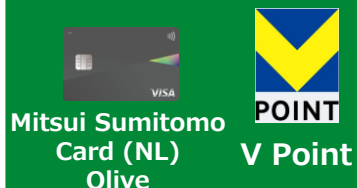


Price sensitive young people are buying more

Optimize assortment and dispel the image of 'expensive' to encourage repeat visits and new usage

## Utilizing point programs initiatives

### Mitsui Sumitomo Card



- ✓ Linked to 7iD and pay with your smartphone at any time
- ✓ On Friday, using V Point Pay

**Total 10% points redemption**  
(V-points 9.5% + Seven Miles 0.5%)

In 2024  
Oct. 15~  
(plan)

### Seven Card Service



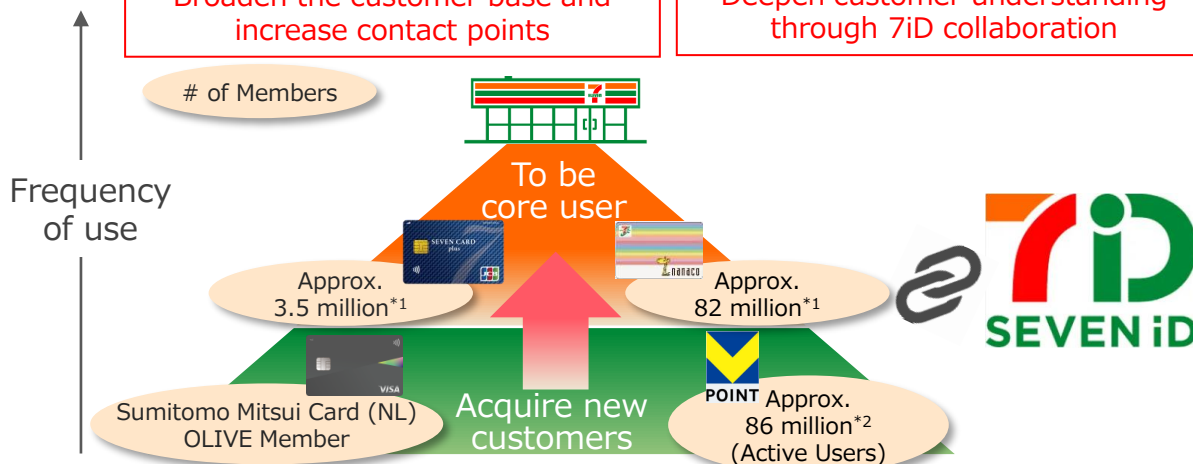
- ✓ Linked to 7iD and pay with your credit card at any time

**Total 10% points redemption**  
(nanaco points 9.5% + Seven Miles 0.5%)

In 2024  
Nov. 1~  
(plan)

Broaden the customer base and increase contact points

Deepen customer understanding through 7iD collaboration



\*1: As of July 31, 2024 \*2: As of April 22, 2024

## Generating excitement by events

Oct. 2024~ Continuous events



Clarify themes as regionality and seasonality, and hold **large-scale** events during the **same period**

Promote by linking **events**, **sales floor deployment** and **sales promotion initiatives**

To realize “The store that customer want to visit again and again” by maximizing the effectiveness and recognition of event announcements

Broaden the customer base through point program initiative and improve the frequency of customer visits through continuous events

# Expansion of new merchandise (New Counter Merchandise)

Rise GP



## Seven Cafe Smoothie

**New Merchandise**  
October 2024~



Very Berry  
Yogurt Smoothie



Green  
smoothie



Strawberry Banana  
Soy Smoothie



**Cafe Latte Smoothie**

Deployment Results (August 2024)

Number of stores

Approx. **18,000**

Sales volume/day

Approx. **15**

APSD effects

Approx. +**0.6%**

GP effects

Approx. +**0.2%**

**FY2024 2H**

Expanded to all possible stores

## Seven Cafe Donuts

**"Curry bread fried in the store"**  
Certified by  
the Guinness World Record™

Best-selling freshly made curry  
bread brand (current) (2023)



Cumulative sales in 2023 reached  
76,987,667 units



**Donuts fried in the store**



Maple

Chocolate

Custard

Utilizing the curry bread manufacturing  
infrastructure

Deployment Results (September 2024)

Number of stores

Approx. **5,000**

Sales volume/day

Approx. **25**

APSD effects

Approx. +**0.4%**

GP effects

Approx. +**0.2%**

**FY2024 2H**

Expanded to all possible stores

Aim to boost earnings through GP improvement by appealing hot from the oven and fresh counter merchandise



## 7NOW Top Selling Items (August 2024)

1	Corn dog	11	Spicy Fried Chicken Red
2	Spicy Fried Chicken	12	Seven Premium Fresh Eggs 10
3	Seven Premium Milk 1L	13	Hashed Brown
4	Seven Premium Moukotanmen-Nakamoto Spicy Miso	14	Seven Premium Rock Ice 1.1kg
5	Rice Ball Tuna mayonnaise	15	Meiji Oishii Gyunyu 900ml
6	Japanese Style Salty Fried Chicken	16	Seven Premium Waffle Cone Rich Milk
7	Fried Chicken with Soy Sauce (Fried Chicken on a Stick)	17	Akagi Gari-Gari-kun Pear
8	Potato & Beef Croquette	18	Octopus, Broccoli & Basil Salad
9	Seven Premium Natural Mineral Water 2L	19	Chicken Breast w/ Plum Sauce
10	Rice Ball (Salmon)	20	Seven Premium gold Gold hamburger steak

Nearly all of them are proprietary merchandise

8 items are prepared in-store

Services that meet both 'ready-to-eat' and 'stock-up' needs

## Deployment Plan

7NOW Exclusive merchandize introduction (Hokkaido test)

More stores to handle 7NOW



Crinkle cut fries (Extra large)

August 2024

Approx. 16,000 stores



Pizza baked in the store



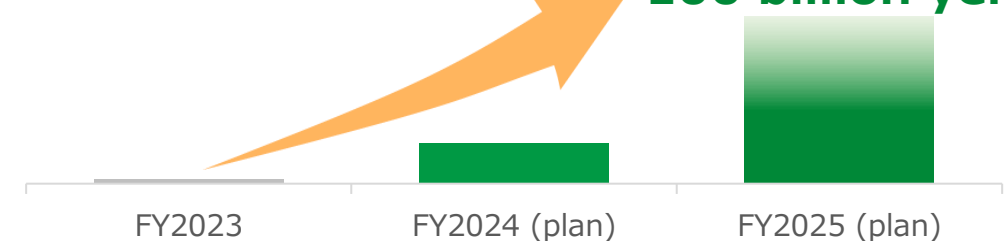
Fried chicken (Zangi) Pack of 10

~February 2025

Nationwide Deployment

## Sales Target

Aiming for annual sales of **100 billion yen**



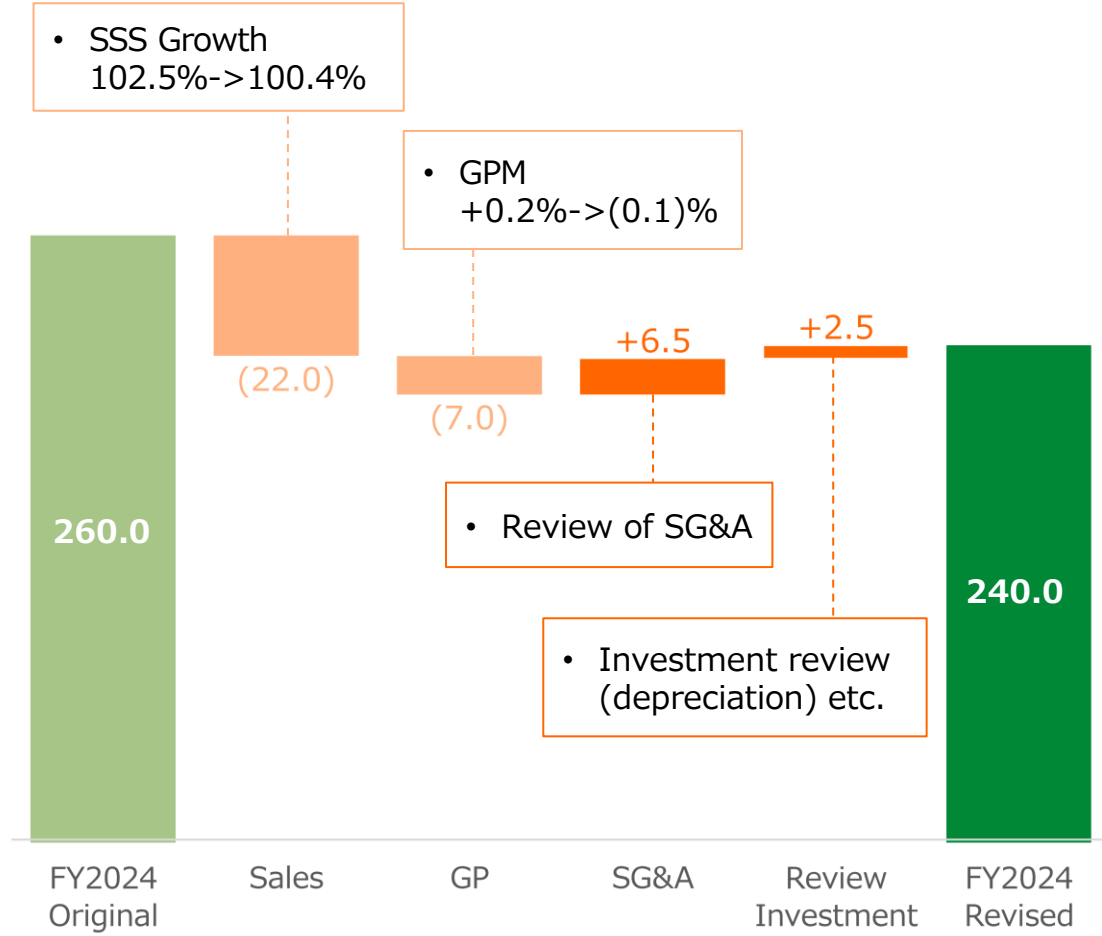
Aim to increase sales by expanding the number of users

## Evolving services for nationwide expansion

# Aiming to Improve Profits in FY2025

## Operating profit (initial plan vs after revision)

(Billions of yen)



## Improvement activities

	FY2024 After revision	FY2025 Target	Change
1 Same store sales (%)	+0.4	+1.8	-
2 Number of customers (%)	+0.4	+1.5	-
3 Gross profit margin (%)	32.1	32.3	+0.2
4 SG&A to sales ratio (%)	11.4	11.3	(0.1)

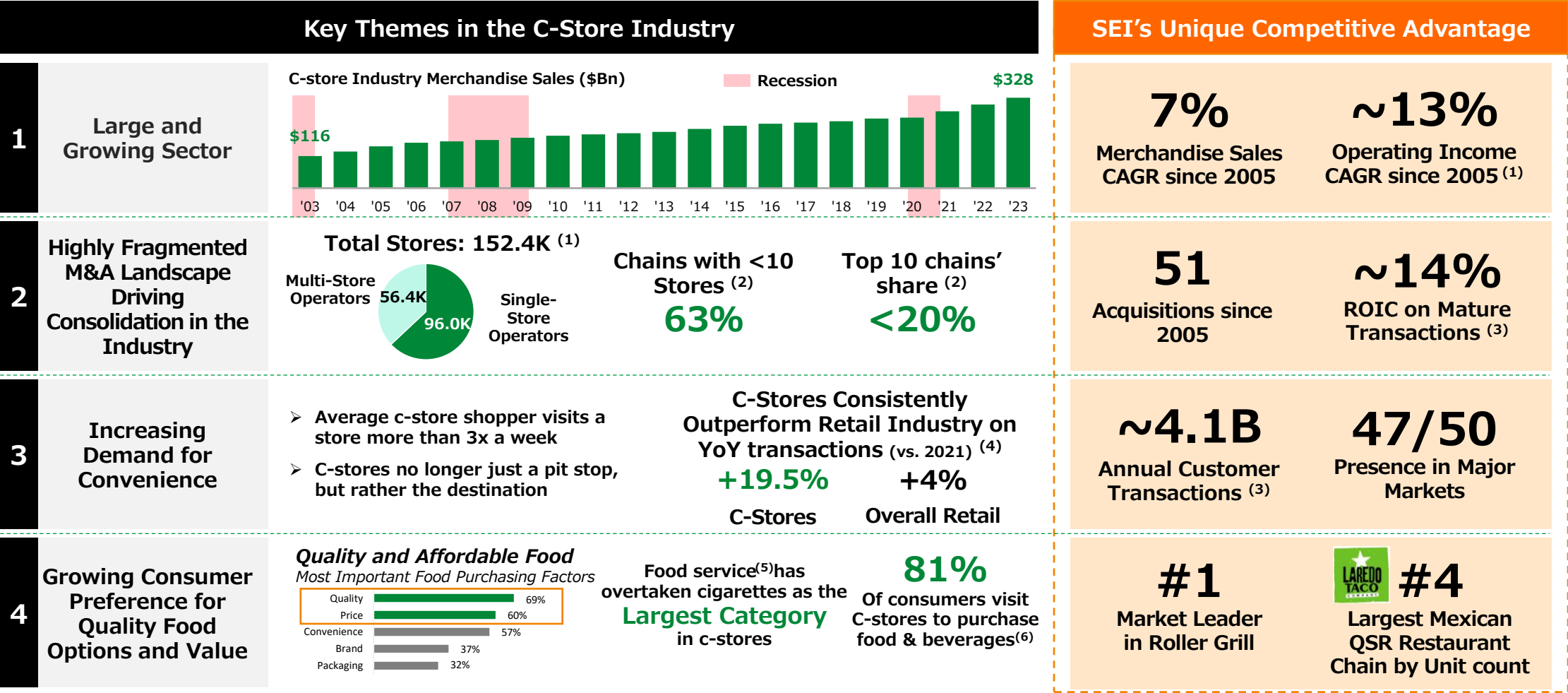
<b>1</b> <ul style="list-style-type: none"> <li>7NOW business expansion</li> <li>Realization of one-stop shopping (expansion of non-food assortment)</li> <li>Strengthening of retail media business</li> </ul>	<b>2</b> <ul style="list-style-type: none"> <li>Creating the store that customers want to visit again and again ("Pleasant Value", creating a sense of excitement and events)</li> <li>Linking with external points and improving the frequency of visits through the Seven-Eleven app loyalty program</li> </ul>
<b>3</b> <ul style="list-style-type: none"> <li>Full-scale development of Seven Cafe Bakery</li> <li>Expansion of stores introducing Seven Cafe Tea</li> <li>Expansion of mobile ordering for counter merchandise</li> </ul>	<b>4</b> <ul style="list-style-type: none"> <li>Maximize return on investment</li> <li>Increase productivity of OFC and head office employees by actively utilizing IT/DX</li> <li>Review outsourcing costs and bring work in-house</li> </ul>



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# Leader in the Large and Growing Convenience Sector



Sources: NACS 2024 Fast Facts (January 2024), The 2024 State of Convenience (NIQ), NACS 2023 State of the Industry Report

Notes:

1. CAGRs reflect FY2005 – FY2023

2. As of December 2023, includes stores without fuel

3. As of FY 2023

4. Earnest Research (2021年5月 – 2024年5月)

5. NACS food service defined as Prepared food, commissary, hot dispensed beverages, cold dispensed beverages and frozen dispensed beverages

6. C-Store Decisions (Q1 2024 Survey)

Servings share (Apr '23- Mar '24)

# SEI Q2 and 1H 2024 Performance Overview

(Millions of dollars unless otherwise noted) <sup>(1)</sup>	Q2 2024			1H 2024		
	Result	YOY (%)	YOY Change	Result	YOY (%)	YOY Change
Total Store Sales	18,654	100.4	+70	34,989	98.0	(720)
Revenues from Operations (JGAAP)	15,454	101.2	+180	28,929	98.3	(513)
Operating Income	657	78.4	(181)	858	73.5	(309)
EBITDA <sup>(2)</sup>	1,021	85.1	(178)	1,581	83.4	(315)
Merchandise Existing Store Sales Growth (%)	(2.4)	–	–	(3.2)	–	–
Merchandise Margin (%)	33.7	–	(0.7)	33.0	–	(1.3)
Avg. retail gallons sold per store increase (%)	(1.2)	–	–	(3.2)	–	–
Retail Fuel CPG (cent)	41.80	–	(3.25)	38.41	–	(1.28)

Notes:

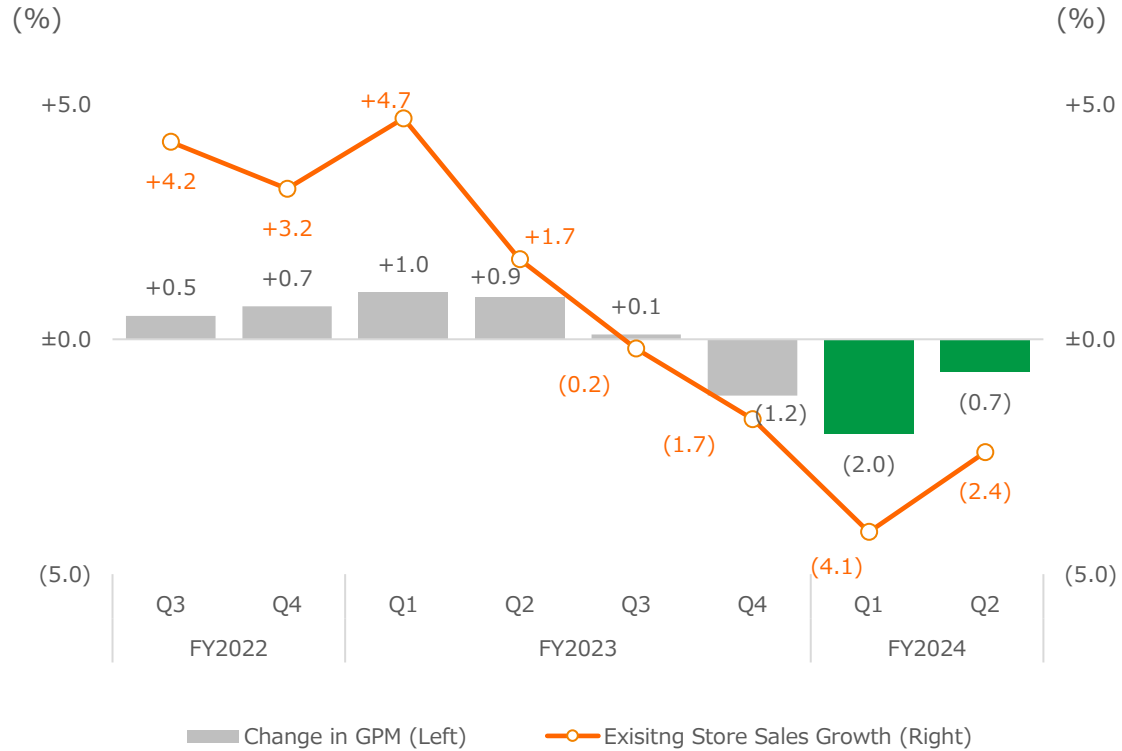
1. Figures are shown on SEI consolidated basis

2. Operating income + Depreciation and amortization

- Navigating unique macro environment challenges and changes in consumer shopping patterns
- Sequential improvement in Same-Store Sales, Merchandise GP Margins, and Fuel Volumes in Q2
- **Leaning into execution of Strategic Priorities** to drive improvement in store traffic, sales and margin
  - Grow sales of **Propriety Products**
  - Accelerate **Digital and Loyalty** impact
  - Continue to grow our **7NOW delivery business**
  - Achieve **Operating Efficiencies and Cost Leadership**
  - **Grow Store Network** through M&A and New Stores
- Continuing to emphasize Value and in-store Execution

# 1H 2024 Quarterly Trends

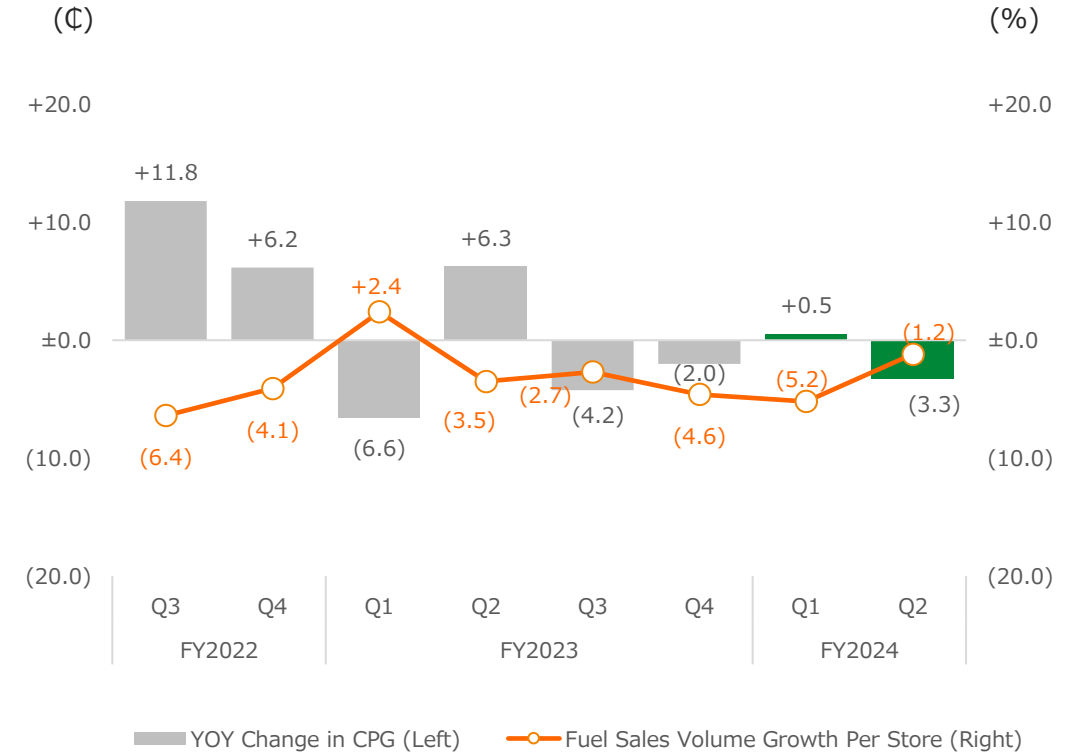
## Merchandise Existing Store Sales Growth & GPM



- Traffic and sales challenged as consumers pull back due to inflationary pressure
- Industry wide cigarette business continues to decline

Note: Based on OPIS data

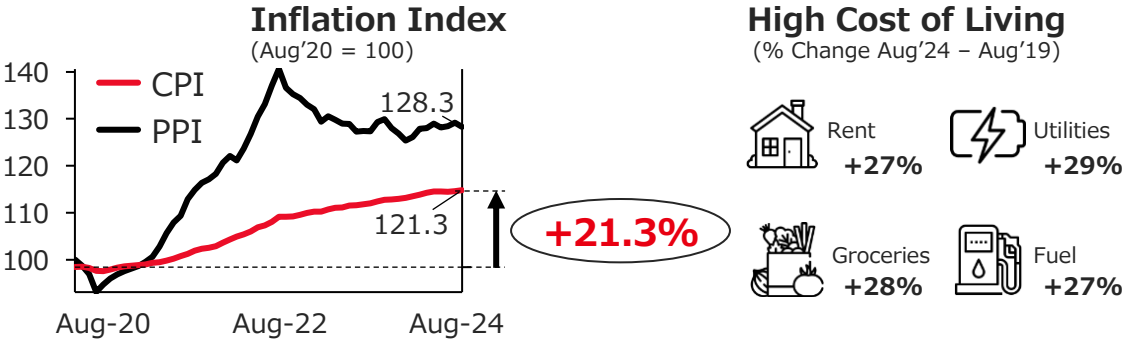
## Retail Fuel Sales Volume Growth Per Store & Retail CPG



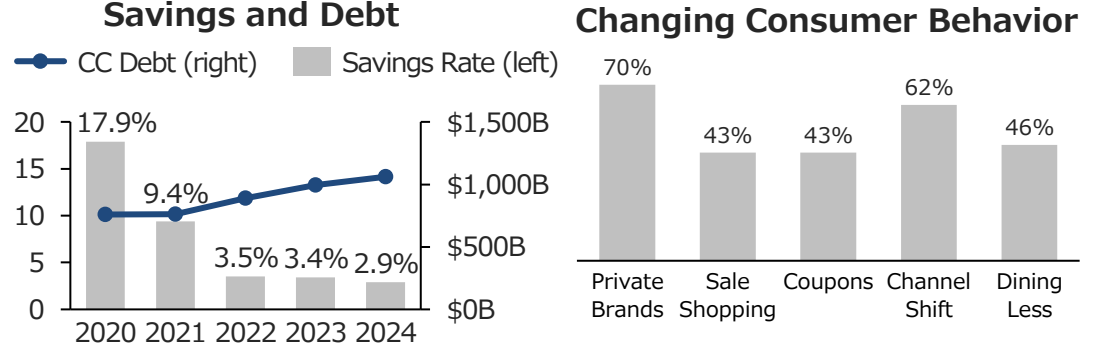
- Fuel volume declining modestly, but better than industry <sup>(1)</sup>
- Overall margin remains healthy

# Current Operating Environment

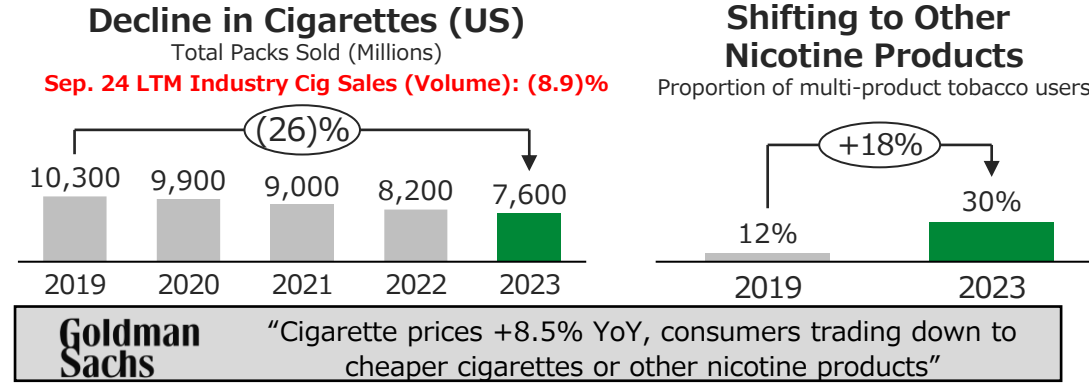
## Higher Prices are Pressuring Consumer Finances



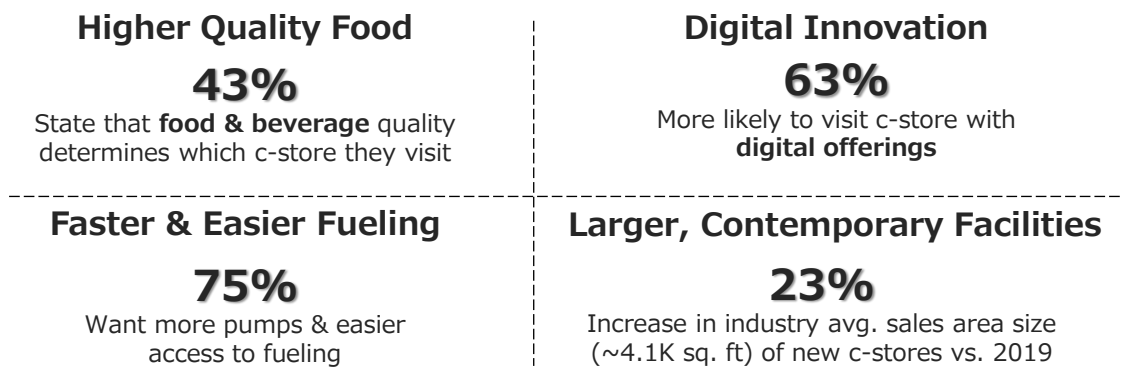
## Depleted Savings Has Led to Reliance on Debt and Value Focus



## Changing Market Dynamics in Cigarettes



## Evolved Expectations from C-Stores



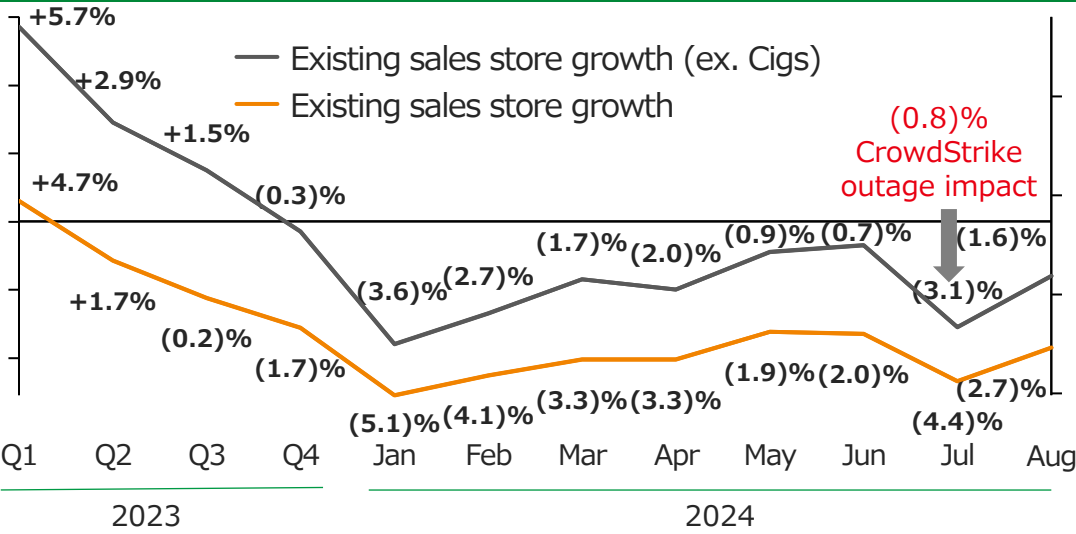
Sources: US Joint, Economic Committee, Bloomberg, Numerator, NDH, Uber, YouGov, Mckinsey, CNN, Tax Foundation, NIH, TFK, Food Navigator, Circana, CSNews, NACS

Notes:  
1. Gallup poll – "Have you, yourself, smoked any cigarettes in the past week?"  
2. Multi-product includes traditional, blunts, filtered cigarettes, cigars, e-cigarettes, vapes, etc.

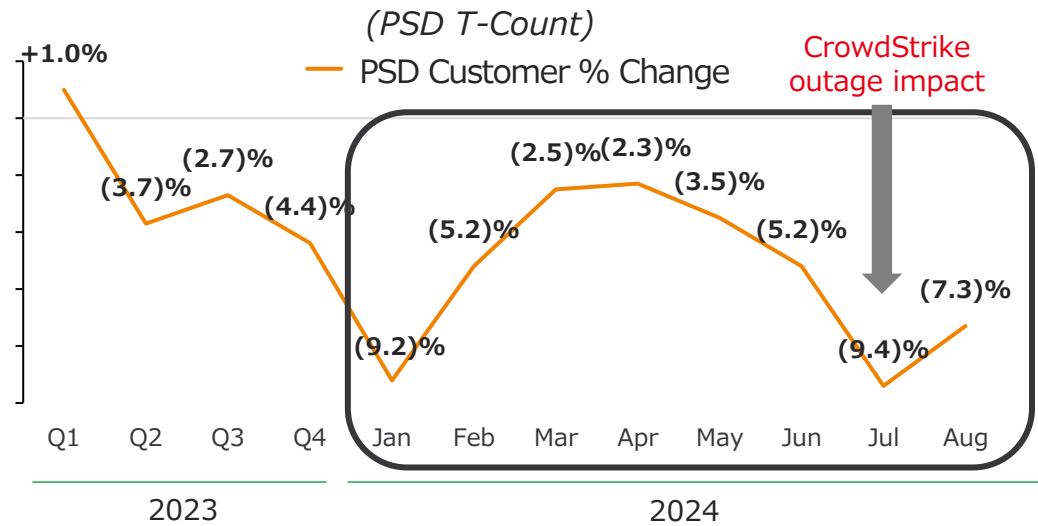
# 7-Eleven is Well Positioned to Navigate The Unique Economic Environment

# Sales & Traffic Trends

Merch US-SS (APSD YoY Growth)



PSD US- SS Traffic



## Factors Impacting Traffic & Sales

1	Living Paycheck to Paycheck	62%	Consumers live paycheck-to-paycheck (76% for low-income)	4	Regional Flavor Ban in CA and MA	44% CA 38% MA	Illicit cigarette sales in US States after flavor ban
2	EBT (SNAP) Pullback	(34)%	Reduction in SNAP Benefits; \$(95) reduction per participant	5	Declining Tobacco Use	(26)%	Decline in cigarette units vs. 2019
3	Growth of Delivery	16%	Online retail sales as a % of total retail sales (+6% vs 2019)	6	Crowd Strike Impact on SEI Sales	\$(19)M	3,000 SPW stores were impacted; 80bps impact on same store sales

Sources: PYMNTS, USDA, Ycharts, Tax Foundation, TFK

# Key Actions to Position SEI for Long-Term Success



1

Grow Proprietary Products<sup>(1)</sup>

Fresh Food & Restaurants

+1.6% YoY

Proprietary Beverages

+3.8% YoY

Private Brands

+1.1% YoY

Enhanced Value Chain

16 Commissaries & 16 Bakeries

Growing Proprietary Products Through Innovation, Quality and Value Initiatives

2

Accelerate Digital and Delivery

Continued Growth in Loyalty Programs

TREWARDS

97M

Registered Members

Speedy Rewards

9.5%

High frequency Members vs 8.3% in 2023

Strong Q2 2024 7NOW Performance

~\$370MM

+29%

June 2024 YTD Sales

7NOW Same-store Sales Growth

27.8mins

\$15.84

End to End Delivery Time

Average Basket Size

Driving Sales with Loyalty Program and Strong Delivery Network

3

Improve Efficiencies and Cost Leadership

Engrained culture dedicated to pursuit of Efficiency and Cost Leadership

Leveraging SEI scale and sourcing capabilities across Cost of Goods and Indirect Spend

Expanding installations of our proprietary retail system (RIS/ DEX) to all SPW stores

Progress on Cost Leadership

\$308MM

\$350MM

\$500MM

2023

2024 Target

2024 Revised Target

Achieving Competitive Cost Advantage Fuels Our Growth

4

Grow and Enhance Store Network

Since 2005, 7,450 stores acquired through 51 M&A deals

+34%

APSD Improvement<sup>(2)</sup>

+288bps

Merch GPM Improvement<sup>(2)</sup>

~14%

ROIC<sup>(2)</sup>

Proven Track Record of Delivering Successful M&A Results

Notes:  
1. Total company Q2 2024 YoY growth  
2. Reflects mature deals (3-years post acquisition As of Dec'23 LTM)



## Food & Beverage Modernization

### Summary

#### Program Components

- Bake In-Store
- Self-Serve Roller Grill
- Grab & Go Cases
- Specialty Beverage

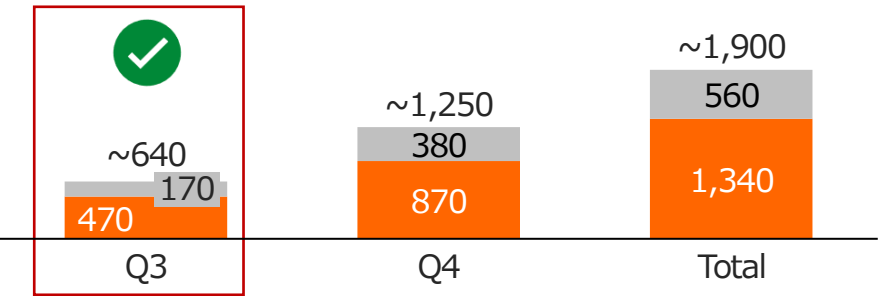


### Program Verification (As of Dec'23)



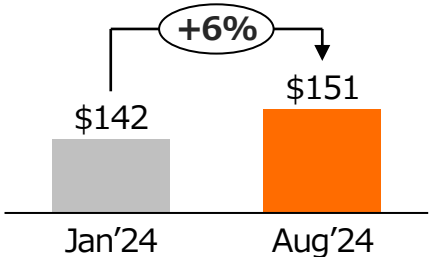
### 2024 Rollout Plan

- Full Food & Beverage Modernization
- Elements of Food & Beverage Modernization Program

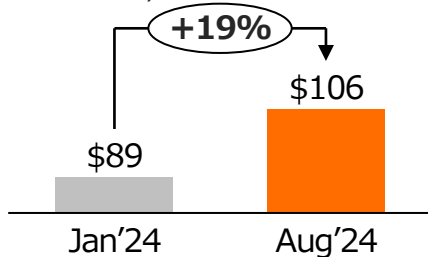


## Warabeya

### Warabeya Texas Fresh Food APSD (\$) 855 Stores



### Warabeya Virginia Fresh Food APSD (\$) 1,352 Stores



### Enhanced Commissary Long-Term Plan \*Start Operation

	# of Stores	2024	2025	2026	2027
Ohio	1,108			*	
So. Cal	1,310				*
Florida	1,339				*

## Q3 and Q4 Value Offers

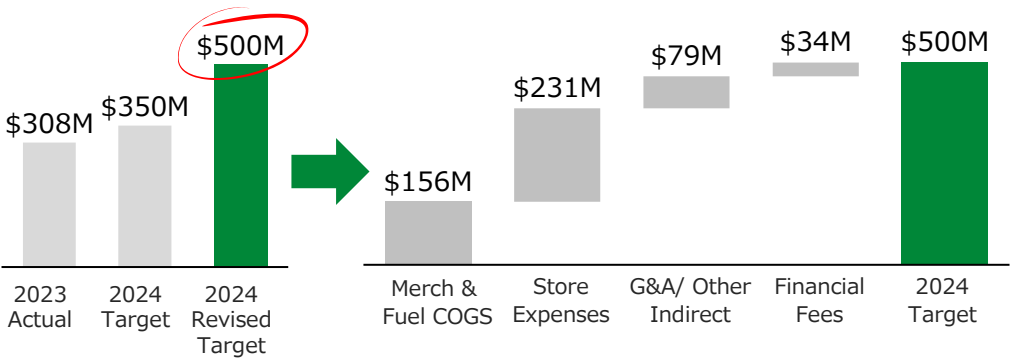




# Improve Efficiencies and Cost Leadership

## Cost Leadership

Revised 2024 Target from \$350M to \$500M (+42%)



**FY 2024 OSG&A Expense forecasted to be down \$85M or -0.9% vs. Prior Year**

\*Excluding Stripes West TX Expenses and 2023 non-recurring items

## Store Portfolio Optimization

Close

**444 Underperforming Stores**

- ~\$30M 2024 Operating Income benefit
- ~\$110M Annualized run rate

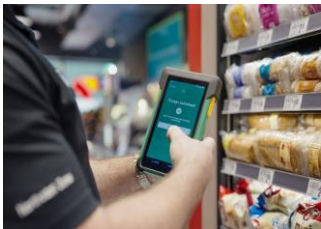
## Proprietary Retail System (RIS/DEX)

Enables a Customized Assortment for Each Store Based on Local Demand

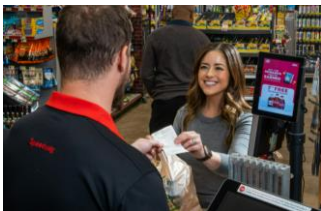
**524**

Speedway stores completed as of August 2024

Targeting to Complete Speedway Store Conversions to RIS 2.0 by 2025



- ✓ Proprietary POS system which differentiates our stores from competitors
- ✓ Unified customer experience across banners
- ✓ Maximizes Store Margins and Profitability



## Sale Leaseback (Q4)

Marketing \$750M sale leaseback

- Expected to close Q4 2024
- Strong investor appetite
- Value accretive transaction

**\$520M**  
One-Time Gain

# 2H and FY2024 Revised Guidance

(Millions of dollars unless otherwise noted) <sup>(1)</sup>	Prior Guidance					
	2H			FY2024		
		YOY (%)	YOY Change		YOY (%)	YOY Change
Total Store Sales	35,692	97.0	(1,110)	70,289	96.9	(2,224)
Revenues from Operations (JGAAP)	28,933	95.4	(1,401)	57,210	95.7	(2,568)
Operating Income	1,831	111.1	+183	2,930	104.0	+113
EBITDA <sup>(2)</sup>	2,555	108.3	+196	4,374	102.8	+117
Merchandise Existing Store Sales Growth (%)	-	-	-	0.5	-	-
Merchandise Margin Growth (%)	-	-	-	0.0	-	-
Fuel Sales Volume per Store Growth (%)	-	-	-	(3.2)	-	-

New Guidance					
2H			FY2024		
	YOY (%)	YOY Change		YOY (%)	YOY Change
34,750	94.4	(2,052)	69,740	96.2	(2,773)
28,372	93.5	(1,962)	57,302	95.9	(2,476)
1,291	78.4	(356)	2,150	76.3	(666)
2,020	85.6	(338)	3,602	84.6	(654)
-	-	-	(3.0)	-	-
-	-	-	(0.9)	-	-
-	-	-	(3.1)	-	-

- Pullback in consumer spending has persisted beyond prior expectations
- Store traffic and sales growth impacted as consumers consolidate trips and reduce shopping occasions
- Adapting to structural shifts from changes in nicotine business and preference for delivery
- Revised guidance reflects near-term challenges
- Through execution of Strategic Priorities, 7-Eleven business will return to growth in 2025 and beyond

Notes:

1. Figures are shown on SEI consolidated basis
2. Operating income + Depreciation and amortization

# FY2024 Revised Guidance Walk and Target for FY2025

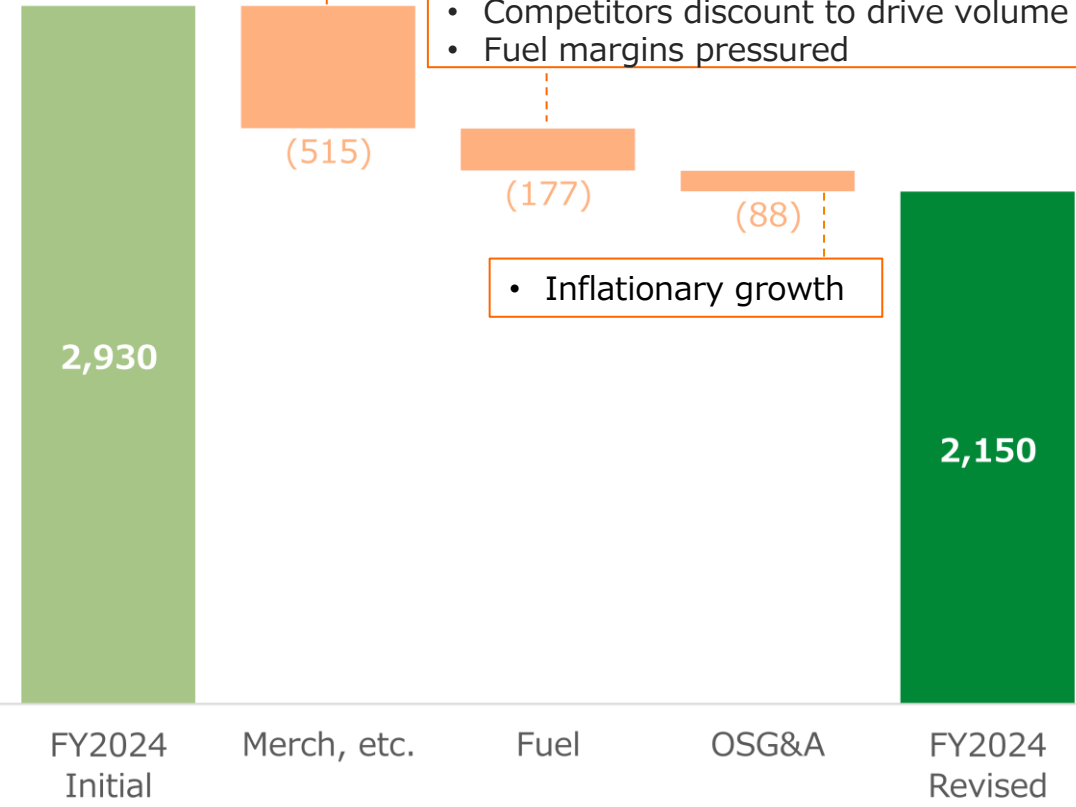
## Operating Income (Initial vs. Revised Guidance)

(Millions of dollar)

- Inflation-weary consumer
- Accelerated decline in cigarettes

- Industry traffic (volume) down
- Competitors discount to drive volume
- Fuel margins pressured

- Inflationary growth



## Action Plans and Target

	FY2024 Guidance	FY2025 Target	Change
1 US Same Store Sales (%)	(3.0)	+1.5	-
2 Gross Profit Margin (%)	33.3	34.1	+0.8
3 OSG&A as % of Net Sales	17.3	16.4	(0.9)

## Improvement Plans

- 1

  - Launch new, innovative, high-potential categories and items
  - Accelerate Food and Beverage modernization rollout
  - Drive traffic through strong Value Offers
- 2

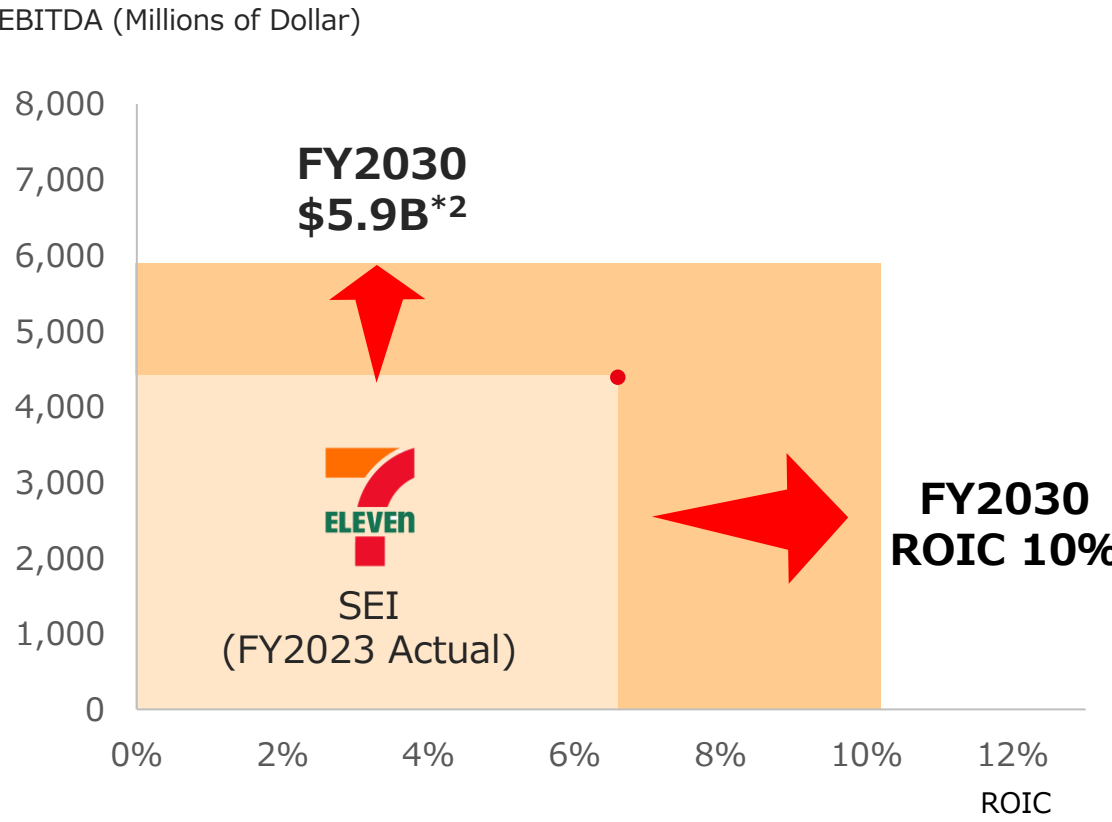
  - Grow Proprietary Product sales
  - Improve Cost of Goods
  - Optimize value chain
- 3

  - Achieve incremental savings through cost leadership team
  - Complete RIS/DEX integration (results in single store point of sale and back-office solution)
  - Close underperforming stores

# ROIC Improvement Plans

ROIC improvements and Corporate Value enhancements are Critical Elements of our Long-Term Plan

## ROIC and Corporate Value Enhancement\*1



ROIC Improvement Plans

SEI : FY2023 ROIC 6.5%

SEI ROIC Improvement plan

- Underperforming store closures
- Merchandising Cost of Goods improvement
- Additional OSG&A reductions
- Value chain efficiency
- Capital allocation process improvements

Notes:  
 1.  $ROIC = \frac{\text{Net Income} + \text{Interest Payment} \times (1 - \text{Tax Rate})}{\text{Equity} + \text{Gross Debt}}$  (both using avg. of beginning/end of each period)  
 2. U.S. GAAP basis: EBITDA calculated as EBIT - Depreciation & Amortization

# TODAY'S AGENDA

- 1 1H Results
- 2 Revision of Full-Year Financial Forecasts
- 3 Status of Major Operation Strategies  
Domestic CVS Operations and North American CVS Operations
- 4 Strategic Initiatives

# The Current Focus of the Board

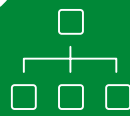


## Objective

- Pursuing the best interests of our shareholders and other stakeholders

## Key Considerations

- 1 Unlocking potential value in each business segment**  
 Need to fully bring out the potential of each of the CVS business, SST business, financials and other businesses
- 2 Improve business operations and accelerate growth**  
 Urgent need to establish a best-in-class global CVS platform, and accelerate growth through global expansion/deployment of high quality “Food” and services of the 7-Eleven brand
- 3 Unlock and realize values for shareholders**  
 Realize return to shareholders through unlocked corporate and shareholder values

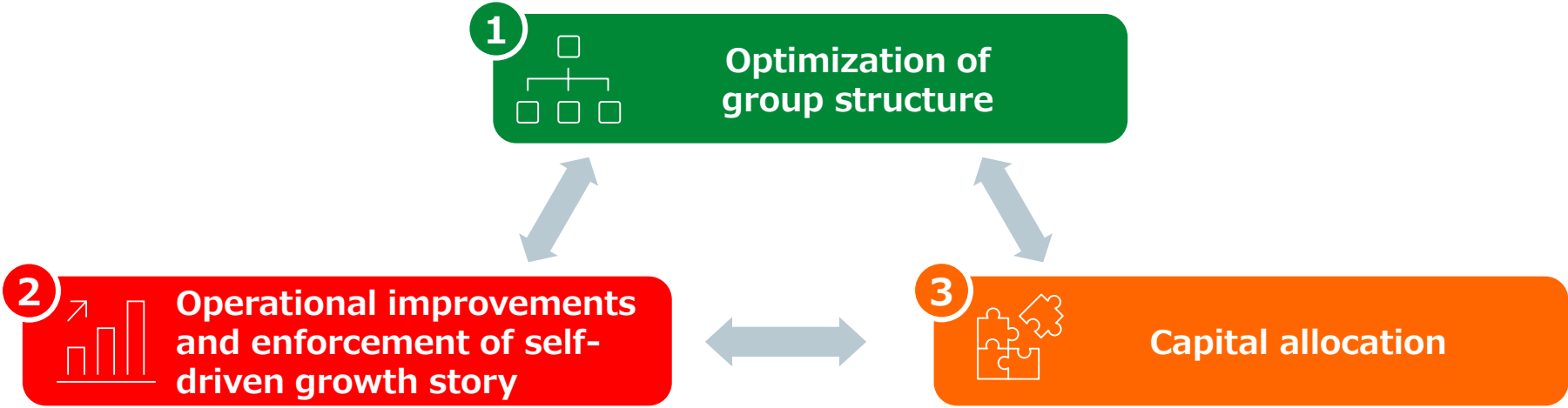
## Strategic Initiatives

- 
**Optimization of group structure**
- 
**Operational improvements and enforcement of self-driven growth story**
- 
**Capital allocation**

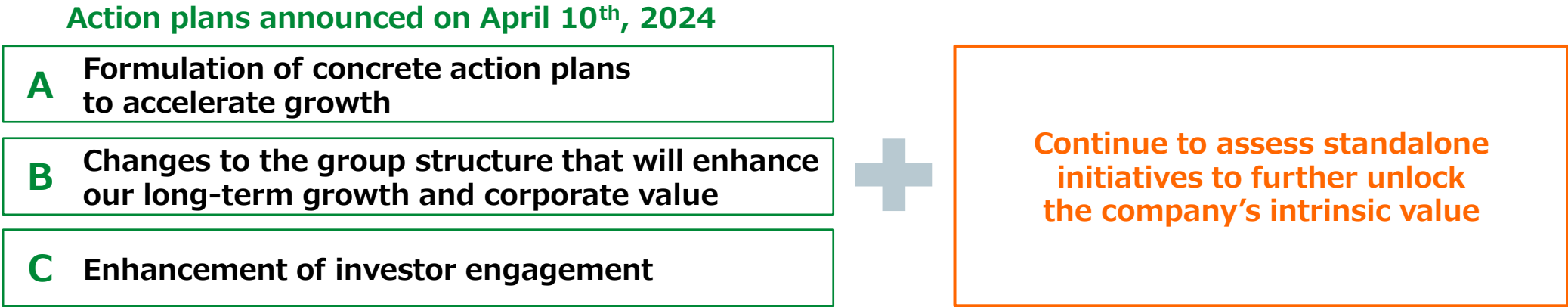
Consideration of methods and realistic timeline for our shareholders to fully benefit from the intrinsic value of our company

# to Unlock Intrinsic Values

Three pillars



Approach and strategic initiatives to support the pillars



Action plans proposed by the Strategy Committee and realization of intrinsic value from the on-going consideration of standalone initiatives

# 1 Our Efforts on Optimization of Group Structure\*

## Initiatives

### 7-Eleven Corporation (tentative)

- Plans to change the holding company name of “Seven & i Holdings”
  - Focus on global CVS strategy with the unified management
  - Requires changes in Articles of Incorporation, which will be addressed in the Shareholders’ Meeting in May 2025
- Initiate consideration of applying IFRS (as soon as reasonably practical)

Capital Alliance with SST business (to maintain collaboration for providing highest-quality food)



### YORK Holdings Co., Ltd.

- Set up an intermediary holding company to oversee SST business group for a planned IPO
- By bringing in strategic partners, SST business group will be accounted as equity method affiliate as well as leading to accelerated growth

### Financials

Domestic CVS (Japan)
SEJ

Global CVS (Excluding Japan, North America)
7IN

Global CVS (North America)
SEI

Food SM		
IY	YB	Others

Specialty stores / Others		
LO	AH	Others

7BK group	
7BK	Others

## Initiatives for further consideration

Promote enhancement of corporate / shareholder value through global growth

Strategic initiatives to unlock SEI’s potential value

Enforcement of growth strategy with capital (financial) independence

Consideration of optimal capital relations with 7BK

\* SEJ: SEVEN-ELEVEN JAPNA CO., LTD., 7IN : 7-Eleven International LLC, SEI : 7-Eleven, Inc., IY : Ito-Yokado., Co. Ltd., YB : York-Benimaru Co., Ltd., LO : The LOFT Co., Ltd., AH : Akachan Honpo Co., Ltd., 7BK : Seven Bank, Ltd.

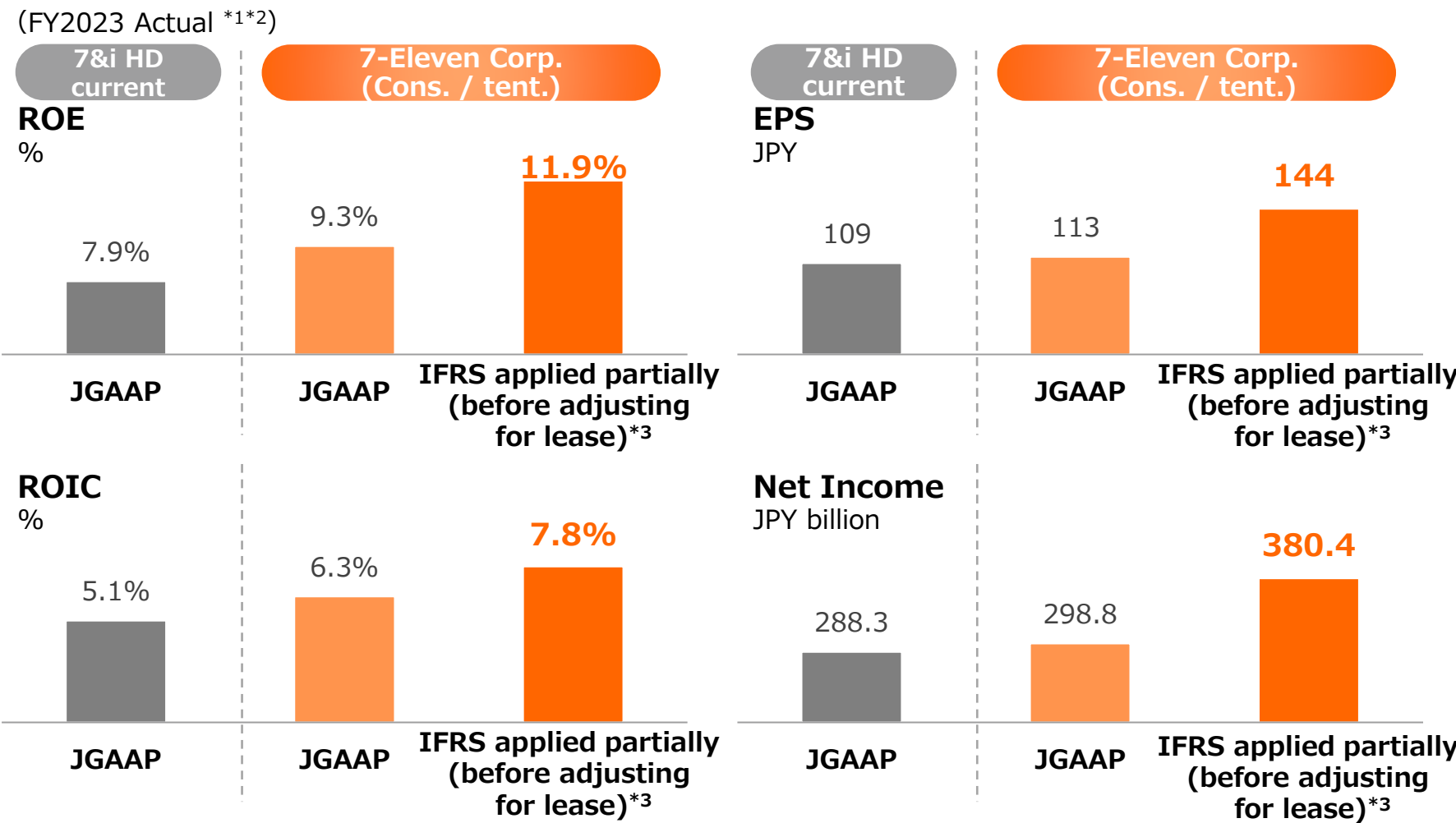
Achieve a new group structure in which the CVS, SST and financials, each have capital and strategic independence



# 2 Transformation to a Leading Global CVS Company



## Initiate consideration of applying IFRS for 7-Eleven Corp. (consolidated) (tent.)



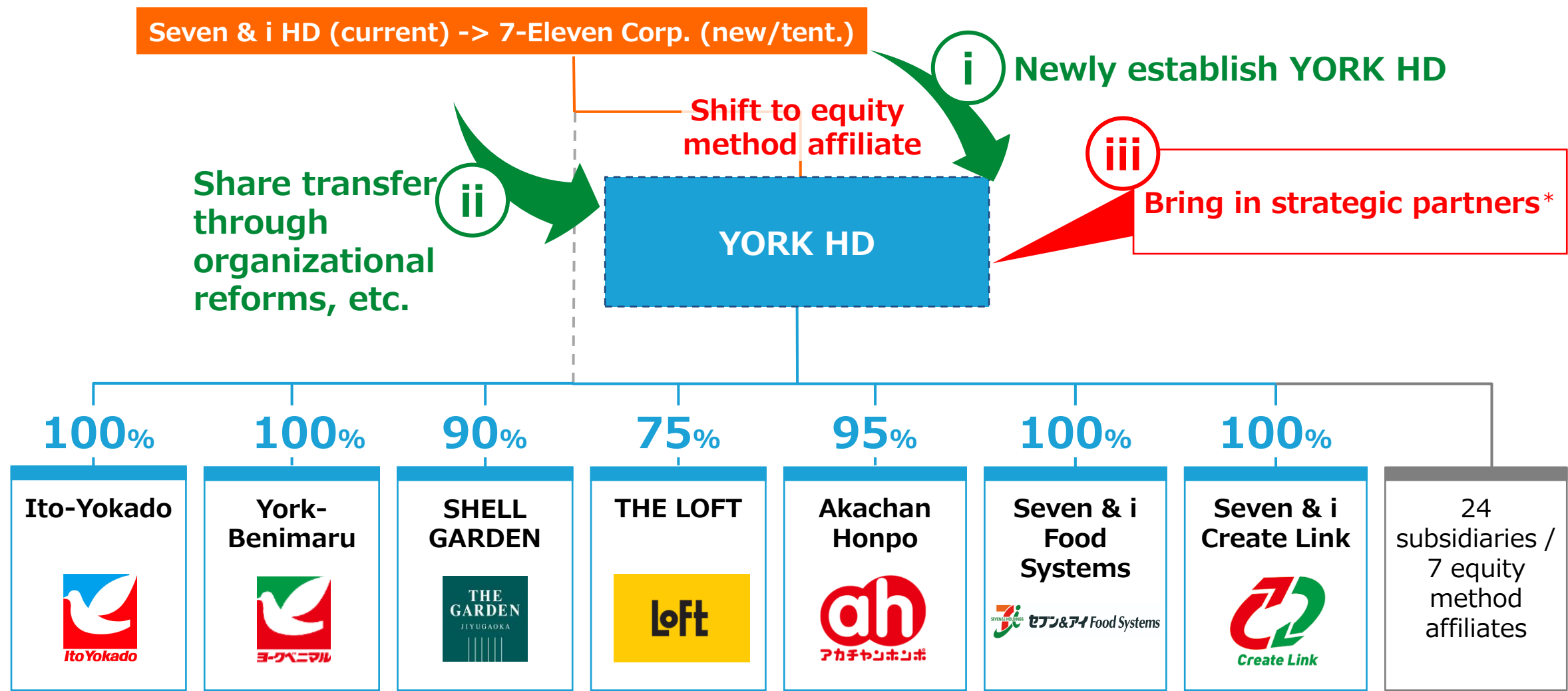
Obtain positioning as a world leading global CVS franchise

Improvement on financial profile to match global CVS competitors

Operational improvement to global standards and visibility of future growth

\*1 Figures adjusted for the impact of the transfer of shares in Sogo & Seibu and Barneys Japan.  
\*2 Figures for 7-Eleven Corporation (tentative) consolidated are based on the assumption that equity method accounting is applied to the SST Business, and the specialty store and other businesses.  
\*3 IFRS basis figures are adjusted for amortization of goodwill and consequential tax impact (the on-balancing of operational lease is not taken into account).

# 2 Accelerate Self-driven Growth of SST Business Group

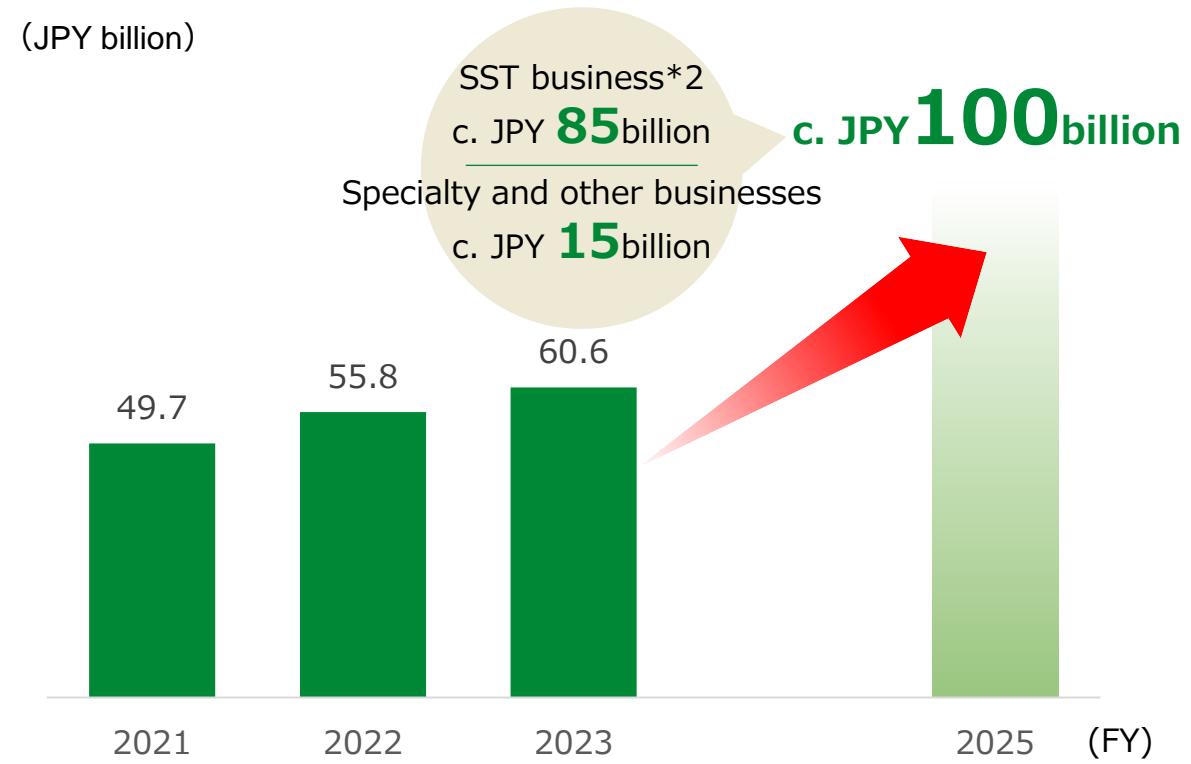


\* Including possible co-investment by founder families

# 2 Realize Self-driven Growth of SST Business Group

YORK HD : Achieve EBITDA goal of c. JPY 100 billion in FY2025 and aim for further growth from self-driven initiatives

## YORK HD\*1 EBITDA Vision



\*1 IY, YB, LO, AH, Seven&i food systems and other businesses in SST business group, not considering standalone cost  
\*2 SST business : figures exclude Ito-Yokado in China and other operating companies from SST operations

## Road to Self-driven Growth

By bringing in strategic partners, SST business group will be accounted as equity method affiliate as well as leading to accelerated growth

2023  
Mar.

2024  
Apr.

Oct.

2026  
Feb.

Announcement of the fundamental transformation

- ✓ Closure of 33 stores
- ✓ Optimize employee scale

Announcement to aim IPO as one workable option

+

Initiate consideration of strategic partners

Shift to equity method affiliate will be completed in FY2025

In parallel to our on-going fundamental transformation, establish group structure with unique growth strategy

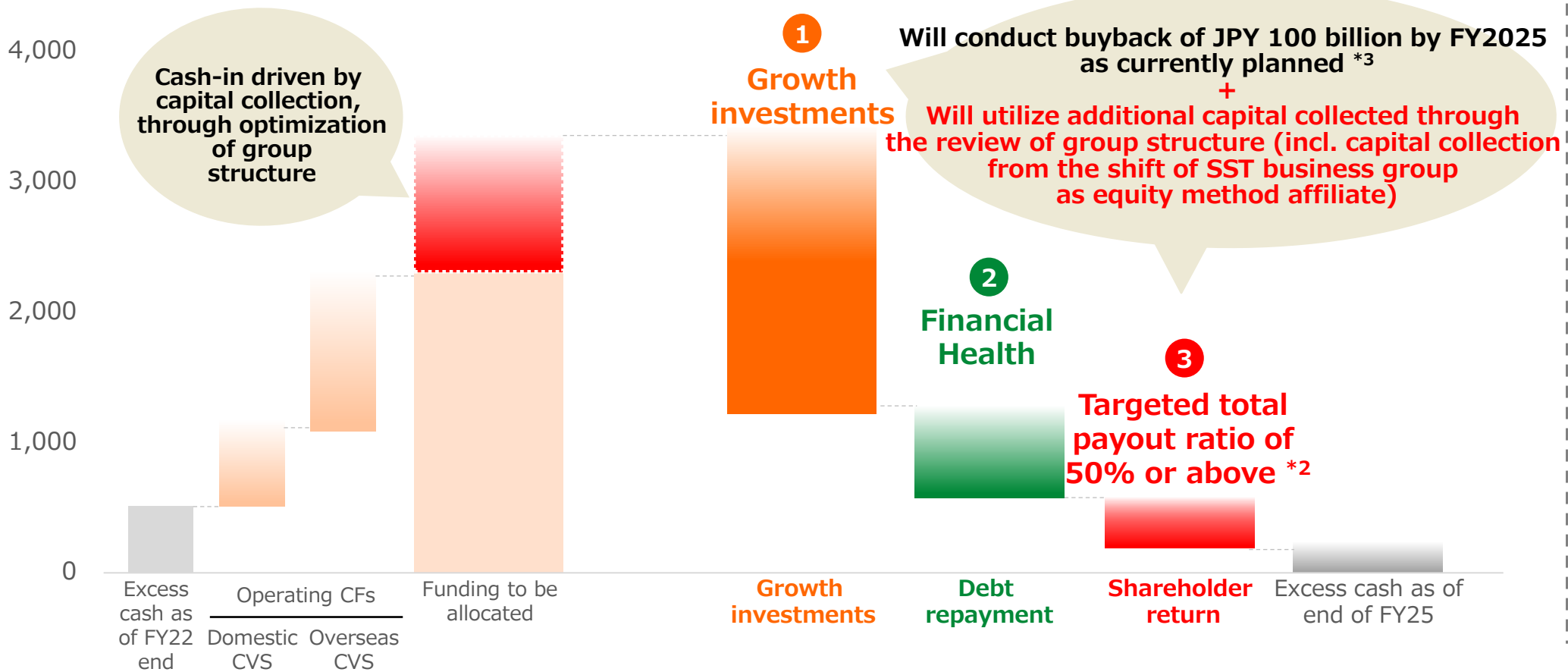
# 3 Capital Allocation Plan

## 7-Eleven Corporation (tentative)

### Cashflow generation (cumulative) \*1

### Cashflow usage (cumulative) \*1

(JPY billion)



YORK HD

Financials

Gain on capital and strategic independence

\*1 Cumulative total of FY2023 to FY2025

\*2 Cumulative total payout ratio for FY2023 to FY2025

\*3 Amount could differ if used for large-scale strategic investments other than share buybacks (M&A, etc.)

# Sustainable Initiatives to Enhance Our Corporate Value

## 7-Eleven Corporation (tent.)

Summary  
of actions  
announced  
today

### Change the holding company name

- Full focus on CVS business

### Initiate consideration of applying IFRS, more suited to global growth

### Action plans on improving SEI's ROIC

- Underperforming store closures
- Merchandising Cost of Goods improvement
- Additional OSG&A reductions, etc.



Further  
measures  
to unlock  
intrinsic  
value

### Reallocation of collected capital, through the review of group structure

- Reallocation of capital to growth investments in CVS business and shareholder's return

### Strategic initiatives to unlock the values of SEI

## YORK HD / Financials

YORK  
HD

### Fundamental transformation

- Must achieve EBITDA target of c. JPY 100billion by FY2025

### Set up an intermediary holding company to oversee SST business group for a planned IPO and initiate consideration of strategic partners

- Shift to equity method affiliate / accelerate growth strategy

Finan  
cials

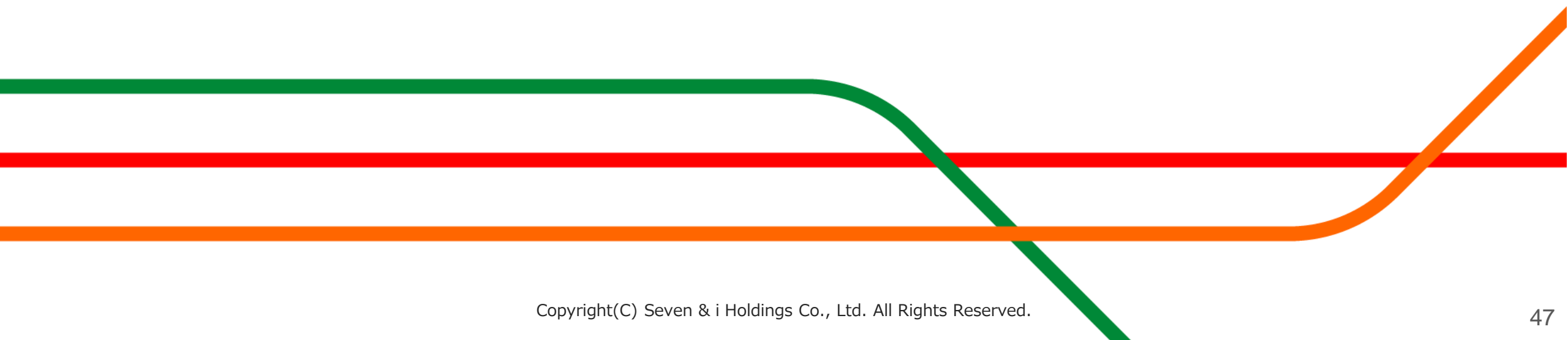
### Consideration of optimal capital relations with 7BK

**Each business will pursue their own distinctive growth stories**

Each business will conduct their business with a certain level of **capital and corporate independence**

**Commitment to mid- to long- term growth and value enhancement,**  
to shareholders / stakeholders of each business

# Appendix



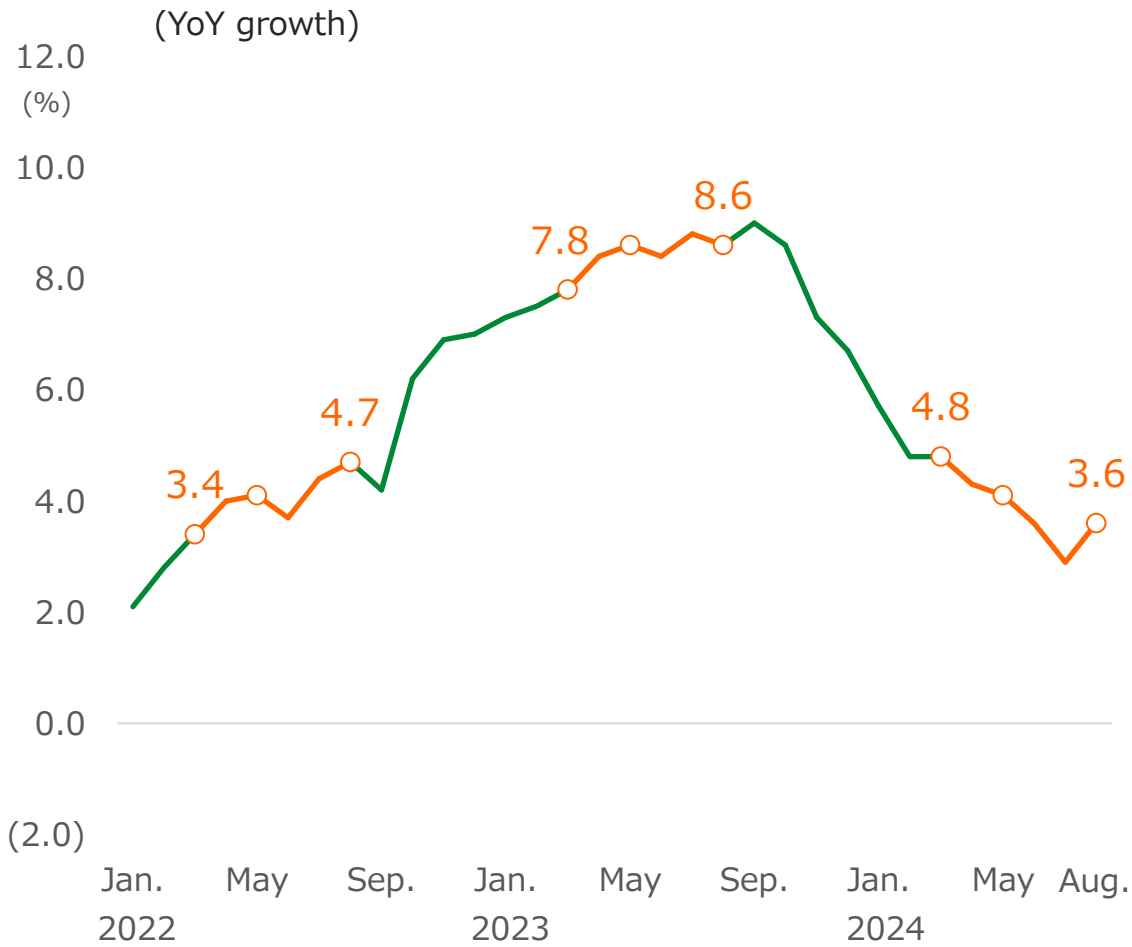
# External Environment (Japan)



Domestic PPI/CPI (Comprehensive)\*1, 2



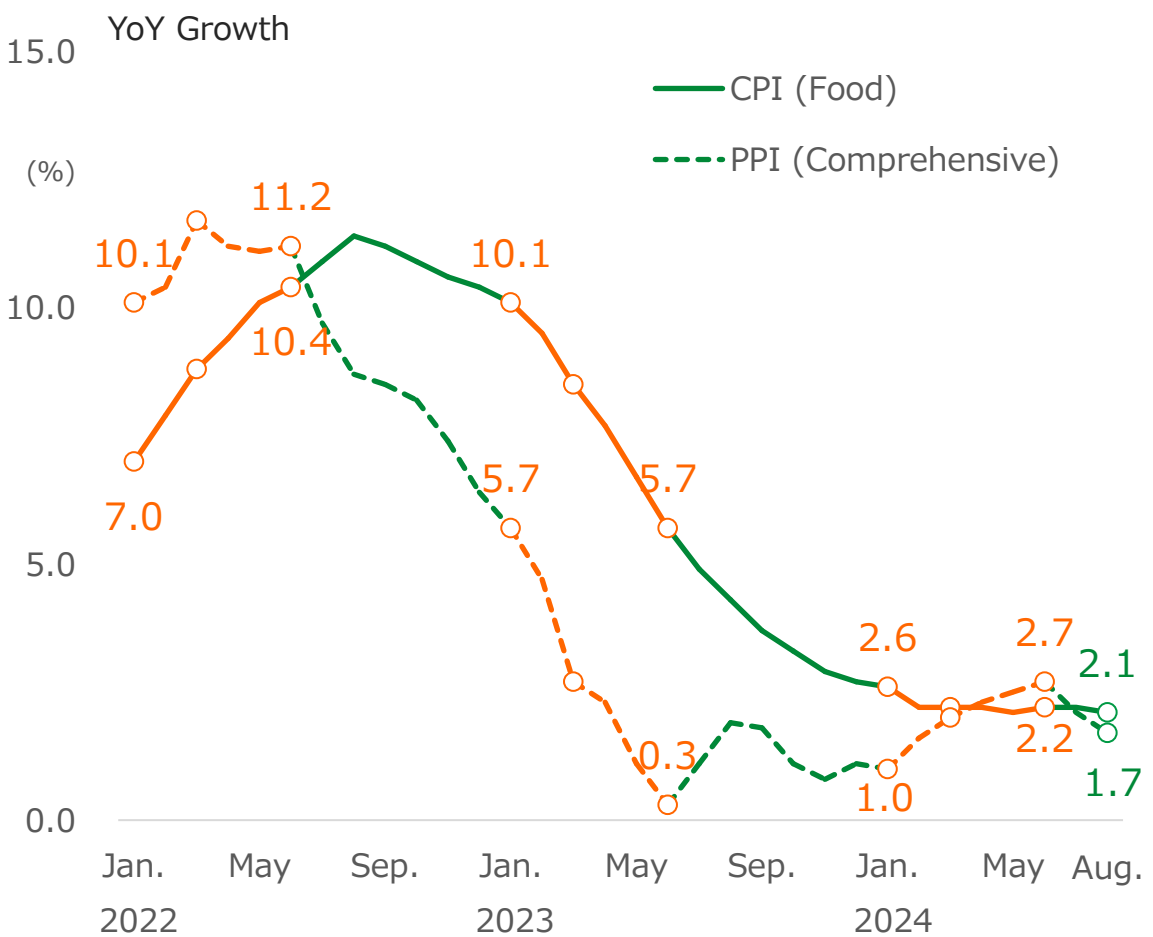
CPI (Food)\*1



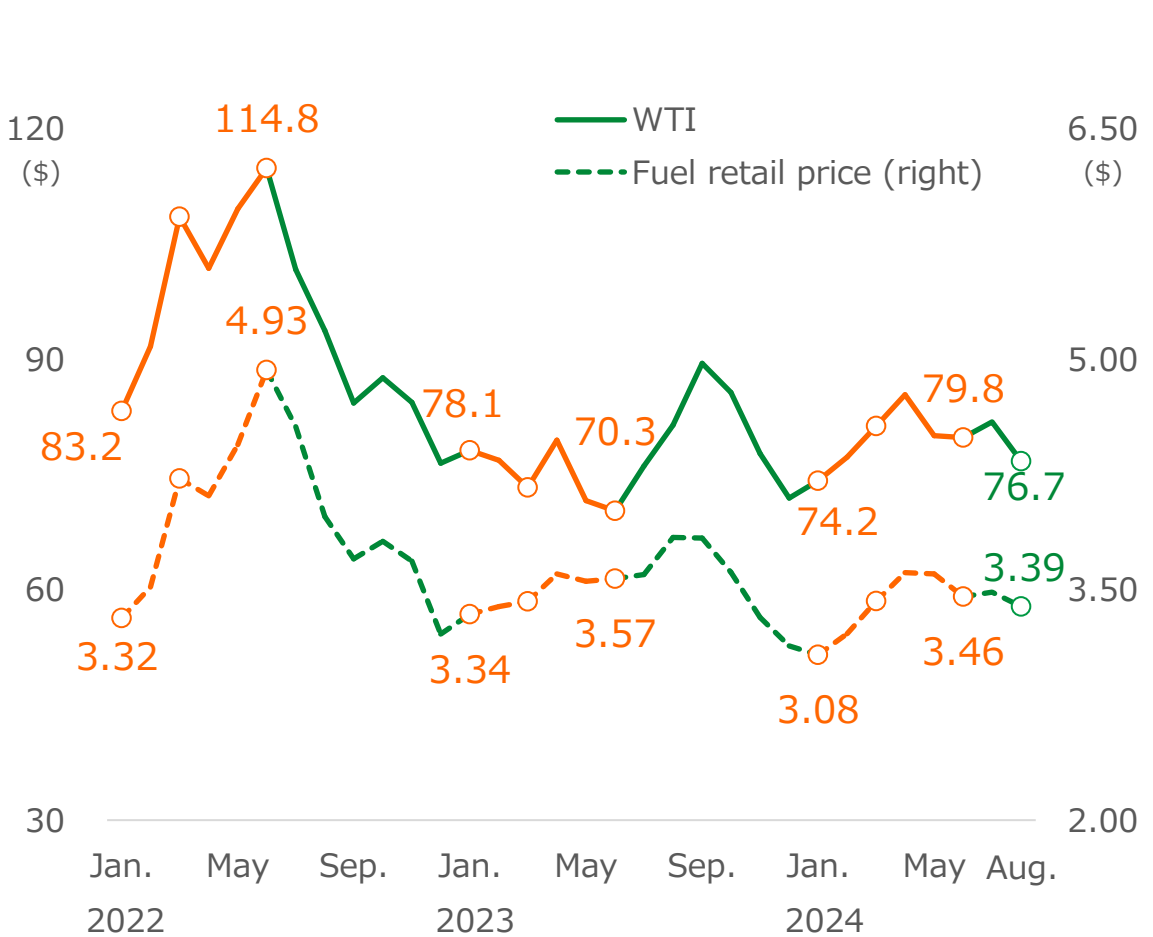
Source: \*1 e-Stat, \*2 Bank of Japan



CPI(Food) /PPI(Comprehensive)\*1



Crude oil price (WTI) /Fuel retail price\*2



Source: \*1 BLS, \*2 EIA

# Consolidated B/S Summary (As of Aug.31, 2024)

(Billions of yen)

Assets (Main items only)	As of Feb. 29, 2024	As of Aug. 31, 2024	Change	Liabilities and net assets (Main items only)	As of Feb. 29, 2024	As of Aug. 31, 2024	Change
Current assets	3,035.6	3,084.8	+49.2	Total liabilities	6,691.4	7,631.1	+939.6
Cash and bank deposits	1,558.7	1,470.3	(88.3)	Current liabilities	3,073.2	3,582.2	+509.0
Cash and bank deposits at Seven Bank	877.1	906.4	+29.3	Notes and accounts payable, trade	528.1	676.7	+148.5
Notes and accounts receivable-trade, and contract assets	464.1	524.7	+60.5	Short-term loans	84.8	394.5	+309.6
Merchandise and finished goods	283.3	334.1	+50.8	Current portion of bonds and current portion of long-term loans	472.5	312.1	(160.3)
Non-current assets	7,555.4	8,766.1	+1,210.6	Allowance for loss on business of subsidiaries and associates	-	19.7	+19.7
Property and equipment	4,362.5	5,045.8	+683.3	Lease obligations	132.3	173.4	+41.0
Buildings and structures, net	1,606.8	1,768.1	+161.2	Deposits received in banking business	803.7	829.7	+26.0
Land	1,096.6	1,208.3	+111.7	Non-current liabilities	3,618.2	4,048.8	+430.6
Right-of-use assets, net 9	985.6	1,284.7	+299.1	Bonds	1,356.5	1,440.5	+83.9
Intangible assets	2,356.5	2,843.7	+487.2	Long-term loans	824.6	849.7	+25.0
Investments and other assets	836.3	876.4	+40.0	Lease obligations	931.7	1,199.7	+267.9
Deferred assets	0.98	0.68	(0.29)	Total net assets	3,900.6	4,220.5	+319.9
Total assets	10,592.1	11,851.6	+1,259.5	Total liabilities and net assets	10,592.1	11,851.6	+1,259.5

# 1H Consolidated Results (Q1 and Q2)

(Billions of yen, %)

	Q1				Q2			
		YOY	YOY change	vs. Initial plan		YOY	YOY change	vs. Initial plan
Group's total sales* <sup>1</sup>	4,288.5	103.0	+126.5	99.7	4,998.4	110.3	+466.6	108.8
Revenues from operations	2,734.7	103.2	+84.0	100.5	3,300.7	114.0	+404.4	114.4
Operating income	59.3	72.4	(22.6)	98.3	127.6	80.2	(31.4)	79.0
Ordinary income	55.0	74.6	(18.7)	107.6	112.2	73.3	(40.9)	74.9
Net income attributable to owners of parent	21.3	50.7	(20.7)	105.9	30.8	81.1	(7.1)	34.0
EPS (yen)	8.20	51.5	(7.72)	106.2	11.88	82.8	(2.48)	34.0
EPS before amortization of goodwill (yen)* <sup>2</sup>	16.86	71.6	(6.68)	103.4	22.01	98.8	(0.26)	49.6
EBITDA	195.4	93.8	(12.8)	99.4	276.0	95.8	(12.1)	91.9

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

\*2 Tax impact related to amortization of goodwill is taken into account.

Notes) 1. Exchange rate: 1USD=152.36JPY, 1CNY=21.07JPY

2. The Company conducted a 3-for-1 common share split on March 1, 2024. "EPS" and "EPS before amortization of goodwill" are calculated as if the share split had occurred at the beginning of the previous fiscal year.

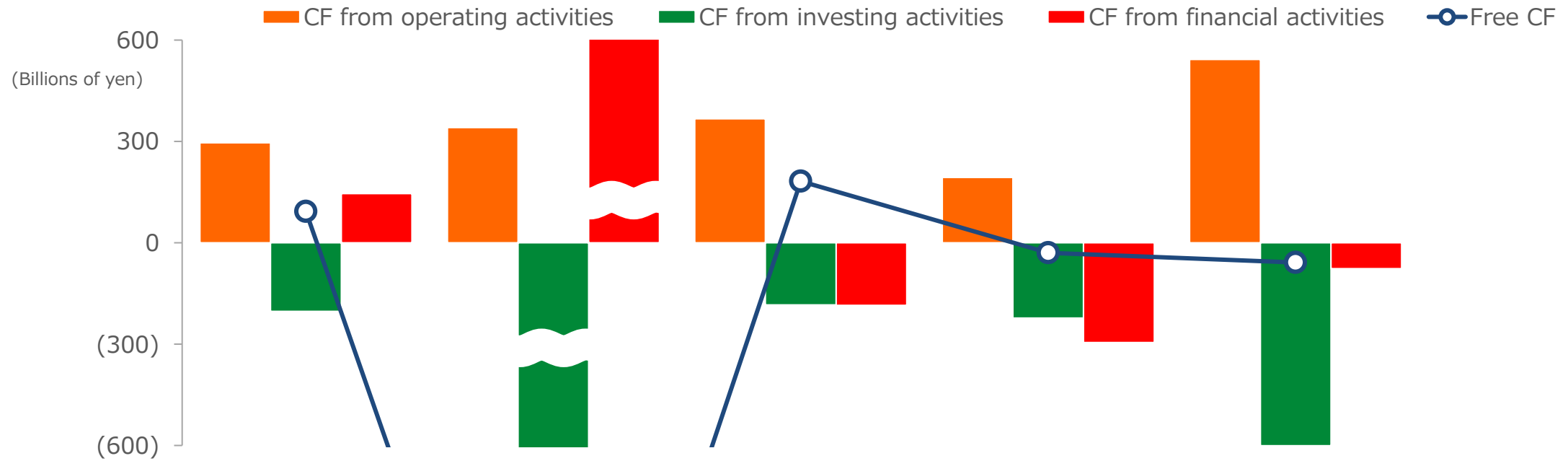
# 1H Operating Income by Segment (Q1 and Q2)

(Billions of yen,%)

	Q1				Q2			
		YOY	YOY Change	vs. Initial plan		YOY	YOY Change	vs. Initial plan
Consolidated	59.3	72.4	(22.6)	98.3	127.6	80.2	(31.4)	79.0
Domestic CVS operations	61.2	95.6	(2.8)	95.3	66.4	89.3	(7.9)	89.0
Overseas CVS operations	4.4	21.3	(16.5)	75.8	68.8	75.0	(22.9)	67.4
Superstore operations	2.1	64.9	(1.1)	126.6	1.3	122.3	+0.24	454.2
Financial services	8.3	84.2	(1.5)	81.3	9.0	90.5	(0.95)	93.7
Others	2.1	118.2	+0.33	436.6	1.6	276.3	+1.0	-
Eliminations/Corporate	(19.0)	-	(0.90)	-	(19.7)	-	(0.86)	-

Note) Exchange rate: 1USD=152.36JPY, 1CNY=21.07JPY

# 1H Consolidated Statements of Cash Flows



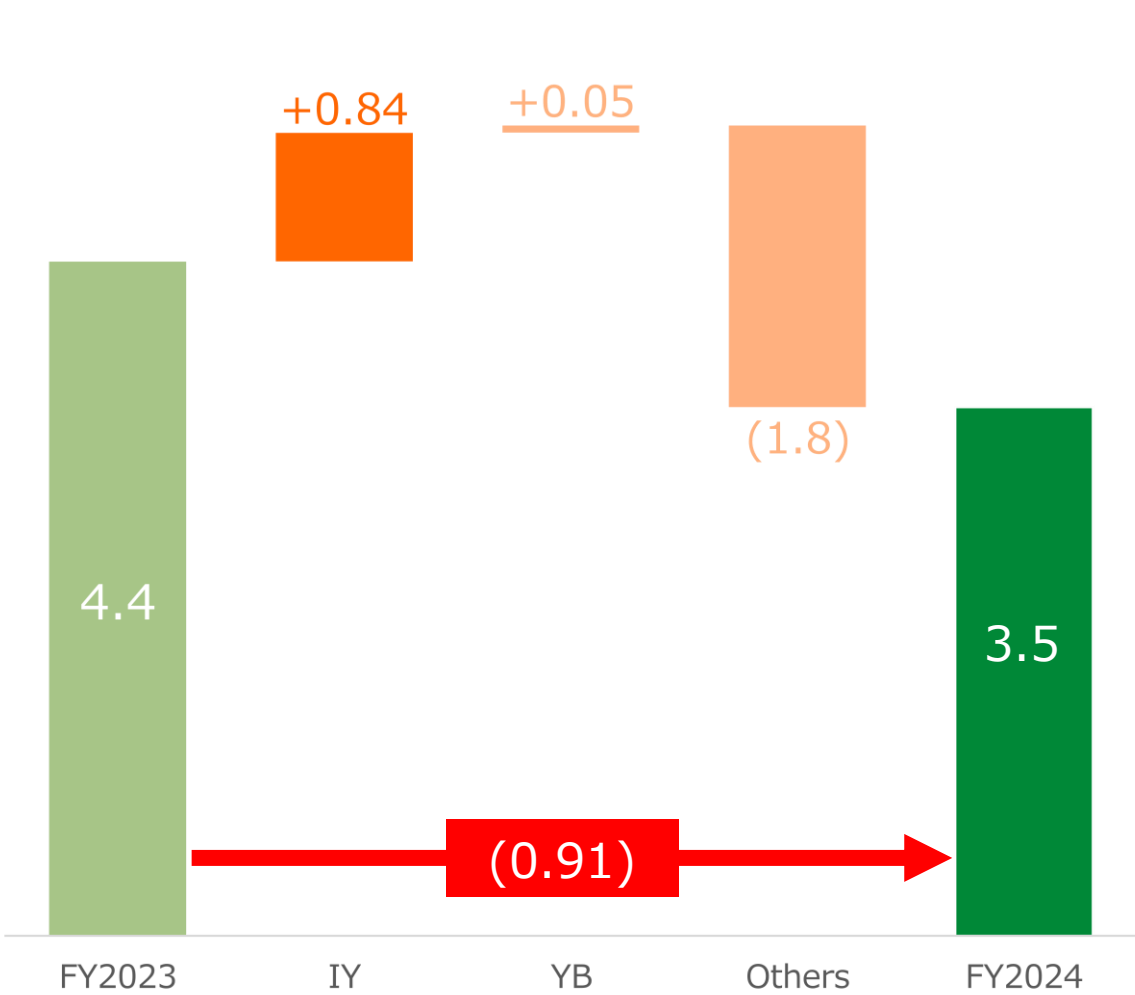
(Billions of yen)	FY2020	FY2021	FY2022	FY2023	FY2024	vs. FY2023
CF from operating activities	295.5	340.8	366.4	192.9	542.4	+349.4
CF from investing activities	(202.7)	(2,343.9)	(184.2)	(223.1)	(600.7)	(377.6)
Free cash flow	92.7	(2,003.1)	182.2	(30.1)	(58.3)	(28.2)
CF from financing activities	145.6	1,243.1	(185.4)	(295.2)	(76.5)	+218.7
Cash and cash equivalents at the end of the year	1,591.5	1,466.3	1,442.5	1,372.1	1,469.5	+97.4

# 1H Superstore Operations & Others - Change in Operating Income



## Superstore operations

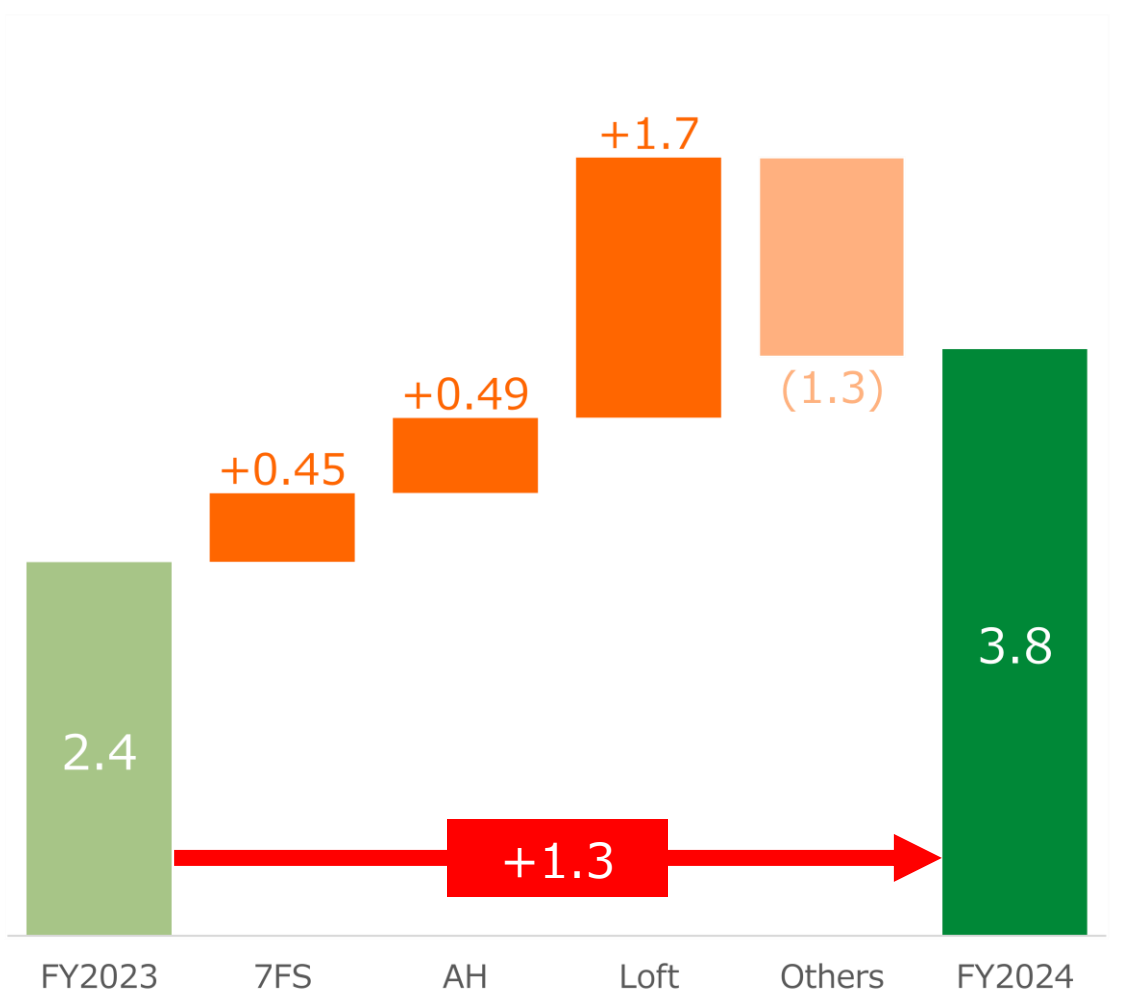
(Billions of yen)



Note) IY: Ito-Yokado YB: York-Benimaru

## Others

(Billions of yen)



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

# 1H Results of Major operating companies

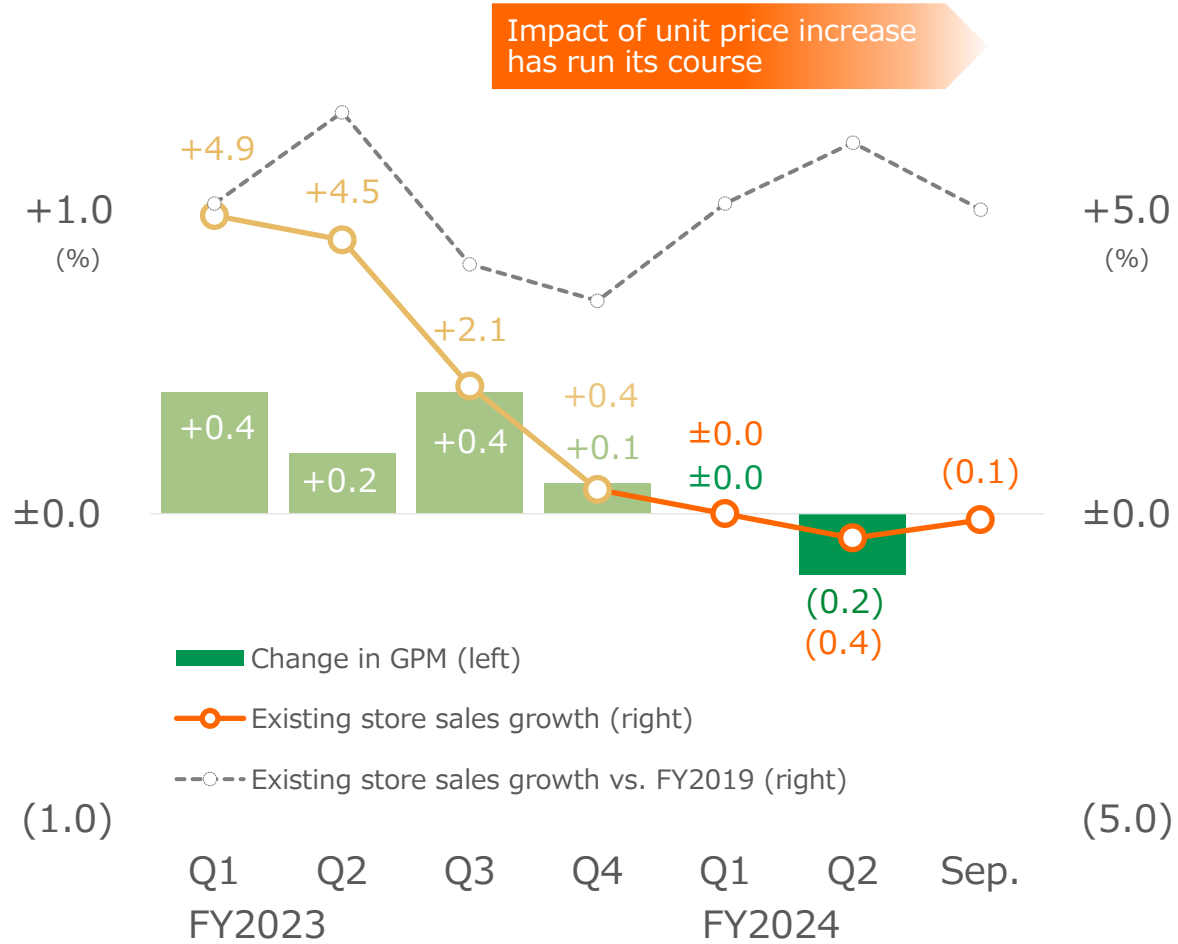
(Billions of yen, %)

	Operating income			Existing store sales growth	Change in merchandise GPM
		YOY	YOY Change		
Seven-Eleven Japan	127.6	91.9	(11.2)	(0.2)	(0.1)
7-Eleven, Inc.*1	130.8	82.9	(26.9)	(3.2)	(1.3)
[Millions of dollar]	[858]	[73.5]	[(309)]		
Ito-Yokado	(1.9)	-	+0.84	(Former IY) (2.0) <sup>*2</sup>	(Former IY) (1.0)
				(Former YO) +1.4	(Former YO) (0.5)
York-Benimaru	9.2	100.6	+0.05	+2.0	(0.1)

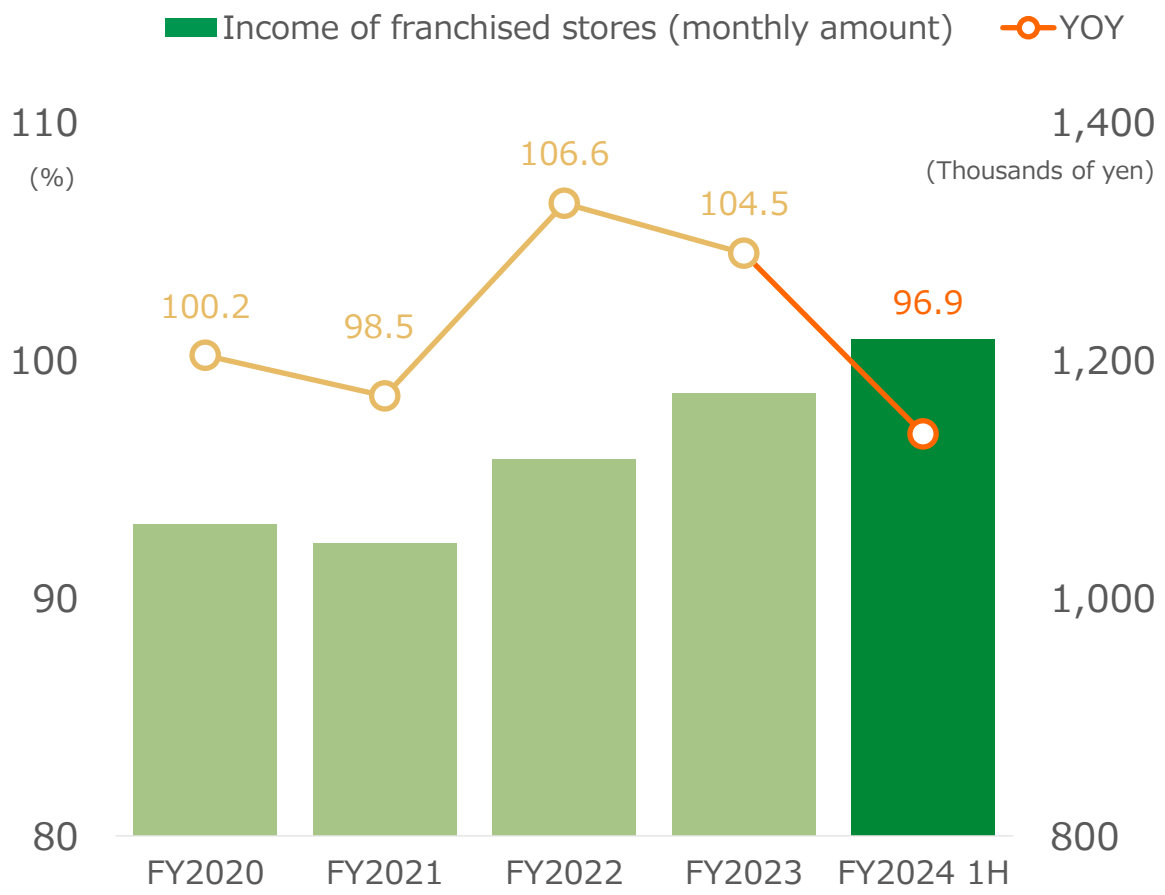
\*1 Figures are shown on SEI consolidated basis. \*2 Represents SC total  
 Note) Exchange rate: 1USD=152.36JPY

## Existing store sales & GPM

Impact of unit price increase  
has run its course



## Trend in income of franchised stores





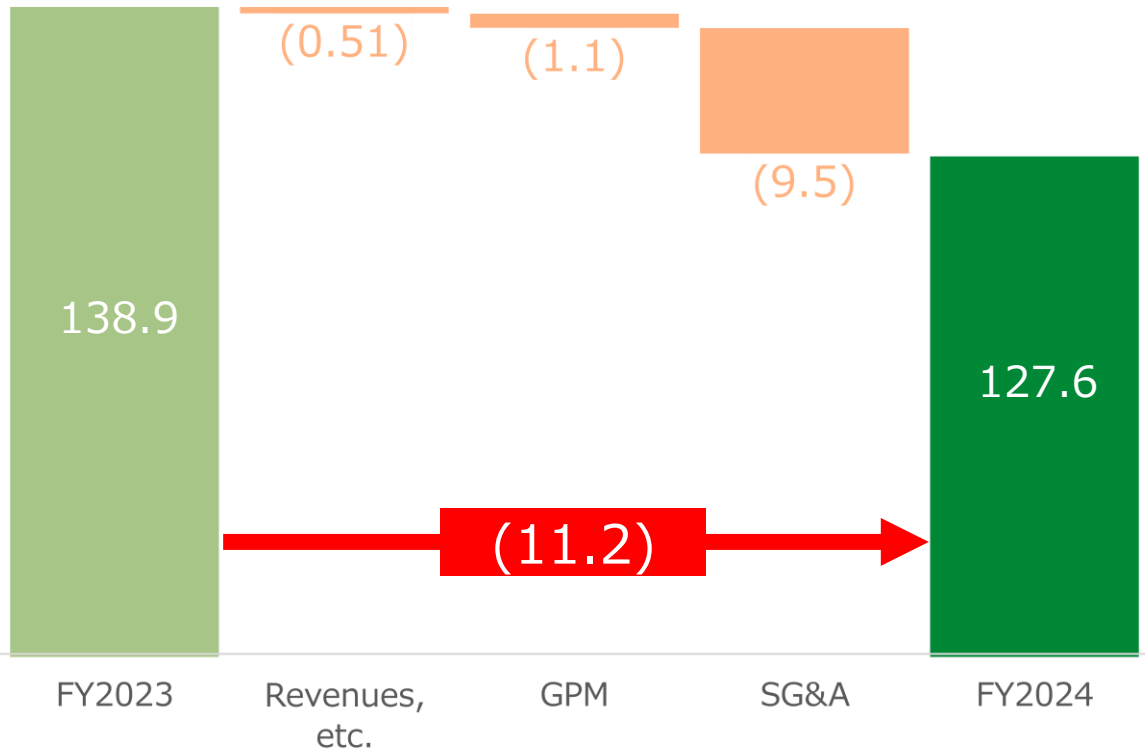
## SG&A

(Billions of yen, %)

		1H		Major Factors for change
		YOY	YOY change	
SG&A	305.0	103.2	+9.5	
Advertising expenses	19.0	120.2	+3.2	Enhanced sales promotion
Salaries and wages	38.8	95.1	(2.0)	Optimization of directly operated stores
Land and building rent	99.3	102.3	+2.2	Increase in number of stores
Depreciation and amortization	45.5	105.4	+2.3	
Utility expenses	32.1	101.9	+0.59	Increase in electric cost
Others	69.9	104.8	+3.1	Increase in settlement fee

## Change in Operating income

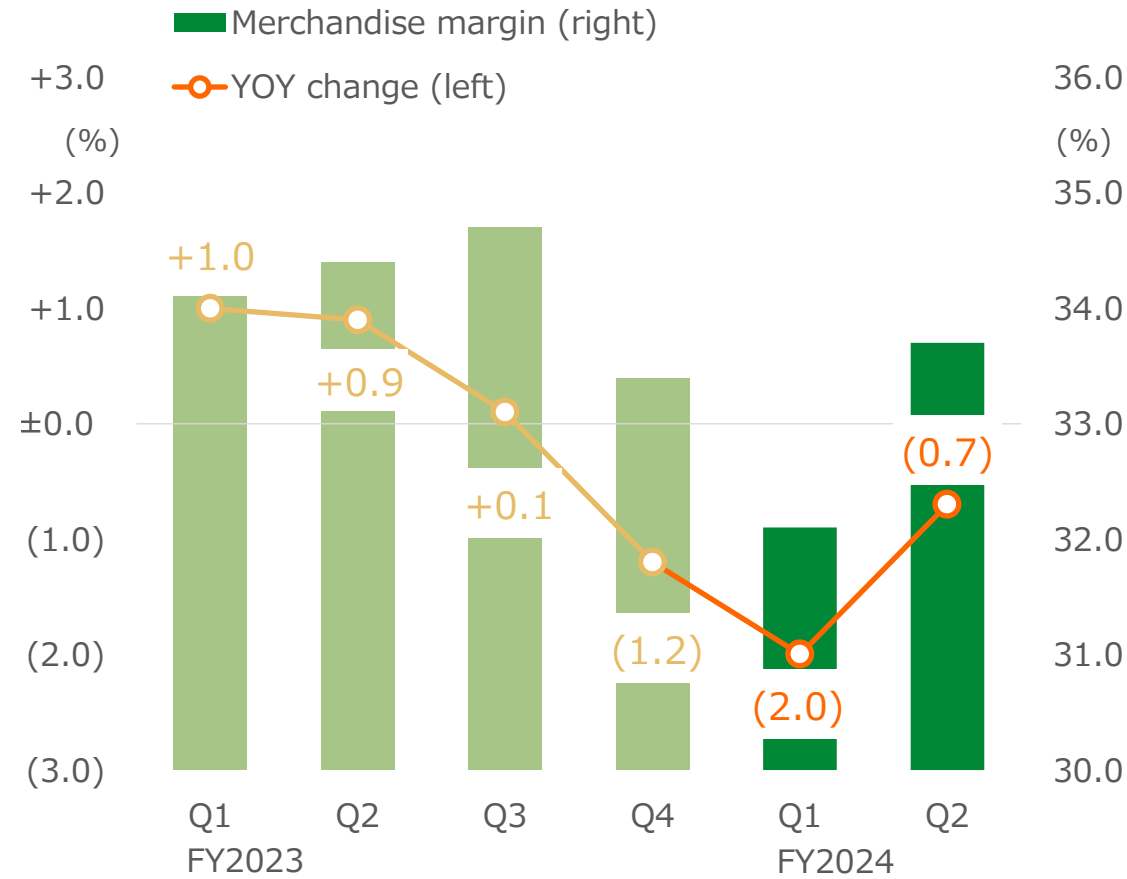
(Billions of yen, %)



Merchandise Same Store Sales Growth

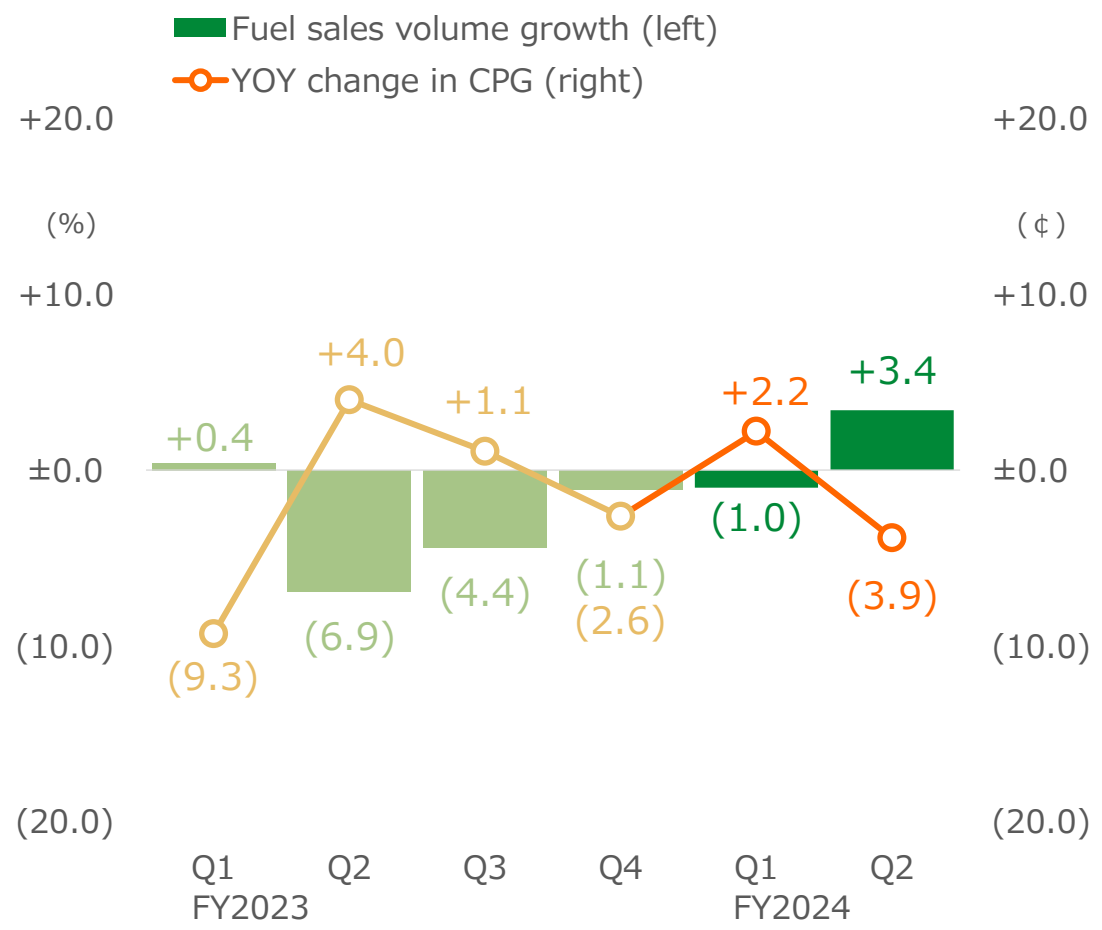


Merchandise Margin

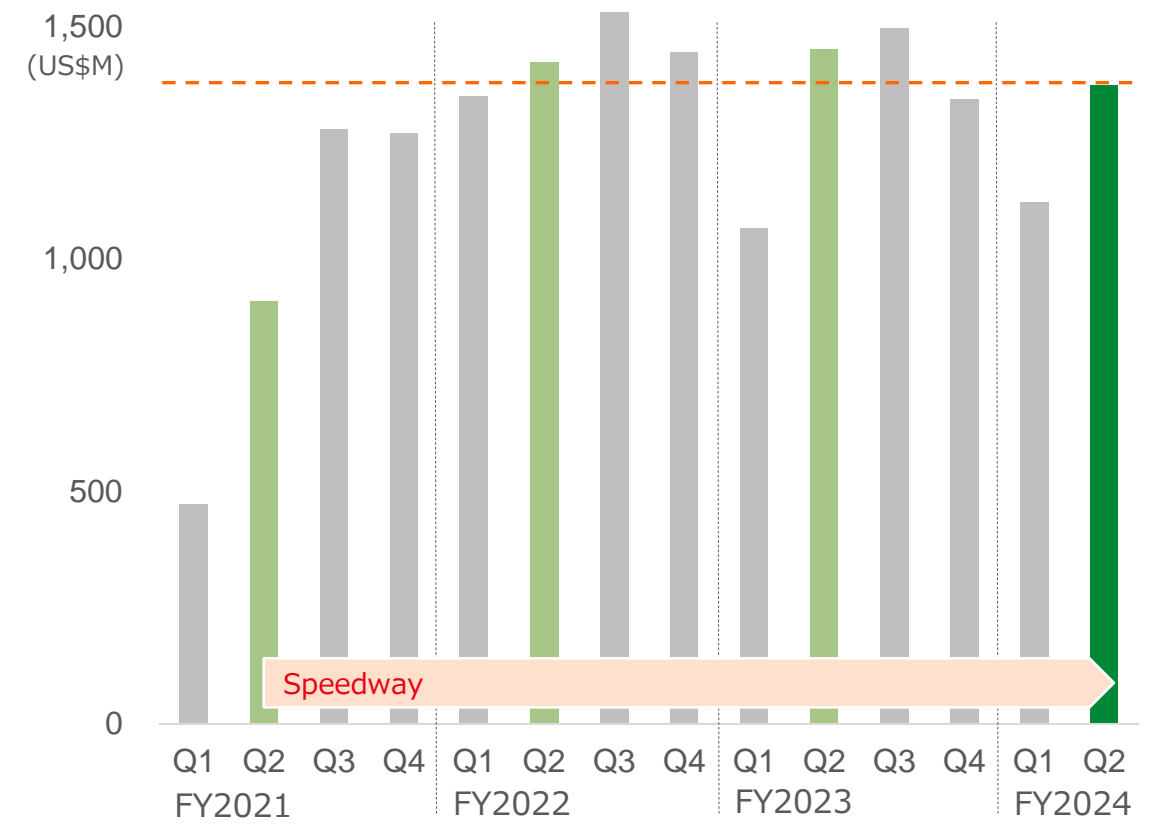


# 7-Eleven, Inc. (2)

## Total Fuel Volume & Margin (Total CPG\*)



## Fuel Gross Profit



\* Total CPG is inclusive of Retail, Supply and Wholesale business

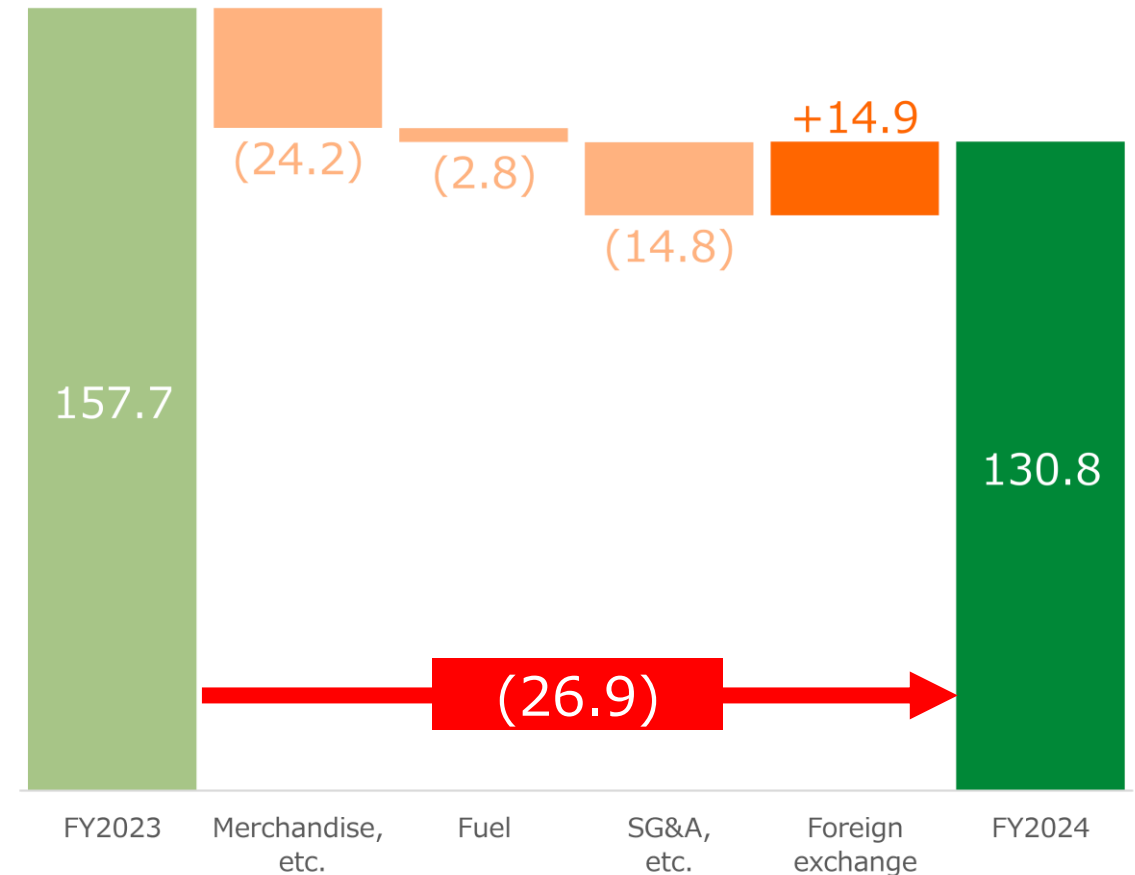
## SG&A

(Millions of dollar, %)

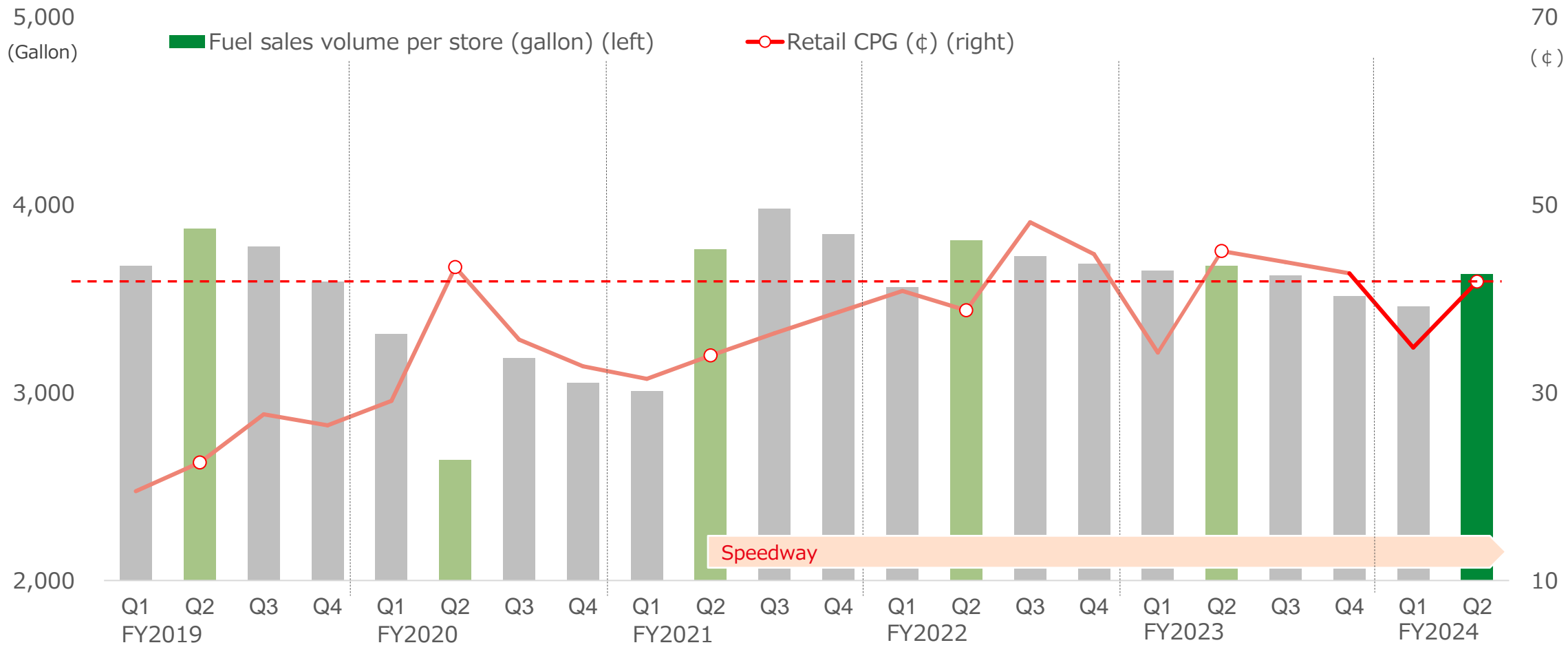
		1H		Major factors for change
		YOY	YOY change	
SG&A	4,712	102.3	+107	
Advertising expense	75	101.2	+0.9	Increase due to advertising timing
Salaries and wages	1,532	101.6	+24	Increase due to Sunoco acquisition
Land and building rent	564	104.1	+22	Increase due to inflation
Depreciation and amortization	723	99.2	(5.9)	Partial completion of Speedway asset depreciation
Utility expenses	256	101.6	+4.1	Increase in utility rates
Other	1,560	104.1	+61	Increase due to R&M and system maintenance costs etc.

## Change in operating income

(Billions of yen)



Fuel sale volume / CPG (Retail)



Note) The chart shows retail fuel business

# FY2024 Consolidated Financial Forecasts 1H and 2H

(Billions of yen, %)

		1H (Results)				2H		
		YOY	YOY Change	vs. initial plan		YOY	YOY Change	vs. initial plan
Group's total sales* <sup>1</sup>	9,287.0	106.8	+593.1	104.4	9,705.9	106.7	+609.9	108.8
Revenues from operations	6,035.5	108.8	+488.5	107.7	5,843.4	98.6	(81.2)	103.6
Operating income	186.9	77.6	(54.1)	84.2	216.0	73.7	(77.1)	66.9
Ordinary income	167.2	73.7	(59.6)	83.2	188.7	67.4	(91.4)	62.7
Net income attributable to owners of parent	52.2	65.1	(27.9)	47.1	110.7	76.7	(33.6)	60.9
EPS (yen)	20.09	66.3	(10.19)	47.1	42.66	78.1	(11.94)	60.8
EPS before amortization of goodwill (yen)* <sup>2</sup>	38.87	84.8	(6.94)	64.0	61.60	86.3	(9.82)	69.3
EBITDA	471.5	95.0	(24.9)	94.9	504.2	90.3	(54.1)	83.4

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

\*2 Tax impact related to amortization of goodwill is taken into account.

Note) Exchange rate: 1H results 1USD=152.36JPY, 1CNY= 21.07JPY, Full-year forecasts 1USD=149.00JPY, 1CNY= 19.00JPY

# Eliminations/Corporate Expenses and Capex for Group Strategy

(Billions of yen, %)

1H Results	Expenses			Capex		
	Results	YOY change	vs. Initial plan	Results	YOY change	vs. Initial plan
DX, system, security, etc.	(27.3)	(0.03)	+0.61	5.6	(2.9)	(5.7)
Others	(11.5)	(1.7)	+7.5	1.1	(2.4)	(1.9)
Eliminations/Corporate (Operating income)	(38.8)	(1.7)	+8.1	6.8	(5.3)	(7.6)

Full-year plan	Full-year Plan	Initial plan	Amount of revision	Full-year Plan	Initial plan	Amount of revision
DX, system, security, etc.	(54.5)	(54.5)	-	15.4	23.1	(7.6)
Others	(36.8)	(35.5)	(1.3)	2.0	4.0	(2.0)
Eliminations/Corporate (Operating income)	(91.3)	(90.0)	(1.3)	17.5	27.2	(9.7)

# 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



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



**Taskforce on Nature-related Financial Disclosures**  
 —Disclosed in September 2024—

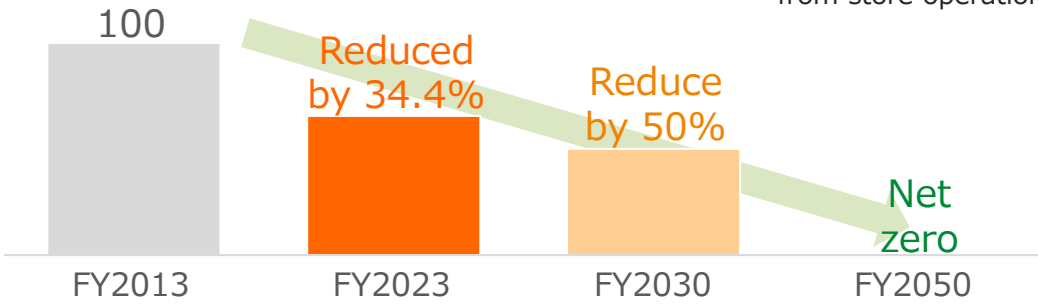
Achieving sustainable society with global perspectives



# Promotion of Sustainable Management (2)

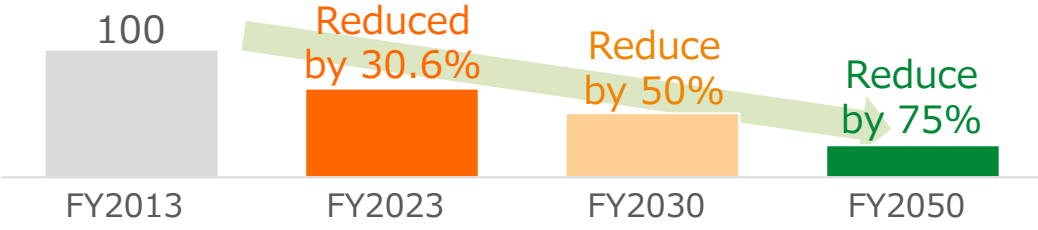
## ① Reduce CO2 emissions

Reduction in emissions from store operations

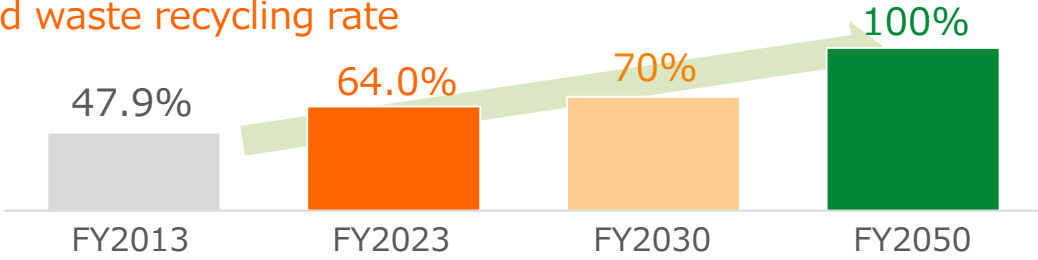


## ③ Reduce food waste & food waste recycling (Domestic)

Food waste volume

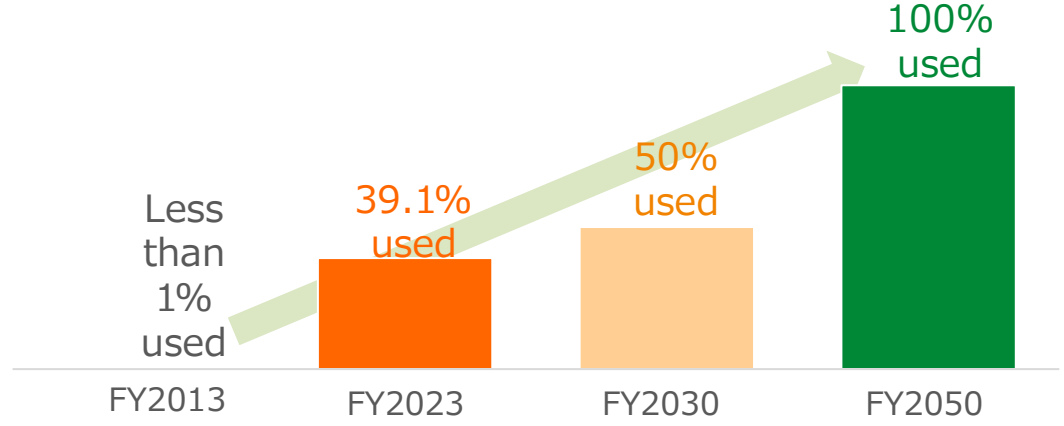


Food waste recycling rate



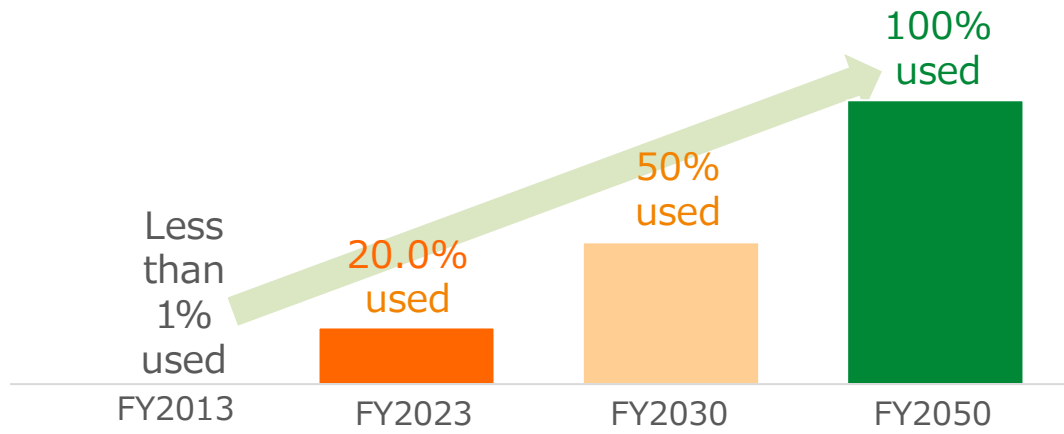
## ② Measures against plastic

Ratio of environmentally friendly materials used in containers for proprietary products



## ④ Sustainable sourcing (Domestic)

Ratio of sustainably sourced ingredients used in food ingredients for proprietary products



Further strengthen efforts to achieve the targets set out in the environmental declaration by 2050



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.