



Consolidated Financial Results for the Nine Months Ended November 30, 2024

January 9, 2025

Seven & i Holdings Co., Ltd.

(URL <https://www.7andi.com/en>)

Securities Code No. 3382

President, Representative Director and CEO: Ryuichi Isaka

The Company's shares are listed on the Prime Market of the Tokyo Stock Exchange.

Starting date of paying dividend: -

Preparation of brief summary materials for financial results: Yes

Holding of financial results presentation: Yes

- (Notes) 1. Percentages represent increase (decrease) from the corresponding period in the prior fiscal year.
2. All amounts less than one million yen have been truncated.

1. Results for the Nine Months Ended November 30, 2024

(from March 1, 2024 to November 30, 2024)

(1) Results of operations (cumulative)

(Millions of yen)

	Revenues from Operations		Operating Income		Ordinary Income	
Nine Months Ended November 30, 2024	9,069,591	5.7 %	315,401	(23.1) %	281,633	(27.5) %
Nine Months Ended November 30, 2023	8,580,207	(2.8) %	410,019	3.8 %	388,239	4.9 %
	Net Income Attributable to Owners of Parent		Net Income per Share (EPS)		Diluted Net Income per Share (Diluted EPS)	
Nine Months Ended November 30, 2024	63,630	(65.1) %	24.48	(yen)	24.48	(yen)
Nine Months Ended November 30, 2023	182,162	(22.4) %	68.74	(yen)	68.74	(yen)

(Reference) Group's total sales:

Nine Months Ended November 30, 2024: 13,958,512 million yen

Nine Months Ended November 30, 2023: 13,344,629 million yen

EBITDA:

Nine Months Ended November 30, 2024: 743,846 million yen

Nine Months Ended November 30, 2023: 796,280 million yen

EPS before amortization of goodwill:

Nine Months Ended November 30, 2024: 53.12 yen

Nine Months Ended November 30, 2023: 92.57 yen

*Group's total sales include the sales of franchisees of SEVEN-ELEVEN JAPAN CO., LTD., SEVEN-ELEVEN OKINAWA Co., Ltd., 7-Eleven, Inc., and 7-Eleven Stores Pty Ltd.

*For EBITDA and EPS before amortization of goodwill, see "4.Others (5) Formula of various management indicators."

(Notes) 1. Comprehensive income:

Nine Months Ended November 30, 2024: 99,309 million yen [(80.4) %]

Nine Months Ended November 30, 2023: 507,449 million yen [(31.8) %]

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

(2) Financial position

(Millions of yen)

	Total Assets	Net Assets	Owners' Equity Ratio	Net Assets per Share
As of November 30, 2024	10,883,860	3,830,058	33.5 %	1,405.11 (yen)
As of February 29, 2024	10,592,117	3,900,624	35.1 %	1,416.94 (yen)

(Reference) Owners' equity (net assets excluding non-controlling interests and subscription rights to shares):

As of November 30, 2024: 3,646,004 million yen As of February 29, 2024: 3,716,523 million yen

(Note) The Company conducted a 3-for-1 common share split on March 1, 2024. "Net assets per share" is calculated as if the share split had occurred at the beginning of the previous fiscal year.

2. Dividends

Record Date	Dividends per Share (yen)				
	First Quarter	Second Quarter	Third Quarter	Year-end	Annual
Year Ended February 29, 2024	-	56.50	-	56.50	113.00
Year Ending February 28, 2025	-	20.00	-		
Year Ending February 28, 2025 (forecast)				20.00	40.00

(Notes) 1. Revisions to the forecast of dividends most recently announced: None

2. The Company conducted a 3-for-1 common share split on March 1, 2024. For the fiscal year ended February 29, 2024, the actual amount of dividends per share of dividends prior to the share split are presented. For the fiscal year ending February 28, 2025, and the fiscal year ending February 28, 2025 (forecast), the figures after the share split are presented. For reference, annual dividends per share for the fiscal year ending February 28, 2025 (forecast) without considering the share split are 120.00 yen.

3. Forecast of Business Results for the Fiscal Year Ending February 28, 2025 (From March 1, 2024 to February 28, 2025)

(Millions of yen)

	Revenues from Operations	Operating Income	Ordinary Income	Net Income Attributable to Owners of Parent	Net Income per Share (EPS)
Entire Year	11,879,000 3.5%	403,000 (24.6)%	356,000 (29.8)%	163,000 (27.4)%	62.74 (yen)

(Reference) Group's total sales: 18,363,000 million yen

EBITDA: 975,800 million yen

EPS before amortization of goodwill: 100.47 yen

(Notes) 1. Revisions to the forecast of business results most recently announced: None

2. The Company acquired its own shares that were authorized under the resolution at the meeting of the Board of Directors of the Company held on November 30, 2023. The estimated impact of acquisition of own shares and cancellation of treasury stock are taken into account in regards to "EPS" and "EPS before amortization of goodwill" in the forecast for fiscal year ending February 28, 2025.

3. The Company conducted a 3-for-1 common share split on March 1, 2024.

4. Others

- (1) Significant change in the scope of consolidation during the period: Yes
Added: One company (CONVENIENCE HOLDINGS PTY LTD)
Excluded: None
- (2) Application of specific accounting for preparing the Consolidated quarterly financial statements: None
- (3) Changes in accounting policies, accounting estimates or restatements
1. Changes due to amendment of accounting standards: None
 2. Changes due to other reasons other than 1. : None
 3. Changes in accounting estimates: None
 4. Restatements: None
- (4) Number of shares outstanding (Common stock)
1. Number of shares outstanding at the end of period (Including treasury stock)
As of November 30, 2024: 2,604,555,849 shares As of February 29, 2024: 2,633,226,549 shares
 2. Number of treasury stock at the end of period
As of November 30, 2024: 9,745,226 shares As of February 29, 2024: 10,312,992 shares
 3. Average number of shares during the period (Cumulative from the beginning of the fiscal year)
As of November 30, 2024: 2,598,849,730 shares As of November 30, 2023: 2,649,868,101 shares
- (Notes) 1. The Company has introduced the BIP Trust and ESOP Trust, and its shares held by these Trusts are included in the number of treasury stock to be deducted when calculating the number of treasury stock at the end of the fiscal period and the average number of shares during the period.
2. The Company conducted a 3-for-1 common share split on March 1, 2024. "Number of shares outstanding at the end of period", "Number of treasury stock at the end of period" and "Average number of shares during the period" are calculated as if the share split had occurred at the beginning of the previous fiscal year.
- (5) Formula of various management indicators
1. EBITDA: Operating income + Depreciation and amortization + Amortization of goodwill*
* Only figures included in SG&A expenses
 2. EPS before amortization of goodwill: (Net income attributable to owners of parent + Amortization of goodwill) / Average number of shares during the period
For EPS before amortization of goodwill, tax impact related to amortization of goodwill is taken into account to make the figures more accurate.

NOTICE REGARDING REVIEW PROCEDURES FOR THE QUARTERLY FINANCIAL RESULTS

This quarterly financial results statement is exempt from the review procedures by certified public accountants or audit corporations.

FORWARD LOOKING STATEMENTS

1. The forecast of the business results is based on the Company's hypotheses, plans and estimates at the date of publication. It is possible that some uncertain factors will cause the Company's future performance to differ significantly from the contents of the forecast.
2. This translation is to be used solely as a reference. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.
3. Other materials related in the financial results are available on the Company's website.
(<https://www.7andi.com/en/ir/library>)

Attached Materials

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1. Qualitative Information on Results for the Nine Months Ended November 30, 2024

(1) Qualitative information on consolidated results

I. Overview

In the nine months ended November 30, 2024, in the Japanese economy, there were signs of recovery in consumer spending as employment and income conditions improved although some areas remain stagnant. This has led to a clear divergence in consumption patterns, with incomes of the young and the elderly increasing due to rising wages and the extension of the retirement age, but also an emerging awareness of the need to protect livelihoods, especially among those responsible for child rearing.

The North American economy remained robust overall thanks to the consumption of high-income earners, despite a persistently inflationary, elevated interest rate and deteriorating employment environment. In this context, there was a more prudent approach to consumption, in particular among middle- and low-income earners.

In this environment, the Seven & i Group aims to be “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.” To achieve this goal, the Group has been pushing ahead with the business strategies and Group strategy laid out in the updated Medium-Term Management Plan (announced on March 9, 2023).

The Group is taking a multi-faceted approach on addressing changes in the consumption environment in Japan and abroad, not only from a medium- to long-term perspective but also from a short-term perspective.

As previously announced on April 10, 2024, the Group has developed concrete action plans to maximize the Group’s corporate and shareholder value and is steadily implementing these plans.

Our consolidated results for the nine months ended November 30, 2024 are summarized below.

(Millions of yen)

	Nine months ended November 30, 2023		Nine months ended November 30, 2024	
		YOY		YOY
Revenues from operations	8,580,207	97.2%	9,069,591	105.7%
Operating income	410,019	103.8%	315,401	76.9%
Ordinary income	388,239	104.9%	281,633	72.5%
Net income attributable to owners of parent	182,162	77.6%	63,630	34.9%

Exchange rates	U.S.\$1 = ¥138.24	U.S.\$1 = ¥151.46
	1yuan = ¥19.62	1yuan = ¥20.99

Group’s total 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 ¥13,958,512 million (104.6% year on year). For the nine months ended November 30, 2024, Group’s total sales, revenues from operations and operating income increased by ¥738.2 billion, ¥610.6 billion and ¥13.5 billion, respectively, as a result of exchange rate fluctuations.

II. Overview by operating segment

(Revenues from operations by operating segment)

(Millions of yen)

	Nine months ended November 30, 2023		Nine months ended November 30, 2024	
		YOY		YOY
Domestic convenience store operations	700,065	104.2%	687,495	98.2%
Overseas convenience store operations	6,357,719	95.9%	6,968,754	109.6%
Superstore operations	1,086,301	102.0%	1,065,401	98.1%
Financial services	155,799	106.9%	159,153	102.2%
Others	326,591	91.9%	239,088	73.2%
Total	8,626,477	97.3%	9,119,893	105.7%
Adjustments (Eliminations/corporate)	(46,269)	-	(50,302)	-
Consolidated Total	8,580,207	97.2%	9,069,591	105.7%

(Operating income by operating segment)

(Millions of yen)

	Nine months ended November 30, 2023		Nine months ended November 30, 2024	
		YOY		YOY
Domestic convenience store operations	199,004	107.4%	182,922	91.9%
Overseas convenience store operations	231,287	101.6%	156,940	67.9%
Superstore operations	2,405	169.7%	2,063	85.8%
Financial services	29,020	96.9%	25,951	89.4%
Others	2,497	-	4,389	175.8%
Total	464,215	104.8%	372,267	80.2%
Adjustments (Eliminations/corporate)	(54,195)	-	(56,866)	-
Consolidated Total	410,019	103.8%	315,401	76.9%

Domestic convenience store operations

In Domestic convenience store operations, revenues from operations amounted to ¥687,495 million (98.2% year on year), and operating income amounted to ¥182,922 million (91.9% year on year).

SEVEN-ELEVEN JAPAN CO., LTD. ("SEJ") is focusing on addressing changes in customers' purchasing behavior caused by shifts in the external environment, such as ongoing population decline, aging society with declining birthrate and the increasing polarization of spending due to rising prices and other factors. Accordingly, SEJ has been striving to expand the customer base and increase the frequency of store visits, with efforts based on refining basic merchandise. To this purpose, SEJ has been promoting its initiatives including expanding merchandise assortments according to market needs, providing a new shopping experience for customers as well as delivering value that balances quality and price.

In addition, SEJ is taking steps to implement the 7NOW delivery service on a nation scale. This involves building a system for national expansion and enhancing other initiatives, such as promoting the 7NOW App to a wider audience.

Furthermore, in order to meet diverse customer needs, SEJ has launched the SIP* store, a new concept store, on February 29, 2024. At this stage, potential customer needs are identified, paving the way for the introduction of products and services aligned with these needs to other stores.

In the nine months ended November 30, 2024, SEJ's existing store sales were slightly lower than the previous year, with operating income reaching ¥182,919 million (91.6% year on year). Moreover, total store sales (the sum of sales from directly operated stores and franchisees) amounted to ¥4,069,850 million (100.5% year on year).

In the three months ended November 30, 2024, the strategy aimed at enhancing visit frequency and expanding the new customer base with the goal of “providing value that balances quality and price” was successful, resulting in both existing store sales and customer traffic exceeding those of the previous year.

* Refers to a partnership (dubbed “SIP”) between SEJ and Ito-Yokado Co., Ltd. (“IY”).

Overseas convenience store operations

In Overseas convenience store operations, revenues from operations amounted to ¥6,968,754 million (109.6% year on year), and operating income amounted to ¥156,940 million (67.9% year on year).

In North America, 7-Eleven, Inc. (“SEI”) is pursuing sustained business growth and enhanced capital efficiency in the context of a tough consumer spending environment, particularly among lower-and middle-income earners whose desire to save on food and other necessities has become even stronger. Also, there is a growing polarization of consumption due to a decline in labor incomes, which is a result of challenging employment conditions, as well as inflationary pressures and high interest rates. To this end, SEI has promoted four measures: Enhance Proprietary Products (including value offers), Accelerate Digital & Delivery, Improve Efficiencies and Cost leadership, and Grow and Enhance Store Network.

Furthermore, SEI completed on April 16, 2024, the acquisition of a part of the convenience store business and fuel retail business of U.S. company Sunoco LP.

In the nine months ended November 30, 2024, merchandise sales at existing stores in the U.S. decreased year on year in U.S. dollars, while operating income (before amortization of goodwill) amounted to ¥242,460 million (80.8% year on year). Moreover, total store sales (the sum of sales from directly operated stores and franchisees) amounted to ¥8,003,982 million (105.1% year on year).

7-Eleven International LLC (“7IN”) has plans to establish a store network of 50,000 stores in areas outside Japan and North America by the fiscal year ending December 31, 2025, and to extend our presence to 30 countries and regions including Japan and North America by the fiscal year ending December 31, 2030. Under this policy, we will promote a growth strategy that leverages both existing and new markets. As for existing market growth, we are working to transform our stores into ‘food-focused convenience stores’ that tailored into the characteristics of each market. As part of this, on April 1, 2024, 7IN completed the acquisition of the Australian company Convenience Group Holdings Pty Ltd, which holds shares in several companies, including 7-Eleven Stores Pty Ltd, a licensee that operates convenience store and fuel retail businesses under the 7-Eleven brand, and we are working to enhance the development of fresh food merchandise and expand our lineup.

Superstore operations

In Superstore operations, revenues from operations amounted to ¥1,065,401 million (98.1% year on year), and operating income amounted to ¥2,063 million (85.8% year on year).

IY is executing fundamental reforms to improve profitability in line with its plan on the whole. IY has been making efforts to improve merchandise quality and to enhance store operating efficiency. These efforts included the launch of *YORK DELI*, a new delicatessen brand, by utilizing strategic investment infrastructure such as process centers and central kitchens, including Peace Deli Chiba Kitchen, which started operations on February 27, 2024.

In addition, IY launched *FOUND GOOD*, a new brand of apparel planned, developed and manufactured by Adastria Co., Ltd. to expand our customer base.

In the nine months ended November 30, 2024, IY’s sales fell below year on year and the operating loss amounted to ¥4,176 million (in comparison to an operating loss of ¥7,031 million in the same period of the previous year).

For York-Benimaru Co., Ltd. (“YB”), we are furthering initiatives to revitalize existing stores and to enhance development and sales of delicatessen merchandise in order to realize its concept of “making the daily meals of customers in local areas more enjoyable, plentiful, and convenient.”

In the nine months ended November 30, 2024, YB’s existing store sales increased year on year, as it benefited from the success of price adjustments in response to soaring raw material prices and sales promotion initiatives, and operating income amounted to ¥12,133 million (95.4% year on year).

Financial services

In Financial services, revenues from operations amounted to ¥159,153 million (102.2% year on year), and operating income amounted to ¥25,951 million (89.4% year on year).

As of November 30, 2024, the number of domestic ATMs operated by Seven Bank, Ltd. ("7BK"), stood at 27,765, up 395 from the previous fiscal year-end. The average number of transactions per day per ATM amounted to 107.7 (up 3.2 year on year), owing to improvement in the number of transactions at deposit-taking institutions and an increase in non-banking transactions such as consumer finance in line with increased demand for funds, as well as a sustained high level of cash charge transactions as consumers opted for various cashless payments. As a result, total transactions of 7BK's ATMs during the nine months ended November 30, 2024 increased year on year. 7BK had cash and deposits (including cash for ATM loading) of ¥943.2 billion.

Others

In Others, revenues from operations amounted to ¥239,088 million (73.2% year on year), and operating income amounted to ¥4,389 million (175.8% year on year).

Revenue decreased partly due to the impact of factors such as the transfer of operating companies as a result of business portfolio optimization, while profit increased due to strong business performance with a recovery in customer traffic at operating companies such as THE LOFT CO., LTD.

Adjustments (eliminations/corporate)

The operating loss from adjustments totaled ¥56,866 million (operating loss of ¥54,195 million for the same period of the previous fiscal year).

This operating loss mainly reflected expenses related to the construction of the Group's shared infrastructure system for purposes such as enhancing operating efficiency and bolstering security. Moreover, we will continue to work on measures to realize the Ideal Group Image for 2030, including the development of the 7iD membership platform to expand customer interfaces, and the evolution of the Last Mile DX Platform supporting the 7NOW delivery service to provide new experiences and value.

(2) Qualitative information on consolidated financial position

I. Assets, liabilities and net assets

(Consolidated financial position)

(Millions of yen)

	February 29, 2024	November 30, 2024	Change
Total assets	10,592,117	10,883,860	291,742
Total liabilities	6,691,492	7,053,801	362,308
Net assets	3,900,624	3,830,058	(70,566)

Exchange rates	U.S.\$1 = ¥141.83	U.S.\$1 = ¥142.73
	1yuan = ¥19.93	1yuan = ¥20.46

Total assets amounted to ¥10,883,860 million, up ¥291,742 million from the previous fiscal year-end, mainly due to the acquisition of Convenience Group Holdings Pty Ltd* ("SEA") in the overseas convenience store operations. Current assets decreased ¥72,931 million from the previous fiscal year-end, mainly due to a decrease of cash and bank deposits. Non-current assets increased ¥365,021 million from the previous fiscal year-end, mainly due to an increase in property and equipment and intangible assets in accordance with the acquisition of SEA.

Total liabilities increased ¥362,308 million from the previous fiscal year-end to ¥7,053,801 million, mainly due to the acquisition of SEA in the overseas convenience store operations.

Net assets decreased ¥70,566 million from the previous fiscal year-end to ¥3,830,058 million, mainly due to shareholder returns.

* Convenience Group Holdings Pty Ltd is a holding company of 7-Eleven Stores Pty Ltd, which operates the convenience store and fuel retail business under the "7-Eleven" brand as a licensee of the Company in Australia.

II. Cash flows

(Consolidated cash flows)

(Millions of yen)

	Nine months ended November 30, 2023	Nine months ended November 30, 2024	Change
Cash flows from operating activities	486,114	786,773	300,658
Cash flows from investing activities	(293,796)	(723,679)	(429,882)
Cash flows from financing activities	(163,920)	(196,168)	(32,248)
Cash and cash equivalents at end of the period	1,741,857	1,445,255	(296,601)

Net cash provided by operating activities amounted to ¥786,773 million. This was mainly due to income before income taxes of ¥115,175 million.

Net cash used in investing activities amounted to ¥723,679 million, mainly due to payment for purchase of shares in subsidiaries resulting in change in scope of consolidation following acquisition of SEA in the overseas convenience store operations.

Net cash used in financing activities amounted to ¥196,168 million, mainly due to payment for dividend and purchase of treasury stocks.

As a result of the above, cash and cash equivalents for the nine months ended November 30, 2024 amounted to ¥1,445,255 million.

(3) Qualitative information on forecasts

The forecasts for the fiscal year ending February 28, 2025 remain unchanged from those announced on October 10, 2024.

2. Related to Summary Information (Others)

(1) Significant change in the scope of consolidation during the period:

In the nine months ended November 30, 2024, the acquisition of the shares of Convenience Group Holdings Pty Ltd, a holding company of 7-Eleven Stores Pty Ltd, which operates the convenience store and fuel retail business under the “7-Eleven” brand as a licensee of the Company in Australia, by the Company’s consolidated subsidiary 7-Eleven International LLC (“7IN”) from Australian Company R.G. Withers Nominees Pty Ltd as trustee for R.G. Withers Unit Trust, was completed through the 7IN’s wholly-owned subsidiary, AR BidCo Pty Ltd. Due to the acquisition, the Company has included CONVENIENCE HOLDINGS PTY LTD, specified subsidiary, in the scope of consolidation.

(2) Application of specific accounting for preparing the quarterly consolidated financial statements: None

(3) Changes in accounting policies, accounting estimates or restatements: None

(4) Supplementary information: None

3. Consolidated Quarterly Financial Statements

(1) Consolidated quarterly balance sheets

(Millions of yen)

	February 29, 2024	November 30, 2024
	Amount	Amount
ASSETS		
Current assets	3,035,666	2,962,735
Cash and bank deposits	1,558,738	1,446,266
Notes and accounts receivable - trade, and contract assets	464,159	454,949
Trade accounts receivable - financial services	100,645	108,977
Merchandise and finished goods	283,349	296,033
Work in process	79	50
Raw materials and supplies	2,444	3,727
Prepaid expenses	90,576	94,965
ATM-related temporary payments	99,351	163,830
Other	447,812	406,922
Allowance for doubtful accounts	(11,491)	(12,987)
Non-current assets	7,555,469	7,920,490
Property and equipment	4,362,500	4,546,335
Buildings and structures, net	1,606,839	1,612,984
Furniture, fixtures and equipment, net	493,756	507,449
Land	1,096,630	1,112,414
Lease assets, net	2,970	1,916
Right-of-use assets, net	985,657	1,107,107
Construction in progress	154,862	181,526
Other, net	21,783	22,934
Intangible assets	2,356,578	2,507,196
Goodwill	1,928,916	2,076,996
Software	302,767	289,722
Other	124,895	140,478
Investments and other assets	836,390	866,958
Investments in securities	277,526	308,400
Long-term loans receivable	14,488	14,494
Long-term leasehold deposits	278,642	268,407
Net defined benefit asset	116,852	120,610
Deferred tax assets	92,015	96,560
Other	59,297	60,293
Allowance for doubtful accounts	(2,432)	(1,808)
Deferred assets	981	634
Business commencement expenses	193	–
Bond issuance cost	788	634
TOTAL ASSETS	10,592,117	10,883,860

(Millions of yen)

	February 29, 2024	November 30, 2024
	Amount	Amount
LIABILITIES		
Current liabilities	3,073,252	3,366,647
Notes and accounts payable, trade	528,155	562,043
Short-term loans	84,882	317,024
Current portion of bonds	334,039	45,000
Current portion of long-term loans	138,530	251,434
Income taxes payable	18,389	19,808
Accrued expenses	264,862	309,647
Contract liabilities	188,890	179,138
Deposits received	140,845	203,954
ATM-related temporary advances	60,880	89,250
Lease obligations	132,392	155,281
Allowance for Loss on transfer of subsidiary	–	18,964
Allowance for restructuring expenses	15,989	4,351
Allowance for loss on litigation	–	1,427
Allowance for sales promotion expenses	773	1,298
Allowance for bonuses to employees	13,870	4,209
Allowance for bonuses to Directors and Audit & Supervisory Board Members	496	279
Deposits received in banking business	803,763	825,048
Call money	40,000	115,000
Other	306,490	263,485
Non-current liabilities	3,618,240	3,687,153
Bonds	1,356,585	1,332,576
Long-term loans	824,616	791,614
Deferred tax liabilities	220,658	207,229
Allowance for retirement benefits to Directors and Audit & Supervisory Board Members	459	417
Allowance for stock payments	4,707	4,529
Net defined benefit liability	16,323	14,294
Deposits received from tenants and franchised stores	45,025	44,730
Lease obligations	931,759	1,056,495
Asset retirement obligations	163,328	180,256
Other	54,776	55,009
TOTAL LIABILITIES	6,691,492	7,053,801
NET ASSETS		
Shareholders' equity	3,036,059	2,938,774
Common stock	50,000	50,000
Capital surplus	351,851	293,176
Retained earnings	2,650,575	2,612,735
Treasury stock, at cost	(16,368)	(17,137)
Total accumulated other comprehensive income	680,464	707,229
Unrealized gains (losses) on available-for-sale securities, net of taxes	46,116	52,154
Unrealized gains (losses) on hedging derivatives, net of taxes	4,823	4,625
Foreign currency translation adjustments	608,057	629,741
Remeasurements of defined benefit plans	21,466	20,707
Subscription rights to shares	60	75
Non-controlling interests	184,041	183,978
TOTAL NET ASSETS	3,900,624	3,830,058
TOTAL LIABILITIES AND NET ASSETS	10,592,117	10,883,860

(2) Consolidated quarterly statements of income and consolidated quarterly statements of comprehensive income

Consolidated quarterly statements of income

(Millions of yen)

	Nine Months Ended November 30, 2023	Nine Months Ended November 30, 2024
	Amount	Amount
Revenues from operations	8,580,207	9,069,591
Net sales	7,348,772	7,838,965
Cost of sales	6,018,149	6,454,108
Gross profit on sales	1,330,623	1,384,856
Operating revenues	1,231,435	1,230,626
Gross profit from operations	2,562,058	2,615,482
Selling, general and administrative expenses	2,152,039	2,300,081
Operating income	410,019	315,401
Non-operating income	15,768	20,080
Interest income	7,997	7,952
Equity in earnings of affiliates	3,067	483
Gain on valuation of investment securities	198	7,138
Other	4,504	4,506
Non-operating expenses	37,548	53,848
Interest expenses	16,201	31,310
Interest on bonds	15,269	15,482
Other	6,077	7,055
Ordinary income	388,239	281,633
Special gains	11,253	12,536
Gain on sales of property and equipment	6,931	1,959
Gain on sales of investments in securities	2,853	8,190
Other	1,468	2,386
Special losses	177,586	178,994
Loss on disposals of property and equipment	10,198	14,433
Impairment loss	17,993	80,077
Loss on business of subsidiaries and associates	–	45,892
Restructuring expenses	1,468	16,621
Loss on transfer of subsidiary	4,866	4,782
Loss on transfer of department store	132,241	–
Other	10,817	17,187
Income before income taxes	221,905	115,175
Total Income taxes	30,370	43,416
Income taxes - current	43,491	53,022
Income taxes - deferred	(13,120)	(9,606)
Net income	191,535	71,758
Net income attributable to non-controlling interests	9,373	8,128
Net income attributable to owners of parent	182,162	63,630

Consolidated quarterly statements of comprehensive income

(Millions of yen)

	Nine Months Ended November 30, 2023	Nine Months Ended November 30, 2024
	Amount	Amount
Net income	191,535	71,758
Other comprehensive income		
Unrealized gains (losses) on available-for-sale securities, net of taxes	8,461	6,006
Unrealized gains (losses) on hedging derivatives, net of taxes	344	287
Foreign currency translation adjustments	308,815	22,038
Remeasurements of defined benefit plans, net of taxes	(1,602)	(804)
Share of other comprehensive income (loss) of entities accounted for using equity method, net of taxes	(103)	21
Total other comprehensive income (loss)	315,913	27,550
Comprehensive income (loss)	507,449	99,309
Comprehensive income (loss) attributable to owners of parent	495,450	90,395
Comprehensive income (loss) attributable to non-controlling interests	11,998	8,913

(3) Consolidated quarterly statements of cash flows

(Millions of yen)

	Nine Months Ended November 30, 2023	Nine Months Ended November 30, 2024
	Amount	Amount
Cash flows from operating activities		
Income before income taxes	221,905	115,175
Depreciation and amortization	297,868	325,682
Impairment loss	18,518	120,164
Amortization of goodwill	88,392	103,033
Interest income	(7,997)	(7,952)
Interest expenses and interest on bonds	31,470	46,793
Equity in losses (earnings) of affiliates	(3,067)	(483)
Gain on sales of property and equipment	(6,931)	(1,959)
Loss on disposals of property and equipment	10,198	15,392
Loss on transfer of subsidiary	4,866	4,782
Loss on transfer of department store	132,241	–
Loss (gain) on sales of investments in securities	(2,853)	(8,123)
Decrease (increase) in notes and accounts receivable, trade	(86,141)	18,627
Decrease (increase) in trade accounts receivable, financial services	(6,612)	(8,331)
Decrease (increase) in inventories	(33,363)	726
Increase (decrease) in notes and accounts payable, trade	55,231	(6,409)
Increase (decrease) in deposits received	(28,613)	63,594
Net increase (decrease) in bonds in banking business	(20,000)	–
Net increase (decrease) in deposits received in banking business	(17,857)	21,284
Net decrease (increase) in call loan in banking business	23,000	–
Net increase (decrease) in call money in banking business	(50,000)	75,000
Net decrease (increase) in ATM-related temporary accounts	2,419	(35,826)
Other	(49,450)	1,560
Subtotal	573,222	842,730
Interest and dividends received	8,380	8,765
Interest paid	(35,310)	(45,462)
Insurance income received	1,071	1,514
Income taxes paid	(80,124)	(39,605)
Income taxes refund	18,874	18,829
Net cash provided by operating activities	486,114	786,773

(Millions of yen)

	Nine Months Ended November 30, 2023	Nine Months Ended November 30, 2024
	Amount	Amount
Cash flows from investing activities		
Acquisition of property and equipment	(231,574)	(335,465)
Proceeds from sales of property and equipment	17,620	6,213
Acquisition of intangible assets	(90,422)	(81,710)
Payment for purchase of investments in securities	(36,999)	(40,466)
Proceeds from sales of investments in securities	26,421	26,702
Payment for purchase of shares in subsidiaries resulting in change in scope of consolidation	(776)	(166,404)
Proceeds from sales of shares in subsidiaries resulting in change in scope of consolidation	36,036	2,603
Payment for sales of shares in subsidiaries resulting in change in scope of consolidation	(2,687)	(22,573)
Payment for long-term leasehold deposits	(11,037)	(6,750)
Refund of long-term leasehold deposits	13,802	19,969
Proceeds from deposits from tenants	1,625	2,800
Refund of deposits from tenants	(1,411)	(2,521)
Payment for acquisition of business	–	(108,941)
Payment for time deposits	(6,738)	(7,089)
Proceeds from withdrawal of time deposits	3,324	4,483
Other	(10,979)	(14,528)
Net cash used in investing activities	(293,796)	(723,679)
Cash flows from financing activities		
Net increase (decrease) in short-term loans	11,134	246,280
Proceeds from long-term debts	45,700	197,330
Repayment of long-term debts	(122,888)	(119,656)
Proceeds from issuance of bonds	220,000	–
Payment for redemption of bonds	(192,800)	(340,785)
Proceeds from share issuance to non-controlling shareholders	2,368	619
Purchase of treasury stock	(11)	(59,642)
Dividends paid	(105,900)	(101,198)
Dividends paid to non-controlling interests	(4,051)	(4,162)
Payment for changes in ownership interests in subsidiaries that do not result in change in scope of consolidation	(1,396)	(367)
Other	(16,073)	(14,587)
Net cash used in financing activities	(163,920)	(196,168)
Effect of exchange rate changes on cash and cash equivalents	38,672	15,836
Net increase (decrease) in cash and cash equivalents	67,070	(117,237)
Cash and cash equivalents at beginning of period	1,674,787	1,562,493
Cash and cash equivalents at end of period	1,741,857	1,445,255

(4) Doubts on the premise of going concern

None

(5) Change in scope of consolidation or equity method application

(Significant change in the scope of consolidation)

In the nine months ended November, 2024, 7-Eleven International LLC (“7IN”), the Company’s wholly-owned subsidiary, acquired all shares of Convenience Group Holdings Pty Ltd (“SEA”), a holding company of 7-Eleven Stores Pty Ltd which operates the convenience store and fuel retail business under the “7-Eleven” brand as a licensee of the Company in Australia, via AR BidCo Pty Ltd, 7IN’s wholly-owned subsidiary, from Australian Company R.G. Withers Nominees Pty Ltd as the trustee for R.G. Withers Unit Trust. Due to the acquisition, the Company has included CONVENIENCE HOLDINGS PTY LTD, specified subsidiary, and other 20 companies in the scope of consolidation.

(6) Notes to consolidated quarterly statements of income

I . Impairment loss

In the Group, the book values of stores which incurred consecutive operating losses were reduced 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 based on current strategic long-term plans. As a result, 56,797 million yen related with 444 stores is recorded as “impairment loss” in the nine months ended November 30, 2024.

II . Loss on business of subsidiaries and associates is caused by withdrawal of online supermarket business and the breakdown is as follows:

(Millions of yen)

	Nine months ended November 30, 2023	Nine months ended November 30, 2024
Impairment loss	-	26,486
Early termination fee	-	14,555
Others	-	4,851
Total	-	45,892

III . A breakdown of restructuring expenses is as follows:

(Millions of yen)

	Nine months ended November 30, 2023	Nine months ended November 30, 2024
Impairment loss	524	13,600
Loss on disposals of property and equipment	-	958
Early retirement benefit	56	676
Others	887	1,385
Total	1,468	16,621

(7) Notes to consolidated quarterly statements of cash flows

I . Reconciliation of Cash and cash equivalents as of November 30, 2023 and 2024 between the amounts shown in the consolidated balance sheets and the consolidated statements of cash flows is as follows.

(Millions of yen)

	Nine months ended November 30, 2023	Nine months ended November 30, 2024
Cash and bank deposits	1,739,434	1,446,266
Restricted cash	21,802	19,086
Time deposits with maturities and certificate deposits in excess of three months	(19,378)	(20,098)
Cash and cash equivalents	1,741,857	1,445,255

II . “Payment for sales of shares in subsidiaries resulting in change in scope of consolidation” in the nine months ended November 30, 2024 contains the payment of 22,068 million yen as accrued amount of price adjustment for Sogo & Seibu Co., Ltd., which has been excluded from the scope of consolidation as a result of the sale of shares in the fiscal year ended February 29, 2024.

(8) Segment information

I . Nine months ended November 30, 2023 (From March 1, 2023 to November 30, 2023)

(i) Information on revenues from operations and income (loss) by reportable segment

(Millions of yen)

	Reportable segments				Others (Note 1)	Total	Adjustments (Note 2)	Consolidated total (Note 3)
	Domestic convenience store operations	Overseas convenience store operations	Superstore operations	Financial services				
Revenues from operations								
1. Customers	698,425	6,355,653	1,083,171	133,289	309,250	8,579,790	417	8,580,207
2. Intersegment	1,639	2,065	3,130	22,510	17,340	46,686	(46,686)	-
Total	700,065	6,357,719	1,086,301	155,799	326,591	8,626,477	(46,269)	8,580,207
Segment income (loss)	199,004	231,287	2,405	29,020	2,497	464,215	(54,195)	410,019

Notes:

- Others represent the businesses which are not included in any of the reportable segments and consist of the department store operations, specialty store operations and real estate operations, etc.
- The adjustments on segment income (loss) of (54,195) million yen are eliminations of intersegment transactions and certain expense items that are not allocated to operating segments.
- Segment income (loss) is reconciled with the operating income in the consolidated quarterly statements of income.

(ii) Impairment of fixed assets and goodwill by reportable segment

No significant items to be reported.

II. Nine months ended November 30, 2024 (From March 1, 2024 to November 30, 2024)

(i) Information on revenues from operations and income (loss) by reportable segment

(Millions of yen)

	Reportable segments				Others (Note 1)	Total	Adjustments (Note 2)	Consolidated total (Note 3)
	Domestic convenience store operations	Overseas convenience store operations	Superstore operations	Financial services				
Revenues from operations								
1. Customers	685,968	6,966,759	1,062,738	139,236	214,451	9,069,153	437	9,069,591
2. Intersegment	1,526	1,994	2,663	19,916	24,637	50,740	(50,740)	-
Total	687,495	6,968,754	1,065,401	159,153	239,088	9,119,893	(50,302)	9,069,591
Segment income (loss)	182,922	156,940	2,063	25,951	4,389	372,267	(56,866)	315,401

Notes:

- Others represent the businesses which are not included in any of the reportable segments and consist of specialty store operations and real estate operations, etc.
- The adjustments on segment income (loss) of (56,866) million yen are eliminations of intersegment transactions and certain expense items that are not allocated to operating segments.
- Segment income (loss) is reconciled with the operating income in the consolidated quarterly statements of income.

(ii) Impairment of fixed assets and goodwill by reportable segment

(Significant changes in the amount of goodwill)

In the nine months ended November 30, 2024, the acquisition of the shares of Convenience Group Holdings Pty Ltd was completed through the 7-Eleven International LLC's wholly-owned subsidiary, AR BidCo Pty Ltd. Due to the acquisition, the Company has included CONVENIENCE HOLDINGS PTY LTD and other 20 companies in the scope of consolidation. As a result, the amount of goodwill in Overseas convenience store operations has been increased by 132,045 million yen. The amount above is provisional since the purchase price allocation has not been finalized.

(Reference)

Revenues from operations and operating income by geographic area segments are as described below.

Nine months ended November 30, 2023 (From March 1, 2023 to November 30, 2023)

(Millions of yen)

	Japan	North America	Others	Total before eliminations	Eliminations	Consolidated total
Revenues from operations						
1. Customers	2,182,514	6,339,967	57,725	8,580,207	–	8,580,207
2. Intersegment	14,412	509	104	15,027	(15,027)	–
Total revenues	2,196,927	6,340,477	57,829	8,595,235	(15,027)	8,580,207
Operating income (loss)	193,807	227,972	1,372	423,152	(13,132)	410,019

Notes:

1. The classification of geographic area segments is determined according to geographical distances.
2. "Others" consist of the results in the China, etc.

Nine months ended November 30, 2024 (From March 1, 2024 to November 30, 2024)

(Millions of yen)

	Japan	North America	Others	Total before eliminations	Eliminations	Consolidated total
Revenues from operations						
1. Customers	2,058,608	6,662,451	348,530	9,069,591	–	9,069,591
2. Intersegment	15,987	1,285	70	17,343	(17,343)	–
Total revenues	2,074,595	6,663,737	348,600	9,086,934	(17,343)	9,069,591
Operating income (loss)	174,582	159,084	(3,611)	330,056	(14,654)	315,401

Notes:

1. The classification of geographic area segments is determined according to geographical distances.
2. "Others" consist of the results in Australia and the China, etc.

(9) Notes on significant changes in the amount of shareholders' equity

None

(10) Subsequent event

U.S. consolidated subsidiary 7-Eleven, Inc. entered into an agreement for sale-leaseback in September 2024, and the agreement will be completed in the fourth quarter of the fiscal year ending February 28, 2025. As a result, 581 million U.S. dollars is expected to be recorded as gain on sales of property and equipment.