

# Consolidated Financial Results for the Six Months Ended August 31, 2026

October 8, 2026

## Seven & i Holdings Co., Ltd.

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

Securities Code No. 3382

Representative Director, President & CEO: Stephen Hayes Dacus

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

Submission date of the semi-annual securities report scheduled: October 14, 2026

Starting date of paying dividend: November 13, 2026

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. Amounts shown in the reports are rounded down to the nearest million yen.

## 1. Results for the Six Months Ended August 31, 2026 (from March 1, 2026 to August 31, 2026)

### (1) Results of operations (cumulative)

(Millions of yen)

|                                  | Revenues from Operations |         | Operating Income |        | Ordinary Income |        | Net Income Attributable to Owners of Parent |         |
|----------------------------------|--------------------------|---------|------------------|--------|-----------------|--------|---------------------------------------------|---------|
| Six Months Ended August 31, 2026 | 5,460,274                | (2.8) % | 232,280          | 11.5 % | 221,923         | 19.0 % | 124,444                                     | 2.2 %   |
| Six Months Ended August 31, 2025 | 5,616,637                | (6.9) % | 208,388          | 11.4 % | 186,436         | 11.5 % | 121,802                                     | 133.1 % |

- (Note) Comprehensive income:  
Six Months Ended August 31, 2026: 244,769 million yen [-%]  
Six Months Ended August 31, 2025: (123,772) million yen [-%]

|                                  | Net Income per Share (EPS) | Diluted Net Income per Share (Diluted EPS) |
|----------------------------------|----------------------------|--------------------------------------------|
| Six Months Ended August 31, 2026 | 54.26 (yen)                | 54.25 (yen)                                |
| Six Months Ended August 31, 2025 | 47.83 (yen)                | 47.83 (yen)                                |

- (Reference) Convenience store group merchandise sales:  
Six Months Ended August 31, 2026: 5,045,915 million yen  
Six Months Ended August 31, 2025: 4,846,624 million yen  
EBITDA:  
Six Months Ended August 31, 2026: 490,608 million yen  
Six Months Ended August 31, 2025: 485,449 million yen  
EPS before amortization of goodwill:  
Six Months Ended August 31, 2026: 78.31 yen  
Six Months Ended August 31, 2025: 68.76 yen

\*"Convenience store group merchandise sales" are merchandise sales from corporate and franchised stores across consolidated convenience store subsidiaries.

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

**(2) Financial position**

(Millions of yen)

|                          | Total Assets | Net Assets | Owners' Equity Ratio | Net Assets per Share |
|--------------------------|--------------|------------|----------------------|----------------------|
| <b>August 31, 2026</b>   | 9,468,412    | 3,735,086  | 39.1 %               | 1,634.86 (yen)       |
| <b>February 28, 2026</b> | 9,142,957    | 3,648,195  | 39.6 %               | 1,566.06 (yen)       |

(Reference) Owners' equity (net assets excluding non-controlling interests and share award rights):

As of August 31, 2026: 3,706,370 million yen As of February 28, 2026: 3,620,226 million yen

**2. Dividends**

|                                                 | Dividends per Share (yen) |                |               |          |        |
|-------------------------------------------------|---------------------------|----------------|---------------|----------|--------|
| Record Date                                     | First Quarter             | Second Quarter | Third Quarter | Year-end | Annual |
| <b>Year Ended February 28, 2026</b>             | -                         | 25.00          | -             | 25.00    | 50.00  |
| <b>Year Ending February 28, 2027</b>            | -                         | 30.00          |               |          |        |
| <b>Year Ending February 28, 2027 (forecast)</b> |                           |                | -             | 30.00    | 60.00  |

(Note) Revisions to the forecast of dividends most recently announced: None

**3. Forecast of Business Results for the Fiscal Year Ending February 28, 2027  
(From March 1, 2026 to February 28, 2027)**

(Millions of yen)

|                    | Revenues from Operations |       | Operating Income |       | Ordinary Income |       | Net Income Attributable to Owners of Parent |         | Net Income per Share (EPS) |
|--------------------|--------------------------|-------|------------------|-------|-----------------|-------|---------------------------------------------|---------|----------------------------|
| <b>Entire Year</b> | 10,430,000               | 0.0 % | 425,000          | 0.5 % | 390,000         | 3.3 % | 278,000                                     | (5.0) % | 121.90 (yen)               |

(Reference) Convenience store group merchandise sales: 10,210,000 million yen

EBITDA: 928,000 million yen

EPS before amortization of goodwill: 169.81 yen

(Note) Revision to the forecast of business results most recently announced: None

#### 4. Others

- (1) Significant change in the scope of consolidation during the period: None  
Added: None  
Excluded: None
- (2) Application of specific accounting for preparing the semi-annual consolidated 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 August 31, 2026: 2,320,258,349 shares      As of February 28, 2026: 2,604,555,849 shares
  2. Number of treasury stock at the end of period  
As of August 31, 2026: 53,174,608 shares      As of February 28, 2026: 292,876,123 shares
  3. Average number of shares during the period (Cumulative from the beginning of the fiscal year)  
As of August 31, 2026: 2,293,673,972 shares      As of August 31, 2025: 2,546,400,647 shares
- (Note) 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.
- (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  
Tax effects associated with amortization of goodwill have been taken into account.

#### NOTICE REGARDING REVIEW PROCEDURES FOR THE SEMI-ANNUAL FINANCIAL RESULTS

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

#### EXPLANATION OF THE PROPER USE OF FINANCIAL RESULTS FORECASTS AND OTHER SPECIAL NOTES

This document contains forward-looking statements regarding Seven & i Holdings Co., Ltd. and its consolidated subsidiaries (the "Company"). Forward-looking statements include, without limitation, statements regarding the Company's business plans, financial and operating targets, forecasts, projections, and strategies, and other statements that are not statements of historical fact. Words such as "anticipate," "believe," "estimate," "expect," "forecast," "intend," "may," "plan," "project," "should," "target," and "will," and similar expressions, are intended to identify forward-looking statements, although not all forward-looking statements contain these words. These forward-looking statements are based on the Company's current expectations, assumptions, estimates, and projections in light of information available to the Company as of the date of this document, and are not guarantees of future performance and are subject to known and unknown risks and uncertainties. Actual results may differ materially from those expressed or implied by such statements as a result of a number of factors, including but not limited to:

- changes in economic conditions and consumer spending patterns in Japan, the United States, and other markets in which the Company operates;
- fluctuations in foreign currency exchange rates and interest rates;
- changes in competitive conditions in the retail and other industries in which the Company operates;

- the Company's ability to execute its business transformation and other strategic initiatives, including store network optimization and value chain optimization, within the anticipated timeframe or at all;
- fluctuations in the cost of raw materials, merchandise, logistics, and labor;
- disruptions to the Company's supply chain, store operations, or information systems, including as a result of natural disasters, public health emergencies, cyber incidents, or geopolitical events;
- changes in laws, regulations, tax rules, or accounting standards applicable to the Company in Japan and overseas; and
- other factors described in the Company's periodic disclosure documents filed with Japan's Financial Services Agency (via EDINET) and the Tokyo Stock Exchange, and in other materials available on the Company's website (<https://www.7andi.com/en/ir/>).

The forward-looking statements contained in this document are made only as of the date of this document, and the Company undertakes no obligation to update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise, except as required by applicable law or stock exchange rule.

Readers are cautioned not to place undue reliance on these forward-looking statements.

## Attached Materials

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# 1. Overview of Operating Results and Financial Position

## (1) Overview of consolidated operating results for the six months ended August 31, 2026

### I. Overview

In the first half (six months ended August 31, 2026), the Japanese economy experienced a gradual recovery. While personal consumption showed signs of picking up, consumer sentiment remained sluggish.

The North American economy remained solid. While personal consumption remained generally resilient, a tendency toward restraint was observed, particularly among low-income earners, due to factors such as growing concerns over rising prices associated with geopolitical risks that may persist and evolve.

In this environment, the Company has been advancing the initiatives for global growth through the transformation of the convenience store business, outlined in the “Transformation of 7-Eleven” announced on August 6, 2025, striving to generate further outcomes. Concurrently, the Company will elevate the customer experience to the next level to achieve sustainable growth.

As a result, consolidated financial results for the six months ended August 31, 2026, were as follows:

(Millions of yen)

|                                             | Six months ended<br>August 31, 2025 |        | Six months ended<br>August 31, 2026 |        |
|---------------------------------------------|-------------------------------------|--------|-------------------------------------|--------|
|                                             |                                     | YoY    |                                     | YoY    |
| Revenues from operations                    | 5,616,637                           | 93.1%  | 5,460,274                           | 97.2%  |
| Operating income                            | 208,388                             | 111.4% | 232,280                             | 111.5% |
| Ordinary income                             | 186,436                             | 111.5% | 221,923                             | 119.0% |
| Net income attributable to owners of parent | 121,802                             | 233.1% | 124,444                             | 102.2% |

|                |                   |                   |
|----------------|-------------------|-------------------|
| Exchange rates | U.S.\$1 = ¥148.40 | U.S.\$1 = ¥158.29 |
|                | 1yuan = ¥20.44    | 1yuan = ¥23.07    |

Convenience store group merchandise sales, consisting of merchandise sales from corporate and franchised stores across consolidated convenience store subsidiaries, amounted to ¥5,045,915 million (104.1% YoY). The impact of foreign exchange fluctuations in the first half was to increase revenues from operations by ¥311.0 billion and operating income by ¥9.4 billion.

(Reference: Consolidated results on an adjusted basis)

(Millions of yen)

|                                             | Six months ended<br>August 31, 2025 |                             | Six months ended<br>August 31, 2026 |                             |
|---------------------------------------------|-------------------------------------|-----------------------------|-------------------------------------|-----------------------------|
|                                             |                                     | YoY on an<br>adjusted basis |                                     | YoY on an<br>adjusted basis |
| Revenues from operations                    | 4,696,750                           | —                           | 5,460,274                           | 116.3%                      |
| Operating income                            | 170,060                             | —                           | 232,280                             | 136.6%                      |
| Ordinary income                             | 161,271                             | —                           | 221,923                             | 137.6%                      |
| Net income attributable to owners of parent | 105,664                             | —                           | 124,444                             | 117.8%                      |

\*YoY on an adjusted basis: This represents a comparison with adjusted figures for the six months ended August 31, 2025 (Adjusted basis), to reflect performance primarily in the convenience store business. These figures were adjusted for the impacts of deconsolidating the subsidiaries of YORK Holdings Co., Ltd. (“York Holdings”), Seven Bank, Ltd. (“Seven Bank”), and its subsidiaries.

Major adjustments to the results for the six months ended August 31, 2025: Deducted the results of deconsolidated entities, including the subsidiaries of YORK Holdings, Seven Bank, and its subsidiaries; added their equity method income/loss, calculated by multiplying their post-deconsolidation ownership interest by the deducted results; and also deducted the special gain/loss associated with the deconsolidation.

## II. Overview by operating segment

The Company changed its classification of reportable segments effective from the first half of the fiscal year ending February 28, 2027. Figures for the six months ended August 31, 2025 in the table below have been reclassified to reflect the new classification.

(Revenues from operations by operating segment) (Millions of yen)

|                                         | Six months ended<br>August 31, 2025 |              | Six months ended<br>August 31, 2026 |              |
|-----------------------------------------|-------------------------------------|--------------|-------------------------------------|--------------|
|                                         |                                     | YoY          |                                     | YoY          |
| Domestic convenience store operations   | 462,575                             | —            | 467,322                             | 101.0%       |
| Overseas convenience store operations   | 4,221,130                           | —            | 4,966,613                           | 117.7%       |
| Others                                  | 945,510                             | —            | 32,383                              | 3.4%         |
| Total                                   | 5,629,216                           | —            | 5,466,319                           | 97.1%        |
| Adjustments<br>(eliminations/corporate) | (12,579)                            | —            | (6,045)                             | —            |
| <b>Consolidated Total</b>               | <b>5,616,637</b>                    | <b>93.1%</b> | <b>5,460,274</b>                    | <b>97.2%</b> |

(Operating income by operating segment) (Millions of yen)

|                                         | Six months ended<br>August 31, 2025 |               | Six months ended<br>August 31, 2026 |               |
|-----------------------------------------|-------------------------------------|---------------|-------------------------------------|---------------|
|                                         |                                     | YoY           |                                     | YoY           |
| Domestic convenience store operations   | 121,793                             | —             | 109,899                             | 90.2%         |
| Overseas convenience store operations   | 80,131                              | —             | 150,422                             | 187.7%        |
| Others                                  | 41,415                              | —             | 2,749                               | 6.6%          |
| Total                                   | 243,340                             | —             | 263,072                             | 108.1%        |
| Adjustments<br>(eliminations/corporate) | (34,952)                            | —             | (30,792)                            | —             |
| <b>Consolidated Total</b>               | <b>208,388</b>                      | <b>111.4%</b> | <b>232,280</b>                      | <b>111.5%</b> |

### **Domestic convenience store operations**

In the Domestic convenience store operations segment, revenues amounted to ¥467,322 million (101.0% YoY), and operating income was ¥109,899 million (90.2% YoY).

To achieve steady growth amidst increasing uncertainty in the business environment, SEVEN-ELEVEN JAPAN CO., LTD. ("SEJ") has advanced the following key initiatives. For customer experience enhancement, SEJ has been elevating its appeal by rolling out Freshly Prepared Food, centered around SEVEN CAFÉ Bakery and SEVEN CAFÉ Tea under the "Live-Meal" brand. In category strategy, SEJ has been strengthening its product proposals, tailored to customers' diversifying lifestyles. To strengthen its earnings structure, SEJ has been executing structural transformations across procurement, manufacturing, and logistics in order to optimize its value chain, as well as in its cost structure mainly through reviewing operating processes. Moreover, SEJ will further drive momentum and strive for sustainable growth, through accelerating digital initiatives such as 7NOW and mobile ordering as well as co-creation marketing.

In the first half, these initiatives proved effective, leading to higher average spending per customer and same store sales growth, with the gross profit margin remaining at the same level as the same period last year. However, SG&A expenses increased due to upfront investments for introducing in-store cooking equipment and next-generation store systems, coupled with rising prices and other factors, resulting in operating income of ¥110,221 million (90.7% YoY). Additionally, total store sales, representing the combined sales of corporate and franchised stores, amounted to ¥2,810,379 million (101.6% YoY).

During the three months of the second quarter, same store sales increased year over year, whereas the gross profit margin declined due to sluggish sales of soft drinks and other items. SG&A expenses increased year over year driven mainly by higher depreciation and amortization resulting from the rollout of in-store cooking equipment and next-generation store systems. As a result, operating income totaled ¥57,794 million (86.3% YoY).

### **Overseas convenience store operations**

In the Overseas convenience store operations segment, revenues amounted to ¥4,966,613 million (117.7% YoY), and operating income was ¥150,422 million (187.7% YoY).

In North America, a budget-conscious mindset toward food and daily necessities continued to be observed, particularly among low-income earners, largely driven by growing concerns over inflation. Under these circumstances, 7-Eleven, Inc. ("SEI") has undertaken the following initiatives. For customer experience enhancement, SEI has been modernizing its store network by expanding proprietary products through offering high-quality fresh food and beverages, as well as by accelerating corporate-to-franchise conversion and remodeling existing stores. To strengthen its earnings structure, SEI has been optimizing its value chain by redesigning it for greater cost competitiveness, while implementing rigorous cost management. Furthermore, SEI aims to achieve autonomous growth by expanding 7NOW, which continues to serve as a core driver of growth.

In the first half, U.S. same store merchandise sales on a U.S. dollar basis were higher than in the same period last year. In the fuel business, revenue surpassed that of the corresponding quarter of the previous year due to the volatility of market conditions. Gross profit margin improved year over year, driven by the expansion of proprietary products, despite the impact of soaring raw material prices mainly caused by inflation. However, SG&A expenses increased year over year. Operating income (before amortization of goodwill) was ¥209,064 million (155.5% YoY). Total store sales, comprising sales of both corporate and franchised stores, were ¥5,543,152 million (115.8% YoY).

During the second quarter, the average spending per customer exceeded that of the previous year driven mainly by promotion optimization and value offering initiatives. However, U.S. same store sales slightly decreased due to lower customer traffic, driven largely by ongoing headwinds in the external environment such as persistently high fuel prices. Meanwhile, gross profit margin improved year over year, driven by measures such as the optimization of pricing and promotions, as well as the reduction of inventory write-off and shrinkage. As a result, operating income totaled ¥121,021 million (124.8% YoY).

7-Eleven International LLC has been strengthening support for its existing markets and transitioning its business to a "food-focused convenience store" model tailored to the characteristics of each market. Operating income (before amortization of goodwill) for the first half was ¥10,792 million (103.5% YoY). As part of this effort, 7-Eleven Australia (Australia) has been driving initiatives to strengthen fresh food development, particularly by enhancing Japan-related offerings, running related campaigns, and broadening its assortment. As a result, same store sales in Australia increased year over year. In addition, revenues from its fuel business exceeded that of the same quarter last year, supported by the volatility of market conditions.

### **Others**

In Others segment, revenues amounted to ¥32,383 million (3.4% YoY), and operating income was ¥2,749 million (6.6% YoY).

It should be noted that the Company deconsolidated Seven Bank and its nine subsidiaries as of June 24, 2025, as well as subsidiaries under YORK Holdings as of September 1, 2025. The financial results of Seven Bank, its nine subsidiaries, and the subsidiaries of YORK Holdings were included in the consolidated results as consolidated subsidiaries in the first half of the fiscal year ended February 28, 2026. In the first half of the fiscal year ending February 28, 2027, Seven Bank and K.K. BCJ-95 were accounted for as equity method affiliates in the consolidated results. Regarding K.K. BCJ-95, the results of its consolidated subsidiaries and equity method affiliates were reflected in the Group's consolidated results through the profit/loss of K.K. BCJ-95.

***Adjustments (eliminations/corporate)***

Operating loss from adjustments (eliminations and corporate) totaled ¥30,792 million (operating loss of ¥34,952 million for the same period of the previous fiscal year).

Head office expenses were recorded, including costs related to the construction of a group-wide common infrastructure system aimed at improving operational efficiency and strengthening security.

## (2) Overview of consolidated financial position for the six months ended August 31, 2026

### I. Assets, liabilities and net assets

(Consolidated financial position)

(Millions of yen)

|                   | February 28, 2026 | August 31, 2026 | Change  |
|-------------------|-------------------|-----------------|---------|
| Total assets      | 9,142,957         | 9,468,412       | 325,455 |
| Total liabilities | 5,494,762         | 5,733,326       | 238,564 |
| Net assets        | 3,648,195         | 3,735,086       | 86,890  |

|                |                   |                   |
|----------------|-------------------|-------------------|
| Exchange rates | U.S.\$1 = ¥156.56 | U.S.\$1 = ¥162.39 |
|                | 1yuan = ¥22.36    | 1yuan = ¥23.87    |

Total assets increased by ¥325,455 million from the previous fiscal year-end to ¥9,468,412 million, mainly due to fluctuations of exchange rates. Current assets increased by ¥179,456 million compared to the previous fiscal year-end, mainly due to an increase in notes and accounts receivable - trade, and contract assets. Non-current assets increased by ¥146,064 million, mainly due to an increase in right-of-use assets related to the overseas convenience store operations.

Total liabilities increased by ¥238,564 million from the previous fiscal year-end to ¥5,733,326 million, mainly due to an increase in lease obligations.

Net assets increased by ¥86,890 million from the previous fiscal year-end to ¥3,735,086 million, mainly due to an increase in foreign currency translation adjustments and other factors.

Overall, the positive impact of foreign exchange translation during the first half was ¥265,208 million on total assets and ¥147,476 million on total liabilities.

### II. Cash flows

(Consolidated cash flows)

(Millions of yen)

|                                                | Six months ended August 31, 2025 | Six months ended August 31, 2026 | Change    |
|------------------------------------------------|----------------------------------|----------------------------------|-----------|
| Cash flows from operating activities           | 382,104                          | 337,084                          | (45,019)  |
| Cash flows from investing activities           | (883,364)                        | (168,293)                        | 715,070   |
| Cash flows from financing activities           | (132,925)                        | (176,049)                        | (43,124)  |
| Cash and cash equivalents at end of the period | 694,276                          | 427,184                          | (267,091) |

Net cash provided by operating activities amounted to ¥337,084 million. This was mainly due to income before income taxes of ¥174,141 million.

Net cash used in investing activities was ¥168,293 million, mainly due to acquisition of property and equipment.

Net cash used in financing activities totaled ¥176,049 million, mainly due to purchase of treasury stock.

As a result of the above, cash and cash equivalents for the six months ended August 31, 2026 stood at ¥427,184 million.

## (3) Explanation of consolidated forecast and other forward-looking statements

The consolidated forecasts for the fiscal year ending February 28, 2027 remain unchanged from those announced on July 9, 2026.

## 2. Related to Summary Information (Others)

(1) Significant change in the scope of consolidation during the period: None

(2) Application of specific accounting for preparing the semi-annual consolidated financial statements: None

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

### (4) Supplementary information:

(Acquisition of own shares)

The Company resolved, at a meeting of the Board of Directors held on July 31, 2026, to repurchase own shares under Article 156 which is applicable in accordance with Article 165, paragraph 3 of the Companies Act, and to identify the implementation of its repurchase. On August 3, 2026, the Company executed the repurchase of its own shares.

In addition, the Company implemented a portion of its share repurchase through a facility share repurchase (Accelerated Share Repurchase) (hereinafter referred to as "this Method"). The accounting treatment for this Method has been applied as described below because there are no clear provisions in the relevant accounting standards, etc.

#### I . Outline of this Method

On 3 August, 2026, the Company repurchased 189,663,300 shares of treasury stock equivalent to 399,999 million yen at 2,109 yen per share through the ToSTNeT-3 system. Of these shares, 174,162,900 shares were repurchased from SMBC Nikko Securities Inc. ("SMBC Nikko") (hereinafter, the share repurchase from SMBC Nikko is referred to as the "Share Repurchase (ASR)").

The Company and SMBC Nikko will conduct an adjustment transaction (the "Adjustment Transaction") through the exercise of the share options or the gratuitous transfer of the Company's shares to the Company so that the Company's actual purchase price of the shares repurchased from SMBC Nikko through a series of transactions in the scheme will be equal to the average price of the Company's shares based on the all-day volume-weighted average price (the "VWAP") of the Company's common shares in regular-way transactions on the Tokyo Stock Exchange during a certain period following the Share Repurchase (ASR). As such, the final total purchase price or final number of shares repurchased may vary depending on the Adjustment Transaction.

#### II . Accounting principles and procedures

Shares of the Company acquired through ToSTNeT-3 are recorded as "Treasury stock" based on its acquisition cost in the net assets section of the semi-annual consolidated balance sheets. Shares of the Company acquired through this Method are included in the treasury stock deducted in the calculation of the average number of shares during the period for the purpose of calculating earnings and diluted earnings per share. If, going forward, the shares are to be delivered through the exercise of stock acquisition rights, the book value of the delivered shares will be deducted from the treasury stock in the net assets section of the consolidated balance sheet, and the difference between the book value of the treasury stock reduced and the amount paid in through the exercise of the stock acquisition rights will be deducted from capital surplus.

Based on this accounting policy, 399,999 million yen is recorded as "Treasury stock" in net assets section of the semi-annual consolidated balance sheets (367,309 million yen for the shares purchased from SMBC Nikko).

### 3. Semi-annual Consolidated Financial Statements

#### (1) Semi-annual consolidated balance sheets

(Millions of yen)

|                                                            | February 28, 2026 | August 31, 2026  |
|------------------------------------------------------------|-------------------|------------------|
|                                                            | Amount            | Amount           |
| <b>ASSETS</b>                                              |                   |                  |
| <b>Current assets</b>                                      | <b>1,492,546</b>  | <b>1,672,003</b> |
| Cash and bank deposits                                     | 438,634           | 440,203          |
| Notes and accounts receivable - trade, and contract assets | 298,684           | 342,336          |
| Trade accounts receivable - financial services             | 42,214            | 47,162           |
| Merchandise and finished goods                             | 223,018           | 264,231          |
| Work in process                                            | 94                | 52               |
| Raw materials and supplies                                 | 286               | 345              |
| Prepaid expenses                                           | 89,344            | 98,079           |
| Other                                                      | 407,277           | 487,373          |
| Allowance for doubtful accounts                            | (7,008)           | (7,781)          |
| <b>Non-current assets</b>                                  | <b>7,650,015</b>  | <b>7,796,079</b> |
| <b>Property and equipment</b>                              | <b>4,497,967</b>  | <b>4,641,012</b> |
| Buildings and structures, net                              | 1,449,775         | 1,471,679        |
| Furniture, fixtures and equipment, net                     | 435,334           | 481,600          |
| Land                                                       | 902,246           | 929,479          |
| Right-of-use assets, net                                   | 1,451,665         | 1,519,730        |
| Construction in progress                                   | 231,458           | 205,503          |
| Other, net                                                 | 27,487            | 33,018           |
| <b>Intangible assets</b>                                   | <b>2,469,026</b>  | <b>2,476,233</b> |
| Goodwill                                                   | 2,109,806         | 2,118,732        |
| Software                                                   | 201,682           | 205,742          |
| Other                                                      | 157,537           | 151,759          |
| <b>Investments and other assets</b>                        | <b>683,021</b>    | <b>678,833</b>   |
| Investments in securities                                  | 363,740           | 365,043          |
| Long-term loans receivable                                 | 7,056             | 7,638            |
| Long-term leasehold deposits                               | 157,112           | 154,163          |
| Net defined benefit asset                                  | 67,194            | 68,430           |
| Deferred tax assets                                        | 37,148            | 32,288           |
| Other                                                      | 52,406            | 52,891           |
| Allowance for doubtful accounts                            | (1,637)           | (1,623)          |
| <b>Deferred assets</b>                                     | <b>395</b>        | <b>330</b>       |
| Bond issuance cost                                         | 395               | 330              |
| <b>TOTAL ASSETS</b>                                        | <b>9,142,957</b>  | <b>9,468,412</b> |

(Millions of yen)

|                                                                                      | February 28, 2026 | August 31, 2026  |
|--------------------------------------------------------------------------------------|-------------------|------------------|
|                                                                                      | Amount            | Amount           |
| <b>LIABILITIES</b>                                                                   |                   |                  |
| <b>Current liabilities</b>                                                           | <b>1,900,670</b>  | <b>1,929,883</b> |
| Notes and accounts payable, trade                                                    | 416,083           | 498,881          |
| Short-term loans                                                                     | 135,580           | 58,329           |
| Current portion of bonds                                                             | 255,657           | 60,000           |
| Current portion of long-term loans                                                   | 190,456           | 408,214          |
| Income taxes payable                                                                 | 37,440            | 19,423           |
| Accrued expenses                                                                     | 258,979           | 281,023          |
| Contract liabilities                                                                 | 70,667            | 70,479           |
| Deposits received                                                                    | 177,934           | 174,688          |
| Lease obligations                                                                    | 164,772           | 171,999          |
| Allowance for loss on business of subsidiaries and associates                        | 3,299             | –                |
| Allowance for sales promotion expenses                                               | 335               | 439              |
| Allowance for bonuses to employees                                                   | 5,388             | 5,690            |
| Allowance for bonuses to Directors and Audit & Supervisory Board Members             | 718               | 375              |
| Other                                                                                | 183,357           | 180,337          |
| <b>Non-current liabilities</b>                                                       | <b>3,594,091</b>  | <b>3,803,443</b> |
| Bonds                                                                                | 929,828           | 957,334          |
| Long-term loans                                                                      | 718,495           | 785,446          |
| Deferred tax liabilities                                                             | 224,633           | 263,908          |
| Allowance for retirement benefits to Directors and Audit & Supervisory Board Members | 134               | 123              |
| Allowance for stock payments                                                         | 1,504             | 1,561            |
| Net defined benefit liability                                                        | 16,566            | 14,276           |
| Deposits received from tenants and franchised stores                                 | 13,796            | 14,175           |
| Lease obligations                                                                    | 1,398,990         | 1,471,759        |
| Asset retirement obligations                                                         | 225,304           | 232,490          |
| Other                                                                                | 64,836            | 62,368           |
| <b>TOTAL LIABILITIES</b>                                                             | <b>5,494,762</b>  | <b>5,733,326</b> |
| <b>NET ASSETS</b>                                                                    |                   |                  |
| <b>Shareholders' equity</b>                                                          | <b>2,634,255</b>  | <b>2,601,001</b> |
| Common stock                                                                         | 50,000            | 50,000           |
| Capital surplus                                                                      | 293,429           | –                |
| Retained earnings                                                                    | 2,906,276         | 2,661,081        |
| Treasury stock, at cost                                                              | (615,450)         | (110,080)        |
| <b>Total accumulated other comprehensive income</b>                                  | <b>985,971</b>    | <b>1,105,369</b> |
| Unrealized gains (losses) on available-for-sale securities, net of taxes             | 55,662            | 56,494           |
| Unrealized gains (losses) on hedging derivatives, net of taxes                       | 4,622             | 4,607            |
| Foreign currency translation adjustments                                             | 884,784           | 1,003,749        |
| Remeasurements of defined benefit plans                                              | 40,900            | 40,518           |
| <b>Share award rights</b>                                                            | <b>225</b>        | <b>521</b>       |
| <b>Non-controlling interests</b>                                                     | <b>27,743</b>     | <b>28,194</b>    |
| <b>TOTAL NET ASSETS</b>                                                              | <b>3,648,195</b>  | <b>3,735,086</b> |
| <b>TOTAL LIABILITIES AND NET ASSETS</b>                                              | <b>9,142,957</b>  | <b>9,468,412</b> |

(2) Semi-annual consolidated statements of income and semi-annual consolidated statements of comprehensive income

Semi-annual consolidated statements of income

(Millions of yen)

|                                                                           | Six Months Ended<br>August 31, 2025 | Six Months Ended<br>August 31, 2026 |
|---------------------------------------------------------------------------|-------------------------------------|-------------------------------------|
|                                                                           | Amount                              | Amount                              |
| <b>Revenues from operations</b>                                           | <b>5,616,637</b>                    | <b>5,460,274</b>                    |
| Net sales                                                                 | 4,788,994                           | 4,725,720                           |
| Cost of sales                                                             | 3,909,215                           | 3,965,052                           |
| <b>Gross profit on sales</b>                                              | <b>879,779</b>                      | <b>760,667</b>                      |
| Operating revenues                                                        | 827,642                             | 734,553                             |
| <b>Gross profit from operations</b>                                       | <b>1,707,422</b>                    | <b>1,495,221</b>                    |
| Selling, general and administrative expenses                              | 1,499,034                           | 1,262,941                           |
| <b>Operating income</b>                                                   | <b>208,388</b>                      | <b>232,280</b>                      |
| <b>Non-operating income</b>                                               | <b>10,952</b>                       | <b>15,169</b>                       |
| Interest income                                                           | 5,687                               | 5,533                               |
| Equity in earnings of affiliates                                          | –                                   | 6,309                               |
| Other                                                                     | 5,265                               | 3,326                               |
| <b>Non-operating expenses</b>                                             | <b>32,903</b>                       | <b>25,525</b>                       |
| Interest expenses                                                         | 16,400                              | 14,136                              |
| Interest on bonds                                                         | 9,811                               | 9,260                               |
| Equity in losses of affiliates                                            | 1,039                               | –                                   |
| Other                                                                     | 5,653                               | 2,129                               |
| <b>Ordinary income</b>                                                    | <b>186,436</b>                      | <b>221,923</b>                      |
| <b>Special gains</b>                                                      | <b>48,329</b>                       | <b>6,350</b>                        |
| Gain on sales of property and equipment                                   | 39,363                              | 2,689                               |
| Reversal of provision for loss on business of subsidiaries and associates | 2,135                               | 2,546                               |
| Other                                                                     | 6,830                               | 1,114                               |
| <b>Special losses</b>                                                     | <b>31,200</b>                       | <b>54,132</b>                       |
| Loss on disposals of property and equipment                               | 6,758                               | 9,208                               |
| Impairment loss                                                           | 8,041                               | 22,985                              |
| Restructuring expenses                                                    | 873                                 | –                                   |
| Other                                                                     | 15,527                              | 21,939                              |
| <b>Income before income taxes</b>                                         | <b>203,566</b>                      | <b>174,141</b>                      |
| <b>Total Income taxes</b>                                                 | <b>76,009</b>                       | <b>48,972</b>                       |
| Income taxes - current                                                    | 67,651                              | 38,836                              |
| Income taxes - deferred                                                   | 8,357                               | 10,136                              |
| <b>Net income</b>                                                         | <b>127,556</b>                      | <b>125,168</b>                      |
| Net income attributable to non-controlling interests                      | 5,754                               | 723                                 |
| <b>Net income attributable to owners of parent</b>                        | <b>121,802</b>                      | <b>124,444</b>                      |

# Semi-annual consolidated statements of comprehensive income

(Millions of yen)

|                                                                                                        | Six Months Ended<br>August 31, 2025 | Six Months Ended<br>August 31, 2026 |
|--------------------------------------------------------------------------------------------------------|-------------------------------------|-------------------------------------|
|                                                                                                        | Amount                              | Amount                              |
| <b>Net income</b>                                                                                      | <b>127,556</b>                      | <b>125,168</b>                      |
| <b>Other comprehensive income</b>                                                                      |                                     |                                     |
| Unrealized gains (losses) on available-for-sale securities, net of taxes                               | 11,953                              | 492                                 |
| Unrealized gains (losses) on hedging derivatives, net of taxes                                         | (592)                               | (15)                                |
| Foreign currency translation adjustments                                                               | (260,547)                           | 118,909                             |
| Remeasurements of defined benefit plans, net of taxes                                                  | (2,115)                             | 388                                 |
| Share of other comprehensive income (loss) of entities accounted for using equity method, net of taxes | (26)                                | (174)                               |
| <b>Total other comprehensive income (loss)</b>                                                         | <b>(251,328)</b>                    | <b>119,601</b>                      |
| <b>Comprehensive income (loss)</b>                                                                     | <b>(123,772)</b>                    | <b>244,769</b>                      |
| Comprehensive income (loss) attributable to owners of parent                                           | (122,617)                           | 243,842                             |
| Comprehensive income (loss) attributable to non-controlling interests                                  | (1,154)                             | 927                                 |

### (3) Semi-annual consolidated statements of cash flows

(Millions of yen)

|                                                                           | Six Months Ended<br>August 31, 2025 | Six Months Ended<br>August 31, 2026 |
|---------------------------------------------------------------------------|-------------------------------------|-------------------------------------|
|                                                                           | Amount                              | Amount                              |
| <b>Cash flows from operating activities</b>                               |                                     |                                     |
| Income before income taxes                                                | 203,566                             | 174,141                             |
| Depreciation and amortization                                             | 207,854                             | 186,160                             |
| Impairment loss                                                           | 8,041                               | 22,985                              |
| Amortization of goodwill                                                  | 69,207                              | 72,168                              |
| Interest income                                                           | (5,687)                             | (5,533)                             |
| Interest expenses and interest on bonds                                   | 26,211                              | 23,396                              |
| Equity in losses (earnings) of affiliates                                 | 1,039                               | (6,309)                             |
| Gain on sales of property and equipment                                   | (39,363)                            | (2,689)                             |
| Loss on disposals of property and equipment                               | 7,355                               | 9,208                               |
| Reversal of provision for loss on business of subsidiaries and associates | (2,135)                             | (2,546)                             |
| Decrease (increase) in notes and accounts receivable, trade               | (26,726)                            | (36,622)                            |
| Decrease (increase) in trade accounts receivable, financial services      | (8,340)                             | (4,947)                             |
| Decrease (increase) in inventories                                        | 1,948                               | (32,128)                            |
| Increase (decrease) in notes and accounts payable, trade                  | 74,075                              | 75,510                              |
| Increase (decrease) in deposits received                                  | 85,007                              | (3,284)                             |
| Net increase (decrease) in borrowings in banking business                 | 10,000                              | —                                   |
| Net increase (decrease) in deposits received in banking business          | 28,797                              | —                                   |
| Net increase (decrease) in call money in banking business                 | (100,000)                           | —                                   |
| Net decrease (increase) in ATM-related temporary accounts                 | (41,969)                            | —                                   |
| Other                                                                     | (36,075)                            | (41,701)                            |
| <b>Subtotal</b>                                                           | <b>462,805</b>                      | <b>427,806</b>                      |
| Interest and dividends received                                           | 6,494                               | 8,980                               |
| Interest paid                                                             | (27,956)                            | (21,486)                            |
| Proceeds from insurance income                                            | 2,785                               | 78                                  |
| Income taxes paid                                                         | (64,007)                            | (78,891)                            |
| Income taxes refund                                                       | 1,982                               | 597                                 |
| <b>Net cash provided by operating activities</b>                          | <b>382,104</b>                      | <b>337,084</b>                      |

(Millions of yen)

|                                                                                                                         | Six Months Ended<br>August 31, 2025 | Six Months Ended<br>August 31, 2026 |
|-------------------------------------------------------------------------------------------------------------------------|-------------------------------------|-------------------------------------|
|                                                                                                                         | Amount                              | Amount                              |
| <b>Cash flows from investing activities</b>                                                                             |                                     |                                     |
| Acquisition of property and equipment                                                                                   | (160,346)                           | (158,300)                           |
| Proceeds from sales of property and equipment                                                                           | 66,349                              | 6,894                               |
| Acquisition of intangible assets                                                                                        | (42,726)                            | (28,966)                            |
| Payment for purchase of investments in securities                                                                       | (44,891)                            | (3,989)                             |
| Proceeds from sales of investments in securities                                                                        | 51,909                              | 3,716                               |
| Proceeds from sales of shares in subsidiaries<br>resulting in change in scope of consolidation                          | —                                   | 13,184                              |
| Payment for sales of shares in subsidiaries resulting<br>in change in scope of consolidation                            | (758,627)                           | —                                   |
| Payment for long-term leasehold deposits                                                                                | (3,246)                             | (1,464)                             |
| Refund of long-term leasehold deposits                                                                                  | 16,136                              | 4,552                               |
| Proceeds from deposits from tenants                                                                                     | 959                                 | 500                                 |
| Refund of deposits from tenants                                                                                         | (1,011)                             | (235)                               |
| Payment for acquisition of business                                                                                     | (173)                               | (70)                                |
| Payment for time deposits                                                                                               | (3,983)                             | (3,913)                             |
| Proceeds from withdrawal of time deposits                                                                               | 5,476                               | 4,636                               |
| Other                                                                                                                   | (9,189)                             | (4,837)                             |
| <b>Net cash used in investing activities</b>                                                                            | <b>(883,364)</b>                    | <b>(168,293)</b>                    |
| <b>Cash flows from financing activities</b>                                                                             |                                     |                                     |
| Net increase (decrease) in short-term loans                                                                             | 417,227                             | (78,115)                            |
| Proceeds from long-term debts                                                                                           | 18,000                              | 335,651                             |
| Repayment of long-term debts                                                                                            | (190,815)                           | (69,040)                            |
| Proceeds from issuance of commercial papers                                                                             | —                                   | 79,184                              |
| Redemption of commercial papers                                                                                         | —                                   | (79,184)                            |
| Redemption of bonds                                                                                                     | (30,000)                            | (197,862)                           |
| Proceeds from sale of treasury stock                                                                                    | 1,132                               | 300,087                             |
| Purchase of treasury stock                                                                                              | (283,306)                           | (400,001)                           |
| Dividends paid                                                                                                          | (51,950)                            | (57,827)                            |
| Dividends paid to non-controlling interests                                                                             | (4,259)                             | (476)                               |
| Payment for changes in ownership interests in<br>subsidiaries that do not result in change in scope<br>of consolidation | (0)                                 | —                                   |
| Other                                                                                                                   | (8,953)                             | (8,464)                             |
| <b>Net cash used in financing activities</b>                                                                            | <b>(132,925)</b>                    | <b>(176,049)</b>                    |
| <b>Effect of exchange rate changes on cash and<br/>cash equivalents</b>                                                 | <b>(21,358)</b>                     | <b>8,296</b>                        |
| <b>Net increase (decrease) in cash and cash<br/>equivalents</b>                                                         | <b>(655,544)</b>                    | <b>1,037</b>                        |
| <b>Cash and cash equivalents at beginning of period</b>                                                                 | <b>1,349,820</b>                    | <b>426,146</b>                      |
| <b>Cash and cash equivalents at end of period</b>                                                                       | <b>694,276</b>                      | <b>427,184</b>                      |

**(4) Doubts on the premise of going concern**

None

**(5) Notes to semi-annual consolidated statements of income**

A breakdown of “Restructuring expenses” is as follows:

(Millions of yen)

|                                             | Six months ended<br>August 31, 2025 | Six months ended<br>August 31, 2026 |
|---------------------------------------------|-------------------------------------|-------------------------------------|
| Loss on disposals of property and equipment | 597                                 | —                                   |
| Others                                      | 276                                 | —                                   |
| Total                                       | 873                                 | —                                   |

**(6) Notes to semi-annual consolidated statements of cash flows**

I. Reconciliation of cash and cash equivalents as of August 31, 2025 and 2026 between the amounts shown in the consolidated balance sheets and the consolidated statements of cash flows is as follows:

(Millions of yen)

|                                                                                  | Six months ended<br>August 31, 2025 | Six months ended<br>August 31, 2026 |
|----------------------------------------------------------------------------------|-------------------------------------|-------------------------------------|
| Cash and bank deposits                                                           | 709,581                             | 440,203                             |
| Restricted cash                                                                  | 1,761                               | 1,887                               |
| Time deposits with maturities and certificate deposits in excess of three months | (17,067)                            | (14,906)                            |
| Cash and cash equivalents                                                        | 694,276                             | 427,184                             |

II. “Proceeds from sales of shares in subsidiaries resulting in change in scope of consolidation” in the six months ended August 31, 2026 represent the receipt of 13,184 million yen for receivables related to price adjustment for superstore operations as a result of the business restructuring executed in the fiscal year ended February 28, 2026.

**(7) Segment information**

I . Six months ended August 31, 2025 (From March 1, 2025 to August 31, 2025)

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

(Millions of yen)

|                             | Reportable segments                            |                                                | Others<br>(Note 1) | Total     | Adjustments<br>(Note 2) | Consolidated<br>total<br>(Note 3) |
|-----------------------------|------------------------------------------------|------------------------------------------------|--------------------|-----------|-------------------------|-----------------------------------|
|                             | Domestic<br>convenience<br>store<br>operations | Overseas<br>convenience<br>store<br>operations |                    |           |                         |                                   |
| Revenues from<br>operations |                                                |                                                |                    |           |                         |                                   |
| 1.Customers                 | 461,574                                        | 4,220,486                                      | 934,230            | 5,616,292 | 344                     | 5,616,637                         |
| 2.Intersegment              | 1,000                                          | 643                                            | 11,280             | 12,924    | (12,924)                | -                                 |
| Total                       | 462,575                                        | 4,221,130                                      | 945,510            | 5,629,216 | (12,579)                | 5,616,637                         |
| Segment income<br>(loss)    | 121,793                                        | 80,131                                         | 41,415             | 243,340   | (34,952)                | 208,388                           |

Notes:

1. "Others" represent the businesses which are not included in any of the reportable segments and consist of superstore operations, financial services, specialty store operations and real estate operations, etc.
2. The adjustments on segment income (loss) of (34,952) million yen are eliminations of intersegment transactions and certain expense items that are not allocated to operating segments.
3. Segment income (loss) is reconciled with the operating income in the semi-annual consolidated statements of income.

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

No significant items to be reported.

II. Six months ended August 31, 2026 (From March 1, 2026 to August 31, 2026)

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

(Millions of yen)

|                             | Reportable segments                            |                                                | Others<br>(Note 1) | Total     | Adjustments<br>(Note 2) | Consolidated<br>total<br>(Note 3) |
|-----------------------------|------------------------------------------------|------------------------------------------------|--------------------|-----------|-------------------------|-----------------------------------|
|                             | Domestic<br>convenience<br>store<br>operations | Overseas<br>convenience<br>store<br>operations |                    |           |                         |                                   |
| Revenues from<br>operations |                                                |                                                |                    |           |                         |                                   |
| 1.Customers                 | 466,608                                        | 4,966,613                                      | 26,174             | 5,459,397 | 877                     | 5,460,274                         |
| 2.Intersegment              | 713                                            | -                                              | 6,208              | 6,922     | (6,922)                 | -                                 |
| Total                       | 467,322                                        | 4,966,613                                      | 32,383             | 5,466,319 | (6,045)                 | 5,460,274                         |
| Segment income<br>(loss)    | 109,899                                        | 150,422                                        | 2,749              | 263,072   | (30,792)                | 232,280                           |

Notes:

1. "Others" represent the businesses which are not included in any of the reportable segments and consist of financial services, etc.
2. The adjustments on segment income (loss) of (30,792) million yen are eliminations of intersegment transactions and certain expense items that are not allocated to operating segments.
3. Segment income (loss) is reconciled with the operating income in the semi-annual consolidated statements of income.

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

No significant items to be reported.

( iii ) Change in segment classification

The Company resolved, at a meeting of the Board of Directors held on April 9, 2026, to change its operating segments. The details of the resulting changes to segment classification are as follows:

- "Superstore operations" and "Financial services" have been reclassified to "Others".
- Certain companies within "Others" (PIA Corporation, Tower Records Japan Inc.) have been reclassified to "Domestic convenience store operations".

Segment information in the six months ended August 31, 2025 has been reclassified into the new segment classification.

(Reference)

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

Six months ended August 31, 2025 (From March 1, 2025 to August 31, 2025)

(Millions of yen)

|                          | Japan     | North America | Others  | Total before eliminations | Eliminations | Consolidated total |
|--------------------------|-----------|---------------|---------|---------------------------|--------------|--------------------|
| Revenues from operations |           |               |         |                           |              |                    |
| 1. Customers             | 1,366,356 | 3,939,455     | 310,825 | 5,616,637                 | —            | 5,616,637          |
| 2. Intersegment          | 13,399    | 1,068         | 17      | 14,484                    | (14,484)     | —                  |
| Total revenues           | 1,379,755 | 3,940,523     | 310,843 | 5,631,122                 | (14,484)     | 5,616,637          |
| Operating income (loss)  | 138,656   | 82,660        | (552)   | 220,764                   | (12,376)     | 208,388            |

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.

Six months ended August 31, 2026 (From March 1, 2026 to August 31, 2026)

(Millions of yen)

|                          | Japan   | North America | Others  | Total before eliminations | Eliminations | Consolidated total |
|--------------------------|---------|---------------|---------|---------------------------|--------------|--------------------|
| Revenues from operations |         |               |         |                           |              |                    |
| 1. Customers             | 493,660 | 4,604,084     | 362,529 | 5,460,274                 | —            | 5,460,274          |
| 2. Intersegment          | 35,291  | 1,357         | —       | 36,648                    | (36,648)     | —                  |
| Total revenues           | 528,952 | 4,605,441     | 362,529 | 5,496,923                 | (36,648)     | 5,460,274          |
| Operating income (loss)  | 116,503 | 151,945       | (1,530) | 266,918                   | (34,638)     | 232,280            |

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.

## **(8) Notes on significant changes in the amount of shareholders' equity**

(Acquisition of own shares)

The Company resolved, at a meeting of the Board of Directors held on July 31, 2026, to repurchase own shares under Article 156 which is applicable in accordance with Article 165, paragraph 3 of the Companies Act, and to identify the implementation of its repurchase. On August 3, 2026, the Company executed the repurchase of its own shares, 189,663,300 shares, and implemented a portion of its share repurchase through a facility share repurchase (Accelerated Share Repurchase). As a result, in the six months ended August 31, 2026, "Treasury stock" increased by 399,999 million yen.

(Disposal of treasury stock)

The Company completed the disposal of treasury shares, 144,927,534 shares, through a third-party allotment to SoftBank Corp., PayPay Corporation and Sumitomo Mitsui Card Company, Limited on August 17,

2026, as resolved at the Board of Directors dated July 31, 2026. As a result, in the six months ended August 31, 2026, “Capital surplus” decreased by 5,651 million yen and “Treasury stock” decreased by 305,651 million yen respectively.

(Cancellation of treasury stock)

The Company resolved, at a meeting of the Board of Directors held on July 9, 2026, to cancel its treasury stock, pursuant to the provisions of Article 178 of the Companies Act, and completed the cancellation of treasury shares, 284,297,500 shares on July 15, 2026. As a result, in the six months ended August 31, 2026, “Capital surplus” and “Treasury stock” decreased by 599,541 million yen respectively.

As a result of the above transactions, the balance of “Capital surplus” became negative so “Capital surplus” was set to zero, and the negative amount was deducted from “Retained earnings”. In the semi-annual consolidated balance sheets, “Capital surplus” became zero, “Retained earnings” became 2,661,081 million yen and “Treasury stock” became 110,080 million yen.

## **(9) Subsequent event**

### **Issuance of bonds**

At a meeting of its Board of Directors held on October 8, 2026, a comprehensive resolution regarding the issuance of unsecured domestic straight bond was passed. A summary of this issuance is as follows.

- |                             |                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|-----------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| I . Principal amount:       | ¥120 billion or less (Multiple issuance within this scope is allowed.)                                                                                                                                                                                                                                                                                                                                                                     |
| II . Estimated issue term:  | From October 23, 2026 to December 31, 2026<br>(However, it contains what is offered during the term.)                                                                                                                                                                                                                                                                                                                                      |
| III . Interest rate:        | Market yield of Japanese government bonds with nearly the same maturities plus 1.0% or less                                                                                                                                                                                                                                                                                                                                                |
| IV . Issue price:           | The bonds shall be issued at 100 yen per face value of 100 yen.                                                                                                                                                                                                                                                                                                                                                                            |
| V . Redemption date:        | 10 years or less                                                                                                                                                                                                                                                                                                                                                                                                                           |
| VI . Redemption method:     | Lump-sum redemption at maturity (However, callable clause may be included.)                                                                                                                                                                                                                                                                                                                                                                |
| VII . Security:             | Unsecured and without guarantee                                                                                                                                                                                                                                                                                                                                                                                                            |
| VIII . Financial covenants: | Negative pledge clause and other covenants which are required for issuance of bonds                                                                                                                                                                                                                                                                                                                                                        |
| IX . Use of funds:          | Funds for bond redemption, funds for repayment of loans and working capital                                                                                                                                                                                                                                                                                                                                                                |
| X . Other:                  | It will be subject to the “Act on Book-Entry Transfer of Corporate Bonds and Shares”. Decisions regarding matters listed in the items of Article 676 of the Companies Act and any other items necessary for the issuance of bonds will be made at the discretion of the Director, Managing Executive Officer and Chief Financial Officer (CFO). It will be reported at a meeting of its Board of Directors, first held after the decision. |