

Financial Results for the Fiscal Year Ended February 28, 2026 (FY2025)



IZUMI CO., LTD
[Stock code: 8273]

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Consolidated Summary for the Fiscal Year Ended February 28, 2026 (FY2025)

- YoY Comparison:**
- Operating profit increased, reaching a record high. It was driven by the full operation of the SUNNY business, which was acquired, and other initiatives from the beginning of the fiscal year.
 - Profit increased significantly, mainly due to the recovery from last year's ransomware damages.
- Vs. Plan:**
- Despite aggressive low-price initiatives amid the increase in consumer frugality, operating revenue came in slightly below the revised plan, mainly due to weather-related factors.
 - Meanwhile, effective control of the gross profit ratio and expenses resulting in profit at each stage exceeding the plan.

Consolidated * ₁ (Million yen)	FY2025		FY2024		Forecast (Revised plan on Oct. 14)	
	Result	YoY	Result	YoY	Forecast	YoY
Operating revenue	569,312	108.6%	524,142	111.2%	570,300	108.8%
Operating profit	27,236	105.8%	25,735	81.9%	26,400	102.6%
Ordinary profit	27,361	105.2%	26,009	80.5%	26,100	100.3%
Profit * ₂	16,834	136.8%	12,304	60.1%	15,200	123.5%
Total assets	595,383		575,963	(FY-end result)		
Net assets	307,939		299,603	(FY-end result)		
(Reference)Total operating revenue * ₃	847,950	106.6%	795,503	109.5%	852,100	107.1%
Earnings per share * ₄	79.40 yen		57.33 yen		71.73 yen	
Net assets per share * ₄	1,399.38 yen		1,331.90 yen	(FY-end result)	-	
Equity ratio	49.4%		49.6%	(FY-end result)	-	

*₁ In the first six months of the fiscal year ending February 28, 2026, the Company finalized the provisional accounting treatment for the business combination. The relevant for the fiscal year ended February 28, 2025 reflect the finalized accounting treatment for the business combination.

*₂ Profit is profit attributable to owners of parent.

*₃ The Company has applied the "Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29) and relevant ASBJ regulations from the beginning of FY2022. Operating revenue reclassified to the figures before applying the accounting standard and relevant ASBJ regulations is presented as "Total operating revenue" for reference.

*₄ The Company conducted a three-for-one split of its common shares on March 1, 2026. Earnings per share, and net assets per share are calculated assuming the stock split was implemented at the beginning of FY2024.

Consolidated Profit/Loss for the Fiscal Year Ended February 28, 2026 (FY2025)

Both revenue and profits increased. This was mainly a rebound from the previous fiscal year's ransomware damages and M&A activities.

The targets for all of the stages of profit in the revised profit plan were achieved.

- Operating revenue Revenue increased, driven by a rebound from last year's ransomware attack, M&A (the SUNNY business and SUNLIFE), and measures taken in response to heightened consumer frugality.
- Operating profit The operating gross profit margin was 39.1%, down 0.5 points YoY. The SG&A expense ratio stood at 34.3%, down 0.4 points YoY. The operating profit margin fell 0.1 points YoY, to 4.8%.
- Ordinary profit The ordinary profit margin declined 0.1 points YoY to 4.8%, reflecting higher interest expenses and other factors.
- Profit Profit was 3.0%, up 0.7 points YoY, mainly due to the significant decrease in extraordinary losses (impairment losses: 7.7 billion yen in the previous fiscal year and 1.7 billion yen in the fiscal year under review).

Consolidated ^{*1}	3Q (Mar.-Nov.)		4Q (Dec.-Feb.)		FY2025 Full-year (Mar.-Feb.)		
	Result	YoY	Result	YoY	Result	% of operating revenue	YoY
(Million yen)							
Operating revenue	416,987	111.7%	152,325	101.0%	569,312	100.0%	108.6%
Net sales	373,597	112.8%	137,344	100.9%	510,942	89.7%	109.3%
Gross profit	119,684	112.2%	44,354	100.5%	164,039	28.8%	108.8%
Operating revenue	43,389	103.1%	14,980	101.9%	58,369	10.3%	102.8%
Operating gross profit	163,073	109.6%	59,335	100.8%	222,409	39.1%	107.1%
SG&A expenses	145,472	110.6%	49,700	98.8%	195,172	34.3%	107.3%
Operating profit	17,601	102.4%	9,635	112.7%	27,236	4.8%	105.8%
Non-operating income and expenses	-3	—	129	116.4%	125	0.0%	45.7%
Ordinary profit	17,597	101.4%	9,764	112.7%	27,361	4.8%	105.2%
Extraordinary income and losses	-39	—	-792	—	-832	-0.1%	—
Profit ^{*2}	11,102	91.9%	5,732	2558.6%	16,834	3.0%	136.8%

*1 In the first six months of the fiscal year ending February 28, 2026, the Company finalized the provisional accounting treatment for the business combination. The relevant for the fiscal year ended February 28, 2025 reflect the finalized accounting treatment for the business combination.

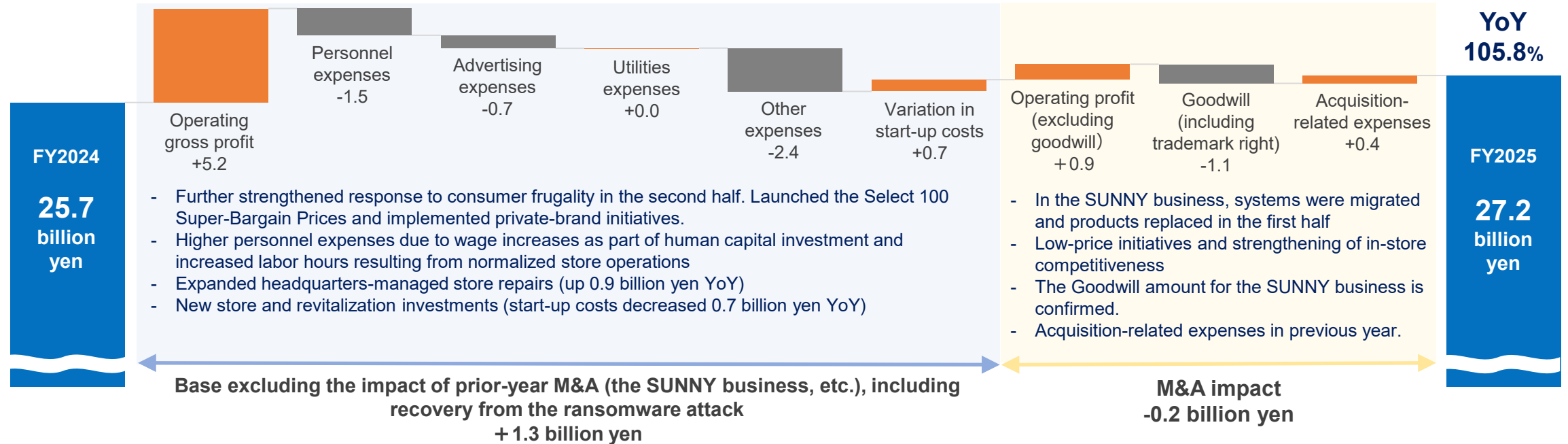
*2 Profit is profit attributable to owners of parent.

Consolidated Profit/Loss for the Fiscal Year Ended February 28, 2026 (FY2025)

Operating profit came to 27.2 billion yen, up 5.8% YoY. EBITDA rose 48.6 billion yen (6.1% YoY)

- Recovery from the ransomware attack and promotion of initiatives aligned with heightened frugality drove a substantial increase in operating gross profit, while overall expenses remained within plan.
- As an investment in human capital, wages were raised at a higher rate than in the previous year to address a tighter labor market and rising prices driven by inflation.
- Start-up costs for new stores and the revitalization of existing stores rose by 0.7 billion yen YoY. Repairs at headquarters-managed stores were undertaken to enhance their amenities and safety.
- For the SUNNY business, the first half focused on system migration and the rollout of the private-brand (PB) line Kurashi More. In the second half, following the shift to standalone operations, efforts centered on strengthening in-store competitiveness and establishing a solid operational base.

Changes in operating profit *1



Fluctuation in EBITDA

FY2024: 45.8 billion yen → **FY2025: 48.6 billion yen**

*1 In the first six months of the fiscal year ending February 28, 2026, the Company finalized the provisional accounting treatment for the business combination. The relevant for the fiscal year ended February 28, 2025 reflect the finalized accounting treatment for the business combination.

*2 Totals may not match exactly as figures have been rounded.

Revenue increased due to the recovery in retail operations sales. Revenue and profits from retail-peripheral operations also increased, driven mainly by Izumi Techno.

- Youme Mart Kumamoto (excluding the SUNNY business) showed a recovery trend. Youme Mart Kitakyushu opened Youme Mart Sone in September, with start-up costs of 0.14 billion yen.
- The SUNNY business completed system migration and the rollout of the PB line, Kurashi More, in the first half. Sales in the third quarter remained steady, though cost structure remains a challenge. While gross profit and cost control continue to be challenges, there was a steady improvement trend in 4Q.
- Yours recorded strong sales of the Group's private brand Youme-Ichi, returning to profitability on an operating basis excluding start-up costs for new stores (0.07 billion yen).
- Izumi Techno's construction and designated administration departments were strong. While Youme Card and Izumi Food Service performed well operationally, full-year profits declined mainly due to strengthened promotions and higher personnel expenses from wage increases.

(Million yen)	Operating revenue						Operating profit						
	3Q (Mar.-Nov.)		4Q (Dec.-Feb.)		FY2025 (Mar.-Feb.)		3Q (Mar.-Nov.)		4Q (Dec.-Feb.)		FY2025 (Mar.-Feb.)		
	Result	YoY	Result	YoY	Result	YoY	Result	YoY	Result	YoY	Result	YoY	
Retail operations	403,156	111.9%	147,873	100.7%	551,029	108.7%	12,911	99.4%	7,871	112.5%	20,782	104.0%	
Retail-peripheral operations	39,882	114.8%	14,040	106.4%	53,922	112.5%	4,305	109.8%	1,691	106.4%	5,997	108.8%	
Others and adjustments	△26,052	–	△9,588	–	△35,640	–	384	–	72	–	456	–	
Consolidated total	416,987	111.7%	152,325	101.0%	569,312	108.6%	17,601	102.4%	9,635	112.7%	27,236	105.8%	
Retail operations	Izumi	277,461	102.8%	103,754	100.9%	381,215	102.2%	13,977	98.1%	7,494	106.7%	21,471	101.0%
	Youme Mart Kumamoto	80,423	168.8%	28,285	98.6%	108,709	142.3%	△164	–	330	863.4%	165	172.0%
	(Including the SUNNY business)	(59,769)	(210.9%)	(20,749)	(97.1%)	(80,517)	(162.0%)	(△725)	–	(-38)	(–)	(△763)	(–)
	Youme Mart Kitakyushu	18,751	103.5%	6,640	103.3%	25,391	103.5%	131	485.9%	106	77.7%	237	145.0%
	Yours	17,797	107.8%	6,229	106.3%	24,027	107.4%	△63	–	127	100.1%	63	105.3%
Retail-peripheral operations	Youme Card	6,362	103.9%	2,308	110.4%	8,670	105.6%	954	92.6%	445	116.0%	1,400	98.9%
	Izumi Techno	16,389	116.3%	5,639	96.3%	22,029	110.5%	1,969	118.7%	658	87.5%	2,628	109.0%
	Izumi Food Service	6,007	105.7%	2,087	103.3%	8,095	105.1%	308	70.8%	144	109.0%	453	79.7%

* In the first six months of the fiscal year ending February 28, 2026, the Company finalized the provisional accounting treatment for the business combination. The relevant for the fiscal year ended February 28, 2025 reflect the finalized accounting treatment for the business combination.

Non-consolidated Profit/Loss for the Fiscal Year Ended February 28, 2026 (FY2025)

Operating revenue exceeded the revised plan. Additionally, effective control of expenses made it possible for operating profit and net profit to exceed the plan.

- Operating revenue Revenue increased 2.2%.
- Operating profit The SG&A expense ratio increased 2.1%, and the percent (%) of operating revenue remained almost flat YoY at 37.0%. The operating profit margin fell 0.1 points to 5.6%.
- Ordinary profit Interest expenses increased chiefly due to a rise in interest-bearing debt and a hike in interest rates. The ordinary profit margin declined 0.1 points YoY to 5.6%
- Profit Profit was 3.6%, up 1.0 points YoY, mainly due to the significant decrease in extraordinary losses (impairment losses: 7.4 billion yen in the previous fiscal year and 1.0 billion yen in the fiscal year under review).

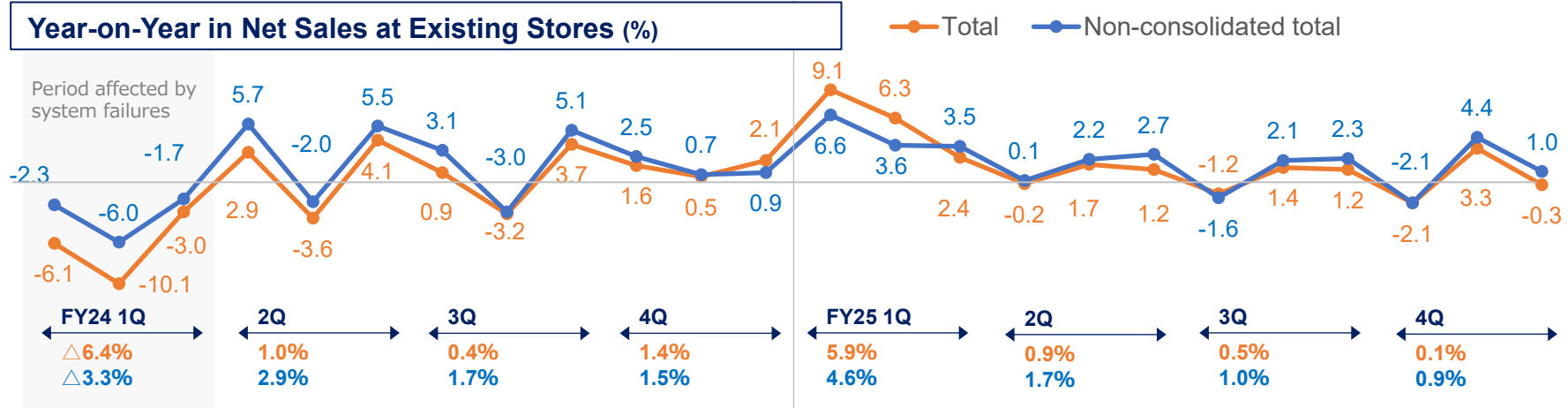
Non-consolidated (Million yen)	3Q (Mar.-Nov.)		4Q (Dec.-Feb.)		FY2025 Full-year (Mar.-Feb.)		
	Result	YoY	Result	YoY	Result	% of operating revenue	YoY
Operating revenue	277,461	102.8%	103,754	100.9%	381,215	100.0%	102.2%
Net sales	235,438	102.9%	89,218	100.7%	324,657	85.2%	102.2%
Gross profit	76,924	102.8%	28,852	99.2%	105,777	27.7%	101.8%
Operating revenue	42,022	102.3%	14,535	102.2%	56,558	14.8%	102.3%
Operating gross profit	118,947	102.6%	43,388	100.2%	162,335	42.6%	101.9%
SG&A expenses	104,970	103.2%	35,894	98.9%	140,864	37.0%	102.1%
Operating profit	13,977	98.1%	7,494	106.7%	21,471	5.6%	101.0%
Non-operating income and expenses	-232	–	91	145.9%	-141	-0.0%	–
Ordinary profit	13,744	95.9%	7,585	107.1%	21,330	5.6%	99.6%
Extraordinary income and losses	-146	–	-1,081	–	-1,228	-0.3%	–
Profit	9,485	95.4%	4,328	–	13,813	3.6%	143.4%

Non-consolidated Profit/Loss for the Fiscal Year Ended February 28, 2026 (FY2025)

- Year-on-Year Change in Net Sales at Existing Stores

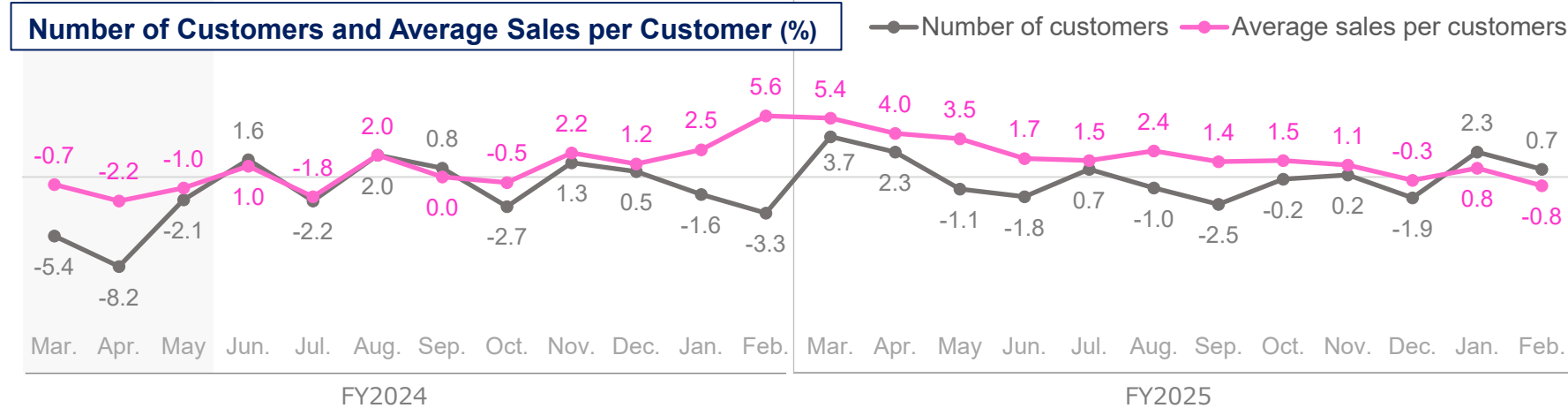
The results of directly operated stores were in line with the revised plan. This mainly reflected heightened consumer frugality and the impact of temperatures.

- Net sales at existing stores:
Sales recovered in the first quarter due to a rebound from the prior year's ransomware attack, but struggled from May through June amid heightened consumer frugality. Following a review of low-price initiatives, sales gradually recovered from July through August; however, prolonged late-summer heat and warm winter weighed on apparel sales in September and December.
- Number of customers and average sales per customer:
The number of customers recovered in the beginning of the fiscal year but decreased year on year in May and June. In September, customer traffic declined, particularly in the lifestyle category. It stabilized at the level of the previous year from October onward and was trending toward a recovery in January and February, partly due to a review of low-price initiatives and the effect of the sales of the private brand Youme-Ichi.



	FY2025
Lifestyle	98.4%
Foods	103.1%
Total	101.7%
Tenants	102.3%
Non-consolidated Total	102.0%

* Breakdown of total directly operated stores



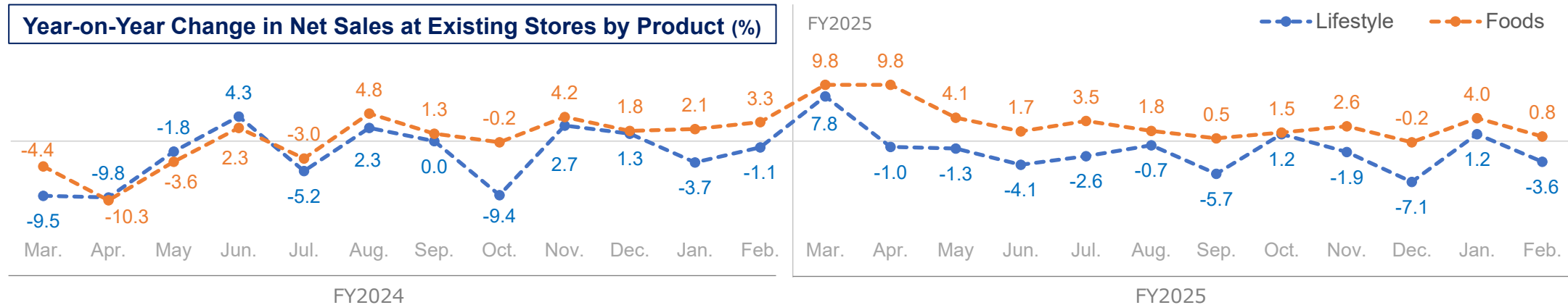
Number of customers	100.1%
Average sales per customers	101.7%
Average spent per item	102.5%
Number of purchases	99.3%

- Net Sales and Gross Profit by Division

Low-price initiatives began to be enhanced in the second half in response to heightened consumer frugality. Both sales and gross profit were in line with the revised plan.

- Lifestyle Sales of seasonal items, particularly apparel, struggled due to heightened consumer frugality and delayed responses to weather conditions, resulting in YoY sales declines on a cumulative basis.
- Foods Gross profit was in line with the prior year in the first half, down 0.2 points in the fourth-quarter period and down 0.1 points on a cumulative basis. Low-price initiatives began to be enhanced in the second half with the launch of Select 100 Super-Bargain Prices and other initiatives. The private brand Youme-Ichi, which was launched in September, continued to perform strongly, exceeding the plan. While the gross profit declined 0.3 points YoY in the fourth-quarter period, it was in line with the plan and down 0.1 points on a cumulative basis.

(Million yen)		3Q FY2025 (Mar.-Nov.)		4Q FY2025 (Dec.-Feb.)		FY2025 Full-year (Mar.-Feb.)	
		Result	YoY/difference	Result	YoY/difference	Result	YoY/difference
Sales	Lifestyle	62,210	99.1%	21,323	96.6%	83,534	98.4%
	Foods	173,227	104.3%	67,895	102.0%	241,122	103.6%
	Total	235,438	102.9%	89,218	100.7%	324,657	102.2%
Gross profit margin	Lifestyle	35.5%	-0.1pt	33.6%	-1.0pt	35.1%	-0.2pt
	Foods	31.6%	+0.0pt	31.9%	-0.3pt	31.7%	-0.1pt
	Total	32.7%	+0.0pt	32.3%	-0.5pt	32.6%	-0.1pt



- SG&A Expenses

SG&A expenses decreased 1.1% in the fourth quarter. They increased 2.1% on a cumulative basis but were within the planned range. The full-year percent (%) of operating revenue was 37.0%, which is on par with the previous year..

- Personnel expenses Personnel expenses increased due to wage hikes and the running costs of new stores; however, with appropriate control of labor hours, the decrease of 0.9 points in the fourth quarter.
- Utilities expenses Despite higher unit costs from renewable energy surcharges and other factors, utilities expenses recorded a 3.4-point decrease in the third quarter due to effective usage control.
- Advertising expenses While advertising expenses increased due to a rebound from the prior year's ransomware impact in the first half and stepped-up promotions to address inflation, effective control measures took hold in the second half.
- Other Start-up costs for new store openings and existing store revitalization decreased.
(An decrease of approx. 0.7 billion yen from 1.9 billion yen in the previous fiscal year to 1.2 billion yen in the current fiscal year)
The Company increased investments in store repairs and maintenance to enhance safety and amenities.

Non-consolidated (Million yen)	3Q FY2025 (Mar.-Nov.)			4Q FY2025 (Dec.-Feb.)			FY2025 Full-year (Mar.-Feb.)		
	Result	% of operating revenue	YoY	Result	% of operating revenue	YoY	Result	% of operating revenue	YoY
Operating revenue	277,461	100.0%	102.8%	103,754	100.0%	100.9%	381,215	100.0%	102.2%
Operating gross profit	188,947	42.9%	102.6%	43,388	41.8%	100.2%	162,335	42.6%	101.9%
SG&A expenses	104,970	37.8%	103.2%	35,894	34.6%	98.9%	140,864	37.0%	102.1%
Personnel expenses	38,074	13.7%	101.9%	13,190	12.7%	99.1%	51,264	13.4%	101.2%
Depreciation	9,835	3.5%	97.4%	3,407	3.3%	97.8%	13,243	3.5%	97.5%
Rent expenses	7,171	2.6%	98.4%	2,462	2.4%	98.8%	9,633	2.5%	98.5%
Store management expenses	10,666	3.8%	109.7%	4,022	3.9%	109.5%	14,689	3.9%	109.7%
Utilities expenses	10,424	3.8%	100.8%	2,981	2.9%	96.6%	13,406	3.5%	99.8%
Advertising expenses	6,886	2.5%	110.1%	2,293	2.2%	99.9%	9,179	2.4%	107.4%
Other	21,911	7.9%	106.3%	7,535	7.3%	94.7%	29,447	7.7%	103.1%

Consolidated Balance Sheet for the Fiscal Year Ended February 28, 2026 (FY2025)

Total assets increased 19.4 billion yen due to new store openings and the revitalization of existing stores.

- Total assets Total investments, primarily in new store openings and the revitalization, including prior investments, stood at 21.7 billion yen. Cash and deposits increased 12.3 billion yen due to factors including a bank holiday. Notes and accounts receivable - trade, and contract assets increased 2.5 billion yen, chiefly due to a rise in credit transaction value.
- Liabilities The final day of the fiscal period fell on a bank holiday, which led to an increase of 28.2 billion yen in notes and accounts payable - trade and a decrease in interest-bearing liabilities by 17.1 billion yen.
- Net assets In April 2025 and January 2026, the Company bought treasury shares valued at total 4.9 billion yen. The shareholders' equity ratio declined 0.2 points YoY to 49.4%.

Consolidated *	End of FY2025			Finalization of provisional accounting for business combinations * End of FY2024		
	Result	% of total	Amount	Before confirmation	After confirmation	Amount
(Million yen)						
Total assets	595,383	100.0%	+19,420	569,611	575,963	+ 6,351
Cash and deposits	28,088	4.7%	+12,370	15,717	15,717	
Note and accounts receivable-trade, and contract assets	61,794	10.4%	+2,534	59,259	59,259	
Property, plant and equipment	357,808	60.1%	+5,330	344,469	352,478	+ 8,008
Goodwill	34,207	5.7%	-2,212	55,722	36,419	-19,303
Other	113,485	19.1%	+1,396	94,441	112,088	+ 17,646
Liabilities	287,444	48.3%	+11,084	270,392	276,359	+ 5,966
Notes and accounts payable-trade	57,289	9.6%	+28,265	29,024	29,024	
Interest-bearing liabilities	123,225	20.7%	-17,184	139,456	140,410	+ 953
Other	106,928	18.0%	+3	101,911	106,925	+ 5,013
Net assets	307,939	51.7%	+ 8,335	299,218	299,603	+ 384
Equity	294,008	49.4%	+8,100	285,522	285,907	+ 384
Non-controlling interests	13,930	2.3%	+234	13,696	13,696	

* In the first six months of the fiscal year ending February 28, 2026, the Company finalized the provisional accounting treatment for the business combination. The relevant for the fiscal year ended February 28, 2025 reflect the finalized accounting treatment for the business combination.

Consolidated Cash Flows for the Fiscal Year Ended February 28, 2026 (FY2025)

The final day of the fiscal period fell on a bank holiday, which led to an increase in notes and accounts payable - trade. In April 2025 and January 2026, the Company bought treasury shares valued at total 4.9 billion yen.

- Cash flows from operating activities Cash flows provided from operating activities amounting to 64.5 billion yen, driven in part by profit before income taxes.
- Cash flow from investing activities Cash used in investing activities stood at 19.5 billion yen, primarily reflecting investments in new store openings, revitalizing existing stores, and digital transformation (cash outflows totaling 19.6 billion yen).
- Cash flows from financing activities Cash used in financing activities came to 32.5 billion yen, chiefly due to the purchase of treasury shares amounting to 4.9 billion yen, dividends paid of 6.3 billion yen, and repayments of borrowings of 21.1 billion yen.

(Million yen)	FY2025	FY2024 *
Cash flows from operating activities	64,515	40,323
Profit before income taxes	26,529	20,800
Non-cash loss/gain (depreciation, etc.)	23,660	27,965
Increase/decrease in claims obligations related to operating activities	22,889	4,332
Income taxes and interest income	-9,795	-10,058
Other	1,231	-2,715
Cash flows from investing activities	-19,613	-91,636
Capital investment related	-20,829	-18,787
Other	1,215	-72,849
Cash flows from financing activities	-32,531	55,032
Interest-bearing liabilities related	-21,104	61,523
Other	-11,427	-6,491
Increase/decrease in cash and cash equivalents	12,370	3,719

* Previous fiscal year: SUNNY business acquired for 78.5 billion yen (with interest-bearing debt financing for the entire amount)

* Fiscal year under review: Purchase of treasury shares valued at 4.9 billion yen (3.1 billion yen in April 2025 and 1.8 billion yen in January 2026)

* In the first six months of the fiscal year ending February 28, 2026, the Company finalized the provisional accounting treatment for the business combination. The relevant for the fiscal year ended February 28, 2025 reflect the finalized accounting treatment for the business combination.

The first fiscal year of the Third Medium-term Management Plan is positioned as the first year of structural reforms for transforming our business model to achieve our FY2030 targets.

- In response to the prolonged inflation, initiatives to address consumer frugality will be continued, and product strategies will be aligned with consumer behaviors. Sales promotion activities for the private brand Youme-Ichi will be strengthened.
- In the SUNNY business, which we began operating in-house in the previous fiscal year, we will drive the sales promotion and low-cost operation activities of Kurashi More, a private brand of Nichiryu, and our private brand Youme-Ichi, to stabilize business operations.
- One new store is planned—one operated by subsidiaries. We will also operate pilot stores for the new SM model (stores with an enhanced lineup of perishable items), aiming to develop expertise in the operation of these stores.
- We will review our governance structure and appoint a new outside director to build a solid foundation for the implementation of the Third Medium-term Management Plan.

(Million yen)	Consolidated				Non-consolidated			
	Full year		H1		Full year		H1	
	Plan	YoY	Plan	YoY	Plan	YoY	Plan	YoY
Operating revenue	587,100	103.1%	290,800	103.5%	392,800	103.0%	193,000	102.7%
Operating profit	29,000	106.5%	14,200	111.9%	21,500	100.1%	10,500	103.9%
Ordinary profit	28,400	103.8%	13,900	110.2%	21,000	98.5%	10,200	101.9%
Profit *1	17,400	103.4%	9,400	116.3%	13,900	100.6%	7,000	100.3%
EBITDA *2	49,400	101.6%	—	—	—	—	—	—

*1 Consolidated profit is profit attributable to owners of parent.

*2 EBITDA = Operating profit + Depreciation + Amortization of goodwill

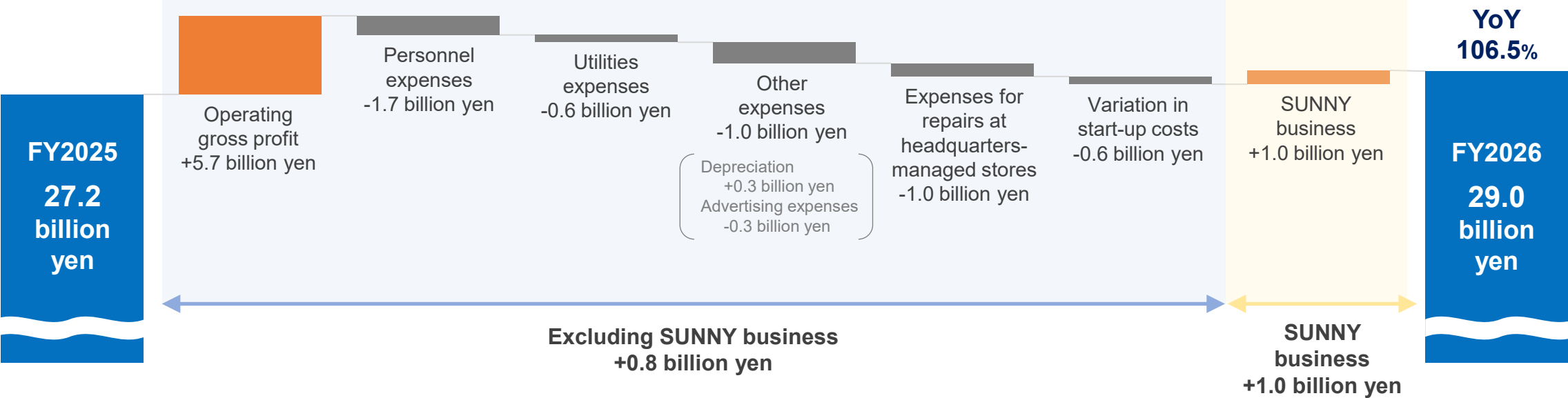
Earnings per share *3	82.82 yen
Dividend per share *3	30.00 yen
Extraordinary income and losses	-1.1 billion yen * Non-consolidated -0.7 billion yen
Capital investment (construction basis)	21.0 billion yen * Non-consolidated 16.5 billion yen

*3 The Company conducted a three-for-one split of its common shares on March 1, 2026. Earnings per share, and net assets per share are calculated assuming the stock split was implemented at the beginning of FY2024.

Operating profit is projected to increase by 6.5% to 29.0 billion yen.

- We have begun the Third Medium-term Management Plan for achieving the 2035 Long-term Vision, and we are aiming to build a community-based comprehensive life industry[A6.1] in the western Japan area.
- We will proactively develop the private brand Youme-Ichi to address consumer frugality and cater to diversifying consumer needs.
- We will stabilize the operations of the SUNNY business, which faced significant operational challenges in the previous year. We will return to profitability, aiming for YoY growth of 1.0 billion yen.
- We will push forward with aggressive investments in stores to achieve growth. We expect start-up costs will increase by 600 million yen and expenses for repairs at headquarters-managed stores (repair and maintenance expenses) will increase by 1.0 billion yen.

Changes in operating profit



Fluctuation in EBITDA



* Totals may not match exactly as figures have been rounded.

Assumptions for Izumi on a non-consolidated basis

Fiscal year ending February 28, 2027 (FY2026)			
New stores	Youme Mall Nakagawa (March 2026, Nakagawa, Fukuoka)		
Main increases in floor area and revitalization	General merchandise stores: 10 * No increases in floor area		
Unique factors	Start-up costs declined 700 million yen YoY (initial plan: 1.9 billion yen, results in the previous fiscal year: 1.2 billion yen)		
	Full year	H1	H2
Net sales	334.7 billion yen	164.1 billion yen	170.6 billion yen
Year-on-Year Change in Net Sales at Existing Stores	102.9%	102.1%	103.7%
Directly managed stores total	102.9%	102.1%	103.6%
Gross profit margin (Ratio to sales)	Current FY: 32.4% Previous FY: 32.6%	Current FY: 32.5% Previous FY: 32.7%	Current FY: 32.3% Previous FY: 32.5%
Personnel expenses	52.4 billion yen (Previous FY: 51,264 million yen, up 2.2% YoY)		
Depreciation	13.0 billion yen (Previous FY: 13,243 million yen, down 1.8% YoY)		
Labor productivity * Gross profit per employee	9.06 million yen (Previous FY: 8.82 million yen, up 2.8% YoY) * Based on Izumi non-consolidated accounting and directly-operated / existing stores as of the end of FY2025		

Year-on-Year Change in Net Sales at Existing Stores	
	FY2026 March Results
Lifestyle	99.1%
Foods	100.7%
Directly managed store total	100.2%
Tenants	102.1%
Izumi Total	101.1%

* Breakdown of total directly operated stores

Number of customers	100.6%
Average sales per customers	99.4%
Average spent per item	99.4%
Number of purchases	100.0%

Impact of day-of-week differences

Number of holidays: -1
(about a 0.4% decline)

* The year-on-year change in net sales from existing stores is shown as figures on a gross operating revenue basis before the application of the Accounting Standards for Revenue Recognition.

Medium-Term Management Plan

II . Medium-Term Management Plan

Slide No.

1. Review of 2nd Medium-Term Management Plan
2. 3rd Medium-Term Management Plan
 - Business Strategy
 - Financial, Talent, and Sustainability Strategy

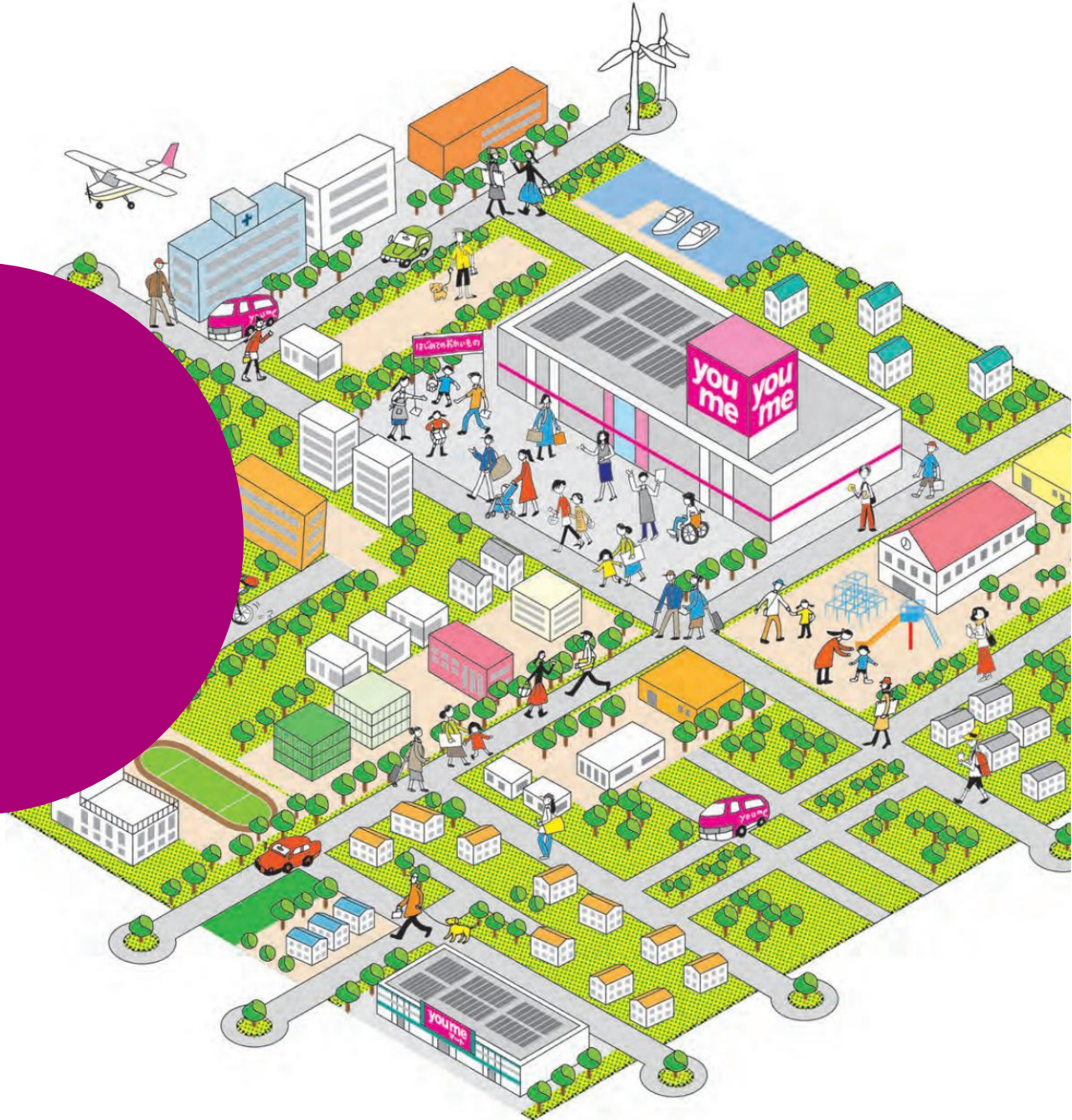
19

26

54

youme

3rd Medium-Term Management Plan (FY2026-FY2030)



1. Review of 2nd Medium-Term Management Plan
2. 3rd Medium-Term Management Plan
 - Business Strategy
 - Financial, Talent, and Sustainability Strategy

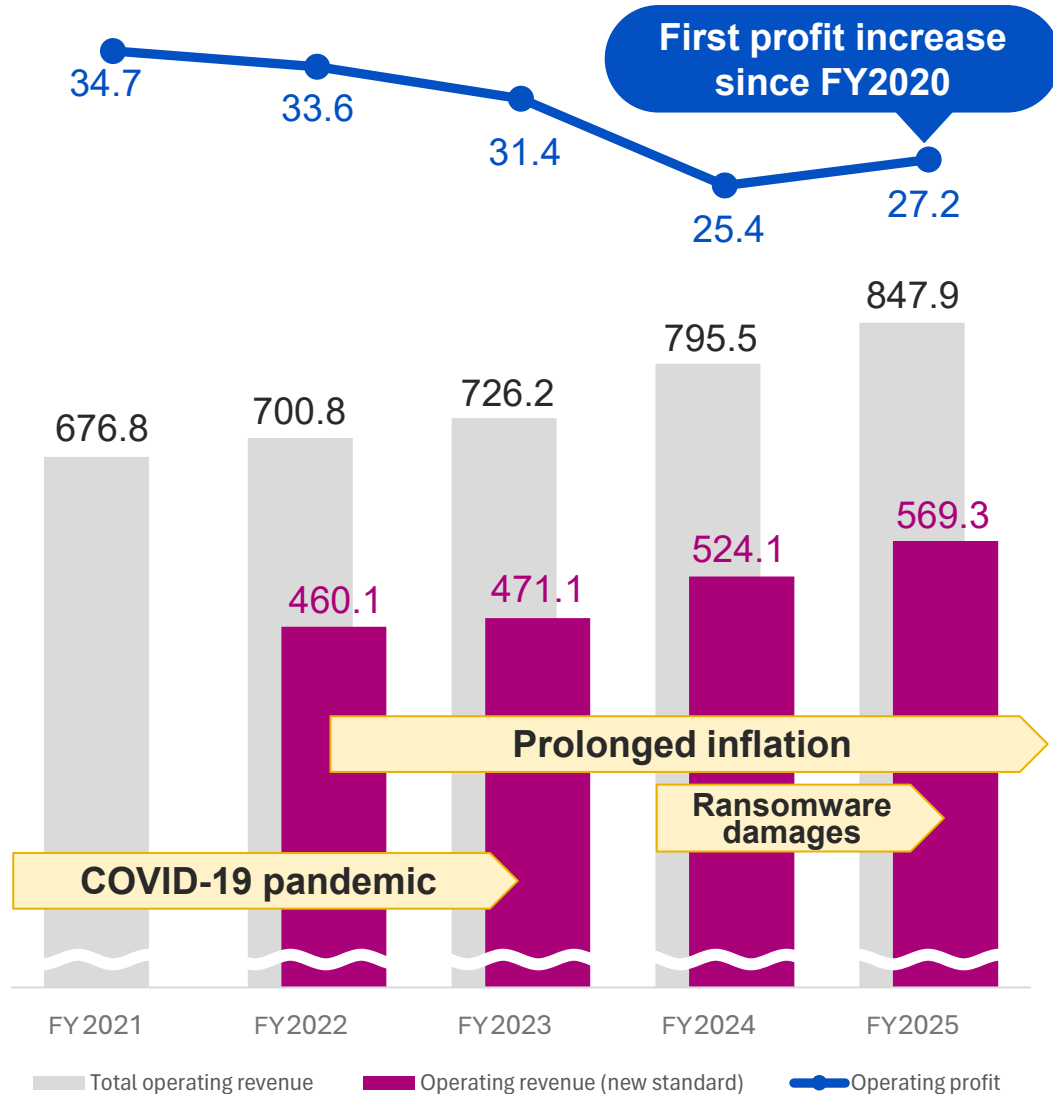
1. Review of 2nd Medium-Term Management Plan

2. 3rd Medium-Term Management Plan

- Business Strategy
- Financial, Talent, and Sustainability Strategy

Review of 2nd Medium-Term Management Plan

Performance trends of the 2nd Medium-Term Management Plan (billion yen)



■ FY2021

- Thanks to driving structural reforms through cost optimization amidst the need for adaptability to the “new normal” under the impact of the COVID-19 pandemic, Izumi achieved an increase in profit compared to before the pandemic (FY2019), despite a decline in sales

■ FY2022-2023

- Although performance recovered quickly thanks to leveraging changes in people flow and recovery of demand that accompanied the full transition to the new normal, Izumi formulated and released a revised mid-term plan to respond to sudden changes in the environment such as higher energy costs caused by the Ukraine invasion

■ FY2024-2025

- A system failure caused by ransomware damages in February 2024 created confusion in business operations and store management, so after restoring the system Izumi prioritized recovering the number of customers, but business performance took longer to recover than expected due to the slow response to inflation and failing to achieve new store and activation goals
- In addition, Izumi took over SUNLIFE in May 2024 and Seiyu’s Kyushu business in August 2024, but downwardly revised the business forecast in October 2025 due to expecting to not achieve operating profit targets resulting from factors such as the impact of ransomware

Summary :

Due to drastic changes in the external environment and other factors, the second mid-term plan saw a downward trend in profits, resulting in figures that fell significantly short of the initial profit targets; however, profits rebounded in the final year.

Review of 2nd Medium-Term Management Plan: Efforts and issues in key initiatives

Key initiatives	Main implemented items	Issues	For the 3rd Mid-Term Plan
Growth Strategy	<ul style="list-style-type: none"> New store openings: 17 <ul style="list-style-type: none"> SM: 10 NSC: 4 GMS: 1 Other: 2 Large-scale store revitalization: 55 Unprofitable stores closed: 13 Strengthened competitiveness with makeovers of food products, etc. Rejuvenated stores with renovations 	<ul style="list-style-type: none"> Responding to increases in various costs High dependence on seniors Decline in sales in family demographic Establishment of successful model for lifestyle category Attracting tenants that are appealing to the local community 	
DX Promotion <div style="display: flex; flex-direction: column; gap: 10px;"> <div style="background-color: #f4a460; padding: 5px; text-align: center;">Customer satisfaction</div> <div style="background-color: #f4a460; padding: 5px; text-align: center;">Productivity improvement</div> </div>	<ul style="list-style-type: none"> Personalized sales promotions via Youme App Expanded sales of Youme Online Expanded store network for Youme Delivery 	<ul style="list-style-type: none"> Effective way to approach to new customers 	
	<ul style="list-style-type: none"> Increased productivity with DX Developed capabilities of employees during their spare time by improving productivity 	<ul style="list-style-type: none"> Reducing headcount to withstand pace of increase in personnel expenses 	
Talent development & capability development	<ul style="list-style-type: none"> Manager development (103 people completed Izumi University) Created environment for self-learning (e.g., e-learning, video manuals) 	<ul style="list-style-type: none"> Developing talent for new SM format Talent development aligned with management strategy 	
Strengthening group management	<ul style="list-style-type: none"> Expanded food market share with M&A Strengthened existing businesses (e.g., facility management business, FC store openings) 	<ul style="list-style-type: none"> Curbing external outflow of cash Expanding revenue via external store openings and strengthening of external sales 	

Review of 2nd Medium-Term Management Plan: GMS

■ Revitalized large stores



- Activated food sales spaces in 46 out of activated 55 stores
- Created lineup that met local customer needs and improved added value of stores by expanding food sales spaces of directly-operated stores and bringing in food sales tenants

Sales growth rate from large store activation

Figure in parentheses indicates results of large-type nonactivated stores

Store total	16.9%	(3.4%)
Directly-operated total	10.2%	(-0.1%)
Food total	8.3%	(0.9%)

Compared to mid-term plan period (Feb 2021 - Feb 2026)
Note: Large store activation (investment of over 0.1 billion yen by Izumi + activation of group companies)

■ Strengthened community functions



Aro City Library

- Opened Aro City Library in Youme Town City Mall in partnership with Aro City government
- Serving as a local lifestyle hub, it contributed to creating a space for spreading info and relaxing



Furusato Company Grand Prize

- Received 2022 Furusato Company Grand Prize (Minister of Internal Affairs and Communications Award) in recognition for creating jobs in Youme Town Hatsukaichi and for community contribution activities such as establishing a nursery school

■ Improved appeal of lifestyle category (new FC business)



- Expanded FC business to transform lifestyle category
- Enhanced products and services targeting child-rearing households and youth demographic

FC business sales	FY2020	FY2025
	¥0.97 B	¥3.16 B

■ Rejuvenated stores



- Renovated customer restrooms, play areas, employee break areas, etc.
- Efforts to improve store value are still underway

Employee break room

Review of 2nd Medium-Term Management Plan: NSC (Neighborhood Shopping Center)

- NSCs are open-air shopping centers made up of a wide variety of specialty stores such as household goods stores, restaurants, and home appliance stores, including new stores opening for the first time in the region and for Izumi. The facilities are centered around Youme Mart, a food supermarket operated by Izumi
- They have an open-air format in which the specialty stores surround a parking lot so customers can park near the stores, enabling shopping that is convenient, painless, and fast

The Saijo/Sanyo model attracts customers with fresh food, and has increased sales in all categories thanks to customers going from store to store to shop

Attracting younger customers

Improving Attraction of Younger Customers by Responding to Trends Through Fresh Food-Focused Supermarkets and Tenants

Revenue Breakdown by Customers Aged 40 and Under
(Comparison of Izumi's Standalone SM Average Values)

+9.8%

High profitability compared to SM

Optimizing Revenue Through Customer Flow Synergies and Tenant Mix

NSC's adjusted EBITDA ^{*2}
(Comparison of Izumi's Standalone SM Average Values)

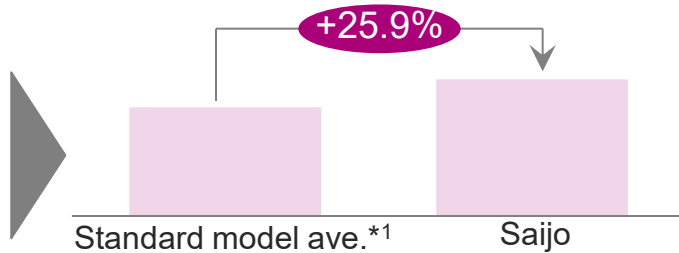
+3.1%

Oct. 2022 Youme Mall Saijo (Hiroshima City, Hiroshima)



- Hiroshima Prefecture's first Youme Mall
- Contains 29 tenants, including those that have never opened a store in Chugoku, centered around Youme Mart

Food sales per *tsubo* (3.3m²)

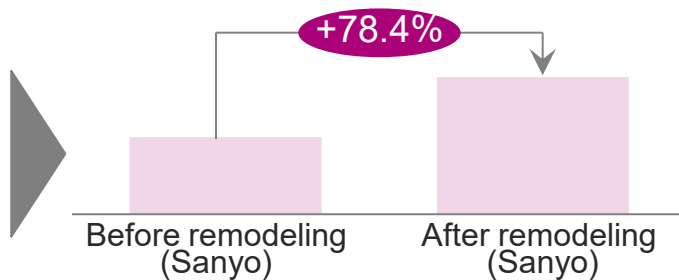


Jun. 2025 Youme Mall Sanyo (Akaiwa City, Okayama)



- Okayama Prefecture's first Youme Mall
- Opened stores based on scrap-and-build strategy
- Contains 13 tenants centered around Youme Mart

A New Supermarket Model That Attracts Customers with Fresh Produce and Boosts Sales Through Cross-Shopping



Others: Youme Mall Koshi (Koshi City, Kumamoto) May 2024, Youme Mall Itsukaichi (Saeki-ku, Hiroshima City) Sep. 2024

*1 Average sales for standard-sized SMs of the same scale

*2 Adjusted EBITDA = Operating profit + Depreciation + Variation in start-up costs

Review of 2nd Medium-Term Management Plan: PB* ゆめイチ

- Izumi's private brand **Youme-Ichi** was launched at all Izumi Group stores in Sep. 2025
- “Regular” and “Premium” products are being launched sequentially, with of focus on the low-price range “Price” products

Ratio to sales of food

2.8%
(as of Mar. 2026)

	Lineup	Items launched (as of Feb. 2026)	List of products
↑ Top	<p>Premium Premium quality ensured by buyers' uncompromising criteria</p> <p> A high-end lineup of products focused on outstanding quality (ingredients, production process, and taste) and developed in pursuit of added value and quality</p>	1 item	<p>Look here for a list of products currently in stores</p> <p> Izumi private brand, Youme-Ichi</p>
Mid	<p>Regular Most recommended products with satisfactory quality and prices</p> <p> A standard lineup focused on the balance between quality and prices</p>	22 items	
↓ Low	<p>Price Affordability that is ideal for daily consumption</p> <p> A lineup of products focused on low prices to help customers save money for food for daily consumption</p>	140 items	
		Total: 163 items	

*PB: Private Brand

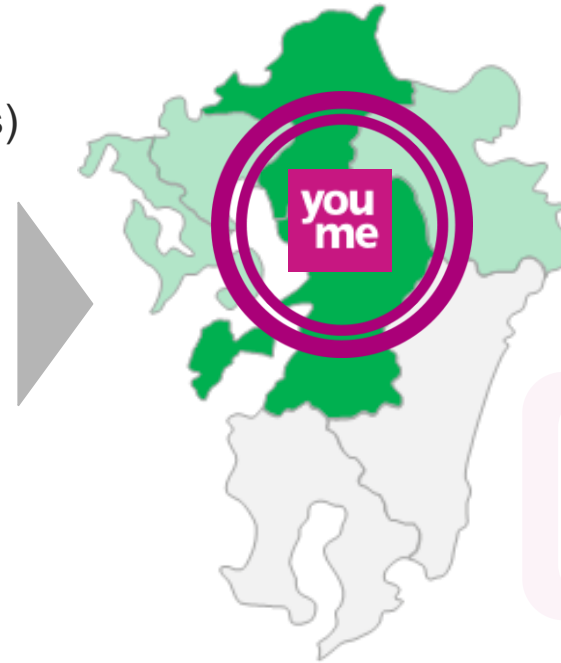
Review of 2nd Medium-Term Management Plan: M&A, SUNNY Business

■ M&A

May 2024
SUNLIFE Co., Ltd.



Aug. 2024
Seiyu Co., Ltd. Operations in the Kyushu Region (SUNNY business)

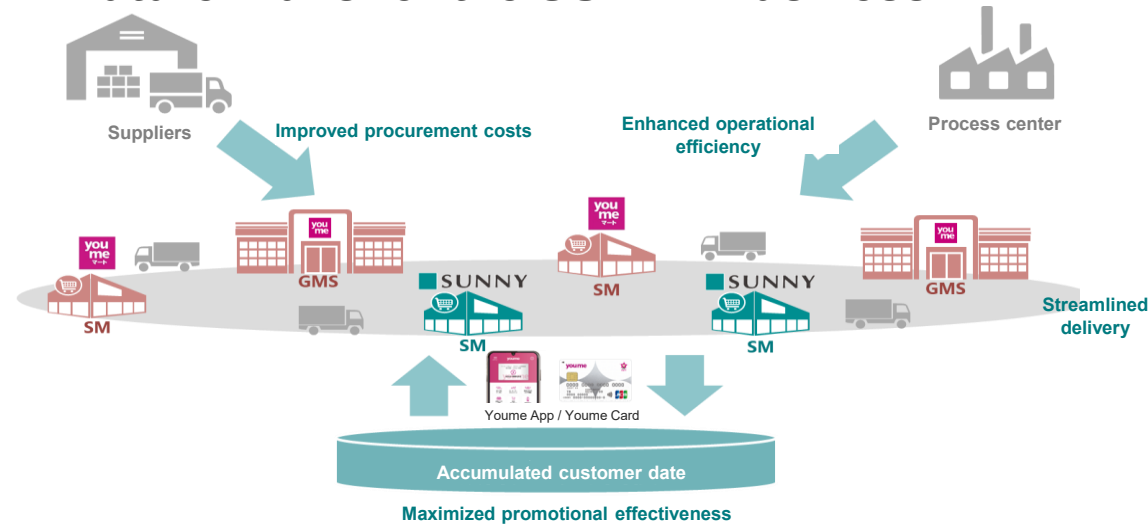


Achieved stronger domination of Kyushu

Kyushu:
159 stores

All stores:
266 store network

■ Future Plans for the SUNNY Business



- SUNNY business switched to being operated exclusively by Izumi in FY2025
- Customer support for KURASHI-MORE gradually expanded to **5.3% of total sales** (As of the end of February 2026)
- Going forward, Izumi will maximize synergy across the entire group by achieving economies of scale and solid domination

1. Review of 2nd Medium-Term Management Plan

2. 3rd Mid-Term Business Plan

- **Business Strategy**
- Financial, Talent, and Sustainability Strategy

Understanding the External Environment: Opportunities & challenges based on our strengths

	Macroenvironment	Competitive environment	Consumer environment	
Opportunities	<ul style="list-style-type: none"> • The existence of areas such as Fukuoka, Hiroshima, and Kumamoto, which are attractive in terms of future population and GDP. • Growing demand for basic infrastructure to maintain public facilities in depopulating areas. • Leveraging AI to improve productivity and create cost advantages. 	<ul style="list-style-type: none"> • Increase in M&A opportunities driven by the need to survive and remain competitive. • Growing demand for high-value-added domains, such as selection and quality, in response to the backlash against the shift toward lower pricing. 	<ul style="list-style-type: none"> • As consumers become more budget-conscious amid inflation, the demand for quick & easy meals is growing as consumers return to home meal replacements. • Underlying strength of one-stop shopping needs in lifestyles centered around car travel. • Growing consumer attachment to local businesses in contrast with nationwide chains. 	Izumi's strengths <ul style="list-style-type: none"> • Prime location of GMS in major urban areas • One of the region's largest customer bases, with 11 million customers*, built using GMS <small>*Number of Youme Card members</small> • Product development capabilities, including Youme-Ichi, zehi, and SHUCA. • On-site capabilities in creating store-led sales floors tailored to local needs • Adaptability to meet evolving needs through diverse formats* <small>*GMS, NSC, and SM</small>
Challenges	<ul style="list-style-type: none"> • As the population declines, the restructuring of the food market is accelerating in regions outside of some urban areas such as Fukuoka, Hiroshima, and Kumamoto. • Against the backdrop of rising labor costs, the shift toward higher-value-added and more efficient store operations is accelerating. 	<ul style="list-style-type: none"> • Emergence of food retailers that compete using low pricing, such as discount stores and drugstore operators. • Accelerating expansion of nationwide chains into the Hiroshima and Fukuoka areas. 	<ul style="list-style-type: none"> • Decline in customer numbers and spending due to aging among primary customer segment. • Accelerating aging mainly in rural areas is leading to reduced shopping activity • Diversifying customer needs 	

The Izumi Group's Vision: Long-Term Vision for 2035

Management Philosophy

Filling our employees with pride and joy as we continue contributing to communities and our customers' lives.

Vision

At the Izumi Group, we strive to be a community-oriented comprehensive life industry that is the most deeply connected to and trusted by customers in western Japan.

Basic policies

Be more committed to local customers than anyone else

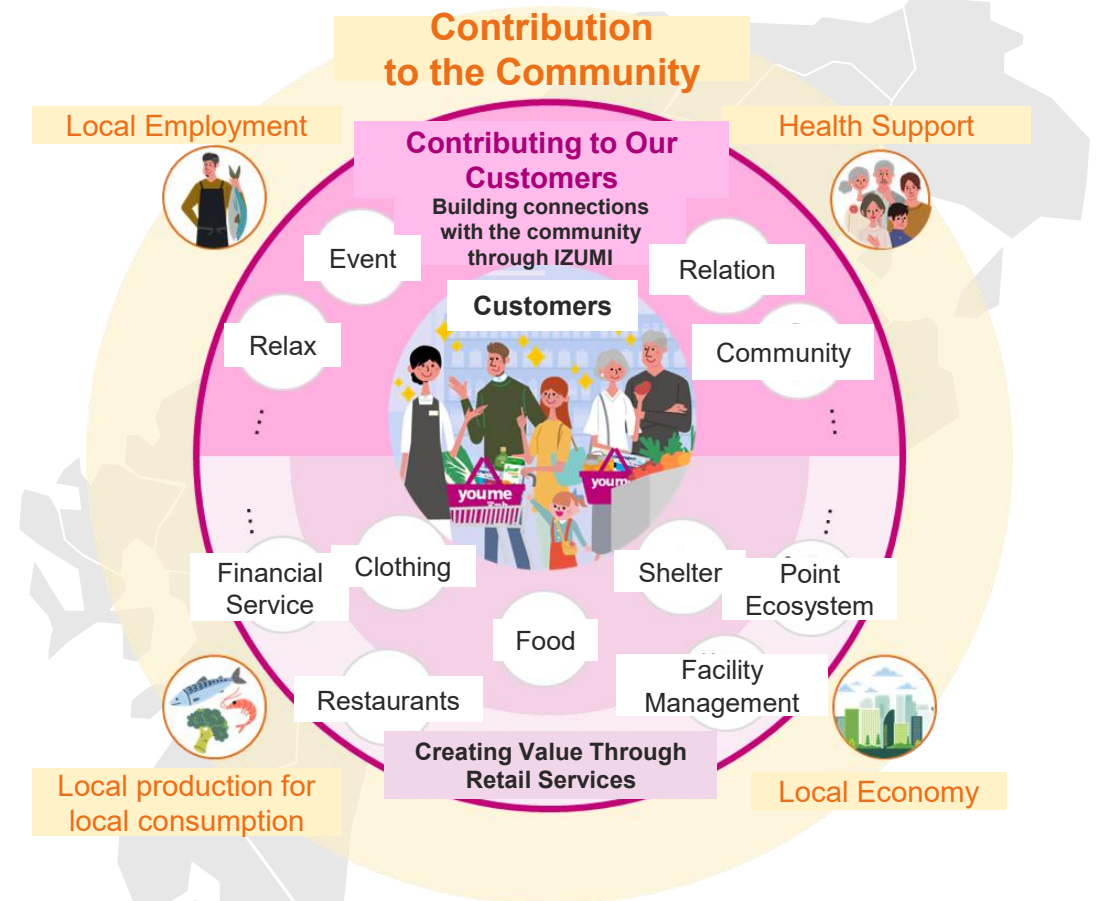
Build a framework for growing together with local communities

Become a cornerstone for the daily lives of local residents





Future Direction

- Operating revenue: Over 1 trillion yen (new revenue recognition standard)
- Customer engagement score: Sustained improvement each term
- Employee engagement score: 70 points or higher

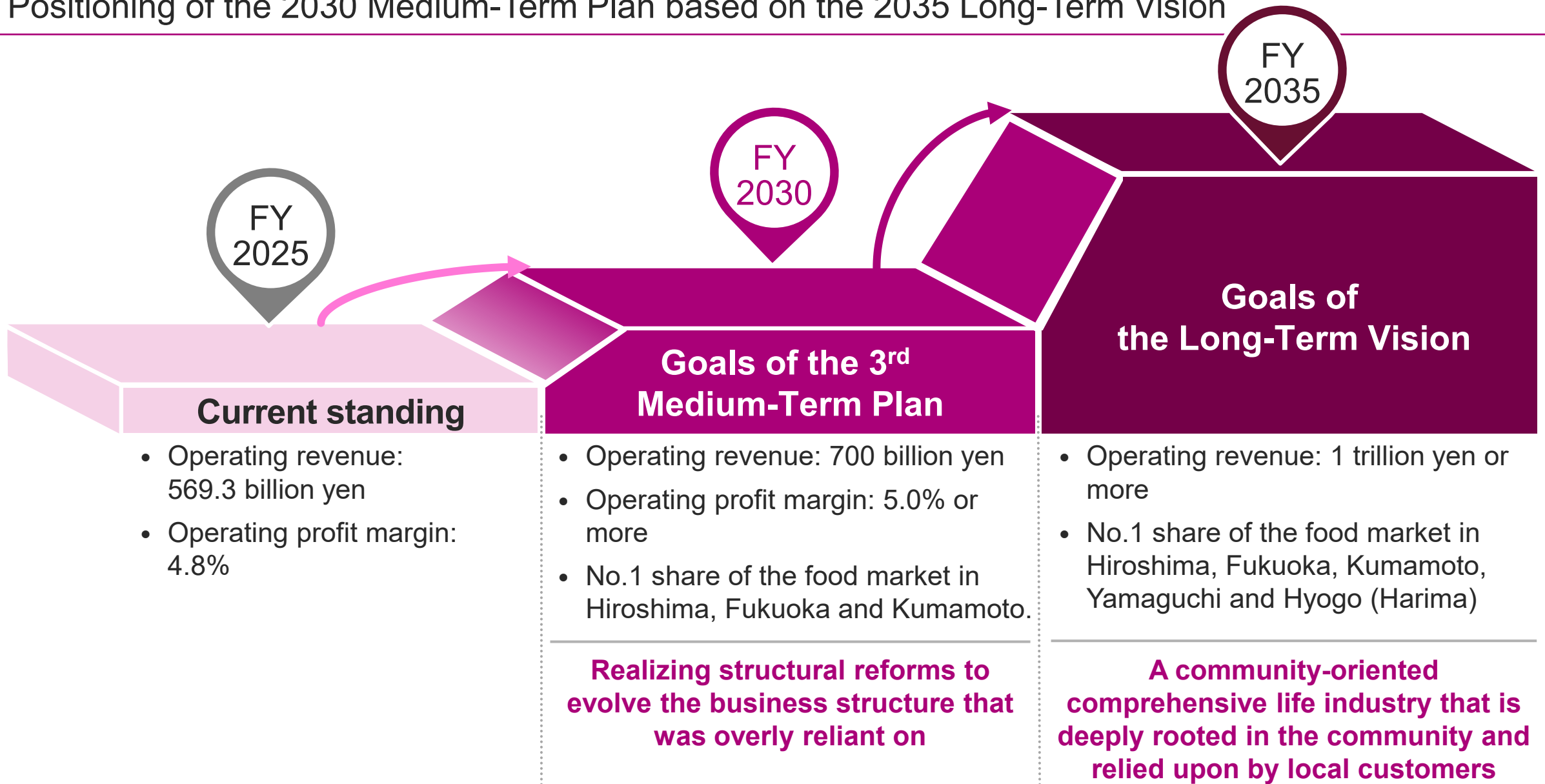
Creating comfortable and lively communities



About the Customer and Employee Engagement Score

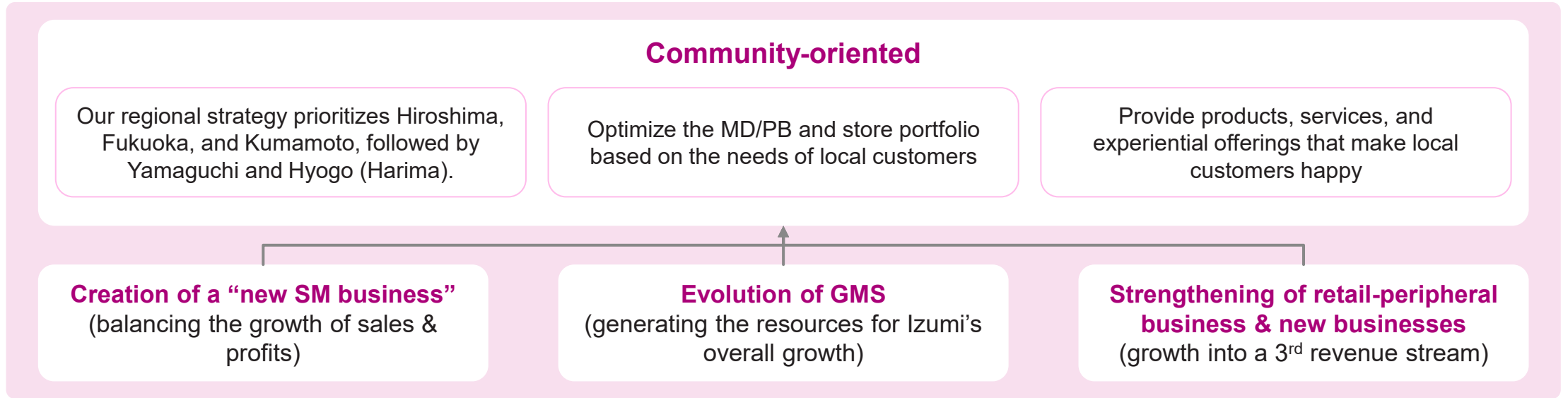
	Customer engagement score	Employee engagement score
Aim 	<ul style="list-style-type: none"> Continuously optimizing products and store environments from the customer's perspective <ul style="list-style-type: none"> Visualizing how much customers have become "fans" of our company 	<ul style="list-style-type: none"> Increasing the number of employees who feel a sense of pride and joy, and as a result, improving business performance through increased productivity. <ul style="list-style-type: none"> Visualizing how much employees have become "fans" of our company
The score's significance 	<ul style="list-style-type: none"> Visualizing how satisfied customers are with our products and services Visualizing the effectiveness of our initiatives and building a foundation for a customer-oriented PDCA cycle by tracking metrics by store/category 	<ul style="list-style-type: none"> Visualizing how much our employees resonate with our philosophy and strategy, and how much they embody our philosophy. Also visualizing whether our company is successfully creating and providing a workplace where employees can work with peace of mind from the perspective of employees.
How scores are calculated 	<ul style="list-style-type: none"> By conducting surveys of our app members (approx. 2 million members) on 18 items related to store layout improvement <ul style="list-style-type: none"> Category: Produce, fresh seafood, meat, ready-made foods, groceries, LS, household goods, etc. MD: Price, selection, quality/freshness Environment: Customer service, cleanliness, adequacy of events, etc. 	<ul style="list-style-type: none"> The survey is conducted six times a year for full-time employees. Response rate: 95% or higher (based on the 2025 survey results) <ul style="list-style-type: none"> Philosophy & strategy: Resonating with our mission & vision Growth: Sense of accomplishment & opportunities for growth Health: Workload & stress Organizational culture: A culture of taking on challenges & collaborating across departmental boundaries <div style="border: 1px solid black; padding: 5px; width: fit-content; margin-top: 10px;"> 4 items considered to be particularly important </div>
Current score 	<ul style="list-style-type: none"> 72.4 (Jan. 2026 survey results) 	<ul style="list-style-type: none"> Average score of 64.3 across the 4 items considered important (Mar. 2026 survey results)

Positioning of the 2030 Medium-Term Plan based on the 2035 Long-Term Vision

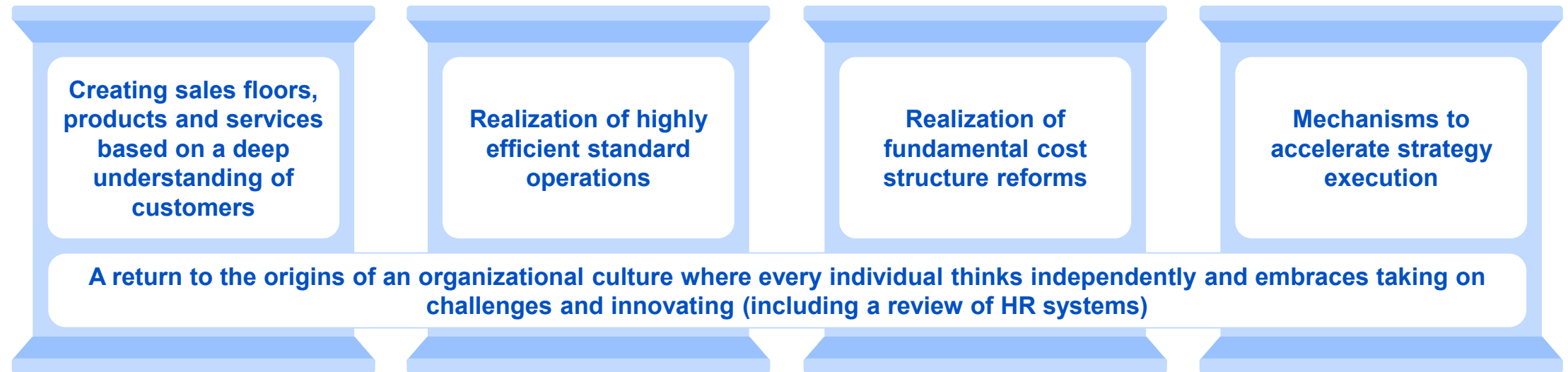


3rd Medium-Term Management Plan: Key strategies & initiatives

Basic strategy



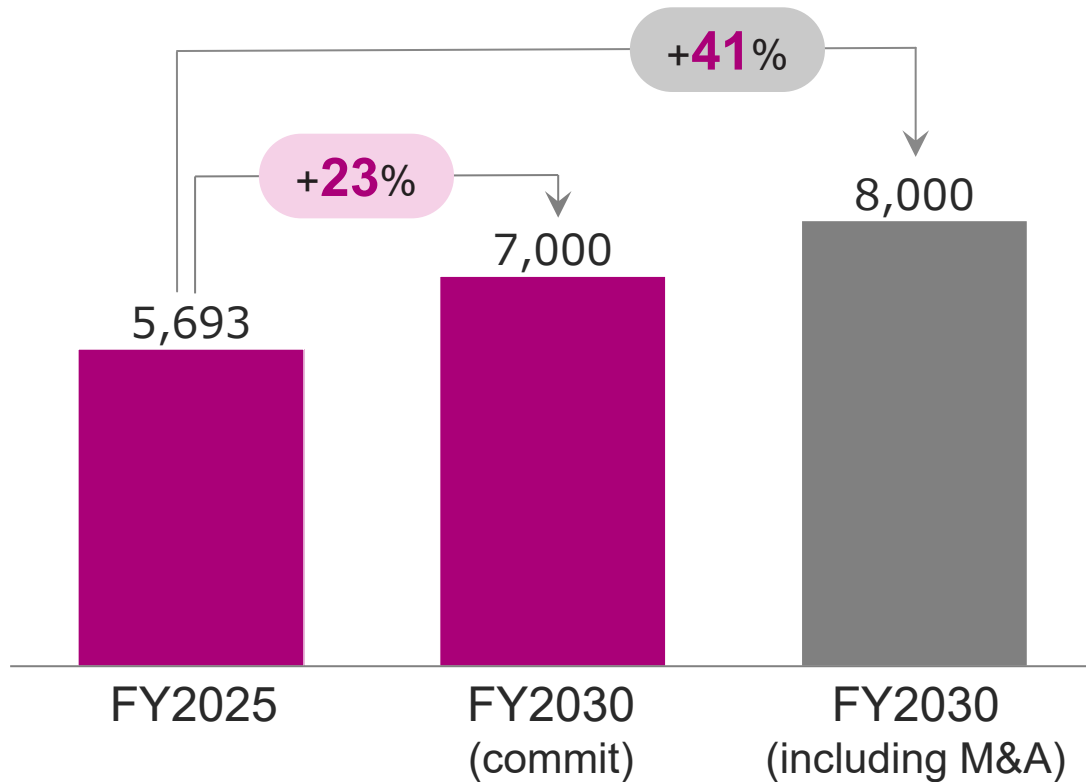
Key initiatives



3rd Medium-Term Management Plan: Target figures (overall)

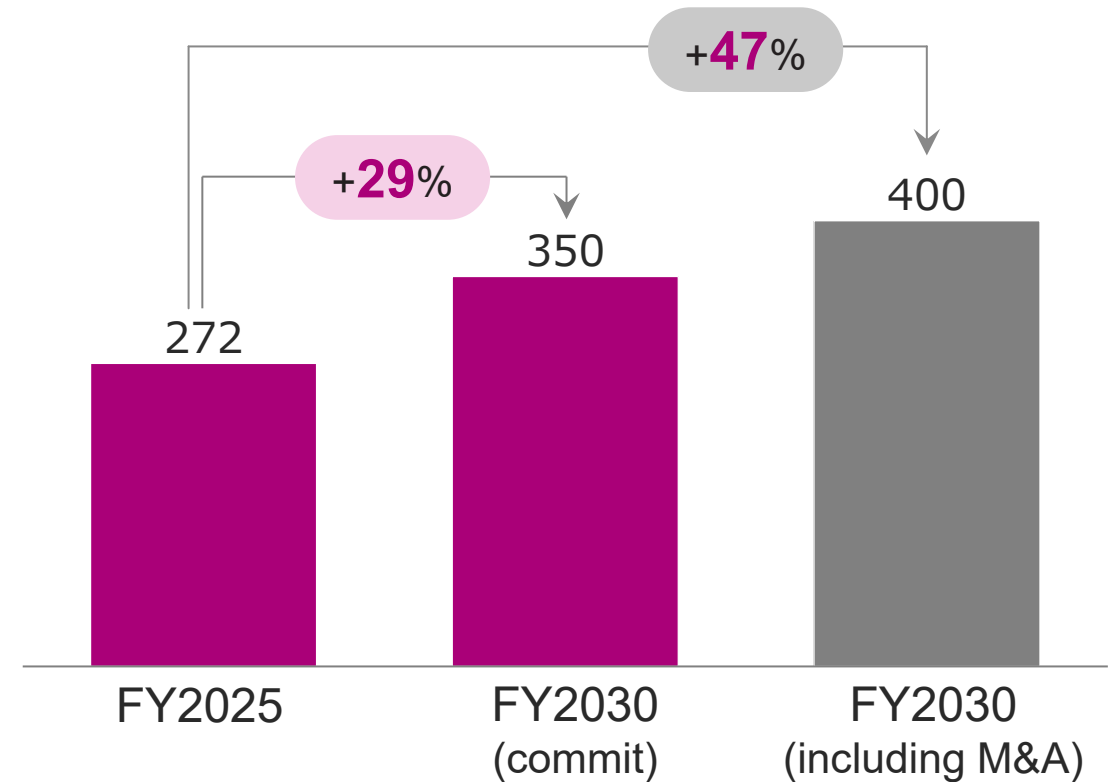
Operating revenue

(100 millions of yen)



Operating profit

(100 millions of yen)



Operating Profit margin

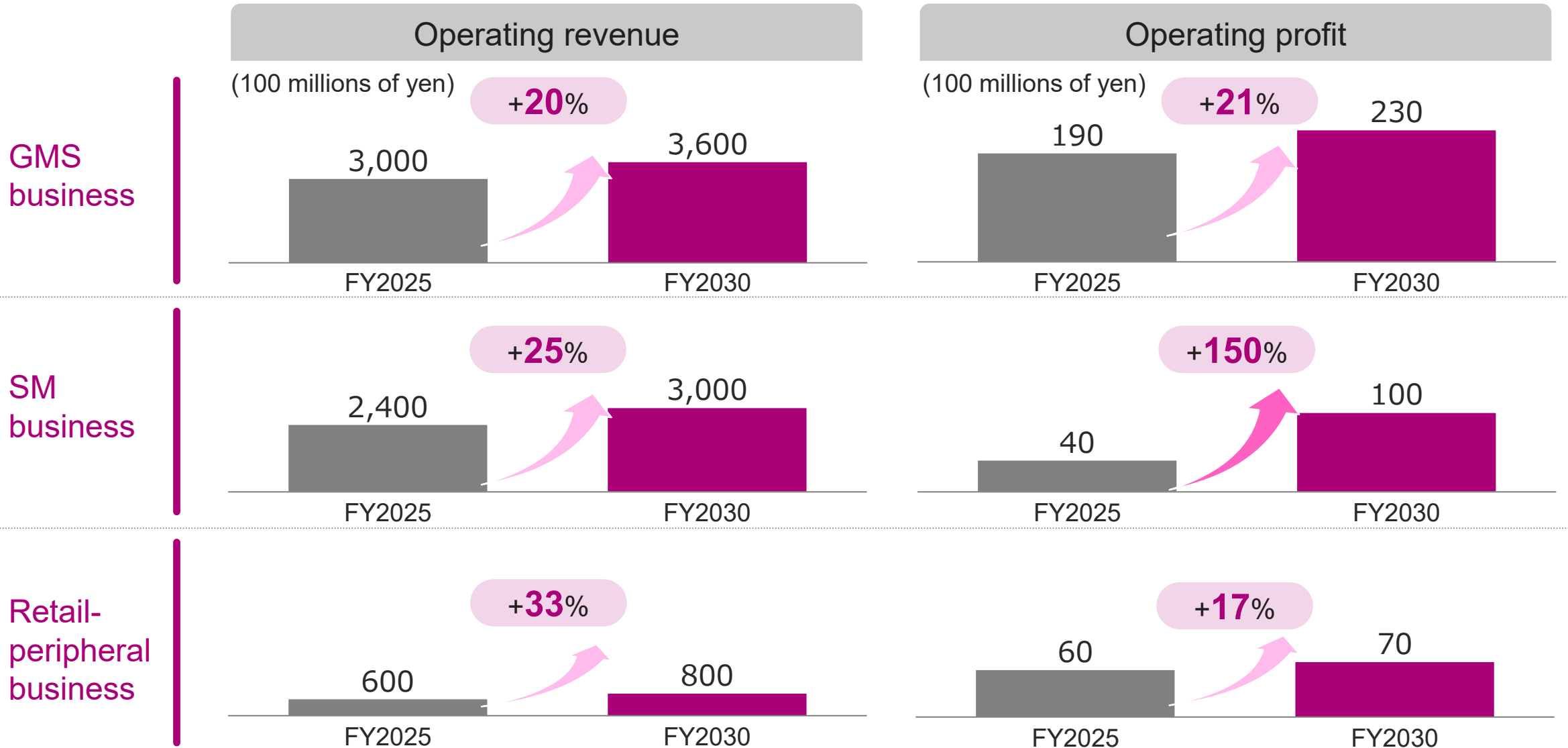
4.8%

5.0%

5.0%*

* Assuming that the winning model for the new SM will be finalized and rolled out to the acquired companies by fiscal year 2030

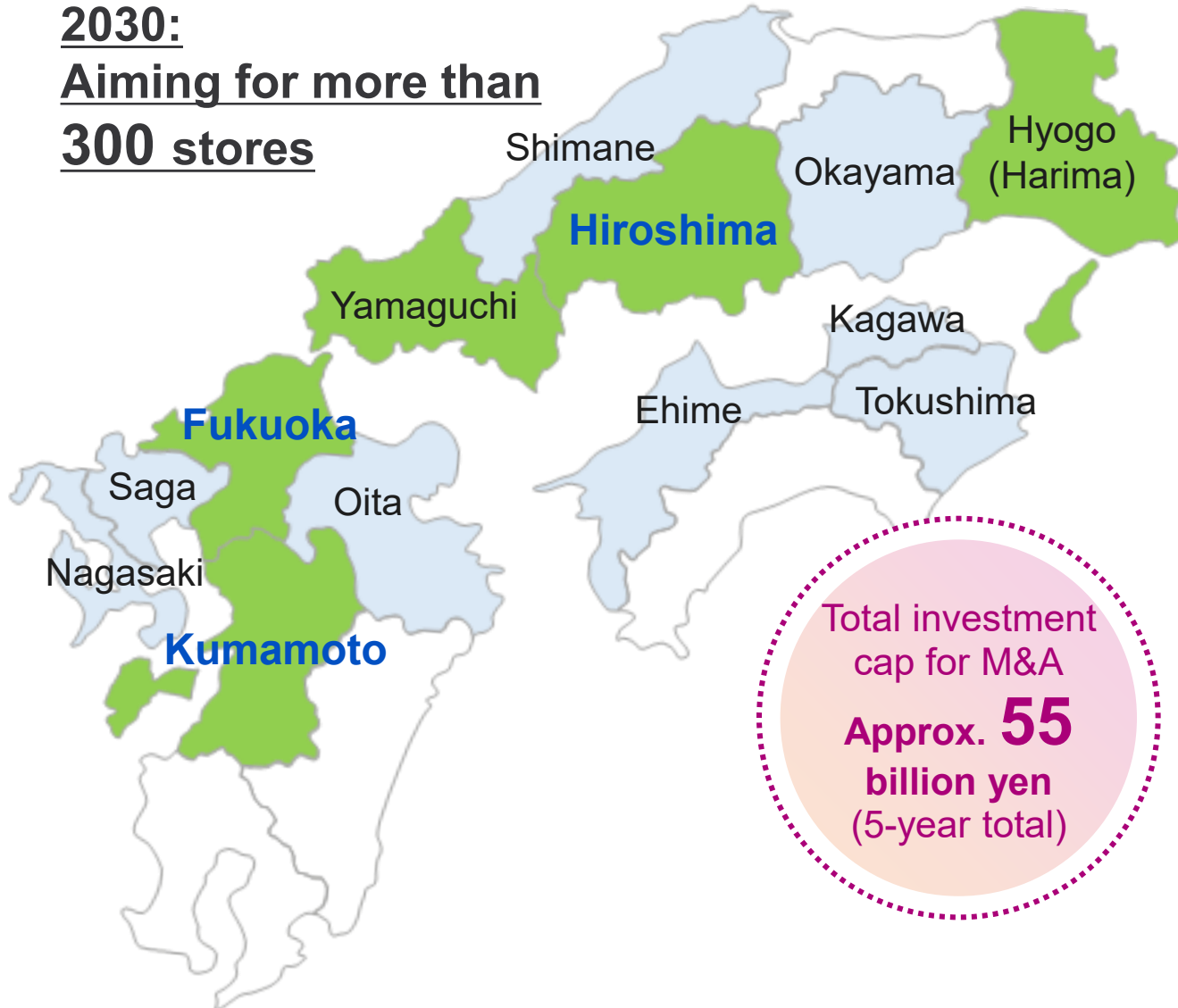
3rd Medium-Term Management Plan: Target figures (by business)



* All of the above figures are management accounting figures calculated on a simplified basis using new standards and do not take into account internal transactions.

Clarify area strategy in Western Japan region

2030:
Aiming for more than
300 stores



Key areas

Define the regions where the market size is significant and where we already hold a certain level of the market share in—namely Hiroshima, Kumamoto, Fukuoka, and Yamaguchi—along with the newly added Hyogo (Harima) as “key areas.” In particular, prioritize **Hiroshima, Fukuoka and Kumamoto**, and in addition to store openings and revitalization efforts, **accelerate our dominant strategy through M&A.**

Other store opening areas

For “Other store locations (Oita, Shikoku, etc.),” adopt **M&A as our main strategy** and expand the “you me” brand’s area by increasing our market share.

Areas without stores

—

Regional strategy: Dominant deep-dive pattern

GMS
+
SM

Aim	By surrounding GMS with SM stores, we aim to meet the needs of both everyday use and special occasions on weekends , thereby increasing our share of customers' spending.
Regional characteristic	Areas that already have GMS assets (most of the areas that have Izumi stores) <ul style="list-style-type: none"> Hiroshima City, Kumamoto City, Yamaguchi City, Himeji City, etc.

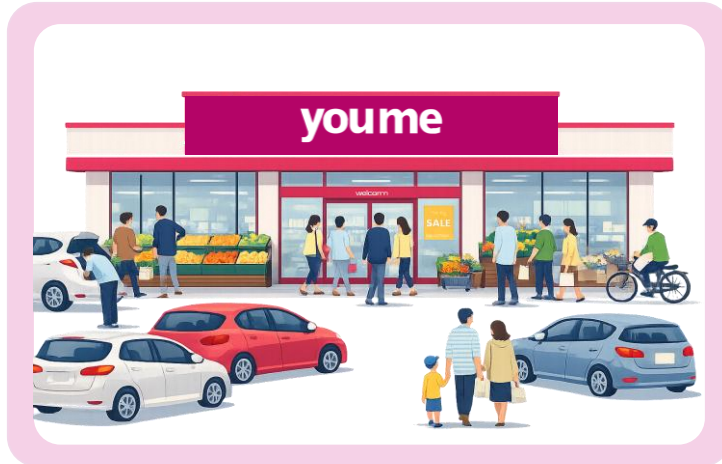
Hiroshima City

NSC
+
SM

Aim	Meet the needs of specific areas and establish a dominant presence by deploying multiple NSCs and SMs with different shopping missions.
Regional characteristic	Areas (urban areas) where there is no room for GMS to open new stores <ul style="list-style-type: none"> Fukuoka City, Kitakyushu City, etc.

Fukuoka City

SM strategy: Concept of creating a New SM business



Each format leverages characteristics to create **stores where customers shop most often** in the community

(increase frequency of customer store visits & purchase amount)

- Stores with a standard-level format or higher **are used as main locations**
- Stores with a small urban format **are used for everyday needs**



For customers who cook, we have established the positioning that **Izumi is the place to buy seasonal produce at great prices by greatly expanding our fresh food offerings.**

For urban customers, we have established the positioning that **Izumi is the place to buy convenient, easy, and delicious food by strengthening time-efficient consumption (quick & easy meals).**

Based on the premise of reducing the number of staff in stores, including grocery stores, we have established a **high-profit structure** by **thoroughly implementing and standardizing low-cost operations.**

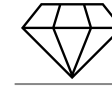
SM strategy: Target & Value offered



Business model



Target



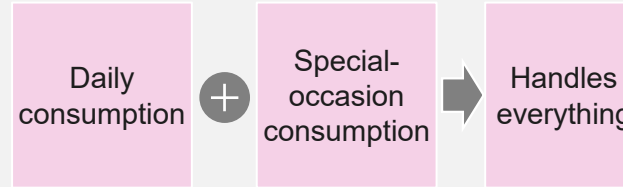
Value offered

Large
(600 tsubo or more)



- Attract customers with our wide selection of products, as well as produce (freshness & affordability), fresh seafood (freshness & liveliness), and ready-made foods (deliciousness).
- Securing profits by increasing the number of items purchased through shopping around.

Families who cook



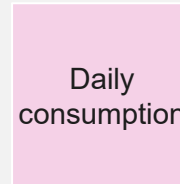
Provides a one-stop solution that combines the fun, peace of mind, and convenience of making choices, supporting a “slightly better everyday life” for each person in the community.

Standard *
(400-600 tsubo)



- Attract customers with produce (freshness & affordability), fresh seafood (freshness & liveliness), and ready-made foods (deliciousness).
- Strengthen staff in the produce and fresh seafood sections and advancing the shift toward chain stores/promoting labor-saving measures for processed food/daily items and meat.

Families who cook



Supports local households' daily meals with affordable produce, processed foods, and daily items, as well as high-quality fresh fish and ready-made food.

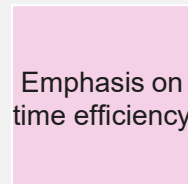


Compact urban
(up to 400 tsubo)



- Emphasize convenience (quick & easy meals)
- Low-cost operation store centered on out-pack goods that can work even in urban areas.

Dual-income households & single-person households in urban areas



Offers tasty, time-saving solutions for busy people's everyday meals with a complete, no-compromise product lineup.

*Including suburban stores of 400 tsubo or less

SM strategy: MD policy & operational policy

MD policy

Operational policy

Future numerical targets

Large
(600 tsubo or more)

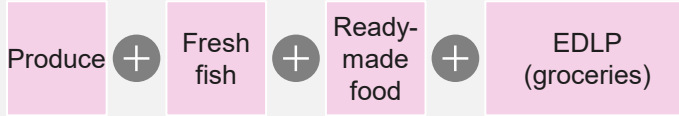


- Building on the standardization of processed food/daily items, **Izumi provides unmatched variety and depth while boasting its strength in fresh produce and ready-made foods.**

- Although labor-saving initiatives are being driven by headquarters for processed food/daily items, **competitiveness is being enhanced with a focus on produce**
- In-store operations and store-led sales floor development will continue**

- Sales productivity: +45%**
- Labor cost-to-sales ratio: -4%pt**

Standard*
(400-600 tsubo)

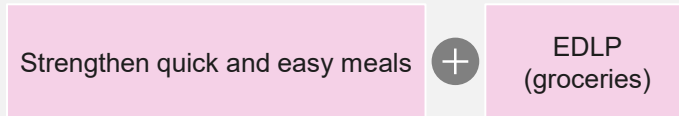


- Strengthen ability to attract customers by highlighting **the pricing of produce and the quality/selection of fresh fish**
- Flagship products boldly emphasize discounts and drugstore-level pricing

- A chain store that is managed, in principle, by headquarters. However, it differentiates itself by strengthening its personnel, including in-store staff, **for destination produce, fresh fish, and signature ready-made foods.**

- Sales productivity: +40%**
- Labor cost-to-sales ratio: -4%pt**

Compact urban
(up to 400 tsubo)



- Quick and easy meals offer a **wide selection of delicious items**
- Does not carry an excessive range of products

- External packaging and mainly headquarters-led **operations focused on efficiency that minimizes labor hours** (in-store is limited to fried ready-made foods only)

- Sales productivity: +10%**
- Labor cost-to-sales ratio: -0.5%pt**

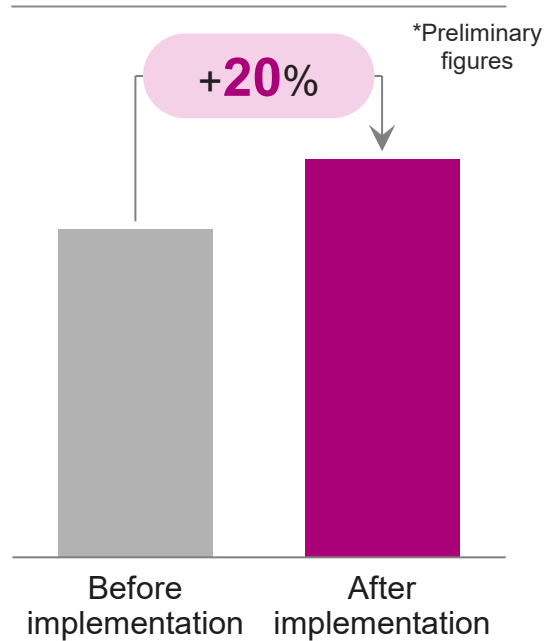
*If standards are raised to match those of the benchmark model store

*Including suburban stores of 400 tsubo or less

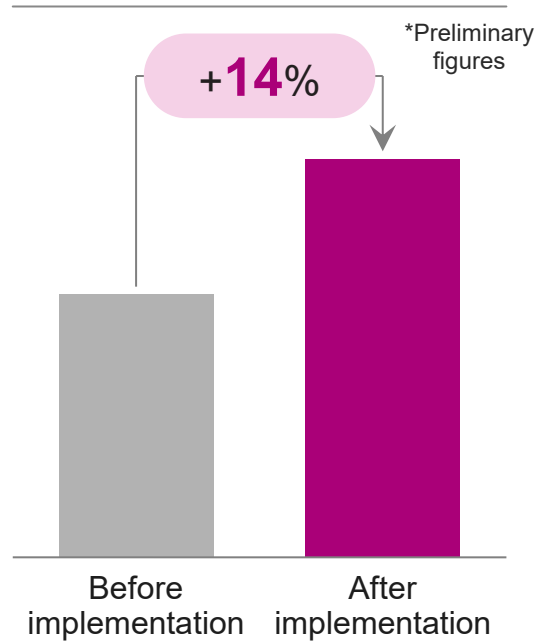
SM strategy: Progress of the Large Format (produce strengthening) pilot store: Youme Town Miyuki

- Produce and fresh fish have become the destination for customers, and with food sales up by 20% and customer traffic up by 14%, the first pilot store is off to a strong start.

First-2weeks sales of food section



Number of customers in the first 2weeks of food section



Growth rate of produce sales: +44%
 Growth rate of fresh fish sales: +48%

Produce: Emphasizing “freshness” and “price”

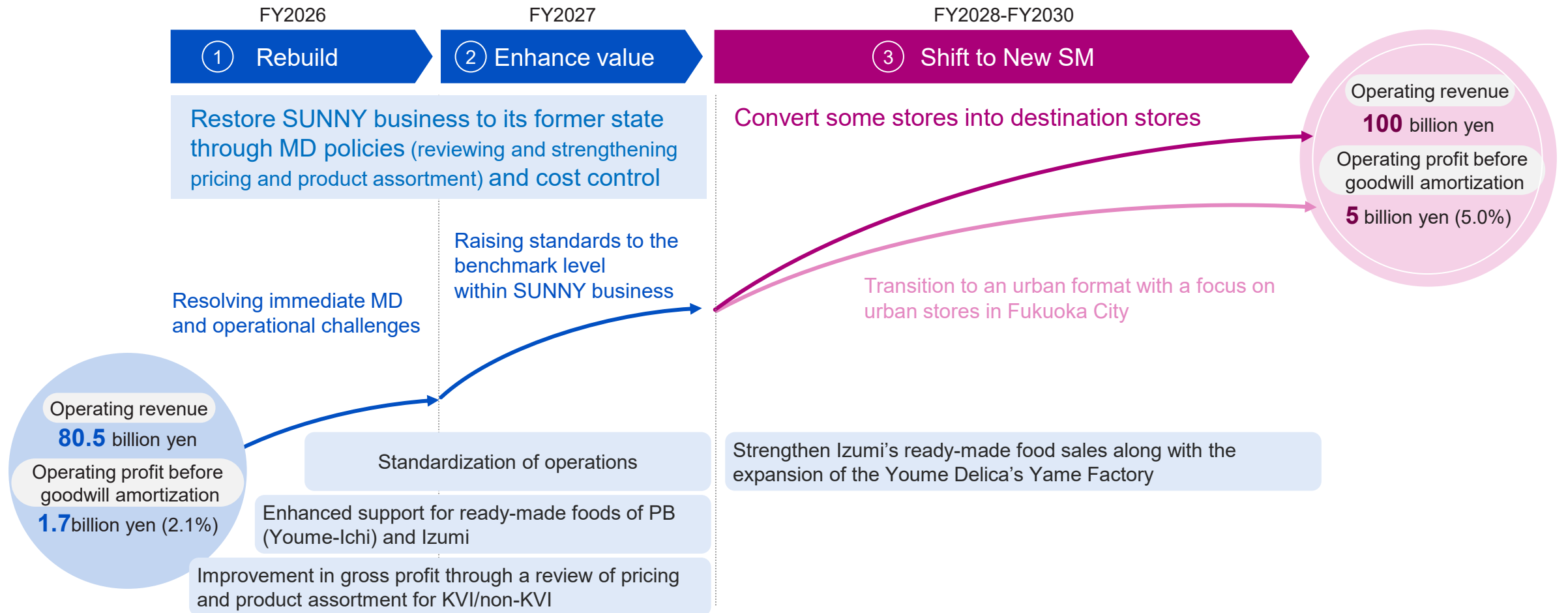


Fresh fish: Attracting customers with “freshness” and “liveliness” strongly promoted by in-store sales staff



SM strategy: SUNNY Business's PMI & value-enhancement approach

- SUNNY business is pursuing a two-stage strategy. First, it will focus on its MD policy to restore the company to its original state during the first two years of the 3rd Medium-Term Plan. Then, starting in FY2028, it will aim for further growth by transitioning to a New SM model. The company is aiming to achieve an operating revenue of 100 billion yen and an operating profit of 5 billion yen.



* Operating profit before goodwill amortization = Operating profit + Amortization of goodwill + Amortization of trademark right

GMS strategy: Concept behind the GMS reform



Attracting customers through food by transforming the store into a food destination through enhanced fresh food offerings
(comply, in principle, to the strategies for large-format stores | the SM strategy)



Make customers and MD look 20 years younger

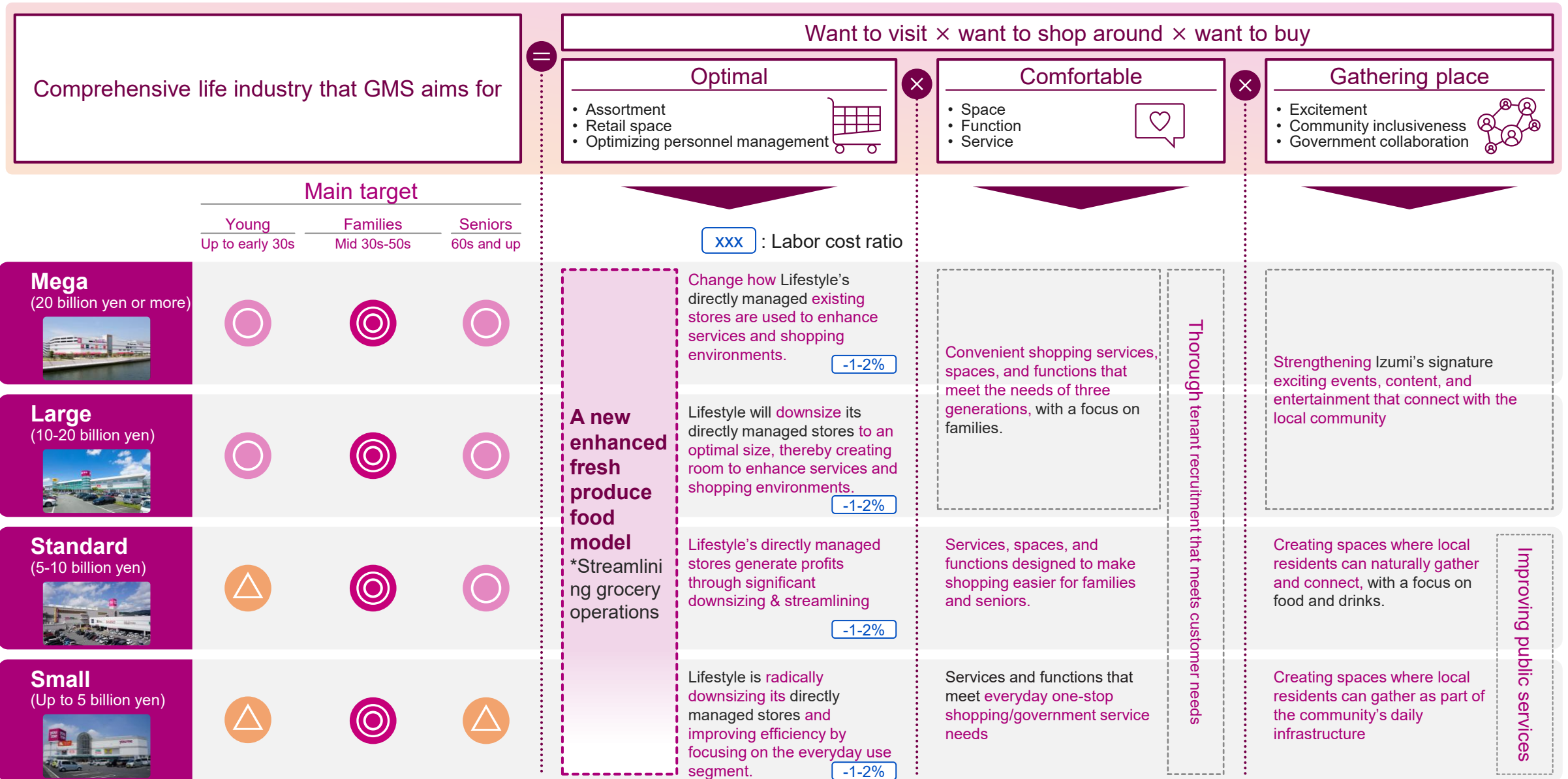
(mainly targeting the needs and consumption of the baby boomer junior/family segment—who will be the main drivers of future consumption—and optimizing products, assortment, services, and the shopping environment)



Aiming to be a store that local customers want to visit and shop at, we will define the value we provide as a **comprehensive lifestyle industry** for each format in order to be an **“ideal,” “comfortable,”** and **“gathering place”** for our primary target customers.

On top of that, we will generate profits amid rising labor costs as the foundation of the Izumi Group’s overall profitability and establish operations/systems.

GMS strategy: Way of thinking regarding basic measures by format



◎ : a full product lineup in all categories.

○ : a full product lineup in key categories.

△ : Depends on the store's size and location

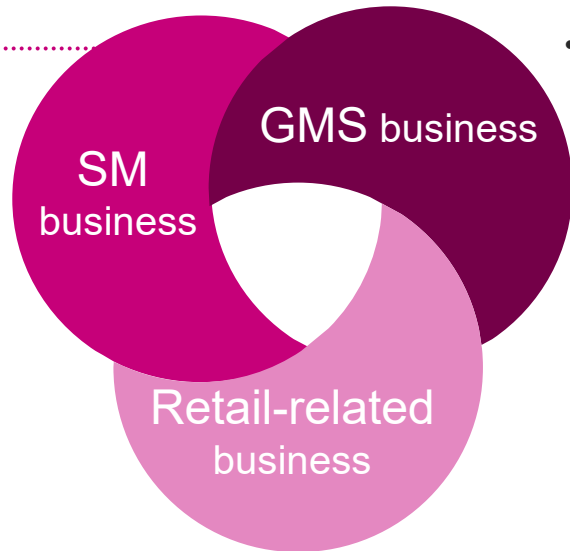
GMS strategy: Basic MD policies by format

	Lifestyle (clothing/household goods)	Tenant
Mega (Over 20 billion yen)	<ul style="list-style-type: none"> Prioritize sales per tsubo to ensure our assortment of products meets customers' one-stop shopping needs. MD, trends, and information dissemination that combines local uniqueness (such as products from local companies and MD tailored to school events) with practicality and fun, addressing both the practical needs of daily life and the desire for enjoyment. 	<p>Industries and services that encompass the things, experiences, and connections of three generations.</p> <ul style="list-style-type: none"> Civic center/entertainment & event spaces Local tenants Trendy shops Touchdown space Children's playground Shared kitchen/grocerant Entertainment (cultural classes & karaoke) Social Welfare Council, etc.
Large (10-20Bbillion yen)	<ul style="list-style-type: none"> Thorough standard product lineup MD that maximizes shopping efficiency by combining the basic demographic of customers in their 40s and 50s + function + bulk purchases. 	<p>Increase the proportion of retail spaces suitable for places where people gather and connect, with a focus on food and beverage establishments.</p>
Standard (5-10 billion yen)	<p>Clothing</p> <ul style="list-style-type: none"> Thorough standard product lineup MD that maximizes shopping efficiency by combining the basic demographic of customers in their 40s and 50s + function + bulk purchases. <p>Household goods</p> <ul style="list-style-type: none"> Bold reduction in product lineup Expand selection of household goods and drugs that are likely to be purchased alongside groceries 	<p>Increase the proportion of retail spaces suitable for places where people gather and connect, with a focus on food and beverage establishments.</p>
Small (up to 5 billion yen)	<p>Clothing</p> <ul style="list-style-type: none"> Limited to certain products (such as underwear, children's clothing, children's shoes and school supplies) purchased alongside groceries by families (in their 40s and 50s) <p>Household goods</p> <ul style="list-style-type: none"> Limited to certain items such as household goods, drugs, and cosmetics, which are likely to be purchased alongside groceries 	<p>Importance is placed on tenants that are likely to attract impulse purchases alongside food items, such as at dollar stores and drugstores, as well as tenants offering essential public services for daily life.</p> <ul style="list-style-type: none"> Government branch offices, bank branches, and post offices Clinics, barber shops, welfare facilities, etc.

NSC strategy: Concept

Creation of NSC by leveraging Izumi's business foundation

- SM with enhanced produce & ready-made foods
- Assortment of products tailored to meet local needs
- Format expansion in line with shopping needs



- Proposal of optimal lifestyles through the editing and reconstruction of clothing, housing, and food segments.
- Tenant leasing/management capabilities
- Collaboration with local governments/administrative bodies

- Building an economic ecosystem through the use of points and apps
- Expansion of restaurant business to need local needs
- NSC operations managed by facility management

NSC that leverage's Izumi's strengths

Food SM tailored to meet local needs



Attracting tenants to meet local needs



Realize No.1 local NSC as an optimal and comfortable local community

March 2026 Youme Mall Nakagawa
(Nakagawa City, Fukuoka Prefecture)



Strategy for Retail-peripheral businesses (group companies)

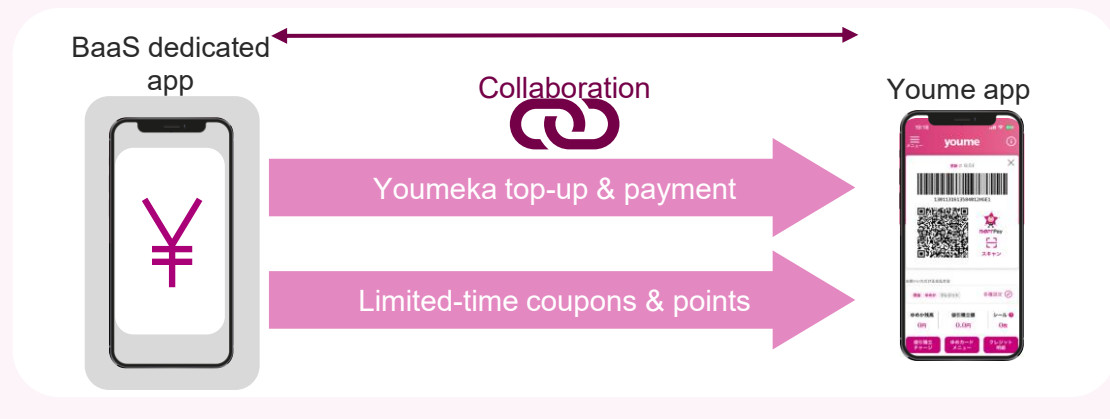
- Provide services that support the daily lives and infrastructure of local customers through collaboration with retail businesses.

BaaS business

- Entry into the banking agency business* through a joint venture between Izumi and Youme Card.
- By linking the Youme app with the dedicated new app, we are able to provide **banking services (deposits, financing, foreign exchange)**, including Youmeka top-up.
- Release in the second half of fiscal year 2026

Purpose

- ✓ In response to cashless payments, increase the number of members/customers.
- ✓ Achieve higher LTV through improved customer satisfaction
- ✓ Generate new revenue through new businesses



* This initiative will be implemented on the condition that it is approved by the Prime Minister (Director-General of the Local Finance Bureau with jurisdiction)

Restaurant business

Izumi Food Service Co., Ltd.



- Aims to expand external revenue & enhance store value by actively opening stores in street-level stores and other shopping centers/strengthening FC.
- Is expanding scale & business sectors through M&A, and is enhancing the appeal of SC.

Designated Management Services and Facility Construction Services

Izumi Techno Co., Ltd.



- Supports local infrastructure by applying the expertise Izumi has cultivated through its GMS operations to designated management services.
- Aims to boost consolidated revenue by strengthening in-house construction capabilities across Group companies

Secured the designated management contract for the Yamato Museum (Kure City, Hiroshima Prefecture), a leading tourist attraction in Hiroshima Prefecture

Delica Business

Youme Delica Co., Ltd.



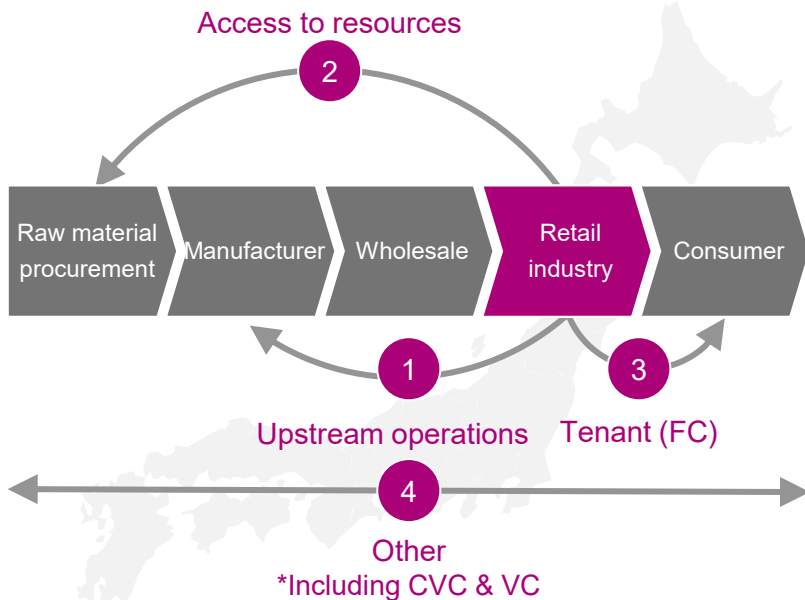
- By expanding production capacity—including the expansion of the Yame Plant in Kyushu—we aim to strengthen our ability to supply prepared food products, primarily through SUNNY, to the Kyushu region.

New business strategy: M&A

- With the aim of becoming a comprehensive life industry in local communities, we are expanding synergies with retail businesses through M&A and new business ventures.
- We will pursue a two-pronged approach: “horizontal expansion,” which involves acquiring retail businesses to expand our store network—a key growth driver—and “vertical expansion,” which leads to the strengthening of our sales floors.

Target sectors for new business (M&A) investments

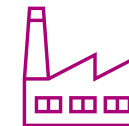
- The new business M&A initiatives we are pursuing are: ① “Upstream Operations.” By shifting to in-house production, we will ensure better food safety and use this to strengthen product appeal, secure gross profit ratios, and enhance our competitiveness on the sales floor through flexible pricing.
- We are also considering options such as “PC” (meat processing, fresh fish processing, etc.), ② “Resource Access,” ③ “Tenants (FC),” and ④ “Other.”
- For new businesses acquired through M&As, we will foster a culture of innovation within the company—for example, by recruiting dedicated personnel through internal job postings—and develop them into new pillars of revenue.



An example of business expansion through M&A

① Upstream operations

- Western-style sweets
- Break making
- Japanese sweets
- Food processing



② Access to resources

- Land-based aquaculture
- Vegetable factory
- Poultry farming, livestock farming
- Water sources



③ Tenant (FC)

- Filling vacant retail spaces
- Tools for attracting customers to restaurants



④ Other *Including CVC & VC

- Reuse
- Imported from overseas
- EC, D2C
- Startups
- Air conditioning, refrigeration, electrical work, etc.

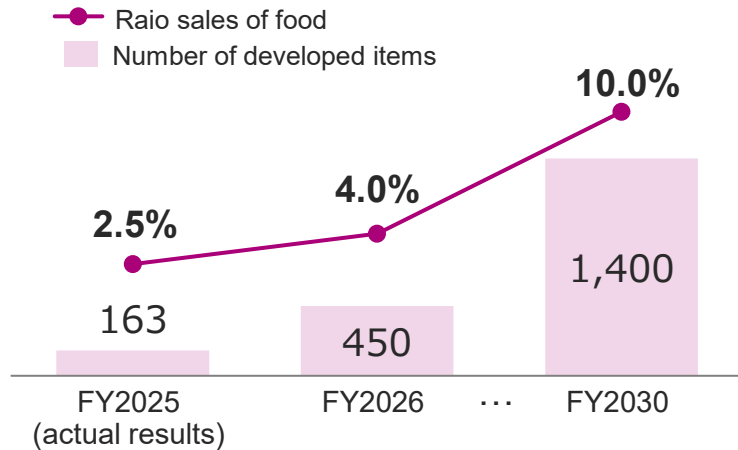


Strengthening of PB

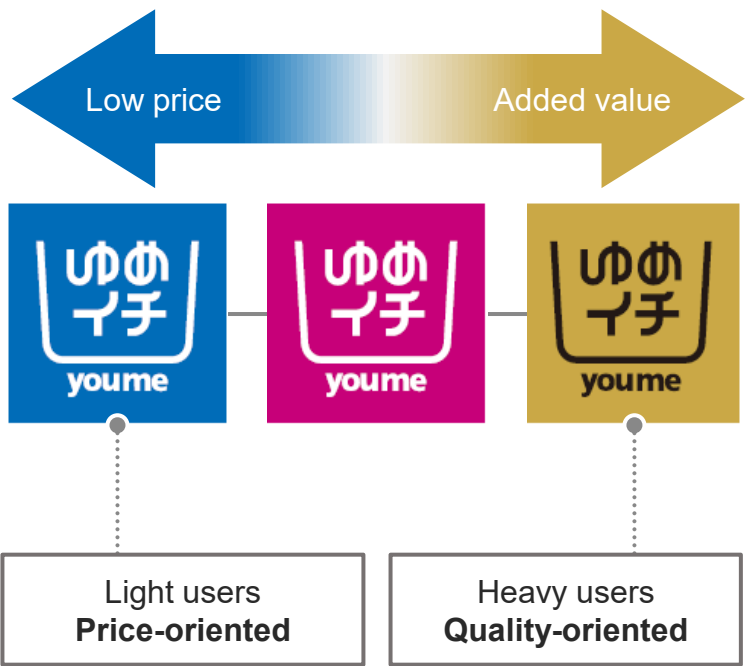
- The Izumi Group’s PB, “Youme-Ichi,” is positioned as a key driver of the growth strategy aimed at creating New SM businesses and will help to strengthen the competitiveness of the entire group.
- We provide our customers with safety and peace of mind by consistently managing every step of the process—from raw material selection to manufacturing, distribution, and sales—in accordance with our own standards.
- Initially upon launch, development focused primarily on the Price and Regular lines, but in the future, we will also accelerate the development of Premium products, our top line.
- Note that we will discontinue the sale of Seven Premium products as of February 2027.

Purpose of PB development

- Developing Izumi’s unique **community-based brand** reflecting local characteristics and changing need.
- Differentiate the products thoroughly from other companies’ in taste, price, specification, etc.
- Encouraging visits from new former customers.



Positioning of each product line



For developing more attractive products

- Collect customer reviews through the Youme app
- Listen to feedback from the community and promote product development that is closely tied to local food culture



SCM restructuring: Restructuring of DC & Enhancement of PC

Restructuring of DC

Izumi

Issue :

- Overlapping delivery areas
→ Increased delivery distance
- Many lateral deliveries
→ Cost/space constraints
→ Unable to handle the increased volume resulting from store expansion

Considering the establishment of new locations to expand capacity

Solution :

- ✓ Reduced number of lateral deliveries
- ✓ Reduced delivery costs through a review of delivery areas
- ✓ Improved loading and utilization rates
- ✓ Secured capacity for the future

SUNNY Business

Issue :

- Scattered locations
→ Receiving shipments at the store is a hassle
- Overlapping delivery areas
→ Increased delivery distance

Considering the consolidation of three scattered locations

Solution :

- ✓ Of the locations to be consolidated, one will be expanded to serve as PC
- ✓ Realized the synergistic effects with Izumi through improved utilization rates

Achieved costs savings of **500 million yen/year**

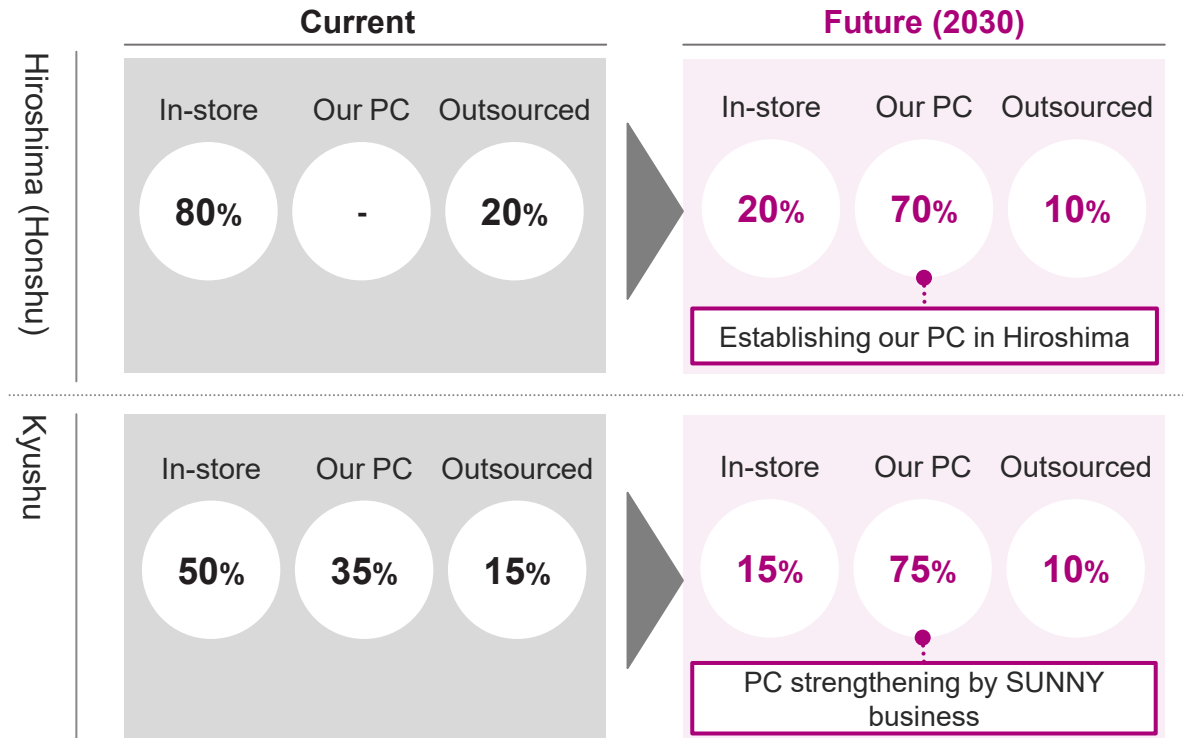
Enhancement of PC

Aim

Enhancing the competitiveness of externally packaged products (meat and ready-made foods)

- Strengthening product development capabilities in conjunction with in-house production of PCs which currently rely on external sources.
- Improving cost competitiveness by reducing store staffing through the promotion of externally packaged meat and ready-made foods.

■ Changes in the Proportion of Processed Meat at PC (Illustration)



Promotion of DX (AI): Overview

- We aim to enhance customer experience, employee experience, operational efficiency and corporate competitiveness through digital technology and business transformation, with the goal of achieving sustainable growth and strengthening our revenue structure.

Overview of DX initiatives



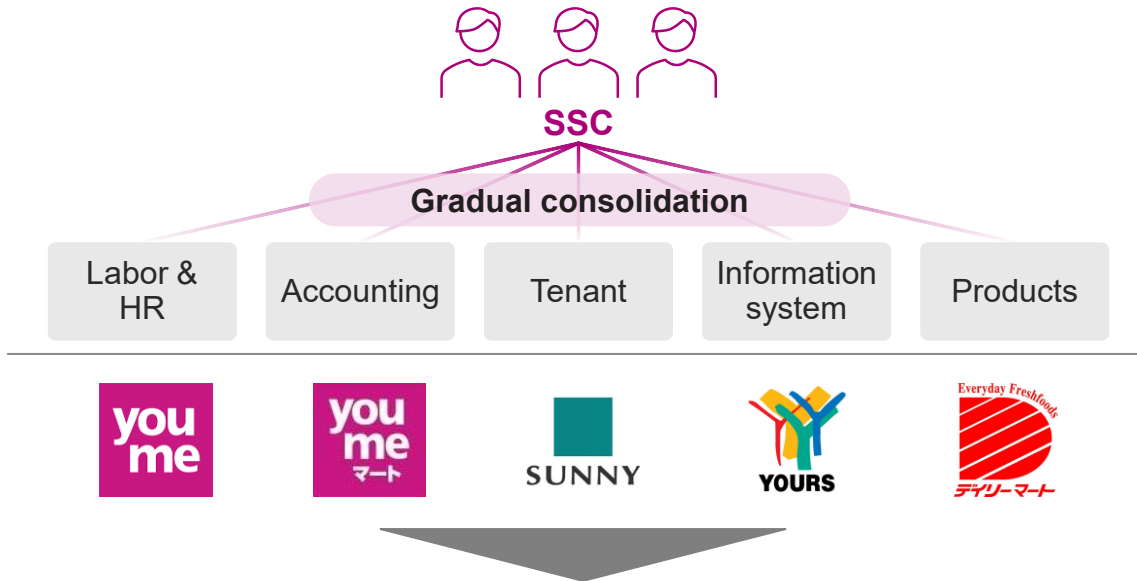
Promotion of DX (AI): DX for reducing fixed costs

Business restructuring via SSC (Shared Service Center)

Aim

To improve productivity in administrative functions across the entire Izumi Group

- Centralization of information & consolidation of shared operations
- In addition to sharing group information, standardizing processes and data and enhancing security.
- Restructuring the group & accelerating PMI based on SSC.



- Enhance both productivity and leadership simultaneously through standardization, automation, and centralized management.
- Accelerate decision making by management through cross-group data integration.

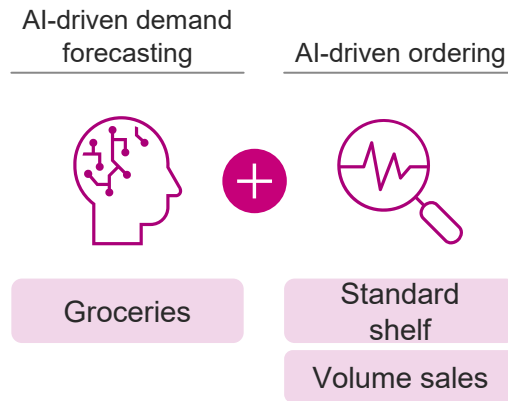
Labor-saving measures in stores through AI-driven ordering & department consolidation

Aim

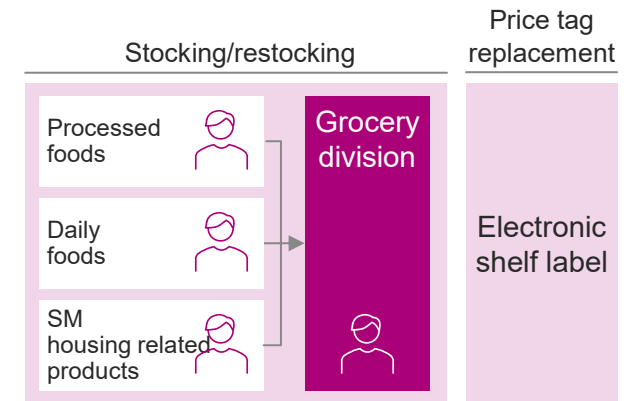
To improve the productivity of store employees

- Centralizing operations at headquarters and reducing store-level tasks through AI-driven demand forecasting and ordering.
- Integration of processed foods & daily products into the grocery section, and promoting labor-saving initiatives for stocking, restocking, and price tag replacement using electronic shelf labels.

AI-driven automated ordering

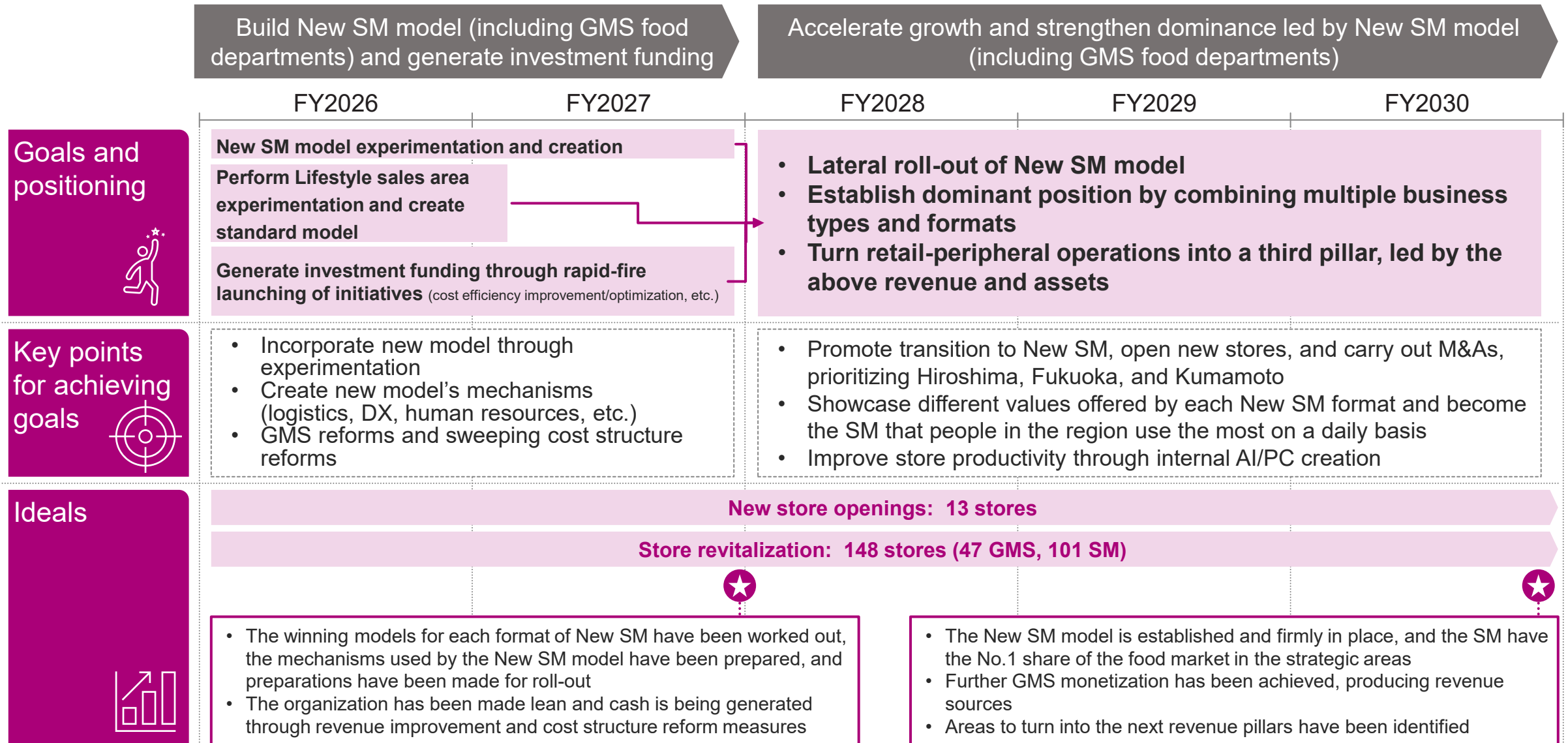


Department consolidation/electronic shelf labels



- Promote labor-saving and improve gross profit productivity through AI-driven ordering process optimization.
- Labor-saving measures for stocking, restocking, and price tag replacement through departmental consolidation and electronic shelf labels.

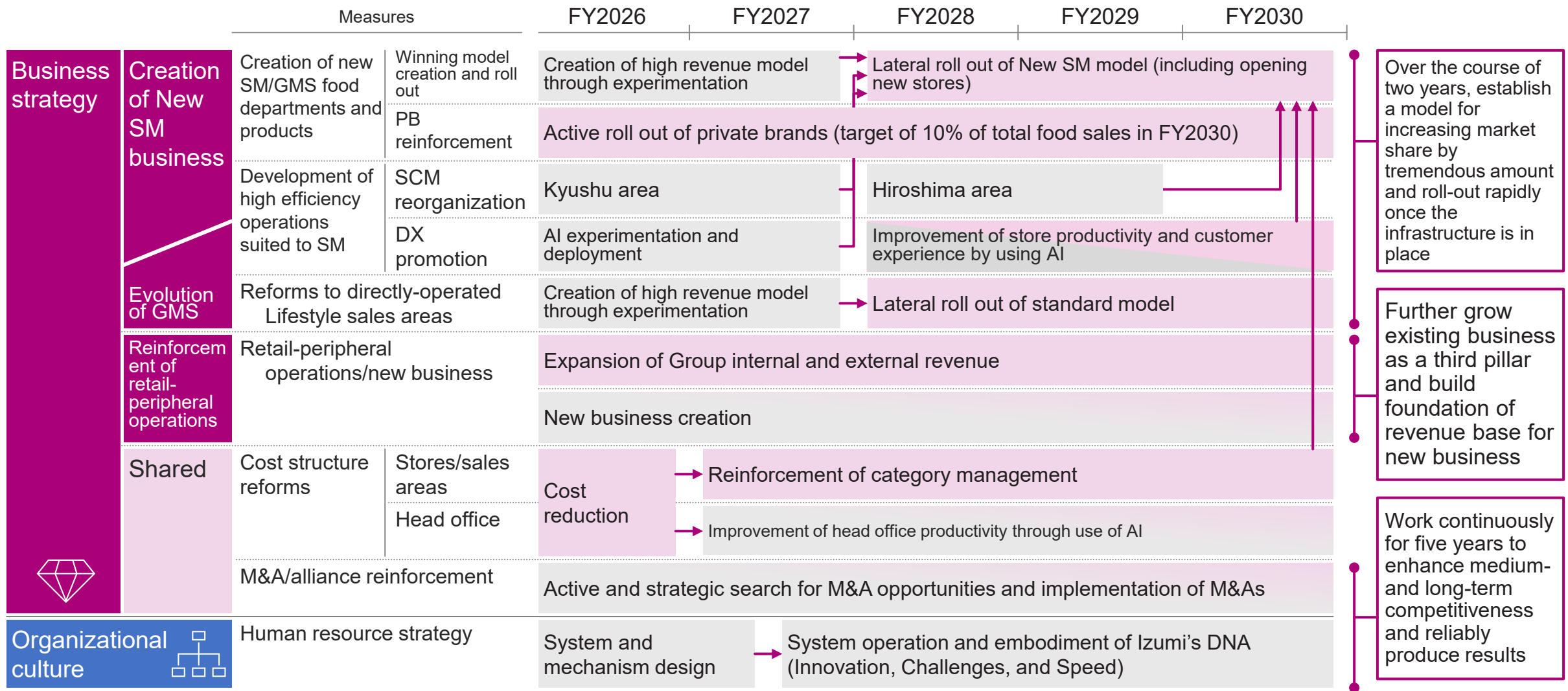
3rd Medium-Term Management Plan Steps



3rd Medium-Term Management Plan Roadmap

: Experimentation/plan design
 : Full fledged realization of measure outcomes

Creation of winning SM model and major monetization through GMS reforms and cost reductions
Acceleration of growth driven primarily by new SM model (establish dominance in Hiroshima, Fukuoka, and Kumamoto)



KPI

- New lease accounting standards are to be applied starting in the Third Medium-Term Management Plan period, so the impact is currently being calculated
- Once the impact has been determined, the KPI will be revised and announced

Operating revenue

700.0 billion yen

+23.0% vs. FY2025

Operating profit

35.0 billion yen or more

+28.5% vs. FY2025

Operating profit before
amortization of goodwill*1

37.5 billion yen

Operating profit ratio

5.0% or more

Result for FY2025: 4.8%

Operating profit ratio before
amortization of goodwill

5.4%

Efficiency indicators

ROE

6.0% or more

Result for FY2025: 5.9%

ROIC*2

5.0% or more

Result for FY2025: 4.0%

*1 Operating profit before amortization of goodwill = operating profit + amortization of goodwill + trademark amortization cost

*2 ROIC = operating profit after tax ÷ (interest-bearing liabilities + equity + non-controlling interests)

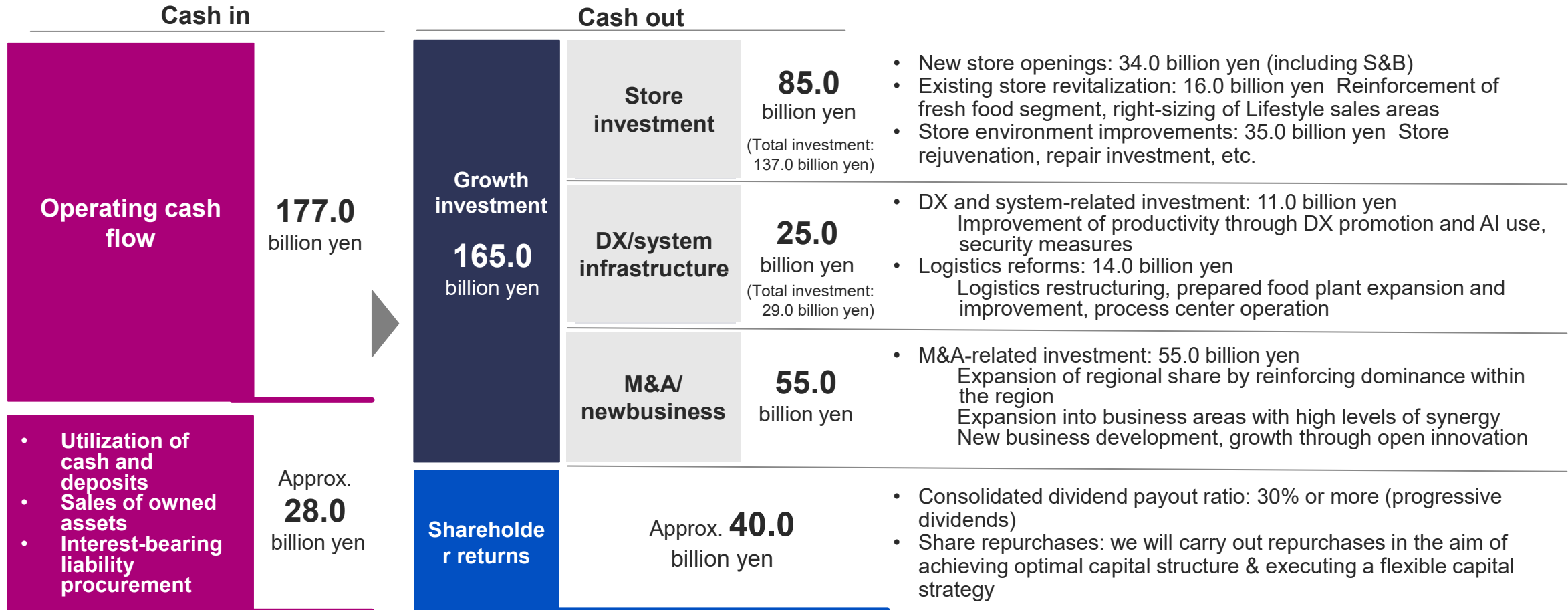
1. Review of 2nd Medium-Term Management Plan

2. 3rd Medium-Term Management Plan

- Business Strategy
- **Financial, Talent, and Sustainability Strategy**

Financial strategies: Cash allocation (5-year total)

- During the Third Medium-Term Management Plan period, the highest priority will be growth investment that increases future competitiveness
- With cash flows from operating activities as the linchpin, investment will be allocated strategically to stores, DX, logistics, and M&As
- At the same time, financial soundness will be maintained while continuing to provide stable shareholder returns

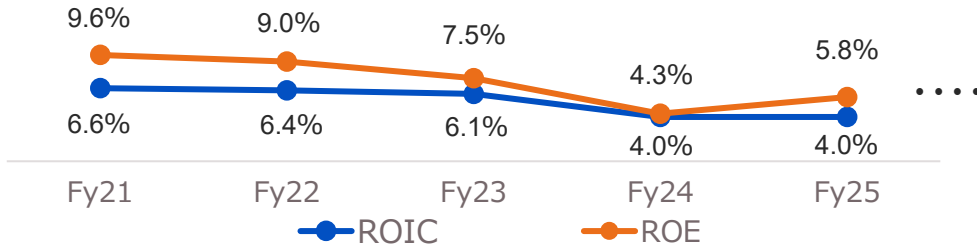


Financial strategies: ROE & ROIC

- Under the Third Medium-Term Management Plan, the investment in future growth and structural reforms are prioritized
- As a result, ROE and ROIC appear low during the plan period
- By recouping growth investment, the company will improve its medium- and long-term capital efficiency

■ Positions of ROE and ROIC in 2030 KPI

Performance Trends



Third Medium-Term Management Plan | Upfront Investment (~ 2030)

- Prioritize growth investment and structural reforms
- This will be a “preparation period” for ROE and ROIC

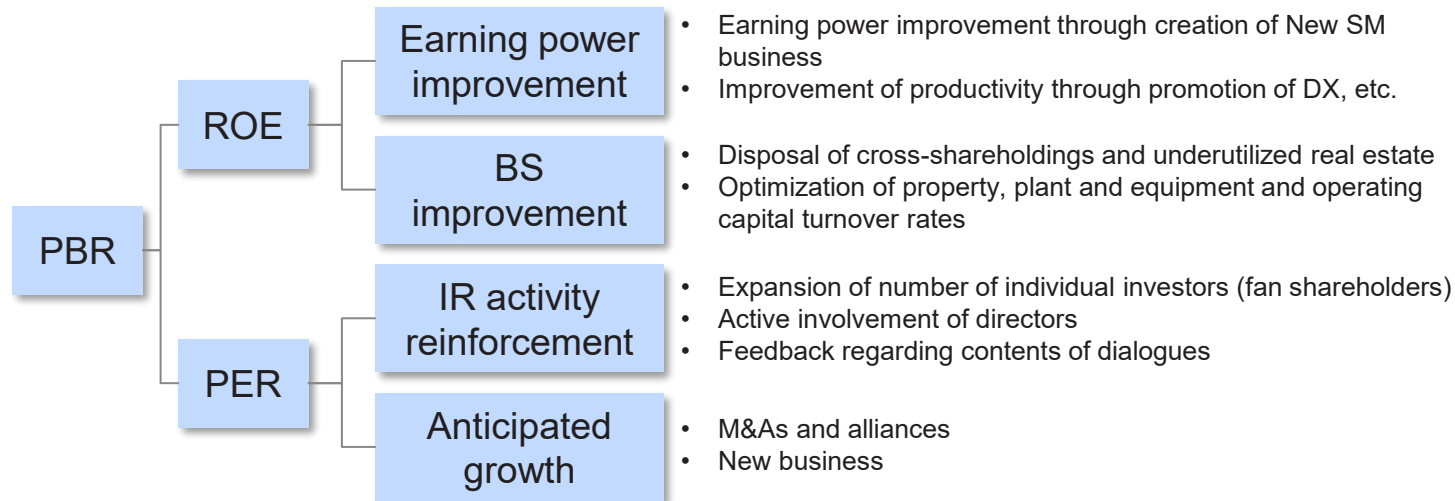
ROE	ROIC
6% or more	5% or more

Ideal | Begin recouping (long term)

- Monetize existing investment
- Improve ROE and ROIC through profit growth

ROE	ROIC
10% or more	7% or more

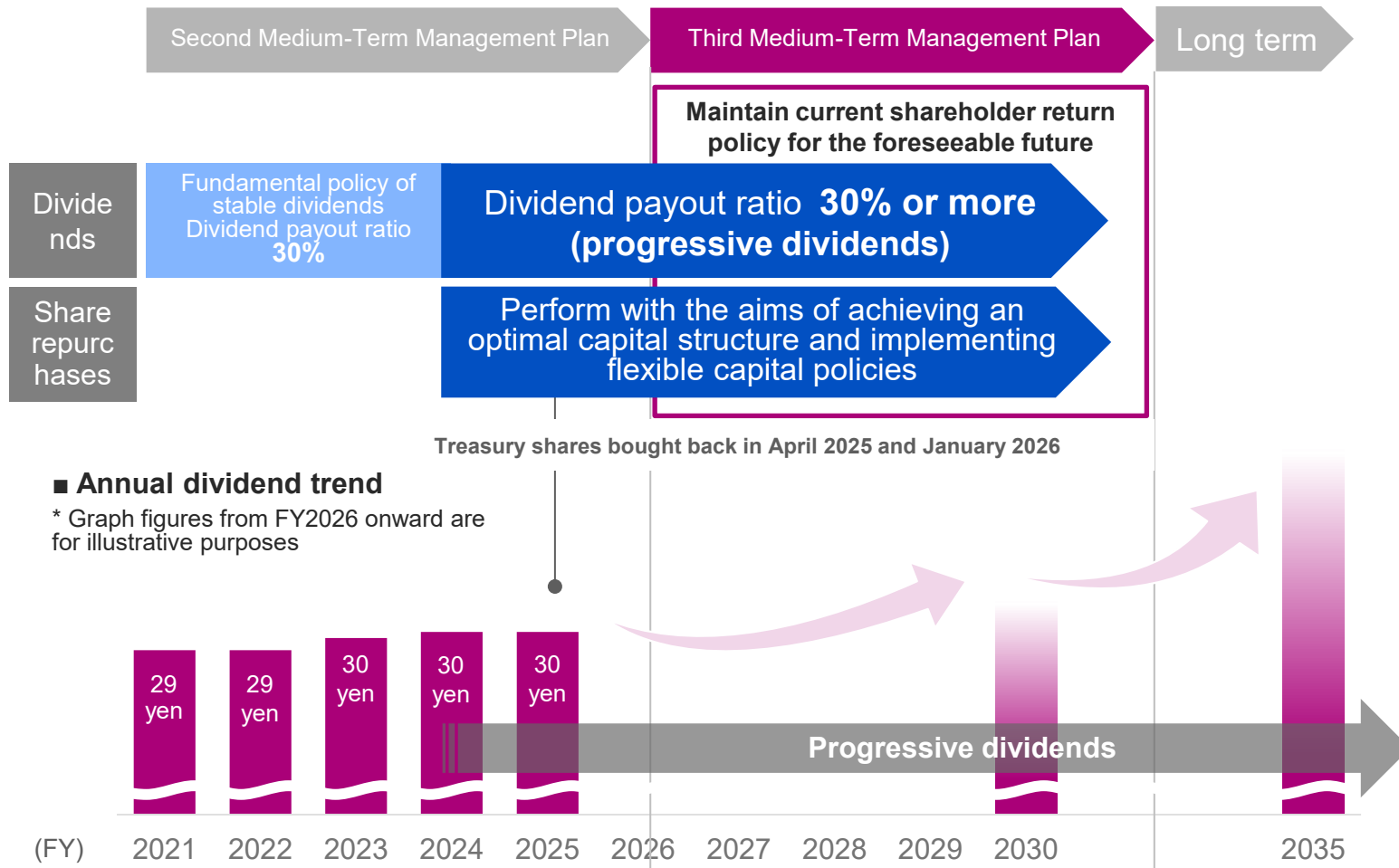
■ PBR improvement measures



We envision a structure in which the recouping of growth investments contributes to ROE and ROIC improvements

Financial strategies: Shareholder return policy

- Third Medium-Term Management Plan: Work to strengthen the foundation and make structural reforms to drive future growth, provide steady, continuous shareholder returns
- Aim to accelerate growth by realizing investment returns and further strengthen shareholder returns to increase corporate value over the long term



* A stock split (3-for-1) was performed on March 1st, 2026. This split was accounted for in annual dividend amounts for FY2025 and earlier.

Shareholder return policy

- The company's PBR remains below 1, and we recognize that there are those who hope to see stronger shareholder returns.
- The Third Medium-Term Management Plan prioritizes growth investment such as investment in SM reforms and logistics reforms aimed at future growth. While this will reduce profits over the short time, these investments will be the source of long-term growth.
- As the GMS recovery and New SM model development progresses, and the path to achieving greater profitability becomes clear, the shareholder return policy will be revised and strengthened.

Financial strategies: Stock split

Three-for-one stock split with a record date of February 28, 2026

- Strive to create an environment that is conducive to investment by lowering investment unit prices, **improve the company's stock liquidity**, and **further expand the investor base**
- Support the living infrastructure of the region as a **comprehensive consumer goods company** with close community ties, turn customers into shareholders, and build a system of growth in concert with the community



Strengthen measures for raising the number of retail shareholders and increasing liquidity

Reinforcement of investor relations directed at individual investors

Hold briefings, release videos, enrich web content, and use other measures to boost company recognition

Increase number of employee shareholders (shareholding association)

Retain stable shareholders, improve employee motivation, and enrich benefits

Review and revise shareholder benefit program

Switch to paperless versions of complimentary shareholder tickets, consider revisions to issuing standards, such as benefit standards, and the contents of shareholder benefits

Our Ideals

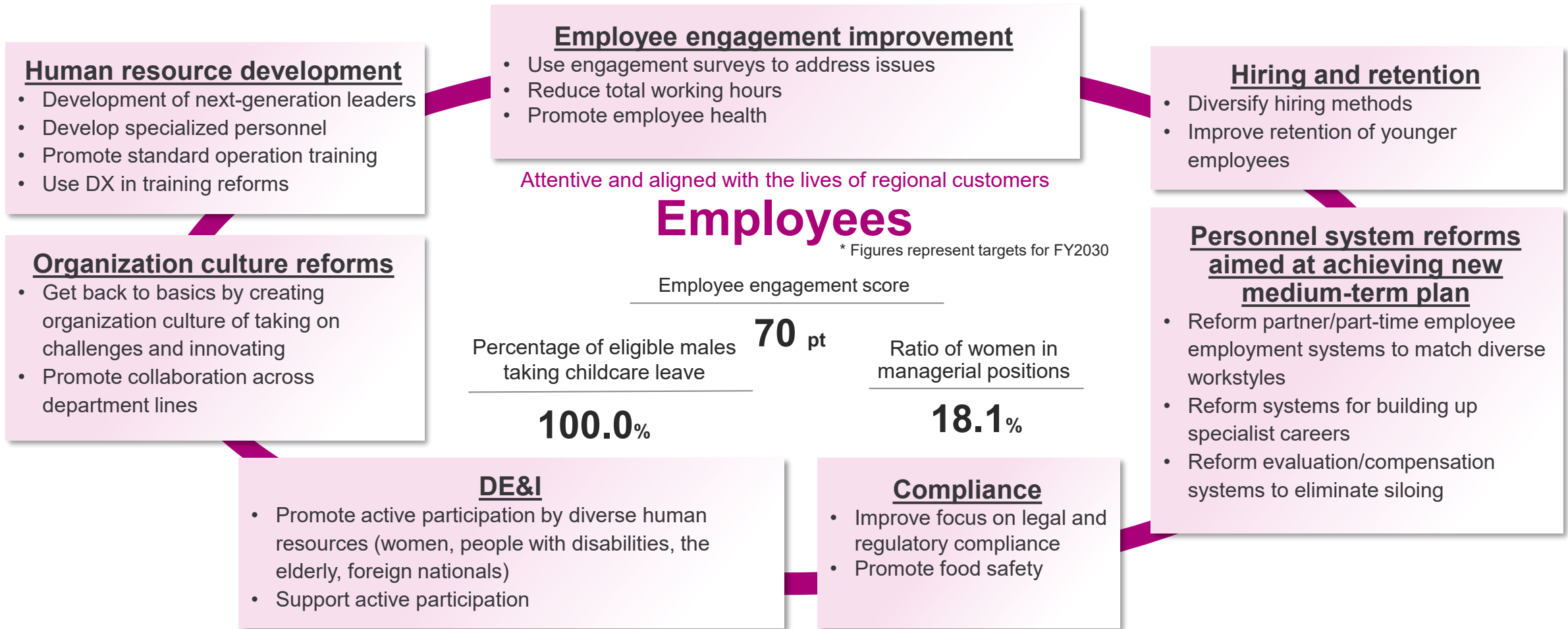
We in the Izumi Group aim to be a **community comprehensive consumer goods company** in the Western Japan area that is more attuned to the local community than any other company, trusted by customers in the region



- We will work to increase the corporate value of the Izumi Group and make it more appealing so that **regional customers become Izumi Fan Shareholders**
- We will also work to increase the number of employee shareholders through the shareholding association, etc., **motivating each and every employee to participate in the company's management** and contributing to the sustained growth of the Izumi Group

HR strategies: Human capital

- We will get back to basics by creating an organization culture in which each and every employee thinks for themselves, takes on challenges, and innovates in order to achieve their future vision. Using this culture as a foundation, we will promote collaboration across department lines and systematically invest in environments that leverage the specializations of diverse human resources. Through this, we will bring out the full value of our human resources and fulfill our role as a comprehensive consumer goods company closely attuned with the community.



Sustainability strategies: Basic policy and Material issues

- Ever since formulating our initiatives to address material issues in 2021, we have updated them to reflect changes in the external environment

■ Basic sustainability policy

1. We formulate long-term visions with an eye to the future and work to address social issues through our business.
2. We build positive relationships of trust with all of our stakeholders and, through dialogue, work together to satisfy our responsibilities to society.
3. To develop together with the local community, we engage in community-rooted activities and activities aimed at maintaining and improving high quality living environments. Through these activities, we provide long-term value.

■ Material issues and initiative contents

Business policy	Material issue	Initiative contents
① Be more closely attuned with local customers than any other company ② Build systems that will grow along with their communities ③ Be a cornerstone of the lives of people in the community	Local communities and customers	Creating enriched lives together with local communities and customers
	Environment	Achieving a decarbonized society and efficiently using resources
	Safety and security	Creating value by providing safety and security, and through products and services
	Diversity & inclusion	Create an environment where diverse human resources can thrive
		<ul style="list-style-type: none"> • Provide products and services that address the needs of diverse customers and design and implement convenient shopping methods • Provide spaces and opportunities for local customers to come together • Support regional revitalization and disaster response capabilities by coordinating with local governments and concluding comprehensive agreements, etc., with them • Reduce CO₂ emissions and implement energy measures • Reduce amount of waste produced by stores • Reduce amount of plastic packaging • Effectively utilize resources • Practice thorough hygiene management • Appropriate handling and labeling of products, taking health and allergies into consideration • Sustainably procure seafood and produce, supply environmentally friendly products • Promote the active participation of women and raise the ratio of women in managerial positions • Provide support for the active participation of young people, senior citizens, foreign nationals, and people with disabilities • Create working environments that match different life stages

Sustainability strategies: Long-Term Vision on Sustainability

■ Long-Term Vision

Ideals	Specific initiatives	Targets for 2030	Ideals for 2050
Decarbonized society	Reduction of CO ₂ emissions	<ul style="list-style-type: none"> Reduce CO₂ emissions associated with store operations by 50% (compared to FY2013) Most recent (FY 2024) results: 32.4% reduction (compared to FY2013) Ensure that the electricity used in store operations at new stores is 100% renewable energy Aim for 100% renewable energy in our store operations through the installation of solar panels at existing stores and the adoption of renewable energy Reduce not only own emissions (Scopes 1 and 2) but also Scope 3 emissions, for reductions through our supply chains 	<ul style="list-style-type: none"> Net zero CO₂ emissions from store operations
Recycling-oriented society	Action on plastics	<ul style="list-style-type: none"> Plastic bags usage reduction rate of 80% (compared to FY2018) Switch to biomass and similar materials for grocery bags Most recent (FY 2024) results: 71.5% reduction (compared to FY2018) 	<ul style="list-style-type: none"> Reduce use of plastic bags to zero
	Measures for food loss	<ul style="list-style-type: none"> Cut food loss by 50% (compared to FY2018) Most recent (FY2024) results: 64.1% reduction (compared to FY2018) 	<ul style="list-style-type: none"> Cut food loss by 80% (compared to FY2018)
	Measure for food recycling	<ul style="list-style-type: none"> Recycle 70% of food waste Most recent (FY2024) result: 57.3 	<ul style="list-style-type: none"> Recycle 100% of food waste
A Society in Harmony with Nature	Protection of biodiversity	<ul style="list-style-type: none"> Expand provision of sustainable products and promote ethical consumption 	



See the site below for details
[Izumi Sustainability Site](#)



Management Philosophy

Filling our employees with pride and joy as we continue contributing to communities and our customers' lives.

This document is provided solely for the purpose of information disclosure to shareholders and investors and is not intended as a solicitation to buy or sell any securities. The financial forecasts and various plans presented herein are based on information currently available and on assumptions deemed reasonable by the Company, and do not constitute a guarantee of future performance. Furthermore, changes in external factors—including consumer trends, inflation, foreign exchange rates, raw material costs, labor costs, and energy prices—may significantly impact the underlying assumptions of the plan, particularly with respect to costs. The long-term vision for 2035 and the related numerical targets described herein represent the Company's strategic direction and aspirations, and do not constitute a guarantee of future performance.



[Integrated Report 2025](#)



[Environmental Sustainability Report 2025](#)



[Sustainability section on the IZUMI website](#)



▼Renewal in November 2025



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Appendix

III. Appendix

Slide No.

Group Store Network Dominance Strategy

64

Competitiveness of Existing Stores (Year-on-Year Change in Net Sales at Existing Stores)

65

ESG (Environment, Society, Governance)

66

266 stores mainly in the Chugoku, Shikoku and Kyushu regions

(As of February 28, 2026)

Main companies, etc.	Headquarters	Main business types	Number of stores region				
			Kyushu	Chugoku	Shikoku	Other	Total
Izumi	Hiroshima City	SC (Youme Town and LECT) *1	20	35	4	2	61
		NSC (Youme Mall)	3	4	—	—	7
		SM (Youme Mart)	14	19	—	—	33
		Other	2	4	—	1	7
		Subtotal	39	62	4	3	108
Yours	Hiroshima City	SM (Yours, etc.)	—	26	—	—	26
Youme Mart Kumamoto	Kumamoto City	SM (Youme Mart) *2	23	—	—	—	23
		SM, etc. (SUNNY business)	70	—	—	—	70
Youme Mart Kitakyushu	Kitakyushu City	SM (Youme Mart)	23	7	—	—	30
Other	—	SM	4	—	5	—	9
Total			159	95	9	3	266

Youme Mart (store brand) as a subset of the above 63 30 — — 93

*1 Including 1 LECT store in the Chugoku region *2 Including stores opened within Youme Mall Koshi by Youme Mart Kumamoto Co., Ltd.

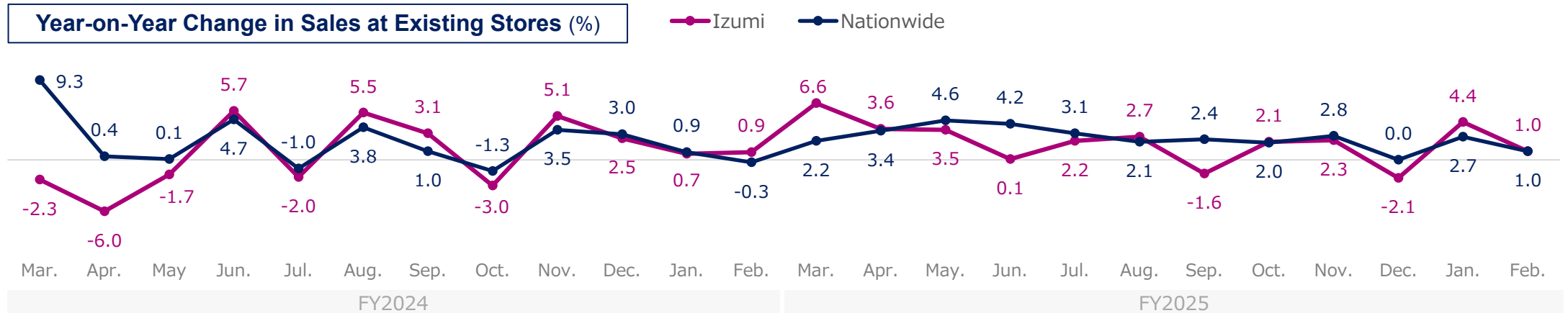
Appendix: Competitiveness of Existing Stores

Year-on-Year Change in Sales at Existing Stores from FY2015 (%) * In the year-on-year comparison of net sales from FY2023, figures including results from X-SELL are included.

	'15	'16	'17	'18	'19	'20	'21	'22	'23	'24	'25
Izumi	101.4	101.5	99.2	99.4	99.1	89.7	101.1	103.5	103.0	100.7	102.0
Nationwide	101.3	98.8	99.6	99.2	98.8	100.7	103.1	101.0	103.0	102.1	102.5
Deviation	+0.1	+2.7	-0.4	+0.2	+0.3	-11.0	-2.0	+2.5	0.0	-1.4	-0.5

[FY2025 by month (%)]

	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Full year
Izumi	106.6	103.6	103.5	100.1	102.2	102.7	98.4	102.1	102.3	97.9	104.4	101.0	102.0
Nationwide	102.2	103.4	104.6	104.2	103.1	102.1	102.4	102.0	102.8	100.0	102.7	101.0	102.5
Deviation	+4.4	+0.2	-1.1	-3.1	-0.9	+0.6	-4.0	+0.1	-0.5	-2.1	+1.7	0.0	-0.5



* Source: National data is from the Japan Chain Stores Association, cumulative figures are compiled by the Company



Steady Progress Toward Reducing CO₂ Emissions

Proactively installing solar power systems

We have been installing solar power generation panels since 2015. We have installed solar power generation panels at all new stores since 2022. We succeeded in sourcing 100% of the electricity used at Youme Mart Itsukaichi, which opened in September 2024, from renewable sources of energy, including solar power generation systems and a power purchase agreement (PPA).



Number of stores with solar panel installed
39 stores
(As of February 2026)



Effective Utilization of Resources and Promotion of Their Recycling and Reuse

Collection of used cooking oil at four stores in Fukuoka Prefecture

Since April 2025, Izumi has been collecting used cooking oil from households, in partnership with the cities of Fukuoka and Kitakyushu. We have installed collection boxes at four stores, including Youme Town Hakata, and the collected waste cooking oil is recycled into biodiesel fuel by a specialist contractor. Using cooking oil that would normally be thrown away as a diesel alternative helps reduce CO₂ emissions.



Efforts to Reduce Food Loss

Food drive to contributing to food support activities and the effective use of food resources

The food drive program we launched in 2021 has been implemented at all stores since March 2025. The food drive is an initiative to provide unused food resources donated by customers to people who need them.

Number of items donated **51,020**

Weight of food donations **25,421kg**

Number of organizations receiving donations **31** (FY2024)



Group Company Sustainability Activities

Youme Mart Kumamoto and Youme Mart Kitakyushu | Implementation of the Mogu Mogu Challenge

All of the Youme Town and Youme Mart of Izumi stores implement the Mogu Mogu Challenge. We are expanding it to the Group's stores. The Mogu Mogu Challenge is an activity in which participants collect labels affixed to products whose best-before date or use-by date is coming soon. Through this program, one yen is donated to Kodomo Shokudo (Kids' Cafeteria) for each label collected, so it is one way that the Group companies contribute to society.

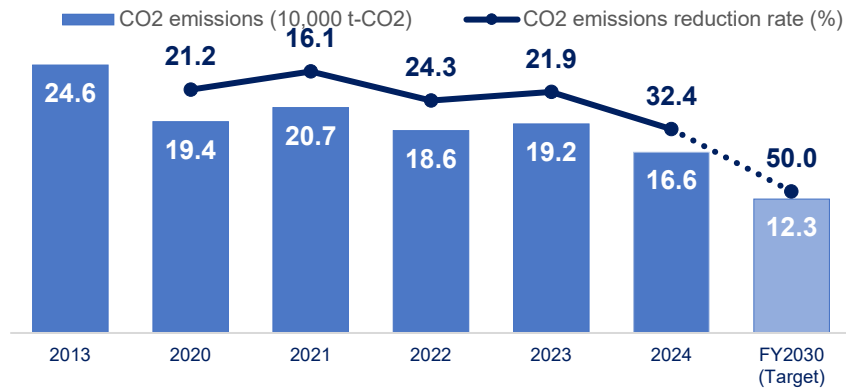
▶ Youme Mart Kumamoto: Moguni stickers put up in a store



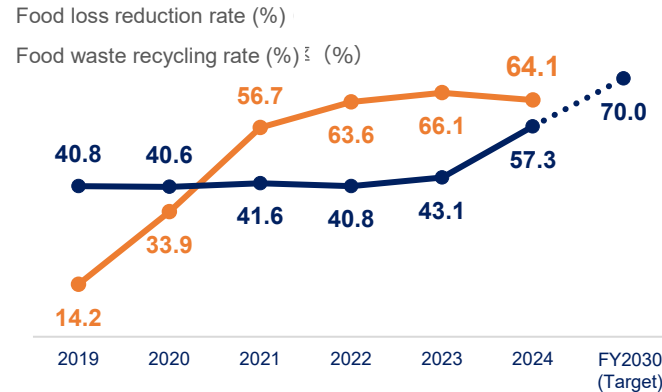
E Steady Progress Toward FY2030 Environmental KPI Targets

■ Progress in Environmental KPIs

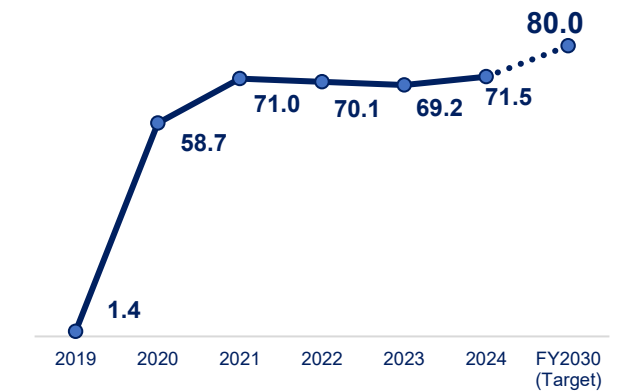
1. CO2 Emissions and
2. CO2 Emissions Reduction Rate (Compared to FY2013; Scope 1&2)



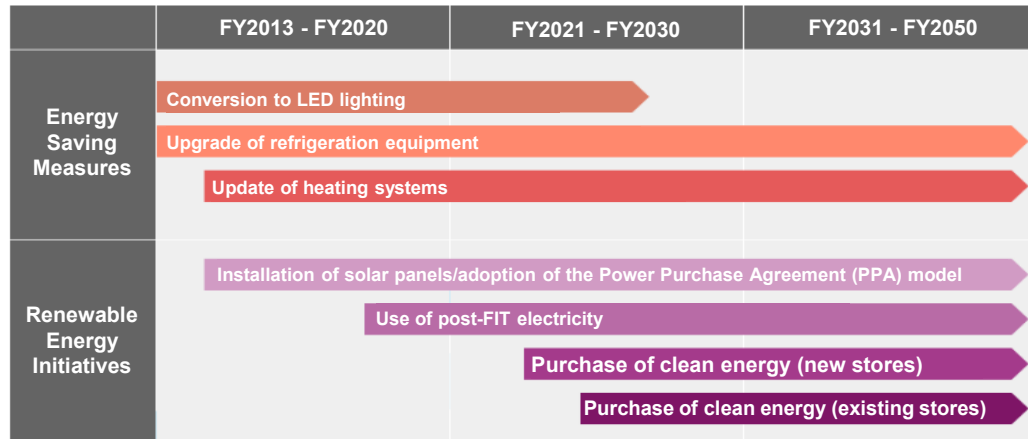
1. Food Waste Recycling Rate
2. Food Loss Reduction Rate (Compared to FY2018)



1. Plastic Shopping Bag Reduction Rate (Compared to FY2018)



■ Roadmap for Reducing Emissions



■ Sustainability Committee: Activity Overview

CO2 Reduction and Energy Efficiency Subcommittee	<ul style="list-style-type: none"> • Discussion of solar power systems and the use of renewable energy • Assessment of CO2 emissions and review of reduction measures across the Group
Human Rights/DE&I Subcommittee	<ul style="list-style-type: none"> • Establishment and implementation of a human rights due diligence framework • Statutory disclosure of information in the securities report
Group Companies Subcommittee	<ul style="list-style-type: none"> • Sharing sustainability-related information between Group companies • Coordination for CO2 emissions assessments by each Group company
Procurement Subcommittee	<ul style="list-style-type: none"> • Communication of Izumi's procurement policy to suppliers • Planning and monitoring of progress toward sustainable procurement goals



Bringing Energy and Vitality to Local Communities

Holding of Universal City Fest at Youme Town City Mall

On January 10, 2026, Izumi held the Universal City Fest, aimed at increasing understanding for diversity and disability through an event that is really enjoyable for everyone, regardless of disability. We also sought to raise awareness of universal communication and sport through opportunities to experience Braille and sign language in addition to sports such as boccia.



Working Together for Greater Progress

Participation in shopping support initiatives as a community-based supermarket

Youme Mart Kitakyushu participates in the Mile One Project in collaboration with companies commissioned by Shimonoseki City. As part of a demonstration project for an AI-driven, on-demand passenger-and-cargo transport service launched in Toyotacho, Shimonoseki, the initiative promotes logistics collaboration to support local shopping needs. By enabling efficient operations with fewer vehicles and drivers, it aims to deliver both community transportation and shopping support logistics in an integrated manner, contributing to the development of a sustainable regional mobility model.



Contributing to society through safe and secure products

Food safety qualification test for food handlers

We provide food safety training to food handlers as an ongoing initiative. In FY2024, we began to use a video in the provision of the training program and we first had managers take a Food Safety License Test. To date, 432 people have passed it. We will enable our food handlers to acquire knowledge about freshness and temperature control, labeling management, and more, developing a framework for ensuring food safety.



▲ Checking the freshness and labels of fresh produce

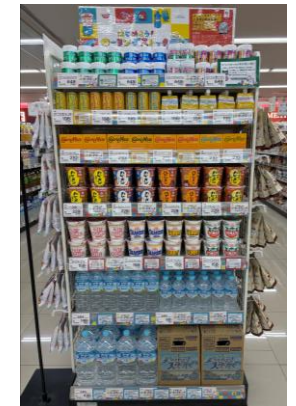


Extend the Circle of Health maintenance and Improvement

Launch of community disaster management project "No DISASTER MANAGEMENT, No LIFE"

As a member of Kyushu Distribution Sustainability Salon, which brings together retailers and distributors in Kyushu to tackle social issues, Izumi launched a new project aimed at raising disaster management awareness in the community (among consumers) and supporting the next generation (children) in learning about disaster management. The project aims to donate packs for learning about disaster management to a total of 500 schools over the coming five years and to expand the scope of community disaster management in the long term.

▶ The first phase is to expand disaster management-related products and implement awareness-raising activities to promote "running stock."





Creating a Workplace Where Employees Can Work Energetically While Being Themselves

Extending the retirement age to 65 for full-time employees

Izumi has revised its retirement system for full-time employees reaching age 60 from FY2025 onward. The Company will gradually raise the retirement age by one year each year, ultimately allowing employees to continue working as full-time staff until age 65.

This revision respects employees' desire to continue working and aims to create a workplace where they can remain motivated and active. It also facilitates the transfer of accumulated skills and expertise to the next generation, supporting the growth of younger employees and enhancing organizational capabilities overall.



Supporting the Personal Development of Individuals with Many Learning Opportunities

Enhancing customer service skills through a company-wide role-playing competition

On October 7, 2025, the 9th Youme 1 Grand Prix—an annual role-playing competition for Youme Town specialty store staff—was held at Izumi's headquarters. Eleven finalists, selected through regional preliminaries, showcased their skills and learned from one another in pursuit of higher service quality.



▶ Participants engaged in customer service role-playing



Compliance and Risk Management Structure

Izumi Hotline Consultation Service

The Izumi Hotline was established with the aim of fostering an open organization. The hotline accepts and appropriately deals with consultations from employees and the employees of business partners.



Promoting Dialogue with Shareholders

Promoting IR communications

The Corporate Planning Division plays a central role in regularly engaging in dialogue with shareholders and investors regarding the Company's management strategy and performance. In addition to holding financial results briefing sessions for analysts and institutional investors four times a year, we also hold company briefings for individual investors and take part in individual investor seminars organized by securities firms.

Information Published on the Website

Monthly sales, financial results materials, performance trends, shareholder information, General Meeting of Shareholders, IR calendar, IR Information (English), press releases, Integrated Report



Providing Sustainable Products in Consideration of the Environment, Society, and the Economy

Sale of eco-friendly fish

Marine Eco-Label Japan (MEL) is Japan's first eco-labeling certification program for fishery products. The certification is granted to business operators who engage in eco-friendly fisheries or aquaculture and their products. As a retailer, we proactively sell MEL-certified products. We display promotional materials in our stores to share with customers the appeals of these delicious foods that enable them to contribute to the establishment of a sustainable society.



▲ In-store promotional materials for MEL-certified products

Sales of beef from livestock raised with great care by high school students

On February 7, 2026, we sold beef from livestock raised by students from Okayama Prefectural Seto Minami High School at Youme Town Hirajima and Youme Town Sanyo. At Youme Town Hirajima, the students also conducted PR activities and tasting sessions. The Company is selling beef and pork from livestock raised by high school students and university students in each region as well as fruit grown by them in the Group's stores, because we want to encourage consumers to eat more local produce and promote local production for local consumption.



▲ Activities of students from Okayama Prefectural Seto Minami High School

Launch of private brand products focused on rice grown in Kumamoto Prefecture

The Izumi Group launched an original brand rice product made from rice grown in Kumamoto under its private brand Youme-Ichi, which was launched in September 2025. The launch event for the rice, which is characterized by its distinctive soft and sticky texture and sweet taste, featured an introduction to rice produced in Kumamoto Prefecture by Kumamon, Kumamoto Prefecture's mascot, and an onigiri tasting session. Going forward, we will continue to promote local production for local consumption and contribute to the revitalization of regional industry, ensuring that products are available for local customers to buy at an affordable price.

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*The image is for illustrative purposes only. (The actual product may differ.)

We will build an effective structure and sound and appropriate management.

- Strive to maximize corporate value by realizing customer satisfaction, in order to meet stakeholder expectations
- Fulfill our social responsibility with a high sense of ethics while contributing to local communities
- Develop a management organization and various systems, positioning enhanced transparency and fairness as key challenges
- Strengthen supervisory functions of the Board of Directors, ensure financial reliability and strive to improve the effectiveness and efficiency of business operations
- Form a Management Meeting and Nomination and Remuneration Committee to further enhance the effectiveness of delegated authority.

Along with revamping the management structure, the term of office of directors has been shortened from two years to one to enhance governance to increase urgency and agility.

