Financial Results for the First Three Months of the Fiscal Year Ending February 28, 2027 (FY2026)

IZUMI CO., LTD
[Stock code: 8273]

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Consolidated Summary for the First Three Months of the Fiscal Year Ended February 28, 2027 (FY2026)

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- **Both revenue and profits increased mainly due to new stores and growth at existing stores. Progress made against the full-year operating profit forecast in the first quarter was 23.7% (versus average for last 5 years of 23.5%).**
- **In March, we opened our 8th NSC: Youme Mall Nakagawa (Fukuoka). The new mall is performing well, with sales surpassing the plan.**
- **We renovated Youme Town Miyuki and Youme Mart Yahata as pilot destination stores under the new SM model. (See p.13 for further details.)**
- **Although Middle East tensions are starting to have less of an impact, we are continuing to monitor trends in energy prices and materials prices.**

Consolidated *1	**FY2026 1Q**		FY2025 1Q	
(Million yen)	**Result**	YoY	Result	YoY
Operating revenue	**140,309**	102.8%	136,538	125.5%
Operating profit	**6,860**	108.9%	6,296	108.3%
Ordinary profit	**6,835**	110.5%	6,187	102.0%
Profit *2	**4,528**	107.5%	4,212	107.1%
Total assets	**599,073**		595,383	(FY-end result)
Net assets	**309,379**		307,939	(FY-end result)
(Reference)Total operating revenue *3	213,277	103.2%	206,707	118.0%
Earnings per share *4	**21.55 yen**		19.75 yen	
Net assets per share *4	**1,406.06 yen**		1,399.38 yen	(FY-end result)
Equity ratio	**49.3%**		49.4%	(FY-end result)

Progress rate of Operating Profit: 23.7 %
(Average over the past five years: 23.5 %)

*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, 2026 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.

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Revenue increased mainly due to new stores and growth at existing stores. Profits increased thanks to reduction in SG&A expenses, despite a lower-than-expected gross profit ratio on a non-consolidated basis. Results fell slightly short of the plan.

- Operating revenue Operating revenue rose 2.8%, reflecting the contribution of year-on-year increases in new stores and existing stores.
- Operating profit The operating gross profit margin was 39.2%, down 0.1 points YoY. The SG&A expense ratio stood at 34.3%, down 0.4 points YoY. The operating profit margin was 4.9% up 0.3 points YoY.
- Ordinary profit The ordinary profit margin was 4.9%, rising 0.4 points from the previous year due mainly to a decrease in interest expenses.
- Profit Profit was 3.2%, up 0.1 points YoY.

Consolidated *1	1Q FY2026 (Mar.-May)			1Q FY2025 (Mar.-May)	
(Million yen)	Result	% of operating revenue	YoY	Result	YoY
Operating revenue	**140,309**	**100.0%**	**102.8%**	**136,538**	**125.5%**
Net sales	**125,235**	89.3%	102.6%	**122,057**	128.7%
Gross profit	**39,931**	28.5%	101.8%	**39,242**	127.6%
Operating revenue	**15,073**	10.7%	104.1%	**14,480**	103.6%
Operating gross profit	**55,004**	**39.2%**	**102.4%**	**53,723**	**120.1%**
SG&A expenses	**48,144**	34.3%	101.5%	**47,426**	121.8%
Operating profit	**6,860**	**4.9%**	**108.9%**	**6,296**	**108.3%**
Non-operating income and expenses	**-24**	-0.0%	–	**-108**	–
Ordinary profit	**6,835**	**4.9%**	**110.5%**	**6,187**	**102.0%**
Extraordinary income and losses	**245**	0.2%	–	**-22**	–
Profit *2	**4,528**	**3.2%**	**107.5%**	**4,212**	**107.1%**

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*2 Profit is profit attributable to owners of parent.

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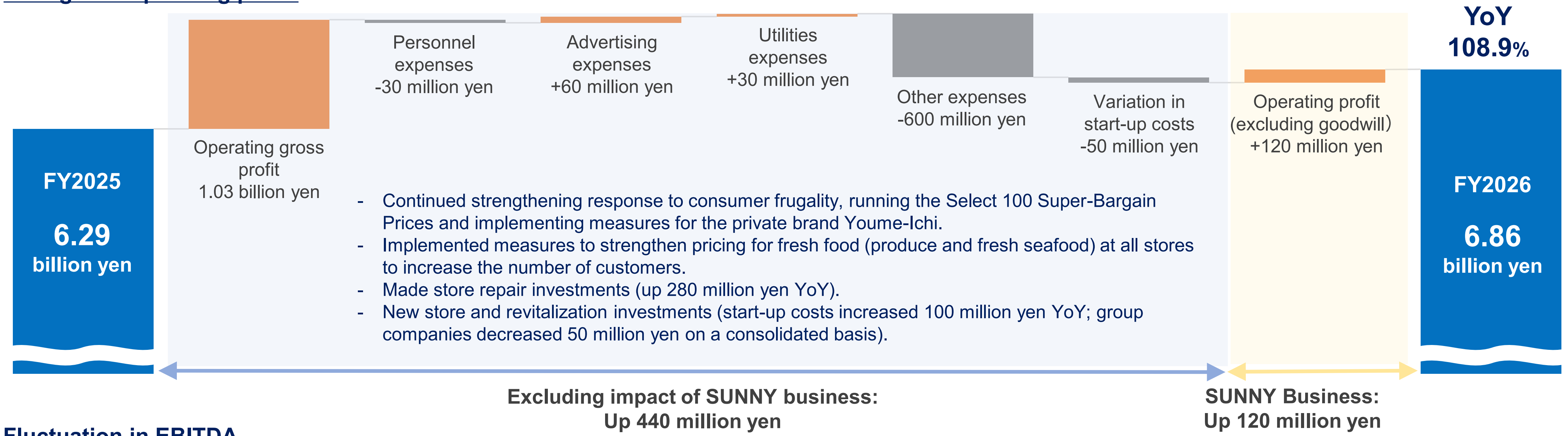
Operating profit came to 6.8 billion yen, up 8.9% YoY. EBITDA rose 11.8 billion yen (+3.3% YoY)

- While operating gross profit increased due to the implementation of sales measures in response to even greater consumer frugality, expenses were kept within the planned range through management.
- Although unit personnel expenses rose due to wage increases, total personnel expenses were significantly reduced through continued MH control and other measures.
- Start-up costs associated with new stores and revitalization were up 50 million yen YoY. We continued promoting repair investment to improve store environments in terms of comfort and safety, etc.
- In the SUNNY business, operating profit excluding goodwill amortization rose 120 million yen year on year, reflecting continued efforts to improve in-store competitiveness and lay the foundation for expense management, etc.

Changes in operating profit *1



Fluctuation in EBITDA

FY2025: 11.5 billion yen → **FY2026: 11.8 billion yen**

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

Consolidated Profit/Loss for the First Three Months of the Fiscal Year Ended February 28, 2027 (FY2026) – Segment Information

Retail operations achieved gains in revenue and profits, and retail-peripheral operations reported gains in revenue and profits, reflecting strong performances at each company, especially Izumi Techno.

- Youme Mart Kumamoto (excluding the SUNNY business) posted increases in revenue and profits. We closed one store Youme Mart Ezu in May and plan to open a store in the spring of 2027 under our scrap-and-build strategy.
- Youme Mart Kitakyushu reported increase in revenue but fell into the red under the impact of low price initiatives and heavy personnel expenses, etc. In the SUNNY business, operating profit after goodwill amortization was less in the red.
- Yours saw strong sales of the Youme-Ichi brand (4% of total food sales). Yours returned to profitability in the absence of the startup costs of Avance minamoa, which opened last year.
- Izumi Techno's construction and designated administration departments were strong. Increases in revenue and profit were also achieved at Youme Card on the back of robust retail operations as well as at Izumi Food Services that performed well operationally.

	(Million yen)	Operating revenue				Operating profit			
		1Q FY2026 (Mar.-May)		1Q FY2025 (Mar.-May)		1Q FY2026 (Mar.-May)		1Q FY2025 (Mar.-May)	
		Result	YoY	Result	YoY	Result	YoY	Result	YoY
	Retail operations	**135,418**	102.6%	**131,966**	126.3%	**5,157**	107.1%	**4,817**	108.1%
	Retail-peripheral operations	**13,997**	112.0%	**12,492**	115.2%	**1,578**	116.4%	**1,356**	110.5%
	Others and adjustments	**-9,106**	–	**-7,921**	–	**123**	–	**122**	–
	Consolidated total	**140,309**	102.8%	**136,538**	125.5%	**6,860**	108.9%	**6,296**	108.3%
Retail operations	Izumi	**93,520**	103.4%	**90,442**	105.4%	**5,190**	100.4%	**5,169**	104.1%
	Youme Mart Kumamoto	**26,873**	100.8%	**26,663**	428.5%	**127**	–	**-102**	–
	(Including the SUNNY business)	**(20,043)**	(99.8%)	**(20,080)**	(–)	**(-103)**	–	**(-228)**	(–)
	Youme Mart Kitakyushu	**6,384**	105.0%	**6,083**	99.2%	**-11**	–	**79**	–
	Yours	**5,998**	102.7%	**5,842**	108.8%	**56**	–	**-39**	–
Retail-peripheral operations	Youme Card	**2,232**	101.2%	**2,205**	105.9%	**465**	109.8%	**424**	113.5%
	Izumi Techno	**5,839**	115.8%	**5,044**	123.5%	**592**	106.9%	**554**	125.3%
	Izumi Food Service	**2,093**	107.5%	**1,946**	117.7%	**139**	163.6%	**85**	56.3%

* 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, 2026 reflect the finalized accounting treatment for the business combination.

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Operating revenue rose 3.4% YoY, and operating profit increased. Ordinary profit and net profit both decreased.

- Operating revenue Revenue increased 3.4%.The percentage of operating gross profit in operating revenue fell 0.7 percentage points YoY to 42.7%.
- Operating profit The SG&A expense ratio rose 2.1% and the percent (%) of operating revenue fell 0.5 percentage points YoY to 37.2%. The operating profit margin fell 0.1 points YoY to 5.6%
- Ordinary profit The ordinary profit margin dropped 0.3 points YoY to 5.4%, mainly due to a decrease in non-operating income.
- Profit Profit was 3.8%, down 0.2 points YoY

Non-consolidated	1Q FY2026 (Mar.-May)			1Q FY2025 (Mar.-May)	
(Million yen)	Result	% of operating revenue	YoY	Result	YoY
Operating revenue	**93,520**	**100.0%**	**103.4%**	**90,442**	**105.4%**
Net sales	**78,892**	84.4%	103.4%	**76,333**	105.9%
Gross profit	**25,342**	27.1%	100.9%	**25,120**	107.6%
Operating revenue	**14,628**	15.6%	103.7%	**14,109**	102.6%
Operating gross profit	**39,971**	**42.7%**	**101.9%**	**39,229**	**105.8%**
SG&A expenses	**34,780**	37.2%	102.1%	**34,060**	106.0%
Operating profit	**5,190**	**5.6%**	**100.4%**	**5,169**	**104.1%**
Non-operating income and expenses	**-126**	-0.1%	–	**-50**	–
Ordinary profit	**5,064**	**5.4%**	**98.9%**	**5,119**	**98.3%**
Extraordinary income and losses	**-56**	**-0.1%**	–	**-168**	–
Profit	**3,537**	**3.8%**	**98.4%**	**3,595**	**100.6%**

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The number of customers at directly managed stores grew 1.5%, reflecting continued strengthening of low-price initiatives.
We will review measures for improvement in the gross profit ratio, with the aim of achieving the full-year target.

- Lifestyle: In March and April, temperatures were lower than usual, and sales, especially apparel sales, struggled. In May, temperatures rose and sales recovered. Sales for the first quarter were up YoY on a cumulative basis.
- Foods: We continued to implement low-price initiatives, including the Select 100 Super-Bargain Prices introduced in September last year. Our private brand Youme-Ichi performed strongly, with sales exceeding the plan.
  In measures to increase the number of customers, we strengthened pricing for fresh produce. Gross profit fell 0.8 points YoY, squeezed by price strengthening initiatives, the impact of rice prices and other factors.

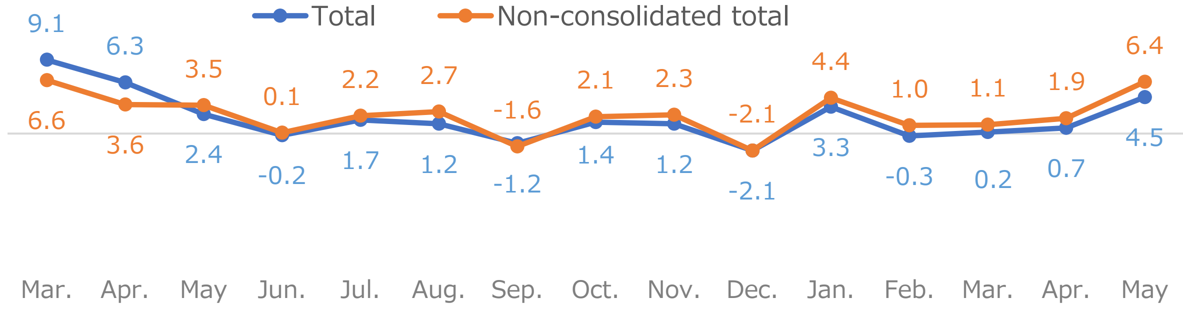
(Million yen)		1Q FY2026 (Mar.-May)		1Q FY2025 (Mar.-May)	
		Result	YoY/difference	Result	YoY/difference
Sales	Lifestyle	21,350	102.2%	20,897	102.0%
	Foods	57,541	103.8%	55,436	107.5%
	Total	**78,892**	**103.4%**	**76,333**	**105.9%**
Gross profit margin	Lifestyle	35.4%	-0.6pt	33.0%	-0.2pt
	Foods	30.9%	-0.8pt	31.7%	+0.8pt
	Total	**32.1%**	**-0.8pt**	**32.9%**	**+0.5pt**

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

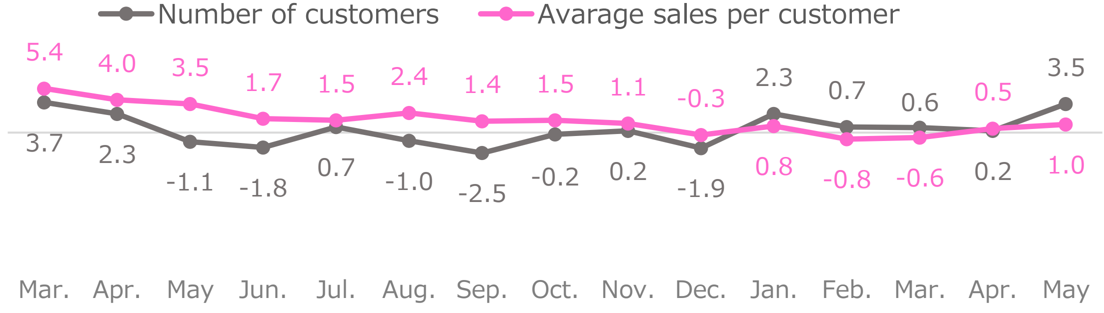
	FY2026 1Q
Lifestyle	101.4%
Foods	102.0%
Total	**101.8%**
Tenants	104.8%
Non-consolidated Total	**103.1%**

*** Breakdown of total directly operated stores**	
Number of customers	101.5%
Average sales per customers	100.3%
Average spent per item	100.9%
Number of purchases	99.4%

Year-on-Year Change in Net Sales at Existing Stores by Product (%)



Number of Customers and Average Sales per Customer (%)



Non-consolidated Profit/Loss for the First Three Months of the Fiscal Year Ended February 28, 2027 (FY2026)
- SG&A Expenses

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Although SG&A expenses increased 2.1%, the percent (%) of operating revenue fell 0.5 percentage points YoY to 37.2%.

• Personnel expenses	Personnel expenses increased due to wage hikes and the running costs of new stores; however, with appropriate control of labor hours, the increase of 0.3%.
• Store management expenses	We continued implementing repairs at headquarters-managed stores to improve the store environment in terms of comfort and safety. (Up 280 million yen YoY)
• Utilities expenses	Although new store running costs increased, the YoY increase in utilities expenses was kept to 0.3% through proper control of usage and government subsidies.
• Other	Start-up costs for new store openings and existing store revitalization increased. (An increase of approx. 100 million yen from 600 million yen in the previous fiscal year to 700 million yen in the current fiscal year)

Non-consolidated	1Q FY2026 (Mar.-May)			1Q FY2025 (Mar.-May)	
(Million yen)	Result	% of operating revenue	YoY	Result	YoY
Operating revenue	93,520	100.0%	103.4%	90,442	105.4%
Operating gross profit	39,971	42.7%	101.9%	39,229	105.8%
SG&A expenses	**34,780**	**37.2%**	**102.1%**	**34,060**	**106.0%**
Personnel expenses	**12,726**	13.6%	100.3%	**12,684**	104.3%
Depreciation	**3,204**	3.4%	99.7%	**3,214**	96.2%
Rent expenses	**2,469**	2.6%	101.9%	**2,422**	100.0%
Store management expenses	**3,613**	3.9%	110.4%	**3,272**	104.6%
Utilities expenses	**3,022**	3.2%	100.3%	**3,012**	105.4%
Advertising expenses	**2,379**	2.5%	99.5%	**2,393**	133.7%
Other	**7,363**	7.9%	104.3%	**7,060**	109.9%

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Total assets increased 3.6 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 6.4 billion yen.
  Notes and accounts receivable - trade, and contract assets increased 6.9 billion yen, chiefly due to a rise in credit transaction value.
- Liabilities: Notes and accounts payable-trade rose by 3.4 billion yen. Short-term and long-term borrowings decreased by 2.3 billion yen.
- Net assets: Retained earnings increased by 1.3 billion yen due to the buildup of internal reserves. The shareholders' equity ratio declined 0.1 points YoY to 49.3%.

Consolidated	End of 1Q FY2026		
(Million yen)	Result	% of total	Amount
Total assets	**599,073**	**100.0%**	**+3,690**
Cash and deposits	**19,712**	3.3%	-8,376
Note and accounts receivable-trade, and contract assets	**68,697**	11.5%	+6,903
Property, plant and equipment	**359,962**	60.1%	+2,154
Goodwill	**33,731**	5.6%	-475
Other	**116,969**	19.5%	+3,484
Liabilities	**289,693**	**48.4%**	**+2,249**
Notes and accounts payable-trade	**60,745**	10.1%	+3,455
Interest-bearing liabilities	**120,832**	20.2%	-2,392
Other	**108,116**	18.0%	+1,187
Net assets	**309,379**	**51.6%**	**+1,440**
Equity	**295,409**	49.3%	+1,401
Non-controlling interests	13,970	2.3%	+39

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There were bank holidays at the end of February and the end of May during the winter and at the end of May the previous fiscal year. Cash flows from operating activities and cash flows from financing activities include the impact of the timing of cash settlement.

- Cash flows from operating activities: Cash flows provided from operating activities amounting to 3.8 billion yen, driven in part by profit before income taxes.
- Cash flow from investing activities: Cash used in investing activities stood at 6.6 billion yen, primarily reflecting investments in new store openings, revitalizing existing stores, and digital transformation (cash outflows totaling 6.4 billion yen).
- Cash flows from financing activities: Cash used in financing activities came to 5.5 billion yen, dividends paid of 3.1 billion yen, and repayments of borrowings of 2.3 billion yen.

(Million yen)	FY2026	FY2025 *
Cash flows from operating activities	**3,893**	**25,840**
Profit before income taxes	7,080	6,165
Non-cash loss/gain (depreciation, etc.)	5,138	5,329
Increase/decrease in claims obligations related to operating activities	-4,071	17,190
Income taxes and interest income	-5,698	-4,812
Other	1,443	1,967
Cash flows from investing activities	**-6,692**	**-5,083**
Capital investment related	-6,416	-5,820
Other	-275	736
Cash flows from financing activities	**-5,577**	**-23,030**
Interest-bearing liabilities related	-2,392	-16,606
Other	-3,184	-6,423
Increase/decrease in cash and cash equivalents	**-8,376**	**-2,273**

In the previous fiscal year, the end of May 2025 was a bank holiday, while over the winter season, the end of February and the end of May 2026 were bank holidays. Accordingly, cash flows from operating activities and cash flows from financing activities include the impact of a difference in the timing of cash settlement.

	End of Feb.	End of May
FY2026	Saturday	Sunday
FY2025	Friday	Sunday

* Previous fiscal year: We bought treasury shares valued at 3.1 billion yen in April.

* 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, 2026 reflect the finalized accounting treatment for the business combination.

Appendix

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Appendix: Progress of New Store Opening and Revitalization - Destination Stores

- **Izumi renovated Youme Town Miyuki and Youme Mart Yahata and reopened them from March and April respectively as destination model stores with an enhanced lineup of perishable items.**
- **Both stores have performed strongly compared with other existing stores, and we are preparing to further expand pilot stores.**

Shift towards "destination stores": Seeking differentiation in terms of freshness and deliciousness, with emphasis on fresh produce and fresh seafood.

Produce

- Emphasizing "low price" with the region's lowest EDLP.
- Seeking improvement in turnover rates and freshness by selling items individually.
- Achieving formidable expansion in volume.

Year-on-Year Sales

Youme Town Miyuki (Mar.-May) **: 125.0 %**
Youme Mart Yahata (Apr.-May)**: 128.8 %**

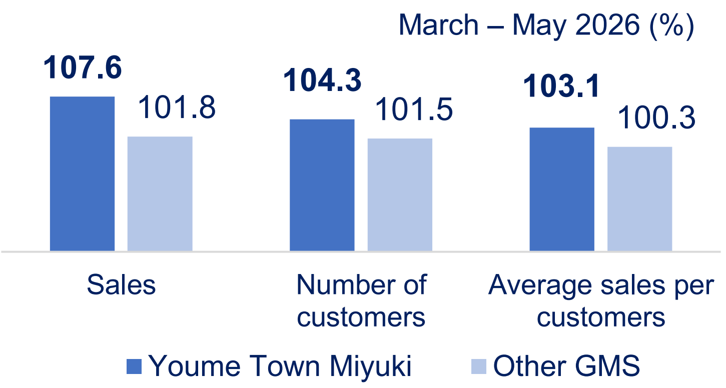
Fresh fish

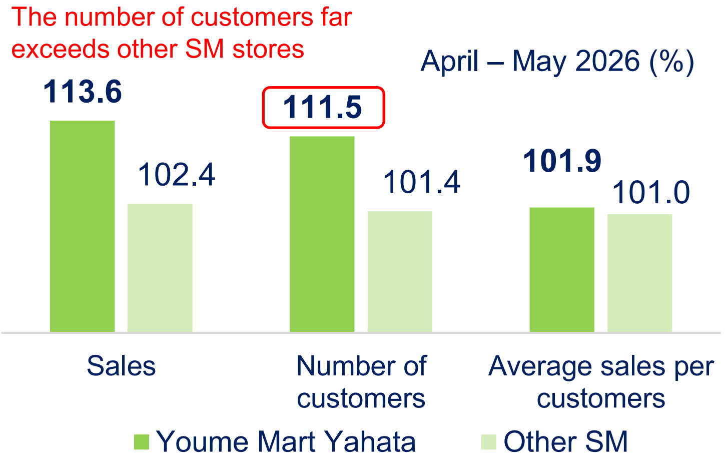
- Producing lively market-like counters through face-to-face sales
- Realizing a formidable level of freshness and an overwhelming lineup
- Selling out and reducing food loss through processing into prepared food

Year-on-Year Sales

Youme Town Miyuki (Mar.-May) **: 124.4 %**
Youme Mart Yahata (Apr.-May)**: 152.7 %**

Year-on-Year Food sales





Appendix: Progress of New Store Opening and Revitalization

- In the first half of FY2026, Izumi opened two new stores: the NSC (Neighborhood Shopping Center) Youme Mall Nakagawa (Fukuoka) in March and Yours Hirose Kita (Hiroshima) in July.
- In the spring of FY2027, we plan to open three new stores (one opening based on scrap and build policy).

Youme Mall Nakagawa (Fukuoka)

March 5, 2026 Opening

Community-based shopping mall

- Third Youme Mall in Fukuoka Prefecture
- Izumi signed a Comprehensive Cooperation Agreement with Nakagawa City, and aims to provide a local lifestyle hub centered on commerce, transport and health.

Total floor area: Approx 1,000㎡

Yours Hirose-kita (Hiroshima)

July 16, 2026 Opening

New SM model store

- Open 24 hours a day, with emphasis on convenience
- We created a model store where each employee performs multiple duties, including acting as cashier and restocker, enabling operation with a small number of staff.

Total floor area: 1,584㎡
Sales floor area: 1,203㎡

Youme Town Shikoku-Chuo (Ehime) (tentative)

Opening in spring 2027

- Ehime Prefecture's first "Youme Town"
- Fifth store in Shikoku
- "GMS reform business" involving large-sale renovation

Total floor area: 27,200㎡

SUNNY Hakata (Fukuoka) (tentative)

- 24-hour highly efficient new urban SM model store
- 64th store in Fukuoka Prefecture
- Convenience and peace of mind

Total floor area: 3,090㎡

Youme Mart Ezu (Kumamoto)

- Closing in May 2026
- Planned opening based on scrap-and-build strategy

- As part of the “Evolution of GMS” strategy under the Third Medium-term Management Plan, we will promote the enhancement of government services and the creation of spaces where local residents can gather.
- We will welcome in-store facilities, tenants and services to the mall that will attract families, who are the main target customers of GMS.

Youme Town Minami-Yukuhashi (Fukuoka)

March 20, 2026 Opening

Opening of “Asoboccha,” an indoor children's playground

- “Asoboccha,” an indoor children's playground installed by Yukuhashi City, opened in Youme Town Minami-Yukuhashi.
- The playground provides a space where children can have fun playing in a safe environment while also offering age-appropriate learning opportunities.
- ・To coincide with installation of the playground, we renovated the restrooms to make them more family friendly.

▶ **Purpose and aims**

- To contribute to regional revitalization by improving the city's environment for raising children
- To attract new customers by encouraging families to visit stores

Youme Town Ube (Yamaguchi)

April 23, 2026 Opening

Opening of Machi Library @ Youme Town Ube

- Largest Machi Library in west Japan operated under the leadership of Ube City
- Community library where users bring in donated books with messages attached to them
- Can also be used as a space for reading, studying and the staging of events organized by users

▶ **Purpose and aims**

- To encourage young customers and families to visit stores
- To offer a third space in the community where local residents can escape the everyday and feel free to stop by as part of their daily lives

Appendix: Progress of Our Private Brand, Youme-Ichi

- We have enhanced items in our “Price” line, which we rolled out first, as well as in our “Regular” and “Premium” lines, and are making rapid progress towards our product development target for the current fiscal year of 450 items.
- Recognition is gradually increasing, and the brands are or lineups are performing strongly both in terms of progress against the sales forecast and component ratio of food sales.

Youme-Ichi results (March – May 2026)

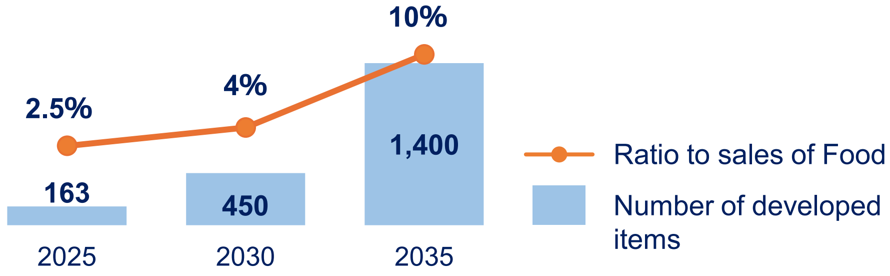
Sales of the entire group against plan: **120.5%**

Ratio to sales of Food: **2.9 %**

Number of items rolled out

	Sep. 2025	until May 2026
Premium	0	1
Regular	2	36
Price	48	166
Total	50	203

Future vision of Youme-Ichi



Product example

Thick but smooth wakame seaweed

398 yen (430 yen Including tax)

- Made from nutrient-rich seaweed produced in Oppa Bay in the Sanriku region
- Characterized by umami flavor and chewy texture

Release on July 20

Pure acacia honey

498 yen (538 yen including tax)

- Made from only high purity honey produced in a particular region
- Smooth with an addictive delicate taste

Initiatives to increase the appeal of products

Addition of function that allows Youme app members to post reviews

- Rating of products as either “Good” or “Not so good”
- Collecting feedback from customers who have purchased Youme-Ichi products
- Reflecting feedback and impressions in product development
- Striving to offer products that better meet customer needs

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.

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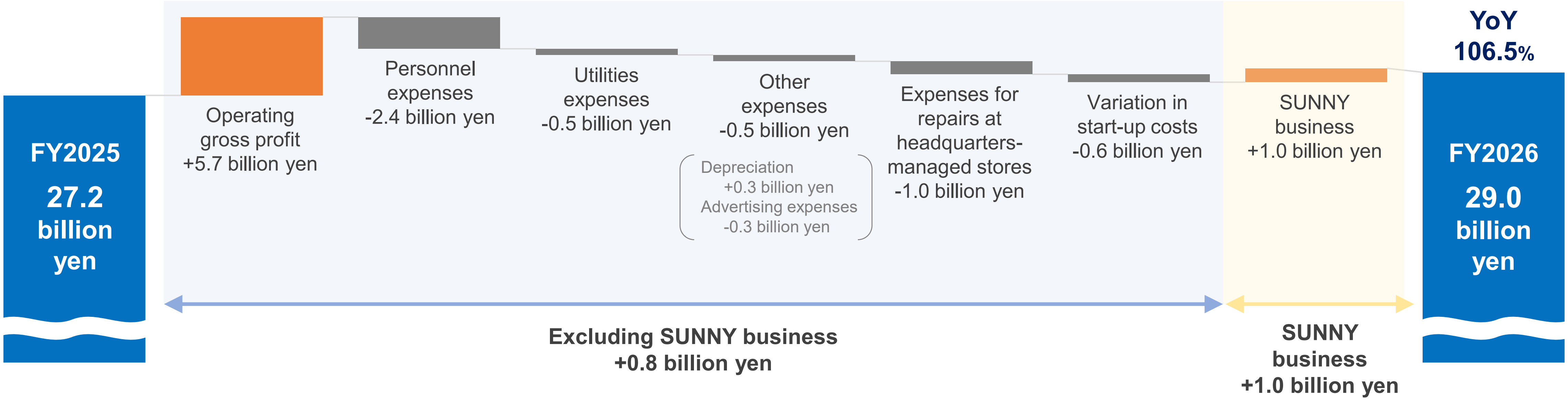
Operating profit is projected to increase by 6.5% to 29.0 billion yen.

- 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

48.6 billion yen → **49.4** billion yen

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

youme

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	53.1 billion yen (Previous FY: 51,264 million yen, up 3.6% 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 June Results
Lifestyle	89.5%
Foods	100.6%
Directly managed store total	**97.3%**
Tenants	97.2%
Izumi Total	**97.2%**

* Breakdown of total directly operated stores

Number of customers	98.0%
Average sales per customers	99.3%
Average spent per item	97.5%
Number of purchases	101.8%

Impact of day-of-week differences
Number of holidays: -1
(about a 2.7% 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.

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263 stores mainly in the Chugoku, Shikoku and Kyushu regions

(As of May 31, 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)	4	4	–	–	**8**
		SM (Youme Mart)	14	17	–	–	**31**
		Other	2	4	–	1	**7**
		Subtotal	**40**	**60**	**4**	**3**	**107**
Yours	Hiroshima City	SM (Yours, etc.)	–	24	–	–	**24**
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	8	–	–	**31**
Other	–	SM	4	–	5	–	**9**
		Total	**159**	**92**	**9**	**3**	**263**
		Youme Mart (store brand) as a subset of the above	63	29	–	–	92

*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 FY2016 (%)

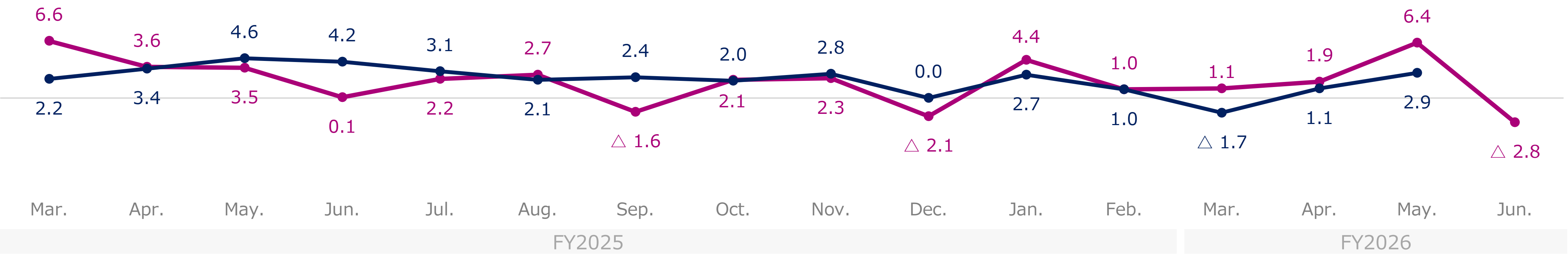
* In the year-on-year comparison of net sales from FY2023, figures including results from X-SELL are included.

	'16	'17	'18	'19	'20	'21	'22	'23	'24	'25	'26
Izumi	101.5	99.2	99.4	99.1	89.7	101.1	103.5	103.0	100.7	102.0	101.7
Nationwide	98.8	99.6	99.2	98.8	100.7	103.1	101.0	103.0	102.1	102.5	–
Deviation	+2.7	-0.4	+0.2	+0.3	-11.0	-2.0	+2.5	0.0	-1.4	-0.5	–

[FY2026 by month (%)]

	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Full year
Izumi	101.1	101.9	106.4	97.2									101.7
Nationwide	98.3	101.1	102.9	–									–
Deviation	+2.8	+0.8	+3.5	–									–

Year-on-Year Change in Sales at Existing Stores (%)



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

Steady Progress Toward Reducing CO_2 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

Bringing Energy and Vitality to Local Communities

Fashion show showcasing indigo dyed clothing made by high school students

On May 6, 2026, we held an event on the theme “Awa Ai,” which is natural indigo dye made in Tokushima, at Youme Town Tokushima. In addition to Dreaming Indigo Dye Fashion Show, showcasing indigo dyed clothing made by high school students, we also held a market selling indigo dyed products such as handkerchiefs and coasters. Going forward, we will continue helping communicate the appeal of regional cultures.

Working Together for Greater Progress

Showcasing the Work of the Self-Defense Forces Through Event

On April 29, 2026, we held an event sponsored by JSDF Fukuoka Provincial Cooperation Office at Youme Town Yukuhashi. The event included an exhibition of security dogs by JASDF Tsuiki Air Base and test drives of scout motorcycles. The event showcased the work of the Self-Defense Forces. The two demonstrations of drills by security dogs held once in the morning and once in the afternoon were hugely popular. Offering an insight into something we cannot usually see, each demonstration attracted around 200 spectators.

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.

Whistleblowing reports

FY2024 result		FY2030 target
130	>	200

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

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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

Community Interaction through Sale of Bento Boxes Made by High School Students

Once a month, Youme Town Nakatsu (Oita) sells bento boxes that have been handmade by food tech students from Higashi Kyushu Ryukoku High School. The students use the skills they acquired through their daily studies to create nutritionally balanced, colorful and tasty bento boxes, which they then sell at an affordable price (500 yen). The boxes have been extremely well received. A long queue forms each time the boxes are sold, and this initiative has become firmly established as an opportunity for high school students to learn through practical experience and interact with different generations in the community.

▲ Students are responsible for making and selling the bento boxes

Launch of Kaiju Lemon Chuhai under the Youme-Ichi Brand

Kaiju Lemons are an upcycled (creatively reused) brand of lemons from the Setouchi region. Although there is nothing wrong with their flavor or quality, they would typically be discarded or sold at a low price due to their appearance but have been given new value and regenerated through clever designs and ideas. By taking part in community-based initiatives, we connect producers, businesses and consumers, enhance the value of regions, and contribute to the development of agriculture and food culture.

▲ Being launched at Izumi Group stores (with some exceptions)

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.

In May 2026, we added an outside director with expertise in retail to strengthen the effectiveness of the board of directors.

General Meeting of Shareholders

Appointment and dismissal

Appointment and dismissal

Compliance and Risk Management Committee

Nomination and Remuneration Committee

Sustainability Committee

Information Security Committee

Board of Directors

Composition of Directors
Five Inside members
Four outside members
(of which, two are women)

Three Outside Directors

Masahiro Nishikawa: Representative Director Chairman of NISHIKAWA RUBBER CO., LTD.
Izumi Yano: President of Hiroshima Shudo University
Naomi Aoyama: Representative Director of Stylebis Inc.
Takeshi Kamigochi: Executive Vice President and Representative Director of MANDOM CORPORATION

Management Meeting

Audit

Audit & Supervisory Board

Composition of Audit & Supervisory Board members
One inside member and two outside members (of which, one is woman)

Two outside Audit & Supervisory Board members
Corporate executives who are expect in accounting and taxation