



June 9, 2026

For Immediate Release

Company name: IZUMI CO., LTD.
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Representative Director
(Code: 8273, TSE Prime Market)
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Notice of Absorption-Type Merger (Simplified Merger/Short-form Merger) of Consolidated Subsidiary and Waiver of Some Claims

Izumi Co., Ltd. (the “Company”) announces that, at a meeting of its Board of Directors held on June 9, 2026, it resolved to conduct an absorption-type merger of Bichu Kaihatsu K.K., a consolidated subsidiary of the Company, effective on September 1, 2026. With the resolution to implement this merger, the Company has also decided to waive some of the claims it has regarding Bichu Kaihatsu K.K.

The merger is a simplified absorption-type merger with a wholly owned consolidated subsidiary, so some disclosure items and details have been omitted from this announcement.

1. Purpose of the merger

Bichu Kaihatsu K.K., the subject of this absorption-type merger, is responsible for the management and operation of the Youme Town Takahashi shopping center. Having completed the replacement of its directly operated stores with tenants, this company currently engages mainly in real estate possession and management. To further streamline Izumi Group operations, the Company decided to conduct this absorption-type merger.

2. Summary of the merger

(1) Schedule of the merger

Date of resolution by the Board of Directors	June 9, 2026
Date of agreement	June 9, 2026
General meeting of shareholders	Not to be held (Note)
Scheduled date of the merger (effective date)	September 1, 2026 (plan)

(Note) Pursuant to the provisions on simplified mergers as stipulated in Article 796, paragraph (2) of the Companies Act and those on short-form mergers as stipulated in Article 784, paragraph (1) of the Companies Act, the Company and Bichu Kaihatsu K.K. will implement the merger without a resolution from a general meeting of shareholders.

(2) Method of the merger

The merger will be conducted as an absorption-type merger, with the Company as the surviving company. Bichu Kaihatsu K.K. will be dissolved.

While Bichu Kaihatsu K.K. is currently insolvent, the Company plans to waive some of its claims against Bichu Kaihatsu K.K. and eliminate its insolvency before the merger.

Details of the claims to be waived

- Type of claims Loans
- Amount of claims 230 million yen (estimate)
- Date of waiver August 31, 2026 (plan)

(Note) Due to the waiver of claims related to the loans provided to Bichu Kaihatsu K.K., the Company plans to post an extraordinary loss in its non-consolidated financial results for the fiscal year ending February 28, 2027. The Company has already posted 143 million yen of the claims that it will waive as an allowance for doubtful accounts. In its non-consolidated financial results, the Company will post the remaining 86 million yen (plan) as an extraordinary loss. This waiver of claims will have no impact on the Company's business performance on a consolidated basis because the loss will be eliminated in its consolidated financial results for the fiscal year ending February 28, 2027.

(3) Details of allotment relating to the merger

Not applicable, as Bichu Kaihatsu K.K. is a wholly owned subsidiary of the Company.

(4) Handling related to share acquisition rights and bonds with share acquisition rights in connection with the merger

Not applicable.

3. Outline of the companies involved in the reorganization (as of February 28, 2026)

	Company surviving the absorption-type merger	Company disappearing in the absorption-type merger
(1) Name	Izumi Co., Ltd.	Bichu Kaihatsu K.K.
(2) Head office	3-3-1 Futabanosato, Higashi-ku, Hiroshima, Japan	1700, Abe, Ochiai-cho, Takahashi-shi, Okayama
(3) Name and title of representative	Shigeki Machida, President and Representative Director	Kenji Kuninaga, President and Representative Director
(4) Business	Selling clothing, household goods, food, and other products at shopping centers, general merchandising stores (GMS), and supermarkets, as well as imports.	Shopping center operation
(5) Share capital	19,613.85 million yen	10 million yen
(6) Date of establishment	October 27, 1961	March 7, 1987
(7) Issued shares	71,665,200 shares	180 shares
(8) Fiscal year end	Last day of February	Last day of February
(9) Major shareholders and their shareholding ratios (Note)	Yamanishi World, Ltd. 28.5% The Master Trust Bank of Japan, Ltd. (Trust Account) 6.6% DAIICHI FUDOSAN CO., LTD. 6.0% Custody Bank of Japan, Ltd. (Trust Account) 4.5% Nippon Life Insurance Co. 3.0% The Hiroshima Bank, Ltd. 2.9% Yasuaki Yamanishi 2.8% Izumi Hiroshima Kyoekai 2.8% CEP LUX-ORBIS SICAV 1.7% STATE STREET BANK AND TRUST COMPANY505223 1.3%	Izumi Co., Ltd. 100%

(10) Financial position and operating results of the immediately preceding fiscal year		
Fiscal year end (Millions of yen, unless otherwise noted)	Izumi Co., Ltd. (Consolidated)	Bichu Kaihatsu K.K. (Non-consolidated)
	Year ending February 28, 2026	Year ending February 28, 2026
Net assets	307,939	-173
Total assets	595,383	253
Net assets per share (yen)	1,399.38	-965,325.07
Operating revenue	569,312	316
Operating profit	27,236	-43
Ordinary profit	27,361	-45
Profit attributable to owners of parent	16,834	-46
Earnings per share (yen)	79.40	-257,109.64

(Note) The above shareholding ratio is calculated excluding 1,632,420 treasury shares.

4. Status after the reorganization

There will be no changes in the name, head office, representative, business, share capital, and fiscal year-end of the Company after the merger.

5. Future outlook

The merger is an absorption-type merger with a wholly owned consolidated subsidiary, so it does not have any impact on the Company's consolidated financial results.