

**Support Documentation about the Consolidated Financial Results
for the Second Quarter of the Year Ending February 29, 2024 (FY2023)**

1. Summary of Financial Results

1) Consolidated Financial Results

(Unit: millions of yen)

	FY2022		FY2023	
	2Q	Full Term	2Q	Full Term Forecast
Operating revenue	224,061	460,140	233,320	476,600
(YoY)	–	–	104.1%	103.6%
Operating profit	15,694	33,644	15,518	31,000
(YoY)	–	–	98.9%	92.1%
Ordinary profit	15,907	34,396	15,812	31,000
(YoY)	–	–	99.4%	90.1%
Profit attributable to owners of parent	10,634	23,188	10,460	19,100
(YoY)	–	–	98.4%	82.4%
Earnings per share	¥148.77	¥324.36	¥146.29	¥267.15
Total assets	470,754	478,541	486,812	
Net assets	268,019	278,104	286,093	
Net assets per share	¥3,558.65	¥3,706.99	¥3,815.01	
Equity ratio	54.0%	55.4%	56.0%	
Total number of issued shares at the end of period (incl. treasury shares)	71,665,200	71,665,200	71,665,200	
Number of treasury shares at the end of period	168,724	168,894	146,769	
Average number of shares during the period (excl. treasury shares)	71,485,587	71,490,583	71,505,654	
Number of consolidated subsidiaries	15	15	15	
Number of equity-method affiliates	4	4	4	
(*Reference) Total operating revenue	339,743	700,824	357,861	730,000
(YoY)	102.4%	103.5%	105.3%	104.2%

2) Non-consolidated Financial Results

(Unit: millions of yen)

	FY2022		FY2023	
	2Q	Full Term	2Q	Full Term Forecast
Operating revenue	176,238	363,011	183,872	377,300
(YoY)	–	–	104.3%	103.9%
Operating profit	12,855	27,577	11,692	23,800
(YoY)	–	–	91.0%	86.3%
Ordinary profit	13,071	28,192	11,948	23,800
(YoY)	–	–	91.4%	84.4%
Profit	9,364	19,769	8,076	14,900
(YoY)	–	–	86.2%	75.4%
Dividends per share	¥43.00	¥87.00	–	¥88.00
Total assets	408,694	412,386	422,059	
Net assets	206,396	213,973	219,337	
Equity ratio	50.5%	51.9%	52.0%	
(*Reference) Total operating revenue	317,666	655,862	335,026	683,900
(YoY)	102.5%	103.6%	105.5%	104.3%

* The Company has applied the "Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29) and relevant ASBJ regulations from the beginning of FY2022. The YoY changes for FY2022 are not presented because the accounting method for revenue differs from the method used before the application of the standard.
Operating revenue reclassified to the figures before applying the accounting standard and relevant ASBJ regulations is presented outside of the table as "Total operating revenue" for reference.

Consolidated

(Unit: millions of yen)

2. Consolidated Statements of Income

	FY2022 2Q (Mar-Aug)		FY2023 2Q (Mar-Aug)			FY2022 Full Term (Mar-Feb)	
	Amount	% of Revenue	Amount	% of Revenue	YoY	Amount	% of Revenue
Operating revenue	224,061	100.0%	233,320	100.0%	104.1%	460,140	100.0%
Net sales	197,984	88.4%	205,627	88.1%	103.9%	406,857	88.4%
Gross profit	66,130	29.5%	69,414	29.8%	105.0%	136,245	29.6%
Operating revenue	26,076	11.6%	27,693	11.9%	106.2%	53,282	11.6%
Operating gross profit	92,207	41.2%	97,107	41.6%	105.3%	189,528	41.2%
Selling, general and administrative expenses	76,512	34.1%	81,589	35.0%	106.6%	155,883	33.9%
Personnel expenses	33,596	15.0%	34,998	15.0%	104.2%	68,148	14.8%
Depreciation	7,293	3.3%	7,591	3.3%	104.1%	15,147	3.3%
Amortization of goodwill	266	0.1%	266	0.1%	100.0%	532	0.1%
Rental expenses	5,635	2.5%	5,608	2.4%	99.5%	11,307	2.5%
Utilities expenses	7,173	3.2%	8,062	3.5%	112.4%	14,979	3.3%
Advertising expenses	4,323	1.9%	4,554	2.0%	105.3%	8,814	1.9%
Other	18,222	8.1%	20,507	8.8%	112.5%	36,953	8.0%
Operating profit	15,694	7.0%	15,518	6.7%	98.9%	33,644	7.3%
Non-operating income	649	0.3%	610	0.3%	94.0%	1,388	0.3%
Interest and dividend income	121	0.1%	119	0.1%	98.7%	226	0.0%
Non-operating expenses	436	0.2%	316	0.1%	72.5%	636	0.1%
Interest expenses	232	0.1%	170	0.1%	73.5%	429	0.1%
Ordinary profit	15,907	7.1%	15,812	6.8%	99.4%	34,396	7.5%
Extraordinary income	293	0.1%	503	0.2%	171.5%	831	0.2%
Extraordinary losses	237	0.1%	644	0.3%	272.0%	962	0.2%
Profit before income taxes	15,964	7.1%	15,671	6.7%	98.2%	34,265	7.4%
Total income taxes	5,159	2.3%	5,089	2.2%	98.6%	10,843	2.4%
Profit attributable to non-controlling interests	170	0.1%	121	0.1%	71.1%	232	0.1%
Profit attributable to owners of parent	10,634	4.7%	10,460	4.5%	98.4%	23,188	5.0%

1) Segment Information

	FY2022 2Q (Mar-Aug)		FY2023 2Q (Mar-Aug)			FY2022 Full Term (Mar-Feb)	
	Amount	% of Total	Amount	% of Total	YoY	Amount	% of Total
(Operating revenue)							
Retail operations	216,194	96.5%	224,971	96.4%	104.1%	444,350	96.6%
Retail-peripheral operations	20,202	9.0%	21,791	9.3%	107.9%	40,625	8.8%
Other	2,715	1.2%	2,785	1.2%	102.6%	5,488	1.2%
Adjustment	-15,051	- 6.7%	-16,227	- 7.0%	—	-30,325	- 6.6%
Total	224,061	100.0%	233,320	100.0%	104.1%	460,140	100.0%
(Operating profit)							
Retail operations	13,286	84.7%	12,524	80.7%	94.3%	28,609	85.0%
Retail-peripheral operations	2,159	13.8%	2,757	17.8%	127.7%	4,664	13.9%
Other	401	2.6%	399	2.6%	99.5%	632	1.9%
Adjustment	-152	- 1.0%	-163	- 1.1%	—	-261	- 0.8%
Total	15,694	100.0%	15,518	100.0%	98.9%	33,644	100.0%

2) Financial Results of Major Subsidiaries

Company	Business / Segment	Level of profit	FY2022 2Q	FY2023 2Q (Mar-Aug)		FY2022 Full Term (Mar-Feb)	
			Amount	Amount	YoY	Amount	YoY
YOU-ME CARD CO., LTD.	Finance	Operating revenue	4,055	4,109	101.3%	8,362	—
	Retail-peripheral	Operating profit	931	885	95.0%	2,016	—
IZUMI TECHNO Co., Ltd.	Store management	Operating revenue	8,479	8,810	103.9%	16,328	—
	Retail-peripheral	Operating profit	919	1,117	121.6%	1,884	—
IZUMI FOOD SERVICE CO., LTD.	Food services	Operating revenue	2,856	3,465	121.3%	5,962	—
	Retail-peripheral	Operating profit	52	256	492.4%	160	—
Youme Mart Kumamoto Co., Ltd.	Retail	Operating revenue	12,668	13,139	103.7%	25,806	—
	Retail	Operating profit	345	644	186.4%	957	—
Youme Mart Kitakyushu Co., Ltd.	Retail	Operating revenue	12,302	12,828	104.3%	25,027	—
	Retail	Operating profit	342	351	102.7%	698	—
YOURS Co., Ltd.	Retail	Operating revenue	11,021	11,356	103.0%	22,318	—
	Retail	Operating profit	110	186	168.4%	275	—

* The Company has applied the "Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29) and relevant ASBJ regulations from the beginning of FY2022. The YoY changes for FY2022 are not presented because the accounting method for revenue differs from the method used before the application of the standard.

3) Change in Consolidated Operating Profit by Quarter*

(Unit: millions of yen)

	FY2021		FY2022		FY2023	
		YoY		YoY		YoY
1Q (Mar-May)	7,832	124.2%	7,868	—	8,150	103.6%
2Q (Jun-Aug)	8,137	80.2%	7,826	—	7,368	94.1%
First half total (Mar-Aug)	15,970	97.0%	15,694	—	15,518	98.9%
3Q (Sep-Nov)	7,898	92.0%	6,503	—	—	—
Three quarters total (Mar-Nov)	23,868	95.3%	22,198	—	—	—
4Q (Dec-Feb)	10,848	101.2%	11,446	—	—	—
Annual total (Mar-Feb)	34,717	97.0%	33,644	—	Forecast 31,000	92.1%

3. Consolidated Balance Sheets

(Unit: millions of yen)

	As of Feb. 28, 2023		As of Aug. 31, 2023		
	Amount	% of Total	Amount	% of Total	Change
Total assets	478,541	100.0%	486,812	100.0%	+ 8,270
Cash and deposits	10,331	2.2%	8,724	1.8%	-1,606
Notes and accounts receivable - trade, and contract assets	47,493	9.9%	52,013	10.7%	+ 4,519
Merchandise and finished goods	23,741	5.0%	25,662	5.3%	+ 1,920
Property, plant and equipment	328,209	68.6%	336,614	69.1%	+ 8,404
Leasehold and guarantee deposits	15,488	3.2%	15,230	3.1%	-258
Investment securities	7,931	1.7%	8,753	1.8%	+ 822
Other	45,345	9.5%	39,813	8.2%	-5,531
Liabilities	200,437	41.9%	200,719	41.2%	+ 282
Notes and accounts payable - trade	26,076	5.4%	29,829	6.1%	+ 3,753
Interest-bearing liabilities	76,552	16.0%	64,327	13.2%	-12,224
Other	97,808	20.4%	106,562	21.9%	+ 8,753
Net assets	278,104	58.1%	286,093	58.8%	+ 7,988
Equity	265,035	55.4%	272,843	56.0%	+ 7,807
Non-controlling interests	13,068	2.7%	13,249	2.7%	+ 181

*Change in the number of issued shares

	FY2022 (Mar-Feb)	FY2023 2Q
Total number of issued shares at the beginning of the period	71,665,200	71,665,200
at the end of the period (A)	71,665,200	71,665,200
Treasury shares, etc. at the beginning of the period	187,562	168,894
at the end of the period (B)	168,894	146,769
(Acquired during the period)	774	804
(Share-based remuneration)	19,442	22,929
(Cancelled during the period)	0	0
A—B	71,496,306	71,518,431
(Average during the period)	71,490,583	71,505,654

4. Consolidated Statements of Cash Flows

(Unit: millions of yen)

	FY2022 2Q (Mar-Aug)	FY2023 2Q (Mar-Aug)	FY2022 Full Term (Mar-Feb)
Cash flows from operating activities	+ 20,625	+ 20,970	+ 38,313
Profit before income taxes	+ 15,964	+ 15,671	+ 34,265
Non-cash loss/gain (depreciation, etc.)	+ 8,228	+ 8,649	+ 17,261
Increase/decrease in claims and obligations related to operating activities	+ 1,942	+ 1,635	-1,915
Income taxes and interest income	-5,900	-5,704	-11,387
Other	+ 390	+ 718	+ 90
Cash flows from investing activities	-4,788	-7,171	-10,045
Capital investment related	-5,785	-8,022	-12,148
Other	+ 997	+ 851	+ 2,103
Cash flows from financing activities	-17,787	-15,405	-29,557
Interest-bearing liabilities related	-14,680	-12,224	-22,814
Other	-3,107	-3,180	-6,743
Increase/decrease in cash and cash equivalents	-1,950	-1,606	-1,289

* The Company has applied the "Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29) and relevant ASBJ regulations from the beginning of FY2022. The YoY changes for operating profit for FY2022 are not presented because the accounting method for revenue differs from the method used before the application of the standard.

5. IZUMI CO., LTD.: Income Statement and Other Financial Information

1) Statement of Income

(Unit: millions of yen)

	FY2022 2Q (Mar-Aug)		FY2023 2Q (Mar-Aug)			FY2022 Full Term (Mar-Feb)	
	Amount	% of Revenue	Amount	% of Revenue	YoY	Amount	% of Revenue
Operating revenue	176,238	100.0%	183,872	100.0%	104.3%	363,011	100.0%
Net sales	150,794	85.6%	156,562	85.1%	103.8%	310,887	85.6%
Gross profit	50,796	28.8%	52,428	28.5%	103.2%	104,329	28.7%
Operating revenue	25,443	14.4%	27,309	14.9%	107.3%	52,123	14.4%
Real estate lease revenue	13,256	7.5%	14,042	7.6%	105.9%	27,099	7.5%
Store lease joint management expense revenue	4,133	2.3%	4,046	2.2%	97.9%	8,237	2.3%
Other	8,053	4.6%	9,220	5.0%	114.5%	16,786	4.6%
Operating gross profit	76,239	43.3%	79,738	43.4%	104.6%	156,453	43.1%
Selling, general and administrative expenses	63,384	36.0%	68,046	37.0%	107.4%	128,876	35.5%
Personnel expenses	23,559	13.4%	24,760	13.5%	105.1%	47,991	13.2%
Depreciation	6,118	3.5%	6,369	3.5%	104.1%	12,628	3.5%
Rental expenses	4,776	2.7%	4,864	2.6%	101.8%	9,637	2.7%
Store management expenses	6,025	3.4%	6,328	3.4%	105.0%	12,055	3.3%
Utilities expenses	6,118	3.5%	7,054	3.8%	115.3%	12,748	3.5%
Advertising expenses	3,874	2.2%	4,111	2.2%	106.1%	7,894	2.2%
Other	12,911	7.3%	14,556	7.9%	112.7%	25,920	7.1%
Operating profit	12,855	7.3%	11,692	6.4%	91.0%	27,577	7.6%
Non-operating income	526	0.3%	478	0.3%	90.9%	1,175	0.3%
Interest and dividend income	205	0.1%	199	0.1%	96.8%	329	0.1%
Non-operating expenses	310	0.2%	222	0.1%	71.7%	560	0.2%
Interest expenses	261	0.1%	206	0.1%	79.0%	491	0.1%
Ordinary profit	13,071	7.4%	11,948	6.5%	91.4%	28,192	7.8%
Extraordinary income	567	0.3%	393	0.2%	69.3%	1,065	0.3%
Extraordinary losses	188	0.1%	561	0.3%	297.1%	731	0.2%
Profit before income taxes	13,449	7.6%	11,780	6.4%	87.6%	28,527	7.9%
Profit	9,364	5.3%	8,076	4.4%	86.2%	19,769	5.4%

2) Sales Information

(Unit: millions of yen)

	FY2022 2Q (Mar-Aug)		FY2023 2Q (Mar-Aug)			FY2022 Full Term (Mar-Feb)	
	Amount	% of Total	Amount	% of Total	YoY	Amount	% of Total
(By Product)							
Lifestyle*	41,377	27.4%	43,533	27.8%	105.2%	84,926	27.3%
Foods	109,416	72.6%	113,029	72.2%	103.3%	225,961	72.7%
Total	150,794	100.0%	156,562	100.0%	103.8%	310,887	100.0%
(By Region)							
Chugoku	79,512	52.7%	82,698	52.8%	104.0%	163,069	52.5%
Kyushu	55,997	37.1%	58,840	37.6%	105.1%	115,965	37.3%
Other	15,284	10.1%	15,023	9.6%	98.3%	31,852	10.2%
Total	150,794	100.0%	156,562	100.0%	103.8%	310,887	100.0%

* The Company has applied the "Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29) and relevant ASBJ regulations from the beginning of FY2022. In addition, with regard to the sales information, the figures for the X-SELL Department have been included in Lifestyle from FY2023 1Q. Accordingly, the figures for Lifestyle for 2Q and Full Term of FY2022 have been adjusted.

Non-Consolidated

3) YoY Sales at Existing Stores *2

	FY2022 2Q (Mar-Aug)	FY2023 2Q (Mar-Aug)	FY2022 Full Term (Mar-Feb)
Lifestyle	104.5%	105.7%	103.8%
Foods	99.1%	103.5%	100.7%
Directly managed stores total	100.6%	104.1%	101.6%
Tenants	106.0%	106.6%	106.3%
Total	102.8%	105.2%	103.5%
Chugoku	102.1%	104.5%	103.0%
Kyushu	103.5%	105.1%	104.2%
Number of customers	99.3%	100.4%	99.8%
Average spent per customer	101.3%	103.6%	101.8%
Average spent per item	103.3%	106.1%	103.9%
Number of purchases	98.0%	97.6%	98.0%

4) Gross Profit Ratio *3

	FY2022 2Q (Mar-Aug)	FY2023 2Q (Mar-Aug)	FY2022 Full Term (Mar-Feb)
Lifestyle	36.3%	35.8%	35.9%
Foods	32.7%	32.6%	32.7%
Total	33.7%	33.5%	33.6%

5) Loss Rate and Inventory Turnover in Days *2

	FY2022 2Q (Mar-Aug)	FY2023 2Q (Mar-Aug)	FY2022 Full Term (Mar-Feb)
(Loss rate)			
Lifestyle	6.6%	6.7%	6.4%
Foods	2.4%	2.0%	2.3%
Directly managed stores total	3.6%	3.5%	3.5%
(Inventory turnover in days)			
Lifestyle	70.0	67.4	67.3
Foods	8.8	8.7	8.6
Directly managed stores total	26.9	27.1	26.2

6) Average Number of Employees during the Period

	FY2022 2Q (Mar-Aug)	FY2023 2Q (Mar-Aug)	FY2022 Full Term (Mar-Feb)
Full employees *1	2,926	2,965	2,897
Semi-full employees (8-hour equivalent)	5,847	6,047	5,929
Part-time employees (8-hour equivalent)	3,502	3,405	3,580
Total	12,274	12,416	12,406
(% of Total)			
Full employees	23.8%	23.9%	23.4%
Semi-full employees (8-hour equivalent)	47.6%	48.7%	47.8%
Part-time employees (8-hour equivalent)	28.5%	27.4%	28.9%
Total	100.0%	100.0%	100.0%
(Indicators: Directly managed stores) *3			
Net sales per employee	12,286 thousand yen	12,609 thousand yen	25,060 thousand yen
Gross profit per employee	4,139 thousand yen	4,223 thousand yen	8,410 thousand yen
Personnel expenses per employee	1,919 thousand yen	1,994 thousand yen	3,868 thousand yen
Personnel expenses/sales ratio	15.6%	15.8%	15.4%
Personnel expenses/gross profit ratio	46.4%	47.2%	46.0%

*1 Number of full employees at the end of period: 2,883 in FY2022 2Q; 2,937 in FY2023 2Q; 2,852 in FY2022 Full Term

*2 The Company has applied the "Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29) and relevant ASBJ regulations from the beginning of FY2022. The figures are presented before applying the accounting standard and relevant ASBJ regulations. In addition, with regard to YoY sales at existing stores, the figures for the X-SELL Department have been included in Lifestyle from FY2023 1Q. Accordingly, the figures for Lifestyle and the directly managed stores total for 2Q and Full Term of FY2022 have been adjusted.

*3 The Company has applied the "Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29) and relevant ASBJ regulations from the beginning of FY2022. In addition, with regard to gross profit, the figures for the X-SELL Department have been included in Lifestyle from the first quarter of FY2023. Accordingly, the figures for Lifestyle for 2Q and Full Term of FY2022 have been adjusted.

7) Stores and Capital Investment

	As of Aug. 31, 2022	As of Aug. 31, 2023	Non-Consolidated As of Feb. 28, 2023
New stores	0	2	1
(X-SELL stand-alone type stores)	0	0	0
Stores closed	0	1	3
Number of stores at the end of the period	107	106	105
(X-SELL stand-alone type stores)	7	6	6
Sales floor area at the end of period *1	492,448m ²	499,653m ²	488,180m ²
Capital investment (construction basis)	5,100 million yen	15,679 million yen	15,172 million yen
Capital investment (payment basis)	4,124 million yen	6,683 million yen	9,561 million yen
(Reference) Sales floor area at the end of period *2	1,118,234m ²	1,144,014m ²	1,119,369m ²

New Stores Planned to Open from FY2023 2Q (Mar-Aug) Onward

Month Opened	Store Name	Location	Sales Area
Spring 2024	Youme Mart Shin-Omura (tentative name)	Omura City, Nagasaki Prefecture	Approx. 2,190m ²
Spring 2024	Youme Mall Koshi Tsujikubo (tentative name)*3	Koshi City, Kumamoto Prefecture	Approx. 5,400m ²
In 2024	Store reconstruction in Itsukaichi (Name undetermined)*4	Saeki-ku, Hiroshima City	Undetermined

*3 Youme Mart Kumamoto Co., Ltd. of the Group plans to operate a food supermarket "Youme Mart Koshi Tsujikubo (tentative name)".

*4 There are plans for reconstruction of Youme Town Itsukaichi.

8) Store Information as of August 31, 2023

(Excluding X-SELL stand-alone type stores)

	Stores	Sales Share
(By Store Area)		
20,000 m ² or more	20	53.9%
Up to 20,000 m ²	23	25.0%
Up to 10,000 m ²	28	13.0%
Less than 3,000 m ²	29	8.1%
Total	100	100.0%
(By Store Age)		
10 years or less	30	20.7%
20 years or less	17	35.5%
30 years or less	37	35.7%
More than 30 years	16	8.1%
Total	100	100.0%

* Although the Company has applied the "Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29) and relevant ASBJ regulations from the beginning of the fiscal year ended February 28, 2023, the above figures for store area and sales share are presented using the former calculation method before applying the accounting standard and relevant ASBJ regulations.

9) Shareholder Information

(Excluding shares less than one unit)

	As of Aug. 31, 2022	As of Aug. 31, 2023	As of Feb. 28, 2023
(Number of shareholders)			
Financial instruments traders	25	20	26
Foreign investors	229	227	232
Financial institutions	31	33	31
Other domestic companies	334	310	305
Individuals, etc.	11,484	12,459	12,455
Total	12,103	13,049	13,049
(Percentage held)			
Financial instruments traders	1.2%	1.3%	1.4%
Foreign investors	9.2%	11.6%	10.7%
Financial institutions	27.1%	25.0%	25.8%
Other domestic companies	42.9%	42.4%	42.5%
Individuals and treasury shares	19.7%	19.8%	19.6%
Total	100.0%	100.0%	100.0%

*1 The Company has applied the "Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29) and relevant ASBJ regulations from the beginning of FY2022 and the sales floor area as of August 31, 2022, February 28, 2023, and August 31, 2023 excludes the area of percentage rent tenants and the area for divisions that equate to digestion purchases at directly managed stores, which were previously included in sales floor area.

*2 The sales floor area at the end of the term, which uses the former calculation method before applying the above-mentioned accounting standard and relevant ASBJ regulations, is presented outside of the table for reference.

6. Consolidated Reference Information

	As of Aug. 31, 2022	As of Aug. 31, 2023	As of Feb. 28, 2023
Number of stores *1			
New stores *2	1	2	2
Stores closed	0	1	6
Number of stores at the end of the period *2	195	191	190
Number of employees *3			
Full employees	4,476	4,477	4,407
Semi-full employees (8-hour equivalent)	11,046	11,158	10,930
Capital investment (construction basis)	6,587 million yen	17,049 million yen	17,615 million yen
Capital investment (payment basis)	5,785 million yen	8,022 million yen	12,148 million yen

*1 The number of stores is the sum of stores from IZUMI CO., LTD., Youme Mart Kumamoto Co., Ltd., Youme Mart Kitakyushu Co., Ltd., YOURS Co., Ltd. and one other company.

*2 New stores as of August 31, 2022 and the number of stores as of February 28, 2023 include stores opened in YOURS Co., Ltd.'s Youme Town Hatsukaichi.

*3 The number of full employees refers to the number of such employees at the end of the period. The number of semi-full employees represents an average number of employees during the period calculated using an eight-hour-day basis.