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October 14, 2025

Consolidated Financial Results for the Six Months Ended August 31, 2025 (Under Japanese GAAP)

Company name:	RETAIL PARTNERS CO., LTD.
Listing:	Tokyo Stock Exchange (Prime Market)
Securities code:	8167
URL:	https://retailpartners.co.jp/
Representative:	Yasuo Tanaka, President and Representative Director
Inquiries:	Hiroyuki Usagawa, Senior Managing Director
Telephone:	+81-835-20-2477

Scheduled date to file quarterly securities report:	October 14, 2025
Scheduled date to commence dividend payments:	November 18, 2025-
Preparation of supplementary material on quarterly financial results:	Yes
Holding of quarterly financial results briefing:	None

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated financial results for the six months ended August 31, 2024 (from March 1, 2024 to August 31, 2024)

(1) Consolidated operating results (cumulative) (Percentages indicate year-on-year changes.)

	Operating revenue		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended August 31, 2025	139,061	4.7	3,352	7.4	3,952	5.0	2,704	12.2
Six months ended August 31, 2024	132,833	6.4	3,122	(7.5)	3,764	(2.5)	2,410	(4.3)

Note: Comprehensive income For the six months ended August 31, 2025: ¥3,843 million [104.1 %]
For the six months ended August 31, 2024: ¥1,882 million [-49.4 %]

	Basic earnings per share	Diluted profit per share
	Yen	Yen
Six months ended August 31, 2025	63.01	-
Six months ended August 31, 2024	56.17	-

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
August 31, 2025	136,578	87,499	64.1
February 28, 2025	127,036	84,682	66.7

Reference: Equity

As of August 31, 2025: ¥87,499 million

As of February 28, 2025: ¥84,682 million

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended February 28, 2025	-	14.00	-	24.00	38.00
Fiscal year ending February 28, 2026	-	20.00			
Fiscal year ending February 28, 2026 (Forecast)			-	20.00	40.00

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

February 28, 2025 year-end dividend: Ordinary dividend 14.00 yen Commemorative dividend 10.00 yen (Commemorative dividend for the 10th)

3. Forecast for consolidated financial results for the fiscal year ending February 28, 2026 (from March 1, 2025 to February 28, 2026)

(Percentages indicate year-on-year changes.)

	Operating revenue		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ending February 28, 2026	274,700	3.0	7,300	7.0	8,400	5.0	5,500	5.2	128.13

(Note) Revisions to earnings forecasts most recently announced: None

*** Notes**

(1) Significant changes in the scope of consolidation during the period: Yes

Newly included: 1 company (company name) Nagano Co., Ltd.
Excluded: -

(2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: None

(3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements

(i) Changes in accounting policies due to revisions to accounting standards and other regulations: Yes

(ii) Changes in accounting policies due to other reasons: None

(iii) Changes in accounting estimates: None

(iv) Restatement: None

(4) Number of issued shares (common shares)

(i) Total number of issued shares at the end of the period (including treasury shares)

As of August 31, 2025	46,646,059 shares
As of February 28, 2025	46,646,059 shares

(ii) Number of treasury shares at the end of the period

As of August 31, 2025	3,712,846 shares
As of February 28, 2025	3,720,193 shares

(iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Six months ended August 31, 2025	42,927,956 shares
Six months ended August 31, 2024	42,921,535 shares

※ The Six Months Ended (Interim Period) Financial Results are not subject to review by a certified public accountant or auditing firm.

※ Explanations and other special notes concerning the appropriate use of business performance forecasts

(Notes on forward-looking statements)

The earnings forecasts and other forward-looking statements herein are based on information currently available to the Company and on certain assumptions deemed to be reasonable, and do not constitute guarantees by the Company of future performance. Actual results may differ materially from the forecast depending on a range of factors. Please refer to "(3) Explanation of Consolidated Earnings Forecasts and Other Forward-Looking Information" of "1. Qualitative Information on the Current Interim Financial Results" on page 10 for the assumptions upon which the forecasts are based and notes on the use of the forecasts.

(Method of Obtaining Supplementary Briefing Materials on Financial Results)

Supplementary materials on financial results are disclosed on TDnet on the same day.

○Accompanying Materials – Contents

1. Qualitative Information Regarding the Current Interim Financial Results

(1) Explanation of Results of Operations

During the interim term under review, the Japanese economy continued to show a gradual recovery trend, but the outlook remained uncertain due to further instability in the international and international economies, such as trends in trade policies by major countries and heightened geopolitical risks. With regard to private consumption, although a rising trend is expected due to an improvement in the employment and income environment, the recent rise in food prices due to high prices, particularly the trend in the price of rice, which is a staple food, has had a significant impact on households, and consumers' awareness of the need to defend their daily lives has become even stronger.

In the food retail industry, amid intensifying competition among companies across industries, the business environment remains challenging due to a variety of issues, including shrinking markets and difficulties in securing human resources in line with demographic changes, such as a declining birthrate and an aging population, and an increase in various store operating costs, in addition to personnel expenses.

Against this backdrop, the Group started its second year of the Third Medium-Term Management Plan, which covers three years from the fiscal year ended February 2025 to the fiscal year ended February 2027, and is reforming its organization and management to further strengthen its earnings structure and group management.

The outline of the Third Medium-Term Business Plan is as follows.

[Outline of the Third Medium-Term Management Plan]

Basic Policy I

Strengthen existing businesses and respond to new needs

With supermarket brands trusted and loved by local customers
Establishing a retail CI

Strategy ① Growth Strategy

In the short term, we will invest aggressively in growth to strengthen existing areas and services, and in the medium to long term, we will engage in discontinuous growth through new services and M&A to expand areas and create new value.

Strategy ② Strengthen competitiveness

We will strengthen our competitiveness by providing customers with products and services that are unique to RETAIL PARTNERS and by developing attractive stores.

Strategy ③ Strengthening Profitability

We will reduce operating expenses and improve productivity by improving gross margin and operating low costs through joint purchasing, PB and streamlining operations.

Basic Policy II

Development and Upgrading of Management Infrastructure

To the creation of an environment in which employees can work happily and energetically
Improve profitability and efficiency by promoting group-wide management and DX

Strategy ④ Strengthening Group Collaboration

By further strengthening group collaboration, we aim to increase the corporate value of the Group as a whole by utilizing the management resources of each Group company.

Strategy ⑤ Initiatives for human capital management

In order to realize our long-term vision, we will actively invest in human resources, which are important management resources.

Strategy⑥ Promoting Digital Transformation (DX)

We will improve DX and strengthen relations and convenience with customers, while improving operations.

Basic Policy III

Strengthening relationships with stakeholders

Penetration of Management Vision and Enhancement of Corporate Value

Strategic ⑦ Promotion of ESG Management

Through the implementation of ESG management to "enrich the daily lives of local customers," our Group will strive to grow continuously and increase our corporate value by contributing to and developing with local communities.

Strategy ⑧ Financial Strategy

Aware of the cost of equity and stock price, we aim to achieve a ROE7% or higher by investing in growth and promoting measures to improve productivity. At the same time, we will generate stable operating cash flow and strive to achieve corporate growth through appropriate cash distribution to strengthen shareholder returns.

In addition, The New Japan Supermarket Alliance, which we formed at ARCS COMPANY, LIMITED and Valor Holdings Co., Ltd., five subcommittees-Merchandise Subcommittee, the Business Reform Subcommittee, the Sustainability Subcommittee, the Next-Generation Domain Development Subcommittee, and the Management Subcommittee-are working together to develop Merchandise, reduce expenses, and develop human resources.

As a result, the operating results for the current interim consolidated accounting period were as follows.

	Previous interim Consolidated accounting period	Current interim Consolidated accounting period	From the preceding year
	Millions of yen	**Millions of yen**	%
Operating revenue	132,833	139,061	+ 4.7
Operating income	3,122	3,352	+ 7.4
Ordinary income	3,764	3,952	+ 5.0
Profit attributable to owners of parent	2,410	2,704	+ 12.2

Operating revenue was 139.061 billion yen (up 4.7% year on year), Operating profit was 3.352 billion yen (up 7.4% year on year), and Ordinary profit was 3.952 billion yen (up 5.0% year on year). Net income attributable to owners of the parent was ¥2.704 billion (up 12.2% year on year).

Results of operations by segment are as follows.

[Supermarket Business]

	Previous interim Consolidated accounting period	Current interim Consolidated accounting period	From the preceding year
	Millions of yen	**Millions of yen**	%
Operating revenue	132,400	138,565	+ 4.7
Operating income	3,287	3,496	+ 6.4

In the supermarket business, during the current interim consolidated accounting period, we opened one new store and renovated six existing stores in an effort to increase our ability to attract customers. In addition to an increase in the number of customers accompanying this, an increase in average spend per customer due to the impact of higher prices led to a growth in Net sales. In terms of operating expenses, various costs have continued to trend upward, such as increases in purchasing costs associated with soaring Merchandise and raw material prices, increases in labor costs associated with wage increases, and increases in store operating costs such as settlement fees and electricity charges. Nevertheless, the Group has worked to control operating expenses by taking measures to improve productivity and reduce expenses.

We acquired shares in Tomura Honten Co., Ltd. (Nichinan-shi, Miyazaki Prefecture) in March 2021 and Hattory Co., Ltd. Co., Ltd. (Miyazaki Prefecture Miyazaki) in March 2023, and have been developing stores in southern Kyushu. In order to stabilize and optimize logistics in this area, in the previous fiscal year, we established Prefecture Miyazaki Logistics Center in Miyazaki

City, Miyazaki RPG and operated it as a distribution base shared within the Group companies. As a further initiative to strengthen Merchandise supply system, during the current interim consolidated accounting period, Marumiya Store Co., Ltd. acquired the business from a meat processing company in Miyazaki City, and newly established the meat processing center, Miyazaki Meat Factory. RPG Miyazaki Distribution Center and the Miyazaki Meat Factory will be further utilized as distribution bases and meat processing centers in the same area in the future.

During the current interim consolidated accounting period, the Company acquired shares of Nagano Co., Ltd. (Miyazaki Prefecture, Miyazaki City), which operates eight food supermarkets, and included Nagano Co., Ltd. in the scope of consolidation with a deemed acquisition date of August 31, 2025.

The status of store development in the current interim consolidated accounting period is as follows.

Prefecture	The end of the interim period. Number of stores	During the current interim consolidated accounting period Changes in the number of stores
Hiroshima Prefecture	5	-
Shimane Prefecture	3	-
Yamaguchi Prefecture	79	(1)
Fukuoka Prefecture	61	-
Oita Prefecture	53	-
Kumamoto Prefecture	15	(1)
Saga Prefecture	6	-
Nagasaki Prefecture	14	-
Miyazaki Prefecture	43	+ 8
Kagoshima Prefecture	1	-
Total	280	+ 6

Prefecture	New construction, renovation, and closure of stores during the current interim consolidated accounting period			
Yamaguchi Prefecture	[Newly established]	2025 Jul	Marukyu Yanai Store	(Yanai City)
	[Closure]	2025 Jul	ChuoFood Yanai Store	(Yanai City)
	[Leave]	2025 Aug	Aruk Nakanoseki Store	(Hofu City)
Fukuoka Prefecture	[Renovation]	2025 Mar	Marukyo Sone Store	(Kokura-Minami-ku, Kitakyushu)
	[Renovation]	2025 May	Marukyo Ijiri Store	(Minami-ku, Fukuoka)
	[Renovation]	2025 Jul	MarumiyaStore Omutaminami Store	(Omuta City)
	[Renovation]	2025 Aug.	Marukyo Chihaya Store	(Higashi-ku, Fukuoka)
Oita Prefecture	[Renovation]	2025 Apr	Shinsen-Ichiba Osada Store	(Nakatsu City)
Kumamoto Prefecture	[Closure]	2025 Aug.	MarumiyaStore Higashimachi Store	(Higashi-ku, Kumamoto)

Miyazaki Prefecture	[Newly consolidated]	2025 Aug.	Umekoji Sadohara Main Store	(Miyazaki City)
	[Newly consolidated]	2025 Aug.	Umekoji Saito Store	(Saito City)
	[Newly consolidated]	2025 Aug.	Naganota Manabino Store	(Miyazaki City)
	[Newly consolidated]	2025 Aug.	Naganoya Takanabe Store	(Takanabe Town)
	[Newly consolidated]	2025 Aug.	Naganoya Shintomi Store	(Shintomi Town)
	[Newly consolidated]	2025 Aug.	Naganoya Hyuga City Ekimae Store	(Hyuga City)
	[Newly consolidated]	2025 Aug.	Naganoya Segashira Store	(Miyazaki City)
	[Newly consolidated]	2025 Aug.	Naganoya Hoji Store	(Miyazaki City)
	[Renovation]	2025 Apr	Foodaly Sadohara Store	(Miyazaki City)

Operating companies	The end of the interim period. Number of stores	During current consolidated interim accounting period Changes in the number of stores
Marukyu Co., Ltd.	91	(1)
Hattory Co., Ltd.	6	-
Nagano Co., Ltd.	8	+ 8
Marumiya Store Co., Ltd.	89	(1)
Tomura Honten Co., Ltd.	4	-
Marukyo Co., Ltd.	82	-
Total	280	+ 6

(NOTE)1. Renovated stores shown in "New Construction, Renovation, Closure, etc. of Stores in the Current Interim Consolidated Accounting Period" represent only major renovated stores with an investment of ¥100 million or more. Other minor renovated stores have been omitted.

2. Aruk Nakanoseki store was closed as of the end of the current interim consolidated accounting period due to the renovation of the store, and this store is excluded from the "Number of stores at the end of the current interim consolidated accounting period."

As a consequence, the Supermarket Business recorded operating revenue of ¥138.565 billion (up 4.7% year on year) and Operating profit of ¥3.496 billion (up 6.4% year on year). As the deemed acquisition date of Nagano Co., Ltd. is the end of the current interim consolidated accounting period, the above operating revenues and Operating profit do not include the operating results of Nagano Co., Ltd.

[Other Businesses]

	Previous interim Consolidated accounting period	Current interim Consolidated accounting period	From the preceding year
	Millions of yen	**Millions of yen**	**%**
Operating revenue	515	578	+ 12.1
Operating income	69	106	+ 53.7

Our Other operations include insurance agency, sports-club operations, and food manufacturing.

Tomura Foods Co., Ltd. manufactures and sells various seasonings in addition to Tomura Main Store Yakiniku no Tare. Since the previous fiscal year, the Company has been improving production capacity through work improvements by refurbishing manufacturing plants and upgrading machinery and equipment. During the first half of the fiscal year under review, Net sales increased due to an increase in manufacturing volume accompanying an improvement in production capacity and a revision in the selling prices of manufactured goods. At the same time, earnings increased significantly as a result of efforts to reduce manufacturing costs.

As a consequence, Other Business posted operating revenue of 578 million yen (up 12.1% year on year) and Operating profit of 106 million yen (up 53.7% year on year).

(2) Description of Financial Position

①Financial position

	End of the previous consolidated fiscal term	Current interim End of the consolidated fiscal year	Change
	Millions of yen	**Millions of yen**	**Millions of yen**
Total assets	127,036	136,578	+ 9,542
Liabilities	42,354	49,078	+ 6,724
Net assets	84,682	87,499	+ 2,817

Total assets at the end of the current interim consolidated accounting period were 136.578 billion yen, an increase of 9.542 billion yen from the end of the previous consolidated accounting year. This was mainly due to growth in sales of Cash and deposits, Accounts receivable - trade, Buildings and structures, net, Land, and Investment securities.

Liabilities at the end of the current interim consolidated accounting period increased by 6.724 billion yen from the end of the previous consolidated accounting year to 49.078 billion yen. This was mainly due to growth in sales of Accounts payable - trade, Short-term borrowings, and Long-term borrowings.

Net assets at the end of the current interim consolidated accounting period increased by 2.817 billion yen from the end of the previous consolidated accounting year to 87.499 billion yen. This was mainly due to growth in sales of Retained earnings and Valuation difference on available-for-sale securities.

②Cash Flow

	Previous interim Consolidated accounting period	Current interim Consolidated accounting period	Change
	Millions of yen	**Millions of yen**	**Millions of yen**
Net cash provided by operating activities	7,249	8,017	+ 768
Cash flow from investing activities	(2,840)	(4,743)	(1,902)
Cash flow from financing activities	(2,276)	(89)	+ 2,186

Net increase in cash and cash equivalents	+ 2,131	+ 3,184	+ 1,052
Cash and cash equivalents at beginning of period	19,518	18,746	(772)
Cash and cash equivalents, end of the period	21,650	21,931	+ 280

Cash and cash equivalents (hereinafter referred to as "cash") at the end of the current interim consolidated accounting period amounted to 21.931 billion yen (up 280 million yen year on year), up 3.184 billion yen from the end of the previous consolidated accounting year.

The status of each cash flow is as follows.

Cash flows from operating activities

Net cash provided by operating activities increased 768 million yen year on year, to 8.017 billion yen. This was mainly due to income before income taxes and minority interests of ¥3.916 billion, an increase in notes and accounts payable-trade of ¥2.748 billion, and Depreciation of ¥2.077 billion.

Cash flows from investing activities

Net cash used in investing activities increased by 1.902 billion yen year on year to 4.743 billion yen. This was mainly due to expenditures of ¥3.118 billion for the purchase of Non-current assets associated with the construction of new stores and renovations, expenditures of ¥545 million for the purchase of shares of subsidiaries resulting in change in scope of consolidation, and an increase in time deposits of ¥500 million.

Cash flows from financing avtivities

Net cash used in financing activities decreased ¥2.186 billion year on year, to ¥89 million. This was mainly due to proceeds from long-term loans payable of 1.85 billion yen, cash dividends paid of 1.028 billion yen, and repayments of Long-term borrowings of 973 million yen.

(3) Explanation of Consolidated Earnings Forecasts and Other Forward-Looking Information

The consolidated earnings forecasts for the fiscal year ending February 2026 are unchanged from the forecasts announced on April 14, 2025.

2.Interim Consolidated Financial Statements and Major Notes

(1)Interim Consolidated Balance Sheets

(Millions of yen)

	As of February 28, 2025	As of August 31, 2025
Assets		
Current assets		
Cash and deposits	24,382	28,160
Accounts receivable - trade	3,255	4,348
Securities	93	162
Merchandise	8,580	8,833
Supplies	78	94
Other	2,013	1,736
Allowance for doubtful accounts	(6)	(6)
Total current assets	38,398	43,330
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	28,658	29,414
Land	29,459	31,042
Construction in progress	175	541
Other, net	6,540	6,729
Total property, plant and equipment	64,834	67,728
Intangible assets		
Goodwill	719	659
Other	1,065	1,278
Total intangible assets	1,785	1,938
Investments and other assets		
Investment securities	12,081	13,652
Leasehold and guarantee deposits	4,469	4,549
Deferred tax assets	3,591	3,376
Other, net	1,875	2,003
Total investments and other assets	22,017	23,581
Total non-current assets	88,637	93,248
Total assets	127,036	136,578

(Millions of yen)

	As of February 28, 2025	As of August 31, 2025
Liabilities		
Current liabilities		
Accounts payable - trade	15,359	18,399
Short-term borrowings	6,250	7,020
Current portion of long-term borrowings	1,709	2,120
Income taxes payable	1,296	1,531
Provision for bonuses	753	759
Other	7,104	8,363
Total current liabilities	32,473	38,194
Non-current liabilities		
Long-term borrowings	4,728	5,692
Long-term accounts payable - other	77	77
Deferred tax liabilities	—	50
Retirement benefit liability	112	130
Provision for retirement benefits for directors (and other officers)	13	13
Asset retirement obligations	3,292	3,371
Other	1,656	1,548
Total non-current liabilities	9,880	10,884
Total liabilities	42,354	49,078
Net assets		
Shareholders' equity		
Share capital	7,218	7,218
Capital surplus	19,559	19,554
Retained earnings	61,012	62,687
Treasury shares	(4,555)	(4,546)
Total shareholders' equity	83,234	84,913
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,480	2,615
Remeasurements of defined benefit plans	(33)	(29)
Total accumulated other comprehensive income	1,447	2,586
Total net assets	84,682	87,499
Total liabilities and net assets	127,036	136,578

(2)Interim Consolidated Statements of Income and Interim Consolidated Statements of Comprehensive Income

(Interim Consolidated Statements of Income)

(Millions of yen)

	Six months ended August 31, 2024	Six months ended August 31, 2025
Net sales	128,040	134,099
Cost of sales	97,830	102,451
Gross profit	30,209	31,648
Operating revenue	4,792	4,962
Operating gross profit	35,002	36,610
Selling, general and administrative expenses		
Advertising and promotion expenses	742	703
Employees' salaries and bonuses	13,274	13,944
Provision for bonuses	749	765
Retirement benefit expenses	129	127
Utilities expenses	2,391	2,598
Rent expenses	2,574	2,577
Depreciation	2,008	2,049
Other	10,010	10,490
Total selling, general and administrative expenses	31,880	33,257
Operating profit	3,122	3,352
Non-operating income		
Interest and dividend income	162	195
Commission income	271	159
Other	253	312
Total non-operating income	687	666
Non-operating expenses		
Interest expenses	30	52
Interest expenses on bonds	2	—
Amortization of long-term prepaid expenses	3	2
Other	9	11
Total non-operating expenses	45	66
Ordinary profit	3,764	3,952
Extraordinary income		
Gain on sale of non-current assets	1	31
Gain on sale of investment securities	2	0
Insurance claim income	—	3
Gain on bargain purchase	—	22
Total extraordinary income	3	58
Extraordinary losses		
Loss on sale of non-current assets	—	0
Loss on retirement of non-current assets	54	58
Loss on sale of investment securities	4	0
Loss on disaster	—	35
Other	1	—
Total extraordinary losses	59	94
Profit before income taxes	3,708	3,916
Income taxes - current	1,118	1,264
Income taxes - deferred	178	(52)
Total income taxes	1,297	1,211
Profit	2,410	2,704
Profit attributable to non-controlling interests	—	—
Profit attributable to owners of parent	2,410	2,704

(Interim Consolidated Statement of Comprehensive Income)

(Millions of yen)

	Six months ended August 31, 2024	Six months ended August 31, 2025
Profit	2,410	2,704
Other comprehensive income		
Valuation difference on available-for-sale securities	(530)	1,134
Remeasurements of defined benefit plans, net of tax	1	3
Total other comprehensive income	(528)	1,138
Comprehensive income	1,882	3,843
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,882	3,843
Comprehensive income attributable to non-controlling interests	–	–

(3)Interim Consolidated Cash Flows

(Millions of yen)

	Six months ended August 31, 2024	Six months ended August 31, 2025
Cash flows from operating activities		
Profit before income taxes	3,708	3,916
Depreciation	2,025	2,077
Amortization of goodwill	60	60
Gain on bargain purchase	―	(22)
Increase (decrease) in allowance for doubtful accounts	(0)	0
Increase (decrease) in provision for bonuses	(59)	5
Increase (decrease) in retirement benefit liability	(3)	(15)
Interest and dividend income	(162)	(195)
Interest expenses on borrowings and bonds	32	52
Insurance claim income	―	(3)
Loss (gain) on sale of non-current assets	(1)	(31)
Loss on retirement of non-current assets	54	58
Loss (gain) on sale of investment securities	2	0
Loss on disaster	―	35
Decrease (increase) in trade receivables	(884)	(1,023)
Decrease (increase) in inventories	(127)	(111)
Increase (decrease) in trade payables	2,895	2,748
Increase (decrease) in accrued consumption taxes	(155)	(50)
Other, net	978	1,431
Subtotal	8,360	8,931
Interest and dividends received	158	186
Interest paid	(31)	(53)
Proceeds from insurance income	―	3
Income taxes paid	(1,239)	(1,027)
Payments associated with disaster loss	―	(22)
Net cash provided by (used in) operating activities	7,249	8,017
Cash flows from investing activities		
Purchase of non-current assets	(2,504)	(3,118)
Proceeds from sale of non-current assets	46	69
Payments for retirement of non-current assets	(41)	(40)
Purchase of investment securities	(101)	(202)
Proceeds from sale of investment securities	2	0
Payments for acquisition of businesses	―	(400)
Purchase of shares of subsidiaries resulting in change in scope of consolidation	―	(545)
Payments of leasehold and guarantee deposits	(3)	(92)
Proceeds from refund of leasehold and guarantee deposits	50	76
Long-term loan advances	(3)	(5)
Proceeds from collection of long-term loans receivable	14	16
Decrease (increase) in time deposits	(300)	(500)
Net cash provided by (used in) investing activities	(2,840)	(4,743)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	―	200
Proceeds from long-term borrowings	―	1,850
Repayments of long-term borrowings	(933)	(973)
Redemption of bonds	(500)	―
Repayments of lease liabilities	(156)	(137)
Purchase of treasury shares	―	(0)
Dividends paid	(685)	(1,028)
Net cash provided by (used in) financing activities	(2,276)	(89)
Net increase (decrease) in cash and cash equivalents	2,131	3,184
Cash and cash equivalents at beginning of period	19,518	18,746
Cash and cash equivalents at end of period	21,650	21,931

(4)Notes on Interim Consolidated Financial Statements

(Notes on Going Concern Assumptions)

Not applicable.

(Notes in the Event of Significant Changes in the Amount of Shareholders' Equity)

Not applicable.

(Changes in scope of consolidation or application of the equity method)

(Significant changes in the scope of consolidation)

During the current interim consolidated accounting period, Marukyu Co., Ltd., our consolidated subsidiary, acquired the shares of Nagano Co., Ltd. and made it a subsidiary. As a result, the Company has been included in the scope of consolidation. As the deemed acquisition date is the end of the current interim consolidated accounting period, only the balance sheet is consolidated in the current interim consolidated accounting period.

(Business Combinations and Related Matters)

(Application of the Accounting Standard for Income taxes - current, etc.)

"Accounting Standard for Income taxes - current, etc." (ASBJ Statement No. 27, October 28, 2022; hereinafter referred to as the "Revised Accounting Standard, 2022") has been applied from the beginning of the current interim consolidated accounting period.

Revisions to the classification of income taxes (taxation on Other comprehensive income) are made in accordance with the transitional treatment stipulated in Article 20-3 of the Revised Accounting Standard 2022 and the transitional treatment stipulated in Article 65-2 (2) of the "Implementation Guidance on Accounting Standard for Tax Effect Accounting" (ASBJ Guidance No. 28, October 28, 2022; hereinafter referred to as the "2022 Revised Implementation Guidance"). This change in accounting policy had no impact on interim Consolidated financial statements.

The Company has applied the revised guidance for 2022 from the beginning of the first half of the current fiscal year to revise the treatment of Consolidated financial statements for deferring gains and losses on sales of shares of subsidiaries, etc. arising from sales of subsidiaries, etc. among consolidated companies for tax purposes. The change in accounting policy was applied retroactively, and the interim Consolidated financial statements and Consolidated financial statements for the previous interim consolidated accounting period and the previous consolidated accounting year were applied retroactively. This change in accounting policy had no impact on the interim Consolidated financial statements of the previous fiscal year or Consolidated financial statements of the previous fiscal year.

(Notes on Segment Information)

[Segment information]

I Previous interim consolidated accounting period (from March 1, 2024 to August 31, 2024)

1.Information on Operating Revenues and Income (Loss) by Reportable Segment

(Millions of yen)

	Reportable Segments	Other (NOTE)1	Total	Adjusted amount (NOTE)2	Interim consolidated Income Statement Amount recorded (NOTE)3
	Supermarket Market Business				
Operating revenue					
Operating revenues from external customers	132,394	438	132,833	-	132,833
Inter-segment sales and transfers	5	77	82	(82)	-
Total	132,400	515	132,916	(82)	132,833
Segment profit	3,287	69	3,356	(233)	3,122

(NOTE)1. "Other" is a business segment that is not included in reportable segments and includes insurance agency, sports club, and food manufacturing.

2. -¥233 million in adjustments to segment income is corporate expenses that are not allocated to the reportable segments. This mainly represents Group-wide administrative expenses incurred by us, the holding company.

3.Segment income is adjusted with Operating profit of the interim Consolidated Statements of Income.

2.Non-current assets impairments and Goodwill by reportable segment

Not applicable.

II Current interim consolidated accounting period (From March 1, 2025 to August 31, 2025)

1.Information on Operating Revenues and Income (Loss) by Reportable Segment

(Millions of yen)

	Reportable Segments	Other (NOTE)1	Total	Adjusted amount (NOTE)2	Interim consolidated Income Statement Amount recorded (NOTE)3
	Supermarket Market Business				
Operating revenue					
Operating revenues from external customers	138,559	502	139,061	-	139,061
Inter-segment sales and transfers	6	75	82	(82)	-
Total	138,565	578	139,143	(82)	139,061
Segment profit	3,496	106	3,602	(249)	3,352

(NOTE)1. "Other" is a business segment that is not included in reportable segments and includes insurance agency, sports club, and food manufacturing.

2. -¥249 million in adjustments to segment income is corporate expenses that are not allocated to the reportable segments. This mainly represents Group-wide administrative expenses incurred by us, the holding company.

3.Segment income is adjusted with Operating profit of the interim Consolidated Statements of Income.

2.Information on assets by reportable segment

During the current interim consolidated accounting period, shares of Nagano Co., Ltd. were acquired and newly included in the scope of consolidation.

As a result, the amount of assets of the reportable segments for the current interim consolidated accounting period increased by 2.354 billion yen from the end of the previous fiscal year in the Supermarket Business.

The amount of segment assets is calculated on a provisional basis as the allocation of acquisition costs has not been completed at the end of the current interim consolidated accounting period.

3.Non-current assets impairments and Goodwill by reportable segment

(Critical Gain on bargain purchase)

In the "Supermarket Business," the Company acquired the business from SHINGAKI Co., Ltd. in the interim consolidated accounting period under review, and acquired the shares of Nagano Co., Ltd. to make it a consolidated subsidiary. As a result, Gain on bargain purchase was recorded at ¥22 million.

The amount of Gain on bargain purchase is calculated on a provisional basis as the allocation of the acquisition cost has not been completed at the end of the current interim consolidated accounting period.

In addition, Gain on bargain purchase is not included in the above-mentioned segment income because it is Extraordinary income.