Results for FY2024

August 16, 2024

Pan Pacific International Holdings Corporation

INDEX

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Explanatory notes

1. The actual values presented in these materials are rounded to the nearest full unit.

2. The following abbreviations are used: Pan Pacific International Holdings (7532) as “PPIH,” Don Quijote Co., Ltd. and its stores as “DQ,” UNY Co., Ltd. as “UNY,” UD Retail Co., Ltd. as “UDR,” Singapore as “SG,” ” Hong Kong as “HK,” Thailand as “TH,” Taiwan as “TW”, Malaysia as “MY”, Macau as “MO” and Group as “GP.”

3. PPIH applies the “Ordinance on Terminology, Forms, and Preparation Methods of Consolidated Financial Statements,” but there are sections where the account items and other information have been simplified to an extent where they do not change the intent or meaning of the contents.

4. The exchange rates used for overseas operations are below (Gelson's fiscal year ends in June, so the exchange rate is different.)

Unit: Yen	USD U.S. dollar		USD (Gelson’s)		SGD Singapore dollar		THB Thai baht		HKD Hong Kong dollar		TWD Taiwan dollar	
	P/L	B/S	P/L	B/S	P/L	B/S	P/L	B/S	P/L	B/S	P/L	B/S
FY2023	136.00	133.54	138.09	144.99	99.05	100.60	3.85	3.91	17.35	17.01	4.47	4.38
FY2024	145.31	151.40	149.97	161.14	108.04	112.11	4.12	4.16	18.57	19.34	4.63	4.74

Regarding Exchange Rates: The P/L uses the average exchange rate for the fiscal period (July 2023 to June 2024 for Gelson’s, and April 2023 to March 2024 for entities other than Gelson’s). The B/S uses the exchange rate as of the end of June 2024 for Gelson’s, and as of the end of March 2024 for entities other than Gelson’s.

Executive Summary

< Review of FY2024 >

Sustained Growth through “Adaptability to Change” × “Earning Power”

- Sales reached 2.0951 trillion yen (up 158.3 billion yen YoY/+8.2%), making it the fifth domestic retailer to surpass 2 trillion yen in sales.
- Operating profit was 140.2 billion yen (up 34.9 billion yen YoY/+33.2%), achieving 35 consecutive years of sales and operating profit growth.
- Net income for the period was 88.7 billion yen (up 22.5 billion yen YoY / +34.1%), surpassing 80 billion yen for the first time.
  - Sales: Growth was driven by inbound sales, PB/OEM expansion, strengthened promotions, the opening of 36 new stores domestically and internationally, surpassing 15 million majica members, and growth strategies such as member-exclusive pricing and campaigns, primarily in domestic retail
  - Gross Profit: New product development that captures customer interest, PB/OEM expansion, and improved turnover rates through inventory optimization created a positive cycle that inspired “something new”, increasing the gross profit margin to 31.6% (up 0.6pt YoY)
- The midterm management plan Visionary 2025’s targets of 2 trillion yen in sales and 120 billion yen in operating profit were achieved a year ahead. Moving forward, further growth strategies will be developed towards “Visionary2030.”

Review of the Midterm Management Plan "Visionary 2025"

- Achieved all targets one year ahead of the consolidated plan, maintaining high growth
- Continued sustainable growth, achieving an operating profit margin exceeding 6%, and more than doubling operating profit over five years

▶ vs. FY2019

(Unit: Billion yen, unless otherwise indicated)

	FY2019	FY2024	Change
Net sales	1328.9	2095.1	+157.7%
Gross profit	27.9%	31.6%	+3.7pt
Operating profit	63.1	140.2	+222.2%
Operating profit margin	4.7%	6.7%	+2.0pt

▶ (Reference) Comparison with the consolidated plan

(Unit: Billion yen)

	Midterm plan		FY2024	Change
Net sales	2000.0	<	2095.1	+104.8%
Operating profit	120.0	<	140.2	+116.8%
Operating profit margin	6.0%	<	6.7%	+0.7pt

▶ Three Outcomes from Visionary 2025

Employee Growth	Emerging Insights	Unachieved Goals
➢ Adaptability ✓ Resilience to inflation ✓ Challenge of creating new business formats ✓ Emphasizing the appeal of physical stores (attractions not found in e-commerce) ➢ Earning Power ✓ PB/OEM ✓ Unique MD ✓ Inventory management, turnover improvement ✓ Inbound destination ✓ Productivity improvement	➢ Potential for domestic store expansion (See slide 26) ➢ potential for PB expansion (see slide 24) ➢ Approach to digital transformation ➢ Marketing (See slide 27) ✓ Utilization of app members ✓ Acquisition of new customers ✓ Improvement of LTV ➢ Revitalization of overseas business	➢ Revenue generation in financial services ➢ Next-level growth in overseas business (See slide 29, 30) ➢ Direction for non-food in GMS (See slide 28) ➢ New opportunities in food retail (sushi business) ➢ Advertising business aimed at integrating with retail
Confidence in future growth Engine for FY2025	**Contribution to PPIH's further growth begins in FY2025, and from FY2026, it will contribute to operating profit/operating profit margin**	**Growth opportunities, expected to contribute to profits as new sales drivers starting in FY2027**

Entering Execution Phase for 200 Billion yen Operating Profit by 2030

- Regarding the achievement targets of Visionary 2030, the stance has shifted from 'Seeing the path to an operating profit of 200 billion yen' to 'Execution phase'
- The operating profit of 140 billion yen is now a launch pad; achieving the 2025 profit target of 120 billion yen plus an additional 20 billion yen, one year ahead of schedule. This means accumulating 80 billion yen over 5 years → 60 billion yen over 6 years.
- The three outcomes (see slide 3) bring the following:
  - **Short-term Effects**: Cultivating the ability to turn environmental changes into earning opportunities through "adaptability to change" × "earning power." We have acquired steady growth capabilities.
  - **Effects After 1 Year**: Growth opportunities that have become visible from the initiatives of the past few years and will be realized from FY2025
  - **Effects After 3 Years**: Areas that struggled in the past few years have seen bold impairment and efforts, marking the end of the worst period and a shift to an aggressive stance. Future growth opportunities are now being declared.

Additional 60 billion yen in operating profit

Discount Store +27 billion yen	➢ Key strategies such as PB/OEM, inbound demand, customer acquisition, and new store openings
GMS +10 billion yen	➢ Acquisition of new customer segments by strengthening non-food categories
North America +12 billion yen	➢ Business expansion via new store openings. CAGR +16.3% (FY2025 to FY2030)
Asia +5 billion yen	➢ Stores with stable revenue have been established, and a direction for unprofitable stores has been determined
Others +6 billion yen	➢ Restructuring of financial businesses, etc.

Overview of FY2024

Financial Results for the Year Ended June 30, 2024

【Period：July 1, 2023 – June 30, 2024】

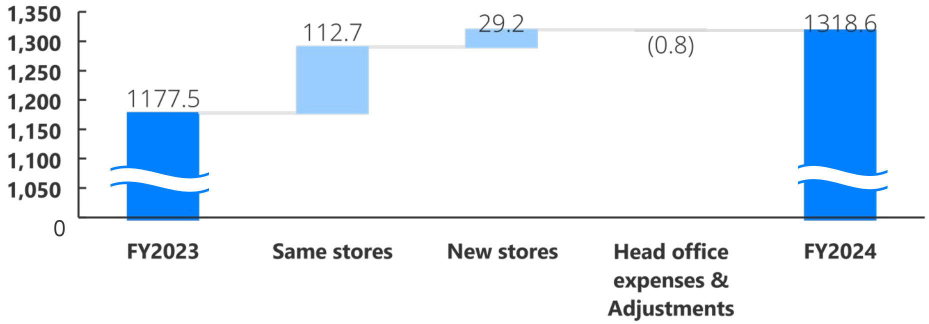
(Unit：Billion yen)

	FY2023	FY2024			FY2024 Forecast	
	Amount (Sales ratio)	Amount (Sales ratio)	Change	YoY	Amount (Sales ratio)	Progress
Net sales	**1,936.8**	**2,095.1**	**+158.3**	**+8.2%**	**2,086.0**	**+0.4%**
Gross profit	600.4 (31.0%)	662.9 (31.6%)	+62.5	+10.4%	658.0 (31.5%)	+0.7%
SG&A	495.1 (25.6%)	522.7 (24.9%)	+27.6	+5.6%	523.0 (25.1%)	(0.1%)
Operating profit	**105.3 (5.4%)**	**140.2 (6.7%)**	**+34.9**	**+33.2%**	**135.0 (6.5%)**	**+3.8%**
Ordinary profit	**111.0 (5.7%)**	**148.7 (7.1%)**	**+37.7**	**+34.0%**	**139.0 (6.7%)**	**+7.0%**
Net income	**66.2 (3.4%)**	**88.7 (4.2%)**	**+22.5**	**+34.1%**	**80.0 (3.8%)**	**+10.9%**
EPS (yen)	**110.94**	**148.64**	**+37.70**	**+34.0%**	**134.06**	**+10.9%**

Discount Store Business

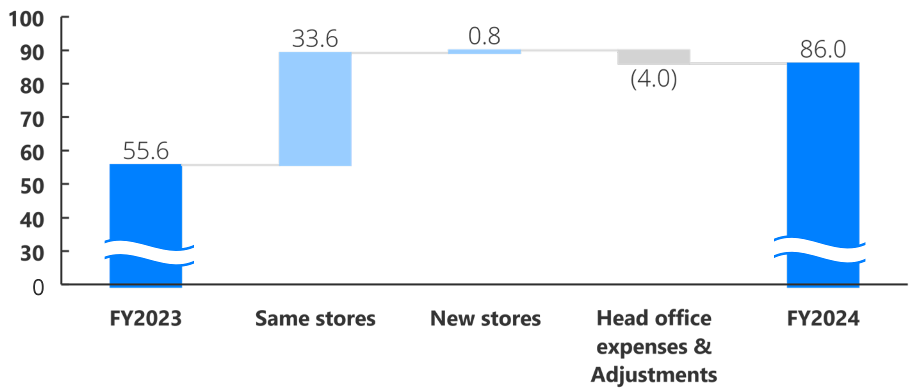
FY2024 Change in Sales

(Billion yen)



FY2024 Change in Operating Profit

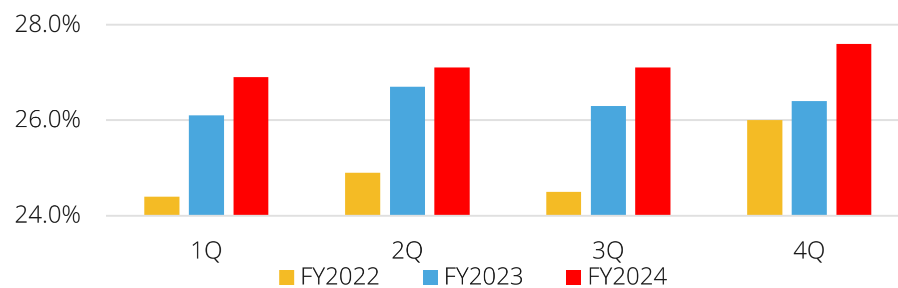
(Billion yen)



Sales reached 1.3186 trillion yen (+141.1 billion yen YoY), and operating profit was 86 billion yen (+30.4 billion yen), both widely exceeding the revised target

- ✓ Same-store sales achieved double-digit growth at 110.1% YoY
  - ➢ Tax-free sales continued to grow, reaching a cumulative total of 117.3 billion yen (+79.0 billion yen YoY)
  - ➢ Non-tax-free sales also increased by 3.3% YoY, driven by successful member-exclusive pricing strategies, promotional activities, product offerings capturing outdoor/event demand, and strong sales of summer seasonal items
- ✓ The gross profit margin improved to 27.3% (+0.9pt YoY)
  - ➢ PB/OEM sales reached 246.1 billion yen (+48.2 billion yen YoY), accounting for 19.3% of total sales (+2.0pt YoY)
  - ➢ Inventory optimization created a positive cycle of "something new" leading to improvements in both gross profit margin and inventory turnover rate
- ✓ SG&A increased due to the 24 new store openings and investments in human resources, but remained within budget. The SG&A expense ratio decreased by 0.9pt YoY, thanks to sales growth and reduced utility costs.

▶ **Gross profit margin of same stores in the DS business**



Note: Before reflecting loss estimates

Discount Store Business : Progress of Various Strategies ①

- Through product development that captured demand, media exposure, and SNS strategies, sales reached 246.1 billion yen (YoY +48.2 billion yen), with a composition ratio of 19.3% (YoY +2.0pt), surpassing FY2023. New strategies will be formulated aiming for further growth.

✓ TV commercials, media exposure, and SNS strategies improved recognition, contributing to sales expansion

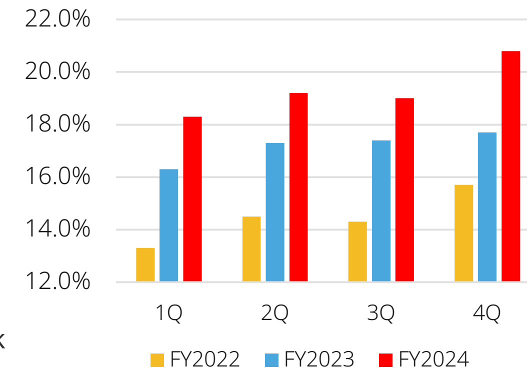
✓ Product development was improved based on raw customer feedback from ‘*Maji Voice*,’ which directly aligns with customer needs

✓ By developing various flavors from popular items such as “Mixed Nuts” and “Red Ginger Rice Cracker” and expanding the product lineup, it contributed to the overall sales of the category

▶ **New item from *Maji Voice***

Responded to the feedback “Make the flavor stronger!”

▶ **Ratio of PB/OEM in the domestic DS business**



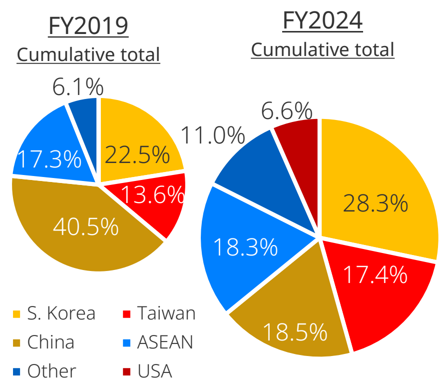
- Tax-free sales reached a cumulative total of 117.3 billion yen, widely exceeding the revised target. Despite the yen’s appreciation, the path to becoming the No.1 destination for inbound customers is being pursued by expanding market share.

✓ Strengthening pre-travel promotional activities has improved store recognition and contributed to attracting more customers

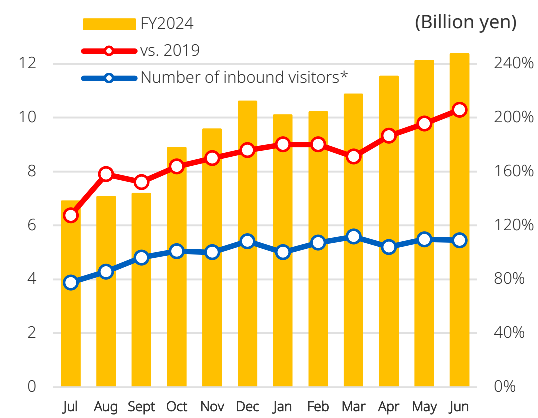
✓ In addition to “pricing,” “product assortment,” and “late-night operations,” we are enhancing character goods and collaborations with manufacturers. This adaptability to the preferences of inbound customers has helped us increase our market share

✓ Operational improvements, such as infrastructure upgrades, have reduced tax-free register processing times by 1 minute, reinforcing our capacity

▶ **Tax-free sales by nationality**



▶ **Tax-free sales of domestic DS business**



*Based on statistical data from the Japan National Tourism Organization (JNTO)

Discount Store Business：Progress of Various Strategies ②

- Opened 24 stores with diverse formats in FY2024. New store opening strategies have been identified as shown below, expanding the potential for nationwide openings.

Don Quijote Ota
(Opened on May 24, 2024)

＜Replacement-style＞

- By closing old properties with high maintenance costs and opening new stores in nearby areas with the latest formats, aiming to maximize profitability
- Even with smaller sales floor, we ensured aisle width, which increased family customers. The stores have evolved to compete with rivals, and sales have exceeded targets

MEGA Don Quijote Yonago
(Opened on May 28, 2024)

＜Fresh Food MEGA Don Quijote-style＞

- Inherited the development cultivated at Narimasu store, including fresh produce, prepared foods, and non-food MD for younger demographics, and applied it to a wide range of age groups
- MEGA DQ stores in local areas, rich in fresh produce, can attract customers from wide areas, and we had a positive response in western Japan. We are expanding the potential for store openings further west.

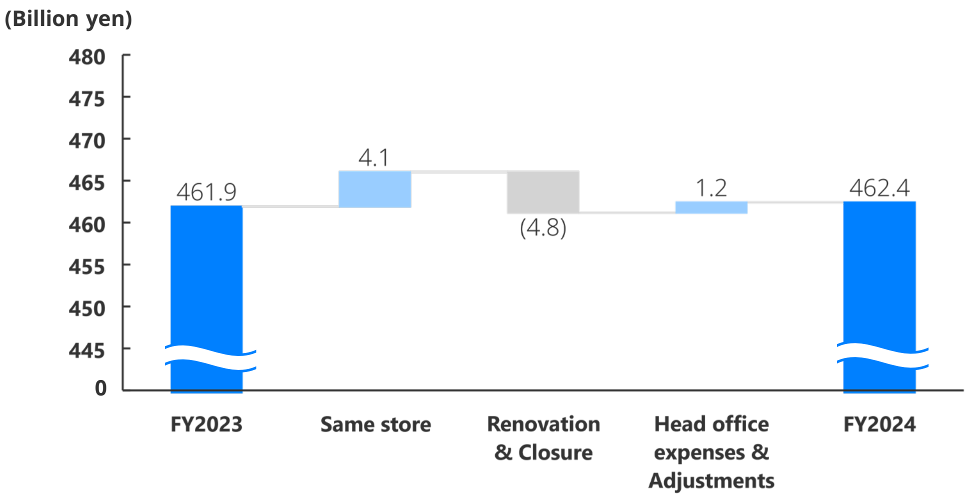
- Majica app members has surpassed 15 million. The “*Maji-Toku Cycle*” has been implemented to provide an affordable shopping experience with surprises despite inflation

✓ The “*Maji-Toku* (rewarding) *Cycle*” includes the following services: “*Maji-Kaitori*,” which buys back unsatisfactory items, “*Maji-Kakaku*,” which offers popular items at low prices, and “*Maji-Voice*,” an item evaluation system based on raw customer feedback. This creates a positive circle that leads to product development and customer attraction, improving the customer experience.

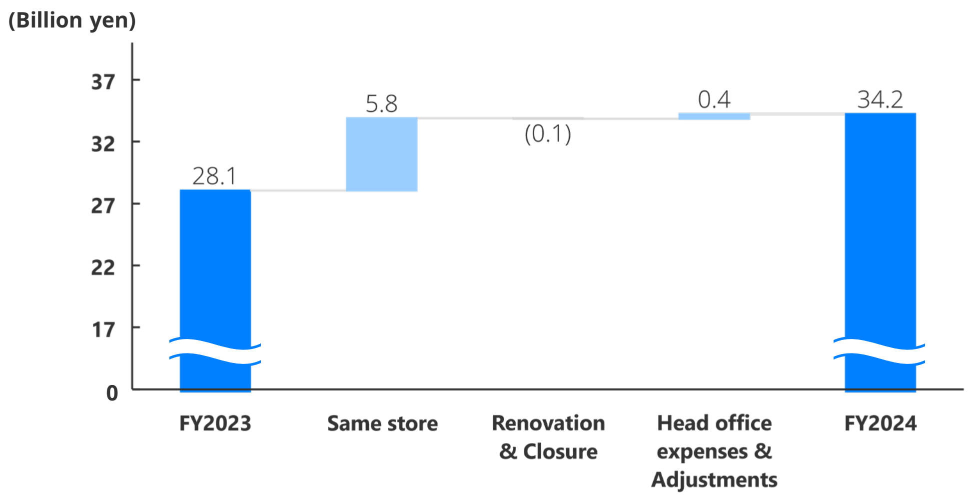
✓ Through promotions such as member-exclusive pricing and campaigns celebrating the surpassing of 2 trillion yen in sales, the majica app members has exceeded 15 million. We are promoting new strategies to acquire more customers (see slide 27 for details).

GMS Business

FY2024 Change in Sales



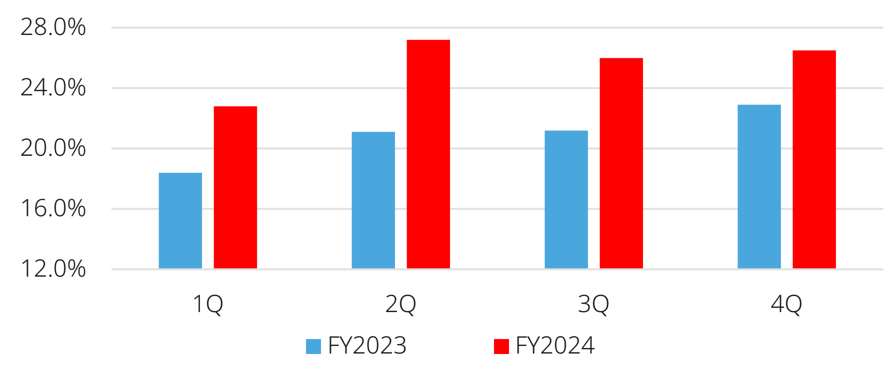
FY2024 Change in Operating Profit



Maintained a high-profit structure with sales of 462.4 billion yen (+0.5 billion yen YoY), operating profit of 34.2 billion yen (+6.2 billion yen YoY), and an operating profit margin of 7.4% (+1.3pt YoY)

- ✓ Sales at same stores grew to 101.0% YoY
  - ➢ In H1, while profitability improved, customer numbers stagnated, prompting a strategic shift. From H2, various promotional strategies, such as price appeals on daily items and the “Price Voting” by employees, proved successful.
- ✓ The gross profit margin of same stores increased to 27.1% (+0.2pt YoY)
  - ➢ Due to price appeals, the standalone gross profit margin for Q4 was 27.4% (-0.5pt YoY), but the gross profit amount remained the same YoY due to increased sales
  - ➢ The introduction of new products through MD integration and the strengthening of prime location development led to PB/OEM annual sales of 109.9 billion yen (+20.5 billion yen YoY), with a composition ratio of 25.7% (+4.8pt YoY), contributing to improved profitability
- ✓ Although SG&A expenses increased due to advertising and promotions for majica, the optimization of personnel placement and reduction in utility costs resulted in a decrease of 4.0 billion yen (SG&A ratio -0.9pt YoY)

▶ GMS business - Changes in PB/OEM ratio



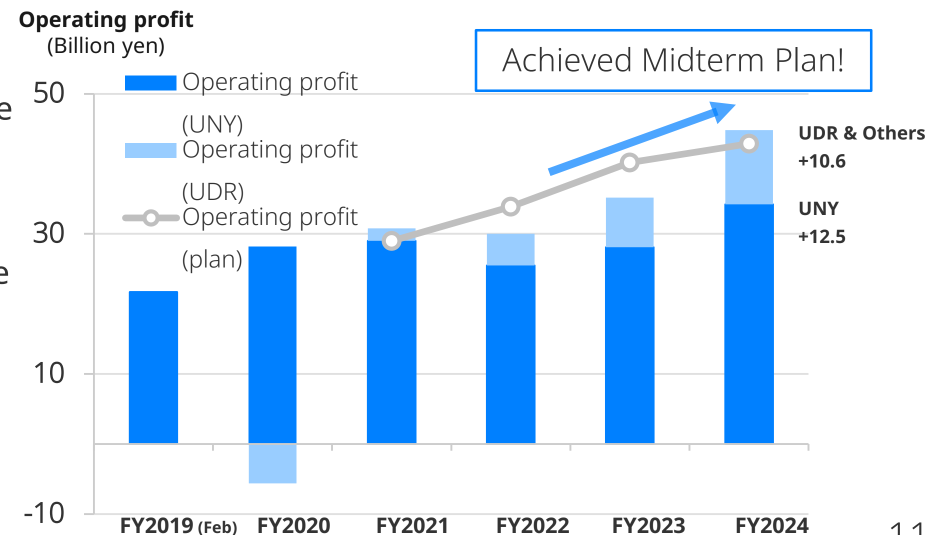
"2019 UNY・UDR Midterm Plan" Achieving Operating Profit +20 Billion Yen

- Over five years since joining PPIH, UNY achieved dramatic progress, with sales increasing by +90.2 billion yen (114.7% vs. 2019), operating profit increasing by +23.1 billion yen (206.5% vs. 2019), and an operating profit margin of 6.4% (+2.9pt vs. 2019), achieving the midterm plan

- Establishment of UDR
  - ✓ Sales expanded through the creation of a new format combining the strengths of UNY and DS (63 stores)
- Improvement in Profitability of UNY
  - ✓ Gross profit margin increased due to higher composition ratio of PB/OEM, evolution of MD strategy through organizational integration, and system integration effects
  - ✓ Proper allocation of human resources and integration of headquarter functions contributed to a decrease in SG&A ratio, leading to higher profitability
  - ✓ Annual average sales per store increased from 3.16 billion yen to 3.53 billion yen
- Next Step: "Improvement of Customer Numbers"
  - ✓ As "Fighting UNY," continue to aim for growth by maintaining price competitiveness to attract existing customers
  - ✓ Non-food sales remained flat despite an increase in gross profit margin. Lack of product procurement ability, product appeal, and "something new" prevented the acquisition of new customers. The whole PPIH group will strive to develop UNY into a growth engine (details in slide 28)

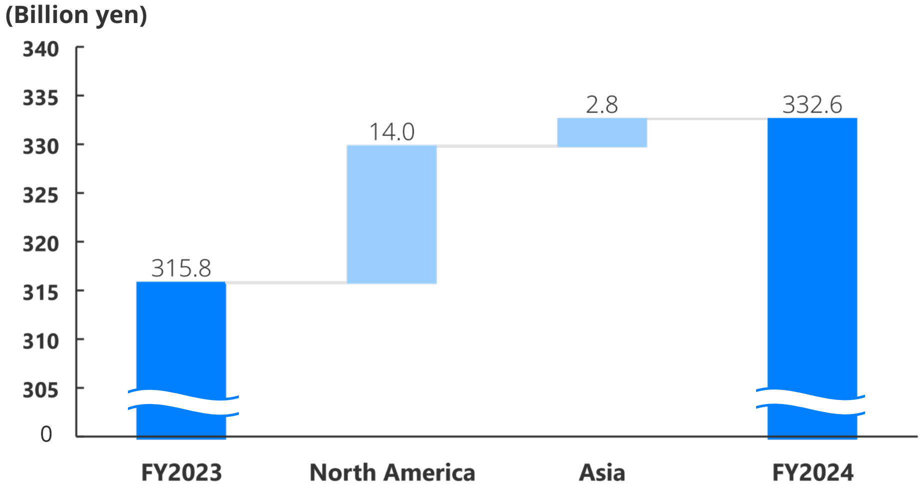
(Unit: Billion yen)

	FY2019 (Feb) (full-year total)	FY2024 (Jun) (full-year total)	Change
Net sales	612.7	702.9	+90.2
Gross profit [margin]	196.9 [32.1%]	224.7 [32.0%]	+27.8 [(0.1)pt]
SG&A [margin]	175.2 [28.6%]	179.9 [25.6%]	+4.7 [(3.0)pt]
Operating profit	21.7	44.8	+23.1
Operating profit margin	3.5%	6.4%	+2.9pt

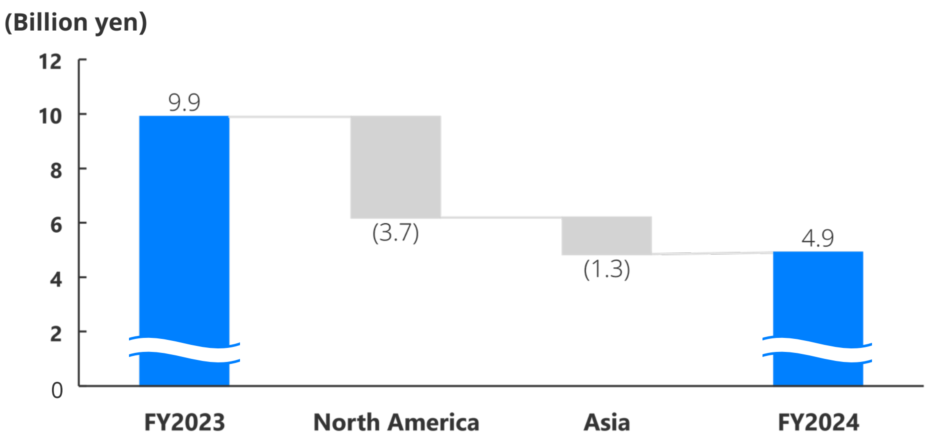


Oversea Business

FY2024 Change in Sales



FY2024 Change in Operating Profit



North America experienced a decline in profits, but the effects of the measures are evident. Gelson's is still in the process of transformation. Growth investments in new store openings and the supply chain have begun. Asia also saw a decline in profits, but the results were as planned. Both North America and Asia are showing signs of improvement.

■ North America

- ✓ Sales increased by 14 billion yen YoY due to the successful strategy of strengthening deli and sushi in response to inflation and changes in demand for home meals. Store SG&A expenses landed at a decrease of 3.7 billion yen due to increased SG&A expenses from growth investments
  - ➢ Marukai CA and Hawaii saw increased profits. Gelson's experienced a decline in profits due to delays in pricing and MD strategies, but the effects of the measures are beginning to show, and signs of improvement are emerging
  - ➢ The gross profit margin landed at 37.4%, on par with FY2023, absorbing cost increases through the growth of high-margin deli and sushi, strengthening the PB/OEM ratio, and price appeal
- ✓ Marukai CA and Hawaii are expanding their business scale and differentiation strategies through new store openings and business format conversions. Gelson's aims to increase sales and profits through top-line improvement from acquiring new customers and cost control through PMI (see slide 29).

■ Asia

- ✓ Sales increased by 2.8 billion yen YoY due to new store openings. Despite controlling personnel expenses, the increase in SG&A expenses associated with new store openings resulted in a decrease in profits of 1.3 billion yen. Implemented cost improvements at headquarters and structural improvements, including store closures.
  - ➢ Withdrew from 2 unprofitable stores, focusing on high-profit stores
  - ➢ Achieved 11 new store openings in 6 areas, expanding business scale
- ✓ With the emergence of several stable profitable stores and the implementation of impairment charges, the direction of unprofitable stores has been solidified and they are on track to become profitable (see slide 30)

1. North America figures are the simple sum of DQ USA, MARUKAI, QSI, and Gelson's. The results for Gelson's are from July 2023 to June 2024, while the others are from April 2023 to March 2024.
2. Asia figures are the simple sum of PPRM (SG), PPRM (HK), DONKI Thailand, PPRM (TW), PPRM (MY), and Macau PRRM (MO). The results are cumulative from April 2023 to March 2024.
3. Gelson's operating profit is calculated after deducting goodwill amortization (3.7 billion yen for the current period, 3.4 billion yen for the previous period).

Status of Major Assets, Liabilities and Net Assets

(Unit: Billion yen)

	June 2023	June 2024	
	Actual	Actual	Change
Current Assets	**551.8**	**513.4**	**(38.4)**
Cash and Deposits	242.1	172.7	(69.4)
Account Receivable - Installment	55.4	57.3	2.0
Products	194.5	199.0	4.4
Non-Current Assets	**929.2**	**985.0**	**55.8**
Buildings, etc.	288.0	308.7	20.7
Land	318.7	356.7	37.9
Intangible Fixed Assets	88.5	94.6	6.1
Lease and Guarantee Deposits	71.8	68.7	(3.1)
Total Assets	**1481.1**	**1498.4**	**17.4**

(Unit: Billion yen)

	June 2023	June 2024	
	Actual	Actual	Change
Current Liabilities	**368.4**	**419.2**	**50.8**
Accounts Payable	168.7	197.2	28.5
Short-term Interest-bearing Debt[1]	45.3	49.3	4.0
Noncurrent Liabilities	**649.1**	**532.2**	**(116.9)**
Corporate Bonds	261.6	191.1	(70.6)
Long-Term Borrowings	272.5	224.7	(47.8)
Total Liabilities	**1017.5**	**951.4**	**(66.1)**
Net Assets	**463.5**	**547.0**	**83.5**
Liabilities and Net Assets	**1481.1**	**1498.4**	**17.4**

1. Short-term liabilities = Short-term loans payable + Current portion of long-term loans payable + Current portion of bonds

＜Status of major assets＞

Non current asset

▶ Tangible fixed assets：735.5 billion yen (+46.3 billion yen)

- Investment related to store openings, etc. 89.3 billion yen
- Depreciation and amortization 37.4 billion yen

＜Status of major liabilities＞

▶ Interest-bearing debt：465.0 billion yen (–114.4 billion yen)

＜Status of net assets＞

▶ Net worth: 536.5 billion yen (+83.2 billion yen YoY)

▶ Capital adequacy ratio: 35.8% (+5.2pt YoY)

＜Others＞

▶ Net D/E ratio： 0.54x (–0.20x YoY)

▶ ROE: 17.9% (annual basis/+2.2pt YoY)

✓ Subordinated bonds of 140.0 billion yen were redeemed in full ahead of maturity by issuing unsecured bonds of 70.0 billion yen and using cash and deposits.

✓ Growth investments continue, yet financial soundness improves with higher capital adequacy ratio and lower net D/E ratio.

Status of Cash Flows and Capital Expenditure

PPIH
Pan Pacific International Holdings

▶ Status of cash flows

(Unit: Billion yen)

	FY2023	FY2024	
	Actual	Actual	Change
Balance at Beginning of Period	180.4	246.2	65.8
Cash Flows from Operating Activities	138.0	150.6	12.6
Cash Flows from Investing Activities	(62.0)	(94.7)	(32.7)
Cash Flows from Financing Activities	(18.2)	(129.9)	(111.7)
Changes During the Period	65.8	(59.0)	(124.8)
Balance at End of Period	246.2	187.2	(59.0)
Free Cash Flow[1]	76.0	55.8	(20.1)

1. Free Cash Flow = CF from operating activities + CF from investing activities

▶ Status of capital expenditures

Capital Expenditures	**61.2**	**95.9**	**34.7**

<Operating CF: +150.6 billion yen>

▶ Cash in factors: Pre-tax net profit of 130.5 billion yen, depreciation of 46.2 billion yen, and an increase in accounts payable of 26.1 billion yen

Cash out factors: Payments for corporate taxes and others of 48.7 billion yen

<Investment CF: –94.7 billion yen>

▶ Cash out factors: 86.2 billion yen for purchase of property, plant and equipment relating to store openings and 8.4 billion yen for purchase of intangible fixed assets

<Financing Activity CF: –129.9 billion yen>

▶ Cash in factors: Income from bond issuance amounted to 69.8 billion yen and income from long-term borrowing was 50 billion yen

Cash out factors: Expenditures for bond redemption of 150.9 billion yen, repayment of long-term loans of 84.8 billion yen, and dividend payments of 12.5 billion yen

<Breakdown of Capex >

▶ Domestic DS business 37.8 billion yen
GMS business 27.6 billion yen
Overseas business 17.8 billion yen
Financial business 2.8 billion yen
Others 9.8 billion yen

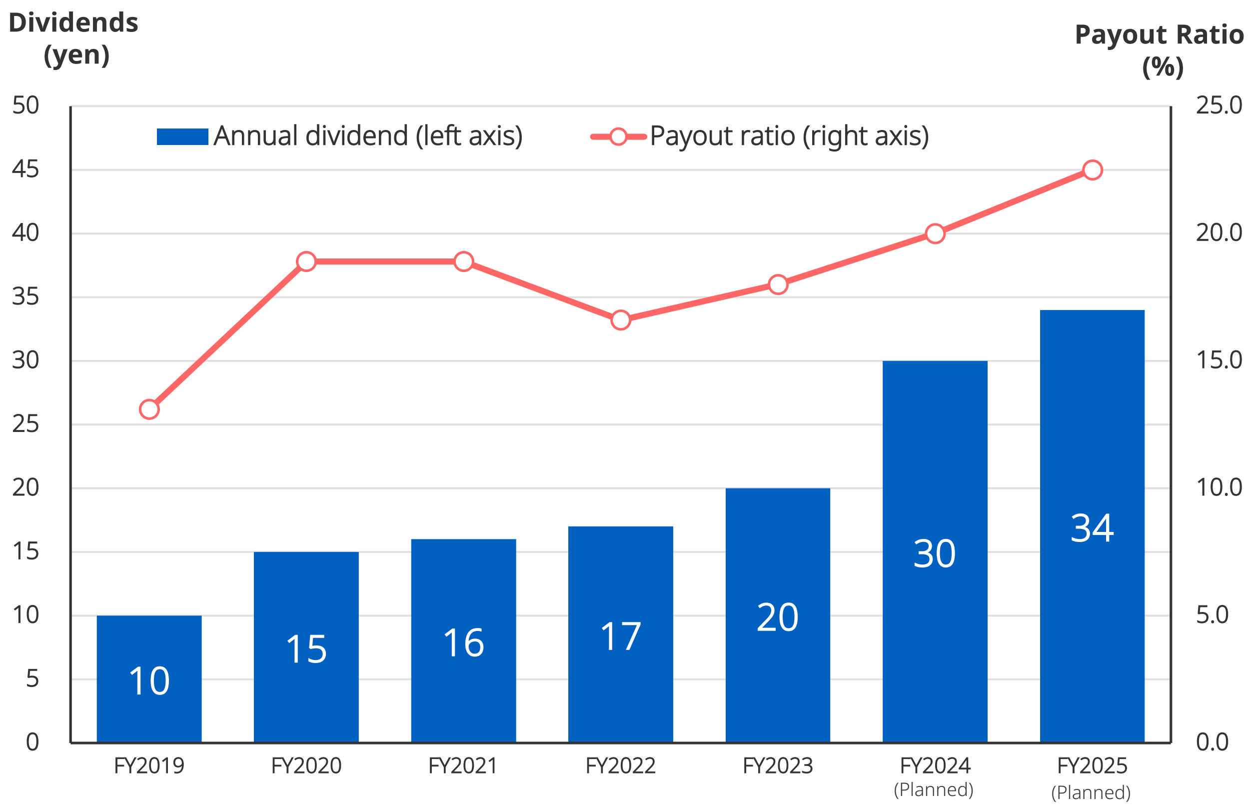
Shareholder Returns

Towards a dividend policy that balances growth investment and shareholder returns

✓ For FY2024, the company plans to raise its dividend for the 21st consecutive fiscal year. The initial forecast of 21 yen per share has been revised upward to 30 yen per share, including a commemorative dividend of 9 yen per share to celebrate group sales surpassing the 2 trillion yen mark, and the dividend payout ratio is expected to exceed 20% for the first time.

✓ FY2025 is expected to increase the dividend to 34 yen, marking the 22nd consecutive increase in dividends

✓ Based on a "progressive dividend policy", a dividend payout ratio of 25% is considered from the conventional 20%, striving to balance growth investment and shareholder returns

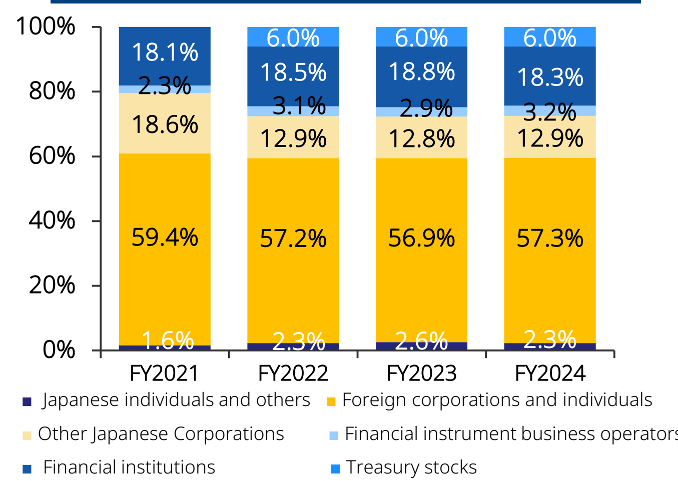


* PPIH conducted a 2-for-1 common stock split on July 1, 2015 and a 4-for-1 common stock split on September 1, 2019
* For prior periods, figures are retroactively adjusted

Shareholder Benefits

Shareholders who are listed and recorded in the shareholder register as of the end of June and December and hold more than 100 shares will be presented with majica points worth 2,000 yen

Shareholding Composition by Owner



Commitment to ESG（1/2）

- Balancing the resolution of environmental and social issues with business growth to enhance the sustainability of PPIH's operations
- Utilizing the evaluations of ESG rating agencies as an objective assessment, leading to high ratings and inclusion in indices

	Midterm Goals	Progress (FY2024)
E	• Reduce CO_2 emissions from stores by 50% compared to FY2013 (by FY2030) • Understand the emission volume for each category of Scope 3 and set reduction targets • Reduce the amount of plastic used for customer service in stores by 70% compared to FY2019 • Thoroughly implement the sustainable procurement policy and supply chain code of conduct	✓ CO_2 Emissions Reduction: Approximately 25.8% (vs. FY2013) ✓ Started hearing from business partners on their policies and progress on climate-related issues, aiming to set reduction targets for Scope 3 ✓ Plastic reduction: Reduced by 65.8% (vs. FY2019) ✓ Conducted a self-check questionnaire on human rights, labor, safety and hygiene, etc., continuously from June 2022, targeting about 2,400 factories of PB/OEM manufacturing partners, and collected 100% of the responses ✓ Started third-party audits for PB/OEM manufacturing partners
S	• Increase female store managers to 100 (by FY2030) • Improve the retention rate of female employees = Reduce the turnover rate to 5% (by FY2030) • Promote the next-generation executive development program	✓ Female store managers: 39 (an increase of 26 from FY2021) ✓ Turnover rate of female employees: 7.6% (reduced by 4pt from FY2021) ✓ Conducted training for executives and executive candidates, with 160 participants
G	・Establish and operate the Nomination & Compensation Committee ・Formulate and disclose the Business Continuity Plan (BCP)	✓ Established the Committee and held it 4 times to enhance the transparency of the process ✓ Implemented measures for regular updates of the BCP based on Business Continuity Management (BCM)

Commitment to ESG（2/2）

ESG investments and indices incorporating PPIH

In FY2024, GPIF newly included PPIH in the ‘MSCI Japan ESG Select Leaders Index’ for ESG investment.

2024 CONSTITUENT MSCI NIHONKABU ESG SELECT LEADERS INDEX

FTSE Blossom Japan Sector Relative Index

2024 CONSTITUENT MSCI JAPAN EMPOWERING WOMEN INDEX (WIN)

Morningstar Japan ex-REIT Gender Diversity Tilt Index

S&P/JPX Carbon Efficient Index

Major Initiatives for FY2024

Strengthening response to climate change

In FY2024, to reduce CO_2 emissions, PPIH started using renewable energy at 6 new stores and 1 location (in total, renewable energy is being used at 22 stores and 1 location so far in Japan)

- ✓ In the new headquarters building relocated in May this year, ‘CO_2 free electricity’ is being utilized
- ✓ In four stores in the Kanto region, we have started supplying electricity through off-site PPA for the first time in the company

Efforts to reduce plastic

Based on the FY2023 target, we mainly promoted initiatives in services to customers

- ✓ The material of spoons and straws was changed to paper and wood, and a charge was introduced for them
- ✓ In collaboration with Suntory Foods International Ltd., PPIH promoted the “Bottle to Bottle” recycling of PET bottles

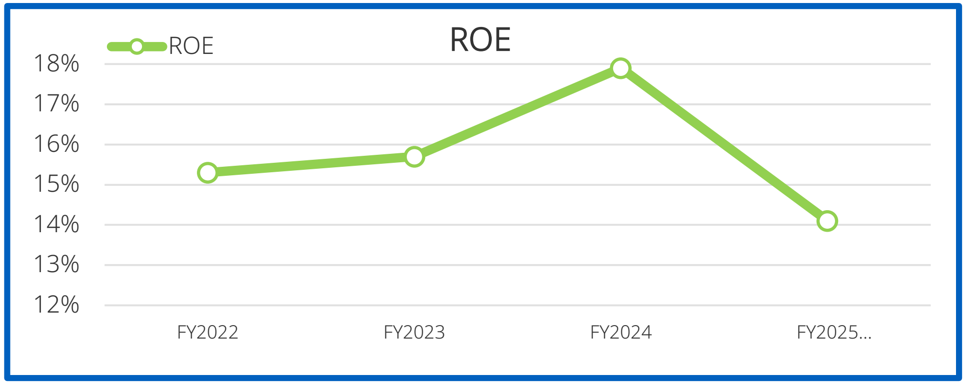
Building a supply chain considering human rights and the environment

Promoting initiatives with PB/OEM manufacturing partners

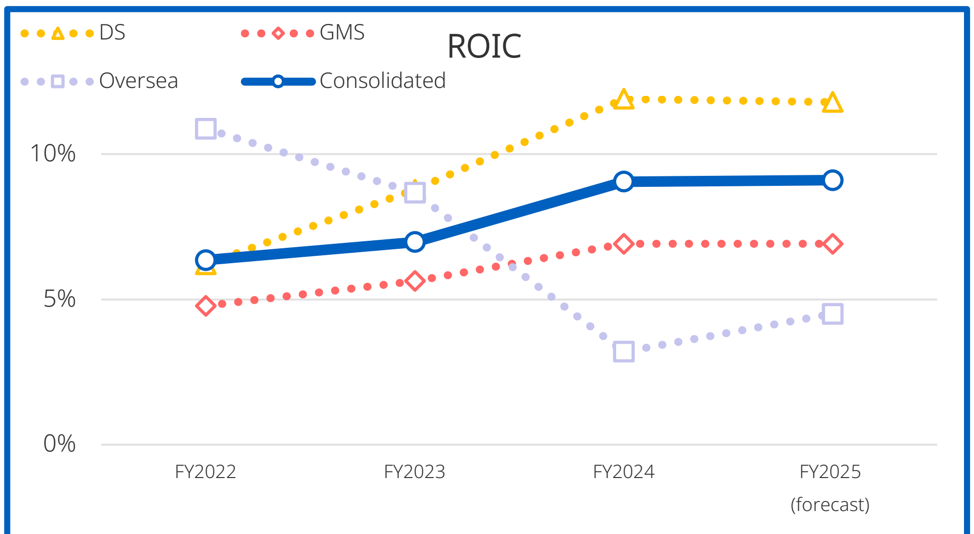
- ✓ Revised the Supplier Code of Conduct
  - Prevention and reduction of excessive overtime work
  - Efforts towards procurement of renewable energy
  - Effective use of resources including water
  - Proper treatment of waste and wastewater, prevention of pollution, etc.
- ✓ Started third-party audits to identify risks in the supply chain and for objective evaluation
- ✓ Conducted seminars for in-house product procurement personnel, with a total of 406 participants

Trends in Various Management Indicators

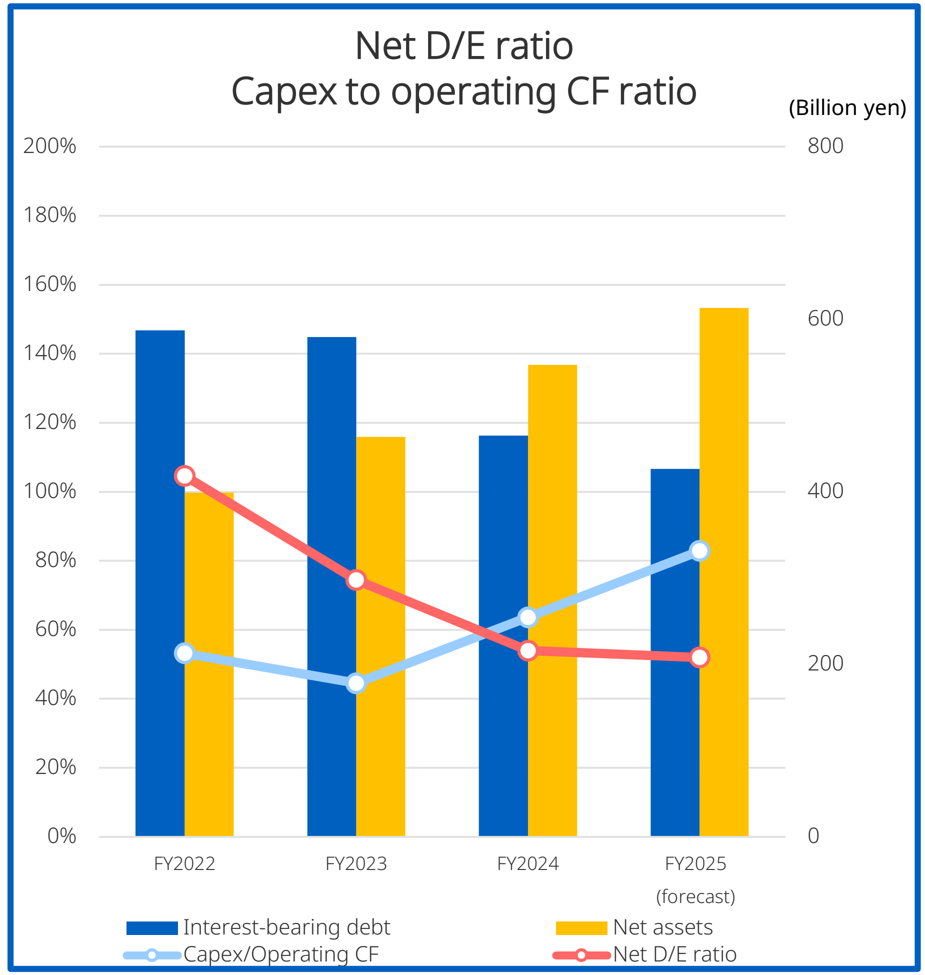
- While maintaining growth investments for Visionary 2030, the aim is to enhance corporate value by stabilizing high ROE through improved profitability and strengthening dividend policies, all with a focus on capital costs and stock prices



In FY2024, there was a boost from foreign exchange gains, while FY2025 saw a decline due to foreign exchange losses. However, a stable range of around 15-16% is maintained



- In FY2024, the DS and GMS businesses showed significant improvement compared to FY2023, while the overseas business temporarily declined due to investments in new stores but is expected to improve in FY2025



- Net assets have steadily increased, and interest-bearing debt decreased in FY2024 due to the redemption of subordinated bonds. The net D/E ratio temporarily rose in FY2022 due to share buybacks but has steadily improved since FY2023.
- Capital investment is planned to be 90 -100 billion yen each period. While investing in future growth, sufficient free cash flow is secured.

Targets for FY2025

FY2025 Full-Year Consolidated Earnings Forecast

- FY25 targets: sales of 2.22 trillion yen, operating profit of 150 billion yen, operating profit margin of 6.8%, aiming for 36 consecutive years of sales and operating profit growth

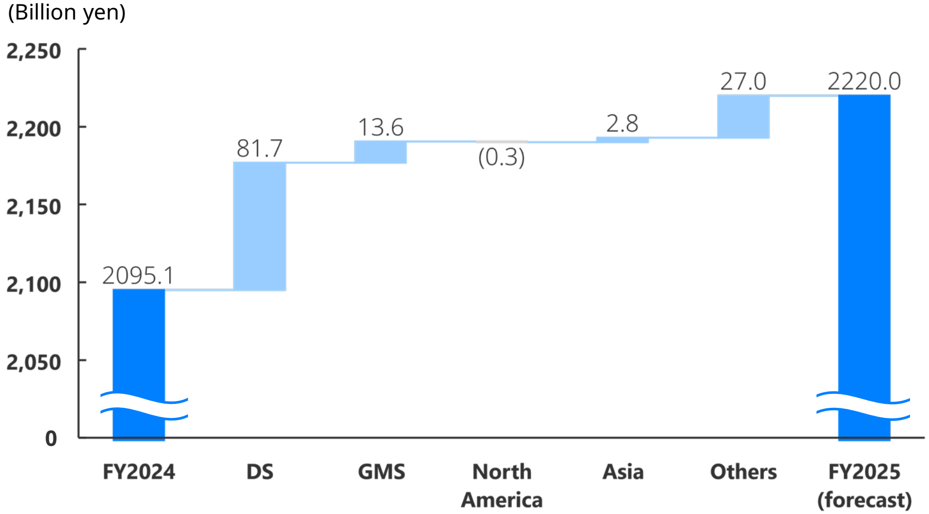
(Unit: Billion yen)

	FY2024	2Q Earnings Forecast (Cum.)		Full-Year Earnings Forecast	
	Amount	Amount	YoY	Amount	YoY
Net sales	**2095.1**	**1120.4**	**+6.9%**	**2220.0**	**+6.0%**
Gross Profit	662.9 (31.6%)	353.6 (31.6%)	+6.8%	700.0 (31.5%)	+5.6%
SG&A	522.7 (24.9%)	272.4 (24.3%)	+6.6%	550.0 (24.8%)	+5.2%
Operating profit	**140.2 (6.7%)**	**81.1 (7.2%)**	**+7.4%**	**150.0 (6.8%)**	**+7.0%**
Ordinary profit	**148.7 (7.1%)**	**67.2 (6.0%)**	**-8.7%**	**135.4 (6.1%)**	**-9.0%**
Net income	**88.7 (4.2%)**	**43.2 (3.9%)**	**-10.5%**	**86.5 (3.9%)**	**-2.5%**
EPS (yen/share)	**148.64**	**72.37円**	**-10.5%**	**144.98**	**-2.5%**
Capital investment	95.8			94.0 +x	

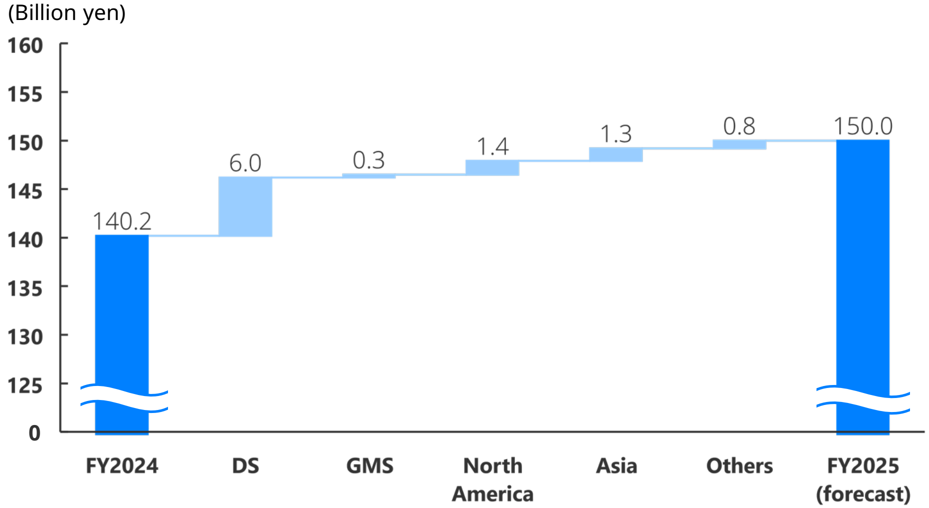
Note: Assumed Exchange Rates are 1 USD = ¥140.00, 1 HKD = ¥18.65, 1 SGD = ¥108.54, 1 THB = ¥4.15, 1 MYR = ¥31.39, 1 TWD = ¥4.62, 1 MOP = ¥18.15

FY2025 Performance Forecast

Sales



Operating profit



■ **Sales**

- ✓ New Stores: Domestic 30 stores +x, Overseas 7 stores
- ✓ Same stores YoY
  - DS Business: 104.1% (tax-free sales target 150 billion yen)
  - GMS Business: 101.1%

■ **Gross Profit Margin: 31.5% (-0.1pt)**

- ✓ DS: 27.7% (+0.4pt): PB/OEM sales will reach 320 billion yen (130.0% YoY), contributing to the improvement of the gross profit margin
- ✓ GMS: 34.1% (-0.7pt): Non-food enhancement to increase gross profit, but total profit margin is likely to decrease due to stronger pricing strategies against competitors and reduced tenant revenue. Appropriate gross profit margin level to be maintained
- ✓ North America 38.0% (+0.6pt): Sushi and deli items, which are performing well with high gross profit margins, will see an increase in trainers to enhance and improve production volume and quality
- ✓ Asia 37.6% (+0.5pt): Continuous product development and promotion enhancement will improve the gross profit margin and sales composition ratio of PB/OEM and direct import products

■ **SG&A Ratio: 24.8% (-0.1pt)**

- ✓ DS: Costs will increase due to store opening expenses, investment in human resources, increased utility costs from reduced government subsidies, and higher promotion costs for majica. Labor costs will be controlled through productivity improvements like self-checkout and electronic shelf labels
- ✓ GMS: Productivity improvements will reduce labor costs. SG&A expenses will slightly increase due to higher utility costs and strengthened promotions to attract customers, but SG&A ratio is expected to be lower than the previous year
- ✓ North America: Costs will increase due to higher labor costs from wage increases and growth investments in new store openings in Hawaii and California

■ **Capital Investment: 94 billion yen +x**

- ✓ Domestic DS Business: approximately 31 billion yen
- ✓ GMS Business: approximately 8.7 billion yen
- ✓ Overseas Business: approximately 26 billion yen
- ✓ IT Investment: approximately 18 billion yen
- ✓ Others: approximately 10.3 billion yen

Notes:

1. Assumed Exchange Rates are 1 USD = 140.00 yen, 1 HKD = 18.65 yen, 1 SGD = 108.54 yen, 1 THB = 4.15 yen, 1 MYR = 31.39 yen, 1 TWD = 4.62 yen, 1 MOP = 18.15 yen
2. Calculated after deducting the goodwill amortization budget (approximately 3.5 billion yen).

Visionary 2030

- Toward operating profit of 200 billion yen -

Discount Store Business: 'Key Strategies' for Achieving Continued High Growth

- In addition to individual store management and delegation of authority, the execution of key strategies will lead to the expansion of the top line, profitability enhancement, acquisition of customer popularity, and response to cost inflation, thereby achieving continuous and valuable business growth

PB/OEM

＜FY2027 Plan＞

Sales of 500 billion yen

- Double PB/OEM sales and switch products with NB to improve gross profit margin and increase profitability.
- **Profitability improvement through gross profit margin enhancement**

Inbound

＜FY2027 Plan＞

Sales of 175 billion yen

- Creating a positive cycle of shopping experiences and visit motivation to make Don Quijote Japan's No.1 must-visit destination
- **Expand the top line through increased tax-free sales**

New Store Opening

＜FY2027 Plan＞

+100 new store openings

- Developing a variety of business categories that other companies cannot, enabling us to approach new customer segments and expand the scope of new store openings
- **Expand the top line through increased domestic market share**

Customer Acquisition

＜FY2027 Plan＞

30 million majica members, aiming to make 50% of the young population members

- Engaging younger demographics through media approaches and new app initiatives
- **Acquire new customers**
- **Increase visit frequency of existing customers**

IT/Digital

Building a management foundation to achieve sustainable business support towards Visionary 2030

- Create an environment capable of growth in inflationary conditions through large-scale IT investments
- **Respond to cost inflation environments**

+27 billion yen in operating profit for DS business by FY2030

PB/OEM Strategy: FY27 Sales Plan of 500 billion yen

Double PB/OEM sales and switch with non-brand products to improve gross profit margin and increase profitability

✓ Potential for PB Expansion

- By reviewing categories that can be converted to PB, potential for expansion has been identified
- Example: Swiftly switch staple products with low brand loyalty to OEM to improve profits

✓ Product Development in Categories PPIH excels At

- Popular categories, such as men's underwear, suitcases, pans, cosmetics, and snacks, develop highly unique products, which non-brand products cannot achieve, expands category share

✓ Supply Chain Reform

- As the next step in PB conversion, target staple products for development. By reviewing the supply chain, enable small-lot production and promote OEM conversion of staple shelves.
- Reduce costs through development from raw materials, changing production areas, and improving logistics
- Lower costs and reduce production lots by consolidating production factories
- Improve quality through stricter process management and inspection

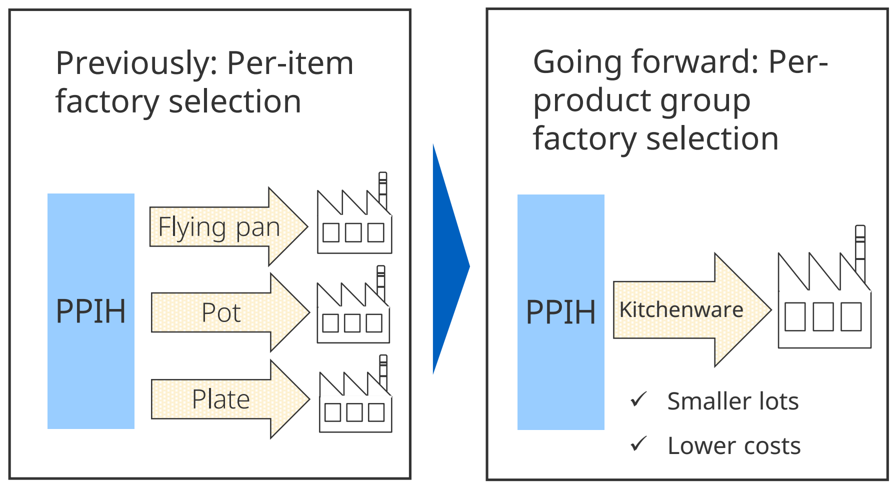
▶ PB/OEM Plan

✓ Start offering more OEM items in the regular shelves to further expand PB. Increase their share in the regular items by FY2027.

(Unit: Billion yen)

	FY2024 (Full-year total)	FY2027 Plan (Full-year total)	Change
Net sales (billion yen)	246.1	500.0	+253.9
Share of sales within regular items	16.2% (June only)	27.4%	+11.2pt

▶ Supply Chain Reform



Inbound Strategy: FY2027 Sales of 175.0 billion yen

- Don Quijote's unique strength is offering exclusive amusement and shopping experiences = enhancing customer motivation with 'shopping experiences only at Don Quijote.'
- Various strategies will create a 'desire to revisit,' leading to further shopping experiences. Despite challenges like yen appreciation, Don Quijote will become Japan's No.1 must-visit destination. This will achieve the FY2027 tax-free sales target of 175.0 billion yen (an increase of 57.7 billion yen YoY from FY2024).

Leveraging popularity to enhance visit motivation

➢ Customer Attraction Strategy

✓ Targeting "nationalities and age groups that will visit once aware," using social media promotions and collaborations with airlines to highlight store attractions and motivate visits.

➢ Majica Globalization
(Scheduled for release in H2 of FY2025)

✓ Enhancing visit motivation by converting visiting customers into members and improving satisfaction through a review function

➢ New Store Openings

✓ Expanding sales and capacity by opening 7-8 small satellite stores near flagship tax-free stores in busy districts by FY2027

positive cycle of shopping experiences and visit motivation

Shopping experiences only at Don Quijote

➢ Retail Store as a Tourist Attraction
Offering a unique in-store experience with dense displays, abundant POPs, and distinctive layouts and decorations for each store, making it a time-consuming yet enjoyable visit unlike any other retail store

➢ Continuous New Discoveries
From trendy items to exclusive products not found in other stores, and even intriguingly quirky items, customers can enjoy a treasure hunt experience, leading to impulsive purchases

➢ Unbeatable Prices
With competitive pricing, coupons, and spot sale items, customers feel they are getting incredible deals, even when buying in bulk

Visitors from All Over the World People from various countries and regions visit Don Quijote!

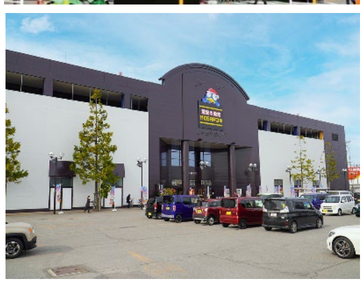
New Store Opening Strategy: Over 100 Stores by FY2027

- Developing diverse business formats that other companies cannot replicate has led to the creation of more profitable models. Additionally, opening stores in “rail side” areas has enabled approaches to new customer segments, expanding opportunities for store openings.
  - ✓ Improved gross profit margin through increased sales of PB/OEM and tax-free products, along with productivity improvements controlling SG&A expenses, has led to stores achieving a high-profit structure. In addition to high-profit new business formats, the acceleration of store openings across various formats has become possible.
  - ✓ By expanding the opening of rail-side and mall tenant types, the approach to new customer segments will be broadened. Furthermore, by adding inbound types, the opening of highly profitable formats will be strengthened to improve profitability.

- DS Store Formats & Potential for New Openings (A total of over 100 stores are planned by FY2027)

✓ Pure type
- Openings: 9-10/year
- Located in areas with a population of over 100K where young families are increasing and no stores currently exist

✓ New MEGA type
- Openings: 9-10/year
- Large stores over 800 *tsubo* (2645 ㎡), similar to Pure Type in concept



✓ Fresh food MEGA type
- Openings: 2/year
- Located in the eastern Japan area, with potential for expansion in the western area

✓ Inbound type
- Openings: 3-4/year
- Opening near existing tax-free flagship stores and local tourist spots

✓ Rail-side type
- Openings: 11-12/year
- Opening in areas along the commuting routes from stations in the Kanto and Kansai regions

✓ Mall tenant type
- Openings: 2-3/year
- Opening as tenants in large commercial facilities with high customer attraction

Customer Acquisition Strategy: FY2027 Target of 30 Million Majica Members

- Utilizing media and new app initiatives, the goal is to double the number of majica members to 15 million by FY2027, aiming for 50% membership among the youth population[1]

New Customer Acquisition

✓ TVCM Linked Initiatives

- Implement large-scale campaigns centered around TVCM to appeal to the younger generation who have not been interested in Don Quijote. The strategy includes approaching those who have never visited and encouraging visits from existing customers

✓ Student Discounts/Key Opinion Leaders (KOL) ド学割

- Propose necessary products for school events on a special section and offer student-only discounts to increase contact opportunities.
- Continuously provide opportunities to engage with Don Quijote through live product introductions by social media influencers who resonate with the younger generation, expanding their intention to visit the store

✓ Real Event Initiatives

- Host awards and festivals focused on categories that gather items for the younger generation to attract young fans.

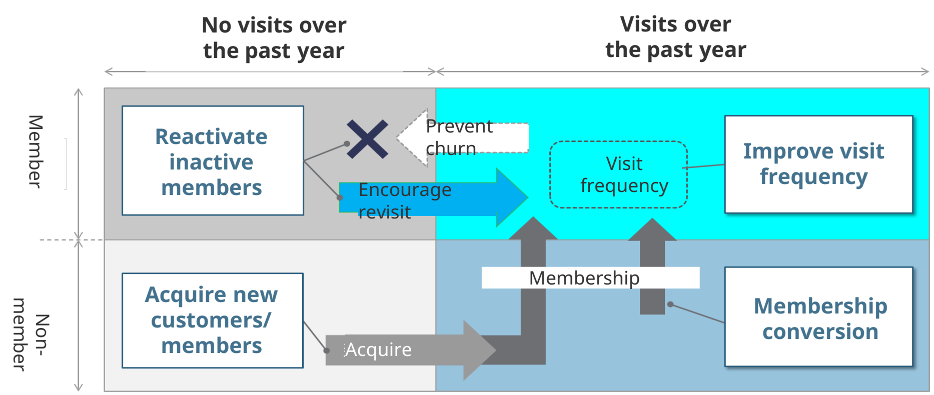
Increasing Visit Frequency of Existing Customers

✓ Promoting Visits

- By analyzing data from 15 million majica members, services and coupons will be provided based on the attributes of existing members to effectively increase the number of visits
- Implement a digital stamp card feature that rewards customers with gifts upon achieving game-like missions within the app to encourage frequent visits

✓ Preventing Customer Churn/Re-engaging Lapsed Customers with Marketing Automation (MA)[2]

- For customers whose visit frequency has declined or who have not visited for a certain period, strengthen touchpoints outside the app. Combine this with MA to approach them with incentives to revisit, aiming to bring back 1 million customers by FY2027



1. Ages 15-24. As of FY2024, 20.1% of the youth population are majica members
2. Marketing Automation

GMS Business Strategy: Entering a major reform phase for non-food items, alongside further growth in food!

- Food items continue to grow in both customer numbers and sales due to competitive pricing and high-quality ratings from customer surveys
- Non-food items have seen significant improvements in gross profit margins but sales remain flat, failing to attract new customers. Comprehensive improvements will be made to expand revenue.

  - Five non-food experts at DS have been appointed as leaders at UNY, with former top executive Mr. Sakakibara at the helm of the new system. Additionally, branch managers with proven track records at DS will lead store improvements, driving drastic transformation in the non-food sector with the full support of the group.
  - Under the new leadership, UNY will change. Initial results will be demonstrated at 23 key stores and then shared with other stores.

Food items	Pricing	Sales floor (stores)	Non-food (items)	Positive cycle (Compound interest)
<Fresh Produce> ✓ Strengthen procurement and leverage long-standing achievements in production areas to enhance freshness, quality, and originality <Prepared Foods> ✓ Intensify collaboration with Kanemi Food to develop new menu items	<Competitive Strategy> ✓ Continue price competition for NB products, focusing on food and consumable goods that performed well in FY2024, to attract more customers	<Communication> ✓ Implement “something new” through focused single-item sales and spot procurement <Speed> ✓ Apply the same pace of change and improvement to products as in the DS business	<Products/Categories> ✓ Leverage group procurement capabilities to add new categories and differentiate from competitors to attract new customers.	<Return and Circulation> ✓ Enhance competitiveness using improved profitability from strengthening non-food items

GMS commits to a midterm plan to increase operating profit +10 billion yen by FY2030

North America Business Strategy: Growth and profit contribution through business expansion via new store openings

Tokyo Central has become a stable revenue model, paving the way for multi-store expansion

✓ **Marukai CA**

- 1. Product lineup tailored to customer preferences; 2. Revision of pricing strategy; 3. Strengthening the production of high-profit items like sushi and deli at the central kitchen. These efforts have led all 10 same stores to achieve an average operating profit margin of over 13%.
- New store openings are planned for FY2025 after a six-year hiatus, with more than four stores per year planned from FY2026 onwards.

✓ **Hawaii**

- Growth has been advanced by converting to the Tokyo Central format and strengthening high-gross-margin items like sushi and deli to meet the shift towards home dining due to inflation
- The opening of the first large store since entering Hawaii in 2006 marks a milestone for growth

✓ **Gelson's**

- To adapt to changes, the following actions will be taken: 1. Significant impairment will be implemented; 2. The management system will be revamped
- Under the new system, the brand image will be maintained while enhancing MD changes, pricing, and promotions to ensure profitability
- By actively promoting the quality of products and excellent customer service, new customers will be attracted, and former ones will be regained
- Efficiency will be improved through the integration of headquarters functions and shared services over a four-year plan.

✓ **Sushi Restaurants**

- Two stores opened in California and Guam. Using retail expertise to create locally tailored menus has been well-received, offering profit opportunities in North America. Plans include combined retail and dining establishments

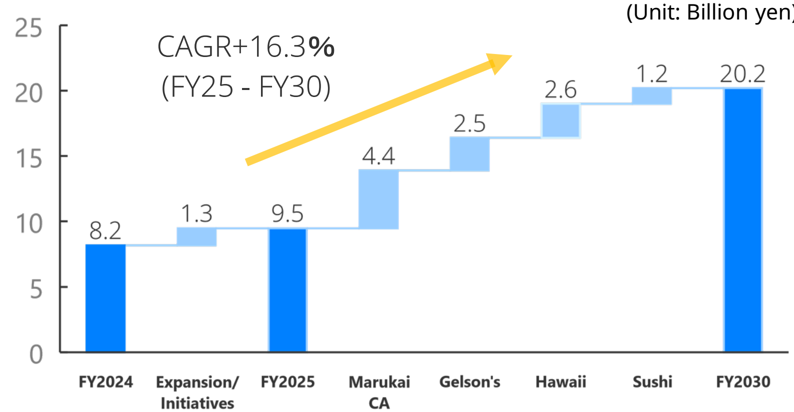
▶ Target figures for FY2030

(Unit: Billion yen)

	FY2024	FY2025	FY2030
Sales	247.4	247.0 (-0.3)	420.0 (+172.6)
Operating profit	8.2	9.5 (+1.3)	20.2 (+12.0)
Operating profit margin	3.3%	3.8% (+0.5pt)	4.8% (+1.5pt)
EBITDA	11.7	14.2 (+2.5)	30.0 (+18.3)
EBITDA margin	4.7%	5.7% (+1.0pt)	7.1.% (+2.4pt)

▶ Sales growth image through growth strategies

(Unit: Billion yen)



Note: Calculated based on figures before goodwill amortization. After goodwill amortization, FY24 is 4.6 billion yen, FY25 is 6.0 billion yen, and FY30 is 16.7 billion yen.

Asia Business Strategy: Recovering from the Worst Period

- Multiple stores generating stable revenue have been created, and the direction for unprofitable stores has been solidified

✓ Profitability improvement is on track

- Stores with an appropriate area (around 350 *tsubo* (1157㎡)) and an operating profit margin exceeding 10% are emerging
- Due to the implementation of impairment measures, 15 out of the 45 stores, which were previously unprofitable, have turned profitable
- The average operating profit margin of profitable stores is over 8%, showing an improving trend in profitability. Including stores that will turn profitable in FY2025, 40 stores will maintain an operating profit margin of over 8%.

✓ Acceleration of MD Cycle and Reduction of Operating Costs

- To break away from monotonous MD, the MD cycle will be accelerated to a monthly basis. The “something new” cultivated in the DS business will be integrated to strengthen MD strategy
- Operating costs will be improved by utilizing shared services in regions with low labor costs and consolidating global headquarters functions to reduce headquarters expenses
- Efficient small and medium-sized store openings will be pursued in the future

✓ Operating Profit to Exceed 5 Billion Yen by FY2030

- Specific growth strategies toward FY2030 will be explained in the interim financial results announcement

Target figures for FY2030

(Unit: Billion yen)

	FY2024	FY2025	FY2030
Sales	85.2	88.0 (+2.8)	
Operating profit	0.3	1.6 (+1.3)	5.3 (+5.0)
Operating profit margin	0.4%	1.8% (+1.4pt)	
Profitable Stores	30 stores	40 stores	
Unprofitable Stores	15 stores	4 stores	

Note: The figures in the parentheses are compared to FY2024

Revenue Model for Small and Medium-Sized Stores

	Store	Features
Floor space	Approx. 350 *tsubo* (1157㎡)	Appropriate size for generating profit
Annual sales	Around 1.4 billion yen	Sales based on the drawing power of the location
Gross profit	Around 37%	Product lineup with high gross profit margins centered around fresh produce
SG&A	Around 27%	Staffing based on area and MD, Land rent, rental fees, and investment amount
Investment amount	Less than 0.4 billion yen	Prudent investment cap that can generate profit

Appendix

Financial Results for Q4

【Period: April 1, 2024 – June 30, 2024】

(Unit: Billion yen)

	Previous Q4 Results		Current Q4 Results			
	Amount	Ratio	Amount	Ratio	Change	YoY
Net sales	**479.6**	**100.0%**	**527.7**	**100.0%**	**+48.1**	**10.0%**
Gross profit	149.9	31.3%	169.2	32.1%	+19.3	12.9%
SG&A	126.4	26.3%	139.3	26.4%	+12.9	10.2%
Operating profit	**23.5**	**4.9%**	**29.9**	**5.7%**	**+6.4**	**27.1%**
Ordinary profit	**30.3**	**6.3%**	**35.1**	**6.7%**	**+4.8**	**15.9%**
Net income	**14.7**	**3.1%**	**16.6**	**3.1%**	**+1.9**	**13.2%**

Q4 results by business segment

【Period : April 1, 2024 - June 30, 2024】

(Unit : Billion yen)

	DS			GMS			Asia			North America			Others / Adjustments		
	4Q FY2023	4Q FY2024	Change	4Q FY2023	4Q FY2024	Change	4Q FY2023	4Q FY2024	Change	4Q FY2023	4Q FY2024	Change	4Q FY2023	4Q FY2024	Change
Net sales	299.6	333.9	34.4	110.6	112.2	1.6	20.4	23.6	3.1	56.0	62.5	6.5	(7.0)	(4.5)	2.6
Gross profit	79.7	92.5	12.8	39.0	39.5	0.4	7.5	8.6	1.1	21.6	23.6	2.0	2.0	5.0	3.0
Gross profit margin	26.6%	27.7%	1.1pt	35.3%	35.2%	(0.1pt)	36.5%	36.4%	(0.1pt)	38.7%	37.8%	(0.9pt)	-	-	-
SG&A	66.5	72.2	5.7	31.6	32.4	0.8	7.7	8.6	0.9	19.6	23.4	3.8	0.9	2.7	1.8
Operating profit	13.2	20.4	7.1	7.4	7.1	(0.4)	(0.2)	(0.1)	0.1	2.0	0.2	(1.8)	1.1	2.4	1.3
Operating profit margin	4.4%	6.1%	1.7pt	6.7%	6.3%	(0.4pt)	(1.0%)	(0.2%)	0.8pt	3.6%	0.3%	(3.2pt)	-	-	-

【Period : July 1, 2023 - June 30, 2024】

(Unit : Billion yen)

	DS			GMS			Asia			North America			Others / Adjustments		
	4Q FY2023 (Cum.)	4Q FY2024 (Cum.)	Change	4Q FY2023 (Cum.)	4Q FY2024 (Cum.)	Change	4Q FY2023 (Cum.)	4Q FY2024 (Cum.)	Change	4Q FY2023 (Cum.)	4Q FY2024 (Cum.)	Change	4Q FY2023 (Cum.)	4Q FY2024 (Cum.)	Change
Net sales	1177.5	1318.6	141.1	461.9	462.4	0.5	82.5	85.2	2.8	233.4	247.4	14.0	(18.4)	(18.5)	(0.1)
Gross profit	311.0	360.2	49.2	158.9	161.0	2.2	30.3	31.6	1.3	87.2	92.5	5.3	13.0	17.5	4.6
Gross profit margin	26.4%	27.3%	0.9pt	34.4%	34.8%	0.4pt	36.8%	37.1%	0.3pt	37.4%	37.4%	0.0pt	-	-	-
SG&A	255.4	274.2	18.8	130.8	126.8	(4.0)	28.7	31.3	2.6	78.9	87.9	9.0	1.3	2.4	1.2
Operating profit	55.6	86.0	30.4	28.1	34.2	6.2	1.6	0.3	(1.3)	8.2	4.6	(3.7)	11.7	15.0	3.3
Operating profit margin	4.7%	6.5%	1.8pt	6.1%	7.4%	1.3pt	2.0%	0.4%	(1.6pt)	3.5%	1.9%	(1.7pt)	-	-	-

1. Figures for North America are the simple aggregate of DQ USA, MARUKAI, QSI and Gelson's. Results are for the period from April 2023 to March 2024, while Gelson's is from July 2023 to June 2024.
2. Figures for Asia are the simple aggregate of PPRM (SG), PPRM (HK), DONKI Thailand, PPRM(TW), PPRM (MY), and Macau PRRM (MO). Results are cumulative for the period from April 2023 to March 2024.
3. Gelson's operating income is calculated after deducting amortization of goodwill (Q4 FY2024: 1 billion yen; Q4 FY2023: 0.9 billion yen; FY2024 (cum.): 3.7 billion yen; FY2023 (cum.): 3.4 billion yen).

Overview of Q4 results by business on a consolidated basis

【Period: July 1, 2023 – June 30, 2024】

(Unit: Billion yen)

	Q4 FY2023 (Cum.)		Q4 FY2024 (Cum.)		
	Amount	Ratio	Amount	Ratio	YoY
Domestic DS	**1133.3**	**58.5%**	**1275.1**	**60.9%**	**12.5%**
Home electrical appliances	82.4	4.3%	90.2	4.3%	9.4%
Miscellaneous household goods	300.8	15.5%	345.4	16.5%	14.8%
Food products	520.5	26.9%	569.1	27.2%	9.3%
Watches and fashion merchandise	150.2	7.8%	168.4	8.0%	12.2%
Sporting goods and leisure goods	62.6	3.2%	81.1	3.9%	29.6%
Other	16.8	0.9%	20.9	1.0%	24.5%
Domestic GMS	**417.7**	**21.6%**	**411.2**	**19.6%**	**(1.6%)**
Clothing	48.7	2.5%	44.5	2.1%	(8.7%)
Household goods	74.3	3.8%	65.1	3.1%	(12.3%)
Foods	292.4	15.1%	301.4	14.4%	3.1%
Other	2.3	0.1%	0.2	0.0%	(91.5%)
Overseas	**313.6**	**16.2%**	**329.6**	**15.7%**	**5.1%**
North America	231.5	12.0%	244.7	11.7%	5.7%
Asia	82.0	4.2%	85.0	4.1%	3.6%
Other[1]	**72.3**	**3.7%**	**79.2**	**3.8%**	**9.5%**
Total	**1936.8**	**100.0%**	**2095.1**	**100.0%**	**8.2%**

1. Includes tenant leasing business and credit card business.

Breakdown of SG&A expenses

【Period：April 1, 2024 – June 30, 2024】

(Unit : Billion yen)

	Q4 FY2023		Q4 FY2024		
	Amount	Ratio	Amount	Ratio	YoY
SG&A	126.4	26.3%	139.3	26.4%	10.2%
Salaries and allowances	47.1	9.8%	49.6	9.4%	5.3%
Rent	15.1	3.2%	15.9	3.0%	5.3%
Commission paid	14.4	3.0%	17.9	3.4%	23.9%
Depreciation	8.9	1.9%	10.1	1.9%	12.7%
Utility	7.7	1.6%	7.2	1.4%	(5.6%)
Other	33.1	6.9%	38.6	7.3%	16.6%

【Period：July 1, 2023 – June 30, 2024】

(Unit : Billion yen)

	Q4 F023 (Cum.)		Q4 FY2024 (Cum.)		
	Amount	Ratio	Amount	Ratio	YoY
SG&A	495.1	25.6%	522.7	24.9%	5.6%
Salaries and allowances	185.5	9.6%	194.4	9.3%	4.8%
Rent	59.5	3.1%	62.3	3.0%	4.7%
Commission paid	61.5	3.2%	64.6	3.1%	5.0%
Depreciation	34.4	1.8%	37.8	1.8%	10.0%
Utility	33.5	1.7%	29.1	1.4%	(13.1%)
Other	120.9	6.2%	134.6	6.4%	11.3%

FY2024 New store openings

Business	Format	1Q			2Q			3Q			4Q			Full-year Forecast
		Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	
Discount Store	DQ		Takamatsu Marugame -Machi (Kagawa)			Tsuruga-shima (Saitama) Keikyu Kamata (Tokyo)	Imizu (Toyama) Hikone (Shiga)			Narimasu (Tokyo) GaLaTown Aomori (Aomori)	Kaizuka (Osaka) Uguisudani (Tokyo) Kagoshima Chuo Ichibangai (Kagoshima)	Uenoshiba (Osaka) Tsubame (Niigata) Shin-Shizuoka Ekimae (Shizuoka) Ota (Gunma) Yonago (Tottori)	Neyagawa (Osaka) Oita Chuomachi (Oita) Azumino Interchange (Nagano) Mutsu (Aomori)	**New store openings: 24 stores**
	Small		Shibuya Dogenzaka-dori (Tokyo)	DOMISE Ario Yao (Osaka)			Kirakira Donki Tanuki Koji (Hokkaido)				Kirakira Donki Yokohama World Porters (Kanagawa)		Kira Kira Donki Hakata Marui (Fukuoka)	
Overseas[1]	Asia		CITY LINK Nangang (Taiwan)		Fashion Island (Thailand)	Taichung Tiger city (Taiwan) The Mall Lifestore Bangkapi (Thailand)	Tiong Bahru Plaza (Singapore) KaoHsiung Talee (Taiwan)	Mid Valley Megamall (Malaysia)	Studio City (Macau)				NU Sentral (Malaysia)	**New store openings: 12 stores[2]**
	North America					Gelson's West LA (California)					Village of Donki (Guam)			

1. Overseas stores are indicated in opening months.
2. Except for Gelson's, the period is from April 2023 to March 2024. For Gelson's, the period is from July 2023 to June 2024.

Store network

Number of Domestic Retail Stores

	FY2022	FY2023	FY2024 1Q	FY2024 2Q	FY2024 3Q	FY2024 4Q
Discount Store	**468**	**486**	**485**	**488**	**488**	**501**
Don Quijote	237	250	250	253	252	262
MEGA Don Quijote[1]	140	140	140	140	142	143
(MEGA) Don Quijote UNY	59	63	63	63	62	62
Small Format[2]	32	33	32	32	32	34
GMS[3]	**136**	**131**	**131**	**131**	**131**	**131**
Domestic total	**604**	**617**	**616**	**619**	**619**	**632**

Don Quijote Uguisudani (Tokyo)

Don Quijote Azumino Interchange (Nagano)

Number of Overseas Stores

	FY2022	FY2023	FY2024 1Q	FY2024 2Q	FY2024 3Q	FY2024 4Q
North America	**65**	**65**	**65**	**66**	**65**	**65**
California	37	37	37	38	37	37
Hawaii	28	28	28	28	28	28
Asia	**30**	**36**	**38**	**38**	**43**	**45**
Singapore	12	15	16	15	16	16
Hong Kong	9	9	10	10	10	10
Thailand	4	6	6	6	8	8
Taiwan	2	2	2	3	5	5
Malaysia	2	3	3	3	3	4
Macau	1	1	1	1	1	2
Overseas total[4]	**95**	**101**	**103**	**104**	**108**	**110**
Total[5]	**699**	**718**	**719**	**723**	**727**	**742**

1. Includes NEW MEGA.
2. Includes Picasso, Essence, Kyoyasudo, Domise, Ekidonki, Soradonki, Jonetz Shokunin, and Nagasakiya.
3. Includes Apita/Piago, U-STORE, PiagoPower, and Power Super Piago etc.
4. From this fiscal year, "Sen Sen Sushi" in Thailand and Hong Kong are excluded from the store count.
5. As the fiscal year ends in March for overseas companies except Gelson's (ends in June), the number of stores for each quarter is adjusted for the applicable fiscal year.

IR Information

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IR Calendar

Announcement of Q1 earnings for the fiscal year ending June 2025 (scheduled)

Date of announcement: Monday, November 11, 2024
Venue: TBI

Cautionary Statement Regarding Forward-Looking Statements

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