Financial Results Briefing
For the First Six Months of the Fiscal Year Ending February 28, 2026

LIFE CORPORATION
October 8, 2025

Key points for FY2025 First Half (H1) earnings

1 Operating revenue: ¥440.1 billion

- Record-high for a half-year period

2 Gross profit ratio: +0.4P

- Progress as planned

3 Ordinary profit: ¥13.8 billion

- Increase due to rise in gross profit ratio and SG&A control

1. Earnings overview for H1
2. H1 initiatives
3. Toward the achievement of what we want to be in FY2030
4. Full-year forecast for FY2025 and shareholder returns

1. Earnings overview for H1

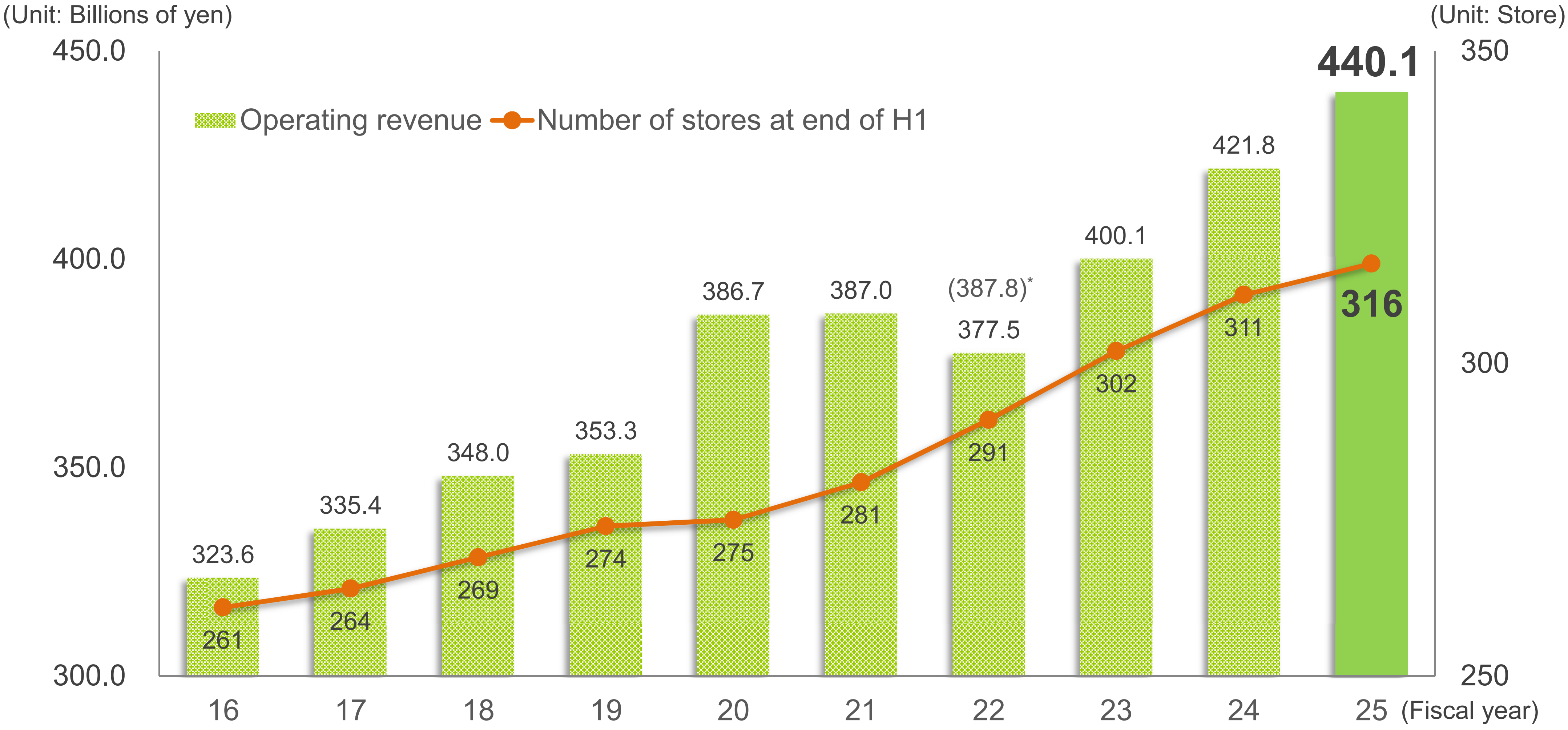
Consolidated performance overview (H1)

(Unit: Millions of yen, %)

	FY2024 H1	FY2025 H1	Amount of change	Rate of change	Ratio to net sales
Operating revenue	421,885	**440,114**	+18,228	+4.3	-
Net sales	406,199	**423,805**	+17,606	+4.3	-
Gross profit	124,588	**131,814**	+7,225	+5.8	31.1
SG&A	128,043	**134,819**	+6,775	+5.3	31.8
Operating profit	12,232	**13,303**	+1,070	+8.8	3.1
Ordinary profit	12,706	**13,858**	+1,152	+9.1	3.3
Profit	8,914	**9,327**	+413	+4.6	2.2

Operating revenue trends (H1)

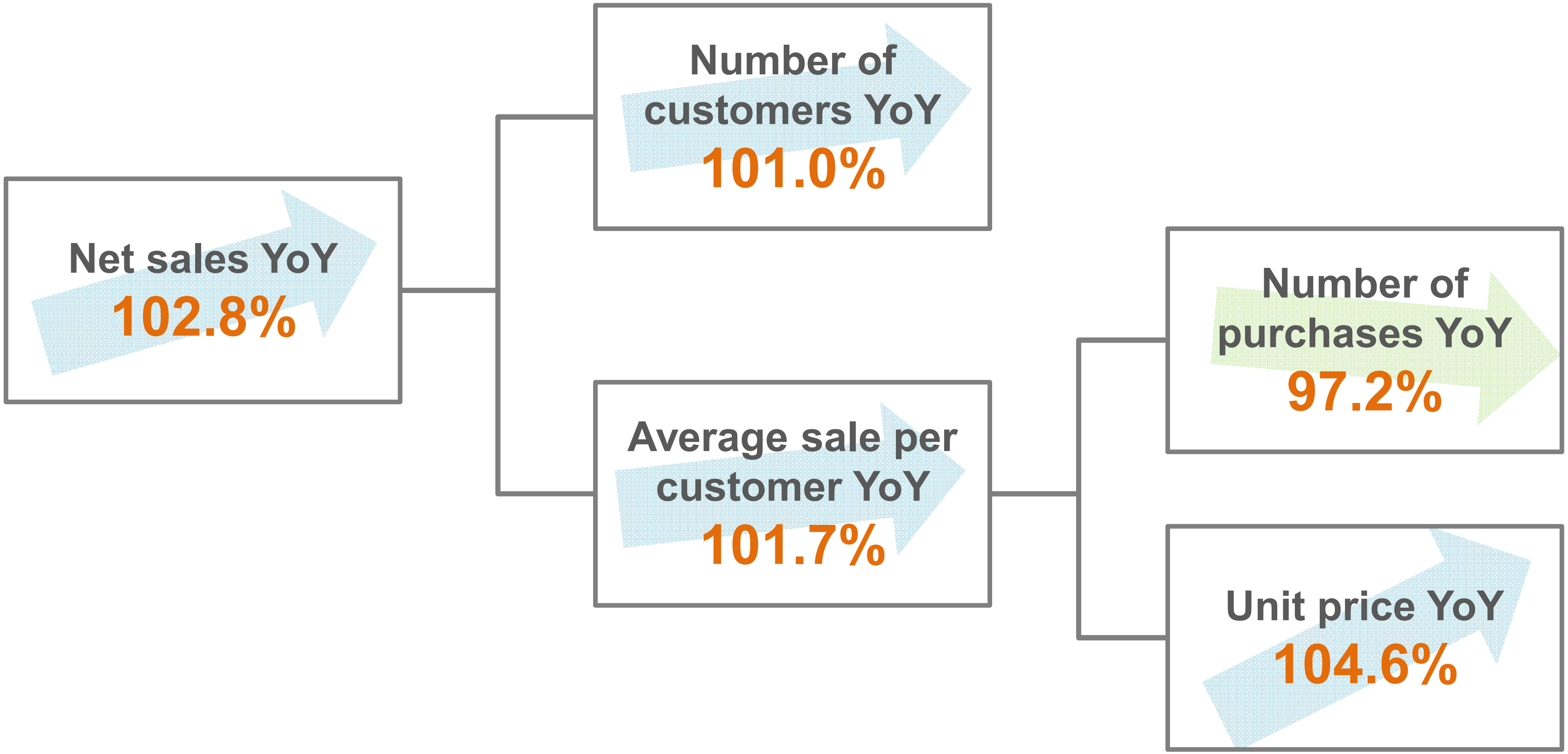
- Operating revenue for a half-year period **reached a record high of ¥440.1 billion**
- Contribution from new stores and growth of existing stores (102.8% YoY) between FY2024 and FY2025



* Application of “Accounting Standard for Revenue Recognition” from FY2022 (operating revenue before application: ¥387.8 billion)

Sales-related indicators for existing stores (H1)

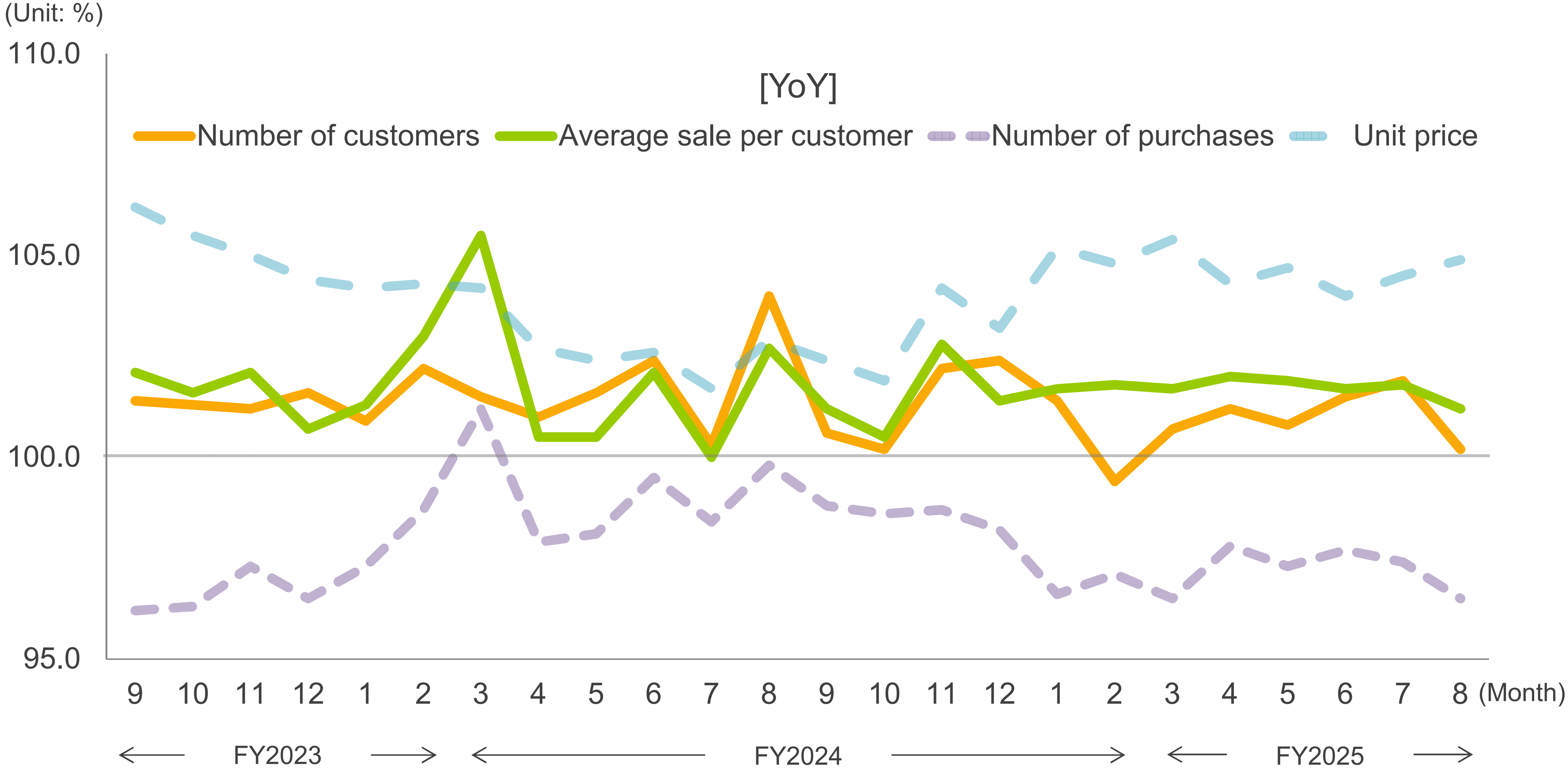
- Increase in sales at existing stores **mainly due to a rise in unit prices and number of customers**
- Declining trend in number of purchases, partly due to rising price of rice, etc.



(Reference) Trends in sales-related indicators for existing stores

(before application of Accounting Standard for Revenue Recognition)

- Excluding February 2025, which was impacted by the leap year, **the YoY ratio of the number of customers has exceeded 100% for 23 continuous months**
- Unit prices have remained high since FY2024



Net sales by department (H1)

- Strong performance with seasonal products due to prolonged periods of hot weather
- Strengthen lineup of unique products while ensuring a balance between quality and price from the customer's perspective

Net sales (Unit: Millions of yen, %)

Department		FY2024 H1		FY2025 H1		
		All stores YoY		All stores YoY	Existing stores YoY	Sales composition
Food	360,083	105.8	**378,084**	**105.0**	**103.3**	**89.2**
Agricultural Produce	53,358	107.8	**54,361**	**101.9**	**100.3**	**12.8**
Marine Products	31,117	104.9	**32,201**	**103.5**	**101.9**	**7.6**
Meat Products	44,356	104.6	**46,534**	**104.9**	**103.2**	**11.0**
Delicatessen	47,953	105.8	**51,569**	**107.5**	**105.4**	**12.2**
Process and Daily	183,296	105.6	**193,417**	**105.5**	**103.9**	**45.6**
Non-food	46,115	101.9	**45,721**	**99.1**	**98.5**	**10.8**
Lifestyle Products	34,652	103.3	**34,440**	**99.4**	**98.5**	**8.1**
Apparel	11,463	97.7	**11,280**	**98.4**	**98.4**	**2.7**
Total	**406,199**	**105.3**	**423,805**	**104.3**	**102.8**	**100.0**

Gross profit ratio by department in H1

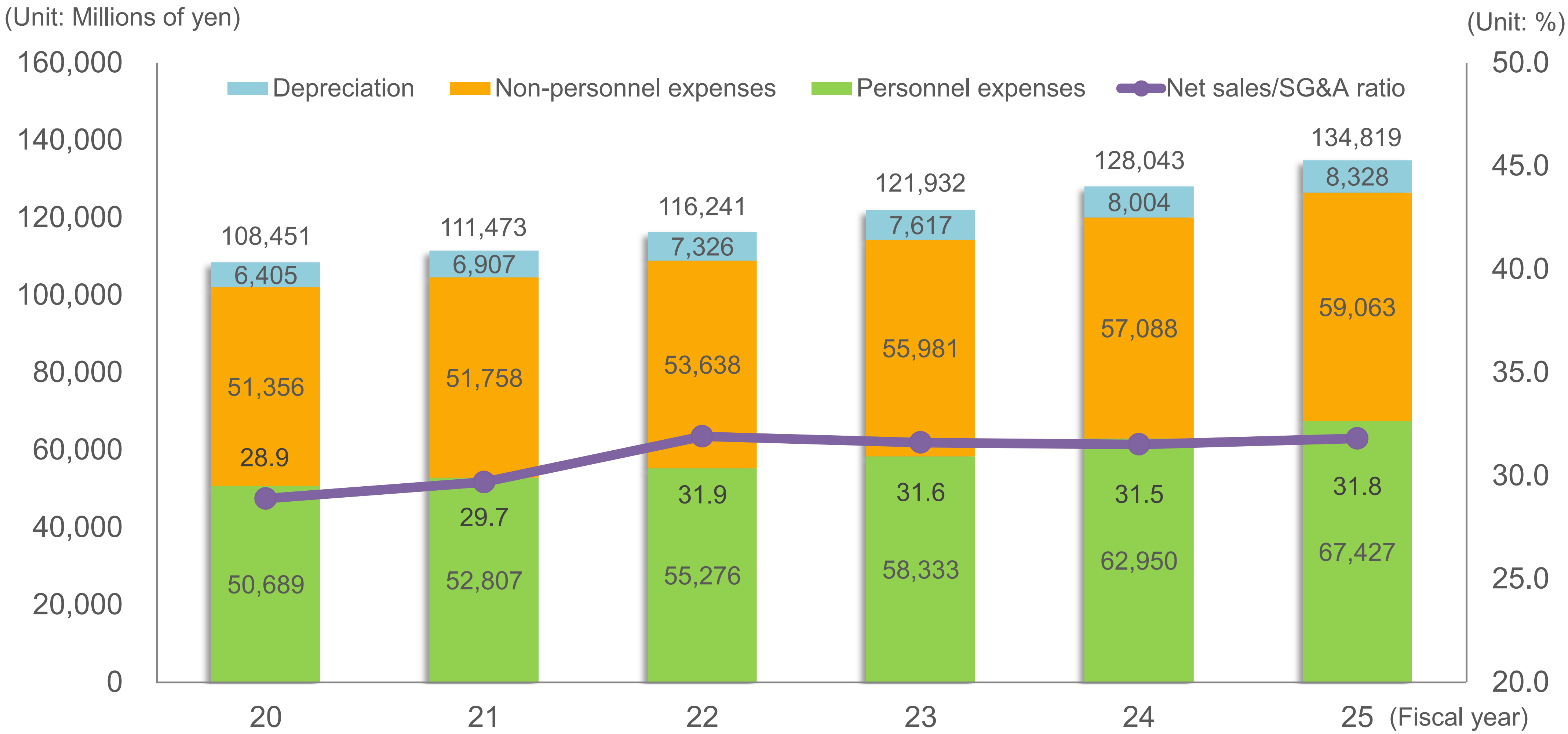
- Gross profit ratio in H1 grew as planned due to uniform efforts across the company
- Aim for +0.2 P to 0.3 P YoY increase over full-year target while balancing quality and price

Gross profit ratio for FY2025 H1 (Unit: %, P)

Department		1Q		2Q		H1	
		Gross profit ratio	Change YoY	Gross profit ratio	Change YoY	Gross profit ratio	Change YoY
Food		31.4	+0.4	31.2	+0.5	31.3	+0.5
	Agricultural Produce	29.8	+0.8	29.3	+0.3	29.6	+0.5
	Marine Products	32.9	+0.6	34.0	+0.3	33.4	+0.5
	Meat Products	28.5	+0.8	28.8	+0.7	28.6	+0.8
	Delicatessen	54.6	(0.4)	54.6	+0.4	54.6	±0.0
	Process and Daily	26.1	+0.3	25.6	+0.4	25.8	+0.4
Non-food		30.4	+0.7	28.8	(0.5)	29.6	+0.1
	Lifestyle Products	27.3	+0.8	25.3	(0.8)	26.3	±0.0
	Apparel	40.1	+0.7	39.1	+0.2	39.6	+0.4
Total		**31.3**	**+0.5**	**30.9**	**+0.4**	**31.1**	**+0.4**

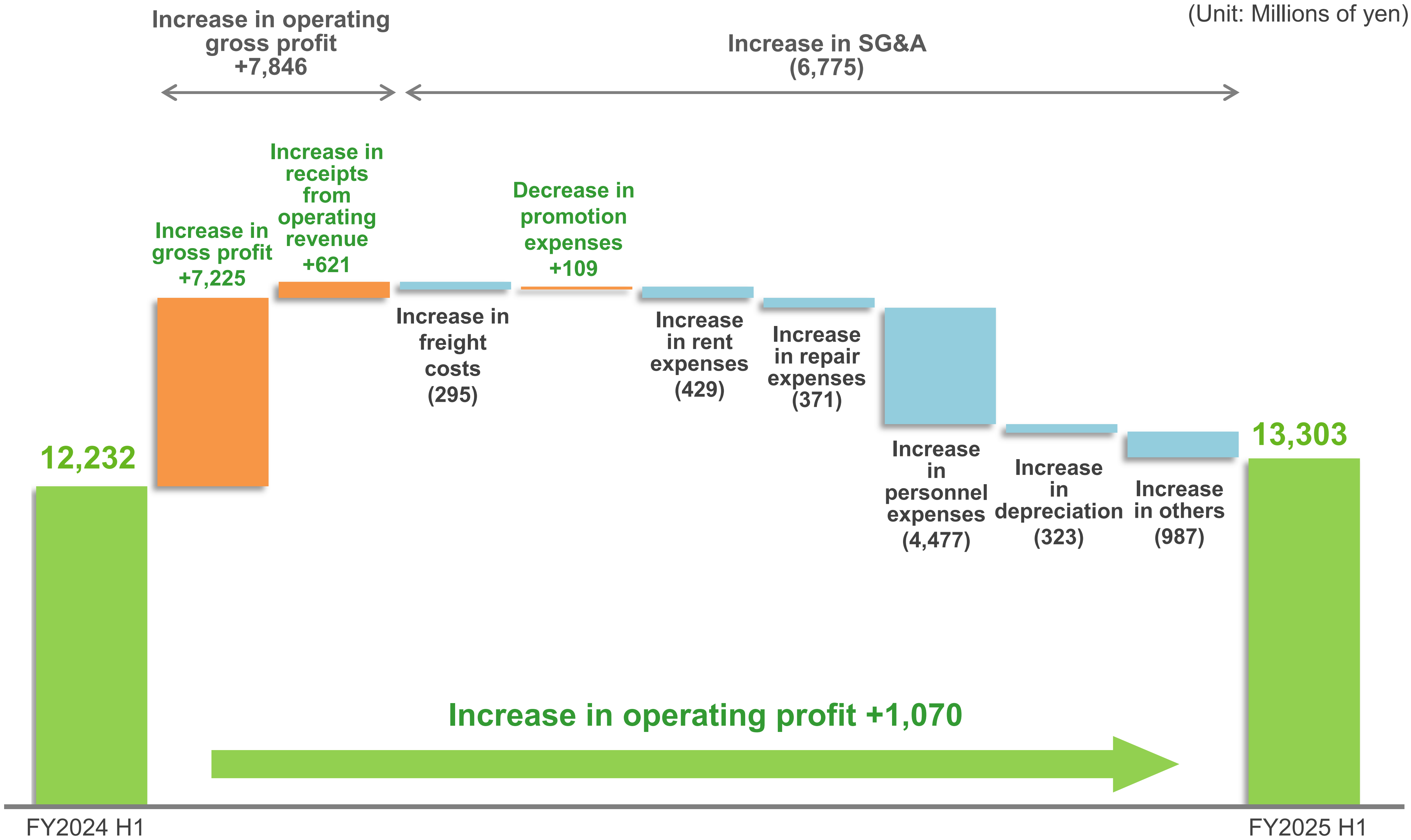
SG&A (H1)

- **Progress as planned** despite increase in personnel expenses caused by proactive pay rises
- Although procurement costs increased due to inflation, **non-personnel expenses remained below plan** through cost control measures



Factors of changes in operating profit (H1)

(Unit: Millions of yen)



Consolidated balance sheet

(Unit: Millions of yen)

	End-February, 2025	End-August, 2025	Amount of change
Total current assets	96,348	**128,495**	+32,146
Cash and deposits	8,366	**36,158**	+27,792
Inventories	30,355	**29,946**	(409)
Accounts receivable - trade	18,577	**24,323**	+5,746
Accounts receivable - other	34,427	**33,878**	(548)
Other	4,621	**4,187**	(433)
Total non-current assets	209,678	**210,886**	+1,207
Property, plant and equipment	161,351	**159,351**	(1,999)
Intangible assets	5,851	**5,228**	(623)
Investments and other assets	42,476	**46,306**	+3,830
Total assets	**306,027**	**339,381**	**+33,354**
Total liabilities	167,592	**194,700**	+27,107
Interest-bearing liabilities	71,062	**37,422**	(33,640)
Total net assets	138,435	**144,681**	+6,246
Total liabilities and net assets	**306,027**	**339,381**	**+33,354**

Consolidated cash flows

(Unit: Millions of yen)

	FY2024 H1	FY2025 H1	Amount of change
Cash flows from operating activities	56,447	**70,402**	+13,955
Cash flows from investing activities	(10,347)	**(5,929)**	+4,418
Cash flows from financing activities	(25,733)	**(36,681)**	(10,948)
Cash and cash equivalents at end of period	28,573	**36,158**	+7,585

2. H1 initiatives

Investment in stores (new stores)

- 4 new stores were opened as planned in H1 (1 LIFE store and 3 BIO-RAL stores)
- Continue to proactively open new BIO-RAL stores in line with large number of invitations

Accumulation of know-how on dedicated stores

BIO-RAL Santica Store

- Strengthening of delicatessen products that highlight ingredients

Try low-cost store opening

BIO-RAL "Keio Department Store Shinjuku" Store

- Specialization in product supply and sales floor management

Opened in March and turned profit in H1

Acceleration of opening of BIO-RAL dedicated stores

Strengthening of BIO-RAL brand

Investment in stores (renovation of existing stores)

- Existing store renovations were performed as planned (H1: 3 stores)
- Planned renovation of 6 stores in H2

H1

(April) Neyagawa Store

(June) Oyata Store

(June) Maenocho Store

H2

(September)
Matsudo Nijusseikigaoka Store

(October)
Coconeri Nerima Ekimae Store

Planned for 4 other stores

Breaking away from homogeneous competition (unique products enhancement)

- In line with customer needs, **launched BIO-RAL's first clothing products** using organic cotton
- Sales significantly exceeded plan due to support from customers in agreement with the BIO-RAL concept

Breaking away from homogeneous competition (unique products enhancement)

■ Connections with customers through social media

1 Rice plate with black maitake mushrooms and porcini sauce

Decision made to resale product in line with high demand from social media

2 Chunky sweet potato Danish

1st customer participation project

■ Results from FY2025 H1

* Due to product category changes, figures for FY2024 H1 have been revised so that they can be compared for the same categories as FY2025 H1

Private brand name	Net sales (Millions of yen)	YoY (%)*	Sales composition (%)	Number of items
Smile Life	26,005	100.3	6.1	870
LIFE PREMIUM	3,593	94.4	0.8	176
BIO-RAL	5,412	121.4	1.3	557
star select	5,807	94.4	1.4	215
Total	40,818	101.2	9.6	1,818

Contribution towards the realization of a sustainable and flourishing society

- Promotion of reuse and recycling through clothing collections at 153 stores
- All proceeds allocated to support children’s cafeterias and other projects

Expansion of in-store clothing collection → **Support for children’s cafeterias and other projects via the Councils of Social Welfare**

Amount of clothing collected

Total: Approx. 61.4 t

Donation of products purchased with proceeds from clothing collection

Contribution towards the realization of a sustainable and flourishing society

Obtained MEL certification

Obtained MEL certification for seafood products caught or farmed using environmentally friendly methods considerate of fishery resources and ecosystems

Ise Kuroshio red sea bream (farmed)	Coho salmon from Miyagi/Iwate (farmed)

Yellowtail (farmed)	Fresh wakame seaweed from Iwate	Red sea bream (farmed)

Contributing towards the realization of a sustainable and flourishing society and supporting producers through sales of MEL-certified products

Expo 2025 Osaka, Kansai LOHAS Festa EXPO 2025

BIO-RAL set up a stand at the LOHAS Festa at Expo 2025 Osaka, Kansai

Supporting lifestyles that value psychological and physical health, a sustainable society, the global environment, and fulfilling lives

Kaizen activities

- Examples of headquarters-led Kaizen activities to reduce non-personnel expenses

Promotion of direct employment of food process center employees	In-house facility management system	Optimization of sales promotion expenses
Qualitative information	**Qualitative information**	**Qualitative information**
• Accumulation of production know-how • Reinforcement of initiatives for **safety and security** • Improvement of productivity and yield	• Accumulation of know-how on facility management • **Improvement in store satisfaction** • Optimization of costs	• Review of leaflet distribution areas and numbers • Transition to digital leaflets • Use of customer apps
Expected effect	**Expected effect in FY2025**	**Effect**
Total amount of personnel expenses and internal work expenses* at food process centers **¥(0.8) billion/year** [Compared with FY2022]	Repair expenses and outsourcing fees, etc. **¥(0.55) billion/year** [Compared with FY2024]	Sales promotion expenses (leaflet-related expenses, etc.) **¥(0.1) billion/H1** [Compared with FY2024 H1]

*: Outsourcing expenses related to center operations, etc.

Productivity improvement efforts

- **Actively engaging in ongoing investment** aimed at improving productivity, primarily focusing on stores

Expanded use of electronic shelf labels	Expanded installation of full self-checkout registers*	Increase in use of AI-based ordering
Installation progress	**Installation progress**	**Introduction progress**
Tokyo Region: All stores Osaka Region: **142 stores** (**+39 stores** in H1) **Scheduled to complete installation at all stores during FY2025**	Tokyo Region: **95 stores** (**+19 stores** in H1) Osaka Region: **88 stores** (**+23 stores** in H1)	FY2020: Introduction at **food departments** FY2024: Introduction at **3 fresh food departments***2
Expected effect post all-store installation	**Expected effect post installation in FY2025**	**Expected effect**
Companywide working hours **(920,000) hours/year**	Companywide working hours **(880,000) hours/year**	Companywide working hours Food departments: **(200,000) hours/year** 3 fresh food departments: **(69,000) hours/year**

*: Checkout registers where customers handle product scanning and payment entirely on their own

*2: Agricultural Produce Department, Marine Products Department, Meat Products Department

3. Toward the achievement of what we want to be in FY2030

What we want to be in FY2030

Qualitative target

Become a company that everyone says,

"It's my supermarket,"

as a community-based supermarket

Quantitative targets (excerpt)

Net sales	¥1 trillion	Ordinary profit	¥35.0 billion	Profit	¥22.0 billion
CO_2 emissions	50% reduction (compared with FY2013)	Employee satisfaction	4.0 (5.0 maximum)	Ratio of female managers	20%

FY2030 targets for BIO-RAL Business

Quantitative targets

Net sales

¥40.0 billion

¥13.5 billion

Number of BIO-RAL stores

50 stores

12 stores

Number of PB product items

1,000 items

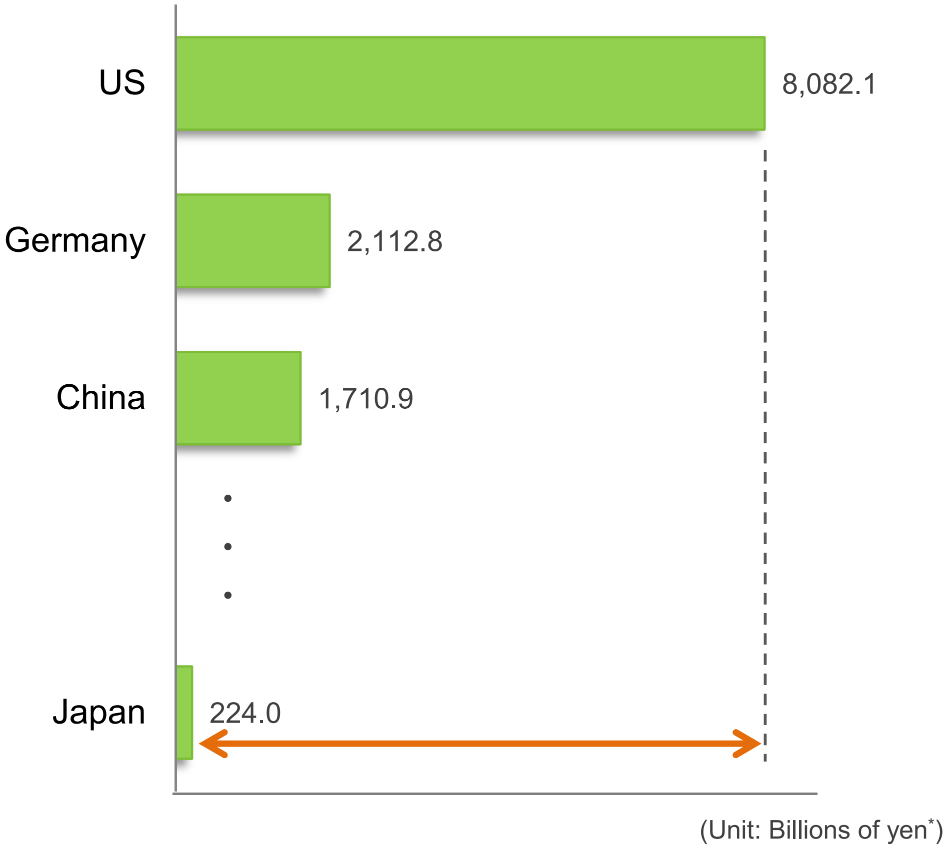
More than 500 items

- Enhancing product capabilities
- Developing human resources
- Expanding network of stores
- Branding

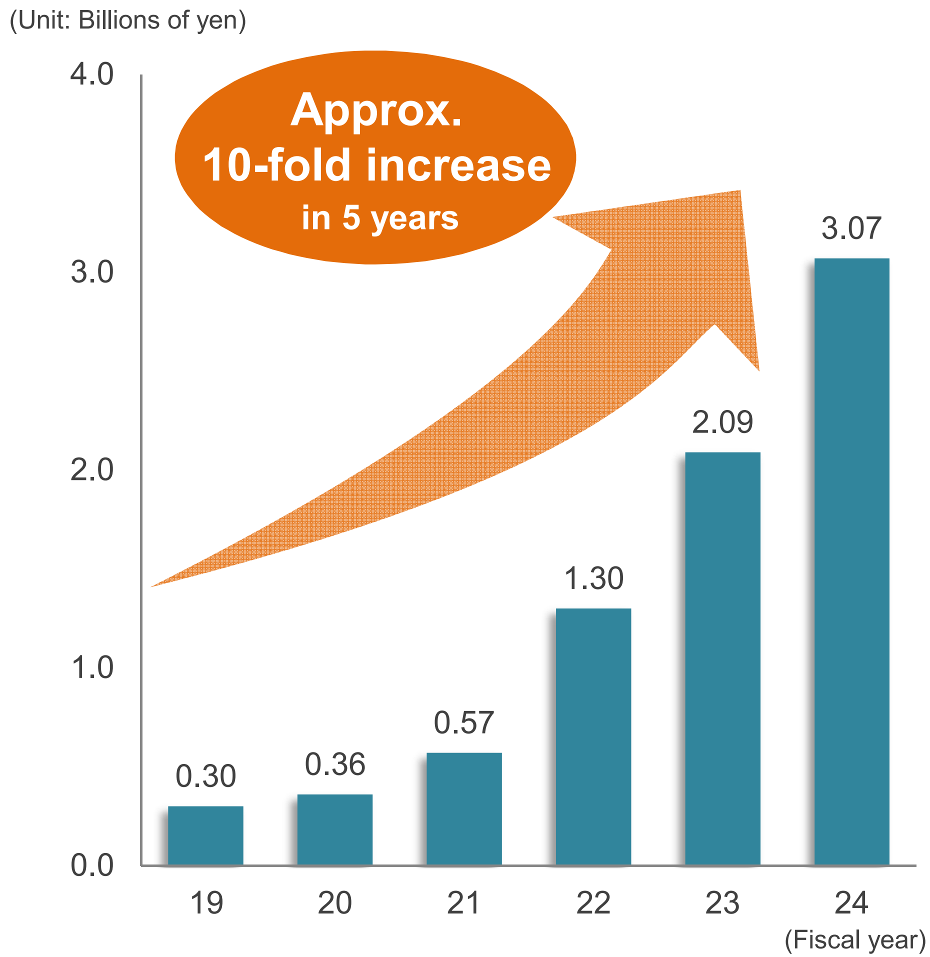
Background to expansion of BIO-RAL Business

Potential of the domestic organic market

Scale of organic foods retail markets in 2022



Sales of organic produce at LIFE stores



Source: “The Situation Surrounding Organic Agriculture in Japan,” Ministry of Agriculture, Forestry and Fisheries

*: Calculated based on an exchange rate of €1 to ¥138

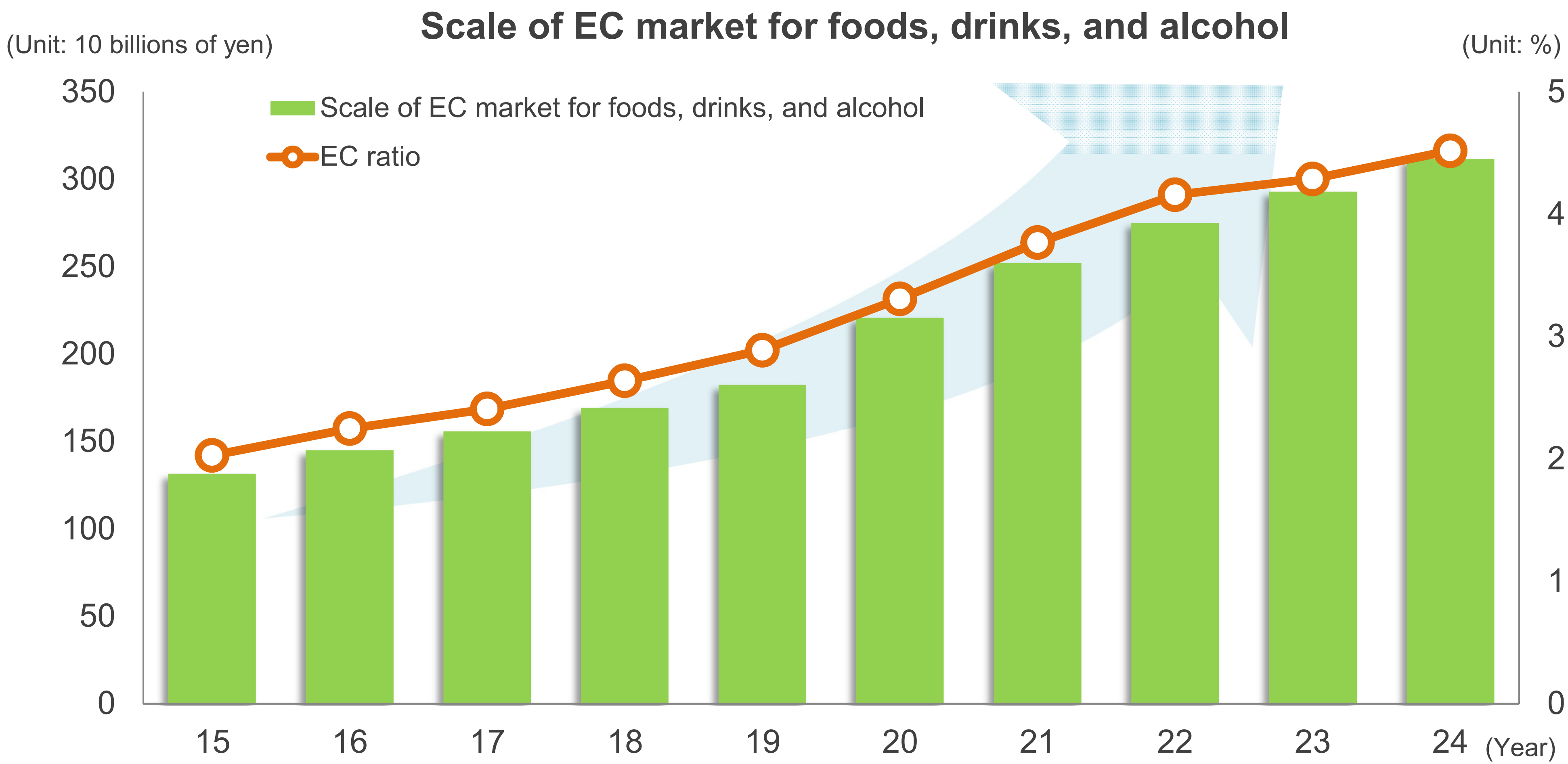
Start of nationwide sales of BIO-RAL

- With high demand from customers in areas not covered by our stores, we have started nationwide sales of the private BIO-RAL brand on Amazon.co.jp

Advance sale of 17 popular items

Domestic EC market environment

Scale of EC market continues to grow



Source: “Survey on the Current Status of Electronic Commerce,” Ministry of Economy, Trade and Industry

Market environment for online supermarkets in Japan

Market scale forecast for online supermarkets*

Although different surveys show different results,
the growth rate of online supermarkets is high

[2024 Results]*		[2026 Forecast]*
¥271.0 billion (106.3% YoY)	+15.5% →	¥313.0 billion

LIFE policy

Acceleration of efforts to achieve

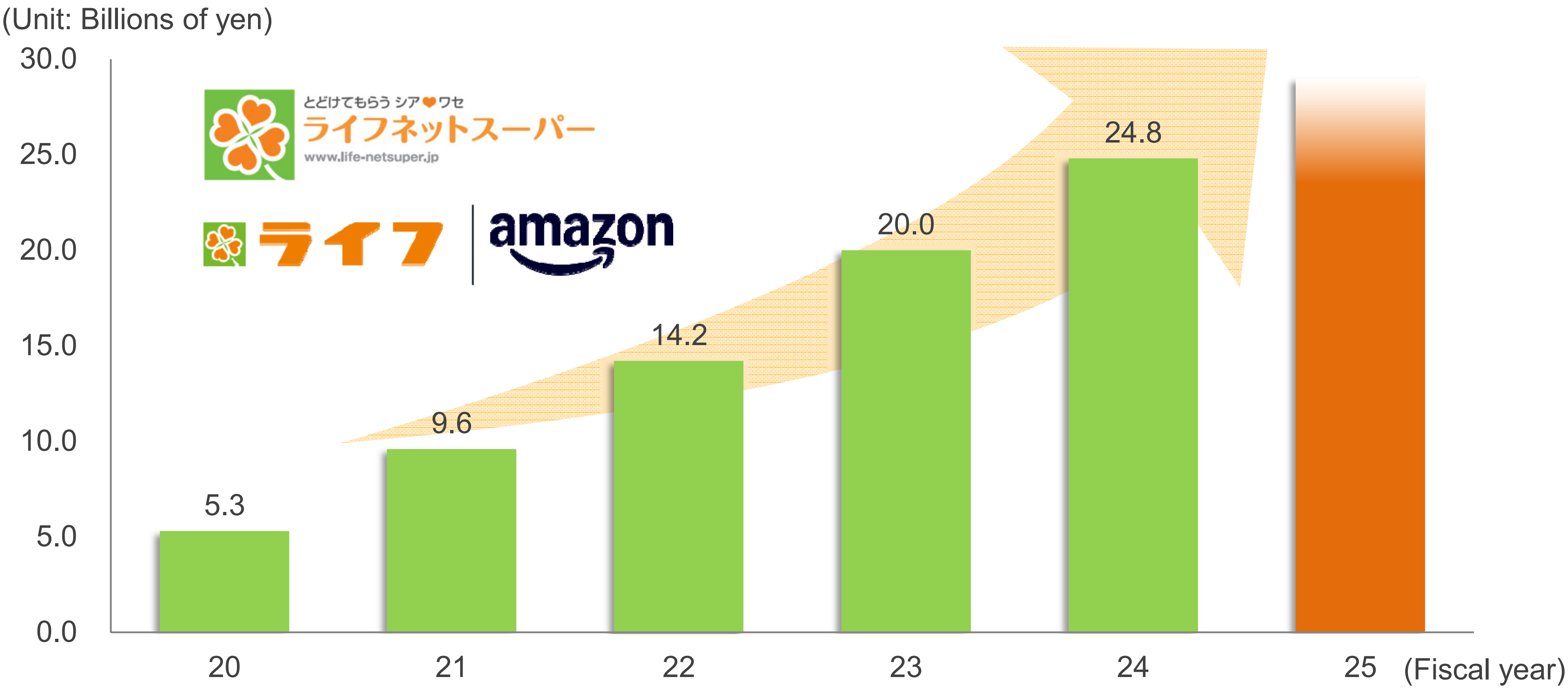
¥100.0 billion in net sales by FY2030

*: From the website of FUJI KEIZAI CO., LTD.

Online supermarkets (our online supermarkets, Amazon)

- Double-digit sales growth due to increase in number of active members and average sale per customer
- Expansion of high-efficiency deliveries leveraging the advantages of store-based shipping

Online supermarkets: Full-year net sales trends (forecast)



Further growth of the online supermarket business

2011 Start of our online supermarket

2027 Start of distribution center-based online supermarket

2019 Start of Amazon online supermarket

Distribution center-based online supermarket

Store-based online supermarket

とどけてもらう シア♥ワセ
ライフネットスーパー
www.life-netsuper.jp

ライフ | amazon

2011 2019 2027

Distribution center-based online supermarket

Opening of a large-scale center for LIFE online supermarket

Name	Shin-yokohama Center	Operational commencement	Autumn 2027 (planned)
Location	Tsuzuki-ku, Yokohama-shi	Building plan	Contracted area: 36,457㎡

Distribution center-based online supermarket

Background to decision/issues

- Expansion of EC and online supermarket markets
- Changes in competitive environment
- **Issues with store-based online supermarkets**
  - **Future capacity shortages**
  - **Restrictions on delivery areas**
  - **Reduction in room for productivity improvements in store-based online supermarkets**
- **Opportunity to conduct a relatively small-scale investment in a distribution center-based online supermarket that would usually require a large-scale investment**

Development of distribution center-based online supermarket

Aims

- **Expansion on capacity**
- **Expansion on delivery areas**
- **Expansion of delivery slots (times)**
- **Improvement in productivity**
- **Enhancement of attractiveness through reviews of product lineup**

Growth through new projects

Progress of the 7th Medium-Term Plan

Results: Delegation of authority to frontlines has improved ability to respond to customer needs and enhanced reputation

Issues: Independent action has reduced collaboration between departments and led to “energy loss”

Changes in the external environment

Labor shortages	Intensifying competitive environment
Persistent inflation	Sharp cost increases

Strategic alignment

Drastic reforms
Project reorganization
Reconsolidation of companywide vectors

FY2030
“Qualitative target”
“Quantitative targets”

To be achieved

Growth through new projects

Initiatives to find solutions consolidated into three projects

HR & Productivity Project

Purpose

Through "investment in people," including changes to systems and use of digital technologies, ensure uniform efforts for human resources strategy and productivity improvements

Measures

・Optimization of personnel deployment and multi-skilling
・Development and expansion of AI and data usage platforms
・Sophistication and renewal of store operation systems

Revenue Project

Purpose

Realize "breaking away from homogeneous competition," through collaborative efforts between product development and food process center operations, and secure continuous net sales and gross profit

Measures

・Enhancement of unique products
・Incorporation of supply chain manufacturing functions
・Rollout of direct procurement and direct import businesses

New LIFE Project

Purpose

Create new pillars of revenue without being bound by conventional frameworks

Measures

・Examination of new areas, business categories, and functions
・M&A strategy

Kaizen activities

Optimization and reduction of non-personnel expenses

4. Full-year forecast for FY2025 and shareholder returns

Full-year forecast for FY2025 (consolidated)

- There are no changes to the full-year forecast

Unit: Millions of yen, %	Full-year FY2024	Full-year FY2025	Amount of change	Rate of change
Operating revenue	850,496	**885,000**	+34,503	+4.1
Net sales	818,892	**852,000**	+33,107	+4.0
Operating profit	25,270	**25,700**	+429	+1.7
Ordinary profit	26,205	**26,500**	+294	+1.1
Profit	17,948	**18,000**	+51	+0.3

Assumptions for full-year forecast (unchanged from initial guidance)

Existing store YoY sales	103.2%	Expected increase in gross profit ratio	+0.2 P to 0.3 P YoY	Expected increase in personnel expenses	Approx. +¥8.0 billion

Investment plan

- Revise implementation timing of renovations and some IT and digital system investments

(Unit: Millions of yen)

	FY2025 H1		Full-year FY2025 (plan)			
	Results	YoY change	Plan	Initial plan	Amount of change	Notes
New stores	2,117	(4,190)	5,600	5,500	+100	New stores after FY2026, etc. (5 new stores in FY2024)
Renovations	506	+75	2,500	3,300	(800)	Revision of investment timing, etc.
IT and digital systems	1,832	(141)	5,300	6,100	(800)	Revision of investment timing, etc.
Food process centers	1,691	+660	3,600	2,600	+1,000	Installation of machinery, etc. at food process centers
Others (expensive equipment, major repairs, etc.)	1,351	(58)	3,600	3,700	(100)	–
Total	**7,497**	**(3,654)**	**20,600**	**21,200**	**(600)**	

Cancellation of treasury shares

Response to intentions to sell cross-shareholdings

Tender offer for treasury shares

[October 8, 2024 to November 6, 2024]

Number of shares purchased	Approx. 3.67 million shares (Pre-split)
Percentage of total number of issued shares excluding treasury shares	Approx. 8%

Improvement in liquidity

Cancellation of treasury shares

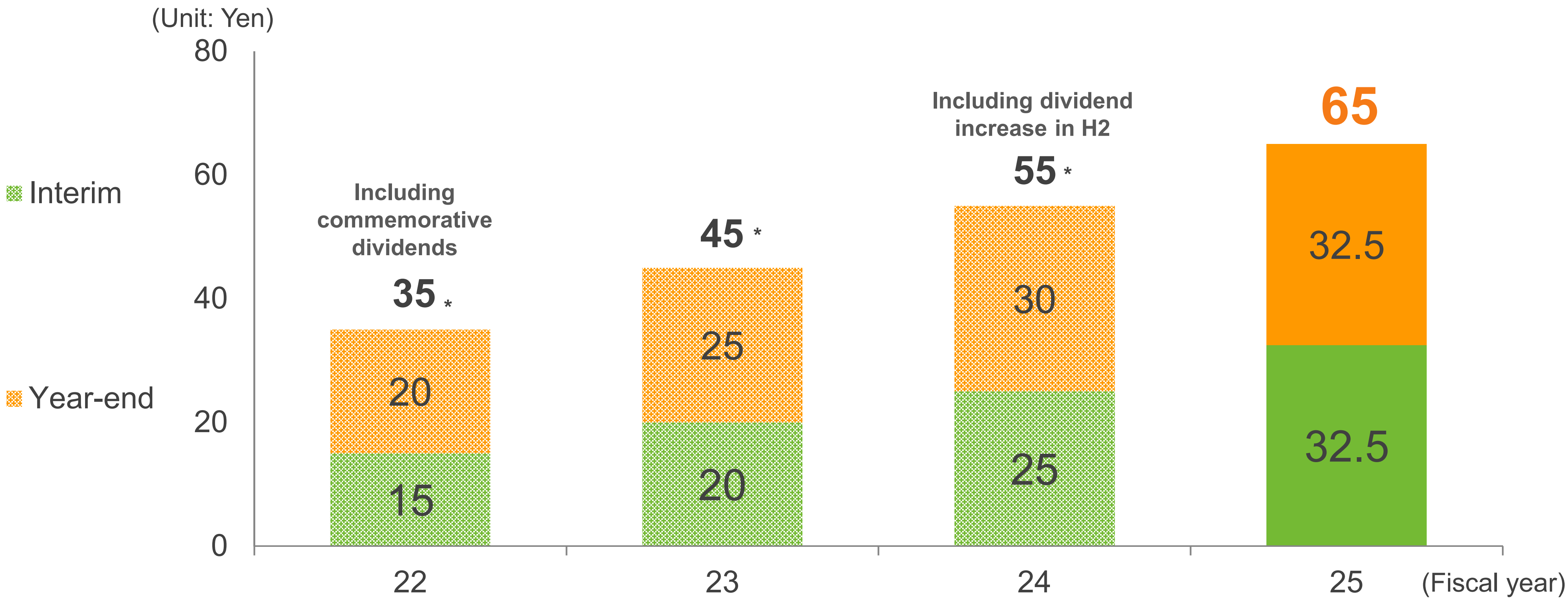
[May 30, 2025]

Number of shares cancelled	Approx. 8.4 million shares (Pre-split basis: 4.2 million shares)
Percentage of total number of issued shares before cancellation	Approx. 8.5%

[Increase in our capital efficiency]
[Return of profit to shareholders]

(Reference) Dividend forecast: after share split

- FY2025: Plan for **a full-year total dividend of ¥65 per share (¥130 per share without taking into account the share split)**
  We forecast a dividend payout ratio of 31.2%



	22	23	24	25
Dividend payout ratio	24.6	24.9	28.2	**31.2**
DOE (Dividend on Equity Ratio)	2.8	3.3	3.6	–

* As a 2-for-1 share split was conducted on March 1, 2025, the post-split ratios have been provided for reference (Unit: %)

[Note]

Performance forecasts and other forward-looking statements in this presentation have been put together based on information currently available to the Company.
Actual results and performance may differ from the Company’s forecasts.