

SAN-A CO., LTD.

(Securities Code: 2659)

Fiscal Year Ending February 28, 2025 Financial Results

*This is an English translation of the original document in Japanese. In the event of any discrepancy between the translation and the Japanese original, the original shall prevail.

Company Overview



Trade name	SAN-A CO., LTD.
Established	January 5, 1950
Incorporated	May 28, 1970
Capital stock	3.7 billion yen
Representatives	Taku Toyoda, President, Chief Executive Officer Masahito Tasaki, Representative Director and Senior Managing Director
Head office location	7-2-10 Oyama, Ginowan, Okinawa 901-2733
Business	Retail of food, clothing, and household goods such as home appliances and household sundries
No. of employees	1,819 *As of February 28, 2025, including outside employees seconded to the Group
Consolidated subsidiaries	Lawson Okinawa, Inc., SAN-A Urasoe West Coast Development Co., Ltd., SAN-A PARCO, Inc.

History



The Company's predecessor was "Orita Shoten," a privately owned general merchandise store established in Hirara City (now Miyakojima City), Okinawa Prefecture, in January 1950 by the late Kisaku Orita, the founder of the Company.

May. 1970	Established SAN-A CO., LTD. in Asato, Naha City, Okinawa Prefecture (capitalized at \$50 thousand)
Jul. 1970	Opened first store, Naha Store, in Asato, Naha City, Okinawa Prefecture
May. 1972	Capital stock becomes 24,400 thousand yen due to the currency changeover upon return to the mainland.
Jun. 1977	Established Food Department
Sep. 1982	Established SAN-A TRANSPORTATION Co., LTD. as a non-consolidated subsidiary
Nov. 1984	Established "Oyama Distribution Center" and started operation of DC
May 1985	Head office relocated to Oyama, Ginowan City, Okinawa
Jun. 1985	Established the Fresh Food Processing Center (now the Food Processing Center)
Nov. 1985	Opened suburban shopping center "Machinato Shopping Center" (now "Machinato City") in Urasoe City, Okinawa
Sep. 1989	Joined the Nichiryu (Nihon Ryutsu Sangyo Co., Ltd.) Group
Sep. 1992	Started operation of food workshop in the Food Processing Center
Apr. 1995	Entered into a franchise agreement with DAIICHI Corporation (now the EDION Corporation) and began selling home appliances
Oct. 1998	Introduced the "SAN-A Card" (points card)
Sep. 2000	Registered as over-the-counter stock with Japan Securities Dealers Association
Jan. 2002	Entered into a franchise agreement with Joyfull Co., Ltd. and opened the first Joyfull restaurant (franchise)
Oct. 2002	Opened the "Naha Main Place" store
Feb. 2005	Listed on the Second Section of the Tokyo Stock Exchange
Jul. 2005	Opened the first NSC store "Oyama City" in Ginowan City, Okinawa
Feb. 2006	Listed on the First Section of the Tokyo Stock Exchange
Jul. 2006	Acquired ISO 22000 certification (Food Processing Center)
Oct. 2006	Opened the first Matsumotokiyoshi drugstore (franchise)
Dec. 2009	Started operation by "Lawson Okinawa, Inc." (consolidated subsidiary), a joint venture with Lawson, Inc.
Jul. 2012	Opened the first "Tokyu Hands (now Hands)" store (franchise)
Aug. 2013	Entered into a basic agreement with Ryohin Keikaku Co., Ltd. to license MUJI stores, and opened the first store in October of the same year
Nov. 2015	Established "SAN-A Urasoe West Coast Development Co., Ltd" (consolidated subsidiary)
Dec. 2016	Established "SAN-A PARCO, Inc." (consolidated subsidiary) as a joint venture with PARCO CO., LTD.
Jun. 2019	Opened "Urasoe West Coast PARCO CITY," the first "akachan honpo" (package license) and "LITTLE MERMAID" (franchise) stores.
Apr. 2022	Moved to the Tokyo Stock Exchange Prime Market

Stores

*As of February 28, 2025

San-A

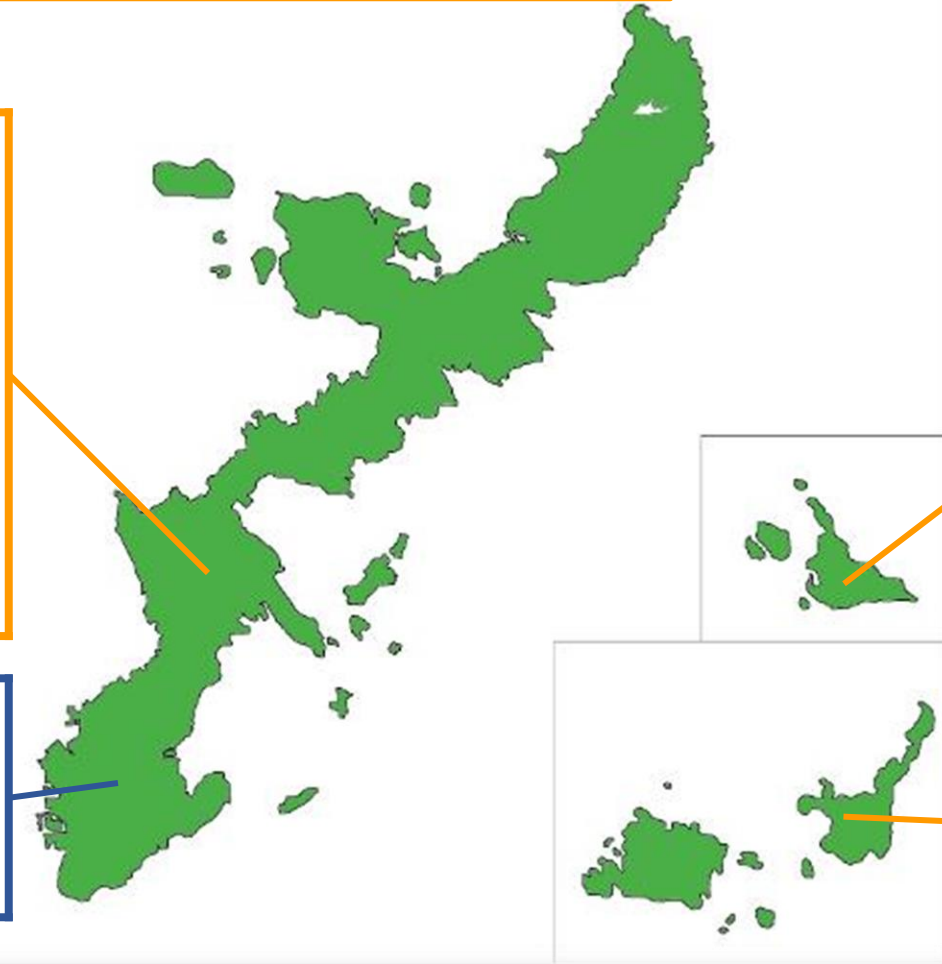
Total number of stores: 78 (Non-consolidated)

Mainland Okinawa

General Stores	:	21
Clothing and Household Goods Stores	:	1
Food Stores	:	42
Restaurants	:	7
Drugstores	:	2

Mainland Okinawa

Convenience Stores	Directly managed	:	1
	Franchise stores	:	262



Miyako Island

General Stores	:	2
Food Stores	:	1
Restaurants	:	1

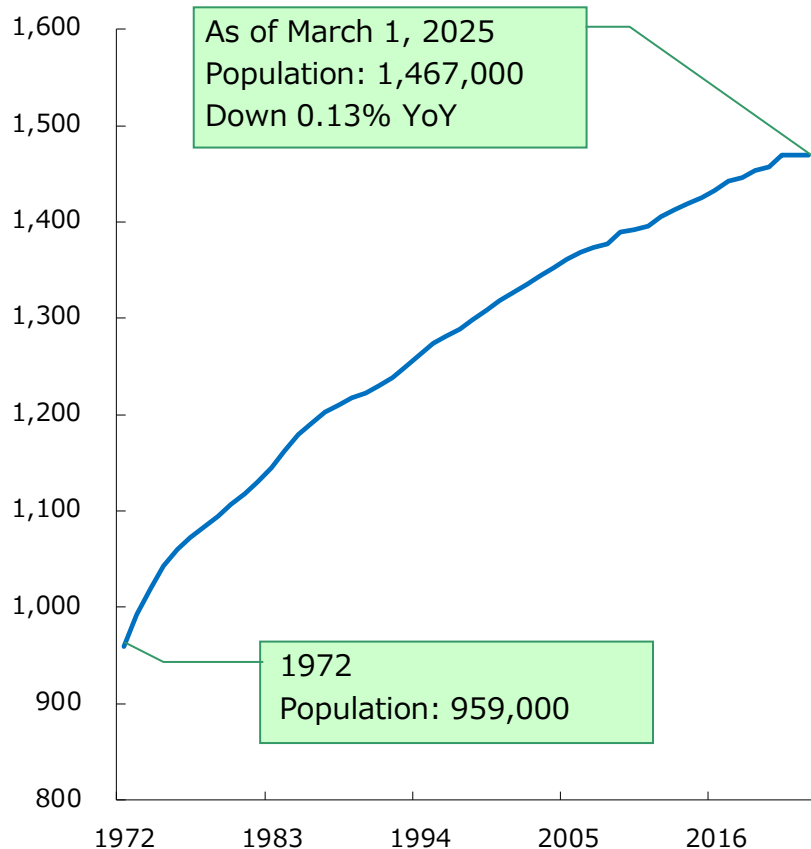
Ishigaki Island

General Stores	:	1
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Economic Conditions in Okinawa Prefecture

Okinawa Prefecture has the nation's highest birth rate and youngest population.

Population Trends (1972 - February 2025)

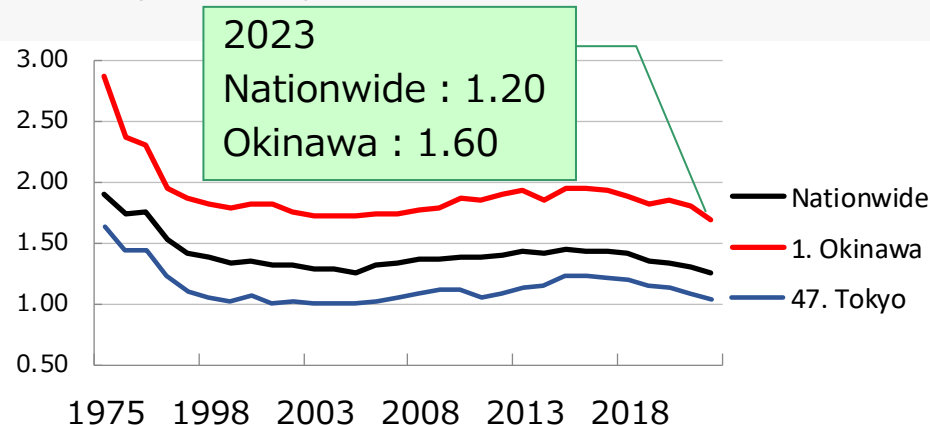


(Source: "Estimated Population of Okinawa Prefecture," Statistics Division, Department of Planning of the Okinawa Prefectural Government)

SAN-A CO., LTD.

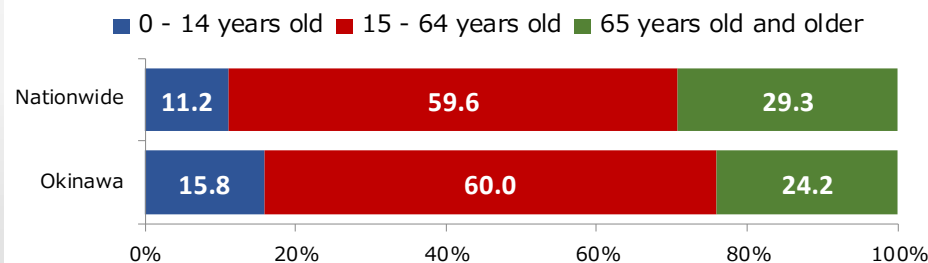
Total Fertility Rate (1975-2023)

*Total fertility rate: Average number of children a woman has in her lifetime



(Source: "Vital Statistics," Ministry of Health, Labor and Welfare)

Population Composition (October 2024)

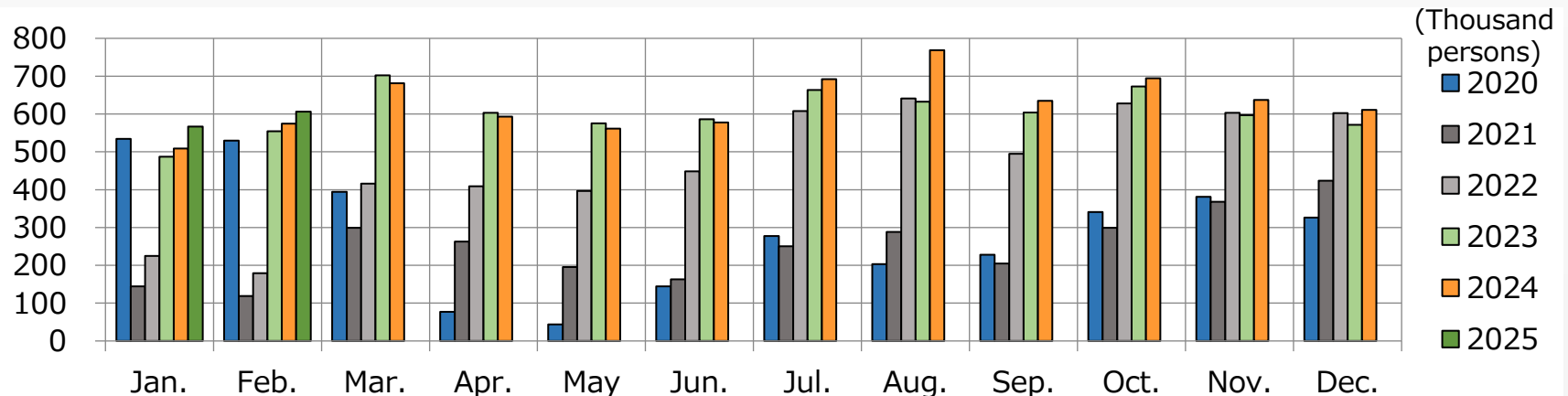


(Source: "Percentage of Population by Prefecture and Three Age Groups," Statistics Bureau, Ministry of Internal Affairs and Communications)

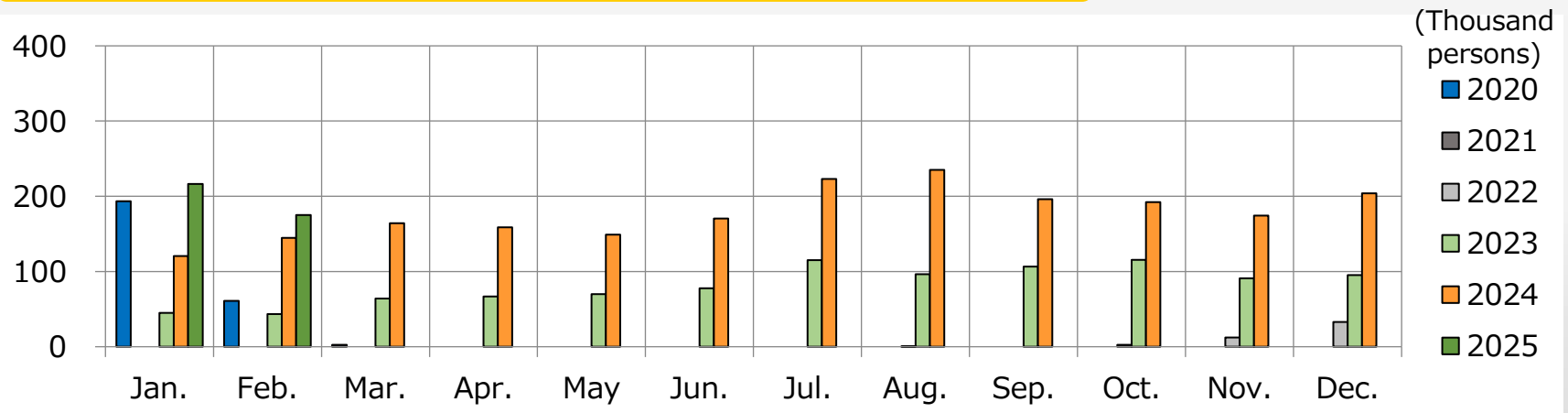
Economic Conditions in Okinawa Prefecture

Total domestic and foreign tourists increased YoY for the 39 consecutive month

Monthly change in the number of inbound tourists (domestic)



Monthly change in the number of inbound tourists (foreign)



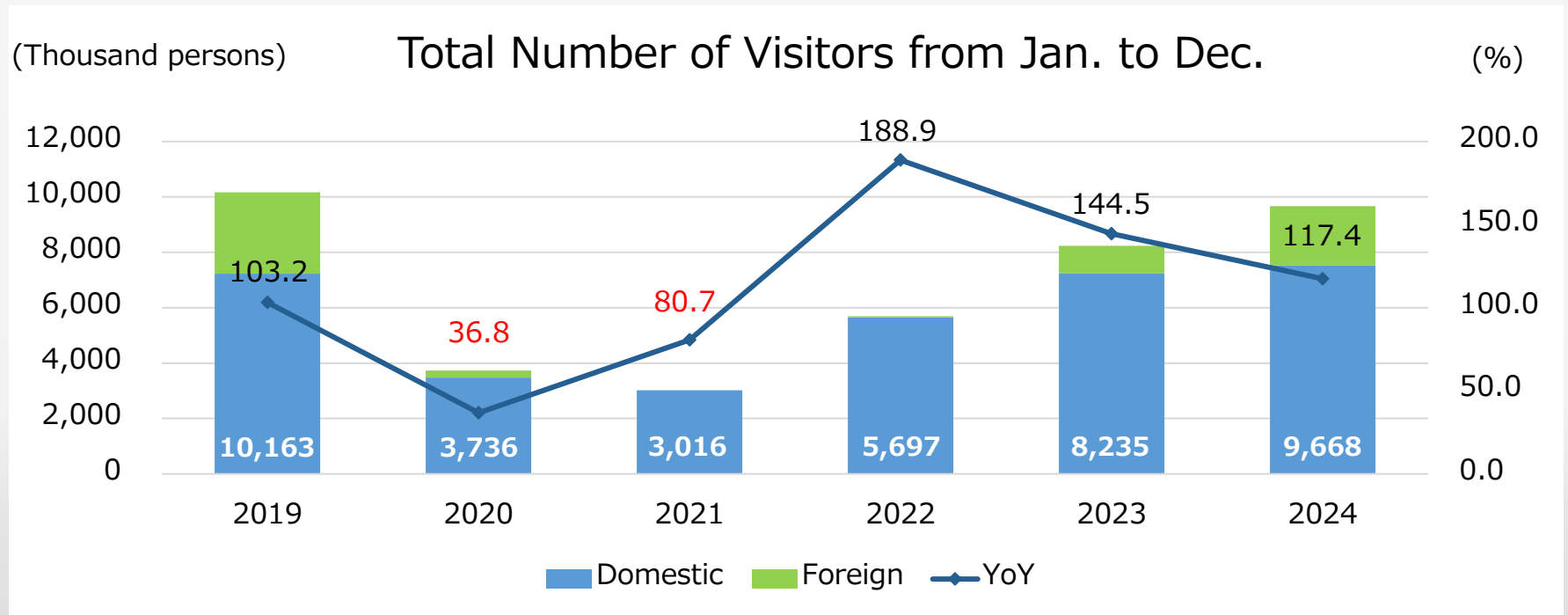
(Source: Tourism Policy Division of the Okinawa Prefectural Government)

Economic Conditions in Okinawa Prefecture

Domestic tourists: reached a record high, with the number exceeding pre-COVID-19 levels

Foreign tourists: the number of tourists entering by air and cruise ships are both on the rise

	Jan-Dec Total	YoY	Vs. 2019
Total No.	9.66 million	117.4%	95.1%
Domestic	7.53 million	104.0%	104.2%
Foreign	2.13 million	216.2%	72.8%



Economic Conditions in Okinawa Prefecture

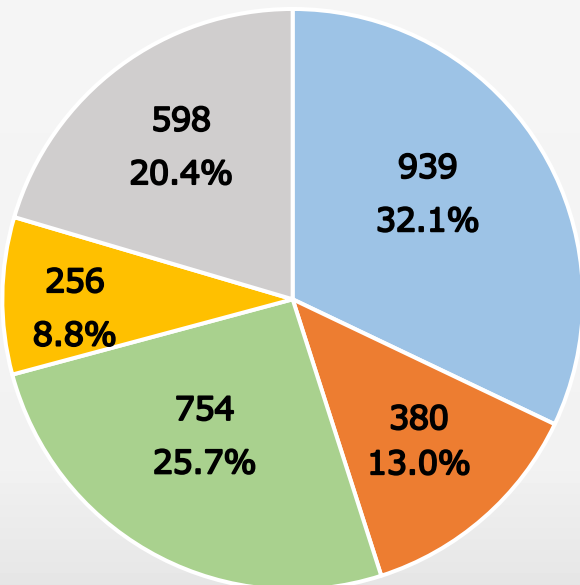
Inbound foreign tourists by country (January - December)

Composition of inbound foreign tourists

■ Taiwan ■ Korea ■ China ■ Hong Kong ■ Other

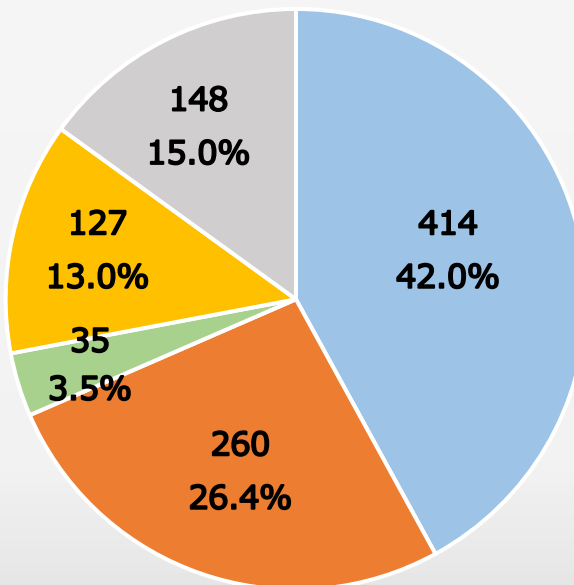
(Thousand persons, %)

2,930 thousand



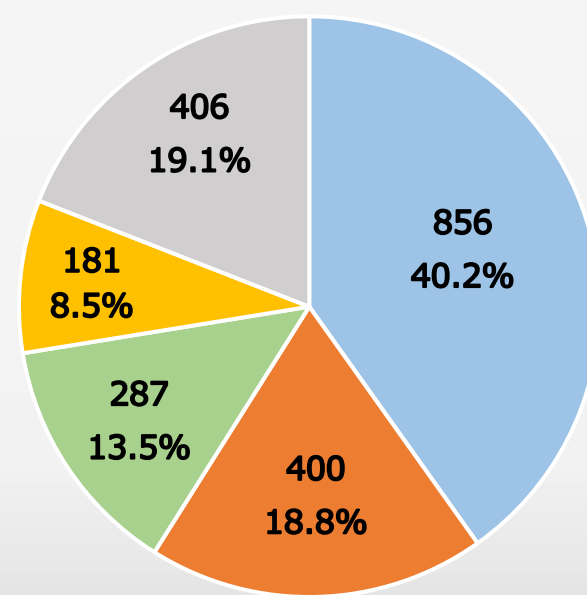
2019 (Jan - Dec)
(Peak Year Before COVID-19)

986 thousand



2023 (Jan - Dec)

2,132 thousand



2024 (Jan - Dec)

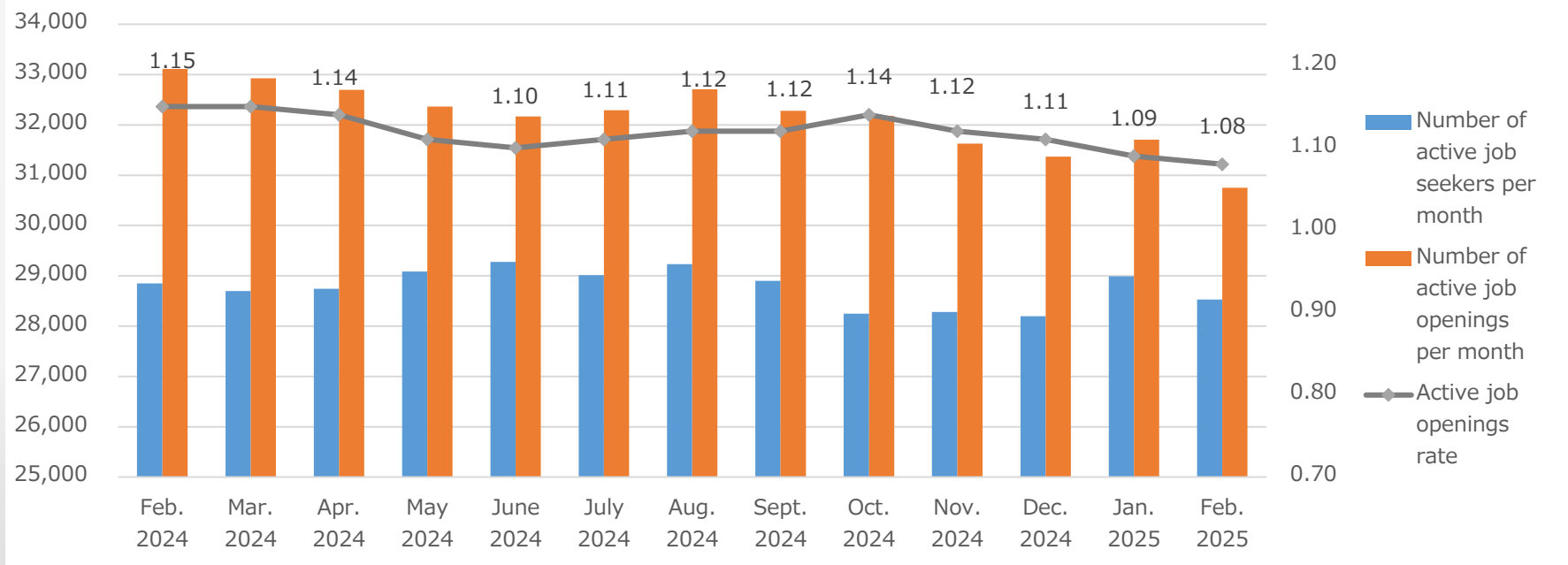
Economic Conditions in Okinawa Prefecture

The employment conditions are improving; however, there continues to be a sense of manpower shortages in some industries.

	This month	Same month last year	Change
Unemployment rate (%)	2.3	3.0	(0.7)
Active job openings rate (Times)	1.08	1.15	(0.07)
No. of workers (Thousands)	769	766	+3

*As of February 2025

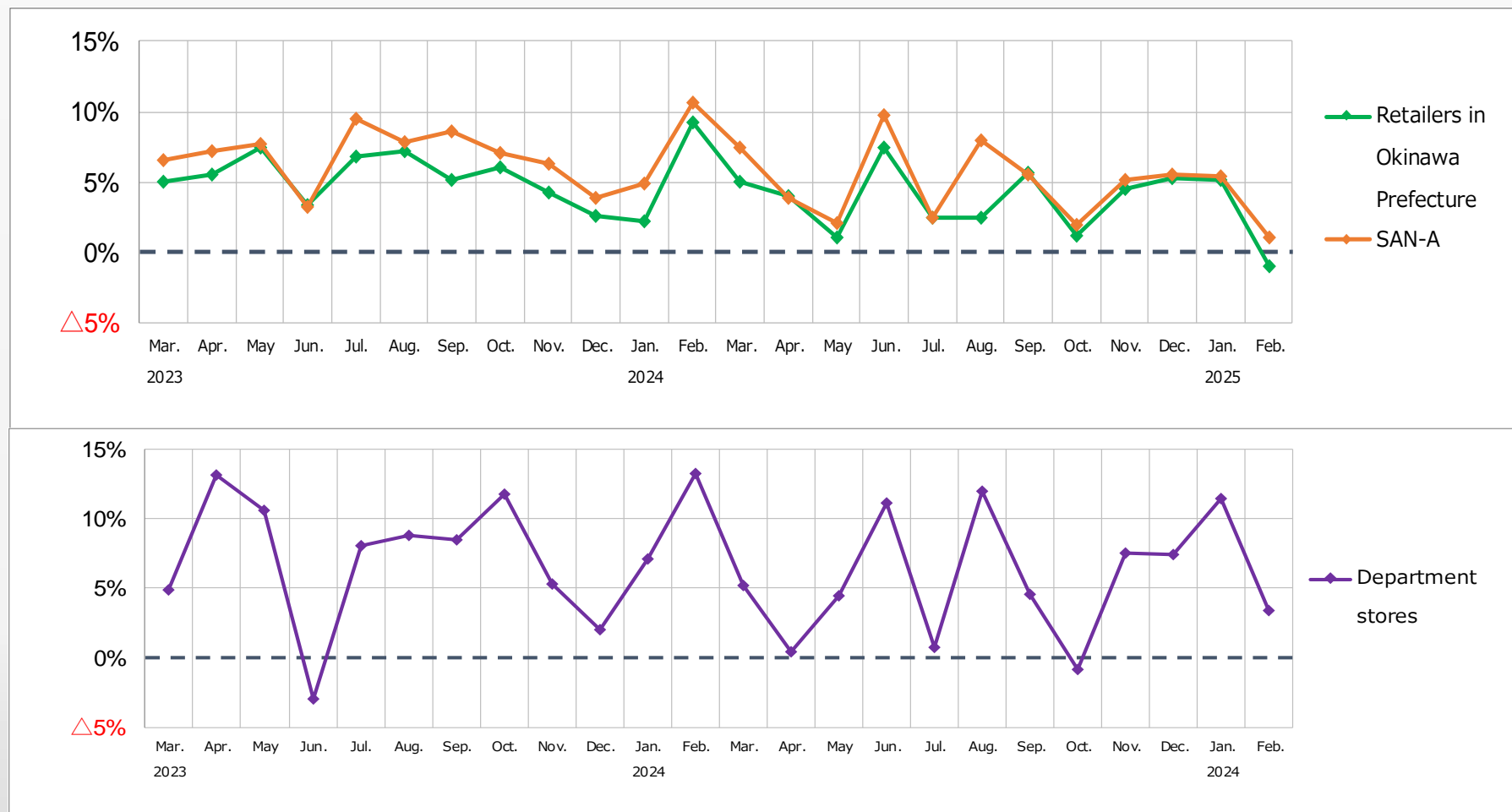
Number of job seekers and job openings, and active job openings rate (February 2024 - February 2025)



Economic Conditions in Okinawa Prefecture

Net sales remained steady as unit price per item has increased

Percentage change in net sales at comparable stores of major retailers in Okinawa Prefecture (Mar. 2023-Feb. 2025)



*Retailers in Okinawa Prefecture excludes SAN-A. (Source: "Economic Trends in Okinawa Prefecture", Ryugin Research Institute Ltd.)
SAN-A.CO.,LTD

Overview of Financial Results for the Fiscal Year Ended February 2025



Comparison with previous fiscal year and budget (Consolidated)

(Million yen, %)

	Fiscal year ending February 28, 2025						Fiscal year ended February 29, 2024	
	Actual				Forecast		Actual	
	Amount	Sales ratio	YoY	Comparison with budget	Amount	Sales ratio	Amount	Sales ratio
Operating revenue	237,156	-	104.2	100.4	236,120	-	227,581	-
Net sales	218,592	-	104.0	100.1	218,385	-	210,190	-
Gross profit	69,241	31.7	103.8	99.9	69,328	31.7	66,723	31.7
Operating revenue	18,564	8.5	106.7	104.7	17,734	8.1	17,390	8.3
Selling, general and administrative expenses	70,882	32.4	104.8	100.7	70,392	32.2	67,649	32.2
Operating profit	16,923	7.7	102.8	101.5	16,670	7.6	16,464	7.8
Ordinary profit	17,468	8.0	103.4	102.5	17,043	7.8	16,893	8.0
Profit*	11,469	5.2	107.4	102.5	11,185	5.1	10,683	5.1

*Profit attributable to owners of parent

Overview of Financial Results for the Fiscal Year Ended February 2025



Net Sales by Department

(Million yen, %)

Department Name		Amount	Composition ratio	Total YoY	Comparable store sales YoY
Retail Department	Clothing	33,048	14.7	106.9	107.6
	Food	149,246	66.4	103.1	103.5
	Household Goods	32,428	14.4	109.2	109.3
	Restaurants	9,708	4.3	107.0	107.0
	Sub-total	224,431	99.9	104.6	104.9
CVS		295	0.1	78.7	100.2
Net sales total		224,726	100.0	104.6	104.9

*CVS is sales at directly managed stores

*Net sales and year-on-year change if the "Accounting Standard for Revenue Recognition" etc. has not been applied

* CVS: abbreviation for convenience store(s)

Net Sales for the Current Fiscal Year



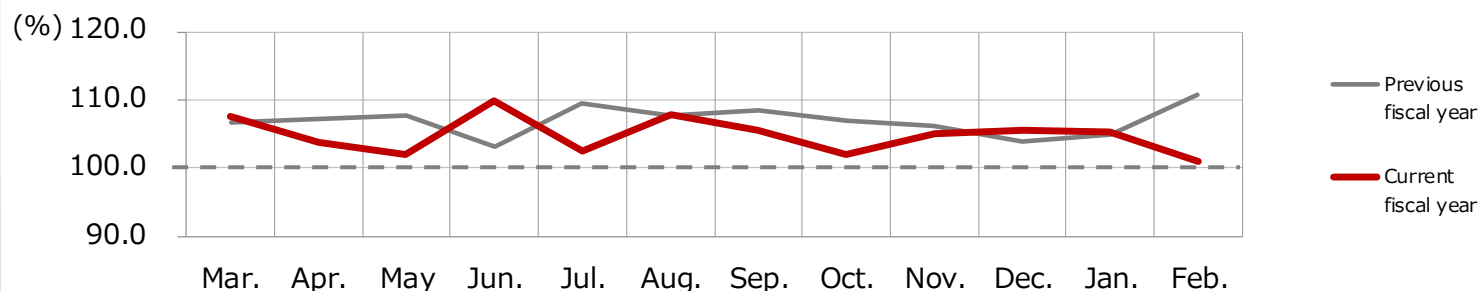
55th fiscal year (From March 1, 2024 to February 28, 2025)

(%)

		Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Total
Whole Company	General stores	107.5	103.7	102.3	109.8	102.5	107.7	105.0	101.5	104.7	105.0	104.8	100.6	104.6
	Comparable stores	107.5	103.8	102.1	109.8	102.5	107.9	105.5	101.9	105.2	105.5	105.4	101.0	104.9
Clothing	General stores	104.5	104.5	103.6	111.2	107.2	121.4	103.6	103.1	105.2	109.0	106.0	103.9	106.9
	Comparable stores	104.5	105.0	104.0	111.9	107.9	122.2	104.2	103.8	105.9	109.9	106.7	104.3	107.6
Food	General stores	106.2	101.8	100.4	108.8	100.2	103.4	105.8	100.4	103.4	103.3	104.3	99.4	103.1
	Comparable stores	106.2	101.8	100.4	108.8	100.2	103.8	106.5	101.1	104.1	103.9	105.0	100.0	103.5
Household goods	General stores	116.6	111.0	109.7	112.1	107.9	117.3	102.6	104.2	109.3	109.5	105.4	102.4	109.2
	Comparable stores	116.6	111.9	108.5	112.3	107.9	117.9	103.0	104.5	109.8	110.0	105.9	102.5	109.3
Restaurants	General stores	108.4	105.7	104.0	112.5	105.1	112.2	105.4	104.2	109.2	105.6	107.6	104.0	107.0
	Comparable stores	108.4	105.7	104.0	112.5	105.1	112.2	105.4	104.2	109.2	105.6	107.6	104.0	107.0

*Net sales year-on-year change if the "Accounting Standard for Revenue Recognition" etc. has not been applied

Year-on-year change in comparable store net sales

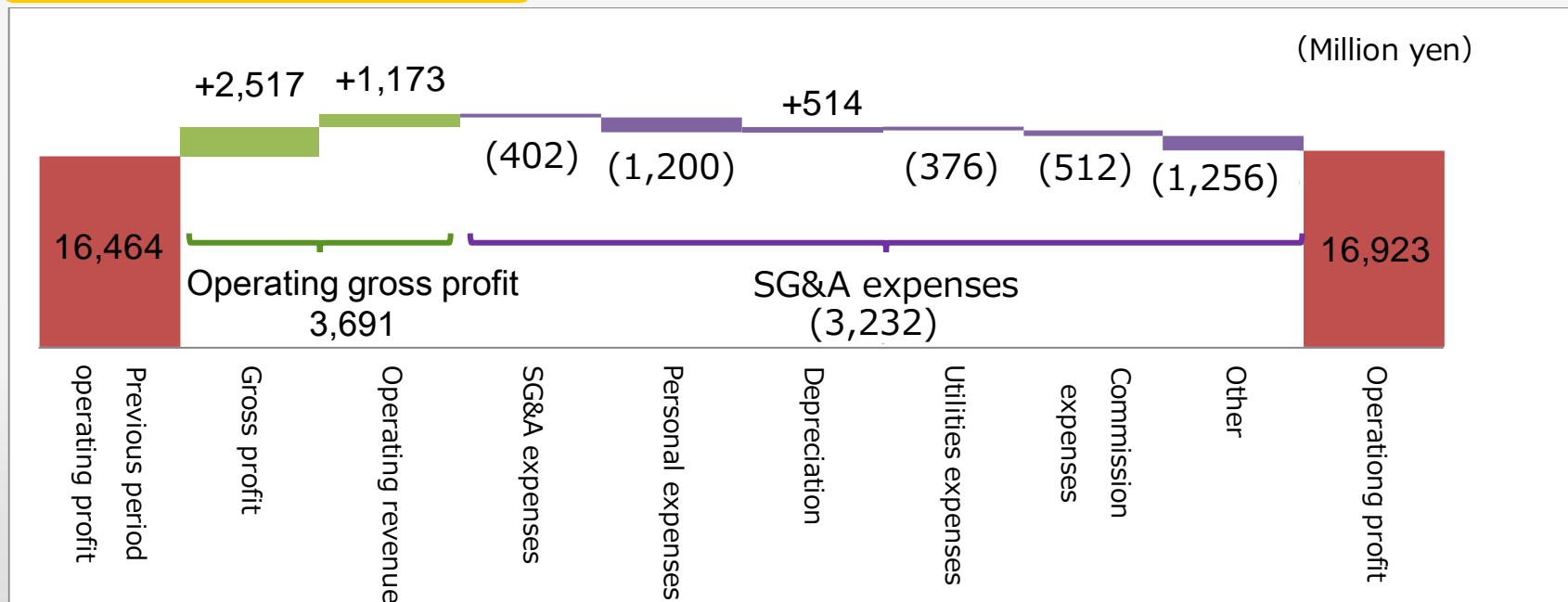


Key Points of Fiscal Year 2025 Financial Results

Consolidated operating profit: 16,923 million yen
(102.8% YoY; up 459 million yen)

- Gross profit: 104.0% of net sales YoY; gross profit margin: 31.7% (31.7% in the previous fiscal year)
- Duty-free sales YoY: 206.6% (77.0% compared to fiscal 2018)
- Unit price increases due to continued high prices under inflation
- Operating revenue increases due to strong sales of tenants, subsidiaries (LAWSON Okinawa, SAN-A PARCO)
- SG&A expenses: Selling expenses increase due to increased packing fees and personnel expenses increase due to salary review

Operating Profit Changes



Our Vision

Build a sustainable corporate structure while drawing a vision. In order to achieve that, it is important to provide human resource training and create the right structure in line with the growth and scale of the company.

1. Instill our corporate philosophy (virtuous ideas and self-reliance)
2. Further reinforce our general strength, capabilities for direct management (including franchise)
3. Maximize collaboration and synergies with joint ventures
4. Reinforce capabilities of human resources, product appeal, store competitiveness, structural capabilities, and capabilities to provide services
5. Build an organization for the next stage of growth while drawing a vision

Plan for the Fiscal Year Ending February 28, 2026



Consolidated Forecast

(Million yen, %)

	Fiscal year ending February 28, 2026			Fiscal year ended February 28, 2025	
	Amount	Sales ratio	YoY	Amount	Sales ratio
Operating revenue	247,876	-	104.5	237,156	-
Net sales	228,575	-	104.6	218,592	-
Gross profit	72,177	31.6	104.2	69,241	31.7
Operating revenue	19,301	8.4	104.0	18,564	8.5
Selling, general and administrative expenses	74,251	32.5	104.8	70,882	32.4
Operating profit	17,227	7.5	101.8	16,923	7.7
Ordinary profit	17,796	7.8	101.9	17,468	8.0
Extraordinary losses*1	620	0.3	135.1	459	0.2
Profit *1	11,005	4.8	96.0	11,469	5.2
EBITDA *2	24,308	10.6	102.9	23,627	10.8

*1: Increase due to demolition costs of Ishigaki City (old building) and Ohyama City, etc.

*2: Profit attributable to owners of parent

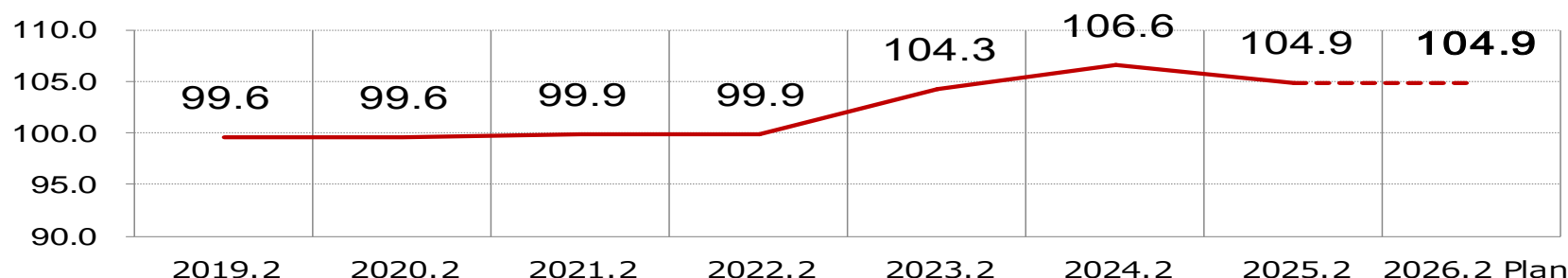
*3: EBITDA = Operating profit + depreciation (declining-balance method)

Plan for the Fiscal Year Ending February 28, 2026

San-A

Comparable Store Net Sales YoY

	1 Q	2 Q*	3 Q*	4 Q	Full year
Comparable Store Net Sales forecast	105.5	102.3	107.7	104.5	104.9



*Net sales year-on-year change if the "Accounting Standard for Revenue Recognition" etc. has not been applied

Consolidated Forecast

(Million yen, %)

	Operating revenue	Operating profit*	Ordinary profit*	Profit attributable to owners of parent
Six months ending August 31, 2025 (change)	124,495 +3.2	9,030 (1.5)	9,359 (0.8)	6,060 +2.1
Full year (change)	247,876 +4.5	17,227 +1.8	17,796 +1.9	11,005 (4.0)

*Considering the month difference as Okinawa's Lunar Bon Festival is based on the **lunar calendar**: September 4-6 for this fiscal year (August 16-18 for the previous fiscal year)

→Total profit is expected to decrease for the six months ending August 31, 2025

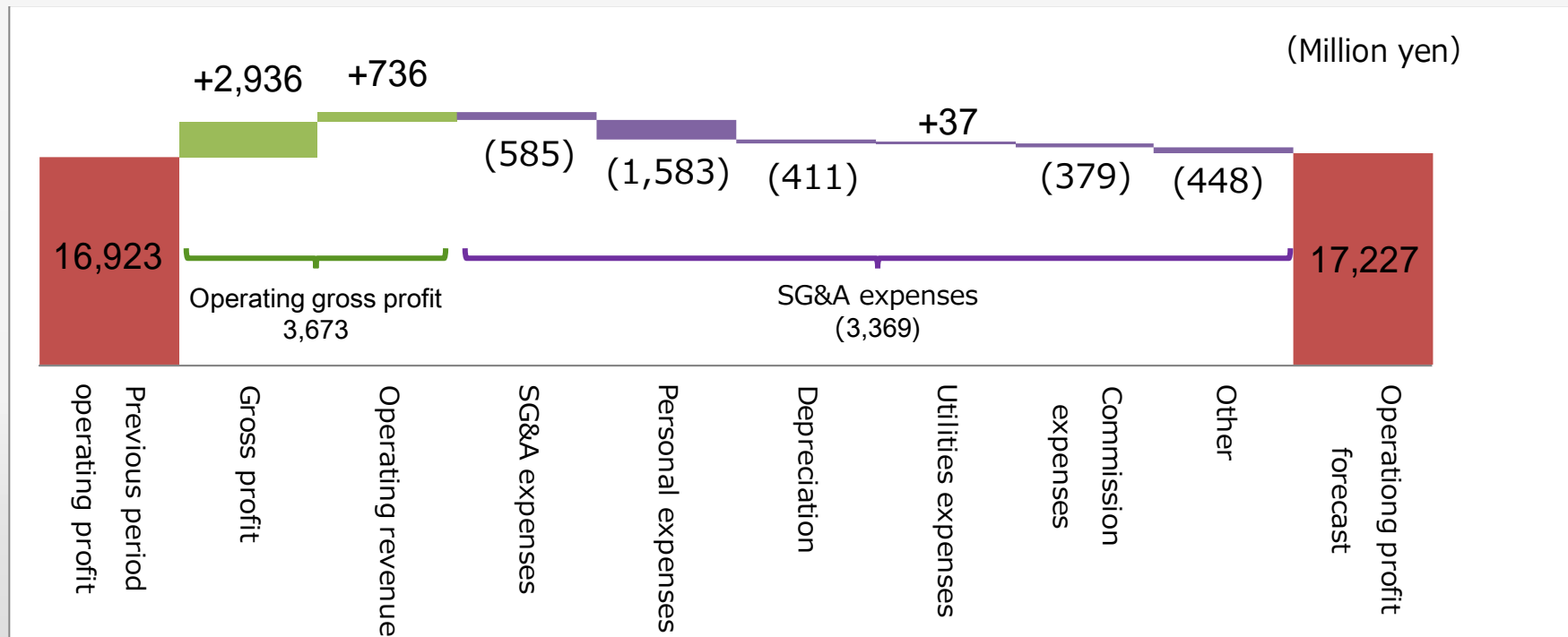
Plan for the Fiscal Year Ending February 28, 2026 *San-A*

Operating profit forecast: 17,227 million yen (up 304 million yen; 101.8%)

Gross profit: 104.6% of net sales YoY; gross profit margin: 31.6%
(31.7% in the previous fiscal year)

- Selling expenses: Increase in logistics expenses
- Personnel expenses: Regular salary raise, base salary increase, minimum hourly wage increase, etc.
- Depreciation: New stores, renovation of large stores, investment in DX, etc.

Operating Profit Change Forecast



The Company's Major Initiatives

Pillars of our growth strategy: improve profitability by renovating existing stores

Renovate equipment and stores and optimize product lineup to improve customer convenience and store competitiveness

- Renovate 6 stores (1 large store, 1 mid-sized store, and 4 small stores)

Switch to LED lighting, replace tiles, and add signage



Ensure sufficient aisle space and reinforce responsiveness to customers' needs



The Company's Major Initiatives

Develop a shop area featuring our uniqueness

- Handling of Seijo Ishii, MUJI, and LAWSON Select products
- Those products are developed in the food section, contributing to wide and unique product lineup



The Company's Major Initiatives

Improve structural capabilities by strengthening DX

- Adopt digital shelf labels...Fiscal year ended February 28, 2025: Introduced in 10 stores

Fiscal year ending February 28, 2026: Scheduled to introduce in 20 stores

- Adopt self-service checkout registers...Fiscal year ended February 28, 2025: Introduced in 24 stores

Fiscal year ending February 28, 2026: Scheduled to introduce in 20 stores

- Adopt robot waiters



The Company's Major Initiatives

our dedicated sustainability page

Promote sustainability management

- A dedicated sustainability page launched on our website in July 2024
- V21Makiminato store obtained “Nearly ZEB” certification
 - *plan to expand the number of stores eligible for certification in the future
- Replace equipment with energy-efficient equipment when renovating existing



From our dedicated sustainability page



This page presents our sustainability policy, promotion framework, key issues, and major initiatives.



ESG Data
ESG Data

This page presents results from the last three years regarding environmental, social, and governance aspects.

The Company's Major Initiatives

New store opening and reconstruction of a new building for a large store

- New store : San-A Mekaru store, scheduled to open in winter 2026 Complex consisting of a grocery store and a drug store
- Reconstruction : Reconstruct San-A Ishigaki City, with a new building scheduled to open in summer 2025
After demolition of the old building in autumn,
a grand opening is planned



Image perspective of San-A Mekaru store



Image perspective after demolition of the old building of Ishigaki City

The Company's Major Initiatives

Closure of Machinato City (general store): 40 years after its opening

- 1985: "Machinato Shopping Center" opened
 - * The first suburban shopping center in Okinawa
- 1997: Expanded sales floor by increasing the floor space, and opened electronics building and a directly managed restaurant (Wafu-tei)
- 2013: GU (the first store in Okinawa) and other tenants moved in, the store name changed to "Machinato City" after major renovations including expansion of the parking lot
- 2025: Closed in October through integration with neighboring stores (PARCO CITY and Kyoazuka City)



At the time of opening



After increasing the floor space



Present

The Company's Major Initiatives

Relocation plan for new “head office/food processing center”

■ Purpose of the plan

- Reinforce functions as a center with an eye focused on the business expansion

1) Improve product appeal

Provide products that increase customer satisfaction

2) Increase structural capabilities

Improve the work environment for employees, improve productivity

■ Current conditions

- Closed San-A Ohyama City in summer 2024

Currently, demolition work is underway



Progress of Ohyama City demolition work

The Company's Major Initiatives

Talent development activities were stepped up, including resumption of group training, following the downgrading of COVID-19 to a Class 5 disease

- In trainings for store managers and new management positions, conduct study visit at the same store to establish a common benchmark
- Visit production areas or suppliers as training for business units to deepen understanding of products and to expand sales
- Participation of a total of 5,192 employees (including partner employees and part-time employees)
Of which, a total of 479 employees per year participate in training outside the prefecture



Food Business Division Training
JA Katori(Sweet potatoes)



Training for new management positions

The Company's Major Initiatives

30th anniversary of KURASHI-MORE Brand

- KURASHI-MORE, a private brand of Nihon Ryutsu Sangyo Co., Ltd., consisting of 16 leading chain stores nationwide and 3 consumers cooperatives
- Strengthen sales floor creation in all stores to expand shares of PB



SAN-A PARCO (Consolidated Subsidiary) *San-A*

Renovation and anniversary events to mark the 5th anniversary of the opening

- Replace and renovate 26 lots (5,400 m²) * Net sales of the subject lots increase approximately 3 times year on year
- Improve characteristics of one-stop shopping and ability to attract customers by concentrating large stores
“ABC-MART GRANDSTAGE/OSHMAN’S” and other stores
- Expand commercial area with stores to be opened for the first time in Okinawa and by enhancing the brand lineup
“POLO RALPH LAUREN” (overseas apparel brand), “KIWAMIYA” (restaurant),
“ALBION DRESSOR” (cosmetics)



Urasoe West Cost PARCO CITY(exterior)



Dividend Forecast for the Fiscal Year Ending February 28, 2026

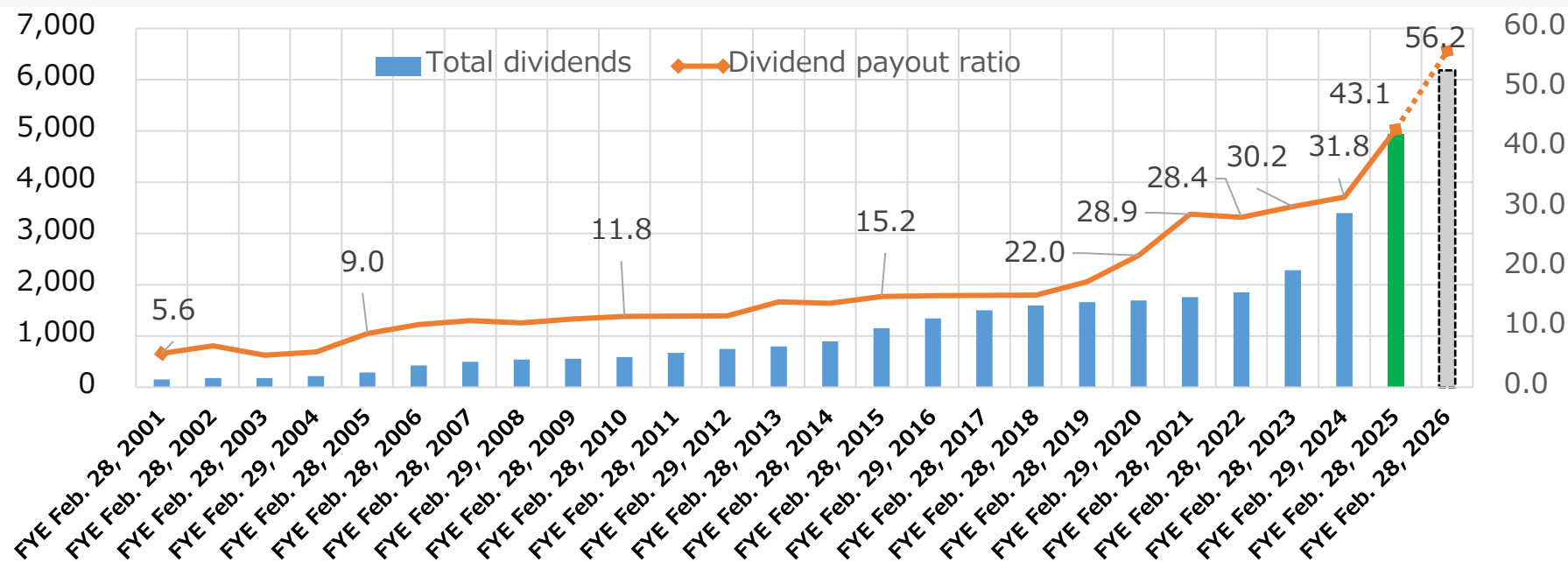
San-A

- Raise dividend forecast at the beginning of the fiscal year, for the first time since listing
- Policy of targeting DOE of 5% or more remains unchanged
- Dividend forecast is carefully determined due to concerns over future increases in operating and investment costs

Changes in dividend payout ratio and total amount of dividends

(Million yen)

(%)



Attachment

Franchise business *As of February 28, 2025

Operate 106 stores in total: 12 companies with franchise agreement, 1 company with package license agreement

Store name	Number of stores
Matsumotokiyoshi	30
EDION	14
Joyfull (restaurant)	13
OSAKA OHSHO (restaurant)	10
MUJI	9
LITTLE MERMAID (bakery)	6
HANDS AND HANDS be	5
Pizzeria MARINO (restaurant)	5
PALETTE PLAZA (DPE)	4
TULLY'S COFFEE (restaurant)	4
tutu anna (socks, inner wear)	3
HANDS CAFE (restaurant)	1
Soup Stock Tokyo (restaurant) NEW	-
Akachan Honpo(baby goods) *package license agreement	2



Matsumotokiyoshi



EDION



MUJI



HANDS



LITTLE MERMAID



OSAKA OHSHO

Okinawa Prefecture Company Sales Ranking (FY2023)

(Million yen, %)

	Listed	Company	Net Sales	Industry Type	YoY
1	○	The Okinawa Electric Power Company	225,609	Electricity	5.7
2	○	SAN-A	218,582	Supermarket	6.2
3		AEON RYUKYU	99,711	Supermarket	8.3
4		Ryuseki	86,379	Petroleum products wholesale	(0.6)
5		Okinawa-FamilyMart	80,574	Convenience store management	6.3
6	○	Okinawa Cellular Telephone Company	74,140	Mobile phone services	0.9
7		Kanehide Shoji	62,996	Supermarket	4.3
8		OKINAWA TOYOTA	51,976	Automobile retailing	23.3

(Source: Okinawa Branch of TOKYO SHOKO RESEARCH (excluding banks and other financial institutions and non-life insurance companies))



IR Website

<https://www.san-a.co.jp/ir/>

<Contact>

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The purpose of this document is to provide information on our business performance for the second quarter of the fiscal year ending February 28, 2025, and is not intended as a solicitation to invest in securities issued by the Company.

With some exceptions, this document is based on data as of February 28, 2025.

The opinions and forecasts given in this document are based on our judgment at the time of preparation, and we do not guarantee or promise the accuracy or safety of the information. The information contained in this document is subject to change without notice.