



Q3, Fiscal Year Ending February 28, 2026 Financial Results Supplementary Materials

(March 1, 2025 to November 30, 2025)

December 26, 2025

DCM HOLDINGS CO., LTD.



Q3 Highlights, Fiscal Year Ending February 28, 2026

DCM HOLDINGS CO., LTD.

Q3 Highlights, Fiscal Year Ending February 28, 2026



Net sales **398.5 billion yen** **97.1% of previous year (95.3% of plan)**

• Same store sales -4.1% YoY

Gross profit **137.7 billion yen** **98.4% of previous year (95.4% of plan)**

• Gross profit margin +0.5% YoY, HC business gross profit margin 36.8% (+0.5% YoY)

Operating profit **26.7 billion yen** **96.1% of previous year (91.0% of plan)**

• SG&A -0.8% YoY; -3.3% compared to plan; increase in operating efficiency, despite increases in wages per person

Ordinary profit **25.4 billion yen** **98.4% of previous year (89.9% of plan)**

• Interest expenses and commission expenses -739 million yen

Profit attributable to owners of parent **15.3 billion yen** **100.0% of previous year (91.9% of plan)**



Q3 Results, Fiscal Year Ending February 28, 2026

DCM HOLDINGS CO., LTD.

Consolidated Statements of Income



**Gross profit margin improvement and cost reductions progressed as planned
Profit declined as lower net sales outweighed other improvements**

(Millions of yen, %)

	Q3, FYE February 2025		Q3, FYE February 2026			
	Result	Sales ratio	Result	Sales ratio	Change	Change (%)
Net sales	410,606	100.0	398,552	100.0	(12,053)	97.1
Gross profit	139,964	34.1	137,724	34.6	(2,239)	98.4
Operating revenue	6,316	1.5	6,481	1.6	+165	102.6
Operating gross profit	146,280	35.6	144,205	36.2	(2,074)	98.6
SG&A	118,424	28.8	117,444	29.5	(979)	99.2
Operating profit	27,855	6.8	26,760	6.7	(1,094)	96.1
Ordinary profit	25,844	6.3	25,436	6.4	(408)	98.4
Profit attributable to owners of parent	15,346	3.7	15,341	3.8	(5)	100.0

Consolidated Statements of Income (by Quarter)



Q2 profit increased as a result of various measures
Q3 profit decreased due to lower sales, despite gross profit margin improvement

(Millions of yen, %)

	Q1 (March-May)			Q2 (June-August)			Q3 (September-November)		
	FYE February 2026	Sales ratio	YoY (%)	FYE February 2026	Sales ratio	YoY (%)	FYE February 2026	Sales ratio	YoY (%)
Net sales	136,161	100.0	97.7	139,846	100.0	97.0	122,543	100.0	96.5
Gross profit	47,372	34.8	98.6	48,158	34.4	98.6	42,193	34.4	98.0
Operating revenue	2,165	1.6	104.4	2,155	1.5	101.7	2,160	1.8	101.7
Operating gross profit	49,538	36.4	98.8	50,315	36.0	98.7	44,353	36.2	98.2
SG&A	39,852	29.3	99.9	39,155	28.0	97.6	38,436	31.4	100.1
Operating profit	9,685	7.1	94.6	11,158	8.0	102.9	5,917	4.8	87.3
Ordinary profit	9,155	6.7	98.4	10,773	7.7	104.7	5,506	4.5	88.2
Profit attributable to owners of parent	5,881	4.3	103.4	6,254	4.5	103.9	3,205	2.6	88.1

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Sales by Product Category



Demand remained strong for air-conditioned clothing and other products designed to mitigate extreme heat

Sales of winter merchandise were sluggish, while disaster prevention-related products saw a reactionary decline in demand

(Millions of yen, %)

	Q3, FYE February 2025		Q3, FYE February 2026			
	Result	Composition ratio	Result	Composition ratio	Change	Change (%)
Gardening	64,969	15.8	62,520	15.7	(2,448)	96.2
Home improvement	81,516	19.9	79,623	20.0	(1,892)	97.7
Home leisure and pet	59,062	14.4	56,235	14.1	(2,827)	95.2
Housekeeping	61,394	14.9	60,148	15.1	(1,246)	98.0
Home furnishing	45,106	11.0	42,843	10.8	(2,262)	95.0
Home electronics	38,598	9.4	35,895	9.0	(2,702)	93.0
Other	11,548	2.8	11,671	2.9	+ 123	101.1
Product supply, etc.	1,069	0.3	939	0.2	(130)	87.8
Total of home improvement retail business	363,265	88.5	349,878	87.8	(13,387)	96.3
XPRICE business	47,150	11.5	48,478	12.2	+ 1,327	102.8
Other business	189	0.0	195	0.0	+ 6	103.2
Total	410,606	100.0	398,552	100.0	(12,053)	97.1

*We reclassified results for the previous fiscal year due to a change in departments.

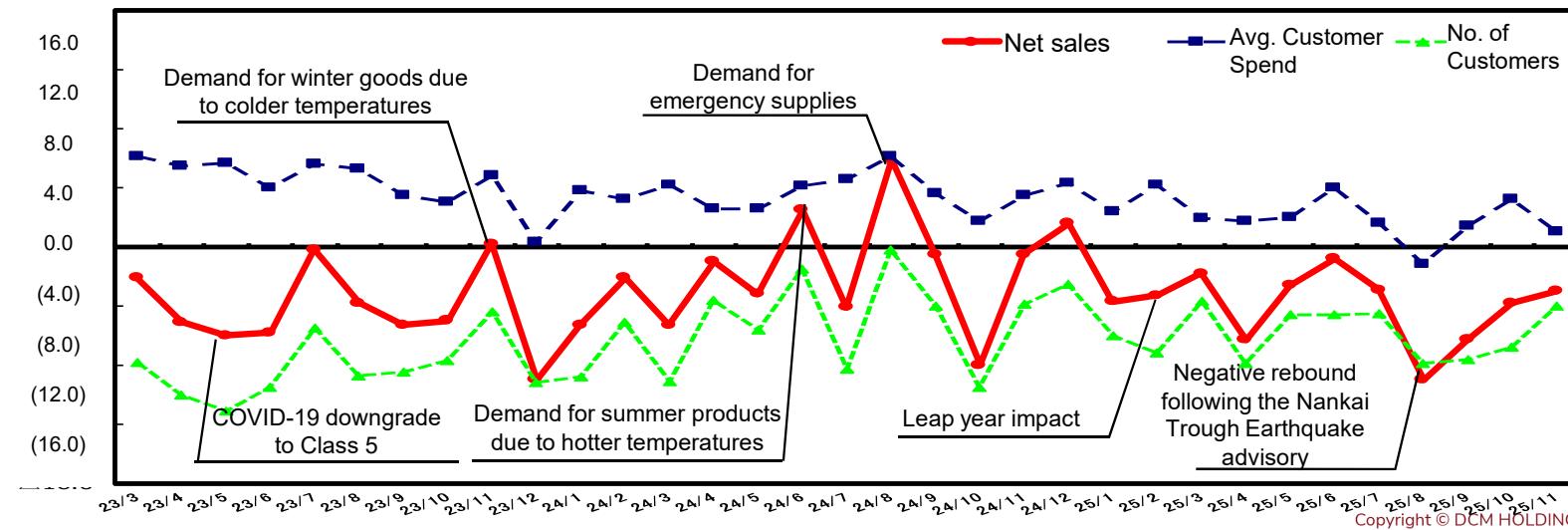
(Dining and Kitchen, Bath and Toiletries moved from Housekeeping to Home Furnishings division)

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Same Store Changes

**Higher prices per customer due to rising raw material prices and a weaker yen
Both emergency supplies and crime prevention products experienced a negative rebound in demand**

	FYE February 2025			FYE February 2026		
	Net Sales	No. of Customers	Avg. Customer Spend	Net Sales	No. of Customers	Avg. Customer Spend
March - August Total	(1.6%)	(5.1%)	+3.6%	(4.1%)	(5.7%)	+1.7%
March – May	(3.0%)	(5.9%)	+3.0%	(3.7%)	(5.5%)	+1.9%
June - August	+1.2%	(3.4%)	+4.8%	(4.3%)	(5.6%)	+1.5%
September - November	(3.1%)	(5.9%)	+3.0%	(4.3%)	(6.1%)	+1.9%

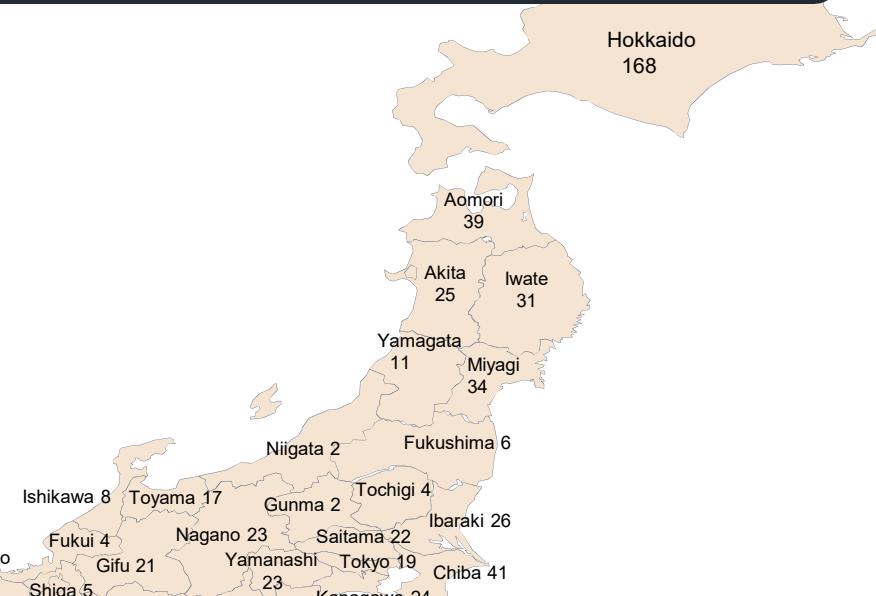


Store Openings by Prefecture



Total 902 Stores nationwide
Encho Co., Ltd. joined the DCM Group on September 1

	No. of Stores as of Feb 2025	New Stores	Closures	No. of Stores as of Nov 2025
DCM	661	2	5	658
ENCHO	—	—	—	55
Hodaka	68	5	0	73
DCM Nicot	114	2	0	116
Total	843	9	5	902

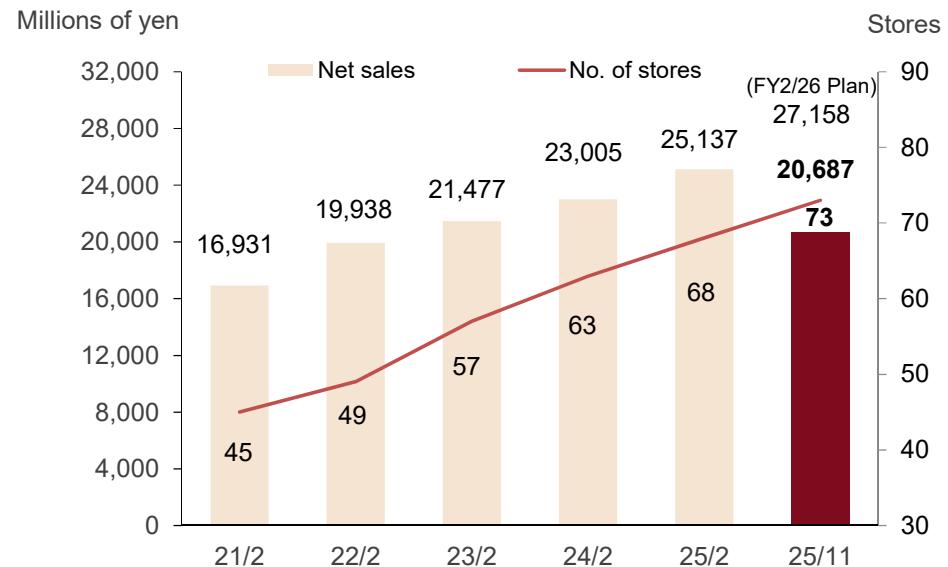


Proactively expanding specialty stores for professionals

Hodaka Pro Shop Specialty store selling tools, hardware, and work supplies



**Same Stores
+2.8% YoY**



As of November 2025: 73 stores (Tokai 27, Kanto 12, Hokkaido 10, Hokuriku 6, Kinki 5, Tohoku 5, Shikoku 4, Chugoku 2, Kyushu 2)

Net sales, all stores 20,687 million yen (+7.5% YoY) Operating profit +2.5% YoY

DCM Nicot Business Performance

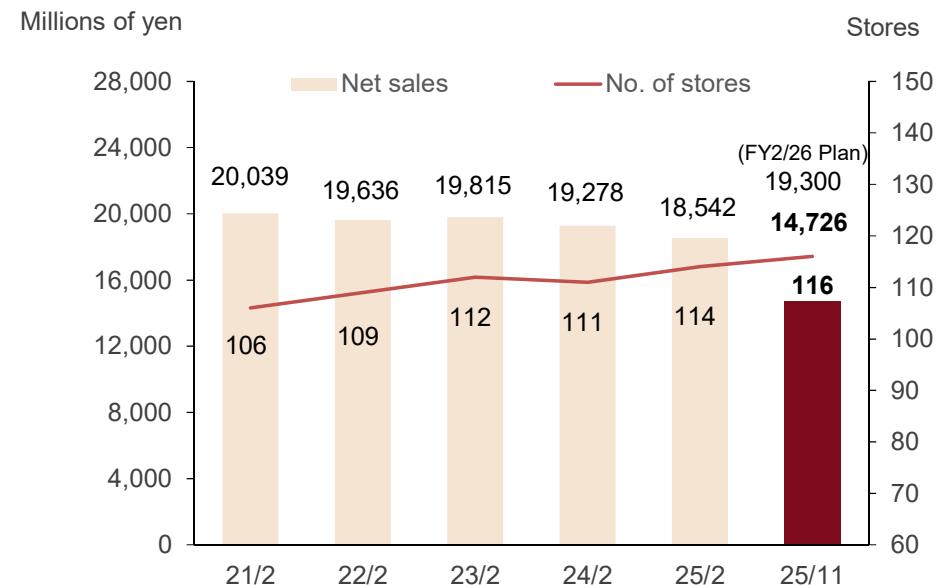


**Leverage DCM resources to remodel stores and improve profitability
as a small, community-based store**

DCM Nicot Home convenience stores in small market areas



**Same Stores
+0.6% YoY**



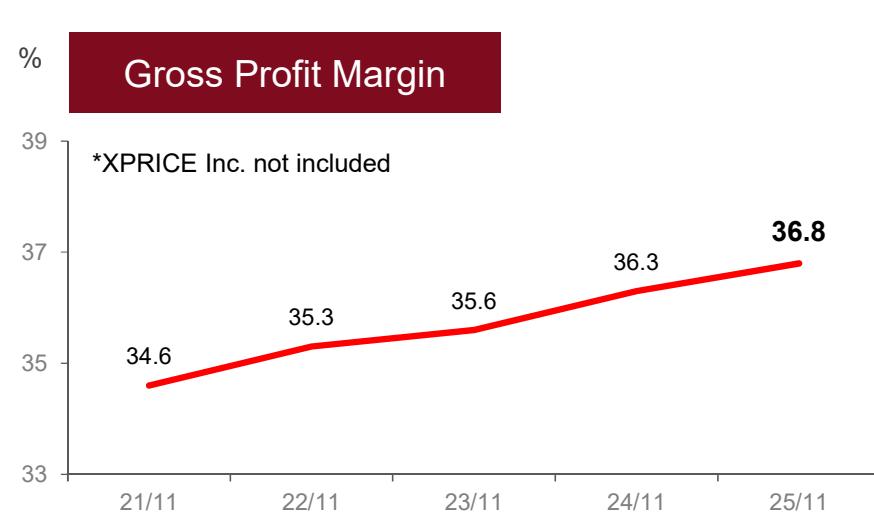
As of November 2025: 116 stores (Hokkaido 73, Tohoku 39, Kanto 4)

Net sales, all stores 14,726 million yen (+2.0% YoY) Operating profit +35.1% YoY

Gross Profit Margin



As the weak yen, high raw materials prices, and rising logistics costs continue, we strengthened private brand sales to improve gross profit margin



Mark-up +1.3 point improvement

(Unit: %)

	Gross Profit Margin by Division	
	Q3, FYE February 2025	Q3, FYE February 2026
Gardening	36.4	37.6
Home improvement	39.3	39.4
Home leisure and pet	36.3	36.9
Housekeeping	26.7	26.9
Home furnishing	44.5	45.9
Home electronics	36.3	36.7
Other	33.2	35.3
Total	36.3	36.8

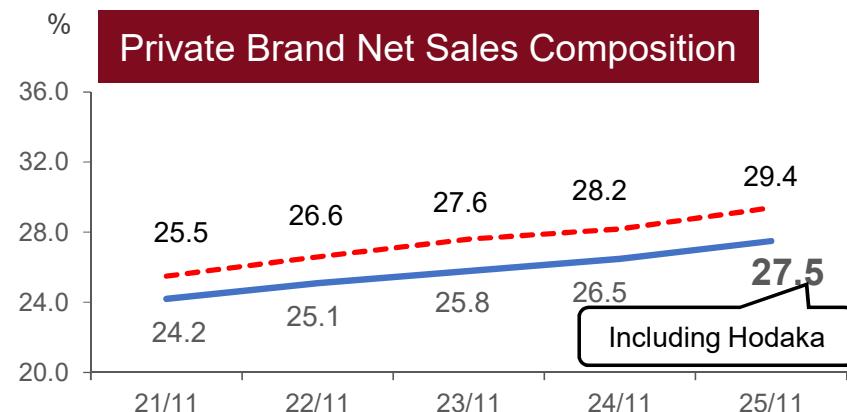
*We reclassified results for the previous fiscal year due to a change in departments.

(Dining and Kitchen, Bath and Toiletries moved from Housekeeping to Home Furnishings division)

Private Brand Net Sales Composition



Developing new environmentally friendly and money-saving products
Stronger sales of XPRICE private brand products (MAXZEN)



Private Brand Net Sales Composition
(+1.0 points YoY)

*Includes product sales of the XPRICE private brand, MAXZEN

*We reclassified results for the previous fiscal year due to a change in departments.

(Dining and Kitchen, Bath and Toiletries moved from Housekeeping to Home Furnishings division)

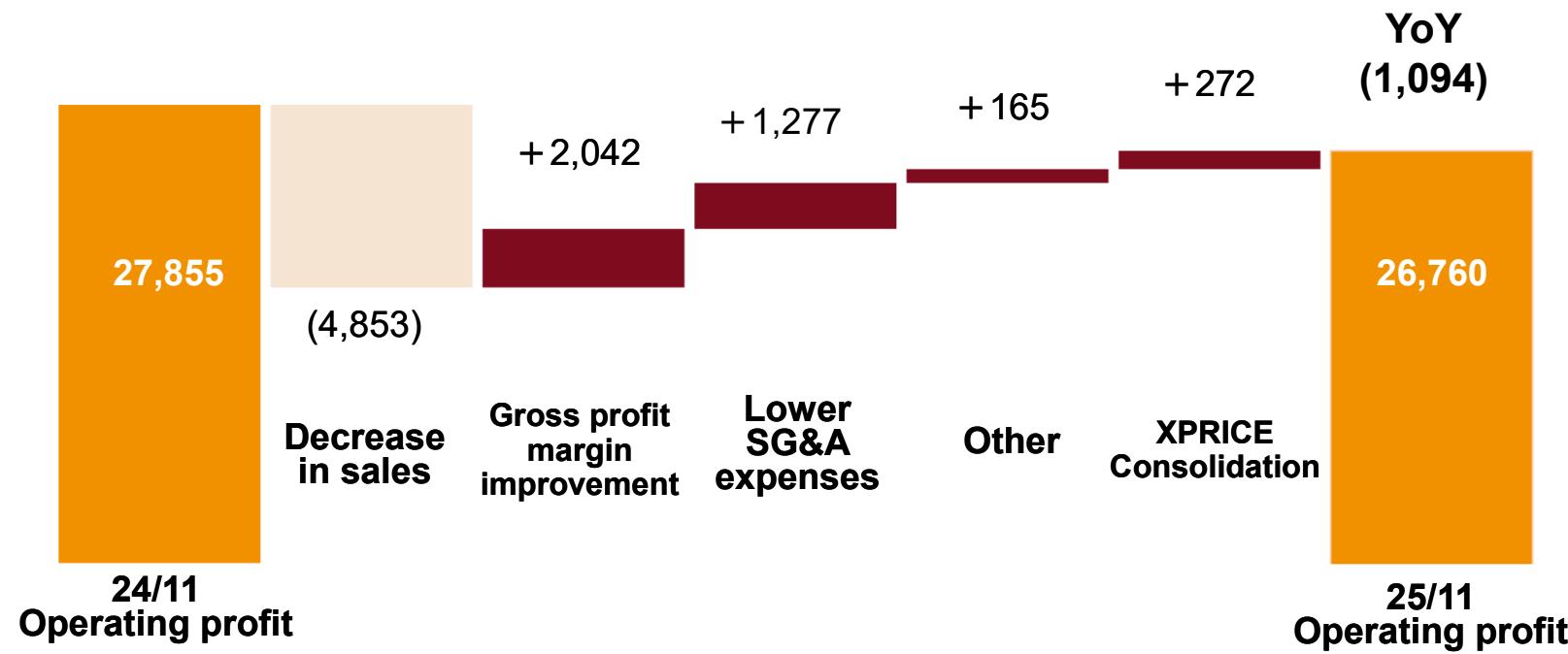
(Unit: %)

	Private Brand Net Sales Composition	
	Q3, FYE February 2025	Q3, FYE February 2026
Gardening	29.4	31.5
Home improvement	22.7	22.7
Home leisure and pet	28.7	29.9
Housekeeping	15.9	16.2
Home furnishing	55.2	55.5
Home electronics	8.4	11.5
Total	26.5	27.5

Breakdown of Change in Operating Profit

Decrease in profit due to lower sales, despite gross profit margin improvement, SG&A cost reduction, and improved XPRICE profitability

(Millions of yen)



Consolidated Balance Sheets



(Millions of yen)

	As of February 28, 2025	As of November 30, 2025	Change	Change Factors
Current assets	292,374	291,845	(528)	Cash and deposits -22,236 million yen
Accounts receivable – trade	10,455	16,800	+6,344	Increase due to seasonal factors
Merchandise	153,416	168,694	+15,278	Increase due to consolidation of Encho and seasonal factors
Non-current assets	355,562	412,640	+57,078	
Property, plant and equipment	221,239	237,927	+16,687	
Intangible assets	55,103	57,468	+2,364	Encho goodwill 3,463 million yen
Investments and other assets	79,219	117,244	+38,025	
Total assets	647,936	704,486	+56,549	Increase due to Encho consolidation: 25,844 million yen
Current liabilities	127,710	126,099	(1,610)	
Notes and accounts payable - trade	44,214	68,026	+23,812	Increase in pending payments due to Encho consolidation and the last day of the month being a bank holiday
Short-term borrowings	–	7,805	+7,805	Increase due to Encho consolidation
Current portion of long-term debt	52,444	18,574	(33,870)	Repayment of long-term debt
Non-current liabilities	255,927	269,656	+13,729	
Bonds payable	35,000	35,000	–	
Long-term borrowings	188,796	190,079	+1,283	
Total liabilities	383,637	395,756	+12,118	
Total net assets	264,299	308,729	+44,430	
Total liabilities and net assets	647,936	704,486	+56,549	Increase due to Encho consolidation 25,844 million yen

*We began including the balance sheet of Encho Co., Ltd. in the scope of consolidation in Q3 of the fiscal year ending February 28, 2026.

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Capital Investment and Depreciation and Amortization



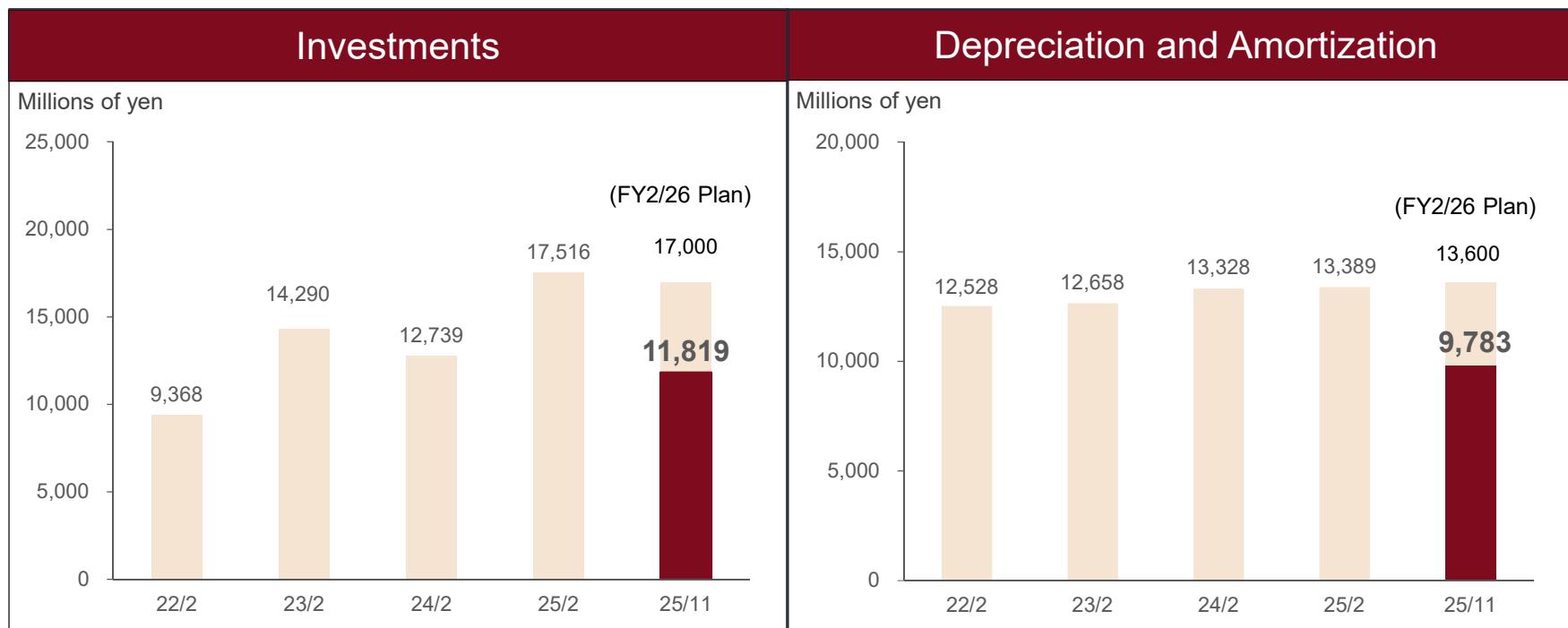
March 01, 2025 to November 30, 2025

(Millions of yen)

Amount of Investment	Depreciation
11,819	9,783

*Investments in property, plant and equipment, software, and leasehold and guarantee deposits

*Amortization includes software and other intangible assets, long-term prepaid expenses, etc.

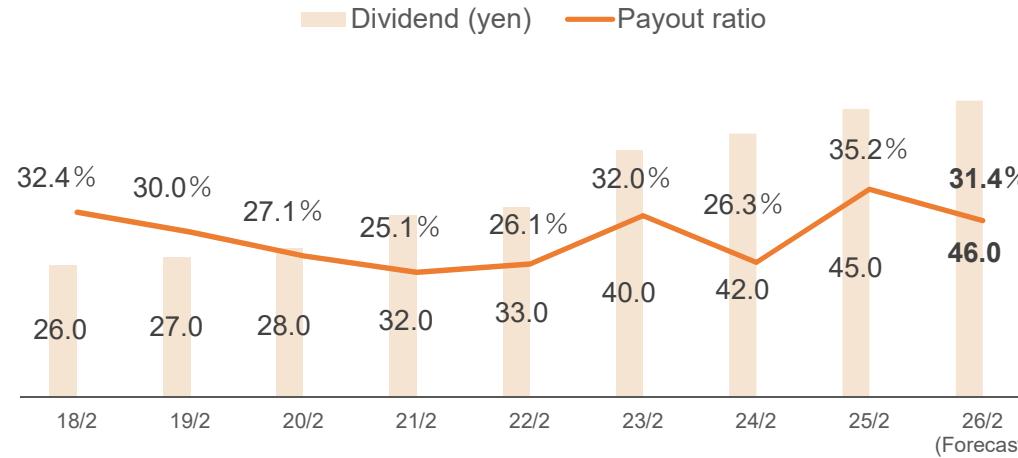


Shareholder Returns

Dividend Policy

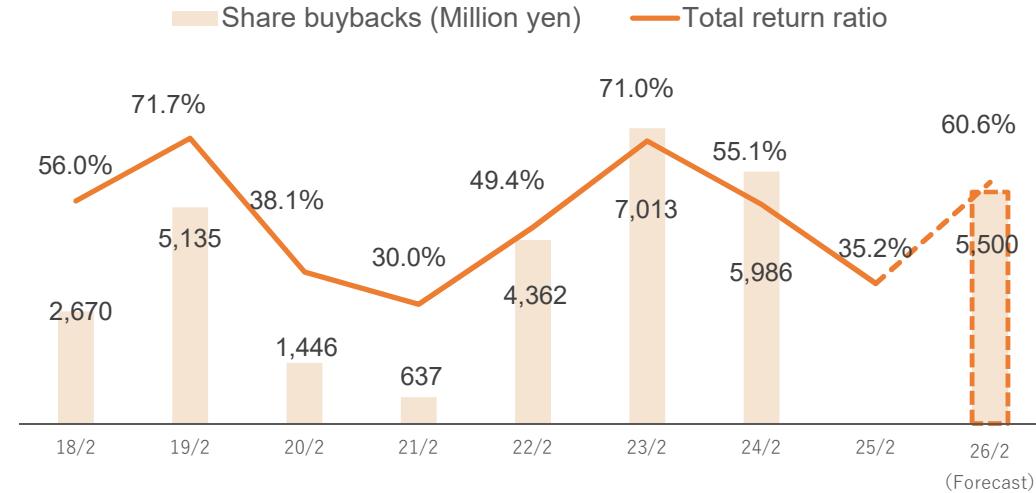
- Dividends in line with profit growth
- FY2/25 1-yen increase in year-end dividend
- **FY2/26 (forecast) 46 yen annual dividend**

*Dividend payout ratio excluding BIP and ESOP
FY2/25 36.4%, FY2/26 (forecast) 32.6%



Share buybacks

- Consider purchases on an ongoing basis
- The Company retains approximately 5% of the total number of shares issued, retiring any excess shares
- **Planned commencement of 5,500 million yen in share buybacks starting December 29, 2025**





Business Results Forecast for the Fiscal Year Ending February 28, 2026

(March 1, 2025 to February 28, 2026)

(Business results forecast revised since original announcement: No)

*We expect the impact of making Encho Co., Ltd. a wholly owned subsidiary via share exchange to be negligible on the consolidated financial results for the fiscal year ending February 28, 2026. We will promptly disclose revisions to our consolidated earnings forecast if such becomes necessary.

DCM HOLDINGS CO., LTD.

Business Results Forecast for the Fiscal Year Ending February 28, 2026 (Assumptions)



Store Openings and Closures

	First Half		Second Half		Year	
	Openings	Closures	Openings	Closures	Openings	Closures
Home Centers	2	5	0	2	2	7
Hodaka	4	0	1	0	5	0
DCM Nicot	1	0	1	0	2	0
Total	7	5	2	2	9	7

*Hodaka is a specialty shop for professionals; DCM Nicot is a small home center

Same Store Sales Growth

First Half	Second Half	Full Year
(4.0%)	+0.4%	(1.8%)

Capital Investment and Depreciation and Amortization

(Millions of yen)

Capital Investment	Depreciation and Amortization
17,000	13,600

*Capital investment includes property, plant and equipment, software, and leasehold and guarantee deposits

*Depreciation includes the amortization of software and other intangible assets, long-term prepaid expenses, etc.

Forecast of Consolidated Financial Results for the Fiscal Year Ending February 28, 2026 (Full Year)



March 1, 2025 to February 28, 2026

(Millions of yen, %)

	FYE February 2025 Results		FYE February 2026 Forecast		YoY (%)
	Result	Sales ratio	Result	Sales ratio	
Net sales	536,132	100.0	545,000	100.0	101.7
Gross profit	182,660	34.1	188,000	34.5	102.9
Operating revenue	8,470	1.6	8,600	1.6	101.5
Operating gross profit	191,130	35.6	196,600	36.1	102.9
SG&A	157,899	29.5	161,600	29.7	102.3
Operating profit	33,230	6.2	35,000	6.4	105.3
Ordinary profit	30,997	5.8	33,600	6.2	108.4
Profit attributable to owners of parent	17,144	3.2	19,600	3.6	114.3

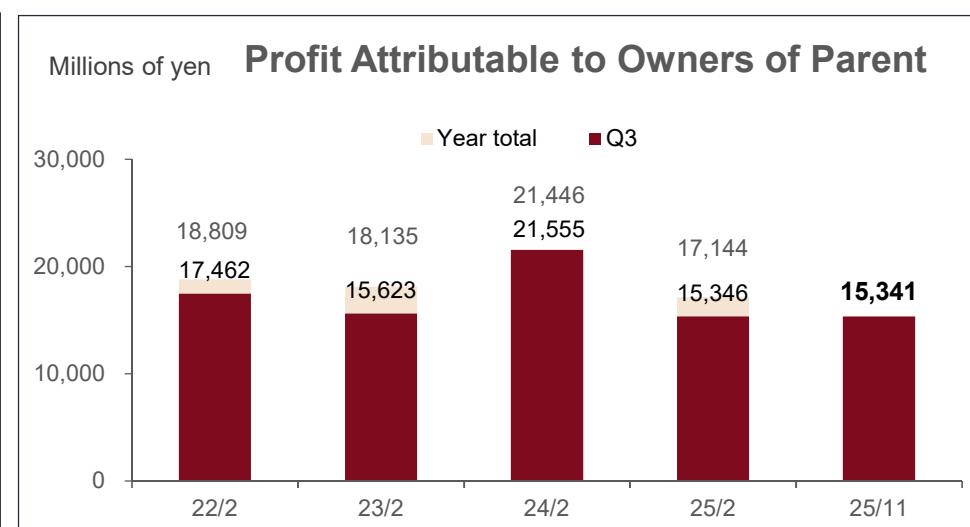
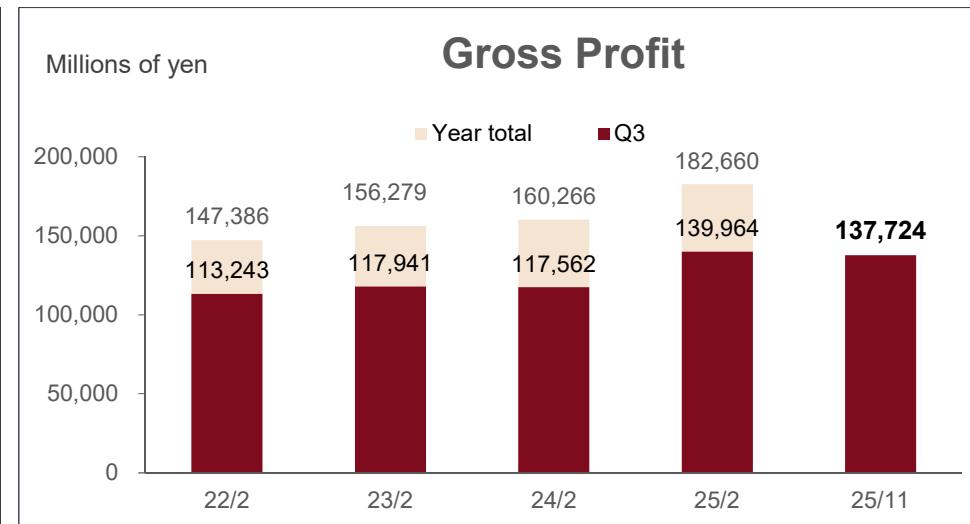
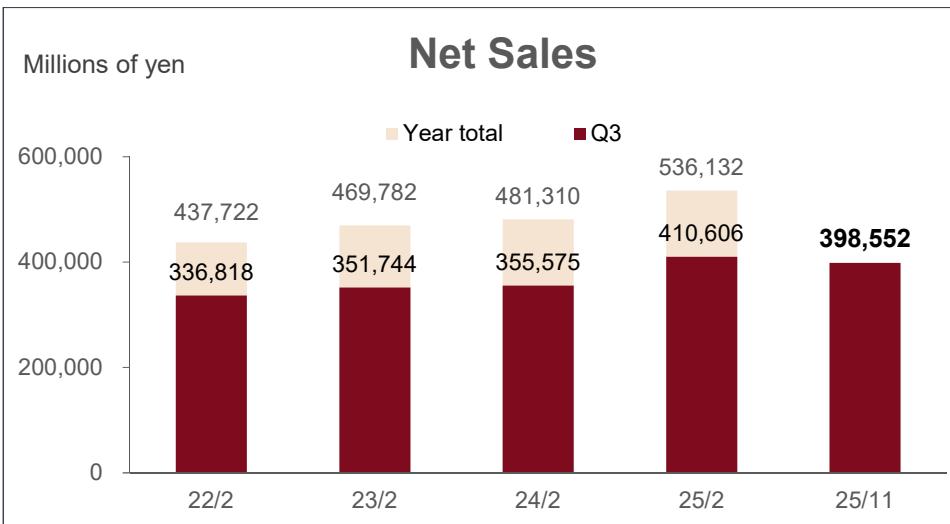
- Net income per share 146.29 yen
- Projected dividend per share 46 yen (interim: 23 yen, year-end: 23 yen)



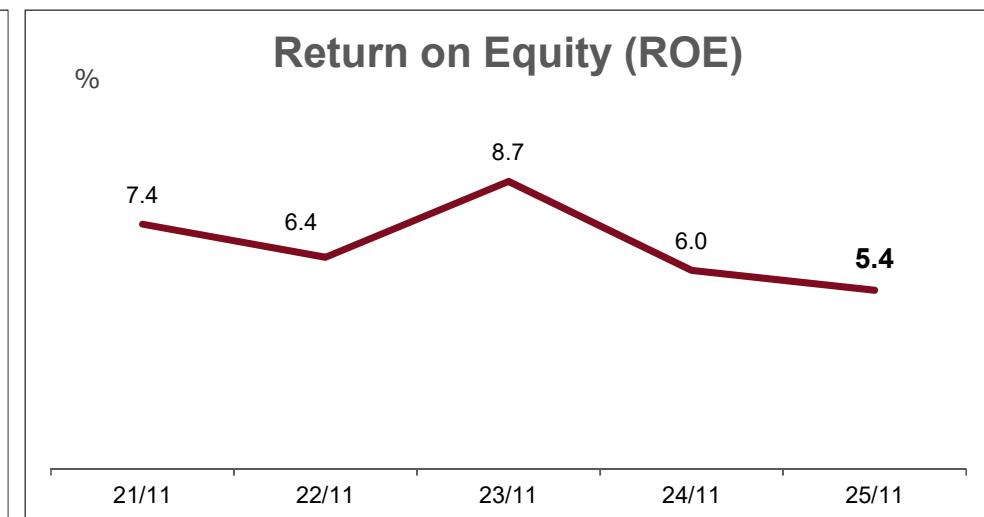
Reference Data

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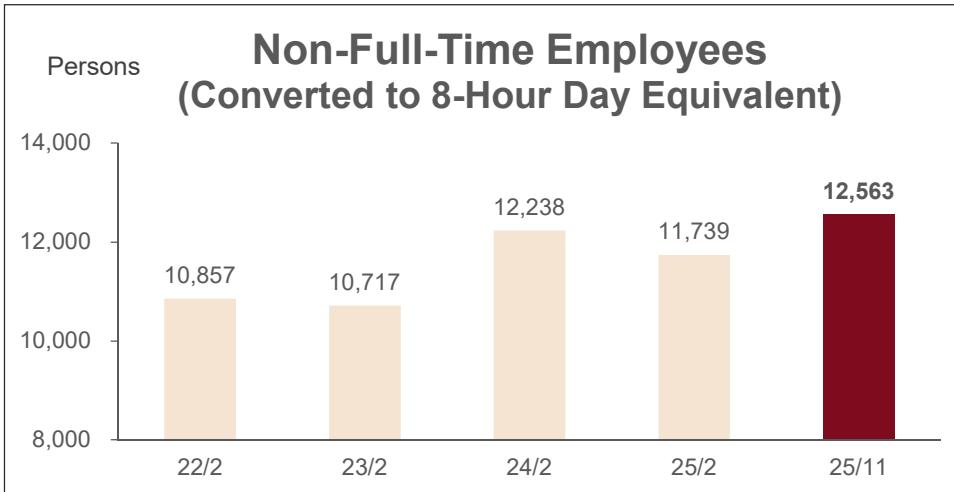
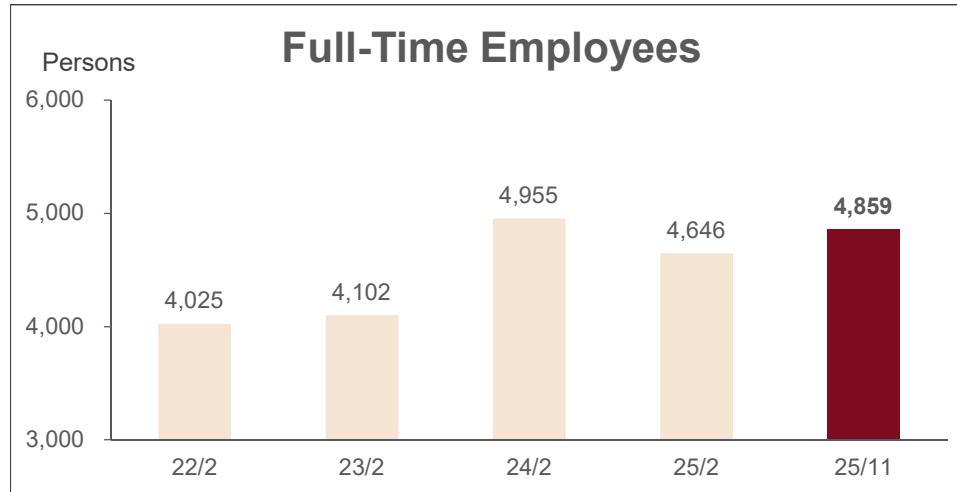
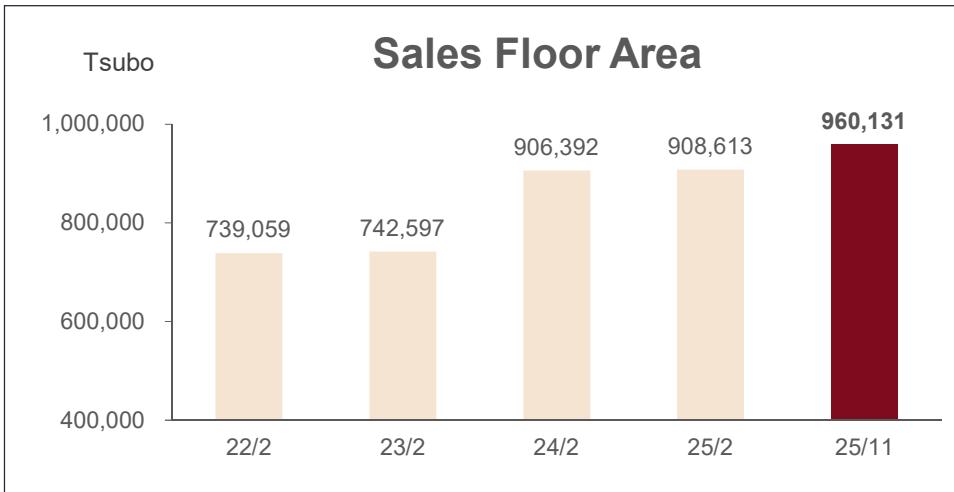
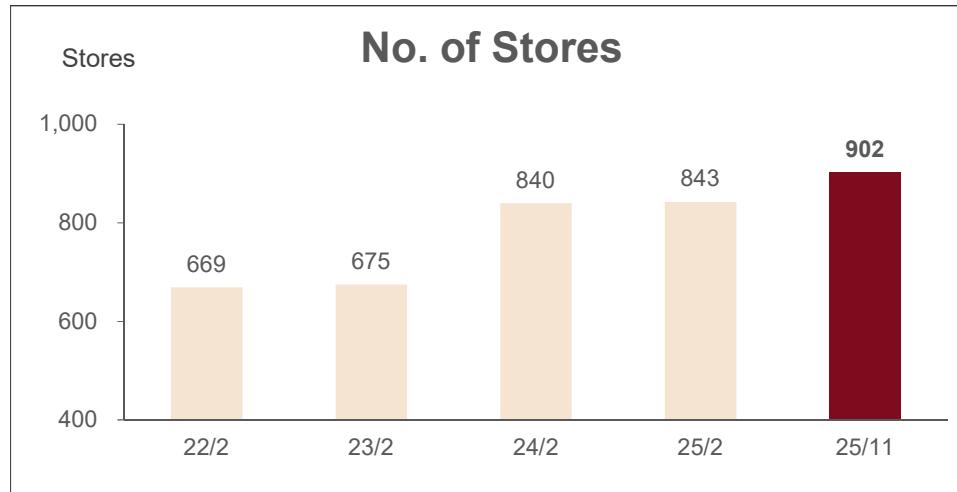
Business Performance



Management Indicators



Operating Data



■ FY2/23 Increase in full-time employees with the consolidation of XPRICE.

FY2/24 No. of stores, sales floor area, and the number of full-time and non-full-time employees increased with the consolidation of Keiyo.

FY11/25 No. of stores, sales floor area, and the number of full-time and non-full-time employees increased with the consolidation of Encho.

*1 tsubo = 3.3m²

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New Store Openings and Closings



New Stores	Number of Stores	Store Name	Location	Month	Sales Floor Area (Tsubo)	Notes
DCM	2	Mizushima Store Toyohashi Akebono Store	Okayama Aichi	March 2025 April 2025	1,638 1,538	
Hodaka	5	Kumamoto Kikuyo Store Isesaki Store Toyoake Store Hiratsuka Store Sapporo Kawazoe Store	Kumamoto Gunma Aichi Kanagawa Hokkaido	March 2025 May 2025 July 2025 August 2025 November 2025	260 236 271 259 298	
DCM Nicot	2	Kurikoma Store Memuro Store	Miyagi Hokkaido	July 2025 October 2025	289 250	
Total	9				5,039	

Closures	No. of Stores	Store Name	Location	Closed	Sales Floor Area (Tsubo)	Notes
DCM	5	Mizushima Store Toyohashi Yamada Store Yokkaichi Tomari Store Toin Store Takasago Store	Okayama Aichi Mie Mie Hyogo	March 2025 April 2025 May 2025 May 2025 July 2025	771 948 1,648 1,082 1,058	
Total	5				5,507	

*Hodaka is a specialty shop for professionals ; DCM Nicot is a small home center

*1 tsubo = 3.3m²

Company Creed

Serving Creation Unity

Company Philosophy

Do Create Mystyle
くらしの夢をカタチに

While creating new products and services for our customers
and flexibly adapting to changes, we will unite with the local community
to serve society and strive to be indispensable presence.

Principles of Conduct

Demand Chain Management for Customer

Always thinking from the customer's perspective,
we will strive to be a company that achieves
both customer satisfaction and progress in distribution.

Conduct Guidelines

Customer first

We put ourselves in our customers shoes and think deeply.

Sincere support

**We provide products and services
that can bring smiles to our customers.**

Cooperation with the local community

We will enrich lives together with our customers.

Teamwork

**While fulfilling our role,
we will respect our peers and cooperate with one another.**



Do Create Mystyle
くらしの夢をカタチに