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February 12, 2026

Consolidated Financial Results for the Six Months Ended December 31, 2025 [Japanese GAAP]

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 Listing: Tokyo Stock Exchange
 Securities code: 7532
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 Preparation of supplementary material on financial results: Yes
 Holding of financial results briefing: Yes (for institutional investors, analysts, and financial institutions)

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

1. Consolidated financial results for the six months of the fiscal year ending June 30, 2026 (July 1, 2025 to December 31, 2025)

(1) Consolidated operating results (Cumulative) (Percentages indicate year-over-year changes.)

	Net sales		Operating income		Ordinary profit		Profit attributable to owners of parent	
Six months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
December 31, 2025	1,210,122	7.2	93,994	4.7	96,469	11.0	63,734	18.1
December 31, 2024	1,128,614	7.7	89,749	18.9	86,914	18.1	53,977	12.0

Note: Comprehensive income Six months ended December 31, 2025: ¥ 68,726 million [32.8%]
 Six months ended December 31, 2024: ¥ 51,757 million [(10.8)%]

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
December 31, 2025	21.34	21.25
December 31, 2024	18.08	18.01

Note: The Company conducted a 5-for-1 stock split of its common shares, effective October 1, 2025. Assuming that this stock split had been effective at the beginning of the previous fiscal year, “basic earnings per share” and “diluted earnings per share” for the six-month period under review have been calculated accordingly.

(2) Consolidated financial position (Percentages indicate year-over-year changes.)

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
December 31, 2025	1,617,531	686,189	40.6
June 30, 2025	1,511,026	624,044	40.1

Reference: Equity

As of December 31, 2025: ¥ 656,031 million
 As of June 30, 2025: ¥ 605,754 million

2. Cash dividends

	Annual dividends per share				
	Q1	Q2	Q3	Fiscal year-end	Full year
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended June 30, 2025	—	9.00	—	26.00	35.00
Fiscal year ending June 30, 2026	—	3.00			
Fiscal year ending June 30, 2026 (Forecast)			—	5.50	8.50

Notes 1: Revisions to the forecast of cash dividends most recently announced — None

2: The Company conducted a 5-for-1 stock split of its common shares, effective October 1, 2025. For the fiscal year ended June 30, 2025, the actual dividend amount before the stock split is presented.

3. Consolidated earnings forecasts for the fiscal year ending June 30, 2026 (July 1, 2025 to June 30, 2026)

(Percentages indicate year-over-year changes.)

	Net sales		Operating income		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	2,435,000	8.4	174,000	7.2	172,000	8.5	107,000	18.2	35.80

Note: Revisions to the consolidated earnings forecasts most recently announced — Yes

Please refer to the press release titled “Notice Regarding Revisions to Full-Year Consolidated Earnings Forecasts,” which was disclosed today February 12, 2026, for details regarding the revisions to the consolidated full-year earnings forecasts.

Notes

- (1) Significant changes in the scope of consolidation during the period: None
Newly included: None
Excluded: None
- (2) Adoption of accounting treatment specific to the preparation of semi-annual consolidated financial statements: None
- (3) Changes in accounting policies, changes in accounting estimates, and restatement
- (i) Changes in accounting policies due to revisions to accounting standards and other regulations: None
 - (ii) Changes in accounting policies due to other reasons: None
 - (iii) Changes in accounting estimates: None
 - (iv) Restatement: None
- (4) Number of issued shares (common shares)

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

As of December 31, 2025	3,177,296,700 shares
As of June 30, 2025	3,176,766,700 shares

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

As of December 31, 2025	188,783,325 shares
As of June 30, 2025	190,367,105 shares

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

Six months ended December 31, 2025	2,987,185,022 shares
Six months ended December 31, 2024	2,985,029,375 shares

Note: The Company conducted a 5-for-1 stock split of its common shares, effective October 1, 2025. Assuming that this stock split had been effective at the beginning of the previous fiscal year, “total number of issued shares at the end of the period,” “number of treasury shares at the end of the period,” and “average number of shares outstanding during the period” have been calculated accordingly.

Notes:

- This financial results report is exempt from review conducted by certified public accountants or an audit firm.
- Proper use of earnings forecasts, and other special matters

Cautionary statement regarding forward-looking information

This document contains forward-looking statements, including the Company’s outlook for business results. These statements are based on information currently available to the Company and on certain assumptions that the Company considers reasonable; however, they are not intended to constitute a guarantee of performance. Actual results may differ materially due to various factors. For the assumptions underlying the Company’s forecasts and important notes regarding the use of such projections, please refer to page 7 of the accompanying materials, “1. Qualitative Information — (3) Explanation of consolidated earnings forecasts and other forward-looking statements.”

Method of obtaining supplementary materials and contents of the financial results briefing

The Company plans to hold a financial results briefing for securities analysts and institutional investors on February 12, 2026. The briefing presentation materials will be made available on the Company’s website.

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1. Qualitative Information

(1) Consolidated operating results

During the six-month period ended December 31, 2025, Japan's economy continued to face an uncertain outlook amid concerns that factors such as U.S. trade policies and the deterioration in Japan–China relations could affect economic conditions.

In the retail sector, the operating environment remains challenging, as higher personnel expenses reflecting minimum wage increases and labor shortages—along with persistent inflation that continued to raise prices for food and daily necessities—increased overall cost pressures. As a consequence of these cost pressures, consumers have become more price-conscious, which, in turn, intensified competition among retailers, particularly on pricing.

Amid these challenging conditions, the Group formulated a new long-term management plan “Double Impact 2035” in August 2025 to ensure continued growth. Under this plan, the Group has been implementing a wide range of initiatives to achieve its stated objectives.

During the period under review, the Group opened seven stores in Japan, all operated by Don Quijote Co., Ltd. The store openings by region were as follows:

- Kanto region: Don Quijote Oizumi (Tokyo); Kirakira Donki Ebina Vinawalk (Kanagawa); and Re:Price Kumagaya NITTOH MALL (Saitama)
- Tohoku region: Kirakira Donki the Mall at Sendai Nagamachi (Miyagi)
- Chubu region: Don Quijote Takayama (Gifu)
- Kinki region: Don Quijote Apita Matsusaka Mikumo (Mie)
- Chugoku region: Don Quijote Hatchobori Nishi (Hiroshima)

In the overseas business, the Group opened two stores in California, U.S.—Tokyo Central Irvine and a sushi restaurant in El Dorado Hills—along with one store in Thailand, DON DON DONKI Central Westgate.

Meanwhile, the Group closed one store in the domestic business and four stores in the Asia business.

As a result, the Group operated a total of 784 stores worldwide as of December 31, 2025, comprising 661 domestic stores and 123 overseas stores, compared with 779 stores as of June 30, 2025.

Performance by reportable segment is as follows.

Domestic Business

Net sales were ¥1,291.52 billion, up 7.8% year-over-year, and operating income was ¥90.244 billion, up 3.7% year-over-year in the domestic business segment. Tax-free sales increased as the share of the Group's sales in foreign visitors' domestic spending continued to rise. The rise in this share was driven by inbound initiatives such as enhanced amusement experiences, expanded merchandise assortments, and the “Tabi-Mae Promotion,” which raises awareness of Don Quijote before visitors arrive in Japan and provides special offers. In addition, driven by new store openings aimed at expanding market share and reinforced members-only services via the majica app, including “maji-kakaku” (exclusive prices for app members) and the “maji-majica point rebate campaign,” same-store sales grew 4.4%.

In December 2025, the Group opened its first “Re:Price” store, a new experimental format specializing in astonishingly affordable products for beauty, health, and time-saving needs targeted at women in their 30s to 50s. The Group will continue developing new formats that resonate with customers to pursue further growth in domestic net sales.

Operating income increased despite higher selling, general, and administrative (SG&A) expenses. SG&A expenses rose mainly due to new store openings, higher personnel expenses resulting from minimum wage increases, an increase in subsidiaries subject to factor-based tax, and higher tax-free-related costs.

North America Business

Net sales were ¥134.730 billion, up 3.4% year-over-year, and operating income was ¥1.727 billion, down 25.9% year-over-year in the North America business segment. Net sales and SG&A expenses increased due to new store openings and the consolidation of Mikuni Restaurant Group, Inc. as a subsidiary. Meanwhile, the loss of one store caused by wildfire in the previous fiscal year reduced net sales and SG&A expenses. Operating income decreased due to higher costs associated with strategic new store openings and other related investments.

Asia Business

Net sales were ¥46.240 billion, up 6.4% year-over-year, and operating income was ¥2.023 billion, up 387.5% year-over-year in the Asia Business segment. Net sales increased mainly supported by higher same-store sales. Same-store sales grew as the Group leveraged local distribution channels for merchandise procurement, expanded spot-buy items, introduced new products, and applied strategic pricing to popular Japanese products. Operating income rose significantly as the Group continued its comprehensive review of SG&A expenses, including closing unprofitable stores, introducing self-checkout registers, and optimizing staff allocation to reduce personnel expenses.

As a result of the above, the consolidated results for the six-month period under review were as follows:

Net sales	¥1,210.122 billion	(up 7.2% year-over-year)
Operating income	¥93.994 billion	(up 4.7% year-over-year)
Ordinary profit	¥96.469 billion	(up 11.0% year-over-year)
Profit attributable to owners of parent	¥63.734 billion	(up 18.1% year-over-year)

(2) Consolidated financial position

(Unit: Millions of yen; amounts are rounded to the nearest million yen.)

	As of June 30, 2025	As of December 31, 2025	Change
Total assets	1,511,026	1,617,531	106,505
Total liabilities	886,982	931,342	44,360
Total net assets	624,044	686,189	62,145

1. Assets, liabilities, and net assets

At the end of the six-month period ended December 31, 2025, total assets increased by ¥106.505 billion from the end of the previous fiscal year to ¥1,617.531 billion. This increase was mainly due to increases in cash and deposits of ¥41.134 billion, notes and accounts receivable - trade of ¥10.401 billion, accounts receivable - installment of ¥6.866 billion, merchandise and finished goods of ¥31.205 billion, deposits paid of ¥11.277 billion, and property, plant and equipment of ¥7.724 billion, partly offset by a decrease in investment securities of ¥11.837 billion.

Total liabilities increased by ¥44.360 billion from the end of the previous fiscal year to ¥931.342 billion. This increase was mainly due to an increase in notes and accounts payable – trade of ¥71.945 billion, partly offset by a decrease in borrowings of ¥28.515 billion.

Total net assets increased by ¥62.145 billion from the end of the previous fiscal year to ¥686.189 billion. This increase was mainly due to retained earnings of ¥48.204 billion, mainly reflecting the recording of profit attributable to owners of parent, partly offset by dividend payments, and an increase in non-controlling interests of ¥12.007 billion.

2. Cash flows

At the end of the six-month period ended December 31, 2025, cash and cash equivalents increased by ¥51.074 billion from the end of the previous fiscal year to ¥226.911 billion.

The cash flows from each activity and their underlying factors were as follows.

Cash flows from operating activities

Net cash provided by operating activities was ¥113.074 billion, an increase of ¥20.426 billion year-over-year. This increase was mainly due to profit before income taxes of ¥95.160 billion, depreciation of ¥25.640 billion, and an increase in trade payables of ¥68.387 billion. These positive factors were partly offset by an increase in inventories of ¥29.783 billion, an increase in accounts receivable - installment of ¥6.985 billion, an increase in trade receivables of ¥6.268 billion, and income taxes paid of ¥25.337 billion.

Cash flows from investing activities

Net cash used in investing activities was ¥30.437 billion, an increase of ¥8.111 billion year-over-year. This increase was mainly due to purchase of property, plant and equipment of ¥22.819 billion and the purchase of intangible assets of ¥7.642 billion.

Cash flows from financing activities

Net cash used in financing activities was ¥53.416 billion, an increase of ¥20.255 billion year-over-year. This increase was mainly due to repayments of long-term borrowings of ¥28.749 billion, dividends paid of ¥15.529 billion, and purchase of shares of subsidiaries not resulting in change in scope of consolidation of ¥8.130 billion.

(3) Explanation of consolidated earnings forecasts and other forward-looking statements

The Company has revised its full-year consolidated earnings forecasts taking into account the progress of business results for the six-month period under review, although the external environment is expected to remain challenging—requiring continued attention to the impact of persistent inflation, U.S. trade policy, and the deterioration of Japan–China relations on the economy.

For further details, please refer to the “Notice Regarding Revisions to Full-Year Consolidated Earnings Forecasts” disclosed today, February 12, 2026.

2. Semi-annual Consolidated Financial Statements and Material Notes Thereto

(1) Semi-annual consolidated balance sheets

(Millions of yen)

	As of June 30, 2025	As of December 31, 2025
Assets		
Current assets		
Cash and deposits	171,958	213,092
Notes and accounts receivable - trade	18,956	29,357
Accounts receivable - installment	57,749	64,615
Operating loans	9,456	9,190
Merchandise and finished goods	224,902	256,107
Prepaid expenses	9,476	10,507
Deposits paid	5,764	17,041
Other	35,367	41,152
Allowance for doubtful accounts	(5,637)	(5,107)
Total current assets	<u>527,990</u>	<u>635,954</u>
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	295,714	295,344
Tools, furniture and fixtures, net	37,895	40,757
Land	354,219	358,376
Construction in progress	3,657	4,117
Right-of-use assets, net	24,934	25,514
Other, net	1,565	1,601
Total property, plant and equipment	<u>717,985</u>	<u>725,709</u>
Intangible assets		
Goodwill	62,853	64,498
Other	40,738	43,923
Total intangible assets	<u>103,590</u>	<u>108,421</u>
Investments and other assets		
Investment securities	37,901	26,064
Long-term prepaid expenses	4,460	4,192
Retirement benefit asset	18,355	19,465
Deferred tax assets	28,042	27,199
Leasehold and guarantee deposits	68,226	67,869
Other	5,617	3,755
Allowance for doubtful accounts	(1,140)	(1,096)
Total investments and other assets	<u>161,461</u>	<u>147,448</u>
Total non-current assets	<u>983,036</u>	<u>981,578</u>
Total assets	<u>1,511,026</u>	<u>1,617,531</u>

(Millions of yen)

	As of June 30, 2025	As of December 31, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	194,883	266,828
Current portion of long-term borrowings	56,375	30,234
Current portion of bonds payable	20,650	84,802
Accounts payable - other	57,483	56,238
Lease liabilities	2,839	3,439
Accrued expenses	29,540	26,388
Deposits received	13,396	16,999
Income taxes payable	29,299	32,219
Provision for point card certificates	1,598	2,030
Contract liabilities	20,055	18,333
Other	15,475	13,159
Total current liabilities	441,593	550,670
Non-current liabilities		
Bonds payable	170,425	106,000
Long-term borrowings	156,929	154,555
Lease liabilities	35,370	36,300
Asset retirement obligations	32,077	32,958
Other	50,588	50,860
Total non-current liabilities	445,389	380,673
Total liabilities	886,982	931,342
Net assets		
Shareholders' equity		
Share capital	23,689	23,738
Capital surplus	17,810	14,918
Retained earnings	629,753	677,957
Treasury shares	(80,957)	(80,284)
Total shareholders' equity	590,294	636,329
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	3,161	3,977
Foreign currency translation adjustment	11,656	15,228
Remeasurements of defined benefit plans	643	496
Total accumulated other comprehensive income	15,460	19,701
Share acquisition rights	2,080	1,942
Non-controlling interests	16,210	28,217
Total net assets	624,044	686,189
Total liabilities and net assets	1,511,026	1,617,531

(2) Semi-annual consolidated statements of income and semi-annual consolidated statements of comprehensive income

Semi-annual consolidated statements of income

(Millions of yen)

	Six months ended December 31, 2024	Six months ended December 31, 2025
Net sales	1,128,614	1,210,122
Cost of sales	764,699	826,895
Gross profit	363,914	383,227
Selling, general and administrative expenses	274,165	289,233
Operating income	89,749	93,994
Non-operating income		
Interest and dividend income	750	1,237
Share of profit of entities accounted for using equity method	443	240
Foreign exchange gains	—	2,612
Other	3,092	2,079
Total non-operating income	4,285	6,168
Non-operating expenses		
Interest expenses	3,219	3,113
Foreign exchange losses	3,514	—
Other	387	580
Total non-operating expenses	7,120	3,692
Ordinary profit	86,914	96,469
Extraordinary income		
Gain on sale of non-current assets	211	449
Reversal of provision for loss on store closings	769	—
Gain on insurance claims	—	287
Gain on step acquisitions	—	362
Other	4	163
Total extraordinary income	984	1,262
Extraordinary losses		
Impairment losses	464	155
Loss on retirement of non-current assets	642	873
Loss on store closings	1,327	147
Loss on valuation of investment securities	0	668
Loss on disaster	28	178
Other	38	549
Total extraordinary losses	2,500	2,570
Profit before income taxes	85,398	95,160
Income taxes - current	28,100	26,959
Income taxes - deferred	2,589	3,499
Total income taxes	30,689	30,459
Profit	54,709	64,702
Profit attributable to non-controlling interests	732	968
Profit attributable to owners of parent	53,977	63,734

Semi-annual consolidated statements of comprehensive income

(Millions of yen)

	Six months ended December 31, 2024	Six months ended December 31, 2025
Profit	54,709	64,702
Other comprehensive income		
Valuation difference on available-for-sale securities	(552)	691
Foreign currency translation adjustment	(2,337)	3,545
Remeasurements of defined benefit plans, net of tax	(37)	(31)
Share of other comprehensive income of entities accounted for using equity method	(27)	(181)
Total other comprehensive income	(2,952)	4,024
Comprehensive income	51,757	68,726
Comprehensive income attributable to owners of parent	51,273	67,975
Comprehensive income attributable to non-controlling interests	484	751

(3) Semi-annual consolidated statements of cash flows

(Millions of yen)

	Six months ended December 31, 2024	Six months ended December 31, 2025
Cash flows from operating activities		
Profit before income taxes	85,398	95,160
Depreciation	24,011	25,640
Increase (decrease) in provisions	1,217	(2,381)
Interest and dividend income	(750)	(1,237)
Interest expenses on borrowings and bonds	3,219	3,113
Foreign exchange losses (gains)	3,390	(2,409)
Share of loss (profit) of entities accounted for using equity method	(443)	(240)
Loss (gain) on sale and retirement of non-current assets	452	477
Loss (gain) on step acquisitions	—	(362)
Loss on store closings	1,327	147
Decrease (increase) in trade receivables	(4,273)	(6,268)
Decrease (increase) in inventories	(31,376)	(29,783)
Increase (decrease) in trade payables	49,864	68,387
Decrease (increase) in accounts receivable - installment	(8,035)	(6,985)
Increase (decrease) in accounts payable - other	1,897	2,568
Increase (decrease) in income taxes payable – factor-based tax	(78)	(1,411)
Increase (decrease) in deposits received	5,441	5,034
Other, net	(12,974)	(13,194)
Subtotal	118,289	136,256
Interest and dividends received	630	1,129
Interest paid	(3,412)	(3,365)
Income taxes paid	(26,040)	(25,337)
Income taxes refund	3,383	1,586
Proceeds from insurance income	—	2,901
Payments associated with disaster loss	(275)	(97)
Dividends received from entities accounted for using equity method	73	—
Net cash provided by (used in) operating activities	92,648	113,074
Cash flows from investing activities		
Purchase of property, plant and equipment	(19,287)	(22,819)
Proceeds from sale of property, plant and equipment	3,135	1,662
Purchase of intangible assets	(5,800)	(7,642)
Decrease (increase) in time deposits	—	(1,000)
Payments of leasehold and guarantee deposits	(750)	(286)
Proceeds from refund of leasehold and guarantee deposits	637	485
Payment for store opening in progress	(244)	(640)
Other, net	(17)	(197)
Net cash provided by (used in) investing activities	(22,326)	(30,437)
Cash flows from financing activities		
Proceeds from long-term borrowings	40,000	—
Repayments of long-term borrowings	(57,147)	(28,749)
Dividends paid	(14,924)	(15,529)
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	—	(8,130)
Other, net	(1,090)	(1,008)

(Millions of yen)

	Six months ended December 31, 2024	Six months ended December 31, 2025
Net cash provided by (used in) financing activities	(33,161)	(53,416)
Effect of exchange rate change on cash and cash equivalents	(5,610)	3,989
Net increase (decrease) in cash and cash equivalents	31,551	33,210
Cash and cash equivalents at beginning of period	187,199	175,837
Increase (decrease) in cash and cash equivalents resulting from change in scope of consolidation	—	17,864
Cash and cash equivalents at end of period	218,750	226,911

(4) Notes to the semi-annual consolidated financial statements

Notes on the going concern assumptions

Not applicable.

Notes on significant changes in shareholders' equity

Not applicable.

Significant changes in the scope of consolidation during the period under review

Kanemi Co., Ltd., an equity-method affiliate of the Company, repurchased a portion of its issued shares as treasury shares on August 20, 2025, resulting in the Company holding 40.3% of its voting rights. Accordingly, Kanemi Co., Ltd. was newly included in the scope of consolidation under the substantive control standard. Kanemi Co., Ltd. does not qualify as a specified subsidiary.

Since the deemed acquisition date was set as September 30, 2025, the semi-annual consolidated statements of income and semi-annual consolidated statements of comprehensive income include Kanemi Co., Ltd.'s results of operations for the period on and after October 1, 2025.

Notes on segment information and related disclosures

Segment information

I. Six months ended December 31, 2024 (July 1, 2024 to December 31, 2024)

1. Information on net sales and profit or loss by reportable segment

(Millions of yen)

	Reportable segments				Adjustment	Amount recorded in semi-annual consolidated statements of income
	Domestic Business	North America Business	Asia Business	Total		
Net sales						
Sales to external customers	954,889	130,260	43,465	1,128,614	—	1,128,614
Intersegment sales or transfers	7,001	—	80	7,081	(7,081)	—
Total	961,890	130,260	43,546	1,135,695	(7,081)	1,128,614
Segment profit	87,002	2,332	415	89,749	—	89,749

Note: Segment profit corresponds to operating income in the semi-annual consolidated statements of income.

2. Information on impairment losses on property, plant and equipment and on goodwill by reportable segment

Significant impairment losses on property, plant and equipment

The North America Business segment and the Asia Business segment recognized impairment losses on store facilities. In the prior semi-annual consolidated accounting period, the amounts of impairment losses recognized were ¥100 million for the North America Business segment and ¥364 million for the Asia Business segment.

Significant changes in goodwill

Not applicable.

Significant gains on bargain purchase

Not applicable.

II. Six months ended December 31, 2025 (July 1, 2025 to December 31, 2025)

1. Information on net sales and profit or loss by reportable segment

(Millions of yen)

	Reportable segments				Adjustment	Amount recorded in semi-annual consolidated statements of income
	Domestic Business	North America Business	Asia Business	Total		
Net sales						
Sales to external customers	1,029,152	134,730	46,240	1,210,122	—	1,210,122
Intersegment sales or transfers	6,867	—	115	6,982	(6,982)	—
Total	1,036,020	134,730	46,354	1,217,104	(6,982)	1,210,122
Segment profit	90,244	1,727	2,023	93,994	—	93,994

Note: Segment profit corresponds to operating income in the semi-annual consolidated statements of income.

2. Information on impairment losses on property, plant and equipment and on goodwill by reportable segment

Significant impairment losses on property, plant and equipment

The Domestic Business segment, the North America Business segment, and the Asia Business segment recognized impairment losses on store facilities. The amounts recognized in the semi-annual consolidated accounting period under review were ¥20 million for the Domestic Business segment, ¥109 million for the North America Business segment, and ¥26 million for the Asia Business segment.

Significant changes in goodwill

Goodwill of ¥1,699 million was recognized in the Domestic Business segment as a result of Kanemi Co., Ltd. being newly included in the scope of consolidation during the semi-annual consolidated accounting period under review.

Significant gains on bargain purchase

Not applicable.