Q1, Fiscal Year Ending February 28, 2027 Financial Results Supplementary Materials

(March 1, 2026 to May 31, 2026)

June 26, 2026

DCM HOLDINGS CO., LTD.

Q1 Highlights, Fiscal Year Ending February 28, 2027

DCM HOLDINGS CO.,LTD.

Q1 Highlights, FYE February 2027

Net sales	**149.4 billion yen**	**109.7% of previous year**	**(101.4% of plan)**

・Same store sales: +2.4%; sales increased due to the consolidation of ENCHO and HOME TECH

Gross profit	**51.5 billion yen**	**108.8% of previous year**	**(100.3% of plan)**

・Gross profit margin: -0.3 ppt YoY; home improvement retail business gross profit margin (excluding ENCHO): 37.1% (+0.2 ppt YoY)

Operating profit	**11.3 billion yen**	**117.4% of previous year**	**(117.3% of plan)**

・SG&A expenses: +7.1% YoY; operational efficiency improvements offset wage increases, resulting in -0.2% YoY, excluding ENCHO

Ordinary profit	**10.9 billion yen**	**119.4% of previous year**	**(118.2% of plan)**

Profit attributable to owners of parent	**6.5 billion yen**	**111.5% of previous year**	**(120.3% of plan)**

Q1 Results, Fiscal Year Ending February 28, 2027

DCM HOLDINGS CO.,LTD.

Consolidated Statements of Income

Higher net sales due to the situation in the Middle East and the inclusion of HOME TECH in consolidated profit and loss statement
Excluding ENCHO, gross profit margin improved and we reduced SG&A expenses

(Millions of yen, %)

	Q1, FYE February 2025		Q1, FYE February 2026				Excluding ENCHO		
	Result	Sales ratio	Result	Sales ratio	Change	Change (%)	Result	Sales ratio	Change (%)
Net sales	136,161	100.0	149,432	100.0	+13,270	109.7	142,219	100.0	104.4
Gross profit	47,372	34.8	51,541	34.5	+4,169	108.8	49,725	35.0	105.0
Operating revenue	2,165	1.6	2,510	1.7	+344	115.9	2,202	1.5	101.7
Operating gross profit	49,538	36.4	54,052	36.2	+4,513	109.1	51,928	36.5	104.8
SG&A	39,852	29.3	42,678	28.6	+2,825	107.1	39,760	28.0	99.8
Operating profit	9,685	7.1	11,373	7.6	+1,688	117.4	12,167	8.6	125.6
Ordinary profit	9,155	6.7	10,933	7.3	+1,778	119.4	11,762	8.3	128.5
Profit attributable to owners of parent	5,881	4.3	6,558	4.4	+676	111.5	7,362	5.2	125.2

Sales by Product Category

DCM

Responded to special demand from bulk purchases across business divisions driven by the situation in the Middle East

Sustained higher temperatures drove strong sales of summer products, air conditioners, and electric fans

(Millions of yen, %)

	Q1, FYE February 2025		Q1, FYE February 2026			
	Result	Composition ratio	Result	Composition ratio	Change	Change (%)
Gardening	26,684	19.6	28,631	19.2	+1,947	107.3
Home improvement	26,467	19.4	29,790	19.9	+3,322	112.6
Home leisure and pet	19,187	14.1	20,292	13.6	+1,105	105.8
Housekeeping	28,464	20.9	30,472	20.4	+2,008	107.1
Home furnishing	5,841	4.2	5,928	4.0	+87	101.5
Home electronics	10,060	7.4	11,105	7.4	+1,045	110.4
Other	3,900	2.9	6,648	4.5	+2,747	170.4
Product supply, etc.	355	0.3	610	0.4	+255	171.8
Total of home improvement retail business	120,960	88.8	133,479	89.4	+12,519	110.3
XPRICE business	15,134	11.2	15,887	10.6	+752	105.0
Other business	66	0.0	65	0.0	(1)	98.0
Total	136,161	100.0	149,432	100.0	+13,270	109.7

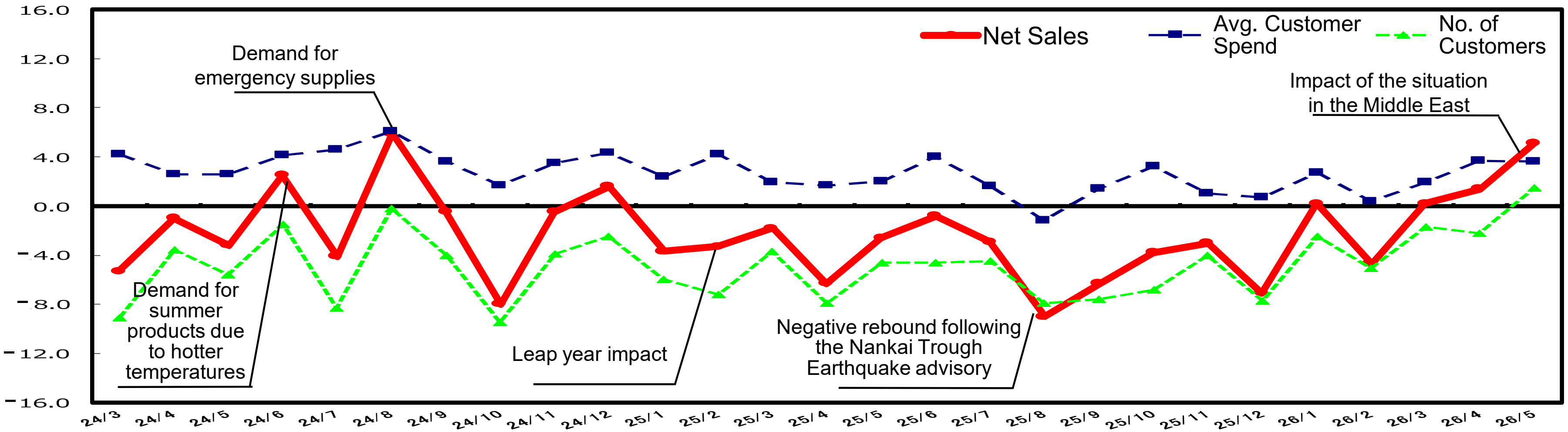
*We reclassified results for the previous fiscal year due to a change in departments.
(Dining and Kitchen, Bath and Toiletries moved from Home Furnishings to Housekeeping division)

Same Store Changes

DCM

Strong net sales driven by favorable weather conditions and special demand related to the situation in the Middle East
Customer numbers recovered in May, while the average spending per customer increased due to measures taken in response to higher raw material costs and the weaker yen

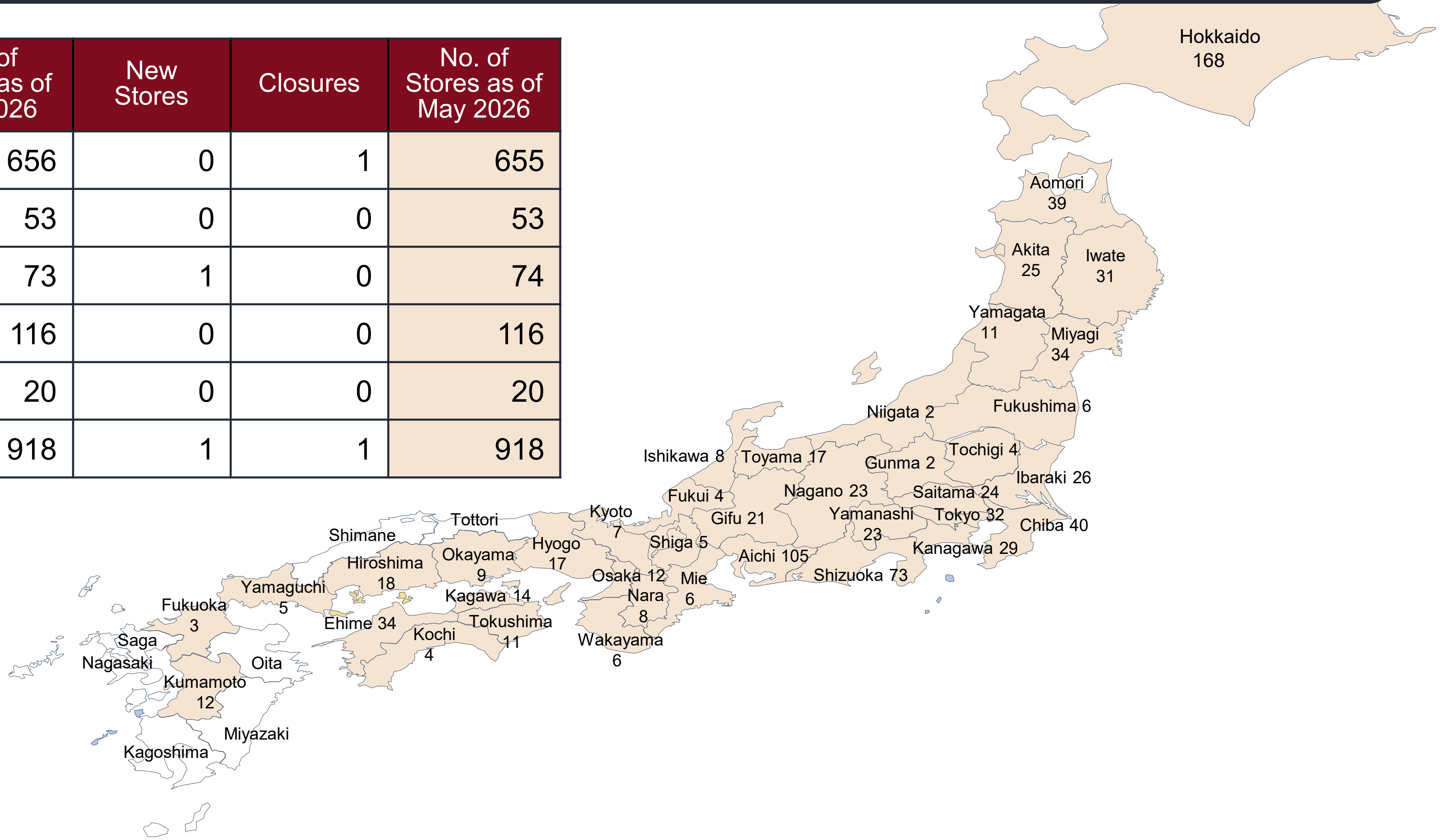
	FYE February 2026			FYE February 2027		
	Net Sales	No. of Customers	Avg. Customer Spend	Net Sales	No. of Customers	Avg. Customer Spend
March - May Total	(3.7%)	(5.5%)	+1.9%	+2.4%	(0.7%)	+3.1%
March	(1.8%)	(3.7%)	+1.9%	+0.2%	(1.7%)	+1.9%
April	(6.3%)	(7.9%)	+1.7%	+1.4%	(2.2%)	+3.7%
May	(2.6%)	(4.6%)	+2.0%	+5.1%	+1.5%	+3.6%



Store Openings by Prefecture

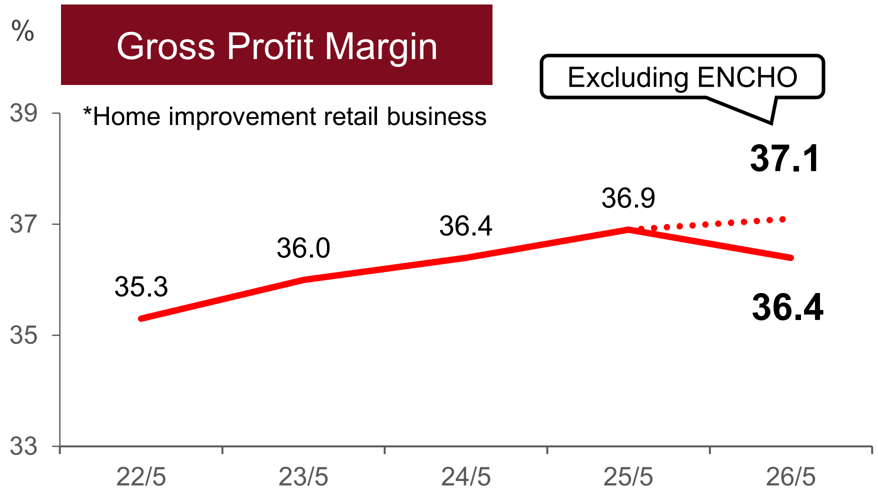
Total 918 Stores nationwide

	No. of Stores as of Feb 2026	New Stores	Closures	No. of Stores as of May 2026
DCM	656	0	1	655
ENCHO	53	0	0	53
Hodaka	73	1	0	74
DCM Nicot	116	0	0	116
HOMETECH	20	0	0	20
Total	918	1	1	918



Gross Profit Margin

Lower gross profit margin due to ENCHO renovations
Excluding Encho, gross profit margin improved despite the ongoing weak yen, higher raw material costs, and rising logistics expenses



37.1% (up +0.2 ppt YoY) when excluding ENCHO

Mark-up +0.8 ppt improvement

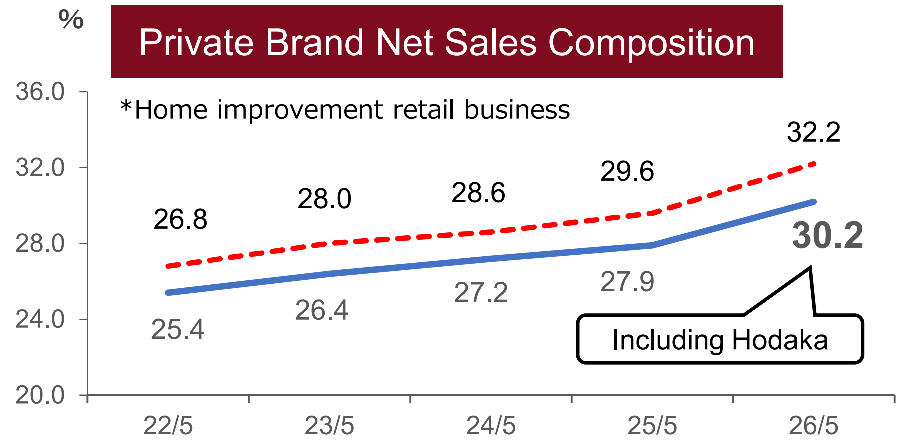
(Unit: %)

	Gross Profit Margin by Division	
	Q1, FYE February 2026	Q1, FYE February 2027
Gardening	37.9	38.1
Home improvement	39.7	38.6
Home leisure and pet	36.2	37.0
Housekeeping	32.5	32.2
Home furnishing	43.9	44.9
Home electronics	37.7	36.9
Other	36.6	30.9
Total	36.9	36.4

*We reclassified results for the previous fiscal year due to a change in departments.
(Dining and Kitchen, Bath and Toiletries moved from Home Furnishing division to Housekeeping 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
(+2.3 ppt YoY)

(Unit: %)

	Private Brand Net Sales Composition	
	Q1, FYE February 2026	Q1, FYE February 2027
Gardening	30.7	36.5
Home improvement	22.9	24.0
Home leisure and pet	30.6	32.8
Housekeeping	26.4	27.0
Home furnishing	67.7	69.5
Home electronics	9.7	12.7
Total	27.9	30.2

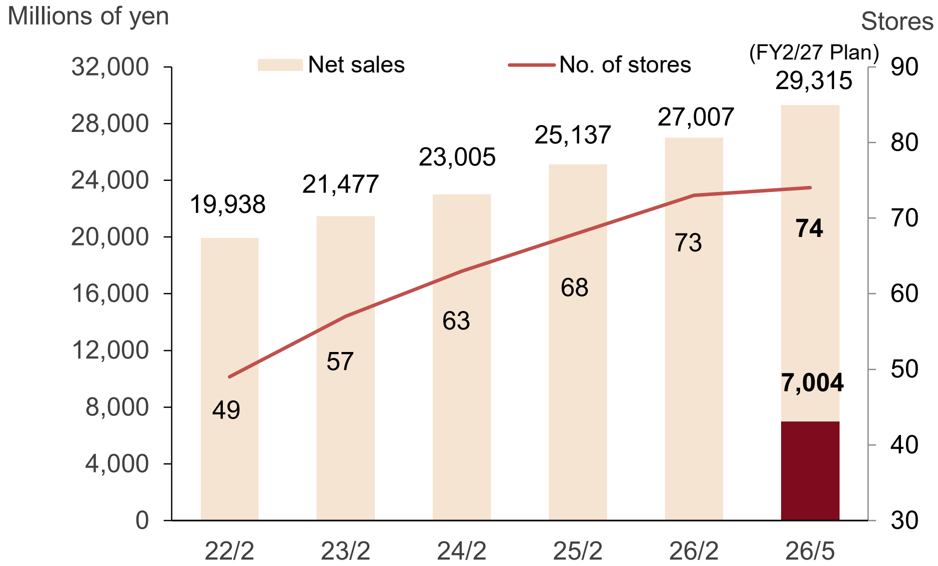
*Excludes Nicot and ENCHO
*We reclassified results for the previous fiscal year due to a change in departments.
(Dining and Kitchen, Bath and Toiletries moved from Home Furnishing division to Housekeeping division)

Hodaka Business Performance

Proactively expanding specialty stores for professionals

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

Same Stores
+5.9% YoY



As of May 2026: 74 stores (Tokai 27, Kanto 12, Hokkaido 10, Hokuriku 6, Kinki 5, Tohoku 5, Shikoku 4, Chugoku 3, Kyushu 2)

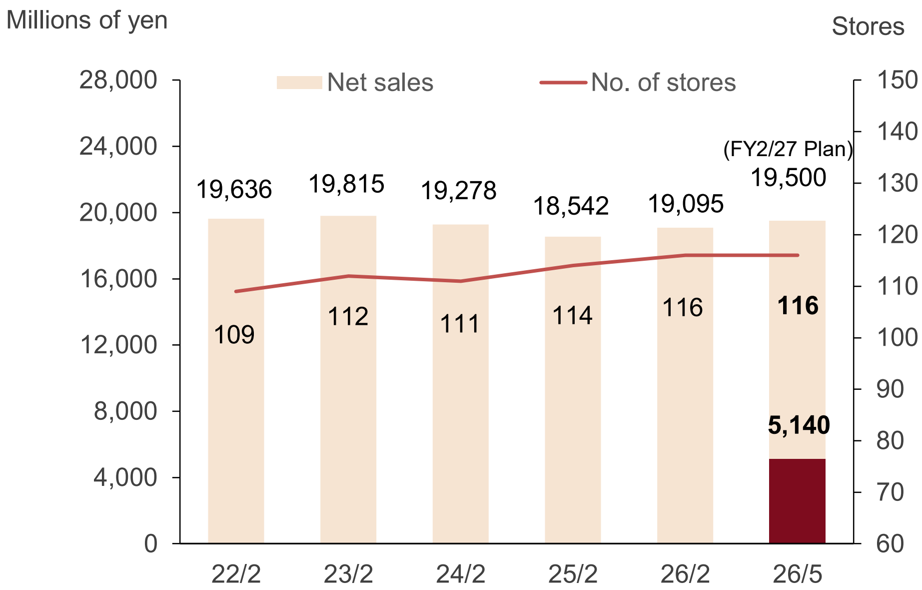
Net sales, all stores 7,004 million yen (+10.2% YoY)　　Operating profit +43.5% YoY

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
+7.6% YoY



As of May 2026: 116 stores (Hokkaido 73, Tohoku 39, Kanto 4)
Net sales, all stores 5,140 million yen (+8.8% YoY) Operating profit +58.8% YoY

XPRICE Business Performance

Higher sales due to strengthened sales of the private brand MAXZEN
Steady improvements in operating profit margin

XPRICE One of Japan's Largest E-Commerce Specialty Stores

(Millions of yen, %)

	Q1, FYE February 2026	Q1, FYE February 2027	YoY (%)	FYE February 2026 (Reference)
Net sales	15,651	16,578	105.9	68,309
Operating profit	107	251	233.5	826

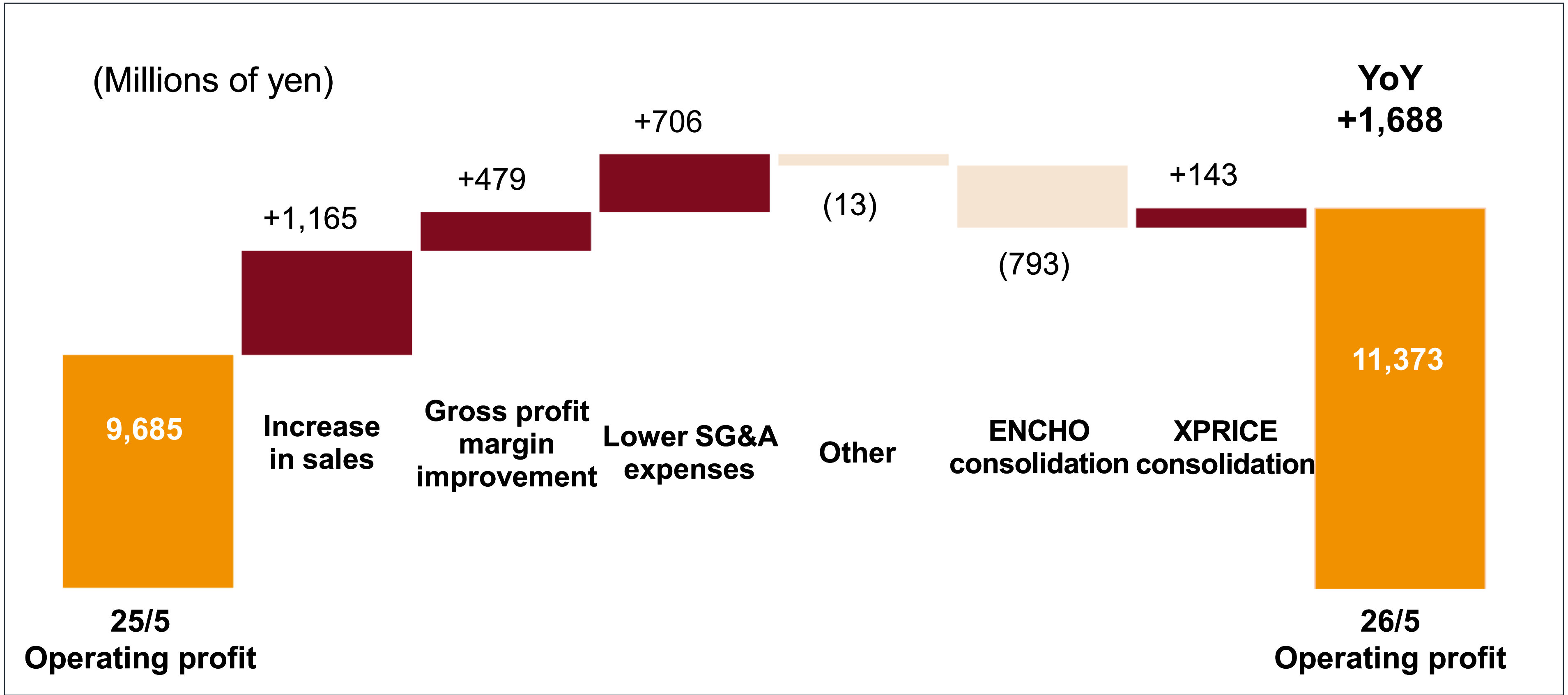
Net Sales: +5.9% YoY

- **Air conditioner sales increased significantly, due in part to impact from the 2027 Problem**
- **Expanded supply of MAXZEN merchandise to DCM stores**

Q1, FYE February 2027 Net Sales: 16,578 million yen (+927 million yen YoY)

Breakdown of Change in Operating Profit

Significant increase in operating profit driven by higher net sales, improved gross profit margin, and lower SG&A expenses
Lower operating profit at ENCHO due to renovations



Consolidated Balance Sheets

(Millions of yen)

	As of February 28, 2026	As of May 31, 2026	Change	Change Factors
Current assets	272,583	268,449	(4,133)	Cash and deposits -22,429 million yen
Notes and accounts receivable – trade	12,675	21,591	+8,916	Increase due to seasonal factors
Merchandise	165,358	171,848	+6,489	Increase due to seasonal factors
Non-current assets	398,271	377,853	(20,417)	
Property, plant and equipment	233,541	232,837	(703)	
Intangible assets	64,060	63,422	(637)	
Investments and other assets	100,669	81,592	(19,076)	
Total assets	670,854	646,303	(24,550)	
Current liabilities	112,400	174,769	+62,369	
Notes and accounts payable - trade	56,688	56,645	(43)	
Short-term borrowings	3,532	2,270	(1,262)	
Current portion of long-term debt	18,064	80,136	+62,072	
Non-current liabilities	260,276	185,807	(74,468)	
Bonds payable	35,000	35,000	–	
Long-term borrowings	186,348	118,584	(67,763)	Repayment of long-term debt
Total liabilities	372,677	360,577	(12,099)	
Total net assets	298,177	285,725	(12,451)	
Total liabilities and net assets	670,854	646,303	(24,550)	

*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.
*We began including the balance sheet of HOME TECH Inc. in the scope of consolidation during the fiscal year ended February 28, 2026.

Capital Investment and Depreciation and Amortization

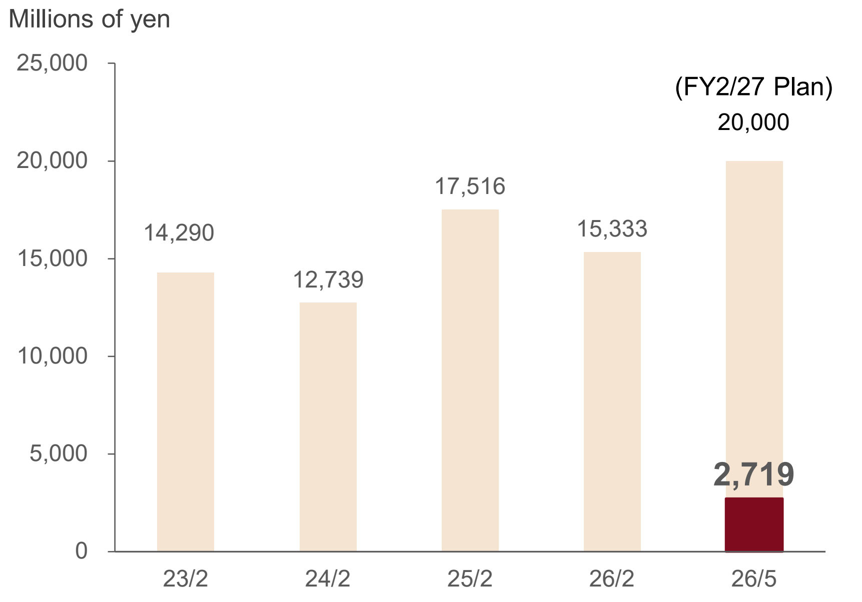
March 01, 2026 to May 31, 2026

(Millions of yen)

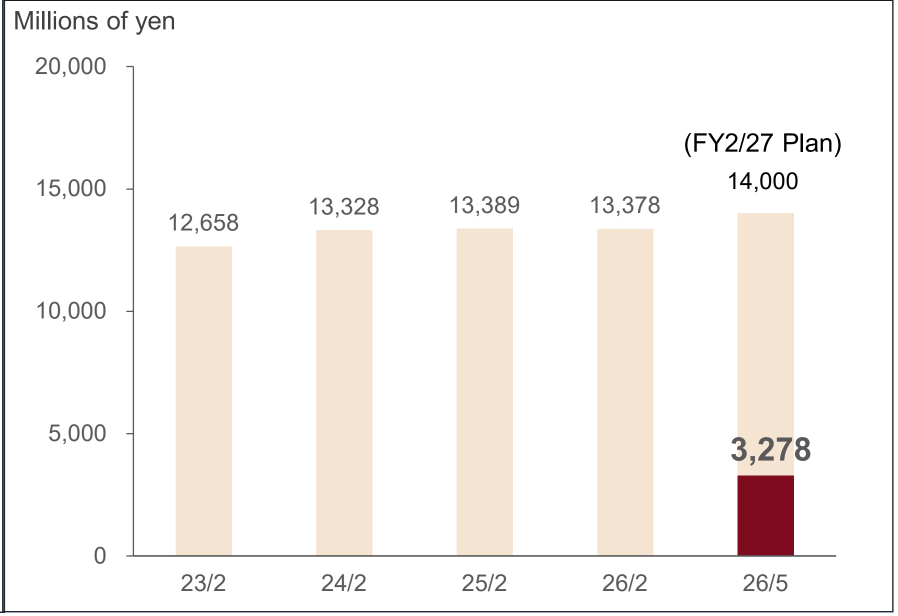
Amount of Investment	Depreciation
2,719	3,278

*Investments in property, plant and equipment, software, and leasehold and guarantee deposits
*Amortization includes software and other intangible assets, long-term prepaid expenses, etc.

Investments



Depreciation and Amortization

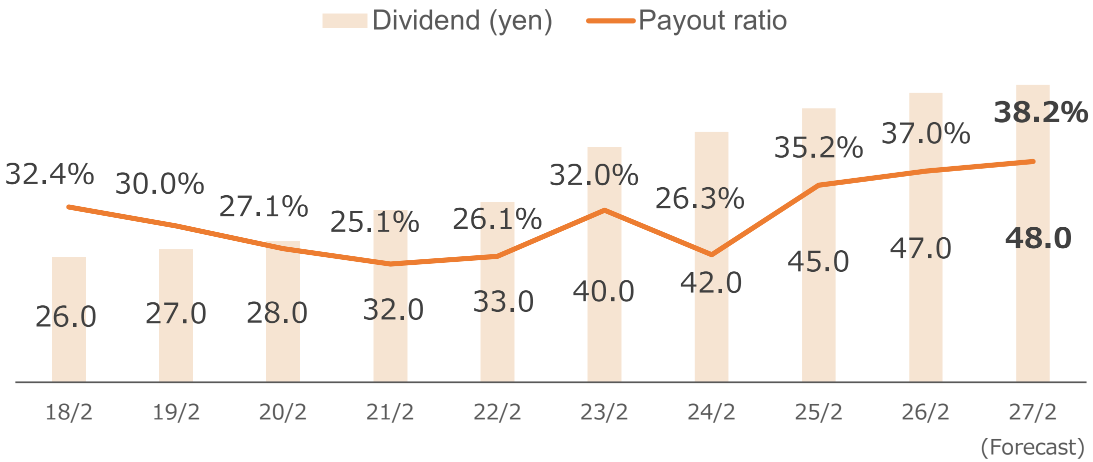


Shareholder Returns

DCM

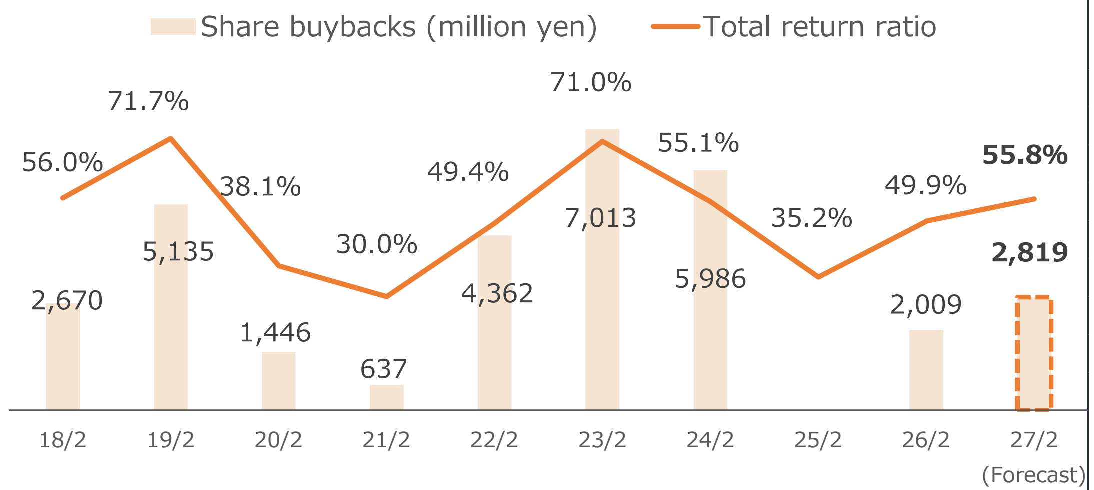
Dividend Policy

- Dividends in line with profit growth
- FY2/26 1-yen increase in year-end dividend
  Annual dividend 47 yen
- **FY2/27 (forecast)**
  Annual dividend 48 yen



Share Buybacks

- Consider purchases on an ongoing basis
- Retain approximately 5% of total shares outstanding and retire any excess shares
- **Acquired 3 million shares for 4,829 million yen in December 2025**



Business Results Forecast for the Fiscal Year Ending February 28, 2027

（March 1, 2026 to February 28, 2027）

(Business results forecast revised since original announcement: No)

DCM HOLDINGS CO., LTD.

Business Results Forecast for the Fiscal Year Ending February 28, 2027 (Assumptions)

DCM

Store Openings and Closures

	First Half		Second Half		Year	
	Openings	Closures	Openings	Closures	Openings	Closures
Home Centers	0	1	1	1	1	2
Hodaka	2	0	4	0	6	0
DCM Nicot	0	0	3	0	3	0
Total	2	1	8	1	10	2

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

Same Store Sales Growth

First Half	Second Half	Full Year
+0.5%	+0.3%	+0.4%

Capital Investment and Depreciation and Amortization

(Millions of yen)

Capital Investment	Depreciation and Amortization
20,000	14,000

*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, 2027 (Full Year)

March 1, 2026 to February 28, 2027

(Millions of yen, %)

	FYE February 2026 Results		FYE February 2027 Forecast		YoY (%)
	Result	Sales ratio	Result	Sales ratio	
Net sales	533,107	100.0	567,500	100.0	106.5
Gross profit	183,092	34.3	196,200	34.6	107.2
Operating revenue	9,210	1.7	9,800	1.7	106.4
Operating gross profit	192,303	36.1	206,000	36.3	107.1
SG&A	161,288	30.3	174,800	30.8	108.4
Operating profit	31,014	5.8	31,200	5.5	100.6
Ordinary profit	29,158	5.5	29,400	5.2	100.8
Profit attributable to owners of parent	17,310	3.2	17,400	3.1	100.5

- Net income per share 125.71 yen
- Projected dividend per share 48 yen (interim: 24 yen, year-end: 24 yen)

Consolidated Financial Results Forecast for the Fiscal Year Ending February 28, 2027 (Excluding ENCHO)

March 1, 2026 to February 28, 2027

(Millions of yen, %)

	FYE February 2026 Results		FYE February 2027 Forecast		YoY (%)
	Result	Sales ratio	Result	Sales ratio	
Net sales	520,599	100.0	537,500	100.0	103.2
Gross profit	179,602	34.5	186,870	34.8	104.0
Operating revenue	8,662	1.7	8,440	1.6	97.4
Operating gross profit	188,264	36.2	195,310	36.3	103.7
SG&A	156,619	30.1	162,310	30.2	103.6
Operating profit	31,644	6.1	33,000	6.1	104.3
Ordinary profit	29,871	5.7	31,400	5.8	105.1
Profit attributable to owners of parent	18,256	3.5	19,400	3.6	106.3

Forecast of Consolidated Financial Results for the Fiscal Year Ending February 28, 2027 (Six Months)

March 1, 2026 to February 28, 2027

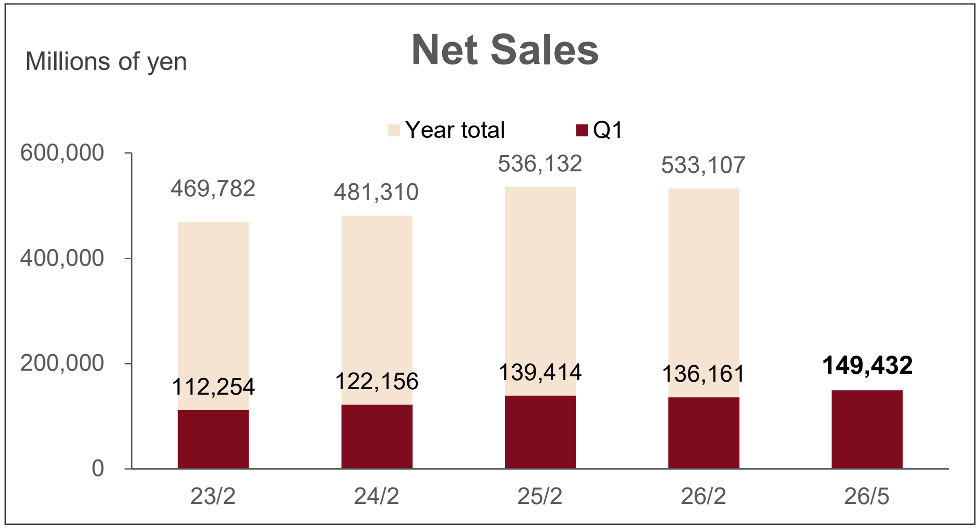
(Millions of yen, %)

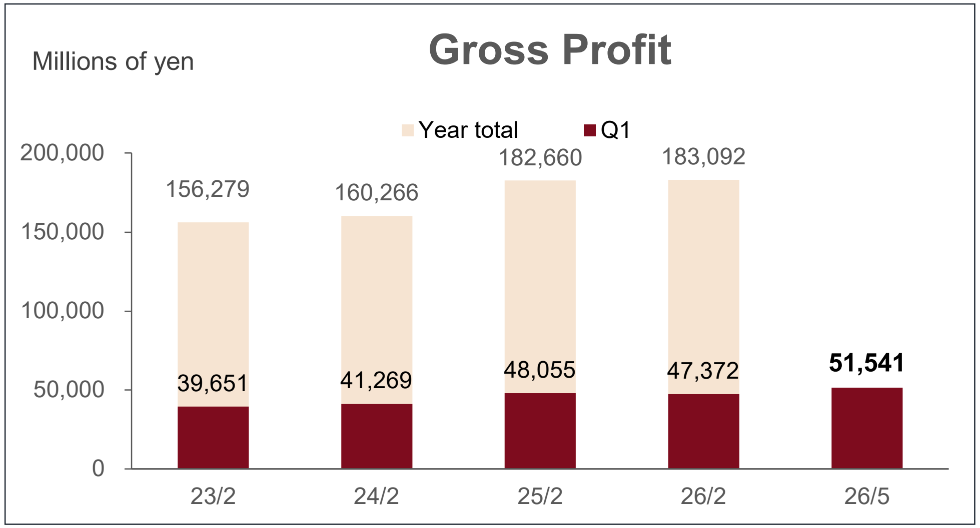
	First Half Forecast			Second Half Forecast		
	Result	Sales ratio	YoY (%)	Result	Sales ratio	YoY (%)
Net sales	299,600	100.0	108.5	267,900	100.0	104.2
Gross profit	104,000	34.7	108.9	92,200	34.4	105.3
Operating revenue	4,900	1.6	113.4	4,900	1.8	100.2
Operating gross profit	108,900	36.3	109.1	97,100	36.2	105.0
SG&A	88,700	29.6	112.3	86,100	32.1	104.6
Operating profit	20,200	6.7	96.9	11,000	4.1	108.2
Ordinary profit	19,300	6.4	96.8	10,100	3.8	109.4
Profit attributable to owners of parent	11,500	3.8	94.8	5,900	2.2	114.0

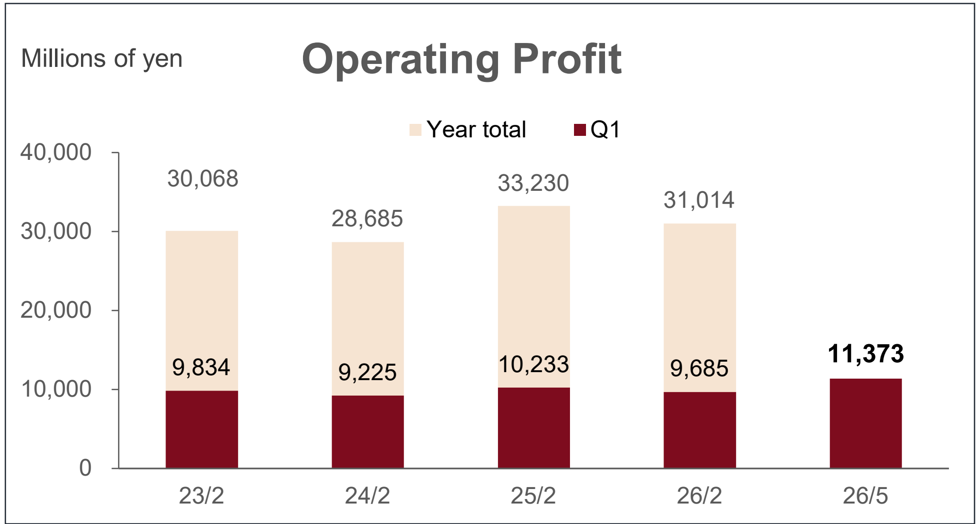
Reference Data

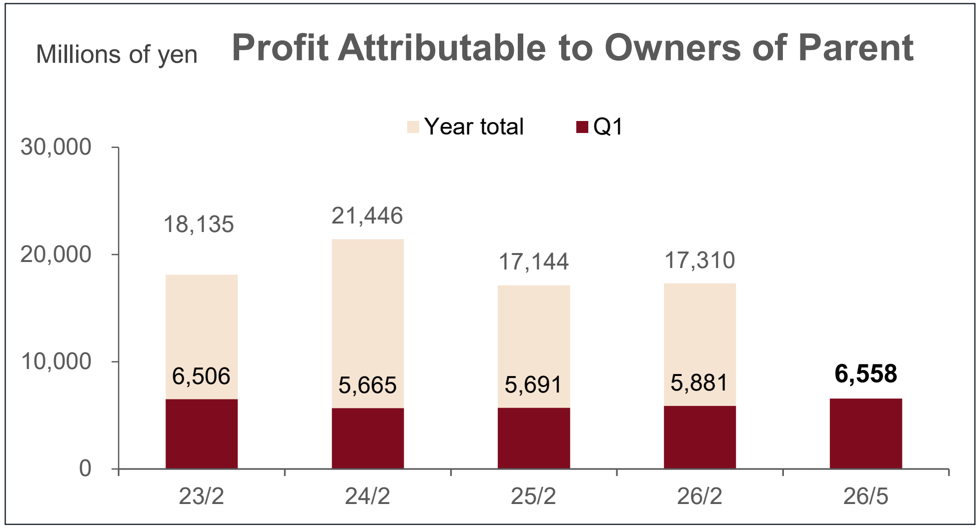
DCM HOLDINGS CO.,LTD.

Business Performance

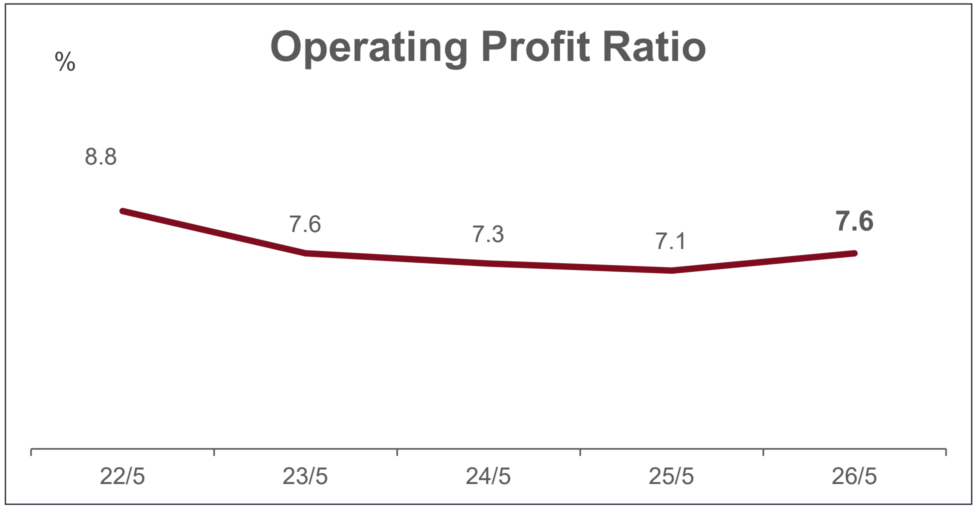


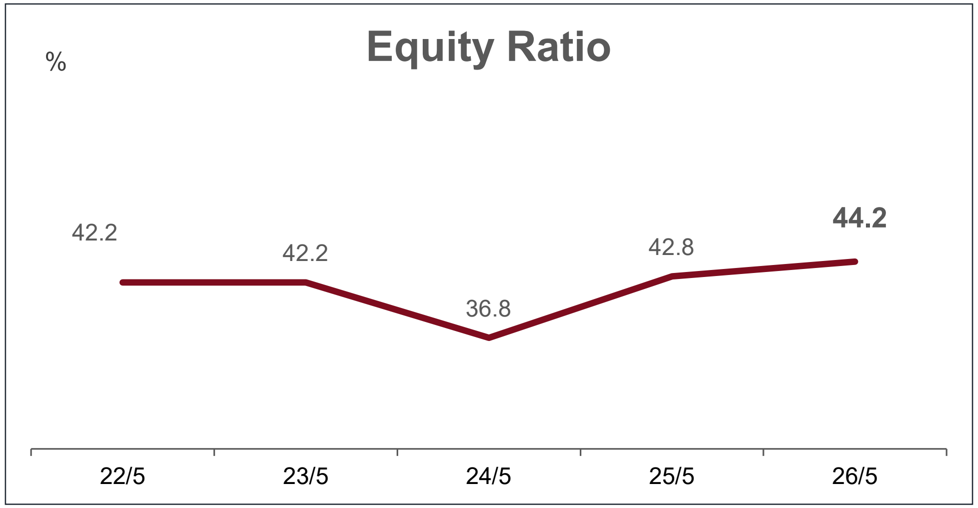


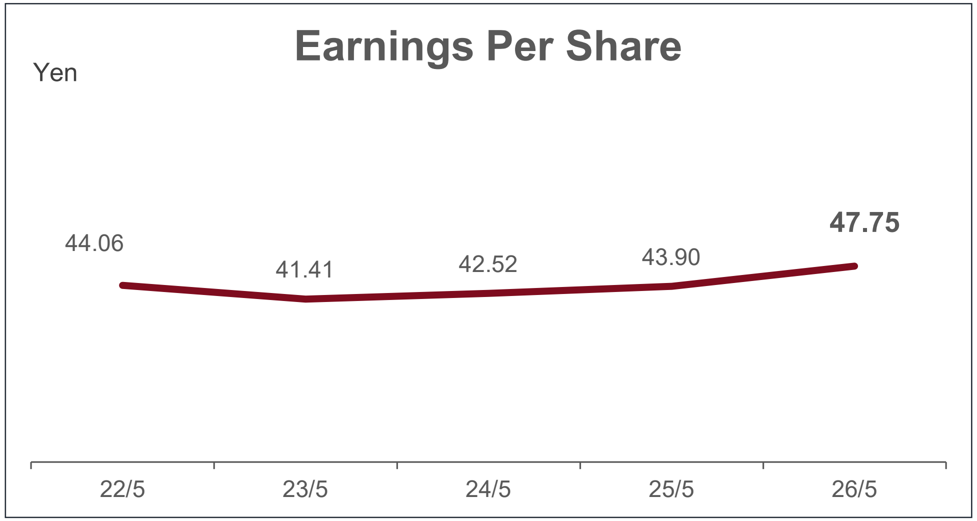


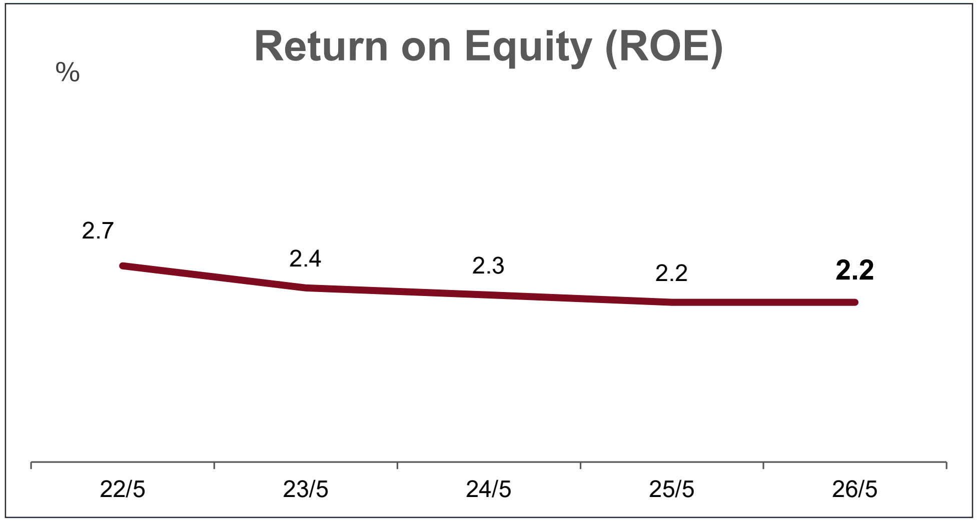


Management Indicators

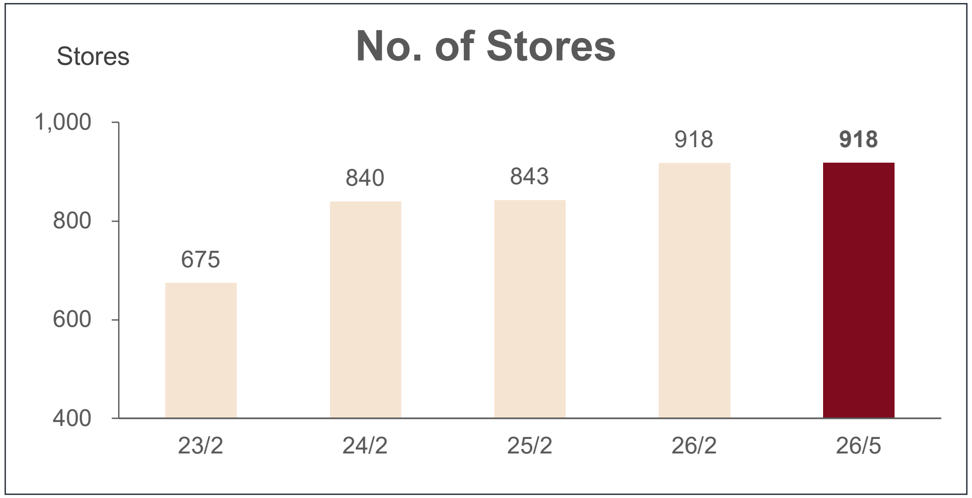


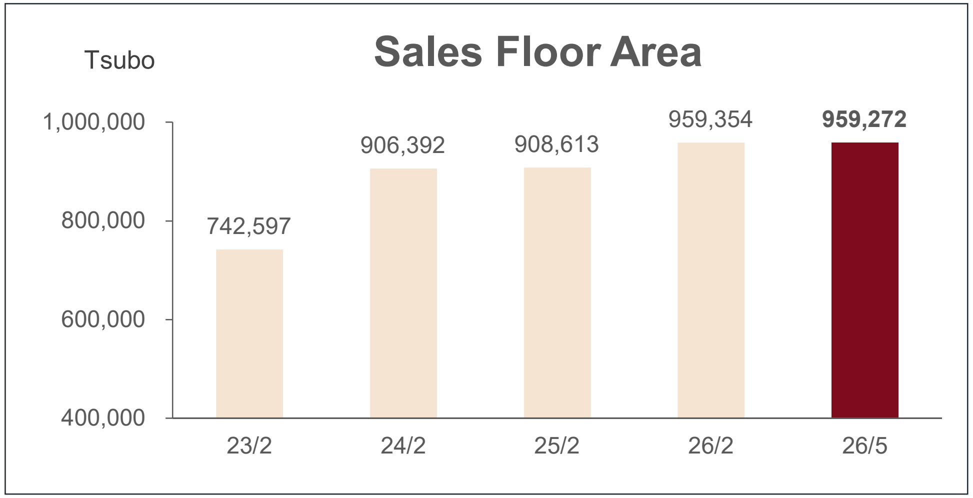


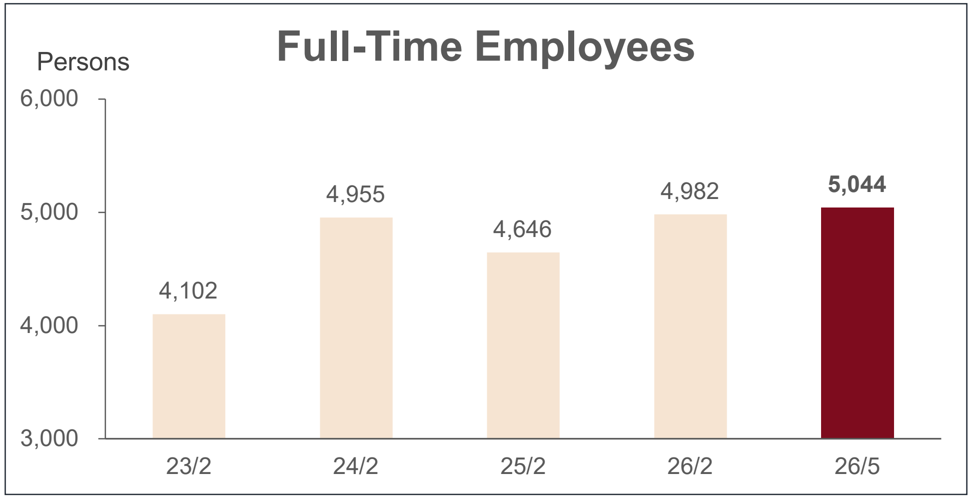


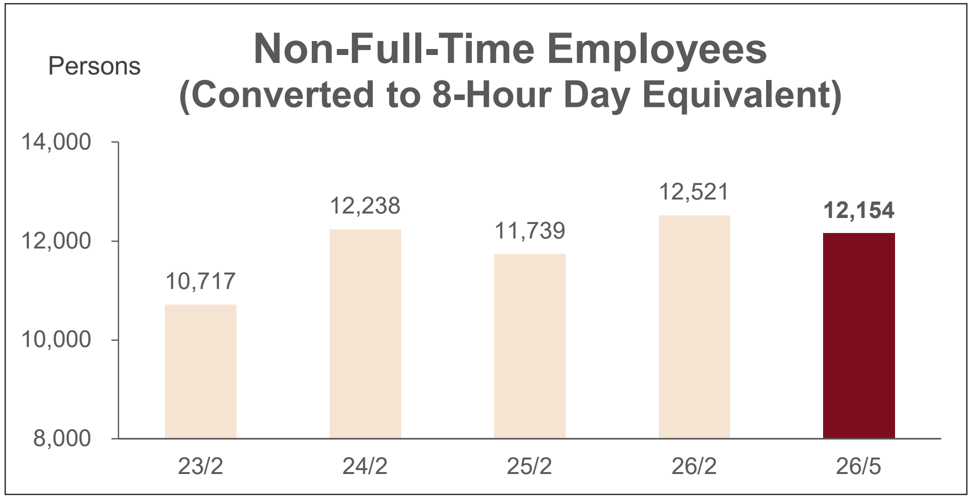


Operating Data









■ 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.
FY2/26 No. of stores, sales floor area, and the number of full-time and non-full-time employees increased with the consolidation of ENCHO and HOME TECH.

*1 tsubo = 3.3m^2

New Store Openings and Closings

New Stores	Number of Stores	Store Name	Location	Month	Sales Floor Area (Tsubo)	Notes
Hodaka	1	Shimonosekichofu Store	Yamaguchi	April 2026	240	
Total	1				240	

Closures	No. of Stores	Store Name	Location	Closed	Sales Floor Area (Tsubo)	Notes
DCM	1	Rakusai Store	Kyoto	May 2026	322	
Total	1				322	

*Hodaka is a specialty shop for professionals
*1 tsubo = 3.3m^2

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.**

DCM

Do Create Mystyle

くらしの夢をカタチに