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Consolidated Financial Results for the Three Months Ended June 30, 2026 <under Japanese GAAP>

August 10, 2026

Company name: **MatsukiyoCocokara & Co.**
Listing: Tokyo Stock Exchange
Securities code: 3088
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Scheduled date to commence dividend payments: –
Preparation of supplementary material on financial results: Yes
Holding of financial results presentation meeting: None

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the three months ended June 30, 2026 (from April 1, 2026 to June 30, 2026)

(1) Consolidated operating results (cumulative) (Percentages indicate year-on-year changes.)

	Net sales		EBITDA		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Three months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
June 30, 2026	289,348	5.7	27,662	8.9	21,487	8.5	22,822	8.8	14,865	14.9
June 30, 2025	273,643	5.3	25,406	11.5	19,808	14.6	20,981	14.4	12,939	10.8

Note: Comprehensive income Three months ended June 30, 2026 ¥14,345 million [14.3%]
Three months ended June 30, 2025 ¥12,554 million [5.0%]

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
June 30, 2026	37.59	37.58
June 30, 2025	32.30	32.29

Note: EBITDA = Operating profit + Depreciation and Amortization of goodwill

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
June 30, 2026	736,953	537,838	72.9	1,365.01
March 31, 2026	755,831	544,451	71.9	1,365.78

Reference: Equity As of June 30, 2026 ¥536,872 million
As of March 31, 2026 ¥543,480 million

2. Cash dividends

	Annual cash dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2026	–	24.00	–	26.00	50.00
Fiscal year ending March 31, 2027	–				
Fiscal year ending March 31, 2027 (forecast)		28.00	–	28.00	56.00

Note: Revisions to dividends forecasts most recently announced: None

3. Consolidated earnings forecasts for the fiscal year ending March 31, 2027 (from April 1, 2026 to March 31, 2027)

(Percentages indicate year-on-year changes.)

	Net sales		EBITDA		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
For the six months ending September 30, 2026	572,000	4.2	52,000	0.4	39,500	(2.3)	41,500	(2.9)	27,000	1.8	68.27
Full year	1,155,000	3.4	113,000	4.1	87,500	3.0	91,500	1.8	59,000	5.8	149.18

Note: Revisions to earnings forecasts most recently announced: None

*** Notes**

(1) Significant changes in the scope of consolidation during the three months ended June 30, 2026: Yes

Newly included: 2 companies (UNIVERSAL DRUG CO., LTD. and AppBrew Inc.)

Excluded: – companies (Company names)

(2) Adoption of special accounting treatments for preparing quarterly consolidated financial statements: None

(3) Changes in accounting policies, changes in accounting estimates, and restatement

a. Changes in accounting policies due to revisions to accounting standards and other regulations: None

b. Changes in accounting policies due to other reasons: None

c. Changes in accounting estimates: None

d. Restatement: None

(4) Number of issued shares (common shares)

a. Total number of issued shares at the end of the period (including treasury shares)

As of June 30, 2026	405,658,130 shares
As of March 31, 2026	410,275,830 shares

b. Number of treasury shares at the end of the period

As of June 30, 2026	12,346,335 shares
As of March 31, 2026	12,350,320 shares

c. Average number of shares during the period

Three months ended June 30, 2026	395,496,115 shares
Three months ended June 30, 2025	400,586,062 shares

Note: The number of treasury shares at the end of each period includes shares of the Company held by the BIP (Board Incentive Plan) Trust Account and the Share Grant ESOP (Employee Stock Ownership Plan) Trust Account (650,136 shares as of June 30, 2026 and 662,640 shares as of March 31, 2026). The shares of the Company held by the BIP Trust Account and the Share Grant ESOP Trust Account are included in the number of treasury shares deducted in the calculation of average number of shares during each period.

* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: No

* Proper use of earnings forecasts, and other special matters
(Caution regarding forward-looking statements and others)
The earnings forecasts shown above are prepared based on the information available to us as of the date of this release. Actual results may be different from these forecasts due to various factors. For the assumptions related matters concerning the earnings forecasts, please refer to page 4.

1. Qualitative Information

(1) Details of operating results

During the three months ended June 30, 2026 (from April 1, 2026 to June 30, 2026), the Japanese economy picked up moderately due to improving employment and income environments. However, factors including prolonged geopolitical risks including the situation in the Middle East and fluctuations in the financial and capital markets mean that unpredictability of future outlook persists.

The drugstore industry in which the Company operates also continues to face a challenging business environment, with new store openings by competitors across industries and business categories. This is also due to entrance into new areas aimed at commercial area expansion, expansion of scale through M&A, competition with different industries that are becoming homogenous, as well as the narrowing of the commercial area of individual stores caused by all of these factors.

In such an environment, we are promoting the following three key strategies in line with our basic approach of "Co-creating and sharing value." These strategies have been formulated to achieve the Group management targets for the fiscal year ending March 31, 2031.

(1) Differentiation strategy: Strengthen our unique platform business
Aiming to continue being the company customers choose, we deliver new forms of value that we alone can provide in our business domain comprising the health and beauty fields. To that end, we are committed to enhancing customer convenience through seamless coordination between our drugstore and dispensing pharmacy businesses and driving the expansion of our unique domains including our own unique B-to-B business. In striving to achieve these aims, we leverage our strengths including the attractive merchandise, services, value, and experiences we offer; our store network concentrated mainly in major metropolitan regions; and the closed (proprietary, exclusive, or unique) information accumulated from numerous customer contact points.

(2) Investment strategy: Invest in business infrastructure for co-creating value
Aiming to earn sustained profits, we are actively investing in the infrastructure that underpins our platform.

In specific terms, we are undertaking proactive investment in systems to improve customer convenience and operational efficiency through digital technology, and to expand our business domains. We are boosting store openings in our priority areas mainly in major metropolitan regions, and opening of dispensing pharmacies next to drugstores. We are also advancing our "alliance concept" aimed at increasing our operational scale by promoting M&A activities, and are establishing a system that facilitates participation in the Group. As part of this effort, through And Company Co., Ltd., which is an intermediate holding company newly established in the previous fiscal year, we made UNIVERSAL DRUG CO., LTD., which operates 19 drugstores and dispensing pharmacies in Tokyo Metropolitan and Saitama Prefecture, a subsidiary on April 1, 2026, thereby expanding our store network. As a result of these efforts, as of June 30, 2026, the number of stores in Japan for the Group totaled 3,650 (including 1,123 dispensing pharmacies).

In addition, we are expanding our overseas operations primarily in the ASEAN countries. At the same time, we are investing in human capital by developing a workplace environment that is easy for employees to work in and offers job satisfaction and motivation. We are also continually seeking to nurture professional, global human resources and increase employee engagement.

(3) Social contribution and returning profit to society: Practice sustainable management that contributes to the enhancement of corporate value
Aiming to practice sustainable management that helps to achieve our Management Philosophy and Group Vision, and to enhance corporate value, we are undertaking the following initiatives: make stable returns to stakeholders; enhance corporate governance; take action for the benefit of the environment and society (respond to climate change and support for community healthcare); and respond to the demands of the capital markets (practice management conscious of the cost of capital and consider our optimal capital structure).

As a result, key operating results during the three months ended June 30, 2026 were as follows.

	Three months ended June 30, 2025 (Millions of yen)	Three months ended June 30, 2026 (Millions of yen)	Change (Millions of yen)	Change (%)
Net sales	273,643	289,348	15,705	5.7
Operating profit	19,808	21,487	1,679	8.5
Ordinary profit	20,981	22,822	1,841	8.8
Profit attributable to owners of parent	12,939	14,865	1,926	14.9

Overview of operating results by segment

<Matsumotokiyoshi Group business>

In the Matsumotokiyoshi Group business, the Matsumotokiyoshi Group is pursuing a differentiation strategy by leveraging 172.54 million customer contact points. This includes promoting measures to integrate its physical stores, apps, and e-commerce; enhancing customer convenience through seamless coordination between its drugstore and dispensing pharmacy businesses; and improving operational efficiency through digital technology.

As for the private brand product lineup, the Matsumotokiyoshi Group has taken the first step toward evolving into a brand that delivers products offering newness and surprise by adopting the new brand vision “Go for WOW!” to mark the 10th anniversary of the “matsukiyo” brand. The Matsumotokiyoshi Group has also completely renewed product packaging with a new design and is gradually proceeding with their introduction. In addition, to increase the environmentally conscious private brand product ratio, the Matsumotokiyoshi Group has formulated new “Environmentally Conscious Product Guidelines” and is strengthening our sustainability initiatives, including starting to grant the original environmentally conscious logomark, the “FACE to EARTH Mark,” to products that meet the criteria. Furthermore, the Matsumotokiyoshi Group has continuously promoted the launch of joint products and exclusives as part of initiatives with manufacturers, including the launch of the new diet and daily care brand “SPICA,” the release of the new “matsukiyo MEDIVEIL+” series, and the rebranding of the matsukiyo LAB “SUSTAINABLE LOCABO Line” as the new brand “LO CA BOTIÉR.” The Matsumotokiyoshi Group is working to enhance profitability and maximize brand value by leveraging its enormous customer contact points and ability for highly precise analysis, developing new markets, and updating existing products.

Additionally, the Matsumotokiyoshi Group is advancing its Investment Strategy, including boosting store openings in our priority areas mainly in major metropolitan regions, promoting the opening of dispensing pharmacies next to drugstores, and expanding our overseas operations by moving into new markets primarily in the ASEAN countries. As of June 30, 2026, the number of stores in Japan for the Matsumotokiyoshi Group business totaled 1,992 (including 488 dispensing pharmacies). The number of stores overseas totaled 105, with 37 stores in Thailand, 24 stores in Taiwan, 21 stores in Vietnam, 19 stores in Hong Kong, one store in Guam, and three stores in Malaysia.

<Cocokarafine Group business>

In the Cocokarafine Group business, the Cocokarafine Group is engaging in efforts similar to those taken on by the Matsumotokiyoshi Group business under the key domestic strategies, including differentiation and investment strategies. For the current fiscal year, the Cocokarafine Group is promoting the reallocation of human capital and a scrap-and-build approach to further improve profitability. In addition, to further improve the efficiency of the Group’s operations, cocokarafine Healthcare Inc. merged with IWASAKI KOHKENDO Co., Ltd. effective April 1, 2026.

As of June 30, 2026, the number of stores in Japan for the Cocokarafine Group business totaled 1,527 (including 538 dispensing pharmacies).

<And Company business>

In the And Company business, by combining Shinseidoyakkyoku co. ltd.’s strengths with the know-how and resources of the Group, we aim to expand our share in dominant areas and enhance customer convenience. To generate synergies, we are introducing private brand products and making preparations for system integration and the optimization of the products portfolio. Additionally, on April 1, 2026, we made UNIVERSAL DRUG CO., LTD. a subsidiary. As a result, as of June 30, 2026, the number of stores in Japan for And Company business totaled 131 (including 97 dispensing pharmacies).

[Numbers of store openings and closures in Japan]

Numbers of store openings and closures in Japan were as follows.

(Number of stores)

	Number of stores as of March 31, 2026	Acquired as a subsidiary, etc.	Openings	Closings	Number of stores as of June 30, 2026
Matsumotokiyoshi Group business	1,970	—	28	6	1,992
Cocokarafine Group business	1,536	—	8	17	1,527
And Company business	112	19	0	0	131
Total	3,618	19	36	23	3,650

<Management support business>

In the management support business, the scope of the Company's business activities has been expanded to include management support business, which refers to the purchase of products handled by the Company's group companies, business management and control of the Company's group companies, contracted back-office services, dividend income from the Company's group companies, supply of products to companies other than the Company's group companies, construction operations, advertising, etc. For the current fiscal year, we have newly included AppBrew Inc. in the scope of consolidation. Through the collaboration between "LIPS," the cosmetics media platform operated by the company, and the Group's customer base, we are working to deepen understanding of customers and advance marketing measures, thereby promoting the strengthening of our advertising business and platform strategy.

As a result, operating results by segment were as follows:

		Three months ended June 30, 2025 (Millions of yen)	Three months ended June 30, 2026 (Millions of yen)	Change (Millions of yen)	Change (%)
Matsumotokiyoshi Group business	Net sales	175,393	183,891	8,498	4.8
	Segment profit	14,339	16,100	1,760	12.3
Cocokarafine Group business	Net sales	97,496	97,453	(42)	(0.0)
	Segment profit	4,989	5,436	447	9.0
And Company business	Net sales	—	6,181	6,181	—
	Segment profit	—	12	12	—
Management support business	Net sales	184,656	216,330	31,673	17.2
	Segment profit	17,445	43,060	25,615	146.8
Adjustments	Net sales	(183,902)	(214,509)	(30,606)	—
	Segment profit	(16,966)	(43,122)	(26,155)	—
Total	Net sales	273,643	289,348	15,705	5.7
	Segment profit	19,808	21,487	1,679	8.5

(2) Details of financial position

Total assets as of the end of the first quarter ended June 30, 2026 decreased by ¥18,878 million from the end of the previous fiscal year to ¥736,953 million. This was mainly due to decreases of ¥18,273 million in cash and deposits, ¥5,814 million in investment securities, and ¥3,510 million in accounts receivable – trade, despite an increase of ¥6,453 million in merchandise.

Total liabilities decreased by ¥12,265 million to ¥199,114 million. This was mainly due to decreases of ¥12,236 million in income taxes payable and ¥2,496 million in provision for bonuses, despite increases of ¥1,294 million in other under non-current liabilities and ¥1,301 million in accounts payable – trade.

Net assets decreased by ¥6,612 million to ¥537,838 million. This was mainly due to decreases of ¥10,544 million in capital surplus and ¥681 million in valuation difference on available-for-sale securities, despite an increase of ¥4,726 million in retained earnings.

(3) Consolidated earnings forecasts and other forward-looking statements

No changes have been made to the consolidated earnings forecasts for the fiscal year ending March 31, 2027 that were announced on May 13, 2026.

2. Quarterly Consolidated Financial Statements and Significant Notes Thereto

(1) Quarterly consolidated balance sheet

(Millions of yen)

	As of March 31, 2026	As of June 30, 2026
Assets		
Current assets		
Cash and deposits	119,746	101,473
Accounts receivable - trade	74,520	71,009
Electronically recorded monetary claims	—	13
Merchandise	159,996	166,449
Supplies	911	869
Other	47,073	46,575
Allowance for doubtful accounts	(1,119)	(1,113)
Total current assets	401,128	385,277
Non-current assets		
Property, plant and equipment		
Land	50,439	50,252
Other	65,480	66,476
Total property, plant and equipment	115,919	116,729
Intangible assets		
Goodwill	98,308	100,175
Other	31,320	32,841
Total intangible assets	129,629	133,016
Investments and other assets		
Investment securities	28,974	23,159
Leasehold and guarantee deposits	62,161	62,359
Other	18,679	17,068
Allowance for doubtful accounts	(660)	(657)
Total investments and other assets	109,154	101,930
Total non-current assets	354,703	351,675
Total assets	755,831	736,953

(Millions of yen)

	As of March 31, 2026	As of June 30, 2026
Liabilities		
Current liabilities		
Accounts payable - trade	119,691	120,993
Income taxes payable	18,893	6,656
Short-term borrowings	1,880	1,516
Provision for bonuses	5,942	3,446
Provision for point card certificates	245	296
Contract liabilities	4,543	5,018
Asset retirement obligations	12	39
Other	30,486	30,065
Total current liabilities	181,696	168,031
Non-current liabilities		
Provision for retirement benefits for directors (and other officers)	342	—
Provision for loss on guarantees	70	57
Provision for share awards	363	482
Provision for share awards for directors (and other officers)	39	39
Retirement benefit liability	462	530
Asset retirement obligations	15,278	15,551
Other	13,126	14,421
Total non-current liabilities	29,683	31,082
Total liabilities	211,380	199,114
Net assets		
Shareholders' equity		
Share capital	22,051	22,051
Capital surplus	166,745	156,200
Retained earnings	374,508	379,235
Treasury shares	(27,998)	(28,175)
Total shareholders' equity	535,307	529,312
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	7,781	7,099
Foreign currency translation adjustment	391	460
Total accumulated other comprehensive income	8,172	7,560
Share acquisition rights	43	43
Non-controlling interests	928	922
Total net assets	544,451	537,838
Total liabilities and net assets	755,831	736,953

(2)Quarterly consolidated statement of income and consolidated statement of comprehensive income

Quarterly consolidated statement of income

(Millions of yen)

	Three months ended June 30, 2025	Three months ended June 30, 2026
Net sales	273,643	289,348
Cost of sales	179,360	185,973
Gross profit	94,283	103,375
Selling, general and administrative expenses		
Salaries and allowances	25,569	27,661
Provision for bonuses	3,142	3,309
Retirement benefit expenses	578	636
Rent expenses on land and buildings	19,584	20,413
Other	25,600	29,866
Total selling, general and administrative expenses	74,474	81,887
Operating profit	19,808	21,487
Non-operating income		
Interest income	43	32
Dividend income	166	173
Gain on receipt of donated non-current assets	105	140
Order processing commission	487	542
Research fee income	158	160
Other	242	307
Total non-operating income	1,204	1,357
Non-operating expenses		
Interest expenses	16	13
Foreign exchange losses	3	—
Other	11	9
Total non-operating expenses	31	22
Ordinary profit	20,981	22,822
Extraordinary income		
Gain on sale of non-current assets	0	151
Total extraordinary income	0	151
Extraordinary losses		
Loss on sale of non-current assets	13	0
Loss on retirement of non–current assets	67	69
Loss on store closings	43	240
Impairment losses	89	115
Compensation for damage	65	—
Total extraordinary losses	279	426
Profit before income taxes	20,701	22,547
Income taxes - current	5,646	5,730
Income taxes - deferred	2,040	1,860
Total income taxes	7,687	7,590
Profit	13,014	14,957
Profit attributable to non-controlling interests	75	91
Profit attributable to owners of parent	12,939	14,865

Quarterly consolidated statement of comprehensive income

(Millions of yen)

	Three months ended June 30, 2025	Three months ended June 30, 2026
Profit	13,014	14,957
Other comprehensive income		
Valuation difference on available-for-sale securities	(765)	(681)
Foreign currency translation adjustment	305	69
Total other comprehensive income	(460)	(612)
Comprehensive income	12,554	14,345
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	12,478	14,253
Comprehensive income attributable to non-controlling interests	75	91

(3) Notes to quarterly consolidated financial statements

(Notes on going concern assumption)

Not applicable.

(Changes in scope of consolidation or equity method)

During the three months ended June 30, 2026, AppBrew Inc., which had previously been a non-consolidated subsidiary, was included in the scope of consolidation due to its increased materiality.

UNIVERSAL DRUG CO., LTD. was also included in the scope of consolidation due to the acquisition of its all shares on April 1, 2026, which resulted in its becoming a subsidiary.

(Notes when there are significant changes in amounts of shareholders' equity)

(Acquisition of own shares)

Pursuant to the resolution passed at the meeting of the Board of Directors held on May 13, 2026, the Company acquired 4,617,700 of its own shares. As a result of this acquisition, treasury shares increased by ¥10,745 million as of June 30, 2026.

(Cancellation of treasury shares)

Pursuant to the resolution passed at the meeting of the Board of Directors held on May 13, 2026, the Company cancelled 4,617,700 of its treasury shares effective May 29, 2026. As a result, capital surplus and treasury shares each decreased by ¥10,544 million as of June 30, 2026.

(Quarterly consolidated balance sheet)

Overdraft agreements

The Company has concluded overdraft agreements with 13 counterparty financial institutions as of March 31, 2026 and with 12 counterparty financial institutions as of June 30, 2026, for the efficient procurement of funds. The balance of unexecuted borrowings as of June 30, 2026 based on these agreements is as follows.

(Millions of yen)

	As of March 31, 2026	As of June 30, 2026
Total amount of overdraft agreements	53,900	53,500
Less amounts executed	–	–
Unexecuted balance	53,900	53,500

(Quarterly consolidated statement of cash flows)

* The Company has not prepared a quarterly consolidated statement of cash flows for the three months ended June 30, 2026. Depreciation (including amortization of intangible assets excluding goodwill) and amortization of good will for the three months ended June 30, 2025 and the three months ended June 30, 2026 are as follows.

(Millions of yen)

	Three months ended June 30, 2025	Three months ended June 30, 2026
Depreciation	3,963	4,381
Amortization of goodwill	1,618	1,793

(Segment information)

[Segment information]

I Three months ended June 30, 2025

1. Disclosure of net sales and profit (loss) by reportable segment

(Millions of yen)

	Matsumotokiyoshi Group business	Cocokarafine Group business	And Company business	Management support business	Total	Adjustments (Note 1)	Amounts in the quarterly consolidated statement of income (Note 2)
Net sales							
Sales to external customers	175,208	97,482	—	952	273,643	—	273,643
Intersegment sales or transfers	184	13	—	183,704	183,902	(183,902)	—
Total	175,393	97,496	—	184,656	457,545	(183,902)	273,643
Segment profit	14,339	4,989	—	17,445	36,775	(16,966)	19,808

Notes: 1. The adjustment of negative ¥16,966 million for segment profit includes negative ¥16,966 million of intersegment transaction elimination.

2. Segment profit is adjusted with operating profit stated in the quarterly consolidated statement of income.

2. Disclosure of impairment loss on non-current assets or goodwill for each reportable segment

(Significant impairment loss on non-current assets)

The Group primarily regards stores as a base unit for its minimum cash flow-generating unit, while grouping idle assets according to each property unit. With regard to the asset groups whose operating profit has consistently been negative and asset groups for which the market prices fell considerably, such as land, the Group wrote off their carrying amount to the recoverable amount and recognized the amount of the write-off of ¥89 million as an impairment loss under extraordinary losses.

The breakdown of the impairment loss is ¥22 million for the Matsumotokiyoshi Group business and ¥67 million for the Cocokarafine Group business.

II Three months ended June 30, 2026

1. Disclosure of net sales and profit (loss) by reportable segment

(Millions of yen)

	Matsumotokiyoshi Group business	Cocokarafine Group business	And Company business	Management support business	Total	Adjustments (Note 1)	Amounts in the quarterly consolidated statement of income (Note 2)
Net sales							
Sales to external customers	183,746	97,430	6,181	1,990	289,348	—	289,348
Intersegment sales or transfers	145	23	0	214,339	214,509	(214,509)	—
Total	183,891	97,453	6,181	216,330	503,857	(214,509)	289,348
Segment profit	16,100	5,436	12	43,060	64,609	(43,122)	21,487

Notes: 1. The adjustment of negative ¥43,122 million for segment profit includes negative ¥43,122 million of intersegment transaction elimination.

2. Segment profit is adjusted with operating profit stated in the quarterly consolidated statement of income.

3. During the three months ended June 30, 2026, UNIVERSAL DRUG CO., LTD. was made a consolidated subsidiary. Consequently, the company has been included in the "And Company business" segment. In addition, following the inclusion of AppBrew Inc. in the scope of consolidation, the company has been included in the "Management support" segment.

2. Disclosure of impairment loss on non-current assets or goodwill for each reportable segment

(Significant impairment loss on non-current assets)

The Group primarily regards stores as a base unit for its minimum cash flow-generating unit, while grouping idle assets according to each property unit. With regard to the asset groups whose operating profit has consistently been negative and asset groups for which the market prices fell considerably, such as land, the Group wrote off their carrying amount to the recoverable amount and recognized the amount of the write-off of ¥115 million as an impairment loss under extraordinary losses.

The breakdown of the impairment loss is ¥85 million for the Matsumotokiyoshi Group business and ¥30 million for the Cocokarafine Group business.

3. Disclosure of changes, etc. for each reportable segment

During the previous fiscal year, the Group acquired all shares of Shinseidoyakkyoku co. ltd., making it a wholly owned subsidiary. Consequently, the "And Company business" has been added to the reportable segments.

Segment information for the three months ended June 30, 2025 has been restated in accordance with the new segment classification.

(Revenue recognition)

Information on disaggregation of revenue from contracts with customers

In information on disaggregation of revenue from contracts with customers, net sales in each reportable segment are disaggregated into revenue from contracts with customers and other income, and revenue from contracts with customers is further disaggregated into net sales from retail sales and other net sales.

Three months ended June 30, 2025

(Millions of yen)

	Reportable segment				Total
	Matsumotokiyoshi Group business	Cocokarafine Group business	And Company business	Management support business	
Retail					
Medical and pharmaceutical products	51,538	40,349	—	—	91,887
Cosmetics	64,604	30,462	—	—	95,067
General merchandise	31,271	17,072	—	—	48,343
Food	17,171	7,267	—	—	24,439
Other (Note 1)	10,147	2,117	—	895	13,160
Revenue from contracts with customers	174,733	97,269	—	895	272,898
Other revenue (Note 2)	474	213	—	57	744
Sales to external customers	175,208	97,482	—	952	273,643

Notes: 1. Includes net sales from the wholesale business, net sales from advertising, etc.
2. Includes real estate rental income pursuant to the “Accounting Standard for Lease Transactions” (ASBJ Statement No. 13).

Three months ended June 30, 2026

(Millions of yen)

	Reportable segment				Total
	Matsumotokiyoshi Group business	Cocokarafine Group business	And Company business	Management support business	
Retail					
Medical and pharmaceutical products	53,402	40,638	4,109	—	98,150
Cosmetics	69,554	30,698	890	—	101,142
General merchandise	32,259	17,012	713	—	49,985
Food	17,660	6,769	415	—	24,845
Other (Note 1)	10,392	2,078	35	1,934	14,439
Revenue from contracts with customers	183,269	97,197	6,164	1,934	288,565
Other revenue (Note 2)	476	233	17	56	783
Sales to external customers	183,746	97,430	6,181	1,990	289,348

Notes: 1. Includes net sales from the wholesale business, net sales from advertising, etc.
2. Includes real estate rental income pursuant to the “Accounting Standard for Lease Transactions” (ASBJ Statement No. 13).

(Significant events after reporting period)

Not applicable.

3. Supplementary Information

Net sales and purchases

(1) Net sales by operating segment

Net sales by segment for the three months ended June 30, 2026 are as follows:

Segments	Three months ended June 30, 2026	
	Amount (Millions of yen)	Changes from the corresponding period of the previous fiscal year (%)
Matsumotokiyoshi Group business	183,746	104.9
Cocokarafine Group business	97,430	99.9
And Company business	6,181	―
Management support business	1,990	209.0
Total	289,348	105.7

Note: Intersegment transactions are eliminated.

(2) Net sales by product

Net sales by product for the three months ended June 30, 2026 are as follows:

Products	Three months ended June 30, 2026	
	Amount (Millions of yen)	Changes from the corresponding period of the previous fiscal year (%)
Medical and pharmaceutical products	98,150	106.8
Cosmetics	101,142	106.4
General merchandise	49,985	103.4
Food	24,845	101.7
Total	274,125	105.5

Note: Net sales by product do not include sales of the management support business. In addition, the amounts above do not include operating revenue (rent income from tenants and royalty income from franchisees).

(3) Purchases by product

Purchases by product for the three months ended June 30, 2026 are as follows:

Products	Three months ended June 30, 2026	
	Amount (Millions of yen)	Changes from the corresponding period of the previous fiscal year (%)
Medical and pharmaceutical products	58,812	106.3
Cosmetics	67,589	108.5
General merchandise	35,051	102.3
Food	21,641	103.8
Total	183,094	106.0

Note: Purchases by product do not include purchases of the management support business.