



Q2, Fiscal Year Ending February 28, 2027 Financial Results Supplementary Materials

(March 1, 2026 to August 31, 2026)

September 29, 2026

DCM HOLDINGS CO., LTD.

Q2 Highlights, Fiscal Year Ending February 28, 2027

DCM HOLDINGS CO., LTD.

Q2 Highlights, FYE February 2027



Net sales **299.2 billion yen** **108.4% of previous year (99.9% of plan)**

- Same store sales: (1.0%); sales increased due to the consolidation of ENCHO and HOME TECH

Gross profit **102.5 billion yen** **107.3% of previous year (98.6% of plan)**

- Gross profit margin: -0.3 ppt YoY; home improvement retail business gross profit margin (excluding ENCHO): 37.3% (+0.4 ppt YoY)

Operating profit **21.1 billion yen** **101.5% of previous year (104.7% of plan)**

- SG&A expenses: +9.4% YoY; operational efficiency improvements offset wage increases, resulting in +2.1% YoY, excluding ENCHO

Ordinary profit **20.2 billion yen** **101.4% of previous year (104.7% of plan)**

Profit attributable to owners of parent **11.5 billion yen** **95.6% of previous year (100.9% of plan)**

Q2 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
Results for XPRICE for February through August were consolidated due to a change in the fiscal year-end

(Millions of yen, %)

	Q2(cumulative), FYE February 2026		Q2(cumulative), FYE February 2027				Excluding ENCHO		
	Result	Sales ratio	Result	Sales ratio	Change	Change (%)	Result	Sales ratio	Change (%)
Net sales	276,008	100.0	299,258	100.0	+ 23,249	108.4	285,600	100.0	103.5
Gross profit	95,531	34.6	102,526	34.3	+ 6,994	107.3	98,986	34.7	103.6
Operating revenue	4,320	1.6	5,089	1.7	+ 768	117.8	4,457	1.6	103.2
Operating gross profit	99,852	36.2	107,615	36.0	+ 7,763	107.8	103,444	36.2	103.6
SG&A	79,008	28.6	86,466	28.9	+ 7,458	109.4	80,656	28.2	102.1
Operating profit	20,843	7.6	21,149	7.1	+ 305	101.5	22,787	8.0	109.3
Ordinary profit	19,929	7.2	20,205	6.8	+ 276	101.4	21,964	7.7	110.2
Profit attributable to owners of parent	12,136	4.4	11,598	3.9	(538)	95.6	13,369	4.7	110.2

Consolidated Statements of Income (by Quarter)



Sales and profit increased in Q1 due to the situation in the Middle East
Profit decreased in Q2 due to unfavorable weather and temperatures

(Millions of yen, %)

	Q1 (March-May)				Q2 (June-August)			
	FYE February 2026	FYE February 2027	Sales ratio	YoY (%)	FYE February 2026	FYE February 2027	Sales ratio	YoY (%)
Net sales	136,161	149,432	100.0	109.7	139,846	149,825	100.0	107.1
Gross profit	47,372	51,541	34.5	108.8	48,158	50,984	34.0	105.9
Operating revenue	2,165	2,510	1.7	115.9	2,155	2,579	1.7	119.7
Operating gross profit	49,538	54,052	36.2	109.1	50,315	53,563	35.8	106.5
SG&A	39,852	42,678	28.6	107.1	39,155	43,788	29.2	111.8
Operating profit	9,685	11,373	7.6	117.4	11,158	9,775	6.5	87.6
Ordinary profit	9,155	10,933	7.3	119.4	10,773	9,271	6.2	86.1
Profit attributable to owners of parent	5,881	6,558	4.4	111.5	6,254	5,039	3.4	80.6

Sales by Product Category



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

Sales of summer products picked up after the rainy season ended, but remained sluggish in Hokkaido and Tohoku

(Millions of yen, %)

	Q2(cumulative), FYE February 2026		Q2(cumulative), FYE February 2027			
	Result	Composition ratio	Result	Composition ratio	Change	Change (%)
Gardening	46,678	16.9	48,785	16.3	+ 2,107	104.5
Home improvement	53,920	19.5	58,816	19.7	+ 4,895	109.1
Home leisure and pet	39,583	14.3	40,612	13.6	+ 1,028	102.6
Housekeeping	58,973	21.4	60,175	20.1	+ 1,202	102.0
Home furnishing	11,845	4.3	11,739	3.9	(105)	99.1
Home electronics	22,811	8.3	23,985	8.0	+ 1,173	105.1
Other	7,717	2.8	12,414	4.1	+ 4,696	160.9
Product supply, etc.	636	0.2	1,108	0.4	+ 472	174.3
Total of home improvement retail business	242,166	87.7	257,638	86.1	+ 15,471	106.4
XPRICE business	33,707	12.2	41,488	13.9	+ 7,781	123.1
Other business	134	0.1	131	0.0	(2)	97.8
Total	276,008	100.0	299,258	100.0	+ 23,249	108.4

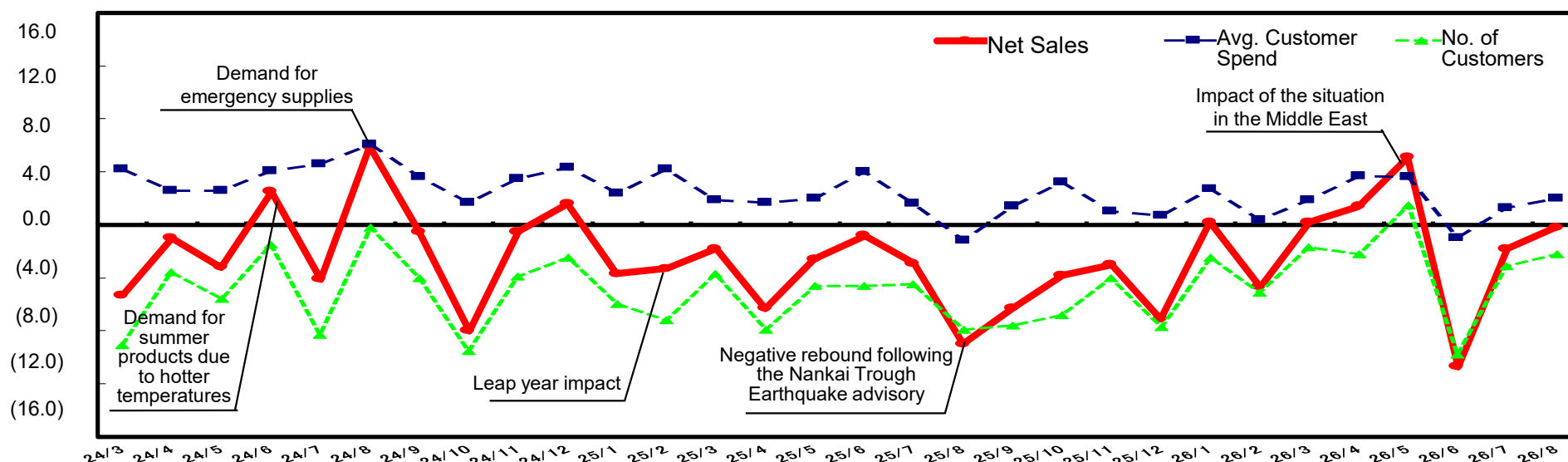
*We reclassified results for the previous fiscal year due to a change in departments.
(Dining and Kitchen, Bath and Toiletries moved from Home Furnishings to Housekeeping division)

Same Store Changes



Q1 net sales were strong due to special demand arising from the situation in the Middle East
East Summer product sales were down year on year in June
due to the impact of the rainy season ending earlier than usual in the previous year

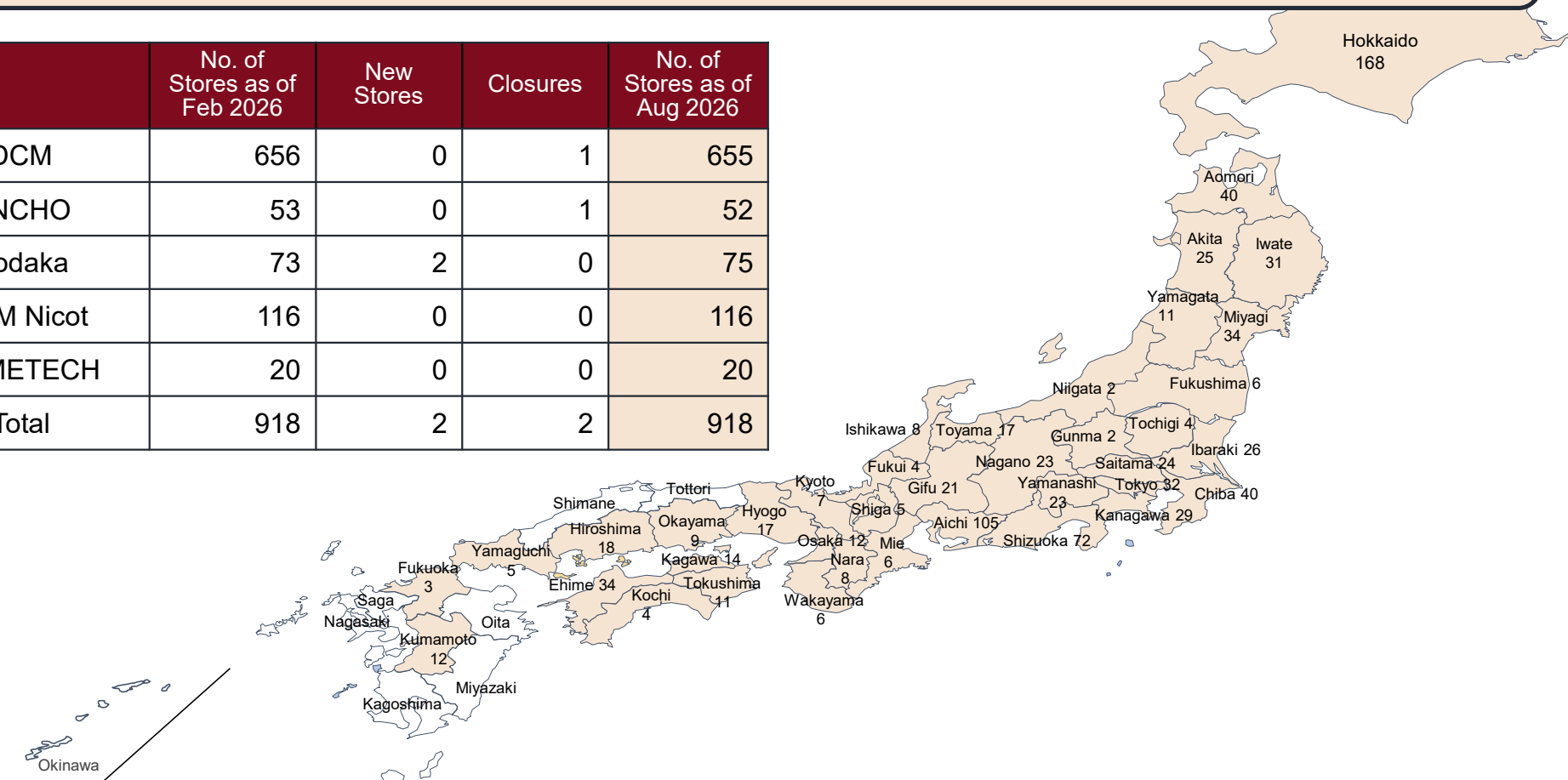
	FYE February 2026			FYE February 2027		
	Net Sales	No. of Customers	Avg. Customer Spend	Net Sales	No. of Customers	Avg. Customer Spend
March - August Total	(4.0%)	(5.6%)	+1.7%	(1.0%)	(2.8%)	+1.9%
March – May	(3.7%)	(5.5%)	+1.9%	+2.4%	(0.7%)	+3.1%
June - August	(4.3%)	(5.6%)	+1.5%	(4.3%)	(5.2%)	+0.9%



Store Openings by Prefecture

Total 918 Stores nationwide

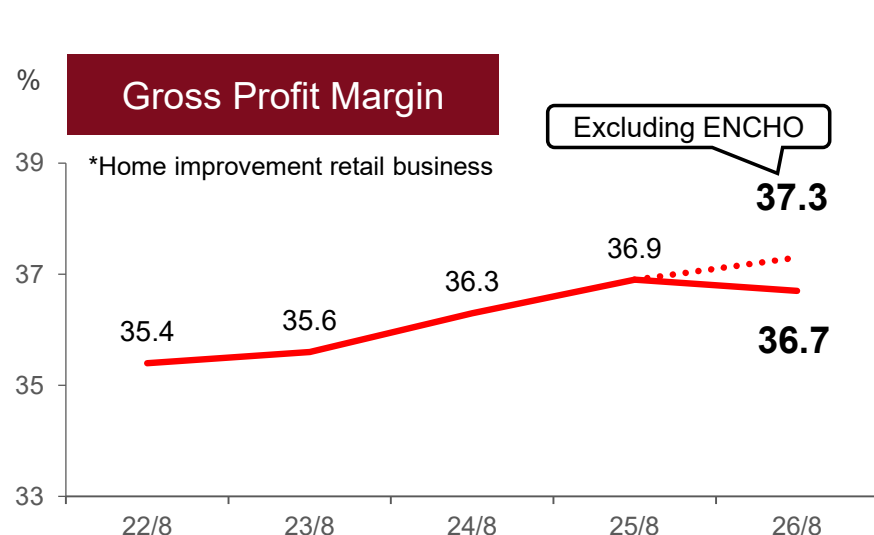
	No. of Stores as of Feb 2026	New Stores	Closures	No. of Stores as of Aug 2026
DCM	656	0	1	655
ENCHO	53	0	1	52
Hodaka	73	2	0	75
DCM Nicot	116	0	0	116
HOMETECH	20	0	0	20
Total	918	2	2	918



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



37.3% (up +0.4 ppt YoY) when excluding ENCHO

Mark-up +0.7 ppt improvement

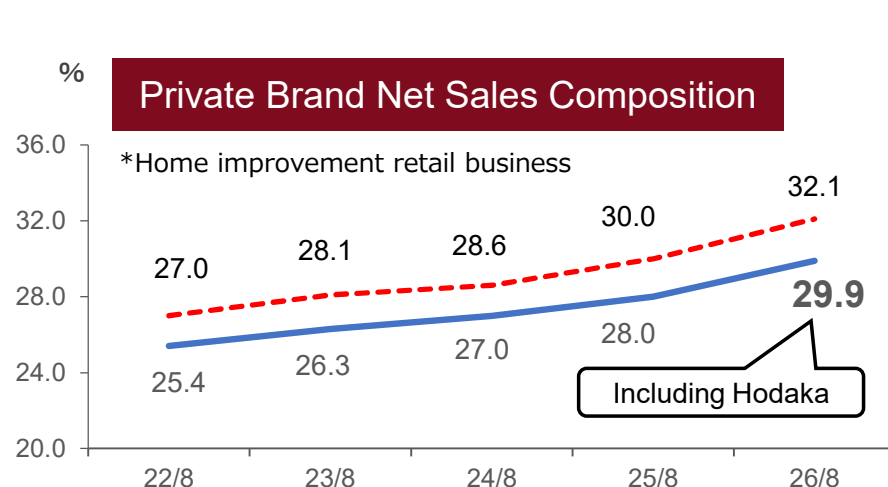
	Gross Profit Margin by Division	
	Q2(cumulative), FYE February 2026	Q2(cumulative), FYE February 2027
Gardening	37.8	38.0
Home improvement	39.4	38.9
Home leisure and pet	36.7	37.3
Housekeeping	32.8	33.5
Home furnishing	44.8	45.8
Home electronics	36.8	36.0
Other	36.2	30.6
Total	36.9	36.7

*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
(+1.9 ppt YoY)

	Private Brand Net Sales Composition	
	Q2(cumulative), FYE February 2026	Q2(cumulative), FYE February 2027
Gardening	31.9	36.7
Home improvement	22.6	23.8
Home leisure and pet	30.9	32.4
Housekeeping	25.7	26.6
Home furnishing	68.7	70.4
Home electronics	12.6	14.6
Total	28.0	29.9

*Excludes Nicot and ENCHO

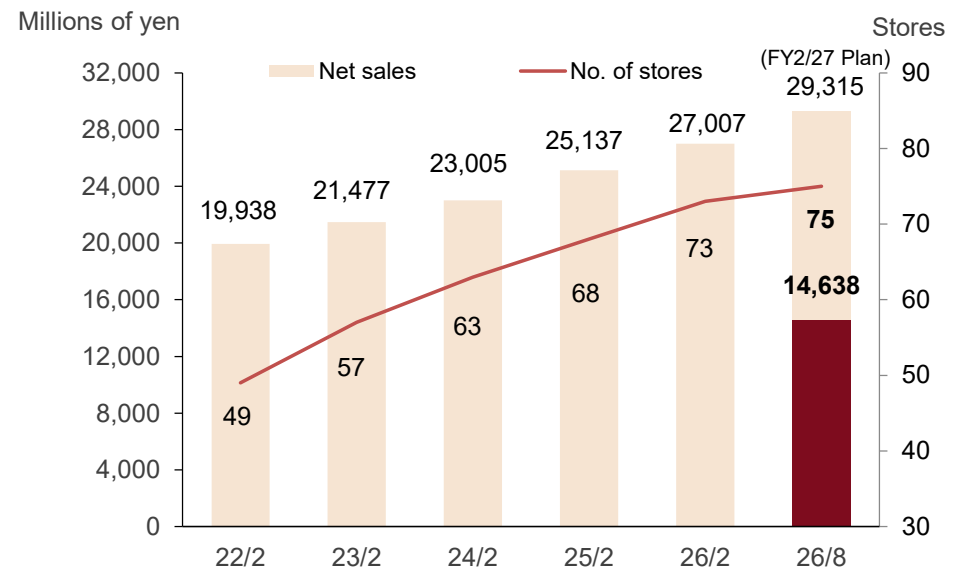
*We reclassified results for the previous fiscal year due to a change in departments.
 (Dining and Kitchen, Bath and Toiletries moved from Home Furnishing division to Housekeeping division)

Proactively expanding specialty stores for professionals

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



**Same Stores
(1.0%) YoY**



As of August 2026: 75 stores (Tokai 27, Kanto 12, Hokkaido 10, Tohoku 6, Hokuriku 6, Kinki 5, Shikoku 4, Chugoku 3, Kyushu 2)

Net sales, all stores 14,638 million yen (+2.6% YoY)

Operating profit +4.0% YoY

DCM Nicot Business Performance

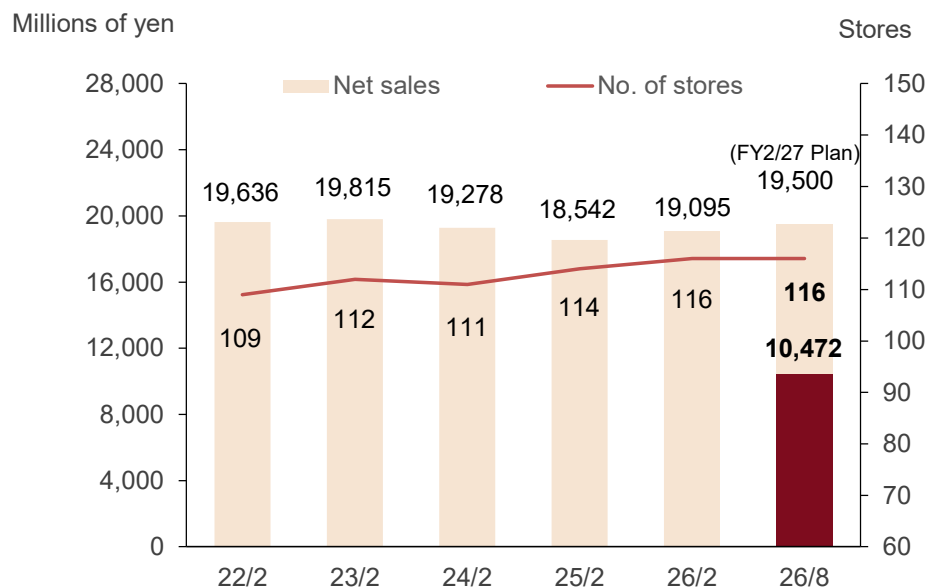


Leverage DCM resources to remodel stores and improve profitability as a small, community-based store

DCM Nicot Home convenience stores in small market areas



**Same Stores
+2.9% YoY**



As of August 2026: 116 stores (Hokkaido 73, Tohoku 39, Kanto 4)

Net sales, all stores 10,472 million yen (+3.8% YoY)

Operating profit +19.2% YoY

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



Net Sales: +24.1% YoY

(Millions of yen, %)

	Q2(cumulative), FYE February 2026	Q2(cumulative), FYE February 2027	YoY (%)	FYE February 2026 (Reference)
Net sales	34,947	43,366	124.1	68,309
Operating profit	536	1,215	226.5	826

*Figures for the six months ended August 2026 cover the seven-month period from February through August 2026 due to a change in the fiscal year-end

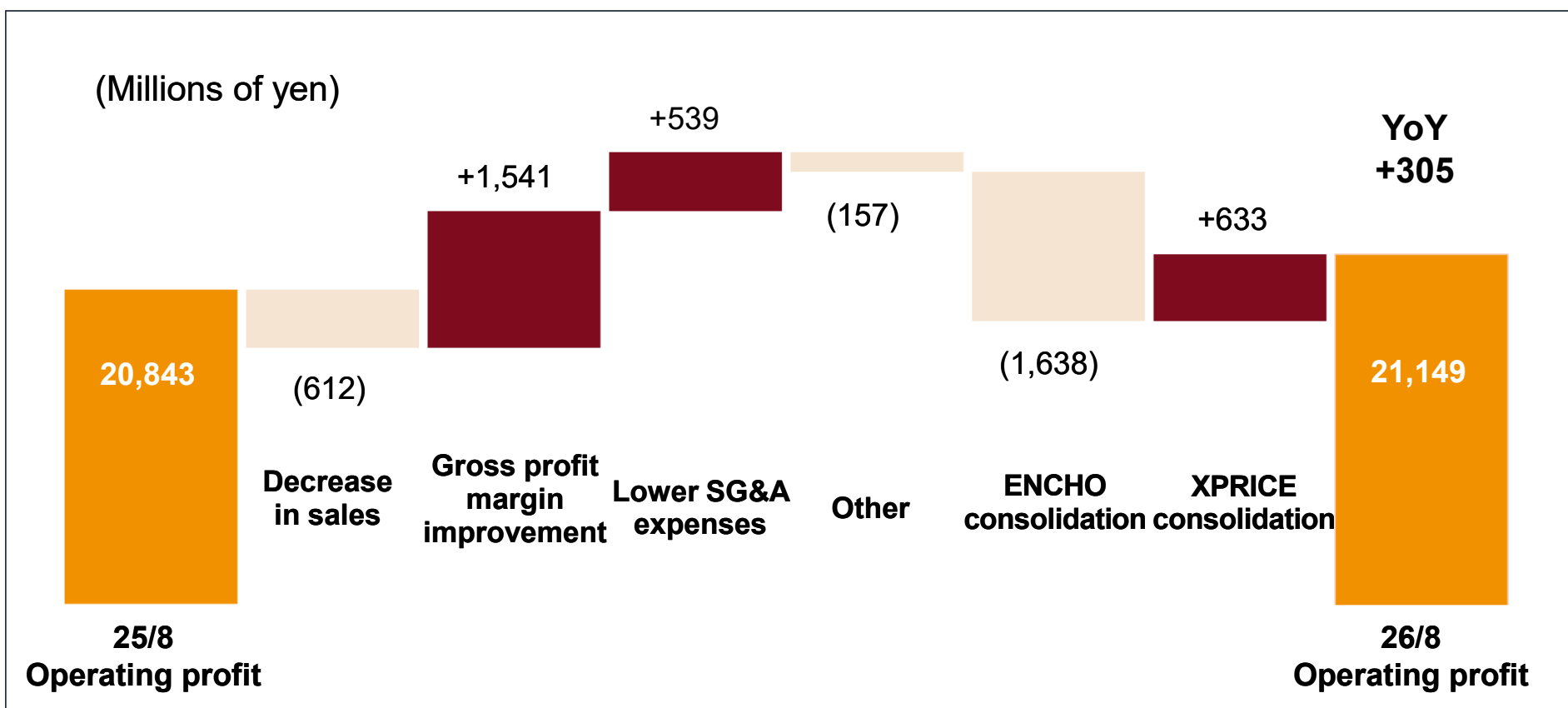
- **Air conditioner sales increased significantly, due in part to impact from the 2027 Problem**
- **Expanded supply of MAXZEN merchandise to DCM stores**

Q2(cumulative), FYE February 2027 Net Sales: 43,366 million yen (+8,418 million yen YoY)

Breakdown of Change in Operating Profit

Profit increased due to an improved gross profit margin, lower SG&A expenses, and the consolidation of XPRICE

Lower operating profit at ENCHO due to renovations



Consolidated Balance Sheets



(Millions of yen)

	As of February 28, 2026	As of August 31, 2026	Change	Change Factors
Current assets	272,583	256,920	(15,662)	Cash and deposits -25,335 million yen
Notes and accounts receivable – trade	12,675	17,449	+4,773	Increase due to seasonal factors
Merchandise	165,358	169,752	+4,394	Increase due to seasonal factors
Non-current assets	398,271	377,120	(21,150)	
Property, plant and equipment	233,541	232,530	(1,010)	
Intangible assets	64,060	62,739	(1,320)	
Investments and other assets	100,669	81,850	(18,819)	
Total assets	670,854	634,040	(36,813)	
Current liabilities	112,400	159,713	+47,312	
Notes and accounts payable - trade	56,688	42,768	(13,920)	
Short-term borrowings	3,532	2,270	(1,262)	
Current portion of long-term debt	18,064	79,133	+61,069	
Non-current liabilities	260,276	183,181	(77,094)	
Bonds payable	35,000	35,000	–	
Long-term borrowings	186,348	116,177	(70,170)	Repayment of long-term debt 9,101 million yen
Total liabilities	372,677	342,895	(29,781)	
Total net assets	298,177	291,145	(7,031)	
Total liabilities and net assets	670,854	634,040	(36,813)	

*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



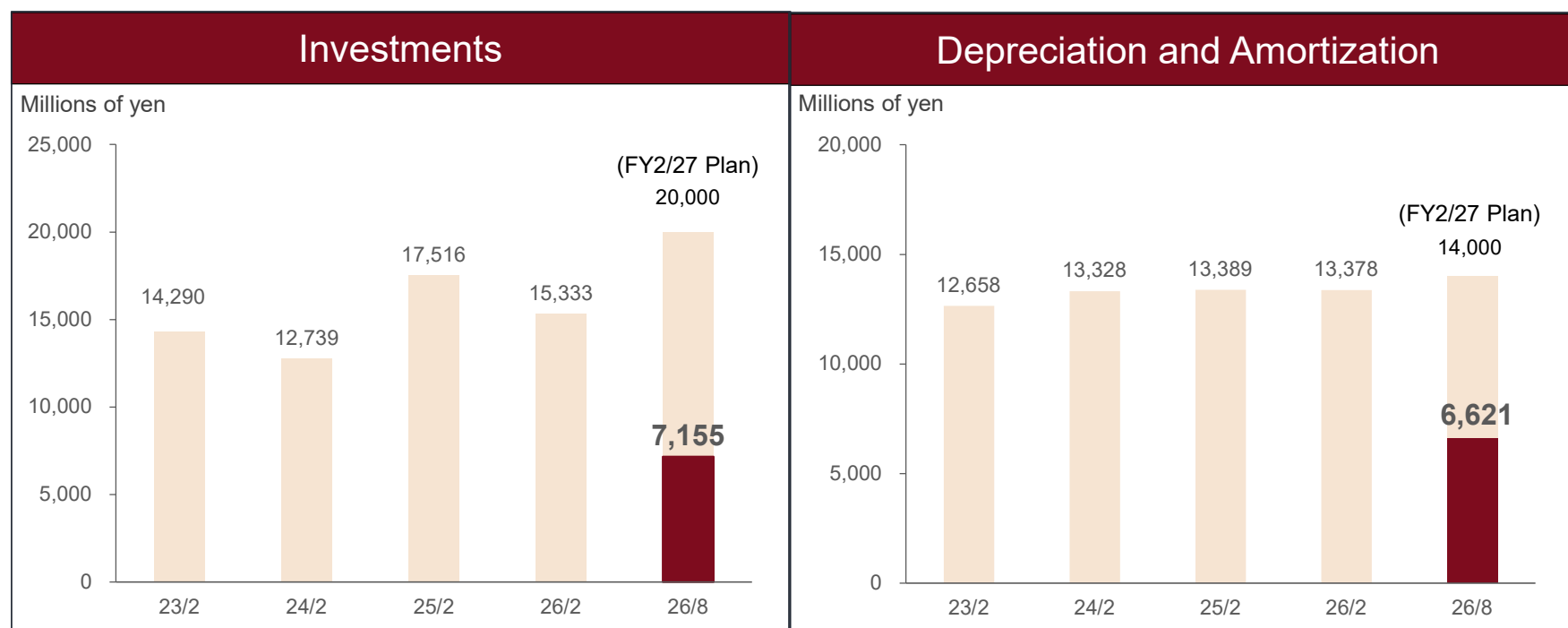
March 01, 2026 to August 31, 2026

(Millions of yen)

Amount of Investment	Depreciation
7,155	6,621

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

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

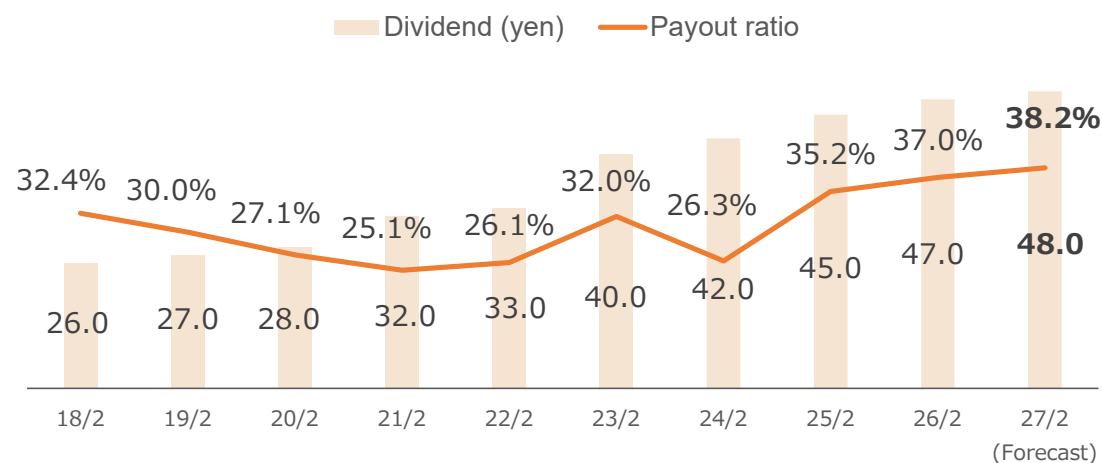


Shareholder Returns



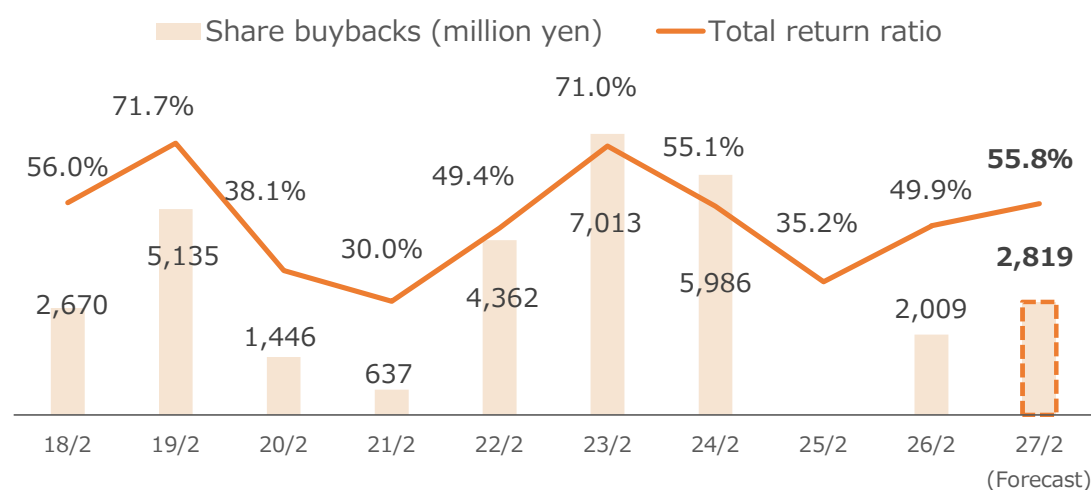
Dividend Policy

- Dividends in line with profit growth
- FY2/26 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)



Store Openings and Closures

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

*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

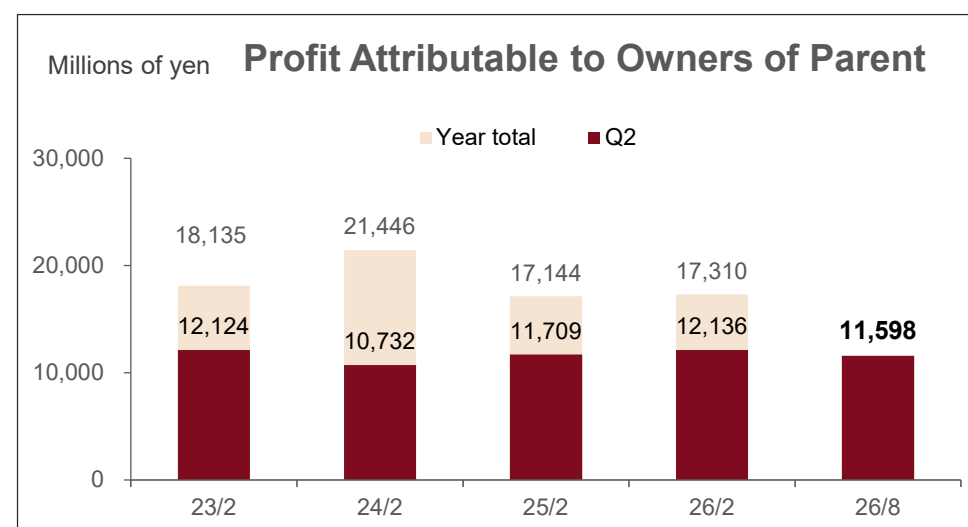
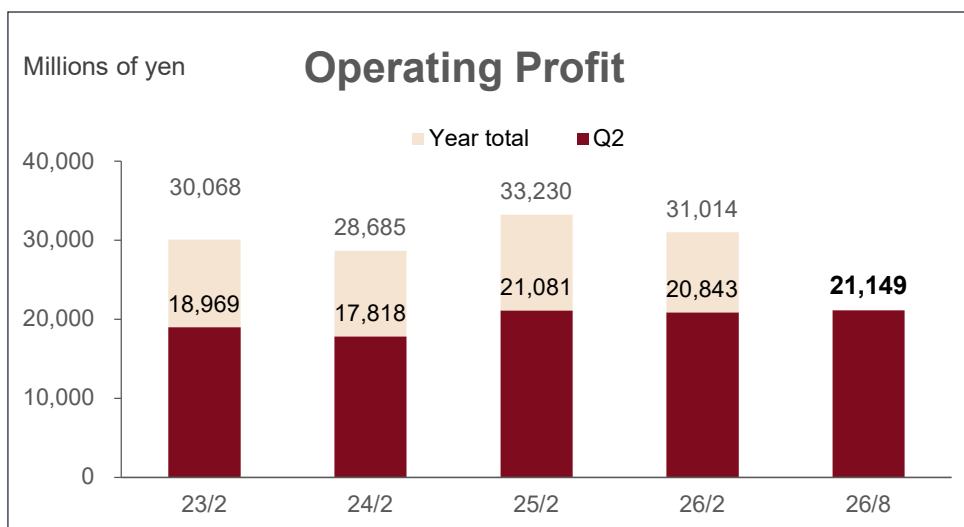
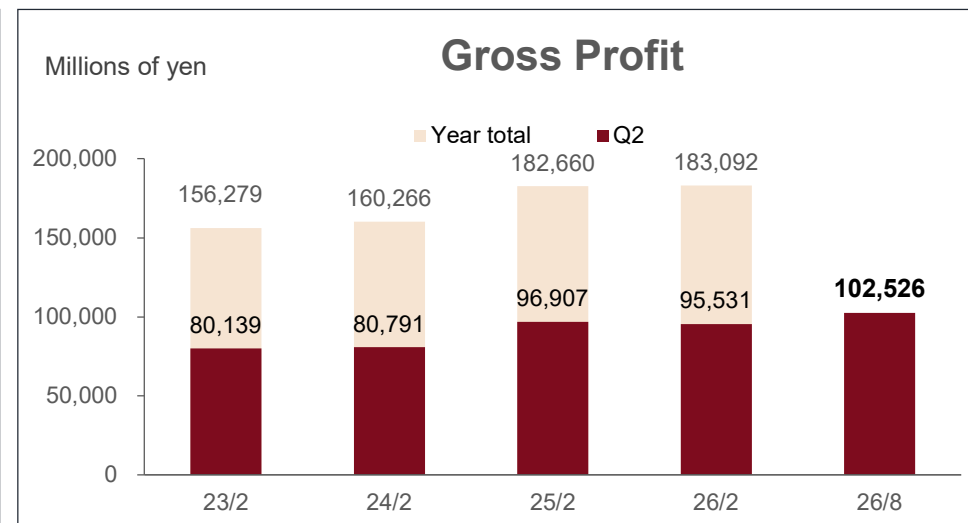
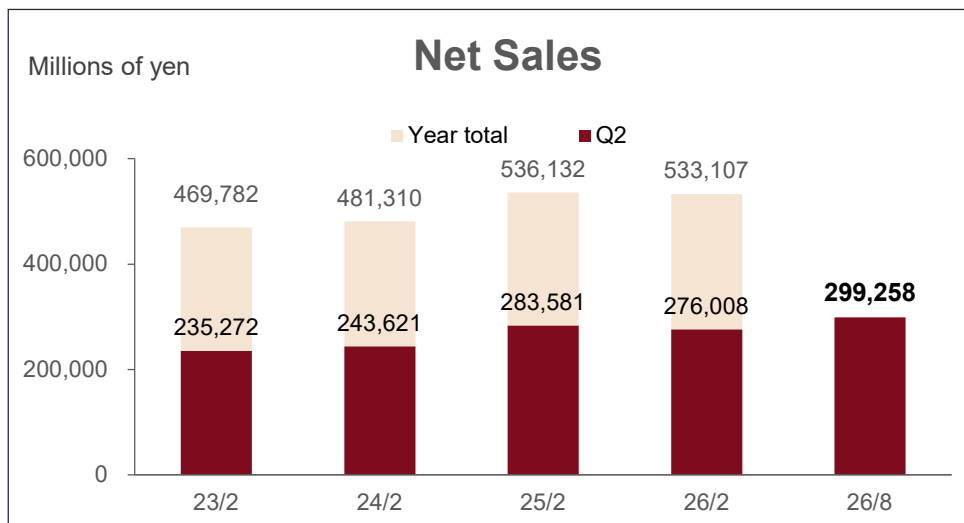
(Millions of yen, %)

	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

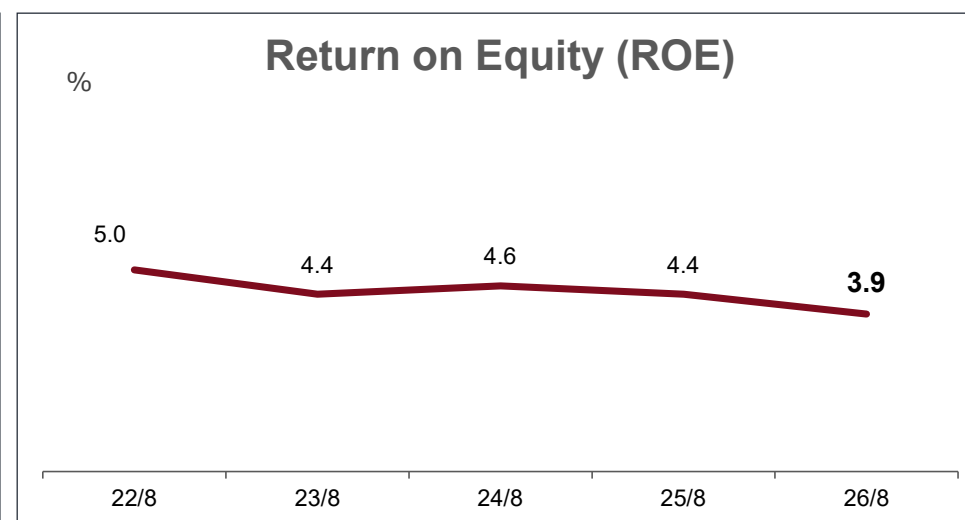
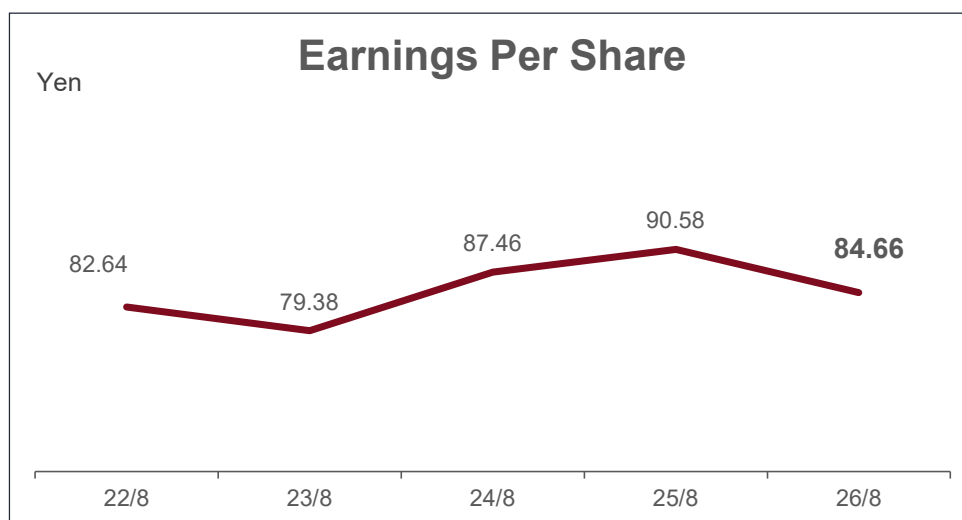
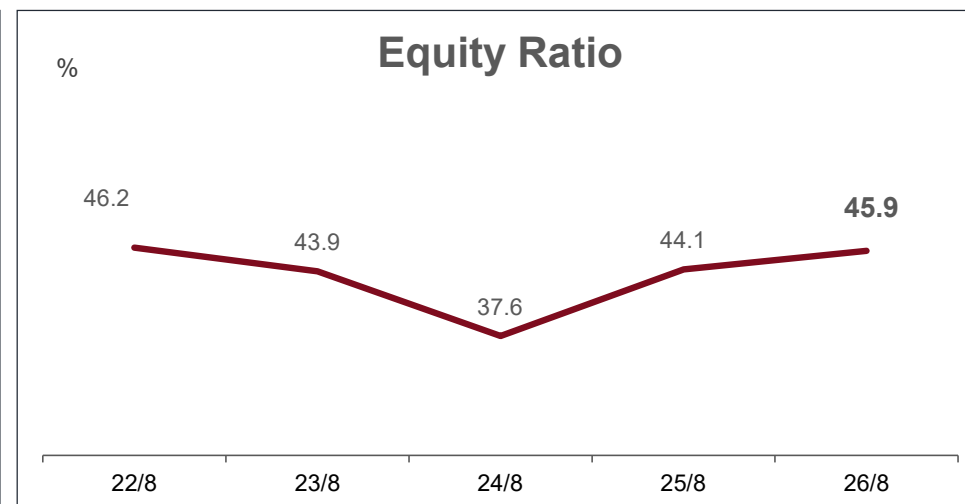
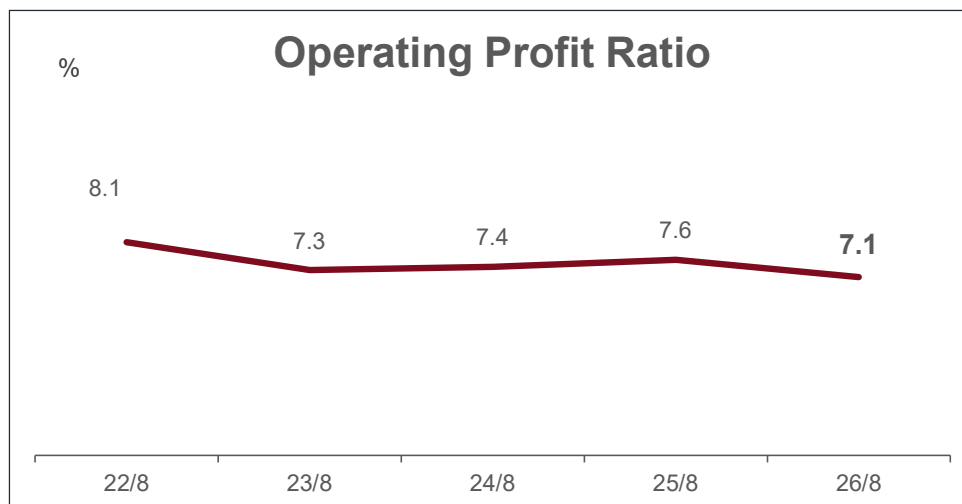
Reference Data

DCM HOLDINGS CO., LTD.

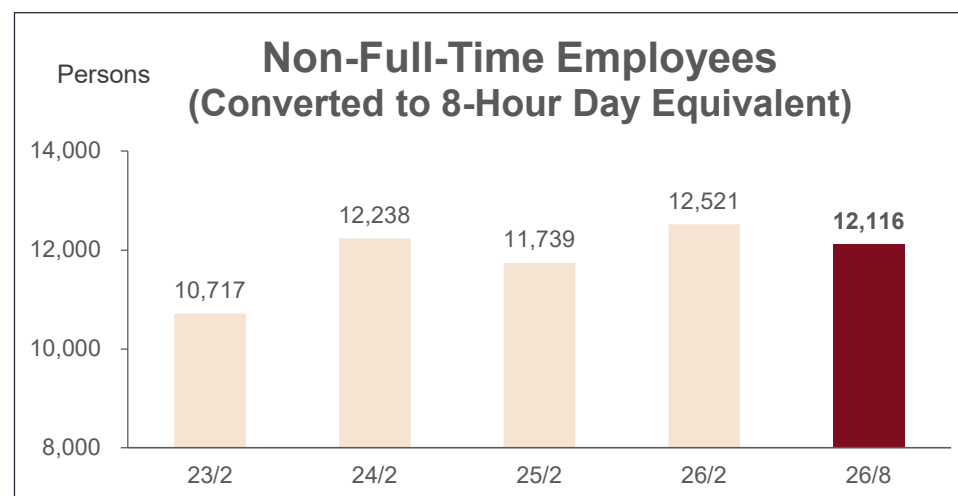
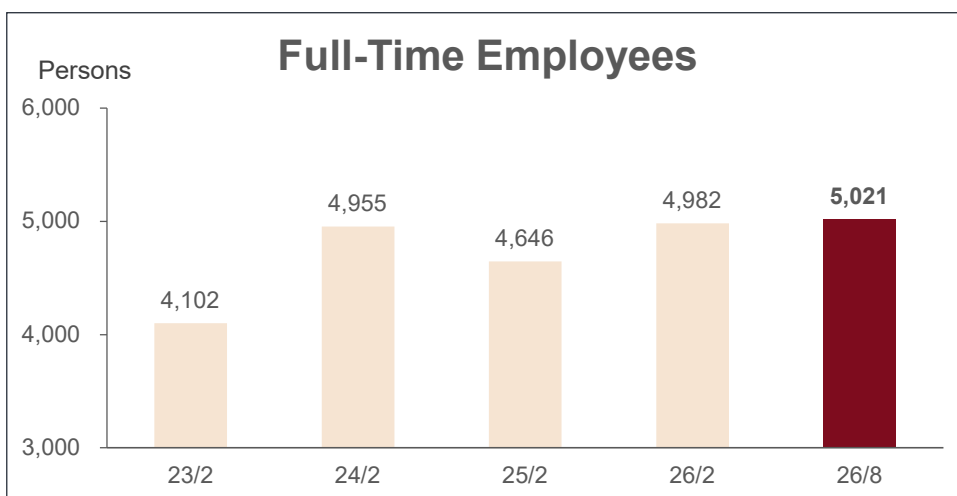
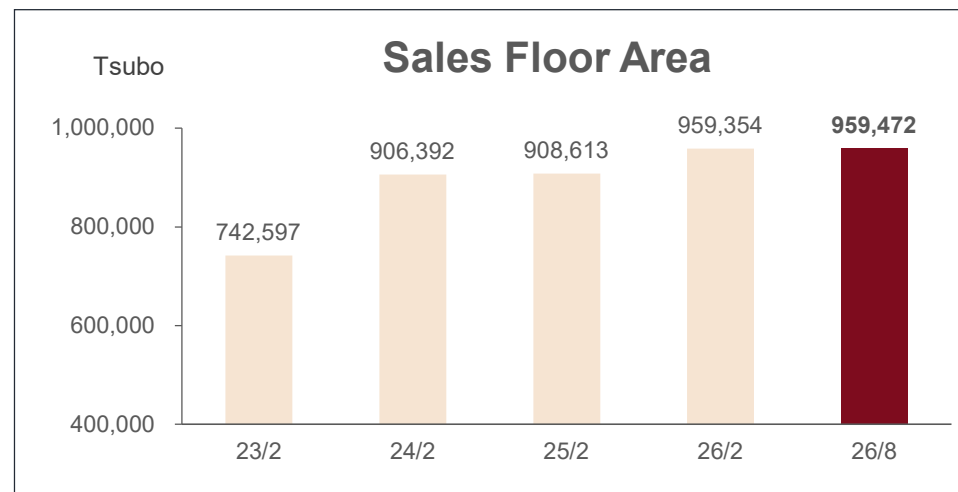
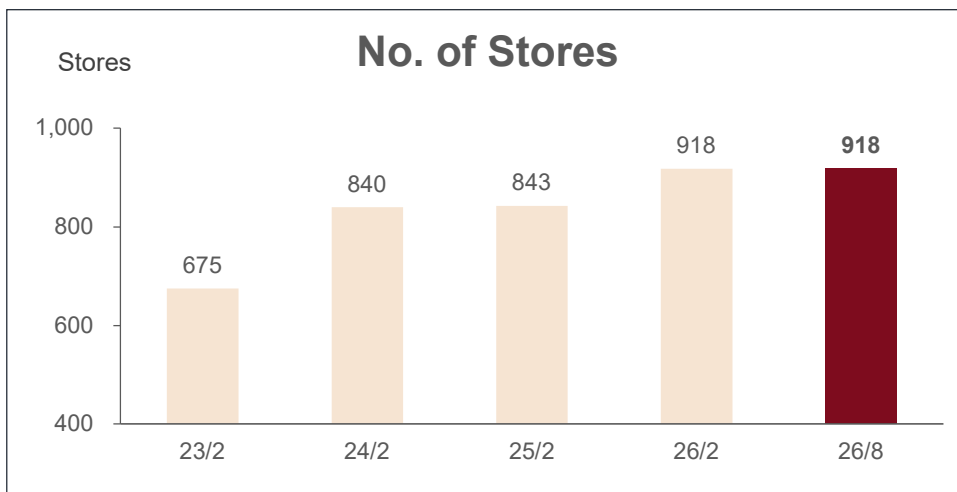
Business Performance



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 = 3.3m²

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New Store Openings and Closings



New Stores	Number of Stores	Store Name	Location	Month	Sales Floor Area (Tsubo)	Notes
Hodaka	2	Shimonosekichofu Store Aomori Higashi Store	Yamaguchi Aomori	April 2026 August 2026	240 383	
Total	2				623	

Closures	No. of Stores	Store Name	Location	Closed	Sales Floor Area (Tsubo)	Notes
DCM	1	Rakusai Store	Kyoto	May 2026	322	
ENCHO	1	SWEN CROSS GARDEN Fujichuo Store	Shizuoka	August 2026	183	
Total	2				505	

*Hodaka is a specialty shop for professionals

*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