



Q1, Fiscal Year Ending February 28, 2026 Financial Results Supplementary Materials

(March 1, 2025 to May 31, 2025)

June 27, 2025

DCM HOLDINGS CO., LTD.

Q1 Highlights, Fiscal Year Ending February 28, 2026

DCM HOLDINGS CO., LTD.

Q1 Highlights, Fiscal Year Ending February 28, 2026



Net sales **136.1 billion yen** **97.7% of previous year** **(96.1% of plan)**

• Same store sales -3.7% YoY

Gross profit **47.3 billion yen** **98.6% of previous year** **(95.7% of plan)**

• Gross profit margin +0.3% YoY, HC business gross profit margin 36.9% (+0.5% YoY)

Operating profit **9.6 billion yen** **94.6% of previous year** **(92.2% of plan)**

• SG&A -0.1% YoY; -3.0% compared to plan; increase in operating efficiency, despite increases in wages per person

Ordinary profit **9.1 billion yen** **98.4% of previous year** **(90.7% of plan)**

• Foreign exchange impact -170 million yen

Profit attributable to owners of parent **5.8 billion yen** **103.4% of previous year** **(98.0% of plan)**

Q1 Results, Fiscal Year Ending February 28, 2026

DCM HOLDINGS CO., LTD.

Consolidated Statements of Income



Sales and profit down due to unseasonable weather
Gross margin improvement and cost reductions progressed as planned

(Millions of yen, %)

	Q1, FYE February 2025		Q1, FYE February 2026			
	Result	Sales ratio	Result	Sales ratio	Change	Change (%)
Net sales	139,414	100.0	136,161	100.0	(3,252)	97.7
Gross profit	48,055	34.5	47,372	34.8	(683)	98.6
Operating revenue	2,073	1.5	2,165	1.6	+ 92	104.4
Operating gross profit	50,129	36.0	49,538	36.4	(591)	98.8
SG&A	39,896	28.6	39,852	29.3	(43)	99.9
Operating profit	10,233	7.3	9,685	7.1	(547)	94.6
Ordinary profit	9,308	6.7	9,155	6.7	(153)	98.4
Profit attributable to owners of parent	5,691	4.1	5,881	4.3	+ 190	103.4

Sales by Product Category



Weak sales of gardening supplies due to unseasonable weather
Sales of air-conditioned clothing and other products to combat extreme heat remained strong

(Millions of yen, %)

	Q1, FYE February 2025		Q1, FYE February 2026			
	Result	Composition ratio	Result	Composition ratio	Change	Change (%)
Gardening	27,837	20.0	26,684	19.6	(1,153)	95.9
Home improvement	27,079	19.4	26,467	19.4	(612)	97.7
Home leisure and pet	20,122	14.4	19,187	14.1	(935)	95.4
Housekeeping	20,086	14.4	19,878	14.6	(207)	99.0
Home furnishing	15,104	10.9	14,426	10.5	(677)	95.5
Home electronics	10,750	7.7	10,060	7.4	(690)	93.6
Other	3,887	2.8	3,900	2.9	+ 13	100.3
Product supply, etc.	358	0.3	355	0.3	(3)	99.0
Total of home improvement retail business	125,227	89.9	120,960	88.8	(4,266)	96.6
XPRICE business	14,122	10.1	15,134	11.2	+ 1,011	107.2
Other business	64	0.0	66	0.0	+ 2	103.9
Total	139,414	100.0	136,161	100.0	(3,252)	97.7

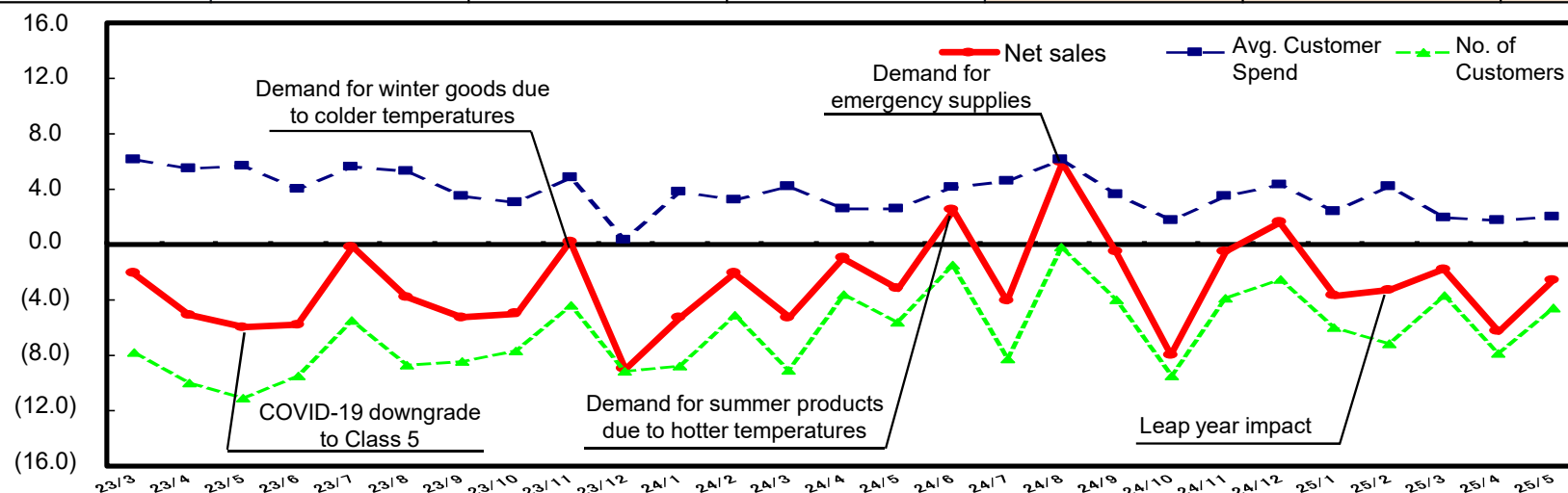
*We reclassified results for the previous fiscal year due to a change in departments.
(Dining and Kitchen, Bath and Toiletries moved from Housekeeping to Home Furnishings division)

Same Store Changes



Sales and customer numbers declined due to unfavorable weather, rising prices and thrifty consumers
Higher prices per customer due to rising raw material prices and a weaker yen

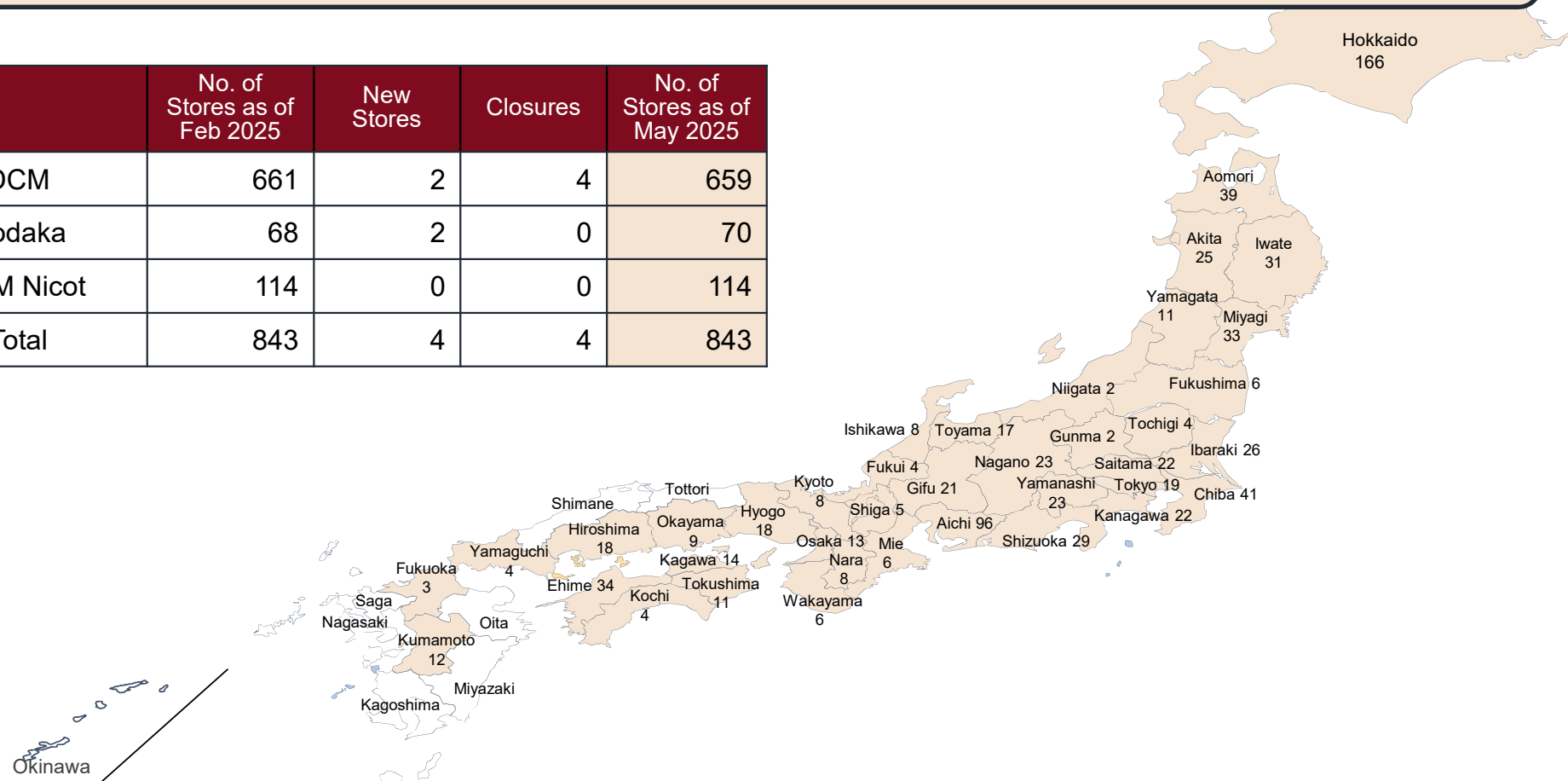
	FYE February 2025			FYE February 2026		
	Net Sales	No. of Customers	Avg. Customer Spend	Net Sales	No. of Customers	Avg. Customer Spend
March - May Total	(3.0%)	(5.9%)	+3.0%	(3.7%)	(5.5%)	+1.9%
March	(5.3%)	(9.1%)	+4.2%	(1.8%)	(3.7%)	+1.9%
April	(1.0%)	(3.6%)	+2.6%	(6.3%)	(7.9%)	+1.7%
May	(3.2%)	(5.6%)	+2.6%	(2.6%)	(4.6%)	+2.0%



Store Openings by Prefecture

Total 843 Stores nationwide

	No. of Stores as of Feb 2025	New Stores	Closures	No. of Stores as of May 2025
DCM	661	2	4	659
Hodaka	68	2	0	70
DCM Nicot	114	0	0	114
Total	843	4	4	843



Hodaka Business Performance

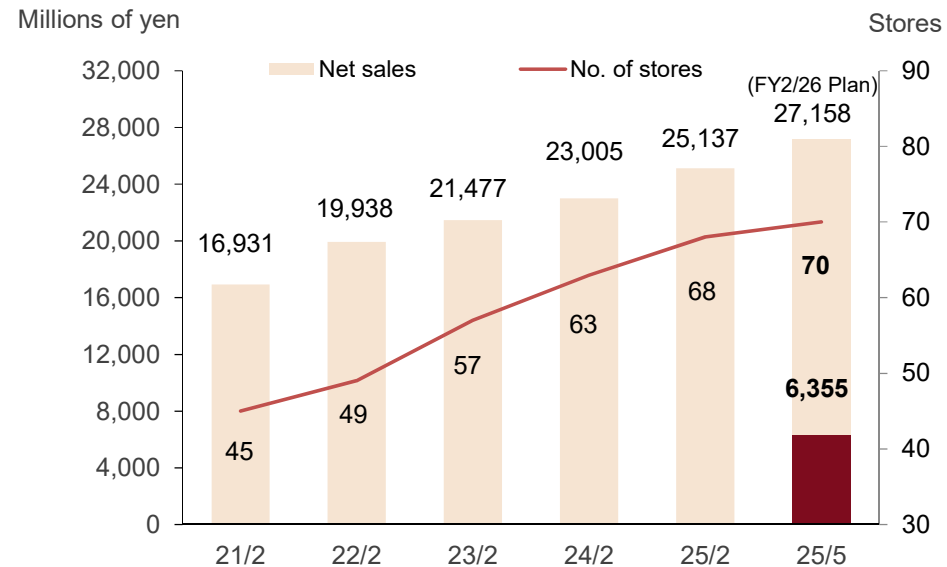


Proactively expanding specialty stores for professionals

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



**Same Stores
+2.9% YoY**



As of May 2025: 70 stores (Tokai 26, Kanto 11, Hokkaido 9, Hokuriku 6, Kinki 5, Tohoku 5, Shikoku 4, Chugoku 2, Kyushu 2)

Net sales, all stores 6,355 million yen (+6.5% YoY)

Operating profit -3.7% YoY

DCM Nicot Business Performance

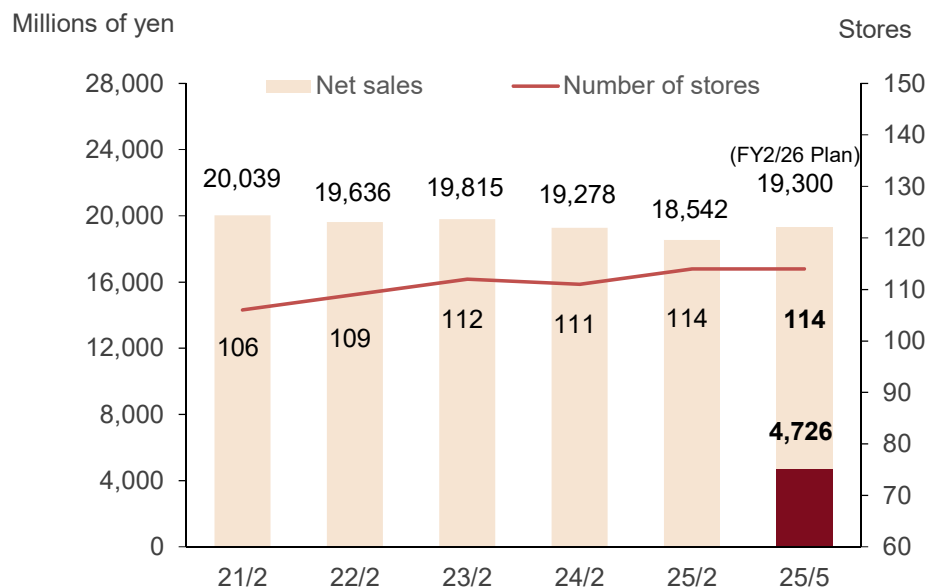


Leverage DCM resources to remodel stores and improve profitability as a small, community-based store

DCM Nicot Home convenience stores in small market areas



**Same Stores
-2.7% YoY**



As of May 2025: 114 stores (Hokkaido 72, Tohoku 38, Kanto 4)

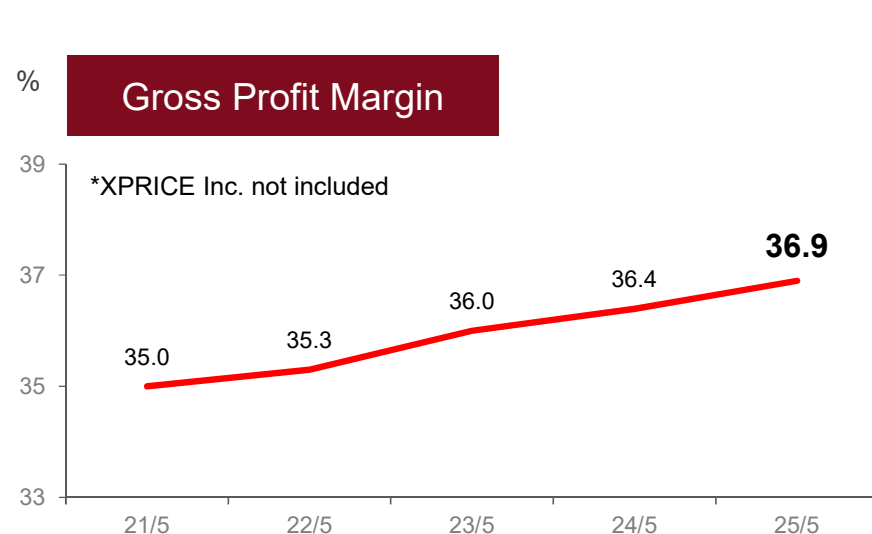
Net sales, all stores 4,726 million yen (-1.6% YoY)

Operating profit -5.0% YoY

Gross Profit Margin



Strengthen response to the weak yen, high raw materials prices, and rising logistics costs; strengthen private brand sales to improve gross profit margin



Mark-up +1.3 point improvement

(Unit: %)

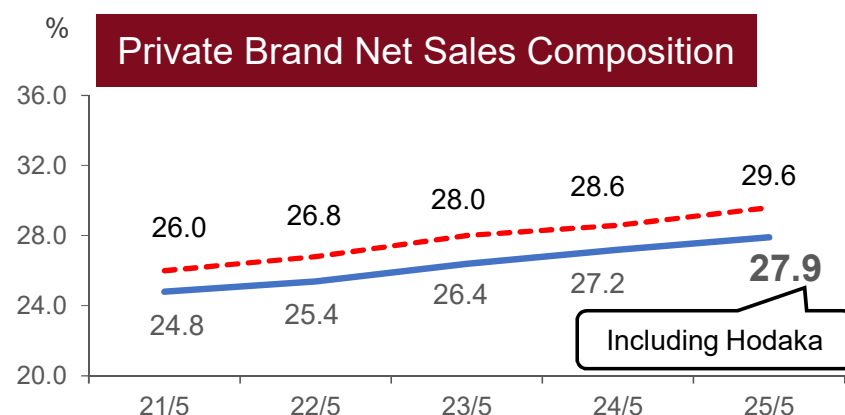
	Gross Profit Margin by Division	
	Q1, FYE February 2025	Q1, FYE February 2026
Gardening	36.5	37.9
Home improvement	39.5	39.7
Home leisure and pet	35.2	36.2
Housekeeping	27.1	26.8
Home furnishing	44.1	44.9
Home electronics	36.4	37.7
Other	34.2	36.6
Total	36.4	36.9

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

Private Brand Net Sales Composition



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



Private Brand Net Sales Composition
 (+0.7 points YoY)

- No. of private brand items: 35,200 SKUs
 (+1,200 SKUs YoY)

	Private Brand Net Sales Composition	
	Q1, FYE February 2025	Q1, FYE February 2026
Gardening	28.8	30.7
Home improvement	22.9	22.9
Home leisure and pet	29.7	30.6
Housekeeping	17.0	16.7
Home furnishing	55.1	55.2
Home electronics	6.9	9.7
Total	27.2	27.9

*Includes product sales of the XPRICE private brand, MAXZEN

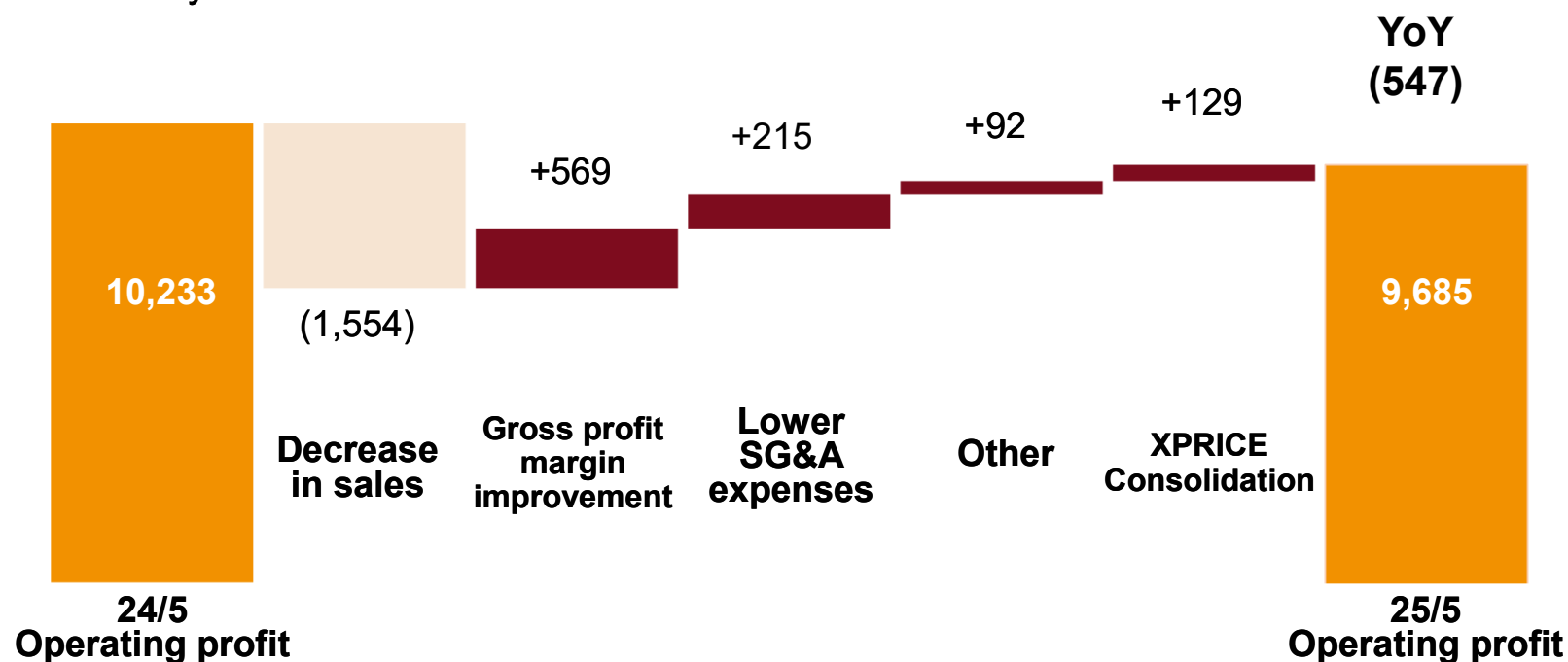
*We reclassified results for the previous fiscal year due to a change in departments.

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

Breakdown of Change in Operating Profit

Improved gross margin and reduced SG&A expenses;
XPRICE saw improved earnings, but lower profit due to decrease in sales

(Millions of yen)



Consolidated Balance Sheets



(Millions of yen)

	As of February 28, 2025	As of May 31, 2025	Change	Change Factors
Current assets	292,374	271,819	(20,555)	Cash and deposits -34,587 million yen
Accounts receivable - trade	10,455	17,343	+6,887	Increase due to seasonal factors
Merchandise	153,416	159,466	+6,050	Increase due to seasonal factors
Non-current assets	355,562	361,078	+5,515	
Property, plant and equipment	221,239	223,177	+1,938	
Intangible assets	55,103	54,772	(331)	
Investments and other assets	79,219	83,127	+3,908	
Total assets	647,936	632,897	(15,039)	
Current liabilities	127,710	108,964	(18,745)	
Notes and accounts payable - trade	44,214	65,137	+20,923	Increase in pending payments since the last day of the month was a bank holiday
Current portion of long-term debt	52,444	15,444	(37,000)	Repayment of long-term debt
Non-current liabilities	255,927	253,278	(2,648)	
Bonds payable	35,000	35,000	—	
Long-term borrowings	188,796	184,507	(4,289)	Repayment of long-term debt
Total liabilities	383,637	362,243	(21,393)	
Total net assets	264,299	270,654	+6,354	
Total liabilities and net assets	647,936	632,897	(15,039)	

Capital Investment and Depreciation and Amortization



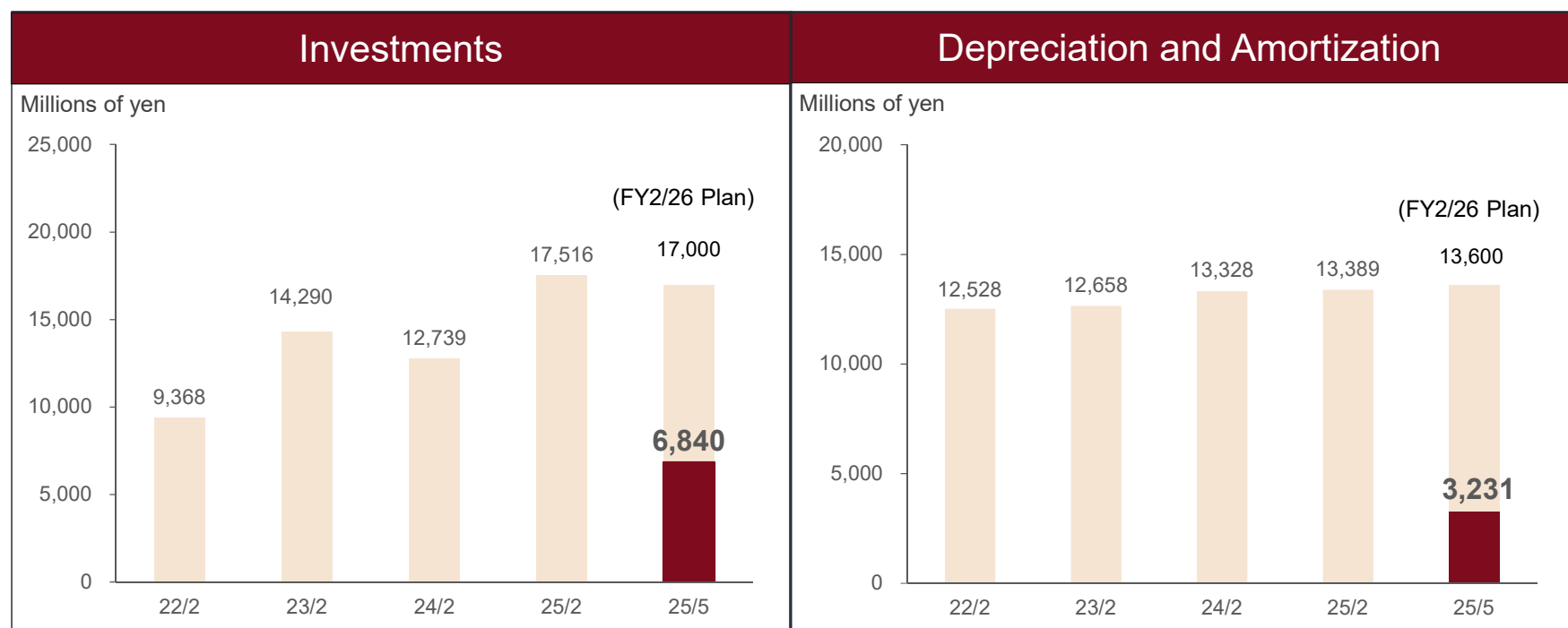
March 01, 2025 to May 31, 2025

(Millions of yen)

Amount of Investment	Depreciation
6,840	3,231

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

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

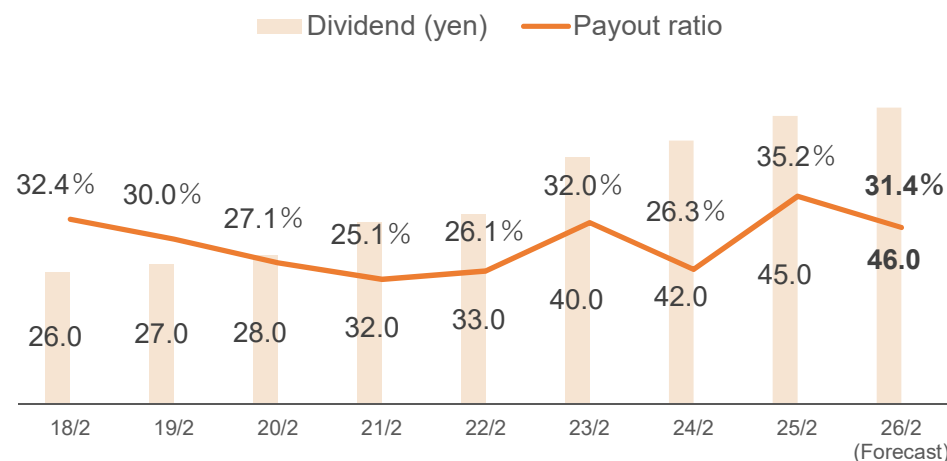


Shareholder Returns

Dividend Policy

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

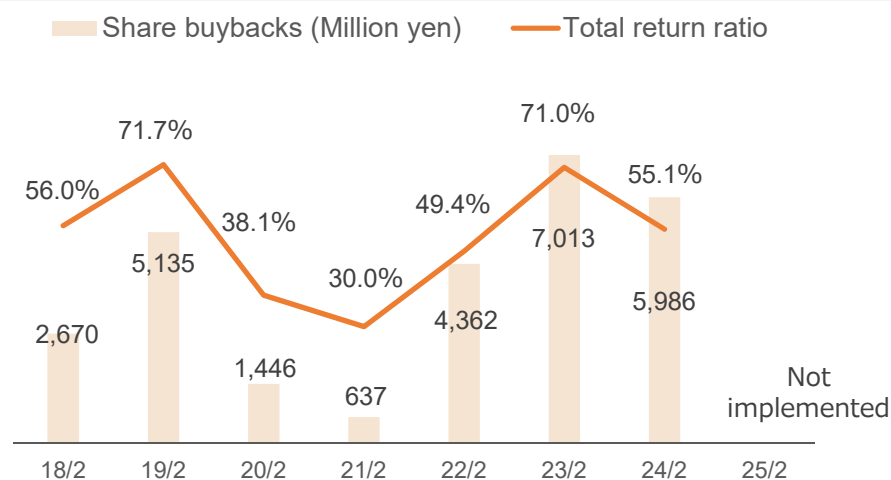
*Dividend payout ratio excluding BIP and ESOP
FY2/25 36.4%, FY2/26 (forecast) 32.6%



Share buybacks

Share Buyback Policy

- Consider purchases on an ongoing basis
- The Company retains approximately 5% of the total number of shares issued, retiring any excess shares



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

(March 1, 2025 to February 28, 2026)

**(Business results forecast revised since
original announcement: No)**

DCM HOLDINGS CO., LTD.

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



Store Openings and Closures

	First Half		Second Half		Year	
	Openings	Closures	Openings	Closures	Openings	Closures
Home Centers	2	6	0	1	2	7
Hodaka	2	0	5	0	7	0
DCM Nicot	1	0	1	0	2	0
Total	5	6	6	1	11	7

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

Same Store Sales Growth

First Half	Second Half	Full Year
+0.2%	+0.4%	+0.3%

Capital Investment and Depreciation and Amortization

(Millions of yen)

Capital Investment	Depreciation and Amortization
17,000	13,600

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

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

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



March 1, 2025 to February 28, 2026

(Millions of yen, %)

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

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

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



March 1, 2025 to February 28, 2026

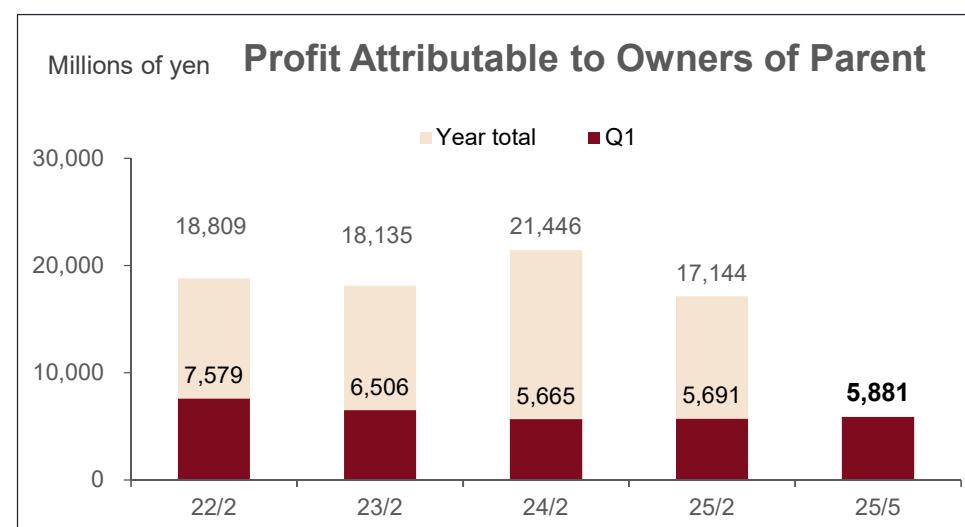
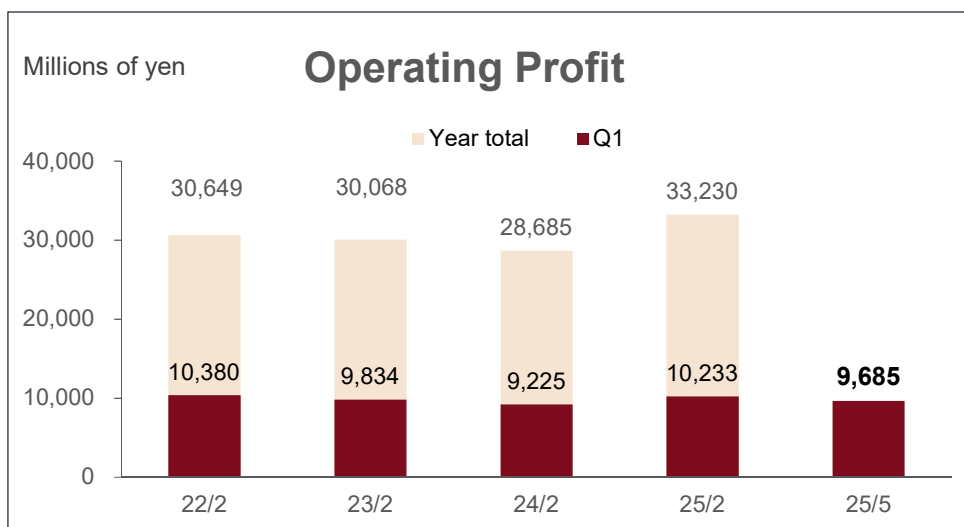
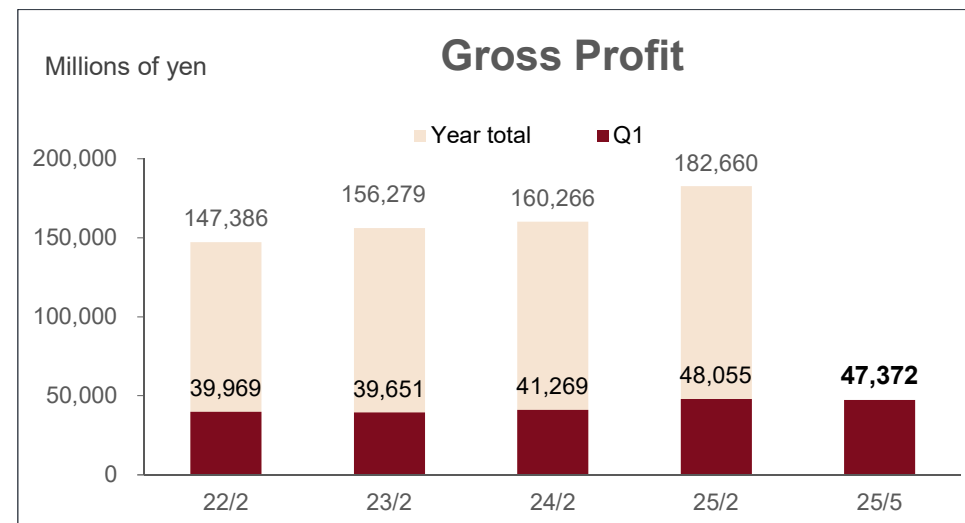
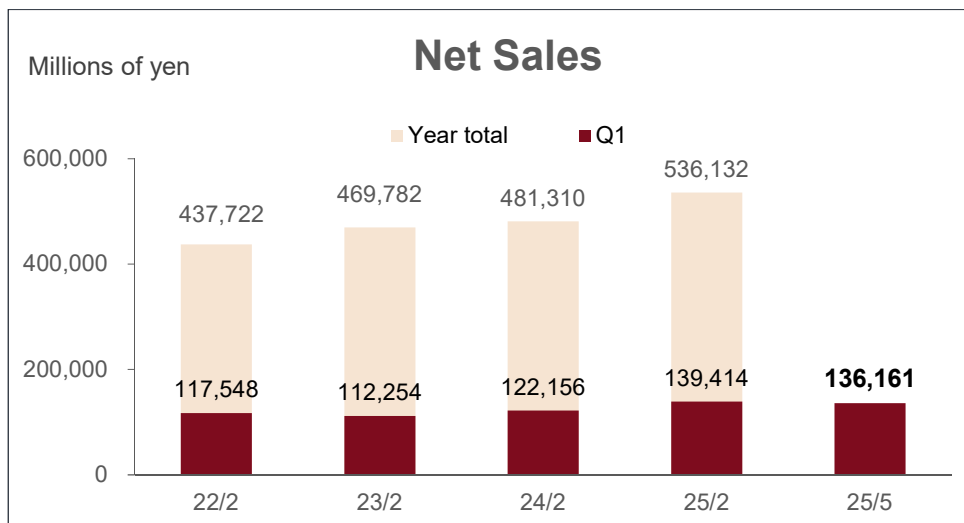
(Millions of yen, %)

	First Half Forecast			Second Half Forecast		
	Result	Sales ratio	YoY (%)	Result	Sales ratio	YoY (%)
Net sales	288,500	100.0	101.7	256,500	100.0	101.6
Gross profit	99,600	34.5	102.8	88,400	34.5	103.1
Operating revenue	4,250	1.5	101.4	4,350	1.7	101.7
Operating gross profit	103,850	36.0	102.7	92,750	36.2	103.0
SG&A	81,850	28.4	102.3	79,750	31.1	102.4
Operating profit	22,000	7.6	104.4	13,000	5.1	107.0
Ordinary profit	21,300	7.4	108.7	12,300	4.8	107.9
Profit attributable to owners of parent	12,600	4.4	107.6	7,000	2.7	128.8

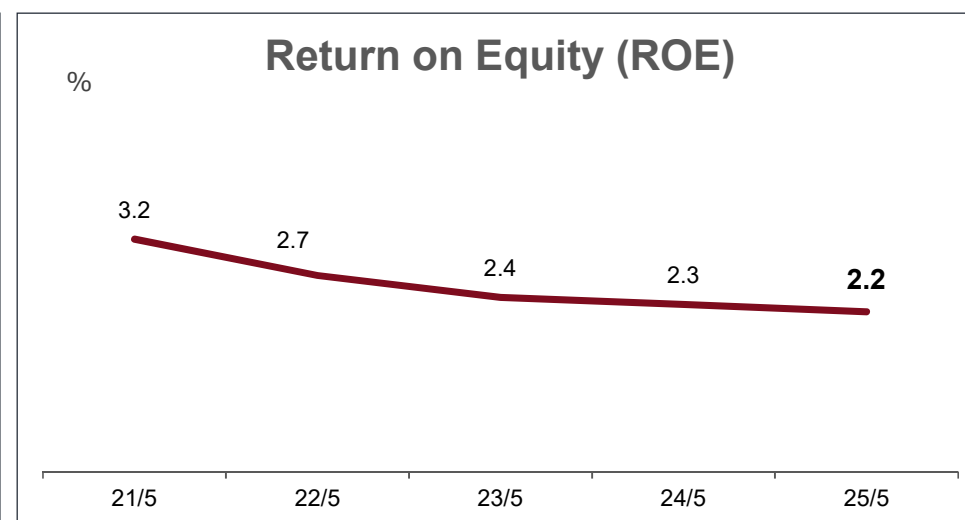
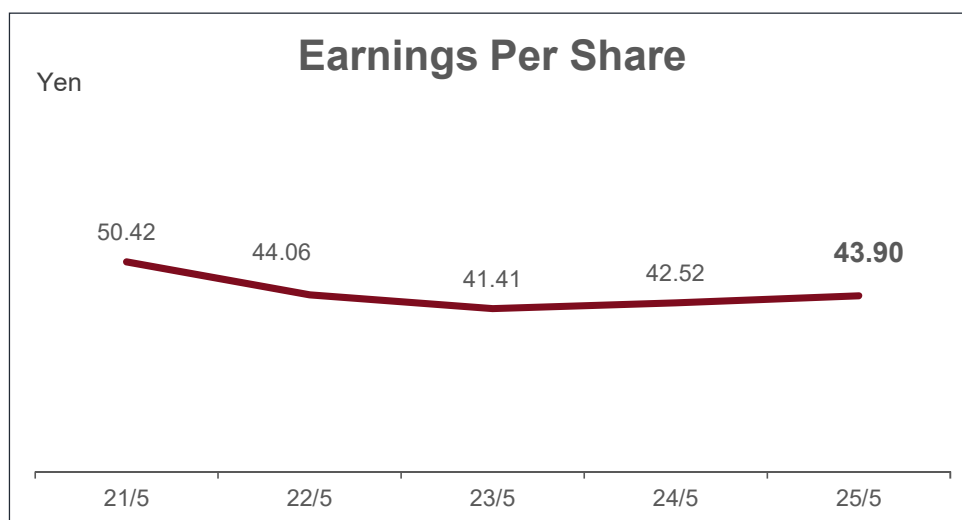
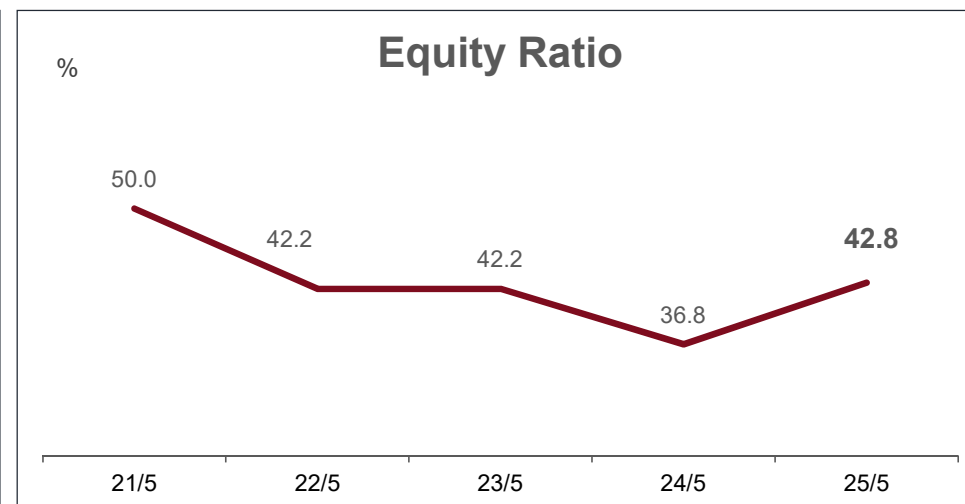
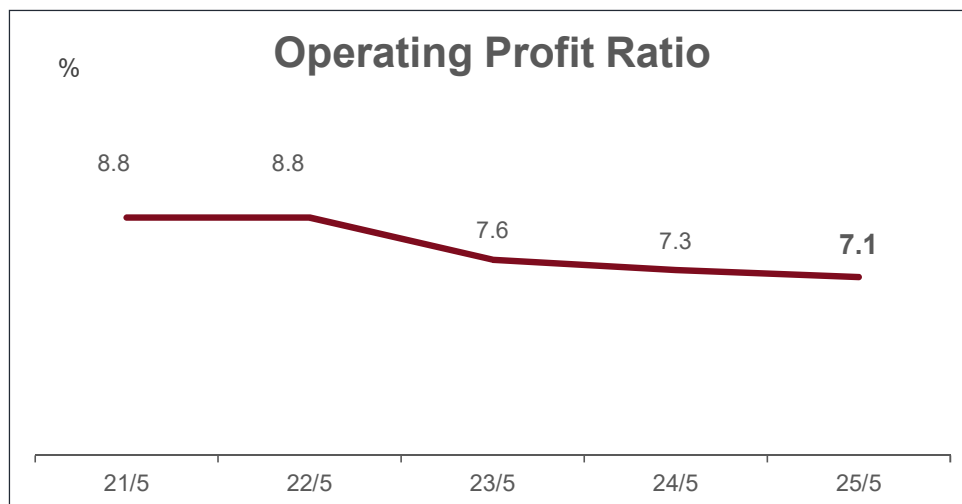
Reference Data

DCM HOLDINGS CO., LTD.

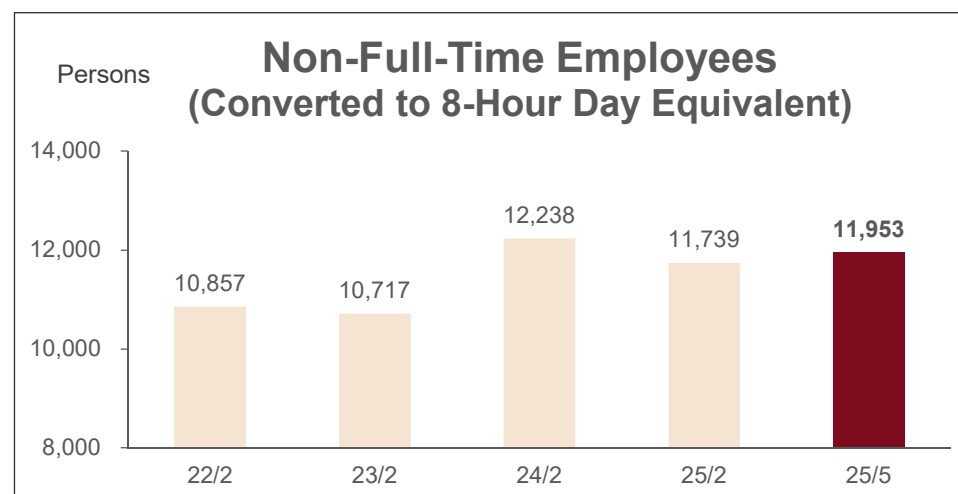
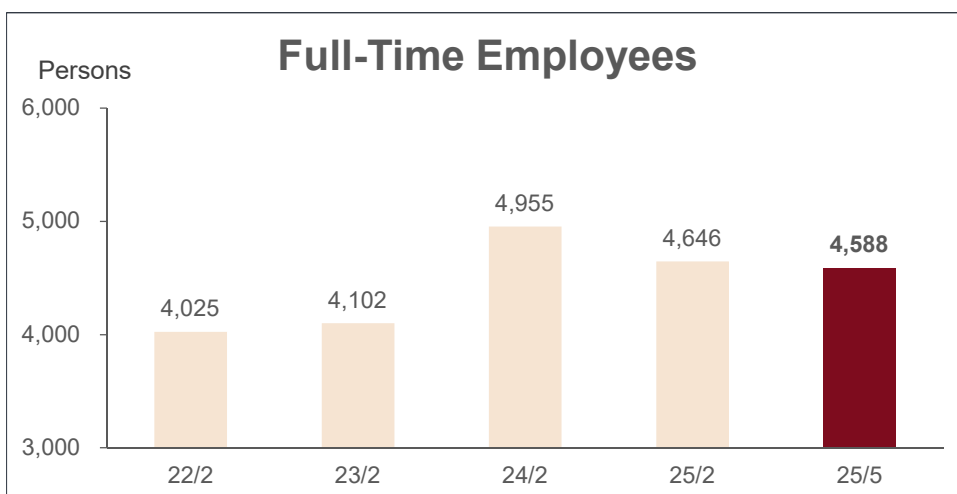
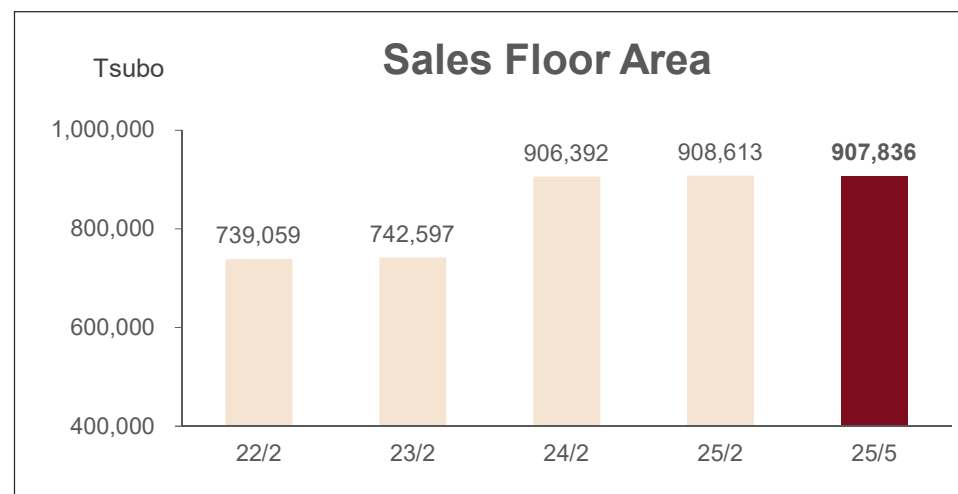
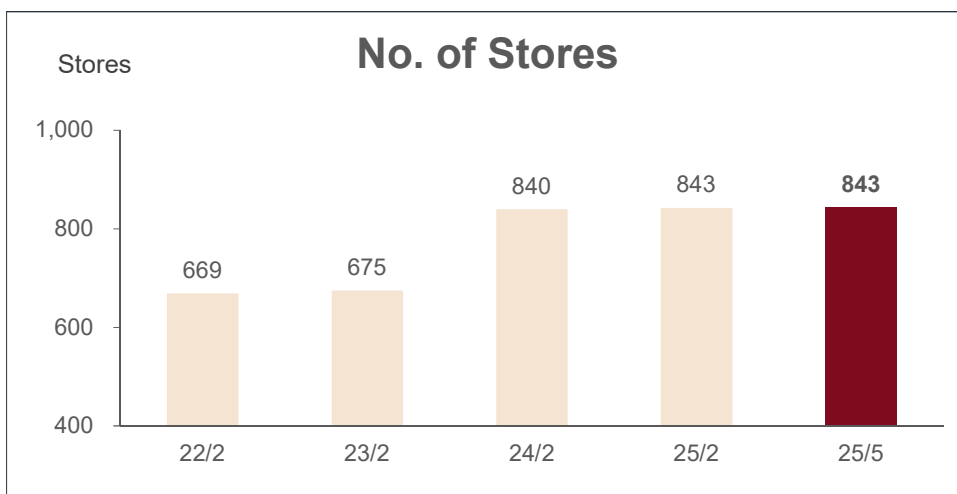
Business Performance



Management Indicators



Operating Data



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

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

*1 tsubo = 3.3m²

New Store Openings and Closings



New Stores	Number of Stores	Store Name	Location	Month	Sales Floor Area (Tsubo)	Notes
DCM	2	Mizushima Store Toyohashi Akebono Store	Okayama Aichi	March 2025 April 2025	1,638 1,538	
Hodaka	2	Kumamoto Kikuyo Store Isesaki Store	Kumamoto Gunma	March 2025 May 2025	260 236	
Total	4				3,672	
Closures	No. of Stores	Store Name	Location	Closed	Sales Floor Area (Tsubo)	Notes
DCM	4	Mizushima Store Toyohashi Yamada Store Yokkaichi Tomari Store Toin Store	Okayama Aichi Mie Mie	March 2025 April 2025 May 2025 May 2025	771 948 1,648 1,082	
Total	4				4,449	

*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