

January 9, 2026

Consolidated Financial Results for the Nine Months Ended November 30, 2025 (Under Japanese GAAP)

Company name: KOHNAN SHOJI CO., LTD.
 Listing: Tokyo Stock Exchange
 Securities code: 7516
 URL: <https://www.hc-kohnan.com/>
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 Scheduled date to commence dividend payments: -
 Preparation of supplementary material on financial results: Yes
 Holding of financial results briefing: Yes (for institutional investors)

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

1. Consolidated financial results for the nine months ended November 30, 2025 (from March 1, 2025 to November 30, 2025)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Operating revenues		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended November 30, 2025	391,108	3.3	18,501	(11.0)	17,046	(12.2)	10,907	(6.7)
Nine months ended November 30, 2024	378,729	6.4	20,785	2.0	19,410	1.8	11,691	(9.2)

Note: Comprehensive income For the nine months ended November 30, 2025: ¥11,135 million [(5.3)%]
 For the nine months ended November 30, 2024: ¥11,757 million [(10.4)%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended November 30, 2025	383.58	383.53
Nine months ended November 30, 2024	404.40	404.26

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
	Millions of yen	Millions of yen	%
As of November 30, 2025	513,274	171,992	33.4
February 28, 2025	479,006	165,792	34.6

Reference: Equity
 As of November 30, 2025: ¥171,563 million
 As of February 28, 2025: ¥165,792 million

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended February 28, 2025	-	50.00	-	50.00	100.00
Fiscal year ending February 28, 2026	-	65.00	-		
Fiscal year ending February 28, 2026 (Forecast)				65.00	130.00

Note: Revisions to the forecast of cash dividends most recently announced: None

3. Forecast of consolidated financial results for the fiscal year ending February 28, 2026 (from March 1, 2025 to February 28, 2026)

For the revision of the consolidated earnings forecast, please refer to the "Notice of Revision of Consolidated Earnings Forecast" announced today (January 9, 2026).

	Operating revenues		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	%	Yen
Fiscal year ending February 28, 2026	516,600	3.0	21,250	(15.0)	19,800	(15.0)	12,000	(15.6)	422.99

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

* **Notes**

- (1) Significant changes in the scope of consolidation during the period: None
- (2) Adoption of accounting treatment specific to the preparation of quarterly 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: Yes
 - (ii) Changes in accounting policies due to other reasons: None
 - (iii) Changes in accounting estimates: None
 - (iv) Restatement: None

Note: For details, please refer to Appendix P.8 "2. Quarterly Consolidated Financial Statements and Major Notes (3) Notes on Quarterly Consolidated Financial Statements (Notes on Changes in Accounting Policy)"

(4) Number of issued shares (common shares)

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

As of November 30, 2025	34,682,113 shares
As of February 28, 2025	34,682,113 shares

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

As of November 30, 2025	6,517,294 shares
As of February 28, 2025	6,007,704 shares

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

Nine months ended November 30, 2025	28,435,647 shares
Nine months ended November 30, 2024	28,910,460 shares

Note: The number of treasury shares at the end of the fiscal year and the number of treasury shares deducted for the calculation of the average number of shares during the period include the shares of the Company owned by the Custody Bank of Japan, Ltd. (Trust E Account) as trust assets of the Executive Officer Incentive Plan "Stock Benefit Trust (J-ESOP)" and the employee incentive plan "J-ESOP."

* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: None

* Proper use of earnings forecasts, and other special matters

1. The fiscal year end of KOHNAN VIETNAM CO., LTD., a consolidated subsidiary, is the end of December, and there is a difference of two months from the consolidated closing date (the end of February).

For the nine months of the current fiscal year, the Company's quarterly financial statements as of the end of September are used, and important transactions that occurred between the quarterly consolidated accounting date (the end of November) are made as necessary for consolidation.

2. The forward-looking statements, including forecasts of financial results, contained in these materials are based on information currently available to the Company and on certain assumptions deemed to be reasonable. However, the Company makes no guarantee that these forecasts will be achieved. Actual financial results, etc. may differ substantially due to various factors.

The Company plans to hold financial results briefings for institutional investors on Friday, January 9, 2026 and Tuesday, January 13, 2026.

Quarterly consolidated balance sheet

(Millions of yen)

	As of February 28, 2025	As of November 30, 2025
Assets		
Current assets		
Cash and deposits	10,842	19,485
Accounts receivable - trade	17,893	20,872
Merchandise and finished goods	131,973	149,018
Raw materials and supplies	1,186	1,150
Other	8,649	9,777
Allowance for doubtful accounts	(49)	(52)
Total current assets	170,496	200,250
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	133,171	132,589
Land	51,741	51,943
Leased assets, net	20,546	19,484
Construction in progress	2,548	4,000
Other, net	8,093	9,886
Total property, plant and equipment	216,101	217,905
Intangible assets		
Trademark right	2,412	2,163
Customer-related intangible assets	1,860	1,691
Goodwill	13,288	12,681
Other	7,587	7,544
Total intangible assets	25,148	24,079
Investments and other assets		
Investment securities	4,515	5,473
Guarantee deposits	53,510	55,467
Deferred tax assets	7,532	8,094
Other	1,883	2,162
Allowance for doubtful accounts	(182)	(159)
Total investments and other assets	67,260	71,038
Total non-current assets	308,510	313,023
Total assets	479,006	513,274

	As of February 28, 2025	As of November 30, 2025
Liabilities		
Current liabilities		
Accounts payable - trade	36,820	-
Notes and accounts payable - trade	-	46,161
Electronically recorded obligations - operating	10,451	11,864
Short-term borrowings	17,100	22,050
Current portion of long-term borrowings	31,178	34,532
Lease liabilities	2,769	3,022
Income taxes payable	4,748	3,088
Contract liabilities	4,124	3,757
Provision for bonuses	2,593	4,072
Provision for bonuses for directors (and other officers)	180	-
Other	13,513	15,870
Total current liabilities	123,480	144,420
Non-current liabilities		
Long-term borrowings	118,774	126,429
Lease liabilities	23,366	22,230
Guarantee deposits received	10,851	10,745
Provision for loss on voluntary recall of goods	455	411
Provision for share awards	1,270	1,529
Provision for retirement benefits for directors (and other officers)	-	95
Retirement benefit liability	361	448
Asset retirement obligations	19,108	19,536
Other	15,544	15,433
Total non-current liabilities	189,734	196,861
Total liabilities	313,214	341,282
Net assets		
Shareholders' equity		
Share capital	17,658	17,658
Capital surplus	17,922	17,922
Retained earnings	152,173	159,697
Treasury shares	(23,033)	(25,010)
Total shareholders' equity	164,722	170,268
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	431	721
Deferred gains or losses on hedges	(130)	(10)
Foreign currency translation adjustment	619	450
Remeasurements of defined benefit plans	149	133
Total accumulated other comprehensive income	1,070	1,294
Non-controlling interests	-	428
Total net assets	165,792	171,992
Total liabilities and net assets	479,006	513,274

Quarterly consolidated statement of income

(Millions of yen)

	Nine months ended November 30, 2024	Nine months ended November 30, 2025
Net sales	365,958	377,932
Cost of sales	230,397	238,601
Gross profit	135,561	139,331
Operating revenue	12,770	13,175
Selling, general and administrative expenses	127,546	134,006
Operating profit	20,785	18,501
Non-operating income		
Interest income	70	62
Insurance claim income	91	203
Foreign exchange gains	116	322
Gain on investments in silent partnerships	168	168
Compensation income for damage	171	28
Subsidy income	4	-
Income from fees for business	54	77
Other	301	364
Total non-operating income	978	1,227
Non-operating expenses		
Interest expenses	1,715	2,097
Other	637	584
Total non-operating expenses	2,353	2,682
Ordinary profit	19,410	17,046
Extraordinary income		
Gain on sale of non-current assets	137	-
Gain on Cancellation of Guaranteed Deposits Received	9	11
Other	10	-
Total extraordinary income	157	11
Extraordinary losses		
Impairment losses	1,287	429
Loss on disaster	-	132
Loss on retirement of non-current assets	11	24
Loss on sale of non-current assets	22	-
Total extraordinary losses	1,321	585
Profit before income taxes	18,246	16,472
Income taxes - current	7,169	6,520
Income taxes - deferred	(614)	(959)
Total income taxes	6,555	5,561
Profit	11,691	10,910
Profit attributable to non-controlling interests	-	3
Profit attributable to owners of parent	11,691	10,907

Quarterly consolidated statement of comprehensive income

(Millions of yen)

	Nine months ended November 30, 2024	Nine months ended November 30, 2025
Profit	11,691	10,910
Other comprehensive income		
Valuation difference on available-for-sale securities	84	289
Deferred gains or losses on hedges	(11)	119
Foreign currency translation adjustment	3	(168)
Remeasurements of defined benefit plans, net of tax	(8)	(15)
Total other comprehensive income	66	224
Comprehensive income	11,757	11,135
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	11,757	11,131
Comprehensive income attributable to non-controlling interests	-	3

(Notes on segment information, etc.)

Segment Information

I. The nine months of the previous fiscal year (March 1, 2024 to November 30, 2024)

The Group is a single segment engaged in retail, sales of building materials, etc., and related businesses, so the description is omitted.

II. The nine months of the current fiscal year (March 1, 2025 to November 30, 2025)

The Group is a single segment engaged in retail, sales of building materials, etc., and related businesses, so the description is omitted.