

April 13, 2026

## Consolidated Financial Results for the Fiscal Year Ended February 28, 2026 (Under Japanese GAAP)

Company name: KOHNAN SHOJI CO., LTD.  
 Listing: Tokyo Stock Exchange  
 Securities code: 7516  
 URL: <https://www.hc-kohnan.com/>  
 Representative: NAOTARO HIKIDA, PRESIDENT  
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 Telephone: +81-6-6397-1621  
 Scheduled date of annual general meeting of shareholders: May 28, 2026  
 Scheduled date to commence dividend payments: May 29, 2026  
 Scheduled date to file annual securities report: May 29, 2026  
 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 fiscal year ended February 28, 2026 (from March 1, 2025 to February 28, 2026)

#### (1) Consolidated operating results

(Percentages indicate year-on-year changes.)

Fiscal year ended	Operating revenues		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
February 28, 2026	519,779	3.7	22,397	(10.4)	20,754	(11.0)	12,263	(13.7)
February 28, 2025	501,403	6.1	25,001	3.8	23,306	3.1	14,210	1.1

Note: Comprehensive income For the fiscal year ended February 28, 2026: ¥12,988 million [(10.1)%]  
 For the fiscal year ended February 28, 2025: ¥14,455 million [0.6%]

Fiscal year ended	Basic earnings per share	Diluted earnings per share	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to net sales
	Yen	Yen	%	%	%
February 28, 2026	432.27	432.24	7.2	4.2	4.5
February 28, 2025	492.53	492.37	8.8	5.0	5.2

#### (2) Consolidated financial position

As of	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
February 28, 2026	504,793	173,849	34.4	6,156.32
February 28, 2025	479,006	165,792	34.6	5,781.90

Reference: Equity  
 As of February 28, 2026: ¥173,397 million  
 As of February 28, 2025: ¥165,792 million

#### (3) Consolidated cash flows

Fiscal year ended	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
February 28, 2026	22,990	(20,650)	1,460	13,300
February 28, 2025	22,441	(21,723)	(1,433)	9,523

### 2. Cash dividends

Fiscal year ended	Annual dividends per share					Total cash dividends (Total)	Payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
February 28, 2025	-	50.00	-	50.00	100.00	2,985	20.3	1.8
February 28, 2026	-	65.00	-	65.00	130.00	3,794	30.1	2.2
February 28, 2027 (Forecast)		70.00		70.00	140.00		31.5	

**3. Forecast of consolidated financial results for the fiscal year ending February 28, 2027 (from March 1, 2026 to February 28, 2027)**

(Percentages indicate year-on-year changes.)

	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
Six months ending August 31, 2026	277,100	4.5	14,950	1.7	13,950	1.6	8,750	0.3	310.65
Fiscal year ending February 28, 2027	543,500	4.6	23,000	2.7	21,000	1.2	12,500	1.9	443.80

\* **Notes**

- (1) Significant changes in the scope of consolidation during the period: Yes  
Newly included: 1 company (I'nT Holdings Co., Ltd.)
- (2) 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.13, "3. Please refer to Consolidated Financial Statements and Major Notes (5) Notes on Consolidated Financial Statements (Notes on Changes in Accounting Policy).

(3) Number of issued shares (common shares)

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

As of February 28, 2026	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 February 28, 2026	6,516,394 shares
As of February 28, 2025	6,007,704 shares

(iii) Average number of shares outstanding during the period

Fiscal year ended February 28, 2026	28,368,996 shares
Fiscal year ended February 28, 2025	28,852,243 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."

**[Reference] Overview of non-consolidated financial results**

**1. Non-consolidated financial results for the fiscal year ended February 28, 2026 (from March 1, 2025 to February 28, 2026)**

**(1) Non-consolidated operating results**

(Percentages indicate year-on-year changes.)

Fiscal year ended	Operating revenues		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
February 28, 2026	440,424	2.9	21,003	(11.1)	18,985	(12.2)	12,243	(9.5)
February 28, 2025	428,041	4.9	23,623	2.9	21,624	1.5	13,523	(6.9)

Fiscal year ended	Basic earnings per share	Diluted earnings per share
	Yen	Yen
February 28, 2026	431.13	431.10
February 28, 2025	464.87	464.72

**(2) Non-consolidated financial position**

As of	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
February 28, 2026	462,935	171,048	36.9	6,072.93
February 28, 2025	442,732	164,404	37.1	5,686.32

Reference: Equity

As of February 28, 2026: ¥171,048 million

As of February 28, 2025: ¥164,404 million

**2. Non-consolidated earnings forecast for the fiscal year ending February 28, 2027 (March 1, 2026 ~ February 28, 2027)**

(Percentages indicate year-on-year changes.)

Six months ending August 31, 2026	Operating revenues		Ordinary profit		Profit		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	
							Yen
August 31, 2026	229,800	1.2	12,940	0.1	8,240	(3.3)	292.57
Fiscal year ending February 28, 2027	451,000	2.4	19,020	0.2	12,020	(1.8)	426.75

\* Financial results reports are exempt from audit conducted by certified public accountants or an audit firm.

\* 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 current fiscal year, the Company's financial statements as of the end of December are used, and important transactions that occurred between the consolidated accounting date and the end of February are made 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. For the conditions on which earnings forecasts are predicated and precautions for the use of earnings forecasts, please refer to Appendix P.4 "1. Summary of Operating Results (4) Future Outlook" in this section.

The Company plans to hold briefings for institutional investors on Monday, April 13, 2026 and Tuesday, April 14, 2026.

# Consolidated balance sheet

(Millions of yen)

	As of February 28, 2025	As of February 28, 2026
<b>Assets</b>		
<b>Current assets</b>		
Cash and deposits	10,842	15,518
Accounts receivable - trade	17,893	18,050
Electronically recorded monetary claims - operating	-	7
Merchandise and finished goods	131,973	145,955
Raw materials and supplies	1,186	1,250
Advance payments to suppliers	38	128
Prepaid expenses	5,382	5,373
Other	3,228	3,113
Allowance for doubtful accounts	(49)	(52)
<b>Total current assets</b>	<b>170,496</b>	<b>189,346</b>
<b>Non-current assets</b>		
<b>Property, plant and equipment</b>		
Buildings and structures, net	133,171	133,251
Machinery, equipment and vehicles, net	1,255	2,624
Tools, furniture and fixtures, net	6,837	7,020
Land	51,741	51,994
Leased assets, net	20,546	19,023
Construction in progress	2,548	2,038
<b>Total property, plant and equipment</b>	<b>216,101</b>	<b>215,952</b>
<b>Intangible assets</b>		
Trademark right	2,412	3,607
Customer-related intangible assets	1,860	1,634
Goodwill	13,288	15,806
Leasehold interests in land	4,712	4,717
Software	1,958	2,207
Other	916	417
<b>Total intangible assets</b>	<b>25,148</b>	<b>28,391</b>
<b>Investments and other assets</b>		
Investment securities	4,515	6,136
Long-term loans receivable	26	152
Long-term prepaid expenses	1,461	1,459
Guarantee deposits	53,510	55,622
Retirement benefit asset	188	240
Deferred tax assets	7,532	7,279
Other	207	369
Allowance for doubtful accounts	(182)	(157)
<b>Total investments and other assets</b>	<b>67,260</b>	<b>71,102</b>
<b>Total non-current assets</b>	<b>308,510</b>	<b>315,446</b>
<b>Total assets</b>	<b>479,006</b>	<b>504,793</b>

	As of February 28, 2025	As of February 28, 2026
<b>Liabilities</b>		
<b>Current liabilities</b>		
Accounts payable - trade	36,820	-
Notes and accounts payable - trade	-	38,543
Electronically recorded obligations - operating	10,451	11,418
Short-term borrowings	17,100	28,200
Current portion of long-term borrowings	31,178	34,830
Lease liabilities	2,769	3,030
Accounts payable - other	7,139	6,731
Accrued expenses	3,109	3,873
Income taxes payable	4,748	3,838
Accrued consumption taxes	1,066	2,798
Unearned revenue	1,421	1,387
Contract liabilities	4,124	3,654
Provision for bonuses	2,593	2,777
Provision for bonuses for directors (and other officers)	180	152
Other	777	1,166
<b>Total current liabilities</b>	<b>123,480</b>	<b>142,403</b>
<b>Non-current liabilities</b>		
Long-term borrowings	118,774	118,240
Lease liabilities	23,366	21,747
Guarantee deposits received	10,851	10,895
Long-term accounts payable - other	14,180	13,936
Provision for loss on voluntary recall of goods	455	399
Provision for share awards	1,270	1,614
Provision for retirement benefits for directors (and other officers)	-	96
Retirement benefit liability	361	437
Asset retirement obligations	19,108	19,644
Deferred tax liabilities	1,102	1,366
Other	261	161
<b>Total non-current liabilities</b>	<b>189,734</b>	<b>188,541</b>
<b>Total liabilities</b>	<b>313,214</b>	<b>330,944</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Share capital	17,658	17,658
Capital surplus	17,922	17,922
Retained earnings	152,173	161,053
Treasury shares	(23,033)	(25,006)
<b>Total shareholders' equity</b>	<b>164,722</b>	<b>171,628</b>
<b>Accumulated other comprehensive income</b>		
Valuation difference on available-for-sale securities	431	1,112
Deferred gains or losses on hedges	(130)	(39)
Foreign currency translation adjustment	619	561
Remeasurements of defined benefit plans	149	134
<b>Total accumulated other comprehensive income</b>	<b>1,070</b>	<b>1,768</b>
Non-controlling interests	-	451
<b>Total net assets</b>	<b>165,792</b>	<b>173,849</b>
<b>Total liabilities and net assets</b>	<b>479,006</b>	<b>504,793</b>

# Consolidated statement of income

(Millions of yen)

	Fiscal year ended February 28, 2025	Fiscal year ended February 28, 2026
Net sales	484,293	502,059
Cost of sales	304,834	316,527
Gross profit	179,458	185,532
Operating revenue	17,110	17,719
Operating gross profit	196,568	203,251
Selling, general and administrative expenses	171,567	180,854
Operating profit	25,001	22,397
Non-operating income		
Interest and dividend income	99	103
Insurance claim income	102	346
Foreign exchange gains	202	401
Gain on investments in silent partnerships	337	334
Subsidy income	4	-
Income from fees for business	54	77
Compensation income for damage	219	28
Other	422	540
Total non-operating income	1,440	1,831
Non-operating expenses		
Interest expenses	2,330	2,832
Commission expenses	373	282
Other	432	360
Total non-operating expenses	3,136	3,474
Ordinary profit	23,306	20,754
Extraordinary income		
Gain on cancellation of guaranteed deposits received	20	13
Gain on sale of non-current assets	683	5
Total extraordinary income	704	18
Extraordinary losses		
Impairment losses	1,960	1,730
Loss on disaster	-	133
Loss on retirement of non-current assets	13	30
Loss on sale of non-current assets	22	4
Loss on valuation of investments in capital of subsidiaries and associates	474	75
Total extraordinary losses	2,470	1,974
Profit before income taxes	21,540	18,798
Income taxes - current	7,794	6,960
Income taxes - deferred	(464)	(450)
Total income taxes	7,329	6,509
Profit	14,210	12,288
Profit attributable to non-controlling interests	-	25
Profit attributable to owners of parent	14,210	12,263

## Consolidated statement of comprehensive income

(Millions of yen)

	Fiscal year ended February 28, 2025	Fiscal year ended February 28, 2026
Profit	14,210	12,288
Other comprehensive income		
Valuation difference on available-for-sale securities	115	681
Deferred gains or losses on hedges	(50)	91
Foreign currency translation adjustment	118	(58)
Remeasurements of defined benefit plans, net of tax	61	(14)
Total other comprehensive income	245	699
Comprehensive income	14,455	12,988
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	14,455	12,962
Comprehensive income attributable to non-controlling interests	-	26



Profit attributable to owners of parent							12,263
Purchase of treasury shares							(2,000)
Disposal of treasury shares							27
Net changes in items other than shareholders' equity	680	91	(58)	(14)	698	451	1,150
Total changes during period	680	91	(58)	(14)	698	451	8,056
Balance at end of period	1,112	(39)	561	134	1,768	451	173,849

## Consolidated statement of cash flows

(Millions of yen)

	Fiscal year ended February 28, 2025	Fiscal year ended February 28, 2026
Cash flows from operating activities		
Profit before income taxes	21,540	18,798
Depreciation	15,497	16,596
Amortization of goodwill	1,320	1,185
Increase (decrease) in provision for bonuses for directors (and other officers)	(20)	(28)
Increase(decrease) in Provision for loss on voluntary recall of goods	(71)	(56)
Increase (decrease) in provision for share awards	332	344
Gain on sale of non-current assets	(683)	(5)
Gain on Cancellation of Guaranteed Deposits Received	(20)	(13)
Impairment losses	1,960	1,730
Loss on disaster	-	133
Loss on valuation of investments in capital of subsidiaries and affiliates	474	75
Loss on retirement of non-current assets	13	30
Loss on sale of fixed assets	22	4
Compensation income for damage	(219)	(28)
Income from fees for business	(54)	(77)
Subsidy income	(4)	-
Interest and dividend income	(99)	(103)
Interest expenses	2,330	2,832
Commission expenses	373	282
Decrease (increase) in trade receivables	(2,094)	421
Decrease (increase) in inventories	(9,640)	(12,341)
Increase (decrease) in trade payables	2,103	1,750
Increase (decrease) in contract liabilities	63	(480)
Increase (decrease) in accrued consumption taxes	(1,837)	1,698
Other, net	822	751
Subtotal	32,108	33,504
Interest and dividends received	43	85
Interest paid	(2,299)	(2,777)
Payments associated with disaster loss	-	(11)
Subsidies received	4	-
fees for business received	54	77
Proceeds from compensation for damage	219	28
Income taxes refund (paid)	(7,689)	(7,916)
Net cash provided by (used in) operating activities	22,441	22,990

	Fiscal year ended February 28, 2025	Fiscal year ended February 28, 2026
Cash flows from investing activities		
Purchase of property, plant and equipment	(20,211)	(13,874)
Purchase of intangible assets	(925)	(805)
Proceeds from sale of property, plant and equipment	1,425	30
Payments of guarantee deposits	(3,402)	(3,680)
Proceeds from refund of guarantee deposits	1,324	1,925
Guarantee deposits received	645	575
Refund of guarantee deposits received	(346)	(520)
Purchase of acquisition of new consolidated subsidiary	-	(3,519)
Other, net	(233)	(781)
Net cash provided by (used in) investing activities	(21,723)	(20,650)
Cash flows from financing activities		
Proceeds from short-term borrowings	134,000	159,400
Repayments of short-term borrowings	(140,700)	(149,800)
Proceeds from long-term borrowings	42,500	33,500
Repayments of long-term borrowings	(28,358)	(33,149)
Repayments of lease liabilities	(2,698)	(2,837)
Collection of Accounts Receivable Installment and others on Sales of Assets	1,406	1,397
Repayments of installment payables	(1,281)	(1,411)
Dividends paid	(2,934)	(3,381)
Purchase of treasury shares	(3,001)	(2,000)
Other, net	(364)	(257)
Net cash provided by (used in) financing activities	(1,433)	1,460
Effect of exchange rate change on cash and cash equivalents	34	(23)
Net increase (decrease) in cash and cash equivalents	(681)	3,776
Cash and cash equivalents at beginning of period	10,205	9,523
Cash and cash equivalents at end of period	9,523	13,300

(Notes on segment information, etc.)

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