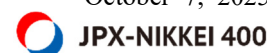


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Consolidated Financial Results for the First Six Months of the Fiscal Year Ending February 28, 2026 (under Japanese GAAP)



October 7, 2025



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 Listing: Tokyo Stock Exchange
 Securities code: 8194
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Scheduled date to file Semi-annual Securities Report: October 15, 2025
 Scheduled date to commence dividend payments: November 4, 2025
 Preparation of supplementary material on semi-annual financial results: Yes
 Holding of semi-annual financial results meeting: Yes (for institutional investors and analysts)

(Amounts less than one million yen are rounded down.)

1. Consolidated financial results for the first six months of the fiscal year ending February 28, 2026 (from March 1, 2025 to August 31, 2025)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Operating revenue		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Six months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
August 31, 2025	440,114	4.3	13,303	8.8	13,858	9.1	9,327	4.6
August 31, 2024	421,885	5.4	12,232	(1.4)	12,706	(1.1)	8,914	4.4

Note: Comprehensive income
 Six months ended August 31, 2025: ¥8,847 million [(1.4)%]
 Six months ended August 31, 2024: ¥8,968 million [4.5%]

	Earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
August 31, 2025	107.81	—
August 31, 2024	94.97	—

Note: The Company conducted a 2-for-1 share split of its ordinary shares on March 1, 2025. "Earnings per share" is calculated on the assumption that the share split was implemented at the beginning of the previous fiscal year.

Reference: Operating revenue is the total of net sales and receipts from operating revenue.

Net sales
 Six months ended August 31, 2025: ¥423,805 million [4.3%]
 Six months ended August 31, 2024: ¥406,199 million [5.3%]
 Receipts from operating revenue
 Six months ended August 31, 2025: ¥16,308 million [4.0%]
 Six months ended August 31, 2024: ¥15,686 million [8.3%]

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
August 31, 2025	339,381	144,681	42.6	1,672.28
February 28, 2025	306,027	138,435	45.2	1,600.06

Note: The Company conducted a 2-for-1 share split of its ordinary shares on March 1, 2025. “Net assets per share” is calculated on the assumption that the share split was implemented at the beginning of the previous fiscal year.

Reference: Equity

As of August 31, 2025: ¥144,681 million

As of February 28, 2025: ¥138,435 million

2. Cash dividends

	Annual dividends				
	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	—	60.00	110.00
Fiscal year ending February 28, 2026	—	32.50			
Fiscal year ending February 28, 2026 (Forecast)			—	32.50	65.00

Notes: 1. Revisions to the forecast of cash dividends most recently announced: None

2. The Company conducted a 2-for-1 share split of its ordinary shares on March 1, 2025. The amounts shown for the dividends for the fiscal year ended February 28, 2025 are the actual dividend amounts before the share split. The figures shown for the fiscal year ending February 28, 2026 (Forecast) are the figures after the share split. Without taking into account the share split, the annual dividends for the fiscal year ending February 28, 2026 (Forecast) would be ¥130.00.

3. Consolidated earnings forecasts for the fiscal year ending February 28, 2026 (from March 1, 2025 to February 28, 2026)

(Percentages indicate year-on-year changes.)

	Operating revenue		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ending February 28, 2026	885,000	4.1	25,700	1.7	26,500	1.1	18,000	0.3	208.05

Note: Revisions to the consolidated earnings forecasts most recently announced: None

* Notes

- (1) Significant changes in the scope of consolidation during the period: None
- (2) Application of special accounting treatment to the preparation of semi-annual consolidated financial statements: None
- (3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements
 - 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
- (4) Number of issued shares (ordinary shares)
 - i. Total number of issued shares at the end of the period (including treasury shares)

As of August 31, 2025	90,501,600 shares
As of February 28, 2025	98,901,600 shares
 - ii. Number of treasury shares at the end of the period

As of August 31, 2025	3,983,818 shares
As of February 28, 2025	12,383,002 shares
 - iii. Average number of shares during the period (cumulative from the beginning of the fiscal year)

Six months ended August 31, 2025	86,518,283 shares
Six months ended August 31, 2024	93,862,478 shares

Notes: 1. The Company conducted a 2-for-1 share split of its ordinary shares on March 1, 2025. The numbers of issued shares (ordinary shares) have been calculated assuming the share split was conducted at the beginning of the previous fiscal year.

2. The number of treasury shares at the end of the period includes the Company's shares (161,000 shares as of August 31, 2025, and 161,000 shares as of February 28, 2025) held by Custody Bank of Japan, Ltd. (Trust Account) as the trust assets for the "Trust for Delivering Shares to Directors." In addition, the Company's shares held by Custody Bank of Japan, Ltd. (Trust Account) are included in the treasury shares that are excluded from the calculation of the average number of shares during the period. (161,000 shares for the six months ended August 31, 2025, and 161,000 shares for the six months ended August 31, 2024)

* Semi-annual financial results reports are exempt from review conducted by certified public accountants or an audit corporation.

* Proper use of earnings forecasts, and other special matters

The forward-looking statements, including earnings forecasts, contained in these materials are based on information currently available to the Company and on certain assumptions deemed to be reasonable. Actual business and other results may differ substantially due to various factors. Please refer to "1. Overview of operating results, etc., (3) Explanation of consolidated earnings forecasts and other such forward-looking information" on page 4 of the attached material for the suppositions that form the assumptions for earnings forecasts and cautions concerning the use thereof.

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1. Overview of operating results, etc.

(1) Overview of operating results for the period under review

During the first six months of the current fiscal year, the Japanese economy followed a track of mild recovery. On the other hand, the outlook remains uncertain due to ongoing uncertainties in the global economy, including the impact of U.S. tariff hikes and other trade policies in major countries and heightened geopolitical risks.

In the food supermarket industry, which is the Group's area of business, the environment surrounding corporate operations continues to be unpredictable due to the impact of continuing high prices on consumption, intensifying competition across industries and business categories, continuing labor shortages, and the accompanying increases in personnel expenses and other costs, despite the partial effect of the boost in revenue mainly due to an improved income environment and increased food prices.

In this economic environment, the Group is striving to create stores, develop products, and enhance services to meet customer needs based on customer feedback, surveys, and purchasing data. In the 7th Medium-Term Plan that began in fiscal 2023, "investment in people," "breaking away from homogeneous competition," and "contributing towards the realization of a sustainable and flourishing society" are addressed as the main themes, and in this third year of the plan, we have made company-wide commitments to address these themes while responding to the rapidly changing external environment.

In addition, even in a business environment in which various costs are increasing due to labor shortages, caused by a shrinking population, and rising prices for goods and services, we are working toward realizing what we want to be in fiscal 2030 by implementing "Kaizen" activities centered on improving productivity and optimizing property expenses in order to promote management strategies, including the three main themes mentioned above.

As specific initiatives to promote management strategies based on the 7th Medium-Term Plan to break away from homogeneous competition steadily, we divided the BIO-RAL Store Management Department that was newly established in March 2024 into "Tokyo Region BIO-RAL Store Management Department" and "Osaka Region BIO-RAL Store Management Department" in March 2025 to expedite decision-making, strengthened the operational structure of the BIO-RAL Business in line with the concept of organic, local, healthy, and sustainable, opened three new BIO-RAL stores, and implemented other measures.

To further develop a system to link diversifying customer needs to products and services and to expand our market share in the trade area through the distribution of "True to LIFE," we newly established the Marketing Promotion Office in March.

Furthermore, in order to expand the online supermarket business, which continues to expand in the market, we plan to acquire large centers and facilities and begin operating a new distribution center-based online supermarket business in the fall of 2027. The Company aims to break through the restrictions on scale expansion that was caused by space limitations of local operations and staff shortages, which have been limiting factors for the online supermarket business based on store-based fulfillment. We also seek to gain new customers by covering areas yet to have store presence, and develop a distinct products lineup and services from the existing online supermarkets to capture new needs.

As part of our efforts to contribute towards the realization of a sustainable and flourishing society, we have begun donating products to children's cafeterias and food pantries in Nakano-ku, Meguro-ku, Edogawa-ku, Koto-ku, and Fuchu-shi in Tokyo Region and in Nishinomiya-shi in the Osaka Region, and we continue to offer "on-demand classes" to elementary school students on food and the environment.

We opened following new stores: minanoba Sagamihara Store (Kanagawa), BIO-RAL Umekita Store (Osaka), BIO-RAL “Keio Department Store Shinjuku” Store (Tokyo), and BIO-RAL Santica Store (Hyogo) in March. Also we closed two stores. In existing stores, the Neyagawa Store (Osaka), Oyata Store (Tokyo), and Maenochō Store (Tokyo) were remodeled with local needs in mind, including expansion of the frozen food section and expansion of the homemade bread, ready-prepared foods, pet supplies, and other items.

The Group’s operating revenue totaled ¥440,114 million (up 4.3% year on year) as a result of the expansion of new stores and online supermarkets, the strengthening of private brand products such as “BIO-RAL,” and implementing product initiatives that sought to enhance freshness and taste of our products.

On the other hand, as for selling, general and administrative expenses, the Group saw increases in various property expenses such as rent expenses from opening new stores and fees and system-related costs associated with cashless payments, and personnel expenses from investment in employees, improvement of compensation, etc. However, as a result of promoting productivity improvements and initiatives to optimize property expenses through Kaizen activities, operating profit was ¥13,303 million (up 8.8% year on year), ordinary profit was ¥13,858 million (up 9.1% year on year), and profit attributable to owners of parent was ¥9,327 million (up 4.6% year on year). The Company recorded extraordinary losses of ¥1,237 million due to the acquisition of a large-scale distribution center for its online supermarket business, and extraordinary income of ¥786 million due to the sale of shares held as cross-shareholdings.

Results by segment are as follows:

(Retail Business)

Operating revenue was ¥439,931 million (up 4.3% year on year), with net sales of ¥423,805 million (up 4.3% year on year), and segment profit of ¥13,637 million (up 8.9% year on year).

Net sales by department were ¥184,666 million (up 4.5% year on year) for fresh produce, ¥193,417 million (up 5.5% year on year) for general food, ¥34,440 million (down 0.6% year on year) for lifestyle products, and ¥11,280 million (down 1.6% year on year) for apparel.

(Other Business)

Operating revenue from LIFE FINANCIAL SERVICE was ¥1,463 million (up 3.1% year on year), with segment profit of ¥221 million (up 22.8% year on year).

(2) Overview of financial position for the period under review

(i) Assets, liabilities, and net assets

Total assets at the end of the first six months of the current fiscal year were ¥339,381 million, an increase of ¥33,354 million from the end of the previous fiscal year.

Current assets totaled ¥128,495 million, an increase of ¥32,146 million from the end of the previous fiscal year. This was mainly due to increases of ¥27,792 million in cash and deposits and ¥5,746 million in accounts receivable - trade.

Non-current assets totaled ¥210,886 million, an increase of ¥1,207 million from the end of the previous fiscal year. This was mainly due to a decrease of ¥1,999 million in property, plant and equipment resulting from depreciation and other factors, while deferred tax assets (other under investments and other assets) increased by ¥3,956 million.

Total liabilities at the end of the first six months of the current fiscal year were ¥194,700 million, an increase of ¥27,107 million from the end of the previous fiscal year. This was mainly due to a decrease of ¥33,476 million in the total of short-term borrowings and long-term borrowings, while

accounts payable - trade increased by ¥42,747 million, income taxes payable increased by ¥3,371 million, and accounts payable - other (other current liabilities) increased by ¥6,618 million.

Total net assets at the end of the first six months of the current fiscal year were ¥144,681 million, an increase of ¥6,246 million from the end of the previous fiscal year. This was mainly due to a decrease of ¥10,633 million in treasury shares (net assets increased), while capital surplus decreased by ¥3,195 million and retained earnings decreased by ¥711 million.

(ii) Cash flows

Cash and cash equivalents (“cash”) at the end of the first six months of the current fiscal year totaled ¥36,158 million (up 26.5% year on year).

The status of respective cash flows and their factors during the first six months of the current fiscal year are as follows.

Cash flows from operating activities

Net cash provided by operating activities amounted to ¥70,402 million in the first six months of the current fiscal year (up 24.7% year on year). This was mainly due to an increase of ¥42,747 million in trade payables, as well as depreciation, a non-cash gain/loss item, of ¥8,381 million, and profit before income taxes of ¥13,407 million.

Cash flows from investing activities

Net cash used in investing activities amounted to ¥5,929 million in the first six months of the current fiscal year (down 42.7% year on year). This was mainly due to expenditures of ¥5,189 million for the purchase of property, plant and equipment, including the construction of new stores and renovation of existing stores.

Cash flows from financing activities

Net cash used in financing activities amounted to ¥36,681 million in the first six months of the current fiscal year (up 42.5% year on year). This was mainly due to a net decrease in short-term borrowings and repayments of long-term borrowings of ¥37,476 million despite proceeds from long-term borrowings of ¥4,000 million.

(3) Explanation of consolidated earnings forecasts and other such forward-looking information

There is no change in the consolidated earnings forecasts for the fiscal year ending February 28, 2026 from that announced on April 10, 2025 in the “Consolidated Financial Results for the Fiscal Year Ended February 28, 2025.”

We will closely monitor future economic and consumer spending trends, and if it becomes necessary to revise our consolidated earnings forecasts, we will disclose them promptly.

2. Semi-annual consolidated financial statements and significant notes thereto

(1) Semi-annual consolidated balance sheet

(Millions of yen)

	As of February 28, 2025	As of August 31, 2025
Assets		
Current assets		
Cash and deposits	8,366	36,158
Accounts receivable - trade	18,577	24,323
Merchandise and finished goods	30,110	29,720
Raw materials and supplies	245	226
Accounts receivable - other	34,427	33,878
Other	4,621	4,187
Total current assets	96,348	128,495
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	91,997	89,609
Land	43,794	43,796
Other, net	25,559	25,946
Total property, plant and equipment	161,351	159,351
Intangible assets	5,851	5,228
Investments and other assets		
Guarantee deposits	25,554	26,111
Retirement benefit asset	823	780
Other	16,140	19,456
Allowance for doubtful accounts	(41)	(41)
Total investments and other assets	42,476	46,306
Total non-current assets	209,678	210,886
Total assets	306,027	339,381

(Millions of yen)

	As of February 28, 2025	As of August 31, 2025
Liabilities		
Current liabilities		
Accounts payable - trade	46,070	88,817
Short-term borrowings	32,500	–
Current portion of long-term borrowings	9,647	10,360
Income taxes payable	5,735	9,106
Provision for bonuses	3,096	3,338
Provision for shareholder benefit program	23	–
Provision for sales promotion expenses	18	19
Other	32,833	42,153
Total current liabilities	129,927	153,797
Non-current liabilities		
Long-term borrowings	25,824	24,135
Provision for share awards for directors (and other officers)	56	55
Asset retirement obligations	6,092	7,197
Other	5,691	9,514
Total non-current liabilities	37,665	40,903
Total liabilities	167,592	194,700
Net assets		
Shareholders' equity		
Share capital	10,004	10,004
Capital surplus	5,696	2,501
Retained earnings	135,807	135,096
Treasury shares	(15,651)	(5,017)
Total shareholders' equity	135,857	142,584
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,190	881
Revaluation reserve for land	(1,154)	(1,182)
Remeasurements of defined benefit plans	2,541	2,398
Total accumulated other comprehensive income	2,578	2,097
Total net assets	138,435	144,681
Total liabilities and net assets	306,027	339,381

(2)Semi-annual consolidated statement of income and consolidated statement of comprehensive income

Semi-annual consolidated statement of income

(Millions of yen)

	Six months ended August 31, 2024	Six months ended August 31, 2025
Net sales	406,199	423,805
Cost of sales	281,610	291,991
Gross profit	124,588	131,814
Receipts from operating revenue	15,686	16,308
Operating gross profit	140,275	148,122
Selling, general and administrative expenses	*1 128,043	*1 134,819
Operating profit	12,232	13,303
Non-operating income		
Interest income	57	57
Dividend income	33	51
Income from recycling	180	180
Data offer fee	69	172
Other	267	332
Total non-operating income	608	795
Non-operating expenses		
Interest expenses	95	198
Other	39	41
Total non-operating expenses	134	239
Ordinary profit	12,706	13,858
Extraordinary income		
Gain on sale of investment securities	–	703
Gain on reversal of asset retirement obligations	–	83
Gain on sale of non-current assets	50	–
Total extraordinary income	50	786
Extraordinary losses		
Impairment losses	–	1,206
Loss on store closings	15	20
Loss on retirement of non-current assets	8	10
Total extraordinary losses	24	1,237
Profit before income taxes	12,731	13,407
Income taxes - current	3,647	7,927
Income taxes - deferred	170	(3,847)
Total income taxes	3,817	4,080
Profit	8,914	9,327
Profit attributable to owners of parent	8,914	9,327

Semi-annual consolidated statement of comprehensive income

(Millions of yen)

	Six months ended August 31, 2024	Six months ended August 31, 2025
Profit	8,914	9,327
Other comprehensive income		
Valuation difference on available-for-sale securities	149	(309)
Revaluation reserve for land	—	(27)
Remeasurements of defined benefit plans, net of tax	(95)	(142)
Total other comprehensive income	54	(480)
Comprehensive income	8,968	8,847
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	8,968	8,847

(3)Semi-annual consolidated statement of cash flows

(Millions of yen)

	Six months ended August 31, 2024	Six months ended August 31, 2025
Cash flows from operating activities		
Profit before income taxes	12,731	13,407
Depreciation	8,058	8,381
Retirement benefit expenses	(137)	(160)
Impairment losses	–	1,206
Increase (decrease) in provision for bonuses	223	241
Increase (decrease) in provision for sales promotion expenses	2	0
Increase (decrease) in contract liabilities	49	84
Increase (decrease) in provision for shareholder benefit program	–	(23)
Increase (decrease) in retirement benefit asset and liability	42	42
Increase (decrease) in provision for share awards for directors (and other officers)	(6)	(1)
Interest and dividend income	(91)	(109)
Interest expenses	95	198
Loss (gain) on sale of investment securities	–	(703)
Loss on retirement of non-current assets	8	10
Decrease (increase) in trade receivables	(8,839)	(5,746)
Decrease (increase) in inventories	64	409
Decrease (increase) in accounts receivable - other	(98)	548
Increase (decrease) in trade payables	41,724	42,747
Increase (decrease) in accounts payable - other	5,840	6,899
Other, net	1,164	7,783
Subtotal	60,834	75,217
Interest and dividends received	34	58
Interest paid	(87)	(188)
Income taxes paid	(4,334)	(4,685)
Net cash provided by (used in) operating activities	56,447	70,402
Cash flows from investing activities		
Payments into time deposits	(400)	–
Proceeds from withdrawal of time deposits	400	–
Purchase of property, plant and equipment	(9,172)	(5,189)
Proceeds from sale of property, plant and equipment	50	–
Purchase of intangible assets	(624)	(419)
Proceeds from sale of investment securities	–	874
Payments of guarantee deposits	(247)	(732)
Proceeds from refund of guarantee deposits	9	75
Other, net	(361)	(538)
Net cash provided by (used in) investing activities	(10,347)	(5,929)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(19,400)	(32,500)
Proceeds from long-term borrowings	2,200	4,000
Repayments of long-term borrowings	(5,509)	(4,976)
Repayments of lease liabilities	(677)	(609)
Dividends paid	(2,345)	(2,594)
Purchase of treasury shares	(0)	(0)
Net cash provided by (used in) financing activities	(25,733)	(36,681)
Net increase (decrease) in cash and cash equivalents	20,366	27,792
Cash and cash equivalents at beginning of period	8,206	8,366
Cash and cash equivalents at end of period	*1 28,573	*1 36,158

(4)Notes to semi-annual consolidated financial statements

Notes on changes in accounting policies

Application of the “Accounting Standard for Current Income Taxes,” Etc.

The Company has applied the “Accounting Standard for Current Income Taxes” (Accounting Standards Board of Japan (ASBJ) Statement No. 27, October 28, 2022; the “Revised Accounting Standard of 2022”), etc. from the beginning of the first six months of the current fiscal year.

Revisions to categories for recording current income taxes (taxation on other comprehensive income) conform to the transitional treatment in the proviso of paragraph 20-3 of the Revised Accounting Standard of 2022 and to the transitional treatment in the proviso of paragraph 65-2(2) of the “Guidance on Accounting Standard for Tax Effect Accounting” (ASBJ Guidance No. 28, October 28, 2022; the “Revised Guidance of 2022”). This change in accounting policies has no impact on the semi-annual consolidated financial statements.

In addition, for changes related to the revised treatment in consolidated financial statements when a gain or loss on sale arising from the sale of shares of subsidiaries, etc. among consolidated companies is deferred for tax purposes, the Revised Guidance of 2022 has been applied from the beginning of the first six months of the current fiscal year. This change in accounting policies has been applied retrospectively, and is reflected in the semi-annual consolidated financial statements for the same period of the previous fiscal year and the consolidated financial statements for the previous fiscal year. This change in accounting policies has no impact on the semi-annual consolidated financial statements for the same period of the previous fiscal year and the consolidated financial statements for the previous fiscal year.

Notes to segment information, etc.

[Segment information]

I First six months of the previous fiscal year (March 1, 2024 to August 31, 2024)

1. Information on operating revenue and profit or loss by reportable segment and on disaggregation of revenue

(Millions of yen)

	Reportable segment	Other (Note 2)	Total	Adjustments	Amounts recorded in semi-annual consolidated statement of income (Note 3)
	Retail Business				
Operating revenue (Note 1)					
Revenue from contracts with customers	419,012	642	419,654	—	419,654
Other revenue (Note 4)	2,231	—	2,231	—	2,231
Operating revenue from external customers	421,243	642	421,885	—	421,885
Intersegment operating revenue and transfers	505	777	1,283	(1,283)	—
Total	421,748	1,420	423,169	(1,283)	421,885
Segment profit	12,525	180	12,706	—	12,706

Notes: 1 Operating revenue is the total of net sales and receipts from operating revenue.

2 “Other” includes credit card business, etc.

3 Segment profit is adjusted to ordinary profit in the semi-annual consolidated statement of income.

4 Other revenue includes real estate lease revenue based on the Accounting Standard for Lease Transactions (ASBJ Statement No. 13).

II First six months of the current fiscal year (March 1, 2025 to August 31, 2025)

1. Information on operating revenue and profit or loss by reportable segment and on disaggregation of revenue

(Millions of yen)

	Reportable segment	Other (Note 2)	Total	Adjustments	Amounts recorded in semi-annual consolidated statement of income (Note 3)
	Retail Business				
Operating revenue (Note 1)					
Revenue from contracts with customers	437,159	699	437,859	—	437,859
Other revenue (Note 4)	2,254	—	2,254	—	2,254
Operating revenue from external customers	439,414	699	440,114	—	440,114
Intersegment operating revenue and transfers	517	764	1,281	(1,281)	—
Total	439,931	1,463	441,395	(1,281)	440,114
Segment profit	13,637	221	13,858	—	13,858

Notes: 1 Operating revenue is the total of net sales and receipts from operating revenue.

2 “Other” includes credit card business, etc.

3 Segment profit is adjusted to ordinary profit in the semi-annual consolidated statement of income.

4 Other revenue includes real estate lease revenue based on the Accounting Standard for Lease Transactions (ASBJ Statement No. 13).

2. Information on impairment losses or goodwill for non-current assets by reportable segment

(Significant impairment losses related to non-current assets)

The Company recorded impairment losses on non-current assets in the Retail Business segment. The amount of such impairment losses recorded was ¥1,206 million for the six months ended August 31, 2025.

Notes on the event of significant changes in the amount of shareholders’ equity

The Company implemented the cancellation of treasury shares of 8,400,000 shares on May 30, 2025, in accordance with a resolution of the Board of Directors meeting held on May 22, 2025. As a result, capital surplus, retained earnings, and treasury shares decreased by ¥3,195 million, ¥7,438 million, and ¥10,634 million, respectively, in the six months ended August 31, 2025.

Notes on premise of going concern

Not applicable.

Notes to semi-annual consolidated statement of income

*1 Major items and amounts of selling, general and administrative expenses

(Millions of yen)

	Six months ended August 31, 2024	Six months ended August 31, 2025
Salaries, allowances and bonuses	48,479	51,728
Provision for bonuses	3,190	3,333
Retirement benefit expenses	689	677

Notes to semi-annual consolidated statement of cash flows

*1 Reconciliation of cash and cash equivalents at end of period and the related account on the semi-annual consolidated balance sheet

(Millions of yen)

	Six months ended August 31, 2024	Six months ended August 31, 2025
Cash and deposits account	28,973	36,158
Time deposits with maturities exceeding three months	(400)	—
Cash and cash equivalents	28,573	36,158

Significant subsequent events

Not applicable.