Financial Results Q3 FY2026
(Nine months ended December 31, 2025)

February 6, 2026

PALTAC CORPORATION

(TSE Code:8283)

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Financial Highlights (Apr - Dec) Q3 FY2026

PALTAC

Net Sales

¥950.6bn

Change in YoY Q3

+¥39.5bn (+4.3%)

Operating Profit

¥21.9bn

Change in YoY Q3

-¥0.4bn (-2.2%)

[YoY] Net sales increased year on year, while operating profit was lower than the prior-year level

- Although consumer frugality persisted amid rising prices, the expansion of the designated wholesaler portfolio and the increased offerings of high value-added new products contributed to sales growth.
- Inbound demand supported sales growth in going-out related products and health foods.
- Seasonal products also performed well, driven by colder temperatures.
- Gross profit increased driven by sales expansion, while SG&A expenses ratio rose year on year due to higher variable costs, including personnel and delivery expenses.

YoY (Apr - Dec) Q3 FY2026

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Net sales and gross profit increased, but higher SG&A expenses led to profit decline

¥ billion (ratio of net sales: %)	Q3 FY2025 Results	Q3 FY2026 Results	Difference	Difference rate
Net Sales	911.0	**950.6**	+39.5	+4.3%
Gross Profit	68.0 (7.47)	**71.4** **(7.52)**	+3.4 (+0.05)	+5.0%
SG&A Expenses	45.5 (5.00)	**49.4** **(5.21)**	+3.9 (+0.21)	+8.6%
Operating Profit	22.4 (2.46)	**21.9** **(2.31)**	-0.4 (−0.15)	−2.2%
Ordinary Profit	25.4 (2.79)	**24.5** **(2.58)**	-0.8 (−0.21)	−3.4%
Profit	18.2 (2.01)	**17.3** **(1.82)**	-0.9 (−0.19)	−5.3%

YoY (Oct - Dec) Q3 FY2026

Net sales and gross profit increased, but higher SG&A expenses led to profit decline

¥ billion (ratio of net sales: %)	Q1			Q2			Q3		
	FY2025	FY2026	Difference	FY2025	FY2026	Difference	FY2025	FY2026	Difference
Net Sales	302.9	**316.0**	+13.1 [+4.3%]	297.5	**309.0**	+11.5 [+3.9%]	310.6	**325.5**	+14.8 [+4.8%]
Gross Profit	22.3 (7.38)	**23.6** **(7.49)**	+1.3 (+0.11)	21.8 (7.34)	**22.8** **(7.39)**	+1.0 (+0.05)	23.8 (7.67)	**24.9** **(7.65)**	+1.0 (-0.02)
SG&A Expenses	14.9 (4.93)	**16.0** **(5.08)**	+1.1 (+0.15)	15.2 (5.14)	**16.5** **(5.36)**	+1.2 (+0.22)	15.3 (4.95)	**16.8** **(5.18)**	+1.4 (+0.23)
Operating Profit	7.4 (2.45)	**7.6** **(2.41)**	+0.1 (△0.04)	6.5 (2.20)	**6.2** **(2.03)**	-0.2 (-0.17)	8.4 (2.72)	**8.0** **(2.47)**	-0.4 (-0.25)
Ordinary Profit	8.3 (2.74)	**8.5** **(2.70)**	+0.2 (△0.04)	7.8 (2.65)	**7.0** **(2.29)**	-0.7 (-0.36)	9.2 (2.97)	**8.9** **(2.75)**	-0.2 (-0.22)
Profit	6.0 (2.01)	**6.2** **(1.97)**	+0.1 (△0.04)	5.8 (1.96)	**4.8** **(1.58)**	-0.9 (△0.38)	6.3 (2.06)	**6.1** **(1.90)**	-0.2 (-0.16)

Market Environment awareness Q3 FY2026

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Amid continued frugality and rising costs, demand for going out and weather factors support the market

↑ Positive factor

↓ Negative factor

Market environment	Consumer sentiment	↑	Increase in sales unit prices across all categories, driven by price hikes and expansion of high value-added products
		↓	Volume growth remained sluggish due to consumer frugality amid rising prices.
	Demands for going out related and inbound	↑	Steady sales of going out-related products such as cosmetics and health foods, supported by continued demand for going out and an increase in inbound tourists
	Climate factors	↑	Colder temperatures in October and November drove a strong start for winter products such as seasonal cosmetics, while warmer weather in December led to weaker demand for items like disposable heat pads
Business operating environment		↓	Continued increase in logistics costs, including delivery and warehouse labor expenses, due to rising prices and wages (Factors behind rising center fee rates and SG&A expense ratios)

Net Sales YoY Q3 FY2026

Accumulated Total

Net sales increased, supported by the expansion of the designated wholesaler portfolio, the successful introduction of high value-added products, and effective promotional initiatives that responded to changes in consumer behavior, such as rising demand for going out and growing health consciousness (YoY: + ¥39.5 bn / +4.3%)

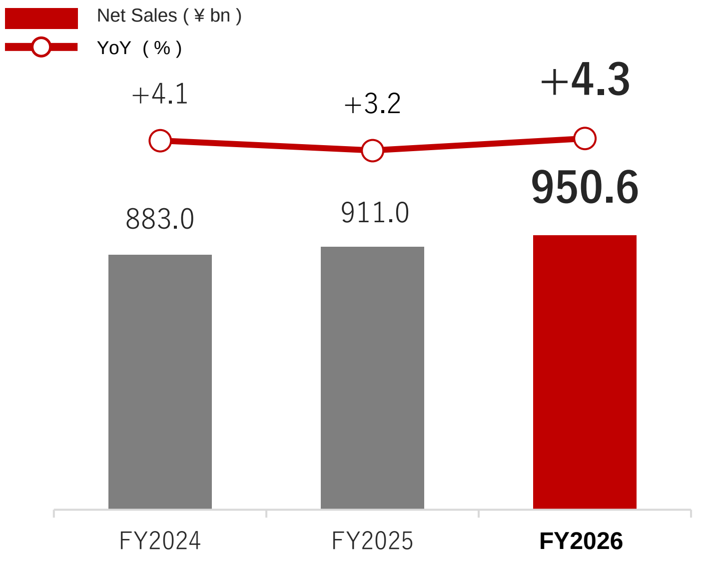
(Main Factors) Increase: Expansion of designated wholesaler portfolio / Growth in going out and health foods related products / Increased demand for seasonal cosmetics due to lower temperatures / Strengthening procurement of the new products / Increase in the selling unit prices of products due to price hike and growth in sales of high-value added products / Increase in handling volume of contracted logistics

Decrease: Decrease in demand for hygiene-related products such as masks / Decrease in sales of certain OTC pharmaceuticals (cold remedies, health drinks, etc.) / Reduced introduction of winter seasonal products due to lingering summer heat

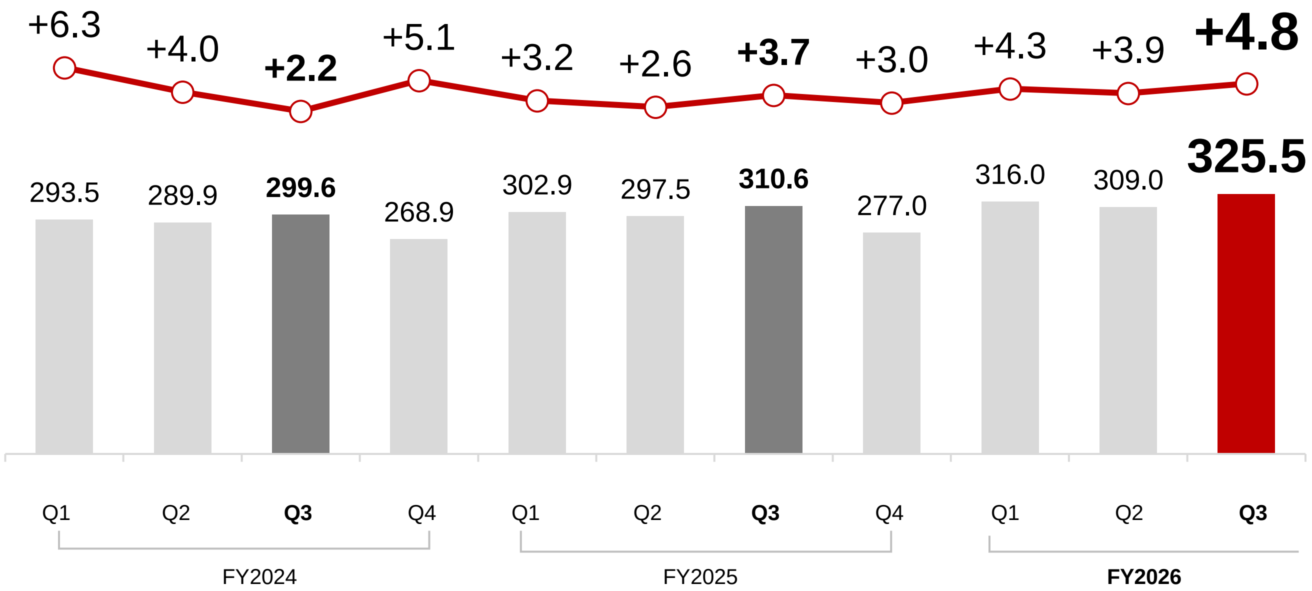
Q3

Strong performance of daily necessities (such as toys and oral care products) and winter seasonal products (such as seasonal cosmetics) driven by lower temperatures contributed to overall growth (YoY + ¥14.8 bn / +4.8%)

- Accumulated Total (Apr - Dec) -



- Quarterly Results -



Sales Composition by Product Category YoY Q3 FY2026

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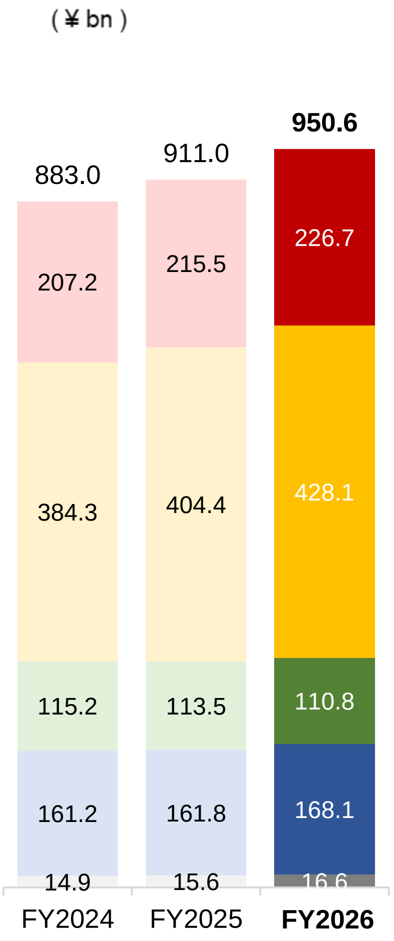
- Accumulated Total (Apr - Dec) -



YoY Accumulated Total (Apr - Dec)

Cosmetics
+ ¥ 11.2 bn / + 5.2 %
Composition ratio : 23.9 % (+ 0.2 %)

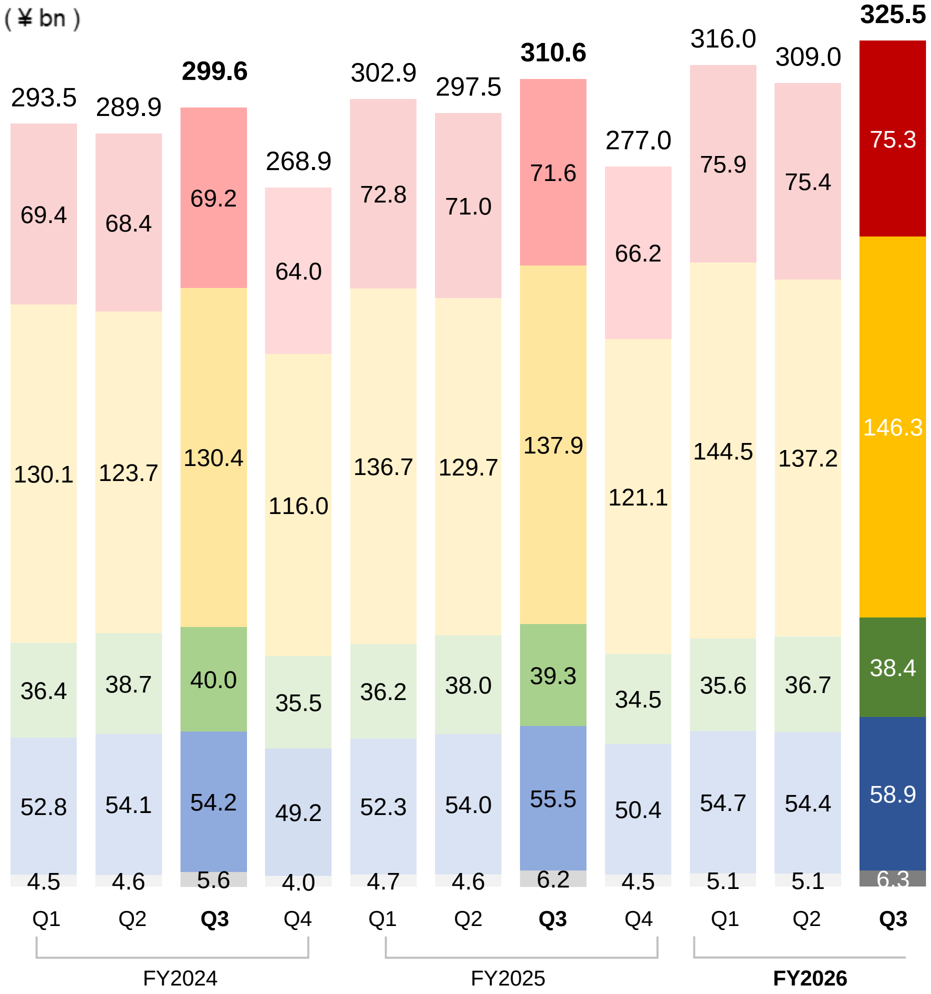
Daily necessities
+ ¥ 23.7 bn / + 5.9 %
Composition ratio : 45.0 % (+ 0.7 %)

OTC pharmaceuticals
- ¥2.6 bn / - 2.4 %
Composition ratio : 11.7 % (- 0.8 %)

Health and sanitary related products
+ ¥ 6.2 bn / + 3.9 %
Composition ratio : 17.7 % (- 0.1 %)

Other
+ ¥ 0.9 bn / + 6.4 %
Composition ratio : 1.7 % (0.0 %)

- Quarterly Results -



YoY Q3 (Oct - Dec)

Cosmetics
+ ¥ 3.7 bn / + 5.2 %
Composition ratio : 23.2 % (+ 0.1 %)

Daily necessities
+ ¥ 8.4 bn / + 6.1 %
Composition ratio : 45.0 % (+ 0.6 %)

OTC pharmaceuticals
- ¥ 0.8 bn / - 2.3 %
Composition ratio : 11.8 % (- 0.9 %)

Health and sanitary related products
+ ¥ 3.4 bn / +6.2%
Composition ratio : 18.1 % (+ 0.2 %)

Others
+ ¥ 0.1 bn / + 1.6 %
Composition ratio : 1.9 % (- 0.1 %)

Sales Composition by Customer Category YoY Q3 FY2026

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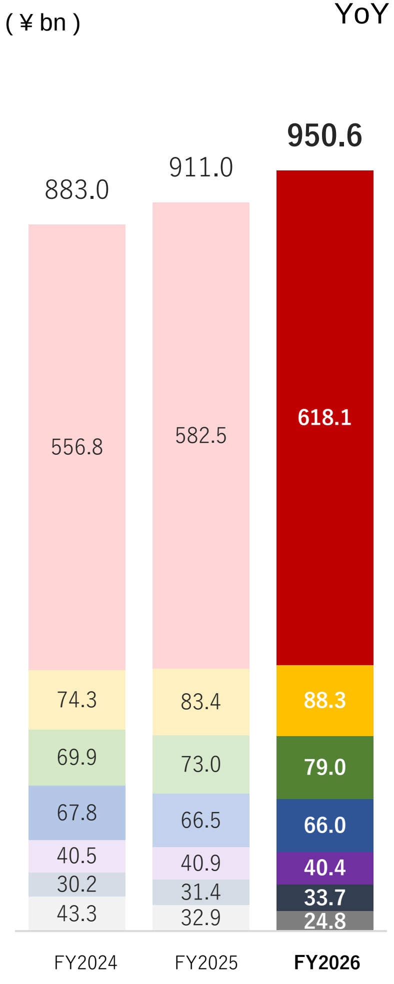
- Accumulated Total (Apr - Dec) -



YoY Accumulated Total (Apr - Dec)

Drugstores
+ ¥ 35.6 bn / + 6.1 %
Composition ratio : 65.0 % (+ 1.1 %)

Discount Stores
+ ¥ 4.8 bn / + 5.8 %
Composition ratio : 9.3 % (+ 0.1%)

Convenience Stores
+ ¥ 5.9 bn / + 8.1 %
Composition ratio : 8.3 % (+ 0.3 %)

Home Center
- ¥ 0.5 bn / - 0.8 %
Composition ratio : 6.9 % (- 0.4 %)

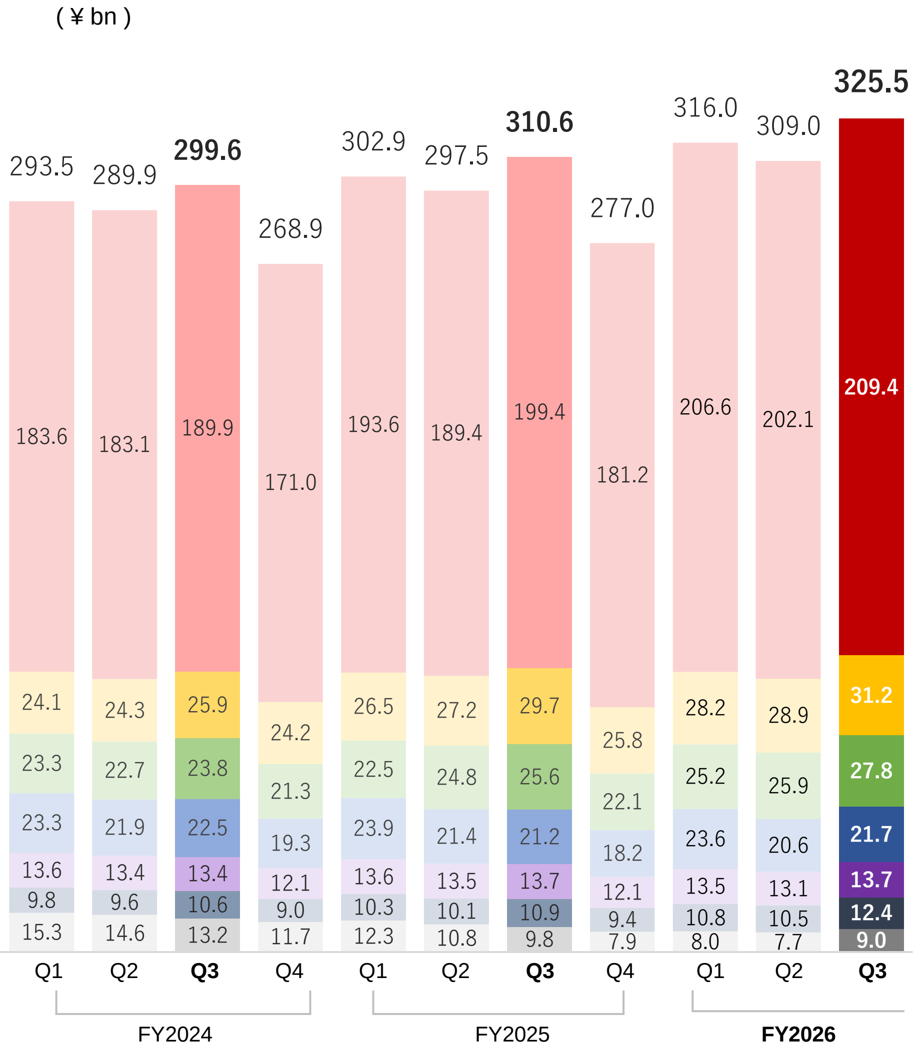
Super Market
- ¥ 0.5 bn / - 1.2 %
Composition ratio : 4.3 % (- 0.2 %)

GMS*
+ ¥ 2.3 bn / + 7.4 %
Composition ratio : 3.6 % (+ 0.1 %)

Others
- ¥ 8.1 bn / - 24.7 %
Composition ratio : 2.6% (- 1.0 %)

* GMS stands for General Merchandising Store

- Quarterly Results -



YoY Q3 (Oct - Dec)

Drugstores
+ ¥ 10.0 bn / + 5.0 %
Composition ratio : 64.3 % (+ 0.1 %)

Discount Stores
+ ¥ 1.4 bn / + 4.9 %
Composition ratio : 9.6 % (0.0 %)

Convenience Stores
+ ¥ 2.1 bn / + 8.5 %
Composition ratio : 8.6 % (+ 0.3 %)

Home Center
+ ¥ 0.4 bn / + 2.2 %
Composition ratio : 6.7 % (- 0.1 %)

Super Market
- ¥ 0.0 bn / - 0.2 %
Composition ratio : 4.2 % (- 0.2 %)

GMS*
+ ¥ 1.4 bn / + 13.6 %
Composition ratio : 3.8 % (+ 0.3 %)

Others
- ¥ 0.7 bn / - 7.3 %
Composition ratio : 2.8% (- 0.4 %)

Gross Profit YoY Q3 FY2026

Accumulated Total

Despite a challenging environment for securing profits, both the amount and margin exceeded the previous year, driven by sales growth and the expansion of newly introduced high value-added products (YoY + ¥3.4 bn / GPM +0.05%)

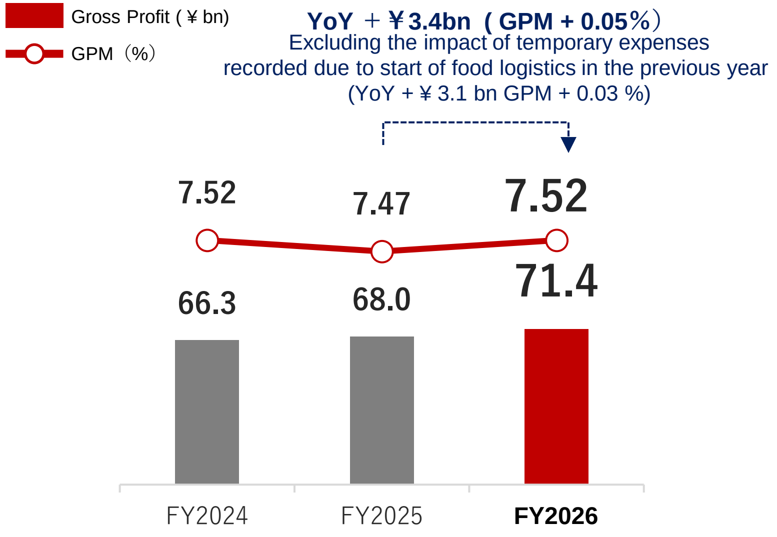
(Main Factors)Improving: Securing amount of gross profits due to sales expansion / Improved profit margins due to price hikes and increased sales of high value-added products / Increase in handling volume of contracted logistics / Impact of temporary expenses recorded due to start of food logistics in the previous year (+ ¥ 0.2bn GPM+0.03%)

Worsening: Increase in center fees (increased sales of companies incurring center fees, rising logistics costs, etc.)

Q3

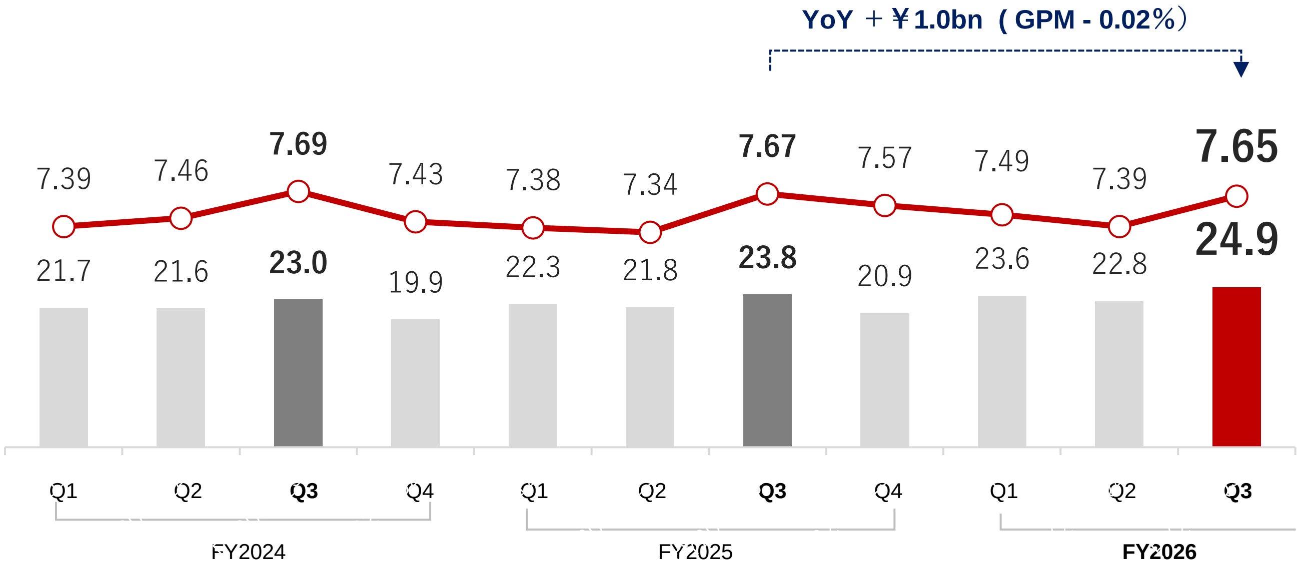
Although the total amount increased due to higher sales, the margin declined year on year, mainly due to higher rebates paid to retailers (YoY + ¥1.0 bn / GPM -0.02%)

- Accumulated Total (Apr - Dec) -



YoY ＋￥3.4bn (GPM + 0.05%）
Excluding the impact of temporary expenses recorded due to start of food logistics in the previous year
(YoY + ¥ 3.1 bn GPM + 0.03 %)

- Quarterly Results -



YoY ＋￥1.0bn (GPM - 0.02%）

SG&A Expenses YoY Q3 FY2026

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Accumulated Total

Increase in both amount and ratio, due to investments in human capital and rising logistics costs such as warehouse labor and delivery expenses

(YoY + ¥3.9 bn / SG&A expenses ratio +0.21%)

(Main Factors) Increase : Investment in human capital (securing personnel, wage increases including part-time hourly wages) / Rise in temporary staffing cost ratio / Increase in delivery costs due to higher delivery unit prices / Recorded expenses related to the operation of externally leased centers (rental fees, consumable goods, etc.)

Improving: Fixed-expenses absorption effect due to the sales expansion

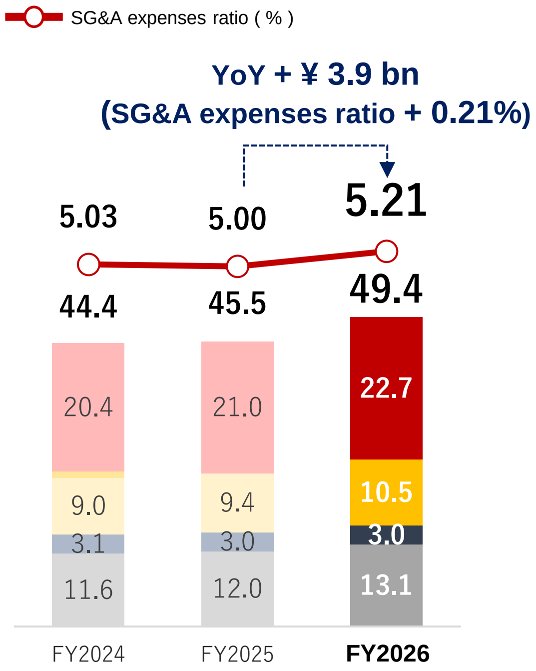
Q3

Increase in both amount and ratio, mainly due to continued increases in logistics costs (delivery expenses and labor costs)

(YoY + ¥1.4 bn / SG&A expenses ratio +0.23%) **Expenses also increased due to costs associated with the start of operations at externally leased centers, as these costs were incurred in advance to secure mid- to long-term capacity**

- Accumulated Total (Apr - Dec) -

YoY + ¥ 3.9 bn
(SG&A expenses ratio + 0.21%)



YoY Accumulated Total
(Apr - Dec)

Personnel expenses
+ ¥ 1.6bn (+ 0.08%)

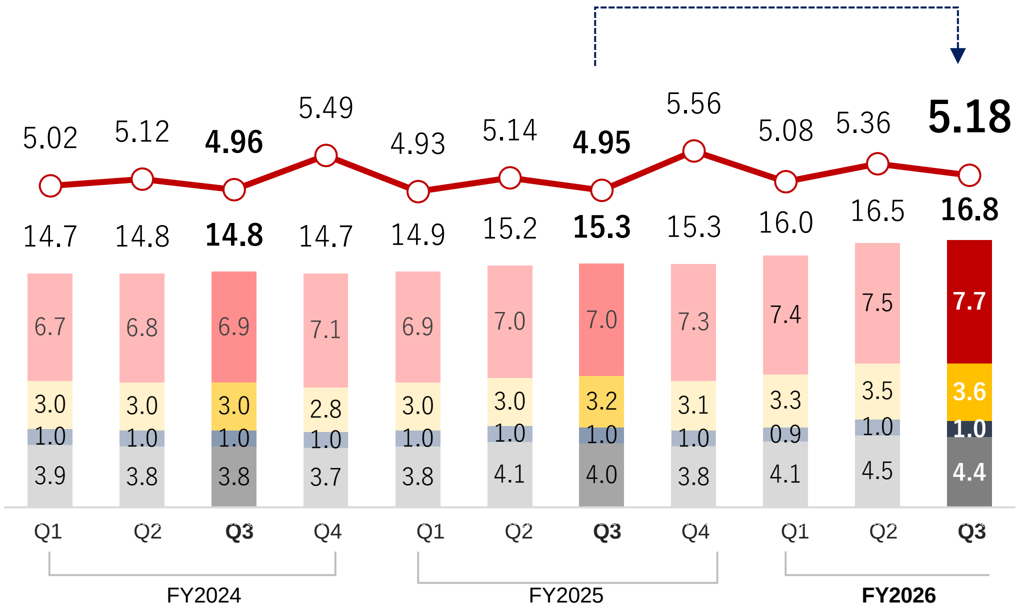
Delivery expenses
+ ¥ 1.1bn (+ 0.08%)

Depreciation
- ¥ 0.0bn (- 0.01%)

Others
+ ¥ 1.1bn (+ 0.07%)

- Quarterly Results -

YoY + ¥ 1.4 bn (SG&A expenses ratio + 0.23%)



YoY Q3 (Oct - Dec)

Personnel expenses
+ ¥ 0.6bn (+ 0.09%)

Delivery expenses
+ ¥ 0.4bn (+ 0.08%)

Depreciation
+ ¥ 0.0bn (- 0.02%)

Others
+ ¥ 0.4bn (+ 0.07%)

Approaches to reducing and optimizing SG&A expenses

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＜2Q Challenges＞

- Capacity constraints persisted →
- Higher labor costs and delivery costs pressured SG&A expenses →

＜Action Plans＞

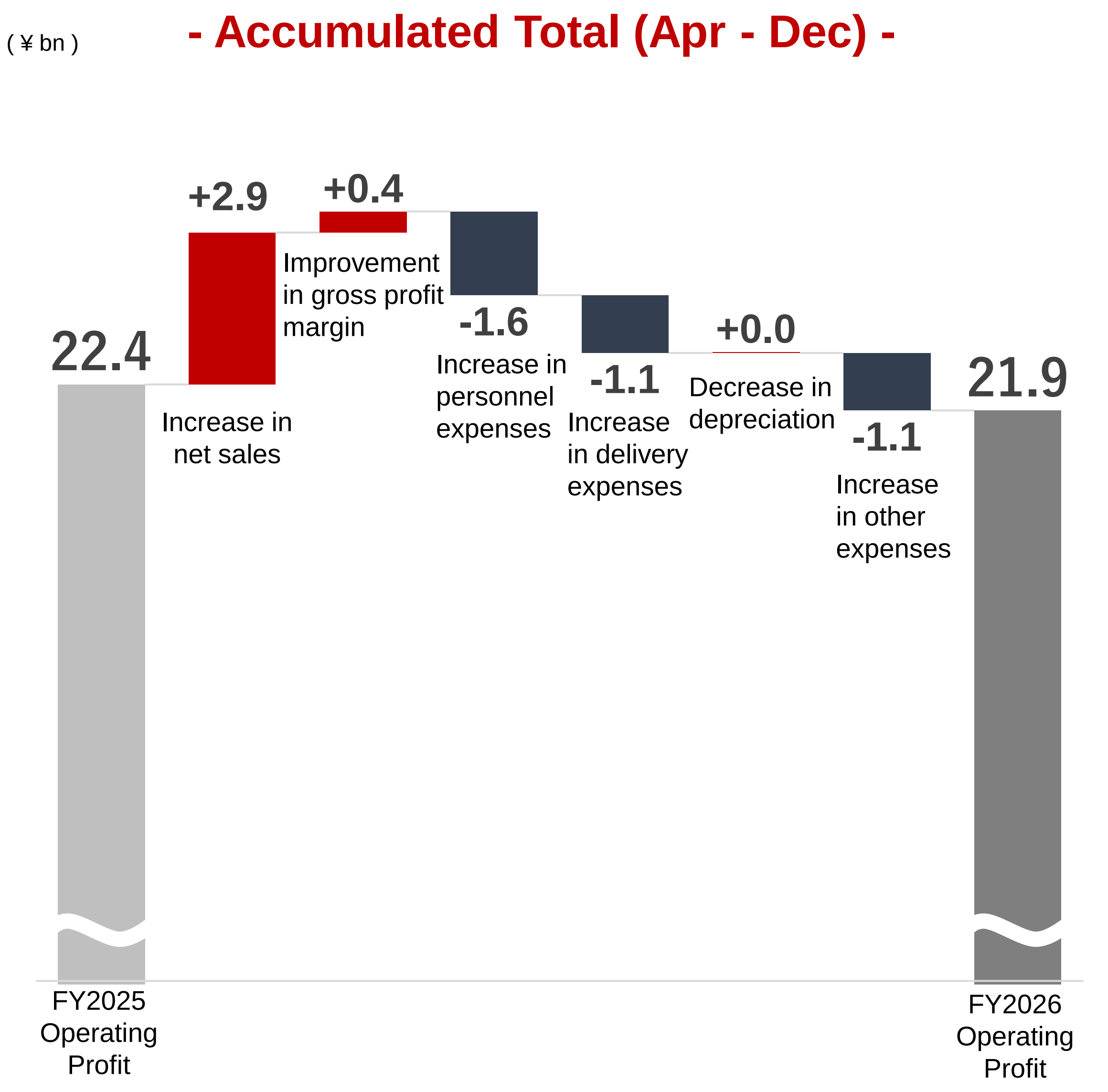
- Leasing external distribution centers
- Promoting improvement initiatives by strengthening collaboration with retailers and internal teams

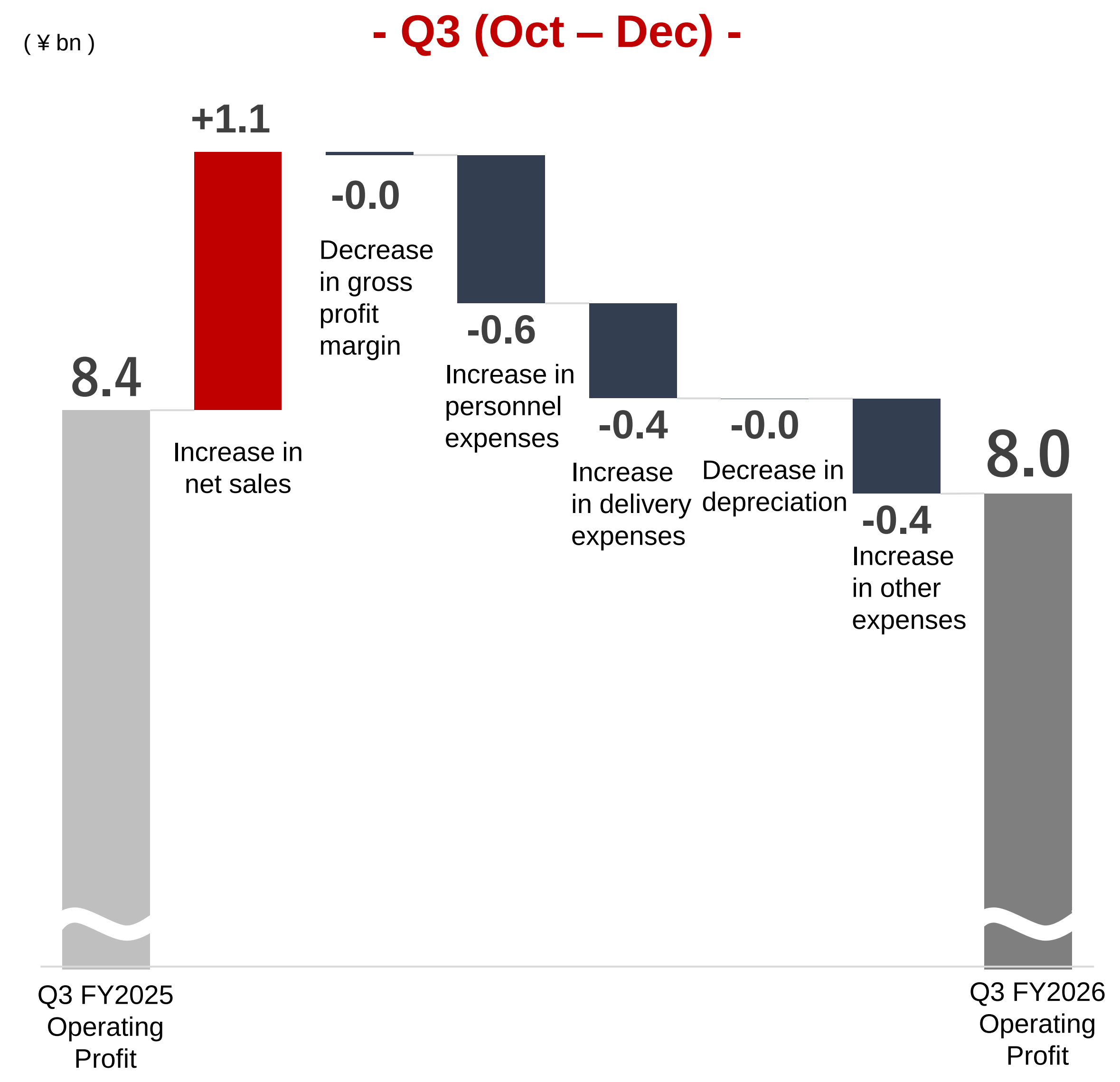
<Q3 Profit and Loss Overview>

- **Although leasing external centers led to front-loaded costs, in-warehouse work efficiency bottomed out, with piece-picking productivity turning upward compared with Q2.**
- **Continuous improvement initiatives drove a structural shift from labor-intensive piece shipments to more efficient case shipments, contributing to better productivity**
- **On the delivery side, higher shipping cost per unit (YoY+9.3%) remained a burden and continued to be a challenge**

→ Continued to promote delivery-related improvement initiatives, including initiatives recognized under the Green Logistics Excellent Business Awards
→ Continued efforts to improve delivery efficiency through stronger collaboration with external partners, including joint delivery initiatives

Operating Profit YoY Q3 FY2026





Operating Profit YoY Q3 FY2026

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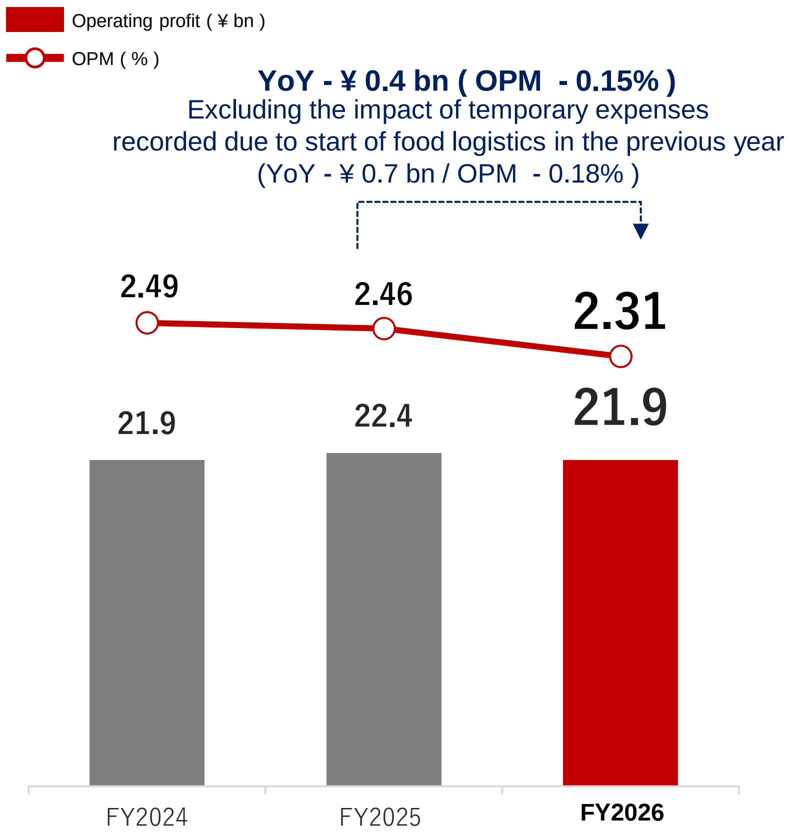
Operating profit fell short of the previous year's level in both amount and margin, as the increase in SG&A expenses outpaced the growth in gross profit

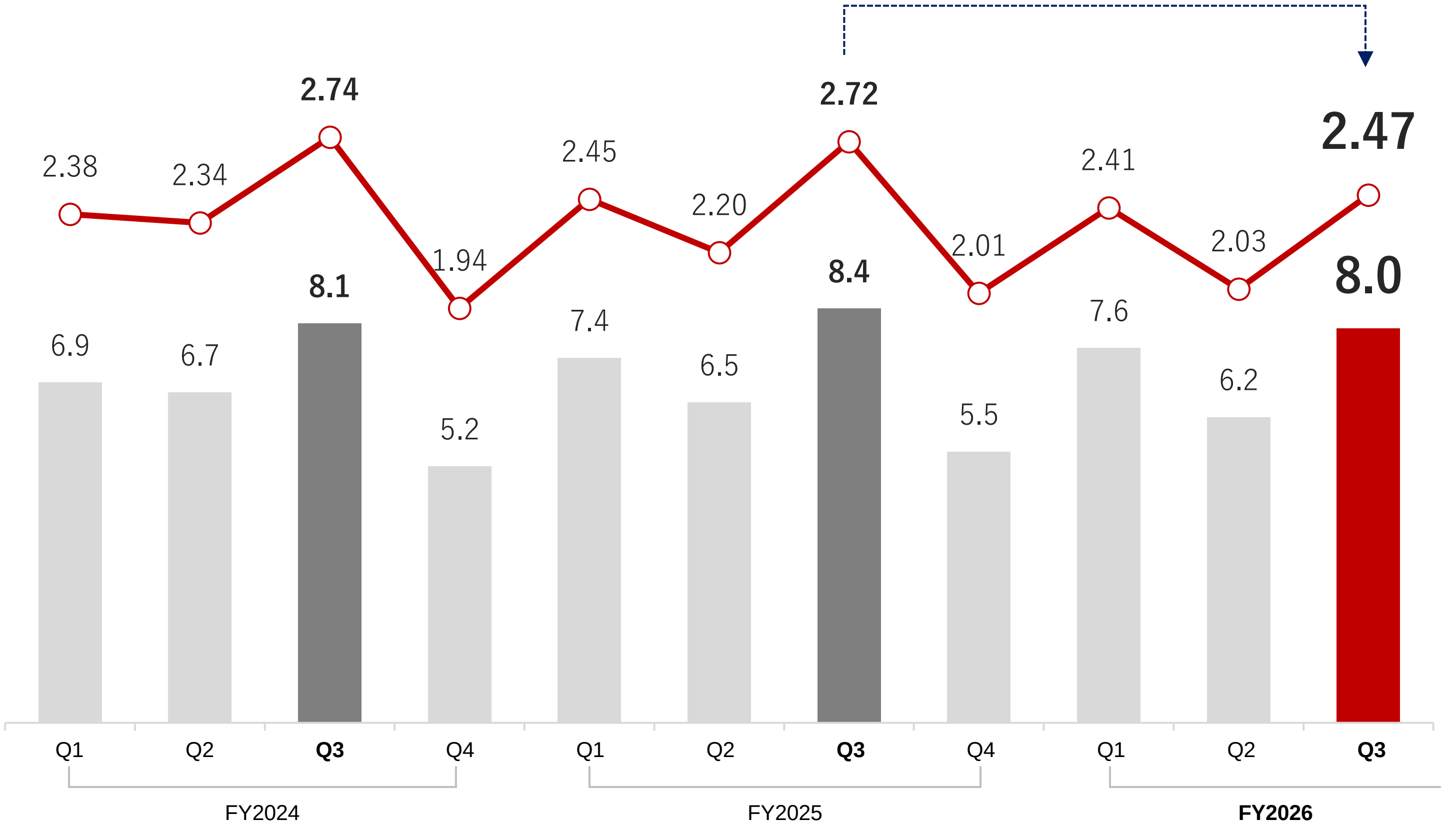
- Accumulated Total (Apr - Dec) -



YoY - ¥ 0.4 bn (OPM - 0.15%)
Excluding the impact of temporary expenses recorded due to start of food logistics in the previous year
(YoY - ¥ 0.7 bn / OPM - 0.18%)

- Quarterly Results -

YoY - ¥ 0.4 bn (OPM - 0.25%)



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Forecasts FY2026 (No revision to the forecasts most recently announced)

- **Ongoing uncertainty driven by consumer frugality amid inflation and rising logistics costs caused by labor shortages**
- **In this challenging environment for securing profitability, we are executing initiatives to expand transactions and strengthen SG&A expense control**

¥ billion (ratio of net sales:%)	FY2025 Results	FY2026 Plan	Difference	Difference rate
Net Sales	1,188.0	**1,230.0**	+41.9	+3.5%
Gross Profit	88.9 (7.49)	**92.8** **(7.54)**	+3.8 (+0.05)	+4.3%
SG&A Expenses	60.9 (5.13)	**63.8** **(5.19)**	+2.8 (+0.06)	+4.6%
Operating Profit	28.0 (2.36)	**29.0** **(2.36)**	+0.9 (0.00)	+3.5%
Ordinary Profit	31.6 (2.67)	**32.2** **(2.62)**	+0.5 (-0.05)	+1.6%
Profit	22.8 (1.92)	**22.0** **(1.79)**	-0.8 (-0.13)	-3.8%
Earnings per share (¥)*	366.46	356.70	-9.76	-2.7%

* The plan for the fiscal year ending March 2026 is calculated based on the number of shares outstanding at the end of the previous fiscal year

Net Sales

- Unit price hikes due to inflation
- Strengthening rapid and effective sales promotion proposals that utilize our capabilities
- Strengthening sales of high value-added products

Gross Profit

- Strengthening sales of high value-added products（higher-margin control）
- Increase in center fees to sales ratio (negative impact : impact of soaring prices and rising delivery expenses, etc.)

SG&A Expenses

- Investment in human capital (securing human capital / wage hikes etc.)
- Increase in delivery expenses per unit

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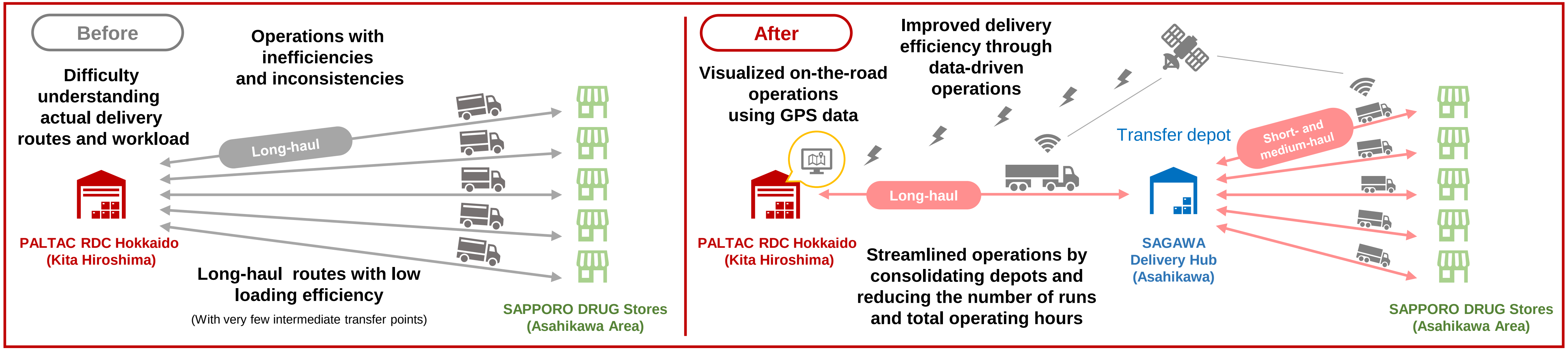
TOPICS

FY2025 Jointly received the Minister of Land, Infrastructure, Transport and Tourism Award, the highest award in the Green Logistics Excellent Business Awards

Co-awarded companies : PALTAC CORPORATION, SAPPORO DRUG STORE CO.,LTD., SAGAWA EXPRESS CO.,LTD.

Reduced the number of long-haul shipments by utilizing a transfer depot in Hokkaido
(SAGAWA EXPRESS CO.,LTD.'s delivery hub)



Before

Difficulty understanding actual delivery routes and workload

Operations with inefficiencies and inconsistencies

Long-haul routes with low loading efficiency

(With very few intermediate transfer points)

After

Visualized on-the-road operations using GPS data

Improved delivery efficiency through data-driven operations

Streamlined operations by consolidating depots and reducing the number of runs and total operating hours

Expanded the above initiatives to five areas (Asahikawa, Obihiro, Kushiro, Kitami, and Hakodate) by utilizing SAGAWA EXPRESS CO.,LTD.'s delivery hub

- Reduced the number of long-haul truck operations and total operating hours
- Accumulated delivery data made visible through enhanced visibility
- Optimized routes and truck allocation through data utilization

Annual reduction effects

・CO_2 reduction volume	Reduced CO_2 emissions by 404.5 t-CO_2 (18.9%)
・Truck driving distance	Shortened truck driving distance by 643.4 thousand t-km (25.7%)
・Truck operating hours	Reduced truck operating hours by 12.2 thousand hours (22.5%)

For further details, please refer to the press release posted on our corporate website in Japanese (https://www.paltac.co.jp/news/).
"December 24, 2025: FY2025 Jointly received the Minister of Land, Infrastructure, Transport and Tourism Award, the highest award in the Green Logistics Excellent Business Awards

TOPICS

Renewal and recycling of logistics work uniforms

Realized by incorporating diverse perspectives from the workplace-driven improvement project aimed at maximizing human capital value

"Neo Rosy Project"	An initiative led primarily by female employees working in logistics sites to address workplace challenges. Promoting a work environment where all employees can thrive by leveraging the detailed perspectives of female employees.

▼ **Ideas developed from the perspectives of female employees working on-site**

Updated uniforms with enhanced functionality and comfort

(Introduced AITOZ-manufactured uniforms)

→

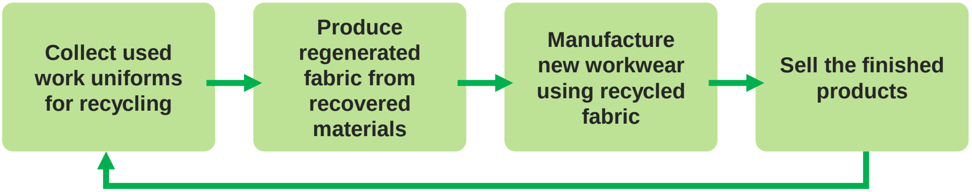
Contributed to recycling by repurposing used uniforms

Reflected the real on-site needs identified by project members

- **Breathability**
- **Comfort**
- **Pocket usability**

Recycled used uniforms through the AITOZ/BRING UNIFORM$^{\text{TM}}$ recycling program in which AITOZ participates

Business overview of AITOZ/BRING UNIFORM$^{\text{TM}}$, operated and planned by JEPLAN Inc.



For further details, please refer to the press release posted on our corporate website inJapanese (https://www.paltac.co.jp/news/).
"December 8, 2025: How Women's Perspectives Are Transforming Logistics Workplaces — Uniform Renewal and Resource Recycling."

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Sales Composition by Product Category (Quarterly) FY2026

¥ billion	FY2026							
	Accumulated	YoY	Q1	YoY	Q2	YoY	Q3	YoY
Net Sales	950.6	+39.5 [+4.3%]	316.0	+13.1 [+4.3%]	309.0	+11.5 [+3.9%]	325.5	+14.8 [+4.8%]
Cosmetics	226.7	+11.2 [+5.2%]	75.9	+3.0 [+4.2%]	75.4	+4.4 [+6.2%]	75.3	+3.7 [+5.2%]
Daily necessities	428.1	+23.7 [+5.9%]	144.5	+7.7 [+5.7%]	137.2	+7.5 [+5.8%]	146.3	+8.4 [+6.1%]
OTC pharmaceuticals	110.8	-2.6 [-2.4%]	35.6	-0.5 [-1.6%]	36.7	-1.2 [-3.2%]	38.4	-0.8 [-2.3%]
Health and sanitary related products	168.1	+6.2 [+3.9%]	54.7	+2.4 [+4.7%]	54.4	+0.4 [+0.7%]	58.9	+3.4 [+6.2%]
Others	16.6	+0.9 [+6.4%]	5.1	+0.4 [+8.9%]	5.1	+0.4 [+10.1%]	6.3	+0.1 [+1.6%]

Sales Composition by Customer Category (Quarterly) FY2026

¥ billion	FY2026							
	Accumulated	YoY	Q1	YoY	Q2	YoY	Q3	YoY
Net Sales	950.6	+39.5 [+4.3%]	316.0	+13.1 [+4.3%]	309.0	+11.5 [+3.9%]	325.5	+14.8 [+4.8%]
Drugstores	618.1	+35.6 [+6.1%]	206.6	+13.0 [+6.7%]	202.1	+12.6 [+6.7%]	209.4	+10.0 [+5.0%]
Discount Stores	88.3	+4.8 [+5.8%]	28.2	+1.6 [+6.4%]	28.9	+1.6 [+6.2%]	31.2	+1.4 [+4.9%]
Convenience Stores	79.0	+5.9 [+8.1%]	25.2	+2.7 [+12.1%]	25.9	+1.0 [+4.2%]	27.8	+2.1 [+8.5%]
Home Center	66.0	-0.5 [-0.8%]	23.6	-0.3 [-1.3%]	20.6	-0.7 [-3.3%]	21.7	+0.4 [+2.2%]
Super Market	40.4	-0.5 [-1.2%]	13.5	-0.1 [-1.0%]	13.1	-0.3 [-2.6%]	13.7	-0.0 [-0.2%]
GMS *	33.7	+2.3 [+7.4%]	10.8	+0.4 [+4.1%]	10.5	+0.4 [+4.1%]	12.4	+1.4 [+13.6%]
Others	24.8	-8.1 [-24.7%]	8.0	-4.2 [-34.8%]	7.7	-3.1 [-28.9%]	9.0	-0.7 [-7.3%]

＊GMSはゼネラルマーチャンダイジングストアの略

Forecasts 1st Half / 2nd Half FY2026

¥ billion (ratio of net sales: %)	FY2026 Plan								
	Total	YoY		1st Half	YoY		2nd Half	YoY	
Net Sales	1,230.0	+41.9	+3.5%	622.0	+21.5	+3.6%	608.0	+20.3	+3.5%
Gross Profit	92.8 (7.54)	+3.8 (+0.05)	+4.3%	46.2 (7.43)	+2.0 (+0.07)	+4.6%	46.6 (7.66)	+1.7 (+0.04)	+4.0%
SG&A Expenses	63.8 (5.19)	+2.8 (+0.06)	+4.6%	31.6 (5.08)	+1.3 (+0.05)	+4.6%	32.2 (5.30)	+1.4 (+0.06)	+4.6%
Operating Profit	29.0 (2.36)	+0.9 (0.00)	+3.5%	14.6 (2.35)	+0.6 (+0.02)	+4.5%	14.4 (2.37)	+0.3 (-0.02)	+2.6%
Ordinary Profit	32.2 (2.62)	+0.5 (-0.05)	+1.6%	16.2 (2.60)	+0.0 (-0.09)	+0.1%	16.0 (2.63)	+0.4 (-0.01)	+3.2%
Profit	22.0 (1.79)	-0.8 (-0.13)	-3.8%	11.1 (1.78)	-0.7 (-0.20)	-6.7%	10.9 (1.79)	-0.0 (-0.08)	-0.6%

Note Concerning Forward-Looking Statements

Information in this document presented by PALTAC CORPORATION (the “Company”) contains forward-looking statements regarding the Company. Other than historical facts, these forecasts and strategies are prepared under certain assumptions and include certain risks and uncertainties. As such, please be forewarned that actual results may not necessarily match these forecasts due to a variety of changes in the business environment and others causes.

Please also note that even in cases where it might be desirable for the forecast information to be updated or revised due to new information, future events or other items. The Company is not obliged and does not have a policy of updating this document and information to the most recent.

Furthermore, this report is an English translation of the original, which was prepared in Japanese. In the event of any discrepancies between the Japanese original and the English translation, the Japanese original shall prevail.