

Consolidated Financial Results for the Six Months Ended August 31, 2025 [Japanese GAAP]



October 10, 2025

Company name: Belc CO., LTD.

Stock exchange listing: Tokyo Stock Exchange

Code number: 9974

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Scheduled date of filing semi-annual securities report: October 14, 2025

Scheduled date of commencing dividend payments: November 4, 2025

Availability of supplementary explanatory materials on financial results: Available

Schedule of financial results briefing session: Scheduled

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

1. Consolidated Financial Results for the Six Months Ended August 31, 2025 (March 1, 2025 – August 31, 2025)

(1) Consolidated Operating Results (Cumulative) (% indicates changes from the previous corresponding period.)

	Operating income		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Six months ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
August 31, 2025	211,011	11.3	8,884	(1.7)	9,019	(2.4)	6,144	(0.4)
August 31, 2024	189,658	11.5	9,035	(2.3)	9,241	(3.2)	6,170	(10.0)

(Note) Comprehensive income: Six months ended August 31, 2025: ¥6,161 million [(0.4) %]

Six months ended August 31, 2024: ¥6,185 million [(10.0) %]

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
August 31, 2025	294.88	—
August 31, 2024	296.03	—

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of August 31, 2025	215,705	114,681	53.2
As of February 28, 2025	200,717	109,920	54.8

(Reference) Equity: As of August 31, 2025: ¥114,681 million

As of February 28, 2025: ¥109,920 million

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended February 28, 2025	—	58.00	—	62.00	120.00
Fiscal year ending February 28, 2026	—	62.00			
Fiscal year ending February 28, 2026 (Forecast)			—	62.00	124.00

(Note) Revision to the forecast for dividends announced most recently: None

3. Consolidated Financial Results Forecast for the Fiscal Year Ending February 28, 2026 (March 1, 2025–February 28, 2026)

(% indicates changes from the previous corresponding period.)

	Operating income		Operating profit		Ordinary profit		Profit attributable to owners of parent	Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	Yen
Full year	414,172	6.8	18,091	6.4	18,263	5.0	12,445	0.5
								597.03

(Note) Revision to the financial results forecast announced most recently: None

*** Notes:**

(1) Significant changes in the scope of consolidation during the period: None

Newly included: –

Excluded: –

(2) Adoption of accounting treatment specific to the preparation of semi-annual consolidated financial statements: None

(3) Changes in accounting policies, changes in accounting estimates and retrospective restatement

1) Changes in accounting policies due to the revision of accounting standards: Yes

2) Changes in accounting policies other than 1) above: None

3) Changes in accounting estimates: None

4) Retrospective restatement: None

(4) Total number of issued shares (common shares)

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

August 31, 2025: 20,867,800 shares

February 28, 2025: 20,867,800 shares

2) Total number of treasury shares at the end of the period:

August 31, 2025: 36,875 shares

February 28, 2025: 21,875 shares

3) Average number of shares during the period (cumulative from the beginning of the fiscal year):

Six months ended August 31, 2025: 20,836,323 shares

Six months ended August 31, 2024: 20,845,440 shares

* These semi-annual consolidated financial results are outside the scope of interim reviews by certified public accountants or an audit firm.

* Explanation of the proper use of financial results forecasts and other notes

The business outlook and other forward-looking statements in these materials are based on information currently available to the Company and certain assumptions that are deemed reasonable. Actual financial results, etc. may significantly vary from these forecasts due to various factors. For the assumptions used in the above financial results forecasts and other related matters, please refer to “1. Qualitative Information on Semi-annual Financial Results for the Period under Review (3) Explanation of Consolidated Financial Results Forecast and Other Forward-looking Statements” on page 3.

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1. Qualitative Information on Semi-annual Financial Results for the Period under Review

(1) Explanation of Operating Results

During the six months ended August 31, 2025, the Japanese economy experienced improvements in the employment and income situation, and is expected to recover modestly, along with support from various government policies. However, the economic outlook remains uncertain as attention needs to be paid to the higher risk of an economic downturn resulting from the impact of the U.S. trade policy.

In the retail industry, conditions remain harsh, as rising product purchase prices due to the soaring raw material prices and production costs, and continued rising prices have a significant impact on consumer spending through factors such as a downturn in consumer sentiment.

In this environment, the Belc Group (the “Group”) has worked to sell delicious and fresh products, emphasize our price appeal, and create stores that are supported and trusted by customers, led by our motto of “Better Quality & Lower Price,” so that we, as a supermarket, can provide members of local communities with richer lives.

Below is an overview of the main initiatives we have implemented.

As for our sales measures, we have implemented point card sales promotion and various campaign measures, and delivered information on social media in an effort to give a wider range of customers more incentives to visit our stores. We have also been enhancing the convenience of our customers by expanding the stores that support “Belc otodoke (delivery) pack,” our online grocery shopping service, and “Belc Pay,” our proprietary e-money card.

As for our product measures, we worked to increase customers who shop intentionally at our stores by further expanding our offering of products developed in-house, including our private label, “kurabelc (Belc for everyday life).”

As for our store operations, we have used the Company’s greatest feature, our standardized corporate structure, as a foundation on which we have appropriately allocated personnel and conducted daily reviews of the use of labor-saving equipment to promote highly productive chain operations.

As for our store investments, we newly opened Forte Tsukuba Store in Tsukuba City, Ibaraki Prefecture in April 2025, Ryugasaki Store in Ryugasaki City, Ibaraki Prefecture in May, Harbor City Store in Chiba City, Chiba Prefecture in June and Numata Store in Numata City, Gunma Prefecture in July. In addition, we renovated existing three stores, expanded their deli and convenience food selections, and updated the facilities to provide more pleasant shopping environments. As a result, we operate 145 Belc stores and three CLBE stores, total of 148 stores as of August 31, 2025.

As for our logistics system, through large-scale batch procurement of products from production sites and manufacturers and enhancing our delivery efficiency by leveraging our in-house logistics, we have improved product price competitiveness while achieving more consistent product quality. We have also continued to review and revise our delivery system based on the work performed at stores, and to improve the efficiency of store operations.

Meanwhile, our Group company Home Delica Co., Ltd. has increased the production capacity and built a supply system for products that taste good, enhancing our product appeal. In addition, Joytech, Inc. strived to reinforce the Group’s service business by developing and supplying equipment, supplies, and sales materials.

As a result, operating income (net sales and operating revenue combined) for the six months ended August 31, 2025 increased to ¥211,011 million (111.3% of that of the same period of the previous fiscal year). In terms of net sales, the Company achieved a significant increase of 106.6% in non-consolidated existing store sales compared with that of the same period of the previous fiscal year, with relative affordability compared with other companies in terms of product prices and continued sales promotion activities that kept customers interested.

The gross profit margin was 26.5%, a decrease of 0.6 points from that of the same period of the previous year, due to the impact of rising product purchase prices and price increases to maintain competitiveness.

As for selling and administrative expenses, the ratio of selling and administrative expense to net sales was 23.9%, a decrease of 0.1 points from that of the same period of the previous year. This was achieved by

implementing expense control in line with net sales while realizing wage increases for employees, resulting in figures in line with the plan.

As for profits at each stage, operating profit was ¥8,884 million (98.3% of that of the same period of the previous fiscal year), ordinary profit was ¥9,019 million (97.6% of that of the same period of the previous fiscal year) and profit attributable to owners of parent was ¥6,144 million (99.6% of that of the same period of the previous fiscal year), resulting in increased income and decreased profits.

The operating results for the six months ended August 31, 2025 are progressing according to our plan. However, there are still some problems to solve in securing profit margin. From September, we will continue to secure high profitability while reviewing the price policies to maintain the competitiveness of the stores.

(2) Explanation of Financial Position

(Assets)

Total assets as of August 31, 2025 were ¥215,705 million, an increase of ¥14,988 million compared with the end of the previous fiscal year.

Current assets were ¥45,532 million, an increase of ¥5,515 million compared with the end of the previous fiscal year, due mainly to an increase of ¥3,637 million in cash and deposits.

Non-current assets were ¥170,173 million, an increase of ¥9,473 million compared with the end of the previous fiscal year, due mainly to increases of ¥5,637 million in construction in progress under “Other, net” and ¥2,255 million in buildings and structures, net.

(Liabilities)

Liabilities were ¥101,024 million, an increase of ¥10,226 million compared with the end of the previous fiscal year.

Current liabilities were ¥55,853 million, an increase of ¥6,648 million compared with the end of the previous fiscal year, due mainly to an increase of ¥3,008 million in accounts payable - trade.

Non-current liabilities were ¥45,171 million, an increase of ¥3,578 million compared with the end of the previous fiscal year, due mainly to an increase of ¥2,390 million in long-term borrowings.

(Net assets)

Net assets were ¥114,681 million, an increase of ¥4,761 million compared with the end of the previous fiscal year, due mainly to an increase of ¥4,850 million in retained earnings.

(3) Explanation of Consolidated Financial Results Forecast and Other Forward-looking Statements

The Company has decided not to revise the financial results forecast for the fiscal year ending February 28, 2026 announced on April 10, 2025, as the Company’s operating results for the six months ended August 31, 2025, continued from the first quarter of the current fiscal year, has been progressing according to the initial plan. Going forward, the Company will disclose any events that could significantly impact its business performance as soon as they occur.

2. Semi-annual Consolidated Financial Statements and Principal Notes

(1) Semi-annual Consolidated Balance Sheets

(Million yen)

	As of February 28, 2025	As of August 31, 2025
Assets		
Current assets		
Cash and deposits	17,833	21,470
Accounts receivable - trade	5,304	7,530
Merchandise and finished goods	10,889	10,826
Raw materials and supplies	452	496
Other	5,537	5,209
Total current assets	40,017	45,532
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	78,725	80,980
Land	46,706	47,957
Other, net	12,775	18,661
Total property, plant and equipment	138,207	147,599
Intangible assets	2,367	2,303
Investments and other assets		
Retirement benefit asset	135	136
Deferred tax assets	2,939	3,141
Guarantee deposits	10,849	11,021
Other	6,206	5,975
Allowance for doubtful accounts	(5)	(5)
Total investments and other assets	20,124	20,269
Total non-current assets	160,699	170,173
Total assets	200,717	215,705

(Million yen)

	As of February 28, 2025	As of August 31, 2025
Liabilities		
Current liabilities		
Accounts payable - trade	25,109	28,117
Current portion of bonds payable	214	428
Current portion of long-term borrowings	7,931	9,777
Lease liabilities	74	82
Income taxes payable	3,106	3,397
Contract liabilities	2,374	2,551
Provision for bonuses	1,462	1,741
Provision for bonuses for directors (and other officers)	92	45
Other	8,839	9,711
Total current liabilities	49,205	55,853
Non-current liabilities		
Bonds payable	1,928	1,500
Long-term borrowings	26,520	28,910
Lease liabilities	98	70
Provision for share awards for directors (and other officers)	95	113
Guarantee deposited	5,511	6,809
Asset retirement obligations	6,890	7,032
Deferred tax liabilities	—	14
Other	547	718
Total non-current liabilities	41,592	45,171
Total liabilities	90,797	101,024
Net assets		
Shareholders' equity		
Share capital	3,912	3,912
Capital surplus	4,102	4,102
Retained earnings	101,950	106,801
Treasury shares	(114)	(221)
Total shareholders' equity	109,851	114,595
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	38	50
Remeasurements of defined benefit plans	30	36
Total accumulated other comprehensive income	69	86
Total net assets	109,920	114,681
Total liabilities and net assets	200,717	215,705

(2) Semi-annual Consolidated Statements of Income and Comprehensive Income

Semi-annual Consolidated Statements of Income

Six months ended August 31, 2024 and 2025

(Million yen)

	For the six months ended August 31, 2024	For the six months ended August 31, 2025
Net sales	186,522	207,566
Cost of sales	135,914	152,561
Gross profit	50,607	55,005
Operating revenue	3,135	3,445
Operating gross profit	53,743	58,450
Selling, general and administrative expenses	44,708	49,566
Operating profit	9,035	8,884
Non-operating income		
Interest and dividend income	21	39
Administrative service fee income	62	66
Subsidy income	89	27
Other	113	156
Total non-operating income	287	289
Non-operating expenses		
Interest expenses	76	131
Interest expenses on bonds	4	3
Other	0	19
Total non-operating expenses	81	154
Ordinary profit	9,241	9,019
Extraordinary income		
Gain on sale of non-current assets	0	0
Total extraordinary income	0	0
Extraordinary losses		
Loss on sale of non-current assets	0	—
Loss on retirement of non-current assets	103	76
Provision for loss on store closings	16	—
Total extraordinary losses	120	76
Profit before income taxes	9,121	8,942
Income taxes - current	3,117	3,009
Income taxes - deferred	(166)	(211)
Total income taxes	2,950	2,798
Profit	6,170	6,144
Profit attributable to owners of parent	6,170	6,144

Semi-annual Consolidated Statements of Comprehensive Income

Six months ended August 31, 2024 and 2025

(Million yen)

	For the six months ended August 31, 2024	For the six months ended August 31, 2025
Profit	6,170	6,144
Other comprehensive income		
Valuation difference on available-for-sale securities	10	11
Remeasurements of defined benefit plans, net of tax	4	5
Total other comprehensive income	14	17
Comprehensive income	6,185	6,161
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	6,185	6,161
Comprehensive income attributable to non-controlling interests	—	—

(3) Notes to Semi-annual Consolidated Financial Statements

(Notes on going concern assumption)

Not applicable.

(Notes in case of significant changes in shareholders' equity)

Not applicable.

(Notes on changes in accounting policies)

Effective from the beginning of the current interim consolidated fiscal period, the Company has adopted the "Accounting Standard for Income Taxes, Inhabitant Taxes, and Enterprise Taxes" (ASBJ Statement No. 27, issued on October 28, 2022; the "2022 Revised Accounting Standard") and related standards.

With respect to the amendments concerning the classification of income taxes, etc. (taxation related to other comprehensive income), the Company has applied the transitional treatment prescribed in paragraph 20-3 (proviso) of the 2022 Revised Accounting Standard and paragraph 65-2 (2) (proviso) of the "Implementation Guidance on Accounting Standard for Tax Effect Accounting" (ASBJ Guidance No. 28, issued on October 28, 2022; the "2022 Revised Implementation Guidance").

This change in accounting policy had no impact on the interim consolidated financial statements.

In addition, the Company has applied, from the beginning of the current interim consolidated fiscal period, the amendments related to the accounting treatment in consolidated financial statements for gains or losses arising from the sale of shares of subsidiaries among consolidated companies when such gains or losses are deferred for tax purposes, as stipulated in the 2022 Revised Implementation Guidance.

This change in accounting policy has been applied retrospectively, and the interim consolidated financial statements for the previous interim period and the consolidated financial statements for the previous fiscal year have been restated accordingly.

There was no impact on the consolidated financial statements for the previous interim period or the previous fiscal year resulting from this change.

(Notes on segment information, etc.)

[Segment information]

Six months ended August 31, 2024 (March 1, 2024 – August 31, 2024)

Information is omitted as the Group engages only in the retail business comprising a single segment.

Six months ended August 31, 2025 (March 1, 2025 – August 31, 2025)

Information is omitted as the Group engages only in the retail business comprising a single segment.