Consolidated Financial Results for the Three Months Ended May 31, 2026 [Japanese GAAP]

July 10, 2026

Company name: Belc CO., LTD.
Stock exchange listing: Tokyo Stock Exchange
Code number: 9974
URL: https://www.belc.jp
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Scheduled date of commencing dividend payments: －
Availability of supplementary explanatory materials on financial results: Available
Schedule of financial results briefing session: Not scheduled

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

1. Consolidated Financial Results for the Three Months Ended May 31, 2026 (March 1, 2026–May 31, 2026)

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

	Operating income		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Three months ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
May 31, 2026	107,750	3.9	3,302	(15.0)	3,426	(14.1)	2,294	(16.0)
May 31, 2025	103,712	11.0	3,885	4.1	3,991	2.7	2,730	4.5

(Note) Comprehensive income: Three months ended May 31, 2026: ¥2,294 million [(16.0) %]
Three months ended May 31, 2025: ¥2,731 million [3.5 %]

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
May 31, 2026	110.14	–
May 31, 2025	131.02	–

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of May 31, 2026	229,276	121,593	53.0
As of February 28, 2026	221,376	120,592	54.5

(Reference) Equity: As of May 31, 2026: ¥121,593 million
As of February 28, 2026: ¥120,592 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, 2026	–	62.00	–	62.00	124.00
Fiscal year ending February 28, 2027	–				
Fiscal year ending February 28, 2027 (Forecast)		66.00	–	66.00	132.00

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

3. Consolidated Financial Results Forecast for the Fiscal Year Ending February 28, 2027 (March 1, 2026–February 28, 2027)

(% 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	434,500 ~ 454,600	2.6 ~ 7.4	18,000 ~ 19,800	0.6 ~ 10.6	18,200 ~ 20,000	0.2 ~ 10.1	12,500 ~ 13,600	(1.4) ~ 7.2	600.07 ~ 652.88

(Notes) 1. Revision to the financial results forecast announced most recently: None
2. The financial results forecast for the fiscal year ending February 28, 2027 is disclosed in a range format.

*** 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 quarterly 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: None
  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):

May 31, 2026:	20,867,800 shares
February 28, 2026:	20,867,800 shares

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

May 31, 2026:	36,904 shares
February 28, 2026:	36,904 shares

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

Three months ended May 31, 2026:	20,830,896 shares
Three months ended May 31, 2025:	20,841,721 shares

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

* 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 Quarterly Financial Results for the Period under Review (3) Explanation of Consolidated Financial Results Forecast and Other Forward-looking Statements” on page 3.

Table of Contents – Attachments

1. Qualitative Information on Quarterly Financial Results for the Period under Review

(1) Explanation of Operating Results

During the three months ended May 31, 2026, the Japanese economy is expected to continue its gradual recovery due to the improvement in the employment and income environment and the effects of various government policies. However, the outlook remains uncertain due to the possibility that the downturn in overseas economies could put downward pressure on the domestic economy, as well as rising prices, the U.S. policy stance, including trade policy, and the situation in the Middle East.

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.

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 strove to turn non-regular customers into regular customers by increasing customer motivation to visit stores through enhancements to our point card sales promotion measures, improvements to the competitiveness of our flier prices, and an expansion of our proprietary payment service, as well as by continuing to showcase select products and improve our level of customer service.

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 Kawasaki Shimosakunobe Store in Kawasaki City, Kanagawa Prefecture in April 2026 and Ariake Store in Koto-ku, Tokyo in May. In addition, we renovated one existing store, expanded its deli and convenience food selections, and updated the facilities to provide a more pleasant shopping environment. We closed Green Walk Store in Hachioji City, Tokyo in May 2026. As a result, we operate 149 Belc stores and three CLBE stores, total of 152 stores as of May 31, 2026.

As for our logistics system, through large-scale batch procurement of products from production sites and manufacturers and improving 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. sought to strengthen its product supply system and provide value-added products through the operation of the newly launched Home Delica No.3 Plant. 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 three months ended May 31, 2026 increased to ¥107,750 million (103.9% of that of the same period of the previous fiscal year). In terms of net sales, while the Company achieved relative affordability compared with other companies in terms of product prices, non-consolidated existing store sales were 100.1% of that of the same period of the previous fiscal year, reflecting the impact of competing stores and a year-on-year decrease in rice sales.

The gross profit margin was 25.8%, an increase of 0.1 points from that of the same period of the previous fiscal year. Despite the impact of rising product purchase prices and price increases to maintain competitiveness, the figure was at a level comparable to that of the same period of the previous fiscal year.

As for selling and administrative expenses, the ratio of selling and administrative expense to net sales was 24.3%, an increase of 0.7 points from that of the same period of the previous fiscal year. By implementing expense control while realizing wage increases for employees, figures were in line with the plan. However, due to net sales falling short of the plan, the ratio of selling and administrative expense to net sales exceeded the previous-year level.

As for profits at each stage, operating profit was ¥3,302 million (85.0% of that of the same period of the previous fiscal year), ordinary profit was ¥3,426 million (85.9% of that of the same period of the previous fiscal year) and profit attributable to owners of parent was ¥2,294 million (84.0% of that of the same period of the previous fiscal year), resulting in increased income and decreased profits.

(2) Explanation of Financial Position

(Assets)

Total assets as of May 31, 2026 were ¥229,276 million, an increase of ¥7,900 million compared with the end of the previous fiscal year.

Current assets were ¥49,992 million, an increase of ¥5,424 million compared with the end of the previous fiscal year, due mainly to an increase of ¥5,323 million in cash and deposits.

Non-current assets were ¥179,284 million, an increase of ¥2,476 million compared with the end of the previous fiscal year, due mainly to increases of ¥1,331 million in buildings and structures and ¥1,289 million in land.

(Liabilities)

Liabilities were ¥107,683 million, an increase of ¥6,899 million compared with the end of the previous fiscal year.

Current liabilities were ¥58,095 million, an increase of ¥4,833 million compared with the end of the previous fiscal year, due mainly to increases of ¥2,965 million in accounts payable - trade and ¥1,280 million in current portion of long-term borrowings.

Non-current liabilities were ¥49,587 million, an increase of ¥2,066 million compared with the end of the previous fiscal year, due mainly to an increase of ¥2,134 million in long-term borrowings.

(Net assets)

Net assets were ¥121,593 million, an increase of ¥1,000 million compared with the end of the previous fiscal year, due mainly to an increase of ¥1,000 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, 2027 announced on April 10, 2026. Going forward, the Company will disclose any events that could significantly impact its business performance as soon as they occur.

2. Quarterly Consolidated Financial Statements and Principal Notes

(1) Quarterly Consolidated Balance Sheets

(Million yen)

	As of February 28, 2026	As of May 31, 2026
Assets		
Current assets		
Cash and deposits	19,847	25,171
Accounts receivable - trade	5,725	7,995
Merchandise and finished goods	12,226	11,771
Raw materials and supplies	699	702
Other	6,068	4,351
Total current assets	44,567	49,992
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	88,816	90,147
Land	48,601	49,891
Other, net	15,056	14,646
Total property, plant and equipment	152,474	154,685
Intangible assets	2,193	2,132
Investments and other assets		
Retirement benefit asset	1,028	1,042
Deferred tax assets	3,179	3,503
Guarantee deposits	11,304	11,333
Other	6,633	6,591
Allowance for doubtful accounts	(5)	(5)
Total investments and other assets	22,140	22,466
Total non-current assets	176,808	179,284
Total assets	221,376	229,276

(Million yen)

	As of February 28, 2026	As of May 31, 2026
Liabilities		
Current liabilities		
Accounts payable - trade	25,394	28,359
Short-term borrowings	200	200
Current portion of bonds payable	428	428
Current portion of long-term borrowings	10,152	11,432
Lease liabilities	86	85
Income taxes payable	3,149	1,611
Contract liabilities	3,696	3,219
Provision for bonuses	1,625	2,775
Provision for bonuses for directors (and other officers)	92	22
Other	8,437	9,959
Total current liabilities	53,262	58,095
Non-current liabilities		
Bonds payable	1,285	1,285
Long-term borrowings	31,508	33,643
Lease liabilities	37	17
Provision for share awards for directors (and other officers)	131	140
Guarantee deposited	6,721	6,585
Asset retirement obligations	7,120	7,215
Deferred tax liabilities	14	14
Other	698	682
Total non-current liabilities	47,520	49,587
Total liabilities	100,783	107,683
Net assets		
Shareholders' equity		
Share capital	3,912	3,912
Capital surplus	4,102	4,102
Retained earnings	112,044	113,044
Treasury shares	(221)	(221)
Total shareholders' equity	119,838	120,838
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	106	120
Remeasurements of defined benefit plans	647	634
Total accumulated other comprehensive income	754	754
Total net assets	120,592	121,593
Total liabilities and net assets	221,376	229,276

(2) Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statements of Income

Three months ended May 31, 2025 and 2026

(Million yen)

	For the three months ended May 31, 2025	For the three months ended May 31, 2026
Net sales	102,032	105,980
Cost of sales	75,795	78,667
Gross profit	26,237	27,313
Operating revenue	1,679	1,769
Operating gross profit	27,917	29,083
Selling, general and administrative expenses	24,032	25,781
Operating profit	3,885	3,302
Non-operating income		
Interest and dividend income	14	19
Administrative service fee income	47	50
Subsidy income	27	43
Other	80	121
Total non-operating income	169	234
Non-operating expenses		
Interest expenses	54	108
Interest expenses on bonds	1	1
Other	7	0
Total non-operating expenses	64	110
Ordinary profit	3,991	3,426
Extraordinary income		
Gain on sale of non-current assets	0	5
Total extraordinary income	0	5
Extraordinary losses		
Loss on retirement of non-current assets	20	22
Total extraordinary losses	20	22
Profit before income taxes	3,970	3,409
Income taxes - current	1,571	1,439
Income taxes - deferred	(331)	(324)
Total income taxes	1,239	1,114
Profit	2,730	2,294
Profit attributable to owners of parent	2,730	2,294

Quarterly Consolidated Statements of Comprehensive Income

Three months ended May 31, 2025 and 2026

(Million yen)

	For the three months ended May 31, 2025	For the three months ended May 31, 2026
Profit	2,730	2,294
Other comprehensive income		
Valuation difference on available-for-sale securities	(1)	13
Remeasurements of defined benefit plans, net of tax	2	(13)
Total other comprehensive income	1	0
Comprehensive income	2,731	2,294
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,731	2,294
Comprehensive income attributable to non-controlling interests	–	–

(3) Notes to Quarterly Consolidated Financial Statements

(Notes on going concern assumption)

Not applicable.

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

Not applicable.

(Notes on segment information, etc.)

[Segment information]

Three months ended May 31, 2025 (March 1, 2025 – May 31, 2025)

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

Three months ended May 31, 2026 (March 1, 2026 – May 31, 2026)

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

(Notes to Statements of Cash Flows)

Quarterly Consolidated Statements of Cash Flows for the three months ended May 31, 2026 has not been prepared. Depreciation (including amortization related to intangible assets) for the three months ended May 31, 2025 and May 31, 2026 is as follows.

	For the three months ended May 31, 2025	For the three months ended May 31, 2026
Depreciation	1,959 million yen	2,218 million yen