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## Consolidated Financial Results for the Fiscal Year Ended March 31, 2026 (Under Japanese GAAP)

April 28, 2026

Company name: KOMERI CO., LTD.  
 Listing: Tokyo Stock Exchange  
 Securities code: 8218  
 URL: <https://www.komeri.bit.or.jp>  
 Representative: President and CEO Yuichiro Sasage  
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 Telephone: +81-25-371-4111  
 Scheduled date of ordinary general meeting of shareholders: June 25, 2026  
 Scheduled date to commence dividend payments: June 26, 2026  
 Scheduled date to file annual securities report: June 24, 2026  
 Preparation of supplementary material on financial results: Yes  
 Holding of financial results briefing: Yes (for institutional investors and analysts)

(Yen amounts are rounded down to millions, unless otherwise noted.)

### 1. Consolidated financial results for the fiscal year ended March 31, 2026 (from April 1, 2025 to March 31, 2026)

#### (1) Consolidated operating results

(Percentages indicate year-on-year changes)

	Operating revenue		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended March 31, 2026	385,384	1.6	23,055	2.9	23,395	5.2	14,645	6.7
Fiscal year ended March 31, 2025	379,192	2.3	22,396	1.4	22,248	0.2	13,719	0.1

Note: Comprehensive income For the fiscal year ended March 31, 2026: ¥14,900 million [4.0%]  
 For the fiscal year ended March 31, 2025: ¥14,330 million [4.4%]

	Basic earnings per share	Diluted earnings per share	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to operating revenue
	Yen	Yen	%	%	%
Fiscal year ended March 31, 2026	309.72	—	5.8	6.0	6.0
Fiscal year ended March 31, 2025	289.12	—	5.7	5.9	5.9

Reference: Share of profit (loss) of entities accounted for using equity method  
 For the fiscal year ended March 31, 2026: ¥ — million  
 For the fiscal year ended March 31, 2025: ¥ — million

#### (2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2026	394,194	256,979	65.2	5,472.59
As of March 31, 2025	386,661	246,316	63.7	5,193.27

Reference: Equity  
 As of March 31, 2026: ¥256,979 million  
 As of March 31, 2025: ¥246,316 million

#### (3) Consolidated cash flows

	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
Fiscal year ended March 31, 2026	23,825	(18,066)	(9,973)	12,002
Fiscal year ended March 31, 2025	23,120	(18,200)	(5,250)	16,216

## 2. Cash dividends

	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	%	%
Fiscal year ended March 31, 2025	—	27.00	—	27.00	54.00	2,584	18.7	1.1
Fiscal year ended March 31, 2026	—	28.00	—	28.00	56.00	2,663	18.1	1.1
Fiscal year ending March 31, 2027 (Forecast)	—	29.00	—	29.00	58.00		18.2	

## 3. Forecast of consolidated financial results for the year ending March 31, 2027 (from April 1, 2026 to March 31, 2027)

(Percentages indicate year-on-year changes)

	Operating revenue		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 September 30, 2027	209,500	4.1	16,400	6.8	16,350	4.8	11,000	6.2	234.25
Full year	400,800	4.0	24,000	4.1	23,900	2.2	15,000	2.4	319.44

### \* Notes

- (1) Significant changes in the scope of consolidation during the period: None
- (2) 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: None
  - (ii) Changes in accounting policies due to other reasons: None
  - (iii) Changes in accounting estimates: None
  - (iv) Restatement: None

### (3) Number of issued shares (common shares)

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

As of March 31, 2026	53,809,168 shares	As of March 31, 2025	54,409,168 shares
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#### (ii) Number of treasury shares at the end of the period

As of March 31, 2026	6,851,524 shares	As of March 31, 2025	6,979,171 shares
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#### (iii) Average number of shares during the period

Year ended March 31, 2026	47,285,633 shares	Year ended March 31, 2025	47,452,114 shares
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Note: The number of treasury shares to be deducted from the calculation of the number of treasury shares at the end of the period and the average number of shares during the period includes the Company's share held by Custody Bank of Japan, Ltd. (Trust Account E) (305,500 shares as of March 31, 2026 / 433,500 shares as of March 31, 2025).

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

### Non-consolidated financial results for the fiscal year ended March 31, 2026 (from April 1, 2025 to March 31, 2026)

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

(Percentages indicate year-on-year changes)

	Operating revenue		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended March 31, 2026	374,175	1.6	20,169	4.0	20,949	6.4	13,102	7.5
Fiscal year ended March 31, 2025	368,103	2.3	19,402	1.0	19,682	(1.2)	12,192	(1.4)

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Fiscal year ended March 31, 2026	277.10	—
Fiscal year ended March 31, 2025	256.94	—

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

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2026	353,460	218,030	61.7	4,643.14
As of March 31, 2025	348,455	208,987	60.0	4,406.23

Reference: Equity

As of March 31, 2026: ¥218,030 million

As of March 31, 2025: ¥208,987 million

## (1) Overview of operating results for the year ended March 31, 2026

### 1) Operating results for the year ended March 31, 2026

During the year ended March 31, 2026 (from April, 1, 2025 to March 31, 2026), the Japanese economy showed a gradual recovery by improvements in employment and income conditions. On the other hand, energy and raw materials prices remain high, and the economic outlook remains uncertain due to the impact of the situation in the Middle East and fluctuations in financial markets.

In the retail industry, against the backdrop of continuous price increases, consumers' awareness of protecting their livelihoods remains high, and competition across different sectors and business formats is intensifying, and the business environment continues to be severe. In addition, labor costs, logistics costs, and construction costs for store openings are rising, and the labor shortage are becoming serious, requiring more productive store operation. Under these circumstances, the Group has been implementing various initiatives.

The contents of main operating results for the Year ended March 31, 2026 are as follows.

	Operating revenue	Operating profit	Ordinary profit	Profit attributable to owners of parent
Fiscal year ending March 31, 2026	385,384	23,055	23,395	14,645
Year-on-year comparison	101.6%	102.9%	105.2%	106.7%

(Millions of yen)

### 2) Operating results by major product category

The sales situation and main Increase/Decrease factors by Product category for the Year ended March 31, 2026 are as follows.

Product category	Net sales (Millions of yen)	Year-on-year comparison (%)	The main Increase/Decrease factors
Tools, hardware and working supplies	69,840	101.8	- Sales of professional supplies such as work clothing and electrical materials remained steady. - Fan-equipped clothing was doing well due to the mandatory heat stroke prevention measures from June. - In March, sales of thinners for paints remained strong, mainly for construction companies.
Remodeling and exterior materials	55,705	100.9	- “Jukyuban Installation” services such as toilet and washbasin replacement work were steady. - Sales amount decreased due to a decline in market unit price of plywood, etc.
Gardening, agriculture, and pet supplies	116,313	103.3	- Sales of weed control sheets and animal control products including bear-proof supplies were steady. - Sales of cold storage for brown rice, etc. remained strong.
Commodities, home appliances, car supplies, and leisure goods	75,523	101.4	- Sales of car supplies and outdoor gear, which are strengthening the development of private brand, remained strong. - Demand for rice increased due to a shortage of rice in the previous year, and sales of brown rice remained strong.
Interior goods, household goods, and office supplies	33,704	98.8	- Sales of durable consumer goods such as carpets remained weak. - Sales of related cooking supplies recovered in reaction in the previous year's poor plum harvest.
Fuel, etc.	14,998	97.3	- In April and May, sales increased due to large temperature fluctuations, but sales during the winter period declined because of the warm winter.
Other	14,829	105.2	-

Home center business total	380,916	101.7	-
Other business	4,468	96.3	-
Total operating revenue	385,384	101.6	-

(Note) The respective contents by each product are as follows.

Tools, hardware and working supplies	Tools, building construction hardware, paint, repair goods, work clothing, etc.
Remodeling and exterior materials	Building materials, plumbing materials, lumber, housing equipment, exterior goods, etc.
Gardening, agriculture, and pet supplies	Gardening goods, fertilizers and agrochemicals, agricultural materials, plants, pet supplies, etc.
Commodities, home appliances, car supplies, and leisure goods	Daily consumables, health and beauty care, home appliances, car, leisure and cycle goods, foods, etc.
Interior goods, household goods, and office supplies	Interior furnishings, furniture and storage containers, cleaning supplies, kitchen goods, stationery, etc.

### 3) Results of Initiatives for Priority Measures

#### ■ Opening stores

The Company establish regional dominant areas by opening stores using the “fleet method” in Komeri Power (Power), Komeri PRO (PRO) and Komeri Hard & Green (H&G) according to the location and trading area with the aim of increasing our share of sales.

The company opened 22 stores in the fiscal year ended March 31, 2026. Store closures, including format changes and relocations with expansion, totaled 16 stores. Total sales floor area is 101.8% from the end of the previous year-end.

	Total	Power	PRO	H&G	Athena
Opening stores	22	6	5	11	0
Closed	16	0	0	14	2
Number of stores	1,234	120	24	1,088	2

(Note) Number of “Opening stores” and “Closed” are including the change of store format and relocation.

#### ■ Logistics

- HOKUSEI SANGYO Co., Ltd., a consolidated subsidiary of the Group, is responsible for logistics with the aim of strengthening product competitiveness and lowering the cost of store operations, utilizing the entire supply chain from manufacturing to sales.
- In February 2026, the existing Kansai logistics center was relocated and expanded to begin operation "(New) Komeri Kansai logistics center". The center is one of the largest ever of the Group's 12 logistics centers. Through the introduction of a new system to labor-saving and labor-saving measures, the Group aims to implement further low-cost operations.
- We have introduced intermodal palletization for international transportation when importing our private brand (PB) products. We have improved not only loading and handling work efficiency but also reduced the use and disposal of wooden pallets.
- In order to realize modernization of logistics in the lagging sectors, the Company has established "Logistics Management Department" in June 2023 for the purpose of building an ideal logistic. The "Chief Logistics Officer" based on the revised the Logistics Efficiency Act, we have elected Executive Officer in charge of the Logistics Management Department.

#### ■ Development of Private Brand products

- In the development of PB products, the Group utilizes over 1,200 standardized stores, 12 logistics centers in Japan, and overseas centers to source and purchase products. Produce products from the world's best sources, and realize “Development of products that protect and enhancing lifestyles”.
- Sales of the car supplies brand "CRUZARD" and the outdoor gears brand "Natural Season" remained strong due to the implementation of priority sales involving branding commercials and social media.
- The sales composition ratio of PB products was 48.7% (up 0.4 points year-on-year).

### ■ Remodeling Business

- Our remodeling business has established a reception system for over 1,200 stores nationwide. The sales in remodeling business were 108.1% year-on-year.
- "Jukyuban Installation," which performs installation and replacement of housing equipment and others that can be accepted at Komeri stores nationwide, and "Jukyuban Services," which include termite and pest extermination and care of garden trees. Their combined sales were steady at 111.5% year-on-year.
- In order to acquire more specialized knowledge, 86.6% of all store employees (up 5.3 points year-on-year) have obtained the Reform Meister Level 2, and we strive to further strengthen our system to resolve customers' problems nationwide.

### ■ E-commerce Business

- Utilizing the Group's network of over 1,200 stores and system environment, we are striving to implement a system that enables mutual customers referral between online and real store.
- We are promoting our BOPIS (Buy online pick-up in the store) service that enables customers to receive products ordered on the e-commerce site "KOMERI.COM" at stores near them, without paying shipping costs. In-store pick-up rate of customers who order online is over 80%.
- Sales of e-commerce business remained strong to 112.8% year-on-year.

### ■ Promoting customer retention by our own-brand card

- We are issuing six types of own-brand card to address the diverse payment needs of individuals, agricultural businesses, sole proprietors, corporate companies, and public organizations.
- The Company have introduced the FSP (Frequent Shoppers Program), a measure that gives preferential points based on customers' annual shopping amount. With the introduction of a platinum rank in October 2025, the point multiplier can now reach up to 10.

### ■ DX initiatives

- The Company strives to maximize benefits to our customers by promoting further low-cost operations. As a part of these measures, we are working to reduce the waiting time for customers at the cash register and improve customer service time for employees by introducing self-checkout systems and encouraging cashless payments. Self-checkout registers have been installed in 167 stores (average of 5.6 registers per store), mainly in large stores.
- We are promoting the introduction of cleaning robots as a part of our efforts to reduce labor and manpower in store operations. They have been introduced in 26 stores, mainly of large stores, contributing to the reduction store workload.
- In order to meet the needs for diversification of payment methods, we have been introduced various code payment services since June 2025, in addition to the smartphone payment service "KOKKO Pay," which links Komeri Card and the app.

### ■ Initiatives in the agriculture sector

- The Company started collaboration with JA Yamanashi mirai in June 2025, with JA. Ooigawa in February 2026, and with JA Akita-Obako in March 2026. The reason why we are able to collaborate with JA is because we have the largest number of stores in the industry, allowing us serve as a receptacle for JA supply stores.
- As of the end of March 2026, we have established a cooperative relationship with 8 JA stores (JA Akita-Obako, JA Yamagata Okitama, JA Yamanashi mirai, JA KAMIINA, JA OOIGAWA, JA Ise, JA Taki-gun, and JA Wakayama Kinosato Regional Headquarters), and the number of our stores that handle JA products has reached 47 stores. Through this collaboration, each JA has improved its profitability, agricultural workers have increased convenience, and our company has seen an increase in customers, resulting in "a win-win-win situation" initiatives .
- Currently, we will continue discussions with JA Okinawa, JA KITABIWAKO, and JA HYOGOROKKO to start collaboration, and we will continue to further expand our "a win-win-win situation" initiatives.

#### 4) Outlook for the year ending March 31, 2027

Consolidated financial results for the fiscal year ending March 31, 2027 are expected to be as follows.

	(Millions of yen)			
	Operating revenue	Operating profit	Ordinary profit	Profit attributable to owners of parent
Fiscal year ended March 31, 2027	400,800	24,000	23,900	15,000
Year-on-year comparison	104.0%	104.1%	102.2%	102.4%

As for new store openings, the Group plans to open a total of 42 stores, such as 8 Power stores, 8 PRO stores, and 26 H&G stores. We will strive to further increase store openings.

As for renovation of existing stores, we plan to renovate more than 10% the total sales floor area, in order to continue to meet changes in customers' needs.

#### (2) Overview of financial position for the year ended March 31, 2026

##### 1) Assets, liabilities and net assets

Total assets at the end of the fiscal year under review increased by 7,532 million yen from the previous end of the fiscal year to 394,194 million yen. Mainly, Cash and deposits decreased by 4,212 million yen. On the other hand, notes and accounts receivable - trade and contract assets increased by 3,023 million yen, merchandise and finished goods increased by 2,285 million yen, and property, plant and equipment of 4,871 million yen.

Liabilities decreased by 3,130 million yen from the previous fiscal year-end to 137,214 million yen. Mainly, Electronically recorded obligations - operating decreased by 4,608 million yen. Short-term borrowings decreased by 3,000 million yen. On the other hand, Notes and accounts payable - trade increased by 2,225 million yen and Accounts payable - other increased by 1,761 million yen.

Net assets increased by 10,663 million yen from the previous end of the fiscal year to 256,979 million yen. This was mainly due to a decrease of 1,957 million yen due to the purchase of treasury stock and 2,632 million yen due to dividends on surplus, but this was due to an increase in retained earnings due to the recording of profit attributable to owners of parent of 14,645 million yen.

##### 2) Consolidated cash flows

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026	Increase (decrease)
Net cash provided by operating activities	23,120	23,825	705
Net cash used in investing activities	(18,200)	(18,066)	133
Net cash used in financing activities	(5,250)	(9,973)	(4,722)
Increase (decrease) in cash and cash equivalents	(330)	(4,213)	(3,883)
Cash and cash equivalents at end of period	16,216	12,002	(4,213)

Cash and cash equivalents ("cash") at the end of the fiscal year under review totaled 12,002 million yen. Factors affecting cash flows include the following:

(Net cash provided by operating activities)

Net cash provided by operating activities increased by 3.1% from the previous fiscal year to 23,825 million yen. The main sources of cash provided were profit before income taxes of 21,823 million yen in addition to depreciation of 13,334 million yen. The main reasons for cash usage were income taxes paid of 6,990 million yen, an increase in trade receivables of 3,023 million yen, and a decrease in trade payables of 2,382 million yen.

( Net cash used in investing activities )

Net cash used in investing activities decreased 0.7% from the previous fiscal year to 18,066 million yen. The main reason

for cash usage was purchase of property, plant and equipment.

( Net cash used in financing activities )

Net cash used in financing activities increased 89.9% from the previous fiscal year to 9,973 million yen. The main source of cash provided was proceeds from long-term borrowings of 6,000 million yen. The main reason for cash usage were a net decrease in short-term borrowings of 3,000 million yen, repayments of long-term borrowings of 6,302 million yen, purchase of treasury shares of 1,957 million yen, and dividend payments of 2,632 million yen.

( Trends in cash flow indices )

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Equity-to-asset ratio (%)	63.4	63.7	65.2
Equity ratio based on market prices (%)	44.4	36.3	41.7
Interest-bearing debt to cash flows ratio (years)	1.5	1.5	1.3
Interest coverage ratio (times)	410.8	208.3	133.8

(Notes) 1. The calculation formulas are as follows:

Equity ratio: shareholders' equity/total assets

Equity ratio based on market prices: market capitalization/total assets

Interest-bearing debt to cash flows ratio: interest-bearing debt/operating cash flow

Interest coverage ratio: operating cash flow/interest payments

2. Each of the foregoing indices is calculated on the basis of consolidated financial data.

3. "Market capitalization" is calculated by multiplying the share price on the final day of the fiscal year by the number of issued shares on the same day (excluding treasury shares).

4. For "operating cash flow," we use the figure of "Net cash provided by (used in) operating activities" in the consolidated statement of cash flows.

5. Interest-bearing liabilities" refers to all liabilities on the consolidated balance sheet on which interest payments are made. For "interest payments," we use the figure of "interest expense" in the consolidated statement of cash flows.

In addition, 390 million yen the borrowings from financial institutions in trust accounts associated with the introduction of Stock Benefit Trust (Employee Stock Ownership Plan Appropriation Type) included in Long-term borrowings is excluded from interest-bearing liabilities.

### (3) Basic policy on distribution of profits and dividends for the fiscal year under review and the next fiscal year

The Group believes that the logistics of distribution in the materials and building materials, and gardening and agricultural materials markets will contribute to the enhancement of corporate value over the medium to long term and an increase in shareholder returns. Regarding profit distribution, while securing internal reserves for future business plans and investments in our growth foundation to enhance corporate value, our basic policy is to implement stable and continuous dividends. Specifically, we have adopted a progressive dividend policy, maintaining or increasing dividend in accordance with business performance.

Internal reserves will be used for investments in growth base to further strengthen the management base. Such investments include new store openings and renovations of existing stores, new and expanded logistics centers, development of the system environment in line with the expansion of the remodeling and e-commerce businesses, development of the training environment for human resource development, and investments to promote digital transformation (DX) aimed at simultaneous pursuit of increase in customer convenience and improvement in operational productivity of employees. Through such investments, we will enhance our sustainable growth and medium- to long-term corporate value.

We will pay a year-end dividend of 28 yen per share, as announced on April 22, 2025. As a result, the annual dividend will be 56 yen per shares including an interim dividend of 28 yen.

For the year ending March 31, 2027, we plan to pay an annual dividend of 58 yen per share, consisting of an interim dividend of 29 yen per share and a year-end dividend of 29 yen per share.

#### **(4) Issues to address**

The Group aims to contribute to society through the modernization of logistics in the lagging sectors such as materials, building materials, hardware and tools, and gardening and agricultural supplies, where the old distribution style remains. We believe that promoting the Group's business through the procurement of raw materials, manufacturing, production, distribution, sales, and consumption processes will contribute to the resolution of various social sustainability issues, and leads to the realization of a sustainable society, sustainable growth, and medium to long term improvement of corporate value.

##### **1) Expansion of store openings**

The Company aims to open over 3,000 stores in Japan by opening stores using the “fleet method” combining various formats, such as Power, PRO, and Hard & Green.

We believe that opening stores with high productivity through the “fleet method” will lead to securing a competitive advantage through the formation of dominant areas and increasing our share of sales within the trading area.

##### **2) Strengthen product capabilities and expand various services**

- The Group will leverage the benefits of mass marketing and strengthen its product appeal by utilizing over 1,200 standardized physical stores, 12 distribution centers in Japan, and overseas procurement bases.
- The Group will promote the development of products that "Protecting and enhancing our customers' daily lives" and provide products that embody the latent needs of our customers at affordable prices.
- Through cultivate and further strengthen our category brands that can be purchased only at the Company, we will differentiate ourselves from other companies and improve the competitive advantage of private brand products.
- The Company will expand its services centered on remodeling and “Jukyuban,” which are based on a reception system at all stores, and will provide a proposal-type service that responds to the needs for improving the living environment that have emerged as a result of changes in the social environment and other factors.
- The Group operates KOMERI.COM, Ltd., an e-commerce site. Leveraging the strengths of our infrastructure of over 1,200 stores, we will strive to improve customer convenience and reduce the social costs associated with delivery by integrating stores and the Internet, such as BOPIS (Buy online pickup in store) and last-mile distribution (expansion of areas covered by Kokko-bin).
- The Company will work together with KOMERI CAPITAL Co., Ltd., a consolidated subsidiary, to expand the number of cardholders, mainly for Komeri Card. We believe that the providing cards that support a variety of payment methods such as corporations, construction companies, and agricultural workers, as well as individuals, will lead to improved convenience for customers. In addition, we believe that points incentives to cardholders, such as the FSP, and sales promotion activities for individuals can differentiate the Group from other companies under declining population, improve the frequency of store visits and the number of items purchased.

##### **3) Expansion of logistics functions**

- The Company will work together with HOKUSEI SANGYO Co., Ltd., a consolidated subsidiary, to take the advantages of mass production through store infrastructure and distribution centers to produce the entire supply chain from production to sales and modernize distribution.
- The Group will expand 12 logistics centers in Japan, bringing logistics in-house, improving the efficiency, and lowering the cost of store operations.
- We will continue to address the 2024 Problem in Logistics and strive to improve productivity throughout the supply chain.

##### **4) Initiative to capture professional demand in the materials and building materials area and the agricultural sector**

- We will promote the opening of Power and PRO stores to help improve convenience for construction companies and others, and reduce social costs related to procurement of materials and building materials.
- We will support the industrialization of Japanese agriculture through initiatives that contribute to the promotion of agriculture and regional promotion. In addition, the Company will build a new sustainable agricultural support model, including collaboration with JAs in various regions, and reduce social costs related to food production.

## **5) Expansion of investments in human capital and DX**

- Based on Komeri's management philosophy that "people are the most important pillar of a business", we will invest in human capital based on an educational curriculum centered on "Kenwa-juku" (internal training institute) and strive to secure and develop human resources, who are an important management resource.
- We will respect the human rights of our employees, and create a working environment where diverse human resources, regardless of gender, nationality, age, can demonstrate their abilities and play an active role.
- Through the expansion of DX investment, together with the consolidated subsidiary BIT-A Co., Ltd., the Company aims to further advance the operations flow and organization at stores and the Store Support Center (head office), and increase business productivity and enhance our ability to make proposals to customers, thereby further increasing sales at existing stores and establish a highly profitable structure by improving productivity and enhancing the ability to make proposals to customers.

## **6) Further strengthening corporate governance**

- We will strengthen the auditing functions of the Board of Directors, accelerate decision-making, and strengthen our corporate governance system as a Company with Audit and Supervisory Committee.
- We will strive for information disclosures in a timely and appropriate manner and English disclosures, and to engage in constructive dialogue with our stakeholders for the purpose of realizing sustainable growth of the Group and increasing corporate value over the medium to long term.
- In our efforts to improve corporate value over the medium to long term, we will make various investment decisions, taking into consideration the cost of shareholders' equity calculated based on the CAPM (Capital Asset Pricing Model) and stock market expectation levels.

## **7) Responding to sustainability**

- We will work to enhance labor-saving and streamlining in all processes from merchandise production through sales, including products, store operation and logistics, and we will make efforts to solve environmental and social issues.
- We aim to develop businesses that are responsive to change by identifying future risks and business opportunities due to climate change, and we will work to realize a decarbonized society.

## **(5) Explanation of sustainability initiatives**

Major sustainability initiatives during the fiscal year ended March 31,2026 are as follows.

### **(1) Responding to the supply chain**

Through the following initiatives, we will continue to build a sustainable supply chain by utilizing 12 logistics centers in Japan and 6 consolidated bases overseas, and we will continue to coordinate everything from manufacturing to sales.

- We strive to ensure sustainable logistics, such as improving the leveling and efficiency of loading and delivery operations.
- The group has established a system to circulate resin rental pallets in international transportation. This system reduces the amount of wooden one-way pallets used and discarded, reducing environmental burden.
- As a business policy with business partners, we have published "Promises in doing business" and "Approach to human rights in business".
- We will also strive to hold appropriate price discussions with business partners.

### **2) Develop environmentally friendly products**

- We promote the development of PB products that use PEFC certified materials, recycled paper, etc.
- We work to reduce plastic packages and waste.
- Our "Eco-creo pile" was awarded the Wood Design Award Encouragement Award. It is highly evaluated for the use of knotted wood that would previously have been discarded, and insect repellent and preservatives that have a low environmental impact.
- As of the end of March 2026, a rapid charging machine for electric vehicles was installed at Power 27 stores to contribute to a decarbonized society.

### 3) Initiatives to reduce CO<sub>2</sub> emissions

- Leveling and efficiency of logistics between logistics centers and stores.
- Change to LED lighting equipment, to Energy-saving air conditioning equipment.
- As of the end of March 2026, we have installed solar power generation equipment at a Total of 27 stores and distribution centers for the purpose of selling electricity, etc. (CO<sub>2</sub> emissions decreased by 6,460 tons a year)

### 4) Promotion of Human capital investment and active participation of diverse human resources

We consider employees to be human capital necessary for sustainable growth and improvement of corporate value in the medium to long term. In addition, since our founding, we continue to build a system to consistently maintain low-cost operation. We consider the growth of our employees to be one of the most important aspects of our company's growth plan, and we will continue to strive to ensure an environment in which employees can work comfortably and maximize educational opportunities as follows.

- Education and training investment 1,880 million yen. (100.5% year-on-year)
- Developing human resources through "Kenwa-juku" and "Meister system".
- Securing diverse human resources (Formulated the "Komeri Group fair recruitment policy" in September 2025).
- Career advancement through a job rotation and "Free Agent (FA) system".
- Creation of a comfortable working environment, such as prevention of harassment and other measures.
- Organizational reform to improve business efficiency and productivity.

### 5) Promotion women's empowerment

As a part of our initiatives to ensure employee diversity, we promote the appointment of women. The results of such initiatives are as follows.

- Ratio of female workers in managerial positions: 22.4%

Number of female store manager (As of the end of March 2026)

Total	Power	PRO	H&G
135	1	0	134

- Ratio of female new hires in April 2026: 31.2%
- Ratio of employees taking childcare leave (including full-time and part-time employees): Female 100.0%, Male 34.1% (We reseeded "Kurumin Certification" in May 2024)
- Promoting part-time employees to leadership roles (H&G assistant store manager: 429 persons, large store group leaders: 521 persons)

### 6) Approach to Customer Harassment

- In order to maintain a working environment in which all employees can work safely, securely, and healthily, the Group will take a firm stance with the police and others against customer complaints and behavior that exceed the scope of social norms and may cause damage to the working environment of employees.
- We have established an employee consultation desk and conduct in-house training on harassment prevention and response.
- We ensure that our employees are instructed not to engage in customer harassment towards our business partners.

### 7) Corporate Governance Initiatives

- As of the end of March 2026, the Board of Directors was composed of 11 (including 5 Outside Director, accounting for 45.4% of Independent Outside Director). In addition, there were 3 female Directors (27.3% of female Directors).
- The Company has established the Nomination and Remuneration Committee with a majority of Independent Outside Directors to ensure fairness, transparency, and objectivity in procedures to determine nomination of and remuneration for Directors and Executive Officers. In the current consolidated fiscal year, this committee was held three times.
- The effectiveness of the Board of Directors Year ended March 31, 2026, was evaluated by the Board of Directors held on May 2025.

## **8) Social Contribution Initiatives**

- The Komeri Green Fund, which is funded by 1% of profits every year, supports the activities of The KOMERI Midori Ikuseizaidan (Public Interest Incorporated Foundation), the KOMERI Disaster Management Center (Non-profit Organization), and The SETSURYOSHA Artistic Cultivation Foundation (Public Interest Incorporated Foundation). Total capital over 36 years totaled 2,684.17 million yen.
- The KOMERI Midori Ikuseizaidan provided a grant to 35 organizations in 24 prefectures in the 36th Komeri Green Fund Public grants. The number of Komeri Green Fund volunteers promoting greening activities at local kindergartens and elementary schools is 379, and the number of Komeri employees who participated in the volunteer work is 388.
- The KOMERI Disaster Management Center has established disaster agreements with local governments and organizations nationwide. In Year ended March 31, 2026, we concluded new agreements with 72 local governments regarding the supply of supplies in the event of a disaster. As of the end of March 2026, the number of local governments and other organizations that have concluded agreements reached 1,223.
- The SETSURYOSHA Artistic Cultivation Foundation has established a new gallery in the Komeri Power Kurosaki store starting in December 2025. Through selling paintings in our store, we will support distribution of works by young artists and contribute to enriching people's homes.

## **2. Basic rationale for selecting the accounting standard**

As the Group is currently engaged in business within Japan, among other reasons, the Company's policy in the immediate term is to prepare its consolidated financial statements on the basis of Japanese GAAP.

The Company intends to examine the application of International Financial Reporting Standards (IFRS) in consideration of such factors as future business development and trends inside and outside Japan.

### 3. Consolidated financial statements

#### (1) Consolidated balance sheets

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
<b>Assets</b>		
Current assets		
Cash and deposits	16,342	12,130
Notes and accounts receivable - trade, and contract assets	29,574	32,598
Merchandise and finished goods	130,116	132,401
Raw materials and supplies	303	294
Prepaid expenses	2,183	1,895
Other	4,101	5,006
Allowance for doubtful accounts	(1,137)	(1,126)
Total current assets	181,484	183,200
Non-current assets		
Property, plant and equipment		
Buildings and structures	279,514	295,462
Accumulated depreciation	(156,652)	(163,649)
Buildings and structures, net	122,862	131,812
Machinery, equipment and vehicles	15,779	17,460
Accumulated depreciation	(13,841)	(14,307)
Machinery, equipment and vehicles, net	1,937	3,153
Land	38,004	37,584
Leased assets	9,978	9,820
Accumulated depreciation	(5,084)	(4,874)
Leased assets, net	4,893	4,945
Construction in progress	8,155	2,937
Other	17,143	18,053
Accumulated depreciation	(14,738)	(15,356)
Other, net	2,404	2,696
Total property, plant and equipment	178,258	183,130
Intangible assets		
Leasehold interests in land	6,055	6,106
Other	3,064	3,335
Total intangible assets	9,120	9,441
Investments and other assets		
Investment securities	1,699	2,198
Long-term prepaid expenses	1,054	1,046
Deferred tax assets	7,162	7,313
Leasehold and guarantee deposits	7,073	7,022
Other	1,612	1,846
Allowance for doubtful accounts	(805)	(1,005)
Total investments and other assets	17,797	18,422
Total non-current assets	205,176	210,994
Total Asset	386,661	394,194

As of March 31, 2025

As of March 31, 2026

Liabilities		
Current liabilities		
Notes and accounts payable - trade	28,979	31,205
Electronically recorded obligations - operating	30,168	25,559
Short-term borrowings	14,500	11,500
Current portion of long-term borrowings	6,302	1,977
Accounts payable - other	8,663	10,424
Accrued expenses	6	34
Lease liabilities	1,811	1,799
Income taxes payable	3,919	4,365
Accrued consumption taxes	1,626	1,471
Contract liabilities	4,727	5,401
Provision for bonuses	1,422	1,324
Provision for bonuses for directors (and other officers)	23	21
Provision for point card certificates	188	176
Provision for loss on disaster	0	3
Notes payable - facilities	390	105
Other	3,009	3,203
<b>Total current liabilities</b>	<b>105,740</b>	<b>98,575</b>
Non-current liabilities		
Long-term borrowings	8,959	12,584
Lease liabilities	3,359	3,382
Provision for retirement benefits for directors (and other officers)	120	120
Provision for share awards for directors (and other officers)	247	254
Retirement benefit liability	5,928	5,996
Long-term guarantee deposits	1,424	1,390
Asset retirement obligations	14,125	14,463
Deferred tax assets	-	52
Other	439	394
<b>Total non-current liabilities</b>	<b>34,604</b>	<b>38,639</b>
<b>Total liabilities</b>	<b>140,345</b>	<b>137,214</b>
Net assets		
Shareholders' equity		
Share capital	18,802	18,802
Capital surplus	25,260	23,670
Retained earnings	219,570	231,582
Treasury shares	(18,328)	(18,342)
<b>Total shareholders' equity</b>	<b>245,304</b>	<b>255,713</b>
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	408	740
Remeasurements of defined benefit plans	603	526
<b>Total accumulated other comprehensive income</b>	<b>1,011</b>	<b>1,266</b>
<b>Total net assets</b>	<b>246,316</b>	<b>256,979</b>
<b>Total liabilities and net assets</b>	<b>386,661</b>	<b>394,194</b>

**(2) Consolidated statements of income and consolidated statements of comprehensive income**  
**(Consolidated statements of income)**

(Millions of yen)

	Fiscal year ended March 31,2025	Fiscal year ended March 31, 2026
Net sales	365,074	370,535
Cost of sales	249,010	252,255
Gross profit	116,064	118,280
Operating revenue	14,117	14,848
Operating gross profit	130,181	133,129
Selling, general and administrative expenses	107,785	110,073
Operating profit	22,396	23,055
Non-operating income		
Interest income	43	76
Dividend income	149	172
Foreign exchange gain	241	67
Hoard profit of prepaid card	109	139
Compensation income	46	134
Other	300	327
Total non-operating income	891	918
Non-operating expenses		
Interest expenses	111	178
Provision of allowance for doubtful accounts	805	200
Compensation loss on eviction	11	60
Other	110	139
Total non-operating expenses	1,038	578
Ordinary profit	22,248	23,395
Extraordinary income		
Insurance claim income	26	60
Total extraordinary income	26	60
Extraordinary losses		
Loss on disposal of non-current assets	322	323
Impairment losses	1,244	1,220
Loss on disaster	73	88
Total extraordinary losses	1,640	1,631
Profit before income taxes	20,634	21,823
Income taxes - current	7,039	7,410
Income taxes - deferred	(124)	(232)
Total income taxes	6,915	7,178
Profit	13,719	14,645
Profit attributable to owners of parent	13,719	14,645

**(Consolidated statements of comprehensive income)**

(Millions of yen)

	Fiscal year ended March 31,2025	Fiscal year ended March 31,2026
Profit	13,719	14,645
Other comprehensive income		
Valuation difference on available-for-sale securities	32	331
Remeasurements of defined benefit plans, net of tax	578	(76)
Total other comprehensive income	611	254
Comprehensive income	14,330	14,900
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	14,330	14,900
Comprehensive income attributable to non-controlling interests	-	-

**(3) Consolidated statements of changes in equity****Fiscal year ended March 31, 2025**

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	18,802	25,260	208,401	(16,616)	235,847
Changes during period					
Dividends of surplus			(2,550)		(2,550)
Profit attributable to owners of parent			13,719		13,719
Disposal of treasury shares		0		337	337
Purchase of treasury shares				(2,049)	(2,049)
Cancellation of treasury shares					
Net changes in items other than shareholders' equity					
Total changes during period	-	0	11,168	(1,711)	9,457
Balance at end of period	18,802	25,260	219,570	(18,328)	245,304

	Accumulated other comprehensive income			Total net assets
	Valuation difference on available-for-sale securities	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of period	376	24	400	236,248
Changes during period				
Dividends of surplus				(2,550)
Profit attributable to owners of parent				13,719
Disposal of treasury shares				337
Purchase of treasury shares				(2,049)
Cancellation of treasury shares				
Net changes in items other than shareholders' equity	32	578	611	611
Total changes during period	32	578	611	10,068
Balance at end of period	408	603	1,011	246,316

Fiscal year ended March 31, 2026

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	18,802	25,260	219,570	(18,328)	245,304
Changes during period					
Dividends of surplus			(2,632)		(2,632)
Profit attributable to owners of parent			14,645		14,645
Disposal of treasury shares		(0)		353	353
Purchase of treasury shares				(1,957)	(1,957)
Cancellation of treasury shares		(1,590)		1,590	-
Net changes in items other than shareholders' equity					
Total changes during period	-	(1,590)	12,012	(13)	10,408
Balance at end of period	18,802	23,670	231,582	(18,342)	255,713

	Accumulated other comprehensive income			Total net assets
	Valuation difference on available-for-sale securities	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of period	408	603	1,011	246,316
Changes during period				
Dividends of surplus				(2,632)
Profit attributable to owners of parent				14,645
Disposal of treasury shares				353
Purchase of treasury shares				(1,957)
Cancellation of treasury shares				-
Net changes in items other than shareholders' equity	331	(76)	254	254
Total changes during period	331	(76)	254	10,663
Balance at end of period	740	526	1,266	256,979

**(4) Consolidated statements of cash flows**

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
<b>Cash flows from operating activities</b>		
Profit before income taxes	20,634	21,823
Depreciation	12,648	13,334
Impairment losses	1,244	1,220
Loss on disaster	73	88
Insurance claim income	(26)	(72)
Increase (decrease) in provision for bonuses	(102)	(97)
Increase (decrease) in retirement benefit liability	89	(41)
Increase (decrease) in allowance for doubtful accounts	890	189
Interest and dividend income	(192)	(248)
Interest expenses	111	178
Loss (gain) on disposal of property, plant and equipment	322	239
Decrease (increase) in trade receivables	(2,146)	(3,023)
Decrease (increase) in inventories	(1,594)	(2,301)
Decrease (increase) in accounts receivable - other	195	(33)
Decrease (increase) in deposits paid	86	(22)
Decrease (increase) in prepaid expenses	(419)	311
Increase (decrease) in trade payables	(1,754)	(2,382)
Increase (decrease) in contract liabilities	317	676
Increase (decrease) in accounts payable - other	(112)	1,585
Increase (decrease) in accrued consumption taxes	484	(155)
Other	(221)	(764)
Subtotal	30,527	30,503
Interest and dividends received	190	246
Interest paid	(112)	(179)
Income taxes paid	(7,034)	(6,990)
Subsidies received	50	216
Proceeds from insurance income	25	81
Payments associated with disaster loss	(527)	(52)
Cash flows from operating activities	23,120	23,825
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(16,635)	(16,359)
Proceeds from sale of property, plant and equipment	32	192
Purchase of intangible assets	(952)	(1,391)
Net decrease (increase) in lease and guarantee deposits	(1)	50
Other	(642)	(558)
Cash flows from investing activities	(18,200)	(18,066)

Fiscal year ended March 31, 2025    Fiscal year ended March 31, 2026

Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	6,000	(3,000)
Proceeds from long-term borrowings	3,000	6,000
Repayments of long-term borrowings	(8,097)	(6,700)
Repayments of lease liabilities	(1,889)	(2,037)
Purchase of treasury shares	(2,049)	(1,957)
Proceeds from disposal of treasury shares	337	353
Dividends paid	(2,551)	(2,632)
Net cash provided by (used in) financing activities	(5,250)	(9,973)
Effect of exchange rate change on cash and cash equivalents	(0)	0
Net increase (decrease) in cash and cash equivalents	(330)	(4,213)
Cash and cash equivalents at beginning of period	16,547	16,216
Cash and cash equivalents at end of period	16,216	12,002

## (5) Notes to consolidated financial statements

(Notes on premise of going concern)

Not applicable..

(Significant subsequent events)

Not applicable..

(Segment information, etc.)

As the reportable segment of the Group is only the Home Center business, the segment information has been omitted.

(Per shares information)

Items	Fiscal year ended March 31, 2025 (April 1,2024 to March 31,2025)	Fiscal year ended March 31, 2026 (April 1,2025 to March 31,2026)
Net assets per share (Yen)	5,193.27	5,472.59
Basic earnings per share (Yen)	289.12	309.72

(Notes) 1. Diluted earnings per share is not stated because there were no potentially dilutive shares.

2. The basis of the calculation of net assets per share is as follows:

	As of March 31, 2025	As of March 31, 2026
Total net assets (Millions of yen)	246,316	256,979
Amounts to be deducted from total net assets (Millions of yen)	—	—
Of the above, share acquisition rights (Millions of yen)	(—)	(—)
Net assets at the end of the period, related to common shares (Millions of yen)	246,316	256,979
Number of common shares at the end of the period used in the calculation of net assets per share (Thousands of shares)	47,429	46,957

(Notes) 3. The Company's share held by Custody Bank of Japan, Ltd. (Trust Account E) as trust assets of Board Benefit Trust (BBT) and Stock Benefit Trust (Employee Stock Ownership Plan Appropriation Type) are included in treasury stock to be deducted from the total number shares issued at the end of the fiscal year based on the calculation of net assets per share (433 thousand shares previous, 305 thousand shares in the fiscal year under review).

In the calculation of net income per share, these shares are included in treasury stock, which is deducted from the average number of shares outstanding during the period (433 thousand shares in the previous fiscal year and 305 thousand shares in the fiscal year under review).

4. The basis of the calculation of diluted earnings per shares is as follows.

	Fiscal year ended March 31, 2025 (April 1,2024 to March 31,2025)	Fiscal year ended March 31, 2026 (April 1,2025 to March 31,2026)
Basic earnings per share		
Profit attributable to owners of parent (Millions of yen)	13,719	14,645
Amount not attributable to common shareholders (Millions of yen)	—	—
Profit attributable to owners of parent pertaining to common shares (Millions of yen)	13,719	14,645
Average number of shares during the period (Thousands of shares)	47,452	47,285

#### 4. Others

##### Change in directors

For "Changes in Officers," please refer to the "Notice Regarding Changes in Directors" announced today (April 28, 2026).