

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended May 31, 2025	-	32.50	-	37.50	70.00
Fiscal year ending May 31, 2026	-	37.50	-		
Fiscal year ending May 31, 2026 (Forecast)				37.50	75.00

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

3. Consolidated Financial Results Forecast for the Fiscal Year Ending May 31, 2026 (June 1, 2025 - May 31, 2026)

(% indicates changes from the previous corresponding period.)

	Net sales		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	1,057,000	4.5	40,500	0.2	43,200	0.1	31,000	0.1	391.13

(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: - (Company name: -))

Excluded: - (Company name: -))

(2) Accounting methods adopted particularly for the preparation of quarterly consolidated financial statements: Yes

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

(i) Changes in accounting policies due to the revision of accounting standards: None

(ii) Changes in accounting policies other than 1) above: None

(iii) Changes in accounting estimates: None

(iv) Retrospective restatement: None

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

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

February 28, 2026:	80,001,600 shares
May 31, 2025:	80,001,600 shares

(ii) Total number of treasury shares at the end of the period:

February 28, 2026:	744,335 shares
May 31, 2025:	744,299 shares

(iii) Average number of shares during the period:

Nine months ended February 28, 2026:	79,257,268 shares
Nine months ended February 28, 2025:	79,257,406 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 forecast and other notes

The statements about future projections contained in this document, including the outlook for financial results, are based on information currently available to the Company and certain assumptions that the Company considers reasonable, and actual financial results etc. may significantly differ from the projections due to various factors. As for matters concerning the financial results forecast, please see “(3) Explanation of Consolidated Financial Results Forecast and Other Forward-looking Information” on page 2 of the attachments.

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1. Qualitative Information on Quarterly Financial Results

(1) Explanation of Operating Results

During the nine months ended February 28, 2026, the Japanese economy experienced increasing uncertainty about future prospects due to domestic and overseas political instability, as well as rising prices driven by the depreciation of the yen. Under these circumstances, consumers have become increasingly budget - conscious.

It was exactly because of these circumstances that the Group pursued even lower cost operations and strived to offer products of high quality at the lowest prices possible. As for the store opening policy, the Group opened new stores one after another, regardless of the temporary decline in profitability caused by our own competition. At the same time, the Group also expanded its store networks in new catchment areas. As a result, the number of newly opened stores stood at 14 in the Kanto region, 13 in the Chubu region, 11 in the Kansai region, 2 in the Chugoku region, 8 in the Shikoku region, and 9 in the Kyushu region, totaling 57. Furthermore, 4 stores were closed due to scrap and build and the expiration of the lease agreement, respectively. As a result, the number of stores at the end of the nine months ended February 28, 2026 became 1,662 in total.

As a result of the above measures, the Group's financial results for the nine months ended February 28, 2026 were net sales of 810,380 million yen (7.7% increase year-on-year), operating profit of 32,021 million yen (1.2% increase year-on-year), ordinary profit of 33,865 million yen (0.3% increase year-on-year), and profit attributable to owners of parent of 22,748 million yen (1.8% increase year-on-year).

Segment information is omitted because the Group is comprised of a single business segment.

(2) Explanation of Financial Position

Total assets as of February 28, 2026 amounted to 546,747 million yen, an increase of 21,992 million yen from the end of the previous fiscal year. This was mainly due to a decrease of 26,157 million yen in cash and deposits and increases of 7,048 million yen in merchandise and 35,060 million yen in property, plant and equipment.

Total liabilities amounted to 272,492 million yen, an increase of 5.2 billion yen from the end of the previous fiscal year. This was mainly due to decreases of 4,128 million yen in long-term borrowings (including current portion of long-term borrowings) and 2,491 million yen in income taxes payable, and an increase of 12,000 million yen in short-term borrowings.

Total net assets amounted to 274,255 million yen, an increase of 16,792 million yen from the end of the previous fiscal year. This was mainly due to an increase of 16,804 million yen in retained earnings resulting from a report of profit attributable to owners of parent.

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

Regarding the consolidated financial results forecast for the fiscal year ending May 31, 2026, there is no change from the consolidated financial results forecast released on July 11, 2025.

2. Quarterly Consolidated Financial Statements

(1) Quarterly Consolidated Balance Sheets

(Millions of yen)

	As of May 31, 2025	As of February 28, 2026
Assets		
Current assets		
Cash and deposits	57,038	30,881
Accounts receivable - trade	761	801
Merchandise	92,031	99,079
Supplies	292	319
Other	15,497	20,125
Total current assets	165,622	151,207
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	250,949	261,436
Land	53,238	64,133
Other, net	26,937	40,616
Total property, plant and equipment	331,125	366,186
Intangible assets	446	826
Investments and other assets		
Leasehold and guarantee deposits	17,038	17,788
Construction assistance fund receivables	4,460	4,533
Other	6,062	6,205
Total investments and other assets	27,561	28,527
Total non-current assets	359,133	395,540
Total assets	524,755	546,747
Liabilities		
Current liabilities		
Accounts payable - trade	177,125	177,933
Short-term borrowings	-	12,000
Current portion of long-term borrowings	5,682	5,382
Income taxes payable	8,060	5,568
Provision for loss on store closings	52	124
Other	29,759	28,430
Total current liabilities	220,680	229,439
Non-current liabilities		
Long-term borrowings	37,202	33,373
Retirement benefit liability	1,953	2,152
Asset retirement obligations	2,206	2,251
Other	5,249	5,275
Total non-current liabilities	46,612	43,052
Total liabilities	267,292	272,492

(Millions of yen)

	As of May 31, 2025	As of February 28, 2026
Net assets		
Shareholders' equity		
Share capital	4,178	4,178
Capital surplus	5,101	5,101
Retained earnings	248,309	265,114
Treasury shares	(227)	(227)
Total shareholders' equity	257,362	274,166
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1	1
Remeasurements of defined benefit plans	99	87
Total accumulated other comprehensive income	101	89
Total net assets	257,463	274,255
Total liabilities and net assets	524,755	546,747

(2) Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statements of Income

Nine-Month Ended February 28, 2025 and Nine Months Ended February 28, 2026

(Millions of yen)

	For the nine months ended February 28, 2025	For the nine months ended February 28, 2026
Net sales	752,268	810,380
Cost of sales	593,060	640,439
Gross profit	159,208	169,941
Selling, general and administrative expenses	127,580	137,919
Operating profit	31,627	32,021
Non-operating income		
Interest income	36	62
Commission income	1,062	672
Rental income from real estate	889	926
Gain on receipt of donated non-current assets	376	365
Other	452	541
Total non-operating income	2,816	2,569
Non-operating expenses		
Interest expenses	145	324
Rental costs on real estate	344	334
Other	182	67
Total non-operating expenses	672	725
Ordinary profit	33,771	33,865
Extraordinary income		
Insurance claim income	8	171
Total extraordinary income	8	171
Extraordinary losses		
Loss on retirement of non-current assets	381	193
Loss on disaster	159	10
Loss on store closings	30	112
Provision for loss on store closings	22	99
Total extraordinary losses	593	415
Profit before income taxes	33,186	33,621
Income taxes	10,842	10,872
Profit	22,343	22,748
Profit attributable to owners of parent	22,343	22,748

Quarterly Consolidated Statements of Comprehensive Income

Nine-Month Ended February 28, 2025 and Nine Months Ended February 28, 2026

(Millions of yen)

	For the nine months ended February 28, 2025	For the nine months ended February 28, 2026
Profit	22,343	22,748
Other comprehensive income		
Valuation difference on available-for-sale securities	(0)	0
Remeasurements of defined benefit plans, net of tax	(7)	(12)
Total other comprehensive income	(7)	(12)
Comprehensive income	22,335	22,736
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	22,335	22,736

(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.

(Accounting methods adopted particularly for the preparation of quarterly consolidated financial statements)

(Calculation of income taxes)

Income taxes for the quarterly consolidated financial statements are calculated by applying a reasonably estimated effective tax rate to quarterly pre - tax income. This effective tax rate is based on the annual pre - tax income after applying tax - effect accounting for the consolidated fiscal year, including the nine - month period ended February 28, 2026.

(Notes on segment information, etc.)

[Segment information]

I. Nine months ended February 28, 2025 (from June 1, 2024 to February 28, 2025)

This information is omitted since the Group operates in a single segment of retail sale of pharmaceuticals and cosmetics, etc.

II. Nine months ended February 28, 2026 (from June 1, 2025 to February 28, 2026)

This information is omitted since the Group operates in a single segment of retail sale of pharmaceuticals and cosmetics, etc.

(Notes on statements of cash flows)

No quarterly consolidated statements of cash flows have been prepared for the nine months ended February 28, 2026. Depreciation (including amortization of intangible assets) for the nine months ended February 28, 2025 and nine months ended February 28, 2026 are as shown below.

	Nine months ended February 28, 2025	Nine months ended February 28, 2026
Depreciation	¥16,216million	¥17,961million

3. Supplementary Information

Sales by product

Product	Nine months ended February 28, 2025		Nine months ended February 28, 2026		(Reference) Fiscal year ended May 31, 2025	
	Amount (Million yen)	Composition (%)	Amount (Million yen)	Composition (%)	Amount (Million yen)	Composition (%)
Pharmaceutical	105,565	14.0	106,085	13.1	140,639	13.9
Cosmetics	69,715	9.3	72,088	8.9	93,107	9.2
Sundry goods	114,679	15.3	115,314	14.2	150,996	14.9
General foods	456,724	60.7	510,640	63.0	619,082	61.2
Others	5,583	0.7	6,250	0.8	7,565	0.8
Total	752,268	100.0	810,380	100.0	1,011,390	100.0

Sales by region

Region	Number of stores as of February 28, 2026		Net sales (Million yen)	Year-on-year (%)
Kanto	192	(13)	81,215	124.5
Chubu	191	(13)	79,638	117.6
Kansai	238	(11)	111,187	106.5
Chugoku	225	(2)	112,521	106.4
Shikoku	159	(8)	76,329	105.1
Kyushu	657	(6)	349,487	103.8
Total	1,662	(53)	810,380	107.7

(Notes) 1. The above amounts do not include consumption taxes.

2. Figures in parentheses in the “Number of stores as of February 28, 2025” column represent the net change from the number of stores as of May 31, 2025.