

Financial Results Briefing Material for the Nine Months Ended December 31, 2025

(April 01, 2025 – December 31, 2025)

February 09, 2026
NAFCO Co., Ltd.
(Securities Code: 2790)

Financial Results for the Nine Months Ended December 31, 2025

(April 01, 2025 – December 31, 2025)

Results for the Nine Months Ended December 31, 2025

(Millions of yen)

	Nine months ended December 31, 2024	% of total operating revenue	Nine months ended December 31, 2025	% of total operating revenue	YoY change
Total operating revenue	143,827	100.0%	137,215	100.0%	95.4%
Operating profit	2,263	1.6%	3,027	2.2%	133.7%
Ordinary profit	2,315	1.6%	2,934	2.1%	126.7%
Profit	1,128	0.8%	1,504	1.1%	133.3%

[Lower Revenue, Higher Profit]

- Total operating revenue decreased mainly due to high prices and seasonal factors.
- Profit increased thanks to cost constraint through expense reviews and securing gross profit by reviewing sales promotions and other measures.

* Total operating revenue was calculated by adding operating revenue to net sales.

Statements of Income for the Nine Months Ended December 31, 2025

(Millions of yen)

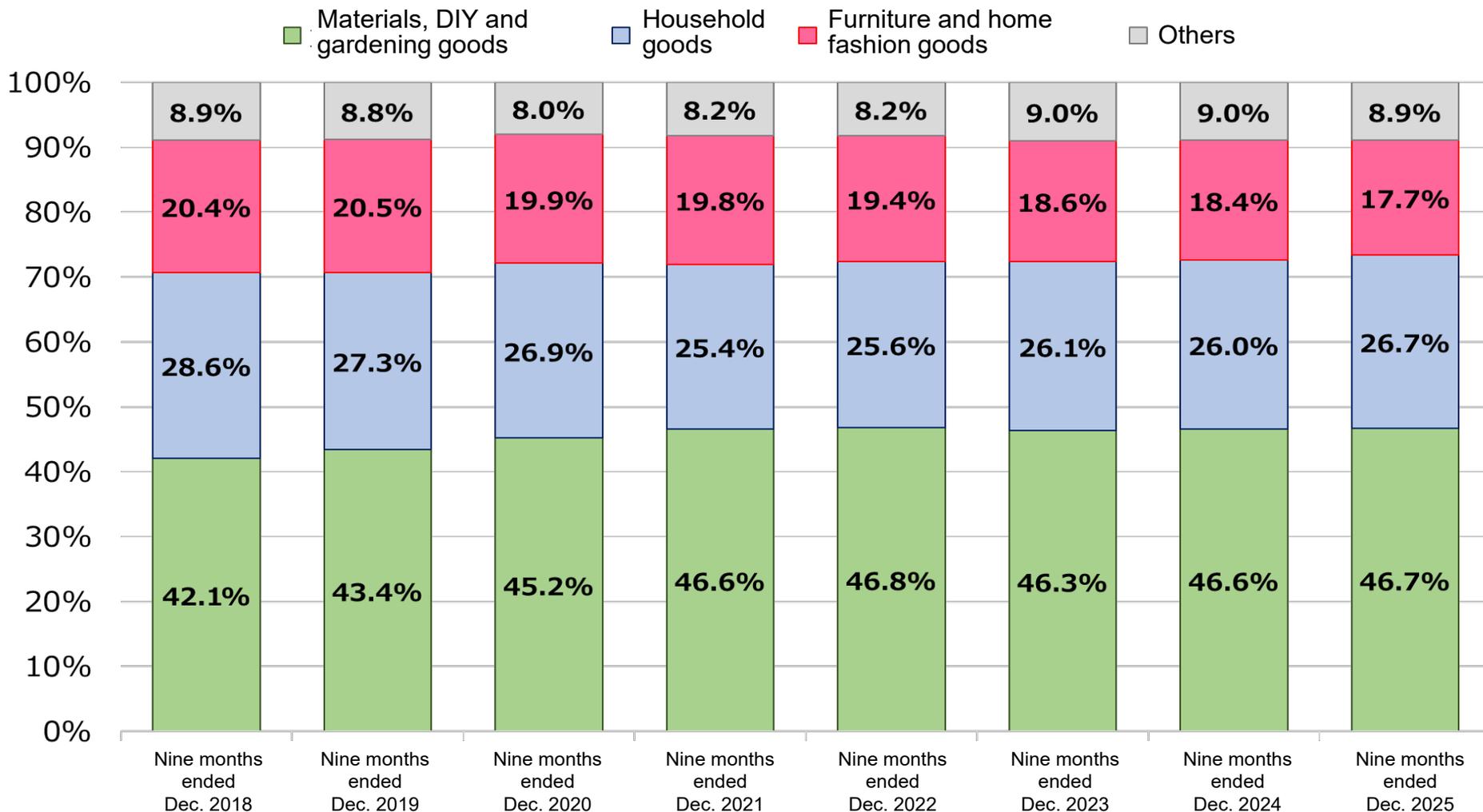
	Nine months ended December 31, 2024	% of sales	Nine months ended December 31, 2025	% of sales	YoY change
Net sales	143,305	100.0%	136,639	100.0%	95.3%
Gross profit	47,991	33.5%	46,805	34.3%	97.5%
Operating gross profit	48,514	33.9%	47,382	34.7%	97.7%
Selling, general and administrative expenses	46,250	32.3%	44,354	32.5%	95.9%
Operating profit	2,263	1.6%	3,027	2.2%	133.7%
Ordinary profit	2,315	1.6%	2,934	2.1%	126.7%
Profit	1,128	0.8%	1,504	1.1%	133.3%

Balance Sheets

(Millions of yen)

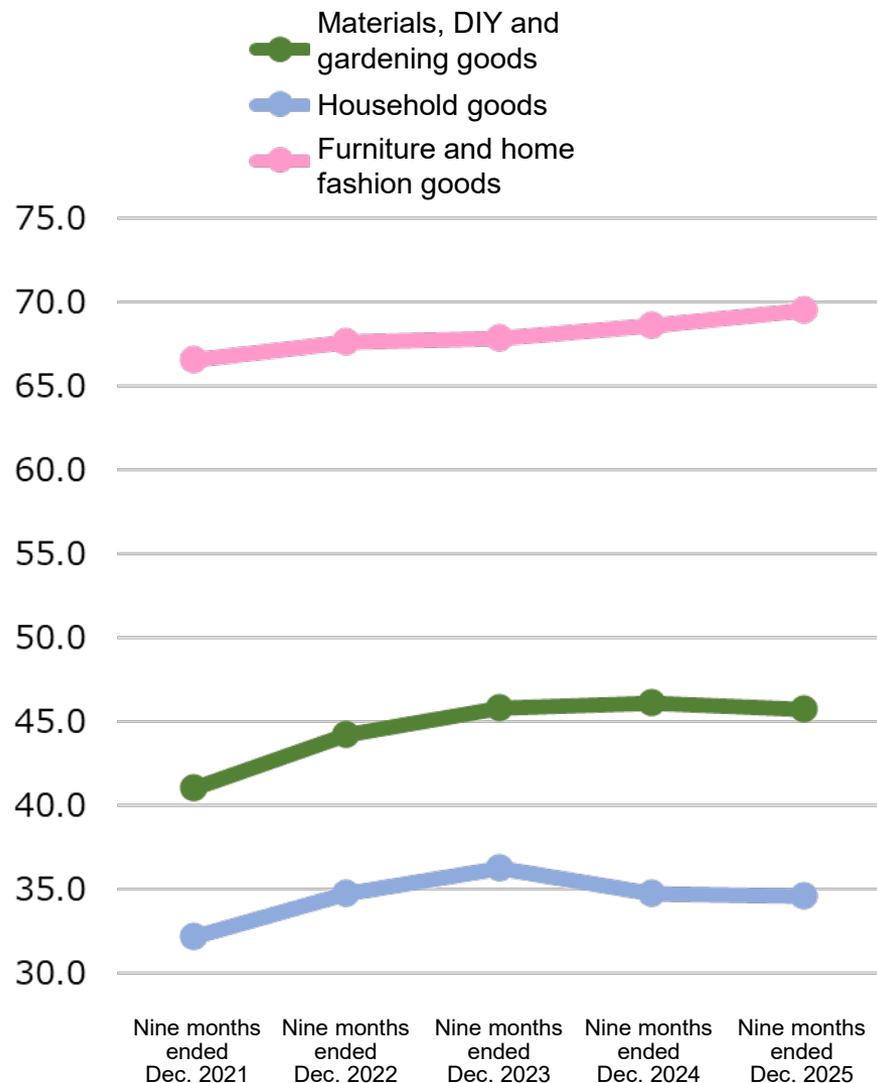
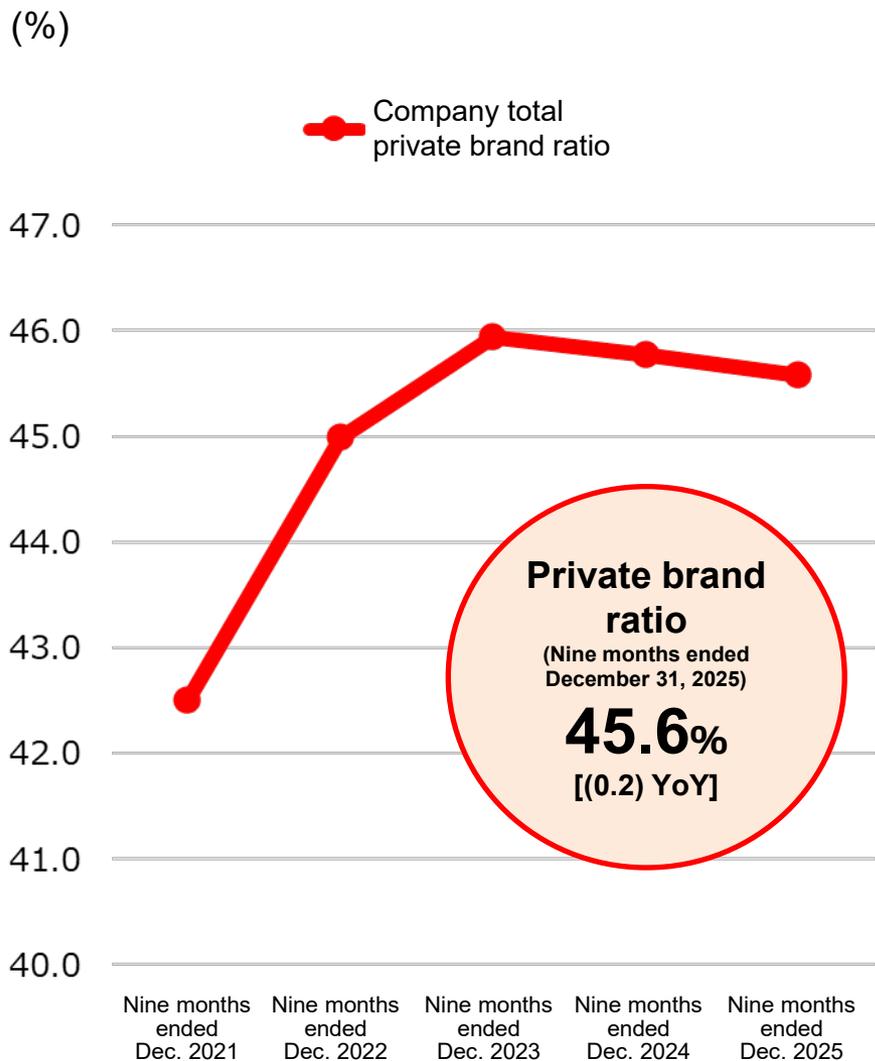
	Fiscal year ended March 31, 2025	Nine months ended December 31, 2025	Change from the end of the previous fiscal year
Total assets	225,195	225,261	+66
Current assets	90,228	91,832	+1,603
Of which, cash and deposits	18,500	18,877	+376
Non-current assets	134,966	133,429	(1,537)
Of which, property, plant and equipment	120,994	119,238	(1,756)
Liabilities	71,239	71,166	(72)
Of which, interest-bearing liabilities (short-term borrowings, current portion of long-term borrowings, long-term borrowings)	18,355	17,915	(440)
Net assets	153,956	154,095	+139
Cash and deposit ratio (%)	8.2	8.4	
Ratio of interest-bearing liabilities (%)	8.2	8.0	
Equity ratio (%)	68.4	68.4	
Current ratio (%)	162.0	164.0	
Non-current ratio (%)	87.7	86.6	

Trends in Sales Composition by Product (Nine Months Ended December 31)

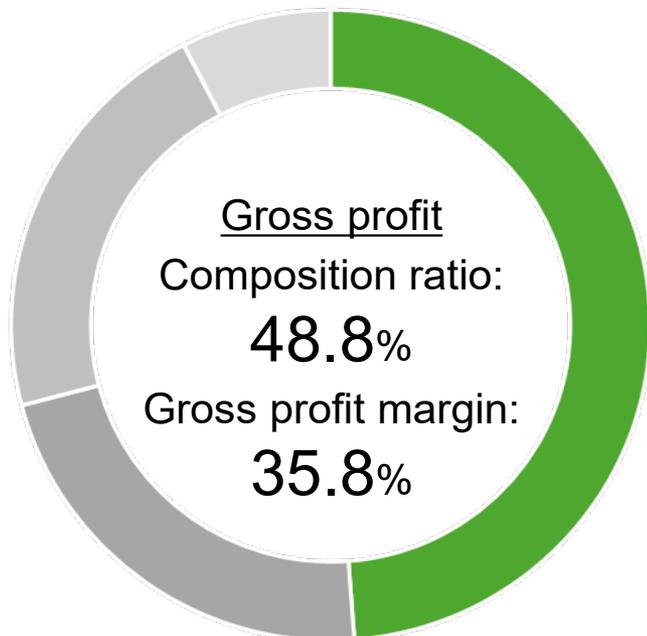


- Starting with the fiscal year ending March 2026, certain products have been reclassified from the materials, DIY and gardening goods segment to the household goods segment.
- Figures for the periods prior to the period under review are shown using the segment classifications applied at the time of their original disclosure.

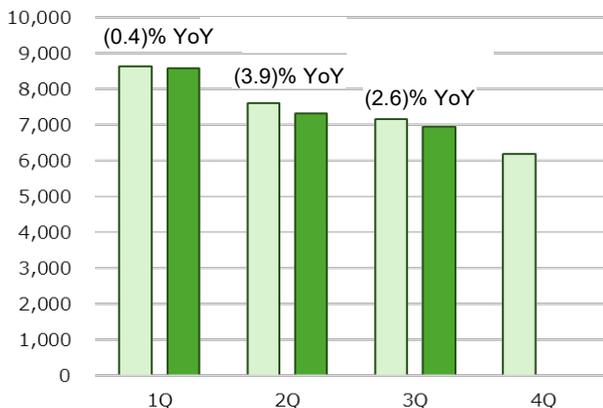
Trends in Private Brand Ratio (Nine Months Ended December 31)



Materials, DIY and Gardening Goods



Gross profit (Millions of yen) ■ FY3/25 ■ FY3/26



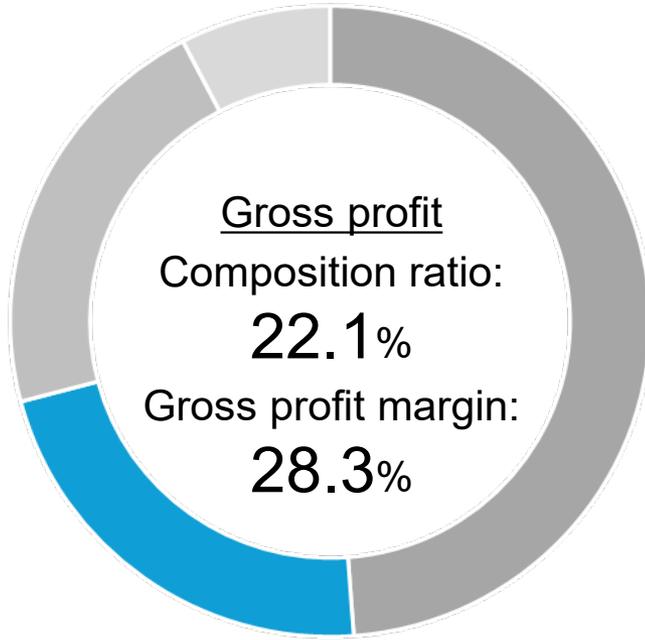
Segment overview

- Net sales: ¥63.8 billion (96.8% YoY)
- Sales composition ratio: 46.7%
- Gross profit margin: 35.8% (up 0.3 pp YoY)
- Private brand ratio: 45.7%
- Wildlife-control gardening products remained strong.
- Demand declined following last year's earthquake and typhoon recovery efforts.
- Demand for security-related goods declined following last year's heightened security awareness.
- Weed control and cleaning-related products performed well heading into year-end.

Quarterly overview

- Early spring: gardening products performed well, while rain gear, boosted by last year's unusual weather, was weak.
- July: below-average rainfall drove higher demand for agricultural pumps and related equipment.
- From August onward: demand for roofing materials and generators was weak due to a decline following last year's earthquake and typhoon.
- From October onward: sales struggled due to a decline following last year's heightened security demand, but weed control products and pressure washers performed well.

Household Goods

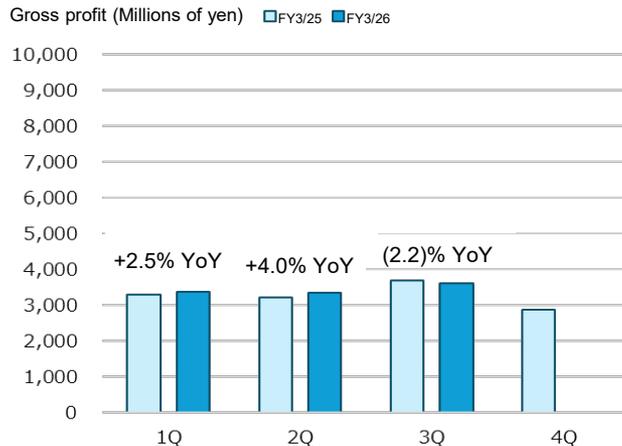


Segment overview

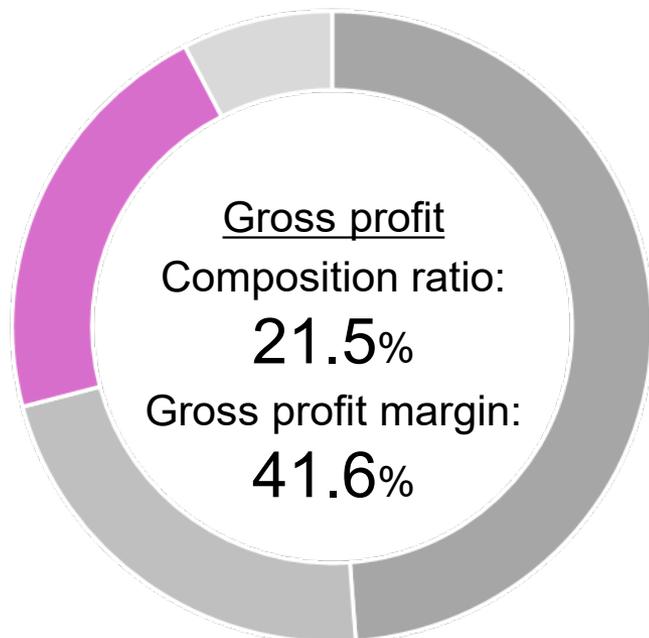
- Net sales: ¥36.4 billion (95.7% YoY)
 - Sales composition ratio: 26.7%
 - Gross profit margin: 28.3% (up 1.5 pp YoY)
 - Private brand ratio: 34.6%
- Hot weather boosted sales of summer clothing and cooling products.
 - In 1H, daily necessities and food declined after last year's discount promotions, but recovered in 2H.
 - Heating and cold-weather products struggled due to the mild winter.

Quarterly overview

- From May onward: higher temperatures boosted sales of summer clothing and air conditioners.
- July: rice sales increased, partly due to government purchases under discretionary contracts.
- October: heating and cold-weather products performed well as temperatures lowered, but struggled in December because temperatures didn't fall sufficiently.
- 2H: year-end cleaning-related products performed well, partly due to warmer temperatures.



Furniture and Home Fashion Goods



Gross profit (Millions of yen) ■ FY3/25 ■ FY3/26



Segment overview

- Net sales: ¥24.1 billion (91.5% YoY)
 - Sales composition ratio: 17.7%
 - Gross profit margin: 41.6% (up 0.9 pp YoY)
 - Private brand ratio: 69.5%
- High-priced durable goods struggled, partly due to inflation.
 - Bedding and other interior products performed steadily, reflecting temperature trends.
 - Kotatsu (Japanese table with a heater underside) and other heaters struggled due to warmer temperatures.

Quarterly overview

- Spring: struggled, especially in new lifestyle-related products.
- June: hot weather boosted sales of cooling rugs and similar products.
- September: summer bedding pads remained strong due to lingering summer heat.
- Seasonal winter products: started strong, but struggled due to warmer temperatures.

Factors for Changes in Operating Profit

(Millions of yen)

■ Operating gross profit
 ■ Selling, general and administrative expenses



Nine months ended
 December 31, 2024
 Operating profit

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Nine months ended
 December 31, 2025
 Operating profit

<https://www.nafco.tv> 10

Culture Soil



25-liter Culture Soil for Flowers and Vegetables to Thrive

25-liter large volume × low price

Fertilizer effect lasts 120 days

Designed for high versatility with:

- Base fertilizer
- Adjusted hydrogen-ion index (pH) / electric conductivity (EC)



Solar-powered Lights



160-lumen Solar-powered wall light



Suitable for:

- Security lights at entrances
- Simple outdoor pathway lighting

No wiring work or battery replacement / charging required

Not-too-bright, warm white model newly introduced



300-lumen Solar-powered wall light
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400-lumen Clip-on solar-powered sensor light



Outdoor Large Storage Boxes



Large-capacity
indoor/outdoor organizing
storage boxes

- Durability-improved model using weather-resistant resin
- Standard model with color options

120-liter Durable Outdoor
Storage Box

High Durability

*Made from weather-resistant resin *good!*

- **Deterioration-resistant**
- **UV-resistant**
- **Long-lasting**



120-liter Outdoor Storage Boxes, color options available

Large-pack Kitchen Paper Towel



N Kitchen Paper Towels Double-length 12 Rolls

Large-pack: double-length × 12 rolls

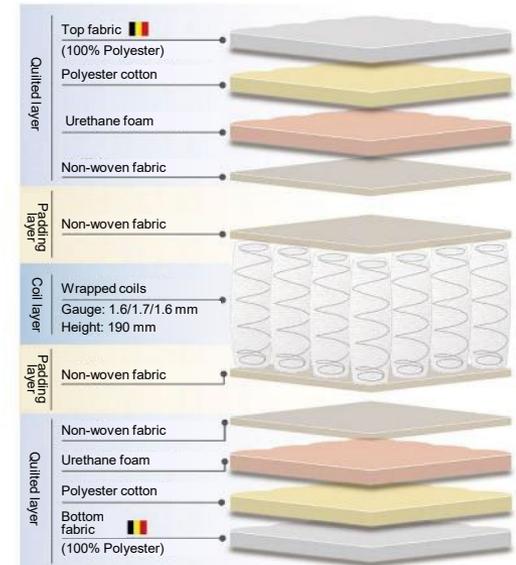
- Absorbs quickly and thoroughly
- One roll is equivalent to two regular rolls in length
- Double-length design saves space
- For draining water from meat, fish, vegetables, tofu, etc.
- For draining oil from fried foods
- For wiping oil off frying pans and pots
- For clean-ups around kitchen and drying off dishes

Original Bed Mattress



[GRANREVE SR/SH Series]

- Four firmness levels are available, including coil arrangements.
- Each individually wrapped coil supports your body at multiple points, distributing body pressure and minimizing strain on your body.
- Finer coils in the shoulder and leg areas provide natural, responsive contouring that accommodates your body movements.
- Thicker coils placed in the lumbar area provide firm support, helping maintain an ideal sleeping posture.
- Designed as double-sided, ensuring excellent durability.



Store Openings and Renovation

	Store Name	Opening	Location	Store Style
New Stores	Kaga	April	Ishikawa	Home center
	Matsubase	April	Kumamoto	Home center
Renovation	Hamaoka	June	Shizuoka	Home center

Matsubase Store
(Home center)



Kaga Store
(Home center)



[Partial list of stores with partial floor renovations]

Store Name	Opening	Location	Renovation Overview
Minami Kurashiki	August	Okayama	• Furniture floor
Kita Miyakonojo	September	Miyazaki	• Furniture floor
Moriyama	October	Aichi	• Home center floor • New supermarket added
Yonago Higashi	October	Tottori	• Furniture floor
Yahata Higashi	November	Fukuoka	• Furniture floor • Home center floor • New supermarket added
Kita Kumamoto	November	Kumamoto	• Furniture floor

Minami Kurashiki Store



Kita Miyakonojo Store



Yonago Higashi Store



Moriyama Store



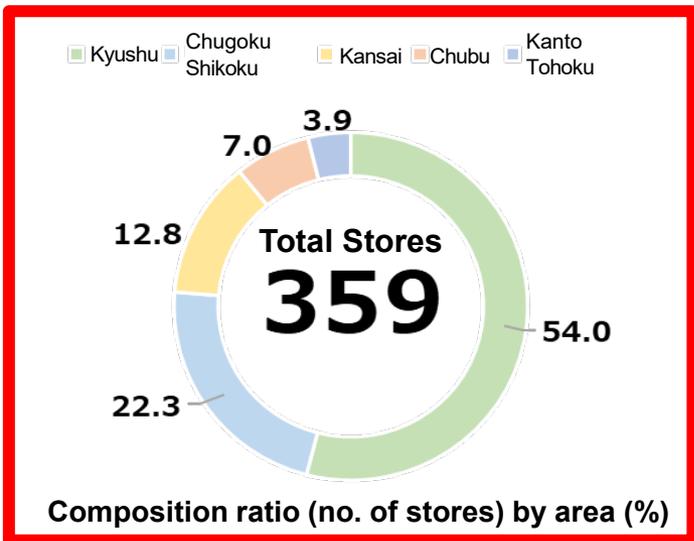
Yahata Higashi Store



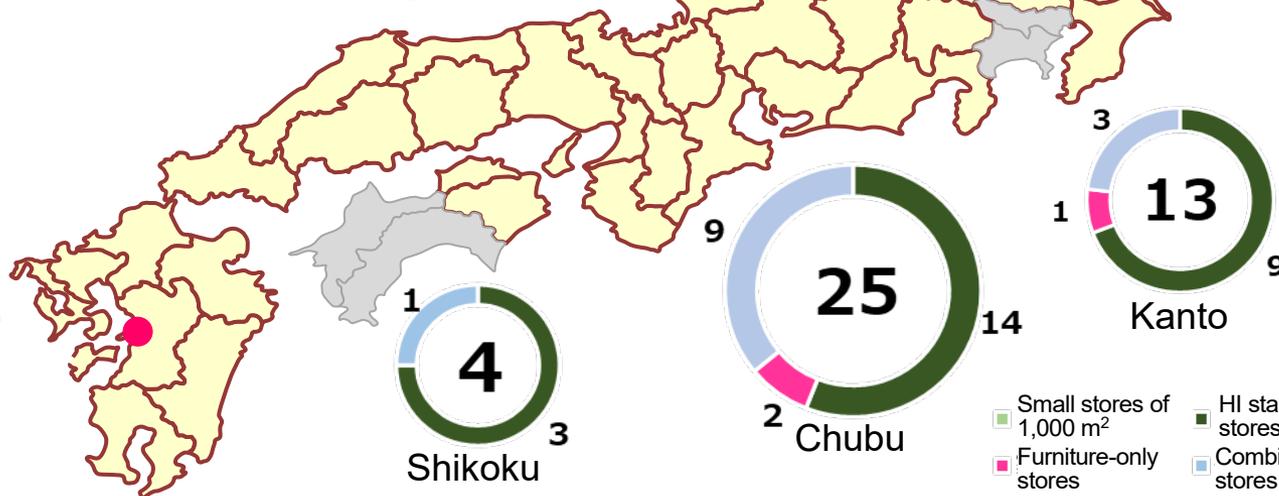
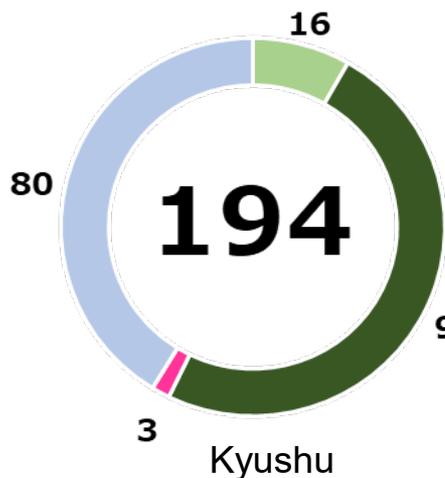
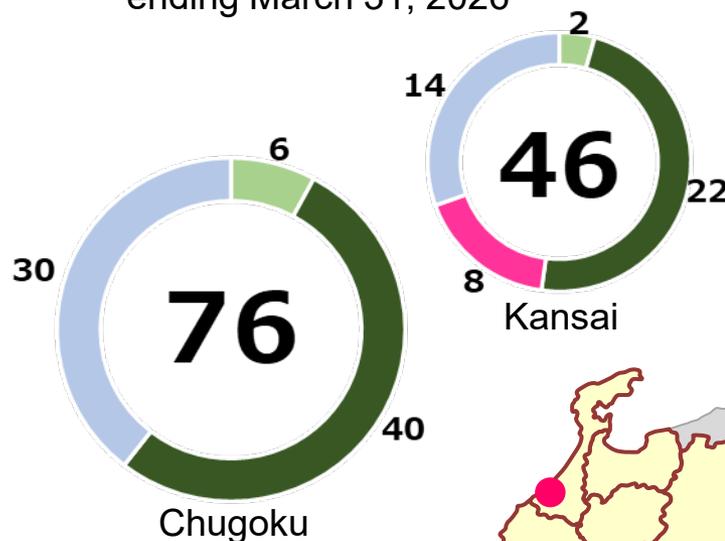
Kita Kumamoto Store



Number of Stores by Area



● : New stores in the fiscal year ending March 31, 2026



■ Small stores of 1,000 m²
■ HI stand-alone stores
■ Furniture-only stores
 ■ Combination stores

Roles in Disasters

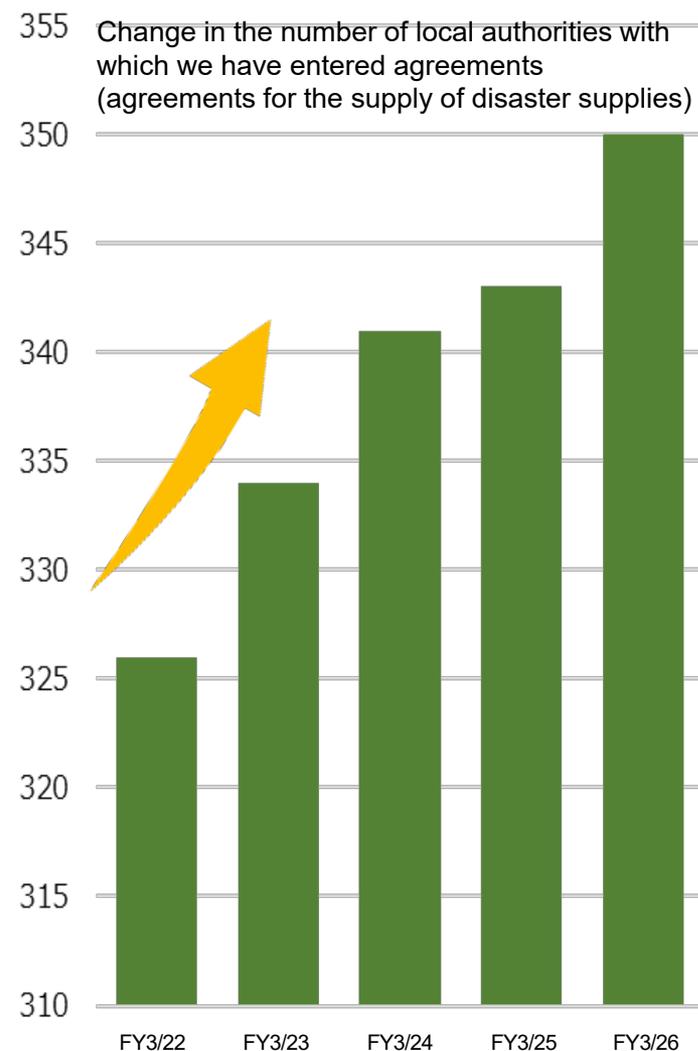
Number of local authorities with which we have entered agreements

As of December 31, 2025 **350** local authorities

* Local authorities include the police
(excluding those during the application process from the number)

[Recent Agreement Cases]

Date of Agreement	Prefecture	Local Authority
July 1, 2025	Fukuoka	Aka Village
August 1, 2025	Kagawa	Tadotsu Town
August 1, 2025	Kagawa	Manno Town
August 18, 2025	Gifu	Kaizu City
September 2, 2025	Hyogo	Sanda City
October 28, 2025	Kagawa	Mitoyo City
November 17, 2025	Kumamoto	Kuma Village



Installation of Solar Power Generation Systems

Cumulative installations:

39 stores

(As of January 31, 2026)



**Enzan Store
(Yamanashi)**



Kurobe Store (Toyama)



Nogata Store (Fukuoka)



Hatazaki Store (Fukuoka)

Forecast for the Fiscal Year Ending March 31, 2026

(April 01, 2025 - March 31, 2026)

Revision:[None]

Forecast for the Fiscal Year Ending March 31, 2026

(Millions of yen)

	Fiscal year ending March 31, 2026 (Plan)	% of total operating revenue	YoY change (%)	Fiscal year ended March 31, 2025 (Results)	% of total operating revenue
Total operating revenue	173,080	100.0%	95.2%	181,850	100.0%
Operating profit	2,700	1.6%	213.2%	1,266	0.7%
Ordinary profit	2,763	1.6%	207.8%	1,329	0.7%
Profit	1,260	0.7%	685.3%	183	0.1%

Appendix

- Income and expenses pertaining to real estate leasing are reclassified as operating revenue and selling, general and administrative expenses from the fiscal year ended March 31, 2025.
- Starting with the fiscal year ending March 2026, certain products have been reclassified from the materials, DIY and gardening goods segment to the household goods segment.
- Figures for the periods prior to the period under review are shown using the segment classifications applied at the time of their original disclosure.

Statements of Income

Items (Millions of yen)	Nine months ended December 31, 2023			Nine months ended December 31, 2024			Nine months ended December 31, 2025		
	Results	YoY change	% of sales	Results	YoY change	% of sales	Results	YoY change	% of sales
Net sales	152,105	95.5%	100.0%	143,305	99.6%	100.0%	136,639	95.3%	100.0%
Gross profit	50,845	92.5%	33.4%	47,991	94.4%	33.5%	46,805	97.5%	34.3%
Operating gross profit	51,102	92.5%	33.6%	48,514	94.2%	33.9%	47,382	97.7%	34.7%
Selling, general and administrative expenses	45,298	99.0%	29.8%	46,250	101.7%	32.3%	44,354	95.9%	32.5%
Operating profit	5,804	61.3%	3.8%	2,263	37.5%	1.6%	3,027	133.7%	2.2%
Ordinary profit	6,104	61.9%	4.0%	2,315	37.9%	1.6%	2,934	126.7%	2.2%
Profit	3,536	58.5%	2.3%	1,128	31.9%	0.8%	1,504	133.3%	1.1%

Existing Stores (YoY change)	Nine months ended December 31, 2023		Nine months ended December 31, 2024		Nine months ended December 31, 2025	
Net sales	95.6%		94.2%		95.4%	
Customers	93.1%		96.2%		92.9%	
Customer average	102.6%		97.9%		102.7%	

Segments

Net sales (Millions of yen)	Nine months ended December 31, 2023			Nine months ended December 31, 2024			Nine months ended December 31, 2025		
	Results	YoY change	% of sales	Results	YoY change	% of sales	Results	YoY change	% of sales
Materials, DIY and gardening goods	70,411	94.4%	46.3%	66,773	94.8%	46.6%	63,815	95.6%	46.7%
Household goods	39,708	97.5%	26.1%	37,255	93.8%	26.0%	36,470	97.9%	26.7%
Furniture and home fashion goods	28,286	91.7%	18.6%	26,435	93.5%	18.4%	24,189	91.5%	17.7%
Others	13,698	104.2%	9.0%	12,840	93.7%	9.0%	12,163	94.7%	8.9%
Total	152,105	95.5%	100.0%	143,305	94.2%	100.0%	136,639	95.3%	100.0%
Gross profit (Millions of yen)	Nine months ended December 31, 2023			Nine months ended December 31, 2024			Nine months ended December 31, 2025		
	Results	YoY change	% of sales	Results	YoY change	% of sales	Results	YoY change	% of sales
Materials, DIY and gardening goods	24,880	92.3%	35.3%	23,742	95.4%	35.6%	22,850	96.2%	35.8%
Household goods	10,622	91.8%	26.8%	9,835	92.6%	26.4%	10,338	105.1%	28.3%
Furniture and home fashion goods	11,441	91.7%	40.4%	10,749	94.0%	40.7%	10,057	93.6%	41.6%
Others	3,901	98.9%	28.5%	3,663	93.9%	28.5%	3,559	97.2%	29.3%
Total	50,845	92.5%	33.4%	47,991	94.4%	33.5%	46,805	97.5%	34.3%

Number of Stores by Area and Business Type

Number of stores at the end of the term	Nine months ended December 31, 2023			Nine months ended December 31, 2024			Nine months ended December 31, 2025		
	Combination stores	HI stand-alone stores	Furniture-only stores	Combination stores	HI stand-alone stores	Furniture-only stores	Combination stores	HI stand-alone stores	Furniture-only stores
Kyushu	81	107	3	80	111	3	80	111	3
Chugoku and Shikoku	32	50	1	31	49	1	31	49	0
Kansai	16	24	8	15	25	8	14	24	8
Chubu	9	13	2	9	13	2	9	14	2
Kanto and Tohoku	3	9	2	3	9	2	3	9	2
Total	141	203	16	138	207	16	137	207	15
	360			361			359		

Balance Sheets

Items (Millions of yen)	Fiscal year ended March 31, 2024			Fiscal year ended March 31, 2025			Nine months ended December 31, 2025		
	Results	Compared to the end of the previous fiscal year	Change from the end of the previous fiscal year	Results	Compared to the end of the previous fiscal year	Change from the end of the previous fiscal year	Results	Compared to the end of the previous fiscal year	Change from the end of the previous fiscal year
Total assets	232,246	97.4%	(6,162)	225,195	97.0%	(7,050)	225,261	100.0%	+66
Current assets	99,574	94.2%	(6,173)	90,228	90.6%	(9,345)	91,832	101.8%	+1,603
Of which, cash and deposits	32,997	91.3%	(3,125)	18,500	56.1%	(14,496)	18,877	102.0%	+376
Non-current assets	132,660	100.0%	+11	134,966	101.7%	+2,294	133,429	98.9%	(1,537)
Of which, property, plant and equipment	119,210	100.2%	+199	120,994	101.5%	+1,784	119,238	98.5%	(1,756)
Liabilities	72,885	95.2%	(3,709)	71,239	97.7%	(1,646)	71,166	99.9%	(72)
Of which, interest- bearing liabilities	18,828	98.9%	(204)	18,355	97.5%	(473)	17,915	97.6%	(440)
Net assets	159,361	98.5%	(2,452)	153,956	96.6%	(5,404)	154,095	100.1%	+139

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Nine months ended December 31, 2025
Cash and deposit ratio (%)	14.2%	8.2%	8.4%
Ratio of interest- bearing liabilities (%)	8.1%	8.2%	8.0%
Equity Ratio (%)	68.6%	68.4%	68.4%

Stock (Full-year)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Number of issued shares	29,784,400	29,784,400	29,784,400
Number of treasury shares	1,221,850	3,007,890	5,201,723
Net assets per share (yen)	5,665	5,951	6,262
Dividend per share (yen)	56	58	58
Earnings per share (yen)	197	110	6
Payout ratio (%)	28.4	52.6	834.5

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We will disclose information as needed at an appropriate time depending on the external environment and the progress of business performance.

This document may contain forward-looking statements. These statements are not statements of past fact, but are instead forecasts based on hypotheses and assumptions determined from information available at the current time.

They also involve risks and uncertainties related to economic trends, market environments, and the like.

Actual business performance may therefore differ from the Company's forecasts.

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