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April 14, 2026

Consolidated Financial Results for the Fiscal Year Ended February 28, 2026 (Under Japanese GAAP)

Company name: Eco's Co., Ltd.
Listing: Tokyo Stock Exchange
Securities code: 7520
URL: https://www.eco-s.co.jp
Representative: Kunio Taira, Representative Director and President & CEO
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Scheduled date of annual general meeting of shareholders: May 20, 2026
Scheduled date to commence dividend payments: May 21, 2026
Scheduled date to file annual securities report: May 19, 2026
Preparation of supplementary material on financial results: Yes
Holding of financial results briefing: None

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

1. Consolidated financial results for the fiscal year ended February 28, 2026 (from March 1, 2025 to February 28, 2026)

(1) Consolidated operating results

(Percentages indicate year-on-year changes.)

	Gross revenue		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
February 28, 2026	137,985	0.6	5,729	(4.8)	5,891	(6.3)	2,645	(36.0)
February 28, 2025	137,176	5.5	6,020	5.4	6,285	6.0	4,131	15.4

Note: Comprehensive income For the fiscal year ended February 28, 2026: ¥3,050 million [(27.8)%]
For the fiscal year ended February 28, 2025: ¥4,226 million [12.8%]

	Basic earnings per share	Diluted earnings per share	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to net sales
Fiscal year ended	Yen	Yen	%	%	%
February 28, 2026	235.60	–	9.4	10.3	4.3
February 28, 2025	368.46	–	16.5	11.4	4.5

Reference: Share of profit (loss) of entities accounted for using equity method
For the fiscal year ended February 28, 2026: ¥– million
For the fiscal year ended February 28, 2025: ¥– million
Note: Diluted earnings per share are not stated as there were no dilutive shares.

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
February 28, 2026	58,480	29,229	51.8	2,601.69
February 28, 2025	57,703	26,864	46.6	2,395.06

Reference: Equity
As of February 28, 2026: ¥29,229 million
As of February 28, 2025: ¥26,864 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
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
February 28, 2026	5,267	(5,003)	(3,550)	10,150
February 28, 2025	5,266	(3,050)	(1,448)	13,437

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 February 28, 2025	–	0.00	–	65.00	65.00	729	17.6	2.9
Fiscal year ended February 28, 2026	–	0.00	–	70.00	70.00	786	29.7	2.8
Fiscal year ending February 28, 2027 (Forecast)	–	0.00	–	70.00	70.00		–	

3. Consolidated financial result forecasts for the fiscal year ending February 28, 2027 (from March 1, 2026 to February 28, 2027)

(Percentages indicate year-on-year changes.)

	Gross 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
Full year	138,000	0.0	5,500	(4.0)	5,500	(6.7)	3,500	32.3	311.67

*** Notes**

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

(2) Changes in accounting policies, changes in accounting estimates, and restatement
(i) Changes in accounting policies due to revisions to accounting standards and other regulations: Yes
(ii) Changes in accounting policies due to other reasons: None
(iii) Changes in accounting estimates: Yes
(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 February 28, 2026	11,648,917 shares
As of February 28, 2025	11,648,917 shares

(ii) Number of treasury shares at the end of the period

As of February 28, 2026	413,996 shares
As of February 28, 2025	432,404 shares

(iii) Average number of shares outstanding during the period

Fiscal year ended February 28, 2026	11,229,760 shares
Fiscal year ended February 28, 2025	11,212,212 shares

[Reference] Overview of non-consolidated financial results

1. Non-consolidated financial results for the fiscal year ended February 28, 2026 (from March 1, 2025 to February 28, 2026)

(1) Non-consolidated operating results

(Percentages indicate year-on-year changes.)

	Gross revenue		Operating profit		Ordinary profit		Profit	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
February 28, 2026	74,320	(0.5)	3,160	(6.6)	4,563	(8.4)	2,637	(24.3)
February 28, 2025	74,672	3.0	3,382	14.5	4,979	19.1	3,482	34.7

	Basic earnings per share	Diluted earnings per share
Fiscal year ended	Yen	Yen
February 28, 2026	234.86	–
February 28, 2025	310.61	–

Note: Diluted earnings per share are not stated as there were no dilutive shares.

(2) Non-consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
February 28, 2026	47,108	25,827	54.8	2,298.87
February 28, 2025	47,539	23,718	49.9	2,114.58

Reference: Equity
As of February 28, 2026: ¥25,827 million
As of February 28, 2025: ¥23,718 million

2. Non-consolidated financial result forecasts for the fiscal year ending February 28, 2027 (from March 1, 2026 to February 28, 2027)

(Percentages indicate year-on-year changes.)

	Gross revenue		Ordinary profit		Profit		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	74,000	(0.4)	4,000	(12.3)	2,600	(1.4)	231.53

* Financial results reports are exempt from audit conducted by certified public accountants or an audit firm.

* Explanation on the appropriate use of financial results forecasts, and other notes

The financial results forecasts and other forward-looking statements herein are based on information currently available to the Company and certain assumptions deemed reasonable by the Company. Actual results may differ significantly due to various factors. Please refer to “1. Overview of Operating Results, etc., (1) Overview of Operating Results for the Fiscal Year under Review” on page 2 of the attached document for the suppositions that form the assumptions for financial result forecasts and cautions concerning the use thereof.

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1. Overview of Operating Results, etc.

(1) Overview of Operating Results for the Fiscal Year under Review

During the fiscal year under review (from March 1, 2025 to February 28, 2026), the Japanese economy was on a moderate recovery trend on the back of improvements in corporate earnings and the employment and income environments. On the other hand, the prices of raw materials and energy remained high, as instability continued to plague the international situation, and the outlook for the future remains uncertain. Furthermore, in the Food Supermarket business, the cost-saving awareness on the part of consumers has grown even stronger due to wage growth not keeping pace with surging commodity prices, resulting in an ongoing challenging competitive climate.

In such an external environment, the Group continues to concentrate its management resources in the Food Supermarket business, thoroughly practices the Group's management philosophy, encapsulated in the corporate creed of "Honest Business," strives to provide safe, reliable, and affordable products to capture the trust and loyalty of its customers, and builds stores that contribute to the food culture of the local community.

Key topics during the fiscal year under review were as follows.

1) Carried out promotions commemorating the 60th anniversary of the founding of the Eco's Group
   Commemorating the 60th anniversary of the founding of the Eco's Group, each month we selected and sold products at affordable prices.
2) Opened new stores and renovated existing stores
   Three new stores were opened as part of the Group's growth strategy and a total of 11 stores were renovated as a measure to revitalize existing stores.
3) Recording of impairment losses
   For some stores that saw a decline in profitability due to deterioration of the business environment, after a conservative assessment in accordance with accounting standards, the Group recognized impairment losses for 21 stores, resulting in the recording of ¥2,236 million in impairment losses.

Two stores were closed due to lease expiry, etc. Accordingly, the number of stores of the Group totaled 137 as of the end of the fiscal year under review (an increase of one store compared to the end of the previous fiscal year).

The priority measures of the Group were as follows:

Priority measures		Specific initiatives
Product measures	Pursuit of flavor and quality	- Improve quality while meeting demands for lower prices
		- Improve freshness and product controls (reduce food loss)
	Offering environmentally-friendly products	- Increase the number of our private brand "Natulive" items
		- Increase the number of items in our private brand "Susvegetables," featuring agricultural products cultivated in line with the food recycling loop.
	Adapting to diverse lifestyles	- Offer a product lineup that meets local needs
		- Promote "everyday low prices"
		- Proactively develop time-saving products
Store operation measures	Improvement of customer service	- Greet customers with a smile and improve employee appearance
	Thorough cleaning and hygiene management	- Provide a store environment that gives customers peace of mind
	Winning greater support among young families	- Share information on bargains and new products on social media and the official app
	Improvement of business efficiency	- Utilize the automatic ordering system
		- Promote employee multi-tasking
Carry out promotions commemorating the 60th anniversary of the founding of the Eco's Group		- Select and sell products at an affordable price each month

As a result, for the fiscal year under review, the Group reported gross revenue of ¥137,985 million (up 0.6% year on year), operating profit of ¥5,729 million (down 4.8% year on year), ordinary profit of ¥5,891 million (down 6.3% year on year), and profit attributable to owners of parent of ¥2,645 million (down 36.0% year on year).

(2) Overview of Financial Position for the Fiscal Year under Review

1) Assets

Total assets at the end of the fiscal year under review decreased by ¥1,223 million from the end of the previous fiscal year to ¥56,480 million (down 2.1% year on year).

Main negative factor: Decrease in cash and deposits

2) Liabilities

Total liabilities at the end of the fiscal year under review decreased by ¥3,589 million from the end of the previous fiscal year to ¥27,250 million (down 11.6% year on year).

Main negative factor: Decrease in long-term borrowings

3) Net assets

Net assets at the end of the fiscal year under review increased by ¥2,365 million from the end of the previous fiscal year to ¥29,229 million (up 8.8% year on year).

Main positive factor: Increase in retained earnings

Main negative factor: Decrease in retained earnings due to dividend payments

Furthermore, the equity-to-asset ratio was 51.8% at the end of the fiscal year under review (46.6% at the end of the previous fiscal year).

(3) Overview of Cash Flows for the Fiscal Year under Review

Cash and cash equivalents at the end of the fiscal year under review decreased by ¥3,286 million (down 24.5% year on year) from the end of the previous fiscal year to ¥10,150 million. The respective cash flow positions for the fiscal year under review are as follows.

Funds provided by operating activities amounted to ¥5,267 million, an increase of 0.0% (¥0 million) year on year. This was due to an increase in funds mainly from operating revenue, which offset income taxes paid.

Funds used in investing activities amounted to ¥5,003 million, an increase of 64.0% (¥1,952 million) year on year. This was primarily due to an outflow of ¥4,840 million for the purchase of non-current assets.

Funds used in financing activities amounted to ¥3,550 million, an increase of 145.2% (¥2,102 million) year on year. This was primarily due to the repayment of ¥6,271 million in borrowings and the dividends paid of ¥728 million.

Reference: Cash flow-related indicators

	Year ended Feb. 28, 2022	Year ended Feb. 28, 2023	Year ended Feb. 29, 2024	Year ended Feb. 28, 2025	Year ended Feb. 28, 2026
Equity-to-asset ratio	40.1	42.4	44.6	46.6	51.8
Equity-to-asset ratio based on market value	47.1	43.1	48.9	37.6	61.2
Cash flow-to-interest-bearing debt ratio	2.0	3.5	1.6	2.4	1.9
Interest coverage ratio	88.5	64.7	267.9	88.8	54.0

Notes: 1. Above indicators are calculated based on consolidated financial figures.
2. Equity-to-asset ratio = Equity / total assets
3. Equity-to-asset ratio based on market value = Market capitalization / total assets
4. Cash flow-to-interest-bearing debt ratio = Interest-bearing debt / operating cash flow
5. Interest coverage ratio = Operating cash flow / interest payments
6. Market capitalization is calculated based on the number of issued shares excluding treasury shares.
7. Interest-bearing debt includes all liabilities on which interest is paid, among the liabilities recorded on the consolidated balance sheet.

(4) Future Outlook

The economic environment surrounding the Group is expected to remain challenging due to factors such as the volatile international situation, the impact of exchange rate fluctuations, and soaring product purchase prices, utility expenses, and other costs. The future outlook also remains uncertain amid intensifying competition with other industries and business categories.

As a community-focused food supermarket operator, the Group will strive to propose lifestyles that take into consideration the environment and people's health, and to contribute to the food culture of the local community. We will also carry out the following priority measures to fulfill our role as infrastructure for local communities.

Priority measures	Specific initiatives
Strengthening Product Appeal	- Developing and launching new and original products
	- Expanding the product lineup of our private brand, "Natulive"
Improving Customer Service	- Ensuring friendly, smiling service and a clean, professional appearance
	- Enhancing the in-store environment and layout to make shopping more convenient
Human Resource Development	- Fostering a corporate culture that enables the development of individual capabilities
	- Further enhancing training programs and inter-group exchanges
New Store Openings and Revitalization of Existing Stores	- Expanding our store network through aggressive new store openings
	- Revitalizing stores through renovations and transitioning to store formats that incorporate the latest merchandising techniques

The Group's financial result forecasts for the next fiscal year are as follows.

(Percentages indicate year-on-year changes.)

	Gross revenue		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Fiscal year ending February 28, 2027	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
	138,000	0.0	5,500	(4.0)	5,500	(6.7)	3,500	32.3

(5) Material Events Regarding Going Concern Assumption, etc.

Not applicable.

2. Basic Policy on Selection of Accounting Standards

Since the Group's business is currently limited to Japan and does not involve any overseas activities, the Group has decided to adopt Japanese GAAP for the time being. With regard to International Financial Reporting Standards (IFRS), the Group's policy is to respond appropriately based on consideration of the situation in Japan and overseas.

3. Consolidated Financial Statements and Principal Notes

(1) Consolidated Balance Sheet

(Millions of yen)

	As of February 28, 2025	As of February 28, 2026
Assets		
Current assets		
Cash and deposits	13,457	10,150
Accounts receivable - trade	2,184	2,333
Inventories	4,057	4,487
Accounts receivable - other	3,785	3,815
Other	740	615
Allowance for doubtful accounts	(240)	(62)
Total current assets	23,984	21,340
Non-current assets		
Property, plant and equipment		
Buildings and structures	27,737	30,075
Accumulated depreciation	(17,361)	(17,768)
Buildings and structures, net	10,375	12,306
Tools, furniture and fixtures	10,787	11,856
Accumulated depreciation	(8,806)	(9,447)
Tools, furniture and fixtures, net	1,980	2,408
Land	9,871	9,424
Construction in progress	1,039	0
Other	48	58
Accumulated depreciation	(38)	(45)
Other, net	10	13
Total property, plant and equipment	23,278	24,153
Intangible assets		
Goodwill	498	387
Other	907	829
Total intangible assets	1,406	1,216
Investments and other assets		
Investment securities	527	1,065
Retirement benefit asset	294	617
Leasehold and guarantee deposits	5,595	5,504
Deferred tax assets	1,923	2,085
Other	864	837
Allowance for doubtful accounts	(171)	(341)
Total investments and other assets	9,035	9,769
Total non-current assets	33,719	35,109
Total assets	57,703	56,480

(Millions of yen)

	As of February 28, 2025	As of February 28, 2026
Liabilities		
Current liabilities		
Accounts payable - trade	8,166	8,237
Current portion of long-term borrowings	5,513	4,503
Income taxes payable	1,406	799
Provision for bonuses	707	688
Provision for bonuses for directors (and other officers)	128	73
Contract liabilities	1,514	1,635
Other	3,807	3,410
Total current liabilities	21,245	19,348
Non-current liabilities		
Long-term borrowings	7,235	5,424
Retirement benefit liability	770	470
Asset retirement obligations	253	755
Deferred tax liabilities	314	227
Deferred tax liabilities for land revaluation	43	45
Other	976	980
Total non-current liabilities	9,594	7,901
Total liabilities	30,839	27,250
Net assets		
Shareholders' equity		
Share capital	3,318	3,318
Capital surplus	3,598	3,607
Retained earnings	21,671	23,588
Treasury shares	(809)	(774)
Total shareholders' equity	27,779	29,739
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	200	396
Revaluation reserve for land	(1,289)	(1,290)
Remeasurements of defined benefit plans	173	384
Total accumulated other comprehensive income	(914)	(509)
Total net assets	26,864	29,229
Total liabilities and net assets	57,703	56,480

(2) Consolidated Statements of Income and Comprehensive Income

Consolidated Statement of Income

(Millions of yen)

	For the fiscal year ended February 28, 2025	For the fiscal year ended February 28, 2026
Net sales	133,521	134,198
Cost of sales	97,454	97,334
Gross profit	36,067	36,863
Operating revenue	3,654	3,786
Operating gross profit	39,722	40,650
Selling, general and administrative expenses		
Advertising expenses	1,158	1,118
Supplies expenses	785	737
Provision of allowance for doubtful accounts	206	(199)
Salaries and allowances	15,706	16,775
Provision for bonuses	657	641
Provision for bonuses for directors (and other officers)	124	79
Retirement benefit expenses	171	171
Amortization of goodwill	55	110
Welfare expenses	2,598	2,683
Depreciation	1,807	2,010
Rent expenses	4,276	4,424
Utilities expenses	3,054	3,075
Store maintenance fee	978	1,042
Other	2,120	2,247
Total selling, general and administrative expenses	33,702	34,920
Operating profit	6,020	5,729
Non-operating income		
Interest income	23	35
Dividend income	8	11
Gain on sale of materials	195	197
Other	132	65
Total non-operating income	359	310
Non-operating expenses		
Interest expenses	58	96
Other	35	50
Total non-operating expenses	94	147
Ordinary profit	6,285	5,891

(Millions of yen)

	For the fiscal year ended February 28, 2025	For the fiscal year ended February 28, 2026
Extraordinary income		
Gain on sale of non-current assets	3	35
Compensation income	–	542
Tenant withdrawal penalty income	–	0
Total extraordinary income	3	578
Extraordinary losses		
Loss on sale of non-current assets	2	14
Loss on retirement of non-current assets	87	172
Impairment losses	180	2,236
Loss on store closings	22	3
Loss on valuation of investment securities	–	7
Provision of allowance for doubtful accounts	–	145
Total extraordinary losses	292	2,579
Profit before income taxes	5,996	3,891
Income taxes – current	2,021	1,674
Income taxes – deferred	(155)	(428)
Total income taxes	1,865	1,245
Profit	4,131	2,645
Profit attributable to owners of parent	4,131	2,645

Consolidated Statement of Comprehensive Income

(Millions of yen)

	For the fiscal year ended February 28, 2025	For the fiscal year ended February 28, 2026
Profit	4,131	2,645
Other comprehensive income		
Valuation difference on available-for-sale securities	76	196
Revaluation reserve for land	–	(1)
Remeasurements of defined benefit plans, net of tax	19	210
Total other comprehensive income	95	405
Comprehensive income	4,226	3,050
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	4,226	3,050

(3) Consolidated Statement of Changes in Equity

Fiscal year ended February 28, 2025 (from March 1, 2024 to February 28, 2025)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	3,318	3,591	18,241	(837)	24,313
Changes during period					
Dividends of surplus			(672)		(672)
Profit attributable to owners of parent			4,131		4,131
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares		6		29	36
Reversal of revaluation reserve for land			(29)		(29)
Net changes in items other than shareholders' equity					
Total changes during period	–	6	3,429	28	3,465
Balance at end of period	3,318	3,598	21,671	(809)	27,779

	Accumulated other comprehensive income				Total net assets
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of period	124	(1,318)	154	(1,039)	23,274
Changes during period					
Dividends of surplus					(672)
Profit attributable to owners of parent					4,131
Purchase of treasury shares					(0)
Disposal of treasury shares					36
Reversal of revaluation reserve for land		29		29	–
Net changes in items other than shareholders' equity	76	–	19	95	95
Total changes during period	76	29	19	124	3,590
Balance at end of period	200	(1,289)	173	(914)	26,864

Fiscal year ended February 28, 2026 (from March 1, 2025 to February 28, 2026)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	3,318	3,598	21,671	(809)	27,779
Changes during period					
Dividends of surplus			(729)		(729)
Profit attributable to owners of parent			2,645		2,645
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares		9		34	44
Reversal of revaluation reserve for land					–
Net changes in items other than shareholders' equity					
Total changes during period	–	9	1,916	34	1,960
Balance at end of period	3,318	3,607	23,588	(774)	29,739

	Accumulated other comprehensive income				Total net assets
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of period	200	(1,289)	173	(914)	26,864
Changes during period					
Dividends of surplus					(729)
Profit attributable to owners of parent					2,645
Purchase of treasury shares					(0)
Disposal of treasury shares					44
Reversal of revaluation reserve for land					–
Net changes in items other than shareholders' equity	196	(1)	210	405	405
Total changes during period	196	(1)	210	405	2,365
Balance at end of period	396	(1,290)	384	(509)	29,229

(4) Consolidated Statement of Cash Flows

(Millions of yen)

	For the fiscal year ended February 28, 2025	For the fiscal year ended February 28, 2026
Cash flows from operating activities		
Profit before income taxes	5,996	3,891
Depreciation	1,875	2,153
Impairment losses	180	2,236
Amortization of goodwill	55	110
Increase (decrease) in allowance for doubtful accounts	227	(8)
Increase (decrease) in provision for bonuses	52	(19)
Increase (decrease) in provision for bonuses for directors (and other officers)	9	(55)
Increase (decrease) in contract liabilities	(51)	121
Increase (decrease) in retirement benefit liability	(69)	11
Decrease (increase) in retirement benefit asset	(208)	(322)
Interest and dividend income	(32)	(47)
Interest expenses	58	96
Loss on store closings	22	3
Compensation income	–	(542)
Loss (gain) on sale of non-current assets	(1)	(21)
Loss on retirement of non-current assets	87	172
Loss (gain) on valuation of investment securities	–	7
Decrease (increase) in trade receivables	(497)	(149)
Decrease (increase) in inventories	(190)	(430)
Increase (decrease) in trade payables	(377)	71
Increase (decrease) in accounts payable - other	(219)	454
Increase (decrease) in long-term accounts payable - other	(59)	(25)
Increase (decrease) in accrued consumption taxes	(50)	(517)
Decrease (increase) in other assets	35	305
Increase (decrease) in other liabilities	106	119
Subtotal	6,951	7,615
Interest and dividends received	15	31
Interest paid	(59)	(97)
Income taxes paid	(1,643)	(2,292)
Income taxes refund	1	10
Net cash provided by (used in) operating activities	5,266	5,267

(Millions of yen)

	For the fiscal year ended February 28, 2025	For the fiscal year ended February 28, 2026
Cash flows from investing activities		
Purchase of non-current assets	(3,629)	(4,840)
Proceeds from sale of non-current assets	12	195
Payments for retirement of non-current assets	(87)	(74)
Proceeds from purchase of shares of subsidiaries resulting in change in scope of consolidation	555	–
Purchase of investment securities	–	(272)
Payments of leasehold and guarantee deposits	(104)	(214)
Proceeds from refund of leasehold and guarantee deposits	36	67
Other, net	165	135
Net cash provided by (used in) investing activities	(3,050)	(5,003)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(320)	–
Proceeds from long-term borrowings	7,550	3,450
Repayments of long-term borrowings	(8,005)	(6,271)
Purchase of treasury shares	(0)	(0)
Dividends paid	(671)	(728)
Net cash provided by (used in) financing activities	(1,448)	(3,550)
Net increase (decrease) in cash and cash equivalents	767	(3,286)
Cash and cash equivalents at beginning of period	12,669	13,437
Cash and cash equivalents at end of period	13,437	10,150

(5) Notes to Consolidated Financial Statements

(Notes on going concern assumption)

Not applicable.

(Changes in accounting policies)

The Company has applied the "Accounting Standard for Current Income Taxes" (ASBJ Statement No. 27, October 28, 2022; hereinafter the "2022 Revised Accounting Standard") and other standards from the beginning of the fiscal year under review.

Regarding the revision to the classification to record income taxes (taxation on other comprehensive income), the Company has conformed to the transitional treatment provided for in the proviso to Paragraph 20-3 of the 2022 Revised Accounting Standard, and the transitional treatment provided for in the proviso to Paragraph 65-2 (2) of the "Implementation Guidance on Tax Effect Accounting" (ASBJ Guidance No. 28, October 28, 2022; hereinafter the "2022 Revised Implementation Guidance"). The changes in accounting policies have no impact on the Consolidated Financial Statements.

Additionally, regarding the revision associated with the review of the treatment in the Consolidated Financial Statements in case that gain or loss on the sale of shares in a subsidiary, etc., among consolidated companies is deferred for tax purposes, the 2022 Revised Implementation Guidance has been applied from the beginning of the fiscal year under review. These changes in accounting policies have no impact on the Consolidated Financial Statements for the previous fiscal year.

(Changes in accounting estimates)

Change in estimate of asset retirement obligations

In the fiscal year under review, regarding asset retirement obligations that had been recorded as restoration obligations associated with real estate lease contracts, the Company changed its estimates in relation to the restoration costs in light of recent surges in prices and new information obtained. The increase of ¥404 million due to change in estimate was added to the balance of asset retirement obligations before the change. This change has no impact on operating profit, ordinary profit and profit before income taxes.

(Segment information, etc.)

[Segment information]

The Group operates a single reportable segment consisting primarily of supermarket business focused on the sale of food products and daily necessity products. The disclosure of other businesses is omitted since their importance is immaterial. Other businesses include leasing, wholesale, and logistics.

[Related information]

For the previous fiscal year (from March 1, 2024 to February 28, 2025)

1. Information by product and service

The disclosure is omitted since net sales to external customers for a single product/service category account for more than 90% of net sales as shown on the consolidated statements of income.

2. Information by region

(1)Net sales

Not applicable since there are no net sales to external customers outside of Japan.

(2)Property, plant and equipment

Not applicable since there are no property, plant and equipment located outside of Japan.

3. Information by major customer

The disclosure is omitted since there are no net sales to single external customer that accounts for 10% or more of net sales as shown on the consolidated statements of income.

For the fiscal year under review (from March 1, 2025 to February 28, 2026)

1. Information by product and service

The disclosure is omitted since net sales to external customers for a single product/service category account for more than 90% of net sales as shown on the consolidated statements of income.

2. Information by region

(1)Net sales

Not applicable since there are no net sales to external customers outside of Japan.

(2)Property, plant and equipment

Not applicable since there are no property, plant and equipment located outside of Japan.

3. Information by major customer

The disclosure is omitted since there are no net sales to single external customer that accounts for 10% or more of net sales as shown on the consolidated statements of income.

[Information on impairment losses on non-current assets by reportable segment]

Since the Group operates a single segment, the disclosure is omitted.

[Information on amortization and unamortized balance of goodwill by reportable segment]

Since the Group operates a single segment, the disclosure is omitted.

[Information on gain on bargain purchase by reportable segment]

Not applicable.

(Per share information)

	For the fiscal year ended February 28, 2025	For the fiscal year ended February 28, 2026
Net assets per share	¥2,395.06	¥2,601.69
Basic earnings per share	¥368.46	¥235.60

Notes: 1. Diluted earnings per share are not stated as there were no dilutive shares.

2. The basis for calculating net assets per share is as follows.

Item	As of February 28, 2025	As of February 28, 2026
Total amount of net assets (millions of yen)	26,864	29,229
Amount deducted from total amount of net assets (millions of yen)	–	–
Year-end net assets related to common shares (millions of yen)	26,864	29,229
Number of issued common shares (shares)	11,648,917	11,648,917
Number of treasury shares (shares)	432,404	413,996
Number of common shares used to calculate net assets per share (shares)	11,216,513	11,234,921

3. The basis for calculating basic earnings per share is as follows.

Item	For the fiscal year ended February 28, 2025	For the fiscal year ended February 28, 2026
Basic earnings per share		
Profit attributable to owners of parent (millions of yen)	4,131	2,645
Profit attributable to owners of parent relating to common shares (millions of yen)	4,131	2,645
Average number of shares outstanding during the period (shares)	11,212,212	11,229,760

(Significant subsequent events)

Not applicable.