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Non-consolidated Financial Results for the Three Months Ended May 20, 2026 [Japanese GAAP]



June 22, 2026

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 Stock exchange listing: Tokyo Stock Exchange
 Code number: 3333
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 Scheduled date of commencing dividend payments: -
 Availability of supplementary explanatory materials on financial results: Available
 Schedule of financial results briefing session: Not scheduled

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

1. Non-consolidated Financial Results for the Three Months Ended May 20, 2026 (February 21, 2026–May 20, 2026)

(1) Non-consolidated Operating Results (Cumulative) (% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Three months ended May 20, 2026	27,786	2.5	3,097	(5.3)	3,138	(7.8)	2,140	(8.4)
May 20, 2025	27,104	0.6	3,270	(10.8)	3,403	(6.7)	2,336	(6.0)

	Basic earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended May 20, 2026	82.18		—	
May 20, 2025	89.71		—	

(2) Non-consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of May 20, 2026	58,500	41,669	71.2
As of February 20, 2026	56,077	40,159	71.6

(Reference) Equity: As of May 20, 2026: ¥41,669 million
 As of February 20, 2026: ¥40,159 million

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended February 20, 2026	–	25.00	–	25.00	50.00
Fiscal year ending February 20, 2027	–				
Fiscal year ending February 20, 2027 (Forecast)		25.00	–	25.00	50.00

(Note) Revisions to the most recently announced dividend forecast: None

3. Non-consolidated Financial Results Forecast for the Fiscal Year Ending February 20, 2027 (February 21, 2026–February 20, 2027)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
First fiscal half	47,941	4.4	3,320	(11.6)	3,389	(13.6)	2,223	(15.5)	85.38
Full year	86,278	6.0	4,300	9.2	4,440	6.5	2,730	20.3	104.83

(Note) Revisions to the most recently announced financial results forecast: None

*** Notes:**

(1) Adoption of special accounting methods for the preparation of quarterly non-consolidated financial statements:
None

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

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

2) Changes in accounting policies other than 1) above: None

3) Changes in accounting estimates: None

4) Retrospective restatement: None

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

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

May 20, 2026: 26,240,800 shares

February 20, 2026: 26,240,800 shares

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

May 20, 2026: 198,881 shares

February 20, 2026: 198,881 shares

3) Average number of shares outstanding during the period:

Three months ended May 20, 2026: 26,041,919 shares

Three months ended May 20, 2025: 26,040,119 shares

(Note) The Company has adopted the Executive Remuneration BIP Trust since June 19, 2014.

The number of treasury shares at the end of the period includes the Company's shares held by the trust (198,370 shares as of May 20, 2026, and 198,370 shares as of February 20, 2026). In addition, the Company's shares held by the trust are included in the treasury shares to be deducted in the calculation of the average number of shares outstanding during the period (198,370 shares for the three months ended May 20, 2026, and 200,170 shares for the three months ended May 20, 2025).

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

* Explanation of the proper use of financial results forecast and other notes

(Cautions regarding forward-looking statements, etc.)

The financial results forecast and other forward-looking statements contained in this document are based on information currently available to the Company and certain assumptions that are deemed reasonable, and do not constitute a promise that the Company will achieve them. Actual results may differ materially from these statements due to various factors. For the assumptions on which the financial results forecast is based, cautions on the use of the forecast, and other information, please refer to 1. Overview of Operating Results, etc., (3) Explanation of Financial Results Forecast and Other Forward-looking Information on page 3 of the Attachment.

(Access to supplementary explanatory materials on financial results)

The supplementary explanatory materials on financial results are disclosed on TDnet today and are also available on the Company's website.

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1. Overview of Operating Results, etc.

(1) Overview of Operating Results for the Period under Review

The Japanese economy during the three months ended May 20, 2026 called for careful attention to downside risks to business conditions, including an increase in the burden on household finances due to a prolonged rise in prices, the impact of the situation in the Middle East on resource prices, etc., and fluctuations in the financial and capital markets, although the employment and income environment was on a gradual recovery trend. In this situation, consumers became even more budget-conscious, and continued to manage their spending carefully.

In the bicycle retail business, demand for replacement of old bicycles for new ones remained low against the backdrop of a longer replacement cycle resulting from a switch to higher-priced enhanced-performance products, such as electric-assist bicycles, and a slump in consumers' willingness to spend due to high prices. Meanwhile, the trend of using the same bicycle for a long time while repairing and maintaining it strengthened further.

Under a basic policy aimed at both "achieving a sustainable society" and "realizing sustainable growth for the Company" the Company's medium-term management plan VISION 2028, covering the period from the fiscal year ending February 20, 2027 to the fiscal year ending February 20, 2029, sets out as key strategies refining the OMO platform^(Note 1), enhancing CRM^(Note 2), extending adjacent business domains, and expanding trade areas through closer collaboration with strategic partners.

During the three months ended May 20, 2026, the Company worked to build a circular business model that does not rely solely on new bicycle sales, by promoting the creation of a platform on which various services are interlinked and strengthening its approach toward domestic bicycle ownership of 60 million units^(Note 3).

The Company also worked to create an organization where diverse talent can thrive and to develop talent equipped with highly specialized expertise.

Regarding store openings and closures, the Company opened one new store in the Kanto region, while closing one store in the Kanto region due to the expiration of its agreement. As a result, the total number of stores at the end of the first quarter of the fiscal year under review was 557, consisting of 539 directly operated stores and 18 franchise stores.

As a result of the above activities, net sales for the three months ended May 20, 2026 were ¥27,786,574 thousand (up 2.5% year on year). Operating profit was ¥3,097,809 thousand (down 5.3% year on year), ordinary profit was ¥3,138,620 thousand (down 7.8% year on year), and profit was ¥2,140,230 thousand (down 8.4% year on year).

Since the Company has only one segment of the bicycle business, information by segment is not provided.

(Notes) 1. OMO (Online Merges with Offline) is a marketing approach that integrates e-commerce and retail stores to provide customers with experiential value at each stage from gathering information to purchasing and using the products.

2. CRM (Customer Relationship Management) is an initiative for strengthening our customer relations by providing information via the Cycle Base Asahi official app to make their bicycle life more convenient and comfortable.

3. Estimated by the Company based on the Japan Bicycle Promotion Institute, "Report on 2021 Survey of Bicycle Ownership and Usage" and other sources.

(2) Overview of Financial Position as of the End of the Period under Review

(Assets)

Current assets at the end of the first quarter of the fiscal year under review were ¥35,223,316 thousand, an increase of ¥2,542,883 thousand (7.8%) from the end of the previous fiscal year. This was due mainly to increases in cash and deposits of ¥3,153,938 thousand and accounts receivable - trade of ¥1,388,242 thousand, which were partially offset by a decrease in merchandise of ¥1,792,790 thousand. Non-current assets were ¥23,276,875 thousand, a decrease of ¥120,563 thousand (0.5%) from the end of the previous fiscal year. This was due mainly to decreases in buildings of ¥196,847 thousand and tools, furniture and fixtures of ¥56,098 thousand, which were partially offset by an increase in deferred tax assets of ¥167,727 thousand.

As a result, total assets were ¥58,500,192 thousand, an increase of ¥2,422,319 thousand (4.3%) from the end of the previous fiscal year.

(Liabilities)

Current liabilities at the end of the first quarter of the fiscal year under review were ¥15,567,717 thousand, an increase of ¥898,516 thousand (6.1%) from the end of the previous fiscal year. This was due mainly to increases in income taxes payable of ¥729,707 thousand, provision for bonuses of ¥543,097 thousand, and accrued consumption taxes of ¥377,935 thousand, which were partially offset by a decrease in accounts payable - trade of ¥1,065,727 thousand. Non-current liabilities were ¥1,263,436 thousand, an increase of ¥13,809 thousand (1.1%) from the end of the previous fiscal year. This was due mainly to increases in guarantee deposits received of ¥10,000 thousand and provision for share-based payments of ¥1,462 thousand, which were partially offset by a decrease in asset retirement obligations of ¥2,506 thousand.

As a result, total liabilities were ¥16,831,154 thousand, an increase of ¥912,326 thousand (5.7%) from the end of the previous fiscal year.

(Net assets)

Total net assets at the end of the first quarter of the fiscal year under review were ¥41,669,037 thousand, an increase of ¥1,509,993 thousand (3.8%) from the end of the previous fiscal year. This was due mainly to an increase of ¥2,140,230 thousand due to the posting of profit, which was partially offset by a decrease due to dividends of surplus of ¥656,007 thousand.

As a result, the equity ratio stood at 71.2% (71.6% at the end of the previous fiscal year).

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

Our financial results forecast remains unchanged from the first fiscal half and full year forecasts published in the “Non-consolidated Financial Results for the Fiscal Year Ended February 20, 2026 [Japanese GAAP]” dated April 3, 2026.

2. Quarterly Non-consolidated Financial Statements and Principal Notes

(1) Quarterly Non-consolidated Balance Sheets

(Thousands of yen)

	As of February 20, 2026	As of May 20, 2026
Assets		
Current assets		
Cash and deposits	12,302,700	15,456,638
Accounts receivable - trade	3,944,117	5,332,359
Merchandise	13,986,315	12,193,524
Goods in transit	1,454,843	1,122,471
Supplies	198,841	181,870
Other	794,935	937,771
Allowance for doubtful accounts	(1,320)	(1,320)
Total current assets	32,680,432	35,223,316
Non-current assets		
Property, plant and equipment		
Buildings, net	9,809,710	9,612,862
Land	3,163,012	3,163,012
Other, net	1,787,946	1,793,491
Total property, plant and equipment	14,760,668	14,569,366
Intangible assets	832,788	806,900
Investments and other assets		
Guarantee deposits	5,244,685	5,213,579
Construction assistance fund receivables	559,280	535,082
Other	2,008,783	2,161,863
Allowance for doubtful accounts	(8,767)	(9,916)
Total investments and other assets	7,803,982	7,900,608
Total non-current assets	23,397,439	23,276,875
Total assets	56,077,872	58,500,192

(Thousands of yen)

	As of February 20, 2026	As of May 20, 2026
Liabilities		
Current liabilities		
Accounts payable - trade	5,038,013	3,972,286
Income taxes payable	559,605	1,289,313
Contract liabilities	4,127,384	4,369,590
Provision for bonuses	1,090,963	1,634,061
Other	3,853,234	4,302,466
Total current liabilities	14,669,201	15,567,717
Non-current liabilities		
Provision for share-based payments	176,400	177,862
Asset retirement obligations	830,917	828,410
Other	242,309	257,163
Total non-current liabilities	1,249,626	1,263,436
Total liabilities	15,918,828	16,831,154
Net assets		
Shareholders' equity		
Share capital	2,061,356	2,061,356
Capital surplus	2,165,171	2,165,171
Retained earnings	36,155,000	37,639,223
Treasury shares	(284,566)	(284,566)
Total shareholders' equity	40,096,961	41,581,184
Valuation and translation adjustments		
Deferred gains or losses on hedges	62,082	87,853
Total valuation and translation adjustments	62,082	87,853
Total net assets	40,159,044	41,669,037
Total liabilities and net assets	56,077,872	58,500,192

(2) Quarterly Non-consolidated Statements of Income

(Thousands of yen)

	Three months ended May 20, 2025	Three months ended May 20, 2026
Net sales	27,104,657	27,786,574
Cost of sales	14,795,060	15,189,589
Gross profit	12,309,596	12,596,985
Selling, general and administrative expenses	9,038,740	9,499,175
Operating profit	3,270,856	3,097,809
Non-operating income		
Interest income	8,365	14,666
Foreign exchange gains	49,789	–
Rental income from buildings	26,755	27,119
Commission income	30,339	14,555
Subsidy income	470	28,135
Other	40,579	20,917
Total non-operating income	156,299	105,393
Non-operating expenses		
Foreign exchange losses	–	33,735
Rental costs on real estate	21,598	21,995
Other	2,193	8,852
Total non-operating expenses	23,792	64,583
Ordinary profit	3,403,363	3,138,620
Extraordinary losses		
Loss on sale and retirement of non-current assets	297	1,656
Impairment losses	–	1,455
Loss on disaster	–	314
Total extraordinary losses	297	3,427
Profit before income taxes	3,403,065	3,135,193
Income taxes - current	1,190,056	1,174,000
Income taxes - deferred	(123,127)	(179,037)
Total income taxes	1,066,928	994,962
Profit	2,336,136	2,140,230

(3) Notes to the Quarterly Non-consolidated Financial Statements

(Notes on segment information, etc.)

Segment information is omitted as the Company has only one segment of the bicycle business.

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

Not applicable.

(Notes on going concern assumption)

Not applicable.

(Notes on Quarterly Non-consolidated Statements of Cash Flows)

Quarterly Non-consolidated Statements of Cash Flows for the three months ended May 20, 2026 have not been prepared. Depreciation (including amortization for intangible assets) for the three months ended May 20 is as follows.

	Three months ended May 20, 2025	Three months ended May 20, 2026
Depreciation	¥436,261 thousand	¥448,275 thousand