Notes:
・This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.
・Joyful Honda's fiscal year ends in June.

JOYFUL HONDA

FY2027 Q1 Financial Results (Three Months Ended September 20, 2026)

Supplementary Materials for Financial Results

JOYFUL HONDA CO., LTD.

(Securities Code: 3191)

November 2, 2026

FY2027 Q1 Results Highlights

JOYFUL HONDA

1 Net sales (consolidated): Grew to 106.9% YoY
(of which 3.8 percentage points was the contribution from consolidation of Honda Co., Ltd.)
Operating profit (consolidated): 90.8% YoY, but progress in line with initial plan

- While sales of seasonal products struggled to grow due to unfavorable weather, including prolonged rain periods and localized heavy rain, net sales increased thanks to capture of demand for repairs and disaster preparedness backed by the wide product assortment.
- Due to a revision of the bonus calculation policy from FY2027, recognition of personnel expenses, previously weighted toward Q4 (as in FY2026), has been smoothed out. As a result, Q1 personnel expenses rose YoY. Although this resulted in a decrease in operating profit, the impact was already factored into the initial plan.

2 Improved store operations and strengthened competitiveness with a view to future profit generation

- Automating and centralizing store operations to create a system which allows employees to concentrate on highly specialized customer service and sales floor development
- Making stores more attractive through customer-focused sales floor development, renovations, and store format conversions, aiming to strengthen sales and earning power over the medium to long term

<Assumptions in this document>
- From FY2026 Q3, the performance of Honda Co., Ltd. is included in the consolidated financial results.
- Accordingly, the YoY comparison of FY2027 Q1 is between the consolidated results for that quarter and Joyful Honda's non-consolidated results for FY2026 Q1.
- Non-consolidated figures for FY2027 in this document are calculated on an adjusted basis that excludes intercompany transactions and may therefore differ from the figures reported in the financial statements.

P/L (Consolidated)

JOYFUL HONDA

	FY2026 Q1 (Non-consolidated)		FY2027 Q1		FY2027 1H Forecast		YoY Change		% of 1H Forecast	(Reference) Honda Co., Ltd. FY2027 Q1	
	Amount	% of Net Sales	Amount	% of Net Sales	Amount	% of Net Sales	Amount	%	%	Amount	% of Net Sales
Net Sales	32,102	100.0	**34,325**	**100.0**	69,700	100.0	+2,222	106.9	49.2	1,239	100.0
Gross Profit	10,094	31.4	**10,781**	**31.4**	22,090	31.7	+686	106.8	48.8	324	26.2
Operating Revenue	1,747	5.4	**1,840**	**5.4**	3,550	5.1	+92	105.3	51.8	19	1.6
Operating Gross Profit	11,842	36.9	**12,621**	**36.8**	25,640	36.8	+778	106.6	49.2	344	27.8
SG&A Expenses	9,133	28.5	**10,161**	**29.6**	21,290	30.5	+1,027	111.2	47.7	398	32.1
Operating Profit	2,708	8.4	**2,460**	**7.2**	4,350	6.2	(248)	90.8	56.6	△53	△4.4
Ordinary Profit*	3,007	9.4	**2,782**	**8.1**	4,930	7.1	(224)	92.5	56.4	△43	△3.5
Profit before Income Taxes	2,991	9.3	**2,778**	**8.1**	4,880	7.0	(213)	92.9	56.9	862	69.6
Profit	2,073	6.5	**2,089**	**6.1**	3,350	4.8	+15	100.8	62.4	859	69.4

Notes:
- Ordinary Profit: Japanese accounting standard item (includes non-operating income/expenses)
- Millions of yen and percentage; Yen amounts are rounded down to millions; percentages are rounded to the first decimal place
- FY2026 Q1 figures are for Joyful Honda on a non-consolidated basis, whereas FY2027 Q1 figures are consolidated results including Honda Co., Ltd. The YoY comparison therefore reflects the impact of the change in the scope of consolidation.

P/L (Joyful Honda Non-consolidated)

JOYFUL HONDA

	FY2026 Q1		FY2027 Q1		YoY Change		Comments (YoY)
	Amount	% of Net Sales	Amount	% of Net Sales	Amount	%	
Net Sales	32,102	100.0	**33,085**	**100.0**	+983	103.1	■ Existing-store sales: 101.5% YoY ■ Renovation & Exterior Group sales: Double-digit growth
Gross Profit	10,094	31.4	**10,441**	**31.6**	+346	103.4	■ Gross profit margin progressing in line with plan ■ Sluggish sales of high-margin insecticides and seasonal products due to unfavorable weather conditions
Operating Revenue	1,747	5.4	**1,829**	**5.5**	+81	104.7	
Operating Gross Profit	11,842	36.9	**12,271**	**37.1**	+428	103.6	
SG&A Expenses	9,133	28.5	**9,778**	**29.6**	+644	107.1	■ Q1 personnel expenses rose YoY, as the revised bonus calculation policy spread expense recognition more evenly across the year
Operating Profit	2,708	8.4	**2,492**	**7.5**	(216)	92.0	
Ordinary Profit*	3,007	9.4	**2,810**	**8.5**	(196)	93.5	
Profit before Income Taxes	2,991	9.3	**2,806**	**8.5**	(184)	93.8	
Profit	2,073	6.5	**1,908**	**5.8**	(165)	92.0	

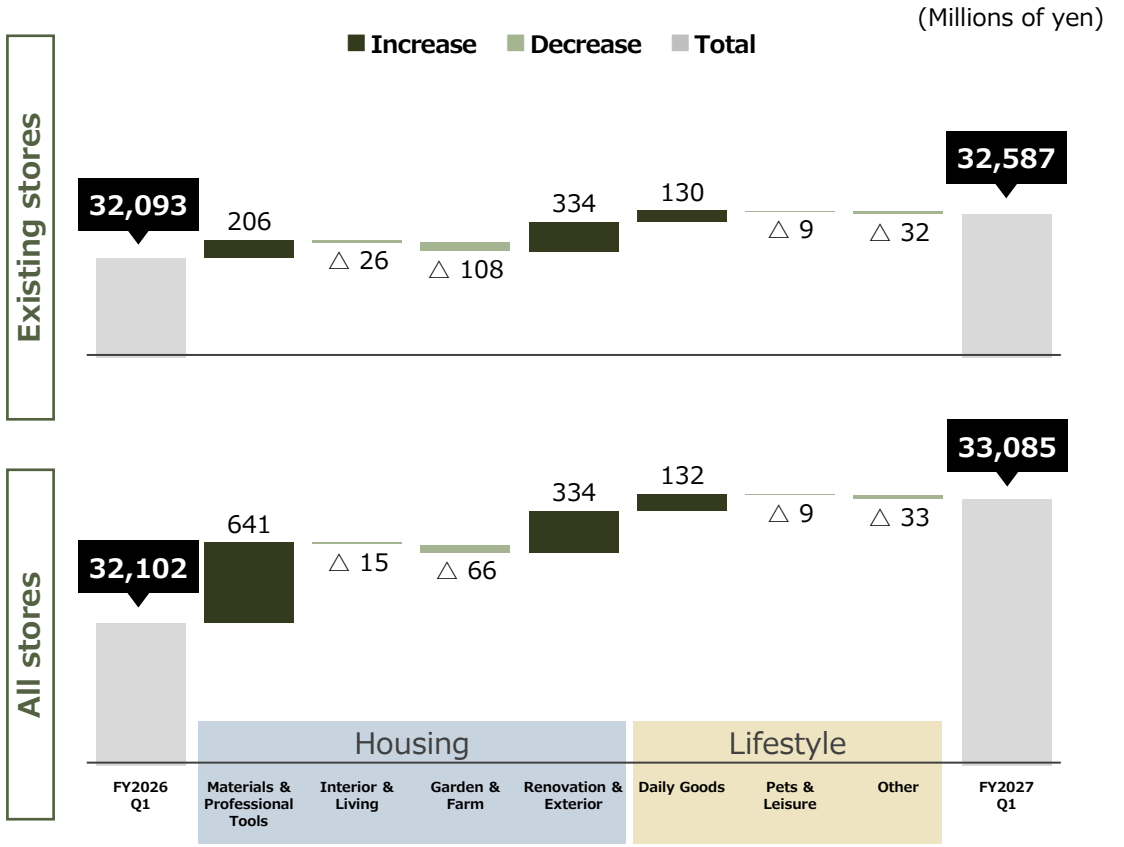
Notes:
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Net Sales by Product Group and Gross Profit (Joyful Honda Non-consolidated)

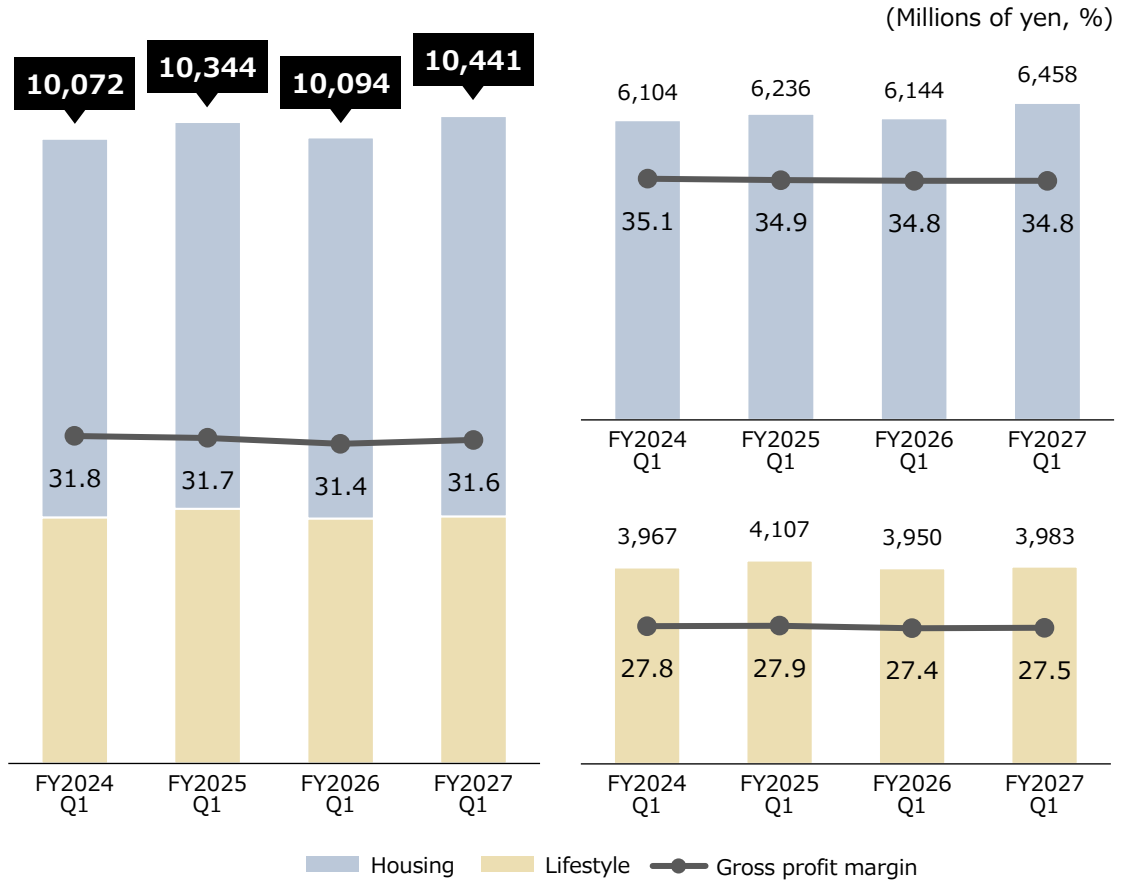
JOYFUL HONDA

- **Materials & Professional Tools Group sales remained steady supported by the effect of new stores and higher demand for materials used in house repair and reinforcements due to heavy rain.**
- **Renovation & Exterior Group sales increased significantly driven by higher net sales of plumbing work and a recovery in inquiries for carports.**
- **The gross profit margin rose due to better profitability in the Interior & Living Group and an increase in the composition ratio of the Housing sector.**

Change in Net Sales



Gross Profit



SG&A Expenses and Total Working Hours (Joyful Honda Non-consolidated)

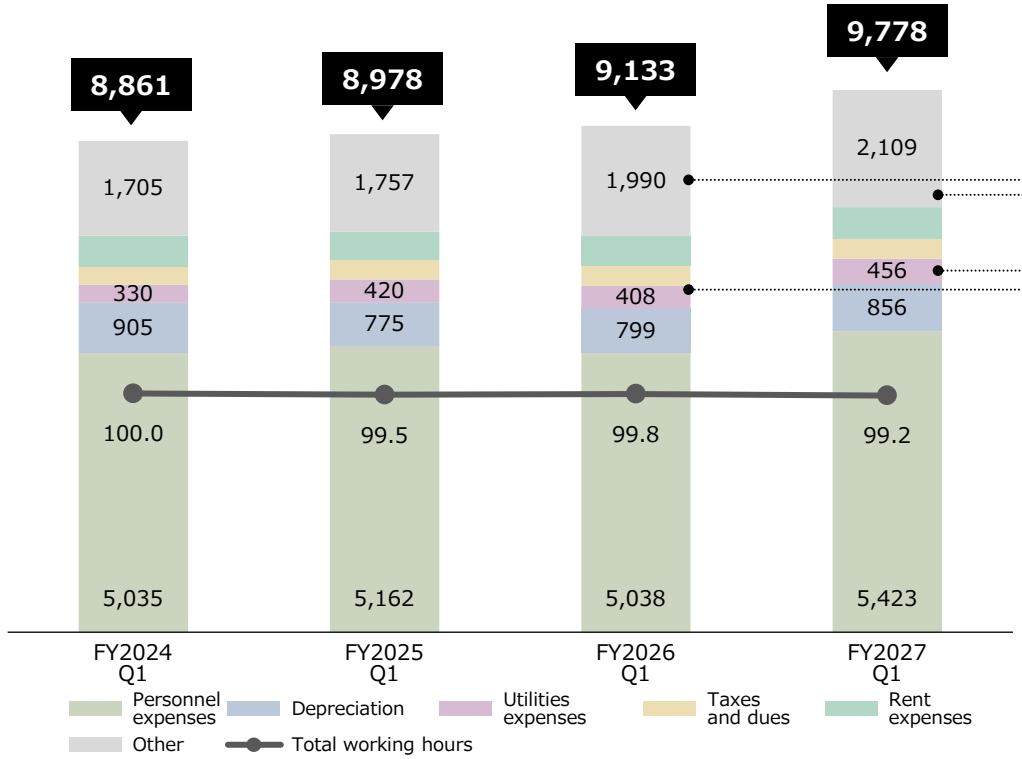
JOYFUL HONDA

- **SG&A expenses increased due to ongoing investment in human capital and stores aimed at future growth.**
- **We revised the bonus calculation policy in FY2027 to secure and retain human capital and ensure stable bonus payments. As a result, recognition of personnel expenses, weighted toward Q4 in the previous year, has been smoothed out, and Q1 personnel expenses rose approximately ¥0.38 billion YoY. The impact was already factored into the initial plan.**

SG&A Expenses and Total Working Hours

***Total working hours: (0.8%) compared with FY2024**
(assuming FY2024 as 100)

(Millions of yen, %)



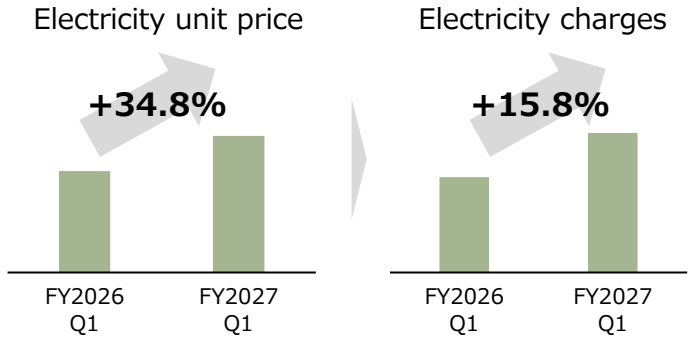
* Advertising expenses are included in "Other"
* Subcontracted labor costs had been so far included in personnel expenses but from FY2026, we use figures including subcontracted labor costs in other (selling expenses).

Key SG&A Expenses (Other) YoY Change

(Millions of yen)

	FY2026 Q1	FY2027 Q1	YoY change
Administrative Expenses	128	**171**	+43
Credit card processing fees	393	**435**	+41
Security and Management Expenses	487	**529**	+42
	⋮	⋮	
Total others	1,990	**2,109**	+119

Changes in electricity charges



Although electricity consumption was lower YoY, electricity charges increased due to the rise in the unit price of electricity.

B/S (Consolidated)

JOYFUL HONDA

(百万円)

		FY2026 End	FY2027 Q1 End	vs. FY2026 End	Comments (Compared with FY2026 End)
Assets	**Current Assets**	57,948	57,088	**△859**	■ Cash and deposits decreased ¥2,707 million. ■ The factors behind the increase in merchandise are the effects from the opening of specialty stores and the securing of inventory for the Silver Week holiday period in mid-September.
	Cash and Deposits	25,193	22,485	**△2,707**	
	Accounts Receivable - Trade*1	4,986	5,221	**234**	
	Merchandise*2	24,465	26,100	**1,635**	
	Non-Current Assets	109,724	109,090	**△633**	
	Total Assets	167,672	166,179	**△1,493**	
Liabilities and Net Assets	**Current Liabilities**	22,821	22,655	**△165**	■ Non-current liabilities decreased due to scheduled repayments of long-term borrowings.
	Accounts Payable - Trade	8,014	9,045	**1,030**	
	Short-Term Borrowings	0	0	**—**	
	Current Portion of Long-Term Borrowings	4,317	3,896	**△421**	
	Non-Current Liabilities	18,412	17,393	**△1,019**	
	Long-Term Borrowings	5,476	4,678	**△798**	
	Total Liabilities	41,234	40,049	**△1,184**	
	Total Shareholders' Equity	124,831	124,387	**△444**	
	Total Net Assets	126,438	126,129	**△308**	
	Total Liabilities and Net Assets	167,672	166,179	**△1,493**	

*1: Accounts Receivable – Trade include contract assets
*2: Merchandise includes work in progress, costs on construction contracts in progress, goods in transit, raw materials and supplies
*On September 30, 2025, the Company acquired all the shares of Honda Co., Ltd. and made Honda a subsidiary.

Capital Expenditures, Depreciation, and Cash Flows (Consolidated)

JOYFUL HONDA

1. Capital Expenditures and Depreciation

(Millions of yen)

	FY2024 Q1 (Non-consolidated)	FY2025 Q1 (Non-consolidated)	FY2026 Q1 (Non-consolidated)	FY2027 Q1	Comments	FY2027 End (Forecast)
Capital Expenditures	369	201	755	**635**	■ Commenced upgrades of store facilities and IT systems	**6,250**
Depreciation	905	775	799	**875**		**3,700**

2. Cash Flows

(Millions of yen)

	FY2024 Q1 (Non-consolidated)	FY2025 Q1 (Non-consolidated)	FY2026 Q1 (Non-consolidated)	FY2027 Q1	Breakdown	
Cash Flows from Operating Activities	3,317	1,670	2,134	**1,696**	■ Profit before income taxes	+¥2,778 million
Cash Flows from Investing Activities	△709	△662	△1,361	**△847**	■ Purchase of property, plant and equipment and intangible assets	¥(1,044) million
Cash Flows from Financing Activities	△7,396	7,728	△3,120	**△3,763**	■ Repayments of long-term borrowings ■ Dividends paid	¥(1,219) million ¥(2,539) million
Net Increase (Decrease) in Cash and Cash Equivalents	△4,789	8,735	△2,347	**△2,914**	■ Total of the above CF	
Increase in Cash and Cash Equivalents Resulting from Merger with Unconsolidated Subsidiaries	—	—	—	**—**		
Cash and Cash Equivalents at End of Period	30,195	36,155	29,870	**22,266**		

Initiatives in Q1

JOYFUL HONDA

Making stores more attractive

Began reorganization of HOMEJOY HONDA Ishige Store area

By incorporating Joyful Honda's merchandising and services, we aim to enhance customer convenience, strengthen competitiveness and product offerings, and improve profit margins.









We will further strengthen the Materials & Professional Tools Group, the Garden & Farm Group, the Renovation & Exterior Group, and the Pets & Leisure Group.

Converted format of JOYHON Oyama Ekimae Store

Renovated as a mixed-use commercial complex (22 tenants) under the concept of "making life more enjoyable and more comfortable" to serve as a new hub for the community.



Carrying out renovations that take into account the surrounding environment of each store and lead to improved on-site capabilities

Initiatives in Q1

JOYFUL HONDA

Making stores more attractive

“Joyful Honda Reform” changed its name to “JOYFUL HOME.”



Going beyond a mere change of store name, we started the new fiscal year with a new organization and evaluation system.
We will put in place a customer service structure that strengthens our appeal to customers, and plan to introduce a succession of new proposals.



From the period under review, JOYFUL HOME Arakawaoki Store has been relocated to the premises of the home improvement center considering convenience for customers.



Renovated JOYFUL HOME Arakawaoki Store interior

Going forward, we will develop layout guidelines based on spatial analysis and renovate JOYFUL HOME stores in phases

Initiatives in Q1

JOYFUL HONDA

Improving operational efficiency and creating customer service time

Expanding floor space of cut flower processing center

We are centralizing processing operations and strengthening the supply system.

We will create customer service time and expand sales opportunities by improving store operations and maintaining and enhancing the freshness of products.

Area of production/market



Source fresh cut flowers from areas of production and markets

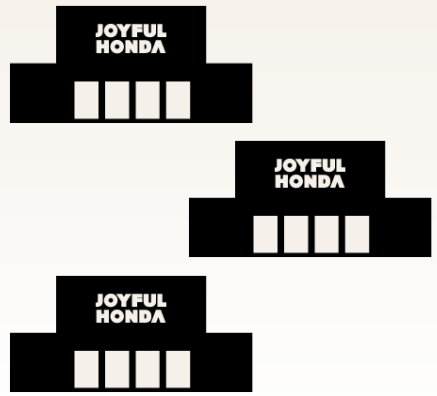
Cut flower processing center (expansion)

Centralize bouquet production at the center



Inspection and pre-processing → Creation of bouquets → Delivery

Store



Focus on customer service and making bouquets to customer orders

Improving product value	・Deliver even fresher cut flowers through rapid processing and delivery ・Create bouquets with standardized, consistent quality at the center ・Achieve flexible response even during peak seasons
Improving store productivity	・Reduce production of ready-made bouquets in stores and focus on high value-added services such as making custom bouquets and providing customer service ・Improve customer satisfaction by offering more attentive service than ever before

Initiatives in Q1

Ordering work hours on the sales floor in the pilot department (%)

JOYFUL HONDA

Improving operational efficiency and creating customer service time

We have commenced operating an automated ordering system utilizing AI.

We will gradually expand the operational scope of the automated ordering system and promote greater efficiency in ordering work.
By redirecting the time saved to customer service and sales floor development, we aim to improve the sales performance of stores.

Set order quantities using a method that fits the characteristics of each product

Demand forecasting type

AI calculates order quantities using sales history, weather, season, regional characteristics, trends, registered minimum order quantities, and other factors.

AI

Utilization of AI

Sell-one-buy-one type

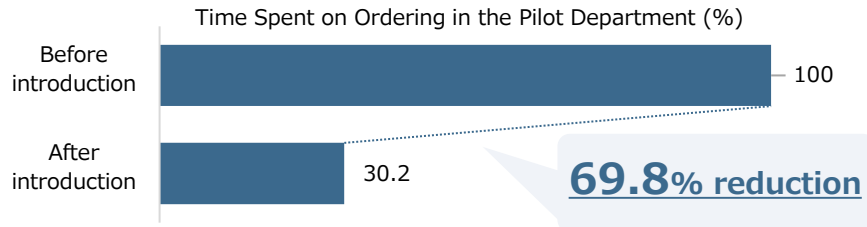
Sets the order quantity to the amount of decrease on the sales floor since the last order

Orders to suppliers are placed automatically, products are delivered to each store, and inventory is kept at the right level.

Operation has commenced across all stores in some product departments. We are also running trials in other product departments, and will gradually expand coverage in the future.

Effects expected due to introduction of system

Improvement of ordering operations
- Removing reliance on individual staff members and enabling stable, consistent ordering
- Reducing time spent on ordering work



Use of time saved
- Helping to reduce overtime
- Creating time for customer service and sales floor development
- Enhancing response to seasons and events

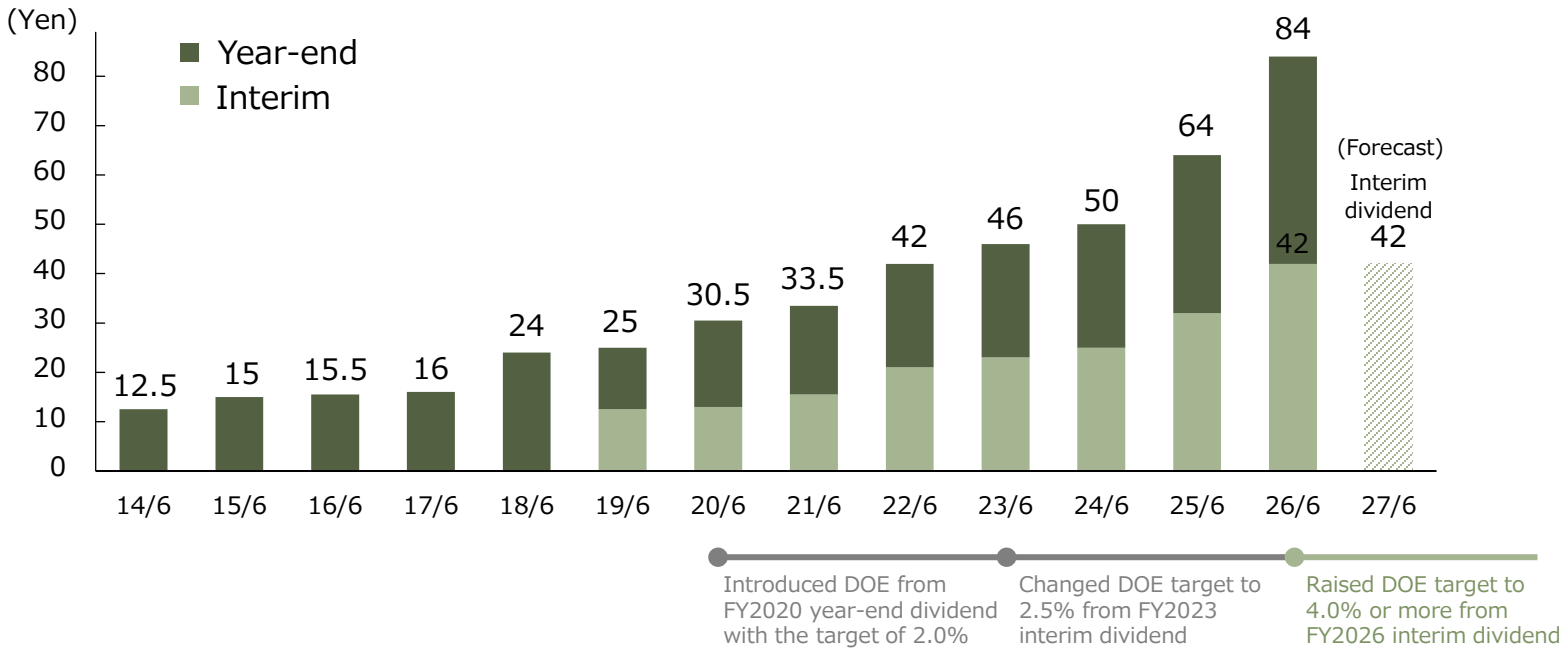
Achieve inventory management that does not detract from keeping the sales floor looking attractive
- Reducing opportunity loss while maintaining optimal inventory levels with customized demand forecasting for each store

Shareholder Returns

JOYFUL HONDA

- **The Company has executed an MOU with ARCLANDS CORPORATION regarding the business integration through the establishment of a joint holding company (share transfer). As dividends will be paid by the joint holding company following its establishment, the year-end dividend for FY2027 is yet to be determined.**
- **The interim dividend forecast for FY2027 is 42.00 yen per share, unchanged from the previous fiscal year.**

Dividend Results and Forecast



* Based on the number of shares after adjustment for stock splits

[Joyful Honda Dividend Policy]

DOE (dividend on equity ratio) target: 4.0% or higher (effective from the FY2026 interim dividend)

Progressive Dividends in Line with Sustainable Profit Growth, Based on the Dividend Policy

Trends in Sales and Composition Ratio by Product Group (Joyful Honda Non-consolidated)

JOYFUL HONDA

	FY2023 Q1	FY2024 Q1	FY2025 Q1	FY2026 Q1	FY2027 Q1
Housing	17,435 (56.3)	17,383 (54.9)	17,867 (54.8)	17,680 (55.1)	**18,574** **(56.1)**
Materials & Professional Tools	5,459 (17.6)	5,568 (17.6)	5,981 (18.4)	6,074 (18.9)	**6,715** **(20.3)**
Interior & Living	4,187 (13.5)	4,168 (13.2)	4,224 (13.0)	4,169 (13.0)	**4,153** **(12.6)**
Garden & Farm	4,148 (13.4)	4,126 (13.0)	4,140 (12.7)	4,168 (13.0)	**4,102** **(12.4)**
Renovation & Exterior	3,639 (11.8)	3,519 (11.1)	3,521 (10.8)	3,268 (10.2)	**3,602** **(10.9)**
Lifestyle	13,531 (43.7)	14,251 (45.1)	14,715 (45.2)	14,422 (44.9)	**14,511** **(43.9)**
Daily Goods	9,382 (30.3)	9,718 (30.7)	10,031 (30.8)	9,820 (30.6)	**9,952** **(30.1)**
Pets & Leisure	3,878 (12.5)	4,308 (13.6)	4,439 (13.6)	4,341 (13.5)	**4,331** **(13.1)**
Other	269 (0.9)	224 (0.7)	245 (0.8)	260 (0.8)	**227** **(0.7)**
Total	30,966	31,634	32,583	32,102	**33,085**

Note: Millions of yen and percentage; Figures in parentheses are percentage of sales; Yen amounts are rounded down to millions; percentages are rounded to the first decimal place

List of Number of Saturdays, Sundays, and Holidays (Cutoff Date: 20th)

JOYFUL HONDA

		Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Total
FY2026	Sat.	5	4	5	4	4	5	4	4	4	5	4	5	53
	Sun.	5	4	4	5	4	4	5	4	4	5	4	4	52
	Holidays	0	2	1	2	1	1	2	1	2	0	4	0	16
FY2027	Sat.	4	4	5	4	4	5	4	5	4	4	4	5	52
	Sun.	5	4	5	4	4	5	4	4	4	5	4	5	53
	Holidays	1	1	0	4	1	1	2	1	1	1	4	0	17
Difference	Sat.	-1	0	0	0	0	0	0	+1	0	-1	0	0	-1
	Sun.	0	0	+1	-1	0	+1	-1	0	0	0	0	+1	+1
	Holidays	+1	-1	-1	+2	0	0	0	0	-1	+1	0	0	+1

Company Profile

JOYFUL HONDA

JOYFUL HONDA CO., LTD. (Securities code: 3191)

Head Office	1-16-2 Fujisaki, Tsuchiura, Ibaraki
Date of incorporation	December 15, 1975
Capital	¥12 billion
Consolidated net sales	¥132.8 billion *1
Number of employees (consolidated)	4,835 (including 1,973 full-time employees) *1
Representative	Ikuo Hirayama, President
Main business activity	Home center business, home renovation business
Number of stores	16 home centers and 17 specialty stores
Store areas (Number of home centers / Number of specialty stores)	Chiba (6/5), Ibaraki (4/1), Gunma (3/2), Saitama (1/4), Tochigi (1/2), Tokyo (1/3)
Affiliated companies	MTJ FITNESS Corporation, JOYFUL AK CO., LTD.

*1 Figures as of June 20, 2026

Disclaimer

Cautionary statement concerning forward-looking statements

This material is solely for the purpose of providing information to investors and is not intended as a solicitation to buy or sell.

This document is based on information available as of November 2, 2026.

Forward-looking statements in this document are based on targets and forecasts and do not constitute commitments or guarantees. You should also be aware that the Company's performance in the future may differ in some respects from the Company's current forward-looking statements.

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[IR Inquiries]

Public Affairs & IR Department
E-mail:3191ir@joyfulhonda.co.jp
Tel: +81-29-822-2215 (main)