Consolidated Financial Results for the Six Months Ended September 30, 2026 (Based on Japanese GAAP)

November 4, 2026

Company name: **Axial Retailing Inc.**
Stock exchange listings: Tokyo, Prime
Securities code: 8255
URL: https://www.axial-r.com/
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Scheduled date to file semi-annual securities report: November 12, 2026
Scheduled date to commence dividend payments: December 7, 2026
Preparation of supplementary material on financial results: Yes
Holding of financial results briefing: Yes (for institutional investors and analysts)

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the six months ended September 30, 2026 (from April 1, 2026 to September 30, 2026)

(1) Consolidated operating results (cumulative)

(% change YoY)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Six months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
September 30, 2026	149,995	2.2	6,431	9.2	6,569	9.0	4,331	6.8
September 30, 2025	146,718	6.5	5,886	1.2	6,026	1.5	4,054	1.4

Note: Comprehensive income
Six months ended September 30, 2026: 4,744 million yen [7.6%]
Six months ended September 30, 2025: 4,409 million yen [10.6%]

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
September 30, 2026	49.35	—
September 30, 2025	45.72	—

(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
September 30, 2026	142,830	96,544	67.6	1,111.74
March 31, 2026	144,145	95,218	66.1	1,074.85

Reference: Net assets attributable to owners of parent
As of September 30, 2026: 96,544 million yen
As of March 31, 2026: 95,218 million yen

2. Cash Dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
Fiscal year	Yen	Yen	Yen	Yen	Yen
Ended March 31, 2026	—	13.00	—	16.00	29.00
Ending March 31, 2027	—	13.00			
Ending March 31, 2027 (Forecast)			—	16.00	29.00

Note: Revision of cash dividend forecast for this period: None

3. Consolidated financial forecast for the fiscal year ending March 31, 2027 (from April 1, 2026 to March 31, 2027)

(% change YoY)

	Net sales		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
Fiscal year Ending March 31, 2027	300,000	1.5	11,700	-4.0	12,000	-6.2	8,000	-9.1	90.31

Note: Change from the latest released earnings forecasts: None

※ Notes

1. Significant changes in the scope of consolidation during the period: None

2. Adoption of accounting treatment specific to the preparation of semi-annual consolidated financial statements: None

3. Changes in accounting policies, accounting estimates and retrospective restatement
   3.1. Changes in accounting policies due to revisions to accounting standards and other regulations: Yes
   3.2. Changes in accounting policies due to other reasons: None
   3.3. Changes in accounting estimates: None
   3.4. Restatement: None

4. Number of issued shares (common stock)
   4.1. Total number of issued shares at the end of the period (including treasury shares)
      As of September 30, 2026: 93,552,156 shares
      As of March 31, 2026: 93,552,156 shares
   4.2. Number of treasury shares at the end of the period
      As of September 30, 2026: 6,710,493 shares
      As of March 31, 2026: 4,964,748 shares
   4.3. Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)
      Six months ended September 30, 2026: 87,772,642 shares
      Six months ended September 30, 2025: 88,681,460 shares

Cautions:

1. This quarterly earnings release is not subject to audit procedures to be performed by certified public accountants or an audit firm.

2. Explanation relating to the appropriate use of earnings forecasts, and other noteworthy items
Forward-looking statements in this earnings release, such as forecasts of results of operations, are based on the information currently available and certain assumptions that we regard as reasonable and therefore actual results may differ materially from those contained in or suggested by any forward-looking statements.

3. This document has been translated from a part of 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.

Consolidated Financial Statements
1　Consolidated Balance Sheet

(Yen million)

	As of March 31, 2026	As of September 30, 2026
Assets		
Current assets		
Cash and deposits	30,436	30,913
Accounts receivable - trade	6,001	5,211
Contract assets	3	1
Lease investment assets	279	239
Merchandise and finished goods	6,313	6,691
Work in process	40	54
Raw materials and supplies	396	472
Income tax refund receivable	6	1
Other	4,351	3,877
Allowance for doubtful accounts	-4	-3
Total current assets	47,826	47,459
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	48,061	46,713
Machinery, equipment and vehicles, net	1,120	1,906
Land	21,015	21,110
Leased assets, net	1,221	1,144
Construction in progress	2,035	1,416
Other, net	3,237	3,171
Total property, plant and equipment	76,692	75,463
Intangible assets		
Goodwill	0	0
Other	3,259	3,340
Total intangible assets	3,260	3,340
Investments and other assets		
Investment securities	4,852	5,543
Long-term loans receivable	3	4
Retirement benefit asset	1,015	1,018
Deferred tax assets	3,406	3,193
Lease and guarantee deposits	6,262	6,061
Other	840	760
Allowance for doubtful accounts	-15	-15
Total investments and other assets	16,366	16,565
Total non-current assets	96,319	95,370
Total assets	144,145	142,830

(Yen million)

	As of March 31, 2026	As of September 30, 2026
Liabilities		
Current liabilities		
Accounts payable - trade	19,298	19,766
Contract liabilities	700	736
Lease obligations	279	279
Income taxes payable	2,270	2,431
Provision for bonuses for directors (and other officers)	322	153
Provision for bonuses	2,260	2,151
Other	10,179	7,371
Total current liabilities	35,309	32,889
Non-current liabilities		
Lease obligations	1,782	1,653
Asset retirement obligations	6,197	6,189
Long-term guarantee deposits	5,528	5,448
Retirement benefit liability	1	1
Other	108	103
Total non-current liabilities	13,617	13,395
Total liabilities	48,927	46,285
Net assets		
Shareholders' equity		
Share capital	3,159	3,159
Capital surplus	15,749	15,749
Retained earnings	77,954	80,868
Treasury shares	-4,727	-6,727
Total shareholders' equity	92,136	93,050
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,483	2,957
Adjustments related to retirement benefits	598	536
Total accumulated other comprehensive income	3,081	3,494
Total net assets	95,218	96,544
Total liabilities and net assets	144,145	142,830

2 Consolidated Statements of Income and Comprehensive Income

Consolidated Income Statement

(Yen million)

	Six Months ended September 30, 2025	Six Months ended September 30, 2026
Net sales	146,718	149,995
Cost of sales	104,911	106,948
Gross profit	41,807	43,047
Selling, general and administrative expenses		
Employees' salaries	5,383	5,500
Miscellaneous salaries and wages	10,634	11,235
Provision for bonuses for directors (and other officers)	163	153
Provision for bonuses	1,971	1,986
Retirement benefit expenses	304	257
Rent expenses on land and buildings	2,765	2,709
Depreciation	2,642	2,711
Amortization of goodwill	0	0
Provision of allowance for doubtful accounts	0	—
Other	12,054	12,059
Total selling, general and administrative expenses	35,920	36,616
Operating profit	5,886	6,431
Non-operating income		
Interest income	25	39
Dividend income	59	77
Insurance income	52	37
Penalty income	57	1
Other	29	42
Total non-operating income	224	198
Non-operating expenses		
Interest expenses	24	15
Commission for purchase of treasury shares	49	35
Other	9	8
Total non-operating expenses	83	60
Ordinary profit	6,026	6,569
Extraordinary income		
Gain on sale of non-current assets	—	1
Total extraordinary income	—	1
Extraordinary losses		
Loss on retirement of non-current assets	14	0
Impairment losses	0	2
Loss on valuation of investment securities	—	0
Total extraordinary losses	15	3
Profit before income taxes	6,011	6,567
Income taxes - current	1,894	2,211
Income taxes - deferred	62	24
Total income taxes	1,957	2,235
Net profit	4,054	4,331
Profit attributable to non-controlling interests	—	—
Profit attributable to owners of parent	4,054	4,331

Consolidated Comprehensive Income Statement

(Yen million)

	Six Months ended September 30, 2025	Six Months ended September 30, 2026
Net profit	4,054	4,331
Other comprehensive income		
Valuation difference on available-for-sale securities	396	474
Adjustments related to retirement benefits	-41	-61
Total other comprehensive income	355	412
Comprehensive income	4,409	4,744
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	4,409	4,744
Comprehensive income attributable to non-controlling interests	—	—

3 Consolidated Cash Flow Statement

(Yen million)

	Six Months ended September 30, 2025	Six Months ended September 30, 2026
Cash flows from operating activities		
Profit before income taxes	6,011	6,567
Depreciation	2,910	2,978
Impairment losses	0	2
Amortization of goodwill	0	0
Increase (decrease) in allowance for doubtful accounts	0	△0
Increase (decrease) in provision for bonuses for directors (and other officers)	-153	-168
Increase (decrease) in provision for bonuses	-180	-108
Incease (decrease) in net defined benefit asset and liability	-58	-93
Interest and dividend income	-84	-117
Interest expenses	24	15
Loss (gain) on sale of non-current assets	—	-1
Loss on retirement of non-current assets	14	0
Loss (gain) on valuation of investment securities	—	0
Decrease (increase) in trade receivables	297	790
Decrease (increase) in inventories	-412	-466
Increase (decrease) in trade payables	862	468
Decrease (increase) in consumption taxes receivable / payable	83	-486
Decrease (increase) in lease investment assets	44	42
Other	310	112
Subtotal	9,670	9,535
Interest and dividends received	72	104
Interest paid	-20	-11
Income taxes paid	-1,537	-2,059
Net cash provided by (used in) operating activities	8,184	7,569
Cash flows from investing activities		
Purchase of property, plant and equipment	-2,578	-3,489
Proceeds from sale of property, plant and equipment	—	3
Purchase of intangible assets	-223	-277
Purchase of securities	—	-6,997
Proceeds from sale and redemption of securities	—	7,000
Expenditure on loans	-2	-1
Proceeds from collection of loans receivable	1	0
Net increase (decrease) in payment for lease and guarantee deposits	220	212
Other	-62	47
Net cash provided by (used in) investing activities	-2,644	-3,502
Cash flows from financing activities		
Repayment of lease obligations	-137	-139
Purchase of treasury shares	-1,282	-2,035
Dividends paid	-1,432	-1,414
Net cash provided by (used in) financing activities	-2,851	-3,589
Net increase (decrease) in cash and cash equivalents	2,687	477
Cash and cash equivalents at beginning of period	21,887	30,436
Cash and cash equivalents at end of period	24,574	30,913