

August 5, 2025

Consolidated Financial Results for the Three Months Ended June 30, 2025 (Under Japanese GAAP)

Company name: ARATA CORPORATION
 Listing: Tokyo Stock Exchange
 Securities code: 2733
 URL: <https://www.arata-gr.jp/>
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 Scheduled date to commence dividend payments: -
 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 three months ended June 30, 2025 (from April 1, 2025 to June 30, 2025)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended June 30, 2025	251,192	2.3	4,065	(13.7)	4,152	(17.9)	2,792	(18.8)
June 30, 2024	245,604	4.4	4,710	8.3	5,057	8.3	3,438	7.8

Note: Comprehensive income For the three months ended June 30, 2025: ¥3,031 million [(5.7)%]
 For the three months ended June 30, 2024: ¥3,215 million [(9.8)%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2025	83.56	-
June 30, 2024	102.37	-

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of June 30, 2025	322,914	117,876	36.5	3,524.25
March 31, 2025	311,728	116,557	37.4	3,490.50

Reference: Equity
 As of June 30, 2025: ¥117,849 million
 As of March 31, 2025: ¥116,524 million

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2025	-	51.00	-	51.00	102.00
Fiscal year ending March 31, 2026	-				
Fiscal year ending March 31, 2026 (Forecast)		56.00		56.00	112.00

Note: Revisions to the forecast of cash dividends most recently announced: None

3. Forecast of consolidated financial results for the fiscal year ending March 31, 2026 (from April 1, 2025 to March 31, 2026)

(Percentages indicate year-on-year changes.)

	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
Six months ending September 30, 2025	515,000	4.8	8,900	8.9	9,120	6.4	5,930	2.1	177.20
Fiscal year ending March 31, 2026	1,000,000	1.4	17,280	15.3	18,000	15.3	11,700	12.9	349.60

Note: Revisions to the earnings forecasts most recently announced: None

* **Notes**

- (1) Significant changes in the scope of consolidation during the period: None
- (2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: None
- (3) Changes in accounting policies, changes in accounting estimates, and restatement
 - (i) Changes in accounting policies due to revisions to accounting standards and other regulations: None
 - (ii) Changes in accounting policies due to other reasons: None
 - (iii) Changes in accounting estimates: None
 - (iv) Restatement: None

(4) Number of issued shares (common shares)

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

As of June 30, 2025	36,057,424 shares
As of March 31, 2025	36,057,424 shares

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

As of June 30, 2025	2,617,952 shares
As of March 31, 2025	2,674,142 shares

(iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2025	33,425,016 shares
Three months ended June 30, 2024	33,586,089 shares

* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: nothing

* Proper use of earnings forecasts, and other special matters

(Cautions on forward-looking statements, etc.)

Please note that the forecasted figures presented above are outlooks based on information currently available and include a considerable number of uncertain factors. Actual results may differ from the above forecasts due to changes in current conditions and other factors. For details related to the above forecasts, please refer to Appendix P5 "Explanation of Forward-Looking Information on Consolidated Earnings Forecasts and Other Forward-Looking Information."

(Method of accessing supplementary material on financial results)

Supplementary explanatory materials for financial results are scheduled to be released on the Company's website (<https://www.arata-gr.jp/ir/>) after the announcement of financial results.

Quarterly consolidated balance sheet

(Millions of yen)

	As of March 31, 2025	As of June 30, 2025
Assets		
Current assets		
Cash and deposits	23,430	24,126
Notes and accounts receivable - trade	123,945	131,542
Merchandise	46,604	49,504
Accounts receivable - other	34,449	31,953
Other	5,280	5,846
Allowance for doubtful accounts	(4)	(4)
Total current assets	233,705	242,967
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	20,181	19,901
Land	21,873	21,578
Other, net	10,884	12,923
Total property, plant and equipment	52,939	54,403
Intangible assets	5,684	5,734
Investments and other assets		
Investment securities	12,659	13,165
Deferred tax assets	482	476
Retirement benefit asset	3,228	3,312
Other	3,115	2,961
Allowance for doubtful accounts	(87)	(106)
Total investments and other assets	19,399	19,808
Total non-current assets	78,022	79,946
Total assets	311,728	322,914

	As of March 31, 2025	As of June 30, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	110,949	112,699
Short-term borrowings	12,019	20,170
Current portion of bonds payable	200	200
Income taxes payable	2,964	1,305
Provision for bonuses	1,742	1,026
Other	31,086	33,763
Total current liabilities	158,961	169,166
Non-current liabilities		
Bonds payable	5,700	5,700
Long-term borrowings	12,629	12,294
Deferred tax liabilities	809	1,113
Retirement benefit liability	7,365	7,402
Other	9,705	9,360
Total non-current liabilities	36,209	35,871
Total liabilities	195,171	205,037
Net assets		
Shareholders' equity		
Share capital	8,572	8,572
Capital surplus	28,413	28,413
Retained earnings	80,373	81,408
Treasury shares	(6,723)	(6,676)
Total shareholders' equity	110,634	111,716
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	4,562	4,892
Foreign currency translation adjustment	4	(29)
Remeasurements of defined benefit plans	1,323	1,269
Total accumulated other comprehensive income	5,889	6,132
Non-controlling interests	32	27
Total net assets	116,557	117,876
Total liabilities and net assets	311,728	322,914

Quarterly consolidated statement of income

(Millions of yen)

	Three months ended June 30, 2024	Three months ended June 30, 2025
Net sales	245,604	251,192
Cost of sales	220,877	226,283
Gross profit	24,726	24,909
Selling, general and administrative expenses	20,016	20,843
Operating profit	4,710	4,065
Non-operating income		
Interest income	1	1
Dividend income	90	107
Share of profit of entities accounted for using equity method	0	10
Outsourcing service income	39	32
Foreign exchange gains	95	-
Other	266	182
Total non-operating income	493	335
Non-operating expenses		
Interest expenses	89	136
Loss on sale of trade receivables	47	78
Other	8	33
Total non-operating expenses	146	248
Ordinary profit	5,057	4,152
Extraordinary income		
Gain on sale of non-current assets	-	28
Total extraordinary income	-	28
Extraordinary losses		
Loss on sale of non-current assets	1	85
Loss on retirement of non-current assets	2	0
Total extraordinary losses	4	85
Profit before income taxes	5,053	4,096
Income taxes - current	1,395	1,125
Income taxes - deferred	214	176
Total income taxes	1,609	1,302
Profit	3,443	2,793
Profit attributable to non-controlling interests	5	0
Profit attributable to owners of parent	3,438	2,792

Quarterly consolidated statement of comprehensive income

(Millions of yen)

	Three months ended June 30, 2024	Three months ended June 30, 2025
Profit	3,443	2,793
Other comprehensive income		
Valuation difference on available-for-sale securities	(240)	330
Foreign currency translation adjustment	(15)	(38)
Remeasurements of defined benefit plans, net of tax	27	(53)
Total other comprehensive income	(228)	237
Comprehensive income	3,215	3,031
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	3,210	3,035
Comprehensive income attributable to non-controlling interests	4	(4)

(Notes on segment information, etc.)

Since the Group is a single segment whose main business is the wholesale of daily necessities and cosmetics, the description is omitted.