

May 14, 2026

Consolidated Financial Results for the Fiscal Year Ended March 31, 2026 (Under Japanese GAAP)

Company name: ARATA CORPORATION
 Listing: Tokyo Stock Exchange
 Securities code: 2733
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 Scheduled date of annual general meeting of shareholders: June 24, 2026
 Scheduled date to commence dividend payments: June 8, 2026
 Scheduled date to file annual securities report: June 19, 2026
 Preparation of supplementary material on financial results: Yes
 Holding of financial results briefing: Yes (For Institutional Investors, Analysts, and Financial Institutions)

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

1. Consolidated financial results for the fiscal year ended March 31, 2026 (from April 1, 2025 to March 31, 2026)

(1) Consolidated operating results

(Percentages indicate year-on-year changes.)

Fiscal year ended	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2026	1,004,749	1.9	13,207	(11.9)	13,534	(13.3)	10,130	(2.2)
March 31, 2025	986,212	4.5	14,989	3.3	15,617	1.8	10,358	0.4

Note: Comprehensive income For the fiscal year ended March 31, 2026: ¥11,217 million [(3.7)%]
 For the fiscal year ended March 31, 2025: ¥11,650 million [(0.1)%]

Fiscal year ended	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
	Yen	Yen	%	%	%
March 31, 2026	302.76	-	8.4	4.1	1.3
March 31, 2025	309.55	-	9.2	5.0	1.5

Reference: Share of profit (loss) of entities accounted for using equity method
 For the fiscal year ended March 31, 2026: ¥4 million
 For the fiscal year ended March 31, 2025: ¥(9) million

(2) Consolidated financial position

As of	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
March 31, 2026	347,880	124,162	35.7	3,707.92
March 31, 2025	311,728	116,557	37.4	3,490.50

Reference: Equity
 As of March 31, 2026: ¥124,129 million
 As of March 31, 2025: ¥116,524 million

(3) Consolidated cash flows

Fiscal year ended	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2026	18,694	(12,787)	10,117	38,623
March 31, 2025	9,775	(6,363)	(7,977)	22,497

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 March 31, 2025	-	51.00	-	51.00	102.00	3,493	33.0	3.0
Fiscal year ended March 31, 2026	-	56.00	-	56.00	112.00	3,859	37.0	3.1
Fiscal year ending March 31, 2027 (Forecast)		56.00		56.00	112.00		53.5	

Note: The total amount of dividends includes dividends on the Company's shares held by the Custody Bank of Japan (Trust E Account) in conjunction with the introduction of the Equity Benefit Trust (BBT) system (85 million yen in the fiscal year ending March 31, 2025 and 110 million yen in the fiscal year ending March 31, 2026).

3. Forecast of consolidated financial results for the fiscal year ending March 31, 2027 (from April 1, 2026 to March 31, 2027)

(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, 2026	518,000	2.9	5,680	(23.1)	5,530	(26.7)	3,530	(30.0)	105.49
Fiscal year ending March 31, 2027	1,030,000	2.5	11,000	(16.7)	10,500	(22.4)	7,000	(30.9)	209.19

* **Notes**

- (1) Significant changes in the scope of consolidation during the period: Yes
Newly included: 3 companies (MAP Holdings Co., Ltd., msh Co., Ltd., Polite Inc.)
- (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: None
- (ii) Changes in accounting policies due to other reasons: None
- (iii) Changes in accounting estimates: None
- (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 March 31, 2026	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 March 31, 2026	2,580,712 shares
As of March 31, 2025	2,674,142 shares

- (iii) Average number of shares outstanding during the period

Fiscal year ended March 31, 2026	33,461,816 shares
Fiscal year ended March 31, 2025	33,464,406 shares

Note: For the stocks that form the basis for calculating the information per share, please refer to the "Notes on Information per Share" on page 16.

[Reference] Overview of non-consolidated financial results

1. Non-consolidated financial results for the fiscal year ended March 31, 2026 (from April 1, 2025 to March 31, 2026)

(1) Non-consolidated operating results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended								
March 31, 2026	810,393	1.9	10,045	(12.0)	10,852	(13.6)	9,033	23.9
March 31, 2025	795,485	4.2	11,413	10.8	12,558	8.0	7,292	(9.1)

	Basic earnings per share	Diluted earnings per share
Fiscal year ended	Yen	Yen
March 31, 2026	269.95	-
March 31, 2025	217.93	-

(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
March 31, 2026	267,882	104,562	39.0	3,123.45
March 31, 2025	234,740	98,670	42.0	2,955.70

Reference: Equity

As of March 31, 2026: ¥104,562 million

As of March 31, 2025: ¥98,670 million

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

* 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.

(How to obtain the contents of financial results briefing materials)

On Thursday, May 14, 2026, the Company plans to hold a live-streamed briefing for institutional investors, analysts, and financial institutions.

The briefing materials will be posted on our website (<https://www.arata-gr.jp/ir/>). In addition, a video of the briefing will be posted on our website (<https://www.arata-gr.jp/ir/>) at a later date.

Consolidated balance sheet

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
Assets		
Current assets		
Cash and deposits	23,430	39,710
Notes and accounts receivable - trade	123,945	129,370
Merchandise	46,604	46,627
Accounts receivable - other	34,449	34,797
Other	5,280	5,811
Allowance for doubtful accounts	(4)	(5)
Total current assets	233,705	256,312
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	20,181	18,889
Vehicles, net	13	14
Tools, furniture and fixtures, net	2,562	2,165
Land	21,873	21,298
Leased assets, net	5,039	4,396
Construction in progress	3,269	8,062
Total property, plant and equipment	52,939	54,827
Intangible assets		
Goodwill	-	8,631
Software	4,480	4,578
Leased assets	44	29
Other	1,158	2,207
Total intangible assets	5,684	15,446
Investments and other assets		
Investment securities	12,659	13,603
Distressed receivables	37	31
Guarantee deposits	160	161
Deferred tax assets	482	488
Retirement benefit asset	3,228	4,287
Other	2,918	2,827
Allowance for doubtful accounts	(87)	(104)
Total investments and other assets	19,399	21,294
Total non-current assets	78,022	91,568
Total assets	311,728	347,880

	As of March 31, 2025	As of March 31, 2026
Liabilities		
Current liabilities		
Notes and accounts payable - trade	110,949	120,334
Short-term borrowings	12,019	21,152
Current portion of bonds payable	200	200
Lease liabilities	935	841
Accounts payable - other	21,305	22,240
Accrued expenses	2,144	2,293
Income taxes payable	2,964	2,679
Provision for bonuses	1,742	1,839
Other	6,702	6,951
Total current liabilities	158,961	178,533
Non-current liabilities		
Bonds payable	5,700	5,500
Long-term borrowings	12,629	22,076
Lease liabilities	4,550	3,967
Deferred tax liabilities	809	1,044
Retirement benefit liability	7,365	7,411
Asset retirement obligations	2,554	2,639
Other	2,600	2,545
Total non-current liabilities	36,209	45,184
Total liabilities	195,171	223,717
Net assets		
Shareholders' equity		
Share capital	8,572	8,572
Capital surplus	28,413	28,413
Retained earnings	80,373	86,816
Treasury shares	(6,723)	(6,648)
Total shareholders' equity	110,634	117,153
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	4,562	5,386
Foreign currency translation adjustment	4	(43)
Remeasurements of defined benefit plans	1,323	1,633
Total accumulated other comprehensive income	5,889	6,975
Non-controlling interests	32	33
Total net assets	116,557	124,162
Total liabilities and net assets	311,728	347,880

Consolidated statement of income

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Net sales	986,212	1,004,749
Cost of sales	889,991	907,419
Gross profit	96,221	97,330
Selling, general and administrative expenses	81,232	84,123
Operating profit	14,989	13,207
Non-operating income		
Interest income	6	26
Dividend income	240	271
Share of profit of entities accounted for using equity method	-	4
Outsourcing service income	174	140
Supporting Income for Operating Activities	181	181
Income from sales of used paper	188	186
Commission income	148	146
Reversal of allowance for doubtful accounts	3	0
Foreign exchange gains	18	179
Other	423	296
Total non-operating income	1,385	1,434
Non-operating expenses		
Interest expenses	429	677
Share of loss of entities accounted for using equity method	9	-
Loss on sale of trade receivables	237	333
Other	81	96
Total non-operating expenses	757	1,107
Ordinary profit	15,617	13,534
Extraordinary income		
Gain on sale of non-current assets	29	599
Gain on sale of investment securities	9	874
Total extraordinary income	38	1,474
Extraordinary losses		
Loss on sale of non-current assets	5	85
Loss on retirement of non-current assets	23	15
Loss on valuation of investment securities	-	149
Loss on sale of investment securities	-	0
Total extraordinary losses	29	250
Profit before income taxes	15,626	14,758
Income taxes - current	5,018	4,784
Income taxes - deferred	240	(157)
Total income taxes	5,258	4,626
Profit	10,367	10,131
Profit attributable to non-controlling interests	9	0
Profit attributable to owners of parent	10,358	10,130

Consolidated statement of comprehensive income

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Profit	10,367	10,131
Other comprehensive income		
Valuation difference on available-for-sale securities	(318)	824
Foreign currency translation adjustment	56	(47)
Remeasurements of defined benefit plans, net of tax	1,545	309
Total other comprehensive income	1,282	1,086
Comprehensive income	11,650	11,217
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	11,634	11,216
Comprehensive income attributable to non-controlling interests	16	0

Consolidated statement of changes in equity

Fiscal year ended March 31, 2025

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	8,572	27,876	73,504	(4,863)	105,089
Changes during period					
Dividends of surplus			(3,490)		(3,490)
Profit attributable to owners of parent			10,358		10,358
Purchase of treasury shares				(3,258)	(3,258)
Disposal of treasury shares		536		1,398	1,935
Net changes in items other than shareholders' equity					
Total changes during period	-	536	6,868	(1,860)	5,544
Balance at end of period	8,572	28,413	80,373	(6,723)	110,634

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	4,880	(44)	(221)	4,614	15	109,719
Changes during period						
Dividends of surplus						(3,490)
Profit attributable to owners of parent						10,358
Purchase of treasury shares						(3,258)
Disposal of treasury shares						1,935
Net changes in items other than shareholders' equity	(318)	49	1,545	1,275	17	1,292
Total changes during period	(318)	49	1,545	1,275	17	6,837
Balance at end of period	4,562	4	1,323	5,889	32	116,557

Consolidated statement of changes in equity

Fiscal year ended March 31, 2026

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	8,572	28,413	80,373	(6,723)	110,634
Changes during period					
Dividends of surplus			(3,687)		(3,687)
Profit attributable to owners of parent			10,130		10,130
Purchase of treasury shares				(4)	(4)
Disposal of treasury shares				80	80
Net changes in items other than shareholders' equity					
Total changes during period	-	-	6,443	75	6,518
Balance at end of period	8,572	28,413	86,816	(6,648)	117,153

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	4,562	4	1,323	5,889	32	116,557
Changes during period						
Dividends of surplus						(3,687)

Profit attributable to owners of parent						10,130
Purchase of treasury shares						(4)
Disposal of treasury shares						80
Net changes in items other than shareholders' equity	824	(48)	309	1,085	0	1,086
Total changes during period	824	(48)	309	1,085	0	7,605
Balance at end of period	5,386	(43)	1,633	6,975	33	124,162

Consolidated statement of cash flows

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Cash flows from operating activities		
Profit before income taxes	15,626	14,758
Depreciation	4,768	4,862
Share-based payment expenses	96	116
Increase (decrease) in provision for bonuses	(107)	59
Increase (decrease) in allowance for doubtful accounts	(160)	16
Increase (decrease) in retirement benefit liability	36	(143)
Interest and dividend income	(246)	(298)
Interest expenses	429	677
Foreign exchange losses (gains)	(13)	(154)
Share of loss (profit) of entities accounted for using equity method	9	(4)
Loss (gain) on sale of non-current assets	(23)	(513)
Loss on retirement of non-current assets	23	15
Loss (gain) on valuation of investment securities	-	149
Loss (gain) on sale of investment securities	(9)	(874)
Decrease (increase) in trade receivables	9,365	(4,313)
Decrease (increase) in inventories	(2,416)	1,176
Increase (decrease) in trade payables	(9,460)	7,993
Decrease (increase) in other assets	(2,557)	(459)
Increase (decrease) in other liabilities	123	912
Other, net	(371)	151
Subtotal	15,113	24,127
Interest and dividends received	245	300
Interest paid	(435)	(653)
Income taxes paid	(5,148)	(5,079)
Net cash provided by (used in) operating activities	9,775	18,694

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Cash flows from investing activities		
Payments into time deposits	(930)	(1,051)
Proceeds from withdrawal of time deposits	905	896
Purchase of property, plant and equipment	(4,481)	(5,648)
Payments for retirement of property, plant and equipment	(154)	(37)
Proceeds from sale of property, plant and equipment	50	1,160
Purchase of intangible assets	(1,526)	(2,840)
Proceeds from sale of intangible assets	0	-
Purchase of investment securities	(196)	(143)
Proceeds from sale and redemption of investment securities	30	1,025
Purchase of shares of subsidiaries and associates	-	(60)
Purchase of shares of subsidiaries resulting in change in scope of consolidation	-	(6,306)
Loan advances	(9)	(25)
Proceeds from collection of loans receivable	28	26
Other, net	(79)	216
Net cash provided by (used in) investing activities	(6,363)	(12,787)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(1,986)	6,395
Proceeds from long-term borrowings	5,180	17,920
Repayments of long-term borrowings	(6,016)	(9,354)
Proceeds from issuance of bonds	982	-
Redemption of bonds	(100)	(200)
Proceeds from disposal of treasury shares	1,659	-
Purchase of treasury shares	(3,255)	-
Repayments of lease liabilities	(952)	(955)
Dividends paid	(3,489)	(3,688)
Net cash provided by (used in) financing activities	(7,977)	10,117
Effect of exchange rate change on cash and cash equivalents	47	100
Net increase (decrease) in cash and cash equivalents	(4,518)	16,125
Cash and cash equivalents at beginning of period	27,016	22,497
Cash and cash equivalents at end of period	22,497	38,623

(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.