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ARATA INTEGRATED REPORT 2024

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ARATA CORPORATION is one of Japan's largest wholesale trading companies in the cosmetics and daily goods categories.

A large number of wholesalers from across the country joined together to form ARATA in 2002.

The way we live is changing dramatically. ARATA's mission is to be a company which not only delivers products that meet the needs of these changing times, but also realizes people's dream of "living a comfortable life forever."

With our steadfast management philosophy of "continue to serve the world" firmly in mind, we will continue to deliver ARATA value—making everyday life richer and more comfortable.



Medium-Term
Management Plan
2023

TAKE ACTION

This is the main subject of Integrated Report 2024.

The fiscal year ended March 31, 2024 was the first year of the Medium-Term Management Plan 2026 when we did TAKE ACTION in many ways for expansion. We drew up a strategy for expansion and instituted new initiatives.

This report showcases our strategies and initiatives for accelerating growth in accordance with the Medium-Term Management Plan 2026 towards the Long-Term Management Vision 2030 and beyond.

Long-Term Management Vision 2030
**Realize your dreams.
Change your daily lives.**

Medium-Term
Management Plan
2026
**Accelerating
growth**

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Editorial Policy

In the fiscal year ended March 2018, the ARATA Group issued an inaugural integrated report, aiming to communicate to shareholders, investors, and all other stakeholders in an easy-to-understand manner the management strategies targeting an increase in corporate value. This report presents information that is highly important to the Group, including the Group's business activities, financial information, and non-financial information critical to explaining the growth strategies in the medium-term management plan, both compactly and based on integrated considerations.

The Group will revise the content of this report every year in the hope of enhancing it as a tool to facilitate dialogue with all stakeholders.

Reference Guideline
Guidance for Collaborative
Value Creation
(Ministry of Economy, Trade,
and Industry)



Organizations Covered

ARATA CORPORATION and Group companies

Period Covered by This Report

April 1, 2023–March 31, 2024

The report includes some activities in the fiscal year ending March 2025.

Forward-Looking Statements

This report contains forward-looking statements about future plans, strategies and operating performance forecasts. These statements were based on reliable information available at the time. As such, these statements include risks and uncertainties, and ARATA CORPORATION bears no responsibility for the accuracy or completeness of these statements. Please note that actual results may differ substantially from the Company's outlook.

History of Value Creation

ARATA was formed by consolidating the long histories and traditions of a number of powerful wholesalers from across Japan into a single entity. Since then, we have implemented mergers to expand our area of coverage, established subsidiaries to strengthen our products categories and boost our capabilities, listed our shares on the Tokyo Stock Exchange, and expanded our operations overseas. Going forward, we will continue making progress, aiming to be a company which contributes to the daily lives of consumers in Japan and the rest of Asia and which continues to serve the world.

(¥billion)
1,000

Net Sales and Ordinary Profit (Consolidated)

■ Net sales (Left axis) — Ordinary profit (Right axis)

800

600

400

200

0

FY02 FY03/03 FY04/03 FY05/03 FY06/03 FY07/03 FY08/03 FY09/03 FY10/03 FY11/03 FY12/03 FY13/03 FY14/03 FY15/03 FY16/03 FY17/03 FY18/03 FY19/03 FY20/03 FY21/03 FY22/03 FY23/03 FY24/03 FY25/03 (Forecast) FY26/03 (Forecast)

FY26/03 (Forecast)

Medium-Term
Management Plan
2026

Net sales ¥1 trillion
Ordinary profit 20.0 billion

FY25/03 (Forecast)

Net sales: ¥969.0 billion
Ordinary profit: 16.6 billion

Net sales
¥944.1
billion

(¥billion)
25

20

15

10

5

0

ARATA's value creation to address social issues

2000s
Nationwide coverage in response to upsizing of retailers and strengthening of products categories

2010s
Expansion to overseas and boosting of capabilities

2020s
Response to change and diversification of lifestyles

2002

Established ARATA CORPORATION through the merger of Daika K.K., Ito-I Co., Ltd., and Sunvic Co., Ltd.



Established ARATA CORPORATION

2004

Transitioned to an operating company following the integration of Tokukura Co., Ltd.

2005

Made Japell Co., Ltd. into a subsidiary

2007

Established ISM CORPORATION

2009

Launched first product under ARATA's own private brand "addgood"

2010

Concluded a business cooperation agreement with NIPPON ACCESS, INC. and Alfresa Holdings Corporatio

2011

Listed on the Second Section of the Tokyo Stock Exchange

2012

Listed on the First Section of the Tokyo Stock Exchange



Listed on the First Section of the Tokyo Stock Exchange

2012

Established Kairaotai (Shanghai) Trading Co., Ltd. in Shanghai, China as a subsidiary (its shares were transferred to JAPPELL Co., Ltd. in March 2024.)
Established JAPPELL (HONG KONG) CO., LIMITED in Hong Kong, China

2013

Established ARATA (THAILAND) CO.,LTD. in Bangkok, Thailand

2015

Established SIAM ARATA CO.,LTD. In joint venture with Saha Group Co., Ltd. in Bangkok, Thailand

2020

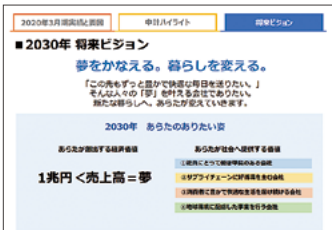
Established ARATA VIETNAM COMPANY LIMITED in Ho Chi Minh City, Vietnam

2020

Established Long-Term Management Vision 2030

2021

Established D-Nee Cosmetic Co., Ltd.



Established Long-Term Management Vision 2030

2022

Moved to the Prime Market following the Tokyo Stock Exchange's restructuring of markets

2023

Established Medium-Term Management Plan 2026



Established Medium-Term Management Plan 2026

Value Creation Process

ARATA aims to realize sustainable corporate growth by conducting business activities based on material issues (materiality) and developing alongside stakeholders through the creation of economic and social value.

