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Consolidated Financial Results
for the Three Months Ended April 30, 2025 [JGAAP]

June 16, 2025

Company name: TOKYO BASE Co.,Ltd.
 Stock exchange listing: Tokyo
 Stock code: 3415 URL <https://www.tokyobase.co.jp/>
 Representative: Representative Director and CEO Masato Tani
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 Scheduled date to file Quarterly Securities Report: June 16, 2025
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on quarterly financial results: Yes
 Holding of quarterly financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the three months ended April 30, 2025 (from February 1, 2025 to April 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 April 30, 2025	4,940	3.6	377	131.6	253	6.0	189	89.3
Three months ended April 30, 2024	4,770	1.0	163	67.9	239	111.4	100	–

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended April 30, 2025	4.37		4.33	
Three months ended April 30, 2024	2.24		2.22	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of April 30, 2025	13,101	5,028	38.2
As of January 31, 2025	11,454	5,108	44.5

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended January 31, 2025	–	0.00	–	5.00	5.00
Year ending January 31, 2026	–				
Year ending January 31, 2026 (Forecast)		0.00	–	6.00	6.00

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

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	22,500	11.3	1,650	12.0	1,600	8.4	900	15.8	20.71

4. Notes

- (1) Changes in significant subsidiaries during the three months ended April 30, 2025
(changes in specified subsidiaries resulting in the change in scope of consolidation): No
- (2) Application of special accounting methods for preparing quarterly consolidated financial statements: Yes
- (3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements
Changes in accounting policies due to revisions to accounting standards and other regulations: Yes
- (4) Changes in accounting policies due to other reasons: No
Changes in accounting estimates: No
Restatement of prior period financial statements: No

(5) Number of issued shares (common shares)

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

As of April 30, 2025	43,459,482 shares	As of January 31, 2025	43,459,482 shares
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Number of treasury shares at the end of the period

As of April 30, 2025	13 shares	As of January 31, 2025	13 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended April 30, 2025	43,459,482 shares	Three months ended April 30, 2024	44,771,323 shares
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*Review of the Japanese-language originals of the attached quarterly consolidated financial statements by certified public accountants and audit corporations: No

*Explanation for the appropriate use of performance forecasts and other special notes:

The statements regarding forecast of financial results in this report are based on the information that is available to the Company, as well as certain assumptions that are deemed to be reasonable by management, and they are not meant to be a commitment by the Company. Therefore, there might be cases in which actual results differ materially from forecast values due to various factors. For the suppositions that form the assumptions for earnings forecasts and cautions concerning the use thereof, please refer to “1. Overview of Business Results, etc. (3)

Explanation of Forecast of Consolidated Financial Results and Other Forward- Looking Information” on page 6 of this report.

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1. Overview of Business Results, etc.

(1) Overview of Business Results for the Three-month Period

For the three months ended April 30, 2025, the Japanese economy has shown a moderate recovery in personal consumption, supported by a steady increase in inbound tourism. However, the business environment remains uncertain due to persistently high energy and raw material costs, rising geopolitical risks, and continued fluctuations in foreign exchange rates.

Looking overseas, the recovery in China's domestic economy remains slow. Weakness in the real estate market and concerns about employment have limited the rebound in consumer spending. In particular, younger generations are showing signs of cautious consumption, and the overall retail environment continues to face challenges.

Amid these conditions, we are pursuing our corporate mission of "From Japan to the World," guided by our medium-term management plan announced in March 2024, which targets the fiscal year ending January 2028 as its final year. The plan focuses on six key strategic initiatives:

- 1.Strengthening our talent and organizational foundation,
- 2.Enhancing physical store operations,
- 3.Expanding our e-commerce business,
- 4.Improving product competitiveness,
- 5.Growing our international business, and
- 6.Advancing M&A activities.

In the second year of this medium-term plan, the fiscal year ending January 2026, we aim to build on the reinforced earnings base established in FY2025. Domestically, we will continue expanding our physical stores and shift our EC strategy toward sales based on genuine product value. Internationally, we are focusing our resources on tier-one cities to maximize efficiency and growth potential.

In parallel, we will accelerate investments in overseas expansion, develop new business brands, strengthen our sales capabilities, improve labor productivity, enhance our approach to foreign exchange risk management, and adopt capital cost-conscious management practices. Through these efforts, we are committed to delivering record-high profits and maximizing long-term corporate and shareholder value.

(Revenue)

Revenue for the first quarter of the fiscal year was ¥4,940,822 thousand, a 3.6% increase year on year, showing steady performance. In particular, domestic physical stores performed strongly, supported by continued inbound demand and contributions from newly launched store brands. On the other hand, the EC (e-commerce) business saw a decrease in revenue due to the absence of last year's hit products, although our own EC site is showing signs of recovery.

In the Japan segment, revenue from physical stores grew significantly to 116.5% of the same period last year, with strong existing store sales. Inbound sales surged by 155.6%, becoming a key driver of store growth. By store type, CITY TOKYO, which was renewed in the second half of last year, achieved 125.3% year-on-year growth. New brands such as CONZ, RITAN, and GOOD EDITION also contributed to revenue. While the impact in Q1 was limited due to shorter operating periods, their contribution is expected to grow going forward.

In the overseas business, existing store sales in Japanese yen were 105.2% of the previous year due to exchange rate effects, but in local currencies, they grew a strong 121.3%. In March, we opened our first store in Seoul, Korea, achieving a strong start well above expectations. Although February sales temporarily dipped due to shipping delays around the Lunar New Year, inventory levels recovered in March and the issue was resolved.

In the EC business, overall sales decreased to 92.3% year on year, but our own EC platform recovered to 108.6%, almost flat with the previous year. This recovery is the result of ongoing structural reforms, including a shift away from heavy discounting and a focus on maintaining brand value. Meanwhile, ZOZO sales fell to 84.9% due to a high-performing product in the same month last year, but this was within expectations, and the recovery in our own EC site helped offset the decline.

Looking ahead, we plan to strengthen our seasonal product planning (with five MD periods per year) and build a more responsive supply system. We will continue expanding both inbound sales and overseas store openings to further strengthen our growth foundation.

(Gross Profit)

Gross profit for the first quarter was ¥2,691,106 thousand, a 13.7% increase year on year. The gross profit margin improved significantly to 54.5%, up 4.9 points from the previous year.

This improvement was driven by strong performance of our core original brands (UNITED TOKYO, PUBLIC TOKYO, CITY TOKYO), as well as new brands like CONZ and RITAN. The recovery of our China business also contributed. These results reflect the success of our profitability-focused sales strategy.

We will continue to optimize our brand portfolio and enhance our pricing strategy to achieve sustainable profit growth.

(SG&A and Operating Profit)

Selling, general and administrative expenses (SG&A) were ¥2,313,351 thousand (up 5.0% year on year), and the SG&A ratio was 46.8% (up 0.6 points). The increase reflects strategic growth investments, including rent and agency fees for new stores and added personnel to strengthen sales capabilities.

As a result, operating profit rose significantly to ¥377,755 thousand (up 131.6% year on year), showing solid improvement in both profitability and growth.

We will continue to pursue investment decisions that exceed our cost of capital, while maintaining a mid- to long-term perspective, with the aim of strengthening profitability and maximizing shareholder value.

(Non-operating Income and Ordinary Profit)

Non-operating income was ¥11,005 thousand, down ¥74,099 thousand from the same period last year, mainly due to a decline in foreign exchange gains.

Non-operating expenses increased by ¥126,186 thousand to ¥134,804 thousand, mainly due to increased foreign exchange losses. Although we are using forward contracts to hedge currency risk, we are also exploring more diversified hedging schemes to minimize earnings volatility. By managing currency impacts appropriately, we aim to enhance earnings stability and strengthen long-term corporate value.

As a result, ordinary profit was ¥253,956 thousand, a 6.0% increase year on year.

(Extraordinary Items, Profit Before Tax, and Net Profit Attributable to Owners of Parent)

There were no extraordinary gains or losses in either the current or previous first quarter.

As a result, profit before income taxes was ¥253,956 thousand (up 6.0% year on year), and net profit attributable to owners of the parent was ¥189,990 thousand (up 89.3%).

The sharp increase in net profit indicates that our structural reforms and high-profitability framework are beginning to show results. It also supports the long-term growth potential and shareholder return capabilities of our Company.

Our ROE for the fiscal year ending January 2025 was 14.6%, exceeding the theoretical WACC of 11.1%. Even under a more conservative assumption that reflects global interest rates, our real WACC was 13.6%, and we still maintained a positive spread.

This demonstrates that we are consistently achieving returns above our cost of capital (WACC), creating steady economic value for shareholders. It also reflects our strong alignment with the Tokyo Stock Exchange's call for "management with an awareness of capital costs." We will continue to improve capital efficiency and maximize shareholder value going forward.

(Supplementary Information)

I . Sales by Brand

(Thousands of yen)

Brand	Three months ended April 30, 2025	Year-on-Year Comparison (Change Rate)
STUDIOUS	2,112,049	(3.6%)
UNITED TOKYO	1,324,533	10.1%
PUBLIC TOKYO	732,546	(7.5%)
CITY TOKYO	199,354	8.5%
THE TOKYO	426,392	(1.4%)
CONZ	115,118	—
RITAN	42,349	—
GOOD EDITION	31,856	—
Others	(43,379)	36.6%
Total for the Company	4,940,822	3.6%

Note: The impact of the revenue recognition standard is not separated by brands included under "Others."

II . Year-on-Year Sales Comparison for Existing Stores by Brand

Brand	Three months ended April 30, 2025
STUDIOUS	99.8%
UNITED TOKYO	111.9%
PUBLIC TOKYO	124.3%
CITY TOKYO	122.2%
THE TOKYO	84.3%
CONZ	—
RITAN	—
GOOD EDITION	—
Total for the Company	115.6%

III. Store Openings, Closures, and Total Number of Stores

Brand	As of January 31, 2025	Three months ended April 30, 2025				As of April 30, 2025
		Store Openings	Store Closures	Net Change	(Renovati ons)	
STUDIOUS	37	3	—	2	—	40
UNITED TOKYO	18	—	—	—	—	18
PUBLIC TOKYO	12	—	—	—	—	12
CITY TOKYO	6	—	—	—	—	6
THE TOKYO	7	—	—	—	—	7
CONZ	4	—	—	—	—	4
RITAN	0	3	—	3	—	3
GOOD EDITION	0	1	—	1	—	1
(Renovations)	84	7	—	7	—	91

The store development status for the first quarter of the fiscal year ending January 2026 is as follows:

■ STUDIOUS Brand

Opened "STUDIOOUS Omotesando"

Opened "STUDIOUS Seoul"

Opened "STUDIOUS MENS Beijing Sanlitun"

■ RITAN Brand

Opened "RITAN Aoyama"

Opened "RITAN Shinjuku"

Opened "RITAN Official EC Store"

■ GOOD EDITION Brand

Opened "GOOD EDITION Harajuku"

As a result, the number of stores at the end of the first quarter of the fiscal year ending January 2026 is as follows:

STUDIOUS: 40 stores (including 3 EC stores)

UNITED TOKYO: 18 stores (including 2 EC stores)

PUBLIC TOKYO: 12 stores (including 2 EC stores)

CITY TOKYO: 6 stores (including 2 EC stores)

THE TOKYO: 7 stores (including 2 EC stores)

CONZ: 4 stores (including 2 EC stores)

RITAN: 3 stores (including 1 EC store)

GOOD EDITION: 1 store

The total number of stores is 91, including 77 physical stores, of which 65 are in Japan and 12 are overseas.

Note: The first-quarter fiscal period of our consolidated subsidiary, Tokyo Base China Co., Ltd., ends in March, which differs by one month from our first-quarter fiscal period ending in April. However, the number of store openings and closures, as well as the total store count presented in this report, are based on figures as of April 30, 2025.

(2) Overview of Financial Position for the Three-month Period

(Assets)

Total assets as of the end of the first quarter were ¥13,101,640 thousand, an increase of ¥1,646,843 thousand compared to the end of the previous fiscal year. This was mainly due to increases in accounts receivable (¥85,757 thousand), inventories (¥870,567 thousand), guarantee deposits (¥138,491 thousand), and property, plant and equipment (¥365,167 thousand).

(Liabilities)

Total liabilities as of the end of the first quarter were ¥8,072,654 thousand, up ¥1,726,123 thousand from the end of the previous fiscal year. This increase was primarily due to higher accounts payable (¥898,234 thousand), current portion of long-term loans payable (¥366,743 thousand), and long-term loans payable (¥435,839 thousand), partially offset by a decrease in income taxes payable (¥171,529 thousand).

(Net Assets)

Total net assets as of the end of the first quarter decreased by ¥79,279 thousand compared to the end of the previous fiscal year, amounting to ¥5,028,985 thousand. This was mainly due to an increase of ¥189,990 thousand in net income attributable to owners of the parent, which was offset by a dividend payment of ¥217,297 thousand and a ¥53,878 thousand decrease in foreign currency translation adjustments.

(3) Explanation of Forecast of Consolidated Financial Results and Other Forward-Looking Information

There is no change to the full-year consolidated earnings forecast announced in the "Financial Results for the Fiscal Year Ended January 31, 2025" released on March 17, 2025.

2. Quarterly Consolidated Financial Statements and Principal Notes

(1) Quarterly Consolidated Balance Sheets

	(Thousands of yen)	
	As of January 31, 2025	As of April 30, 2025
Assets		
Current assets		
Cash and deposits	3,669,294	3,693,688
Accounts receivable - trade	1,400,179	1,485,937
Merchandise	2,895,420	3,765,987
Other	376,737	483,026
Total current assets	8,341,632	9,428,640
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	1,277,010	1,362,468
Tools, furniture and fixtures, net	99,916	117,461
Construction in progress	2,452	91,886
Right-of-use assets, net	32,659	205,389
Total property, plant and equipment	1,412,038	1,777,206
Intangible assets		
Software	23,450	35,552
Software in progress	1,100	-
Total intangible assets	24,550	35,552
Investments and other assets		
Deferred tax assets	108,373	60,867
Guarantee deposits	1,350,094	1,488,586
Long-term loans receivable	144,358	133,272
Other	73,747	177,514
Total investments and other assets	1,676,576	1,860,240
Total non-current assets	3,113,164	3,672,999
Total assets	11,454,796	13,101,640
Liabilities		
Current liabilities		
Accounts payable - trade	1,244,861	2,143,096
Short-term borrowings	700,000	700,000
Current portion of long-term borrowings	1,620,315	1,987,058
Accrued expenses	456,666	510,989
Income taxes payable	210,477	38,947
Lease liabilities	61,427	88,969
Contract liabilities	76,688	55,561
Provision for bonuses	71,505	28,160
Other	319,107	369,790
Total current liabilities	4,761,049	5,922,575
Non-current liabilities		
Long-term borrowings	1,565,162	2,001,001
Lease liabilities	-	127,508
Asset retirement obligations	20,319	21,570
Total non-current liabilities	1,585,481	2,150,079
Total liabilities	6,346,531	8,072,654

	(Thousands of yen)	
	As of January 31, 2025	As of April 30, 2025
Net assets		
Shareholders' equity		
Share capital	623,537	623,537
Capital surplus	607,537	607,537
Retained earnings	4,063,437	4,036,130
Treasury shares	(4)	(4)
Total shareholders' equity	5,294,508	5,267,202
Accumulated other comprehensive income		
Foreign currency translation adjustment	(197,642)	(251,521)
Total accumulated other comprehensive income	(197,642)	(251,521)
Share acquisition rights	11,398	13,304
Total net assets	5,108,264	5,028,985
Total liabilities and net assets	11,454,796	13,101,640

(2) Quarterly Consolidated Statements of Income and Comprehensive Income
(Quarterly Consolidated Statements of Income)

	(Thousands of yen)	
	Three months ended April 30, 2024	Three months ended April 30, 2025
Net sales	4,770,799	4,940,822
Cost of sales	2,404,902	2,249,715
Gross profit	2,365,896	2,691,106
Selling, general and administrative expenses	2,202,819	2,313,351
Operating profit	163,076	377,755
Non-operating income		
Interest income	90	1,752
Subsidy income	427	4,455
Foreign exchange gains	82,550	-
Other	2,036	4,798
Total non-operating income	85,105	11,005
Non-operating expenses		
Interest expenses	7,375	10,612
Commission expenses	999	—
Foreign exchange loss	—	124,157
Other	242	34
Total non-operating expenses	8,618	134,804
Ordinary profit	239,563	253,956
Profit before income taxes	239,563	253,956
Income taxes	139,173	63,965
Profit	100,389	189,990
Profit attributable to owners of parent	100,389	189,990

(Quarterly Consolidated Statements of Comprehensive Income)

	(Thousands of yen)	
	Three months ended April 30, 2024	Three months ended April 30, 2025
Profit (loss)	100,389	189,990
Other comprehensive income		
Foreign currency translation adjustment	10,559	(53,878)
Total other comprehensive income	10,559	(53,878)
Comprehensive income	110,948	136,112
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	110,948	136,112
Comprehensive income attributable to non-controlling interests	—	—

(3) Notes to Quarterly Consolidated Financial Statements

(Notes to Going Concern Assumption)
Not applicable.

(Notes to Significant Changes in the Amount of Shareholders' Equity)
Not applicable.

(Application of Special Accounting Treatments for Preparing Quarterly Consolidated Financial Statements)
(Tax Expense Calculation)

Tax expenses are calculated by reasonably estimating the effective tax rate after applying tax effect accounting to the consolidated fiscal year, including the third quarter, and applying this estimated effective tax rate to the quarterly profit before income taxes.

(Notes on the Quarterly Consolidated Balance Sheet)

The Company has entered into overdraft agreements with banks to efficiently secure working capital. The unused borrowing limits under these agreements are as follows.

(Thousands of yen)

	As of January 31, 2025	As of April 30, 2025
Total Committed Overdraft Limit	900,000	1,400,000
Amount Borrowed	700,000	700,000
Available Balance	200,000	700,000

(Notes to the Quarterly Consolidated Statement of Cash Flows)

The quarterly consolidated statement of cash flows for the three months ended in the third quarter has not been prepared. However, depreciation expenses for the same period, including amortization of intangible fixed assets, are as follows:

(Thousands of yen)

	Three months ended April 30, 2024	Three months ended April 30, 2025
Depreciation expenses	138,473	91,597

(Notes on Segment Information, etc.)
[Segment Information]

I . For the three months ended April 30, 2024 (from February 1, 2024 to April 30, 2024)

The Group operates in a single business segment, the apparel retail business; therefore, segment information is omitted.

II . For the three months ended April 30, 2025 (from February 1, 2025 to April 30, 2025)

The Group operates in a single business segment, the apparel retail business; therefore, segment information is omitted.