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Consolidated Financial Results
for the Six Months Ended July 31, 2025 [JGAAP]

September 16, 2025

Company name:	TOKYO BASE Co., Ltd.
Stock exchange listings:	Tokyo Stock Exchange
Stock code:	3415
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Scheduled date for submission of interim report:	September 16, 2025
Supplementary materials for financial summaries:	Yes
Financial results briefing:	Yes

(Amounts of less than one million yen are rounded down.)

1. Consolidated Financial Results for the Six Months of the Fiscal Year Ending January 31, 2026 (from February 01, 2025 to July 31, 2025)

(1) Consolidated operating results (Cumulative)

(Percentages indicate YoY changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Six months ended July 31, 2025	10,293	13.0	795	52.0	683	25.2	463	80.5
July 31, 2024	9,109	(5.7)	523	65.5	545	31.9	256	32.9

(Note) Comprehensive income For the six months ended January 31, 2026: 602 million yen (465.5%) For the six months ended January 31, 2025: 106 million yen ((1.2)%)

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended July 31, 2025	10.66	10.51
July 31, 2024	5.84	5.79

(2) Consolidated financial positions

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of July 31, 2025	12,801	5,497	42.8
January 31, 2025	11,454	5,108	44.5

(Reference) Owner's equity For the six months ended January 31, 2026: 5,482 million yen For the fiscal year ended January 31, 2025: 5,096 million yen

2. Cash dividends

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

(Note) Presence or absence of revisions to the most recently announced dividend forecast: None

3. Consolidated Earnings Forecasts for the Fiscal Year Ending January 31, 2026 (from February 01, 2025 to January 31, 2026)

(Percentage indicate YoY changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Fiscal year ending January 31, 2026	23,000	13.8	1,900	29.0	1,750	18.6	1,200	54.6	27.61

(Note 1) Correction of financial forecast from the most recent financial forecast: Yes

(Note 2) As the Company manages its performance on an annual basis, consolidated forecasts for the second quarter (cumulative) are omitted.

* Notes

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

(2) Application of specific accounting treatments for the preparation of interim consolidated financial statements: Yes

(Note) For details, please refer to page 12 of the attached materials, "2. Interim Consolidated Financial Statements and Main Notes (4) Notes to Interim Consolidated Financial Statements."

Please refer to 'Notes (Application of accounting procedures specific to the preparation of interim consolidated financial statements)'.

(3) Changes in accounting policies, changes in accounting estimates, restatement of prior period financial statements

(i) Changes in accounting policies due to revisions to accounting standards and other regulations : None

(ii) Changes in accounting policies other than (i): None

(iii) Changes in accounting estimates : None

(iv) Restatement of prior period financial statements : None

(4) Number of shares issued (common stock)

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

As of July 31, 2025	43,459,482 shares
As of January 31, 2025	43,459,482 shares

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

As of July 31, 2025	13 shares
As of January 31, 2025	13 shares

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

Six months ended July 31, 2025	43,459,469 shares
Six months ended July 31, 2024	43,905,997 shares

* The second quarter (interim) financial results report is not subject to review by certified public accountants or audit firms.

* Notes on the appropriate use of forecasts and other special items

Forward-looking statements such as performance forecasts contained in this document are based on information currently available to the Company and on certain assumptions that are deemed reasonable. They are not intended as a guarantee of achievement by the Company. Actual results may differ significantly due to various factors. For the conditions underlying the forecasts and notes regarding the use of forecasts, please refer to the attached materials, page 6, "1. Qualitative Information on the Interim Financial Results (3) Explanation of Consolidated Forecasts and Other Forward-Looking Information."

○Table of Contents for Attached Materials

1. Qualitative information regarding the interim financial results	2
(1) Explanation of operating results	2
(2) Explanation regarding financial positions	6
(3) Explanation regarding forward-looking statements such as consolidated forecasts	7
2. Interim Consolidated Financial Statements and Main Notes	8
(1) Interim Consolidated Balance Sheet	8
(2) Interim Consolidated Statement of Income and Interim Consolidated Statement of Comprehensive Income	10
Interim Consolidated Statement of Income	10
Interim Consolidated Statement of Comprehensive Income	11
(3) Interim Consolidated Statement of Cash Flows	13
(4) Notes to the interim consolidated financial statements	13
(Notes regarding the assumption of a going concern)	13
(Notes in case of significant changes in the amount of shareholders' equity)	13
(Application of accounting procedures specific to the preparation of interim consolidated financial statements)	13
(Notes on the interim consolidated balance sheet)	13
(Notes on segment information, etc.)	13

1. Qualitative information regarding the interim financial results

(1) Explanation of operating results

During the six months ended September 30, 2024, despite the uncertain economic environment both in Japan and overseas, the Company achieved business expansion with strong growth and profitability.

In the domestic economy, in addition to the recovery of inbound demand, personal consumption has also maintained a moderate recovery trend. However, there are still many risk factors surrounding companies, such as persistently high raw material prices and exchange rate fluctuations.

Looking overseas, although personal consumption in mainland China remains limited, we have captured steady demand in the cities where we operate, and our regrowth strategy is progressing smoothly. In addition, both Hong Kong and South Korea have achieved growth exceeding our plans and last year's results, and our overseas strategy is entering a new phase.

Under such a business environment, our company, guided by our corporate philosophy of "From Japan to the World," has been developing its business based on the medium-term management plan announced in March 2024 (with the fiscal year ending January 2028 as the final year), focusing on six key initiatives: (i) strengthening human resources and organization, (ii) strengthening physical stores, (iii) strengthening the e-commerce business, (iv) strengthening merchandise capabilities, (v) strengthening overseas business, and (vi) promoting M&A. For the six months ended September 30, 2024, we achieved results across all axes of our merchandise policies, sales channel strategies, and profit structure.

(Net sales)

Net sales for the six months ended September 30, 2024 were 10,293,142 thousand yen (up 13.0% YoY), and existing store sales were 109.5% compared to the previous period, resulting in an increase in revenue compared to the previous year. We have analyzed the following five factors as the reasons for the increase in revenue: (i) continued growth in inbound sales at domestic physical stores, (ii) revision of the merchandise (MD) structure from four seasons (spring, summer, autumn, winter) to five seasons (spring, summer, midsummer, autumn, winter), enabling the introduction of merchandise suited to the climate of the interim period, (iii) an increase of seven new physical stores through the development of new business formats, (iv) strong performance in the Hong Kong business, and (v) in the China business, withdrawal from unprofitable stores by the previous period allowed for the concentration of resources on existing stores, resulting in increased sales at existing stores.

(Domestic)

The year-on-year comparison by business format shows an increase in revenue: STUDIOUS +3.8%, UNITED TOKYO +20.4%, CITY TOKYO +14.1%, and THE TOKYO +12.5%. PUBLIC TOKYO recorded -2.8% due to a decrease of two stores from the previous period as a result of contract expirations, but the year-on-year comparison for existing stores was +22.9%.

All business formats are performing well, with CITY TOKYO showing a 27.6% increase over the previous year for existing stores, PUBLIC TOKYO up 22.9% as mentioned above, and UNITED TOKYO up 17.6%, indicating significant growth in our own brand businesses.

By sales channel, net sales at physical stores were 7,924,584 thousand yen (up 22.1% YoY), reflecting the results of our strategy to strengthen store openings during the period. Street-level stores were able to capture inbound demand, resulting in a significant increase of 74.0% YoY. In the EC business, after the decline in net sales due to structural reforms in the previous period had run its course, net sales turned to an increase in the current period, reaching 1,605,130 thousand yen (up 7.7% YoY). Of this, our own EC site, which has been a strategic focus in the structural reforms, achieved net sales of 596,855 thousand yen (up 20.5% YoY), demonstrating results and achieving both profitability and growth.

(Overseas)

In our China business, the closure of unprofitable stores was completed by the previous fiscal year, and at the start of the current period, operations have been reduced to six stores in four major cities (Shanghai, Beijing, Shenzhen, and Guangzhou).

As a result of concentrating resources such as personnel and merchandise, existing store sales are showing signs of recovery.

Based on these results, we have launched a new growth strategy from this period, focusing on a medium-risk, medium-return location strategy. The first store under this new strategy opened in Beijing in March, and in June, two new stores opened in Shanghai, including the first overseas store of the new CONZ business format. All of these stores have achieved profitability, and we will steadily promote the regrowth of our China business through further dominant expansion in major cities.

(Gross profit)

Gross profit for the six months ended September 30, 2024 was 5,559,071 thousand yen (Percentage indicate YoY changes: +15.6%), and the gross profit margin significantly improved to 54.0% (Percentage indicate YoY changes: +1.2%).

This improvement is attributable to the establishment of a structure that curbs discounting, resulting from the e-commerce structural reforms and qualitative shift in sales strategies implemented in the previous fiscal year, as well as the increase in net sales of UNITED TOKYO, our in-house brand business with a high gross profit margin.

We will continue to achieve sustainable profit growth through the optimization of our brand portfolio and the advancement of our pricing strategies.

(Selling, general and administrative expenses, operating profit)

Selling, general and administrative expenses were 4,763,183 thousand yen (YoY +11.1%), and the SG&A ratio was 46.3% (YoY -0.8%). While rent expenses on land and buildings associated with new store openings for future growth and salaries and allowances for securing human resources increased, expenses such as depreciation and freight costs decreased compared to the previous interim consolidated period.

As a result of these initiatives, operating profit increased significantly to 795,888 thousand yen (+52% YoY), achieving a strong improvement in both profitability and growth.

Due to the growth in sales and gross profit, operating profit exceeded the previous year. Going forward, our company will continue to make investment decisions that exceed the cost of capital while keeping in mind our medium- to long-term growth potential, and will strive to strengthen profitability and maximize shareholder value.

(Non-operating income and expenses, Ordinary profit)

Non-operating income decreased by 26,039 thousand yen compared to the previous interim consolidated accounting period, amounting to 13,377 thousand yen. The main factor was a decrease in foreign exchange gains.

Non-operating expenses increased by 108,711 thousand yen compared to the previous interim consolidated accounting period, reaching 125,944 thousand yen. The main factor was an increase in foreign exchange losses. Our company utilizes forward exchange contracts as a measure against foreign exchange risk and promotes global cash management. By appropriately controlling the impact of exchange rate fluctuations, we aim to enhance the stability of earnings and improve corporate value over the medium to long term.

As a result, ordinary profit for the six months ended September 30, 2024 was 683,321 thousand yen (up 25.2% YoY).

(Extraordinary income and loss, Net income before income taxes, Profit attributable to owners of parent)

Extraordinary income includes a gain on reversal of share acquisition rights of 341 thousand yen, while extraordinary losses include a loss on retirement of non-current assets of 1,239 thousand yen.

As a result, income before income taxes was 682,423 thousand yen (up 35.9% YoY), and profit attributable to owners of parent was 463,203 thousand yen (up 80.5% YoY).

The increase in net income indicates that the structural reforms and the establishment of a high-profitability framework that we have been promoting are steadily beginning to bear fruit, and we believe this result substantiates our medium- to long-term growth potential and our enhanced ability to return value to shareholders.

In addition, the ROE for the fiscal year ending January 2025 is 14.6%, exceeding the theoretical WACC (11.1%) calculated based on the standard method. Furthermore, even when compared to the actual WACC (13.6%) calculated under more conservative assumptions that reflect international interest rate levels, a positive spread is still maintained.

In this way, the Company has consistently maintained capital profitability (ROE) that exceeds its capital cost (WACC), and has continued to stably create economic value for shareholders' equity. This is a practical response to the "management with awareness of capital cost" advocated by the Tokyo Stock Exchange, and we recognize it as a solid step toward enhancing corporate value. Going forward, we will continue to promote initiatives aimed at further improving capital efficiency and maximizing shareholder value.

(Supplementary Information)

I. Sales by Brand (Unit: Thousands of yen)

Brand	Six months ended July 31, 2025	Year-on-Year Comparison (Change Rate)
STUDIOUS	4,356,666	3.8%
UNITED TOKYO	2,807,032	20.4%
PUBLIC TOKYO	1,464,135	(2.8) %
CITY TOKYO	405,532	14.1%
THE TOKYO	888,981	12.5%
CONZ	248,064	-
RITAN	89,407	-
GOOD EDITION	88,099	-
Other	(54,776)	(20.8) %
Total for the entire company	10,293,142	13.0%

(Note) "Others" includes the impact of revenue recognition standards on Net sales, etc.

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

	Fiscal year ending January 2026 Interim Consolidated accounting period (From February 1, 2025 Until July 31, 2025)
STUDIOUS	103.7%
UNITED TOKYO	117.6%
PUBLIC TOKYO	122.9%
CITY TOKYO	127.6%
THE TOKYO	87.9%
CONZ	-
RITAN	-
GOOD EDITION	-
Total for the Company	109.5%

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

Brand	As of January 31, 2025	Six months ended July 31, 2025				As of July 31, 2025
		Store Openings	Store Closures	Net Change	(Renovati ons)	
STUDIOUS	36	4	1	3	(1)	39
UNITED TOKYO	18	-	-	-	-	18
PUBLIC TOKYO	12	1	1	0	-	12
CITY TOKYO	6	-	1	(1)	-	5
THE TOKYO	7	1	-	1	-	8
CONZ	4	2	-	2	-	6
RITAN	0	3	-	3	-	3
GOOD EDITION	0	2	-	2	-	2
(Renovations)	83	13	3	10	(1)	93

Store openings and developments during the six months ending January 31, 2026 are as follows.

■STUDIOUS Brand

Opened "STUDIOUS TOKYO Omotesando"

Opened "STUDIOUS MENS Beijing Sanlitun"

Opened "STUDIOUS MENS Marunouchi"

Opened "STUDIOUS Shanghai Fumin Road"

Closed "STUDIOUS Shanghai Xintiandi"

Renovation of "STUDIOUS Shanghai Taikoo Li"

■PUBLIC TOKYO Brand

Closed "PUBLIC TOKYO Hong Kong"

Opened "PUBLIC TOKYO Hong Kong POP UP "

■CITY TOKYO Brand

Closed "CITY TOKYO ZOZO Store "

■THE TOKYO Brand

Opened "THE TOKYO Ginza "

■CONZ Brand

Opened "CONZ Shanghai Fumin Road "

Opened "CONZ Minami-Horie "

■RITAN Brand

Opened "RITAN Aoyama"

Opened "RITAN Shinjuku"

Opened "RITAN Official EC Store"

■GOOD EDITION Brand

Opened "GOOD EDITION Harajuku "

Opened "GOOD EDITION Kyoto "

As a result, the number of stores at the end of the interim consolidated accounting period for the fiscal year ending January 2026 was 93 in total, consisting of 39 STUDIOUS stores (including 3 EC stores), 18 UNITED TOKYO stores (including 2 EC stores),

12 PUBLIC TOKYO stores (including 2 EC stores), 5 CITY TOKYO stores (including 1 EC store), 8 THE TOKYO stores (including 2 EC stores), 6 CONZ stores (including 2 EC stores), 3 RITAN stores (including 1 EC store), and 2 GOOD EDITION stores.

As a result, the total number of physical stores reached 80, with 69 stores in Japan and 11 stores overseas.

(Note)

1. The interim fiscal year-end of the consolidated subsidiary TOKYO BASE China Co., Ltd. is the end of June, which differs by one month from the Company's interim fiscal year-end (end of July). However, the number of store openings/closings and the total number of stores presented in this document are as of July 31, 2025.

2. The STUDIOUS NEW YORK store operated by the non-consolidated subsidiary TOKYO BASE NEW YORK, INC. is not included.

3. The STUDIOUS Seoul store operated by the non-consolidated subsidiary TOKYO BASE KOREA CO., LTD. is not included.

(2) Explanation regarding financial positions

(i) Status of Assets, Liabilities and Net Assets

(Assets)

At the end of the interim consolidated accounting period, total assets increased by 1,346,815 thousand yen compared to the end of the previous consolidated fiscal year, reaching 12,801,612 thousand yen. This was mainly due to a decrease in cash and deposits by 1,233,613 thousand yen, while merchandise increased by 1,263,186 thousand yen and property, plant and equipment increased by 833,427 thousand yen.

(Liabilities)

At the end of the interim consolidated accounting period, total liabilities increased by 958,077 thousand yen compared to the end of the previous consolidated fiscal year, reaching 7,304,609 thousand yen. This was mainly due to a decrease in contract liabilities by 10,795 thousand yen and long-term borrowings by 81,233 thousand yen, while long-term borrowings scheduled for repayment within one year increased by 350,280 thousand yen, accounts payable - trade increased by 262,710 thousand yen, and long-term lease liabilities increased by 245,571 thousand yen.

(Net assets)

At the end of the six months ended September 30, 2024, total net assets increased by 388,737 thousand yen compared to the end of the previous fiscal year, reaching 5,497,002 thousand yen. This was mainly due to an increase in retained earnings by 463,203 thousand yen as a result of profit attributable to owners of parent, and an increase in foreign currency translation adjustment by 139,392 thousand yen.

(ii) Cash flows

At the end of the six months ended September 30, 2024, cash and cash equivalents (hereinafter referred to as "funds") decreased by 1,233,613 thousand yen from the end of the previous fiscal year to 2,435,681 thousand yen. The cash flows for the six months ended September 30, 2024 and their factors are as follows.

(Cash flows from operating activities)

Funds used as a result of operating activities during the six months ended September 30, 2024 amounted to 185,034 thousand yen.

The main breakdown of expenditures is an increase in inventories of 1,291,061 thousand yen. The main breakdown of income is the recording of net income before income taxes of 682,423 thousand yen, depreciation of 225,685 thousand yen, and an increase in accounts receivable of 472,459 thousand yen.

(Cash flows from investing activities)

As a result of investment activities during the six months ended September 30, funds used amounted to 962,159 thousand yen. The main breakdown of expenditures is as follows: Purchase of property, plant and equipment 504,159 thousand yen, Payments of guarantee deposits 355,182 thousand yen, and Purchase of shares of subsidiaries and associates 86,993 thousand yen.

(Cash flows from financing activities)

Funds used as a result of financing activities during the six months ended September 30, 2024 amounted to 59,171 thousand yen.

The main components of expenditures were repayments of long-term borrowings of 1,030,952 thousand yen and dividends paid of 216,753 thousand yen. The main component of income was proceeds from long-term borrowings of 1,300,000 thousand yen.

(3) Explanation regarding consolidated forecasts and forward-looking statements

We have revised the consolidated full-year forecasts for the fiscal year ending January 2026, which were announced on March 17, 2025.

For further details, please refer to the "Notice Regarding Revision of Forecasts" announced today (September 16, 2025).

2. Interim Consolidated Financial Statements and Main Notes (1) Interim Consolidated Balance Sheet

(Unit: Thousands of yen)

	Previous fiscal year (January 31, 2025)	For the six months ended (July 31, 2025)
Assets		
Current assets		
Cash and deposits	3,669,294	2,435,681
Accounts receivable - trade	1,400,179	1,308,785
Merchandise	2,895,420	4,158,607
Other	376,737	567,232
Total current assets	8,341,632	8,470,306
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	1,277,010	1,548,552
Tools, furniture and fixtures, net	99,916	154,208
Construction in progress	2,452	72,714
Right-of-use assets, net	32,659	469,991
Total property, plant and equipment	1,412,038	2,245,466
Intangible assets		
Software	23,450	31,108
Software in progress	1,100	-
Total intangible assets	24,550	31,108
Investments and other assets		
Deferred tax assets	108,373	104,429
Guarantee deposits	1,350,094	1,632,046
Long-term loans receivable	144,358	139,647
Other	73,747	178,607
Total investments and other assets	1,676,574	2,054,730
Total non-current assets	3,113,164	4,331,305
Total assets	11,454,796	12,801,612
Liabilities		
Current liabilities		
Accounts payable - trade	1,244,861	1,507,571
Short-term borrowings	700,000	700,000
Current portion of long-term borrowings	1,620,315	1,970,596
Accrued expenses	456,666	480,933
Income taxes payable	210,477	281,608
Lease liabilities	61,427	222,172
Contract liabilities	76,688	65,893
Provision for bonuses	71,505	62,291
Other	319,107	261,328
Total current liabilities	4,761,049	5,552,395
Non-current liabilities		
Long-term borrowings	1,565,162	1,483,929
Lease liabilities	-	245,571
Asset retirement obligations	20,319	22,713
Total non-current liabilities	1,585,481	1,752,214
Total liabilities	6,346,531	7,304,609

(Unit: Thousands of yen)

	Previous fiscal year (January 31, 2025)	For the six months ended (July 31, 2025)
Net assets		
Shareholders' equity		
Share capital	623,537	623,537
Capital surplus	607,537	607,537
Retained earnings	4,063,437	4,309,343
Treasury shares	(4)	(4)
Total shareholders' equity	5,294,508	5,540,414
Accumulated other comprehensive income		
Foreign currency translation adjustment	(197,642)	(58,250)
Total accumulated other comprehensive income	(197,642)	(58,250)
Share acquisition rights	11,398	14,837
Total net assets	5,108,264	5,497,002
Total liabilities and net assets	11,454,796	12,801,612

(2) Interim Consolidated Statement of Income and Interim Consolidated Statement of Comprehensive Income

(Interim Consolidated Statement of Income)

(Interim consolidated accounting period)

(Unit: Thousands of yen)

	Previous interim consolidated accounting period (From February 1, 2024 until July 31, 2024)	For the six months ended From February 1, 2025 until July 31, 2025
Net sales	9,109,429	10,293,142
Cost of sales	4,298,919	4,734,070
Gross profit	4,810,510	5,559,071
Selling, general and administrative expenses	4,286,784	4,763,183
Operating profit	523,725	795,888
Non-operating income		
Interest income	182	2,313
Subsidy income	4,275	8,355
Foreign exchange gains	31,704	-
Other	3,254	2,708
Total non-operating income	39,416	13,377
Non-operating expenses		
Interest expenses	14,400	23,150
Commission expenses	2,224	-
Foreign exchange losses	-	102,760
Other	606	33
Total non-operating expenses	17,232	125,944
Ordinary profit	545,910	683,321
Extraordinary income		
Gain on reversal of share acquisition rights	-	341
Total extraordinary income	-	341
Extraordinary losses		
Impairment losses	23,632	-
loss on store cancellation	20,016	-
Loss on retirement of non-current assets	-	1,239
Total extraordinary losses	43,648	1,239
Net income before income taxes	502,261	682,423
Income taxes	245,665	219,219
Net income	256,595	463,203
Profit attributable to owners of parent	256,595	463,203

(Interim Consolidated Statement of Comprehensive Income)
(Interim consolidated accounting period)

(Unit: Thousands of yen)

	Previous interim consolidated accounting period (From February 1, 2024 until July 31, 2024)	For the six months ended From February 1, 2025 until July 31, 2025
Net income	256,595	463,203
Other comprehensive income		
Foreign currency translation adjustment	(150,037)	139,392
Total other comprehensive income	(150,037)	139,392
Comprehensive income	106,558	602,596
Comprehensive income attributable to		
Interim comprehensive income attributable to owners of the parent	106,558	602,596
Comprehensive income attributable to non-controlling interests for the interim period	-	-

(3) Interim Consolidated Statement of Cash Flows

(Unit: Thousands of yen)

	Previous interim consolidated accounting period From February 1, 2024 until July 31, 2024	For the six months ended (From February 1, 2025 Until July 31, 2025)
Cash flows from operating activities		
Net income before income taxes	502,261	682,423
Depreciation	273,087	225,685
Amortization of software	8,784	9,424
Impairment losses	23,632	-
Increase (decrease) in provision for bonuses	(6,146)	(9,201)
Interest income and dividends income	(212)	(2,343)
Gain on reversal of share acquisition rights	-	(341)
Interest expenses	14,400	23,150
Decrease (increase) in trade receivables	58,818	88,776
(Increase) decrease in inventories	180,841	(1,291,061)
Increase (decrease) in trade payables	(374,371)	472,459
Increase (decrease) in accrued expenses	44,284	26,024
Other	79,241	(241,856)
Subtotal	804,622	(16,862)
Interest and dividends received	187	2,210
Interest paid	(14,385)	(23,134)
Amount of penalty paid due to store lease cancellation	(20,016)	-
Income taxes paid	(356,798)	(147,248)
Cash flows from operating activities	413,610	(185,034)
Cash flows from investing activities		
Purchase of property and equipment	(107,040)	(504,159)
Payments for asset retirement obligations	(20,587)	(33,086)
Purchase of software	-	(15,993)
Payments of guarantee deposits	(69,646)	(355,182)
Proceeds from refund of guarantee deposits	45,274	63,090
Purchase of shares of subsidiaries and associates	(46,521)	(86,993)
Loan advances to subsidiaries and associates	(150,000)	(2,639)
Purchase of long-term prepaid expenses	(2,979)	(27,194)
Cash flows from investing activities	(351,500)	(962,159)
Cash flows from financing activities		
Proceeds from long-term borrowings	1,600,000	1,300,000
Repayment of long-term borrowings	(708,676)	(1,030,952)
Repayments of lease liabilities	(123,048)	(111,466)
Cash dividends paid	(183,405)	(216,753)
Acquisition of treasury shares	(1,000,973)	-
Other	(325)	-
Cash flows from financing activities	(416,429)	(59,171)
Effect of exchange rate change on cash and cash equivalents	19,310	(27,247)
Increase (decrease) in cash and cash equivalents	(335,007)	(1,233,613)
Cash and cash equivalents at the beginning of the period	4,163,366	3,669,294
Cash and cash equivalents at the end of the interim period	3,828,358	2,435,681

(4) Notes to the interim consolidated financial statements

(Notes regarding the assumption of a going concern)

There are no applicable items.

(Notes on significant changes in the amount of shareholders' equity)

There are no applicable items.

(Application of accounting procedures specific to the preparation of interim consolidated financial statements)

(Calculation of tax expenses)

With regard to income tax expenses, the effective tax rate after applying tax effect accounting, which is reasonably estimated for the pre-tax Net income of the consolidated fiscal year including the current interim consolidated accounting period, is applied to the pre-tax Net income to calculate the tax expenses.

(Notes on the interim consolidated balance sheet)

In order to efficiently procure working capital, the Company has entered into overdraft agreements with its banks. Under these agreements,

The undrawn balance of borrowings based on the above is as follows.

	Previous fiscal year (January 31, 2025)	For the six months ended (July 31, 2025)
Total amount of overdraft facility limit	900,000 thousand yen	1,400,000 thousand yen
Outstanding loan balance	700,000	700,000
Net amount	200,000	700,000

(Notes on segment information, etc.)

[Segment Information]

For the six months ended July 31, 2024

As our group operates in a single segment, the apparel sales business, segment information is omitted.

For the six months ended July 31, 2025

As our group operates in a single segment, the apparel sales business, disclosure is omitted.