



# First Half of Fiscal Year 2026 Financial Results Briefing

TSI HOLDINGS CO., LTD.

Stock Code : 3608 (Tokyo Stock Exchange Prime Market)

2025.10.15





# AGENDA

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- 6 Appendix

Note: “FY” refers to the fiscal year that ends in February of the year indicated.  
For example, FY2026 refers to the period from March 1, 2025, to February 28, 2026.



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# 1H FY2026 Overview

(March 1-August 31, 2025)



# Executive Summary

- ✓ During the first half, the apparel market was impacted by macroeconomic factors, including inflation and U.S. tariff policies. Although overall market conditions stayed fairly steady, consumer sentiment varied and remained unstable.
- ✓ The Company's results for the first half showed a decline in net sales, mainly due to the impact of business exits in the previous fiscal year and the sluggish performance of core brands. However, the benefits of our profit structure reforms became evident, leading to higher profits across all levels from operating income downward.
- ✓ On the other hand, both net sales and operating income fell short of the budget for the first half. However, the shortfall in operating income stayed within a recoverable range, and we aim for improvement in the second half.

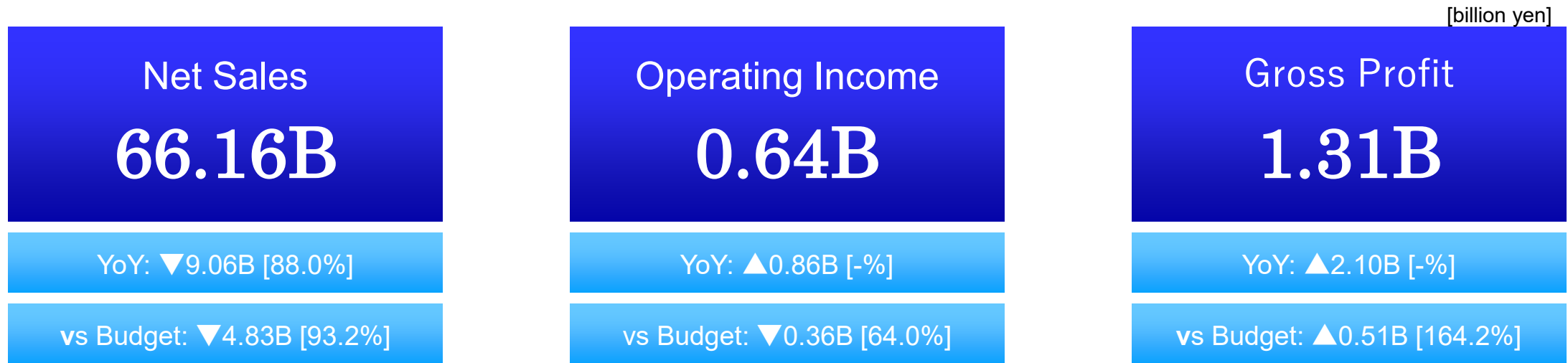
## 1H FY2026 Overview

# 1H Financial Highlights

The various initiatives under the medium-term management plan aimed at reforming the profit structure advanced steadily, leading to improved profitability.

Although net sales declined more than expected due to factors beyond the impact of last year's business exits, we achieved profit growth across all levels.

The drop in gross profit from lower sales surpassed expectations, resulting in an operating income shortfall compared to the target.



- Net sales decreased due to business exits in the previous fiscal year (-3.5%), delays in member migration related to switching to a new membership management system, weaker new customer acquisition for core brands, and the restructuring of our U.S. operations.
- The results of structural reform initiatives became tangible, leading to improvements in gross profit margin and SG&A expenses, which in turn resulted in higher operating income.
- Both profit before income taxes and net income for the first half increased year on year, achieving the budget.

# 1H FY2026 Overview

## Financial Highlights

Net Sales

66.16B

YoY:  
▼9.06B [88.0%]

**Positive Factors**

- Solid sales performance in men's casual apparel brands such as “AVIREX” and “Schott.”

**Negative Factors**

- Revenue decline reflecting business exits and divestitures in the previous fiscal year.
- Slow acquisition of new customers for core brands.
- E-commerce sales fell short of both the previous year and the budget, affected by factors such as member migration.

Gross Profit

36.82B

YoY  
▼3.72B [90.8%]

**Positive Factors**

- Improvement in the cost of goods ratio driven by price optimization and lower procurement costs
  - Reduction in inventory valuation loss provisions as older inventories have been largely cleared
- ➡ Gross profit margin improved by 1.8 percentage points year on year

**Negative Factors**

- Decrease in gross profit due to lower net sales
- Strengthened sales promotions in the second quarter led to a temporary deterioration in gross profit margin

SG&A Expenses

36.18B

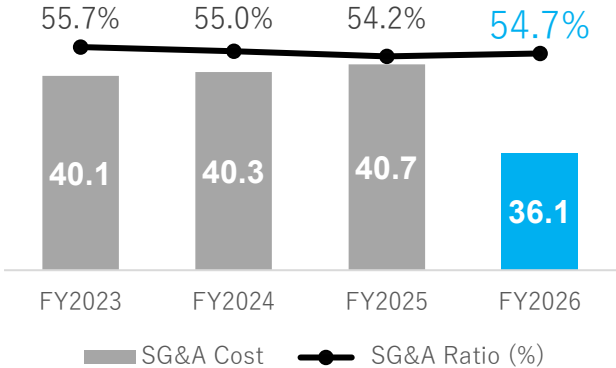
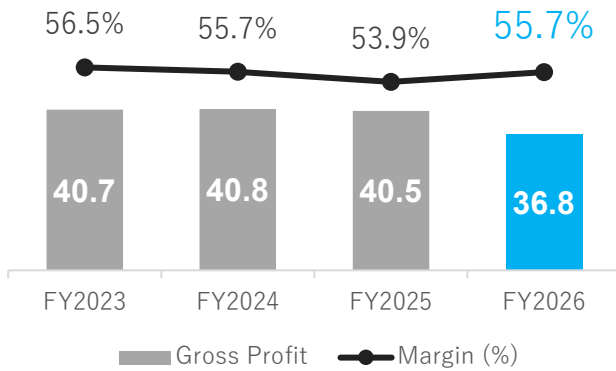
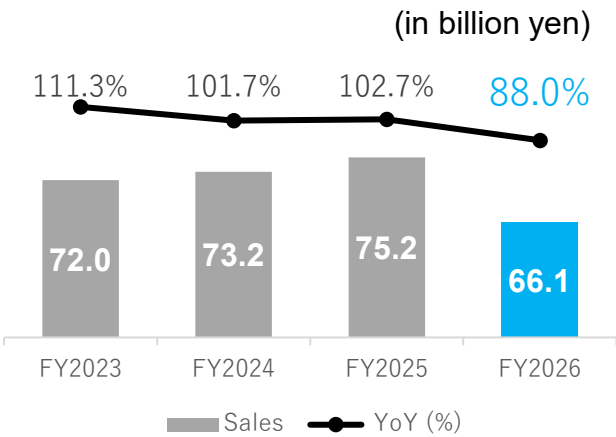
YoY  
▼4.58B [88.7%]

**Positive Factors**

- Ongoing benefits from structural reforms, mainly from tighter control of advertising and personnel expenses
- Selling and administrative expenses were contained in absolute terms due to lower sales-linked costs

**Negative Factors**

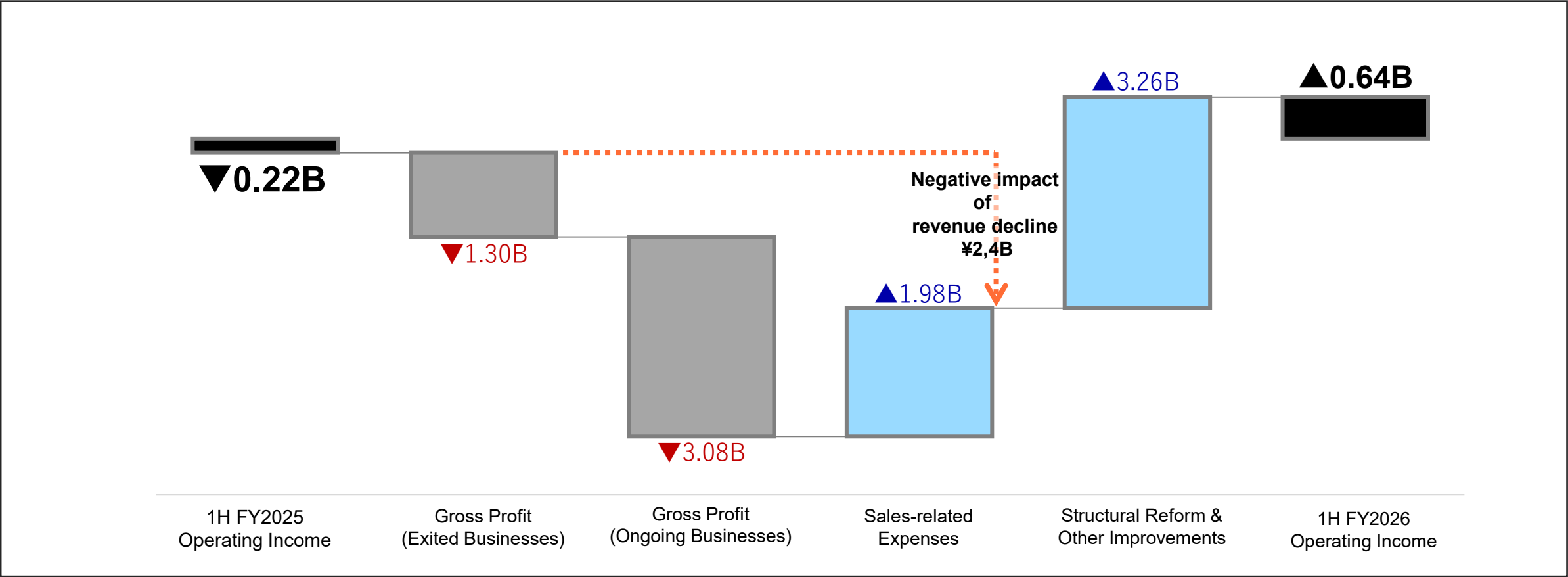
- Higher fixed-cost burden resulting from lower sales, leading to a 0.5 percentage-point deterioration in the SG&A ratio year on year



# Factors Affecting Operating Income

The combined revenue decline from exited and ongoing businesses had a negative impact of approximately ¥2.4 billion on operating income, reflecting both the decrease in gross profit and the reduction in sales-linked expenses. In contrast, profitability improved by approximately ¥3.2 billion due to structural reform initiatives and other efficiency measures, resulting in year-on-year growth in operating income.

(in billion yen)



# Net Income Impact — Itemized Breakdown

Non-operating income and expenses totaled ¥690 million, including dividend income, rental income, share of profit of entities accounted for using equity method, and foreign exchange losses, resulting in ordinary income of ¥1.33 billion.  
Including gain and loss on sale of a subsidiary, income before income taxes was ¥1.44 billion, and net income attributable to owners of parent for the first half was ¥1.31 billion, representing a net profit margin of 1.9%.

(in million yen)

Non-operating Income

- Dividend income . . . . . 330m
- Share of profit of entities accounted for using equity method . . . 210m
- Rental income . . . . . 120m

Non-operating Expenses

- Foreign Exchange Losses . . . . . 30m

Extraordinary Income/Losses

- Net Income on sale of Investment Securities . . . . . 610m
- Net loss on sale of affiliates . . . . . 380m

Income Taxes

- Corporation, inhabitant and enterprise taxes . . . . . 240m
- Income taxes – deferred . . . . . 10m

Note: Only major items are shown.



# 1H FY2026 Results Overview

## Balance Sheet

(in million yen)

|                                              | 1H FY2025 |                      | 1H FY2026 |                      |            |         |
|----------------------------------------------|-----------|----------------------|-----------|----------------------|------------|---------|
|                                              | Results   | Composition Rate (%) | Results   | Composition Rate (%) | Y/Y Change | Y/Y (%) |
| <b>Current Assets</b>                        | 65,263    | 50.8%                | 67,882    | 55.3%                | 2,619      | 104.0%  |
| (of Cash and Deposits)                       | 21,680    | 16.9%                | 28,896    | 23.5%                | 7,216      | 133.3%  |
| (of which, Inventory)                        | 28,375    | 22.1%                | 25,405    | 20.7%                | -2,970     | 89.5%   |
| <b>Non-current Assets</b>                    | 63,100    | 49.2%                | 54,818    | 44.7%                | -8,282     | 86.9%   |
| (of Investment Securities)                   | 25,644    | 20.0%                | 24,127    | 19.7%                | -1,517     | 94.1%   |
| (of Investment Real estate)                  | 4,880     | 3.8%                 | 2,243     | 1.8%                 | -2,637     | 46.0%   |
| <b>Total Assets</b>                          | 128,363   | 100.0%               | 122,701   | 100.0%               | -5,663     | 95.6%   |
| <b>Current Liabilities</b>                   | 27,127    | 21.1%                | 24,213    | 19.7%                | -2,914     | 89.3%   |
| (of Short-term borrowings)                   | 5,098     | 4.0%                 | 7,779     | 6.3%                 | 2,681      | 152.6%  |
| (of Current portion of long-term borrowings) | 1,952     | 1.5%                 | 875       | 0.7%                 | -1,077     | 44.8%   |
| <b>Non-current Liabilities</b>               | 7,034     | 5.5%                 | 5,728     | 4.7%                 | -1,306     | 81.4%   |
| (of Long-term borrowings)                    | 1,016     | 0.8%                 | 428       | 0.3%                 | -588       | 42.1%   |
| <b>Total Liabilities</b>                     | 34,162    | 26.6%                | 29,942    | 24.4%                | -4,220     | 87.6%   |
| <b>Total Net Assets</b>                      | 94,200    | 73.4%                | 92,759    | 75.6%                | -1,441     | 98.5%   |
| (of Treasury stock(-))                       | -5,890    | -4.6%                | -16,473   | -13.4%               | -10,583    | 279.7%  |
| <b>Total Liabilities and Net Assets</b>      | 128,363   | 100.0%               | 122,701   | 100.0%               | -5,662     | 95.6%   |

### Cash and Deposits

- Significant cash inflow from the sale of real estate at the end of the previous fiscal year.
- Despite cash outflows associated with dividend increases and the repurchase of treasury shares, cash and deposits rose 33.3% year on year.

### Inventories

- A year-on-year decrease of more than 10%, reflecting the impact of last year's clearance of excess inventory.
- Ongoing initiatives to improve inventory efficiency are delivering results, and efforts will be further strengthened in the second half.

### Investment Securities

- Down approximately 6% year on year
- Continued sale of cross-shareholdings and other equity holdings

### Treasury Shares

- Repurchase of treasury shares totaling ¥12.0 billion was carried out in July 2025.
- All repurchased shares are scheduled to be cancelled in full by the end of January 2026.

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**1H FY2026**

# **Sales Performance by Channel**





# 1H FY2026 Sales Performance by Channel

## Sales by Channel

Department store sales were 81.4% of the previous year's level due to the underperformance of core brands, while sales at commercial facilities remained nearly unchanged, excluding the impact of exits from certain businesses.

As a result, total domestic physical store sales declined by ¥3.12 billion to 93.0%. Domestic Misc. sales were 86.2%, reflecting a ¥1.02 billion decrease from the divestment of businesses in the previous fiscal year.

Overseas sales were 65.1%, reflecting the impact of U.S. business divestment and restructuring, despite solid performance in the U.K.

(in billion yen)

|                                                     |                                                               | 1H FY2024※ <sup>3</sup> |   | 1H FY2025※ <sup>3</sup> |   | 1H FY2026         | YoY   |
|-----------------------------------------------------|---------------------------------------------------------------|-------------------------|---|-------------------------|---|-------------------|-------|
| Domestic<br>Retail                                  | Department Store<br>[% of total sales]                        | 9.40B<br>[12.8%]        | ▶ | 9.31B<br>[12.4%]        | ▶ | 7.57B<br>[11.5%]  | 81.4% |
|                                                     | Commercial<br>Facilities ※ <sup>1</sup><br>[% of total sales] | 32.93B<br>[44.9%]       | ▶ | 35.18B<br>[46.8%]       | ▶ | 33.79B<br>[51.1%] | 96.0% |
|                                                     | E-commerce<br>[% of total domestic retail<br>sales]           | 16.6B<br>[28.2%]        | ▶ | 15.95B<br>[26.4%]       | ▶ | 13.27B<br>[24.3%] | 83.2% |
| Domestic Misc. ※ <sup>2</sup><br>[% of total sales] |                                                               | 8.54B<br>[11.7%]        | ▶ | 8.98B<br>[11.9%]        | ▶ | 7.74B<br>[11.7%]  | 86.2% |
| Overseas<br>[% of total sales]                      |                                                               | 5.73B<br>[7.8%]         | ▶ | 5.80B<br>[7.7%]         | ▶ | 3.77B<br>[5.7%]   | 65.1% |

※1 Commercial Facilities: Stores located in shopping centers, outlet malls, etc.

※2 Domestic Misc.: Wholesale sales, sales to the employees, and other sales by TSI Group's apparel-related business, as well as non-apparel business

※3 Partially corrected the elimination of an accounting error in consolidation. This has no impact on consolidated net sales..

# 1H FY2026 Sales Performance by Channel

## E-commerce Sales

Domestic e-commerce sales through “mix.tokyo” were down ¥1.66 billion year on year to 76.7%, continuing to struggle but showing gradual month-by-month improvement.

Sales through third-party e-commerce platforms (3rd EC) focused on promotional initiatives and were supported by strong-performing brands, but overall fell short of the previous year (93.8% excluding the impact of business exits).

As a result, total domestic e-commerce sales declined by ¥2.67 billion to 83.2% of the previous year's level.

Overseas e-commerce sales were 53.9%, reflecting the spillover impact of reduced revenues in the U.S. business.

(in billion yen)

|                                                           |                                                      | 1H FY2024※ 2      | 1H FY2025※ 2      | 1H FY2026         | YoY   |
|-----------------------------------------------------------|------------------------------------------------------|-------------------|-------------------|-------------------|-------|
| Domestic                                                  | In-house<br>[% of total domestic E-comm]             | 7.84B<br>[47.1%]  | 7.15B<br>[44.9%]  | 5.49B<br>[41.4%]  | 76.7% |
|                                                           | 3rd Party<br>[% of total domestic E-comm]            | 8.81B<br>[52.9%]  | 8.79B<br>[55.1%]  | 7.78B<br>[58.6%]  | 88.6% |
|                                                           | Total Domestic<br>[% of total domestic retail sales] | 16.66B<br>[28.2%] | 15.95B<br>[26.4%] | 13.27B<br>[24.3%] | 83.2% |
| Overseas E-Commerce<br>[% of total overseas retail sales] |                                                      | 1.79B<br>[31.3%]  | 1.96B<br>[33.9%]  | 1.06B<br>[28.1%]  | 53.9% |
| Total E-Commerce Sales<br>[% of total retail sales]※ 1    |                                                      | 18.45B<br>[28.5%] | 17.91B<br>[27.0%] | 14.33B<br>[24.5%] | 80.0% |

※1 The e-commerce sales ratio is calculated excluding other domestic sales (such as wholesale and employee sales).

※2 Corrections were made to some figures under the new revenue recognition standard (Domestic and Overseas E-commerce, etc.). These corrections do not affect consolidated revenue.



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# Business Highlights



# Core Brands

AVIREX, a leading brand in the men's casual segment, continued to perform strongly with double-digit sales growth. Delays in migrating members to the new “mix.tokyo” platform and challenges in acquiring new customers weighed on core brand sales in the first half.

AVIREX®

112.0% YoY

- Daily Wear, the staple collection of the brand, achieved over double the sales of the previous year, driven by strong social media engagement and exposure, making a significant contribution to overall results.
- For the fall/winter season, the brand will accelerate 50th-anniversary promotions, including artist collaborations, to further expand its customer base and drive sales growth.

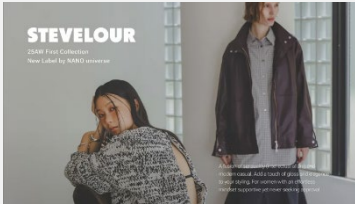


Long-selling “DAILY WEAR” helps drive more customer traffic through new purchases by younger customers.

N A N O universe

93.6% YoY

- Customer traffic and product appeal were below expectations at the start of the season, prompting early discounting to improve sell-through and lowering average purchase value in the second quarter.
- In September, the new women's brand “STEVELOUR” was launched to add a new dimension to the brand image and expand the customer base.



“STEVELOUR” embodies the concept of “the fusion of sensual sophistication and modern casual style,” offering effortless, confident looks with natural allure.

MARGARET HOWELL

87.9% YoY

- Along with the ongoing impact of store closures, lower-than-expected product appeal during the regular sales period resulted in weaker customer traffic.
- As part of efforts to strengthen brand presence through its retail strategy, the brand opened a new flagship store with its largest in-store café in Japan at Takanawa Gateway in September.

NATURAL BEAUTY BASIC

86.1% YoY

- Underperformance of core items and delays in promotional initiatives led to a decline in customer traffic, while intensified discounting weighed on profitability in the second quarter. However, customer numbers have been on a recovery trend month by month.
- The brand is introducing new product initiatives that emphasize effortless comfort and balanced design, including the new line “NAVYNAVY.”

PEARLY GATES

77.6% YoY

- Prioritizing inventory optimization improved turnover, but sales remained sluggish due to the carryover impact of last year's clearance sales. For the fall/winter season, the brand will adopt new approaches to attract and engage new customers.

New Balance Golf and PING maintained steady performance, underpinning the golf segment's overall results.

## Emerging Growth Brands

Brands that successfully executed collaboration initiatives and corresponding promotion strategies performed strongly in both men's and women's categories.

In addition, cross-industry collaborations helped expand brand awareness among new customer segments.

ETRÉ  
TOKYO

**108.2 % YoY**

The brand actively pursued collaboration projects with partners such as “Zoff” and “CA4LA,” expanding customer touchpoints through partnerships beyond the apparel category. With new store openings in Yokohama and Nagoya (scheduled for November), the brand aims to further accelerate brand awareness and penetration.



▲ Collaboration with “Zoff (eyewear)” and “CA4LA (headgear)”



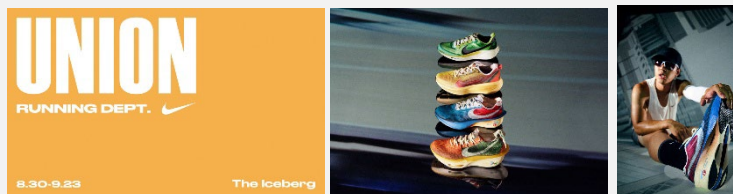
◀ New store opened at Lumine Yokohama in September, featuring exclusive items and a novelty gift campaign to commemorate the launch.

UNION  
TOKYO

**144.3 % YoY**

A pop-up store in collaboration with “NIKE” was held, blending sports and fashion to express running culture through UNION's unique street and fashion perspective.

Together with NIKE, the brand introduced a new retail concept that reflects diverse communities and was highly praised for its storytelling and creativity.



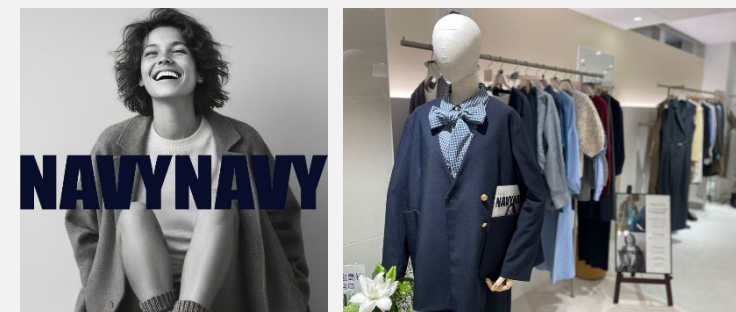
▲ Launched a special collection ahead of the “Tokyo 2025 World Athletics Championships” and hosted a running event in conjunction with the release.

NAVYNAVY

A new line from “NATURAL BEAUTY BASIC” was launched in collaboration with AI agents taking on professional roles, with sales starting in stores and on the official online site.

The line received a strong response during its pre-sale on *Makuake*, a crowdfunding platform.

A co-creation project with customers and partner companies has also been launched, aiming to expand awareness through ongoing initiatives such as workshops.



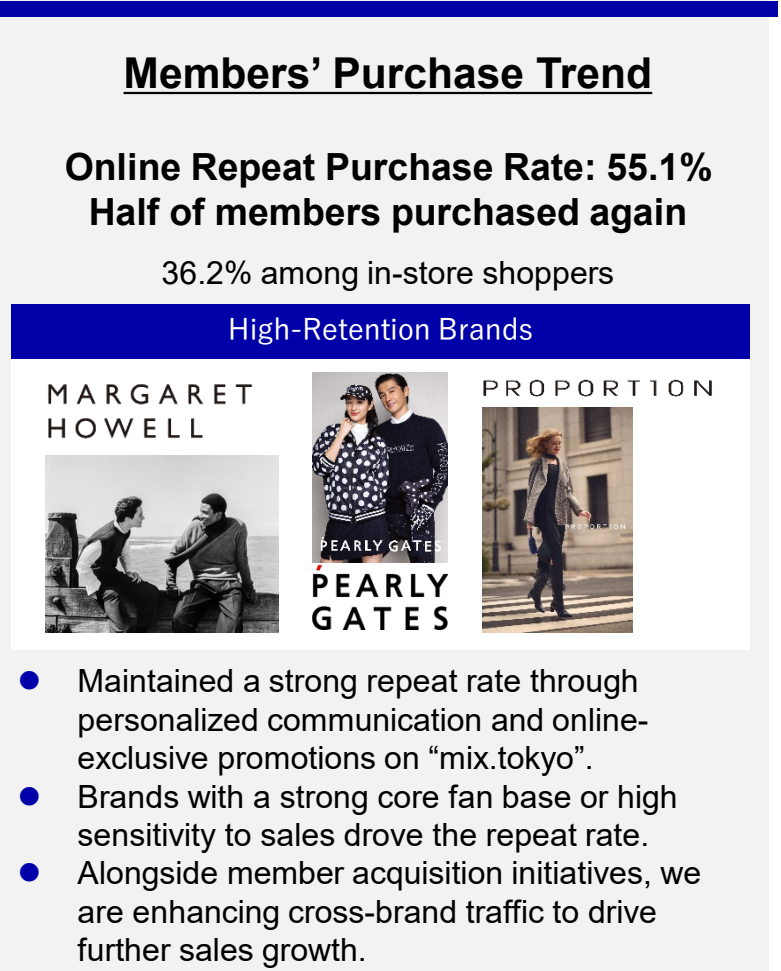
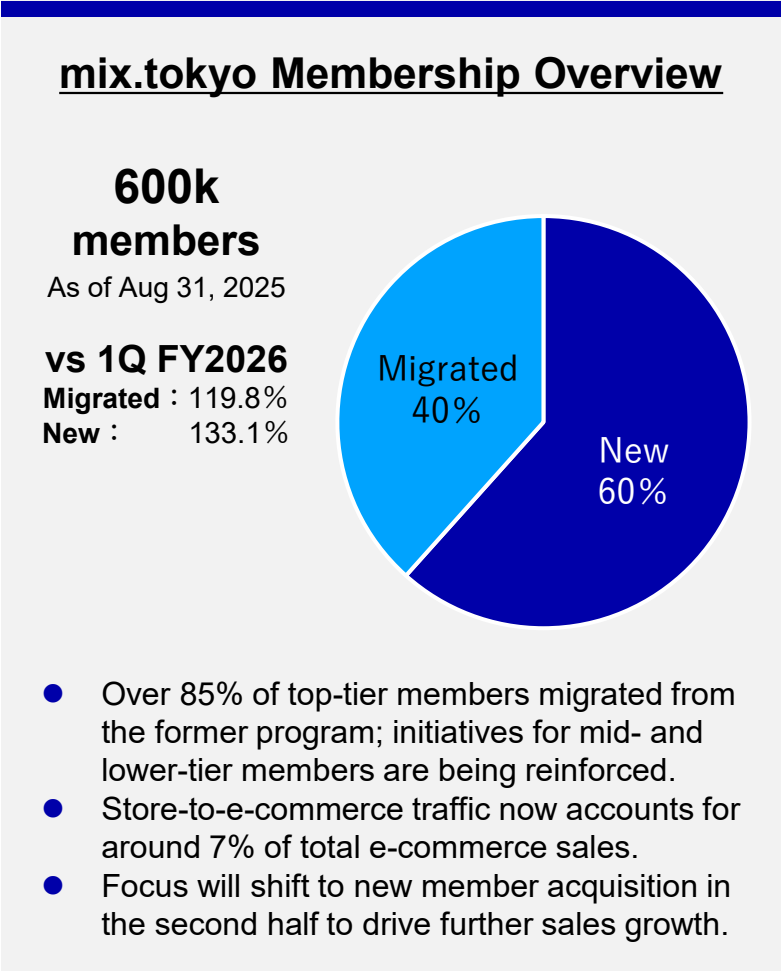
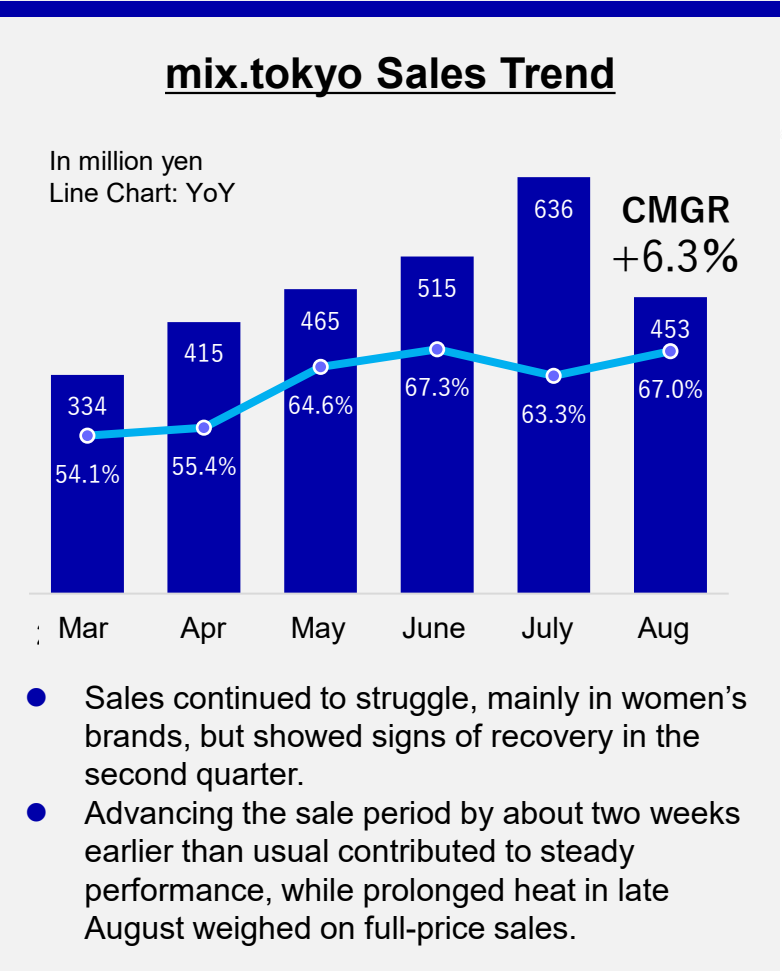
▲ Launched at Lumine Est Shinjuku, with sales to follow at other locations.



# 1H FY2026 Business Highlights

## Progress on E-commerce Integration

Sales declined significantly in the first quarter due to delays in migrating existing members to the new platform, but showed month-by-month improvement in the second quarter. Although signs of recovery are emerging in the second half, acquiring new members remains essential to expand sales.



## 1H FY2026 Business Highlights

# E-Commerce Expansion Strategy

The first summer sale campaign on “mix.tokyo” combined site-wide and brand-specific initiatives to drive online sales.

“mix.tokyo” will host a POP-UP Event this winter, featuring cross-brand experiences and exclusive content to deepen user engagement.

### Platform-wide initiatives



- Strengthened promotional activities during the July–August sale period, executing short-cycle initiatives every 3–4 days with real-time performance tracking.
- Achieved record-high site traffic on Aug 17.

### Enhanced Brand Initiatives



- Contributed to maximizing sales during each brand’s annual sale period.
- MARGARET HOWELL achieved approx. ¥10 million in orders within the first hour of its midnight sale launch.

### Pop-up Event



- Offline event to be held at Tokyo Midtown Hibiya for five days starting Nov. 20, featuring OMO-driven content to maximize brand awareness.

# 1H FY2026 Business Highlights

## Sustainability Initiatives

### ESG Data Book Released

The Company released its ESG Data Book, outlining key Group initiatives and communicating its ESG efforts to a broad range of stakeholders.



TSI HOLDINGS GROUP  
ESG Databook 2024

TSI HOLDINGS

<https://sustainability.tsi-holdings.com/report.html#storybook>  
(Available only in Japanese)

### Seven New Group Policies Introduced

To realize our purpose, “We create global empathy and social value through the power of fashion entertainment,” we have formulated a comprehensive policy to advance ESG management and promote sustainable growth across the Group. Through these efforts, we aim to enhance stakeholder engagement throughout our organization.

#### Newly Established Policies

##### People

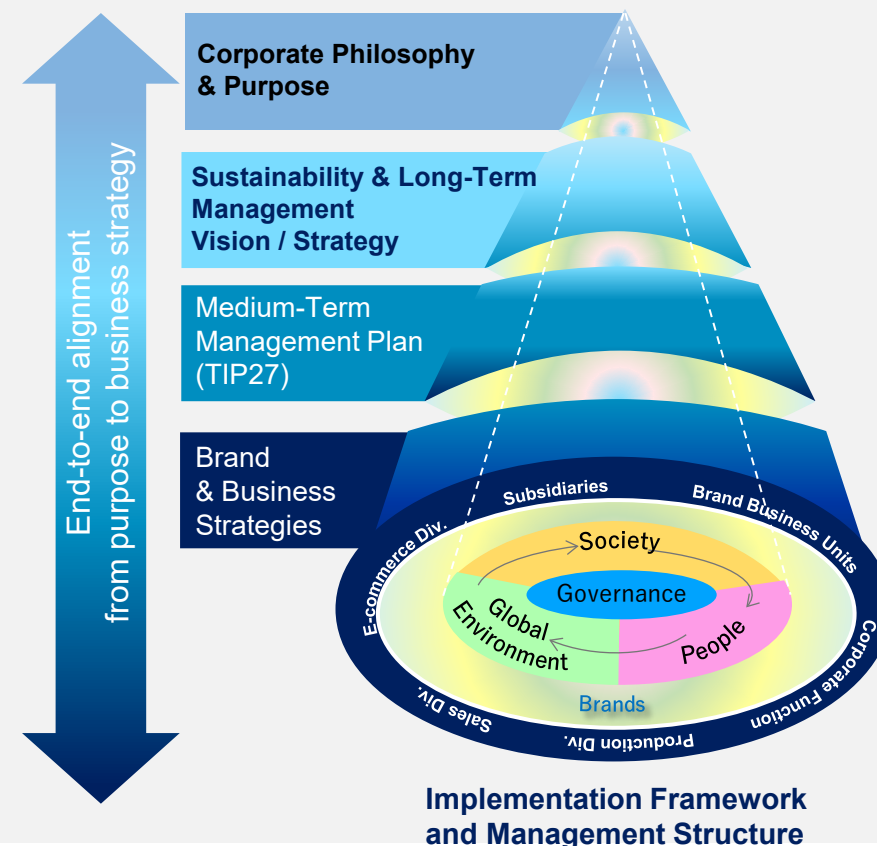
- Customer-Initiated Harassment Policy

##### Society

- Quality Policy
- Procurement Policy

##### Governance

- Information Security Policy
- AI Utilization Policy
- Anti-Corruption Policy
- Tax Policy

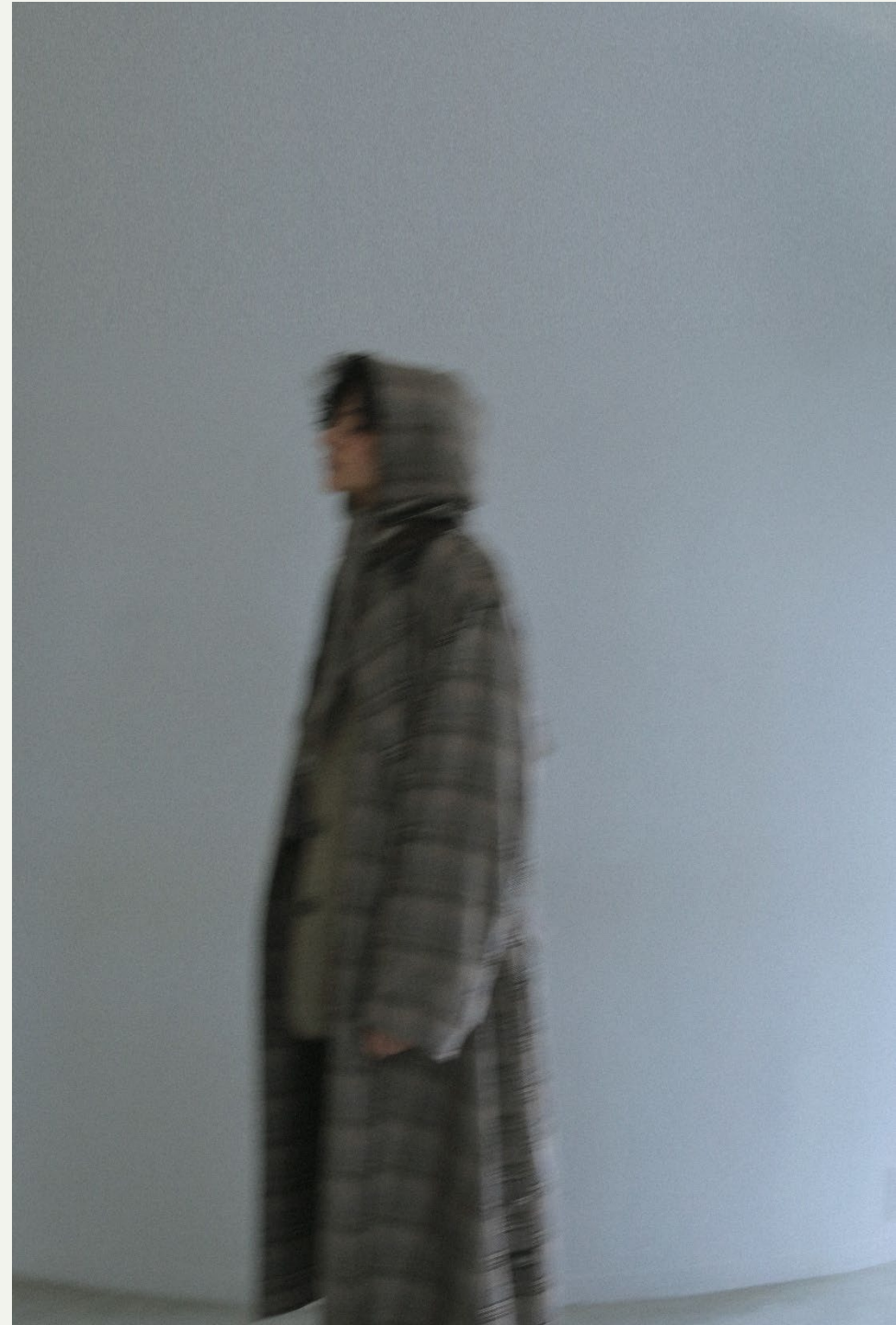




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# Structural Reforms

Progress Update



## Structural Reforms – Progress Update

Structural reforms delivered tangible improvements across all areas, generating about ¥3.2 billion in operating profit gains in the first half. Further enhancement will continue through ongoing review and refinement in the second half and beyond.

|                                                               |                                                                                                                                                                                                                                                                                                                                | (in billion yen) |
|---------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|
| Purpose                                                       | Course of Action                                                                                                                                                                                                                                                                                                               | Impact (YoY)     |
| Purchase Cost Reductions & Optimized Supply/Demand Management | <ul style="list-style-type: none"> <li>▶ Company-wide strategy for production and manufacturing (e.g.) Supplier and factory consolidation, Relocation of production bases, Optimization of delivery operations, Local settlement of payments</li> <li>▶ Standardized approach to price analysis and decision-making</li> </ul> | Approx. 0.6B     |
| Retail Operation Reform                                       | <ul style="list-style-type: none"> <li>▶ Area-based optimization and reform of sales staff allocation</li> </ul>                                                                                                                                                                                                               | Approx. 0.3B     |
| E-commerce Platform Integration & System Renewal              | <ul style="list-style-type: none"> <li>▶ Cost reduction through e-commerce platform consolidation</li> <li>▶ Improved efficiency through streamlining operations and management systems</li> </ul>                                                                                                                             | Approx. 0.3B     |
| Improve Efficiency of Costs including SG&A                    | <ul style="list-style-type: none"> <li>▶ Logistics cost optimization initiatives</li> <li>▶ Cross-functional cost control (advertising, promotion, and outsourcing)</li> <li>▶ Workforce optimization implemented in the previous fiscal year</li> </ul>                                                                       | Approx. 2B       |
|                                                               |                                                                                                                                                                                                                                                                                                                                | Total 3.2B       |

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# Full-Year Consolidated Earnings Forecast





# FY2026 Full-Year Consolidated Earnings Forecast

## Full-Year Forecast

We revised our consolidated earnings forecast for the fiscal year ending February 2026, announced on April 11, 2025, reflecting recent business performance and the consolidation impact of Daytona International Co., Ltd., which became a wholly owned subsidiary.

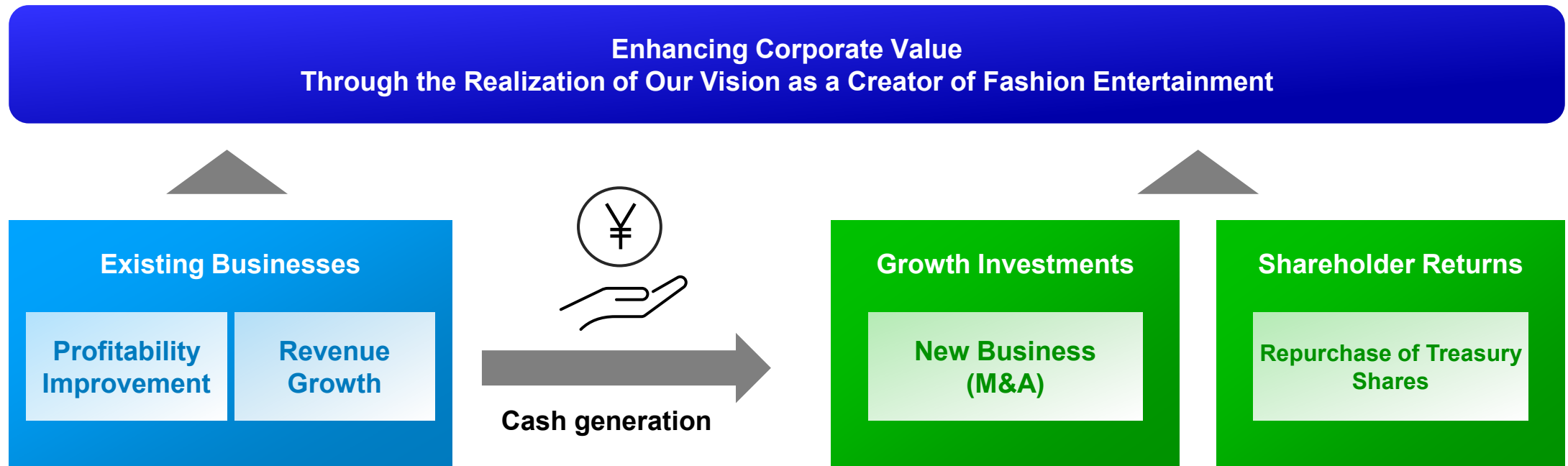
|                                         | FY2026<br>Initial Forecast     |                                | (in billion yen) |
|-----------------------------------------|--------------------------------|--------------------------------|------------------|
|                                         |                                | Revised Forecast               | Difference       |
| Net Sales                               | 153.0B                         | 169.0B                         | ▲16.0B           |
| Operating Income                        | 5.7B<br>(Profit margin : 3.7%) | 5.7B<br>(Profit margin : 3.3%) | -                |
| Ordinary Income                         | 6.0B<br>(Profit margin : 3.9%) | 6.0B<br>(Profit margin : 3.6%) | -                |
| Profit Attributable to Owners of Parent | 4.2B<br>(Profit margin : 2.7%) | 4.2B<br>(Profit margin : 2.5%) | -                |
| Net Income Per Share                    | 60.47yen                       | 62.56yen                       | -                |

Sales from existing businesses are expected to fall below the initial plan, but consolidated net sales are projected to reach ¥169.0 billion (up ¥16.0 billion) reflecting the consolidation of Daytona International.

Goodwill amortization related to the acquisition has been factored in, and forecasts for operating profit and below remain unchanged.

# Outlook for 2H and Beyond

- First Half: Achieved higher profits despite lower sales, supported by steady progress in structural reforms. Restoring sales capabilities will be the key to future success.
- Second Half: Launching new growth initiatives, including “mix.tokyo” pop-up events and the debut of new brands Alpha Industries and NAVYNAVY.
- PMI of Daytona International: Strongly promoting post-merger integration to realize concrete synergies.
- Outlook: Continue to enhance existing businesses, growth investments, and shareholder returns to further increase corporate value.





We create empathy and social value across the world  
through the power of fashion entertainment.

**Creator of Fashion Entertainment**

TSI HOLDINGS GROUP



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# Appendix



# Financial Highlights for the 1H FY2026

## 1H Overview

(Revenue Recognition Standards)

(Sales amount in million JPY)

|                                                                               | 1H FY2025 |                      | 1H FY2026 |                      |            |         |
|-------------------------------------------------------------------------------|-----------|----------------------|-----------|----------------------|------------|---------|
|                                                                               | Results   | Composition Rate (%) | Results   | Composition Rate (%) | Y/Y Change | Y/Y (%) |
| Net Sales                                                                     | 75,230    | 100.0                | 66,167    | 100.0                | -9,062     | 88.0    |
| Gross Profit                                                                  | 40,554    | 53.9                 | 36,827    | 55.7                 | -3,726     | 90.8    |
| SG&A Expenses                                                                 | 40,776    | 54.2                 | 36,187    | 54.7                 | -4,588     | 88.7    |
| SG&A Expenses<br>(excl. Goodwill Amortization, Depreciation and Amortization) | 39,010    | 51.9                 | 34,410    | 52.0                 | -4,600     | 88.2    |
| Goodwill Amortization                                                         | 243       | 0.3                  | 222       | 0.3                  | -20        | 91.5    |
| Depreciation and Amortization                                                 | 1,521     | 2.0                  | 1,554     | 2.3                  | 32         | 102.1   |
| Operating Income                                                              | -221      | -0.3                 | 640       | 1.0                  | 861        | -288.8  |
| Ordinary Income                                                               | -167      | -0.2                 | 1,333     | 2.0                  | 1,500      | -795.6  |
| Extraordinary Income                                                          | 467       | 0.6                  | 726       | 1.1                  | 258        | 155.3   |
| Extraordinary Loss                                                            | 341       | 0.5                  | 611       | 0.9                  | 270        | 179.2   |
| Profit Before Taxes                                                           | -41       | -0.1                 | 1,447     | 2.2                  | 1,488      | -3478.8 |
| Profit Attributable to Owners of Parent                                       | -791      | -1.1                 | 1,313     | 2.0                  | 2,105      | -165.9  |
| EBITDA ※                                                                      | 1,543     | 2.1                  | 2,417     | 3.7                  | 873        | 156.6   |

\*EBITDA = Operating Income + Goodwill Amortization + Depreciation and Amortization

# Financial Highlights for the 1H FY2026

(Sales amount in million JPY)

## Net Sales Per Channel

(Revenue Recognition Standards)

|       |                           | 1H FY2025 |                      | 1H FY2026 |                      |         |                                 |
|-------|---------------------------|-----------|----------------------|-----------|----------------------|---------|---------------------------------|
|       |                           | Sales     | Composition Rate (%) | Sales     | Composition Rate (%) | Y/Y (%) | Composition Rate Y/Y Change(pt) |
|       | Department Stores         | 9,311     | 12.4                 | 7,577     | 11.5                 | 81.4    | -0.9pt                          |
|       | Commercial Facilities(*1) | 35,184    | 46.8                 | 33,792    | 51.1                 | 96.0    | +4.3pt                          |
|       | In-house EC               | 7,159     | 9.5                  | 5,492     | 8.3                  | 76.7    | -1.2pt                          |
|       | 3rd Party                 | 8,790     | 11.7                 | 7,784     | 11.8                 | 88.6    | +0.1pt                          |
|       | EC(E-Commerce)            | 15,950    | 21.2                 | 13,276    | 20.1                 | 83.2    | -1.1pt                          |
|       | Others(*2)                | 8,980     | 11.9                 | 7,742     | 11.7                 | 86.2    | -0.2pt                          |
|       | Domestic                  | 69,426    | 92.3                 | 62,388    | 94.3                 | 89.9    | +2.0pt                          |
|       | EC(E-Commerce)            | 1,968     | 2.6                  | 1,061     | 1.6                  | 53.9    | -1.0pt                          |
|       | Overseas                  | 5,803     | 7.7                  | 3,779     | 5.7                  | 65.1    | -2.0pt                          |
|       | EC(E-Commerce)            | 17,919    | 23.8                 | 14,337    | 21.7                 | 80.0    | -2.2pt                          |
| TOTAL |                           | 75,230    | 100.0                | 66,167    | 100.0                | 88.0    | -                               |

\*1 Fashion buildings, shopping centers, railroad station buildings, individual stores, outlet shops etc. except for department stores.

\*2 Apparel businesses such as wholesale, intercompany sales and non-apparel businesses of the group companies.

\*3: Partially corrected the elimination of an accounting error in consolidation. This has no impact on consolidated net sales.



# Financial Highlights for the 1H FY2026

## Brands Overview

(Revenue recognition standards)

(Sales amount in million JPY)

|                          | 1H FY2025 |                      |                        | 1H FY2026 |                      |                        | YoY       |                         |
|--------------------------|-----------|----------------------|------------------------|-----------|----------------------|------------------------|-----------|-------------------------|
|                          | Sales     | Composition Rate (%) | Gross Profit Ratio (%) | Sales     | Composition Rate (%) | Gross Profit Ratio (%) | Sales (%) | Gross Profit Ratio (pt) |
| 1. MARGARET HOWELL       | 6,862     | 9.1                  | 60.2                   | 6,033     | 9.1                  | 59.8                   | 87.9      | -0.4pt                  |
| 2. NANO universe         | 6,429     | 8.5                  | 54.1                   | 6,016     | 9.1                  | 56.1                   | 93.6      | +2.0pt                  |
| 3. PEARLY GATES※         | 6,106     | 8.1                  | 49.7                   | 4,741     | 7.2                  | 52.3                   | 77.6      | +2.6pt                  |
| 4. NATURAL BEAUTY BASIC  | 5,326     | 7.1                  | 64.0                   | 4,587     | 6.9                  | 64.3                   | 86.1      | +0.4pt                  |
| 5. AVIREX                | 3,562     | 4.7                  | 55.7                   | 3,991     | 6.0                  | 63.7                   | 112.0     | +8.0pt                  |
| 6. STUSSY                | 3,120     | 4.1                  | 56.7                   | 3,059     | 4.6                  | 51.5                   | 98.1      | -5.2pt                  |
| 7. HUF                   | 4,124     | 5.5                  | 50.9                   | 2,657     | 4.0                  | 56.2                   | 64.4      | +5.3pt                  |
| 8. New Balance Golf      | 2,595     | 3.5                  | 46.3                   | 2,530     | 3.8                  | 49.2                   | 97.5      | +2.9pt                  |
| 9. human woman           | 2,089     | 2.8                  | 63.2                   | 1,624     | 2.5                  | 63.4                   | 77.7      | +0.1pt                  |
| 10. MASTER BUNNY EDITION | 1,715     | 2.3                  | 53.4                   | 1,540     | 2.3                  | 54.7                   | 89.8      | +1.3pt                  |
| TOP10                    | 41,933    | 55.7                 | 55.6                   | 36,782    | 55.6                 | 57.5                   | 87.7      | +1.9pt                  |
| Other Brands             | 30,319    | 40.3                 | 52.8                   | 29,339    | 44.3                 | 53.3                   | 96.8      | +0.5pt                  |
| Continuing Brands        | 72,253    | 96.0                 | 54.5                   | 66,121    | 99.9                 | 55.7                   | 91.5      | +1.2pt                  |
| Closed Brands            | 2,976     | 4.0                  | 40.7                   | 45        | 0.1                  | 58.9                   | 1.5       | +18.2pt                 |
| TOTAL                    | 75,230    | 100.0                | 53.9                   | 66,167    | 100.0                | 55.7                   | 88.0      | +1.8pt                  |

※Brand-level reporting has been revised.

Sales and gross profit from MASTER BUNNY EDITION have been excluded from PEARLY GATES figures for both the current and previous fiscal periods.

# Financial Highlights for the 1H FY2026

## Trends in Sales for Domestic Existing and All Stores



# Financial Highlights for the 1H FY2026

## The Number of Stores

|            |          | 1H FY2025 | FY2025 | Store Open | Store Close | 1H FY2026 | Y/Y Change | vs FY2025 |
|------------|----------|-----------|--------|------------|-------------|-----------|------------|-----------|
| Apparel    | Domestic | 728       | 688    | +27        | - 37        | 678       | - 50       | - 10      |
|            | Overseas | 29        | 18     | +2         | - 4         | 16        | - 13       | - 2       |
|            | Total    | 757       | 706    | +29        | - 41        | 694       | - 63       | - 12      |
| Restaurant | Domestic | 6         | 1      | +3         | -           | 4         | - 2        | 3         |
| Cosmetics  | Domestic | 31        | 32     |            | - 1         | 31        | 0          | - 1       |
| Total      |          | 794       | 739    | +32        | - 42        | 729       | - 65       | - 10      |



## **Disclaimer**

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Actual results may differ materially due to various factors.

## **Note:**

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In the event of any discrepancy between this translated document and the Japanese original, the Japanese version shall prevail.