

November 10, 2025

**Summary of Consolidated Financial Results
for the First Quarter of the Fiscal Year Ending June 30, 2026
(Three Months Ended September 30, 2025)**

[Japanese GAAP]

Company name: istyle Inc. Stock exchange listings: Prime Market of the TSE
Securities code: 3660 URL: <https://www.istyle.co.jp/en>
Representative: Tetsuro Yoshimatsu, Representative Director, Chairperson, CEO
Contact: Kei Sugawara, Director, Vice Chairperson, CFO Tel: +81-3-6161-3660
Scheduled date of dividend payment: -
Preparation of supplementary materials for financial results: Yes
Schedule of financial results briefing session: Yes

(All amounts are rounded off to the nearest million yen)

1. Consolidated Financial Results for the Three Months Ended September 30, 2025 (July 1, 2025 – September 30, 2025)

(1) Consolidated results of operations

(Percentages represent year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of the parent company	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Three months ended September 30, 2025	18,442	22.6	1,039	36.4	1,050	25.1	648	7.6
Three months ended September 30, 2024	15,038	20.8	762	107.1	839	140.5	603	252.0

Note: Comprehensive income (million yen) Three months ended September 30, 2025: 657 million yen (131.7%)

Three months ended September 30, 2024: 283 million yen (6.8%)

	Earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended September 30, 2025	7.01	5.34
Three months ended September 30, 2024	7.65	5.12

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of September 30, 2025	37,919	21,042	52.7
As of June 30, 2025	34,601	17,007	46.0

Reference: Total equity As of September 30, 2025: 19,967 million yen

As of June 30, 2025: 15,900 million yen

2. Dividends

	Dividend per share				
	First quarter-end	First half-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended June 30, 2025	-	0.00	-	1.00	1.00
Fiscal year ending June 30, 2026	-				
Fiscal year ending June 30, 2026 (forecasts)		0.00	-	1.00	1.00

Note: Revisions to most recently announced dividend forecast: None

3. Consolidated Operating Results Forecast for the Fiscal Year Ending June 30, 2026 (July 1, 2025 – June 30, 2026)

(Percentages represent year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of the parent company		Earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	83,000	20.7	3,800	20.1	3,800	14.8	2,650	13.9	27.05

Note: Revisions to the most recently announced operating results forecast: None

*** Notes**

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

(2) Application of special accounting methods for presenting quarterly consolidated financial statements: None

(3) Changes in accounting policies and accounting-based estimates, and restatements

1) Changes in accounting policies due to revisions in accounting standards, others:	None
2) Changes in accounting policies other than 1) above:	None
3) Changes in accounting-based estimates:	None
4) Restatements:	None

(4) Number of shares outstanding (common shares)

1) Number of shares issued (including treasury shares) at end of period

As of September 30, 2025: 102,444,967 shares

As of June 30, 2025: 91,754,577 shares

2) Number of treasury shares at end of period

As of September 30, 2025: 2,693,618 shares

As of June 30, 2025: 2,693,618 shares

3) Average number of shares outstanding during the period

Three months ended September 30, 2025: 92,498,097 shares

Three months ended September 30, 2024: 78,769,982 shares

* The review by certified public accountants or auditing corporations on the attached Consolidated Financial Statements: None

* Cautionary statement with respect to forecasts and other matters:

Operating results forecasts and other forward-looking statements in this report are based on assumptions judged to be valid and information available to the Company at the time of the preparation of this report. Actual performance may differ significantly from these forecasts for a number of reasons. For the assumptions underlying the forecasts herein and other notices on the use of operating results forecasts, please refer to *1. Operating Results and Financial Position (3) Consolidated Operating Results Forecast and Information about Future Predictions* on page 4 of the accompanying materials. Earnings per share in the consolidated operating results forecast is calculated taking into account the effects of the exercise of stock acquisition rights until the end of October 2025 and the disposal of treasury shares as restricted stock compensation as of October 28, 2025.

* *This financial report is solely a translation of the original Japanese "Kessan Tanshin" document, which has been prepared in accordance with accounting principles and practices generally accepted in Japan, for the convenience of readers who prefer an English translation.*

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1. Operating Results and Financial Position

(1) Analysis of Operating Results

In accordance with the Medium-term Business Plan announced in August 2024, the Group aims to achieve consolidated net sales of 100 billion yen and consolidated operating profit of 8 billion yen, which are the medium-term business goals, by increasing points of contact with users and data through the expansion of the Retail segment (e-commerce and retail stores), and monetizing those in the Marketing Solution segment (BtoB services).

For the fiscal year ending June 30, 2026, marking the second fiscal year of the Medium-term Business Plan, the Group positions it as the “Year of Strategic Investments,” aiming for a leap into the next phase of growth.

The Group will strive to expand sales, which serve as a source of future operating profit, through the flagship store in Hong Kong, *@cosme HONG KONG* (scheduled to open on December 5, 2025), in the Global segment, in addition to the overall organic growth in Japan.

Aiming for medium- to long-term growth, investment in new businesses will be increased, in addition to strengthening personnel and system investments in each segment. In the Marketing Solution segment, the Group will focus on hiring consultants in order to make labor-intensive data consulting a core source of new revenue. In the Global segment, returning the business to profitability is expected from the second half of the fiscal year ending June 30, 2026, despite the recording of pre-opening expenses for the flagship store in Hong Kong in the first half.

For the fiscal year ending June 30, 2026, the Group plans to increase operating profit by 20.1% year-on-year, with the operating profit margin expected to remain at the same level as in the previous fiscal year associated with the aforementioned upfront investments. Positioning this fiscal year as a preparatory period for growth from the next fiscal year onward, the Group aims to enhance corporate value over the medium to long term by strengthening the strategic business foundation and expanding investment with a view to future growth.

The consolidated operating performance for the three months ended September 30, 2025 was as follows.

Net sales increased 22.6% year-on-year, driven by the Marketing Solution segment and Retail segment in Japan.

Operating profit increased 36.4%, as the Marketing Solution segment and Retail segment contributed to profit growth as well as to the higher net sales, offsetting the pre-opening expenses for the flagship store in Hong Kong.

As a result, the consolidated operating performance for the three months ended September 30, 2025 was as follows:

Net sales:	18,442 million yen (15,038 million yen in the previous fiscal year; 22.6% year-on-year increase)
Operating profit:	1,039 million yen (762 million yen in the previous fiscal year; 36.4% year-on-year increase)
Ordinary profit:	1,050 million yen (839 million yen in the previous fiscal year; 25.1% year-on-year increase)
Profit before income taxes:	1,050 million yen (839 million yen in the previous fiscal year; 25.1% year-on-year increase)
Profit attributable to owners of the parent company:	648 million yen (603 million yen in the previous fiscal year; 7.6% year-on-year increase)

1) Marketing Solution segment

The Marketing Solution segment consists of various services based on the cosmetics and beauty portal site *@cosme*, including advertising solutions for cosmetics brands and data-driven solutions.

Net sales increased 27.0% year-on-year due to the increased transaction volume with major and new mid-sized brands, against a backdrop of the successful sales promotion measures utilizing e-commerce and retail stores associated with the expansion of sales volume in the Retail segment.

Operating profit increased 46.8% due to the contribution of the business model with high marginal profit ratio to the efficient profit expansion.

As a result, segment operating performance for the consolidated three months ended September 30, 2025 was as follows:

Net sales:	2,920 million yen (2,298 million yen in the previous fiscal year; 27.0% year-on-year increase)
Operating profit:	972 million yen (662 million yen in the previous fiscal year; 46.8% year-on-year increase)

2) Retail segment

The Retail segment consists mainly of retail services in Japan, including the operation of the domestic cosmetics e-commerce site @cosme SHOPPING and operations of @cosme STORE cosmetics specialty shops.

E-commerce net sales rose 26.4% year-on-year due to the continued acquisition of new customers through platform collaborations.

Retail store net sales rose 24.0% due to the growth of the existing stores, in addition to the contribution of new stores, including @cosme NAGOYA. As a result, net sales increased 24.7% in the segment overall.

Operating profit increased 20.4% due to the contribution of the increased net sales.

As a result, segment operating performance for the consolidated three months ended September 30, 2025 was as follows:

Net sales:	14,164 million yen (11,354 million yen in the previous fiscal year; 24.7% year-on-year increase)
Operating profit:	860 million yen (714 million yen in the previous fiscal year; 20.4% year-on-year increase)

3) Global segment

The Global segment consists of business operations outside of Japan, such as e-commerce and wholesale and retail stores, as well as media and other services.

Net sales increased 0.5% year-on-year in the segment overall due to a recovery in the China cross-border e-commerce business.

Operating profit expanded a year-on-year deficit due to the recording of 104 million yen in pre-opening expenses for the flagship store in Hong Kong.

As a result, segment operating performance for the consolidated three months ended September 30, 2025 was as follows:

Net sales:	1,004 million yen (999 million yen in the previous fiscal year; 0.5% year-on-year increase)
Operating loss:	150 million yen (14 million yen loss in the previous fiscal year)

4) Others

The Others segment consists of a temporary staffing agency for beauty consultants, BtoC subscription service, and investment and consulting projects for companies in various stages of development, including new startups.

Net sales declined 8.2% year-on-year, following the effects of December 2024 termination of BLOOMBOX, one of the BtoC subscription services.

Operating profit declined 79.4% year-on-year due to the upfront expenses for the Supplement segment launched in July 2025, in addition to the aforementioned termination of BLOOMBOX.

As a result, segment operating performance for the consolidated three months ended September 30, 2025 was as follows:

Net sales:	355 million yen (387 million yen in the previous fiscal year; 8.2% year-on-year decrease)
Operating profit:	13 million yen (61 million yen in the previous fiscal year; 79.4% year-on-year decrease)

(2) Consolidated Financial Position

(Assets)

Total assets as of September 30, 2025 amounted to 37,919 million yen, an increase of 3,318 million yen compared with the end of the previous consolidated fiscal year.

Current assets as of September 30, 2025 amounted to 23,961 million yen, an increase of 2,920 million yen compared with the end of the previous consolidated fiscal year. This result was mainly due to a 1,104 million yen increase in cash and deposits, a 148 million yen increase in notes and accounts receivable – trade and contract assets, and a 1,366 million yen increase in merchandise.

Non-current assets as of September 30, 2025 amounted to 13,958 million yen, an increase of 398 million yen compared with the end of the previous consolidated fiscal year. This was mainly due to an increase of 496 million yen in tangible assets, despite a decrease of 34 million yen in investment securities.

(Liabilities)

Total liabilities as of September 30, 2025 amounted to 16,877 million yen, a decrease of 717 million yen compared with the end of the previous consolidated fiscal year.

Current liabilities as of September 30, 2025 amounted to 12,051 million yen, a decrease of 640 million yen compared with the end of the previous consolidated fiscal year. This result was mainly due to a decrease of 1,500 million yen in the current portion of convertible-bond-type bonds with share acquisition rights, a decrease of 420 million yen in income taxes payable, and a decrease of 215 million yen in provision for bonuses offset in part by an increase of 2,232 million yen in notes and accounts payable - trade.

Non-current liabilities as of September 30, 2025, amounted to 4,826 million yen, a decrease of 76 million yen compared with the end of the previous consolidated fiscal year. This result was mainly due to a decrease of 293 million yen in long-term borrowings.

(Net Assets)

Net assets as of September 30, 2025, amounted to 21,042 million yen, an increase of 4,035 million yen compared with the end of the previous consolidated fiscal year. This was mainly due to an increase of 1,750 million yen in capital stock, an increase of 1,750 million yen in capital surplus, and an increase of 559 million yen in retained earnings.

(3) Consolidated Operating Results Forecast and Information about Future Predictions

We have made no changes to the consolidated operating results forecast for the full year ending June 30, 2026, as announced in the summary report published on August 12, 2025.

2. Consolidated Financial Statements and Relevant Notes

(1) Consolidated Balance Sheets

(Millions of yen)

	As of June 30, 2025	As of September 30, 2025
Assets		
Current assets		
Cash and deposits	7,224	8,328
Notes and accounts receivable – trade, and contract assets	5,535	5,683
Merchandise	6,415	7,781
Operational investment securities	964	988
Other	913	1,191
Allowance for doubtful receivables	(11)	(11)
Total current assets	21,041	23,961
Non-current assets		
Tangible assets	3,589	4,085
Intangible assets		
Goodwill	937	907
Software	1,912	2,170
Other	781	690
Total intangible assets	3,630	3,767
Investments and other assets		
Investment securities	3,511	3,477
Lease and guarantee deposits	1,907	1,905
Other	925	724
Total investments and other assets	6,342	6,106
Total non-current assets	13,560	13,958
Total assets	34,601	37,919

(Millions of yen)

	As of June 30, 2025	As of September 30, 2025
Liabilities		
Current liabilities		
Notes and accounts payable – trade	3,409	5,641
Short-term borrowings	1,000	1,200
Current portion of long-term borrowings	1,198	1,201
Current portion of convertible-bond-type bonds with share acquisition rights	1,500	—
Income taxes payable	626	206
Provision for bonuses	453	239
Other	4,505	3,565
Total current liabilities	12,692	12,051
Non-current liabilities		
Long-term borrowings	3,857	3,564
Other	1,045	1,262
Total non-current liabilities	4,902	4,826
Total liabilities	17,594	16,877
Net assets		
Shareholders' equity		
Capital stock	7,179	8,929
Capital surplus	2,314	4,063
Retained earnings	5,645	6,204
Treasury share	(280)	(280)
Total shareholders' equity	14,858	18,917
Accumulated other comprehensive income		
Net unrealized gain on available-for-sale securities	(67)	(77)
Foreign currency translation adjustments	1,109	1,127
Total accumulated other comprehensive income	1,043	1,050
Subscription rights to shares	955	942
Non-controlling interests	151	133
Total net assets	17,007	21,042
Total liabilities and net assets	34,601	37,919

(2) Consolidated Statements of Income and Comprehensive Income**Consolidated Statements of Income****Consolidated three months ended September 30, 2025**

(Millions of yen)

	Three months ended September 30, 2024	Three months ended September 30, 2025
Net sales	15,038	18,442
Cost of sales	8,260	10,393
Gross profit	6,778	8,050
Selling, general and administrative expenses	6,016	7,011
Operating profit	762	1,039
Non-operating income		
Interest income	2	8
Foreign exchange gains	39	0
Equity in gains of affiliates	32	32
Other	19	12
Total non-operating income	92	52
Non-operating expenses		
Interest expenses	12	16
Share issuance costs	—	23
Loss on investments in partnership	1	0
Other	1	2
Total non-operating expenses	14	41
Ordinary profit	839	1,050
Extraordinary income		
Gain on reversal of share acquisition rights	0	0
Total extraordinary income	0	0
Extraordinary loss		
Loss on retirement of non-current assets	—	1
Total extraordinary loss	—	1
Profit before income taxes	839	1,050
Income taxes	231	399
Profit	609	651
Profit attributable to non-controlling interests	6	3
Profit attributable to owners of the parent company	603	648

Consolidated Statements of Comprehensive Income

(Millions of yen)

	Three months ended September 30, 2024	Three months ended September 30, 2025
Profit	609	651
Other comprehensive income		
Net unrealized gain on available-for-sale securities	(49)	23
Share of other comprehensive income of entities accounted for using equity method	(24)	(33)
Foreign currency translation adjustments	(252)	16
Total other comprehensive income	(325)	6
Comprehensive income	283	657
Comprehensive income (loss) attributable to		
Owners of the parent	287	656
Non-controlling interests	(3)	1

(3) Notes on Consolidated Financial Statements

(Notes on the Going-Concern Assumption)

Not applicable.

(Notes on Significant Changes in the Amount of Shareholders' Equity)

Previous first quarter consolidated cumulative period (from July 1, 2024 to September 30, 2024)

In accordance with a resolution at the Board of Directors meeting held on August 20, 2024, the Company reduced capital reserve by 2,811 million yen and transferred said amount to other capital surplus on the same date, pursuant to Article 448, Paragraph 1 of the Companies Act. Furthermore, the Company reduced other capital surplus by 2,811 million yen and transferred said amount to retained earnings brought forward on the same date to compensate for the deficit, pursuant to Article 452 of the Companies Act.

As a result, capital surplus and retained earnings amounted to 851 million yen and 3,920 million yen, respectively, as of September 30, 2024.

Current first quarter consolidated cumulative period (from July 1, 2025 to September 30, 2025)

The 9th and 26th series of stock acquisition rights were exercised during the three months ended September 30, 2025, resulting in respective 1,000 million yen increases in capital stock and capital surplus. Furthermore, the 2nd series of unsecured convertible-bond-type bonds with share acquisition rights were exercised during the three months ended September 30, 2025, resulting in respective 750 million yen increases in capital stock and capital surplus.

As a result, capital stock and capital surplus amounted to 8,929 million yen and 4,063 million yen, respectively, as of September 30, 2025.

(Notes on Segment Information)

Three months ended September 30, 2024

1. Net sales and profit (loss) by reportable segment and information on disaggregation of revenue

(Millions of yen)

	Reportable Segment				Other ¹	Total	Adjustment ²	Recorded in consolidated financial statements ³
	Marketing Solution Segment	Retail Segment	Global Segment	Subtotal				
Net sales								
Goods or services transferred at a point in time	—	11,354	783	12,138	—	12,138	—	12,138
Goods or services transferred over a certain period of time	2,298	—	216	2,514	387	2,901	—	2,901
Revenue from contracts with customers	2,298	11,354	999	14,651	387	15,038	—	15,038
Other revenue	—	—	—	—	—	—	—	—
Sales to outside customers	2,298	11,354	999	14,651	387	15,038	—	15,038
Intersegment sales and transfers	338	18	—	355	11	366	(366)	—
Total	2,636	11,372	999	15,007	398	15,404	(366)	15,038
Segment profit (loss)	662	714	(14)	1,362	61	1,423	(662)	762

Notes: 1. The 'Other' is a non-reporting business segment that includes activities such as temporary staffing agency and BtoC subscription services.

2. Adjustments to segment profit (loss) in the amount of (662) million yen include an elimination of (0) million yen of intersegment transactions and (661) million yen of corporate expenses not allocated to any reportable segment.

3. Segment profit (loss) is adjusted to correspond with operating profit reported on the consolidated statements of income for the corresponding period.

2. Information about Impairment Loss on Non-current Assets, Goodwill, etc. by reportable segment

(Significant impairment losses on non-current assets)

Not applicable.

(Significant changes in goodwill amounts)

Not applicable.

(Significant gain on negative goodwill)

Not applicable.

Three months ended September 30, 2025

1. Net sales and profit (loss) by reportable segment, and information on disaggregation of revenue

(Millions of yen)

	Reportable Segment				Other ¹	Total	Adjustment ²	Recorded in consolidated financial statements ³
	Marketing Solution Segment	Retail Segment	Global Segment	Subtotal				
Net sales								
Goods or services transferred at a point in time	—	14,164	765	14,928	5	14,933	—	14,933
Goods or services transferred over a certain period of time	2,920	—	239	3,159	346	3,505	—	3,505
Revenue from contracts with customers	2,920	14,164	1,004	18,087	351	18,438	—	18,438
Other revenue	—	—	—	—	4	4	—	4
Sales to outside customers	2,920	14,164	1,004	18,087	355	18,442	—	18,442
Intersegment sales and transfers	410	89	3	502	13	515	(515)	—
Total	3,330	14,253	1,006	18,589	368	18,957	(515)	18,442
Segment profit (loss)	972	860	(150)	1,683	13	1,695	(656)	1,039

Notes: 1. The 'Other' is a non-reporting business segment that includes activities such as temporary staffing agency and BtoC subscription services.

2. Adjustments to segment profit (loss) in the amount of (656) million yen include an elimination of 0 million yen of intersegment transactions and (656) million yen of corporate expenses not allocated to any reportable segment.

3. Segment profit (loss) is adjusted to correspond with operating profit reported on the consolidated statements of income for the corresponding period.

2. Information about Impairment Loss on Non-current Assets, Goodwill, etc. by reportable segment

(Significant impairment losses on non-current assets)

Not applicable.

(Significant changes in goodwill amounts)

Not applicable.

(Significant gain on negative goodwill)

Not applicable.

(Notes on Statements of Cash Flows)

Quarterly consolidated statements of cash flows are not prepared for the three months ended September 30, 2025.

Depreciation (including amortization of intangible assets excluding goodwill) and amortization of goodwill for the three months ended September 30, 2025 are as follows.

(Millions of yen)

	Three months ended September 30, 2024	Three months ended September 30, 2025
Depreciation	391	516
Amortization of goodwill	51	51