

September 12, 2025

Consolidated Financial Results for the Six Months Ended July 31, 2025 (Under Japanese GAAP)

Company name: WA, Inc.
 Listing: Tokyo Stock Exchange
 Securities code: 7683
 URL: <https://www.wa-jp.com/>
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 Scheduled date to file semi-annual securities report: September 12, 2025
 Scheduled date to commence dividend payments: October 10, 2025
 Preparation of supplementary material on financial results: Yes (Scheduled to be disclosed on September 17)
 Holding of financial results briefing: Yes

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated financial results for the six months ended July 31, 2025 (from February 1, 2025 to July 31, 2025)

(1) Consolidated operating results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Six months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
July 31, 2025	11,747	4.3	710	(16.8)	794	0.6	484	3.9
July 31, 2024	11,261	8.9	853	(1.6)	790	(4.1)	465	(5.4)

Note: Comprehensive income For the six months ended July 31, 2025: ¥400 million [(26.3)%]
 For the six months ended July 31, 2024: ¥542 million [(5.9)%]

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
July 31, 2025	25.38	25.31
July 31, 2024	24.43	24.35

Note: In accordance with a resolution of the Board of Directors held on August 16, 2024, the Company has conducted a stock split at the ratio of two shares to one common stock on September 1, 2024.

Assuming that the stock split occurred at the beginning of the previous fiscal year, the Company calculates "interim net income per share" and "interim net income per share adjusted for potential shares."

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
July 31, 2025	13,775	10,940	79.4
January 31, 2025	13,134	10,749	81.8

Reference: Equity
 As of July 31, 2025: ¥10,940 million
 As of January 31, 2025: ¥10,749 million

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended January 31, 2025	-	12.00	-	22.00	34.00
Fiscal year ending January 31, 2026	-	8.50			
Fiscal year ending January 31, 2026 (Forecast)				8.50	17.00

Note: 1. Revisions to the forecast of cash dividends most recently announced: None

2. Breakdown of year-end dividends for the fiscal year ending January 31, 2025: Ordinary dividend of 12.00 yen, commemorative dividend of 10.00 yen (dividend commemorating the 5th anniversary of the stock listing)

For details, please refer to the "Notice of Revision of Dividend Forecast (Dividend Commemorating the 5th Anniversary of Listing)" announced on October 15, 2024.

3. In accordance with a resolution of the Board of Directors held on August 16, 2024, the Company has conducted a stock split at the ratio of two shares to one common stock effective September 1, 2024. For the fiscal year ending January 31, 2025, the amount of dividends before the stock split is described.

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

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ending January 31, 2026	26,527	16.3	2,484	48.7	2,483	56.4	1,477	48.2	77.44

Note: Revisions to the earnings forecasts most recently announced: None

* Notes

- (1) Significant changes in the scope of consolidation during the period: None
- (2) Adoption of accounting treatment specific to the preparation of semi-annual consolidated financial statements: None
- (3) Changes in accounting policies, changes in accounting estimates, and restatement
 - (i) Changes in accounting policies due to revisions to accounting standards and other regulations: Yes
 - (ii) Changes in accounting policies due to other reasons: None
 - (iii) Changes in accounting estimates: None
 - (iv) Restatement: None

Note: For details, see "2. Interim Consolidated Financial Statements and Main Notes (4) Notes on Interim Consolidated Financial Statements (Notes on Changes in Accounting Policy)"

(4) Number of issued shares (common shares)

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

As of July 31, 2025	19,079,120 shares
As of January 31, 2025	19,076,640 shares

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

As of July 31, 2025	202 shares
As of January 31, 2025	202 shares

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

Six months ended July 31, 2025	19,076,771 shares
Six months ended July 31, 2024	19,063,714 shares

Note: In accordance with a resolution of the Board of Directors held on August 16, 2024, the Company has conducted a stock split at the ratio of two shares to one common stock on September 1, 2024. Assuming that the stock split occurred at the beginning of the previous fiscal year, the number of shares outstanding at the end of the period (including treasury shares), the number of treasury shares at the end of the fiscal year, and the average number of shares during the period (interim period) are calculated.

* Semi-annual financial results reports are exempt from review conducted by certified public accountants or an audit firm.

* Proper use of earnings forecasts, and other special matters

(Precautions for appropriate use in the future)

The forward-looking statements, including forecasts of financial results, contained in these materials are based on information currently available to the Company and on certain assumptions deemed to be reasonable. However, the Company makes no guarantee that these forecasts will be achieved. Actual financial results, etc. may differ substantially due to various factors. For the conditions on which earnings forecasts are predicated and precautions for using earnings forecasts, please refer to "1. Summary of Operating Results, etc. (3) Explanation of Forward-Looking Information such as Consolidated Earnings Forecasts."

(Method of accessing supplementary material on financial results)

Supplementary financial results materials will be disclosed on TDnet on September 16, 2025, and will be posted on the Company's website promptly after disclosure.

Semi-annual consolidated balance sheet

(Thousands of yen)

	As of January 31, 2025	As of July 31, 2025
Assets		
Current assets		
Cash and deposits	2,895,704	2,684,985
Notes and accounts receivable - trade	2,002,798	2,313,266
Inventories	4,582,499	5,118,799
Other	520,637	336,960
Total current assets	10,001,640	10,454,011
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	880,598	822,568
Tools, furniture and fixtures, net	176,830	250,291
Land	233,468	233,468
Other, net	51,699	20,128
Total property, plant and equipment	1,342,597	1,326,456
Intangible assets		
Software	25,337	24,016
Other	55	55
Total intangible assets	25,392	24,071
Investments and other assets		
Investment securities	204,514	264,950
Leasehold and guarantee deposits	959,640	1,063,571
Deferred tax assets	588,120	628,968
Other	12,991	13,613
Total investments and other assets	1,765,267	1,971,103
Total non-current assets	3,133,257	3,321,631
Total assets	13,134,897	13,775,643

	As of January 31, 2025	As of July 31, 2025
Liabilities		
Current liabilities		
Accounts payable - trade	385,013	590,766
Short-term borrowings	-	500,000
Income taxes payable	386,066	400,140
Provision for bonuses	104,799	101,704
Provision for Coupon certificates	2,027	1,621
Provision for shareholder benefit program	38,820	59,421
Other	903,085	675,384
Total current liabilities	1,819,812	2,329,038
Non-current liabilities		
Provision for retirement benefits for directors (and other officers)	274,250	209,416
Retirement benefit liability	185,263	192,211
Other	105,879	104,135
Total non-current liabilities	565,392	505,763
Total liabilities	2,385,205	2,834,801
Net assets		
Shareholders' equity		
Share capital	1,654,739	1,655,153
Capital surplus	1,604,704	1,605,116
Retained earnings	7,198,746	7,472,992
Treasury shares	(207)	(207)
Total shareholders' equity	10,457,982	10,733,055
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	10	(18,730)
Foreign currency translation adjustment	291,698	226,517
Total accumulated other comprehensive income	291,709	207,787
Total net assets	10,749,692	10,940,842
Total liabilities and net assets	13,134,897	13,775,643

Semi-annual consolidated statement of income

(Thousands of yen)

	Six months ended July 31, 2024	Six months ended July 31, 2025
Net sales	11,261,218	11,747,511
Cost of sales	4,253,766	4,508,746
Gross profit	7,007,451	7,238,764
Selling, general and administrative expenses	6,153,462	6,528,030
Operating profit	853,989	710,734
Non-operating income		
Interest income	17,713	9,327
Dividend income	4,731	7,730
Foreign exchange gains	-	75,780
Other	5,261	322
Total non-operating income	27,706	93,161
Non-operating expenses		
Interest expenses	9,054	7,348
Foreign exchange losses	80,500	-
Payment for employment of persons with disabilities	1,750	1,850
Other	87	10
Total non-operating expenses	91,391	9,208
Ordinary profit	790,304	794,687
Extraordinary income		
Gain on bargain purchase	-	5,317
Subsidy income	-	1,240
Total extraordinary income	-	6,557
Extraordinary losses		
Loss on retirement of non-current assets	1,754	1,172
Total extraordinary losses	1,754	1,172
Profit before income taxes	788,550	800,072
Income taxes - current	349,529	349,427
Income taxes - deferred	(26,693)	(33,441)
Total income taxes	322,835	315,985
Profit	465,714	484,086
Profit attributable to owners of parent	465,714	484,086

Semi-annual consolidated statement of comprehensive income

(Thousands of yen)

	Six months ended July 31, 2024	Six months ended July 31, 2025
Profit	465,714	484,086
Other comprehensive income		
Valuation difference on available-for-sale securities	18,316	(18,740)
Foreign currency translation adjustment	58,719	(65,181)
Total other comprehensive income	77,036	(83,921)
Comprehensive income	542,751	400,164
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	542,751	400,164
Comprehensive income attributable to non-controlling interests	-	-

Semi-annual consolidated statement of cash flows

(Thousands of yen)

	Six months ended July 31, 2024	Six months ended July 31, 2025
Cash flows from operating activities		
Profit before income taxes	788,550	800,072
Depreciation	289,689	308,281
Gain on bargain purchase	-	(5,317)
Subsidy income	-	(1,240)
Increase (decrease) in provision for bonuses	10,692	(7,011)
Increase (decrease) in retirement benefit liability	5,094	7,063
Increase (decrease) in provision for retirement benefits for directors (and other officers)	7,125	(64,833)
Interest and dividend income	(22,445)	(17,057)
Interest expenses	9,054	7,348
Decrease (increase) in trade receivables	(393,585)	(325,384)
Decrease (increase) in inventories	23,094	(459,387)
Increase (decrease) in forward exchange contracts	9,583	(35,769)
Increase (decrease) in trade payables	(25,319)	211,427
Increase (decrease) in accounts payable - other	35,245	16,866
Increase (decrease) in accrued consumption taxes	30,846	(115,379)
Other, net	60,003	75,567
Subtotal	827,630	395,246
Interest and dividends received	22,445	17,057
Subsidies received	-	1,240
Interest paid	(9,054)	(7,686)
Income taxes paid	(416,058)	(351,896)
Income taxes refund	15,050	174
Net cash provided by (used in) operating activities	440,012	54,135
Cash flows from investing activities		
Payments into time deposits	(426,387)	(300,960)
Proceeds from withdrawal of time deposits	455,709	323,387
Purchase of property, plant and equipment	(281,755)	(286,707)
Purchase of intangible assets	(722)	(6,559)
Purchase of investment securities	-	(87,446)
Payments of leasehold and guarantee deposits	(83,987)	(56,894)
Proceeds from refund of leasehold and guarantee deposits	64,325	89,328
Loan advances	(168,480)	(81,410)
Proceeds from collection of loans receivable	-	163,520
Payments for acquisition of businesses	-	(131,248)
Other, net	(16,441)	(2,361)
Net cash provided by (used in) investing activities	(457,739)	(377,353)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	-	500,000
Repayments of lease liabilities	(179,963)	(161,531)
Proceeds from issuance of shares	2,148	826
Dividends paid	(166,785)	(209,840)
Net cash provided by (used in) financing activities	(344,601)	129,453
Effect of exchange rate change on cash and cash equivalents	22,132	175,359
Net increase (decrease) in cash and cash equivalents	(340,195)	(18,404)
Cash and cash equivalents at beginning of period	2,863,806	2,529,541
Cash and cash equivalents at end of period	2,523,610	2,511,137

(Notes on segment information, etc.)

Segment Information

I. Previous interim consolidated accounting period (February 1, 2024 to July 31, 2024)

1. Information on sales and the amount of profit or loss for each reported segment

(Unit: 1 thousand yen)

	Reporting Segments			Total	Adjustment amount (Note) 1	Interim Consolidated Statements of Income (Note)2
	Planning and sales of women's shoes	Planning and sales of women's Apparel	Total			
Sales						
Revenues from external customers	10,154,470	1,106,747	11,261,218	11,261,218	-	11,261,218
Transactions with other segments	-	-	-	-	-	-
Total	10,154,470	1,106,747	11,261,218	11,261,218	-	11,261,218
Segment Profit	1,741,084	42,246	1,783,330	1,783,330	(929,340)	853,989

Note: 1. Adjustments to segment profits are company-wide expenses that have not been allocated to reporting segments. Company-wide expenses mainly include general and administrative expenses that are not attributable to the reporting segment.

2. Segment profit is consistent with operating income in the consolidated statements of income.

2. Changes to Reporting Segments, etc.

II. Interim Consolidated Accounting Period 2. Matters Concerning Changes in Reporting Segments".

3. Information on impairment losses or goodwill on fixed assets by reporting segment

(Significant impairment loss on fixed assets)

Not applicable.

(Significant fluctuations in the amount of goodwill)

Not applicable.

(Significant Negative Goodwill Accrual)

Not applicable.

II. Interim Consolidated Accounting Period (February 1, 2025 to July 31, 2025)

1. Information on sales and the amount of profit or loss for each reported segment

(Unit: 1 thousand yen)

	Reporting Segments			Total	Adjustment amount (Note) 1	Interim Consolidated Statements of Income (Note)2
	Planning and sales of women's shoes	Planning and sales of women's Apparel	Total			
Sales						
Revenues from external customers	10,412,725	1,334,785	11,747,511	11,747,511	-	11,747,511
Transactions with other segments	-	-	-	-	-	-
Total	10,412,725	1,334,785	11,747,511	11,747,511	-	11,747,511
Segment Profit or Loss	1,726,715	(59,460)	1,667,255	1,667,255	(956,520)	710,734

Note: 1. Adjustments for segment profit or segment loss (loss) are company-wide expenses that have not been allocated to reporting segments. Company-wide expenses mainly include general and administrative expenses that are not attributable to the reporting segment.

2. Segment profit or segment loss (loss) is consistent with operating income in the consolidated statements of income.

2. Changes to Reporting Segments, etc.

From the previous fiscal year, the "women's Apparel planning and sales business," which was included in the "Other Business," has been changed to a reporting segment due to the increased quantitative importance.

Segment information for the previous interim consolidated accounting period is disclosed based on the classification of reporting segments for the current interim consolidated accounting period.

3. Information on impairment losses or goodwill on fixed assets by reporting segment

(Significant impairment loss on fixed assets)

Not applicable.

(Significant fluctuations in the amount of goodwill)

Not applicable.

(Significant Negative Goodwill Accrual)

In the interim consolidated accounting period under review, we acquired the business of 31 Sons de mode from Hirota Corporation, and we recognized negative goodwill gains in the women's Apparel planning and sales business. The amount of negative goodwill accrued as a result of this event was 5,317 thousand yen. The amount of negative goodwill accrual is not included in segment profit because it is an extraordinary income.