

June 13, 2025

Consolidated Financial Results for the Three Months Ended April 30, 2025 (Under Japanese GAAP)

Company name: WA, Inc.
 Listing: Tokyo Stock Exchange
 Securities code: 7683
 URL: <https://www.wa-jp.com/>
 Representative: Sho Shuni, Representative director, President
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 Scheduled date to commence dividend payments: -
 Preparation of supplementary material on financial results: Yes (Scheduled to be disclosed on June 13)
 Holding of financial results briefing: None

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

1. Consolidated financial results for the three months ended April 30, 2025 (from February 1, 2025 to April 30, 2025)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended April 30, 2025	4,785	2.0	48	(70.5)	42	(53.1)	4	(88.7)
April 30, 2024	4,689	9.4	164	(13.5)	90	(50.9)	36	(65.0)

Note: Comprehensive income For the three months ended April 30, 2025: ¥(107) million [-%]
 For the three months ended April 30, 2024: ¥99 million [(20.8)%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended April 30, 2025	0.21	0.21
April 30, 2024	1.90	1.89

Note: On September 1, 2024, the Company conducted a share split at a ratio of 2 shares per share of common shares. "Basic earnings per share" and "diluted earnings per share" are calculated on the assumption that the said share split was conducted at the beginning of the previous fiscal year.

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
	Millions of yen	Millions of yen	%
As of April 30, 2025	13,335	10,432	78.2
January 31, 2025	13,134	10,749	81.8

Reference: Equity
 As of April 30, 2025: ¥10,432 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	-				
Fiscal year ending January 31, 2026 (Forecast)		8.50		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. On September 1, 2024, the Company conducted a share split at a ratio of 2 shares per share of common shares. 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 quarterly 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. Quarterly Consolidated Financial Statements and Major Notes (3) Notes on Quarterly Consolidated Financial Statements (Notes on Changes in Accounting Policy)" are available.

(4) Number of issued shares (common shares)

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

As of April 30, 2025	19,076,640 shares
As of January 31, 2025	19,076,640 shares

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

As of April 30, 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)

Three months ended April 30, 2025	19,076,438 shares
Three months ended April 30, 2024	19,061,808 shares

Note: On September 1, 2024, the Company conducted a share split at a ratio of 2 shares per share of common shares. Assuming that the stock split occurred at the beginning of the previous fiscal year, the average number of shares during the period (quarterly total) is calculated.

* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: nothing

* 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 June 13, 2025, and will be posted on the Company's website promptly after disclosure.

Quarterly consolidated balance sheet

(Thousands of yen)

	As of January 31, 2025	As of April 30, 2025
Assets		
Current assets		
Cash and deposits	2,895,704	2,481,120
Notes and accounts receivable - trade	2,002,798	1,594,713
Inventories	4,582,499	5,546,278
Other	520,637	309,369
Total current assets	10,001,640	9,931,482
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	880,598	924,352
Tools, furniture and fixtures, net	176,830	234,168
Land	233,468	233,468
Other, net	51,699	47,532
Total property, plant and equipment	1,342,597	1,439,522
Intangible assets		
Software	25,337	21,190
Other	55	55
Total intangible assets	25,392	21,246
Investments and other assets		
Investment securities	204,514	252,270
Leasehold and guarantee deposits	959,640	1,059,340
Deferred tax assets	588,120	616,743
Other	12,991	14,466
Total investments and other assets	1,765,267	1,942,820
Total non-current assets	3,133,257	3,403,588
Total assets	13,134,897	13,335,071

	As of January 31, 2025	As of April 30, 2025
Liabilities		
Current liabilities		
Accounts payable - trade	385,013	725,681
Short-term borrowings	-	500,000
Income taxes payable	386,066	88,974
Provision for bonuses	104,799	139,498
Provision for Coupon certificates	2,027	1,299
Provision for shareholder benefit program	38,820	22,930
Other	903,085	852,234
Total current liabilities	1,819,812	2,330,618
Non-current liabilities		
Provision for retirement benefits for directors (and other officers)	274,250	279,000
Retirement benefit liability	185,263	193,641
Other	105,879	99,102
Total non-current liabilities	565,392	571,744
Total liabilities	2,385,205	2,902,363
Net assets		
Shareholders' equity		
Share capital	1,654,739	1,654,739
Capital surplus	1,604,704	1,604,704
Retained earnings	7,198,746	6,993,003
Treasury shares	(207)	(207)
Total shareholders' equity	10,457,982	10,252,239
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	10	(27,527)
Foreign currency translation adjustment	291,698	207,995
Total accumulated other comprehensive income	291,709	180,468
Total net assets	10,749,692	10,432,708
Total liabilities and net assets	13,134,897	13,335,071

Quarterly consolidated statement of income

(Thousands of yen)

	Three months ended April 30, 2024	Three months ended April 30, 2025
Net sales	4,689,983	4,785,599
Cost of sales	1,687,868	1,776,843
Gross profit	3,002,115	3,008,755
Selling, general and administrative expenses	2,837,820	2,960,278
Operating profit	164,295	48,477
Non-operating income		
Interest income	9,002	5,840
Other	110	193
Total non-operating income	9,112	6,033
Non-operating expenses		
Interest expenses	4,181	3,443
Foreign exchange losses	78,785	8,641
Other	86	10
Total non-operating expenses	83,052	12,095
Ordinary profit	90,354	42,415
Extraordinary income		
Gain on bargain purchase	-	5,317
Subsidy income	-	1,270
Total extraordinary income	-	6,588
Extraordinary losses		
Loss on retirement of non-current assets	195	1,172
Total extraordinary losses	195	1,172
Profit before income taxes	90,159	47,831
Income taxes - current	57,294	61,768
Income taxes - deferred	(3,289)	(18,034)
Total income taxes	54,004	43,733
Profit	36,155	4,097
Profit attributable to owners of parent	36,155	4,097

Quarterly consolidated statement of comprehensive income

(Thousands of yen)

	Three months ended April 30, 2024	Three months ended April 30, 2025
Profit	36,155	4,097
Other comprehensive income		
Valuation difference on available-for-sale securities	(8,677)	(27,537)
Foreign currency translation adjustment	72,062	(83,702)
Total other comprehensive income	63,385	(111,240)
Comprehensive income	99,540	(107,143)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	99,540	(107,143)
Comprehensive income attributable to non-controlling interests	-	-

(Notes on segment information, etc.)

Segment Information

I. the three months of the previous fiscal year (February 1, 2024 to April 30, 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	Quarterly Consolidated Statements of Income (Note)2
	Planning and sales of women's shoes	Planning and sales of women's clothing	Total			
Sales						
Revenues from external customers	4,202,876	487,107	4,689,983	4,689,983	-	4,689,983
Transactions with other segments	-	-	-	-	-	-
Total	4,202,876	487,107	4,689,983	4,689,983	-	4,689,983
Segment Profit or Loss	632,071	(541)	631,530	631,530	(467,235)	164,295

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.

II. the three months of the current fiscal year 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. the three months of the current fiscal year (February 1, 2025 to April 30, 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	Quarterly Consolidated Statements of Income (Note)2
	Planning and sales of women's shoes	Planning and sales of women's clothing	Total			
Sales						
Revenues from external customers	4,300,308	485,290	4,785,599	4,785,599	-	4,785,599
Transactions with other segments	-	-	-	-	-	-
Total	4,300,308	485,290	4,785,599	4,785,599	-	4,785,599
Segment Profit or Loss	553,071	(55,412)	497,658	497,658	(449,181)	48,477

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 clothing 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 three months of the previous fiscal year is disclosed based on the classification of reporting segments for the three months of the current fiscal year.

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 first quarter of the current fiscal year, we acquired the business of 31 Sons de mode from Hirota Co., Ltd., and we recognized negative goodwill gains in the women's clothing 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.