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October 13, 2026

Consolidated Financial Results for the Three Months Ended May 31, 2026 (Under Japanese GAAP)

Company name: ARCLANDS CORPORATION
Listing: Tokyo Stock Exchange
Securities code: 9842
URL: https://www.arclands.co.jp/
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Scheduled date to commence dividend payments: -
Preparation of supplementary material on financial results: Yes
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 May 31, 2026 (from March 1, 2026 to May 31, 2026)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Three months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
May 31, 2026	94,277	15.6	5,466	29.7	5,422	25.9	3,349	16.1
May 31, 2025	81,526	2.5	4,214	(14.7)	4,308	(13.6)	2,885	(7.2)

Note: Comprehensive income For the three months ended May 31, 2026: ¥3,302 million [14.7%]
For the three months ended May 31, 2025: ¥2,878 million [(13.2)%]

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
May 31, 2026	53.32	-
May 31, 2025	46.32	-

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
May 31, 2026	348,187	128,217	36.6	2,030.10
February 28, 2026	343,929	126,171	36.5	1,997.87

Reference: Equity
As of May 31, 2026: ¥127,536 million
As of February 28, 2026: ¥125,512 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 February 28, 2026	-	20.00	-	20.00	40.00
Fiscal year ending February 28, 2027	-				
Fiscal year ending February 28, 2027 (Forecast)		20.00		20.00	40.00

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

3. Forecast of consolidated financial results for the fiscal year ending February 28, 2027 (from March 1, 2026 to February 28, 2027)

(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
Six months ending August 31, 2026	181,600	6.2	10,000	18.0	9,700	15.3	6,200	15.2	86.36
Fiscal year ending February 28, 2027	360,000	5.6	17,000	31.1	16,500	29.3	10,000	68.0	159.97

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: None

(ii) Changes in accounting policies due to other reasons: None

(iii) Changes in accounting estimates: None

(iv) Restatement: None

(4) Number of issued shares (common shares)

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

As of May 31, 2026	64,733,372 shares
As of February 28, 2026	64,733,372 shares

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

As of May 31, 2026	1,910,564 shares
As of February 28, 2026	1,910,354 shares

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

Three months ended May 31, 2026	62,822,866 shares
Three months ended May 31, 2025	62,298,770 shares

* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm:Yes (mandatory)

* Proper use of earnings forecasts, and other special matters

The forward-looking statements, including forecasts of financial results, contained in these materials are based on information available to the Company and on certain assumptions deemed to be reasonable. Actual financial results may differ from the results anticipated in the statements due to various factors. Please refer to “(3) Explanation on consolidated earnings forecasts and other forward-looking statements” of “1. Qualitative Information on Quarterly Financial Results” on page 3 of the attached materials for the conditions that form the assumptions for the earnings forecasts and cautions concerning the use thereof.

Quarterly consolidated balance sheet

(Millions of yen)

	As of February 28, 2026	As of May 31, 2026
Assets		
Current assets		
Cash and deposits	20,403	21,706
Notes and accounts receivable - trade	14,551	17,376
Merchandise and finished goods	56,284	57,186
Other	6,072	7,813
Allowance for doubtful accounts	(214)	(240)
Total current assets	97,097	103,844
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	109,686	109,275
Land	45,199	45,199
Leased assets, net	16,766	16,544
Other, net	5,716	4,902
Total property, plant and equipment	177,369	175,921
Intangible assets		
Goodwill	17,865	17,403
Trademark right	10,493	10,330
Other	7,739	7,626
Total intangible assets	36,098	35,360
Investments and other assets		
Investment securities	3,272	3,229
Leasehold and guarantee deposits	25,210	25,116
Other	4,941	4,778
Allowance for doubtful accounts	(59)	(62)
Total investments and other assets	33,364	33,061
Total non-current assets	246,832	244,343
Total assets	343,929	348,187

(Millions of yen)

	As of February 28, 2026	As of May 31, 2026
Liabilities		
Current liabilities		
Accounts payable - trade	35,698	40,170
Electronically recorded obligations - operating	9,473	9,493
Short-term borrowings	36,655	39,749
Current portion of long-term borrowings	9,996	19,253
Lease liabilities	1,797	1,795
Income taxes payable	6,115	2,682
Provision for bonuses	2,108	3,140
Provision for shareholder benefit program	277	177
Contract liabilities	1,179	1,414
Asset retirement obligations	0	-
Other	18,858	17,180
Total current liabilities	122,160	135,057
Non-current liabilities		
Long-term borrowings	46,052	35,760
Lease liabilities	22,346	22,044
Long-term guarantee deposits	15,861	15,769
Retirement benefit liability	460	468
Asset retirement obligations	6,358	6,396
Other	4,516	4,474
Total non-current liabilities	95,596	84,912
Total liabilities	217,757	219,970
Net assets		
Shareholders' equity		
Share capital	6,462	6,462
Capital surplus	11,605	11,604
Retained earnings	109,645	111,739
Treasury shares	(2,571)	(2,571)
Total shareholders' equity	125,143	127,234
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	445	383
Foreign currency translation adjustment	(127)	(97)
Deferred gains or losses on hedges	50	15
Total accumulated other comprehensive income	368	301
Non-controlling interests	659	680
Total net assets	126,171	128,217
Total liabilities and net assets	343,929	348,187

Quarterly consolidated statement of income

(Millions of yen)

	Three months ended May 31, 2025	Three months ended May 31, 2026
Net sales	81,526	94,277
Cost of sales	50,751	58,706
Gross profit	30,775	35,570
Operating revenue		
Lease revenue	3,886	3,942
Other	71	41
Operating gross profit	34,732	39,554
Selling, general and administrative expenses	30,517	34,088
Operating profit	4,214	5,466
Non-operating income		
Interest income	12	16
Dividend income	0	1
Purchase discounts	16	15
Foreign exchange gains	82	59
Share of profit of entities accounted for using equity method	59	51
Other	214	149
Total non-operating income	386	294
Non-operating expenses		
Interest expenses	247	319
Other	45	18
Total non-operating expenses	292	338
Ordinary profit	4,308	5,422
Extraordinary income		
Gain on sale of non-current assets	654	0
Total extraordinary income	654	0
Extraordinary losses		
Loss on retirement of non-current assets	26	11
Loss on store closings	51	10
Dismantlement expanses	73	7
Other	22	14
Total extraordinary losses	174	43
Profit before income taxes	4,788	5,378
Income taxes - current	4,964	2,102
Income taxes - deferred	(3,082)	(93)
Total income taxes	1,882	2,009
Profit	2,906	3,369
Profit attributable to non-controlling interests	20	19
Profit attributable to owners of parent	2,885	3,349

Quarterly consolidated statement of comprehensive income

(Millions of yen)

	Three months ended May 31, 2025	Three months ended May 31, 2026
Profit	2,906	3,369
Other comprehensive income		
Valuation difference on available-for-sale securities	13	(61)
Foreign currency translation adjustment	(39)	29
Deferred gains or losses on hedges	-	(35)
Share of other comprehensive income of entities accounted for using equity method	(1)	0
Total other comprehensive income	(27)	(67)
Comprehensive income	2,878	3,302
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,856	3,282
Comprehensive income attributable to non-controlling interests	21	19

(Notes on segment information, etc.)

Segment Information

I. The three months of the previous fiscal year (March 1, 2025 to May 31, 2025)

1. Information on operating revenues and amounts of profits or losses for each reported segment

(Millions of yen)

	Reportable segments					Other (Note)2	Adjustment amount (Note) 3	Quarterly Consolidated Statements of Income (Note)4
	Retail Business	Wholesale Business	Food Service Business	Real Estate Business	Total			
Operating revenue (Note)1								
(1) Sales revenue to external customers	65,821	1,055	14,754	3,579	85,212	272	-	85,484
(2) Internal operating revenue or transfers between segments	1	1,756	-	489	2,246	-	(2,246)	-
Total	65,823	2,811	14,754	4,068	87,458	272	(2,246)	85,484
Segment Profit	1,870	129	1,309	828	4,137	19	57	4,214

Note: 1. Operating revenue includes net sales and operating income.

2. The "Other" category is a business segment that is not included in the reporting segment and includes the fitness business.

3. The adjustment amount is due to the elimination of inter-segment transactions.

4. Segment profit is adjusted to operating income in the quarterly consolidated statements of income.

2. 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 (March 1, 2026 to May 31, 2026)

1. Information on operating revenues and amounts of profits or losses for each reported segment

(Millions of yen)

	Reportable segments					Other (Note)2	Adjustment amount (Note) 3	Quarterly Consolidated Statements of Income (Note)4
	Retail Business	Wholesale Business	Food Service Business	Real Estate Business	Total			
Operating revenue (Note)1								
(1) Sales revenue to external customers	78,460	932	14,917	3,652	97,962	298	-	98,261
(2) Internal operating revenue or transfers between segments	3	1,683	-	527	2,214	-	(2,214)	-
Total	78,464	2,615	14,917	4,180	100,177	298	(2,214)	98,261
Segment Profit	3,051	114	1,388	838	5,392	27	45	5,466

Note: 1. Operating revenue includes net sales and operating income.

2. The "Other" category is a business segment that is not included in the reporting segment and includes the fitness business.

3. The adjustment amount is due to the elimination of inter-segment transactions.

4. Segment profit is adjusted to operating income in the quarterly consolidated statements of income.

2. 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.