May 8, 2026

Summary of Consolidated Financial Results for the Third Quarter of the Fiscal Year Ending June 30, 2026 (Nine Months Ended March 31, 2026)

[Japanese GAAP]

Company name: istyle Inc.
Stock exchange listings: Prime Market of the TSE
Securities code: 3660
URL: https://www.istyle.co.jp/
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 Nine Months Ended March 31, 2026 (July 1, 2025 – March 31, 2026)

(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	%
Nine months ended March 31, 2026	59,694	19.7	2,884	23.0	3,025	19.4	1,957	11.1
Nine months ended March 31, 2025	49,885	21.7	2,345	61.2	2,534	88.9	1,761	111.3

Note: Comprehensive income (million yen) Nine months ended March 31, 2026: 2,074 million yen (46.9%)
Nine months ended March 31, 2025: 1,411 million yen (46.3%)

	Earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended March 31, 2026	20.09	15.95
Nine months ended March 31, 2025	22.32	14.99

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of March 31, 2026	39,145	22,578	54.9
As of June 30, 2025	34,601	17,007	46.0

Reference: Total equity As of March 31, 2026: 21,506 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	-	0.00	-		
Fiscal year ending June 30, 2026 (forecasts)				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	27.02

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 March 31, 2026:	102,661,967 shares
As of June 30, 2025:	91,754,577 shares

2) Number of treasury shares at end of period

As of March 31, 2026:	2,632,769 shares
As of June 30, 2025:	2,693,618 shares

3) Average number of shares outstanding during the period

Nine months ended March 31, 2026:	97,408,909 shares
Nine months ended March 31, 2025:	78,897,985 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.

** 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.*

Accompanying Materials – Contents

1. Operating Results and Financial Position

(1) Analysis of Operating Results

During the nine months ended March 31, 2026, the global economic outlook remained uncertain due to fluctuations in resource prices amid heightened tensions in the Middle East and the impact on supply chains.
In the Japanese economy, consumer spending remained at a standstill due to prolonged high prices putting pressure on households and heightened cost-consciousness, although improving employment and wage conditions and the effects of various government policies are expected to underpin a gradual recovery. Among consumers, a shift toward selective consumption further strengthened, with purchasing decisions being more carefully considered, in addition to a preference for saving.
In the cosmetics industry, purchasing value and demand from certain countries and regions showed a slowdown, against a backdrop of geopolitical risks and economic stagnation in Asia, despite inbound demand showing a recovery trend in the number of tourists visiting Japan. Moreover, inbound consumption continues to require close monitoring due to fluctuations in foreign exchange rates and uncertainty over the outlook for overseas economies.

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 net sales, which serve as a source of future operating profit, through the flagship store in Hong Kong, *@cosme HONG KONG* (opened on December 5, 2025), in the Global segment, in addition to the overall organic growth of businesses in Japan.
Aiming for medium- to long-term growth, investment in new businesses will be increased, in addition to strengthening recruitment efforts and system investments in each segment. In the Marketing Solution segment, the Group will focus on hiring consultants in order to make data consulting that leverages our unique data a core source of new revenue.
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 nine months ended March 31, 2026 was as follows.
Net sales increased 19.7% year-on-year, driven by the Marketing Solution segment and Retail segment in Japan, together with contributions from the flagship store in Hong Kong.
Operating profit increased 23.0%, as the Marketing Solution segment and Retail segment contributed to profit growth as well as to higher net sales.
As a result, the consolidated operating performance for the nine months ended March 31, 2026 was as follows:

Net sales:	59,694 million yen (49,885 million yen in the previous fiscal year; 19.7% year-on-year increase)
Operating profit:	2,884 million yen (2,345 million yen in the previous fiscal year; 23.0% year-on-year increase)
Ordinary profit:	3,025 million yen (2,534 million yen in the previous fiscal year; 19.4% year-on-year increase)
Profit before income taxes:	3,026 million yen (2,531 million yen in the previous fiscal year; 19.6% year-on-year increase)
Profit attributable to owners of the parent company:	1,957 million yen (1,761 million yen in the previous fiscal year; 11.1% 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 a continued increase in transaction volume with major and new mid-sized brands. This took place against a backdrop of the successful sales promotion measures utilizing the touchpoints at e-commerce and retail stores in the Retail segment.
Operating profit increased 26.2% due to the contribution made to efficient profit expansion by a business model with a high marginal profit ratio.
As a result, segment operating performance for the consolidated nine months ended March 31, 2026 was as follows:

Net sales:	8,968 million yen (7,063 million yen in the previous fiscal year; 27.0% year-on-year increase)
Operating profit:	2,606 million yen (2,065 million yen in the previous fiscal year; 26.2% 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.
Net sales for e-commerce rose 19.7% year-on-year due to the continued acquisition of new customers through platform collaborations. This was despite a temporary shipment delay associated with the relocation of a logistics warehouse aimed at further improving service levels. Net sales for retail stores rose 17.0% due to the contribution of new stores, including @cosme NAGOYA, despite a decline in some inbound tourists due to geopolitical factors and a slowdown in the growth rate at regional stores. As a result, net sales increased 17.9% year-on-year in the segment overall.
Operating profit increased 21.0% due to the contribution of the increased net sales.
As a result, segment operating performance for the consolidated nine months ended March 31, 2026 was as follows:

Net sales:	45,573 million yen (38,649 million yen in the previous fiscal year; 17.9% year-on-year increase)
Operating profit:	2,601 million yen (2,149 million yen in the previous fiscal year; 21.0% 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 31.0% year-on-year in the segment overall. This was due to the contribution of net sales from the flagship store in Hong Kong, in addition to a recovery in the China cross-border e-commerce business.
Operating profit expanded a year-on-year deficit in the segment overall. This was due to the recording of 251 million yen in opening-related expenses for the flagship store in Hong Kong in the first half of the fiscal year ending June 30, 2026, as well as net sales falling below initial forecasts. This was because optimization of local operations during the initial phase immediately after opening took time, resulting in insufficient absorption of personnel expenses and other costs. The store is expected to contribute fully to revenue from the next fiscal year onward.
As a result, segment operating performance for the consolidated nine months ended March 31, 2026 was as follows:

Net sales:	3,998 million yen (3,052 million yen in the previous fiscal year; 31.0% year-on-year increase)
Operating loss:	327 million yen (70 million yen loss in the previous fiscal year)

4) Others
The Others segment consists of a temporary staffing agency for beauty consultants, BtoC subscription services, and investment and consulting projects for companies in various stages of development, including new startups.
Net sales increased 3.0% year-on-year, following a recovery in a temporary staffing agency for beauty consultants.
Operating profit declined 61.3% year-on-year due to the effect of the termination of *BLOOMBOX*, one of the BtoC subscription services, in December 2024 and the upfront expenses for the Supplement segment launched in July 2025.
As a result, segment operating performance for the consolidated nine months ended March 31, 2026 was as follows:

Net sales:	1,155 million yen (1,121 million yen in the previous fiscal year; 3.0% year-on-year increase)
Operating profit:	63 million yen (163 million yen in the previous fiscal year; 61.3% year-on-year decrease)

(2) Consolidated Financial Position

(Assets)

Total assets as of March 31, 2026 amounted to 39,145 million yen, an increase of 4,544 million yen compared with the end of the previous consolidated fiscal year.

Current assets as of March 31, 2026 amounted to 24,754 million yen, an increase of 3,713 million yen compared with the end of the previous consolidated fiscal year. This result was mainly due to a 1,352 million yen increase in cash and deposits, a 360 million yen increase in notes and accounts receivable – trade and contract assets, and a 1,537 million yen increase in merchandise.

Non-current assets as of March 31, 2026 amounted to 14,391 million yen, an increase of 831 million yen compared with the end of the previous consolidated fiscal year. This result was mainly due to an increase of 514 million yen in tangible assets and an increase of 590 million yen in software.

(Liabilities)

Total liabilities as of March 31, 2026 amounted to 16,567 million yen, a decrease of 1,027 million yen compared with the end of the previous consolidated fiscal year.

Current liabilities as of March 31, 2026 amounted to 11,775 million yen, a decrease of 917 million yen compared with the end of the previous consolidated fiscal year. This result was mainly due to a decrease of 1,000 million yen in short-term borrowings.

Non-current liabilities as of March 31, 2026, amounted to 4,792 million yen, a decrease of 110 million yen compared with the end of the previous consolidated fiscal year. This result was mainly due to a decrease of 224 million yen in long-term borrowings.

(Net Assets)

Net assets as of March 31, 2026, amounted to 22,578 million yen, an increase of 5,571 million yen compared with the end of the previous consolidated fiscal year. This was mainly due to an increase of 1,811 million yen in capital stock, an increase of 1,819 million yen in capital surplus, and an increase of 1,868 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 March 31, 2026
Assets		
Current assets		
Cash and deposits	7,224	8,576
Notes and accounts receivable – trade, and contract assets	5,535	5,896
Merchandise	6,415	7,951
Operational investment securities	964	1,053
Other	913	1,287
Allowance for doubtful receivables	(11)	(8)
Total current assets	21,041	24,754
Non-current assets		
Tangible assets	3,589	4,103
Intangible assets		
Goodwill	937	796
Software	1,912	2,502
Other	781	810
Total intangible assets	3,630	4,108
Investments and other assets		
Investment securities	3,511	3,498
Lease and guarantee deposits	1,907	1,932
Other	925	750
Total investments and other assets	6,342	6,180
Total non-current assets	13,560	14,391
Total assets	34,601	39,145

(Millions of yen)

	As of June 30, 2025	As of March 31, 2026
Liabilities		
Current liabilities		
Notes and accounts payable – trade	3,409	5,729
Short-term borrowings	1,000	—
Current portion of long-term borrowings	1,198	1,590
Current portion of convertible-bond-type bonds with share acquisition rights	1,500	—
Income taxes payable	626	533
Provision for bonuses	453	249
Other	4,505	3,674
Total current liabilities	12,692	11,775
Non-current liabilities		
Long-term borrowings	3,857	3,633
Other	1,045	1,159
Total non-current liabilities	4,902	4,792
Total liabilities	17,594	16,567
Net assets		
Shareholders' equity		
Capital stock	7,179	8,990
Capital surplus	2,314	4,132
Retained earnings	5,645	7,513
Treasury share	(280)	(273)
Total shareholders' equity	14,858	20,361
Accumulated other comprehensive income		
Net unrealized gain on available-for-sale securities	(67)	(81)
Foreign currency translation adjustments	1,109	1,225
Total accumulated other comprehensive income	1,043	1,144
Subscription rights to shares	955	935
Non-controlling interests	151	137
Total net assets	17,007	22,578
Total liabilities and net assets	34,601	39,145

(2) Consolidated Statements of Income and Comprehensive Income

Consolidated Statements of Income

Consolidated nine months ended March 31, 2026

(Millions of yen)

	Nine months ended March 31, 2025	Nine months ended March 31, 2026
Net sales	49,885	59,694
Cost of sales	28,307	34,354
Gross profit	21,578	25,340
Selling, general and administrative expenses	19,233	22,457
Operating profit	2,345	2,884
Non-operating income		
Interest income	8	17
Dividend income	3	3
Foreign exchange gains	32	29
Equity in gains of affiliates	150	132
Gain on investments in investment partnerships	4	3
Other	36	39
Total non-operating income	233	224
Non-operating expenses		
Interest expenses	41	54
Share issuance costs	—	23
Loss on investments in investment partnerships	1	3
Commission expenses	1	—
Other	1	3
Total non-operating expenses	45	82
Ordinary profit	2,534	3,025
Extraordinary income		
Gain on reversal of share acquisition rights	0	1
Total extraordinary income	0	1
Extraordinary loss		
Other	3	1
Total extraordinary loss	3	1
Profit before income taxes	2,531	3,026
Income taxes	759	1,054
Profit	1,772	1,972
Profit attributable to non-controlling interests	11	15
Profit attributable to owners of the parent company	1,761	1,957

Consolidated Statements of Comprehensive Income

Consolidated nine months ended March 31, 2026

(Millions of yen)

	Nine months ended March 31, 2025	Nine months ended March 31, 2026
Profit	1,772	1,972
Other comprehensive income		
Net unrealized gain on available-for-sale securities	(60)	26
Foreign currency translation adjustments	(276)	117
Share of other comprehensive income of entities accounted for using equity method	(24)	(40)
Total other comprehensive income	(360)	102
Comprehensive income	1,411	2,074
Comprehensive income (loss) attributable to		
Owners of the parent	1,411	2,059
Non-controlling interests	0	15

(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 third quarter consolidated cumulative period (from July 1, 2024 to March 31, 2025)

In accordance with a resolution at the Board of Directors meeting held on August 20, 2024, the Company reduced the 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 of this deficit compensation, capital surplus and retained earnings amounted to 1,003 million yen and 5,079 million yen, respectively, as of March 31, 2025.

Current third quarter consolidated cumulative period (from July 1, 2025 to March 31, 2026)

The 9th and 26th series of share acquisition rights were exercised during the nine months ended March 31, 2026, resulting in respective 1,061 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 nine months ended March 31, 2026, resulting in respective 750 million yen increases in capital stock and capital surplus.

As a result, capital stock and capital surplus amounted to 8,990 million yen and 4,132 million yen, respectively, as of March 31, 2026.

(Notes on Segment Information)

Nine months ended March 31, 2025 (from July 1, 2024 to March 31, 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	—	38,649	2,419	41,067	1	41,068	—	41,068
Goods or services transferred over a certain period of time	7,063	—	633	7,696	1,121	8,817	—	8,817
Revenue from contracts with customers	7,063	38,649	3,052	48,763	1,121	49,885	—	49,885
Other revenue	—	—	—	—	—	—	—	—
Sales to outside customers	7,063	38,649	3,052	48,763	1,121	49,885	—	49,885
Intersegment sales and transfers	1,205	76	1	1,282	29	1,311	(1,311)	—
Total	8,268	38,725	3,052	50,045	1,151	51,196	(1,311)	49,885
Segment profit (loss)	2,065	2,149	(70)	4,144	163	4,307	(1,962)	2,345

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 (1,962) million yen include an elimination of 0 million yen of intersegment transactions and (1,962) 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.

Nine months ended March 31, 2026 (from July 1, 2025 to March 31, 2026)

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	—	45,573	3,252	48,826	19	48,845	—	48,845
Goods or services transferred over a certain period of time	8,968	—	746	9,714	1,091	10,806	—	10,806
Revenue from contracts with customers	8,968	45,573	3,998	58,540	1,111	59,650	—	59,650
Other revenue	—	—	—	—	44	44	—	44
Sales to outside customers	8,968	45,573	3,998	58,540	1,155	59,694	—	59,694
Intersegment sales and transfers	1,394	307	31	1,733	56	1,789	(1,789)	—
Total	10,363	45,881	4,030	60,273	1,210	61,484	(1,789)	59,694
Segment profit (loss)	2,606	2,601	(327)	4,880	63	4,943	(2,059)	2,884

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 (2,059) million yen include an elimination of (0) million yen of intersegment transactions and (2,059) 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 nine months ended March 31, 2026.

Depreciation (including amortization of intangible assets excluding goodwill) and amortization of goodwill for the nine months ended March 31, 2026 are as follows.

(Millions of yen)

	Nine months ended March 31, 2025	Nine months ended March 31, 2026
Depreciation	1,293	1,682
Amortization of goodwill	152	157