October 13, 2026

Company name: ARCLANDS CORPORATION
Name of representative: Yoshifumi Sato, PresidentandCOO
(Securities code: 9842; Tokyo Stock Exchange)
Inquiries: Kimitoshi Ino, Director, Administration General Manager
(Telephone: +81-048-610-0641)

Notice Concerning Partial Correction of Consolidated Financial Results for the Second Quarter (Interim Period) of the Fiscal Year Ending February 28, 2026 [Japanese GAAP]

ARCLANDS CORPORATION (the “Company”) hereby announces that there have been corrections made to the above-mentioned disclosure material released on October 3, 2025. As numerical data has also been corrected, the corrected numerical data is also sent

Details

1. Details and Reason for Corrections

Please refer to the "Notice Concerning Submission of Amendment Reports for Past Securities Reports and Corrections to Past Financial Results, etc." disclosed today (October 13, 2026) for details and reasons for the corrections.

2. Reasonons for correcti

The corrected sections are indicated by underlines (_____). Due to the large number of corrections, the corrected items are presented in full text incorporating only the corrections.

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DISCLAIMER: This document has been translated from a part of the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

October 3, 2025

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

Company name: ARCLANDS CORPORATION
Listing: Tokyo Stock Exchange
Securities code: 9842
URL: https://www.arclands.co.jp/
Representative: Yoshifumi Sato, PresidentandCOO
Inquiries: Kimitoshi Ino, Director, Administration General Manager
Telephone: +81-48-610-0641

Scheduled date to file semi-annual securities report: October 3, 2025
Scheduled date to commence dividend payments: October 20, 2025
Preparation of supplementary material on financial results: Yes
Holding of financial results briefing: Yes (for institutional investors and analysts)

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

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

(1) Consolidated operating results (cumulative)

(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	%
August 31, 2025	170,933	7.4	8,471	(16.8)	8,414	(17.2)	5,380	(14.3)
August 31, 2024	159,153	0.6	10,178	14.7	10,166	12.7	6,278	(10.4)

Note: Comprehensive income For the six months ended August 31, 2025: ¥5,497 million [(16.5)%]
For the six months ended August 31, 2024: ¥6,586 million [(15.7)%]

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
August 31, 2025	86.36	-
August 31, 2024	100.77	-

(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
August 31, 2025	353,503	125,675	35.4	2,007.02
February 28, 2025	334,645	121,467	36.1	1,940.00

Reference: Equity
As of August 31, 2025: ¥125,033 million
As of February 28, 2025: ¥120,859 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, 2025	-	20.00	-	20.00	40.00
Fiscal year ending February 28, 2026	-	20.00			
Fiscal year ending February 28, 2026 (Forecast)				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, 2026 (from March 1, 2025 to February 28, 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 February 28, 2026	335,000	6.1	19,300	18.9	19,000	(0.9)	11,600	14.5	186.19

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

*** Notes**

(1) Significant changes in the scope of consolidation during the period: Yes
Newly included: 1 company (Pets First Holdings Co., Ltd.)

Note: For details, see "2. Interim Consolidated Financial Statements and Main Notes (4) Notes on Interim Consolidated Financial Statements (Notes on Changes to the Scope of Consolidation or Scope of Application by the Equity Method)"

(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: 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 August 31, 2025	64,733,372 shares
As of February 28, 2025	64,733,372 shares

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

As of August 31, 2025	2,435,069 shares
As of February 28, 2025	2,434,592 shares

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

Six months ended August 31, 2025	62,298,635 shares
Six months ended August 31, 2024	62,301,889 shares

* 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

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. For the conditions on which earnings forecasts are predicated and precautions for using earnings forecasts, please refer to "1. Qualitative Information on the Interim Financial Results (3) Explanation of Forward-Looking Information such as Consolidated Earnings Forecasts."

Semi-annual consolidated balance sheet

(Millions of yen)

	As of February 28, 2025	As of August 31, 2025
Assets		
Current assets		
Cash and deposits	18,053	25,321
Notes and accounts receivable - trade	10,912	14,786
Merchandise and finished goods	52,741	56,641
Other	5,568	7,259
Allowance for doubtful accounts	(37)	(142)
Total current assets	87,237	103,867
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	96,490	111,381
Land	62,924	45,190
Leased assets, net	17,217	17,314
Other, net	8,557	5,327
Total property, plant and equipment	185,189	179,214
Intangible assets		
Goodwill	16,096	21,225
Trademark right	7,433	7,210
Other	7,291	7,584
Total intangible assets	30,821	36,020
Investments and other assets		
Investment securities	2,785	3,057
Leasehold and guarantee deposits	24,746	25,408
Other	3,910	5,995
Allowance for doubtful accounts	(45)	(60)
Total investments and other assets	31,396	34,401
Total non-current assets	247,407	249,636
Total assets	334,645	353,503

(Millions of yen)

	As of February 28, 2025	As of August 31, 2025
Liabilities		
Current liabilities		
Accounts payable - trade	32,706	37,907
Electronically recorded obligations - operating	9,798	12,796
Short-term borrowings	28,800	29,789
Current portion of long-term borrowings	26,004	8,996
Current portion of bonds payable	100	-
Lease liabilities	1,708	1,797
Income taxes payable	3,532	7,246
Provision for bonuses	1,954	2,196
Provision for shareholder benefit program	276	296
Provision for retirement benefits for directors (and other officers)	180	-
Contract liabilities	635	1,023
Other	14,794	18,175
Total current liabilities	120,491	120,226
Non-current liabilities		
Long-term borrowings	42,014	58,968
Lease liabilities	22,980	22,884
Long-term guarantee deposits	15,359	15,741
Retirement benefit liability	427	433
Asset retirement obligations	5,737	6,319
Other	6,167	3,253
Total non-current liabilities	92,686	107,601
Total liabilities	213,178	227,828
Net assets		
Shareholders' equity		
Share capital	6,462	6,462
Capital surplus	11,312	11,313
Retained earnings	106,285	110,371
Treasury shares	(3,276)	(3,277)
Total shareholders' equity	120,784	124,869
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	198	294
Foreign currency translation adjustment	(124)	(128)
Deferred gains or losses on hedges	-	(2)
Total accumulated other comprehensive income	74	163
Non-controlling interests	607	641
Total net assets	121,467	125,675
Total liabilities and net assets	334,645	353,503

Semi-annual consolidated statement of income

(Millions of yen)

	Six months ended August 31, 2024	Six months ended August 31, 2025
Net sales	159,153	170,933
Cost of sales	99,186	106,129
Gross profit	59,966	64,803
Operating revenue		
Lease revenue	7,126	7,823
Other	107	140
Operating gross profit	67,200	72,767
Selling, general and administrative expenses	57,021	64,296
Operating profit	10,178	8,471
Non-operating income		
Interest income	25	28
Dividend income	126	16
Purchase discounts	52	33
Foreign exchange gains	-	62
Share of profit of entities accounted for using equity method	121	83
Other	274	306
Total non-operating income	599	530
Non-operating expenses		
Interest expenses	589	531
Foreign exchange losses	14	-
Other	7	55
Total non-operating expenses	611	587
Ordinary profit	10,166	8,414
Extraordinary income		
Gain on sale of non-current assets	3	664
Total extraordinary income	3	664
Extraordinary losses		
Loss on retirement of non-current assets	12	43
Loss on store closings	305	60
Dismantlement expanses	33	78
Provision of allowance for doubtful accounts	81	-
Other	3	47
Total extraordinary losses	436	230
Profit before income taxes	9,733	8,848
Income taxes - current	3,518	6,588
Income taxes - deferred	(98)	(3,147)
Total income taxes	3,420	3,440
Profit	6,313	5,407
Profit attributable to non-controlling interests	34	27
Profit attributable to owners of parent	6,278	5,380

Semi-annual consolidated statement of comprehensive income

(Millions of yen)

	Six months ended August 31, 2024	Six months ended August 31, 2025
Profit	6,313	5,407
Other comprehensive income		
Valuation difference on available-for-sale securities	205	95
Foreign currency translation adjustment	62	0
Deferred gains or losses on hedges	-	(2)
Share of other comprehensive income of entities accounted for using equity method	5	(3)
Total other comprehensive income	273	90
Comprehensive income	6,586	5,497
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	6,551	5,469
Comprehensive income attributable to non-controlling interests	35	28

Semi-annual consolidated statement of cash flows

(Millions of yen)

	Six months ended August 31, 2024	Six months ended August 31, 2025
Cash flows from operating activities		
Profit before income taxes	9,733	8,848
Depreciation	5,323	5,794
Amortization of goodwill	767	948
Increase (decrease) in provision for bonuses	151	190
Interest and dividend income	(151)	(44)
Interest expenses	589	531
Loss (gain) on sale of non-current assets	(2)	(664)
Decrease (increase) in trade receivables	(711)	(1,635)
Decrease (increase) in inventories	578	(2,541)
Decrease (increase) in other assets	(812)	(957)
Increase (decrease) in trade payables	1,930	4,569
Increase (decrease) in other liabilities	520	689
Other, net	464	142
Subtotal	18,379	15,870
Interest and dividends received	142	37
Interest paid	(557)	(507)
Income taxes paid	(4,120)	(3,115)
Net cash provided by (used in) operating activities	13,844	12,284
Cash flows from investing activities		
Purchase of property, plant and equipment	(11,078)	(11,099)
Proceeds from sale of property, plant and equipment	9	20,593
Purchase of intangible assets	(1,226)	(749)
Payments of leasehold and guarantee deposits	(403)	(275)
Proceeds from refund of leasehold and guarantee deposits	62	123
Guarantee deposits received	521	599
Refund of guarantee deposits received	(127)	(64)
Proceeds from purchase of shares of subsidiaries resulting in change in scope of consolidation	574	-
Purchase of shares of subsidiaries resulting in change in scope of consolidation	-	(6,120)
Other, net	51	(526)
Net cash provided by (used in) investing activities	(11,616)	2,481
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(25,000)	191
Proceeds from long-term borrowings	30,000	15,125
Repayments of long-term borrowings	(3,534)	(20,773)
Repayments of lease liabilities	(856)	(900)
Dividends paid	(1,246)	(1,245)
Other, net	(15)	(0)
Net cash provided by (used in) financing activities	(652)	(7,604)
Effect of exchange rate change on cash and cash equivalents	43	(1)
Net increase (decrease) in cash and cash equivalents	1,617	7,160
Cash and cash equivalents at beginning of period	18,313	18,044
Cash and cash equivalents at end of period	19,930	25,205

(Notes on segment information, etc.)

Segment Information

I. Previous interim consolidated accounting period (March 1, 2024 to August 31, 2024)

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

(Millions of yen)

	Reportable segments					Other (Note)2	Adjustment amount (Note) 3	Interim 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	130,189	2,363	26,624	6,708	165,886	500	-	166,387
(2) Internal operating revenue or transfers between segments	2	3,070	-	941	4,014	-	(4,014)	-
Total	130,191	5,434	26,624	7,650	169,901	500	(4,014)	166,387
Segment Profit	4,922	350	3,236	1,632	10,141	34	2	10,178

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 interim 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)

It is omitted because it is not important.

(Significant Negative Goodwill Accrual)

Not applicable.

II. Interim Consolidated Accounting Period (March 1, 2025 to August 31, 2025)

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

(Millions of yen)

	Reportable segments					Other (Note)2	Adjustment amount (Note) 3	Interim 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	139,416	2,064	29,621	7,248	178,350	547	-	178,897
(2) Internal operating revenue or transfers between segments	3	3,495	-	992	4,491	-	(4,491)	-
Total	139,419	5,560	29,621	8,240	182,841	547	(4,491)	178,897
Segment Profit	3,795	236	2,585	1,727	8,344	46	80	8,471

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 interim 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)

In the Retail segment, the acquisition of shares in Pets First Holdings Co., Ltd. resulted in goodwill of 6,023 million yen in the interim consolidated accounting period.

The amount of goodwill is provisionally calculated as of the end of the interim consolidated accounting period, as the allocation of acquisition costs has not been completed.

(Significant Negative Goodwill Accrual)

Not applicable.