



Financial Results for Q3 of FY2025 (Ending December 31, 2025)

Milbon Co., Ltd.

(TSE code: 4919)

November 14, 2025

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This document has been translated from 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.

Key Highlights of Financial Results for Q3 of FY2025

FY2025 Q3 YTD Results

Net Sales by Region

Operating Income

Net sales increased while profits declined. Both figures remained in line with our downward-revised target.

- The domestic salon market continued to experience sluggish growth. Despite this challenging environment, our hair care product sales remained resilient, and overall domestic sales were in line with our target.
- Overseas sales in local currencies were strong, mainly led by South Korea and the United States. Despite the impact of yen appreciation, results exceeded the target even in yen basis.
- Operating income declined due to inventory valuation losses in the first half, which led to a lower gross profit margin, as well as higher SG&A expenses. However, it slightly exceeded the target, supported by overseas sales and cost control.

FY2025 Outlook

The full-year target remains unchanged. Q3 year-to-date results were in line with the target, and we are on track to achieve the full-year guidance.

Consolidated Statement of Earnings

Net sales increased while profits declined year-on-year. Both figures remained in line with our revised target (announced on August 8)*. Net profit for Q3 included 290 million yen in extraordinary income from the sale of our former training center in Osaka.

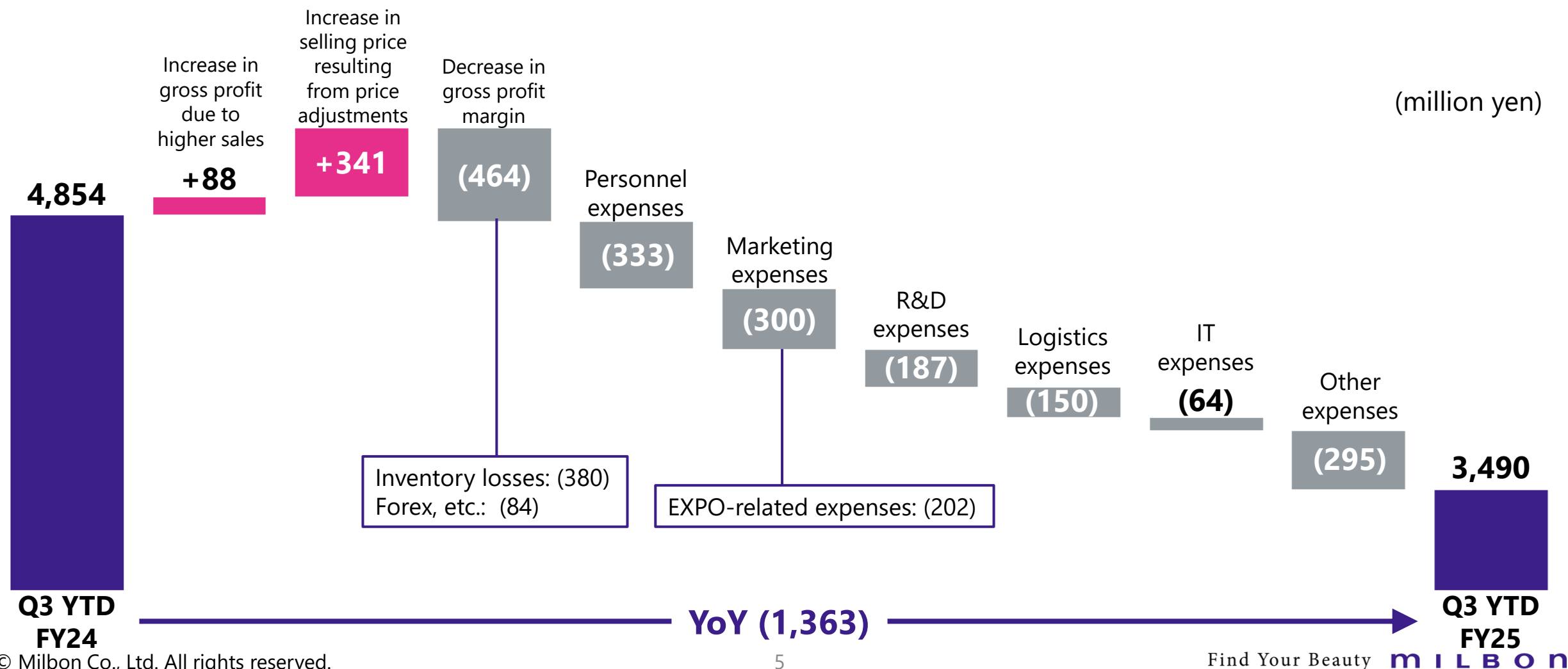
(Unit: million yen)	Q3 YTD FY2024	FY2025				Diff.	Diff. (%)	Q3 YTD FY2025 Revised Target	Vs. Target (%)
		Q1	Q2	Q3	Q3 YTD				
Net Sales	36,993	11,180	13,626	13,020	37,827	833	2.3%	37,647	100.5%
Gross Profit	23,659	7,057	8,444	8,121	23,623	(35)	(0.1%)	23,652	99.9%
Gross Profit Margin	64.0%	63.1%	62.0%	62.4%	62.5%	—	—	62.8%	—
SG&A Expenses	18,805	6,345	7,218	6,569	20,133	1,328	7.1%	20,263	99.4%
Operating Income	4,854	712	1,225	1,551	3,490	(1,363)	(28.1%)	3,388	103.0%
Operating Margin	13.1%	6.4%	9.0%	11.9%	9.2%	—	—	9.0%	—
Ordinary Income	4,881	625	1,227	1,349	3,203	(1,677)	(34.4%)	3,283	97.6%
Profit Attributable to Owners of Parent	3,393	462	△43	1,262	1,681	(1,712)	(50.4%)	1,638	102.7%

* For details, refer to Consolidated Financial Results for the Six Months Ended June 30, 2025 Presentation Materials:

https://www.milbon.com/en/ir/uploads/docs/20250630en_66s2q_presentation_material.pdf

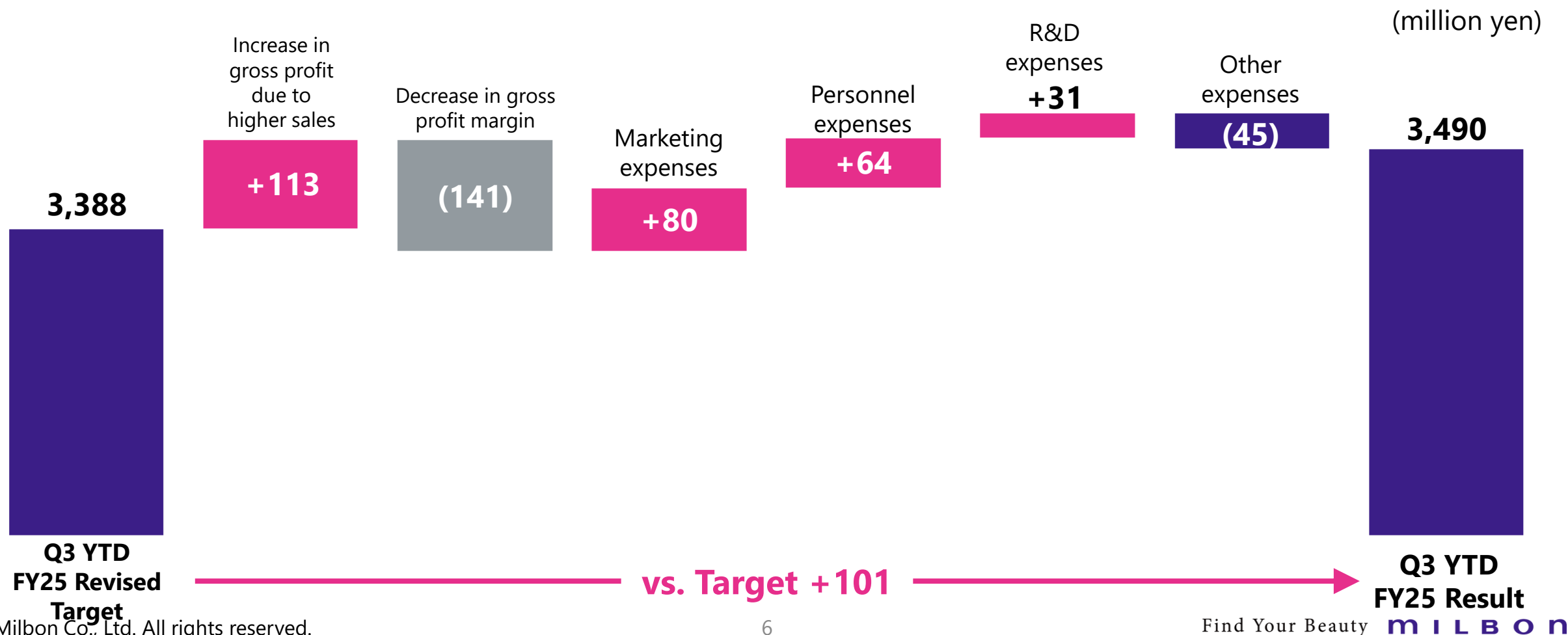
Consolidated Operating Income – Factors Behind YoY Changes

Operating income declined due to inventory valuation losses in the first half, which led to a lower gross profit margin, as well as higher SG&A expenses.



Consolidated Operating Income – Factors Behind Difference vs. Target

Although the gross profit margin fell short of the target due to foreign exchange effects, operating income slightly exceeded the target, supported by overseas sales and cost control.



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Net Sales and Operating Income by Region

Domestic sales increased, but operating income declined due to inventory losses in the first half and higher SG&A expenses. Overseas sales in local currencies remained strong despite the impact of yen appreciation.

(Unit: million yen)		Q3 YTD FY2024	Q3 YTD FY2025	Diff.	Diff. (%)	Actual Diff. Rate ^{*1} (%)	Q3 YTD FY2025 Revised Target	Exchange Rate Q3 FY24	Exchange Rate Q3 FY25
Japan	Net Sales	27,690	27,819	129	0.5%	0.5%	27,888		
	Operating Income	3,931	2,645	(1,285)	(32.7%)	—	—	—	—
	Margin (%)	14.2%	9.5%	—	—	—	—		
Overseas	Net Sales	9,303	10,007	704	7.6%	11.5%	9,758		
	Operating Income	922	844	(78)	(8.5%)	—	—	—	—
	Margin (%)	9.9%	8.4%	—	—	—	—		
South Korea	Net Sales	3,992	4,126	134	3.4%	10.3%	4,120	KRW	KRW
	Operating Income	1,051	987	(64)	(6.1%)	—	—	0.1118 yen	0.1047 yen
	Margin (%)	26.3%	23.9%	—	—	—	—		
China	Net Sales	1,783	1,819	35	2.0%	5.3%	1,769	RMB	RMB
	Operating Income	72	78	6	8.4%	—	—	21.22 yen	20.57 yen
	Margin (%)	4.1%	4.3%	—	—	—	—		
United States	Net Sales	1,430	1,863	433	30.3%	33.7%	1,587	USD	USD
	Operating Income	(87)	(57)	30	—	—	—	151.59 yen	147.76 yen
	Margin (%)	(6.1%)	(3.1%)	—	—	—	—		
Other ^{*2}	Net Sales	2,096	2,197	101	4.8%	3.7%	2,281		
	Operating Income	(113)	(164)	(50)	—	—	—	—	—
	Margin (%)	(5.4%)	(7.5%)	—	—	—	—		

^{*1} Figures are the rates of change in real terms on a local currency basis.
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^{*2} Thailand, Vietnam, Malaysia, Taiwan, Hong Kong, Turkey, Indonesia, Philippines, Singapore, EU, and UAE

Financial Results by Region: Japan

Despite a modest recovery in the domestic market during Q3, both sales and operating income remained in line with our revised target.

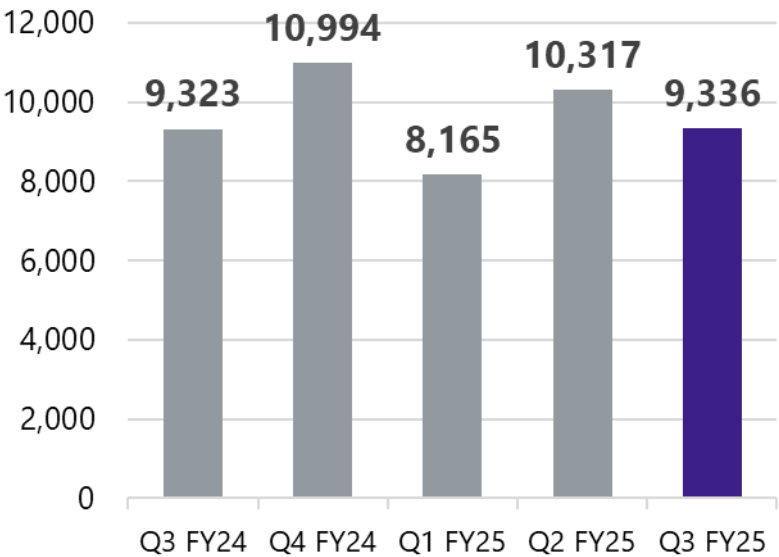
YoY Growth Rate of Sales by Product Category*

Hair care sales remained firm. Hair coloring continued to decline YoY; however, grey-coverage products maintained steady sales, supported by strong evaluations. Cosmetics returned to positive YoY growth in Q3, driven by new product launches.

FY2025		
Change in Sales	Q3	Q3 YTD
Hair Care	+2.1%	+5.2%
Hair Coloring	(2.1%)	(3.8%)
Cosmetics	+20.9%	(29.6%)
% to Sales	Q3	Q3 YTD
Hair Care	65.3%	66.2%
Hair Coloring	30.7%	29.6%
Cosmetics	1.8%	1.7%

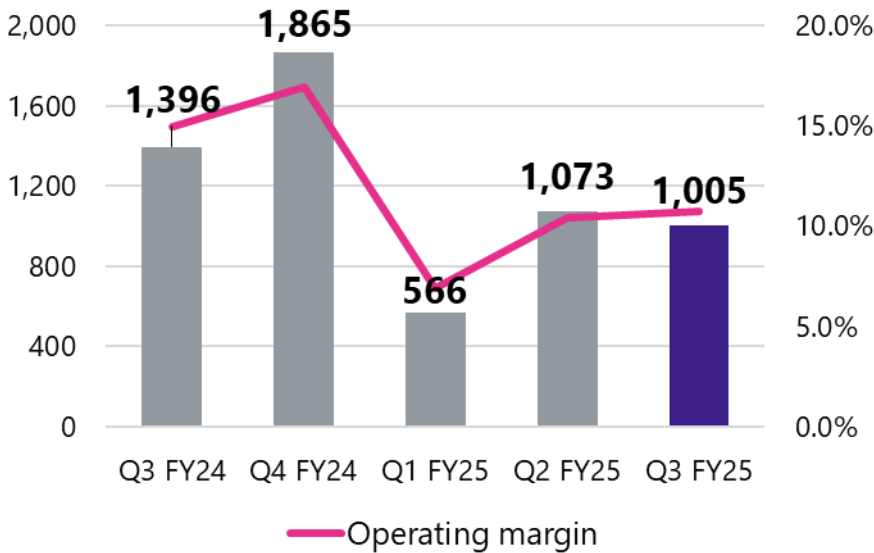
Quarterly Net Sales (mil. yen)

Q3 sales posted a slight YoY increase and remained in line with the revised target.



Quarterly Operating Income (mil. yen)

Q3 operating income remained in line with the revised target, consistent with sales performance.



*Based on shipment value
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Financial Results by Region: South Korea

Q3 sales and operating income grew strongly YoY, supported by government measures to stimulate consumption.

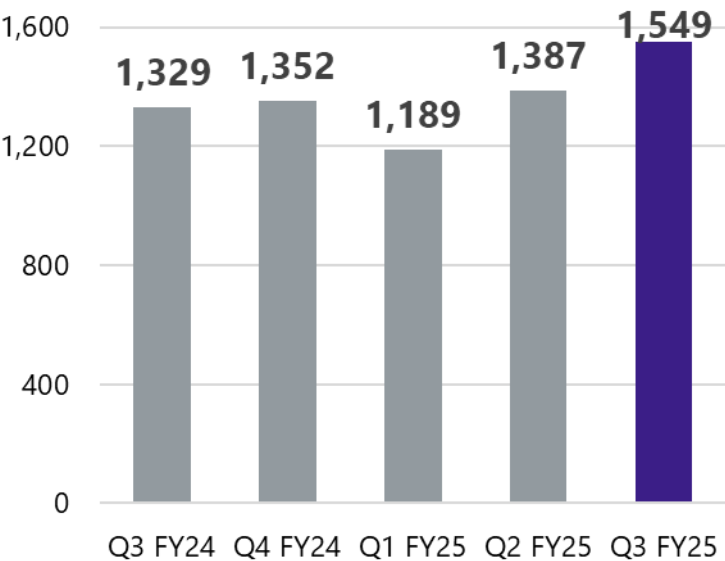
YoY Growth Rate of Sales by Product Category*

Government-issued consumption coupons introduced in July boosted salon visits. Hair coloring sales increased strongly as salons shifted to our products following a competitor’s market exit.

FY2025		
Change in Sales	Q3	Q3 YTD
Hair Care	+18.0%	+12.6%
Hair Coloring	+16.9%	+7.0%
Perm	+29.3%	+16.8%
% to Sales	Q3	Q3 YTD
Hair Care	23.5%	23.9%
Hair Coloring	68.7%	68.7%
Perm	5.4%	5.2%

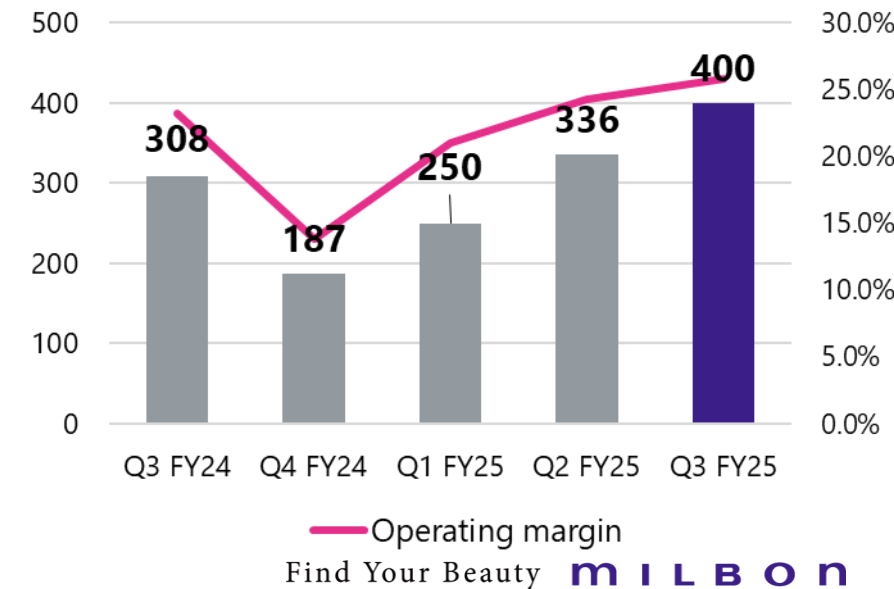
Quarterly Net Sales (mil. yen)

Q1 sales were impacted by political instability but recovered in Q2 as market conditions improved. Q3 recorded a significant increase, supported by government measures.



Quarterly Operating Income (mil. yen)

Operating income increased, supported by higher sales and a timing shift in personnel expenses due to delayed hiring.



*Based on local currency
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Financial Results by Region: China

Despite a sluggish market recovery, our salon support activities were well received, driving sales and operating income in line with the revised target.

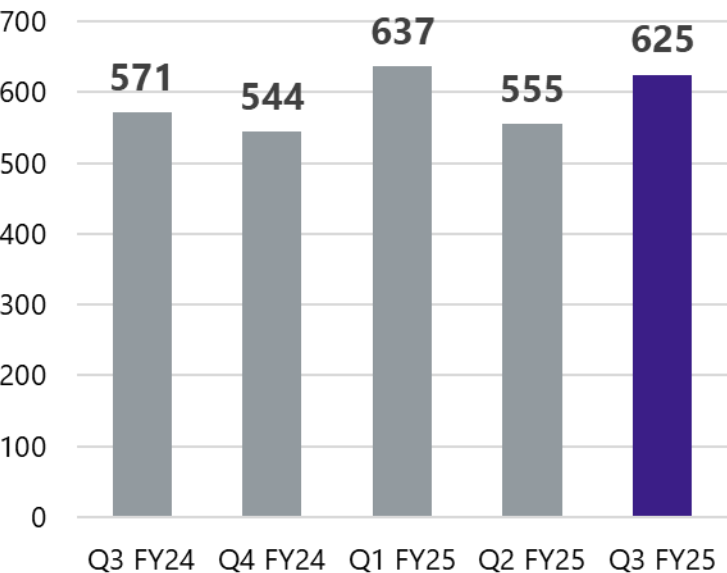
YoY Growth Rate of Sales by Product Category*

Both hair care and hair coloring sales increased steadily. The number of salons adopting Global Milbon grew significantly, supported by the strong reputation of our products and salon activities.

FY2025		
Change in Sales	Q3	Q3 YTD
Hair Care	+4.6%	+4.7%
Hair Coloring	+15.2%	+7.2%
% to Sales	Q3	Q3 YTD
Hair Care	56.2%	58.2%
Hair Coloring	38.4%	36.4%

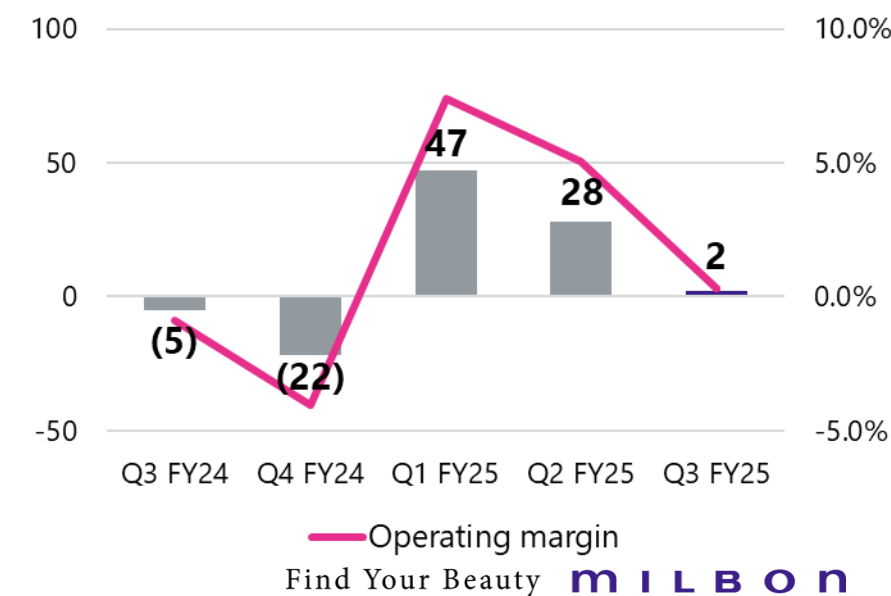
Quarterly Net Sales (mil. yen)

Although market condition remained challenging, sales increased YoY.



Quarterly Operating Income (mil. yen)

Operating income exceeded the target, supported by higher sales and cost control initiatives, although the operating margin declined in Q3 due to inventory losses.



*Based on local currency
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Financial Results by Region: United States

Sales increased significantly, driven by the cross-selling of hair care and hair coloring. Underlying profitability continued to improve, supported by strong sales.

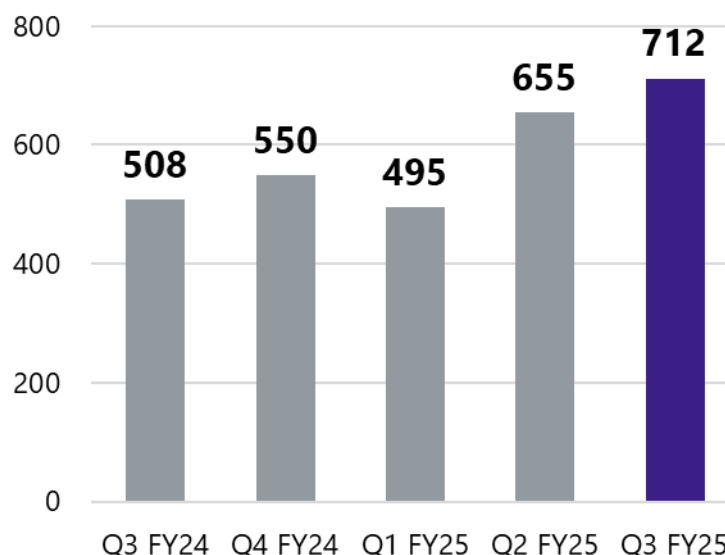
YoY Growth Rate of Sales by Product Category*

Sales of both hair care and hair coloring products increased significantly, supported by the strong reputation of new products tailored to U.S. salon and consumer needs. In July, we expanded our hair coloring lineup to better address diverse shade requirements.

FY2025		
Change in Sales	Q3	Q3 YTD
Hair Care	+39.0%	+35.1%
Hair Coloring	+63.3%	+29.2%
% to Sales	Q3	Q3 YTD
Hair Care	87.5%	86.9%
Hair Coloring	8.4%	8.5%

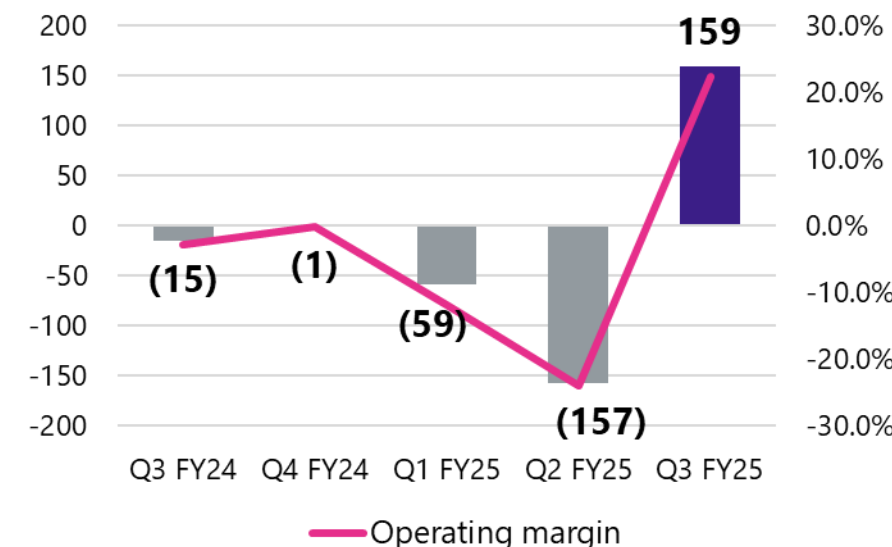
Quarterly Net Sales (mil. yen)

Sales increased significantly, supported by the cross-selling of hair care and hair coloring products.



Quarterly Operating Income (mil. yen)

¥99 million recorded in Q2 SG&A expenses was overstated. The amount was deducted from Q3 SG&A expenses and reclassified as non-operating expenses, temporarily boosting Q3 operating income.



*Based on local currency
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Notice Concerning the Completion of Share Repurchase

At the Board of Directors meeting held on August 8, we resolved to repurchase our own shares to enhance shareholder returns and improve capital efficiency, and the repurchase was completed on October 27.

Class of shares repurchased	Common shares
Total number of shares repurchased	811,700 shares
Total amount of share repurchases costs	¥1,999,828,700
Repurchase period	From August 12, 2025 to October 27, 2025
Method of repurchase	Purchase in the market through the Tokyo Stock Exchange

(Reference) Details of the resolution approved at the Board of Directors' meeting held on August 8, 2025

Class of shares to be repurchased	Common shares
Total number of shares to be repurchased	870,000 shares (maximum) (2.7% of total number of issued shares (excluding treasury shares))
Total amount of share repurchases costs	¥2 billion (maximum)
Repurchase period	From August 12, 2025 to December 23, 2025
Method of repurchase	Purchase in the market through the Tokyo Stock Exchange

Assumptions for the Full-Year Outlook

Full-Year Outlook

Net Sales	Japan	- Although the recovery of the domestic salon market has remained sluggish, as anticipated in August, we expect sales to achieve the full-year target. - We will prioritize initiatives for salons around our core hair care and hair coloring products
	Overseas	Although yen appreciation has had an impact, sales remain strong in local currencies, particularly in South Korea and the United States, and we expect to achieve the full-year target in yen basis.
Operating Income		While the outlook for the gross profit margin remains uncertain due to factors such as foreign exchange and inventory losses, we expect operating income to achieve the full-year target through disciplined control of SG&A expenses.

Full-Year Outlook

The full-year target remains unchanged. Q3 year-to-date results were in line with the target, and we remain on track to achieve the full-year guidance.

(Unit: million yen)	FY2024	FY2025 Revised Target	Diff.	Diff. (%)	FY2025 Q3 YTD	Progress Rate (%)
Net Sales	51,316	52,300	983	1.9%	37,827	72.3%
Gross Profit	32,597	32,926	328	1.0%	23,623	71.7%
Gross Profit Margin	63.5%	63.0%	—	—	62.5%	—
SG&A Expenses	25,758	27,626	1,868	7.3%	20,133	72.9%
Operating Income	6,839	5,300	(1,539)	(22.5%)	3,490	65.9%
Operating Margin	13.3%	10.1%	—	—	9.2%	—
Ordinary Income	6,968	5,180	(1,788)	(25.7%)	3,203	61.8%
Profit Attributable to Owners of Parent	5,017	3,000	(2,017)	(40.2%)	1,681	56.1%

Outlook for Medium-Term Management Plan (Through 2026)

We remain focused on achieving the ROE target by improving profitability and capital efficiency. However, we will carefully review the domestic market environment, which remains uncertain, as well as our cost structure. An updated outlook will be announced in next February.

(Unit: million yen)		FY2025 Revised Target	FY2026 Target*	Diff.	Diff. (%)
Net Sales		52,300	58,000	5,700	10.9%
	Japan	38,900	43,700	4,800	12.3%
	Overseas	13,400	14,300	900	6.7%
Gross Profit		32,926	37,600	4,674	14.2%
Gross Profit Margin		63.0%	64.8%	—	—
Operating Income		5,300	8,400	3,100	58.5%
Operating Margin		10.1%	14.5%	—	—
Ordinary Income		5,180	8,340	3,160	61.0%
Profit Attributable to Owners of Parent		3,000	5,940	2,940	98.0%
ROE		6.3%	11.3%	—	—
ROIC		7.7%	11.1%	—	—

* Announced in February 2025

Business Update 1: OW BYE TORI

OW BYE TORI, a new hair-styling brand launched in October, has already exceeded its annual sales target. We will continue to drive additional growth through year-end.



Highly Evaluated Product Features

- > Bottle design
- > Fragrance
- > Styling compatibility

Gross Sales as of October 31:

¥190 million (Annual Target of ¥120 million)

Business Update 2: WWDBEAUTY Best Cosmetics Awards for Hair Salons 2025

Eleven items across eight categories were recognized in the Best Hair Salon Cosmetics Awards, as voted by hair stylists. We also secured first place in the Sales Staff category, reflecting strong acknowledgment for both our products and salon support activities.



Shampoo Division
1st Place



Aujua Altell

Hair Coloring
Division
2nd Place



Ordeve Addicthy

Grey-Coverage
Coloring Division
2nd Place



Villa Lodola Color

Color Care
Division
3rd Place



Villa Lodola Color
Interval Re:care

Sustainability
Division
1st Place



Villa Lodola Color

Hair Treatment
(In-Bath) Division
1st Place



Aujua Altell

Scalp / Hair Growth Care Division
1st / 2nd / 3rd Place



1st Place: Aujua Moistcalm Moisture Lotion
2nd Place: Aujua Presedia Intensive Perfector
3rd Place: Global Milbon Enhancing Vivacity Essence

Skincare / Makeup Division
1st / 2nd Place



1st Place: Imprea Lotion
2nd Place: Imprea Exfoliator

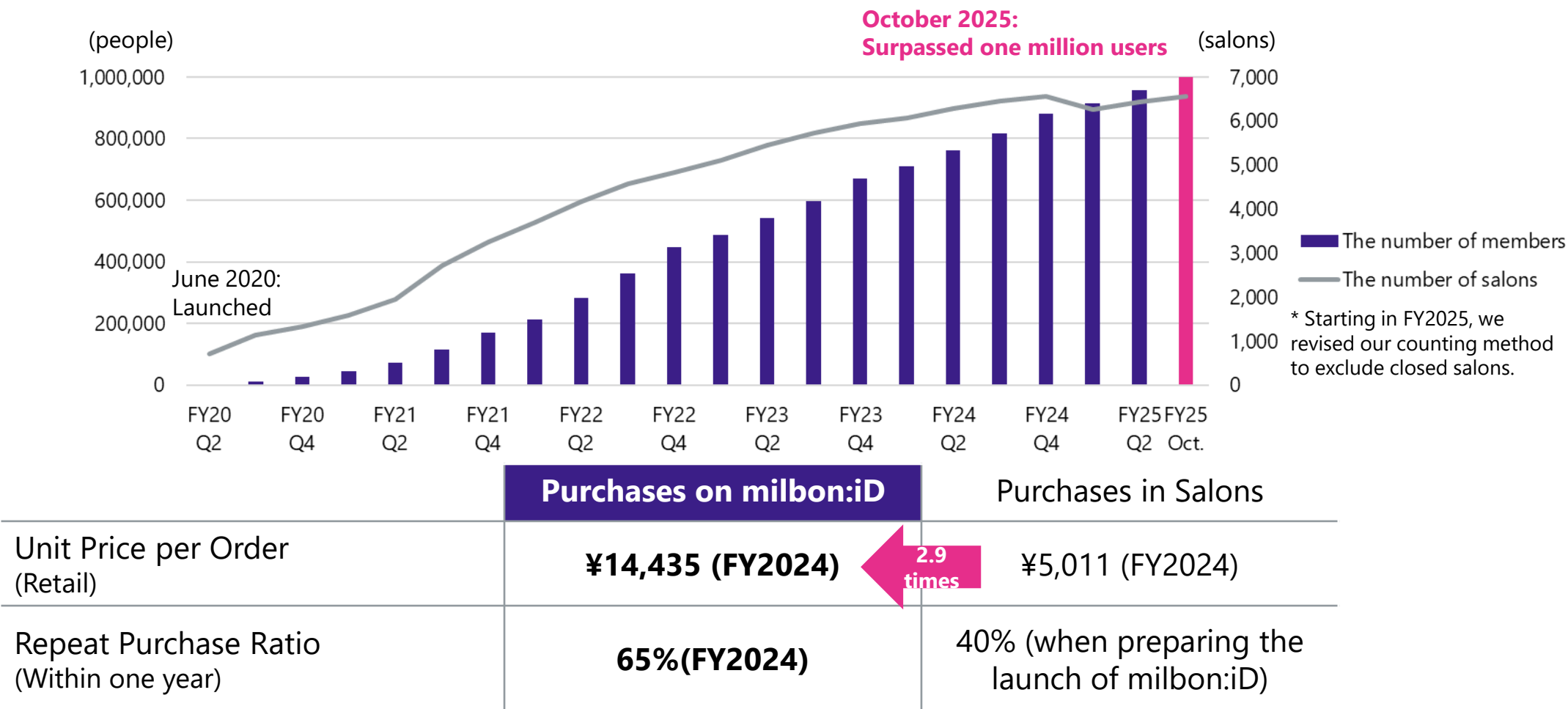
Sales Staff Division
1st Place

MILBON

* For details, visit WWD Japan (Japanese only): <https://www.wwdjapan.com/>

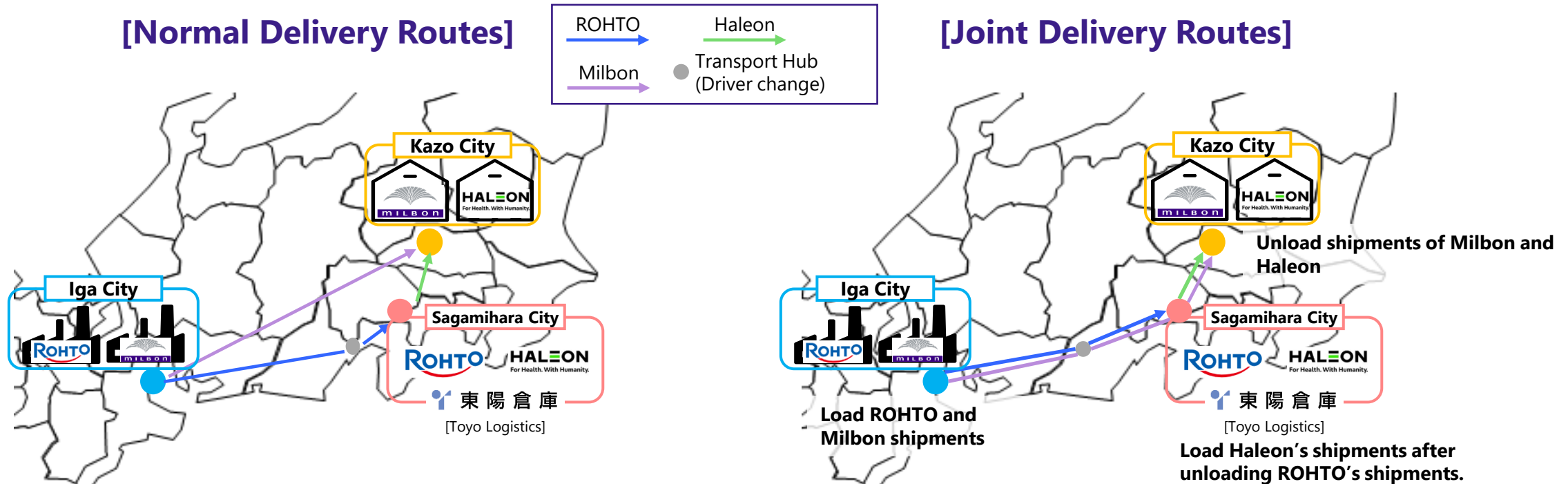
Business Update 3: milbon:iD Surpasses One Million Registered Users

The milestone of one million registered users of milbon:iD was achieved in October, underscoring its role as a key platform for take-home product purchases.



Business Update 4: Joint Delivery by Three Manufacturers

Three manufacturers, Milbon, ROHTO, and Haleon Japan, sharing common delivery routes have established a joint delivery system, which began operating in August. Going forward, we aim to expand its coverage by leveraging the expertise gained.



Designed to improve loading efficiency and reduce CO₂ emissions.

* For details, refer to news release (Japanese only): <https://prtimes.jp/main/html/rd/p/0000000111.000028306.html>

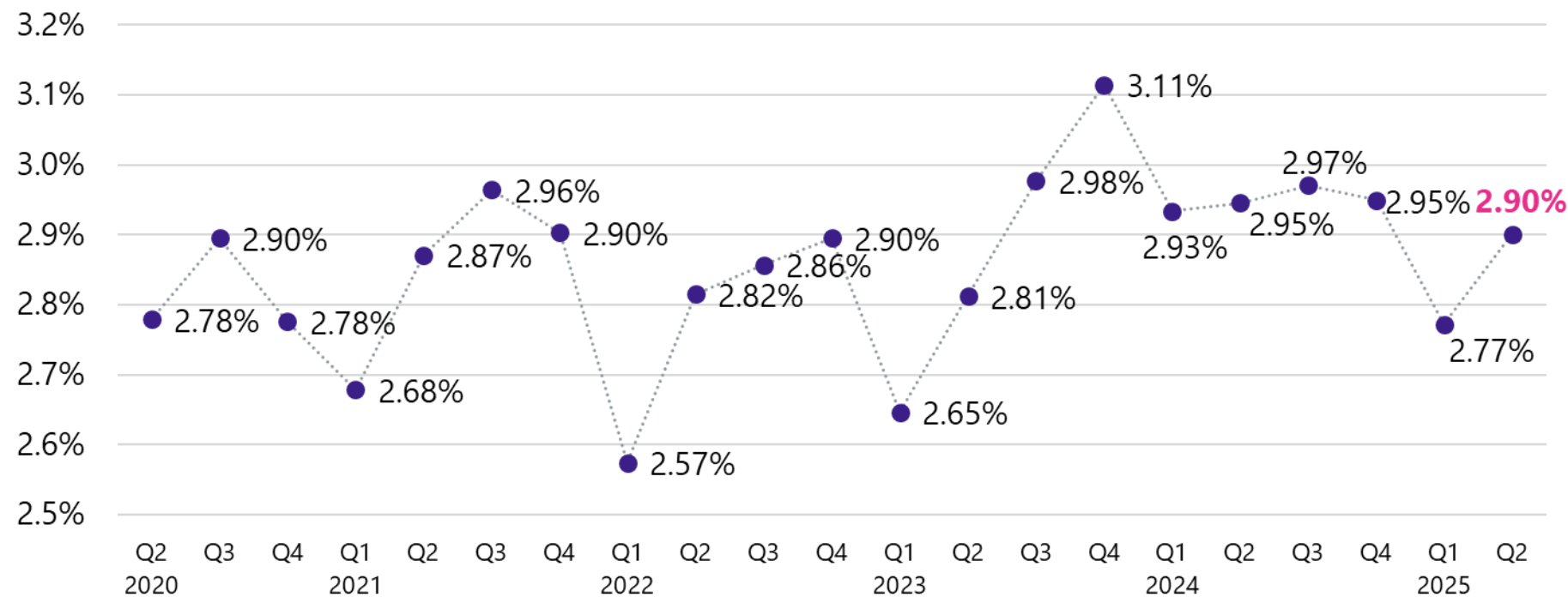
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Trend in the Beauty Spending Coefficient in Japan

Household spending on hairdressing services and products was at a low level in Q1 FY2025 but showed signs of recovery in Q2.

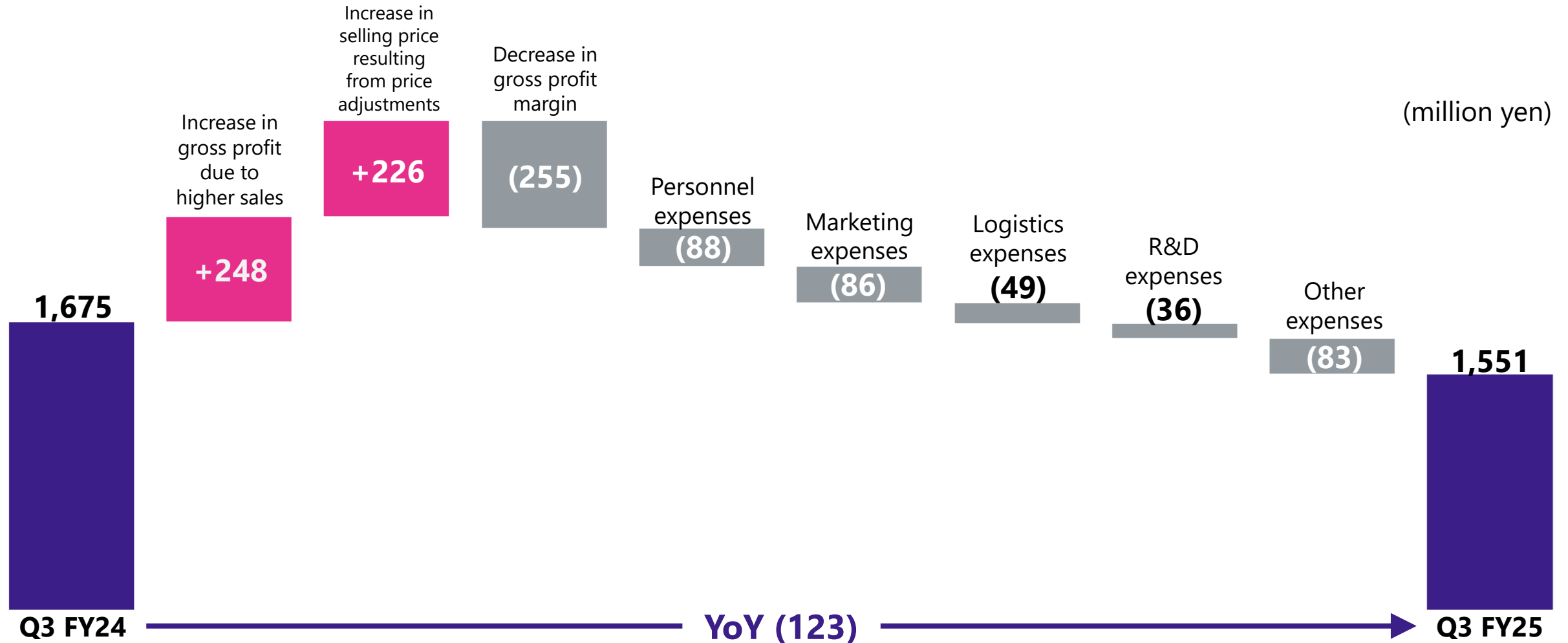
Historical Trend in the Beauty Spending Coefficient*



*Source: Hot Pepper Beauty Academy, Recruit Co., Ltd.
The Beauty Spending Coefficient is defined as the ratio of household spending on hairdressing services and products (combined) to total consumption expenditure, based on data from the Family Income and Expenditure Survey conducted by the Ministry of Internal Affairs and Communications.

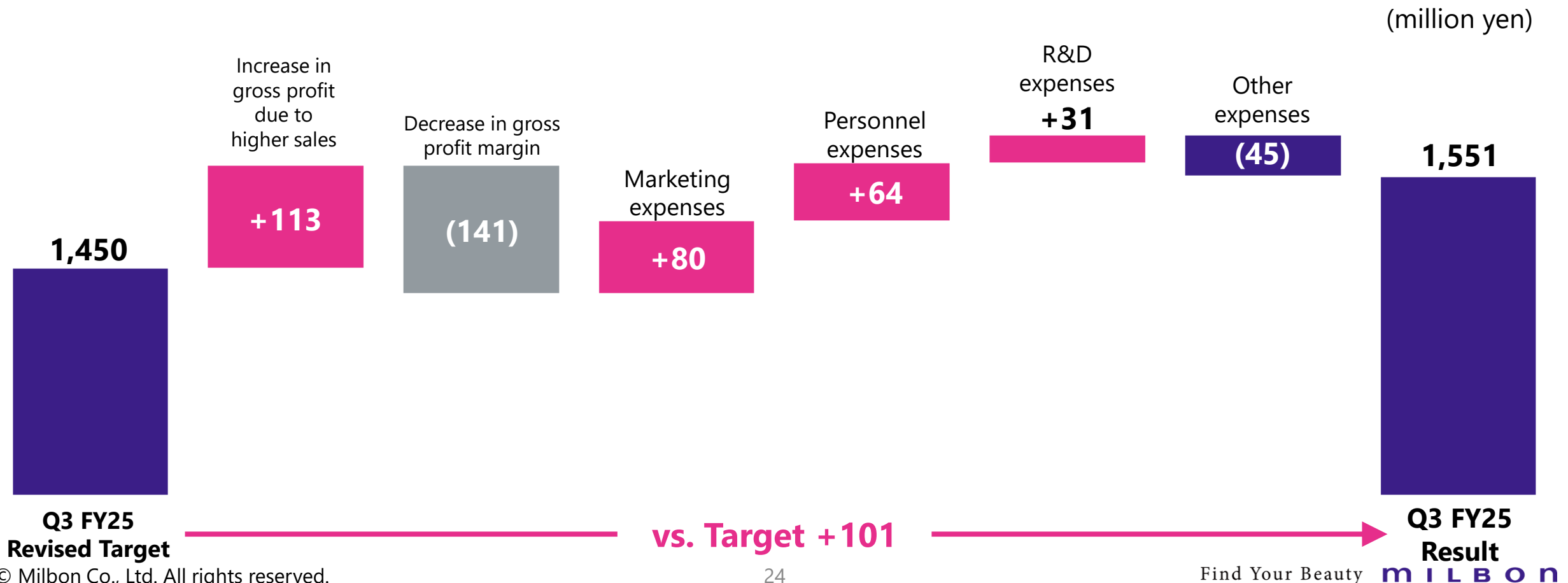
Consolidated Operating Income – Factors Behind YoY Changes (Quarterly Basis)

Sales increased YoY, but operating profit declined due to lower gross profit margin and higher SG&A expenses. The positive effect of price adjustment has gradually been materializing.



Consolidated Operating Income – Factors Behind Difference vs. Target (Quarterly Basis)

Operating income slightly exceeded the target, supported by overseas sales and cost control.



Consolidated Net Sales and Sales Ratio by Product Category

(Unit: million yen)	FY2024					FY2025					FY2025
	Q1	Q2	Q3	Q4	YTD	Q1	Q2	Q3	Q4	YTD	Revised Target*
Net Sales	11,508	13,017	12,467	14,322	51,316	11,180	13,626	13,020		37,827	52,300
Hair Care	6,670	8,012	7,560	9,080	31,324	6,938	8,685	7,944		23,569	33,280
Hair Coloring	4,044	4,301	4,308	4,545	17,200	3,706	4,275	4,427		12,409	16,580
Perm	350	448	348	398	1,547	287	422	341		1,051	1,400
Cosmetics	369	197	151	150	868	159	168	181		509	700
Others	73	57	97	147	375	89	74	124		287	340
% to Sales											
Hair Care	58.0%	61.6%	60.6%	63.4%	61.1%	62.1%	63.7%	61.0%		62.3%	63.6%
Hair Coloring	35.1%	33.0%	34.6%	31.7%	33.5%	33.1%	31.4%	34.0%		32.8%	31.7%
Perm	3.1%	3.5%	2.8%	2.8%	3.0%	2.6%	3.1%	2.6%		2.8%	2.7%
Cosmetics	3.2%	1.5%	1.2%	1.1%	1.7%	1.4%	1.2%	1.4%		1.3%	1.3%
Others	0.6%	0.4%	0.8%	1.0%	0.7%	0.8%	0.6%	1.0%		0.8%	0.7%

* Announced on August 8, 2025

Status of Main Brands – Hair Care Products

Hair Care – Aujua

The number of salons introducing Aujua continued to expand both in Japan and South Korea.

(Unit: mil. yen)	FY2024		FY2025	
	Q3	Q3 YTD	Q3	Q3 YTD
Gross Sales	2,854	8,290	2,949	8,540
Japan	2,755	8,000	2,798	8,168
South KR	99	290	150	372

(Unit: salons)	FY2024		FY2025	
Salons		7,625		8,046
Japan		7,278		7,683
South KR		347		363

New Products

Aujua Aging Hair Care Series Altiell (Debuted on February 11)



(Unit: mil. yen)	FY2025	FY2025 Target
Gross Sales	699	1,350

Hair Care – Global Milbon

Sales growth is being driven by our strong performance in overseas markets, particularly in the United States.

(Unit: mil. yen)	FY2024		FY2025	
	Q3	Q3 YTD	Q3	Q3 YTD
Gross Sales	1,799	5,121	2,042	5,711
Japan	836	2,416	825	2,420
U.S.	458	1,272	656	1,708
China	155	461	179	492
South KR	76	215	82	226
Other	272	755	298	863

(Unit: salons)	FY2024		FY2025	
Salons		22,584		30,477
Japan		10,840		12,183
U.S.*		7,449		13,478
China		814		1,157
South KR		1,371		1,420
Other		2,110		2,239

*Due to the distributor changeover at the end of FY2024, data on the number of salons in some US regions was unavailable, leading to lower figures for FY2024 compared to FY2024 Q3.

*Sales figures are based on shipment value. The number of salons is calculated based on shipments over the past year for both Japan and overseas.

Status of Main Brands – Hair Coloring Products

Hair Coloring – Ordeve Addicthy

The domestic fashion color market remains sluggish amid intensifying competition. We aim to regain momentum by supporting salon customer acquisition through Addicthy and salon reservation platforms, while enhancing consumer recognition.

(Unit: mil. yen)	FY2024		FY2025	
	Q3	Q3 YTD	Q3	Q3 YTD
Gross Sales	1,731	4,904	1,627	4,677
Japan	1,414	4,007	1,298	3,804
Overseas	317	897	329	873

Hair Coloring – Sophistone

Sales increased due to strengthened sales and educational initiatives for distributors and salons in the U.S. and EU.

(Unit: mil. yen)	FY2024		FY2025	
	Q3	Q3 YTD	Q3	Q3 YTD
Gross Sales	42	133	77	214

*Sales figures are based on shipment value.

Hair Coloring – Villa Lodola Color

Villa Lodola Color continues to expand steadily, supported by its strong reputation. International growth is primarily driven by South Korea.

(Unit: mil. yen)	FY2024		FY2025	
	Q3	Q3 YTD	Q3	Q3 YTD
Gross Sales	322	867	400	1,080
Japan	309	839	353	968
Overseas	13	27	47	112

(Unit: salons)	FY2024	FY2025
Salons	12,934	14,054
Japan	12,271	12,612
Overseas	663	1,442

Status of Main Brands – Cosmetics

Cosmetics – Imprea

Both our mainstay product, Lotion, and the new launch, Balance Tuner, have received strong market recognition.

	FY2024		FY2025	
(Unit: mil. yen)	Q3	Q3 YTD	Q3	Q3 YTD
Gross Sales	116	385	129	381
	FY2024		FY2025	
(Unit: salons)				
Salons	2,083		2,453	

New Products

Imprea Balance Tuner (Debuted on February 8)



	FY2025	FY2025 Target
(Unit: mil. yen)		
Gross Sales	53	100

Cosmetics – IM

Sales declined due to slow adoption by salons of the newly added eyebrow mascara items launched in Q1 of last year.

	FY2024		FY2025	
(Unit: mil. yen)	Q3	Q3 YTD	Q3	Q3 YTD
Gross Sales	41	372	62	152

New Products

IM Brow & Lash Color Mascara (New Shades, Debuted on February 8)



	FY2025	FY2025 Target
(Unit: mil. yen)		
Gross Sales	24	140

*Sales figures are based on shipment value. The number of the salons is calculated based on the past year's shipments for both Japan and overseas.

Sales Growth and Sales Ratio by Category in Japan and Overseas (Local Currency Basis)

Japan	FY2024					FY2025				
	Q1	Q2	Q3	Q4	YTD	Q1	Q2	Q3	Q4	YTD
Net Sales	+9.3%	+5.0%	+7.7%	+3.0%	+6.0%	(2.5%)	+3.2%	+0.1%		+0.5%
Hair Care	+9.1%	+8.9%	+13.4%	+7.1%	+9.4%	+6.6%	+6.8%	+2.1%		+5.2%
Hair Coloring	+0.8%	(0.5%)	+1.1%	(0.5%)	+0.2%	(7.9%)	(1.8%)	(2.1%)		(3.8%)
Perm	+2.9%	+10.4%	(11.0%)	+3.3%	+1.6%	(23.3%)	(9.6%)	(18.8%)		(16.0%)
Cosmetics	+197.6%	+40.4%	(2.5%)	+0.4%	+52.8%	(57.5%)	(15.2%)	+20.9%		(29.6%)
Others	+60.8%	(35.0%)	(53.9%)	(35.6%)	(34.9%)	(32.7%)	(27.6%)	(14.3%)		(24.4%)
% to Sales										
Hair Care	61.2%	64.7%	64.3%	67.3%	64.6%	66.2%	67.0%	65.3%		66.2%
Hair Coloring	32.1%	29.9%	31.5%	28.9%	30.4%	30.0%	28.4%	30.7%		29.6%
Perm	2.2%	3.1%	2.3%	2.0%	2.4%	1.7%	2.7%	1.9%		2.1%
Cosmetics	4.1%	1.8%	1.5%	1.2%	2.1%	1.8%	1.5%	1.8%		1.7%
Others	0.4%	0.5%	0.4%	0.6%	0.5%	0.2%	0.4%	0.3%		0.4%

South Korea	FY2024					FY2025				
	Q1	Q2	Q3	Q4	YTD	Q1	Q2	Q3	Q4	YTD
Net Sales	+6.5%	+8.4%	+11.2%	+13.3%	+9.9%	+0.8%	+10.0%	+19.5%		+10.3%
Hair Care	+20.1%	+14.5%	+23.6%	+13.0%	+17.6%	+5.0%	+14.2%	+18.0%		+12.6%
Hair Coloring	+1.1%	+4.6%	+6.2%	+12.2%	+6.0%	(2.9%)	+6.2%	+16.9%		+7.0%
Perm	+33.6%	+37.5%	+30.1%	+25.1%	+31.3%	+10.2%	+10.2%	+29.3%		+16.8%
% to Sales										
Hair Care	23.3%	23.0%	23.8%	23.2%	23.3%	24.3%	23.8%	23.5%		23.9%
Hair Coloring	71.1%	71.3%	70.3%	70.9%	70.9%	68.5%	68.9%	68.7%		68.7%
Perm	5.0%	4.8%	4.9%	5.1%	5.0%	5.5%	4.9%	5.4%		5.2%
Others	0.6%	0.9%	1.0%	0.8%	0.8%	1.7%	2.4%	2.4%		2.2%

*The figures for Japan are based on shipment value. The overseas figure are based on local currency.

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Sales Growth and Sales Ratio by Category in Japan and Overseas (Local Currency Basis)

China

	FY2024				
	Q1	Q2	Q3	Q4	YTD
Net Sales	+4.3%	(16.5%)	+0.0%	+2.0%	(2.7%)
Hair Care	+6.2%	(3.3%)	+8.3%	+3.4%	+3.6%
Hair Coloring	(0.6%)	(33.7%)	(9.1%)	(3.5%)	(12.7%)
Perm	+19.0%	(14.5%)	(13.8%)	+14.8%	+2.1%
% to Sales					
Hair Care	55.8%	62.0%	58.4%	62.8%	59.5%
Hair Coloring	37.5%	33.1%	36.3%	30.0%	34.5%
Perm	6.7%	5.0%	5.3%	7.2%	6.0%
Others	0.0%	0.0%	0.0%	0.0%	0.0%

FY2025				
Q1	Q2	Q3	Q4	YTD
(3.9%)	+13.2%	+8.7%		+5.3%
(0.6%)	+10.8%	+4.6%		+4.7%
(7.0%)	+18.1%	+15.2%		+7.2%
(14.7%)	+9.7%	+10.8%		(0.7%)
57.8%	60.7%	56.2%		58.2%
36.3%	34.5%	38.4%		36.4%
5.9%	4.8%	5.4%		5.4%
0.0%	0.0%	0.0%		0.0%

United States

	FY2024				
	Q1	Q2	Q3	Q4	YTD
Net Sales	+8.5%	+2.2%	+12.0%	+31.1%	+13.1%
Hair Care	+6.0%	+4.8%	+12.7%	+32.6%	+13.8%
Hair Coloring	+25.9%	(6.2%)	+3.2%	+22.4%	+10.4%
Perm	(19.6%)	(21.3%)	(8.7%)	+22.3%	(8.7%)
% to Sales					
Hair Care	83.7%	85.9%	87.8%	86.5%	86.1%
Hair Coloring	10.6%	8.9%	7.1%	9.0%	8.8%
Perm	3.1%	3.7%	2.7%	3.4%	3.2%
Others	2.6%	1.5%	2.4%	1.1%	1.9%

FY2025				
Q1	Q2	Q3	Q4	YTD
+18.4%	+40.7%	+39.4%		+33.7%
+22.9%	+41.2%	+39.0%		+35.1%
(7.2%)	+37.3%	+63.3%		+29.2%
(17.7%)	+5.0%	+18.0%		+2.4%
86.8%	86.1%	87.5%		86.9%
8.3%	8.7%	8.4%		8.5%
2.2%	2.8%	2.3%		2.4%
2.7%	2.4%	1.8%		2.2%

Progress on milbon:iD and Smart Salon Initiatives

milbon:iD

Although the number of salons remained flat due to the exclusion of closed salons following a change in the counting method, user registrations continued to grow. Starting in June, we connected milbon:iD to the LINE messaging app to enable easier communication with users and enhance the ratio of active purchasers.

	FY24	FY25	FY25 Target
Users	881,000	991,000	1,070,000
Salons (reference)	6,566	6,567	7,000
EC Sales* ¹	1,970 mil. yen	1,550 mil. yen	2,300 mil. yen

Number of Smart Salons

	FY'24	FY'25
Salons	62	78

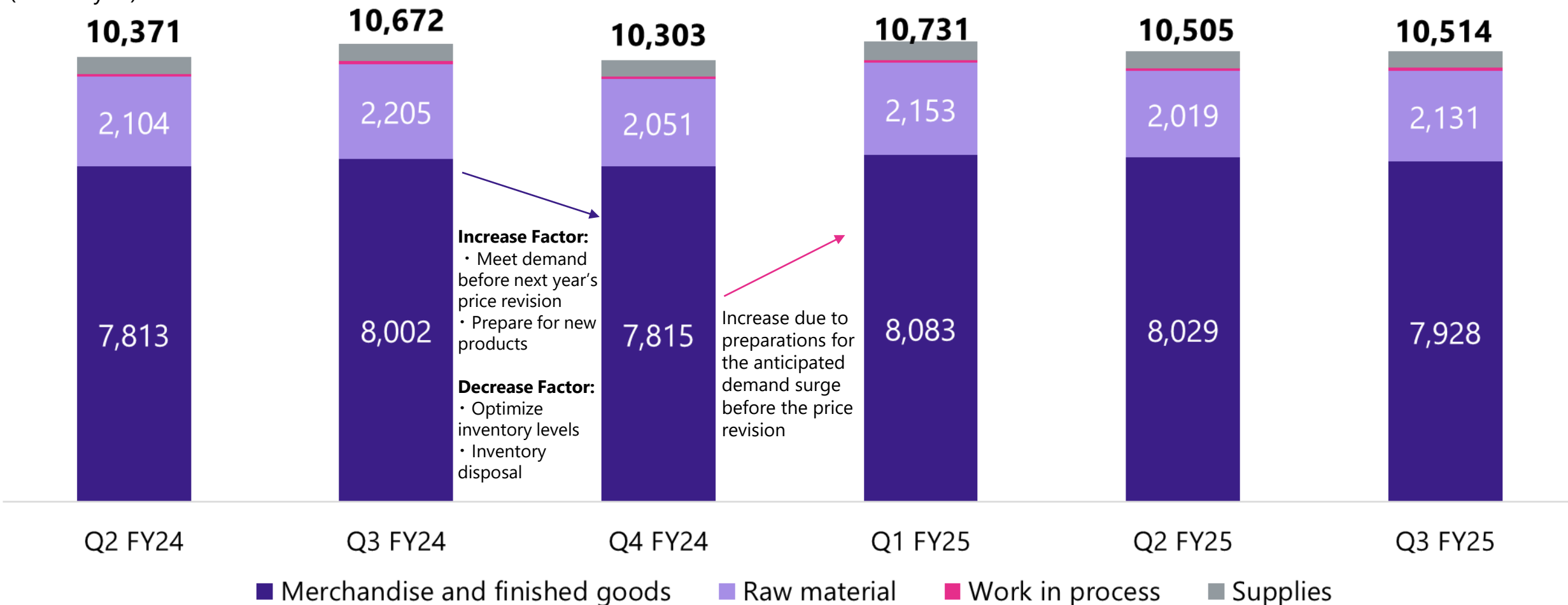
*Results for the Japan market

*1 EC sales are based on shipment value.

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Status of Inventory

(million yen)



Status of Capital Expenditures, etc.

(Unit: million yen)		FY2021	FY2022	FY2023	FY2024	FY2025 Q3 YTD	FY2025 Revised Target
Capital Expenditures		4,644	4,097	3,151	2,865	1,684	2,611
Depreciation and Amortization		1,777	2,026	2,213	2,288	1,706	2,354
R&D exp.	Amount	1,741	2,074	2,334	2,452	1,975	2,710
	% to Sales	4.2	4.6	4.9	4.8	5.2	5.2

FY2025 CAPEX Main Items

Sales Offices, Studios

- HR Development Center
- Establishment and maintenance of sales offices

Digital

- milbon:iD
- Smart Salon (Digital Marketing)
- Education:iD

Production System

- Yumegaoka Factory (Machinery and equipment)
- Technical Center
- Thailand Factory (Machinery and equipment)

Others

- Internal infrastructure
- Production equipment

The Number of Field Person (FP)

The Number of FP by Country

Upper column: Average number of FPs during the period (persons)

Lower column: Net sales per FP (million yen)

	FY2022	FY2023	FY2024	FY2025
Japan	335.4	350.2	361.4	365.8
	105	104	107	—
South Korea	32.8	33.4	33.2	33.8
	126	141	160	—
China	31.6	34.3	33.8	32.3
	66	65	68	—
USA	13.0	13.2	15.8	18.5
	102	123	125	—
Other*	36.2	38.2	43.0	45.8
	63	70	69	—

*Thailand, Vietnam, Malaysia, Taiwan, Hong Kong, Turkey, Indonesia, Philippines, Singapore, EU

FP Recruitment and Training Status in Japan

As of September 30, 2025

35 FPs joined in April 2025 and are currently on-site OJT

As of October 1, 2025

12 FPs joined in October 2025 and are in training
(The above 47 FPs are not included in the left chart.)

Forex Assumption and Sensitivities

(million yen)

	FY2025 Assumption	Impact on Consolidated Net Sales	Impact on Consolidated Operating Income
KRW	0.108 yen	± 0.001 yen $\rightarrow$ 51	± 0.001 yen $\rightarrow$ 38
RMB	20.5 yen	± 0.1 yen $\rightarrow$ 11	± 0.1 yen $\rightarrow$ 2
USD	145.0 yen	± 1 yen $\rightarrow$ 15	± 1 yen $\rightarrow$ 4

Contents

- 1. Consolidated Financial Results———— P2**
- 2. Financial Results by Region and Full-Year Outlook———— P7**
- 3. Appendix———— P21**
- 4. Overview of Milbon———— P36**

Overview of Milbon

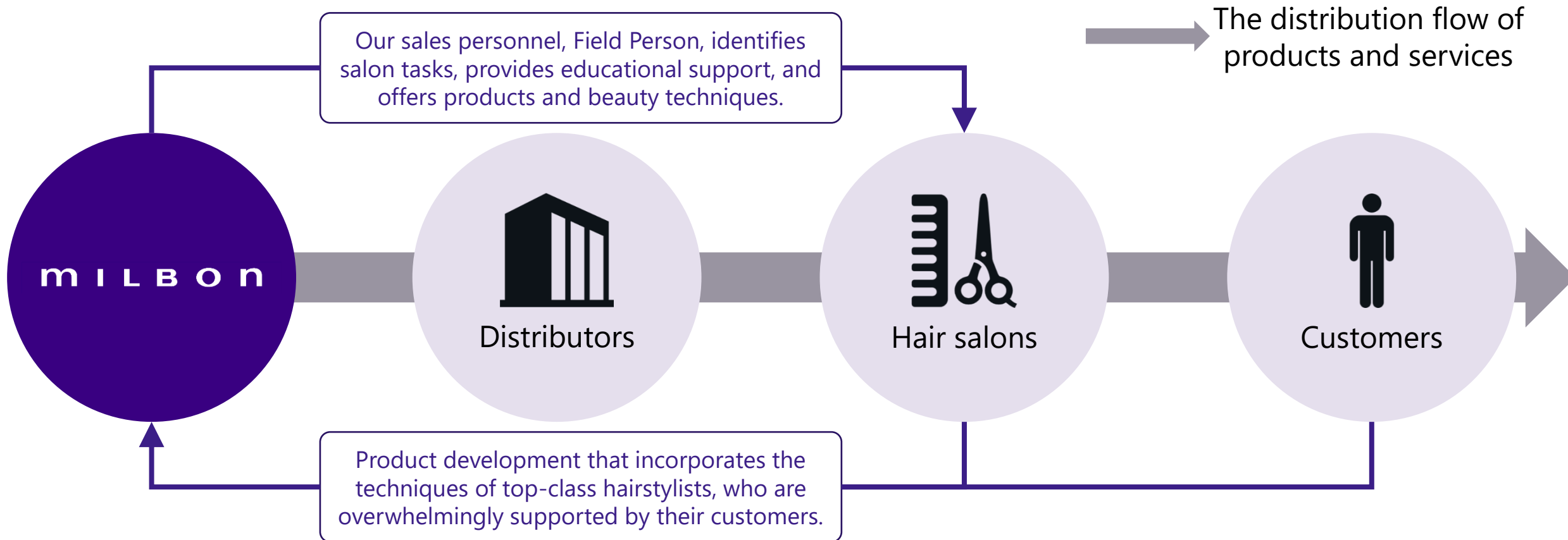
Milbon is a cosmetics manufacturer that produces and sells haircare products including treatments and hair coloring products exclusively to hair salons.



*Source: Fuji Keizai(2023) haircare products only

Overview of Milbon: Business Model

We have established solid trust with hair salons by offering our products and services that contribute to enhance their sales and profits.



*We sale product directly to hair salons in some overseas area.

Overview of Milbon: Three Key Points of Our Business Model



Consistent focus on hair salons and hair stylists

Since our founding in 1960, we have sustained continuous growth by steadfastly narrowing our business focus to hair salons, with the strategy of increasing sales and profits of hair salons at the forefront of all its initiatives.



Field Person (FP) System – Sales and educational support to hair salons

This is our unique sales and education system that contributes to greater sales and profit for hair salons. Our Field Person (FP), who acquire beauty techniques through an intensive 9-month training program after joining the company, identifies areas for improvement for each hair salon. FPs support these salons by providing not just products, but also additional value through associated beauty techniques.



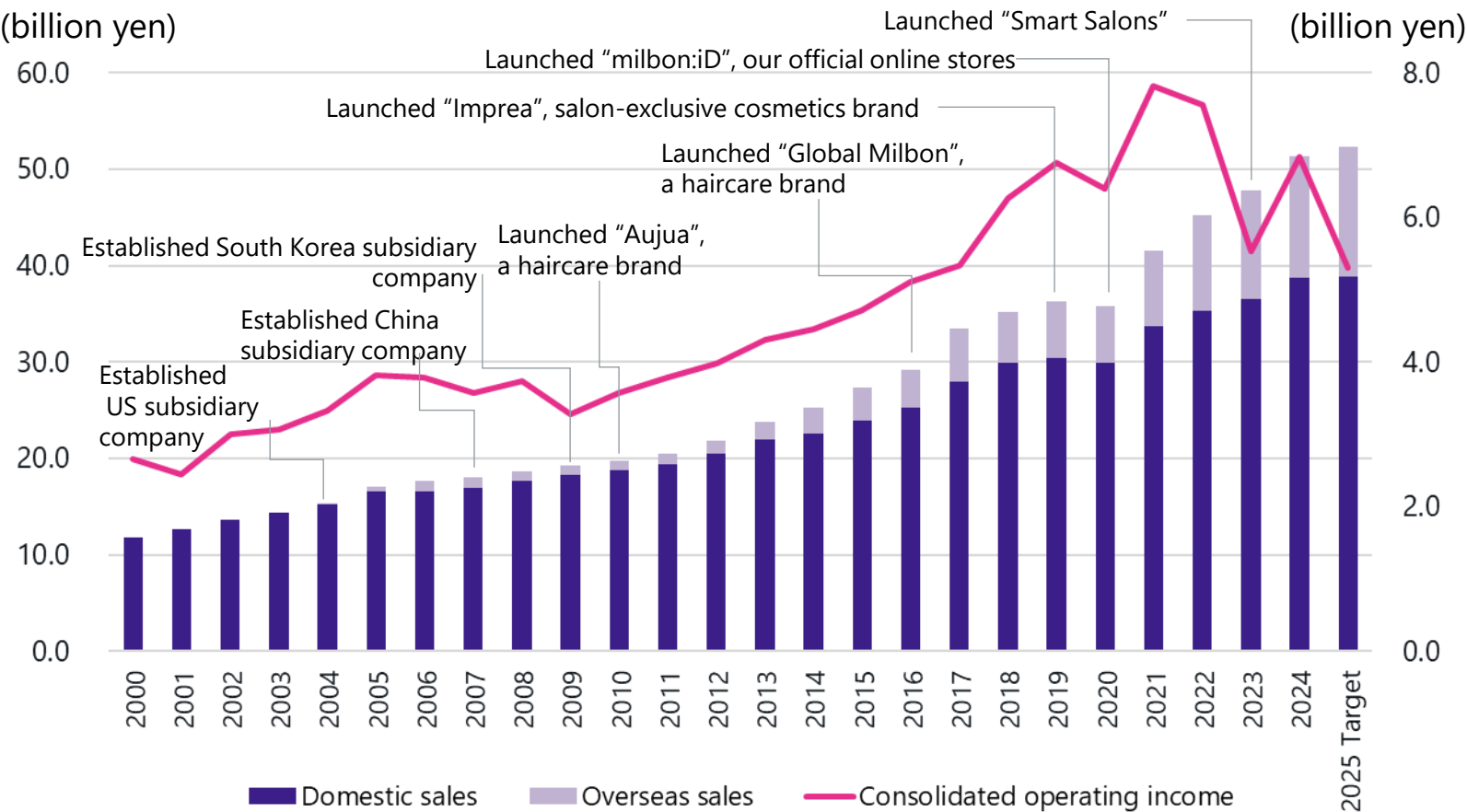
TAC Product Development System – Standardization of top-class hair stylist's technique

This system seeks out hair stylists with exceptional skills and knowledge, encourages the sharing of their expertise and techniques, and enables our researchers to scientifically decode this knowledge for product development. We aim to commercialize sophisticated beauty techniques in a way that can be broadly replicated across general hair salons.

Overview of Milbon: Our Growth Trajectory

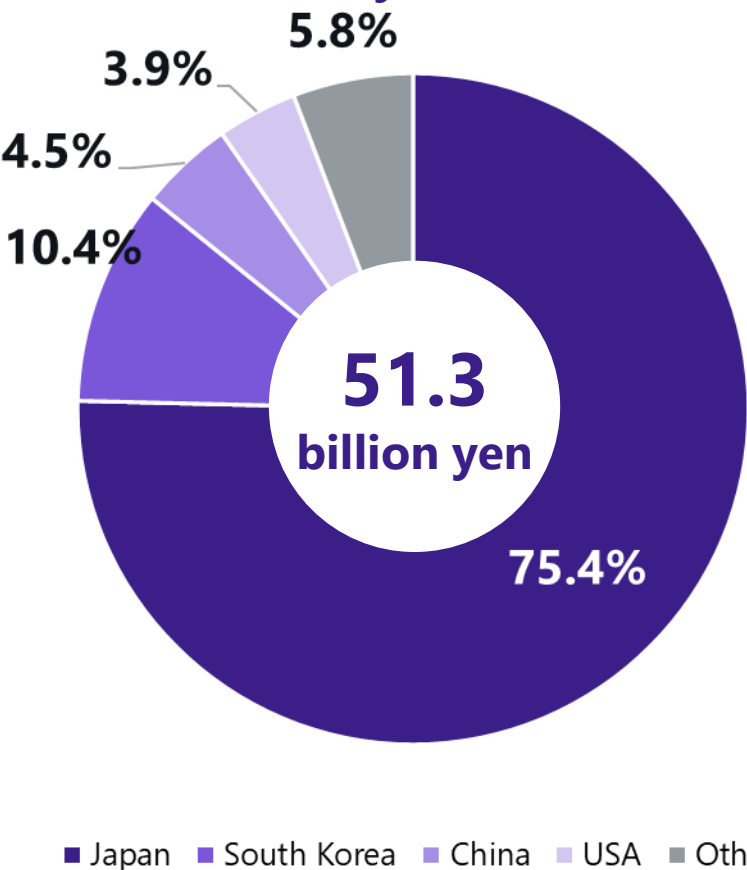
Steady growth through business expansion in Japan and overseas

Net Sales and Operating Income



* FY2017 is an irregular accounting period due to a change in the fiscal year-end date.
* The "Accounting Standard for Revenue Recognition," etc., has been adopted since FY2019.
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Composition of Sales by Country (FY2024)



Overview of Milbon: Our Main Products

Haircare and hair coloring products are the mainstay of our sales. In recent years, we have expanded our business to include cosmetics, etc.

Composition of Sales by Product Category (FY2024)

Cosmetics (only available in Japan)

Products sold for retail in hair salons

Main Brand

Imprea



IM



Hair coloring

Items used for in-salon hair coloring

Main Brand

Ordeve Series



Villa Lodola Color

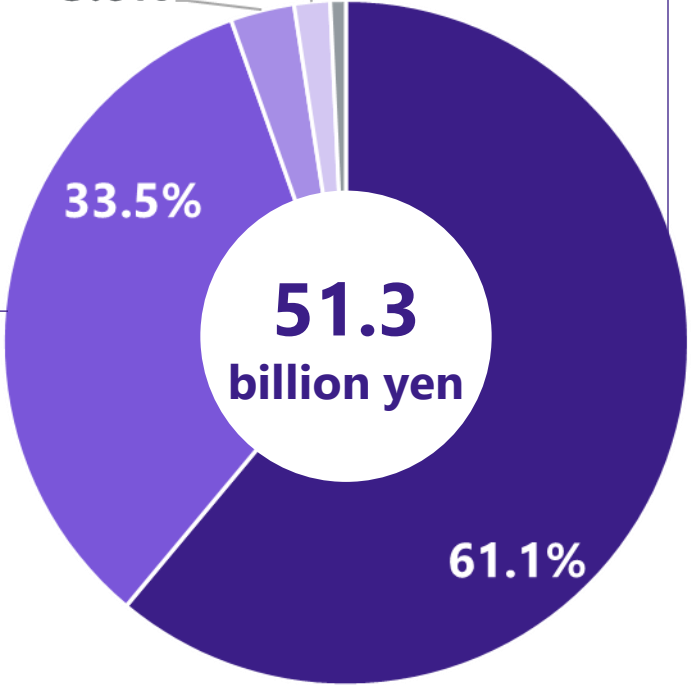


Sophistone

(Hair color brand exclusive for Europe and North America)



3.0% 1.7% 0.7%



■ Hair care ■ Hair coloring ■ Perm ■ Cosmetics ■ Other

Hair Care

- Take-home products sold in salons for customers to use at home.
- Professional products used by stylists during in-salon treatments.

Main Brand

Aujua (Only available in Japan and South Korea)



Global Milbon



Elujuda



Overview of Milbon: Domestic Hair Salon Market Conditions

Hair salons have the potential for further growth despite the medium- to long term decrease in the number of customers due to declining birth rate and aging population.

Challenges and Growth of Aging Population with Low Fertility

Although the number of customers at hair salons is expected to decrease over the medium to long term, the promotion of premium-priced services and retail products is expected to drive further improvements in salon productivity and customer spend.



Community Characteristics Unique to Salons

A visit to a hair salon is necessary to receive its services. Additionally, hair salons hold a place as an indispensable part of people's lives.

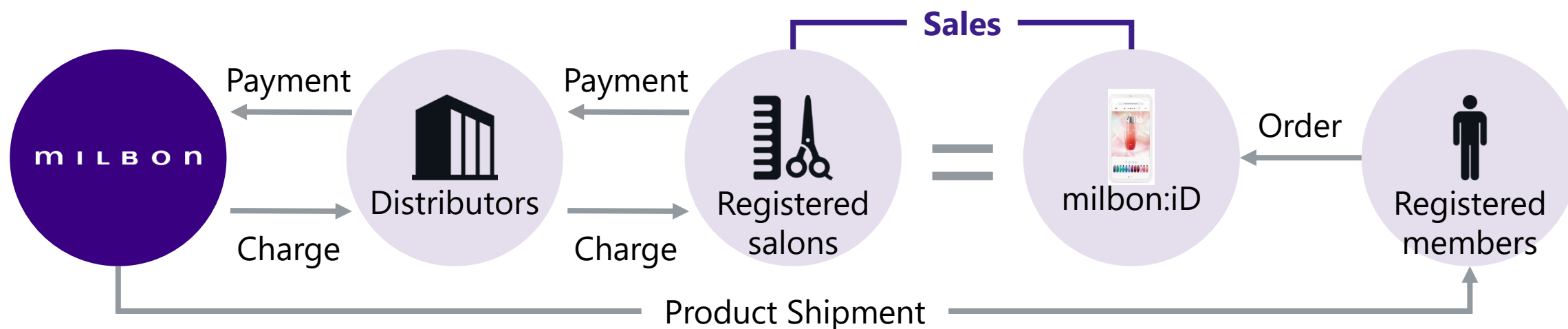
The need for in-person service	The need for repeated, periodic visits	The need for an extended stay
Average rate of use in the past year	Average number of visits per year	Average time spent per visit
Women 80.3%	Women 4.32times	Women 84min
Men 33.9%	Men 5.25times	Men 52min

Source: Beauty Industry Census, First Half of FY2023 (Hair Salons), Recruit Co., Ltd.

Overview of Milbon: Our Recent Initiatives in Japan, milbon:iD

We launched milbon:iD, an EC platform, in 2020 to support productivity enhancement of hair salons. This platform allows salon customers to purchase retail products online.

How milbon:iD Works – Revenue is attributed to salons in the BtoBtoC sales channel



Progress of milbon:iD (as of the end of FY2024)

Number of registered salons

6,566

Number of registered members

880,000

EC sales (Gross sales)

1,970 million yen

Overview of Milbon: Our Recent Initiatives in Japan, Two Major Strategies

We aim to maximize the inherent value of hair salons, which enables frequent and extended in-person visits, by enhancing our Smart Salon concept and broadening the range of products available for in-salon purchase.

Smart Salon Strategy – Enhancing the Salon Customer Experience

The Smart Salon system is implemented in hair salons that have embraced the concept. It aims to enhance salon productivity by eliminating the challenges customers face when purchasing retail products.

Styling station to provide face-to-face consultation

Tester station to raise product awareness and offer trial opportunities

Generating synergies through the integration of three sales areas

EC service milbon:iD to enhance convenience of products purchase

See our corporate website for more details.:
<https://www.milbon.com/en/ir/management/business.html>

Lifetime Beauty Care Strategy – Broadening the Range of Products

We collaborate with other companies to extend salon services and product sales beyond haircare to include skincare and beauty health care.

Cosmetics (Collaborated with KOSÉ)

IMPREA



Beauty Supplements

ALANOUS



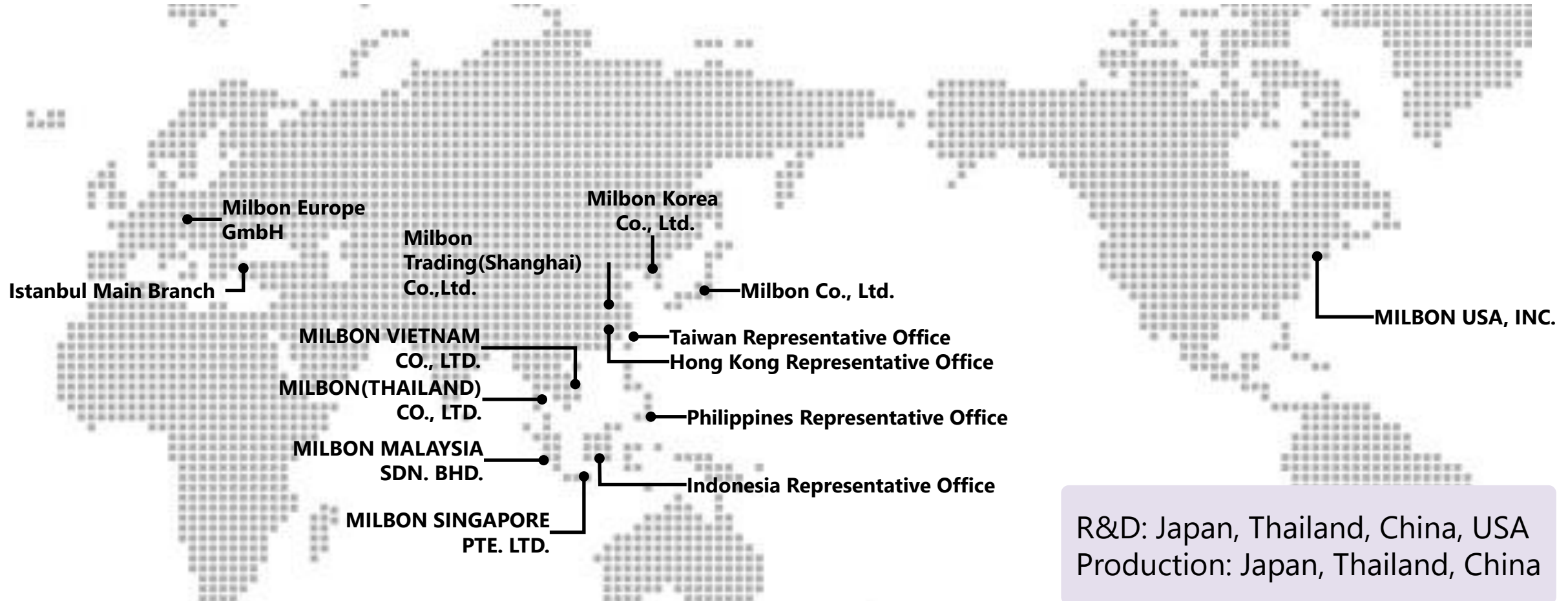
Beauty Equipment (Collaborated with Panasonic)

Panasonic x MILBON
ELMISTA



Overview of Milbon: Status of Overseas Expansion

We conduct business across the world, and have recently expanded our international bases for R&D as well as production.

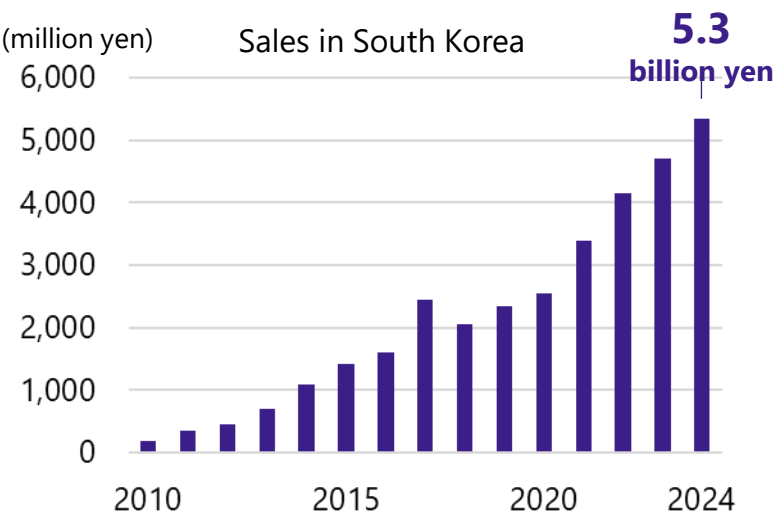


Overview of Milbon: Our Three Major Overseas Countries

Three major countries, South Korea, China, and the USA account for nearly 80% of overseas sales

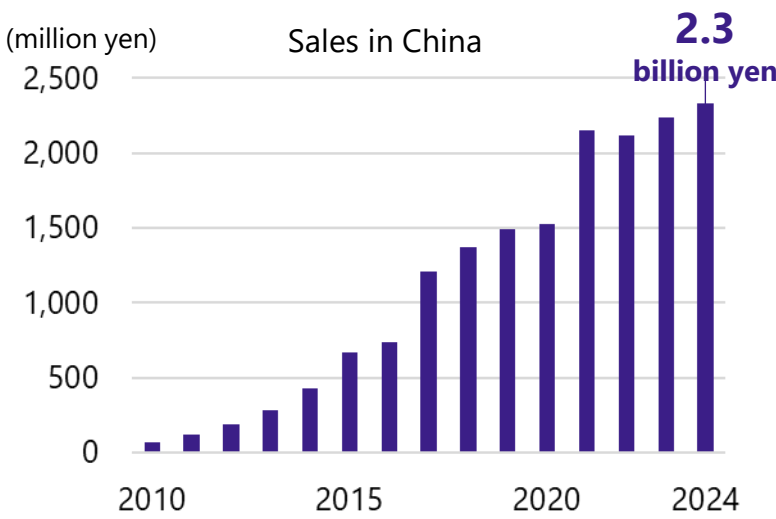
South Korea

Our educational initiatives focused on hair coloring are highly regarded, contributing to a strong market presence in South Korea. In recent years, we have been strengthening our haircare business, working to transform ourselves into a comprehensive manufacturer.



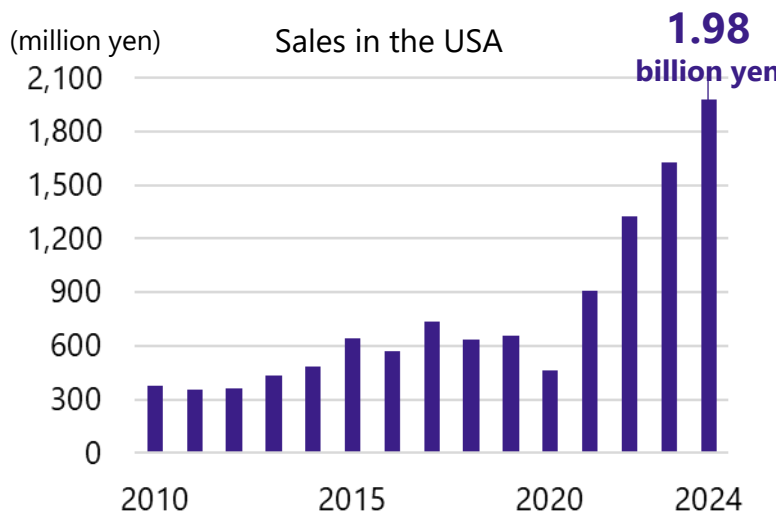
China

Subsequent to COVID-19, activities for hair salons have gained traction amid market changes, such as decreased frequency of customer visits to salons, leading to a sustained increase in our sales. The local factory commenced operations in 2022.



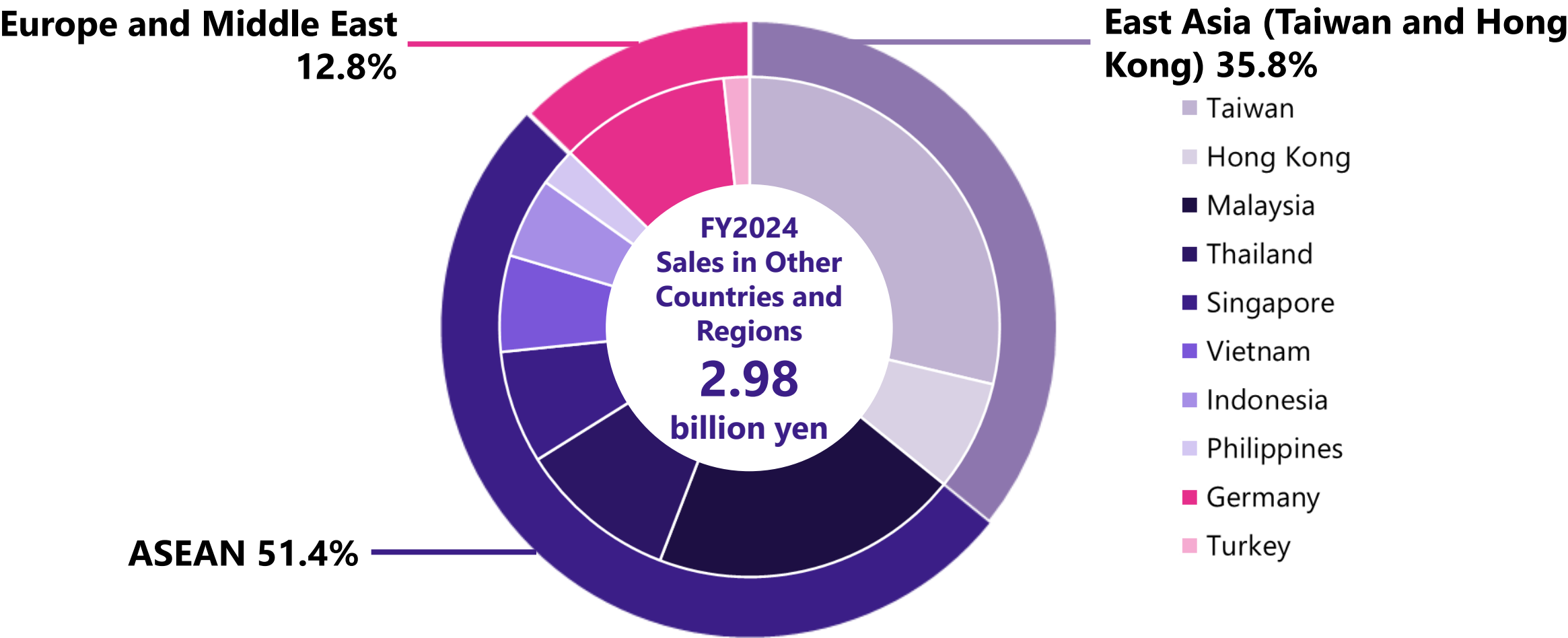
USA

We have enjoyed rapid growth triggered by launch of the Global Milbon haircare line and shift in sales structure (from direct sales to distributor ship). With the launch of hair coloring products exclusive for the European and North American markets, further growth is anticipated.



Overview of Milbon: Other Countries and Regions

Our sales are particularly significant in East Asia and ASEAN, and we have recently expanded into Europe.



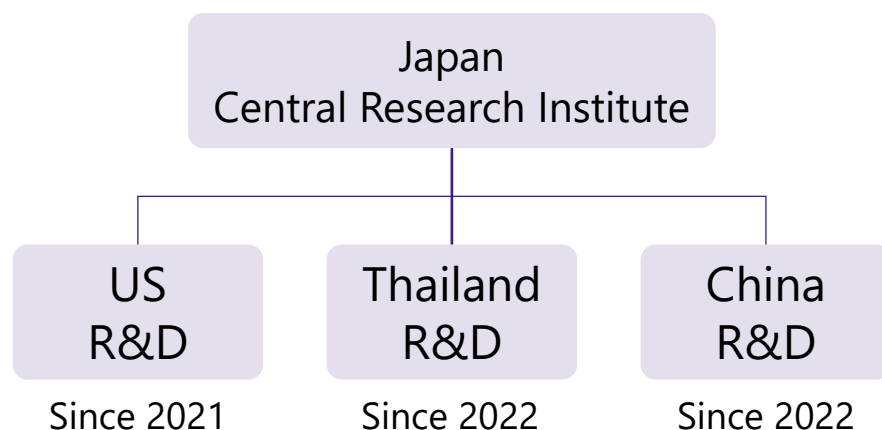
Overview of Milbon: Our Global R&D and Production

We aim to minimize geopolitical risks and to align ourselves with the diverse values of beauty unique to each locality, by establishing R&D and production systems in each region.

R&D—

Collaboration Among our Four Global R&D Bases

Through collaboration with R&D bases in each country, we aim to develop global products that captures beauty needs shared worldwide, as well as localized products tailored to each country and region's unique climate, beauty customs, and laws and regulations.



Production—

Collaboration Among our Three Global Factories

We respond flexibly to regulatory and trade risks and ensure stable supply both domestically and internationally through collaboration among factories in each country.



Japan: Yumegaoka Factory
Products for Japan and overseas



Thailand Factory
Products for overseas



China Factory
Products for Greater China

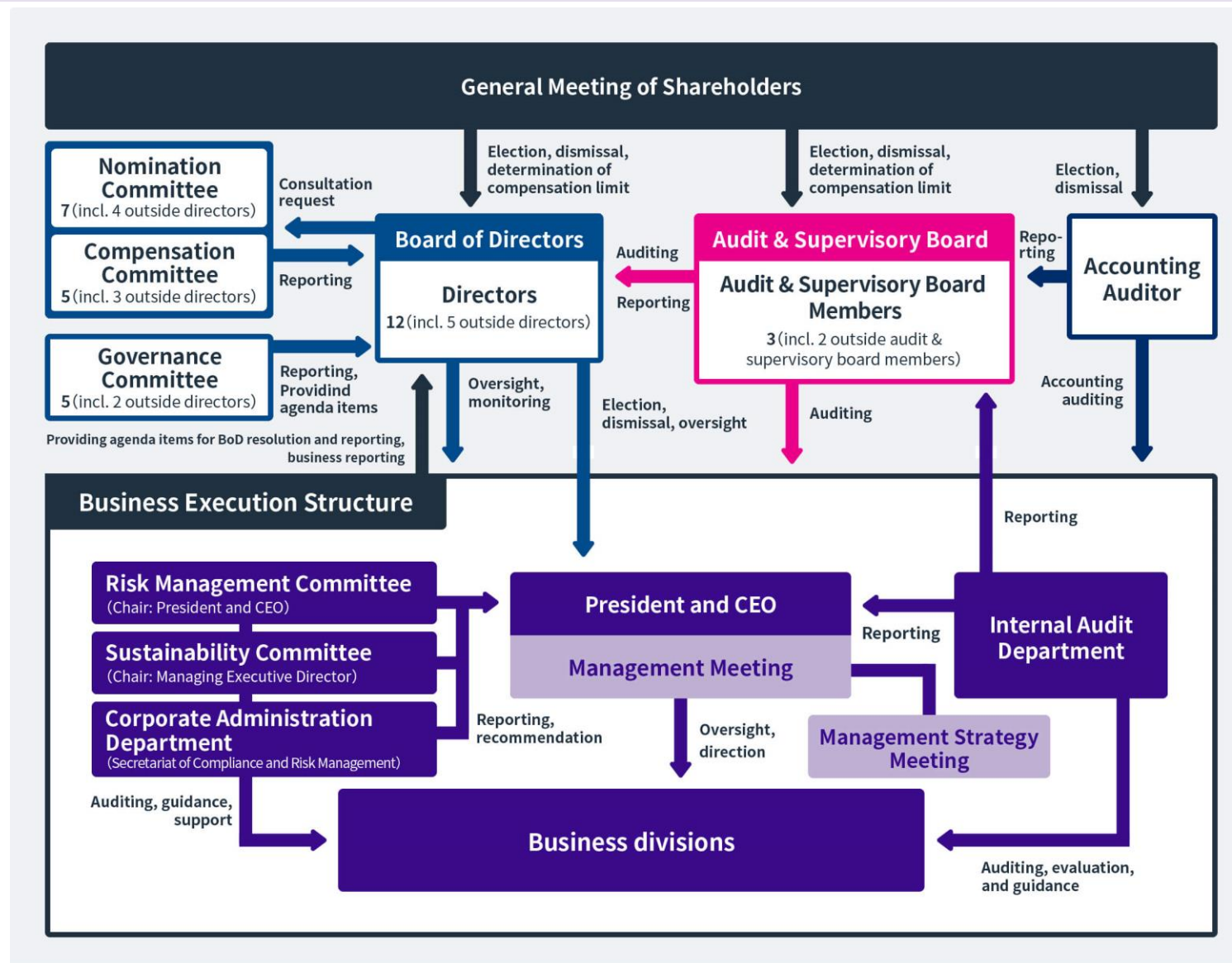
Find Your Beauty **MILBON**

Overview of Milbon: Shareholder Returns

We have set a dividend payout ratio Target of 50% and will increase or maintain dividends without reducing them, aiming for higher dividends in line with profit growth.



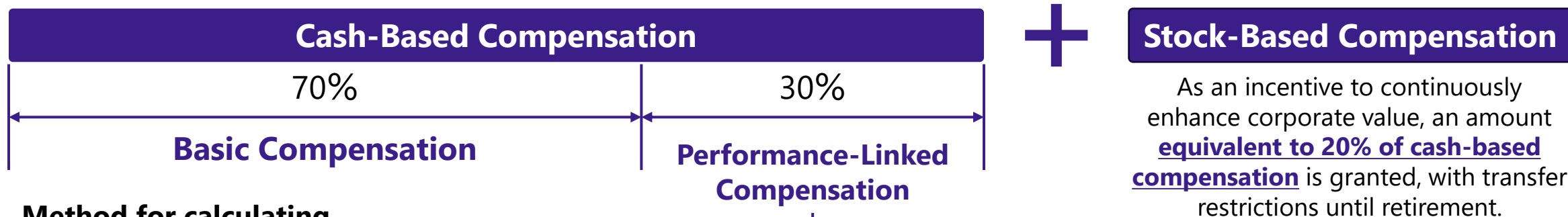
Overview of Milbon: Corporate Governance Structure



See our Integrated Report for more details : <https://www.milbon.com/en/ir/library/report.html>

Overview of Milbon: Compensation for Board Members

Compensation for board directors (excluding external board directors) shall consist of cash and stock-based compensation as an incentive to continuously increase corporate value, in order to encourage each board director to perform their duties with an awareness of business performance and sustainable improvement of corporate value.



Method for calculating performance-linked compensation

1. Calculating the percentage of achievements of Targets

It is calculated by applying a weighted average to the percentage of full-year Targets achieved for each performance metric, based on their respective weighting ratios.

Performance Metric	Consolidated Net Sales	Consolidated Operating Income	Consolidated Profit Attributable to Owners of Parent
Weighting	40%	40%	20%

2. Performance-linked coefficient × Standard amount

The performance-linked compensation amount is determined by multiplying the performance-linked coefficient, based on the achievement percentage, by the standard amount corresponding to the director's position.

Achievement of Targets	≥ 120%	< 120% ≥ 115%	< 115% ≥ 110%	< 110% ≥ 105%	< 105% ≥ 100%	< 100% ≥ 95%	< 95% ≥ 90%	< 90% ≥ 85%	< 85% ≥ 80%	< 80%
Performance-linked coefficient	200%	175%	150%	125%	100%	90%	80%	70%	50%	0%

Overview of Milbon: Status of Dialogues with Shareholders (FY2024)

We held a total of 163 meetings throughout the year, led mainly by the Managing Executive Director in charge of Finance and IR. During interim and year-end results reporting, the President and CEO actively participated in IR meetings. Additionally, External Board Directors took part in meetings as needed.

■ Meeting Overview

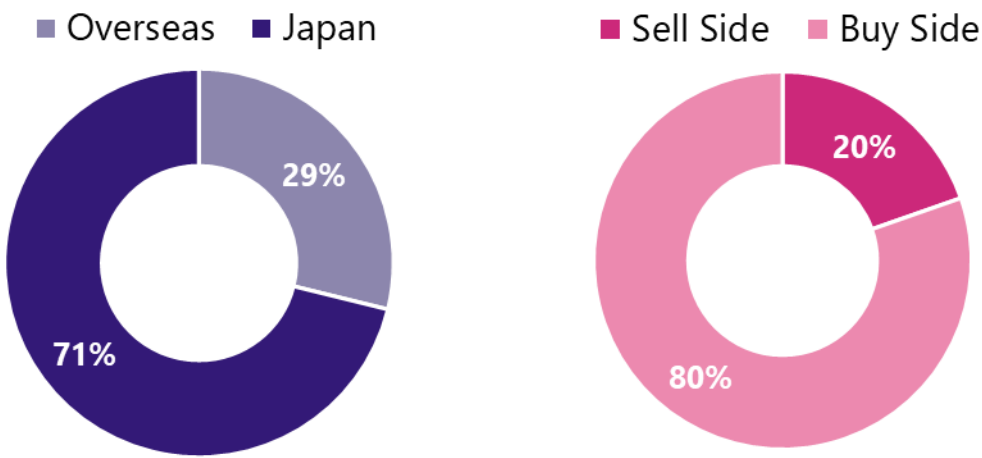
The number of meetings with institutional investors and securities analysts: 163 in total

*Includes 6 overseas meetings in New York in June 2024

■ Main Participants from Milbon for IR Meetings

IR Meetings	President and CEO Managing Executive Director (in charge of Finance, Corporate Communication, and Sustainability Promotion) External Board Directors Manager of IR Division
Financial Results Presentations	President and CEO Chairperson Managing Executive Director
General Meeting of Shareholders	All Board Directors and Auditors

■ Profile of Shareholders and Investors We Met



■ Status of Feedback to the Board of Directors

- [Quarterly] Submitting IR Reports
- Reporting on market feedback to the Board of Directors immediately after quarterly financial results presentation
 - Shareholder input and issues to be addressed are also reported
- [As Needed] Sharing Comments and Letters from Shareholders and Institutional Investors
- The Director in charge reports to the Board of Directors as needed.

Overview of Milbon: Status of Dialogues with Shareholders (FY2024)

In response to the various opinions and requests from institutional investors and other shareholders, we outlined the main examples of changes in our actions and disclosures resulting from these dialogues.

■ Incorporation of Feedback From Shareholders and Investors

Main Input from Dialogue	Our Action
In training the next generation of leaders, it would be beneficial to strengthen their perspectives on the stock market.	We began a training program for Executive Officers in 2024 with the cooperation of institutional investors.
Since overseas operations are having a greater impact on the company's performance, it is necessary to disclose the company's foreign exchange sensitivity.	We will disclose the foreign exchange sensitivity of sales and profits starting in 2025.
Requests for further disclosure of the shareholder return policy and the policy for appropriate balance sheet management.	We have disclosed a more proactive shareholder returns policy and approach to cost of capital in conjunction with the release of "Management Approach with a Focus on Capital Costs and Stock Prices."

Overview of Milbon: ESG Investment Index and External Assessments

ESG investment index to be selected



**FTSE Blossom
Japan Index**



**FTSE Blossom
Japan Sector
Relative Index**



2024 CONSTITUENT MSCI JAPAN EMPOWERING WOMEN INDEX (WIN)

THE INCLUSION OF Milbon Co., Ltd. IN ANY MSCI INDEX, AND THE USE OF MSCI LOGOS, TRADEMARKS, SERVICE MARKS OR INDEX NAMES HEREIN, DO NOT CONSTITUTE A SPONSORSHIP, ENDORSEMENT OR PROMOTION OF Milbon Co., Ltd. BY MSCI OR ANY OF ITS AFFILIATES. THE MSCI INDEXES ARE THE EXCLUSIVE PROPERTY OF MSCI. MSCI AND THE MSCI INDEX NAMES AND LOGOS ARE TRADEMARKS OR SERVICE MARKS OF MSCI OR ITS AFFILIATES.



FTSE Blossom Japan Index Series
: <https://www.lseg.com/en/ftse-russell/indices/blossom-japan>

External assessments



MILBON CO LTD (YUMEGAOKA SITE)



Disclaimer

With respect to the business forecasts included in this document, any statement that is not historical fact is a forward-looking statement based on information available and certain premises that are judged to be rational at the time of the announcement. Please be aware that actual results may differ from any forward-looking statements due to risks, uncertainties, and a number of other factors.