Consolidated Financial Results for the Nine Months Ended September 30, 2025 [Japanese GAAP]

November 14, 2025

Name of registrant:	Milbon Co., Ltd.	Tokyo Stock Exchange, Prime Market
Code No.:	4919 URL https://www.milbon.com/en/	
Representative:	Hidenori Sakashita, President & CEO	
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Scheduled starting date of dividend payments: -
Preparation of supplementary materials on the quarterly results: Yes
Holding of an explanatory meeting on the quarterly results: Yes (Online streaming for institutional investors and analysts)

(Amounts of less than one million yen have been omitted.)

1. Consolidated financial results for the Nine months ended September 30, 2025 (January 1, 2025 - September 30, 2025)

(1) Consolidated operating results (Percentages show year-on-year changes.)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Nine months ended September 30, 2025	37,827	2.3	3,490	(28.1)	3,203	(34.4)	1,681	(50.4)
Nine months ended September 30, 2024	36,993	8.3	4,854	42.1	4,881	39.3	3,393	36.3

Note: Comprehensive income Nine months ended September 30, 2025: 1,725 million yen [(51.4)%] Nine months ended September 30, 2024: 3,547 million yen [14.9%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended September 30, 2025	51.69	-
Nine months ended September 30, 2024	104.25	-

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of September 30, 2025	54,586	46,706	85.6
As of December 31, 2024	58,899	48,817	82.9

(Reference) Equity As of September 30, 2025: 46,706 million yen As of December 31, 2024: 48,817 million yen

2. Payment of dividends

	Annual dividends				
	End of 1st quarter	End of 2nd quarter	End of 3rd quarter	End of fiscal year	Total
	Yen	Yen	Yen	Yen	Yen
Year ended December 31, 2024	-	40.00	-	48.00	88.00
Year ending December 31, 2025	-	40.00	-		
Year ending December 31, 2025 (forecast)				48.00	88.00

Note: Changes to latest dividends forecast: None

3. Consolidated operating results forecasts for the fiscal year ending December 31, 2025 (January 1, 2025 - December 31, 2025)

(Percentages show year-on-year changes.)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Year ending December 31, 2025	52,300	1.9	5,300	(22.5)	5,180	(25.7)	3,000	(40.2)	92.09

Note: Changes to latest performance forecast: None

*Notes

(1) Significant changes in the scope of consolidation during the period : None

New: 0 company (Company name:) Exclude: 0 companies (Company name:)

(2) Application of accounting methods specific to the preparation of quarterly consolidated financial statements: None

(3) Changes in accounting policies, changes in accounting estimates and retrospective restatements

1) Changes in accounting policies due to amendment to the accounting standards, etc. : Yes

2) Changes in accounting policies other than those in 1) above : None

3) Changes in accounting estimates : None

4) Retrospective restatements : None

(4) Number of shares issued (common stock)

1) Number of shares issued at the end of the period (including treasury shares)	As of September 30, 2025	33,117,234 shares	As of December 31, 2024	33,117,234 shares
2) Number of treasury shares at the end of the period	As of September 30, 2025	947,108 shares	As of December 31, 2024	555,070 shares
3) Average number of shares during the period	Nine months ended September 30, 2025	32,530,306 shares	Nine months ended September 30, 2024	32,553,940 shares

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

*Explanation on the appropriate use of operating forecasts and other special instructions

Operating forecasts and other statements regarding the future presented in these materials are based on information currently available and certain assumptions deemed to be reasonable, and actual performance may differ substantially due to various factors.

○Accompanying Materials – Contents

1. Qualitative Information on Consolidated Results for the Current Period

(1) Explanation of Operating Results

During the third quarter of the current consolidated fiscal year, the Japanese economy continued its gradual recovery, supported by improvements in employment and income conditions. However, some weakness persisted in the economy, due to ongoing consumer belt-tightening in response to rising prices. In addition, further price increases and developments in US tariff policies remain risk factors that could impact the Japanese economy.

In light of this situation, during the fourth year of the Medium-Term Management Plan (2022–2026), Fiscal Year 2025, we are promoting the Smart Salon initiative and milbon:iD in the domestic market to strengthen the infrastructure that enables customers to more conveniently purchase take-home products from salons. This effort is part of our broader goal of realizing the Beauty Platform Plan, which seeks to redefine the role of hair salons. Additionally, to encourage higher value-added services and increased unit prices of salon services, we are advancing our high-value hair color strategy and promoting technical support for stylists through in-salon and sommelier training programs designed to enhance their expertise. By advancing our strategy to elevate the value and pricing of salon services, we aim to maximize the effectiveness of the Smart Salon initiative and milbon:iD. In overseas markets, we are reassessing investment priorities across the seven regions in which we operate. We are focusing on strengthening field activities in the United States, the European Union, and South Korea, markets we have identified as having high marketability and growth potential. Specifically, we are expanding our personnel in the United States, enhancing product branding, and accelerating efforts to grow our presence in both the hair color and hair care categories.

Consolidated net sales for the third quarter amounted to 37,827 million yen, a year- on- year increase of 2.3%. The main drivers of this growth were the strong performance of hair care products in markets overseas, particularly in the United States, as well as steady sales in South Korea. In the domestic market, hair care products continued to grow, supported by solid sales of professional brands such as Elujuda. However, competition in the hair coloring market intensified due to overall sluggish market growth and a shift by some salons toward lower-priced brands aimed at reducing raw material costs. In response, we have been promoting a high value-added hair coloring strategy. Villa Lodola Color, certified by ICEA, an organic certification authority, continued to achieve strong growth. Nevertheless, sales from hair coloring products declined due to decreased sales of fashion colors such as Ordeve Addicthy. As a result, total domestic sales across all product categories posted only a slight increase.

Regarding earnings, gross profit declined due to sluggish domestic sales, primarily in hair coloring products, and inventory losses resulting from decreased cosmetic products recorded in the first half of the fiscal year. SG&A expenses increased mainly due to higher personnel costs from staff growth and base pay increases, higher advertising expenses, including those related to the Expo, and increased logistics costs driven by growth in overseas sales. As a result, operating income decreased by 28.1% to 3,490 million yen, ordinary income decreased by 34.4% to 3,203 million yen, and profit attributable to owners of parent decreased by 50.4% to 1,681 million yen.

Net sales by product category and net sales by domestic and overseas markets are as follows.

[Breakdown of net sales by product category]

(Unit: million yen)

Product category	Nine months ended September 30, 2024		Nine months ended September 30, 2025		Increase/ Decrease	Increase/ Decrease ratio (%)
	Amount	% to sales	Amount	% to sales		
Hair care products	22,243	60.1	23,569	62.3	1,325	6.0
Hair coloring products	12,654	34.2	12,409	32.8	(244)	(1.9)
Permanent wave products	1,148	3.1	1,051	2.8	(97)	(8.5)
Cosmetic products	717	2.0	509	1.3	(208)	(29.1)
Other	228	0.6	287	0.8	59	25.9
Total	36,993	100.0	37,827	100.0	833	2.3

[Breakdown of net sales into domestic and overseas sales]

(Unit: million yen)

	Nine months ended September 30, 2024		Nine months ended September 30, 2025		Increase/ Decrease	Increase/ Decrease ratio (%)
	Amount	% to sales	Amount	% to sales		
Domestic sales	27,690	74.9	27,819	73.5	129	0.5
Overseas sales	9,303	25.1	10,007	26.5	704	7.6
Total	36,993	100.0	37,827	100.0	833	2.3

(2) Explanation on Financial Position

Total assets at the end of the third quarter of the current fiscal year decreased by 4,312 million yen from the end of the previous fiscal year to 54,586 million yen.

Current assets decreased by 3,867 million yen from the end of the previous fiscal year to 27,068 million yen. The main factors for the change were decreases of 3,585 million yen in Cash and deposits and 1,608 million yen in Notes and accounts receivable - trade.

Non-current assets decreased by 445 million yen from the end of the previous fiscal year to 27,517 million yen.

Current liabilities decreased by 2,198 million yen from the end of the previous fiscal year to 7,009 million yen. The main factors for the change were decreases of 2,167 million yen in Accounts payable - other, 893 million yen in Income taxes payable, and increase of 584 million yen in Provision for bonuses.

Non-current liabilities decreased by 4 million yen from the end of the previous fiscal year to 869 million yen.

Net assets decreased by 2,110 million yen from the end of the previous fiscal year to 46,706 million yen. The main factors for the change were decreases of 1,185 million yen in Retained earnings and 296 million yen in Foreign currency translation adjustment, and an increase of 951 million yen in Treasury shares due to Purchase of treasury shares (decrease in net assets).

Consequently, equity ratio was 85.6%, compared with 82.9% at the end of the previous fiscal year. Net assets per share based on the total number of shares outstanding at the end of the fiscal year was 1,451.87 yen from 1,499.20 yen at the end of the previous fiscal year.

(3) Explanation of Forward-Looking Statements Including Consolidated Operating Forecasts

There is no change from the previous forecast (announced on August 8, 2025) for the full-year performance forecast.

2. Quarterly Consolidated Financial Statements and Main Notes

(1) Quarterly Consolidated Balance Sheets

(Thousand yen)

	Previous fiscal year As of December 31, 2024	Current 3rd quarter As of September 30, 2025
Assets		
Current assets		
Cash and deposits	13,829,730	10,243,774
Notes and accounts receivable - trade	6,037,963	4,429,131
Merchandise and finished goods	7,815,306	7,928,929
Work in process	58,436	58,321
Raw materials and supplies	2,430,008	2,527,022
Other	778,634	1,891,642
Allowance for doubtful accounts	(14,103)	(10,174)
Total current assets	30,935,977	27,068,646
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	9,726,301	9,296,633
Machinery, equipment and vehicles, net	3,477,183	3,201,618
Land	6,478,922	6,438,319
Construction in progress	1,634,978	2,333,971
Other, net	990,417	964,859
Total property, plant and equipment	22,307,804	22,235,403
Intangible assets	1,675,032	1,480,662
Investments and other assets		
Investment securities	875,480	725,480
Long-term loans receivable	28,565	27,065
Net defined benefit asset	739,025	743,294
Deferred tax assets	940,314	894,868
Other	1,422,145	1,679,173
Allowance for doubtful accounts	(25,290)	(268,084)
Total investments and other assets	3,980,240	3,801,797
Total non-current assets	27,963,077	27,517,862
Total assets	58,899,055	54,586,509
Liabilities		
Current liabilities		
Accounts payable - trade	1,444,264	1,614,657
Accounts payable - other	4,545,685	2,378,476
Income taxes payable	1,229,121	335,703
Provision for bonuses	612,819	1,197,343
Other	1,376,179	1,483,756
Total current liabilities	9,208,070	7,009,938
Non-current liabilities		
Net defined benefit liability	17,278	17,167
Asset retirement obligations	737,191	736,487
Other	119,425	116,206
Total non-current liabilities	873,895	869,861
Total liabilities	10,081,966	7,879,800

(Thousand yen)

	Previous fiscal year As of December 31, 2024	Current 3rd quarter As of September 30, 2025
Net assets		
Shareholders' equity		
Capital stock	2,000,000	2,000,000
Capital surplus	298,667	280,721
Retained earnings	45,232,474	44,047,435
Treasury shares	(1,906,453)	(2,857,741)
Total shareholders' equity	45,624,687	43,470,414
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(398,009)	-
Foreign currency translation adjustment	3,239,389	2,942,834
Remeasurements of defined benefit plans	351,021	293,460
Total accumulated other comprehensive income	3,192,401	3,236,294
Total net assets	48,817,089	46,706,709
Total liabilities and net assets	58,899,055	54,586,509

(2) Quarterly Consolidated Statements of Earnings and Consolidated Statements of Comprehensive Income

Quarterly Consolidated Statements of Earnings

Nine Months Ended September 30, 2024 and 2025

(Thousand yen)

	Nine Months Ended September 30, 2024 (January 1, 2024 - September 30, 2024)	Nine Months Ended September 30, 2025 (January 1, 2025 - September 30, 2025)
Net sales	36,993,567	37,827,561
Cost of sales	13,334,482	14,203,886
Gross profit	23,659,085	23,623,674
Selling, general and administrative expenses	18,805,039	20,133,329
Operating income	4,854,045	3,490,344
Non-operating income		
Interest income	16,661	14,480
Dividend income	17,221	10,692
Share of profit of entities accounted for using equity method	25,255	-
Company house defrayment income	3,253	2,672
Subsidy income	15,934	24,397
Other	12,240	21,856
Total non-operating income	90,566	74,098
Non-operating expenses		
Share of loss of entities accounted for using equity method	-	15,151
Foreign exchange losses	30,573	102,386
Provision of allowance for doubtful accounts	20,100	242,794
Other	12,826	824
Total non-operating expenses	63,500	361,156
Ordinary income	4,881,111	3,203,287
Extraordinary income		
Gain on sales of non-current assets	-	291,704
Total extraordinary income	-	291,704
Extraordinary losses		
Loss on retirement of non-current assets	18,706	1,203
Loss on sales of non-current assets	-	0
Valuation loss on investment securities	-	723,500
Total extraordinary losses	18,706	724,704
Profit before income taxes	4,862,405	2,770,286
Income taxes - current	1,552,271	1,192,202
Income taxes - deferred	(83,686)	(103,556)
Total income taxes	1,468,584	1,088,646
Profit	3,393,820	1,681,640
Profit attributable to owners of parent	3,393,820	1,681,640

Quarterly Consolidated Statements of Comprehensive Income

Nine Months Ended September 30, 2024 and 2025

(Thousand yen)

	Nine Months Ended September 30, 2024 (January 1, 2024 - September 30, 2024)	Nine Months Ended September 30, 2025 (January 1, 2025 - September 30, 2025)
Profit	3,393,820	1,681,640
Other comprehensive income		
Valuation difference on available-for-sale securities	(106,593)	398,009
Foreign currency translation adjustment	314,240	(296,554)
Remeasurements of defined benefit plans, net of tax	(54,168)	(57,561)
Total other comprehensive income	153,478	43,893
Comprehensive income	3,547,298	1,725,533
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	3,547,298	1,725,533
Comprehensive income attributable to non-controlling interests	-	-

(3) Notes Regarding Quarterly Consolidated Financial Statements

(Notes regarding going concern assumption)

None

(Changes in accounting policies)

(Application of the Accounting Standard for Income taxes - current, etc.)

"Accounting Standard for Income taxes - current, etc." (ASBJ Statement No. 27, October 28, 2022; hereinafter referred to as the "Revised Accounting Standard, 2022") has been applied from the beginning of the first quarter of the current fiscal year This change in accounting policy had no impact on the quarterly consolidated financial statements.

(Notes in case of any significant changes in shareholders' equity)

None

(Notes on quarterly consolidated statements of cash flows)

Quarterly consolidated statements of cash flows for the period were not prepared. Depreciation and amortization (including amortization related to intangible assets) for the current third quarter cumulative period were as follows:

	Nine Months Ended September 30, 2024 (January 1, 2024 - September 30, 2024)	Nine Months Ended September 30, 2025 (January 1, 2025 - September 30, 2025)
Depreciation and amortization	1,690,946 thousand yen	1,706,723 thousand yen

(Notes on segment information, etc.)

This information is omitted since the Group has a single segment of manufacture and sales of cosmetic products.

(Significant subsequent events)

None

Independent Auditor's Review Report

November 14, 2025

To the Board of Directors of Milbon Co., Ltd.

GYOSEI & CO.

Tokyo Office

Designated member Engagement partner	Certified Public Accountant Toshiya Shinshima
Designated member Engagement partner	Certified Public Accountant Takaaki Hasegawa

Auditor's Conclusion

We have reviewed the consolidated financial statements. They consist of the quarterly consolidated balance sheets, quarterly consolidated statements of earnings, quarterly consolidated statements of comprehensive income, and the notes to the quarterly consolidated financial statements of Milbon Co., Ltd. for the third quarter (July 1, 2025, to September 30, 2025) and the nine months (January 1, 2025, to September 30, 2025) of the consolidated fiscal year from January 1, 2025, to December 31, 2025, and they are included in the "Accompanying Materials" of the quarterly financial statements.

In our review of the quarterly consolidated financial statements, we found no material matters that would lead us to believe the quarterly consolidated financial statements described above were not prepared in accordance with Article 4, Paragraph 1 of the Standards for the Preparation of Quarterly Financial Statements of the Tokyo Stock Exchange, Inc. and accounting principles generally accepted in Japan (however, the omission prescribed in Article 4, Paragraph 2 of the Standards for the Preparation of Quarterly Financial Statements has been applied).

Basis for Conclusion

We conducted our review in accordance with standards for quarterly reviews generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Quarterly Review of Quarterly Consolidated Financial Statements section of our report. We are independent of the Company and its consolidated subsidiaries in accordance with the ethical requirements that are relevant to our audit of the financial statements in Japan, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Responsibilities of Management and Audit & Supervisory Board and its Members for the Quarterly Consolidated Financial Statements

Management is responsible for the preparation of the quarterly consolidated financial statements in accordance with Article 4, Paragraph 1 of the Standards for the Preparation of Quarterly Financial Statements of the Tokyo Stock Exchange, Inc. and accounting principles generally accepted in Japan (however, the omission prescribed in Article 4, Paragraph 2 of the Standards for the Preparation of Quarterly Financial Statements has been applied), and for such internal control that management determines is necessary to enable the preparation of the quarterly consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the quarterly consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to a going concern in accordance with Article 4, Paragraph 1 of the Standards for the Preparation of Quarterly Financial Statements of the Tokyo Stock Exchange, Inc. and accounting principles generally accepted in Japan (however, the omission prescribed in Article 4, Paragraph 2 of the Standards for the Preparation of Quarterly Financial Statements has been applied).

Audit & Supervisory Board and its Members are responsible for overseeing the Directors' performance of their duties with regard to the design, implementation and maintenance of the Company's financial reporting process.

Auditor's Responsibilities for the Quarterly Review of Quarterly Consolidated Financial Statements

The auditor's responsibility is to express a conclusion on the quarterly consolidated financial statements from an independent standpoint in the quarterly review report based on the quarterly review performed by the auditor.

We make professional judgments in the quarterly review process in accordance with quarterly review standards generally accepted in Japan, and perform the following while maintaining professional skepticism.

- Conduct interviews with management and those responsible for financial and accounting matters, as well as analytical procedures and other quarterly review procedures. The quarterly review procedures are more limited than the audit of the annual financial statements, which is conducted in accordance with auditing standards generally accepted in Japan.
- Conclude on whether there are matters that would lead us to believe the quarterly consolidated financial statements have not been prepared in accordance with the provisions of Article 4, Paragraph 1 of the Standards for the Preparation of Quarterly Financial Statements of the Tokyo Stock Exchange, Inc. and accounting principles generally accepted in Japan (however, the omission prescribed in Article 4, Paragraph 2 of the Standards for the Preparation of Quarterly Financial Statements has been applied), in case it is determined that a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern, based on the evidence obtained. If we conclude that a material uncertainty exists on the Company's ability to continue as a going concern, we are required to draw attention in our quarterly review report to the related disclosures in the quarterly consolidated financial statements and the accompanying materials or, if such disclosures are inadequate, to pronounce a qualified or negative conclusion on the quarterly consolidated financial statements. Our conclusions are based on evidence obtained up to the date of our quarterly review report. However, future events or conditions may cause the Company to cease as a going concern.
- Evaluate whether there are any matters that would lead to us to believe the presentation and disclosures in the quarterly consolidated financial statements and the accompanying materials have not been prepared in accordance with Article 4, Paragraph 1 of the Standards for the Preparation of Quarterly Financial Statements of the Tokyo Stock Exchange, Inc. and accounting principles generally accepted in Japan (however, the omission prescribed in Article 4, Paragraph 2 of the Standards for the Preparation of Quarterly Financial Statements has been applied).
- Obtain evidence regarding the financial information of the Company and its consolidated subsidiaries that serves as the basis for pronouncing a conclusion on the quarterly consolidated financial statements. We are responsible for directing, supervising and implementing the quarterly review of the quarterly consolidated financial statements. We are solely responsible for our conclusions.

We communicate with the Audit & Supervisory Board and its members regarding the planned scope and timing of the quarterly review and significant findings.

We also provide the Audit & Supervisory Board and its members with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

Interest

Our firm and engagement partners have no interests in the Company or its consolidated subsidiaries requiring disclosure under the provisions of the Certified Public Accountants Act of Japan.

Notes: 1. The original of the above quarterly review report is kept separately by the Company (the reporting company of the financial results for the period)

2. XBRL data and HTML data are not included in the scope of the quarterly review.