Translation

Note: This document is an excerpt translation of the original Japanese document and is only for reference purposes. In the event of any discrepancy between this translated document and the original Japanese document, the latter shall prevail.

Securities Code: 9843
June 8, 2026
(Date of commencement of electric provision measures: May 28, 2026)

To our shareholders:

Toshiyuki Shirai,
Representative Director & President
Nitori Holdings Co., Ltd.
1-2-39 Shinkotoni 7-jo, Kita-ku,
Sapporo-shi, Hokkaido

Notice of the 54th Annual General Meeting of Shareholders

Please be informed that the 54th Annual General Meeting of Shareholders of Nitori Holdings Co., Ltd. ("the Company") will be held as indicated below.

1.Date and Time: Thursday, June 25, 2026, at 10:00 a.m. (JST)
(The reason for holding the General Meeting of Shareholders on the above date and time is that the Company took into consideration the accounting treatment related to the adoption of International Financial Reporting Standards.)

2.Venue: Conference Room, 6th floor, Sapporo Head Office of the Company
1-2-39 Shinkotoni 7-jo, Kita-ku, Sapporo-shi, Hokkaido

3.Purpose of the Meeting

Matters to be reported:
1. The Business Report and the Consolidated Financial Statements for the 54th fiscal year (from April 1, 2025 to March 31, 2026), and the results of audits of the Consolidated Financial Statements by the Financial Auditor and the Audit & Supervisory Committee
2. The Non-consolidated Financial Statements for the 54th fiscal year (from April 1, 2025 to March 31, 2026)

Matters to be resolved:
Proposal No. 1
Election of Six (6) Directors (Excluding Directors who are Audit & Supervisory Committee Members)
Proposal No. 2
Election of Three (3) Directors who are Audit & Supervisory Committee Members

Instead of attending the Meeting in person, you may exercise your voting rights in writing, via the internet. Please review the attached Reference Documents for the General Meeting of Shareholders, and exercise your voting rights by 6:00 p.m. on Wednesday, June 24, 2026 (JST).

- In the event that a shareholder provides no indication of approval or disapproval with regard to the proposals in writing, the shareholder shall be considered to have expressed approval, which shall be handled accordingly.

- In the event that a vote is exercised in duplicate via both the writing and the internet, the vote cast via the internet shall be effective.

- In the event that more than one vote is exercised via the internet, the latest vote shall be effective.

- The original Japanese version of the paper copy to be delivered to shareholders who made a request for delivery of documents does not include the following items pursuant to the provisions of laws and regulations and Article 16, paragraph 2 of the Company's Articles of Incorporation. Accordingly, the said paper copy constitutes only part of the documents audited by the Audit & Supervisory Committee and the Financial Auditor in preparing audit reports.
  (1) "Principal Business," "Status of Employees," and "Principal Lenders and Amount of Borrowings," as well as "Systems to Ensure the Appropriateness of Business Activities and Status of Operations of the Systems," "Basic Policy Regarding Control of the Company," and "Policy on Exercise of Authority When the Articles of Incorporation Provide That the Board of Directors Shall Determine the Dividends of Surplus" within the Business Report
  (2) "Consolidated Statement of Changes in Equity" and "Notes to Consolidated Financial Statements" within the Consolidated Financial Statements
  (3) "Non-consolidated Statement of Changes in Equity" and "Notes to Non-consolidated Financial Statements" within the Non-consolidated Financial Statements

- If any corrections are made to the matters subject to electronic provision measures, the original and revised versions of those matters will be posted (in Japanese only) on each website where the documents are posted.

Reference Documents for the General Meeting of Shareholders

Proposal No. 1: Election of Six (6) Directors (Excluding Directors who are Audit & Supervisory Committee Members)

The terms of office of all five (5) Directors (excluding Directors who are Audit & Supervisory Committee Members; applicable to the rest of this proposal) will expire at the conclusion of this General Meeting. Additionally, Director Masanori Takeda retired by resignation as of September 30, 2025. Therefore, in order to ensure management transparency and further strengthen corporate governance, the Company shall increase the number of Outside Directors by one (1), and proposes the election of six (6) Directors. Regarding this proposal, the Audit & Supervisory Committee has judged that all the candidates for Directors are qualified for the role.

The candidates for Directors are as follows:

Candidate No.	Name		Current positions and responsibilities in the Company	Attendance at meetings of the Board of Directors
1	[Reappointment]	**Akio Nitori**	Representative Director & Chairperson	12 out of 13 meetings (92.3%)
2	[Reappointment]	**Toshiyuki Shirai**	Representative Director & President	13 out of 13 meetings (100%)
3	[New appointment]	**Hiroshi Nagai**	—	—
4	[Reappointment] [Outside] [Independent]	**Yoshihiko Miyauchi**	Director	13 out of 13 meetings (100%)
5	[Reappointment] [Outside] [Independent]	**Naoko Yoshizawa**	Director	13 out of 13 meetings (100%)
6	[New appointment] [Outside] [Independent]	**Ryoko Yamazaki**	—	—

Candidate No		Name (Date of birth)	Number of the Company's shares owned	Attendance at meetings of the Board of Directors
1	[Reappointment]	**Akio Nitori** (March 5, 1944)	17,052,410 shares	12 out of 13 meetings (92.3%)

Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	
Mar. 1972	Founded the Company, Senior Managing Director
May 1978	Representative Director & President of the Company
May 2010	Chairperson of DECOHOME CHINA Co., Ltd.
May 2014	Representative Director & Chairperson of Nitori Facility Co., Ltd.
Feb. 2016	Representative Director & Chairperson (CEO) of the Company (current position)
Jun. 2016	Chairperson of NITORI (CHINA) HOLDING Co., Ltd.
May 2017	Director & Senior Advisor of Home Logistics Co., Ltd. (current position)
Apr. 2018	Director & Senior Advisor of HOME DECO CO., LTD. (current position)
Feb. 2020	Representative Director & Chairperson of N Plus Co., Ltd. (current position)
Mar. 2020	Representative Director & Chairperson of Nitori Public Co., Ltd. (current position)
Sep. 2023	Director & Senior Advisor of Nitori Digital Base Co., Ltd. (current position)
Dec. 2023	Representative Director, Chairperson & President of Nitori Furniture Co., Ltd. (current position)
Jan. 2024	Chairperson of Nitori Furniture Vietnam EPE (current position)
Feb. 2024	Representative Director, Chairperson & President of Nitori Co., Ltd. (current position)
Apr. 2025	Chairperson of SIAM NITORI CO., LTD. (current position)
May 2025	Representative Director & Chairperson of SHIMACHU CO., LTD. (current position)
Sep. 2025	Representative Director & Chairperson of All Link Co., Ltd. (current position)

Reasons for nomination as candidate for Director:

The candidate, in pursuit of realizing the Company's Roman (vision) and while always making the most of his excellent foresight and strong leadership, has led Nitori to grow from being one furniture store to one of Japan's top home furnishing chains. The Company proposes the election of the candidate for Director, considered him to be qualified to continue as a Director that takes responsibility of decision making related to management policies and corporate strategy and supervisory functions regarding business execution.

Special interest between the candidate and the Company:

There is no special interest between Akio Nitori and the Company.

Candidate No		Name (Date of birth)	Number of the Company's shares owned	Attendance at meetings of the Board of Directors
2	[Reappointment]	**Toshiyuki Shirai** (December 21, 1955)	211,793 shares	13 out of 13 meetings (100%)

Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	
Apr. 1979	Joined the Company
May 2001	Director of the Company
May 2004	Managing Director of the Company
May 2008	Senior Managing Director of the Company
May 2010	Director & Senior Managing Executive Officer of the Company
May 2014	Representative Director & Executive Vice President of the Company Representative Director & President of Nitori Co., Ltd. Representative Director & President of Nitori Facility Co., Ltd.
Feb. 2016	Representative Director & President of the Company (current position)
Mar. 2017	Representative Director & Chairperson of Nitori Public Co., Ltd. Chairperson of NITORI (CHINA) HOLDING Co., Ltd. Representative Director & Chairperson of HOME DECO CO., LTD.
Apr. 2017	Chairperson of Nitori Taicang Trading & Logistics Co. Ltd.
May 2017	Director of KATITAS Co., Ltd. (current position)
Dec. 2018	Director of N Plus Co., Ltd. (current position)
Mar. 2019	Director of Nitori Furniture Co., Ltd. (current position)
Feb. 2020	Director of Nitori Co., Ltd. (current position) Chairperson of SIAM NITORI CO., LTD.
Mar. 2020	Director of Nitori Public Co., Ltd. (current position)
Jun. 2023	Director of SHIMACHU CO., LTD. (current position)
Aug. 2023	Representative Director & Chairperson of Home Logistics Co., Ltd. (current position)
Aug. 2024	Representative Director & Chairperson of Nitori Digital Base Co., Ltd. (current position)

Reasons for nomination as candidate for Director:

The candidate has had a broad range of business experience such as being involved in store operations, personnel, product development, logistics, and overseas business, and has abundant experience and knowledge related to overall management of the Group gained from serving positions such as Representative Director & President of Nitori Co., Ltd. from May 2014 to February 2020, and Representative Director & President of the Company from February 2016. Accordingly, the Company proposes the election of the candidate for Director.

Special interest between the candidate and the Company:

There is no special interest between Toshiyuki Shirai and the Company.

Candidate No		Name (Date of birth)	Number of the Company's shares owned	Attendance at meetings of the Board of Directors
3	[New appointment]	**Hiroshi Nagai** (September 10, 1964)	2,995 shares	—

Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	
Apr. 1988	Joined TOYOTA MOTOR CORPORATION
Sep. 1993	Management Trainee of Toyota Motor Sales, U.S.A., Inc.
Nov. 1997	Manager of Virtual Venture Company of TOYOTA MOTOR CORPORATION
Apr. 2001	Joined FAST RETAILING CO., LTD.
Aug. 2006	General Manager of Product & Marketing Division of FAST RETAILING CO., LTD.
Mar. 2008	Group Executive Officer of FAST RETAILING CO., LTD.
Mar. 2013	Group Executive Officer of UNIQLO USA LLC
Sep. 2015	Joined the Company
Jul. 2018	Executive Officer of the Company
May 2021	Senior Executive Officer of the Company
May 2022	Managing Executive Officer of the Company (current position)
Feb. 2024	Senior Managing Director of Nitori Co., Ltd. (current position)
Feb. 2025	Director of SHIMACHU CO., LTD. (current position)

Reasons for nomination as candidate for Director:

The candidate has abundant experience and knowledge in marketing and sales planning, and he has also contributed to business expansion and profitability strengthening with his involvement in overseeing domestic operations in the Group. Based on these achievements, the Company proposes the election of the candidate for Director, considering that he is essential for executing our medium- to long-term growth strategy and strengthening our management foundation.

Special interest between the candidate and the Company:

There is no special interest between Hiroshi Nagai and the Company.

Candidate No		Name (Date of birth)	Number of the Company's shares owned	Attendance at meetings of the Board of Directors
4	[Reappointment] [Outside] [Independent]	**Yoshihiko Miyauchi** (September 13, 1935)	4,129 shares	13 out of 13 meetings (100%)

Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	
Aug. 1960	Joined Nichimen & Co., Ltd. (currently Sojitz Corporation)
Apr. 1964	Joined Orient Leasing Co., Ltd. (currently ORIX Corporation)
Mar. 1970	Director of Orient Leasing Co., Ltd.
Dec. 1980	Representative Executive Officer, President and Chief Executive Officer of Orient Leasing Co., Ltd., Group CEO
Apr. 2000	Representative Executive Officer, Chairman and Chief Executive Officer of ORIX Corporation, Group CEO
Jun. 2003	Director, Representative Executive Officer, Chairman and Chief Executive Officer of ORIX Corporation, Group CEO
Apr. 2006	Outside Director of ACCESS CO., LTD. (current position)
Jun. 2014	Senior Chairman of ORIX Corporation (current position)
Jun. 2017	Outside Director of Calbee, Inc. (current position)
Oct. 2019	Outside Director of RAKSUL INC. (current position)
May 2020	Outside Director of the Company (current position)

Reasons for nomination as candidate for Outside Director and expected role:

The candidate has abundant experience and deep insight in corporate management gained from his extensive years of engaging in management of ORIX Corporation. He has been actively expressing his opinions from a broader perspective on our medium- to long-term plan, management strategies, and other matters, at meetings of the Board of Directors of the Company and thereby playing his proper role as an Outside Director.

For these reasons, the Company proposes the election of the candidate for Outside Director, considered that he will continue to fulfill his duties as an Outside Director appropriately.

Tenure as Outside Director: 6 years (at the conclusion of this meeting)

Special interest between the candidate and the Company:

There is no special interest between Yoshihiko Miyauchi and the Company.

Candidate No		Name (Date of birth)	Number of the Company's shares owned	Attendance at meetings of the Board of Directors
5	[Reappointment] [Outside] [Independent]	**Naoko Yoshizawa** (May 29, 1964)	—	13 out of 13 meetings (100%)

Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	
Aug. 1988	Joined Fujitsu Limited
Sep. 2009	Vice President of Mobile Phones Unit of Fujitsu Limited
Oct. 2011	Head of Global Research & Development Center of Fujitsu Laboratories of America, Inc.
Apr. 2016	Deputy Head of Advanced System Research & Development Unit and Head of AI Promotion Office of Fujitsu Limited
Apr. 2017	Corporate Executive Officer and Head of AI Platform Business Unit of Fujitsu Limited
Apr. 2018	Corporate Executive Officer, EVP and Vice Head of Digital Services Business of Fujitsu Limited
Sep. 2018	Corporate Executive Officer, EVP of Fujitsu Limited, CEO of FUJITSU Intelligence Technology Ltd.
Nov. 2019	Corporate Executive Officer, EVP and Evangelist of Digital Software & Solutions Business Group of Fujitsu Limited
May 2021	Outside Director of the Company (current position)
Jun. 2021	Outside Director of Yamaha Corporation (current position)

Reasons for nomination as candidate for Outside Director and expected role:

The candidate has abundant experience and deep insight in corporate management gained from her years of holding key positions in a range of business fields at Fujitsu Limited, including driving the company's DX (digital transformation). She has been actively expressing her opinions from a professional insight on improving the Company's IT readiness for promoting DX, and other matters, at meetings of the Board of Directors of the Company and thereby playing her proper role as an Outside Director.

For these reasons, the Company proposes the election of the candidate for Outside Director, considered that she will continue to fulfill her duties as an Outside Director appropriately.

Tenure as Outside Director: 5 years (at the conclusion of this meeting)

Special interest between the candidate and the Company:

There is no special interest between Naoko Yoshizawa and the Company.

Candidate No		Name (Date of birth)	Number of the Company's shares owned	Attendance at meetings of the Board of Directors
6	[New appointment] [Outside] [Independent]	**Ryoko Yamazaki** (November 6, 1954)	—	—

Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	
Nov. 2004	Representative Director & President of Sundai International Education Centre Co., Ltd. (current position)
Dec. 2005	Director & Chairperson of SATT, Inc. (current position)
Apr. 2006	Chairperson of Surugadai Gakuen Educational Institute (current position)
Apr. 2007	Representative Director & Chairperson of SUNDAI BUNKO Co., Ltd. (current position)
Apr. 2015	Director & Chairperson of Sundai Education Centre Co., Ltd. (current position)
May 2019	Outside Director of Tokyu Bunkamura, Inc. (current position)
Apr. 2024	Chairperson of SUNDAI KOFU GAKUEN Educational Institute (current position)

Reasons for nomination as candidate for Outside Director and expected role:

The candidate has abundant experience and deep insight in the educational field with her long-term involvement in domestic and overseas education-related businesses management and holding key positions in a range of educational institutions and related companies. Based on her specialized experience and insight, the Company believes that she can provide valuable advice on strengthening governance, developing human resources, and enhancing social value. For these reasons, the Company proposes the election of the candidate for Outside Director, considered that she will fulfill her duties as an Outside Director appropriately.

Special interest between the candidate and the Company:

There is no special interest between Ryoko Yamazaki and the Company.

Notes:
1. Yoshihiko Miyauchi, Naoko Yoshizawa, and Ryoko Yamazaki are candidates for Outside Director and each of them meets the "Independence Criteria for Outside Directors" established by the Company. Please refer to page 18 for the "Independence Criteria for Outside Directors."
2. The Company registered Yoshihiko Miyauchi and Naoko Yoshizawa as independent officers with the Tokyo Stock Exchange and the Sapporo Securities Exchange pursuant to the regulations of the Exchanges. If their reelections are approved, the Company plans to continue their designation as independent officers. The Company also registered Ryoko Yamazaki as an independent officer with the Tokyo Stock Exchange and the Sapporo Securities Exchange pursuant to the regulations of the Exchanges. If her election is approved, the Company plans to designate her as an independent officer.
3. Pursuant to the provisions of Article 427, paragraph 1 of the Companies Act, the Company has entered into agreements with Yoshihiko Miyauchi and Naoko Yoshizawa to limit their liability for damages under Article 423, paragraph 1 of the Companies Act to the minimum liability amount provided for by Article 425, paragraph 1 of the same Act. If their reelections are approved, the Company plans to renew the limited liability agreements with them. The Company also plans to enter into a similar agreement with Ryoko Yamazaki, if her election is approved.
4. The Company has concluded a Directors and Officers Liability insurance contract provided for in Article 430-3, paragraph (1) of the Companies Act with an insurance company. The insurance contract shall cover damages, legal expenses, etc. (except for causes for exemptions stipulated under the contract) in the event where a claim for damages is made during the insurance period as a result of the execution of duties by directors and officers. However, as a measure to ensure the appropriateness of the execution of duties by the insured is not impaired, there are certain causes for exemptions, including no coverage for damage arising from acts committed by the insured while being aware that they were in violation of laws and regulations. The insureds under the said insurance contract are directors and executive officers of the Company and its domestic and overseas subsidiaries (excluding some). In addition, the insurance premiums are fully borne by the Company. All candidates will be insured under the said insurance contract. In addition, the Company plans to renew the insurance contract with the same terms and conditions in February 2027, and all candidates will continue to be insured under the said insurance contract if their elections are approved.
5. The "Number of the Company's shares owned" by each candidate indicates the actual number of shares, including the shares held by the Officers' Shareholding Association of the Company.

Proposal No. 2: Election of Three (3) Directors who are Audit & Supervisory Committee Members

The terms of office of three (3) Directors (Takao Kubo, Yoshiyuki Izawa, and Hisayoshi Ando), who are Audit & Supervisory Committee Members, will expire at the conclusion of this General Meeting. Therefore, the Company proposes the election of three (3) Directors who are Audit & Supervisory Committee Members. The Audit & Supervisory Committee has given its approval to this proposal.

The candidates for Directors who are Audit & Supervisory Committee Members are as follows:

Candidate No.	Name		Current positions and responsibilities in the Company	Attendance at meetings of the Board of Directors	Attendance at meetings of the Audit & Supervisory Committee
1	[Reappointment]	**Takao Kubo**	Director (Full-time Member of Audit & Supervisory Committee)	13 out of 13 meetings (100%)	13 out of 13 meetings (100%)
2	[Reappointment] [Outside] [Independent]	**Yoshiyuki Izawa**	Director (Member of Audit & Supervisory Committee)	13 out of 13 meetings (100%)	13 out of 13 meetings (100%)
3	[Reappointment] [Outside] [Independent]	**Hisayoshi Ando**	Director (Member of Audit & Supervisory Committee)	13 out of 13 meetings (100%)	13 out of 13 meetings (100%)

Candidate No		Name (Date of birth)	Number of the Company's shares owned	Attendance at meetings of the Board of Directors	Attendance at meetings of the Audit & Supervisory Committee
1	[Reappointment]	**Takao Kubo** (January 14, 1946)	102,432 shares	13 out of 13 meetings (100%)	13 out of 13 meetings (100%)

Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	
Dec. 1977	Joined the Company
Feb. 1989	General Manager of Management Policy Office of the Company
May 1993	Full-time Corporate Auditor of the Company
May 2001	Director & General Manager of Management Planning Office of the Company
Apr. 2003	Director & General Manager of President's Office of the Company
May 2004	Full-time Corporate Auditor of the Company
Aug. 2010	Corporate Auditor of Nitori Co., Ltd. (current position) Corporate Auditor of Home Logistics Co., Ltd. (current position)
May 2016	Director (Full-time Member of Audit & Supervisory Committee) of the Company (current position)
Apr. 2021	Corporate Auditor of SHIMACHU CO., LTD. (current position)

Reasons for nomination as candidate for Director:

The candidate has considerable knowledge regarding finance and accounting and has abundant experience covering the overall management gained from serving positions of Director and Corporate Auditor at the Company. Accordingly, the Company proposes the election of the candidate for Director who is an Audit & Supervisory Committee Member.

Special interest between the candidate and the Company:

There is no special interest between Takao Kubo and the Company.

Candidate No		Name (Date of birth)	Number of the Company's shares owned	Attendance at meetings of the Board of Directors	Attendance at meetings of the Audit & Supervisory Committee
2	[Reappointment] [Outside] [Independent]	**Yoshiyuki Izawa** (February 10, 1948)	2,425 shares	13 out of 13 meetings (100%)	13 out of 13 meetings (100%)

Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	
Apr. 1970	Joined Mitsui & Co., Ltd.
Sep. 1997	President of MITSUI & CO. DEUTSCHLAND GMBH
Jun. 2000	Director and General Manager of Informative Industry Division of Mitsui & Co., Ltd.
Jun. 2004	Executive Managing Officer and General Manager of Osaka Office of Mitsui & Co., Ltd.
Apr. 2007	Senior Executive Managing Officer of Mitsui & Co., Ltd.
Jun. 2007	Representative Director, Senior Executive Managing Officer of Mitsui & Co., Ltd.
Apr. 2008	Representative Director, Executive Vice President of Mitsui & Co., Ltd.
Dec. 2009	President and Representative Executive Officer of JAPAN POST BANK Co., Ltd.
May 2015	Representative Director & Chairperson of BlackRock Japan Co., Ltd.
Apr. 2021	Chairperson of the Board of BlackRock Japan Co., Ltd.
May 2022	Outside Director (Member of Audit & Supervisory Committee) of the Company (current position) Outside Director of Seven & i Holdings Co., Ltd. (current position)
Jun. 2022	Outside Director of Sanoh Industrial Co., Ltd. (current position)

Reasons for nomination as candidate for Outside Director and expected role:

The candidate has abundant experience in corporate management gained from his extensive years of engaging in management of Mitsui & Co., Ltd. In addition, based on the deep insight not only from the perspective of a manager but also from the perspective of an investor gained while leading the management of BlackRock Japan Co., Ltd., he has been actively expressing his opinions on our financial strategies, investment strategies, and other matters, at meetings of the Board of Directors of the Company and playing his proper role as an Outside Director in the supervision of business execution.

For these reasons, the Company proposes the election of the candidate for Outside Director who is an Audit & Supervisory Committee Member, considered that he will continue to fulfill his duties as an Outside Director appropriately.

Tenure as Outside Director who is an Audit & Supervisory Committee Member: 4 years (at the conclusion of this meeting)

Special interest between the candidate and the Company:

There is no special interest between Yoshiyuki Izawa and the Company.

Candidate No		Name (Date of birth)	Number of the Company's shares owned	Attendance at meetings of the Board of Directors	Attendance at meetings of the Audit & Supervisory Committee
3	[Reappointment] [Outside] [Independent]	**Hisayoshi Ando** (April 24, 1960)	—	13 out of 13 meetings (100%)	13 out of 13 meetings (100%)

Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	
Apr. 1983	Joined the Ministry of International Trade and Industry
Jul. 2005	Head of Iron and Steel Division of Manufacturing Industries Bureau of Ministry of Economy, Trade and Industry
Jul. 2007	Head of Secretariat General Policy Division, Commissioner of Agency for Natural Resources and Energy of Ministry of Economy, Trade and Industry
Jul. 2008	Head of Economic and Industrial Policy Division of Economic and Industrial Policy Bureau of Ministry of Economy, Trade and Industry
Dec. 2008	Head of Policy Planning and Coordination Division of Minister's Secretariat of Ministry of Economy, Trade and Industry
Sep. 2009	Executive Secretary to the Prime Minister
Jul. 2010	Head of Natural Resources and Fuel Department of Agency for Natural Resources and Energy of Ministry of Economy, Trade and Industry
Jun. 2013	Head of Kanto Bureau of Economy, Trade and Industry of Ministry of Economy, Trade and Industry
Jul. 2015	Director-General of Commerce and Information Policy Bureau of Ministry of Economy, Trade and Industry
Jul. 2017	Commissioner of Small and Medium Enterprise Agency of Ministry of Economy, Trade and Industry
Jul. 2019	Vice-Minister of Economy, Trade and Industry of Ministry of Economy, Trade and Industry
Jul. 2021	Retired from Ministry of Economy, Trade and Industry
May 2022	Outside Director (Member of Audit & Supervisory Committee) of the Company (current position)
Jun. 2022	Outside Director of Marubeni Corporation (current position) Outside Director of MAMEZO DIGITAL HOLDINGS CO., LTD.
Jun. 2023	Representative Director & President of Tokyo Small and Medium Business Investment & Consultation Co., Ltd. (current position)

Reasons for nomination as candidate for Outside Director and expected role:

The candidate has abundant experience and professional insight gained from held important positions including Vice-Minister of Economy, Trade and Industry. He has been actively expressing his opinions on global strategies, security measures, and other matters, at meetings of the Board of Directors of the Company and playing his proper role as an Outside Director in the supervision of business execution.

For these reasons, the Company proposes the election of the candidate for Outside Director who is an Audit & Supervisory Committee Member, considered that he will continue to fulfill his duties as an Outside Director appropriately.

Tenure as Outside Director who is an Audit & Supervisory Committee Member: 4 years (at the conclusion of this meeting)

Special interest between the candidate and the Company:

There is no special interest between Hisayoshi Ando and the Company.

Notes:
1. Yoshiyuki Izawa and Hisayoshi Ando are candidates for Outside Director and each of them meets the “Independence Criteria for Outside Directors” established by the Company. Please refer to page 18 for the “Independence Criteria for Outside Directors.”
2. The Company registered Yoshiyuki Izawa and Hisayoshi Ando as independent officers with the Tokyo Stock Exchange and the Sapporo Securities Exchange pursuant to the regulations of the Exchanges. If their reelections are approved, the Company plans to continue their designation as independent officers.
3. Pursuant to the provisions of Article 427, paragraph 1 of the Companies Act, the Company has entered into agreements with Takao Kubo, Yoshiyuki Izawa, and Hisayoshi Ando to limit their liability for damages under Article 423, paragraph 1 of the Companies Act to the minimum liability amount provided for by Article 425, paragraph 1 of the same Act. If their reelections are approved, the Company plans to renew the limited liability agreements with them.
4. The Company has concluded a Directors and Officers Liability insurance contract provided for in Article 430-3, paragraph (1) of the Companies Act with an insurance company. The insurance contract shall cover damages, legal expenses, etc. (except for causes for exemptions stipulated under the contract) in the event where a claim for damages is made during the insurance period as a result of the execution of duties by directors and officers. However, as a measure to ensure the appropriateness of the execution of duties by the insured is not impaired, there are certain causes for exemptions, including no coverage for damage arising from acts committed by the insured while being aware that they were in violation of laws and regulations. The insureds under the said insurance contract are directors and executive officers of the Company and its domestic and overseas subsidiaries (excluding some). In addition, the insurance premiums are fully borne by the Company. All candidates will be insured under the said insurance contract. In addition, the Company plans to renew the insurance contract with the same terms and conditions in February 2027, and all candidates will continue to be insured under the said insurance contract if their reelections are approved.
5. The “Number of the Company’s shares owned” by each candidate indicates the actual number of shares, including the shares held by the Officers’ Shareholding Association of the Company.

For reference (1)
Composition of officers after the proposals are approved (management structure from June 25, 2026)

Proposal	Candidate No.	Name		Audit & Supervisory Committee	Knowledge and experience the Company expects of Directors				
					(1) Corporate Management	(2) Rejecting Status Quo	(3) Product Development	(4) Supply Chain Management	(5) IT and DX
No. 1	1	**Akio Nitori**	[Reappointment]		●	●	●	●	
	2	**Toshiyuki Shirai**	[Reappointment]		●	●	●	●	●
	3	**Hiroshi Nagai**	[New appointment]		●	●			●
	4	**Yoshihiko Miyauchi**	[Reappointment] [Independent] [Outside]		●			●	
	5	**Naoko Yoshizawa**	[Reappointment] [Independent] [Outside]		●				●
	6	**Ryoko Yamazaki**	[New appointment] [Independent] [Outside]		●				●
No. 2	1	**Takao Kubo**	[Reappointment]	○		●		●	
	2	**Yoshiyuki Izawa**	[Reappointment] [Independent] [Outside]	○	●				●
	3	**Hisayoshi Ando**	[Reappointment] [Independent] [Outside]	○					●
—	—	**Masahito Kanetaka**	[Independent] [Outside]	○					

[Summary of each skill]

(1) Corporate Management:	Having experience in company management as a manager.
(2) Rejecting Status Quo:	Equipped with a mindset essential for our management team, which is to constantly reject the status quo and repeatedly observe, analyze, and judge in order to make improvements and reforms.
(3) Product Development:	Having the skills to develop attractive products that can create “offering the unexpected” value by totally coordinating them.
(4) Supply Chain Management:	Having the skills to develop our unique business model of integrating manufacturing, distribution, IT, and retail and optimize the structure from procurement to sales.
(5) IT and DX:	Having the skills to drive company-wide business process improvements through IT utilization and DX.

Proposal	Candidate No.	Name	Knowledge and experience the Company expects of Directors					
			(6) Global Management	(7) HR Development	(8) Legal Affairs Risk Management	(9) Internal Control Governance	(10) Finance	(11) Sustainability
No. 1	1	**Akio Nitori**	●	●		●		
	2	**Toshiyuki Shirai**	●	●				●
	3	**Hiroshi Nagai**	●		●			●
	4	**Yoshihiko Miyauchi**	●		●		●	●
	5	**Naoko Yoshizawa**	●	●	●			
	6	**Ryoko Yamazaki**	●	●		●		
No. 2	1	**Takao Kubo**			●	●	●	
	2	**Yoshiyuki Izawa**	●		●	●	●	
	3	**Hisayoshi Ando**	●		●	●	●	●
—	—	**Masahito Kanetaka**	●	●	●	●		●

[Summary of each skill]

(6) Global Management:	Having macroeconomic views and knowledge of global business, and the skills to drive overseas business.
(7) HR Development:	Having extensive experience in human resource training and development, and the skills to augment human capital.
(8) Legal Affairs / Risk Management:	Having knowledge of legal affairs, compliance, etc., and the skills to identify and control potential risks to the business.
(9) Internal Control / Governance:	Having experience of operating a large organization and knowledge of internal controls, and the skills to optimize an organization’s management and supervision system.
(10) Finance:	Having knowledge of accounting, finance, taxation, etc., and the skills to support corporate management.
(11) Sustainability:	Equipped with a sustainability management perspective, which is essential for the sustainable development and growth of a company.

For reference (2)
Independence Criteria for Outside Directors

The Company designates Outside Directors who do not fall under any of the following items as independent Directors.

1) A person who is currently or was in the past ten years an executive director, executive officer, manager, or any other employee (hereinafter collectively referred to as "Executive") of the Company or a subsidiary of the Company.

2) A person or the Executive of a corporation who holds either directly or indirectly 10% or more of the total number of the voting rights of the Company.

3) A person or the Executive of a corporation for whom the Company or a subsidiary of the Company is a major business partner (Note 1), and a person or the Executive of a corporation who is a major business partner (Note 2) of the Company or a subsidiary of the Company.

4) The financial auditor or one of their employees, etc., for the Company or for a subsidiary of the Company.

5) A consultant, attorney at law, certified public accountant, certified public tax accountant, etc., who received from the Company or a subsidiary of the Company monetary payment or other property benefits exceeding 10 million yen annually other than director/corporate auditor remuneration (referring to the person belonging to the organization if the one who received the relevant property is an organization such as a corporation or partnership).

6) A person or the Executive of a corporation who received donations or aid funds exceeding 10 million yen annually from the Company or a subsidiary of the Company.

7) A person who has fallen under any of 2) through 6) in the past three years.

8) A person whose spouse or relative who is within the second degree of kinship falls under any of 1) through 7). However, in the event that the person who falls under 1) through 7) is the Executive, this is limited to the important Executive (Note 3).

9) Any other person, even if they do not fall under 1) through 8), for whom there is potential for constant conflict of interests with general shareholders as a whole.

Notes: 1. A business partner for whom 2% or more of its annual consolidated revenue in the most recent fiscal year was paid by the Company or a subsidiary of the Company.
2. A business partner who paid 2% or more of the annual consolidated revenue of the Company to the Company or a subsidiary of the Company in the most recent fiscal year, or a business partner who loaned money that makes up 2% or more of the consolidated total assets of the Company to the Company or a subsidiary of the Company at the end of the most recent fiscal year.
3. A person, among the Executives, who executes important business such as a director (excluding an outside director), executive officer, manager or a person in charge of a department.

Current Status of the Corporate Group

(1) Business Progress and Results

During the fiscal year under review (from April 1, 2025 to March 31, 2026), the Japanese economy is expected to recover moderately, supported by improvements in employment and income environment and buoyed by government policy measures. However, it is necessary to pay close attention to the impact of the situation in the Middle East, fluctuations in financial and capital markets, and developments in U.S. trade policies.
In the furniture and interior goods industry, the recovery in the consumer confidence index has been slow, and the industry has been particularly affected by a decline in consumers' willingness to purchase durable goods. In addition, the operating environment has become more severe than ever due to intensifying sales competition beyond industry and business format boundaries, rising personnel expenses caused by labor shortages, and increases in raw material prices and logistics costs associated with higher crude oil prices.
The main results of operations for the fiscal year under review are as shown below.

	For the fiscal year ended March 31, 2025 (millions of yen)	For the fiscal year ended March 31, 2026 (millions of yen)	Increase / Decrease (millions of yen)	Percentage change (%)
Revenue	928,828	912,248	(16,580)	(1.8)
Operating profit	117,665	125,526	7,861	6.7
Profit ratio	12.7%	13.8%		
Profit attributable to owners of parent	82,546	89,270	6,723	8.1

Operating results by business segment are as follows.

		For the fiscal year ended March 31, 2025 (millions of yen)	For the fiscal year ended March 31, 2026 (millions of yen)	Increase / Decrease (millions of yen)	Percentage change (%)
NITORI Business	Revenue	820,886	816,196	(4,690)	(0.6)
	Revenue from external customers	809,684	803,548	(6,136)	(0.8)
	Segment profit	118,975	118,381	(593)	(0.5)
SHIMACHU Business	Revenue	119,596	110,273	(9,323)	(7.8)
	Revenue from external customers	119,143	108,699	(10,444)	(8.8)
	Segment profit	(1,288)	7,212	8,500	—

1) NITORI Business

In terms of the general sales situation in Japan, the Company opened 40 NITORI stores and 22 Deco Home stores during the fiscal year under review. Looking at the sales performance, the number of customers at existing domestic stores was 92.8% year on year, and sales were 95.8% year on year. The recent decline in the number of customers is recognized as being attributable to the Company's inability to fully meet customer expectations, due to insufficient progress in the development of new products with superior design, functionality, and price competitiveness, and the failure to make timely product proposals. In order to address this issue and promote product development that gains customer support, the Company has reorganized the Merchandising Division and is building a structure to further enhance the quality, quantity, and speed of product development. In addition, as part of efforts to reduce costs and strengthen price competitiveness, the Company is promoting product switching through specification changes and reviewing raw materials, while advancing the development of new suppliers and the revision of transaction terms with existing suppliers, as well as establishing a system to manufacture products in-house from raw materials and improving production efficiency through the introduction of state-of-the-art equipment. Furthermore, by promoting the downsizing of product packaging, leveraging the Company's strengths as a manufacturing, logistics, IT, and retail business that handles all processes from manufacturing to sales, the Company has improved ease of carrying products for customers and achieved reductions in transportation costs. The Company will continue to accelerate the development of products that offer attractiveness and value to customers, while striving to cultivate NITORI fans, including new customer segments, by achieving even lower prices.

Looking at the sales performance of new products, results remained strong for items such as the ZC001 Series pocket coil mattresses, which offer a comfortable sleeping experience with sufficient thickness at an affordable price range, and the ultra-lightweight frying pans KY066 and KY067 Series, which make daily cooking and cleanup more enjoyable. In home appliances, the Company has continuously developed and launched innovative products, resulting in performance that exceeded the previous fiscal year. In particular, sales remained strong for the 410-L 4-door fan-type refrigerator-freezer and Mini LED LCD TV, which were developed with the aim of combining "functions that change conventional standards" with "impactful pricing." In addition, the 12-kg heat pump drum-type washer-dryer ND120HL1 received the Overall Silver Award at the Home Appliance Awards 2025–2026, reflecting the high evaluation of the Company's products.

Furthermore, the Company held its second new product exhibition with the aim of strengthening the promotion of new products. By providing members of the media and influencers with opportunities to see, touch, and experience the new products firsthand, coverage across various media expanded, contributing to increased brand awareness. The Company will continue to expand awareness further through the regular holding of exhibitions.

Selling, general and administrative expenses increased compared with the previous fiscal year, as the Company prioritized strategic investments to strengthen its foundation for future growth. The increase was mainly attributable to investments in human capital, including proactive recruitment and company-wide wage revisions, as well as investments in logistics infrastructure associated with the start of operations at new distribution centers (DCs). On the other hand, the Company has continued to promote operational efficiency while working to reduce non-essential expenses.

On the logistics measures front, the Company promoted a strategic logistics project aimed at optimizing the entire supply chain, from upstream to downstream, and during the fiscal year under review, all six of our completed DCs commenced full-scale operations. As a result, by advancing the transfer of operations from previously leased DCs and shipping centers to our DCs, further reductions in logistics costs are expected going forward. In addition, the Company has begun introducing devanning robots (unloading robots), aiming to fundamentally improve the work environment through automation and to reduce labor requirements. As the optimization of the placement of the DCs and the consolidation of their functions have largely progressed, the ratio of logistics expenses is expected to peak in the fiscal year under review.

Looking at the general sales situation overseas, during the fiscal year under review, the Company opened a total of 30 stores, including 6 stores in Taiwan, 3 stores in mainland China, 5 stores in South Korea, 4 stores in Malaysia, 3 stores in Singapore, 2 stores in Thailand, 1 store in Vietnam, 3 stores in the Philippines, and 3 stores in Indonesia. In mainland China, in addition to withdrawing unprofitable stores, the Company opened new stores with appropriate floor space based on new store-opening criteria and relocated stores to more favorable locations, while also adjusting sales floor space by product category based on profit and loss. As a result of promoting these initiatives, profitability improved significantly, and a foundation has been established for future renewed growth. At newly opened stores in Vietnam and

South Korea, the Company has created new sales floors with a focus on product displays and presentation, and these have been well received by customers. The Company positions the sales floor style of these stores as a new store format model and is rolling it out across countries and regions. In addition, the Company reviewed transportation routes for products in its overseas operations. By restructuring the logistics flow from production factories to stores, the Company has reduced logistics costs.

2) SHIMACHU Business

During the fiscal year under review, the Company worked to improve operating profit with a focus on product development, sales floor improvements, and cost reviews, resulting in an increase in profit. By actively promoting the development of private brand products, the sales composition ratio of private brand products increased compared with the previous fiscal year, contributing to an improvement in the gross profit margin. In particular, sales of the private brand apparel products Neasy Series have remained strong. The Company will continue to advance the development of private brand products while also improving the quality of existing private brand products, and will aim to enhance the gross profit margin by increasing the sales composition ratio.

Selling, general and administrative expenses were optimized by reducing the frequency of television commercials and reviewing the size and distribution frequency of flyers, thereby optimizing advertising expenses. In addition, through the transfer of delivery operations from external contractors to Home Logistics, the Company's logistics subsidiary (implemented from August of the fiscal year ended March 31, 2025), the Company promoted the effective utilization of resources within the Group and achieved a reduction in logistics expenses. As a result of these cost review measures, selling, general and administrative expenses decreased compared with the previous fiscal year.

Furthermore, based on profit and loss by product category, the Company adjusted sales floor space, and at some stores actively opened NITORI stores or attracted external tenants in the space that was created. In addition to these measures, the Company carried out an integrated approach to redesign profitability for each facility, utilize common areas, and review selling, general and administrative expenses. As a result, store traffic and profitability improved, contributing to an increase in operating profit.

The Company will further accelerate the development of "Offering the Unexpected" private brand products tailored to customers' lifestyles, strengthen its product lineup, and contribute to more enriched living for customers in each region.

3) Entire Group

The status of store openings and closures is as follows.

	Number of stores (March 31, 2025)	Open	Close	Number of stores (March 31, 2026)
Nitori (including Nitori EXPRESS)	566	40	13	593
Deco Home	172	22	9	185
N Plus	44	—	14	30
Domestic Subtotal	**782**	**62**	**36**	**808**
Taiwan	68	6	1	73
Mainland China	100	3	25	78
Hong Kong	3	—	—	3
South Korea	5	5	5	5
Malaysia	12	4	2	14
Singapore	4	3	1	6
Thailand	10	2	—	12
Vietnam	3	1	—	4
Philippines	4	3	—	7

Indonesia	3	3	—	6
India	1	—	—	1
Overseas Subtotal	**213**	**30**	**34**	**209**
NITORI Business	**995**	**92**	**70**	**1,017**
SHIMACHU Business	**53**	**—**	**1**	**52**
Total	**1,048**	**92**	**71**	**1,069**

The Group believes that a continued increase in the number of customers making purchases serves as a barometer of its contribution to society, and, in order to provide more customers with enriched living, is expanding its store network in Japan and worldwide while advancing the development of a global chain. The Group will continue to expand its business domains and store network in order to increase the number of customers and improve shopping convenience.

4) Sustainability Initiatives

During the fiscal year under review, the Company has continued to promote initiatives that support our customers' daily lives across the stages of manufacturing, transportation, use, and after use under the slogan, "Good for the future. Good for everyone." To achieve the "NITORI Group Green Vision 2050," formulated in August 2024, the entire NITORI Group is working together to advance initiatives toward our goals under three themes: Promotion of Circular Business, Sustainable Procurement, and Response to Climate Change.

As part of our initiatives for the "Promotion of Circular Business," the Company has implemented recycling collection for curtains, towels, and down comforters. The Group aims to provide a system in which products that customers have used and finished using can be accepted at stores at any time and recycled as resources, so that customers can enjoy their next purchases with confidence. In addition, "Nitori's Recycling & Reuse Initiatives" received the Good Design Award 2025 in recognition of efforts to address customer concerns and collect items regardless of the original retailer. The Company is promoting the recycling of both products and packaging while maintaining the price and quality of "Offering the Unexpected." Specifically, for products, the Company is advancing "product development designed with consideration for resource recycling," while for packaging, the Company is promoting "a switch to materials with reduced environmental impact," with the aim of creating conditions in which items can be more easily recycled as resources rather than disposed of as waste.

As part of our initiatives for "Sustainable Procurement," the Company promotes sustainable procurement throughout our entire supply chain with the aim of taking environmental and social issues into consideration. In particular, the Company pursues building a supply chain for sustainable timber procurement that eliminates deforestation, illegal logging, and human rights violations by implementing traceability systems that take human rights and biodiversity into account with its suppliers.

As part of our initiatives for "Response to Climate Change," the Company has continuously promoted energy-saving measures to reduce unnecessary power consumption. As part of these efforts, at stores, the Company has standardized best practices in energy-saving measures and rolled them out to all stores, thereby contributing to the reduction of electricity consumption and costs. As a renewable energy initiative, the Company is promoting the NITORI Power Plant, a solar power generation project based on a surplus electricity utilization scheme under the FIP (Feed-in Premium) system. At the NITORI Power Plant, solar panels are installed across the entire rooftops of stores and logistics facilities, and surplus electricity exceeding the power consumption at each site is supplied to the Group locations without solar panels, thereby establishing a renewable energy circulation system. As a result, compared with conventional schemes, this enables approximately three times greater renewable energy generation and efficient utilization without waste, thereby contributing to the reduction of greenhouse gas emissions. This initiative, which leverages the abundant rooftop assets at each site, is scheduled to be expanded to 180 locations in Japan by fiscal year 2030. In addition, the Company has switched part of the electricity procured from external sources to plans derived from renewable energy.

In addition to these initiatives, as part of its contribution to local communities, the Group is participating in the "SDGs learning program for school trip students" organized by Sheraton Grande Tokyo Bay Hotel. Through this program, the

Group provides lectures on SDGs initiatives unique to the NITORI Group for students visiting on school trips, with the aim of helping them gain a deeper understanding of the Group's sustainability efforts and encouraging as many of them as possible to become fans of the NITORI Group. The Group will continue to think about and take action toward a sustainable future together with students who will lead the future.

Going forward, the Group will continue developing sustainably as a company while at the same time seeking to contribute to a better future by solving social and environmental problems through our end-to-end circular business model.

(2) Capital Investment

Total capital investment in the fiscal year amounted to 43,844 million yen, mainly for the construction of new stores and distribution centers and for the opening of new stores in the next fiscal year and beyond.

(3) Issues to Be Addressed

<Figure omitted>

(4) Status of Assets and Income

IFRS

	52nd fiscal year	53rd fiscal year	54th fiscal year (Fiscal year under review)
Revenue (million yen)	896,667	928,828	912,248
Profit attributable to owners of parent (million yen)	90,158	82,546	89,270
Basic earnings per share (yen)	159.56	146.08	157.98
Total assets (million yen)	1,411,292	1,529,421	1,571,284
Total equity (million yen)	840,704	905,736	988,570
Equity attributable to owners of parent per share (yen)	1,487.81	1,602.90	1,749.49

Notes: 1. The Company has prepared its Consolidated Financial Statements in accordance with IFRS from the fiscal year under review. For reference, figures for the 52nd and 53rd fiscal years prepared in accordance with IFRS are also presented.
2. The Company implemented a five-for-one stock split of its common stock, effective October 1, 2025. Basic earnings per share and equity attributable to owners of parent per share are calculated on the assumption that the stock split had been conducted at the beginning of the 52nd fiscal year.

Japanese GAAP

	51st fiscal year	52nd fiscal year	53rd fiscal year
Net sales (million yen)	948,094	895,799	928,950
Ordinary profit (million yen)	144,085	132,377	126,218
Profit attributable to owners of parent (million yen)	95,129	86,523	76,891
Earnings per share (yen)	168.38	153.12	136.08
Total assets (million yen)	1,133,771	1,238,679	1,350,631
Total net assets (million yen)	818,096	896,308	965,352
Net assets per share (yen)	1,447.81	1,586.21	1,708.41

Note: The Company implemented a five-for-one stock split of its common stock, effective October 1, 2025. Earnings per share and net assets per share are calculated on the assumption that the stock split had been conducted at the beginning of the 51st fiscal year.

(5) Major Offices and Plants (As of March 31, 2026)

◆Major Locations in Japan

(i) Offices

Sapporo, Tokyo, Toyonaka (Osaka), Saitama

(ii) Distribution Centers

Ishikari (Hokkaido), Sendai (Miyagi), Shiraoka (Saitama), Satte (Saitama), Yokohama, Kawasaki, Amagasaki (Hyogo), Kobe, Sasaguri (Fukuoka), Fukuoka, Urasoe (Okinawa)

(iii) Factories

Satte (Saitama)

◆Major Overseas Locations

(i) Offices

Shanghai (Mainland China), Taipei (Taiwan), Kuala Lumpur (Malaysia)

(ii) Distribution Centers

Taicang (Mainland China)

(iii) Factories

Hanoi (Vietnam), Ba Ria - Vung Tau (Vietnam), Vinh Phuc (Vietnam), Samut Prakan (Thailand)

(6) Status of Principal Subsidiaries (As of March 31, 2026)

(i) Principal subsidiaries

Company Name	Share Capital	Voting rights ratio	Principal business
Nitori Co., Ltd.	1,000 million yen	100.0%	Sales of furniture and interior goods
Home Logistics Co., Ltd.	490 million yen	100.0%	Logistics Services
SHIMACHU CO., LTD.	101 million yen	100.0%	Sales of furniture, interior goods, and home improvement products.
NITORI TAIWAN CO., LTD.	2,768 million yen	100.0%	Sales of furniture and interior goods
NITORI (CHINA) HOLDING Co., Ltd.	6,614 million yen	100.0%	Management of group companies
DECOHOME CHINA Co., Ltd.	693 million yen	100.0% [100.0%]	Sales of furniture and interior goods
NITORI (SHANGHAI) HOME FURNISHING CO., LTD	1,657 million yen	100.0% [100.0%]	Sales of furniture and interior goods
NITORI (SHANGHAI) HOME FURNISHING SALES CO., LTD	50 million yen	100.0% [100.0%]	Sales of furniture and interior goods
Nitori Taicang Trading & Logistics Co., Ltd.	6,421 million yen	100.0%	Logistics Services and Commodity Input
Nitori Furniture Vietnam EPE	18,237 million yen	100.0% [100.0%]	Furniture Manufacturing
Nitori Public Co., Ltd.	150 million yen	100.0%	Advertising Business
HOME DECO CO., LTD.	28 million yen	100.0%	Curtain Manufacturing

Notes: 1. Figures in square brackets in the Voting rights ratio column represent indirect holdings.

2. The status of specified wholly owned subsidiaries as of the end of the current fiscal year is as follows.

Company Name	Address	Book value of shares	Total assets of the Company
SHIMACHU CO., LTD.	8-3-32, Kamiochiai, Chuo-ku, Saitama-shi, Saitama	216,038 million yen	669,694 million yen

(ii) Principal affiliated company

Company Name	Share Capital	Voting rights ratio	Principal business
KATITAS Co., Ltd.	3,778 million yen	34.1%	Pre-Owned Housing Revitalization

(7) Principal Business (As of March 31, 2026)

The Group consists of the Company, 38 consolidated subsidiaries and one equity-method affiliate, and is distinguished between NITORI Business and SHIMACHU Business. NITORI Business involves the development, manufacture, and sale of furniture and interior goods, as well as other activities such as real estate leasing, advertising services, and logistics services. SHIMACHU Business includes the sale of furniture, interior goods, and home improvement products.

(8) Status of Employees (As of March 31, 2026)

Division	Number of Employees	Number of Temporary Employees	Increase / Decrease	
NITORI Business	18,170	19,920	(500)	165
SHIMACHU Business	1,262	2,384	(35)	(315)
Total	19,432	22,304	(535)	(150)

Note: The number of employees is the number of full-time employees, and the number of temporary employees is the average number of employees per year (converted to 8 hours per day) in the right column.

(9) Principal Lenders and Amount of Borrowings (As of March 31, 2026)

Lender	Loan balance
Sumitomo Mitsui Banking Corporation	34,000 million yen
Mizuho Bank, Ltd.	34,000 million yen
North Pacific Bank, Ltd.	34,000 million yen
MUFG Bank, Ltd.	19,000 million yen
Sumitomo Mitsui Trust Holdings, Inc.	19,000 million yen
Saitama Resona Bank, Limited	10,000 million yen
Resona Bank, Limited	10,000 million yen

Status of the Company

(1) Matters Regarding Shares (As of March 31, 2026)

(i) Total number of authorized shares

1,440,000,000 shares

(ii) Total number of issued shares

572,217,480 shares

*The number stated above includes 5,223,437 shares of treasury stock.

(iii) Number of shareholders

63,379

(iv) Status of the top 10 shareholders

Name	Number of shares owned (thousands)	Ratio to the total number of issued shares (%)
NITORI Trading Ltd.	103,999	18.34
The Master Trust Bank of Japan, Ltd. (trust account)	88,426	15.59
Custody Bank of Japan, Ltd. (trust account)	40,501	7.14
NITORI International Scholarship Foundation	25,000	4.40
THE CHASE MANHATTAN BANK, N.A. LONDONSECS LENDING OMNIBUS ACCOUNT	21,350	3.76
Akio Nitori	17,052	3.00
National Mutual Insurance Federation of Agricultural Cooperatives	14,756	2.60
STATE STREET BANK AND TRUST COMPANY 505223	14,467	2.55
North Pacific Bank, Ltd.	12,702	2.24
Nippon Life Insurance Company	10,281	1.81

Notes: 1. The numbers presented in “Number of shares held” above are calculated based on the list of shareholders.

2. The Company’s 5,223,437 shares of treasury stock are excluded from the above list of major shareholders.

3. Calculations of equity positions exclude holdings of treasury stock.

4. The number of shares owned by The Master Trust Bank of Japan, Ltd. and Custody Bank of Japan, Ltd. are shares held in securities investment trusts and retirement benefit trusts.

(v) Matters regarding shares granted to Company officers during the fiscal year as consideration for performance of duties

Not applicable.

(2) Matters Regarding Company Officers (As of March 31, 2026)

(i) Status of the Directors

Position in the Company	Name	Responsibility in the Company and Significant concurrent positions outside the Company
Representative Director & Chairperson	Akio Nitori	Representative Director, Chairperson & President of Nitori Co., Ltd.
		Director & Senior Advisor of Home Logistics Co., Ltd.
		Representative Director & Chairperson of Nitori Public Co., Ltd.
		Director & Senior Advisor of HOME DECO CO., LTD.
		Representative Director & Chairperson of N Plus Co., Ltd.
		Representative Director, Chairperson & President of Nitori Furniture Co., Ltd.
		Chairperson of Nitori Furniture Vietnam EPE
		Director & Senior Advisor of Nitori Digital Base Co., Ltd.
		Chairperson of SIAM NITORI CO., LTD.
		Representative Director & Chairperson of SHIMACHU CO., LTD.
		Representative Director & Chairperson of All Link Co., Ltd.
Representative Director & President	Toshiyuki Shirai	Director of Nitori Co., Ltd.
		Representative Director & Chairperson of Home Logistics Co., Ltd.
		Director of Nitori Public Co., Ltd.
		Director of Nitori Furniture Co., Ltd.
		Director of N Plus Co., Ltd.
		Director of KATITAS Co., Ltd.
		Director of SHIMACHU CO., LTD.
		Representative Director & Chairperson of Nitori Digital Base Co., Ltd.
Director	Hiromi Abiko	General Manager of HR Education Division
Director	Yoshihiko Miyauchi	Senior Chairman of ORIX Corporation
		Outside Director of ACCESS CO., LTD.
		Outside Director of Calbee, Inc.
		Outside Director of RAKSUL INC.
Director	Naoko Yoshizawa	Outside Director of Yamaha Corporation

Director (Full-time Member of Audit & Supervisory Committee)	Takao Kubo	Corporate Auditor of Nitori Co., Ltd.
		Corporate Auditor of Home Logistics Co., Ltd.
		Corporate Auditor of SHIMACHU CO., LTD.
Director (Member of Audit & Supervisory Committee)	Yoshiyuki Izawa	Outside Director of Seven & i Holdings Co., Ltd.
		Outside Director of Sanoh Industrial Co., Ltd.
Director (Member of Audit & Supervisory Committee)	Hisayoshi Ando	Outside Director of Marubeni Corporation
		Representative Director & President of Tokyo Small and Medium Business Investment & Consultation Co., Ltd
Director (Member of Audit & Supervisory Committee)	Masahito Kanetaka	Outside Corporate Auditor of ASAGAMI CORPORATION

Notes:
1. Masanori Takeda (In charge of Overseas Business of the Company, Director of Nitori Co., Ltd., Chairperson of NITORI (CHINA) HOLDING Co., Ltd., Chairperson of Nitori Taicang Trading & Logistics Co., Ltd., Chairperson of NITORI HONG KONG CO., LTD., Chairperson of NITORI KOREA CO., LTD., and Director of Nitori India Private Limited) retired by resignation as of September 30, 2025. Please note that his concurrent positions as described above were those held at the time of his resignation.
2. Yoshihiko Miyauchi, Naoko Yoshizawa, Yoshiyuki Izawa, Hisayoshi Ando and Masahito Kanetaka are Outside Directors.
3. Takao Kubo is appointed as a Full-time Member of Audit & Supervisory in order to enhance the effectiveness of auditing and supervisory functions by collecting and sharing information from Directors and strengthening cooperation with the Internal Audit Department and other departments. He has many years of experience in his duties at the Company and has considerable knowledge of finance and accounting.
4. The Company registered Yoshihiko Miyauchi, Naoko Yoshizawa, Yoshiyuki Izawa, Hisayoshi Ando and Masahito Kanetaka as independent officers with the Tokyo Stock Exchange and the Sapporo Securities Exchange pursuant to the regulations of the Exchanges, and each of them meets the “Independence Criteria for Outside Directors” established by the Company. Please refer to page 18 for the “Independence Criteria for Outside Directors.”
5. Pursuant to the provisions of Article 427, paragraph 1 of the Companies Act, the Company has entered into agreements with Yoshihiko Miyauchi, Naoko Yoshizawa, Takao Kubo, Yoshiyuki Izawa, Hisayoshi Ando and Masahito Kanetaka to limit their liability for damages under Article 423, paragraph 1 of the Companies Act to the minimum liability amount provided for by Article 425, paragraph 1 of the same Act.
6. The Company has concluded a Directors and Officers Liability insurance contract provided for in Article 430-3, paragraph (1) of the Companies Act with an insurance company. The insurance contract shall cover damages, legal expenses, etc. (except for causes for exemptions stipulated under the contract) in the event where a claim for damages is made during the insurance period as a result of the execution of duties by directors and officers. However, as a measure to ensure the appropriateness of the execution of duties by the insured is not impaired, there are certain causes for exemptions, including no coverage for damage arising from acts committed by the insured while being aware that they were in violation of laws and regulations. The insureds under the said insurance contract are directors and executive officers of the Company and its domestic and overseas subsidiaries (excluding some). In addition, the insurance premiums are fully borne by the Company.
7. The Company has introduced an executive officer system to clearly separate management’s decision-making function and business execution function for more efficient and expedited management and to respond to changes in the business environment promptly and appropriately.

Managing Executive Officers:	Naoshi Takei, Manabu Nakamura, Hiroshi Nagai, Kazuyuki Hashimoto, Junichi Yoshima, Tadashi Kudo
Senior Executive Officers:	Hiroki Murabayashi, Kenichiro Aoya, Kazuya Tsukada, Akihiro Kushida
Executive Officers:	Ei Sugiura, Toshinori Arai, Masaomi Zenji, Tetsuya Okuda, Takuya Ono, Tetsuo Yamamoto, Masatoshi Sano, Yuichi Maruhashi, Hiroyuki Tajiri, Noriaki Hase, Hideki Sasaki, Ryo Takahashi, Katsunori Kobayashi, Fumihide Kimura

(ii) Matters regarding the policy for determination of the amount and calculation method of the compensation, etc. of Directors

The Company has established a policy for determining the compensation, etc. for Directors, as set out below, and determine the amount of compensation, etc. for Directors and the calculation methods thereof in accordance with this policy. The Company has also established the Nominating and Compensation Committee, made up of a majority of independent Outside Directors, as a voluntary advisory organ for the Board of Directors, to ensure the appropriateness of compensation, etc. for Directors and the transparency of the determination process.

(a) Matters regarding the policy for determination of the compensation, etc. of Directors

The Company considers sustainable growth and improvement of corporate value in the medium and long term to be management priorities and believes that the system of compensation for Directors should be a system that contributes to the growth and enhancement of its corporate value. Specifically, compensation for Directors (excluding non-executive Directors, for example, Directors who are Audit & Supervisory Committee Members) (hereafter "Executive Directors") consists of fixed basic compensation and performance-based compensation, and the Company has made the link between performance-based compensation and business results even clearer and set the percentage of performance-based compensation in total compensation at an appropriate level, in order to make Directors more aware of contributing to sustainable enhancement of its corporate value through medium-and long-term improvement in business results and their shared interest with shareholders.

The compensation of non-executive Directors such as Directors who are Audit & Supervisory Committee Members (hereinafter, "Non-executive Directors") consists of fixed basic compensation, in principle. Non-executive Directors are not paid performance-based compensation.

Furthermore, based on a report obtained from the Nominating and Compensation Committee, the Company resolved, at the Board of Directors meeting held on March 5, 2021, to adopt a policy on determining compensation, etc. for each Director.

(b) Matters regarding shareholders meeting resolutions pertaining to the compensation, etc. of Directors

Division	Date of resolution at the General Meeting of Shareholders	Details
Monetary compensation of Directors (excluding Directors who are Audit & Supervisory Committee Members) ・Basic compensation ・Performance-based monetary compensation (short-term incentive compensation)	May 13, 2016; 44th Annual General Meeting of Shareholders *As of the close of this Annual General Meeting of Shareholders, the Company had seven Directors (excluding Directors who are Audit & Supervisory Committee Members) (including two Outside Directors).	◆The maximum amount of compensation for Directors (excluding Directors who are Audit & Supervisory Committee Members) shall be 600 million yen per year (including the maximum amount of compensation for Outside Directors of 100 million yen per year). ◆Details such as the actual amount to be paid to each Director (excluding Directors who are Audit & Supervisory Committee Member) and the timing of payment shall be determined by resolution of the Board of Directors.
Compensation for Directors who are Audit & Supervisory Committee Members	May 13, 2016; 44th Annual General Meeting of Shareholders *As of the close of this Annual General Meeting of Shareholders, the Company had four Directors who are Audit & Supervisory Committee Members (including three Outside Directors).	◆The maximum amount of compensation for Directors who are Audit & Supervisory Committee Members shall be 120 million yen per year. ◆Details such as the actual amount to be paid to each Director who is an Audit & Supervisory Committee Member and the timing of payment shall be determined by discussion among the Directors who are Audit & Supervisory Committee Members.
Stock compensation for Executive Directors ・Performance-based stock compensation (medium- to long-term incentive compensation)	May 11, 2017; 45th Annual General Meeting of Shareholders *As of the close of this Annual General Meeting of Shareholders, the Company had six Executive Directors (including no Outside Directors).	◆Separate from the maximum amount of monetary compensation for Directors (excluding Directors who are Audit & Supervisory Committee Members), the maximum amount of stock compensation for Executive Directors shall be 300 million yen per year.

(c) Composition of the compensation and overview of procedures for determination of the compensation

Details of the Company's compensation for Directors such as the composition of compensation, evaluation of the appropriateness of the design of the performance-based compensation system, the setting of targets and the evaluation of results are deliberated by the Nominating and Compensation Committee and determined by the Board of Directors based on the Committee's report of its deliberations submitted to the Board of Directors.

(1) Executive Directors

Compensation for Executive Directors is composed of fixed basic compensation and performance-based compensation whose amount varies based on the company's business performance and other factors. Performance-based compensation consists of performance-based monetary compensation-based to each fiscal year's business performance, etc. (short-term incentive compensation) and performance-based stock compensation that is based on targets set in advance every two fiscal years for the company's business performance during a target period and that is paid in the Company's common shares after the end of the target period according to the degree of achievement of these targets (medium- to long-term incentive compensation). The pay structure is such that basic compensation accounts for 75% and performance-based monetary compensation (short-term incentive compensation) accounts for 25%, and performance-based stock compensation (medium- to long-term incentive compensation) are 10% of a cumulative two-year total of the above single fiscal year compensation (which gives the effective composition ratio of performance-based compensation of 31.8%).

The amount of basic compensation is determined by a resolution, etc. of the Board of Directors, etc. within a maximum amount approved by the General Meeting of Shareholders.

The performance-based monetary compensation (short-term incentive compensation) is linked to business performance in a single fiscal year and is positioned as monetary compensation that reflects key performance indicators (KPIs) in order to increase awareness of improving business results each fiscal year. It is calculated based on the achievement of business performance targets such as consolidated operating profit for each fiscal year (the company-wide targets and targets assigned to each individual reflecting performance of department in charge, etc.) and is variable between 0% and 150% of the base amount. Based on consideration of the rate of achievement of business performance targets such as consolidated operating profit for each fiscal year (the company-wide targets and targets assigned to each individual reflecting performance of department in charge, etc.), among other factors, the amount to be paid to each Director is calculated and determined by a resolution, etc. of the Board of Directors, etc. with reference to a report by the Nominating and Compensation Committee and within the maximum amount approved by the General Meeting of Shareholders.

To strengthen the link between performance-based stock compensation and medium- to long-term enhancement of corporate value, the Company has adopted Performance Share Units. Compensation is calculated based on the achievement of business performance targets such as consolidated profit for every two fiscal years (company-wide targets and targets assigned to each individual reflecting performance of department in charge, etc.) and is variable between 0% and 200% of the basic amount. After the end of the target period, based on consideration of the rate of achievement of business performance targets such as consolidated profit for every two fiscal years (company-wide targets and targets assigned to each individual reflecting performance of department in charge, etc.), among other factors, and using the number of shares to be delivered determined with reference to the report of the Nominating and Compensation Committee as a basis for the calculation, the amount of monetary compensation claims to be contributed in kind by each Director and the amount equivalent to tax expenses that will be borne by each Director as a result of acquisition of the Company's common shares are determined by a resolution, etc. of the Board of Directors, etc. within the maximum amount approved by the General Meeting of Shareholders.

For the above stock compensation, the number of shares to be delivered to each Director is calculated by adding together the number of shares for each respective numerical target obtained by multiplying the "basic number of shares to be delivered" determined for each applicable Director (determined taking into consideration factors such as the position of each Director and the rate of achievement of single fiscal year performance targets during the target period) by an allocation percentage for "each respective numerical target" set for each Director (set from among company-wide targets (consolidated profit, etc.), individual targets (performance of department in charge, etc.) and "each respective performance-based coefficient" determined based on the rate of achievement of each respective numerical target (determined in the range 0% to 200%). Furthermore, Executive Directors (including Directors who retire after delivery of shares under the system) are required to continue holding the shares delivered under the system for a certain period in accordance with the shareholding guidelines established by the Company's Board of Directors to promote medium- to long-term profit sharing with shareholders. The shareholding guidelines set forth that a three-year restriction shall be imposed on the transfer of shares delivered under the system. Furthermore, the shareholding guidelines stipulate 'Clawback Provisions,' which are clauses concerning the claim for return of stock-based compensation. These provisions prescribe that, in the event a material misstatement in financial statements or similar documents is identified, and if such misstatement is attributable to misconduct or illegal acts, the Company may demand the return of all or part of an amount equivalent to the relevant stock-based compensation.

(2) Non-Executive Directors

The compensation of Non-executive Directors is composed of fixed basic compensation, in principle. Executive Directors are not paid performance-based monetary compensations (short-term incentive compensation) or performance-based stock compensation (medium- to long-term compensation).

The basic compensation for Non-executive Directors (excluding Directors who are Audit & Supervisory Committee Members) is determined by resolution, etc. by the Board of Directors, etc. within the maximum amount of compensation, etc. for such Directors approved by the General Meeting of Shareholders. The basic compensation for Directors who are Audit & Supervisory Committee Members is determined through discussion among Directors who are Audit & Supervisory Committee Members within the maximum amount of compensation, etc. for Directors who are Audit & Supervisory Committee Members approved by the General Meeting of Shareholders.

(d) Matters regarding delegation pertaining to the decision of compensation, etc. to each Director

Determination of the specific amounts allocated to each Director (excluding Directors who are Audit & Supervisory Committee Members) for basic compensation and for performance-based monetary compensation (short-term incentive compensation) and performance-based stock compensation (medium- to long-term incentive compensation) that reflects achievement of company-wide targets and individual targets is delegated to Representative Director & Chairperson Akio Nitori based on a resolution of the Board of Directors, on the assumption that such amounts will be within the maximum amounts of compensation, etc. approved by the General Meeting of Shareholders. Mr. Nitori is delegated this authority based on the judgment that he is the most suitable person to make a comprehensive evaluation of each Director (excluding Directors who are Audit & Supervisory Committee Members), including their professional ability. Furthermore, when delegating determination of specific allocations of compensation to each Director (excluding Directors who are Audit & Supervisory Board Members), the Board of Directors consults with and obtains a report from the Nominating and Compensation Committee, which consists of a majority of independent Outside Directors, regarding the performance evaluation process used to determine the amounts of performance-based compensation paid, in order to ensure that the delegated authority is exercised in an appropriate manner, and Mr. Nitori gives utmost respect to this report when determining the specific amounts of compensation allocated.

The amount of compensation, etc. for each Director who is Audit & Supervisory Committee Member is determined through discussion among Directors who are Audit & Supervisory Committee Members within the maximum amount of compensation, etc. for Directors who are Audit & Supervisory Committee Members approved by the General Meeting of Shareholders.

(e) Amounts of compensation, etc. paid to Directors in the fiscal year under review

Division		Total amount of compensation, etc.	Total amount by type of compensation, etc.			Number of Applicable-Directors
			Basic compensation	Performance-based compensation		
				monetary compensation (short-term incentive compensation)	stock compensation (medium- to long-term incentive compensation)	
Directors (excluding Directors who are Audit & Supervisory Committee Members)	Directors (excluding Outside Directors)	182 million yen	182 million yen	-	-	4
	Outside Director	21 million yen	21 million yen			2
Directors who are Audit & Supervisory Committee Members	Directors (excluding Outside Directors)	16 million yen	16 million yen			1
	Outside Director	36 million yen	36 million yen			3

Notes: 1. The aforementioned Total amount of compensation, etc., Basic compensation, and Number of Applicable Directors includes a Director (excluding Outside Directors) who retired due to resignation on September 30, 2025.

2. As of March 31, 2026, Directors (excluding Directors who are Audit & Supervisory Committee Members) consist of three Directors (excluding Outside Directors) and two Outside Directors. Directors who are Audit & Supervisory Committee Members consist of one (1) Director (excluding Outside Directors) and three (3) Outside Directors.

3. The amounts of compensation, etc. paid to each Director in the fiscal year under review were determined by the process described in (d), and the Board of Directors deems that the amounts of compensation, etc. paid to each Director in the fiscal year under review are in line with the determination policy.

The Company selected consolidated operating income as the indicator for performance-based compensation in the fiscal year under review, in order to clarify the link between compensation and business performance. Performance targets and results in the fiscal year under review were as follows.

	Target	Results
Consolidated Operating Income	135,800 million yen	125,526 million yen

Note: No performance-based compensation is provided to Non-Executive Directors.

(iii) Matters Regarding Outside Directors

(a) Matters regarding significant concurrent positions as outside directors (and other officers) of other corporations

Position in the Company	**Name**	**Significant concurrent positions of other corporations**	**Relationship between the Company and the company where he/she holds concurrent positions**
Director	Yoshihiko Miyauchi	Senior Chairman of ORIX Corporation	There are no material business relationships.
		Outside Director of ACCESS CO., LTD.	There are no material business relationships.
		Outside Director of Calbee, Inc.	There are no material business relationships.
		Outside Director of RAKSUL INC.	There are no material business relationships.
Director	Naoko Yoshizawa	Outside Director of Yamaha Corporation	There are no material business relationships.
Director (Member of Audit & Supervisory Committee)	Yoshiyuki Izawa	Outside Director of Seven & i Holdings Co., Ltd.	There are no material business relationships.
		Outside Director of Sanoh Industrial Co., Ltd.	There are no material business relationships.
Director (Member of Audit & Supervisory Committee)	Hisayoshi Ando	Outside Director of Marubeni Corporation	There are no material business relationships.
		Representative Director & President of Tokyo Small and Medium Business Investment & Consultation Co., Ltd.	There are no material business relationships.
Director (Member of Audit & Supervisory Committee)	Masahito Kanetaka	Outside Corporate Auditor of ASAGAMI CORPORATION	There are no material business relationships.

(b) Status of the main activities of each outside director (excluding Directors who are Audit & Supervisory Committee Members)

Name	the Board of Directors meeting (13 times)		Summary of duties performed with respect to major activities and expected roles
	Number of Attendances	Attendance ratio	
Director Yoshihiko Miyauchi	13 times	100%	He attended all 13 meetings of the Board of Directors held during the fiscal year under review. During the period under review, he appropriately fulfilled his expected role by actively providing advice, etc. on the Company's medium- to long-term plans, management strategies, etc. from a broad perspective based on his extensive experience and high-level insight on corporate management derived from his long years of involvement in the management of global companies.
Director Naoko Yoshizawa	13 times	100%	She attended all 13 meetings of the Board of Directors held during the fiscal year under review. During the period under review, she appropriately fulfilled her expected role by actively providing advice, etc. from a professional perspective on IT enhancement measures, etc. to promote the Company's DX, based on her extensive experience and high-level insight into corporate management derived from her experience in important positions in a variety of business fields.

Note: In addition to the above number of Board of Directors meetings, there were two resolutions in writing that were deemed to have been approved by the Board of Directors pursuant to Article 370 of the Companies Act and Article 22 of the Company's Articles of Incorporation.

(c) Status of the main activities of each outside director who are Audit & Supervisory Committee Members

Name	the Board of Directors meeting (13 times)		Audit & Supervisory Committee meeting (13 times)		Summary of duties performed with respect to major activities and expected roles
	Number of Attendances	Attendance ratio	Number of Attendances	Attendance ratio	
Director (Member of Audit & Supervisory Committee) Yoshiyuki Izawa	13 times	100%	13 times	100%	He attended all 13 meetings of the Board of Directors, and all 13 meetings of the Audit & Supervisory Committee held during the fiscal year under review. During the fiscal year under review, he appropriately fulfilled his expected role by actively making comments on the Company's financial and investment strategies, etc., and by supervising the Company's business execution, etc., based on his extensive experience in corporate management and his high-level insight, which is not only as a manager but also from an investor's perspective.
Director (Member of Audit & Supervisory Committee) Hisayoshi Ando	13 times	100%	13 times	100%	He attended all 13 meetings of the Board of Directors, and all 13 meetings of the Audit & Supervisory Committee held during the fiscal year under review. During the period under review, he appropriately fulfilled his expected role by supervising the execution of the Company's business operations, etc., including proactively making comments on the Company's global strategies and security measures, based on his abundant experience and professional insight derived from having served in various important positions, including Administrative Vice Minister of Economy, Trade and Industry.
Director (Member of Audit & Supervisory Committee) Masahito Kanetaka	12 times	92.3%	12 times	92.3%	He attended 12 out of 13 meetings of the Board of Directors, and 12 out of 13 meetings of the Audit & Supervisory Committee held during the fiscal year under review. During the period under review, he appropriately fulfilled the expected role by supervising the execution of the Company's business operations, etc., including proactively making comments on the Company's risk management system and policies for dealing with misconduct, based on his abundant experience and professional insight derived from having served in various important positions, including Commissioner of the National Police Agency.

Note: In addition to the above number of Board of Directors meetings, there were two resolutions in writing that were deemed to have been approved by the Board of Directors pursuant to Article 370 of the Companies Act and Article 22 of the Company's Articles of Incorporation.

(3) Matters Regarding Accounting Auditors

(i) Name

Deloitte Touche Tohmatsu LLC

(ii) Amount of remuneration of accounting auditor

Division	Amount of payment
Amount of compensation, etc. for the current fiscal year	120 million yen
Total amount of monetary and other financial benefits payable by the Company and its subsidiaries to the Accounting Auditor	178 million yen

Notes: 1. The audit contract between the Company and the accounting auditor does not clearly distinguish between the amount of remuneration, etc. for audits based on the Companies Act and the amount of remuneration, etc. for audits based on the Financial Instruments and Exchange Act, and it is practically impossible to do so; therefore, the total of these amounts is shown in the amount of remuneration, etc. for the current fiscal year.

2. The Company's overseas subsidiaries are audited by auditing firms other than the Company's accounting auditor.

3. With respect to the remuneration of the accounting auditor, the Audit & Supervisory Committee, after obtaining the necessary materials and reports from the directors, relevant internal departments and the accounting auditor, verified the results of previous activities of the accounting auditor, and conducted necessary verification and deliberation on the appropriateness of the activity plan of the accounting auditor for the current fiscal year and the basis for calculating the remuneration estimate, determined that these are appropriate and, as a result, gave its consent under Article 399, Paragraph 1 of the Companies Act with respect to the amount of remuneration, etc. of the accounting auditor.

(iii) Policies for determination of dismissal or refusal of reelection

The Audit & Supervisory Committee shall dismiss the accounting auditor with the unanimous consent of all members if it is reasonably anticipated that the audit of the financial statements will be seriously impaired for any of the reasons specified in each item of Article 340, Paragraph 1 of the Companies Act or for any other reason. In addition, the Audit & Supervisory Committee may submit a proposal for non-reappointment of the accounting auditor to the General Meeting of Shareholders if it determines that the system for execution of duties, auditing ability, expertise, etc. of the accounting auditor is insufficient for the Company, or that a more appropriate auditing system can be established for the Company by replacing the accounting auditor. The Audit & Supervisory Committee will submit a proposal for non-reappointment of the accounting auditor to the General Meeting of Shareholders..

(4) Systems to Ensure the Appropriateness of Business Activities and Status of Operations of the Systems

1. Systems to ensure that the performance of the duties of Directors and employees of the Company and its subsidiaries (hereafter, the "Group") conforms to laws and regulations and the Articles of Incorporation

   (a) The Company shall establish the NITORI Group Code of Conduct and thoroughly familiarize all officers and employees with this so that officers and employees of the Group perform their duties in compliance with laws and regulations and the Articles of Incorporation and fulfil their social responsibility and exercise corporate ethics.

   (b) The Company shall appoint an officer in charge of compliance and establish a department in charge of compliance. The department in charge of compliance periodically shall formulate a compliance program from a groupwide perspective and implement this program.

   (c) The Company shall have its officers and employees increase knowledge about compliance and raise awareness of respecting compliance through initiatives such as providing compliance training to officers and employees of the Group and preparing and distributing a compliance manual.

   (d) The Company shall ensure that employees of the Group have a means of directly reporting doubts about practices that are not in accordance with laws and regulations and shall establish and operate a whistleblowing hotline supported by outside lawyers as one such means.

   (e) To eliminate antisocial forces, the Company shall develop a response policy, etc. within the Group and put a system in place and thoroughly familiarize all officers and employees with the system.

2. System to store and manage information about the Directors' performance of their duties

   (a) Directors shall properly store and manage information about performance of their duties based on internal regulations and in accordance with their respective duties.

   (b) Documents about important decisions and reports shall be prepared, stored and destroyed appropriately in accordance with the Document Handling Regulations.

3. System to report matters regarding the execution of duties by the Directors, etc. of subsidiaries to the Company

   (a) The Company shall require each Group company to report periodically to the Company on its operating results, financial position and other important matters through reports, etc. at the Company's Board of Directors meetings.

   (b) In the event of a situation at any Group company that might cause serious damage to that company, the Director, etc. of the respective Group company shall report immediately to the Company's officer in charge of risk management and relevant departments at the Company.

4. Regulations and other systems to manage the risk of loss of the Group

   (a) The Company shall appoint an officer in charge of risk management and establish a department in charge of risk management. The department in charge of risk management shall establish the Risk Management Regulations, and develop and operate a system to assess and manage risks from a groupwide perspective.

   (b) Each of the Company's departments and Group companies shall manage their own risks and the head of each of the Company's departments and the president of each Group company shall report on the status of risk management periodically to the Risk Compliance Committee.

5. Systems to ensure the effective and efficient execution of duties by the Group's Directors

   (a) Based on a medium-term management plan, which clarifies targets for the entire Group to be achieved as a company, the Company shall clarify performance targets for each Director of the Group and clearly set out how Directors will be evaluated.

   (b) The Company shall break down the system of execution of duties of each department to clarify responsibility for performance within the Group and also seek to improve human capital efficiency through the use of specialists.

   (c) The Company shall seek to speed up the decision-making through simplifying its process while at the same time ensuring a careful decision-making process on important matters through discussions at the In-house Directors meeting to be held a collegial basis. The Company shall also require each Group company to follow the same practice.

   (d) The Company shall develop intra-group transaction standards to maintain fairness in intra-group transactions and endeavor to have each Group company conduct such transactions in an appropriate manner.

6. Matters regarding Directors and employees who are assigned to assist the duties of the Audit & Supervisory Committee, matters regarding the independence of such Directors and employees from other Directors (excluding Directors who are Audit & Supervisory Committee Members), and matters for ensuring the effectiveness of the Audit & Supervisory Committee's instructions to such Directors and employees

   (a) When the Audit & Supervisory Committee requires employees to assist it in its duties, the Company shall assign the necessary number of staff members to assist the Audit & Supervisory Committee.

   (b) In the event that the Company assigns staff members to assist the duties of the Audit & Supervisory Committee, it shall obtain the consent of the Audit & Supervisory Committee for the personnel authority of such staff members including job assignment and evaluation to ensure their independence.

   (c) Employees who are assigned to assist the duties of the Audit & Supervisory Committee shall follow the directions and orders of the Audit & Supervisory Committee.

7. System through which Directors (excluding Directors who are Audit & Supervisory Committee Members), Corporate Auditors and employees, etc. of the Group or persons who have received reports therefrom make reports to the Company's Audit & Supervisory Committee and system to ensure that persons who made reports to the Audit & Supervisory Committee do not suffer disadvantageous treatment for having made such reports

   (a) Directors (excluding Directors who are Audit & Supervisory Committee Members) and employees, etc. of the Group shall make reports as necessary at the Board of Directors meeting on the status of execution of their duties and shall also promptly make appropriate reports when asked to make reports by the Company's Audit & Supervisory Committee.

   (b) Directors (excluding Directors who are Audit & Supervisory Committee Members), Corporate Auditors and employees, etc. of the Group who have discovered a fact that might cause serious damage to the Company or the Group such as a violation of laws and regulations shall make a report immediately to the Company's Audit & Supervisory Committee, either directly or through the relevant department, for example, the department in charge of internal audits.

   (c) The department in charge of internal audits shall carry out audits of the Group periodically and report the audit results as necessary to the Company's Audit & Supervisory Committee.

   (d) The department in charge of the whistleblowing hotline shall report on its operation status and details of whistleblowing reports, etc. as necessary to the Company's Audit & Supervisory Committee.

   (e) The Group shall prohibit the dismissal or other disadvantageous treatment of persons who made a report to the Audit & Supervisory Committee or persons who made a whistleblowing report to the whistleblowing hotline on the grounds that they made such report or whistleblowing report; the Group shall stipulate to this effect in its internal regulations and thoroughly familiarize all officers and employees with this matter.

8. Matters regarding procedural policies for prepayments or reimbursement of expenses arising in relation to the execution of duties by Audit & Supervisory Committee Members and other processing of expenses or obligations arising in relation to the execution of duties by Audit & Supervisory Committee Members

   (a) The Audit & Supervisory Committee Members may seek the opinion of lawyers, certified public accountants, certified public tax accounts and other experts when deemed necessary for execution of their duties, and may claim these expenses from the company. In addition, if an Audit & Supervisory Committee Member has requested the prepayment of expenses in relation to the execution of his or her duties, the Company shall bear such expenses unless deemed unnecessary for the execution of duties by such Audit & Supervisory Committee Member.

9. Other systems to ensure that audits by the Audit & Supervisory Committee are performed effectively

   (a) Directors (excluding Directors who are Audit & Supervisory Committee Members) and employees shall deepen their understanding of audits by the Audit & Supervisory Committee and endeavor to develop an environment for audits by the Audit & Supervisory Committee, and the full-time Audit & Supervisory Committee Member shall attend important meetings such as In-house Directors meeting.

   (b) The Audit & Supervisory Committee shall exchange opinions periodically with the Representative Directors and seek to communicate with them appropriately and execute audit operations effectively.

   (c) The Audit & Supervisory Committee shall be afforded the opportunity to obtain advice from lawyers and certified public accountants where necessary for the execution of its audit operations.

The following is an outline of the status of operations of internal control systems within the Group implemented in the fiscal year under review based on the systems to ensure the appropriateness of business activities described above.

The Company reports to the Board of Directors periodically on the status of operations of the systems to ensure the appropriateness of business activities and makes revisions as necessary.

1. Status of initiatives for compliance

   The Company sought to strengthen the Group's internal control systems by providing compliance training according to each company's business format and role, periodically distributed information on the intranet, etc. to share information and raise awareness internally about amendments to laws relevant to operations, and otherwise sought to raise compliance awareness. Furthermore, the Company formulated the NITORI Group Code of Conduct, which reflects recent social developments and values, as a means of indicating the Group's corporate stance. The Company translated the code into many languages and engaged in activities to instill it and raise awareness about it across the entire Group. In addition, the Company established various policies based on the Code of Conduct including the Human Rights Policy, Anti-corruption Policy, Policy on Customer Harassment and Procurement Policy, and sought to raise awareness about each of these policies. For overseas subsidiaries, in addition to training on the laws and regulations of each country delivered by legal experts and activities to raise awareness about the foregoing, the Company held the Global Administration Departments meetings to share risk information specific to overseas operations and share information about changes to laws. In particular, the company has ensured that the legal and compliance training provided by the Company to the Company's overseas subsidiaries is converted into video format and shared with employees who may be assigned to those subsidiaries in the future.

   The Company has also established internal and external whistleblowing disclosure hotlines in accordance with the provisions of the Group Whistleblowing Regulations. For overseas subsidiaries, the Company has established the Global Whistleblowing Regulations, thereby implementing whistleblowing measures covering overseas subsidiaries. Through periodic internal newsletters, surveys and other means, the Company has sought to raise awareness of the whistleblowing hotline and increased the effect of early detection of issues and improvement measures.

2. Status of initiatives for ensuring that duties are executed appropriately and efficiently

   The Company holds the In-house Directors meeting almost every week to deliberate matters in advance to expedite decision-making at the Board of Directors meeting. At the Board of Directors meeting, Directors including Outside Directors held lively discussions and had a lively exchange of opinions when deliberating proposals or when the status of execution of duties was reported. Furthermore, the Company sought to delegate authority for decisions on key aspects of important business execution to the Representative Directors. Through such measures, the Company believes that the appropriateness and efficiency of decision-making and the effectiveness of supervision (monitoring) was ensured. As for reports on the operating results, financial position and other important matters of each Group company, the Company appropriately supervised the status of execution of duties by Directors, etc. at each Group company by setting operational targets to be achieved by each company and then requiring each Group company to report periodically to the Company's Board of Directors.

3. Status of initiatives for the management of risk of loss

   The Company has formulated regulations on risk management and a business continuity plan (BCP) to minimize losses or disadvantages suffered by the Group and has developed a risk management system center on the Risk Compliance Committee. In accordance with the business continuity plan (BCP), the Company conducted a range of drills, and the Risk Compliance Committee, which meets every month, also promoted subcommittee activities for each individual material risk determined by the Board of Directors to review the risk prevention system, strengthen the training system and implement measures to address new issues, thus strengthening the Group's risk management system.

4. Status of initiatives for ensuring effective audits by the Audit & Supervisory Committee

   The Company's Audit & Supervisory Committee held both regular and ad hoc meetings to exchange information about audits, and the Audit & Supervisory Committee Member attended the In-house Directors meetings, meetings to discuss progress on issues and other important meetings. As regards compliance and the status of development of internal control, audit results were shared regularly with internal control operations and the internal control system was used to conduct audits. The Company also ensured the effectiveness of audits by appointing full-time employees to assist audit operations in accordance with the instructions of the Audit & Supervisory Committee. In addition, the Company's Audit & Supervisory Committee conducts regular meetings with the Representative Director and the Accounting Auditor, exchanging opinions necessary for audits as well as gathering information across a wide range.

(5) Basic Policy Regarding Control of the Company

In light of the “Basic Policy Regarding Control of the Company” formulated based on the Company’s Corporate Philosophy, Corporate Governance Policy, Code of Corporate Conduct and Management Strategy, and as one of the measures to prevent decisions on the Company’s financial and business policies from being controlled by inappropriate parties, the Company has introduced “Countermeasures for Large-Scale Acquisitions of the Company’s Shares” (hereinafter referred to as “Anti-Takeover Measures”) based on a resolution at the Company’s Annual General Meeting of Shareholders held on May 17, 2007.

However, since the introduction of the Anti-Takeover measures, the Board of Directors has repeatedly discussed the pros and cons of their continuation, taking into consideration the opinions of institutional investors and other shareholders, recent trends in takeover defense measures, and changes in the environment, including the spread of the Corporate Governance Code. As a result of these discussions, the Company has determined that the need for takeover defense measures in the Company has relatively decreased and has abolished Anti-takeover measures as of the close of the 47th Annual General Meeting of Shareholders held on May 16, 2019.

We will continue to take appropriate measures to the extent permitted by the Financial Instruments and Exchange Law, the Companies Act, and other applicable laws and regulations, such as requesting that any person who intends to make a large-scale acquisition of our shares provide necessary and sufficient information for our shareholders to make an appropriate judgment as to whether or not the acquisition is appropriate, and disclosing the opinions of our Board of Directors to ensure that our shareholders have the time and information necessary to consider the acquisition and will continue to strive to enhance corporate value and ensure the common interests of shareholders.

(6) Policy on Exercise of Authority When the Articles of Incorporation Provide That the Board of Directors Shall Determine the Dividends of Surplus

The Company considers it an important management policy to pay stable dividends in the future in response to the trust of its shareholders. It is our policy to use retained earnings for effective investment to further enhance and strengthen our management base to cope with the expected intensification of competition in the retail industry.

Regarding the year-end dividend for the fiscal year ended March 31, 2026, in appreciation of the ongoing support from our shareholders and to respectfully request your continued support in the future, as well as part of our commitment to returning profits, the Company has resolved to set the year-end dividend at 15.4 yen per share. This amount is the same as our most recent dividend forecast. The Company implemented a five-for-one stock split of its common stock, effective October 1, 2025. On a post-split basis, the Company paid an interim dividend of 15.4 yen per share on December 2, 2025, which will bring the annual dividend to 30.8 yen per share.

Consolidated Financial Statements

Consolidated Statement of Financial Position

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
Assets		
Current assets		
Cash and cash equivalents	136,001	145,010
Trade and other receivables	80,515	80,667
Other financial assets	25,515	38,644
Inventories	112,750	122,167
Income taxes receivable	19	0
Other current assets	9,888	11,408
Total current assets	364,690	397,898
Non-current assets		
Property, plant and equipment	905,121	909,005
Intangible assets	9,324	9,983
Investment property	96,051	95,342
Investments accounted for using equity method	24,772	27,263
Other financial assets	79,151	81,256
Deferred tax assets	48,870	48,143
Retirement benefit asset	15	-
Other non-current assets	1,423	2,390
Total non-current assets	1,164,730	1,173,386
Total assets	1,529,421	1,571,284

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and other payables	75,459	69,837
Borrowings	173,138	150,000
Other financial liabilities	36,218	34,102
Income taxes payable	19,954	18,993
Contract liabilities	30,506	29,416
Provisions	720	1,006
Other current liabilities	17,666	20,140
Total current liabilities	353,664	323,497
Non-current liabilities		
Borrowings	20,000	10,000
Other financial liabilities	220,476	220,692
Deferred tax liabilities	86	110
Retirement benefit liability	6,421	6,190
Provisions	22,172	21,274
Other non-current liabilities	862	947
Total non-current liabilities	270,019	259,216
Total liabilities	623,684	582,713
Equity		
Share capital	13,370	13,370
Capital surplus	30,715	30,715
Treasury shares	(10,118)	(10,120)
Retained earnings	861,634	933,889
Other components of equity	10,127	20,703
Total equity attributable to owners of parent	905,729	988,559
Non-controlling interests	6	11
Total equity	905,736	988,570
Total liabilities and equity	1,529,421	1,571,284

Consolidated Statements of Profit or Loss and Comprehensive Income

Consolidated Statement of Profit or Loss

(Millions of yen)

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Revenue	928,828	912,248
Cost of sales	454,904	426,834
Gross profit	473,923	485,413
Selling, general and administrative expenses	348,576	363,747
Other income	4,051	4,906
Other expenses	14,998	5,304
Share of profit of investments accounted for using equity method	3,265	4,258
Operating profit	117,665	125,526
Finance income	3,019	5,975
Finance costs	3,236	4,144
Profit before tax	117,448	127,357
Income tax expense	34,899	38,083
Profit	82,548	89,274
Profit attributable to		
Owners of parent	82,546	89,270
Non-controlling interests	2	4
Profit	82,548	89,274
Earnings per share		
Basic earnings per share(Yen)	146.08	157.98
Diluted earnings per share(Yen)	146.08	157.98

Consolidated Statement of Comprehensive Income

(Millions of yen)

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Profit	82,548	89,274
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Financial assets measured at fair value through other comprehensive income	2,252	3,244
Remeasurements of defined benefit plans	229	275
Total of items that will not be reclassified to profit or loss	2,482	3,520
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	(2,098)	6,128
Cash flow hedges	(999)	4,994
Total of items that may be reclassified to profit or loss	(3,097)	11,123
Total other comprehensive income	(614)	14,644
Comprehensive income	81,933	103,918
Comprehensive income attributable to		
Owners of parent	81,930	103,913
Non-controlling interests	2	4
Comprehensive income	81,933	103,918