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Consolidated Financial Results for the Nine Months Ended November 20, 2020 [Japanese GAAP]

December 25, 2020

Company name: Nitori Holdings Co., Ltd.
 Stock exchange listing: Tokyo, Sapporo
 Code number: 9843
 URL: <https://www.nitorihd.co.jp/>
 Representative: Toshiyuki Shirai President and Chief Operating Officer
 Contact: Masaomi Zenji General Manager, Accounting and Finance Division
 Phone: 03-6741-1204
 Scheduled date of filing quarterly securities report: December 28, 2020
 Scheduled date of commencing dividend payments: -
 Availability of supplementary briefing material on quarterly financial results: Yes
 Schedule of quarterly financial results briefing session: Yes (for institutional investors and analysts)

(Amounts of less than one million yen are rounded down)

1. Consolidated Financial Results for the Nine Months Ended November 20, 2020 (February 21, 2020 to November 20, 2020)

(1) Consolidated Operating Results (Cumulative) (% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Nine months ended November 20, 2020	540,146	12.2	118,544	40.3	119,684	39.1	76,723	33.4
November 20, 2019	481,498	7.3	84,472	8.3	86,043	8.0	57,507	10.5

(Note) Comprehensive income: Nine months ended November 20, 2020: ¥ 75,701 million [33.6%]
 Nine months ended November 20, 2019: ¥ 56,644 million [9.3%]

	Basic earnings per share	Diluted earnings per share
Nine months ended	Yen	Yen
November 20, 2020	680.66	680.27
November 20, 2019	511.93	510.77

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
As of	Million yen	Million yen	%
November 20, 2020	758,874	626,851	82.6
February 20, 2020	683,247	560,861	82.0

(Reference) Equity: As of November 20, 2020: ¥ 626,851 million
 As of February 20, 2020: ¥ 560,571 million

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended February 20, 2020	-	54.00	-	54.00	108.00
Fiscal year ending February 20, 2021	-	57.00	-		
Fiscal year ending February 20, 2021 (Forecast)				58.00	115.00

(Note) Revision to the forecast for dividends announced most recently: No

3. Consolidated Financial Results Forecast for the Fiscal Year Ending February 20, 2021 (February 21, 2020 to February 20, 2021)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	702,600	9.4	132,900	23.7	134,100	22.4	85,300	19.5	756.05

(Note) Revision to the financial results forecast announced most recently: No

* Notes:

(1) Changes in significant subsidiaries during the nine months ended November 20, 2020

(changes in specified subsidiaries resulting in changes in scope of consolidation): No

New - (Company name:)

Exclusion: - (Company name:)

(2) Accounting policies adopted specially for the preparation of quarterly consolidated financial statements: Yes

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

1) Changes in accounting policies due to the revision of accounting standards: No

2) Changes in accounting policies other than 1) above: No

3) Changes in accounting estimates: No

4) Retrospective restatement: No

(4) Total number of issued shares (common shares)

1) Total number of issued shares at the end of the period (including treasury shares):

November 20, 2020: 114,443,496 shares

February 20, 2020: 114,443,496 shares

2) Total number of treasury shares at the end of the period:

November 20, 2020: 1,619,703 shares

February 20, 2020: 1,975,782 shares

3) Average number of shares during the period:

Nine months ended November 20, 2020: 112,719,731 shares

Nine months ended November 20, 2019: 112,335,231 shares

*Quarterly financial results reports are not required to be subjected to quarterly reviews.

*Explanation for appropriate use of financial forecasts and other special notes

The forecasts given in this document are based on the current available information in the company and certain reasonable assumptions to the company. And we don't commit to achieve these forecasting numbers. Actual results may differ from these forecasts by a variety of reasons.

Quarterly Consolidated Financial Statements
Quarterly Consolidated Balance Sheets

(Million yen)

	As of February 20,2020	As of November 20,2020
Assets		
Current assets		
Cash and deposits	159,190	240,097
Notes and accounts receivable - trade	27,880	37,621
Merchandise and finished goods	61,203	52,386
Work in process	182	166
Raw materials and supplies	4,127	3,168
Forward exchange contracts	-	84
Other	11,010	13,241
Allowance for doubtful accounts	(4)	(3)
Total current assets	263,589	346,762
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	111,548	108,507
Land	173,010	174,077
Other, net	22,827	24,588
Total property, plant and equipment	307,387	307,173
Intangible assets	24,599	17,106
Investments and other assets		
Investment securities	25,535	25,182
Long-term loans receivable	732	678
Guarantee deposits	13,987	13,820
Leasehold deposits	23,756	24,589
Deferred tax assets	13,246	13,041
Other	10,429	10,520
Allowance for doubtful accounts	(18)	(0)
Total investments and other assets	87,670	87,832
Total non-current assets	419,657	412,112
Total assets	683,247	758,874
Liabilities		
Current liabilities		
Notes and accounts payable - trade	19,774	18,500
Short-term borrowings	2,787	2,718
Lease obligations	1,554	1,345
Accounts payable - other	22,923	20,222
Income taxes payable	20,224	21,712
Provision for bonuses	4,020	8,192
Provision for point card certificates	2,076	3,984
Provision for shareholder benefit program	282	158
Other	23,420	31,703
Total current liabilities	97,063	108,538

(Million yen)

	As of February 20,2020	As of November 20,2020
Non-current liabilities		
Long-term borrowings	4,000	2,000
Lease obligations	6,714	5,326
Provision for retirement benefits for directors (and other officers)	228	228
Retirement benefit liability	1,343	1,569
Asset retirement obligations	5,673	7,303
Other	7,361	7,056
Total non-current liabilities	25,322	23,485
Total liabilities	122,385	132,023
Net assets		
Shareholders' equity		
Share capital	13,370	13,370
Capital surplus	25,074	26,253
Retained earnings	532,471	596,691
Treasury shares	(10,875)	(8,971)
Total shareholders' equity	560,042	627,344
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	750	654
Deferred gains on hedges	-	58
Foreign currency translation adjustment	161	(857)
Remeasurements of defined benefit plans	(382)	(348)
Total accumulated other comprehensive income	529	(492)
Share acquisition rights	289	-
Total net assets	560,861	626,851
Total liabilities and net assets	683,247	758,874

Quarterly Consolidated Statements of Income and Comprehensive Income
Quarterly Consolidated Statements of Income (For the nine months)

(Million yen)

	For the nine months ended November 20,2019	For the nine months ended November 20,2020
Net sales	481,498	540,146
Cost of sales	217,795	231,481
Gross profit	263,702	308,665
Selling, general and administrative expenses	179,230	190,120
Operating profit	84,472	118,544
Non-operating income		
Interest income	339	386
Dividends income	28	28
Share of profit of entities accounted for using equity method	517	185
Foreign exchange gains	-	55
Subsidy income	133	172
Penalty income	-	169
Vending machine income	185	193
Gain on sales of goods	286	140
Other	434	343
Total non-operating income	1,924	1,675
Non-operating expenses		
Interest expenses	215	219
Foreign exchange losses	37	-
Other	100	316
Total non-operating expenses	353	535
Ordinary profit	86,043	119,684
Extraordinary income		
Gain on cancellation of leasehold contracts	-	394
Gain on sales of non-current assets	314	5
Gain on reversal of share acquisition rights	2	12
Total extraordinary income	317	412
Extraordinary losses		
Loss on sales and retirement of non-current assets	50	20
Impairment loss	1,222	8,102
Loss on change in equity	120	38
Compensation for damage	85	-
Provision for loss on cancellation	635	-
Total extraordinary losses	2,114	8,160
Profit before income taxes	84,246	111,936
Income taxes	26,738	35,213
Profit	57,507	76,723
Profit attributable to owners of parent	57,507	76,723

Quarterly Consolidated Statements of Comprehensive Income (For the nine months)

(Million yen)

	For the nine months ended November 20,2019	For the nine months ended November 20,2020
Profit	57,507	76,723
Other comprehensive income		
Valuation difference on available-for-sale securities	(249)	(95)
Deferred gains or losses on hedges	1,081	58
Foreign currency translation adjustment	(1,725)	(1,018)
Remeasurements of defined benefit plans, net of tax	29	33
Total other comprehensive income	(863)	(1,022)
Comprehensive income	56,644	75,701
Comprehensive income attributable to		
Owners of parent	56,644	75,701