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Consolidated Financial Results for the Three Months Ended May 20, 2021 [Japanese GAAP]

June 30, 2021

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: June 30, 2021
 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 Three Months Ended May 20, 2021 (February 21, 2021 to May 20, 2021)

(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	%
Three months ended May 20, 2021	215,461	24.0	42,788	15.0	43,451	16.3	29,108	14.1
May 20, 2020	173,780	3.9	37,216	22.3	37,361	21.6	25,519	25.4

(Note) Comprehensive income: Three months ended May 20, 2021: ¥ 33,543 million [19.7%]
 Three months ended May 20, 2020: ¥ 28,011 million [34.4%]

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
May 20, 2021	257.96	-
May 20, 2020	226.73	226.42

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
As of	Million yen	Million yen	%
May 20, 2021	939,821	669,268	71.2
February 20, 2021	936,770	642,096	68.5

(Reference) Equity: As of May 20, 2021: ¥ 669,268 million
 As of February 20, 2021: ¥ 642,096 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, 2021	-	57.00	-	66.00	123.00
Fiscal year ending February 20, 2022	-				
Fiscal year ending February 20, 2022 (Forecast)		70.00	-	70.00	140.00

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

3. Consolidated Financial Results Forecast for the Fiscal Year Ending February 20, 2022 (February 21, 2021 to February 20, 2022)

(% 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
Six months ended August 20, 2021	434,500	19.9	75,000	(6.9)	76,100	(6.1)	50,800	2.1	449.87
Full year	873,600	21.9	143,900	4.5	146,400	5.8	98,600	7.0	873.17

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

* Notes:

(1) Changes in significant subsidiaries during the three months ended May 20, 2021
(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):

May 20, 2021: 114,443,496 shares

February 20, 2021: 114,443,496 shares

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

May 20, 2021: 1,521,602 shares

February 20, 2021: 1,619,063 shares

3) Average number of shares during the period:

Three months ended May 20, 2021: 112,840,595 shares

Three months ended May 20, 2020: 112,552,732 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 20,2021	As of May 20,2021
Assets		
Current assets		
Cash and deposits	158,577	157,364
Notes and accounts receivable - trade	37,806	46,882
Securities	7,791	-
Merchandise and finished goods	76,133	76,084
Work in process	200	190
Raw materials and supplies	4,403	4,423
Other	17,843	22,087
Allowance for doubtful accounts	(5)	(4)
Total current assets	302,750	307,029
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	182,503	181,553
Land	271,613	272,926
Other, net	28,377	27,481
Total property, plant and equipment	482,494	481,961
Intangible assets		
Goodwill	25,676	24,392
Other	17,083	16,995
Total intangible assets	42,759	41,387
Investments and other assets		
Investment securities	25,727	26,089
Long-term loans receivable	665	654
Guarantee deposits	19,858	19,451
Leasehold deposits	28,945	29,046
Deferred tax assets	18,639	18,927
Other	14,999	15,346
Allowance for doubtful accounts	(72)	(72)
Total investments and other assets	108,765	109,443
Total non-current assets	634,019	632,792
Total assets	936,770	939,821
Liabilities		
Current liabilities		
Notes and accounts payable - trade	44,554	44,801
Short-term borrowings	48,715	48,732
Lease obligations	1,570	1,621
Accounts payable - other	82,694	72,476
Income taxes payable	30,351	14,552
Provision for bonuses	5,120	7,024
Provision for point card certificates	2,669	3,347
Provision for shareholder benefit program	463	280
Other	39,388	39,261
Total current liabilities	255,527	232,099

(Million yen)

	As of February 20,2021	As of May 20,2021
Non-current liabilities		
Long-term borrowings	2,000	1,000
Lease obligations	5,875	5,980
Provision for retirement benefits for directors (and other officers)	228	228
Retirement benefit liability	5,186	5,311
Asset retirement obligations	14,910	15,050
Other	10,945	10,882
Total non-current liabilities	39,146	38,453
Total liabilities	294,673	270,553
Net assets		
Shareholders' equity		
Share capital	13,370	13,370
Capital surplus	26,255	26,814
Retained earnings	612,082	633,054
Treasury shares	(8,971)	(7,766)
Total shareholders' equity	642,737	665,473
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	690	1,243
Deferred gains or losses on hedges	-	(37)
Foreign currency translation adjustment	(1,122)	2,783
Remeasurements of defined benefit plans	(208)	(194)
Total accumulated other comprehensive income	(640)	3,794
Total net assets	642,096	669,268
Total liabilities and net assets	936,770	939,821

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

(Million yen)

	For the three months ended May 20,2020	For the three months ended May 20,2021
Net sales	173,780	215,461
Cost of sales	76,006	100,878
Gross profit	97,774	114,583
Selling, general and administrative expenses	60,557	71,794
Operating profit	37,216	42,788
Non-operating income		
Interest income	134	105
Dividend income	-	0
Share of profit of entities accounted for using equity method	-	138
Foreign exchange gains	222	27
Subsidy income	87	181
Penalty income	141	-
Vending machine income	55	86
Gain on sales of goods	48	49
Other	97	239
Total non-operating income	786	827
Non-operating expenses		
Interest expenses	75	83
Share of loss of entities accounted for using equity method	327	-
Other	238	80
Total non-operating expenses	641	163
Ordinary profit	37,361	43,451
Extraordinary income		
Gain on sales of non-current assets	-	5
Gain on reversal of share acquisition rights	0	-
Gain on cancellation of leasehold contracts	400	-
Total extraordinary income	400	5
Extraordinary losses		
Loss on sales and retirement of non-current assets	-	1
Impairment loss	622	51
Loss on change in equity	14	11
Total extraordinary losses	636	63
Profit before income taxes	37,124	43,393
Income taxes	11,605	14,285
Profit	25,519	29,108
Profit attributable to owners of parent	25,519	29,108

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

(Million yen)

	For the three months ended May 20,2020	For the three months ended May 20,2021
Profit	25,519	29,108
Other comprehensive income		
Valuation difference on available-for-sale securities	(283)	552
Deferred gains or losses on hedges	4,019	(37)
Foreign currency translation adjustment	(1,255)	3,905
Remeasurements of defined benefit plans, net of tax	11	14
Total other comprehensive income	2,491	4,435
Comprehensive income	28,011	33,543
Comprehensive income attributable to		
Owners of parent	28,011	33,543