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Consolidated Financial Results for the Nine Months Ended December 31, 2023 [Japanese GAAP]

February 8, 2024

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 Executive Officer, General Manager, Accounting and Finance Division
 Phone: +81-3-6741-1204
 Scheduled date of filing quarterly securities report: February 8, 2024
 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 December 31, 2023 (April 1, 2023 to December 31, 2023)

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

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended December 31, 2023	663,746	5.1	97,865	3.0	101,268	3.8	68,535	3.0
November 20, 2022	631,769	4.2	95,047	(12.0)	97,564	(11.7)	66,535	(12.2)

(Note) Comprehensive income: Nine months ended December 31, 2023: ¥ 79,579 million [7.5%]
 Nine months ended November 20, 2022: ¥ 74,013 million [(9.3)%]

	Basic earnings per share	Diluted earnings per share
Nine months ended December 31, 2023	Yen 606.45	Yen -
November 20, 2022	588.88	-

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
As of December 31, 2023	Millions of yen 1,196,126	Millions of yen 880,952	73.7%
March 31, 2023	1,133,771	818,096	72.2

(Reference) Equity: As of December 31, 2023: ¥ 880,952 million
 As of March 31, 2023: ¥ 818,096 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 March 31, 2023	-	73.00	-	73.00	146.00
Fiscal year ending March 31, 2024	-	75.00	-		
Fiscal year ending March 31, 2024 (Forecast)				75.00	150.00

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

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2024(April 1, 2023 to March 31, 2024)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	932,000	(1.7)	145,100	3.6	147,000	2.0	100,000	5.1	884.86

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

* Notes:

(1) Changes in significant subsidiaries during the nine months ended December 31, 2023

(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: Yes
- 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):

December 31, 2023: 114,443,496 shares
 March 31, 2023: 114,443,496 shares

2) Number of treasury shares at the end of the period:

December 31, 2023: 1,431,608 shares
 March 31, 2023: 1,431,761 shares

3) Average number of shares outstanding during the period:

Nine months ended December 31, 2023: 113,011,883 shares
 Nine months ended November 20, 2022: 112,986,808 shares

*Quarterly financial results 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

(Millions of yen)

	As of March 31, 2023	As of December 31, 2023
Assets		
Current assets		
Cash and deposits	131,928	129,605
Notes and accounts receivable - trade	57,408	58,754
Merchandise and finished goods	112,401	100,217
Work in process	479	758
Raw materials and supplies	7,496	5,673
Other	20,641	27,461
Allowance for doubtful accounts	(1)	(2)
Total current assets	330,353	322,469
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	203,356	231,580
Land	377,009	398,793
Other, net	69,113	91,509
Total property, plant and equipment	649,479	721,883
Intangible assets		
Goodwill	19,619	17,700
Other	13,386	13,505
Total intangible assets	33,005	31,206
Investments and other assets		
Investment securities	39,089	41,304
Long-term loans receivable	562	530
Guarantee deposits	16,893	16,874
Leasehold deposits	30,313	30,788
Deferred tax assets	21,765	20,052
Other	12,379	11,090
Allowance for doubtful accounts	(72)	(72)
Total investments and other assets	120,932	120,568
Total non-current assets	803,417	873,657
Total assets	1,133,771	1,196,126
Liabilities		
Current liabilities		
Notes and accounts payable - trade	38,459	40,460
Short-term borrowings	83,068	117,330
Lease obligations	1,602	1,659
Accounts payable - other	24,058	31,477
Income taxes payable	28,351	14,052
Contract liabilities	23,774	16,705
Provision for bonuses	8,380	4,140
Provision for point card certificates	11	11
Provision for shareholder benefit program	422	163
Provision for loss on business liquidation	220	-
Other	13,419	16,726
Total current liabilities	221,769	242,727

(Millions of yen)

	As of March 31, 2023	As of December 31, 2023
Non-current liabilities		
Long-term borrowings	57,330	35,000
Lease liabilities	4,598	5,188
Provision for retirement benefits for directors (and other officers)	228	228
Retirement benefit liability	5,886	5,985
Asset retirement obligations	14,800	14,941
Other	11,060	11,101
Total non-current liabilities	93,905	72,446
Total liabilities	315,674	315,174
Net assets		
Shareholders' equity		
Share capital	13,370	13,370
Capital surplus	30,711	30,715
Retained earnings	771,743	823,553
Treasury shares	(10,111)	(10,112)
Total shareholders' equity	805,714	857,526
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,769	4,163
Deferred gains or losses on hedges	(1,829)	-
Foreign currency translation adjustment	12,479	19,346
Remeasurements of defined benefit plans	(36)	(83)
Total accumulated other comprehensive income	12,382	23,426
Total net assets	818,096	880,952
Total liabilities and net assets	1,133,771	1,196,126

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

(Millions of yen)

	For the nine months ended November 20, 2022	For the nine months ended December 31, 2023
Net sales	631,769	663,746
Cost of sales	309,800	324,318
Gross profit	321,969	339,428
Selling, general and administrative expenses	226,921	241,563
Operating profit	95,047	97,865
Non-operating income		
Interest income	401	934
Dividend income	40	521
Share of profit of entities accounted for using equity method	471	173
Foreign exchange gains	793	508
Subsidy income	201	88
Vending machine income	256	261
Gain on sales of goods	205	204
Other	682	1,173
Total non-operating income	3,052	3,865
Non-operating expenses		
Interest expenses	279	376
Other	256	85
Total non-operating expenses	535	462
Ordinary profit	97,564	101,268
Extraordinary income		
Gain on sale of non-current assets	15	7
Gain on change in equity	-	22
Total extraordinary income	15	30
Extraordinary losses		
Loss on sale and retirement of non-current assets	28	12
Impairment losses	706	512
Loss on change in equity	30	-
Provision for loss on business liquidation	212	-
Total extraordinary losses	977	525
Profit before income taxes	96,602	100,773
Income taxes	30,066	32,238
Profit	66,535	68,535
Profit attributable to owners of parent	66,535	68,535

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

(Millions of yen)

	For the nine months ended November 20, 2022	For the nine months ended December 31, 2023
Profit	66,535	68,535
Other comprehensive income		
Valuation difference on available-for-sale securities	560	2,393
Deferred gains or losses on hedges	(4,769)	1,829
Foreign currency translation adjustment	11,607	6,866
Remeasurements of defined benefit plans, net of tax	77	(46)
Total other comprehensive income	7,477	11,043
Comprehensive income	74,013	79,579
Comprehensive income attributable to		
Owners of parent	74,013	79,579