

Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.



Consolidated Financial Results for the Six Months Ended September 30, 2024 [Japanese GAAP]

November 6, 2024

Company name: Nitori Holdings Co., Ltd.
 Listing: Tokyo, Sapporo
 Securities code: 9843
 URL: <https://www.nitorihd.co.jp/>
 Representative: Toshiyuki Shirai President and Chief Operating Officer
 Inquiries: Fumihide Kimura General Manager, Accounting and Finance Division
 Telephone: +81-3-6741-1204
 Scheduled date to file semi-annual securities report: November 6, 2024
 Scheduled date to commence dividend payments: December 3, 2024
 Preparation of supplementary material on financial results: Yes
 Holding of financial results briefing: Yes (for institutional investors and analysts)

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated Financial Results for the Six Months Ended September 30, 2024 (April 1, 2024 to September 30, 2024)

(1) Consolidated Operating Results (Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended September 30, 2024	445,768	6.9	57,974	5.1	60,629	6.5	40,456	6.3
September 30, 2023	416,814	(1.5)	55,173	(20.1)	56,921	(19.2)	38,043	(26.1)

(Note) Comprehensive income: Six months ended September 30, 2024: ¥ 50,885 million [5.8%]
 Six months ended September 30, 2023: ¥ 48,090 million [(22.0)%]

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
September 30, 2024	357.99	-
September 30, 2023	336.63	-

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
As of	Millions of yen	Millions of yen	%
September 30, 2024	1,225,826	939,026	76.6
March 31, 2024	1,238,679	896,308	72.4

(Reference) Equity: As of September 30, 2024: ¥ 939,021 million
 As of March 31, 2024: ¥ 896,304 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, 2024	-	75.00	-	72.00	147.00
Fiscal year ending March 31, 2025	-	76.00			
Fiscal year ending March 31, 2025 (Forecast)			-	76.00	152.00

(Note) Revision to the forecast for dividends announced most recently: None

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2025(April 1, 2024 to March 31, 2025)

(Percentages indicate year-on-year changes.)

	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	960,000	7.2	129,600	1.5	134,000	1.2	92,000	6.3	814.07

(Note) Revision to the financial results forecast announced most recently: None

* Notes:

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

Newly included: - (Company name:)
Excluded: - (Company name:)

(2) Adoption of accounting treatment specific to the preparation of semi-annual consolidated financial statements: Yes

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

- 1) Changes in accounting policies due to revisions to accounting standards and other regulations: Yes
- 2) Changes in accounting policies due to other reasons: None
- 3) Changes in accounting estimates: None
- 4) Restatement: None

(4) Number of issued shares (common shares)

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

September 30, 2024: 114,443,496 shares
March 31, 2024: 114,443,496 shares

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

September 30, 2024: 1,431,794 shares
March 31, 2024: 1,431,638 shares

3) Average number of shares outstanding during the period:

Six months ended September 30, 2024: 113,011,760 shares
Six months ended September 30, 2023: 113,011,856 shares

* Semi-annual financial results reports are exempt from review conducted by certified public accountants or an audit firm.

* 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.

Semi-annual Consolidated Financial Statements
Semi-annual Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2024	As of September 30, 2024
Assets		
Current assets		
Cash and deposits	137,943	134,525
Notes and accounts receivable - trade	79,247	49,175
Merchandise and finished goods	101,206	97,560
Work in process	520	803
Raw materials and supplies	6,802	5,776
Other	22,018	16,412
Allowance for doubtful accounts	(2)	(3)
Total current assets	347,736	304,250
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	255,847	262,529
Land	403,228	406,661
Other, net	77,821	97,184
Total property, plant and equipment	736,897	766,375
Intangible assets		
Goodwill	17,060	15,781
Other	14,101	15,140
Total intangible assets	31,162	30,921
Investments and other assets		
Investment securities	42,439	44,957
Long-term loans receivable	520	502
Guarantee deposits	16,646	16,038
Leasehold deposits	30,982	31,399
Deferred tax assets	21,513	20,377
Other	10,851	11,040
Allowance for doubtful accounts	(72)	(38)
Total investments and other assets	122,882	124,277
Total non-current assets	890,942	921,575
Total assets	1,238,679	1,225,826
Liabilities		
Current liabilities		
Notes and accounts payable - trade	48,294	34,653
Short-term borrowings	107,557	102,105
Lease obligations	1,895	2,192
Accounts payable - other	45,933	26,943
Income taxes payable	20,366	19,850
Contract liabilities	29,091	21,733
Provision for bonuses	6,604	6,869
Provision for point card certificates	11	11
Provision for shareholder benefit program	318	161
Other	16,264	10,524
Total current liabilities	276,336	225,045

(Millions of yen)

	As of March 31, 2024	As of September 30, 2024
Non-current liabilities		
Long-term borrowings	30,000	25,000
Lease obligations	4,519	4,985
Provision for retirement benefits for directors (and other officers)	145	145
Retirement benefit liability	5,558	5,716
Asset retirement obligations	14,748	14,630
Other	11,061	11,276
Total non-current liabilities	66,033	61,754
Total liabilities	342,370	286,799
Net assets		
Shareholders' equity		
Share capital	13,370	13,370
Capital surplus	30,715	30,715
Retained earnings	841,541	873,833
Treasury shares	(10,113)	(10,116)
Total shareholders' equity	875,513	907,802
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	4,711	6,441
Foreign currency translation adjustment	15,816	24,475
Remeasurements of defined benefit plans	262	302
Total accumulated other comprehensive income	20,790	31,218
Non-controlling interests	4	4
Total net assets	896,308	939,026
Total liabilities and net assets	1,238,679	1,225,826

Semi-annual Consolidated Statements of Income and Comprehensive Income

(Millions of yen)

	For the six months ended September 30, 2023	For the six months ended September 30, 2024
Net sales	416,814	445,768
Cost of sales	205,090	217,416
Gross profit	211,723	228,351
Selling, general and administrative expenses	156,550	170,377
Operating profit	55,173	57,974
Non-operating income		
Interest income	868	454
Dividend income	269	314
Share of profit of entities accounted for using equity method	-	786
Foreign exchange gains	30	696
Subsidy income	59	12
Vending machine income	175	187
Gain on sales of goods	134	176
Other	783	559
Total non-operating income	2,322	3,188
Non-operating expenses		
Interest expenses	240	350
Share of loss of entities accounted for using equity method	237	-
Other	95	182
Total non-operating expenses	573	533
Ordinary profit	56,921	60,629
Extraordinary income		
Gain on sale of non-current assets	6	19
Gain on change in equity	22	-
Total extraordinary income	29	19
Extraordinary losses		
Loss on sale and retirement of non-current assets	11	30
Impairment losses	345	793
Loss on change in equity	-	4
Loss on liquidation of subsidiaries and associates	-	635
Total extraordinary losses	357	1,462
Profit before income taxes	56,594	59,185
Income taxes	18,550	18,728
Profit	38,043	40,456
Profit attributable to owners of parent	38,043	40,456

(Millions of yen)

	For the six months ended September 30, 2023	For the six months ended September 30, 2024
Profit	38,043	40,456
Other comprehensive income		
Valuation difference on available-for-sale securities	1,664	1,729
Deferred gains or losses on hedges	1,829	-
Foreign currency translation adjustment	6,583	8,658
Remeasurements of defined benefit plans, net of tax	(31)	39
Total other comprehensive income	10,047	10,428
Comprehensive income	48,090	50,885
Comprehensive income attributable to		
Owners of parent	48,090	50,885

Semi-annual Consolidated Statements of Cash Flows

(Millions of yen)

	For the six months ended September 30, 2023	For the six months ended September 30, 2024
Cash flows from operating activities		
Profit before income taxes	56,594	59,185
Depreciation	12,963	14,875
Impairment losses	345	793
Amortization of goodwill	1,279	1,279
Increase (decrease) in provision for bonuses	(2,790)	156
Increase (decrease) in retirement benefit liability	(58)	115
Increase (decrease) in provision for point card certificates	0	0
Loss (gain) on liquidation of subsidiaries and associates	-	635
Interest and dividend income	(1,137)	(769)
Interest expenses	240	350
Loss (gain) on sale and retirement of non-current assets	5	10
Share of loss (profit) of entities accounted for using equity method	237	(786)
Decrease (increase) in trade receivables	14,988	36,768
Decrease (increase) in inventories	9,375	5,838
Increase (decrease) in trade payables	3,785	(15,813)
Increase (decrease) in contract liability	(4,504)	(7,497)
Loss (gain) on change in equity	(22)	4
Increase (decrease) in provision for loss on business liquidation	(224)	-
Increase (decrease) in accounts payable - other	11,916	(6,280)
Increase (decrease) in accrued consumption taxes	4,960	(3,991)
Other, net	3,710	(2,056)
Subtotal	111,667	82,818
Interest and dividends received	1,599	1,491
Interest paid	(244)	(344)
Income taxes paid	(26,937)	(19,335)
Income taxes refund	645	293
Net cash provided by (used in) operating activities	86,729	64,923
Cash flows from investing activities		
Payments into time deposits	(12,408)	(26,734)
Proceeds from withdrawal of time deposits	3,507	22,961
Purchase of property, plant and equipment	(55,198)	(50,434)
Purchase of intangible assets	(1,449)	(2,243)
Payments of guarantee deposits	(305)	(9)
Proceeds from refund of guarantee deposits	824	650
Payments of leasehold deposits	(446)	(1,274)
Proceeds from refund of leasehold deposits	387	536
Other payments	(219)	(442)
Other proceeds	447	822
Net cash provided by (used in) investing activities	(64,861)	(56,167)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	68	11,801
Repayments of long-term borrowings	(21,534)	(22,330)
Repayments of lease liabilities	(1,183)	(1,253)
Purchase of treasury shares	(0)	(3)
Dividends paid	(8,251)	(8,162)
Net cash provided by (used in) financing activities	(30,900)	(19,948)

(Millions of yen)

	For the six months ended September 30, 2023	For the six months ended September 30, 2024
Effect of exchange rate change on cash and cash equivalents	1,755	2,158
Net increase (decrease) in cash and cash equivalents	(7,277)	(9,034)
Cash and cash equivalents at beginning of period	125,115	117,313
Cash and cash equivalents at end of period	117,838	108,279