



NITORI Holdings Co., Ltd.

**Financial Results Presentation
for the Third Quarter of FY2024**



February 12, 2025

Overview of Consolidated Financial Results



(100 million yen)

| | Q1-Q3 FY2024 (2024.4.1-2024.12.31) | | Q1-Q3 FY2023 (2023.4.1-2023.12.31) | | Prior Period Comparison | |
|---|---------------------------------------|----------|---------------------------------------|----------|----------------------------|--------|
| | Actual | To sales | Actual | To sales | Change | YOY |
| Net sales | 7,049 | - | 6,637 | - | 411 | 106.2% |
| Gross profit | 3,595 | 51.0% | 3,394 | 51.1% | 201 | 105.9% |
| SG&A expenses | 2,606 | 37.0% | 2,415 | 36.4% | 190 | 107.9% |
| Operating income | 989 | 14.0% | 978 | 14.7% | 10 | 101.1% |
| Ordinary income | 1,032 | 14.6% | 1,012 | 15.3% | 19 | 102.0% |
| Profit attributable to owners of parent | 700 | 9.9% | 685 | 10.3% | 14 | 102.2% |

Summary of Financial Results by Reporting Segment

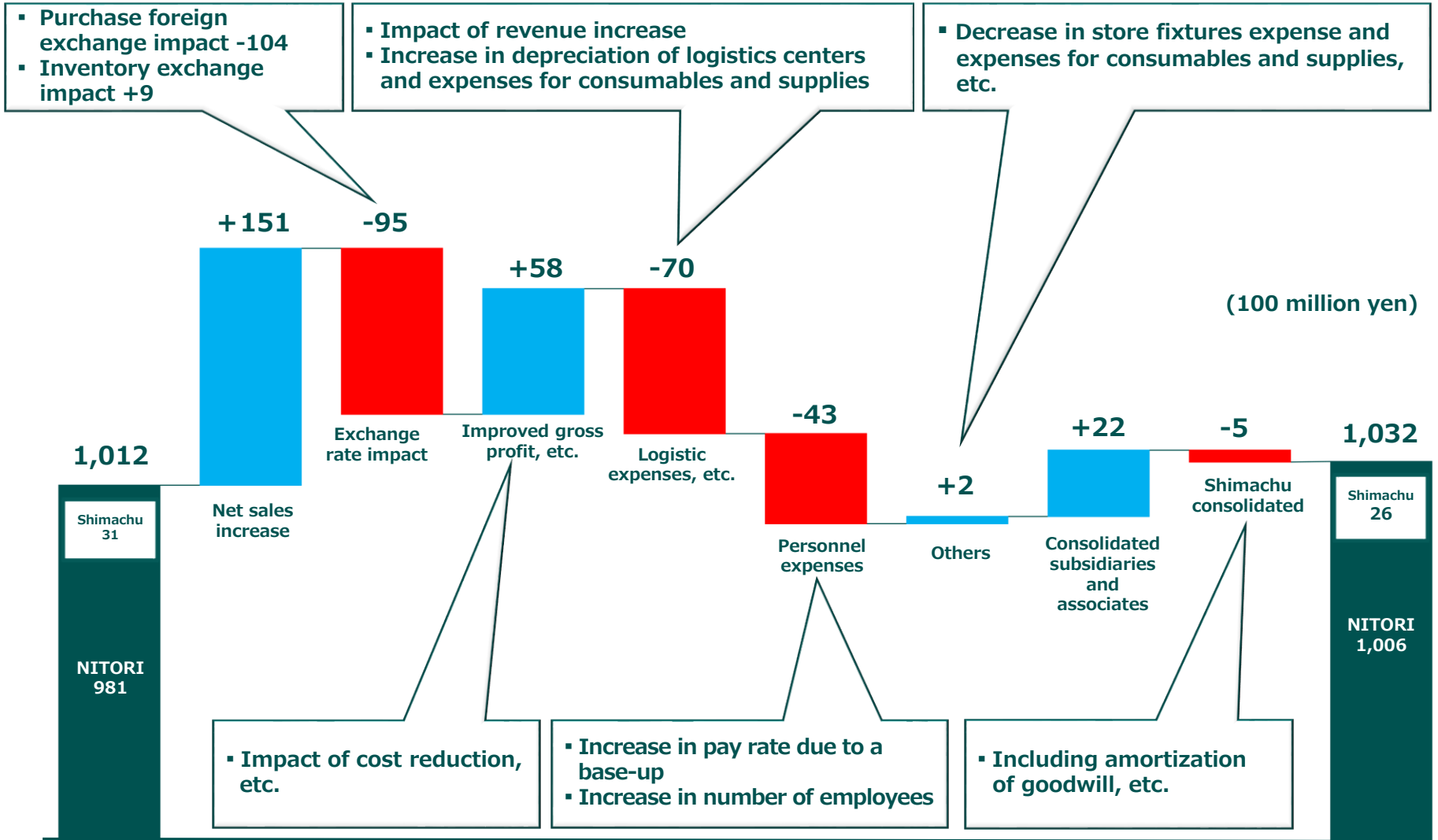


(100 million yen)

| | | Q 1-Q3 FY2024 (2024.4.1-2024.12.31) | | Q 1-Q3 FY2023 (2023.4.1-2023.12.31) | | Prior Period Comparison | |
|----------------------|------------------|--|----------|--|----------|----------------------------|--------|
| | | Actual | To sales | Actual | To sales | Change | YOY |
| NITORI business | Net sales | 6,208 | - | 5,795 | - | 412 | 107.1% |
| | Operating income | 961 | 15.5% | 948 | 16.4% | 12 | 101.3% |
| Shimachu business | Net sales | 930 | - | 911 | - | 18 | 102.0% |
| | Operating income | 22 | 2.5% | 26 | 2.9% | -3 | 88.1% |

*The Shimachu business's operating incomes for the Q3 of current and previous fiscal years include 2.5 billion yen and 2.5 billion yen, respectively, in amortization of both goodwill and unrealized gains on buildings.

Consolidated Ordinary Income (YOY)



- Purchase foreign exchange impact -104
- Inventory exchange impact +9

- Impact of revenue increase
- Increase in depreciation of logistics centers and expenses for consumables and supplies

- Decrease in store fixtures expense and expenses for consumables and supplies, etc.

- Impact of cost reduction, etc.

- Increase in pay rate due to a base-up
- Increase in number of employees

- Including amortization of goodwill, etc.

Q3 FY2023
Ordinary
income

Q3 FY2024
Ordinary
income

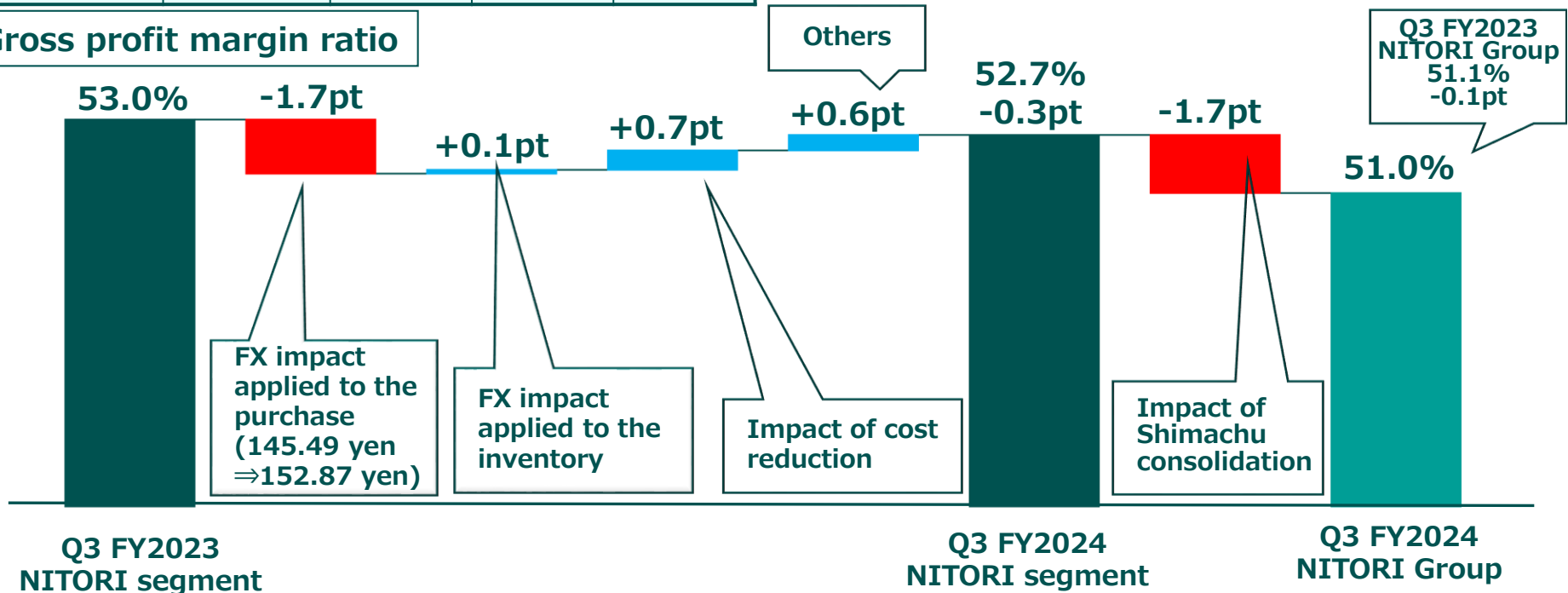
Gross Profit and SG&A Expenses



| SG&A expenses | Amount (¥100M) | YOY | Ratio to sales | Change |
|-----------------------------|----------------|--------|----------------|--------|
| Personnel expenses | 822 | 112.3% | 11.7% | +0.6pt |
| Rents | 370 | 102.6% | 5.3% | -0.2pt |
| Shipping and delivery costs | 250 | 107.6% | 3.6% | +0.0pt |
| Advertising expenses | 159 | 102.9% | 2.3% | -0.1pt |

| SG&A expenses | Amount (¥100M) | YOY | Ratio to sales | Change |
|----------------------------------|----------------|--------|----------------|--------|
| Outsourcing expenses | 144 | 102.3% | 2.1% | -0.1pt |
| Depreciation | 192 | 116.8% | 2.7% | +0.2pt |
| Capital investment, etc. (¥100M) | | | | |
| Capital investment | | | | 1,063 |

Gross profit margin ratio



Consolidated Balance Sheets







(100 million yen)

| Accounts | | December 31, 2024 | March 31, 2024 | Change | Major factors in changes |
|----------------------------------|-------------------------------|-------------------|----------------|--------|------------------------------------|
| Current assets | | 3,584 | 3,477 | 107 | |
| | Cash and deposit | 1,636 | 1,379 | 257 | |
| | Inventory | 1,022 | 1,085 | -62 | Merchandise and finished goods -46 |
| Non-current assets | | 9,716 | 8,909 | 806 | |
| | Property, plant and equipment | 8,173 | 7,368 | 804 | Land +667 |
| | Intangible assets | 305 | 311 | -6 | |
| Total assets | | 13,300 | 12,386 | 914 | |
| Current liabilities | | 3,169 | 2,763 | 405 | |
| | Accounts payable-trade | 403 | 482 | -79 | |
| | Short-term loans payable | 1,928 | 1,075 | 853 | |
| Non-current liabilities | | 611 | 660 | -49 | |
| | Long-term loans payable | 250 | 300 | -50 | |
| Total liabilities | | 3,780 | 3,423 | 356 | |
| Total net assets | | 9,520 | 8,963 | 557 | Retained earnings +532 |
| Total liabilities and net assets | | 13,300 | 12,386 | 914 | |

Number of Stores as of December 31, 2024



| Area | Type | End of FY2023 | Q1-Q3 No. of stores opened | Q1-Q3 No. of stores closed | Net increase | End of Q3 FY2024 |
|--------------------------------------|---|---------------|----------------------------|----------------------------|--------------|------------------|
| J A P A N | NITORI NITORI EX  | 556 | 15 | 11 | 4 | 560 |
| | DECO HOME  | 174 | 14 | 11 | 3 | 177 |
| | N plus  | 38 | 9 | 0 | 9 | 47 |
| | Shimachu  | 54 | 0 | 1 | -1 | 53 |
| | Subtotal | 822 | 38 | 23 | 15 | 837 |
| O V E R S E A S | Taiwan | 61 | 6 | 1 | 5 | 66 |
| | Mainland China | 95 | 19 | 10 | 9 | 104 |
| | Hong Kong | 1 | 2 | 0 | 2 | 3 |
| | Korea | 3 | 3 | 0 | 3 | 6 |
| | Malaysia | 11 | 0 | 0 | 0 | 11 |
| | Singapore | 2 | 2 | 0 | 2 | 4 |
| | Thailand | 5 | 3 | 0 | 3 | 8 |
| | Vietnam | 1 | 1 | 0 | 1 | 2 |
| | Philippines | 0 | 4 | 0 | 4 | 4 |
| | Indonesia | 0 | 2 | 0 | 2 | 2 |
| | India | 0 | 1 | 0 | 1 | 1 |
| | Subtotal | 179 | 43 | 11 | 32 | 211 |
| Total | 1,001 | 81 | 34 | 47 | 1,048 | |

Major Indicators of Management Efficiency (1)



| GROUP (nine-months period) | No. | Indicator | Unit | Target | Result | 2024.12 | 2023.12 | 2022.11 | 2021.11 | 2020.11 |
|-------------------------------|------------------------------------|--------------------------------|-----------|-------------|--------|---------|---------|---------|---------|---------|
| | 1 | Return on assets | % | Over 11.25% | × | 8.0 | 8.7 | 9.4 | 11.6 | 16.6 |
| | 2 | Total asset turnover | Times | Over 1.5 | × | 0.55 | 0.57 | 0.61 | 0.64 | 0.75 |
| | 3 | Ordinary income margin | % | Over 10% | ○ | 14.6 | 15.3 | 15.4 | 18.2 | 22.2 |
| | 4 | Earnings per share | ¥ | Over ¥75 | ○ | 619.6 | 606.4 | 588.9 | 670.9 | 680.7 |
| | 5 | Return on equity | % | Over 11.25% | × | 7.58 | 8.07 | 8.73 | 11.21 | 12.9 |
| | 6 | Equity ratio | % | Over 60% | ○ | 71.6 | 73.7 | 72.5 | 73.2 | 82.6 |
| | 7 | Interest coverage | Times | Over 20 | ○ | 231 | 413 | 656 | 374 | 1,804 |
| | 8 | Sales growth rate | % | Over 10% | × | 6.2 | 5.1 | 4.2 | 12.2 | 12.2 |
| | 9 | Ordinary income growth rate | % | Over 10% | × | 2.0 | 3.8 | -11.7 | -7.7 | 39.1 |
| | 10 | Ratio of gross profit to sales | % | Over 48% | ○ | 51.0 | 51.1 | 51.0 | 52.8 | 57.1 |
| 11 | Ratio of break-even point to sales | % | Under 80% | ○ | 68.3 | 67.2 | 66.2 | 62.5 | 57.3 | |

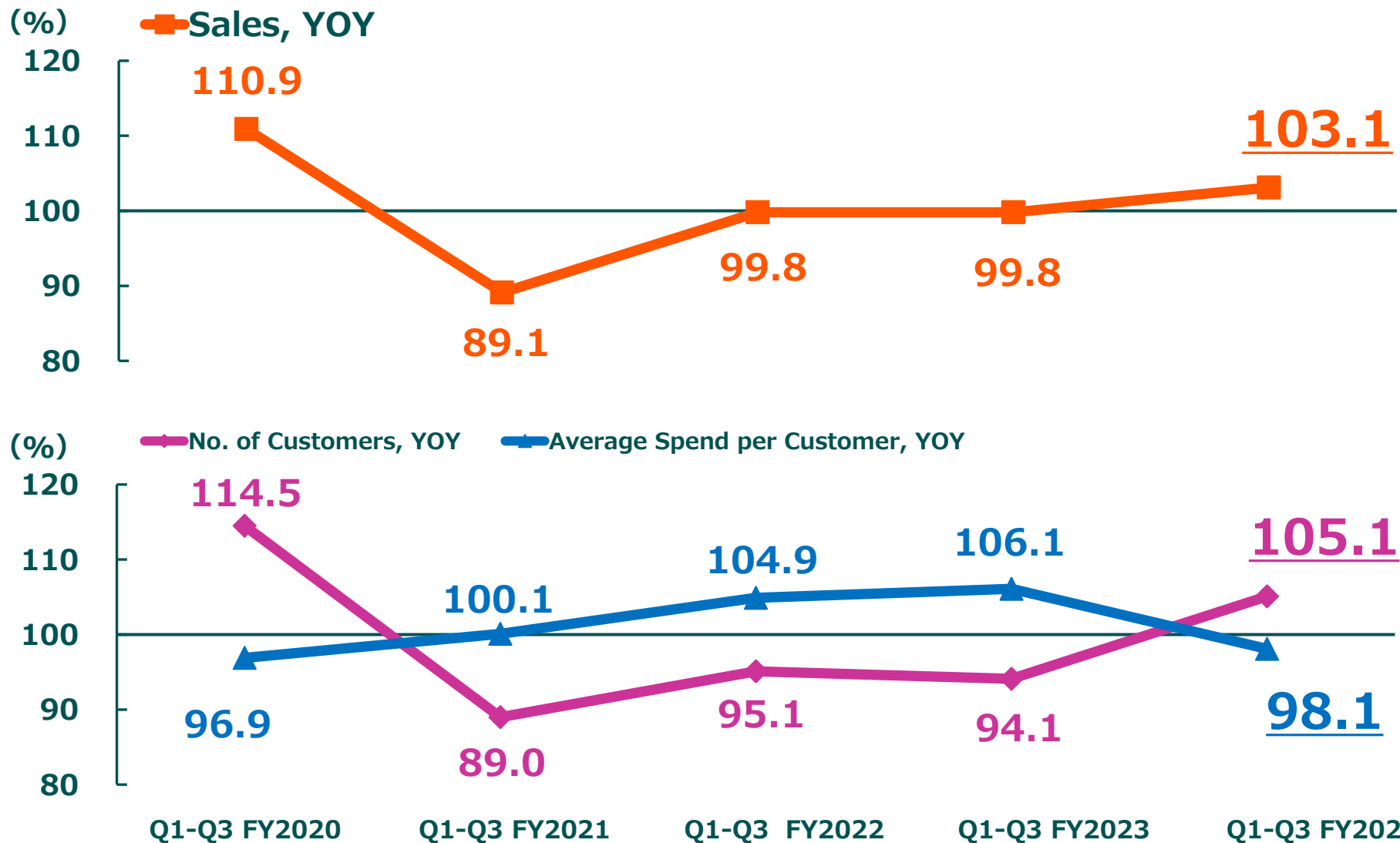
Major Indicators of Management Efficiency (2)

| SALE OF FURNITURE AND HOME FURNISHING | No. | Indicator | Unit | Target | Result | 2024.12 | 2023.12 | 2022.11 | 2021.11 | 2020.11 |
|---------------------------------------|-----|---|-------|------------|--------|---------|---------|---------|---------|---------|
| | 12 | Sales per tsubo | K | Over ¥950K | ○ | 1036 | 1014 | 1012 | 1016 | 1150 |
| | 13 | Stock turnover | Times | Over 9 | × | 5.5 | 4.5 | 4.9 | 5.6 | 5.7 |
| | 14 | Operating assets turnover | Times | Over 2.9 | × | 2.8 | 2.7 | 3.2 | 3.4 | 3.5 |
| | 15 | Ratio of profit distribution | % | Over 20% | ○ | 30.9 | 33.5 | 33.3 | 38.4 | 38.6 |
| | 16 | Ratio of real estate cost to gross profit | % | Under 25% | × | 25.0 | 23.3 | 22.6 | 21.2 | 18.9 |
| | 17 | Ratio of sales promotion cost to gross profit | % | Under 6% | ○ | 5.0 | 5.4 | 4.7 | 4.5 | 4.3 |
| | 18 | Labor productivity | M | Over ¥10M | ○ | 20.89 | 20.62 | 20.85 | 20.60 | 22.97 |
| | 19 | Sales floor per labor | Tsubo | Over 60 | × | 38.2 | 38.3 | 39.3 | 37.0 | 35.8 |
| | 20 | Operating income per tsubo | K | Over ¥150K | ○ | 156 | 169 | 166 | 201 | 236 |
| | 21 | Stock per tsubo | K | Under ¥90K | × | 97.4 | 114.1 | 103.0 | 80.0 | 87.0 |
| | 22 | Average age of labor | Age | 30-35 | ○ | 33.3 | 34.0 | 33.8 | 33.1 | 33.3 |
| Results (○ won / × lost) | | | | | | 12○10× | 13○9× | 14○8× | 17○5× | 19○3× |

NITORI Segment Topics

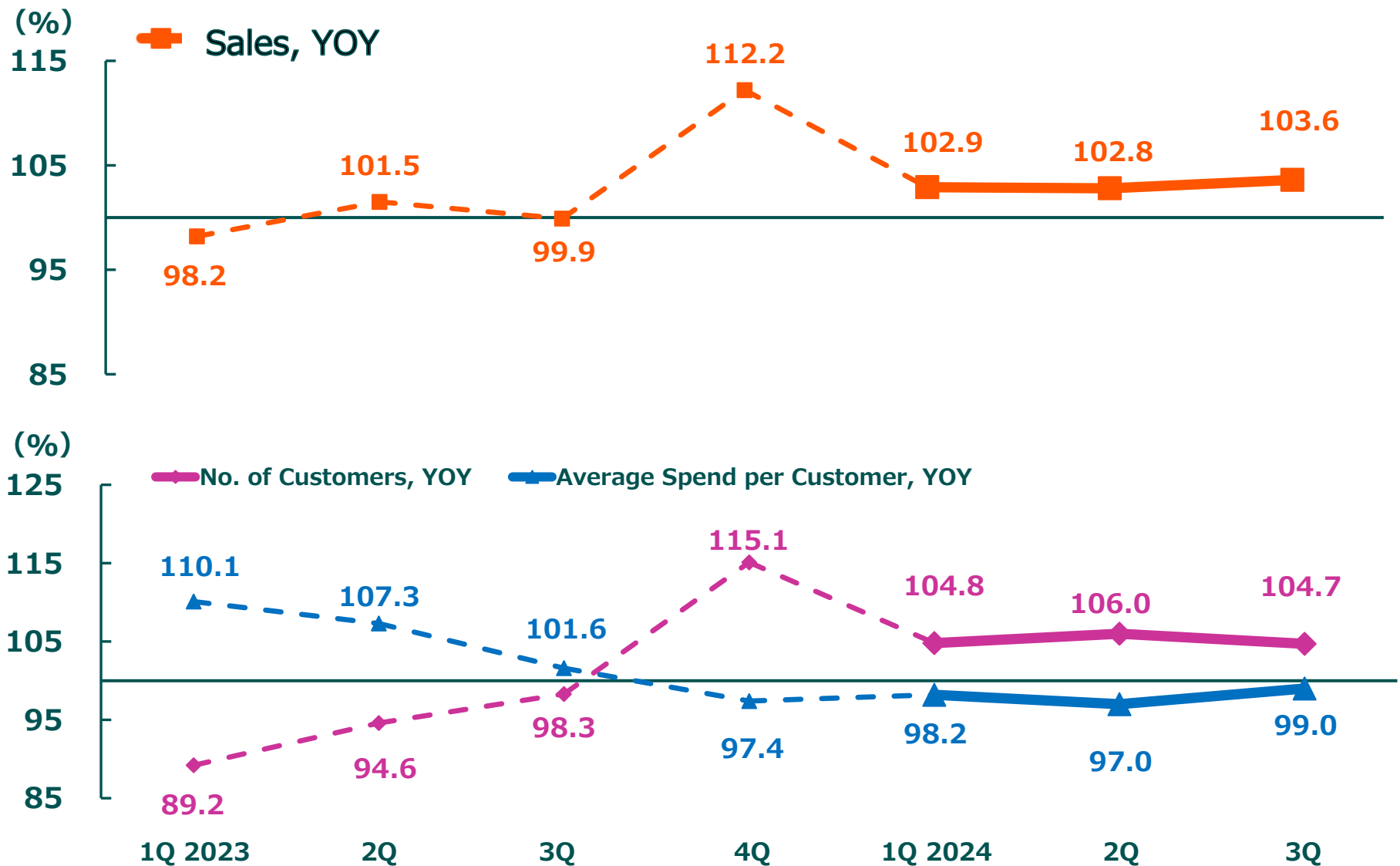


YOY Changes in Comparable Stores



*Sales=Sales based on order *Aggregate targets: NITORI, DECOHOME, EC

YOY Changes in Comparable Stores in FY2024



*Sales=Sales based on order *Aggregate targets: NITORI, DECOHOME, EC

NITORI Segment Sales (Net Sales)

NITORI segment sales: 620.8 billion yen
Compared to Q1-Q3 FY2023: 107.1%

(100 million yen)
6,208

5,795

Q1-Q3 FY2023

Q1-Q3 FY2024

| Net sales | | Amount (¥100M) | YOY |
|---|-------------------|----------------|--------|
| Store sales (including overseas) | | 5,154 | 105.5% |
| Sales outside stores (including overseas) | E-commerce | 719 | 112.5% |
| | B to B Renovation | 109 | 127.0% |
| Rent income | | 65 | 102.3% |
| Others | | 158 | 131.4% |
| Total | | 6,208 | 107.1% |

| Sales composition by region | | | | | |
|-----------------------------|-------|--------|---------------------|-------|--------|
| Hokkaido | 3.9% | -0.3pt | Chugoku & Shikoku | 6.5% | -0.3pt |
| Tohoku | 4.8% | -0.2pt | Kyushu & Okinawa | 8.3% | -0.2pt |
| Kanto | 26.8% | -0.7pt | EC | 11.4% | +0.5pt |
| Hokuriku & Koshinetsu | 5.0% | +0.0pt | B to B & Renovation | 1.8% | +0.3pt |
| Chubu & Tokai | 9.0% | -0.3pt | Overseas | 6.0% | +1.3pt |
| Kinki | 13.0% | -0.5pt | Others | 3.5% | +0.4pt |

Pursuing optimal comfort for furniture users

- Shifting from a style where people adapt to the size, height, and angle of furniture to one where electric furniture conforms to the user providing personalized comfort.



Electric sofa N BELIEVA

“Offering top-notch comfort to every day”

Fully renewed electric sofa: “N BELIEVA,” our most popular product with the top-notch sitting comfort remaining the same

- Easy reclining of sofa on the right and left side at any angle you like with side button
- High back that supports your neck with 5-stage adjustment
- Backrest cushions, which use highly elastic and resilient silicone fiber, fit your bodyline and support your body
- Selectable from 4 types of materials: cloth, genuine leather, N shield and thick skin

Focus on developing products that add convenience and comfort to people's lives

- Offer not only convenient features and price competitiveness but also make customers enjoy the coordination to add colors to the everyday life



Living

2024 WINTER COLLECTION

北欧の森をモチーフにしたアイテムで、
家族が集うリビングを楽しく演出。
カーテンやラグを替えるだけでも、
よりぬくもりを感じる空間に。

2024 WINTER COLLECTION

“Let's have fun
with winter preparation”

Make your home time fun and
warm with Scandinavian design,
which is popular every year

Bedroom

2024 WINTER COLLECTION

北欧の森をイメージした
あたたかなファブリックで冬仕様に。
心地よいぬくもりと肌ざわりに包まれて、
いつの間にか夢の中へ。



- Focusing on developing products that add convenience and comfort to people's lives
- Developing a variety of products that are used every day to make life easier and that offer high functionality, quality, and ease of use



高さ調整

まくらの硬さ まくらの高さ

低

かため

首をしっかり支えるまくら

首フィット

パイプ・ポリエステルまくら

睡眠時のストレートネック対策

まくらの高さ：ひくめ・調整可能
まくらのかたさ：首もと硬め

首もとの部分は高さ調整が可能です。
首の支えを自分に合った仕様に、
睡眠時の肩・首・背中への負担を軽減します。

しっかり首元にフィットして
安定して支えます

首元の充填物はポリエチレンパイプなので、
首元の感触はかためです。

調整可能 8.5cm(約)

ポリエステルわた

DAY Value

居心地のいいくらしを。

ポリエチレンパイプ

Neck support pillow that firmly fits around the neck

“To those who want to
change the quality of
sleep”

- Structure that can create the naturally beautiful curve of neck to address the straight neck
- Adjustable height of pillow by taking in and out the filling around neck reducing the burden on shoulder, neck and back during sleep
- Side fabric is a highly breathable three-dimensional mesh fabric, antibacterial, deodorizing and hand washable

Focusing on developing products that add convenience and comfort to people's lives

- Developing a variety of products that are used every day to make life easier and that offer high functionality, quality, and ease of use

使いやすさと、美しさを
兼ね備えた。

karu:eclé リムプレート



使いやすさと、美しさを
兼ね備えた。

karu:eclé リムボウル



使いやすいサイズが揃う



重ねやすく、収納が簡単。



Karu: eclé series

“Lightness is new.
Offers design that makes
you want to use
every day”

- Lightweight porcelain tableware, which is unprecedentedly light and easy to wash and carry
- Easy stack and easy storage
- Simple design that makes you want to use everyday with a lineup of easy-to-use size
- Microwave-safe and dishwasher-safe, good for everyday use

Developing more convenient and wonderful products with “functions beyond common sense” and “incredible prices”

- Held presentation on November 22 for drum-type laundry washers/dryers as the first attempt for NITORI



Home Appliance Product Development

Developing more convenient and wonderful products with “functions beyond common sense” and “incredible prices”

- Developing NITORI’s home appliances, products that are as reliable as NB products, by focusing on the functions that are truly necessary and appealing to customers with the price advantage that come with such products.



ドラム式洗濯乾燥機が
衝撃の価格!! 10kg

サイズであきらめない
超コンパクト

洗濯～乾燥まで
約60分【約2kg時】

毎回の乾燥後
お手入れ不要

¥99,900

ニトリ



給水も、お手入れも
ラクに。

上部給水

超音波式

タンク容量2.5L

アロマ
対応

¥3,990
(税込)

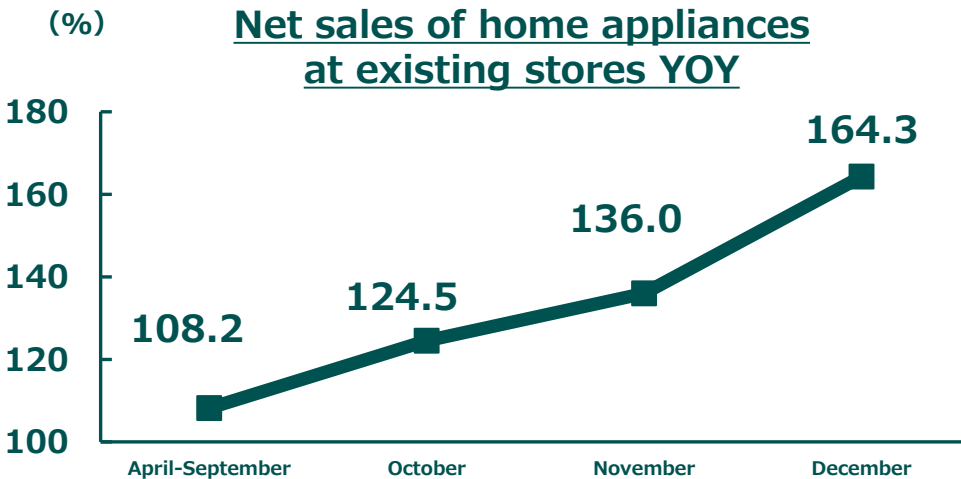
ニトリ

Home Appliance Product Development



Developing more convenient and wonderful products with “functions beyond common sense” and “incredible prices”

- Developing NITORI’s home appliances, products that are as reliable as NB products, by focusing on the functions that are truly necessary and appealing to customers with the price advantage that come with such products.



September



Negative ion hair dryer
Face steamer

October



Essential oil usable humidifier allowing easy water supply

November



10kg/12kg Drum-type laundry washers/dryers

December



Cordless stick cleaner

Sales Promotion Measures

- Held “Founding Anniversary Sale to commemorate our 57th anniversary” nationwide
 Appreciation sale on up to 2,100 items, came with a reliable extended warranty upon purchasing the large home appliance, and furthermore, offered reasonable collection service of furniture now in use upon purchasing the large furniture

大好評につき、今年も!

ニトリ 57周年記念

創業祭

since 1967

暮らしが変わる、今年のヒット商品満載!
ニトリ絶対の自信作をお得にご提供。

| | |
|---|--|
| 家具 <small>電動ソファやNSスリープマットレスなど</small> 最大1,000アイテム | インテリア用品 <small>キッチングッズや寝具、カーテンなど</small> 最大1,100アイテム |
|---|--|

創業祭感謝価格

| | |
|---|---|
| <small>さらに</small> 洗濯機、冷蔵庫、TV、エアコン <small>¥5万円以上の商品お買い上げで</small> 5年保証 <small>延長保証</small> <small>プレゼント!</small> | <small>さらに</small> 大型家具(ワイド) 今お使いの家具引取が <small>商品別 ¥15万円(税込)以上で</small> 無料 <small>商品別 ¥10万円(税込)以上で</small> 半額 |
|---|---|

2025/1/6(月)まで

ニトリ

ヒット商品番付

2024

魚横網

【家具部門】
電動ソファ Nビリーバ

※厚み調整機能、快適な座り心地の電動リクライニングソファ。お上りお下り心地で大人気の商品がさらに続きます。

商品詳細ページ: 2024/1/27 ~ 2025/1/6

119,900円(税込)

商品を見る >

魚横網

【インテリア部門】
敷布団 Nプレス プラスエア

高い弾力性で寝返りがラク。寝具が快適なムシ対策にも。

商品詳細ページ: 2024/1/27 ~ 2025/1/6

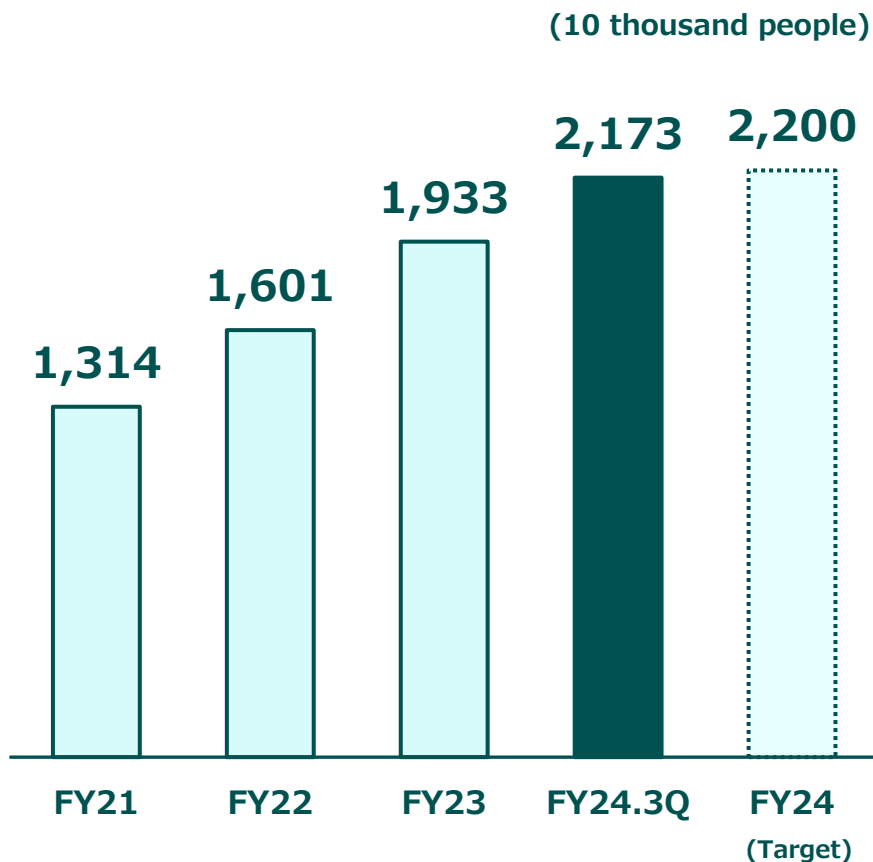
18,990円(税込)

商品を見る >

Number of App Members

- 21.73 million app members as of December 31, 2024, up 2.4 million from the end of FY2023
- Further improving customer convenience through a revamped app with new functions

Number of app members



App members-related figures

- Number of purchases per year
1.5 times higher than non-app members
- Amount of purchases per year
1.7 times higher than non-app members

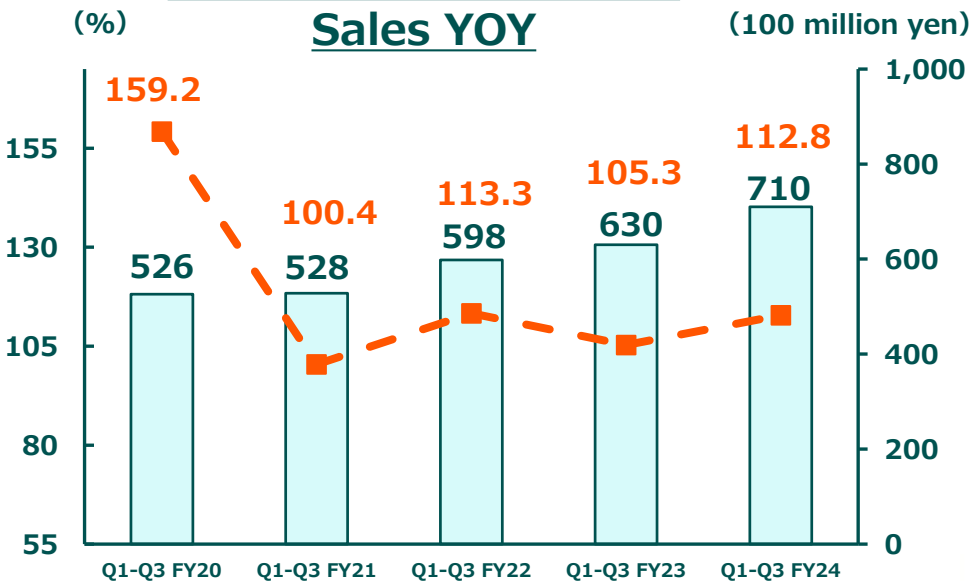
Achieved the target
in January

*Non-app members=card/EC/LINE members
*Aggregate for the 12 months from January 2024 to December 2024

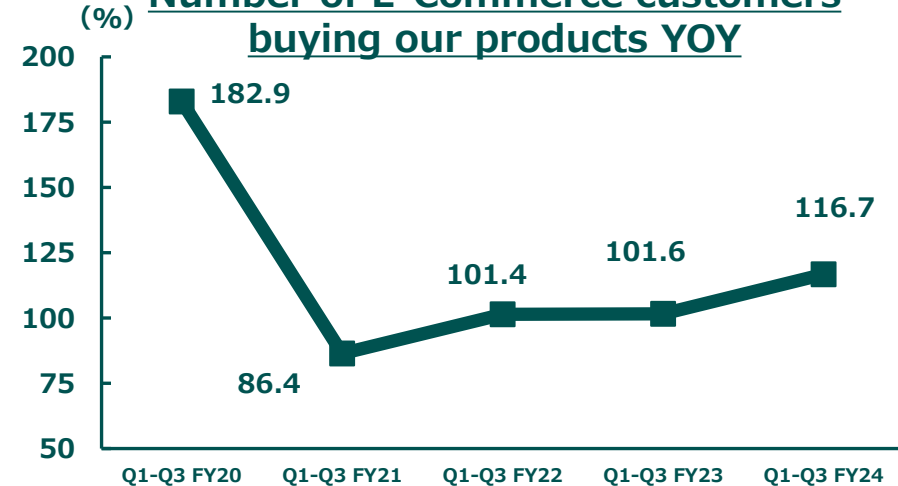
E-Commerce

- Domestic online shop sales for the first nine months will be 71.0 billion yen. (112.8% YOY)
- Live commerce achieved 6.42 million viewers in nine months.

Domestic E-Commerce Sales YOY



Number of E-Commerce customers buying our products YOY



EC Sales Conversion Rate: : 12.6%*

Change compared to Q3/FY23 : +1.1pt
 Change compared to Q3/FY22 : +1.1pt

*Excluding B to B and Renovation
 *Sales = Sales based on order

Expansion of the online-exclusive products



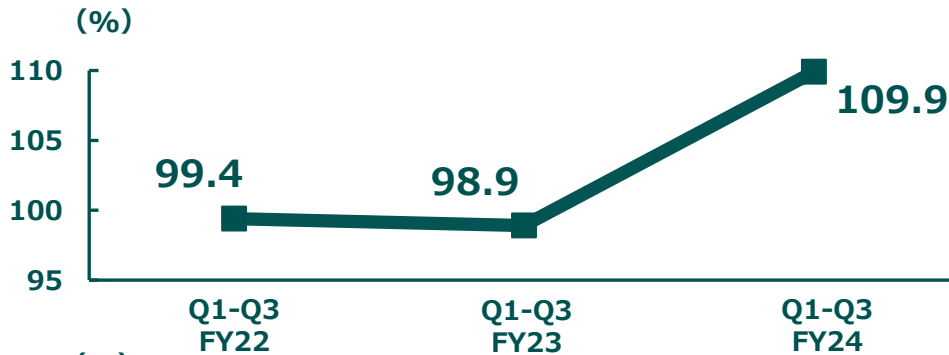
Live commerce



Contributed to the increase of the number of customers buying our products

- Q3 Existing stores sales YOY: 109.9%
- Starting October 28, 2024, we conducted “the third round of price revision” of DECO HOME’s popular products in response to positive feedback

Existing Stores Sales YOY



Oil & vinegar bottle
400ml 499 yen

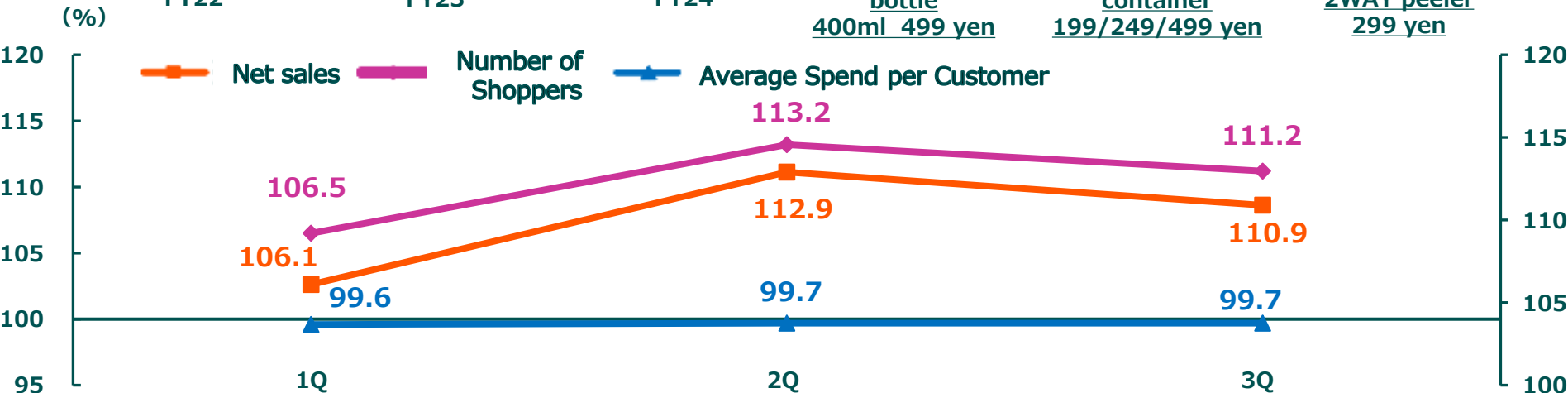
Newly launched products with competitive prices



Seasoning container
199/249/499 yen



Freestanding 2WAY peeler
299 yen



First round of price revision for 300 items, started from Jun. 17

Second round of price revision for 182 items, started from Aug. 20

Third round of price revision for 264 items, started from Oct. 28

N+

N plus

ニトリ
NITORI



N+

トータルコーディネートのお大人服。



Newly opened

9 stores opened for the first nine months of FY2024

- Oct. 11 N+ LaLaport SAKAI
- Nov. 29 N+ iias TAKAO

Sales promotion

- Down pant series

Over 65,000 pairs sold in total

New colors released: 7 colors in total

India

First store opened in India

- Dec. 20 Mumbai R City Mall Store

11th country/region in Asia
Opened store at Mumbai: the commercial and financial center in India



Philippines



4 stores opened in the first nine months of FY2024

- Oct. 17 SM Mall of Asia, the 3rd store
- Dec. 20 Festival Mall, the 4th store



Broadcasted the special program of opening store for Japanese living locally

Indonesia



2 stores opened in the first nine months of FY2024

- Dec. 13 Lippo Mall Puri, the 2nd store



Electric sofa and N Cool series continued to sell well



Thailand



3 stores opened in the first nine months of FY2024

- Oct. 25 One Bangkok, the 6th store
- Nov. 21 Future Park, the 7th store
- Dec. 5 Seacon Square, the 8th store



Overseas Business (Eastern Asia)

Taiwan



6 stores opened in the first nine months of FY2024 (1 store closed)

- Oct. 4 Hanshin Arena Store
→ DECO HOME
1st overseas store
- Dec. 12 Taoyuan Carrefour Bade Store



Held W11 campaign

Held at each company's E-Commerce website including their own EC site

Korea



3 stores opened in the first nine months of FY2024

DECO HOME products on trial sale
Cushion covers sold well
Best sellers to be launched also in future



Started local procurement of home appliances
Launched new small sized home appliances at the sales floor
Humidifiers, etc. sold well

Mainland China



19 stores opened in the first nine months of FY2024 (10 stores closed)

- Oct. 26 Shanghai CIMC-Meilan Lake Gemdale Plaza Store
- Nov. 15 Changsha Guanshaling Garden City Store
- Nov. 15 Shantou The MixC Store
- Nov. 29 Shanghai Longzhimeng Shopping Center Store
- Dec. 27 Hangzhou Chengxi Intime City Store



Hong Kong



2 stores opened in the first nine months of FY2024

- Oct. 25 HongKong LokFu Place Store, the 2nd store
- Dec. 19 HongKong Wanchai Hopewell Mall Store, the 3rd store



Global size range
Electric sofa sells well
Compact size with 170-180cm in width

Shimachu Segment Topics

家具・ホームセンター

HOME'S

島忠

HOME'S

CENTRAL SPORTS

DIY & ST...

HOME'S

家具・ホームセンター
アツシ
DIY & ST...

上

上野製菓

HOME'S

SAITAMA CHUO

Existing store renovation

- On Dec. 18, stores at HOME'S Yokosuka and HOME'S Soga reopened after renovation
- Sponsored sales held at all stores of Shimachu and HOME'S

ホームズ横須賀店・ホームズ蘇我店 **リニューアルOPEN!!**
全店協賛セール開催

アプリ会員限定 12/3~1/6
ポイントバック
トイレットペーパー 対象商品
2,500円以上ご購入ごとに
500 ポイント
プレゼント!!

アプリ会員限定 12/3~1/6
ポイントバック
ペット関連 対象商品
4,000円以上ご購入ごとに
800 ポイント
プレゼント!!

HOME'S Yokosuka



HOME'S Soga

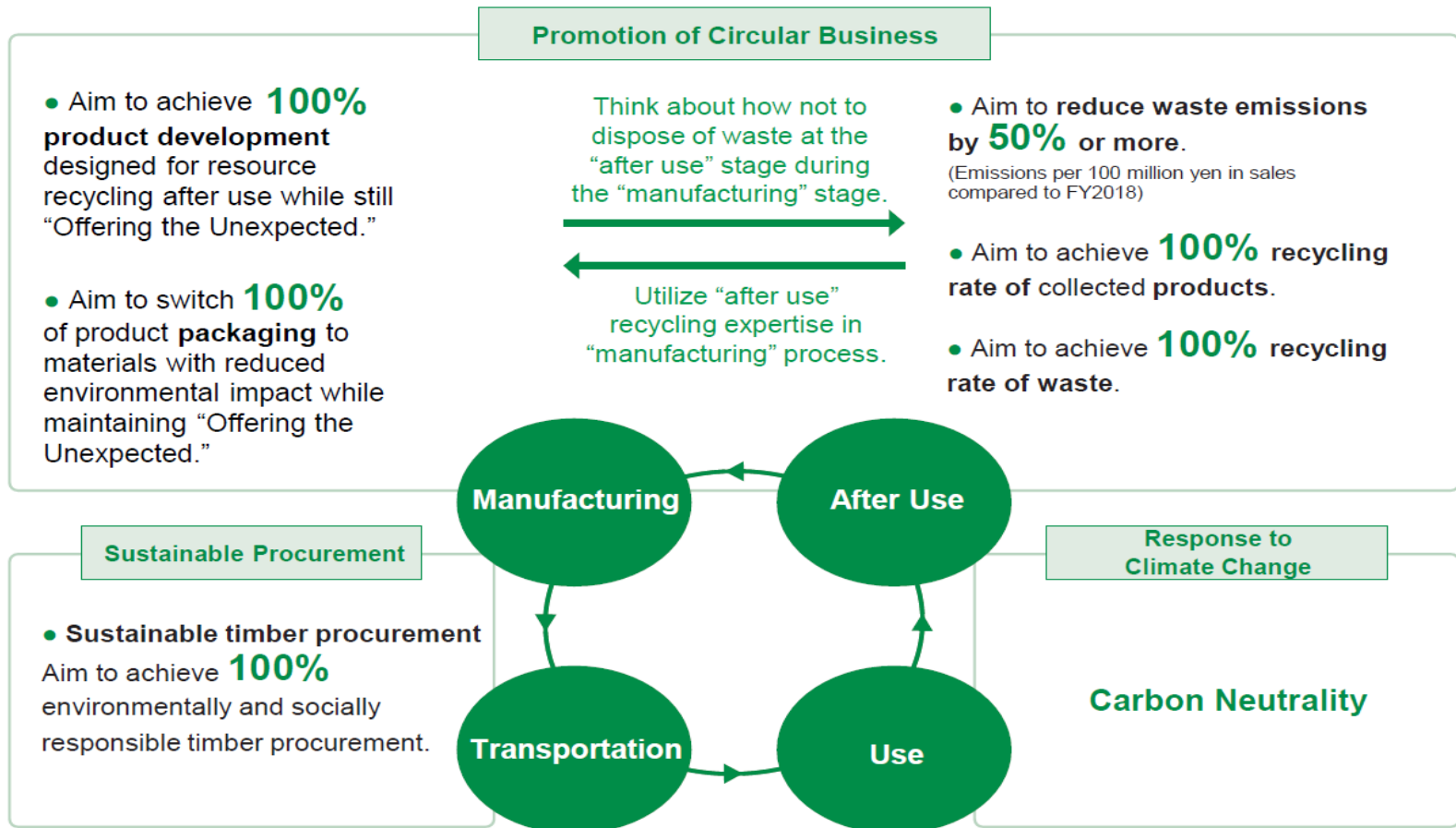


NITORI Group Topics



Formulated NITORI Group Green Vision 2050 as our goal for 2050, aiming to be responsible for the environment and to contribute to sustainable enrichment of people's homes

Nitori Group Green Vision 2050



Promoting circular business—Recycling of collected products

- While addressing our customers' concerns with care, we also carry out recycling collection regardless of the supplier to help protect limited resources.

Curtain collection



Participants: approx. 411,000

Collected weight: approx. 1,622 tons

*Cumulative results from FY2022 to Jan.12, 2025 (all stores)

Down feather quilts Collection



Participants: approx. 60,000

Number of quilts collected: approx. 86,000

*Cumulative results from FY2022 to FY2023 (all stores)

Towel collection



Participants: approx. 19,000

Collected weight: approx. 28.9 tons

(equivalent to approx. 463,000 towels if estimated at 62.5g per face towel)

*Cumulative results from Jan. 29, 2024 to Sept. 1, 2024 (all stores)

Promotion of Circular Business—Recycling of products and packages

▪ Aim to realize the following while still maintaining the price and quality of “Offering the Unexpected”

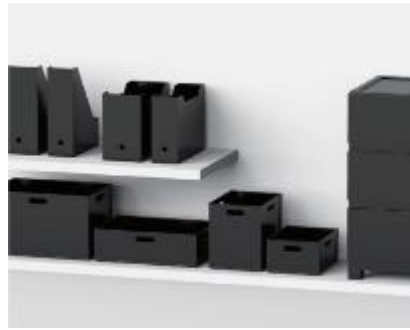
Products: promote the product development designed for resource recycling

Package: promote switching to materials with reduced environmental impact

Products



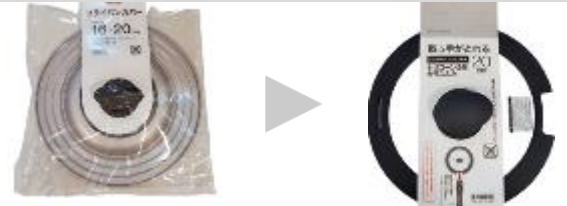
Easy to Sort Mattress Recycled Down Quilt



Rugs, carpets and storage series made from recycled raw materials

Packages

(1) Eliminate



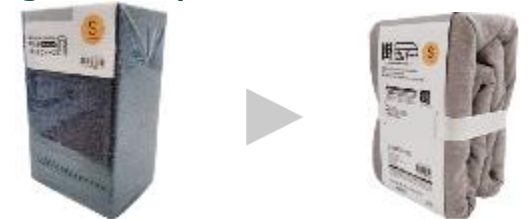
Eliminated plastic individual packages and changed to paper header only

(2) Reduce



Replaced slipper hangers with plastic cords

(3) Change



Switched plastic packaging to paper mounts and strings

On February 7, NITORI Health Insurance Association won the Ministry of Economy, Trade and Industry Award

Won commendation of Best Organization for Improving Physical Fitness for FY2024: “the Ministry of Economy, Trade and Industry Award”



Evaluation points

- The Company and insurance association have worked together
- The number of participants has increased while making improvements every year such as continuing the walking campaign, which is a part of fitness and health promotion (778 people in 2016-> 3,324 people in the spring of 2024)

Out of companies, health associations and local governments nationwide, NITORI Health Insurance Association won the best award for FY2024

- Nagoya DC started operation while Satte DC and Sendai DC started operation partially
- Logistics strategy projects aimed at overall optimization of logistics functions are underway

| Logistics base | | Total floor area | Start of operation |
|----------------|-------------|------------------|----------------------|
| 1 | Ishikari DC | 23,228 tsubo | In service |
| 2 | Kobe DC | 24,609 tsubo | In service |
| 3 | Nagoya DC | 42,787 tsubo | In service |
| 4 | Satte DC | 63,647 tsubo | Partially in service |
| 5 | Sendai DC | 25,418 tsubo | Partially in service |
| 6 | Fukuoka DC | 33,256 tsubo | 2025 |
| 7 | South-Kanto | Being planned | Being planned |
| 8 | Kinki | Being planned | Being planned |

Strategic targets for rebuilding distribution centers

- (1) Reduce costs for rent, etc.
- (2) Improve productivity by developing the jigs and introducing material handling equipment
- (3) Reduce drayage costs by integrating centers
- (4) Reduce split delivery



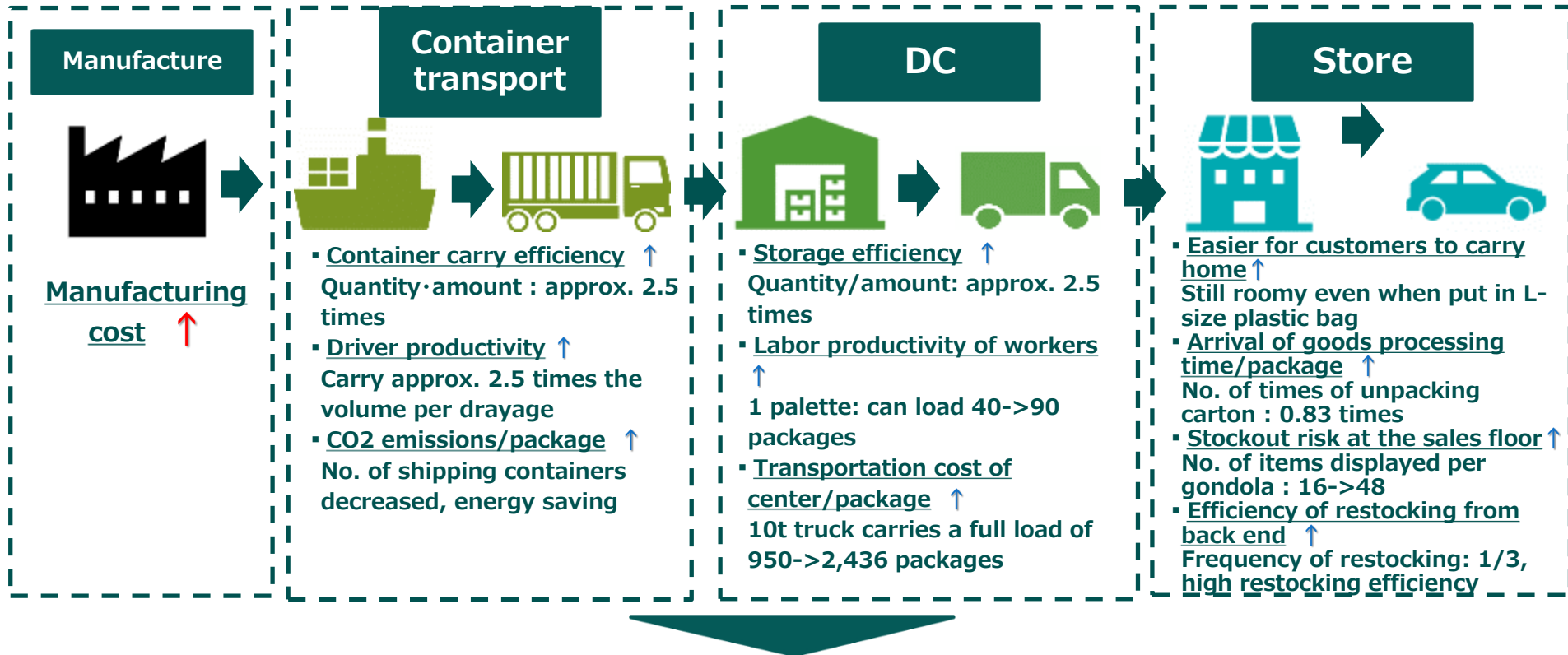
Unique Business Model

Gain more benefits just because of integrated business model of "Manufacturing-Logistics-IT-Retail business"

Downsize the packages



Examples of pillow
 Volume : approx. 39%
 Quantity per outer carton : 5->6



Benefit obtained from each stage of business model is bigger than the increase of manufacturing cost

- Two companies together developed home appliances with a catchphrase, "Products that add a personal touch to your life from now on-Simple+One."



ニトリとエディオンによる
共同開発商品です。



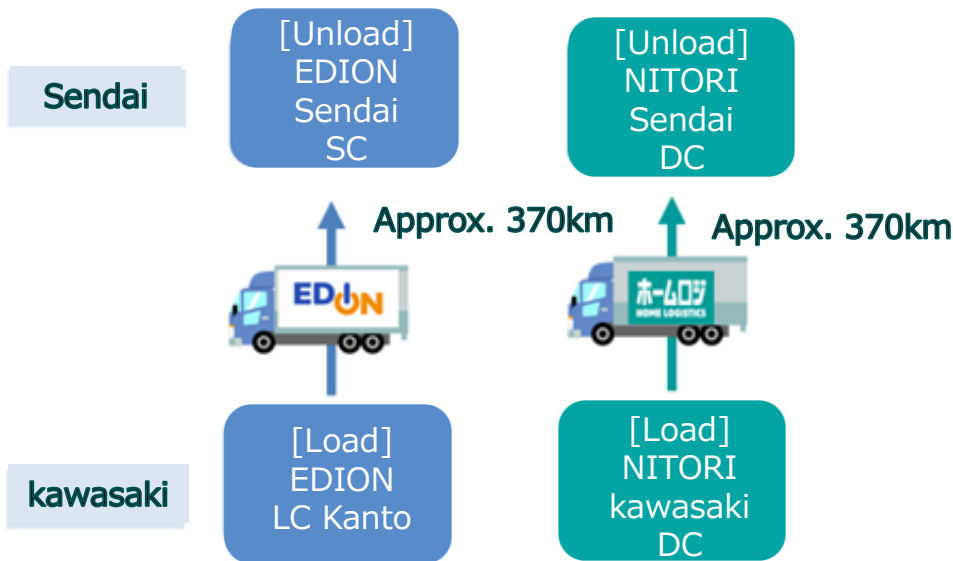
NITORI × EDION Joint Delivery



- Started collaboration through joint delivery from Jan. 12 in some areas with aims to improve the logistic efficiency for both companies and reduce the environmental burden

Before

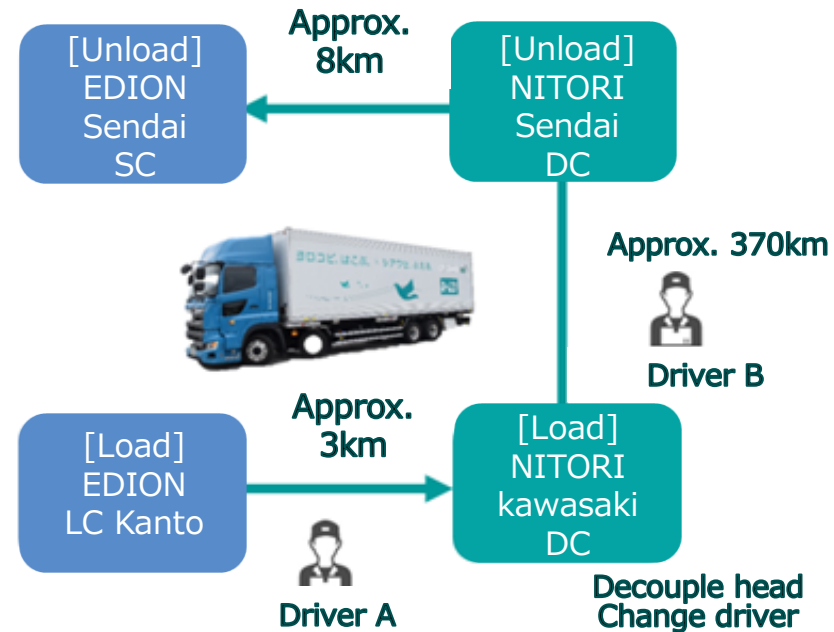
Transport by vehicles arranged by each (740km in total)



After

Transport by HOME LOGISTICS vehicles (381km in total)

*Change drivers by using swap body container








Reduce the transport cost and CO2 emissions, improve the carrying efficiency and address the product supply risks caused by labor shortage

Store Roll-Out Plan and Financial Plan



Store Roll-Out Plan in FY2024 (revised)



| Area | Type | Mar. 31, 2024 No. of stores | Q1-Q3 Net store increase | Q4 Planned No. of stores to open | 4Q Planned No. of stores to close | Net store increase | Revised Mar. 31, 2025 planned No. of stores |
|--------------------------------------|---|--------------------------------|--------------------------------|---|--|-----------------------|---|
| J A P A N | NITORI NITORI EX   | 556 | 4 | 9 | 3 | 6 | 566 |
| | DECO HOME  | 174 | 3 | 1 | 6 | -5 | 172 |
| | N plus  | 38 | 9 | 1 | 4 | -3 | 44 |
| | Shimachu  | 54 | -1 | 0 | 0 | 0 | 53 |
| | Subtotal | 822 | 15 | 11 | 13 | -2 | 835 |
| O V E R S E A S | Taiwan | 61 | 5 | 2 | 0 | 2 | 68 |
| | Mainland China | 95 | 9 | 4 | 8 | -4 | 100 |
| | Hong Kong | 1 | 2 | 0 | 0 | 0 | 3 |
| | Korea | 3 | 3 | 0 | 0 | 0 | 6 |
| | Malaysia | 11 | 0 | 1 | 0 | 1 | 12 |
| | Singapore | 2 | 2 | 0 | 0 | 0 | 4 |
| | Thailand | 5 | 3 | 2 | 0 | 2 | 10 |
| | Vietnam | 1 | 1 | 1 | 0 | 1 | 3 |
| | Philippines | 0 | 4 | 0 | 0 | 0 | 4 |
| | Indonesia | 0 | 2 | 1 | 0 | 1 | 3 |
| | India | 0 | 1 | 0 | 0 | 0 | 1 |
| Subtotal | 179 | 32 | 11 | 8 | 3 | 214 | |
| Total | 1,001 | 47 | 22 | 21 | 1 | 1,049 | |

Consolidated Financial Plan for FY2024



No changes in the financial plan

(100 million yen)

| | FY2024 | | FY2023 | | Prior Period Comparison | |
|---|----------|----------|--------|----------|-------------------------|--------|
| | Forecast | To sales | Actual | To sales | Change | YOY |
| Net sales | 9,600 | – | 8,957 | – | 642 | 107.2% |
| Gross profit | 5,088 | 53.0% | 4,559 | 50.9% | 528 | 111.6% |
| SG&A expenses | 3,791 | 39.5% | 3,282 | 36.6% | 508 | 115.5% |
| Operating income | 1,296 | 13.5% | 1,277 | 14.3% | 18 | 101.5% |
| Ordinary income | 1,340 | 14.0% | 1,323 | 14.8% | 16 | 101.2% |
| Profit attributable to owners of parent | 920 | 9.6% | 865 | 9.7% | 54 | 106.3% |

The Company will voluntarily adopt IFRS: International Financial Reporting Standards starting with Securities Report for FY2024



[Note on the outlook]

-This material contains projections and forward-looking statements regarding the future plans, strategies and performance of the Company and its affiliates. These statements are not historical facts, but rather assumptions and beliefs based on information currently available to the Company. It also involves risks and uncertainties related to economic trends, consumer spending, market demand, and taxation and other systems. Therefore, please be aware that actual results may differ from our projections.

-This material contains unaudited reference figures, and amounts are rounded down to the nearest 100 million yen and rounded for all other figures.