



NITORI Holdings Co., Ltd.
Financial Results Presentation for the FY2022

May 9, 2023

TSE Prime Code : 9843

Overview of Consolidated Financial Results



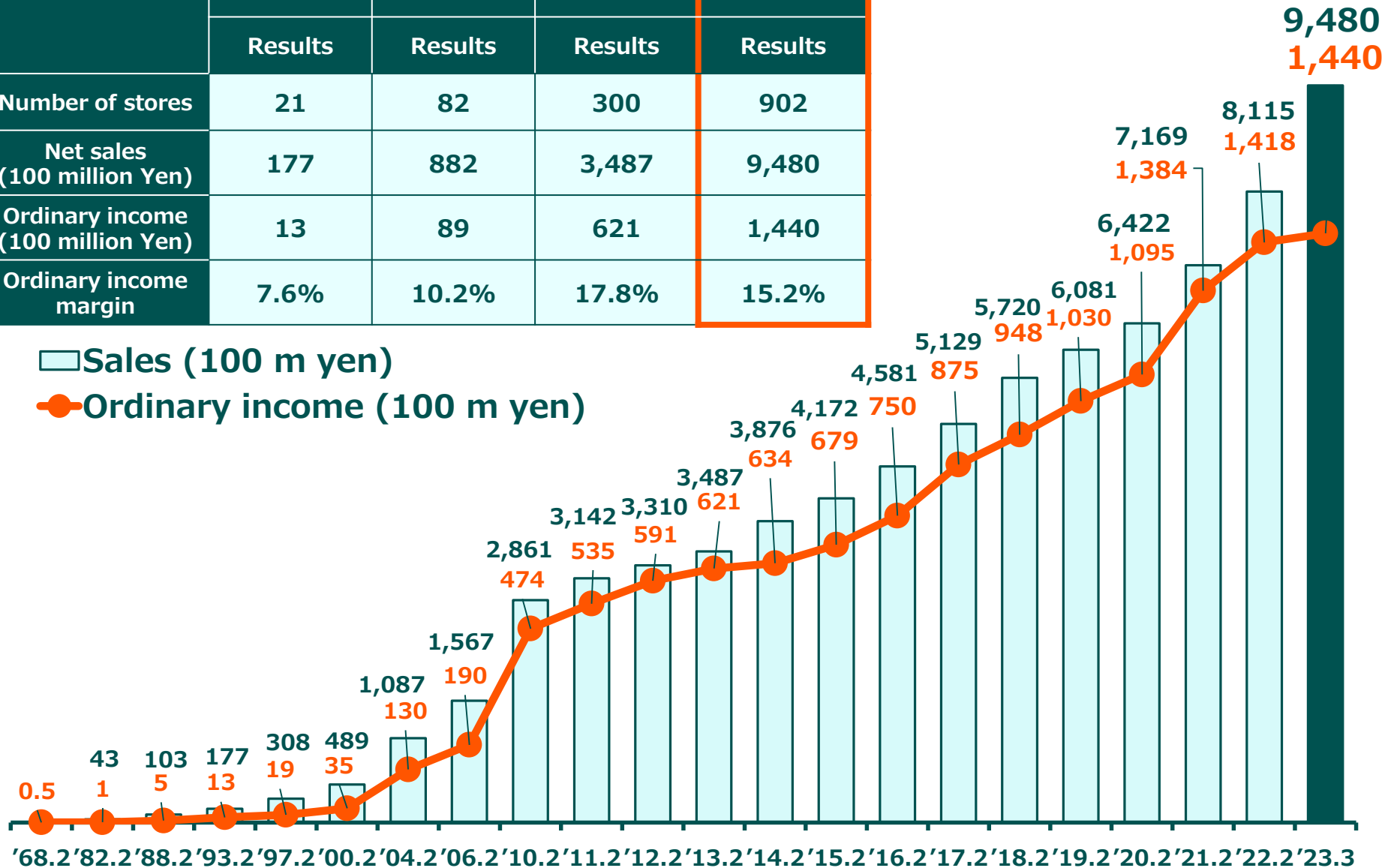
(100 million Yen)

	FY2022		FY2021		Prior Period Comparison	
	Actual	To sales	Actual	To sales	Change	YOY
Net sales	9,480	-	8,115	-	1,365	116.8%
Gross profit	4,781	50.4%	4,258	52.5%	522	112.3%
SG & A expenses	3,380	35.7%	2,876	35.4%	504	117.5%
Operating income	1,400	14.8%	1,382	17.0%	18	101.3%
Ordinary income	1,440	15.2%	1,418	17.5%	22	101.6%
Profit attributable to owners of parent	951	10.0%	967	11.9%	▲ 15	98.4%

Transition for number of stores and performance



	FY1992	FY2002	FY2012	FY2022
	Results	Results	Results	Results
Number of stores	21	82	300	902
Net sales (100 million Yen)	177	882	3,487	9,480
Ordinary income (100 million Yen)	13	89	621	1,440
Ordinary income margin	7.6%	10.2%	17.8%	15.2%



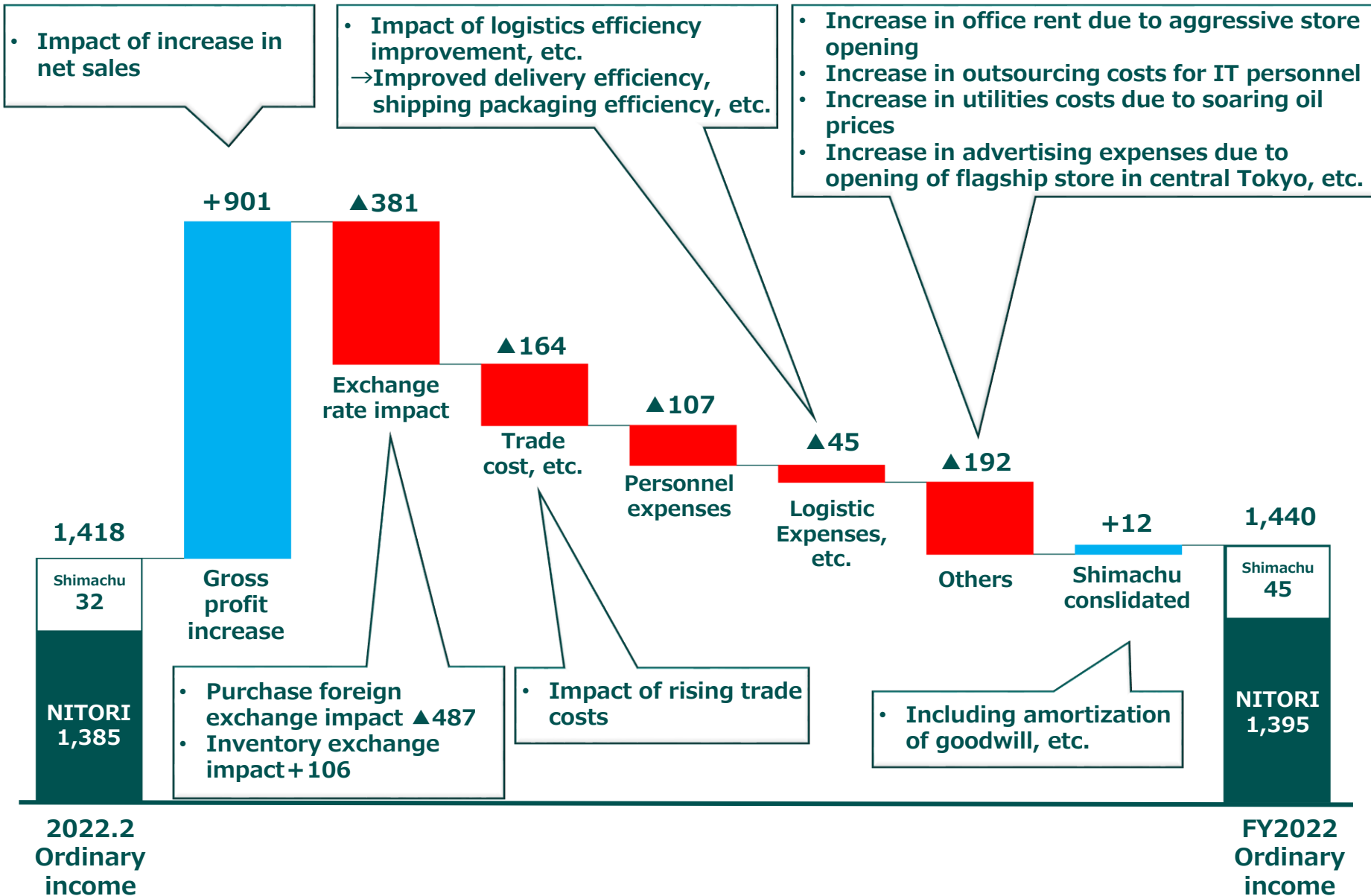
Summary of Financial Results by Reporting Segment



(100 million yen)

		FY2022		FY2021		Prior Period Comparison	
		Actual	To sales	Actual	To sales	Change	YOY
NITORI business	Net sales	8,217	-	6,792	-	1,425	121.0%
	Operating income	1,353	16.5%	1,352	19.9%	0	100.0%
Shimachu business	Net sales	1,346	-	1,370	-	▲23	98.3%
	Operating income	41	3.1%	30	2.2%	10	135.6%

Consolidated ordinary income (YOY)



Gross profit · SG&A expenses



SG&A expenses	Amount	YOY	Ratio to sales	Change
Personnel Expenses	1,021	112.3%	10.8%	▲0.4pt
Rents	517	111.3%	5.5%	▲0.2pt
Shipping and delivery costs*	379	151.3%	4.0%	+0.9Pt
Advertising expenses	203	122.8%	2.1%	+0.1pt

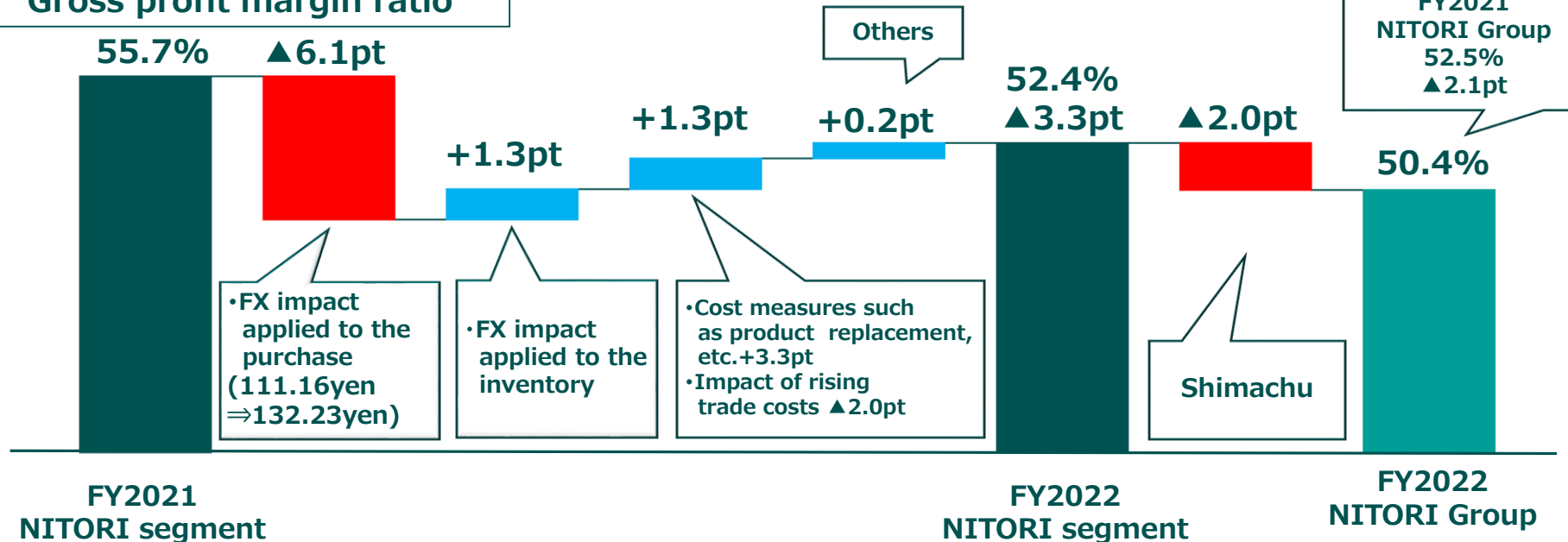
SG&A expenses	Amount	YOY	Ratio to sales	Change
Outsourcing expenses	198	109.3%	2.1%	▲0.1pt
Depreciation	222	109.1%	2.3%	▲0.2pt

Capital investment, etc.	
Capital investment	1,014

*Includes +12 billion yen due to change in accounting policy.

(100 million yen)

Gross profit margin ratio



Consolidated Balance Sheets



(100 million yen)

Accounts		31 Mar. 2023	20 Feb. 2022	Change	Major factors on changes
Current assets	Cash and deposit	3,303	2,783	519	
	Inventory	1,319	1,304	14	
	Inventory	1,203	859	344	Inventory+334
	Non-current assets	8,034	7,054	979	
	Property, plant and equipment	6,494	5,604	889	Land+378
	Investment and other assets	330	381	▲51	
Total assets		11,337	9,838	1,499	
Current liabilities	Accounts payable-trade	2,217	1,631	585	
	Short-term loans payable	384	397	▲13	
	Short-term loans payable	830	350	480	
	Non-current liabilities	939	878	60	
	Long-term loans payable	573	503	69	
Total liabilities		3,156	2,510	646	
Total net assets		8,180	7,328	852	Retained earnings+789
Total liabilities and net assets		11,337	9,838	1,499	

Consolidated Cash Flows



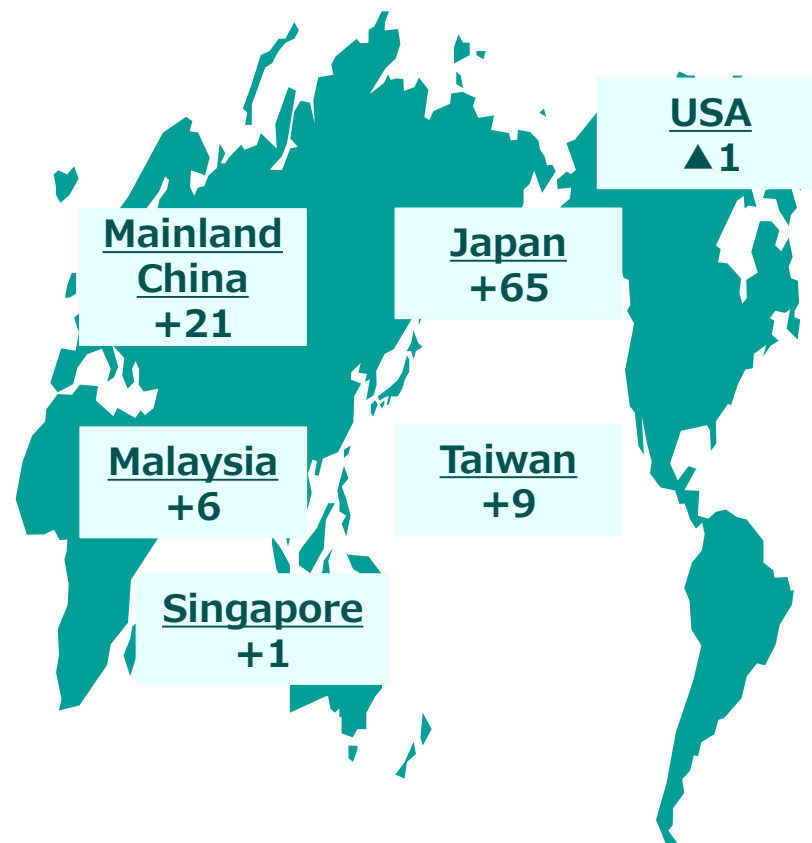
(100 million yen)

	FY2022	FY2021	Change	Major factors on changes
Operating activities	913	855	58	Profit before income taxes 1,389 Income taxes paid ▲400
Investing Activities	▲1,325	▲1,199	▲125	Purchase of property, plant and equipment ▲1,139
Financing activities	369	177	191	Proceeds from long-term borrowings 500 Repayments of long-term borrowings ▲350
Other	22	29	▲6	
Net increase (decrease) in cash and cash equivalents	▲19	▲137	117	
Increase (decrease) due to change in fiscal year end of consolidated subsidiaries	—	153	▲153	
Cash and cash equivalents at end of year	1,251	1,270	▲19	
Free cash flow	▲411	▲344	▲67	(Operating activities and investment activities)

Number of stores as of 31 Mar. 2023

		End of FY2021	Net increase	End of FY2022
J A P A N	NITORI	472	22	494
	EXPRESS	22	7	29
	DECOHOME	140	27	167
	N plus	18	12	30
	Shimachu	56	▲3	53
	Subtotal	708	65	773
O V E R S E A S	Taiwan	44	9	53
	Mainland China	46	21	67
	USA	2	▲1	1
	Malaysia	1	6	7
	Singapore	0	1	1
	Subtotal	93	36	129
	Total	801	101	902

- Total at end of FY2022 : 902 stores
- Comparison to the end of FY2021 : +101 stores



Major indicators of management efficiency (1)



G R O U P	No.	Indicator	unit	Target		2023.3	2022.2	2021.2	2020.2	2019.2
	1	Return on assets	%	Over 15%	×	13.6	14.8	18.4	16.8	17.6
	2	Total asset turnover	Times	Over 2	×	0.90	0.85	0.94	0.99	1.04
	3	Ordinary income Margin	%	Over 10%	○	15.2	17.5	19.5	17.1	16.9
	4	Earnings per share	¥	Over ¥100	○	841.9	856.7	825.2	635.4	608.0
	5	Return on equity	%	Over 15%	×	12.3	14.1	15.5	13.5	14.5
	6	Equity ratio	%	Over 60%	○	72.2	74.5	76.8	82.0	80.7
	7	Interest coverage	Times	Over 20	○	622	654	1,465	1,031	998
	8	Sales growth rate	%	Over 10%	○	16.8	13.2	11.6	5.6	6.3
	9	Ordinary income growth rate	%	Over 10%	×	1.6	2.5	27.9	6.3	8.6
	10	Ratio of gross profit to sales	%	Over 48%	○	50.4	52.5	57.4	55.2	54.5
11	Ratio of break-even point to sales	%	Under 80%	○	66.5	63.8	62.6	65.8	65.6	

※ Results of Shimachu Corporation are included from fiscal year 2021.

Major indicators of management efficiency (2)

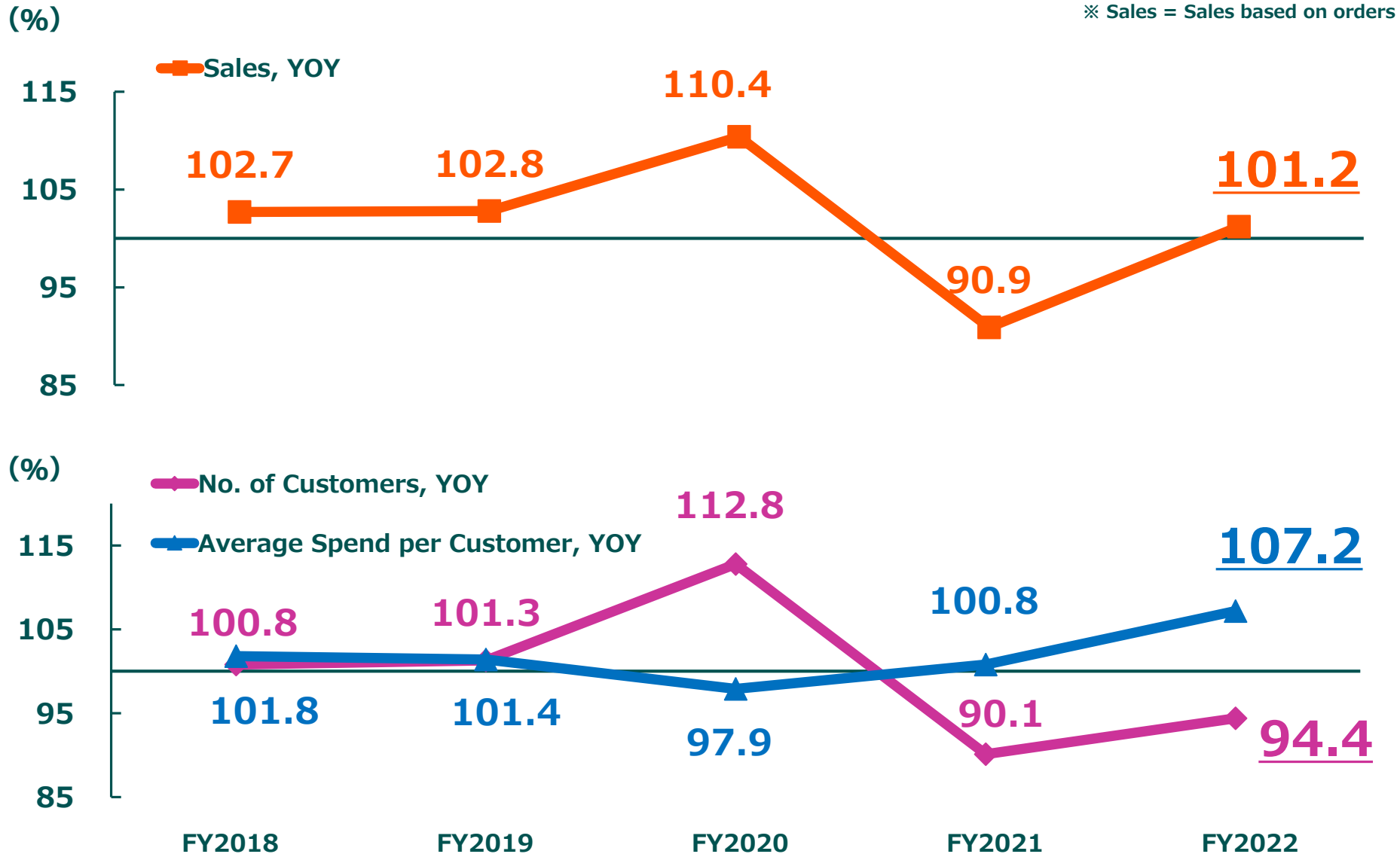


S A L E O F F U R N I T U R E A N D H O M E F U R N I S H I N G	No.	Indicator	unit	Target		2023.3	2022.2	2021.2	2020.2	2019.2
	12	Sales per tsubo	K	Over ¥950K	○	114.1	101.9	113.8	105.5	103.4
	13	Stock turnover	Times	Over 9	×	5.3	5.4	5.5	5.0	5.3
	14	Operating assets turnover	Times	Over 2.9	○	3.4	3.4	3.6	3.4	3.6
	15	Ratio of profit distribution	%	Over 20%	○	33.7	37.1	33.8	30.3	31.0
	16	Ratio of real estate cost to gross profit	%	Under 25%	○	21.7	22.7	18.9	21.2	21.6
	17	Ratio of sales promotion cost to gross profit	%	Under 6%	○	4.7	4.3	4.8	5.7	6.2
	18	Labor productivity	M	Over ¥10M	○	2,094	2,069	2,271	1,980	1,922
	19	Sales floor per labor	Tsubo	Over 60	×	35.3	37.5	35.6	34.8	34.7
	20	Operating income per tsubo	K	Over ¥150K	○	18.7	19.2	20.6	16.0	16.0
	21	Stock per tsubo	K	Under ¥90K	×	10.7	8.5	8.9	9.5	8.9
	22	Average age of labor	Age	30~35	○	34.3	33.5	33.5	33.7	33.6
Results (○ won / × lost)						○15×7	○16 × 6	○19 × 3	○15 × 7	○15 × 7

NITORI Segment Topics



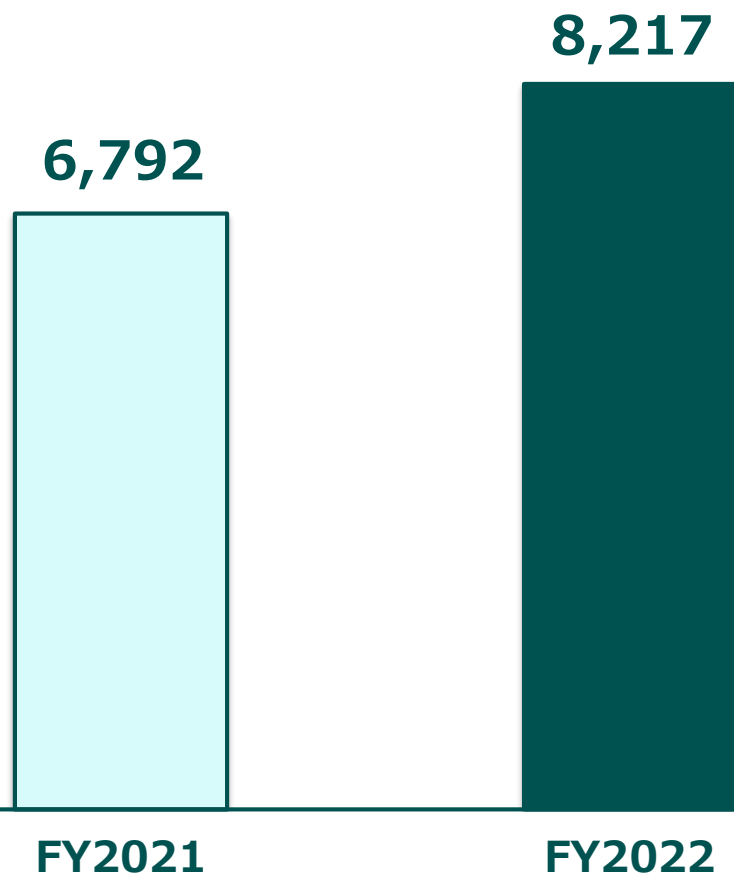
YOY changes in comparable stores



NITORI segment sales (Net sales)

NITORI segment sales: 821.7 billion yen
Compared to FY2021 : 121.0%

(100 million yen)



Net sales		Amount	YOY
Store sales (including overseas)		6,908	119.1%
Sales outside stores (including overseas)	E-commerce	921	128.8%
	B to B Renovation	142	137.5%
Rent income		87	116.8%
Others		156	165.3%
Total		8,217	121.0%

Sales composition by region					
Hokkaido	4.2%	▲0.1pt	Chugoku & Shikoku	7.0%	▲0.1pt
Tohoku	5.2%	+0.1pt	Kyusyu & Okinawa	8.6%	▲0.1pt
Kanto	27.4%	▲0.7pt	EC	11.1%	+0.6pt
Hokuriku & Koshinetsu	5.1%	+0.1pt	B to B & Renovation	1.7%	+0.2pt
Chubu& Tokai	9.3%	▲0.3pt	Overseas	3.8%	+0.3pt
Kinki	13.6%	▲0.5pt	Others	3.0%	+0.5pt

- Ceramic-topped dining table "CERAL" with excellent functionality. Resistant to scratches, abrasion, heat, and ultraviolet rays, allowing pots and pans to be placed directly on the table.
- New ultra-lightweight type in the very popular "TORERU" series of frying pans and pots with removable handles. 35% lighter than conventional products.

Dining Table "CERAL"



"TORERU" series



Sales Promotion Measures in Japan

- “New Life Support Campaign”
Free furniture delivery for the purchase more than 50,000 yen. Some furniture and interior products are offered at lower price.
- “Free delivery Campaign for Home Appliances”
Providing home appliances which is required for starting a new life, such as refrigerators, washing machines, microwave ovens and rice cookers etc., all together with furniture purchased at NITORI.

ニトリの
新生活応援キャンペーン

3/21^日まで

合計5万円(税込)以上の大型家具ご購入で
配送無料!
(組立家具・システムキッチンを除く)

【特典条件】

- ①合計 5万円(税込)以上ご購入で: 玄関先までの配送無料!
- ②合計10万円(税込)以上ご購入で: さらに お部屋への設置まで無料!
- ③合計15万円(税込)以上ご購入で: さらに 今お使いの家具引取も無料!
- ④合計20万円(税込)以上かつ店舗でのご購入で: さらに インテリア用品の同時配送無料!

●各店舗への設置や搬入の費用は別途発生。●一部では配送料を別途発生する場合があります。●一部では搬入・設置料を別途発生する場合があります。●一部では搬入・設置料を別途発生する場合があります。●一部では搬入・設置料を別途発生する場合があります。

期間限定価格! 900アイテム
※うち、最大100アイテムは3月31日(金)まで。

3/31^日まで

暮らしに役立つ商品を
期間限定 お試し価格
で、お得にご提供! **最大 1,022アイテム**

●対象商品: 設置が必要な商品を除く。●対象商品: 設置が必要な商品を除く。●対象商品: 設置が必要な商品を除く。●対象商品: 設置が必要な商品を除く。

家電キャンペーン 1/1(日)~3/21(火)

家電 (時計・たばこは除く)

どれでも
60,000円
以上(合計)をご購入で

配送無料!

今なら、早割ご予約で他の商品も一緒に選んで配送無料!
平日配送かつ合計80,000円以上の家電製品が対象です。(時計・たばこは除く)
土日祝日配送は最大4,400円の値引きになります。期間指定送料は別途見積りいたします。
※ニトリ配送指定地域外への配送は実費を頂戴します。

例えばこちらの3点で

合計 64,590円 <small>(冷蔵庫100L+洗濯機5kg+電子レンジ)</small>	冷蔵庫 100L 洗濯機 5kg 電子レンジ
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通常は **4,950円** → **0円** 配送料
(配送料4,400円+商品品550円)

さらに

家具も 同時購入で 0円	配送料 無料で、一度に届く!	洗濯機と 冷蔵庫 2点ご購入で 0円	設置料 も無料!
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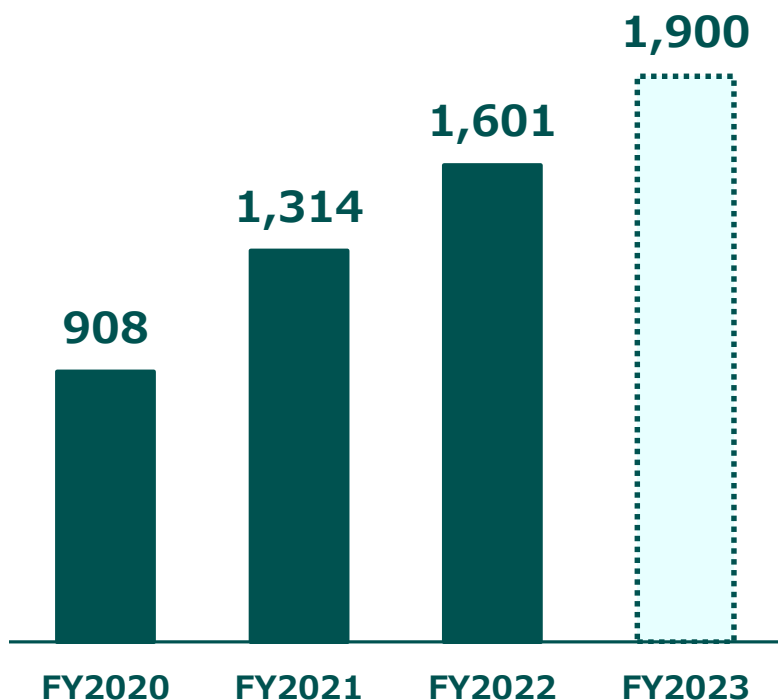
※他のメーカーの商品は対象外です。●設置料は別途発生いたします。●対象商品: 設置が必要な商品を除く。●対象商品: 設置が必要な商品を除く。●対象商品: 設置が必要な商品を除く。

Number of app members

- Number of app members FY2022: 16.01 million people (Target: 16 million)
- Target of FY2023: 19 million people
- Improving shopping experience for customers by renewing and adding functions to the NITORI app.

No. of app members

(10 thousand people)

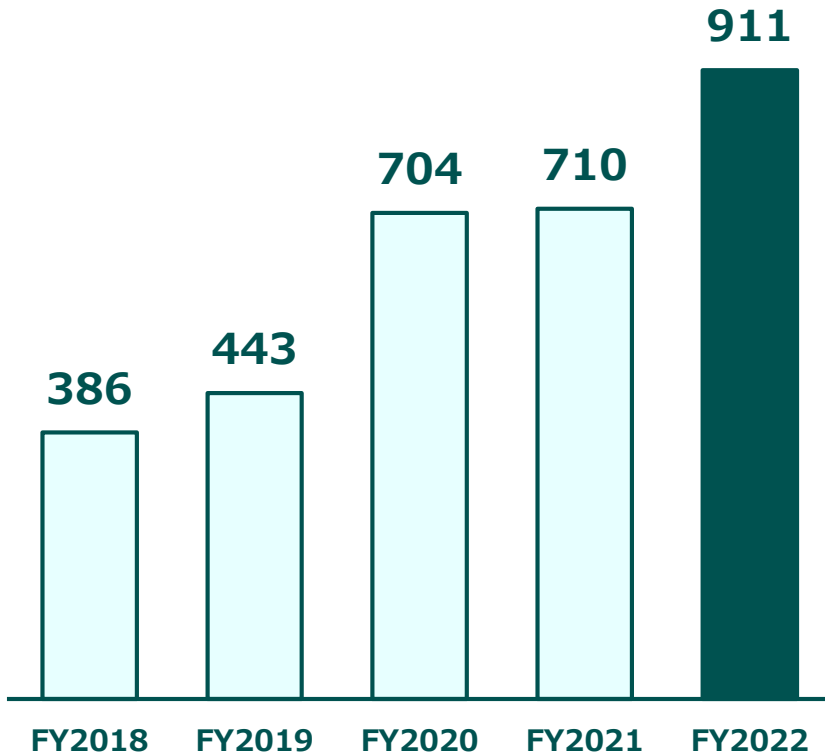


- FY 2022 Results
16.01 million people
- Compare to FY2021
+2.86 million people (121.8%)
- FY2023 target
19 million people

- Domestic EC sales at the end of FY2022 was 91.1billion yen. (128.3% YoY)
- Total number of live commerce viewers exceeded 2.6 million people.

Domestic E-commerce sales

(100 million yen)



Live Commerce

- Held total of 86times on FY2022
- Increasing number of staff and strengthening our Live Commerce on FY2023



2023年3月22日配信
良い眠りへ！快眠サポート特集！



2023年3月16日配信
プチストレス解消！マグネット収納特集



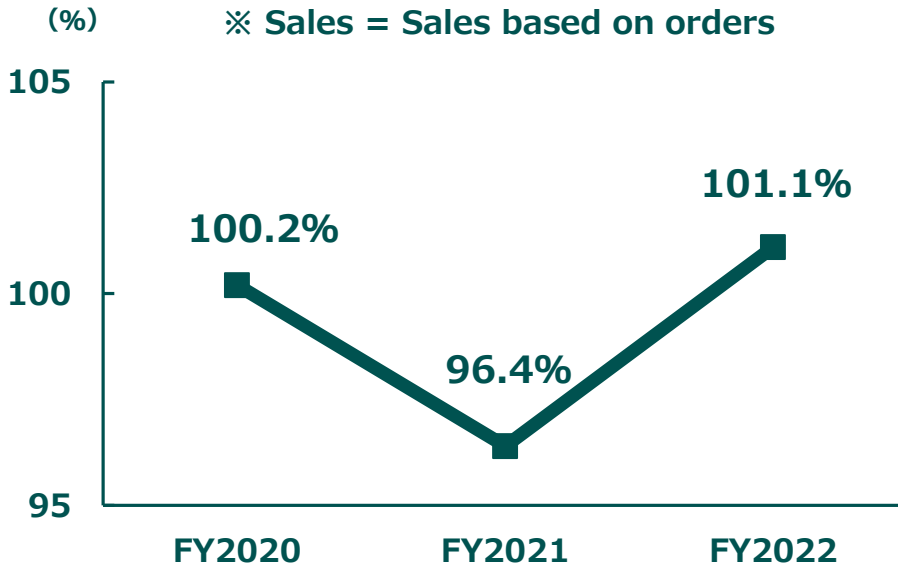
2023年3月7日配信
これであなたも収納王！？ニトリの収納特集！



2023年3月2日配信
限られたスペースを有効活用！新生活おすすめベッド特集！

Existing stores generated sales YoY

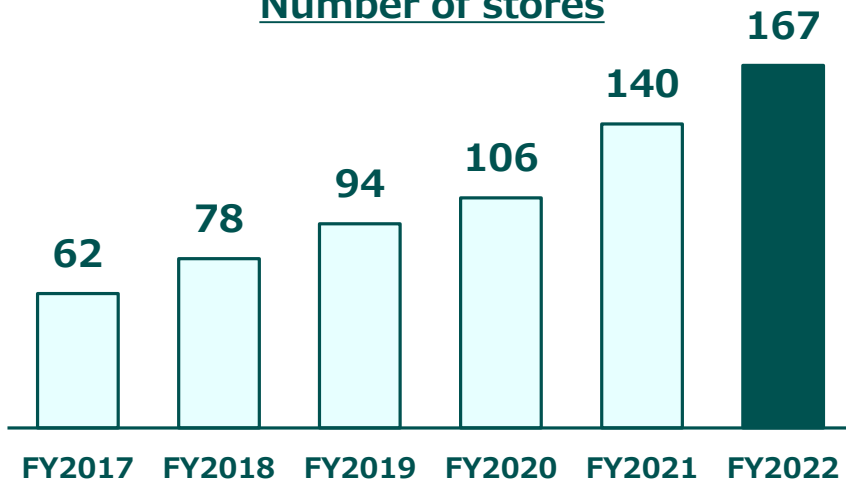
※ Sales = Sales based on orders



- 167 stores at the end of FY2022 (+27 stores from the end of FY2021)
- Sales composition of DECO HOME original products was increased to 60%



Number of stores



N+

N plus

ニトリ
NITORI



Coralで
ときめく春を
呼び込む



Greenで
装いを
フレッシュに
アップデート



Blueで
爽やかな風を
感じる



Yellowで
大人の遊びを
利かせて

N+

トータルコーディネートでの大人服。

2023 SPRING
COLLECTION

Taiwan



Number of stores

- The end of FY2022: 53 stores (+9 stores from the end of FY2021)
- Plan for FY2023: +10 stores

Measures to improve awareness

- Increasing TV and Online ads.
- Renewal of the application
⇒ No. of app member has surpassed 1 million

Mainland China



Number of stores

- The end of FY2022: 67 stores (+21 stores from the end of FY2021)
- Plan for FY2023: +41 stores
⇒ More than 100 stores in total

WEB strategy

- Collaboration with "Yidoutang"
- Expansion of original items for online shopping
- Adding video contents, etc.

Malaysia



Number of stores

- FY2022: 7 stores
(+6 stores from the end of FY2021)
⇒ Opened the store "Suria KLCC"
⇒ 2 stores opened at Johor Bahru
- Plan for FY2023: +5 stores
⇒ Planning to open at new areas

Singapore



N Hotel Series pillow made from high-grade polyester material, combined with microfiber cotton fabric for middle area. Its soft and supple exterior makes rubbing your cheeks a pleasurable experience while being firm enough to support the weight of the back of your head.



Hotel Style Pillow VS Normal Pillow

Number of stores

- Opened the 1st store in Singapore
- Plan for FY2023: +2 stores

Sales promotion

- Conducting seasonal campaigns such as Chinese New year sales
- Advertising and distributing sales coupons through SNS

Shimachu segment Topics

家具・ホームセンター

HOME'S

島忠

ニトリ
HOME'S



Development of PB product

- Improving gross profit margin by converting HC products into PB products by utilizing NITORI Group's product development capabilities.
- Sales of PB products, especially daily necessities, are strong against the plan.

PB product sales ranking FY2022

1st



Boxed Tissues
200sets ×5

2nd



Recycled toilet paper
30meters ×18

3rd



Soft pack Tissues
150 sets ×5

Renovation of Wako and Soka Toneri stores

- Wako store has installed escalators, replaced flooring, and expanded the outside sales floor area in order to create a comfortable shopping environment for our customers.
- Soka Toneri store has remodeled the material section for professional customers, including increasing number of professional items and amount of stocks.



NITORI Group Topics



New collection - Living in Comfort -

- Released new collection “Living in Comfort” using materials that satisfies five senses of the people.
- New collection proposes “a peaceful and loving life.”

Classic modern



Natural modern



Natural vintage



Simple modern



Promotion of resource circulation

- Establish a framework for recycling carpet and futon mattress with the cooperation of three companies.

① Collection

店舗限定 ニトリで買い替えのお客様へ
ご不要になったカーペット・敷ふとんの
リサイクル回収にご協力ください。

期間限定：12/12(月)～2023/1/8(日)

【対象店舗】・磯子店・横浜鶴見店・横浜買店・戸塚駅前店・みなとみらい店
・コースカベイサイド横浜買店・川崎元木店・横浜ビブレ店

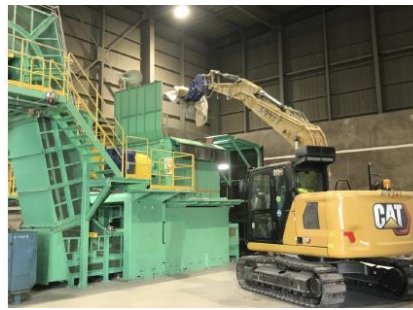


NITORI

- Collects carpet and futon mattress at 8 stores.
- Collects 475kg of carpet and futon mattress within 4 weeks.



② Intermediate



TAKEEI

Pulverized into a cement material



③ Recycling



SUMITOMO OSAKA CEMENT

- Used as heat energy in the calcination process.
- After calcination, the components are transformed into cement products.

Promoting Diverse Work Styles

- Introduced a new “My Area System”
- No difference in benefits between employees who use the system and those who do not.

My Area System details

Summary	A system that allows employees to commute to work without having to relocate, limiting the working area to a certain part of the country.
Subject	Employees who have been with the company for a certain period of time.
Subject area	Kanto area and Kansai area ※The area is to be expanded.
Duration	Unlimited. Can be applied/ cancelled at any time
Benefits	No reduction
Position	No restriction

Earned first place in popularity by a poll of college students who studies humanities graduating 2024.

※from Nikkei news published 14 April 2023

Humanities

Rank	Name of Company	Previous Year Rank
1	NITORI	3
2	TOKYO MARINE NICHIDO	1
3	JTB GROUP	19
4	FIRST RETAILING	13
5	ITOCHU CORPORATION	5
6	MUFG BANK	21
7	AJINOMOTO	10
8	NIPPON LIFE INSURANCE COMPANY	4
9	SONY MUSIC GROUP	6
10	Plan·Do·See	12

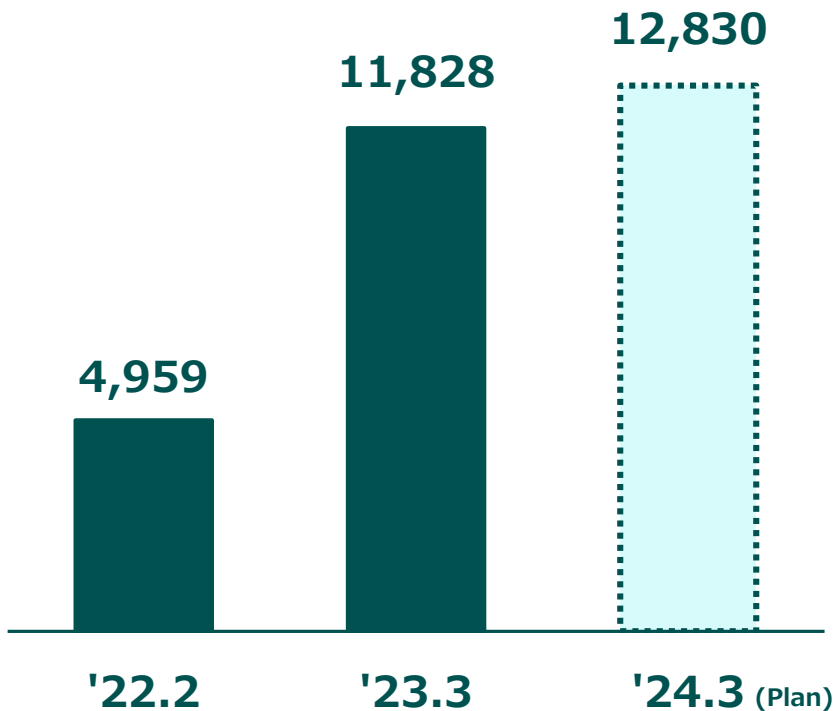
Science

Rank	Name of Company	Previous Year Rank
1	SONY GROUP	1
2	AJINOMOTO	2
3	MITSUBISHI HEAVY INDUSTRIES	8
4	SKY	7
5	NTT DATA	4
6	SEGA	47
7	KAGOME	9
8	FUJITSU	3
⋮	⋮	⋮
12	NITORI	14

Increased number of trainings for mid-level and above employees, which had been lacking.

- 11,828 employees attended trainings (YoY 239%)
- Resumed U.S. Seminar which had been postponed due to COVID.

Number of employees attended trainings



U.S. Seminar

- In FY2023, 435 employees attended the seminar.
- In FY2024, 1,008 employees are expected to attend.



FY2023 Key Subjects



FY2023 Key Subjects (Japan)



NITORI Japan business

Sales

- ▶ Renovating 77 stores
- ▶ Expansion of home appliances business
- ▶ Development of DECO HOME original product (Target Sales Composition : 80%)
- ▶ Expansion of Live Commerce

Number of Customers

- ▶ Enhancing TV and Web advertisement
- ▶ Expansion of the new collection “Living in Comfort” (Up to 50 stores)
- ▶ Updating NITORI App⇒UP to 19M App members
- ▶ Increase EC limited products/ Enhance TV shopping ⇒Developing new customers

Expenditure

- ▶ Promoting implementation of self-cash register
- ▶ Construction of distribution centers (Nagoya/Satte)
- ▶ Improving logistics efficiency through relocation of distribution centers
- ▶ Expanding the area of small parcel inhouse delivery

FY2023 Key Subjects (Overseas)



NITORI Overseas business

Mainland China

- ▶ Increasing stores in Beijing, Suzhou, Chengdu, Wuhan and Chongqing
- ▶ Opening store in EC platform “Pinduoduo”
- ▶ Creating original application within WeChat
- ▶ Enhancing new graduates recruitment (approx. 400 employees)

Taiwan

- ▶ Large-scale renovation and expansion of stores
- ▶ Preparation of new format stores
- ▶ Enhancing TV and Web advertisement
- ▶ Adding functions to application (increasing number of members to 1.35M)

Southeast Asia

- ▶ Opening stores at new districts
- ▶ Improving sales efficiency through optimizing product lineups
- ▶ Opening store in EC platform “Lazada”
- ▶ Investigation for oversea expansion

FY2023 Key Subjects (Shimachu)



Shimachu

Sales

- ▶ Conducting store renovations
- ▶ Implementing floor management system in order to maintain the store in a timely manner
- ▶ Improve store condition by hiring additional employees
- ▶ Holding promotional events at the flagship stores

Number of Customers

- ▶ Preparation of new opening stores
- ▶ Enhancing TV and Web advertisement
- ▶ Promotion of Shimachu app and acquisition of new members
- ▶ Development of PB products
- ▶ Expanding the range of customers by addition of new furniture style

Expenditure

- ▶ Preparation of deploying new distribution centers
- ▶ Diminishing delivery cost by integration of logistics systems with Nitori business
- ▶ Improvement of work efficiency by the renewal of store management system
- ▶ Promoting implementation of self-cash register

Store roll-out plan in FY2023

Area	Type	Mar. 31, 2023 No. stores	Net increase Planned No.	Mar. 31, 2024 No. stores
J A P A N	NITORI NITORI EX	523	36	559
	DECO HOME	167	62	229
	N plus	30	30	60
	Shimachu	53	1	54
	Subtotal	773	129	902
O V E R S E A S	Taiwan	53	10	63
	Mainland China	67	41	108
	U.S.A.	1	▲1	0
	Malaysia	7	5	12
	Singapore	1	2	3
	Thailand	0	5	5
	Vietnam	0	5	5
	Indonesia	0	5	5
	Philippines	0	2	2
	Hong Kong	0	2	2
	Korea	0	1	1
	Subtotal	129	77	206
Total		902	206	1,108

**Total 1,108 stores
+206 stores
from the end of FY2022**



Consolidated Financial Plan for FY2023



- FY2022 comprises 13 months and 11 days from February 21, 2022 to March 31, 2023. Comparison figures are provided for reference purpose.
- Existing store sales YoY (NITORI + DECOHOME + EC) : 104.4%
- Exchange rate : 130 yen to a dollar, estimated capital investment : 102 billion yen

(100 million yen)

	FY2023 (Apr. 1, 2023 ~ Mar. 31, 2024)		FY2022 (Feb. 21, 2022 ~ Mar. 31, 2023)		Prior Period Comparison	
	Actual	To sales	Actual	To sales	Change	YOY
Net sales	9,320	–	9,480	–	▲ 160	98.3%
Gross profit	5,004	53.7%	4,781	50.4%	222	104.7%
SG&A expenses	3,553	38.1%	3,380	35.7%	172	105.1%
Operating income	1,451	15.6%	1,400	14.8%	50	103.6%
Ordinary income	1,470	15.8%	1,440	15.2%	29	102.0%
Profit attributable to owners of parent	1,000	10.7%	951	10.0%	48	105.1%

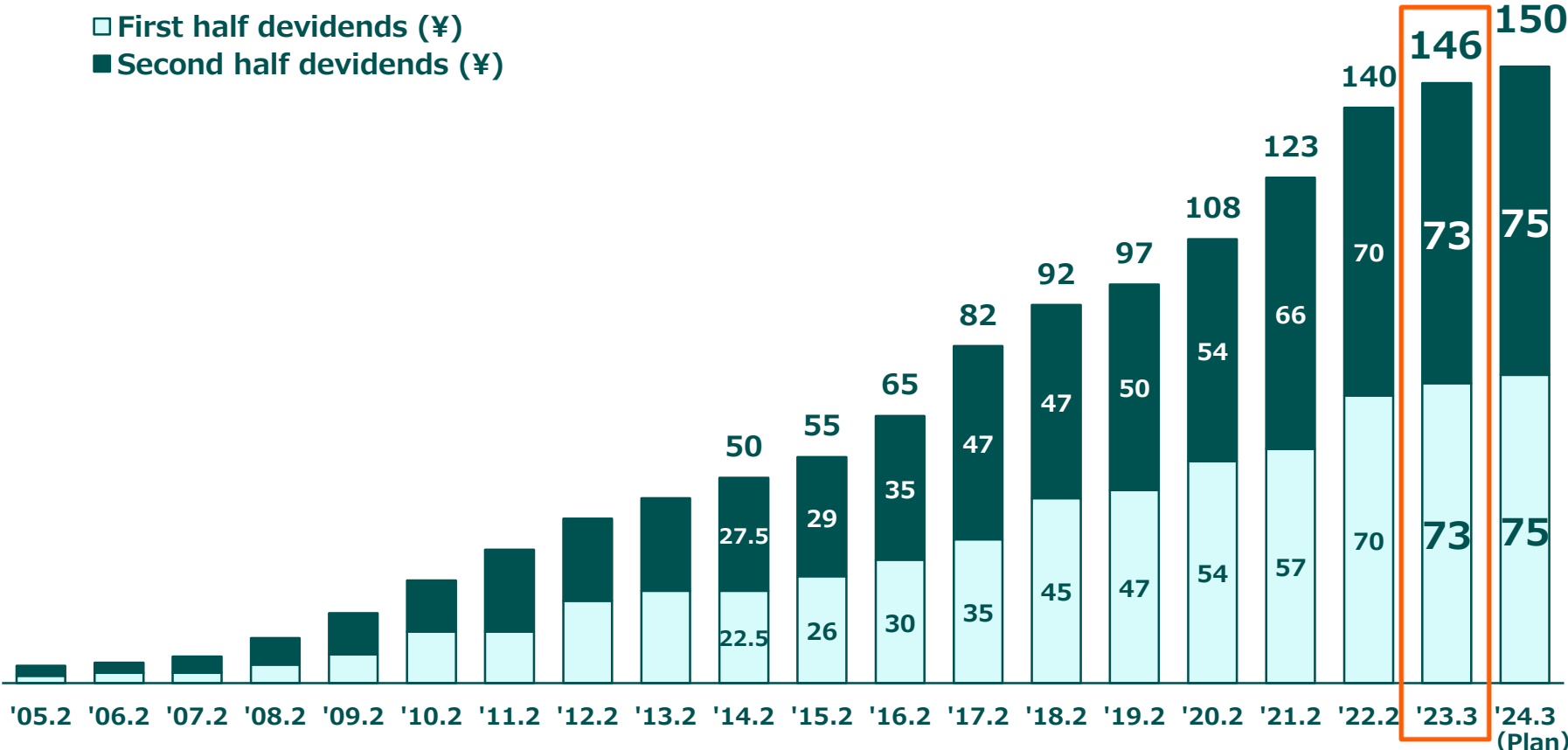
Distribution of Profits to Shareholders



- Paying out dividend increased 19 consecutive fiscal year
- Annual dividend : ¥146 per share (+ 6 Yen from FY2021)

Annual Dividends

□ First half dividends (¥)
 ■ Second half dividends (¥)





【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.