



## Consolidated Financial Results for the Six Months Ended August 20, 2018 [Japanese GAAP]

September 26, 2018

Company name: Nitori Holdings Co., Ltd.  
 Stock exchange listing: Tokyo, Sapporo  
 Code number: 9843  
 URL: <http://www.nitorihd.co.jp/>  
 Representative: Toshiyuki Shirai President and Chief Operating Officer  
 Contact: Fumiki Takeda General Manager, Accounting and Finance Division  
 Phone: 03-6741-1204  
 Scheduled date of filing quarterly securities report: October 02, 2018  
 Scheduled date of commencing dividend payments: October 23, 2018  
 Availability of supplementary briefing material on quarterly financial results: Yes  
 Holding of quarterly financial results meeting: Yes (for institutional investors and analysts)

(Amounts of less than one million yen are rounded down)

### 1. Consolidated Financial Results for the Six Months Ended August 20, 2018 (February 21, 2018 to August 20, 2018)

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

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Six months ended August 20, 2018	301,694	6.3	55,890	16.1	56,759	16.7	37,958	8.3
August 20, 2017	283,947	11.5	48,142	(2.1)	48,640	(2.4)	35,033	6.7

(Note) Comprehensive income: Six months ended August 20, 2018: ¥ 37,306 million [ 25.4%]  
 Six months ended August 20, 2017: ¥ 29,760 million [ 125.5%]

	Net income per share	Diluted net income per share
Six months ended August 20, 2018	Yen 338.71	Yen 337.43
August 20, 2017	313.69	311.99

#### (2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
As of August 20, 2018	Million yen 577,858	Million yen 475,706	82.2%
February 20, 2018	550,507	441,668	80.1

(Reference) Equity: As of August 20, 2018: ¥ 475,173 million  
 As of February 20, 2018: ¥ 440,991 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, 2018	-	45.00	-	47.00	92.00
Fiscal year ending February 20, 2019	-	47.00			
Fiscal year ending February 20, 2019 (Forecast)			-	50.00	97.00

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

## 3. Consolidated Financial Results Forecast for the Fiscal Year Ending February 20, 2019 (February 21, 2018 to February 20, 2019) (% indicates changes from the previous corresponding period.)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	614,000	7.3	99,000	6.0	100,000	5.4	68,000	5.9	606.26

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

### \* Notes:

(1) Changes in significant subsidiaries during the six months ended August 20, 2018

(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):

August 20, 2018: 114,443,496 shares

February 20, 2018: 114,443,496 shares

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

August 20, 2018: 2,280,538 shares

February 20, 2018: 2,485,358 shares

3) Average number of shares during the period:

Six months ended August 20, 2018: 112,068,726 shares

Six months ended August 20, 2017: 111,684,026 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 20,2018	As of August 20,2018
<b>Assets</b>		
Current assets		
Cash and deposits	63,339	86,319
Notes and accounts receivable - trade	22,458	21,868
Merchandise and finished goods	49,690	45,247
Work in process	56	349
Raw materials and supplies	2,985	2,860
Deferred tax assets	5,309	4,801
Other	20,191	21,715
Total current assets	164,031	183,162
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	107,258	105,738
Land	167,153	170,427
Other, net	16,903	21,042
Total property, plant and equipment	291,315	297,208
Intangible assets	13,887	16,302
Investments and other assets		
Investment securities	26,472	26,310
Long-term loans receivable	804	802
Guarantee deposits	14,813	14,142
Lease deposits	21,880	22,331
Deferred tax assets	5,447	5,607
Other	11,854	11,989
Allowance for doubtful accounts	(0)	(0)
Total investments and other assets	81,273	81,184
Total non-current assets	386,476	394,695
Total assets	550,507	577,858
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	19,607	16,457
Short-term loans payable	2,000	2,624
Lease obligations	187	187
Accounts payable - other	18,323	12,098
Income taxes payable	17,399	19,917
Provision for bonuses	3,395	3,658
Provision for point card certificates	1,625	3,012
Provision for special benefits to shareholders	290	174
Asset retirement obligations	4	2
Other	20,592	19,385
Total current liabilities	83,425	77,518

(Million yen)

	As of February 20,2018	As of August 20,2018
<b>Non-current liabilities</b>		
Long-term loans payable	8,000	7,030
Lease obligations	2,143	2,049
Deferred tax liabilities	4	0
Provision for directors' retirement benefits	228	228
Net defined benefit liability	2,713	2,842
Asset retirement obligations	4,950	5,196
Other	7,373	7,284
<b>Total non-current liabilities</b>	<b>25,413</b>	<b>24,632</b>
<b>Total liabilities</b>	<b>108,839</b>	<b>102,151</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Common stock	13,370	13,370
Capital surplus	18,232	19,720
Retained earnings	415,108	447,746
Treasury stock	(8,640)	(7,930)
<b>Total shareholders' equity</b>	<b>438,072</b>	<b>472,906</b>
<b>Accumulated other comprehensive income</b>		
Unrealized holding gain (loss) on securities	796	934
Unrealized gain (loss) from hedging instruments	(704)	-
Foreign currency translation adjustment	3,105	1,592
Remeasurements of defined benefit plans	(279)	(260)
<b>Total accumulated other comprehensive income</b>	<b>2,918</b>	<b>2,266</b>
Subscription rights to shares	677	533
<b>Total net assets</b>	<b>441,668</b>	<b>475,706</b>
<b>Total liabilities and net assets</b>	<b>550,507</b>	<b>577,858</b>

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

(Million yen)

	For the six months ended August 20,2017	For the six months ended August 20,2018
Net sales	283,947	301,694
Cost of sales	131,061	136,018
Gross profit	152,885	165,676
Selling, general and administrative expenses	104,743	109,786
Operating income	48,142	55,890
Non-operating income		
Interest income	212	248
Dividend income	27	28
Equity in net income of affiliates	-	151
Foreign exchange gains	-	16
Vending machine income	120	117
Gain on sales of goods	165	193
Other	224	339
Total non-operating income	749	1,095
Non-operating expenses		
Interest expenses	24	51
Equity in losses of affiliates	7	-
Foreign exchange losses	195	-
Other	23	174
Total non-operating expenses	251	225
Ordinary income	48,640	56,759
Special gains		
Gain on sales of non-current assets	8	6
Gain on reversal of subscription rights to shares	45	6
Gain on sales of shares of subsidiaries and associates	3,819	-
Penalty income	-	16
Settlement received	-	24
Other	21	-
Total special gains	3,895	54
Special losses		
Loss on change in equity	-	167
Loss on sales and disposal of non-current assets	61	8
Impairment loss	436	0
Special retirement expenses	355	-
Other	0	23
Total special losses	854	200
Income before income taxes	51,681	56,613
Income taxes	16,647	18,654
Net income	35,033	37,958
Net income attributable to owners of parent	35,033	37,958

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

(Million yen)

	For the six months ended August 20,2017	For the six months ended August 20,2018
Net income	35,033	37,958
Other comprehensive income		
Unrealized holding gain (loss) on securities	(41)	137
Unrealized gain (loss) from hedging instruments	(5,084)	704
Foreign currency translation adjustment	(259)	(1,513)
Remeasurements of defined benefit plans, net of tax	112	19
Total other comprehensive income	(5,272)	(652)
Comprehensive income	29,760	37,306
Total comprehensive income attributable to:		
Owners of parent	29,760	37,306