

## Summary of Consolidated Financial Results for the First Quarter of the Fiscal Year Ending March 31, 2025 (Three Months Ended June 30, 2024)

[Japanese GAAP]

Company name: AOKI Holdings Inc.  
Stock code: 8214  
Representative: Haruo Tamura, President  
Contact: Satoshi Eguchi, General Manager of IR Office  
Scheduled date of payment of dividend: -  
Preparation of supplementary materials for financial results: Yes  
Holding of financial results meeting: None

Listings: Tokyo Stock Exchange  
URL: <https://www.aoki-hd.co.jp/>

Tel: +81-45-941-1388

*Note: The original disclosure in Japanese was released on August 8, 2024 at 15:30 (GMT +9).*

(All amounts are rounded down to the nearest million yen)

### 1. Consolidated Financial Results for the Three Months Ended June 30, 2024 (April 1, 2024 – June 30, 2024)

#### (1) Consolidated results of operations

(Percentages represent year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Three months ended Jun. 30, 2024	42,887	3.2	2,354	3.3	2,213	1.2	1,623	12.7
Three months ended Jun. 30, 2023	41,549	5.9	2,278	47.3	2,187	57.3	1,439	14.7

Note: Comprehensive income (million yen) Three months ended Jun. 30, 2024: 1,419 (down 11.5%)

Three months ended Jun. 30, 2023: 1,604 (up 9.5%)

	Net income per share	Diluted net income per share
	Yen	Yen
Three months ended Jun. 30, 2024	19.32	-
Three months ended Jun. 30, 2023	17.06	-

#### (2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of Jun. 30, 2024	222,681	135,367	60.7
As of Mar. 31, 2024	236,327	137,056	57.9

Reference: Shareholders' equity (million yen)

As of Jun. 30, 2024: 135,087

As of Mar. 31, 2024: 136,757

### 2. Dividends

	Dividend per share				
	1Q-end	2Q-end	3Q-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
FY3/24	-	13.00	-	37.00	50.00
FY3/25	-	-	-	-	-
FY3/25 (forecasts)	-	15.00	-	40.00	55.00

Note: Revisions to the most recently announced dividend forecast: None

### 3. Consolidated Forecast for the Fiscal Year Ending March 31, 2025 (April 1, 2024 – March 31, 2025)

(Percentages represent year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	191,500	2.0	15,000	8.2	14,600	10.3	8,000	5.6	95.21

Note: Revisions to the most recently announced consolidated forecast: None

**\* Notes**

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

(2) Application of special accounting methods for presenting quarterly consolidated financial statements: None

(3) Changes in accounting policies and accounting-based estimates, and restatements

- |   |      |
|---|------|
| 1) Changes in accounting policies due to revisions in accounting standards, others: | Yes  |
| 2) Changes in accounting policies other than 1) above:                              | None |
| 3) Changes in accounting-based estimates:   | None |
| 4) Restatements:  | None |

(4) Number of shares outstanding (common shares)

1) Number of shares outstanding (including treasury shares) at the end of the period

As of Jun. 30, 2024:	86,649,504 shares	As of Mar. 31, 2024:	86,649,504 shares
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2) Number of treasury shares at the end of the period

As of Jun. 30, 2024:	2,627,197 shares	As of Mar. 31, 2024:	2,626,986 shares
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3) Average number of shares outstanding during the period

Three months ended Jun. 30, 2024:	84,022,398 shares	Three months ended Jun. 30, 2023:	84,399,275 shares
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Note 1: Review of the attached quarterly consolidated financial statements by a certified public accountant or auditing firm: None

Note 2: Cautionary statement with respect to forecasts and other matters

Cautionary statement with respect to forward-looking statements

Forecasts and forward-looking statements in these materials are based on assumptions judged to be valid and information available to the Company at the time the materials were created. These materials are not promises by the Company regarding future performance. Actual performance may differ significantly from these forecasts for a number of reasons. Please refer to “(3) Explanation of Consolidated Forecast and Other Forward-looking Statements” on page 3 of the attachments regarding preconditions or other related matters for the forecast shown above.

Supplementary materials for financial results

Supplementary materials for financial results will be available on the Company’s website immediately after the earnings announcement on Thursday, August 8, 2024.

## Contents of Attachments

	Pages
1. Qualitative Information on Quarterly Consolidated Financial Performance	2
(1) Explanation of Results of Operations	2
(2) Explanation of Financial Position	3
(3) Explanation of Consolidated Forecast and Other Forward-looking Statements	3
2. Quarterly Consolidated Financial Statements and Notes	4
(1) Quarterly Consolidated Balance Sheet	4
(2) Quarterly Consolidated Statement of Income and Quarterly Consolidated Statement of Comprehensive Income	6
Quarterly Consolidated Statement of Income	6
Quarterly Consolidated Statement of Comprehensive Income	7
(3) Notes to Quarterly Consolidated Financial Statements	8
Changes in Accounting Policies	8
Segment Information	8
Significant Changes in Shareholders' Equity	9
Going Concern Assumption	9
Notes to Consolidated Statement of Cash Flows	9

## 1. Qualitative Information on Quarterly Consolidated Financial Performance

### (1) Explanation of Results of Operations

In the first quarter of the current fiscal year, there was a recovery of the Japanese economy at a moderate pace backed by firm consumer spending as the labor market and personal income improved. The outlook for the economy is still uncertain because of turmoil in many areas of the world and the continuation of inflation as the yen's depreciation raises the cost of energy and raw materials.

Due to the measures of the AOKI Holdings Group explained in the following sections, both sales and earnings increased in the first quarter. Net sales increased 3.2% from one year earlier to 42,887 million yen, operating profit increased 3.3% to 2,354 million yen, ordinary profit increased 1.2% to 2,213 million yen, and profit attributable to owners of parent increased 12.7% to 1,623 million yen.

Business segment performance was as follows.

#### Fashion Business

One highlight of the first quarter was the expansion of merchandise in the Air Cool Series of apparel featuring breathable fabrics for comfort during hot summer days. Selections include suits, combinations of jackets and slacks, business shirts, and other items. In the women's apparel category, main product lines include Air Cool Suits, which are comfortable and stylish, and jackets with outstanding functions in the MeWORK Series for comfort during the summer. This business also increased the lineup of tops and other associated items. ORIHICA added the new product lineups for summer, including BIZSPO Slacks, BIZ Polo Shirts and BIZ T (t-shirts), to the BIZSPO Series of business casual apparel with a sporty styling. One ORIHICA store opened during the first quarter. As a result, the number of stores increased from 593 at the end of the previous fiscal year to 594 at the end of the first quarter.

First quarter sales benefited from these actions and firm sales at existing stores. However, earnings were held down by the higher cost of purchasing merchandise, more advertising to attract customers and other factors. As a result, sales in this segment increased 3.3% year on year to 21,803 million yen and operating profit decreased 29.0% year on year to 907 million yen.

#### Entertainment Business

KAIKATSU CLUB café complexes are continuing to add private rooms with locks and offering customers a variety of items made possible by collaborations with other companies. One example is "Kaikatsu-no Natsumen (summer noodles)" with an original broth, which was developed with a well-known manufacturer. COTE D'AZUR karaoke stores expanded the food and beverage selection with a new drink menu, a happy hour between opening time and 6:00 in the evening, and other steps. FiT24, which operates 24-hour self-service fitness gyms, offered trial use at no cost and days when people can use gyms at no cost and conducted a campaign that gives members a discount for bringing in new members. Another priority was measures to increase the use of indoor golf facilities at these gyms. During the first quarter, KAIKATSU CLUB opened one café while two COTE D'AZUR karaoke facilities were closed due to measures to improve efficiency. As a result, including the 88 JIYU KUKAN café complexes and other locations of RUNSYSTEM (including 51 franchised stores), the number of locations in this business decreased from 784 at the end of the previous fiscal year to 779 at the end of the first quarter.

Segment sales and earnings increased because of these measures and firm sales at existing locations. Sales in this segment increased 0.9% to 18,204 million yen and operating profit increased 24.8% to 1,496 million yen.

#### Anniversaire and Bridal Business

There were many activities to receive orders for weddings, including the Shining Wedding Gown Cathedral Wedding Fair campaign during the Golden Week holiday period in early May. Another major activity was measures to cover an increasingly diverse range of needs, such as by offering wedding ceremonies that include a pet, a service that has been consistently popular since it started. ANNIVERSAIRE Café added seasonal dessert selections that were very popular.

Sales increased 15.6% to 2,360 million yen and there was an operating loss of 213 million yen compared with a loss of 209 million yen one year earlier. First quarter performance was supported by the operations of ANNIVERSAIRE Omotesando, which was closed for remodeling one year earlier, but held down by a small decrease in the number of weddings at existing locations.

**Real Estate Leasing Business**

Segment sales increased 32.2% to 1,681 million yen and operating profit increased 76.6% to 390 million yen mainly because of the leasing of properties to tenants outside the AOKI Group in the previous fiscal year.

**(2) Explanation of Financial Position****Balance sheet position****Assets**

Total assets at the end of the first quarter decreased 13,645 million yen from the end of the previous fiscal year to 222,681 million yen primarily because of a decrease in accounts receivable-trade.

Current assets decreased 12,698 million yen mainly due to decreases of 6,972 million yen in accounts receivable-trade caused by seasonal and other factors and 5,050 million yen in cash and deposits. Non-current assets decreased 947 million yen due to a decrease of 1,224 million yen in investments and other assets, including deferred tax assets, while property, plant and equipment increased 423 million yen.

**Liabilities**

Current liabilities decreased 7,734 million yen from the end of the previous fiscal year. There were decreases of 4,728 million yen in accounts payable-trade due to seasonal and other factors and 1,967 million yen in accrued income taxes due to the payment of income taxes. Non-current liabilities decreased 4,221 million yen due to a decrease of 4,258 million yen in long-term borrowings for scheduled repayments.

**Net assets**

Net assets decreased 1,689 million yen from the end of the previous fiscal year. There was a decrease of 1,485 million yen in retained earnings due to a profit attributable to owners of parent and dividend from surplus.

**(3) Explanation of Consolidated Forecast and Other Forward-looking Statements**

The plan for first quarter sales and earnings at the beginning of the current fiscal year was somewhat conservative due to the assumption that the upturn in activity following the pandemic would end. However, first quarter sales and operating profit were slightly higher than the pace required to accomplish the fiscal year plan mainly because of the strong performance of the Entertainment Business.

There are no revisions to the forecasts for the fiscal year ending in March 2025, which was announced on May 10, 2024, due to uncertainty about the outlook for the business climate. Most significant is concerns about the increasing tendency of consumers to hold down expenditures in response to inflation as the yen's depreciation raises the cost of energy and raw materials.

**2. Quarterly Consolidated Financial Statements and Notes****(1) Quarterly Consolidated Balance Sheet**

(Millions of yen)

	FY3/24 (As of Mar. 31, 2024)	First quarter of FY3/25 (As of Jun. 30, 2024)
Assets		
Current assets		
Cash and deposits	35,657	30,606
Accounts receivable-trade	15,442	8,470
Inventories	22,247	21,827
Other	8,496	8,243
Allowance for doubtful accounts	(42)	(46)
Total current assets	81,800	69,102
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	64,406	64,157
Land	30,693	30,771
Other, net	15,941	16,536
Total property, plant and equipment	111,042	111,465
Intangible assets	6,771	6,644
Investments and other assets		
Guarantee deposits	6,446	6,381
Leasehold deposit	18,873	18,917
Other	11,446	10,222
Allowance for doubtful accounts	(52)	(52)
Total investments and other assets	36,713	35,468
Total non-current assets	154,526	153,579
Total assets	236,327	222,681

	(Millions of yen)	
	FY3/24 (As of Mar. 31, 2024)	First quarter of FY3/25 (As of Jun. 30, 2024)
Liabilities		
Current liabilities		
Accounts payable-trade	18,713	13,985
Current portion of long-term borrowings	9,842	9,842
Income taxes payable	2,106	138
Provision for bonuses	3,790	858
Provision for bonuses for directors (and other officers)	240	38
Other	17,165	19,259
Total current liabilities	51,857	44,123
Non-current liabilities		
Long-term borrowings	32,687	28,428
Retirement benefit liability	607	599
Asset retirement obligations	7,914	7,920
Other	6,203	6,242
Total non-current liabilities	47,412	43,191
Total liabilities	99,270	87,314
Net assets		
Shareholders' equity		
Share capital	23,282	23,282
Capital surplus	22,597	22,597
Retained earnings	92,813	91,327
Treasury shares	(3,047)	(3,047)
Total shareholders' equity	135,645	134,160
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	741	570
Remeasurements of defined benefit plans	369	356
Total accumulated other comprehensive income	1,111	927
Non-controlling interests	299	279
Total net assets	137,056	135,367
Total liabilities and net assets	236,327	222,681

**(2) Quarterly Consolidated Statement of Income and Quarterly Consolidated Statement of Comprehensive Income****Quarterly Consolidated Statement of Income  
(For the Three-month Period)**

(Millions of yen)

	First three months of FY3/24 (Apr. 1, 2023 – Jun. 30, 2023)	First three months of FY3/25 (Apr. 1, 2024 – Jun. 30, 2024)
Net sales	41,549	42,887
Cost of sales	25,067	25,762
Gross profit	16,481	17,124
Selling, general and administrative expenses	14,203	14,770
Operating profit	2,278	2,354
Non-operating profit		
Interest income	21	23
Dividend income	4	6
Other	62	36
Total non-operating profit	88	66
Non-operating expenses		
Interest expenses	79	65
Loss on retirement of non-current assets	13	15
Loss on store closings	31	65
Other	55	61
Total non-operating expenses	180	207
Ordinary profit	2,187	2,213
Extraordinary income		
Gain on sale of investment securities	-	226
Settlements received	500	-
Total extraordinary income	500	226
Extraordinary losses		
Impairment loss	86	71
Total extraordinary losses	86	71
Profit before income taxes	2,601	2,369
Income taxes – current	595	61
Income taxes – deferred	600	703
Total income taxes	1,195	765
Profit	1,405	1,603
Loss attributable to non-controlling interests	(34)	(19)
Profit attributable to owners of parent	1,439	1,623



**Quarterly Consolidated Statement of Comprehensive Income**  
**(For the Three-month Period)**

	(Millions of yen)	
	First three months of FY3/24 (Apr. 1, 2023 – Jun. 30, 2023)	First three months of FY3/25 (Apr. 1, 2024 – Jun. 30, 2024)
Profit	1,405	1,603
Other comprehensive income		
Valuation difference on available-for-sale securities	217	(171)
Remeasurements of defined benefit plans, net of tax	(17)	(13)
Total other comprehensive income	199	(184)
Comprehensive income	1,604	1,419
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,639	1,438
Comprehensive income attributable to non-controlling interests	(34)	(19)

**(3) Notes to Quarterly Consolidated Financial Statements****Changes in Accounting Policies****Application of Accounting Standard for Current Income Taxes**

The Company has applied the Accounting Standard for Current Income Taxes (Accounting Standards Board of Japan (ASBJ) Statement No. 27, October 28, 2022) from the beginning of the first quarter of the fiscal year ending March 31, 2025.

There is no effect of the application of this standard on the quarterly consolidated financial statements.

**Segment Information**

First three months of FY3/24 (Apr. 1, 2023 – Jun. 30, 2023)

**1. Information related to sales and profit/loss for each reportable segment and breakdown of revenue**

(Millions of yen)

	Reportable segment					Others (Note 1)	Total	Adjustment (Note 2)	Amounts shown on quarterly consolidated statement of income (Note 3)
	Fashion	Entertainment	Anniversaire and Bridal	Real Estate Leasing	Subtotal				
Net sales									
Fashion	21,106	-	-	-	21,106	-	21,106	-	21,106
Café complex	-	14,057	-	-	14,057	-	14,057	-	14,057
Karaoke	-	2,479	-	-	2,479	-	2,479	-	2,479
Fitness	-	1,319	-	-	1,319	-	1,319	-	1,319
Bridal	-	-	2,042	-	2,042	-	2,042	-	2,042
Other	-	165	-	-	165	7	173	-	173
Revenue from contracts with customers	21,106	18,023	2,042	-	41,172	7	41,180	-	41,180
Other revenues	-	17	-	351	369	-	369	-	369
External sales	21,106	18,041	2,042	351	41,542	7	41,549	-	41,549
Inter-segment sales and transfers	0	1	0	920	922	14	937	(937)	-
Total	21,106	18,043	2,042	1,272	42,464	21	42,486	(937)	41,549
Segment profit (loss)	1,279	1,199	(209)	221	2,490	(3)	2,487	(208)	2,278

Notes: 1. The “others” classification is businesses not included in reportable segments such as advertising-related business.

2. The -208 million yen adjustment to segment profit (loss) includes 1,108 million yen in elimination for inter-segment transactions and -1,316 million yen in company-wide costs that cannot be allocated to any specific reportable segments. Company-wide costs mainly include administration expenses of the Company that cannot be attributed to reportable segments.

3. Segment profit (loss) is adjusted with operating profit on the quarterly consolidated statement of income.

**2. Information related to impairment losses on non-current assets, or goodwill, etc. for each reportable segment****Material impairment losses related to non-current assets**

In the Fashion Business and the Entertainment Business, impairment losses were recognized for operating stores set to be closed for which there is little expectation of recovery; impairment losses of 20 million yen and 65 million yen were booked respectively in the first three months of FY3/24.

First three months of FY3/25 (Apr. 1, 2024 – Jun. 30, 2024)

## 1. Information related to sales and profit/loss for each reportable segment and breakdown of revenue

(Millions of yen)

	Reportable segment					Others (Note 1)	Total	Adjustment (Note 2)	Amounts shown on quarterly consolidated statement of income (Note 3)
	Fashion	Entertainment	Anniversaire and Bridal	Real Estate Leasing	Subtotal				
Net sales									
Fashion	21,803	-	-	-	21,803	-	21,803	-	21,803
Café complex	-	14,451	-	-	14,451	-	14,451	-	14,451
Karaoke	-	2,405	-	-	2,405	-	2,405	-	2,405
Fitness	-	1,217	-	-	1,217	-	1,217	-	1,217
Bridal	-	-	2,360	-	2,360	-	2,360	-	2,360
Other	-	127	-	-	127	5	132	-	132
Revenue from contracts with customers	21,803	18,202	2,360	-	42,366	5	42,371	-	42,371
Other revenues	-	-	-	516	516	-	516	-	516
External sales	21,803	18,202	2,360	516	42,882	5	42,887	-	42,887
Inter-segment sales and transfers	0	2	0	1,165	1,168	16	1,185	(1,185)	-
Total	21,803	18,204	2,360	1,681	44,050	22	44,072	(1,185)	42,887
Segment profit (loss)	907	1,496	(213)	390	2,581	(1)	2,580	(225)	2,354

Notes: 1. The “others” classification is businesses not included in reportable segments such as advertising-related business.

2. The -225 million yen adjustment to segment profit (loss) includes 950 million yen in elimination for inter-segment transactions and -1,176 million yen in company-wide costs that cannot be allocated to any specific reportable segments. Company-wide costs mainly include administration expenses of the Company that cannot be attributed to reportable segments.

3. Segment profit (loss) is adjusted with operating profit on the quarterly consolidated statement of income.

## 2. Information related to impairment losses on non-current assets, or goodwill, etc. for each reportable segment

Material impairment losses related to non-current assets

In the Fashion Business, the Entertainment Business and the Real Estate Leasing Business, impairment losses were recognized for operating stores set to be closed, or expected to remain in the red; impairment losses of 19 million yen, 26 million yen and 25 million yen were booked respectively in the first three months of FY3/25.

**Significant Changes in Shareholders' Equity**

First three months of FY3/25 (Apr. 1, 2024 – Jun. 30, 2024)

No reportable information.

**Going Concern Assumption**

No reportable information.

**Notes to the Quarterly Consolidated Statement of Cash Flows**

A quarterly consolidated statement of cash flows for the first three months of FY3/25 has not been prepared. Depreciation (includes amortization expenses related to intangible assets and long-term prepaid expenses minus goodwill) and amortization of goodwill for the first three months of each year is as follows.

(Millions of yen)

	First three months of FY3/24 (Apr. 1, 2023 – Jun. 30, 2023)	First three months of FY3/25 (Apr. 1, 2024 – Jun. 30, 2024)
Depreciation	2,305	2,461
Amortization of goodwill	20	20

\* This financial report is solely a translation of “Kessan Tanshin” (in Japanese, including attachments), which has been prepared in accordance with accounting principles and practices generally accepted in Japan, for the convenience of readers who prefer an English translation.