

Summary of Consolidated Financial Results
for the Second Quarter of the Fiscal Year Ending March 31, 2025
(Six Months Ended September 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 filing of Semi-annual Report:

November 11, 2024

Scheduled date of payment of dividend:

December 3, 2024

Preparation of supplementary materials for financial results: Yes

Holding of financial results meeting:

Yes (for institutional investors and analysts)

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 November 8, 2024 at 15:30 (GMT +9).

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

1. Consolidated Financial Results for the Six Months Ended September 30, 2024

(April 1, 2024 – September 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	%
Six months ended Sep. 30, 2024	82,933	2.3	4,171	9.8	3,824	7.5	2,791	35.3
Six months ended Sep. 30, 2023	81,055	7.2	3,798	87.9	3,557	111.6	2,063	243.6

Note: Comprehensive income (million yen) Six months ended Sep. 30, 2024: 2,123 (down 1.5%)

Six months ended Sep. 30, 2023: 2,156 (up 194.1%)

	Net income per share	Diluted net income per share
	Yen	Yen
Six months ended Sep. 30, 2024	33.21	-
Six months ended Sep. 30, 2023	24.50	-

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of Sep. 30, 2024	220,742	136,174	61.6
As of Mar. 31, 2024	236,327	137,056	57.9

Reference: Shareholders' equity (million yen)

As of Sep. 30, 2024: 135,884

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	-	15.00	-	-	-
FY3/25 (forecasts)	-	-	-	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	191,800	2.2	15,000	8.2	14,300	8.0	8,000	5.6	95.16

Note: Revisions to the most recently announced consolidated forecast: Yes

The sales and ordinary profit forecasts and business segment forecasts have been revised. Please refer to “(3) Explanation of Consolidated Forecast and Other Forward-looking Statements” on page 4 for further information.

*** Notes**

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

(2) Application of special accounting methods for presenting consolidated interim 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 |

Note: Please refer to “Changes in Accounting Policies” on page 10 for further information on 1).

(4) Number of shares outstanding (common shares)

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

As of Sep. 30, 2024:	86,649,504 shares	As of Mar. 31, 2024:	86,649,504 shares
----------------------	-------------------	----------------------	-------------------

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

As of Sep. 30, 2024:	2,551,593 shares	As of Mar. 31, 2024:	2,626,986 shares
----------------------	------------------	----------------------	------------------

3) Average number of shares outstanding during the period

Six months ended Sep. 30, 2024:	84,043,934 shares	Six months ended Sep. 30, 2023:	84,218,844 shares
---------------------------------	-------------------	---------------------------------	-------------------

Note 1: The current quarterly (semi-annual) summary report is not subject to review by certified public accountants or auditing firms.

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 4 of the attachments regarding preconditions or other related matters for the forecast shown above.

Supplementary materials for financial results

Supplementary materials for financial results are disclosed on TDnet on Friday, November 8, 2024 and posted on the Company’s website.

Disclosure of the information meeting materials

The Company plans to hold a financial results meeting for institutional investors and analysts by web conference on Thursday, November 21, 2024. Materials to be distributed at this event will be available on the Company’s website on the morning of the meeting.

Contents of Attachments

Pages

1. Overview of Results of Operations, etc.	2
(1) Results of Operations	2
(2) Financial Position	3
(3) Explanation of Consolidated Forecast and Other Forward-looking Statements	4
2. Consolidated Interim Financial Statements and Notes	5
(1) Consolidated Interim Balance Sheet	5
(2) Consolidated Interim Statement of Income and Consolidated Interim Statement of Comprehensive Income	7
Consolidated Interim Statement of Income	7
Consolidated Interim Statement of Comprehensive Income	8
(3) Consolidated Interim Statement of Cash Flows	9
(4) Notes to Consolidated Interim Financial Statements	10
Going Concern Assumption	10
Significant Changes in Shareholders' Equity	10
Changes in Accounting Policies	10
Segment Information	11

1. Overview of Results of Operations, etc.

(1) Results of Operations

In the first half of the current fiscal year, there was a recovery of the Japanese economy at a moderate pace backed by firm consumer spending due to rising wages as corporate earnings increased and the labor market and personal income improved. The outlook for the economy is still uncertain because of concerns about the impact on consumer spending of high prices caused by the high cost of energy and raw materials due to turmoil in many areas of the world and the yen's depreciation.

Due to the measures of the AOKI Holdings Group explained in the following sections, both sales and earnings increased in the first half. Net sales increased 2.3% from one year earlier to 82,933 million yen, operating profit increased 9.8% to 4,171 million yen, ordinary profit increased 7.5% to 3,824 million yen, and profit attributable to owners of parent increased 35.3% to 2,791 million yen.

Business segment performance was as follows.

Fashion Business

During the first half, this business enlarged selections of men's and women's Cool Biz apparel that feature a variety of functions to keep people comfortable in hot summer weather in Japan. AOKI stores started selling the BIZ MOVE line of casual business apparel that looks sharp and facilitates easy movements of the wearer. For women, AOKI stores added T-shirts, cardigans and other items to the Kinseki Cut Series of apparel that protects skin from harsh summer sunlight. ORIHICA expanded its lineup of business casual fashions. This includes the Mugen Coordination Shirt lines that cover all seasons and is suitable for work as well as at parties and ordinary day-to-day activities. ORIHICA added six stores during the first half, including stores in areas where this company had no stores. To improve efficiency and relocate stores, AOKI and ORIHICA each closed one store. As a result, the number of stores increased from 593 at the end of the previous fiscal year to 597 at the end of the first half.

These activities generated strong sales of Cool Biz and casual apparel. However, expenses increased because of more advertising and other measures to bring in customers. Sales in this segment increased 1.6% year on year to 38,263 million yen and operating loss was 222 million yen compared with a profit of 437 million yen one year earlier.

Entertainment Business

KAIKATSU CLUB café complexes are continuing to add private rooms with locks and took actions to meet the demand for indoor entertainment during hot weather. COTE D'AZUR karaoke facilities focused on upgrading and expanding the selection of food and beverages. For example, the popular Kin-no Potato items and dishes created with the oversight of Oreno French/Italian restaurants were added to the Grand Menu. At FiT24, which operates 24-hour self-service fitness gyms, there were many activities to attract new members. Two examples are events that allow non-members to use the facilities at no charge for a day and a special membership plan for high school students. During the first half, KAIKATSU CLUB opened six cafés and FiT24 fitness opened two centers, while three KAIKATSU CLUB cafés and four COTE D'AZUR karaoke facilities were closed due to measures to improve efficiency. As a result, including the 83 JIYU KUKAN café complexes and other locations of RUNSYSTEM (including 50 franchised stores), the number of locations in this business decreased from 784 at the end of the previous fiscal year to 776 at the end of the first half.

Segment sales and earnings increased because of these measures and firm sales at existing locations due to higher demand because people needed cool places to get away from summer heat. Sales in this segment increased 1.1% to 38,701 million yen and operating profit increased 17.9% to 4,405 million yen.

Anniversaire and Bridal Business

This business continued to increase measures for receiving new orders and raising the percentage of sales meetings with customers that result in firm orders. One step was the announcement of 2024 additions to Trend Collections, a series of original wedding formats that match the latest trends. On September 14, Anniversaire Minato Mirai Yokohama, one of the largest guest house wedding facility in Japan, reopened following a renovation to celebrate its 10th anniversary. This business will continue to meet an increasingly diverse range of customer needs with measures that reflect the constant change in the types of weddings couples want and the steadily growing demand in the MICE

(meetings, incentive travel, conventions, exhibitions/events) category.

Sales increased 12.8% to 4,906 million yen and there was an operating loss of 375 million yen compared with a loss of 434 million yen one year earlier. First half performance was supported by the operations of ANNIVERSAIRE Omotesando, which was closed until the middle of September in 2023, and a decrease in expenses for renovations.

Real Estate Leasing Business

Segment sales increased 24.2% to 3,384 million yen and operating profit increased 72.0% to 792 million yen mainly because of the leasing of properties to tenants outside the AOKI Group in the previous fiscal year.

(2) Financial Position

1) Balance sheet position

Assets

Total assets at the end of the second quarter decreased 15,584 million yen from the end of the previous fiscal year to 220,742 million yen primarily because of a decrease in accounts receivable-trade.

Current assets decreased 14,140 million yen mainly due to decreases of 2,918 million yen in cash and deposits and 8,644 million yen in accounts receivable-trade caused by seasonal and other factors. Non-current assets decreased 1,444 million yen due to a decrease of 1,857 million yen in investments and other assets resulting from sales of investment securities, while property, plant and equipment increased 596 million yen.

Liabilities

Current liabilities decreased 6,816 million yen from the end of the previous fiscal year. There were decreases of 7,425 million yen in accounts payable-trade due to seasonal and other factors, 1,361 million yen in accrued income taxes due to the payment of income taxes, 1,961 million yen in provision for bonuses and 2,845 million yen in other current liabilities including accounts payable-other, while there were proceeds from short-term borrowings of 6,000 million yen. Non-current liabilities decreased 7,886 million yen due to a decrease of 7,710 million yen in long-term borrowings for scheduled repayments.

Net assets

Net assets decreased 882 million yen from the end of the previous fiscal year. There were decreases of 317 million yen in retained earnings due to a profit attributable to owners of parent and dividend from surplus and 619 million yen in valuation difference on available-for-sale securities due to sales of investment securities.

2) Cash flow position

Cash and cash equivalents (hereafter “net cash”) at the end of the second quarter decreased 2,918 million yen from the end of the previous fiscal year to 32,739 million yen.

Cash flows from operating activities

Net cash provided by operating activities increased 9 million yen from one year earlier to 3,762 million yen. The principal factors were profit before income taxes of 3,889 million yen and depreciation of 4,960 million yen, while there were income taxes paid of 2,074 million yen, gain on sale of investment securities of 563 million yen and a decrease in accrued consumption taxes of 537 million yen.

Cash flows from investing activities

Net cash used in investing activities decreased 4,754 million yen from one year earlier to 1,699 million yen. This was mainly due to the payments of 5,357 million yen for the purchase of property, plant and equipment for new store openings, renewals and other activities, while there was a net decrease in trust beneficiary rights of 1,636 million yen, proceeds of 1,304 million yen from sale of investment securities and proceeds of 1,185 million yen from sale of property, plant and equipment.

Cash flows from financing activities

Net cash used in financing activities decreased 920 million yen from one year earlier to 4,981 million yen. This was mainly due to scheduled repayments of long-term borrowings of 6,768 million yen and dividends paid of 3,102 million yen, while there were proceeds from short-term borrowings of 6,000 million yen.

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

By taking into consideration marketing and other activities of all businesses in the second half of the current fiscal year based on results of operations in the first half, the fiscal year forecasts for sales and ordinary profit announced on May 10, 2024 has been revised.

Our business segment forecasts were also revised as follows.

Business segment forecasts for the fiscal year ending March 31, 2025

	Fashion	Entertainment	Anniversaire and Bridal	Real Estate Leasing	Consolidated
	Million yen	Million yen	Million yen	Million yen	Million yen
Sales	101,600	76,300	11,700	6,700	191,800
YoY change (%)	101.6	101.0	114.0	110.7	102.2
Segment profit	8,600	5,900	500	1,600	15,000
YoY change (%)	106.4	108.2	865.4	121.9	108.2

Note: Segment profit is operating profit. Total segment profit differs from consolidated operating profit because of consolidation adjustments.

* These forecasts are based on judgments made in accordance with information available to the management at the time these materials were prepared. Actual results may differ substantially from these forecasts for a number of reasons.

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

(Millions of yen)

	FY3/24 (As of Mar. 31, 2024)	Second quarter of FY3/25 (As of Sep. 30, 2024)
Assets		
Current assets		
Cash and deposits	35,657	32,739
Accounts receivable-trade	15,442	6,798
Inventories	22,247	22,843
Other	8,496	5,325
Allowance for doubtful accounts	(42)	(46)
Total current assets	81,800	67,659
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	64,406	64,610
Land	30,693	30,594
Other, net	15,941	16,433
Total property, plant and equipment	111,042	111,638
Intangible assets	6,771	6,627
Investments and other assets		
Guarantee deposits	6,446	6,381
Leasehold deposit	18,873	18,901
Other	11,446	9,588
Allowance for doubtful accounts	(52)	(54)
Total investments and other assets	36,713	34,816
Total non-current assets	154,526	153,082
Total assets	236,327	220,742

	(Millions of yen)	
	FY3/24 (As of Mar. 31, 2024)	Second quarter of FY3/25 (As of Sep. 30, 2024)
Liabilities		
Current liabilities		
Accounts payable-trade	18,713	11,288
Short-term borrowings	-	6,000
Current portion of long-term borrowings	9,842	10,783
Income taxes payable	2,106	744
Provision for bonuses	3,790	1,828
Provision for bonuses for directors (and other officers)	240	76
Other	17,165	14,320
Total current liabilities	51,857	45,041
Non-current liabilities		
Long-term borrowings	32,687	24,976
Retirement benefit liability	607	593
Asset retirement obligations	7,914	7,920
Other	6,203	6,034
Total non-current liabilities	47,412	39,526
Total liabilities	99,270	84,567
Net assets		
Shareholders' equity		
Share capital	23,282	23,282
Capital surplus	22,597	22,612
Retained earnings	92,813	92,495
Treasury shares	(3,047)	(2,959)
Total shareholders' equity	135,645	135,431
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	741	122
Remeasurements of defined benefit plans	369	330
Total accumulated other comprehensive income	1,111	453
Non-controlling interests	299	290
Total net assets	137,056	136,174
Total liabilities and net assets	236,327	220,742

(2) Consolidated Interim Statement of Income and Consolidated Interim Statement of Comprehensive Income**Consolidated Interim Statement of Income**

	(Millions of yen)	
	First six months of FY3/24 (Apr. 1, 2023 – Sep. 30, 2023)	First six months of FY3/25 (Apr. 1, 2024 – Sep. 30, 2024)
Net sales	81,055	82,933
Cost of sales	49,466	49,894
Gross profit	31,589	33,039
Selling, general and administrative expenses	27,790	28,867
Operating profit	3,798	4,171
Non-operating profit		
Interest income	31	37
Dividend income	21	16
Other	79	76
Total non-operating profit	132	130
Non-operating expenses		
Interest expenses	150	125
Loss on retirement of non-current assets	29	74
Loss on cancellation of guarantee and leasehold deposits	5	104
Other	188	173
Total non-operating expenses	374	477
Ordinary profit	3,557	3,824
Extraordinary income		
Gain on sale of non-current assets	-	184
Gain on sale of investment securities	-	563
Settlements received	500	-
Total extraordinary income	500	747
Extraordinary losses		
Impairment loss	137	682
Total extraordinary losses	137	682
Profit before income taxes	3,920	3,889
Income taxes – current	1,065	634
Income taxes – deferred	826	473
Total income taxes	1,892	1,107
Profit	2,027	2,782
Loss attributable to non-controlling interests	(35)	(8)
Profit attributable to owners of parent	2,063	2,791

Consolidated Interim Statement of Comprehensive Income

(Millions of yen)

	First six months of FY3/24 (Apr. 1, 2023 – Sep. 30, 2023)	First six months of FY3/25 (Apr. 1, 2024 – Sep. 30, 2024)
Profit	2,027	2,782
Other comprehensive income		
Valuation difference on available-for-sale securities	164	(619)
Remeasurements of defined benefit plans, net of tax	(35)	(38)
Total other comprehensive income	129	(658)
Comprehensive income	2,156	2,123
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,192	2,132
Comprehensive income attributable to non-controlling interests	(35)	(8)

(3) Consolidated Interim Statement of Cash Flows

(Millions of yen)

	First six months of FY3/24 (Apr. 1, 2023 – Sep. 30, 2023)	First six months of FY3/25 (Apr. 1, 2024 – Sep. 30, 2024)
Cash flows from operating activities		
Profit before income taxes	3,920	3,889
Depreciation	4,710	4,960
Impairment loss	137	682
Settlements received	(500)	-
Increase (decrease) in retirement benefit liability	(71)	(87)
Interest and dividend income	(53)	(53)
Interest expenses	150	125
Loss (gain) on sale of non-current assets	-	(184)
Loss (gain) on sale of investment securities	-	(563)
Decrease (increase) in trade receivables	6,865	8,644
Decrease (increase) in inventories	(1,921)	(596)
Increase (decrease) in trade payables	(5,479)	(7,425)
Increase (decrease) in accrued consumption taxes	(1,482)	(537)
Other	(790)	(3,425)
Subtotal	5,485	5,428
Interest and dividend income received	47	46
Interests paid	(165)	(133)
Settlements received	500	-
Income taxes paid	(2,987)	(2,074)
Income taxes refund	873	495
Net cash provided by (used in) operating activities	3,753	3,762
Cash flows from investing activities		
Purchase of property, plant and equipment	(7,510)	(5,357)
Proceeds from sale of property, plant and equipment	833	1,185
Purchase of intangible assets	(392)	(315)
Payments for leasehold and guarantee deposits	(310)	(365)
Proceeds from sales of investment securities	-	1,304
Net decrease (increase) in trust beneficiary rights	585	1,636
Other	340	212
Net cash provided by (used in) investing activities	(6,454)	(1,699)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	-	6,000
Proceeds from long-term borrowings	6,000	-
Repayments of long-term borrowings	(8,956)	(6,768)
Repayments of lease obligations	(963)	(1,109)
Purchase of treasury shares	(877)	(0)
Dividends paid	(1,104)	(3,102)
Net cash provided by (used in) financing activities	(5,902)	(4,981)
Effect of exchange rate change on cash and cash equivalents	0	(0)
Increase (decrease) in cash and cash equivalents	(8,602)	(2,918)
Cash and cash equivalents at beginning of period	38,295	35,657
Cash and cash equivalents at end of period	29,693	32,739

(4) Notes to Consolidated Interim Financial Statements

Going Concern Assumption

No reportable information.

Significant Changes in Shareholders' Equity

First six months of FY3/25 (Apr. 1, 2024 – Sep. 30, 2024)

No reportable information.

Changes in Accounting Policies

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

Revisions concerning the accounting classification of income taxes (taxation of other comprehensive income) are made in accordance with the transitional treatment stipulated in the proviso of Paragraph 20-3 of the Revised Accounting Standard 2022 and in the proviso of Paragraph 65-2, Item 2 of Implementation Guidance on Accounting Standard for Tax Effect Accounting (ASBJ Guidance No. 28, October 28, 2022).

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

Segment Information

First six months of FY3/24 (Apr. 1, 2023 – Sep. 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 consolidated interim statement of income (Note 3)
	Fashion	Entertainment	Anniversaire and Bridal	Real Estate Leasing	Subtotal				
Net sales									
Fashion	37,641	-	-	-	37,641	-	37,641	-	37,641
Café complex	-	29,946	-	-	29,946	-	29,946	-	29,946
Karaoke	-	5,117	-	-	5,117	-	5,117	-	5,117
Fitness	-	2,611	-	-	2,611	-	2,611	-	2,611
Bridal	-	-	4,347	-	4,347	-	4,347	-	4,347
Other	-	561	-	-	561	20	581	-	581
Revenue from contracts with customers	37,641	38,236	4,347	-	80,225	20	80,246	-	80,246
Other revenues	-	36	-	772	809	-	809	-	809
External sales	37,641	38,273	4,347	772	81,034	20	81,055	-	81,055
Inter-segment sales and transfers	2	4	0	1,951	1,959	31	1,990	(1,990)	-
Total	37,643	38,277	4,348	2,724	82,994	51	83,046	(1,990)	81,055
Segment profit (loss)	437	3,735	(434)	461	4,200	(11)	4,188	(389)	3,798

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

2. The -389 million yen adjustment to segment profit (loss) includes 2,073 million yen in elimination for inter-segment transactions and -2,463 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 consolidated interim 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 or converted for which there is little expectation of recovery; impairment losses of 20 million yen and 116 million yen were booked respectively in the first six months of FY3/24.

First six months of FY3/25 (Apr. 1, 2024 – Sep. 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 consolidated interim statement of income (Note 3)
	Fashion	Entertainment	Anniversaire and Bridal	Real Estate Leasing	Subtotal				
Net sales									
Fashion	38,263	-	-	-	38,263	-	38,263	-	38,263
Café complex	-	30,849	-	-	30,849	-	30,849	-	30,849
Karaoke	-	5,081	-	-	5,081	-	5,081	-	5,081
Fitness	-	2,500	-	-	2,500	-	2,500	-	2,500
Bridal	-	-	4,904	-	4,904	-	4,904	-	4,904
Other	-	221	-	-	221	22	244	-	244
Revenue from contracts with customers	38,263	38,653	4,904	-	81,820	22	81,843	-	81,843
Other revenues	-	42	-	1,047	1,090	-	1,090	-	1,090
External sales	38,263	38,695	4,904	1,047	82,910	22	82,933	-	82,933
Inter-segment sales and transfers	0	6	2	2,336	2,345	33	2,378	(2,378)	-
Total	38,263	38,701	4,906	3,384	85,256	55	85,312	(2,378)	82,933
Segment profit (loss)	(222)	4,405	(375)	792	4,601	(5)	4,596	(424)	4,171

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

2. The -424 million yen adjustment to segment profit (loss) includes 1,901 million yen in elimination for inter-segment transactions and -2,325 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 consolidated interim 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, 633 million yen and 29 million yen were booked respectively in the first six months of FY3/25.

* 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.