



Summary of Consolidated Financial Results for the Six-month Period Ended September 30, 2024 (Japanese accounting standards)

Released: October 31, 2024

Name of listed firm: Nojima Corporation

Listed on the Tokyo Stock Exchange

Code No.: 7419

URL: <https://www.nojima.co.jp>

Representative: Hiroshi Nojima, President & Representative Executive Officer

Tel.: +81-50-3116-1234

Contact: Hiroaki Hatano, Executive Officer/General Manager, Finance and Accounting Division

Scheduled date of interim report filing: November 8, 2024

Scheduled start date of dividend payments: December 6, 2024

Supplemental materials on interim financial results: Yes

Briefing session on interim financial results for analysts: Yes

(Amounts are rounded down to the nearest million yen.)

1. Consolidated financial results for the fiscal year ended September 30, 2024 (April 1, 2024 - September 30, 2024)

(1) Consolidated results of operations (Percentages indicate year-on-year changes.)

	Net sales		Operating income		Ordinary income		EBITDA		Net income attributable to shareholders of the parent company	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Six-month period ended September 30, 2024	393,106	9.8	19,968	47.8	21,448	46.2	34,888	31.7	14,198	54.4
Six-month period ended September 30, 2023	358,065	31.5	13,511	-22.4	14,675	-23.0	26,486	-5.1	9,198	-27.9

Note: Comprehensive income: Three-month period ended September 30, 2024: 16,750 million yen (59.2%)
Three-month period ended September 30, 2023: 10,523 million yen (-23.9%)

For detailed information, including definitions and methods used to calculate indicators, see p. 2, "1. Qualitative Information on Interim Consolidated Financial Performance: (1) Explanation of operating results."

	Net income per share	Diluted net income per share
	Yen	Yen
Six-month period ended September 30, 2024	145.98	142.06
Six-month period ended September 30, 2023	93.61	92.60

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of September 30, 2024	551,666	189,496	33.4	1,931.33
As of March 31, 2024	547,142	178,920	31.8	1,779.53

Reference: Equity: As of September 30, 2024: 184,310 million yen As of March 31, 2024: 174,190 million yen

2. Dividends

	Dividends per share				
	End of Q1	End of Q2	End of Q3	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
FY ended March 2024	-	15.00	-	18.00	33.00
FY ended March 2025	-	20.00	-	-	-
FY ending March 2025 (planned)	-	-	-	20.00	40.00

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

Note: For details regarding the revision of dividend forecasts, please refer to the "Notice Concerning Dividends of Retained Earnings (Interim Dividend) and Revision of Year-End Dividend Forecast (Increase)" released on October 31, 2024.

3. Forecasts of consolidated financial results for the fiscal year ending March 2024 (April 1, 2024 - March 31, 2025)

(Percentages indicate changes from the previous year for full-year forecasts.)

	Net sales		Operating income		Ordinary income		EBITDA		Net income attributable to shareholders of the parent company		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full-year	765,000	0.5	31,000	1.4	34,000	3.2	60,000	4.3	21,000	5.1	220.05

Note: Revisions to the most recently announced consolidated earnings forecast: No

* Notes

- (1) Significant changes in subsidiaries during this period (changes in designated subsidiaries resulting in changes in the scope of consolidation): No
 Added: __ company(ies) (name(s): _____)
 Removed: __ company(ies) (name(s): _____)
- (2) Application of special accounting methods in the preparation of the interim consolidated financial statements: No
- (3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements
- i. Changes in accounting policies due to revisions in accounting standards and other regulations: No
 - ii. Changes in accounting policies for reasons other than i.: No
 - iii. Changes in accounting estimates: No
 - iv. Restatement of prior period financial statements: No

(4) Number of shares issued and outstanding (common shares)

i. Number of shares issued and outstanding at the end of the period (including treasury shares)	As of September 30, 2024	102,579,232 shares	FY ended March 2024	102,579,232 shares
ii. Number of shares of treasury shares at the end of the period	As of September 30, 2024	7,147,287 shares	FY ended March 2024	4,693,363 shares
iii. Average number of shares during the period	Six-month period ended September 30, 2024	97,262,282 shares	Six-month period ended September 30, 2023	98,258,356 shares

Note: The number of shares of treasury shares above includes shares held in trust accounts (1,573,500 shares as of September 30, 2024 and 0 shares as of March 31, 2024) for the employee stock ownership plan (ESOP). Shares of the Company's own stock held in ESOP trust accounts are included in treasury shares subtracted from the calculation of the average number of shares during the period (105,196 shares for the six-month period ended September 30, 2024 and 318,468 shares for the six-month period ended September 30, 2023).

* Financial statements are not subject to audits by certified public accountants or auditing firms

* Explanation concerning the appropriate use of forecasts of business performance and other notes

Note on forward-looking statements:

Forecasts of business performance and other forward-looking statements in this release are based on information currently available and certain assumptions the Company deems reasonable at the time of preparation. They do not constitute a guarantee of future results. Actual results may differ materially from those of any forward-looking statements for various reasons.

○ Contents of attached documents

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1. Qualitative Information on Interim Consolidated Financial Performance

(1) Explanation of operating results

During the six-month period ended September 30, 2024, Japan's economy as a whole showed gradual signs of recovery, with inflation finally beginning to ease. On the other hand, uncertainties surrounding the Chinese economy and heightened tensions in the Middle East may potentially impact business performance.

Amidst these conditions, Nojima Corporation celebrates its 65th anniversary this year. Throughout this period of significant change, we have consistently aimed to be the leader in the digital field and achieve customer satisfaction. To this end, we have focused on creating stores that customers find easy to select and continuously provide "customer-oriented service." As a result of these efforts, the Group's performance has remained strong, with both sales and operating income reaching record highs.

As a result, for the six-month period ended September 30, 2024, we recorded net sales of 393,106 million yen (109.8% year on year), operating income of 19,968 million yen (147.8% year on year), ordinary income of 21,448 million yen (146.2% year on year), and net income attributable to shareholders of the parent company of 14,198 million yen (154.4% year on year). Further, EBITDA*, a formula the Group considers to be an important indicator of business performance, stood at 34,888 million yen (131.7% of the figure for the six-month period ended September 30, 2023).

*EBITDA = ordinary income + interest expenses + interest on bonds + depreciation + amortization of goodwill – profit or loss on equity method investment

Business performance by segment is outlined below.

(Operation of digital home electronics retail stores)

In the home appliance retail industry, the prolonged extreme heat has contributed to steady sales of large white goods such as air conditioners. Under the "One Nojima" concept, we have promoted initiatives that allow each employee to operate on the sales floor without restrictions across product categories.

We have also continued to invest in personnel, store locations, and digital transformation (DX). Through our "DX Project," we are utilizing various IT services to ensure that every customer who visits our stores receives courteous and attentive service. Regarding store expansion, we opened seven new stores, primarily in prime locations near train stations in the Tokyo metropolitan area, aiming to enhance Nojima's brand awareness and mindshare and to attract new customers. As part of a new challenge in digital transformation, we have launched the "Bunshin × Hiroshi Nojima generated AI Project." This project is designed to carry forward Nojima's philosophy into the future, reflecting our strong commitment to preserving Nojima's spirit for the next generation.

As a result, net sales in this segment totaled 145,387 million yen (111.3% year on year) and segment income was 9,742 million yen (110.5% year on year), marking a new record high in sales.

(Operation of mobile carrier stores)

With rising device prices leading to longer replacement cycles and growing demand for used devices, new plans such as the "eximo Points Plan" have been introduced, providing consumers with more choices. In this environment, higher quality store management is increasingly expected of carrier shops.

Since joining the Nojima Group in January 2023, CONEXIO Corporation has steadily improved employee service levels by instilling in them the "Nojima Way" philosophy, resulting in store operations that delight customers. Other carrier shop management companies, including ITX Corporation, are also working diligently to implement this philosophy and improve their service standards, striving to keep pace with CONEXIO Corporation.

As a result, net sales in this segment totaled 166,550 million yen (105.6% year on year), and segment income was 5,672 million yen (391.8% year on year), marking new record highs in sales and segment income.

(Internet business)

As an essential infrastructure for daily life, the role of ultra-high-speed broadband services continues to expand. We are working to enhance our customers' everyday lives and aim to become the "most customer-focused and inspiring ISP." To achieve this, we focus on three key performance indicators: membership growth, enhancement of service value, and prevention of cancellations.

In addition, through our core services, such as "@nifty Hikari" and email services offered at our group stores, we have provided customers with a more comfortable lifestyle, leveraging group synergies. As a result, our broadband membership reached 1.29 million as of the end of September. To further enhance the experience of "@nifty Hikari 10G" users, we also launched installment sales of high-performance wireless LAN routers.

On the other hand, Cecile Co., Ltd. is dedicated to "creating customer-oriented products" by listening to customer feedback and implementing improvements. By offering various daily necessities, starting with innerwear products, we support a rich lifestyle for our customers. While we have strived to provide products and services that exceed customer expectations, we also face challenges such as optimizing inventory levels and will continue to work on improvements moving forward.

As a result, net sales in this segment totaled 34,227 million yen (104.2% year on year), and segment income totaled 3,336 million yen (121.1% year on year).

(Overseas business)

In our overseas business, Thunder Match Technology Sdn. Bhd., which we acquired in July 2023, has contributed to the overseas business segment throughout the current interim consolidated fiscal period.

Under these circumstances, we have strengthened our organizational structure at the Japan headquarters to better support each country, enhancing initiatives aimed at developing talented people and improving store operations in each region. As various payment methods continue to expand across Asia, we are refining our in-house installment credit system. In Singapore, we are using this system to strengthen relationships with customers who have previously used our services, while in Malaysia, we have revised our installment offerings and introduced new plans to connect with both existing and new customers.

Furthermore, we remain committed to investing in our stores, including renovations and a scrap-and-build approach, carefully considering compatibility with each area and market.

As a result, net sales in this segment totaled 39,047 million yen (127.9% year on year) and segment income came to 227 million yen (segment loss was 150 million yen in the six-month period ended September 30, 2023).

(Financial business)

The dollar/yen exchange rate experienced significant volatility this summer. While it fell to the upper 161-yen range in early July, market fluctuations due to speculation about additional rate cuts by the U.S. Federal Reserve (FRB) and potential rate hikes by the Bank of Japan pushed the yen up to the lower 150-yen range. In August, concerns about a recession in the United States intensified, leading to a sharp drop in stock prices. This sparked a shift towards risk aversion, causing the yen to briefly surge to the 141-yen level.

Subsequently, due to the FRB's substantial rate cuts and the impact of the Liberal Democratic Party leadership election in Japan, the exchange rate fluctuated repeatedly, ultimately settling at the 143-yen level at the end of September. The yen also experienced considerable volatility against other major currencies from July to September, similar to its movements against the U.S. dollar.

Amid this increasingly uncertain market environment, we have expanded our proprietary "Trap Repeat If Done" service, a unique trading method designed to perform well in turbulent markets and cater to beginner FX investors. As part of our "Trap Repeat If Done—Global Strategy," we released the fourth currency pair, "NOK/SEK" (Norwegian Krone/Swedish Krona), which is well-suited to the range-bound trading strategy that Trap Repeat If Done excels at. This complements our existing diversified offerings of "AUD/NZD," "EUR/GBP," and "USD/CAD."

As a result, net sales in this segment totaled 3,093 million yen (98.3% year on year), and segment income posted 1,018 million yen (103.5% year on year).

(Other business)

Among the "Other" segment information, one of the main businesses is the paid satellite broadcasting business, represented by AXN Co., Ltd. During the current interim consolidated period, two new companies—Animax Broadcast Japan Inc. and Kids Station Inc.—joined the Group as subsidiaries.

In addition to the existing "Action Channel," an overseas drama channel, the "Mystery Channel," specializing in mystery dramas, and the "The Cinema," specializing in Western films, managed by AXN Co., Ltd., we aim to create synergy with new content and foster collaboration within the Group.

As a result, satellite broadcasting business recorded net sales of 5,900 million yen and ordinary income of 1,073 million yen.

(Stores in operation)

With 7 new store openings and 3 store closures, including scrap-and-build, the number of digital home electronics retail stores stood at 225, or 242 when 17 dedicated communications device stores are included following the closure of 1 store.

In the operation of mobile carrier stores, following 12 new stores where we acquired business and 28 where we transferred business, including scrap-and-build, the number of stores, including both directly operated carrier stores and franchises, stood at 944.

In the overseas business, after reviewing scrap-and-build, 3 new stores opened and 5 stores closed. So, the number of stores stood at 114.

In light of these factors, the numbers of stores as of September 30, 2024, are as shown below.

Stores in operation

Classification	Directly operated stores	Franchises	Total
Operation of digital home electronics retail stores	242	-	242
Digital home electronics retail stores	225	-	225
Dedicated communications device stores	17	-	17
Operation of mobile carrier stores	652	292	944
Carrier stores	616	289	905
Others	36	3	39
Overseas business	114	-	114
Total	1,008	292	1,300

(2) Explanation of financial position

Assets, liabilities and net assets

(Assets)

Total assets as of September 30, 2024, were 551,666 million yen, an increase of 4,524 million yen from the end of the previous fiscal year.

This increase was due mainly to a decrease of 11,742 million yen to 341,692 million yen in current assets and an increase of 16,266 million yen to 209,973 million yen in non-current assets.

The primary factors underlying the decrease in current assets included decreases of 12,664 million yen in accounts receivable and 12,072 million yen in trading products, despite increases of 21,714 million yen in cash and deposits and 1,530 million yen in merchandise and products.

The main causes of the increase in non-current assets included increases of 21,100 million yen in investment securities and 505 million yen in customer-related intangible assets, despite decreases of 2,690 million yen in contractual intangible assets, 1,131 million yen in lease assets (net) and 801 million yen in deferred tax assets.

(Liabilities)

Total liabilities as of September 30, 2024, were 362,170 million yen, down 6,051 million yen from the end of the previous fiscal year.

This decrease was due mainly to a decrease of 41,699 million yen to 252,888 million yen in current liabilities and an increase of 35,649 million yen to 109,280 million yen in non-current liabilities.

The primary factors underlying the decrease in current liabilities included decreases of 22,914 million yen in guarantee deposits received and 14,981 million yen in notes and accounts payable-trade, despite increases of 7,229 million yen in the current portion of long-term loans payable, 1,717 million yen in contract liabilities and 1,077 million yen in accrued income taxes.

The main causes of the increase in non-current liabilities included increases of 36,674 million yen in long-term loans payable, despite decreases of 1,296 million yen in lease obligations and 1,052 million yen in deferred tax liabilities.

(Net assets)

Net assets as of September 30, 2024, totaled 189,496 million yen, up 10,575 million yen from the end of the previous fiscal year, due to factors including an increase of 12,436 million yen in retained earnings.

These factors resulted in an equity ratio of 33.4%, up 1.6 points from the end of the previous fiscal year.

Overview of cash flow

Cash and cash equivalents (“funds” hereinafter) as of September 30, 2024, totaled 56,674 million yen. (38,495 million yen as of September 30, 2023)

The status of each category of cash flow and the main reasons are described below.

(Cash flow from operating activities)

Funds earned from operating activities came to a cash inflow of 17,102 million yen (43.2% year on year).

This was mainly due to a decrease in guarantee deposits received of 22,914 million yen, while the increase factors for net income before taxes and other adjustments of 21,590 million yen included a decrease in accounts receivable-trade of 14,124 million yen and a decrease in trading products (assets) of 12,072 million yen.

(Cash flow from investment activities)

Funds used for investment activities came to a cash outflow of 25,092 million yen (256.8% year on year).

This was mainly due to expenditures of 18,953 million yen for the acquisition of investment securities, expenditures of 3,550 million yen for the acquisition of subsidiary shares resulting in a change in the scope of consolidation, and expenditures of 1,714 million yen for the acquisition of tangible non-current assets associated with new store openings, despite proceeds of 474 million yen from the collection of lease and guarantee deposits.

(Cash flow from financing activities)

Funds earned from financing activities came to a cash inflow of 29,738 million yen (compared with a cash outflow of 27,937 million yen in the previous interim consolidated period).

This was mainly due to proceeds from long-term loans payable of 53,630 million yen, despite expenditures of 9,725 million yen for the repayment of long-term loans payable, expenditures of 5,552 million yen for the acquisition of treasury stock, a net reduction in short-term loans payable of 4,769 million yen, and expenditures of 2,674 million yen for the repayment of lease obligations.

(3) Information on forward-looking statements such as forecasts of consolidated financial results

Regarding the consolidated earnings forecast for the fiscal year ending March 2025, there has been no change from the full-year forecast announced in the “Summary of Consolidated Financial Results for the Fiscal Year Ended March 31, 2024” published on May 7, 2024. For the consolidated earnings forecast for the interim period of the fiscal year ending March 2025, please refer to the “Notice Concerning Differences Between the Consolidated Earnings Forecast and Actual Results for the Second Quarter (Interim Period) of the Fiscal Year Ending March 2025,” published on October 31, 2024.

Additionally, the dividend forecast, which was initially announced in the “Summary of Consolidated Financial Results for the Fiscal Year Ended March 31, 2024” on May 7, 2024, has been revised. For details, please refer to the “Notice Concerning Dividends of Retained Earnings (Interim Dividend) and Revision of Year-End Dividend Forecast (Increase),” published on

October 31, 2024.

2. Interim Consolidated Financial Statements and Main Notes

(1) Consolidated balance sheet

(Million yen)

	Previous fiscal year (as of March 31, 2024)	Second quarter of the current fiscal year (as of September 30, 2024)
Assets		
Current assets		
Cash and deposits	35,912	57,626
Accounts receivable	84,989	72,325
Merchandise and products	67,469	68,999
Programing rights	1,507	2,540
Accounts receivable-other	32,345	29,394
Segregated deposits	86,370	77,942
Trading products	33,749	21,676
Other	12,083	12,106
Allowance for doubtful accounts	-993	-920
Total current assets	353,434	341,692
Non-current assets		
Tangible non-current assets		
Buildings and structures (net)	21,158	20,737
Tools, fixtures, and facilities (net)	3,944	3,915
Machinery, equipment and vehicles (net)	346	332
Lease assets (net)	18,219	17,088
Land	14,829	14,917
Other (net)	774	1,084
Total tangible non-current assets	59,273	58,074
Intangible assets		
Goodwill	44,042	43,645
Software	3,438	3,309
Contractual intangible assets	48,380	45,690
Customer-related intangible assets	-	505
Technology-related intangible assets	3,760	3,446
Other	863	831
Total intangible assets	100,484	97,429
Investments and other assets		
Investment securities	4,674	25,775
Deferred tax assets	8,208	7,407
Lease and guarantee deposits	18,546	18,385
Retirement benefit assets	241	258
Other	2,637	2,975
Allowance for doubtful accounts	-360	-332
Total investments and other assets	33,948	54,469
Total non-current assets	193,707	209,973
Total assets	547,142	551,666

(Million yen)

	Previous fiscal year (as of March 31, 2024)	Second quarter of the current fiscal year (as of September 30, 2024)
Liabilities		
Current liabilities		
Notes and accounts payable-trade	80,054	65,073
Electronically recorded obligations-operating	839	676
Short-term loans payable	8,983	4,213
Current portion of long-term loans payable	5,171	12,401
Accounts payable-other	23,051	20,192
Accrued income taxes	7,896	8,974
Accrued consumption tax	3,589	2,567
Accrued expenses	7,068	5,527
Advance received	8,156	7,167
Contract liabilities	10,392	12,109
Reserve for points	1,247	1,340
Reserve for bonuses	4,071	3,528
Lease obligations	4,561	4,818
Guarantee deposits received	119,564	96,649
Trading products	1,367	935
Other	8,570	6,712
Total current liabilities	294,588	252,888
Non-current liabilities		
Long-term loans payable	11,542	48,217
Contract liabilities	11,966	16,517
Reserve for directors' retirement benefits	200	225
Retirement benefit liabilities	12,493	12,780
Deferred tax liabilities	11,505	10,453
Lease obligations	15,715	14,418
Other	10,207	6,666
Total non-current liabilities	73,631	109,280
Reserves under special laws		
Reserve for financial instruments transaction liabilities	1	0
Total Reserves under special laws	1	0
Total liabilities	368,221	362,170
Net Assets		
Shareholders' equity		
Capital stock	6,330	6,330
Capital surplus	7,735	7,614
Retained earnings	162,953	175,389
Treasury stock	-6,293	-10,928
Total shareholders' equity	170,725	178,406
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	724	2,329
Deferred gains or losses on hedges	0	-30
Currency conversion adjustments	2,740	3,605
Total accumulated other comprehensive income	3,464	5,904
Stock acquisition rights	2,628	2,605
Non-controlling interests	2,101	2,579
Total net assets	178,920	189,496
Total liabilities and net assets	547,142	551,666

(2) Consolidated income statement and consolidated statement of comprehensive income

Consolidated income statement

(Million yen)

	Six-month period of the previous fiscal year (April 1, 2023 - September 30, 2023)	Six-month period of the current fiscal year (April 1, 2024 - September 30, 2024)
Net sales	358,065	393,106
Cost of sales	250,045	277,622
Gross profit on sales	108,020	115,484
Sales, general and administrative expenses		
Advertising expenses	11,014	11,523
Salaries, allowances and bonuses	32,471	32,848
Provision of reserve for bonuses	3,634	3,475
Retirement benefit expenses	864	846
Rents	12,300	12,232
Depreciation	7,785	7,877
Amortization of goodwill	2,564	2,993
Other	23,873	23,718
Total sales, general and administrative expenses	94,508	95,515
Operating income	13,511	19,968
Non-operating income		
Interest income	119	109
Dividend	127	168
Purchase discounts	1,092	1,324
Profit on equity method investment	42	22
Other	592	576
Total non-operating income	1,974	2,202
Non-operating expenses		
Interest expenses	387	537
Foreign exchange losses	128	8
Other	294	176
Total non-operating expenses	810	722
Ordinary income	14,675	21,448
Extraordinary income		
Gain on reversal of share acquisition rights	585	261
Gain on sales of non-current assets	11	0
Other	-	23
Total extraordinary income	596	285
Extraordinary losses		
Impairment losses	174	37
Loss on store closings	15	106
Other	41	-
Total extraordinary losses	231	144
Net income before taxes and other adjustments	15,039	21,590
Income taxes-current	5,810	8,074
Income taxes-deferred	-66	-795
Total income taxes	5,744	7,278
Net income	9,295	14,311
Net income attributable to shareholders of the non-controlling interests	97	113
Net income attributable to shareholders of the parent company	9,198	14,198

Consolidated statement of comprehensive income
(For the six-month period)

(Million yen)

	Six-month period of the previous fiscal year (April 1, 2023 - September 30, 2023)	Six-month period of the current fiscal year (April 1, 2024 - September 30, 2024)
Net income	9,295	14,311
Other comprehensive income		
Valuation difference on available-for-sale securities	297	1,605
Deferred gains or losses on hedges	29	-31
Currency conversion adjustments	937	865
Adjustments for retirement benefit obligations	-36	-
Total other comprehensive income	1,228	2,439
Comprehensive income	10,523	16,750
(Breakdown)		
Comprehensive income attributable to shareholders of the parent company	10,426	16,637
Comprehensive income attributable to non-controlling interests	97	113

(4) Consolidated cash flow statement

(Million yen)

	Previous fiscal year (April 1, 2023 – September 30, 2023)	Current fiscal year (April 1, 2024 – September 30, 2024)
Cash flow from operating activities		
Net income before taxes and other adjustments	15,039	21,590
Depreciation	7,975	8,427
Impairment loss	174	37
Amortization of goodwill	2,564	2,993
Loss (profit) on equity method investment	-42	-22
Increase (decrease) in reserve for retirement benefits	126	102
Increase (decrease) in allowance for doubtful accounts	79	-109
Increase (decrease) in reserve for points	112	92
Increase (decrease) in contract liabilities	681	6,396
Interest income and dividend income	-246	-278
Interest expenses	387	537
Decrease (increase) in accounts receivable-trade	20,348	14,124
Decrease (increase) in inventories	10,406	-1,330
Decrease (increase) in accounts receivable-other	8,636	3,157
Increase (decrease) in notes and accounts payable-trade	-9,534	-15,552
Increase (decrease) in accrued expenses	531	-1,569
Increase (decrease) in accrued consumption taxes	2,619	-1,146
Increase (decrease) in accounts payable-other	-6,557	-3,972
Increase (decrease) in advances received	-732	-978
Increase (decrease) in unearned revenue	-171	-5,040
Increase (decrease) in segregated deposits	3,244	8,427
Increase (decrease) in trading products (Assets)	-13,868	12,072
Increase (decrease) in guarantee deposits received	11,272	-22,914
Increase (decrease) in trading products (Liabilities)	1,259	-432
Other	-4,973	198
Subtotal	49,331	24,811
Interest and dividend income received	262	294
Interest expenses paid	-403	-532
Income tax (paid) or refund	-9,595	-7,471
Cash flow from operating activities	39,595	17,102

(Million yen)

	Previous fiscal year (April 1, 2023 – September 30, 2023)	Current fiscal year (April 1, 2024 – September 30, 2024)
Cash flow from investment activities		
Purchase of tangible non-current assets	-1,536	-1,714
Purchase of intangible assets	-622	-1,155
Purchase of investment securities	-62	-18,953
Payments for lease and guarantee deposits	-251	-554
Proceeds from collection of lease and guarantee deposits	271	474
Purchase of shares of subsidiaries resulting in change in scope of consolidation	-7,768	-3,550
Other	196	362
Cash flow from investment activities	-9,773	-25,092
Cash flow from financing activities		
Increase (decrease) in short-term loans payable	1,311	-4,769
Proceeds from long-term loans payable	11,725	53,630
Repayment of long-term loans payable	-37,456	-9,725
Purchase of treasury stock	-915	-5,552
Proceeds from sales of treasury stock	509	-
Proceed from exercising stock options	480	619
Cash dividends paid	-1,477	-1,775
Repayment of lease obligations	-2,142	-2,674
Other	27	-13
Cash flow from financing activities	-27,937	29,738
Effect of exchange rate changes on cash and cash equivalents	855	-32
Increase (decrease) in cash and cash equivalents	2,739	21,714
Starting balance of cash and cash equivalents	35,755	34,960
Ending balance of cash and cash equivalents	38,495	56,674

(3) Notes on consolidated financial statements

(Notes on going concern assumption)

Not applicable

(Significant changes in shareholders' equity)

Not applicable

(Segment information, etc.)

[Segment information]

I Six-month period of the previous fiscal year (April 1, 2023 – September 30, 2023)

1. Net sales and income (loss) by reporting segment

(Million yen)

	Reporting segment						Other (*1)	Total	Adjustments (*2)	Amount on interim consolidated income statement (*3)
	Operation of digital home electronics retail stores	Operation of mobile carrier stores	Operation of Internet Business	Overseas business	Financial business	Subtotal				
Net sales										
Net sales to external customers	129,822	157,196	32,653	30,538	3,146	353,357	4,707	358,065	-	358,065
Internal sales or transfers between segments	844	448	198	-	-	1,490	397	1,888	-1,888	-
Subtotal	130,666	157,644	32,852	30,538	3,146	354,848	5,104	359,953	-1,888	358,065
Segment income	8,814	1,447	2,754	-150	984	13,849	948	14,797	-122	14,675

Notes:

*1. The "Other" business segment consists of businesses not included in the reporting segments above. These include the shopping mall business, the satellite broadcasting business, the sports business, the training business and the mega-solar business.

*2. Adjustments to segment income consist of companywide costs not distributed among reporting segments.

*3. Segment income is adjusted with ordinary income on the interim consolidated income statement.

2. Information on impairment losses on non-current assets or goodwill for each reportable segment

(Significant impairment losses on non-current assets)

The carrying amount of a group of assets that have recorded a continued loss from business activities is reduced to the recoverable amount and the reduced amount is recorded as an impairment loss under extraordinary loss.

The amount recorded in the reporting segment was 108 million yen for the operation of digital home electronics retail stores, 62 million yen for the operation of mobile carrier stores, and 2 million yen for the operation of internet business.

(Significant change in amount of goodwill)

In the financial business, with respect to the business combination with MONEY SQUARE HOLDINGS, INC. conducted in the previous consolidated fiscal year, the allocation of the acquisition cost had not yet been finalized, and the preliminary goodwill amount had been calculated. However, as preliminary accounting treatment was finalized during the current interim consolidated period, the goodwill amount has been adjusted accordingly.

II Six-month period of the current fiscal year (April 1, 2024 – September 30, 2024)

1. Net sales and income (loss) by reporting segment

(Million yen)

	Reporting segment						Other (*1)	Total	Adjustments (*2)	Amount on consolidated financial statements (*3)
	Operation of digital home electronics retail stores	Operation of mobile carrier stores	Operation of Internet business	Overseas business	Financial business	Subtotal				
Net sales										
Net sales to external customers	144,097	165,247	33,988	39,047	3,093	385,475	7,630	393,106	-	393,106
Internal sales or transfers between segments	1,290	1,302	238	-	-	2,830	393	3,224	-3,224	-
Subtotal	145,387	166,550	34,227	39,047	3,093	388,306	8,023	396,330	-3,224	393,106
Segment income (loss)	9,742	5,672	3,336	277	1,018	20,046	1,437	21,484	-36	21,448

Notes:

- *1. The “Other” business segment consists of businesses not included in the reporting segments above. These include the shopping mall business, the satellite broadcasting business, the sports business, the training business and the mega-solar business.
- *2. Adjustments to segment income consist of companywide costs not distributed among reporting segments.
- *3. Segment income is adjusted with ordinary income on the interim consolidated income statement.

2. Information on impairment losses on non-current assets or goodwill for each reportable segment

(Significant impairment losses on non-current assets)

The carrying amount of a group of assets that have recorded a continued loss from business activities is reduced to the recoverable amount and the reduced amount is recorded as an impairment loss under extraordinary loss.

The amount recorded in the reporting segment was 9 million yen for the operation of digital home electronics retail stores, 26 million yen for the operation of mobile carrier stores, and 1 million yen for the operation of overseas business.

(Significant change in amount of goodwill)

Not applicable