

Consolidated Financial Results for the Fiscal Year Ended March 31, 2024 <under Japanese GAAP>

Company name: **YAMADA HOLDINGS CO., LTD.**
 Listing: The Tokyo Stock Exchange
 Stock code: 9831
 URL: <https://www.yamada-holdings.jp/>
 Representative: Noboru Yamada, Representative Director, Chairperson and President CEO
 Inquiries: Tsuyoshi Nagano, Head of Integrated Corporate Planning Office
 TEL: 0570-078-181 (available in Japan only)

Scheduled date of ordinary general meeting of shareholders: June 27, 2024
 Scheduled date to commence dividend payments: June 28, 2024
 Scheduled date to file Annual Securities Report: June 27, 2024
 Preparation of supplementary material on financial results: Yes
 Holding of financial results presentation meeting: Yes (for institutional investors and analysts)

(Millions of yen with fractional amounts rounded off, unless otherwise noted)

1. Consolidated performance for the fiscal year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)

(1) Consolidated operating results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2024	1,592,010	(0.5)	41,490	(5.8)	47,037	(6.0)	24,055	(24.4)
March 31, 2023	1,600,587	(1.2)	44,066	(32.9)	50,065	(32.5)	31,825	(37.0)

Note: Comprehensive income

Fiscal year ended March 31, 2024: 29,109 million yen ((4.1)%)

Fiscal year ended March 31, 2023: 30,355 million yen ((40.6)%)

	Basic earnings per share	Diluted earnings per share	Return on equity	Ordinary profit/total assets	Operating profit/net sales
Fiscal year ended	Yen	Yen	%	%	%
March 31, 2024	34.78	34.53	3.9	3.7	2.6
March 31, 2023	40.25	40.02	5.0	3.9	2.8

Reference: Equity in earnings (losses) of affiliated companies

Fiscal year ended March 31, 2024: 17 million yen

Fiscal year ended March 31, 2023: 77 million yen

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2024	1,288,995	624,175	47.8	892.39
March 31, 2023	1,271,181	611,776	47.6	853.67

Reference: Equity

As of March 31, 2024: 616,454 million yen

As of March 31, 2023: 604,621 million yen

Note: During the fiscal year ended March 31, 2024, the Company finalized the provisional accounting treatment for the business combination, and the figures for the fiscal year ended March 31, 2023 reflect the finalization of the provisional accounting treatment.

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of year
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2024	54,559	(21,912)	(25,592)	54,351
March 31, 2023	43,741	(25,209)	(29,454)	46,487

2. Cash dividends

	Annual cash dividends					Total cash dividends (Total)	Dividend payout ratio (consolidated)	Ratio of dividends to net assets (consolidated)
	First quarter	Second quarter	Third quarter	Fiscal year-end	Total			
Fiscal year ended	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
March 31, 2023	—	0.00	—	12.00	12.00	8,499	29.8	1.5
March 31, 2024	—	0.00	—	13.00	13.00	8,999	37.4	1.5
Fiscal year ending March 31, 2025 (Forecasts)	—	0.00	—	13.00	13.00		31.8	

Note: Breakdown of year-end dividend for the fiscal year ended March 31, 2024

Ordinary dividend: 12.00 yen

Commemorative dividend: 1.00 yen

3. Consolidated earnings forecasts for the fiscal year ending March 31, 2025 (from April 1, 2024 to March 31, 2025)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending September 30, 2024	798,500	3.0	22,600	11.0	25,600	8.3	13,600	2.7	19.68
Fiscal year ending March 31, 2025	1,665,000	4.6	48,200	16.2	53,200	13.1	28,200	17.2	40.82

* **Notes**

(1) Changes in significant subsidiaries during the year (changes in specified subsidiaries resulting in the change in scope of consolidation): None

(2) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements

- | | |
|---|------|
| a. Changes in accounting policies due to revisions of accounting standards, etc.: | None |
| b. Changes in accounting policies due to other reasons: | None |
| c. Changes in accounting estimates: | None |
| d. Restatement of prior period financial statements: | None |

(3) Number of issued shares (common stock)

- | | |
|--|--------------------|
| a. Total number of issued shares at the end of the year (including treasury stock) | |
| As of March 31, 2024 | 966,863,199 shares |
| As of March 31, 2023 | 966,748,539 shares |
| b. Number of treasury stock at the end of the year | |
| As of March 31, 2024 | 276,074,043 shares |
| As of March 31, 2023 | 258,493,806 shares |
| c. Average number of shares during the year | |
| Fiscal year ended March 31, 2024 | 691,482,854 shares |
| Fiscal year ended March 31, 2023 | 790,660,222 shares |

Note: The number of treasury stock at the end of the period includes the Company's shares (1,478,100 shares as of March 31, 2024) held by the "YAMADA HOLDINGS Employee Shareholding Association Trust Account." In addition, the Company's shares held by the "YAMADA HOLDINGS Employee Shareholding Association Trust Account" are included in the treasury stock deduction in the calculation of the average number of shares during the period (952,350 shares for the fiscal year ended March 31, 2024).

* Document as English translation and difference in presentation method of figures

This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail. Readers should also note that (i) in the Japanese original, figures are presented in millions of yen with fractional amounts discarded unless otherwise noted, while in the English translation, figures are presented in millions of yen with fractional amounts rounded off unless otherwise noted, and (ii) in the Japanese original, totals may not equal the sum of individual amounts due to the discarding of the fractional amounts, while in the English translation, individual amounts are adjusted so that totals equal the sum of such individual amounts.

* Financial results reports are exempt from audit conducted by certified public accountants or an audit corporation.

* Proper use of earnings forecasts, and other special matters

The forward-looking statements, including earnings forecasts, contained in these materials are based on information currently available to the Company as of the announcement date and on certain assumptions deemed to be reasonable. These statements do not purport that the Company pledges to realize such statements. Actual results may differ substantially due to various factors.

For the details of the above forecasts, please refer to the section of "(5) Future outlook" under "1. Overview of operating results and others" on page 6 of the attached materials to the financial results report.

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1. Overview of operating results and others

(1) Overview of operating results for the fiscal year

[On background of economies at home and abroad]

During the fiscal year under review, the post-pandemic socioeconomic activities are increasingly returning to normal, and we are seeing a resurgence in the flow of people and an increase of foreign tourists through inbound tourism, along with further growth in personal consumption and corporate capital investment, which has placed the Japanese economy on a course of moderate recovery. On the other hand, the outlook still remains uncertain mainly due to progression of yen depreciation due to effects including the monetary policies of Japan and the United States, and the rising price of commodities, caused by a sharp rise in energy resource and raw material prices stemming from the prolongation of the situations in Ukraine and the Middle East.

In the consumer electrical appliance retail industry, the pace of recovery in the flow of people and normalization of the economy has further increased as the novel coronavirus disease (COVID-19) was downgraded to a Class V infectious disease under the law for controlling infectious diseases in May 2023. However, the spending of consumers has occurred mainly in areas such as leisure and services, and the consumer electrical appliance retail industry has experienced a general decline in customers visiting stores. In addition, while demand for seasonal home appliances fluctuated significantly mainly due to the record-breaking summer heat wave and warm winter, inbound demand recovered, and sales of high-added-value products such as refrigerators and washing machines designed for energy efficiencies, short-time home appliances such as automated cooking appliances, and beauty appliances, among others, steadily increased.

[On the Company's efforts]

Against the backdrop of this situation, in the second year of the “YAMADA HLDGS 2025 Mid-term business plan,” the Group worked to build a structure that continuously increases revenues and profits with the following four key measures for the achievement of targets: “active store development,” “strengthening our e-commerce,” “active development of SPA products,” and “achieving targets by setting goals for issues for each operating company.”

Consolidated net sales for the fiscal year under review decreased 0.5% year on year to ¥1,592,010 million, operating profit decreased 5.8% year on year to ¥41,490 million, ordinary profit decreased 6.0% year on year to ¥47,037 million, and profit attributable to owners of parent decreased 24.4% year on year to ¥24,055 million. The main reasons for these results are (1) a decrease in demand for durable consumer goods such as home appliances due to increasingly defensive spending patterns of consumers in the face of high prices, declining real wages and diminished disposable income, (2) a reactionary drop in the demand for stay-at-home products, (3) a shift in a consumer mindset to leisure and services as the flow of people recovered and the economy normalized in this post-pandemic era, leading to a decrease in customers visiting home appliance stores, (4) sluggish sales of seasonal home appliances due to a warm winter, (5) a temporary loss of sales opportunities mainly due to streamlining sales offices to improve sales and profits in the housing business, and higher selling, general and administrative expenses due to the expansion of sales personnel and aggressive advertising investment, (6) another upfront cost arising from large-scale renovations of stores and investment in advertising to increase sales and market share in the overseas business, and (7) recording losses due to natural disasters such as the 2024 Noto Peninsula Earthquake.

Our efforts produced steady results in areas we have been promoting to strengthen performance improvement: an increase in market share and sales through aggressive store development; and appropriate inventory management based on sellout management and securing of gross profit and negotiated profit. We will continue these reforms aiming at business growth in the next fiscal year and beyond.

(2) Operating results by segment

1) Electrical Business

In the Electrical Business, as an initiative to strengthen our “Total-Living (Kurashi-Marugoto)”

strategy, we promote deployment of LIFE SELECT stores (stores offering the widest range of everyday goods at the most reasonable price with the best service in Japan), where customers can experience and feel a delightful life and find anything they need for such a life, with the store concept of “We support you living a delightful life. Entirely” (32 stores as of March 31, 2024). Through the development of area stores, for which LIFE SELECT stores have been the core store format, we have built a store network including YAMADA Web.com stores that integrates Internet sales and physical stores, outlet stores offering previously owned home appliances, and existing Tecc Land and LABI stores, leading to a steady increase in sales share. In e-commerce, we are bolstering DX innovation to enhance customer convenience and improve productivity through revamping our own e-commerce website, further strengthening of e-commerce and store DX promotion. Sales of SPA products have been strong as we developed various products directly utilizing customers’ opinions, and the products fitted with features that meet the needs of the age we live in performed well. On the other hand, during the fiscal year under review, the consumer electronics retail industry generally faced difficult conditions due to the economic and social situation, which led to a reluctance to buy consumer electronics and a decrease in the number of customers visiting stores.

As a result of these efforts, in the Electrical Business, net sales decreased 1.6% year on year to ¥1,291,194 million, and operating profit increased 0.9% year on year to ¥32,620 million.

2) Housing Business

In the Housing Business, net sales increased 2.6% year on year to ¥279,531 million, and operating profit decreased 34.3% year on year to ¥5,631 million.

The performance of the Housing Business by company (before offsetting consolidation and internal transactions) was as follows:

(1) YAMADA HOMES

YAMADA HOMES reported net sales of ¥80,400 million (up 2.6% year on year) and an operating loss of ¥2,827 million (decrease of ¥3,178 million in operating profit compared to the same period of the previous fiscal year). The increase in revenues was due to strong performance of the used products and subdivision businesses. The decrease in operating profit was due to a temporary loss of sales opportunities due to the consolidation of organizations and sales offices aimed at boosting sales capabilities, a loss of opportunities and fall in the gross profit margin caused by rising housing material prices and unstable procurement, and a rise in selling, general and administrative expenses driven by an increase in the number of sales staff and aggressive investment in advertising to improve our sales capabilities. In addition, extraordinary loss was recorded due to a revaluation of operating assets (exhibition space, land, etc.). The housing business, the core of our Total-Living (Kurashi-Marugoto) strategy of YAMADA HOLDINGS CO., LTD., is currently undergoing a developmental and fundamental structural reform. Orders in recent months have been strong. Our strong orders were driven by our initiatives to strengthen product capabilities centered on Smart House proposals, only made possible by Yamada’s unique advantage, and to streamline our organization aimed at strengthening our sales force. They were also supported by our advertising and sales promotional campaigns utilizing digital technology and the Group’s customer database and our airing of a TV commercial. The effects of these efforts are expected to become more apparent as actual results in the fiscal year ending March 31, 2025, when the number of completed houses is finalized. In addition, on October 31, 2023, YAMADA HOMES CO., LTD. made SEKIHOME Co., Ltd. a subsidiary to strengthen its sales force in the Toyama Prefecture area.

The Company launched the sales of “YAMADA Smart House” as an achievement of our Total-Living (Kurashi-Marugoto) strategy from October 2023. The “YAMADA Smart House” is a next-generation smart house that only YAMADA can make possible, featuring a high standard of high airtightness, high thermal insulation, and earthquake resistance, with high-quality laminated cypress wood as the standard foundation, and a HEMS system that comes as a standard feature as well as enhanced IoT-network functions to integrate entertainment, health and security. We will continue to aggressively make proposals to our customers together with a wide variety of financial products, including the Group’s own insurance and mortgage loans.

(2) Hinokiya Group

Adding to its strong performance in the real estate investment business related to the sale of revenue-generating properties and the insulation materials business for buildings, Hinokiya Group merged and absorbed six subsidiaries in July 2023 in order to promote operational efficiency through concentration of management resources. In October 2023, Hinokiya Group also made Ezechhouse Co., Ltd. and Taiyoukensetsu Co., Ltd. its wholly owned subsidiaries to expand business in the Hokkaido area, and has worked to establish shared sales and construction networks and real estate information and expand recognition. As a result, Hinokiya Group reported net sales of ¥142,123 million (up 5.5% year on year) and operating profit of ¥7,482 million (up 2.7% year on year), which is its highest ever profit yet recorded.

(3) Housetec

Housetec, a developer and manufacturer of housing equipment such as bathroom equipment and kitchen equipment, reported an increase in revenues and profits, with net sales of ¥62,312 million (up 3.1% year on year) and operating profit of ¥2,583 million (up 12.5% year on year) mainly due to accumulation of projects in the bathroom business despite a downturn in the detached housing and renovation businesses caused by a reactionary drop from the prior stay-at-home demand, along with continued revision of product pricing strategies, thorough cost control, and synergy effects of the Group.

3) Financial Business

In the Financial Business, net sales increased 97.8% year on year to ¥4,299 million, and operating profit increased 203.3% year on year to ¥968 million. Revenues and profits both increased due to such factors as revenue contribution by House Depot Partners Co., Ltd., which was made a wholly owned subsidiary by M&A in the previous fiscal year, sales increase in the housing loans of YAMADA NEOBANK owing to enhanced sales structure, and growth in earnings of YAMADA SMALL AMOUNT SHORT TERM INSURANCE CO., LTD. The Financial Business will continue to support the Total-Living (Kurashi-Marugoto) strategy from a financial perspective by proposing financing schemes for the purchase of home appliances, furniture, renovation, smart house-related equipment, etc. using the housing loans of YAMADA NEOBANK, maximize group synergies, and contribute to the improvement of sales and profits of the Group.

4) Environment Business

In the Environment Business, net sales increased 2.9% year on year to ¥32,727 million, and operating profit decreased 2.7% year on year to ¥1,450 million. Although the production system for reuse products and its accompanying sales grew steadily as a result of our efforts to build a self-contained group-wide resource recycling system, there was also the effect of the shutdown of facilities at the Saitama Plant of Azuma Metal that occurred in September 2023, resulting in the increased revenue and decreased profit. The handling of remanufactured products is currently being conducted at more than 300 YAMADA DENKI stores, and reuse sales have been strong.

5) Other businesses

In other businesses, net sales decreased 12.1% year on year to ¥25,262 million, and operating profit decreased 44.3% year on year to ¥676 million. The main reason for the decreases in revenues and profits was due to the change in business model at Cosmos Berry's.

[On number of stores]

The number of consolidated retail stores, including those overseas at the end of the fiscal year under review encompassing 23 new store openings and 46 store closures, was 1,005 directly-managed stores (comprising 975 stores directly managed by YAMADA DENKI and 30 stores operated by other consolidated subsidiaries). The total number of stores of the Group, including FC, was 11,151. Although the number of stores is currently decreasing due to the ongoing area store development strategy centered on LIFE SELECT, sales floor space of directly-managed stores in Japan steadily

increased 1.6% year on year to 2,848,200 m².

[On performance summary]

As a result of the above, consolidated net sales for the fiscal year under review amounted to ¥1,592,010 million, down 0.5% year on year, operating profit totaled ¥41,490 million, down 5.8% year on year, ordinary profit was ¥47,037 million, down 6.0% year on year, and profit attributable to owners of parent was ¥24,055 million, down 24.4% year on year.

(3) Overview of financial position for the fiscal year

Total assets at the end of the fiscal year under review amounted to ¥1,288,995 million, up ¥17,814 million (1.4%) compared to the end of the previous fiscal year. The main factors were an increase in merchandise and finished goods and an increase in real estate for sale due to the purchase of land for sale.

Total liabilities amounted to ¥664,820 million, up ¥5,415 million (0.8%) compared to the end of the previous fiscal year. The main factor was an increase in notes and accounts payable.

Net assets amounted to ¥624,175 million, up ¥12,399 million (2.0%) from the end of the previous fiscal year. The main factor was an increase in retained earnings due to profit attributable to owners of parent. As a result, the equity ratio was 47.8% (up 0.2 point from the end of the previous fiscal year).

(4) Overview of cash flows for the fiscal year

As of the end of the fiscal year under review, cash and cash equivalents on a consolidated basis stood at ¥54,351 million, up ¥7,864 million (16.9%) compared with the end of the previous fiscal year.

The position of cash flows during the fiscal year under review is as follows:

Cash flows from operating activities

Net cash provided by operating activities amounted to ¥54,559 million (¥43,741 million provided in the previous fiscal year).

This was mainly due to an increase in notes and accounts payable.

Cash flows from investing activities

Net cash used in investing activities amounted to ¥21,912 million (¥25,209 million used in the previous fiscal year).

This was mainly due to purchase of property and equipment.

Cash flows from financing activities

Net cash used in financing activities amounted to ¥25,592 million (¥29,454 million used in the previous fiscal year).

This was mainly due to a decrease in short-term loans payable for working capital requirements, which was partially offset by a decrease in purchase of treasury stock.

(Reference) Trends in company cash flow indicators are as shown below.

	Fiscal year ended March 31, 2020	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Equity ratio (%)	54.6	51.8	51.6	47.6	47.8
Market value-based equity ratio (%)	32.6	39.1	25.0	25.4	23.6
Interest-bearing debt to cash flows (year)	4.0	1.9	11.3	7.3	5.8
Interest coverage ratio (factor)	44.2	89.5	14.8	29.8	31.9

Equity ratio: equity / total assets

Market value-based equity ratio: market capitalization / total assets

Interest-bearing debt to cash flows: interest-bearing debt / operating cash flows

Interest coverage ratio: operating cash flows / paid interest

(Note 1) All indicators are calculated using consolidated-based financial figures.

(Note 2) Market capitalization is calculated based on the number of issued shares as of the end of the year (excluding treasury stock).

(Note 3) The figure used for operating cash flows is “net cash provided by (used in) operating activities” on the consolidated statements of cash flows.

(Note 4) Interest-bearing debt includes all liabilities recorded on the consolidated balance sheets on which we paid interest.

(5) Future outlook

As for the fiscal year ending March 31, 2025, while personal consumption is expected to continue to increase moderately due to improved sentiment and recovery in socioeconomic activities against the backdrop of higher wage growth, etc., the outlook for Japan’s economy remains uncertain due to the yen’s depreciation caused by the monetary policies of Japan and the United States, as well as soaring energy prices associated with geopolitical risks, among others, and vigilance should be exercised.

In this market environment, in order to achieve long-term growth, the Company will promote five priority measures under the “Total-Living (Kurashi-Marugoto)” strategy: “active development of area stores by business category with LIFE SELECT as the core,” “strengthening our e-commerce,” “active development of SPA products,” “strengthening complete proposals of Total-Living (Kurashi-Marugoto) through YAMADA Smart House,” and promote measures to “achieve targets by setting goals for issues by each operating company.” In addition, the Group is promoting ESG and sustainability management, and will advance greater efforts than ever to build a recycling-oriented society and invest in human capital. Furthermore, we will actively expand into overseas markets where future growth is expected (as of the March 31, 2024, we have a total of 30 stores in Indonesia, Malaysia, and Singapore), and will implement the following priority measures for each segment to build a structure for sustainable corporate growth.

Electrical Business

(1) Expand market share by developing area stores with LIFE SELECT stores as the core, (2) improve profitability by maintaining an optimized pricing strategy, (3) expand the e-commerce business by utilizing the most of our group infrastructure, (4) improve the product profit ratio by expanding SPA products and 50th anniversary commemorative models, (5) expand the growth businesses of renovation and furniture and home interiors, (6) improve merchandise turnover by optimizing inventory management and reforming the balance sheet, and (7) strengthen human resource development by assigning person in charge of 12 branch training and education.

In addition, as part of review of the cost structure, we will work to improve productivity and business efficiency by making use of the Company’s unique infrastructure, such as by streamlining our logistics bases and reforming logistics costs in response to the 2024 problem, and by optimizing personnel allocation through store consolidation and streamlining, shifting sales promotion to digital by strengthening acquisition of digital members, and optimizing and maximizing measures through the use of DX.

Housing Business

We will promote the following initiatives: (1) strengthen our sales structure by actively hiring new personnel, (2) promote the use of DX to shorten and level the period between receiving orders and starting construction, (3) expand custom-built and built-for-sale housing through a strategy of selling subdivided and detached houses with land, (4) expand sales of smart houses and introduce and strengthen sales promotion of home electrical appliances and furniture, (5) expand second-hand home purchase and resale business, and (6) strengthen our connections with real estate agents and utilize Group management resources, such as “Housing Consultation Counters” that leverage the Yamada Denki network.

Financial Business

We will work on the following: (1) further product revision of YAMADA NEOBANK housing loans and collaboration with home appliance, furniture and interiors, and renovation sales schemes, (2) expansion of house card LABI Card business and contribution to the construction of big data, and (3) development and sales of various insurance products that have high affinity with the Company.

In addition, we will continue to develop and propose various financial products (loans, payment services, and various types of insurance) from the customer’s perspective that can serve as a driving force for the expansion of our “Total-Living (Kurashi-Marugoto)” strategy.

Environment Business

The Group will promote a self-contained group-wide resource and environment system, including: (1) strengthening the production system for reused products by establishing a reuse and recycling system, including strengthening the purchase of home appliances and building a new reuse plant (CIC Yamaguchi Plant: construction to start in 2024), and (2) starting construction of an energy plant (waste incineration power generation facility: scheduled to start operation in 2026), among others.

Under these circumstances and measures, for the fiscal year ending March 31, 2025, the Company forecasts net sales of ¥1,665,000 million, up 4.6% year on year, operating profit of ¥48,200 million, up 16.2% year on year, ordinary profit of ¥53,200 million, up 13.1% year on year, and profit attributable to owners of parent of ¥28,200 million, up 17.2% year on year.

2. Basic rationale for selection of accounting standards

The Group applies accounting principles generally accepted in Japan (Japanese GAAP) for its accounting standards in order to secure year-on-year comparisons of consolidated financial statements and comparisons among companies.

The Group will continue to closely observe matters with respect to IFRSs such as developments in the accounting system.

3. Consolidated financial statements and significant notes thereto

(1) Consolidated balance sheets

	(Millions of yen)	
	Previous fiscal year (March 31, 2023)	Current fiscal year (March 31, 2024)
Assets		
Current assets		
Cash and time deposits	47,237	55,237
Notes receivable - trade	4,832	4,357
Accounts receivable - trade	68,821	78,455
Accounts receivable from completed construction contracts	3,135	1,523
Operating loans	14,448	14,323
Merchandise and finished goods	338,383	351,151
Real estate for sale	48,760	61,019
Costs on construction contracts in progress	7,601	7,260
Work in process	1,418	1,217
Raw materials and supplies	6,361	5,792
Other current assets	74,668	58,805
Allowance for doubtful accounts	(1,890)	(1,708)
Total current assets	613,774	637,431
Non-current assets		
Property and equipment		
Buildings and structures, net	201,943	205,962
Land	204,727	206,310
Lease assets, net	14,333	13,640
Construction in progress	6,023	2,475
Other, net	12,543	10,490
Total property and equipment, net	439,569	438,877
Intangible assets	42,304	40,633
Investments and other assets		
Investment securities	14,362	15,474
Long-term loans receivable	2,578	2,547
Net defined benefit asset	1,553	3,090
Deferred tax assets	57,380	52,399
Guarantee deposits	76,611	77,422
Other assets	25,946	23,066
Allowance for doubtful accounts	(2,896)	(1,944)
Total investments and other assets	175,534	172,054
Total non-current assets	657,407	651,564
Total assets	1,271,181	1,288,995

(Millions of yen)

	Previous fiscal year (March 31, 2023)	Current fiscal year (March 31, 2024)
Liabilities		
Current liabilities		
Notes and accounts payable	90,633	99,025
Accounts payable for construction contracts	14,156	14,262
Short-term loans payable	122,725	131,566
Current portion of long-term loans payable	55,201	59,577
Lease obligations	6,283	5,387
Income taxes payable	1,553	6,402
Contract liabilities	50,344	46,310
Advances received on construction contracts in progress	20,194	19,010
Provision for bonuses	12,778	14,216
Other provisions	4,279	5,619
Other current liabilities	60,787	60,272
Total current liabilities	438,933	461,646
Long-term liabilities		
Long-term loans payable	124,739	108,198
Lease obligations	10,593	11,109
Provision for directors' retirement benefits	316	289
Provision for product warranties	1,407	1,485
Other provisions	146	94
Net defined benefit liability	34,312	33,984
Asset retirement obligations	36,748	38,275
Other long-term liabilities	12,211	9,740
Total long-term liabilities	220,472	203,174
Total liabilities	659,405	664,820
Net assets		
Shareholders' equity		
Common stock	71,125	71,149
Capital surplus	74,654	74,671
Retained earnings	581,541	597,152
Treasury stock, at cost	(121,785)	(129,935)
Total shareholders' equity	605,535	613,037
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities, net of taxes	(1,139)	92
Foreign currency translation adjustments	1,944	2,133
Remeasurements of defined benefit plans	(1,719)	1,192
Total accumulated other comprehensive income	(914)	3,417
Subscription rights to shares	1,963	2,184
Non-controlling interests	5,192	5,537
Total net assets	611,776	624,175
Total liabilities and net assets	1,271,181	1,288,995

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

(Millions of yen)

	Previous fiscal year (April 1, 2022 to March 31, 2023)	Current fiscal year (April 1, 2023 to March 31, 2024)
Net sales	1,600,587	1,592,010
Cost of sales	1,151,816	1,137,792
Gross profit	448,771	454,218
Selling, general and administrative expenses	404,705	412,728
Operating profit	44,066	41,490
Non-operating income		
Interest income	731	611
Purchase discounts	2,308	2,230
Sales of electric power	1,909	1,774
Other	5,238	5,242
Total non-operating income	10,186	9,857
Non-operating expenses		
Interest expenses	1,472	1,721
Cost of sales of electric power	773	527
Other	1,942	2,062
Total non-operating expenses	4,187	4,310
Ordinary profit	50,065	47,037
Extraordinary income		
Gain on sales of non-current assets	71	1,698
Gain on sales of investment securities	243	–
Gain on revision of retirement benefit plan	893	1,573
Other	81	5
Total extraordinary income	1,288	3,276
Extraordinary loss		
Loss on disposal of non-current assets	269	605
Impairment loss	6,446	7,943
Loss on disaster	321	1,445
Other	732	1,086
Total extraordinary losses	7,768	11,079
Profit before income taxes	43,585	39,234
Income taxes-current	14,173	13,686
Income taxes-deferred	(2,831)	770
Total income taxes	11,342	14,456
Profit	32,243	24,778
Profit attributable to non-controlling interests	418	723
Profit attributable to owners of parent	31,825	24,055

(Consolidated statements of comprehensive income)

(Millions of yen)

	Previous fiscal year (April 1, 2022 to March 31, 2023)	Current fiscal year (April 1, 2023 to March 31, 2024)
Profit	32,243	24,778
Other comprehensive income, net of taxes		
Valuation difference on available-for-sale securities	(1,104)	1,232
Foreign currency translation adjustments	540	189
Remeasurements of defined benefit plans, net of tax	(1,322)	2,912
Share of other comprehensive income of associates accounted for using equity method	(2)	(2)
Total other comprehensive income	(1,888)	4,331
Comprehensive income	30,355	29,109
Comprehensive income attributable to:		
Owners of parent	29,929	28,387
Non-controlling interests	426	722

(3) Consolidated statements of changes in net assets

Previous fiscal year (April 1, 2022 to March 31, 2023)

(Millions of yen)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock, at cost	Total shareholders' equity
Balance at April 1, 2022	71,101	80,989	564,883	(61,252)	655,721
Changes of items during the period					
Issuance of new shares	24	24			48
Cash dividends			(15,049)		(15,049)
Profit attributable to owners of parent			31,825		31,825
Purchase of treasury stock				(78,925)	(78,925)
Disposal of treasury stock		(2)		8	6
Increase by merger			(118)		(118)
Purchase of shares of consolidated subsidiaries		(6,010)		18,384	12,374
Purchase of treasury shares of consolidated subsidiaries		(347)			(347)
Other changes in the period, net					—
Total changes of items during the period	24	(6,335)	16,658	(60,533)	(50,186)
Balance at March 31, 2023	71,125	74,654	581,541	(121,785)	605,535

	Accumulated other comprehensive income				Subscription rights to shares	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities, net of taxes	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at April 1, 2022	(25)	1,404	(397)	982	1,726	17,849	676,278
Changes of items during the period							
Issuance of new shares							48
Cash dividends							(15,049)
Profit attributable to owners of parent							31,825
Purchase of treasury stock							(78,925)
Disposal of treasury stock							6
Increase by merger							(118)
Purchase of shares of consolidated subsidiaries							12,374
Purchase of treasury shares of consolidated subsidiaries							(347)
Other changes in the period, net	(1,114)	540	(1,322)	(1,896)	237	(12,657)	(14,316)
Total changes of items during the period	(1,114)	540	(1,322)	(1,896)	237	(12,657)	(64,502)
Balance at March 31, 2023	(1,139)	1,944	(1,719)	(914)	1,963	5,192	611,776

Current fiscal year (April 1, 2023 to March 31, 2024)

(Millions of yen)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock, at cost	Total shareholders' equity
Balance at April 1, 2023	71,125	74,654	581,541	(121,785)	605,535
Changes of items during the period					
Issuance of new shares	24	24			48
Cash dividends			(8,499)		(8,499)
Profit attributable to owners of parent			24,055		24,055
Purchase of treasury stock				(9,220)	(9,220)
Disposal of treasury stock		(42)		1,070	1,028
Change in scope of consolidation			115		115
Increase by merger			(60)		(60)
Change in ownership interest of parent due to transactions with non-controlling interests		35			35
Other changes in the period, net					—
Total changes of items during the period	24	17	15,611	(8,150)	7,502
Balance at March 31, 2024	71,149	74,671	597,152	(129,935)	613,037

	Accumulated other comprehensive income				Subscription rights to shares	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities, net of taxes	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at April 1, 2023	(1,139)	1,944	(1,719)	(914)	1,963	5,192	611,776
Changes of items during the period							
Issuance of new shares							48
Cash dividends							(8,499)
Profit attributable to owners of parent							24,055
Purchase of treasury stock							(9,220)
Disposal of treasury stock							1,028
Change in scope of consolidation							115
Increase by merger							(60)
Change in ownership interest of parent due to transactions with non-controlling interests							35
Other changes in the period, net	1,231	189	2,911	4,331	221	345	4,897
Total changes of items during the period	1,231	189	2,911	4,331	221	345	12,399
Balance at March 31, 2024	92	2,133	1,192	3,417	2,184	5,537	624,175

(4) Consolidated statements of cash flows

(Millions of yen)

	Previous fiscal year (April 1, 2022 to March 31, 2023)	Current fiscal year (April 1, 2023 to March 31, 2024)
Cash flows from operating activities		
Profit before income taxes	43,585	39,234
Depreciation	24,621	25,576
Impairment loss	6,446	7,943
Amortization of goodwill	504	568
Increase (decrease) in allowance for doubtful accounts	235	342
Increase (decrease) in net defined benefit liability	1,528	1,043
Interest and dividend income	(1,046)	(943)
Interest expenses	1,472	1,721
Foreign exchange losses	(102)	(112)
Gain on sale of investment securities	(211)	—
Loss on sale and disposal of property and equipment, net	198	(1,094)
Increase in notes and accounts receivable	(831)	(7,397)
Decrease (increase) in accounts receivable	(4,537)	3,873
Increase in operating loans receivable	(821)	126
Decrease in inventories	1,431	(23,217)
Decrease in notes and accounts payable	(5,621)	7,820
Increase (decrease) in advances received on construction contracts in progress	(4,124)	(1,464)
Decrease in contract liabilities	(8,187)	(4,033)
Other, net	3,144	7,128
Sub-total	57,684	57,114
Interest and dividend income received	572	421
Interest expenses paid	(1,468)	(1,709)
Income taxes paid	(13,047)	(1,267)
Net cash provided by operating activities	43,741	54,559

(Millions of yen)

	Previous fiscal year (April 1, 2022 to March 31, 2023)	Current fiscal year (April 1, 2023 to March 31, 2024)
Cash flows from investing activities		
Payments into time deposits	(672)	(772)
Proceeds from withdrawal of time deposits	636	636
Purchases of property and equipment	(20,363)	(25,570)
Proceeds from sale of property and equipment	428	4,028
Purchases of intangible assets	(1,173)	(773)
Purchase of investment securities	(1,106)	(4)
Proceeds from sales and redemption of investment securities	680	388
Purchase of investments in subsidiaries and affiliated companies	(4,842)	(329)
Payments for guarantee deposits	(3,170)	(5,039)
Proceeds from collection of guarantee deposits	5,292	5,414
Purchase of investments in subsidiaries resulting in change in scope of consolidation	(1,618)	(148)
Proceeds from purchase of investments in subsidiaries resulting in change in scope of consolidation	540	—
Payment of loans receivable	(221)	(47)
Collection of loans receivable	520	291
Other, net	(140)	13
Net cash used in investing activities	(25,209)	(21,912)
Cash flows from financing activities		
Net increase in short-term loans payable	53,939	8,862
Proceeds from long-term loans payable	75,336	46,347
Repayments of long-term loans payable	(59,205)	(58,512)
Purchase of treasury stock	(78,925)	(8,383)
Repayments of lease obligations	(5,266)	(5,308)
Cash dividends paid	(15,041)	(8,496)
Other, net	(292)	(102)
Net cash used in financing activities	(29,454)	(25,592)
Effect of exchange rate change on cash and cash equivalents	811	468
Net decrease in cash and cash equivalents	(10,111)	7,523
Cash and cash equivalents at beginning of year	56,470	46,487
Increase (decrease) in cash and cash equivalents resulting from change in scope of consolidation	—	311
Increase in cash and cash equivalents resulting from merger with unconsolidated subsidiaries	128	30
Cash and cash equivalents at end of year	46,487	54,351

(5) Notes to quarterly consolidated financial statements

(Notes on premise of going concern)

No items to report

(Significant matters as basis for preparing consolidated financial statements)

1. Scope of consolidation

(i) Change in scope of consolidation

YAMADA SMALL AMOUNT SHORT TERM INSURANCE CO., LTD. was included in the scope of consolidation from the fiscal year under review due to its increased importance.

In the fiscal year under review, eWellness Co., Ltd. and Repair Depot Co., Ltd., which were consolidated subsidiaries of the Company, were excluded from the scope of consolidation because they were dissolved in an absorption-type merger with the Company's consolidated subsidiary YAMADA DENKI Co., Ltd. as the surviving company. Hinokiya Juutaku Co., Ltd., PaPamaru House Co., Ltd., Hinokiya Resco Co., Ltd. and Japan Housing Solution Co., Ltd. and Hinokiya Reforming Co., Ltd., which were consolidated subsidiaries of the Company, were excluded from the scope of consolidation because they were dissolved in an absorption-type merger with the Company's consolidated subsidiary Hinokiya Group Co., Ltd. as the surviving company.

Also in the fiscal year under review, SEKIHOME Co., Ltd. was included in the scope of consolidation because YAMADA HOMES CO., LTD., a consolidated subsidiary of the Company, acquired all shares of SEKIHOME Co., Ltd. and made it a subsidiary.

(ii) Number of consolidated subsidiaries after change

38 companies

2. Fiscal year of consolidated subsidiaries

Of the consolidated subsidiaries, the fiscal year ends on December 31 for eight overseas consolidated subsidiaries as well as Hinokiya Group Co., Ltd. and its eight domestic subsidiaries, and on February 29 for 17 domestic consolidated subsidiaries including YAMADA JUKEN HOLDINGS Co., LTD., and on March 31 for two other domestic consolidated subsidiaries including YAMADA DENKI Co., Ltd. In preparing the consolidated financial statements, the Company uses the financial statements of YAMADA DENKI Co., Ltd. and 37 other companies as of the end of their respective fiscal years. Adjustments necessary for consolidation are made for significant transactions at a company that occurred between the end of a company's fiscal year and the consolidated balance sheet date.

(Segment information)

1. Overview of reportable segments

The reportable segments of the Group are constituent units of the Group for which separate financial information is obtainable. These segments are periodically examined by the Board of Directors for the purpose of deciding the allocation of management resources and evaluating operating results. The Group's business segments, based on its business domains, comprise its four reportable segments: "Electrical Business," "Housing Business," "Financial Business" and "Environment Business."

In the "Electrical Business," the Group carries out the sale of home electrical appliances such as TVs, refrigerators and washing machines, and home information appliances such as computers and mobile phones, as well as the provision of renovation services and the sale of housing-related products such as furniture and home interiors. In the "Housing Business," the Group is engaged in the sale of houses, mainly detached houses, as well as the manufacturing and sale of housing equipment such as bathroom equipment and kitchen equipment. In the "Financial Business," the Group provides various financial products in the five areas of new construction, renovation, fund settlement, insurance products, and life planning as part of the services to "Total-Living (Kurashi-Marugoto)." In the "Environment Business," the Group provides reuse, recycling, and recovery of resource services mainly for home electrical appliances and computers.

2. Notes relating to changes in reportable segments, etc.

From the fiscal year under review, the Pharmaceuticals and Everyday Items Sales Business, which was previously included in “Others,” and the Home Electrical Appliances Guarantee Extension Service Business, which was previously included in the “Financial Business,” are now included in the “Electrical Business” due to the merging of subsidiaries. As a result of this change, segment information for the previous fiscal year has been prepared based on the reportable segment classification for the fiscal year under review.

3. Information about amounts of net sales, profit or loss by reportable segment

Previous fiscal year (April 1, 2022 to March 31, 2023)

(Millions of yen)

	Reportable segments				
	Electrical Business	Housing Business	Financial Business	Environment Business	Total
Net sales					
Sales to external customers	1,297,649	266,922	1,710	17,369	1,583,650
Intersegment sales or transfers	13,916	5,439	463	14,435	34,253
Total	1,311,565	272,361	2,173	31,804	1,617,903
Segment profit	32,329	8,576	319	1,490	42,714
Segment assets	988,375	167,313	50,708	20,468	1,226,864
Other items					
Depreciation	20,480	3,107	22	287	23,896
Increase in property and equipment and intangible assets (Note 5)	24,529	3,711	7	791	29,038

	Others (Note 1)	Total	Adjusted amounts (Note 2, 3)	Amount recorded in consolidated financial statements (Note 4)
Net sales				
Sales to external customers	16,937	1,600,587	—	1,600,587
Intersegment sales or transfers	11,805	46,058	(46,058)	—
Total	28,742	1,646,645	(46,058)	1,600,587
Segment profit	1,214	43,928	138	44,066
Segment assets	9,241	1,236,105	35,076	1,271,181
Other items				
Depreciation	37	23,933	688	24,621
Increase in property and equipment and intangible assets (Note 5)	3	29,041	—	29,041

- Notes:
1. The “others” category includes other business segment not included in reportable segments.
 2. The ¥35,076 million for adjusted amounts of segment assets resulted from corporate assets that have not been allocated to segments of ¥47,543 million and elimination of intersegment transactions of ¥(12,467) million.
 3. The ¥138 million for adjusted amounts of segment profit resulted from elimination of intersegment transactions.
 4. Segment profit is adjusted with operating profit in the consolidated statement of income.
 5. The increase in property and equipment and intangible assets includes guarantee deposits and construction assistance fund (“guarantee deposits” under investments and other assets).

Current fiscal year (April 1, 2023 to March 31, 2024)

(Millions of yen)

	Reportable segments							
	Electrical Business	YoY (%)	Housing Business	YoY (%)	Financial Business	YoY (%)	Environment Business	YoY (%)
Net sales								
Sales to external customers	1,280,906	—	274,684	—	3,786	—	18,203	—
Intersegment sales or transfers	10,288	—	4,847	—	513	—	14,524	—
Total	1,291,194	(1.6)	279,531	2.6	4,299	97.8	32,727	2.9
Segment profit	32,620	0.9	5,631	(34.3)	968	203.3	1,450	(2.7)
Segment assets	999,577	—	179,020	—	54,051	—	22,289	—
Other items								
Depreciation	21,131	—	3,321	—	133	—	315	—
Increase in property and equipment and intangible assets (Note 5)	26,863	—	4,327	—	27	—	1,116	—

	Total	YoY (%)	Others (Note 1)	YoY (%)	Total	Adjusted amounts (Note 2, 3)	Amount recorded in consolidated financial statements (Note 4)
Net sales							
Sales to external customers	1,577,579	—	14,431	—	1,592,010	—	1,592,010
Intersegment sales or transfers	30,172	—	10,831	—	41,003	(41,003)	—
Total	1,607,751	(0.6)	25,262	(12.1)	1,633,013	(41,003)	1,592,010
Segment profit	40,669	(4.8)	676	(44.3)	41,345	145	41,490
Segment assets	1,254,937	—	8,840	—	1,263,777	25,218	1,288,995
Other items							
Depreciation	24,900	—	39	—	24,939	637	25,576
Increase in property and equipment and intangible assets (Note 5)	32,333	—	75	—	32,408	—	32,408

- Notes:
1. The “others” category includes other business segment not included in reportable segments.
 2. The ¥25,218 million for adjusted amounts of segment assets resulted from corporate assets that have not been allocated to segments of ¥40,337 million and elimination of intersegment transactions of ¥(15,119) million.
 3. The ¥145 million for adjusted amounts of segment profit resulted from elimination of intersegment transactions.
 4. Segment profit is adjusted with operating profit in the consolidated statement of income.

5. The increase in property and equipment and intangible assets includes guarantee deposits and construction assistance fund (“guarantee deposits” under investments and other assets).

Per share information

	Previous fiscal year (April 1, 2022 to March 31, 2023)	Current fiscal year (April 1, 2023 to March 31, 2024)
Net assets per share	853.67 yen	892.39 yen
Basic earnings per share	40.25 yen	34.78 yen
Diluted earnings per share	40.02 yen	34.53 yen

Note: Basis for calculation of basic earnings per share and diluted earnings per share are as follows:

	Previous fiscal year (April 1, 2022 to March 31, 2023)	Current fiscal year (April 1, 2023 to March 31, 2024)
Basic earnings per share		
Profit attributable to owners of parent (millions of yen)	31,825	24,055
Amount not attributable to shareholder (millions of yen)	—	—
Profit attributable to owners of parent attributable to common stock (millions of yen)	31,825	24,055
Average number of common stock outstanding during the year (thousands of shares)	790,660	691,483
Diluted earnings per share		
Adjustments to profit attributable to owners of parent (millions of yen)	—	—
(Including interest expenses (net of corresponding tax amount) (millions of yen))	[—]	[—]
Number of common stock increased (thousands of shares)	4,484	5,073
(Including subscription rights to shares (thousands of shares))	[4,484]	[5,073]
Potentially issuable shares not included in the calculation of diluted earnings per share because no diluting effect arises	(The Company) Subscription rights to shares by resolution at the meeting of the Board of Directors held on June 9, 2021 The 2nd subscription rights to shares Number of subscription rights to shares: 18,000 units (Common stock: 1,098,000 shares)	

Note: The company's shares remaining in the trust, which are recorded as treasury stock, at cost in shareholders' equity, are included in treasury stock as a deduction in the calculation of average number of shares outstanding during the period for the purpose of calculating "basic earnings per share" and "diluted earnings per share." The average number of such treasury stock deducted from the calculation of basic earnings per share is 952 thousand shares for the fiscal year under review.

(Significant subsequent events)

No items to report