



【1】 Information for investors  
April 2021- September 2021  
&

【2】 YAMADA HLDGS 2025  
Mid-term business plan  
Nov. 4, 2021



# 【1】 Information for Investors April 2021- September 2021

# Major topics in FY2022

## ■ First Quarter (April 2021-Jun 2021)

- March 31, 2021 : Endorsement of the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD)
- March 31, 2021 : In line with the growth of the housing business, acquired shares of SANKYU Corporation for the purpose of recycling waste materials
- April 25, 2021 : A state of emergency was declared for Tokyo, Osaka, Hyogo, and Kyoto  
It was later extended to Hokkaido, Aichi, Hiroshima, Okayama and Fukuoka, and will remain in effect until June 13
- Jun 9, 2021 : Announced that it will make OTSUKA KAGU,LTD. a wholly owned subsidiary through a share exchange  
→ completed on September 1
- Jun 18, 2021 : Opening of "Tecc LIFE SELECT Kumamoto Kasuga", a new large store with the concept of "Total-Living"

## ■ Second Quarter (July 2021-September 2021)

- July 1, 2021 : Launch of "Yamada NEOBANK", a new financial service using the services provided by SBI Sumishin Net Bank, Ltd. through YAMADA FINANCE SERVICE Co., Ltd.
- July 2, 2021 : Started to introduce shopping baskets made of recycled plastic from used home appliance to Yamada Denki stores
- July 12, 2021 : A fourth emergency declaration was issued for Tokyo. Later extended to 21 prefectures until September 30
- September 1, 2021 : Participated in the "My Human Rights Declaration" project organized by the Ministry of Justice
- September 6, 2021 : Received a Silver Award in the SUSTAINA ESG AWARDS 2021 (Industry Category: Retail), by SUSTAINA JAPAN Inc.
- September 21, 2021 : Formed an alliance ARCLAND SAKAMOTO CO.,LTD. for store development,  
and announced the development of a next-generation concept, a "comprehensive lifestyle proposal shopping square"

# 2022 Interim Result [Consolidated accounting]

	First-half							
	2022 Interim results Revenue recognition criteria impact	%sales	2022 Interim forecasts Revenue recognition criteria impact	%sales	Plan ratio	2021 Interim results	%sales	Y/Y
( million yen / %)								
Net sales	800,399	100.0	830,000	100.0	96.4	860,296	100.0	93.0
Gross profit	234,775	29.3	250,000	30.1	93.9	259,205	30.1	90.6
Personnel	89,058	11.1	93,085	11.2	95.7	81,233	9.4	109.6
Advertising	11,054	1.4	12,224	1.5	90.4	9,523	1.1	116.1
Rents	36,665	4.6	36,980	4.5	99.2	37,206	4.3	98.5
Depreciation	9,854	1.2	9,979	1.2	98.8	7,989	0.9	123.4
Lease fee & Lease dipreciation	794	0.1	809	0.1	98.1	669	0.1	118.6
Selling, general and administrative expenses	199,690	24.9	211,100	25.4	94.6	213,195	24.8	93.7
Operating profit	35,084	4.4	38,900	4.7	90.2	46,010	5.3	76.3
Non-operating income	5,927	0.7	4,984	0.6	118.9	6,608	0.8	89.7
Non-operating expenses	1,735	0.2	1,284	0.2	135.2	3,530	0.4	49.2
Ordinary profit	39,276	4.9	42,600	5.1	92.2	49,088	5.7	80.0
Extraordinary income	63	0.0	0	0.0	-	1,502	0.2	4.2
Extraordinary loss	3,163	0.4	3,364	0.4	94.0	19,493	2.3	16.2
Total corporation taxes	6,139	0.8	17,394	2.1	35.3	11,474	1.3	53.5
Net income attributable to non-controlling interests	68	0	▲ 58	-	-	▲ 1,271	-	-
Profit attributable to owners of parent	29,967	3.7	21,900	2.6	136.8	20,895	2.4	143.4

# 2022 First Quarter & Second Quarter [Consolidated accounting]

( million yen / %)	First Quarter[April-June]					Second Quarter[July-September]				
	2022 Results	%sales	2021 Results	%sales	Y/Y	2022 Results	%sales	2021 Results	%sales	Y/Y
	Revenue recognition criteria impact					Revenue recognition criteria impact				
Net sales	382,987	100.0	406,520	100.0	94.2	417,411	100.0	453,776	100.0	92.0
Gross profit	118,086	30.8	125,006	30.8	94.5	116,688	28.0	134,199	29.6	87.0
Personnel	42,603	11.1	39,192	9.6	108.7	46,454	11.1	42,040	9.3	110.5
Advertising	5,748	1.5	4,113	1.0	139.7	5,306	1.3	5,410	1.2	98.1
Rents	18,012	4.7	18,678	4.6	96.4	18,652	4.5	18,528	4.1	100.7
Depreciation	4,764	1.2	4,085	1.0	116.6	5,090	1.2	3,903	0.9	130.4
Lease fee & Lease dipreciation	390	0.1	321	0.1	121.3	403	0.1	347	0.1	116.0
Selling, general and administrative expenses	96,660	25.2	102,377	25.2	94.4	103,030	24.7	110,817	24.4	93.0
Operating profit	21,426	5.6	22,628	5.6	94.7	13,658	3.3	23,381	5.2	58.4
Non-operating income	2,993	0.8	3,486	0.9	85.9	2,933	0.7	3,122	0.7	94.0
Non-operating expenses	691	0.2	1,868	0.5	37.0	1,044	0.3	1,662	0.4	62.8
Ordinary profit	23,728	6.2	24,247	6.0	97.9	15,547	3.7	24,841	5.5	62.6
Extraordinary income	0	0.0	18	0.0	0.0	63	0.0	1,483	0.3	4.3
Extraordinary loss	1,607	0.4	940	0.2	170.8	1,556	0.4	18,552	4.1	8.4
Total corporation taxes	4,962	1.3	8,255	2.0	60.1	1,177	0.3	3,218	0.7	36.6
Net income attributable to non-controlling interests	▲ 254	-	▲ 815	-	31.2	323	0.1	▲ 455	-	-
Profit attributable to owners of parent	17,413	4.5	15,885	3.9	109.6	12,553	3.0	5,010	1.1	250.6

## 2022 First-half net sales by segment [Consolidated accounting]

		(million yen / %)					
	Segment	2022 Interim result	% sales	Y/Y	2021 Interim result	% sales	% Sales /Rate of change
Home appliances	Television	61,210	7.2	87.3	70,081	8.1	▲ 0.9
	Video,DVD	14,523	1.7	83.3	17,445	2.0	▲ 0.3
	Audio	9,924	1.2	83.8	11,837	1.4	▲ 0.2
	Refrigerator	68,159	8.0	87.1	78,246	9.1	▲ 1.1
	Washing machine	63,286	7.5	96.0	65,906	7.7	▲ 0.2
	Cooking appliance	34,264	4.0	85.3	40,191	4.7	▲ 0.7
	Air conditioner	75,338	8.9	87.8	85,802	10.0	▲ 1.1
	Other air conditioners	8,241	1.0	74.1	11,121	1.3	▲ 0.3
	Construction	38,336	4.5	97.3	39,418	4.6	▲ 0.1
	Others*1	115,385	13.5	89.7	128,632	14.9	▲ 1.4
	Subtotal	488,670	57.6	89.1	548,683	63.8	▲ 6.2
Information appliances	Personal computer	55,290	6.5	73.2	75,530	8.8	▲ 2.3
	Digital Camera	5,776	0.7	98.3	5,873	0.7	0.0
	Computer peripherals	24,792	2.9	90.0	27,551	3.2	▲ 0.3
	Mobile phone	41,241	4.9	128.2	32,160	3.7	1.2
	Others	22,377	2.6	85.1	26,298	3.1	▲ 0.4
	Subtotal	149,478	17.6	89.3	167,415	19.5	▲ 1.9
Housing related*1		126,830	15.0	198.6	63,872	7.4	7.6
Furniture ・ interior ・ GMS		48,747	5.7	122.2	39,881	4.6	1.1
Total amount		847,965	100.0	98.6	860,296	100.0	-

### About Aggregation classification

\*1  
Health related products, Hairdressing and beauty products, Cleaner, Services-related, etc...

\*2  
Housing(except for solar power systems),Renovations, etc...

\*\*Revenue recognition criteria impact

## 【2】 YAMADA HLDGS 2025 Mid-term business plan

# Consumer Electronics market in Japan and USA

## Japan

## USA

### Sales methods

- Buy only Electronics, not the set with something else
- Selling consumer electronics as audio devices and TV, household appliances as a refrigerator, and more.
- Mainly purchased at consumer store, demand for original concept stores also exists

- Washing machines, air conditioners, and furniture are mainly sold in combination with housing
- Selling consumer electronics is main, and demand for purchasing at consumer store is not high.
- Intense price competition due to expansion of E-commerce

### Replacement demands

- The habit of replacement is well established.
- Each manufacturer frequently develop and supply new products to compete not only on price, but also on function and design
- Purchase at consumer store is in high demand due to preference for a wide range of products

- Consumer themselves do not have the habit of replacing their products.
- No significant difference in function and design, consumer tend to buy the low price product on E-commerce



HLDGS.

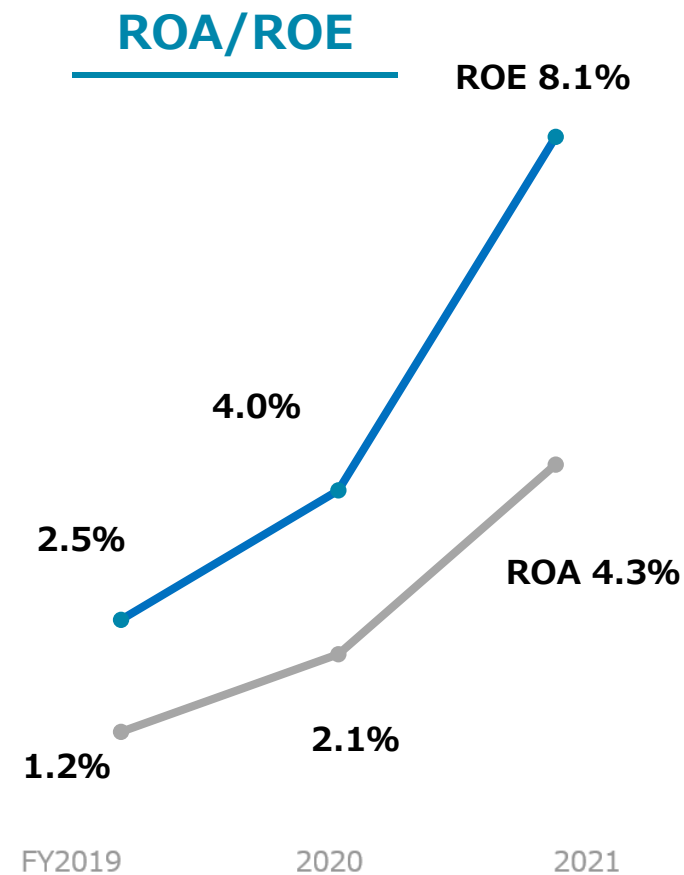
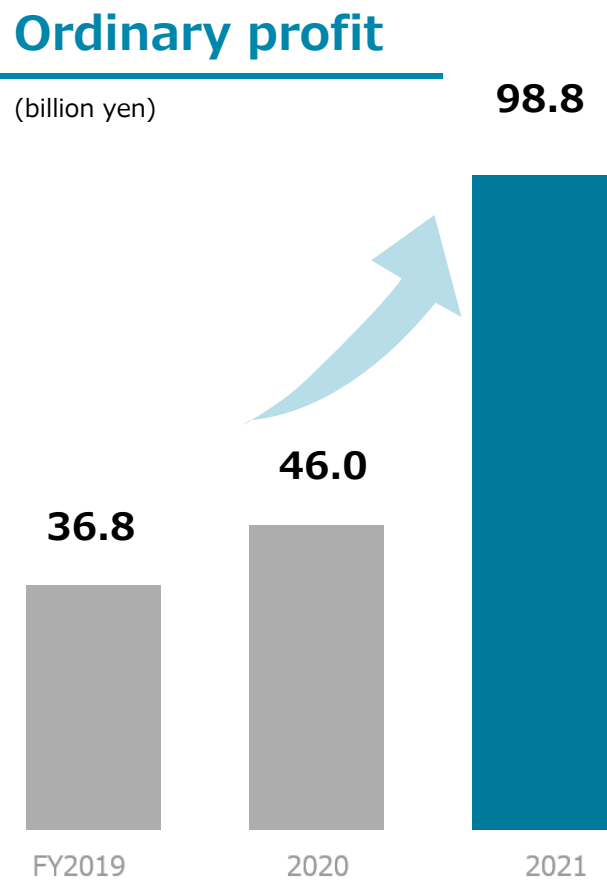
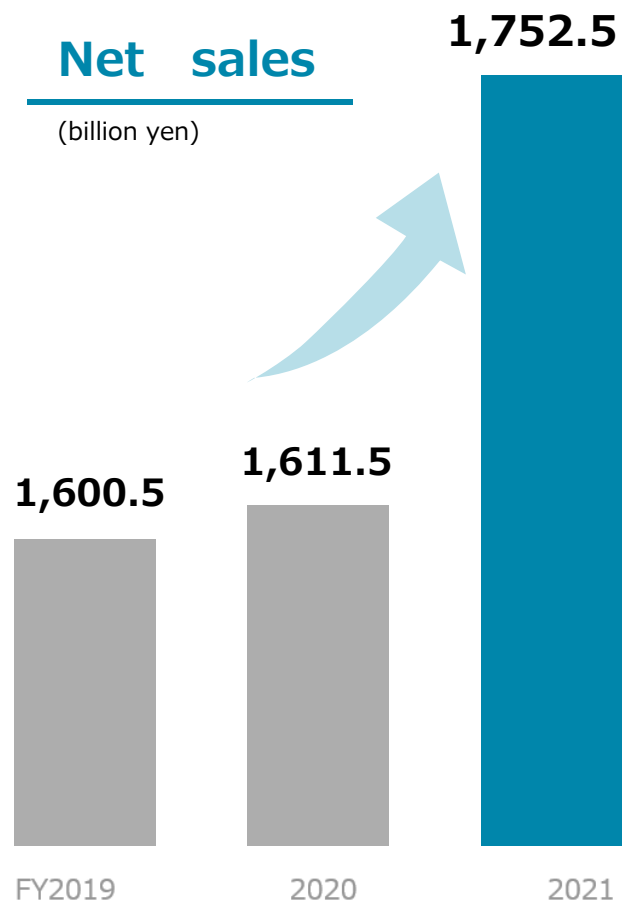
- **No. 1 share in Consumer Electronics market in Japan**
- **A wide variety of store concepts and product lines to meet a wide range of needs**
- **A conglomerate company that supply not only home electronics, but also furniture, housing, finance, and more.**



**Aim to achieve sales of 2 trillion yen by leading the total living industries**



## Review of Previous 3 Years



# Review of Previous 3 Years

- Complete the business foundation by structural changes for The “Total-Living” shop

## Governance

- Transition to a holding company, strengthening governance
- Branch office system, area management
- Visualize the store profit and loss, individual unit measures in areas
- Implement personnel and cost structure

## Store strategy

- New concept store YAMADA Web.com, outlet stores and LIFE SELECT
- Respond to structural changes in demand, restructured stores in Shinjuku area
- In line with the target of new store openings, a key issue in the new growth strategy, we started to realize a new large-scale concept store

## Sales Strategy

- DX strategy, including introduction of electronic price tag to all stores
- Expansion of stores & E-commerce
- Expand sales of SPA products and increase ratio of profit
  - Main products : Electric sofa and electric reclining bed
  - Exclusive Sales...FUNAI • Roborock
- Actual gross profit margin increased with sell-out/in management.
- Grow renovation business can be completed by ourself

## M & A

- Hinokiya Group becomes a subsidiary
  - custom built homes 8,000 buildings a year
  - 300 billion yen a year
- OTSUKA KAGU becomes a subsidiary
  - A wide variety of furniture and home interiors, expansion of sales quality and delivery system

## Changes in the market environment

Global environmental changes

- Worsening environmental problems
- Increased awareness of sustainability
- Advancement of information society

Current situation of the retail industry

- Change in demand caused by declining birthrate and aging population
- Transformation of social structure
- Changes in the employment base
- Increasing competition across industries
- Extremely growing of E-commerce market

Changes by COVID-19

- Growing public health awareness
- New customs (ex.Contactless trade, home-based job)
- Changes of population distribution, trading area, demands
- Increasing interest in comfortable living space
- Changing needs of electronics



**In light of these market changes, we will accelerate our growth based on our management resources!**

## “Total-Living”-Expand home appliance through a links each segment

**Aim to expansion of home appliances  
by “Total-Living”**

Environment

Finance

Housing

**Home  
appliance**

Renovations

Furniture  
Home  
Interior

Household  
goods

Flyer

Digital  
advertising

Apps

**Create new customer experiences  
through a variety of information channels**

Stores

WEB

TV  
Shopping

**Customer Base**

Platform

## About mid-long term business plan

■ We will aim for growth without changing our management focus on profit as we build our base through the results of our measures.

①Expansion of sales floor

Promote store strategy by area

②Expansion of store network and E-commerce

③Maximize scale, sales, and profits of each segment and subsidiaries

2011

2019

2021

Steer business in the direction  
income-oriented management

50 years since  
establishment

March 2025

Net sales

2 trillion yen

accelerate our  
business growth

March 2030

Net sales

2.5

trillion yen

Since entering the housing business,  
turn to the "Total-Living" shop concept.

## Mid-term business plan - Profit & Loss plan -

(million yen / %)

	FY2019	2020	2021	2022	2023	2024	2025
<b>Net sales</b>	1,600,583	1,611,538	1,752,506	1,686,000	1,760,000	1,870,000	2,000,000
<b>Y/Y</b>	1.7	0.7	8.7	▲ 3.8	4.4	6.3	7.0
<b>Operating profit</b>	27,864	38,326	92,078	90,000	95,000	107,000	123,000
<b>Y/Y</b>	▲ 28.1	37.5	140.2	▲ 2.3	5.6	12.6	15.0
<b>Ordinary profit</b>	36,889	46,074	98,875	97,000	102,000	114,000	130,000
<b>Y/Y</b>	▲ 22.1	24.9	114.6	▲ 1.9	5.2	11.8	14.0
<b>Ordinary rate of return</b>	2.3	2.9	5.6	5.8	5.8	6.1	6.5
<b>Current net profit</b>	14,692	24,605	51,798	59,000	59,500	61,000	68,000
<b>Y/Y</b>	▲ 50.7	67.5	110.5	13.9	0.8	2.5	11.5

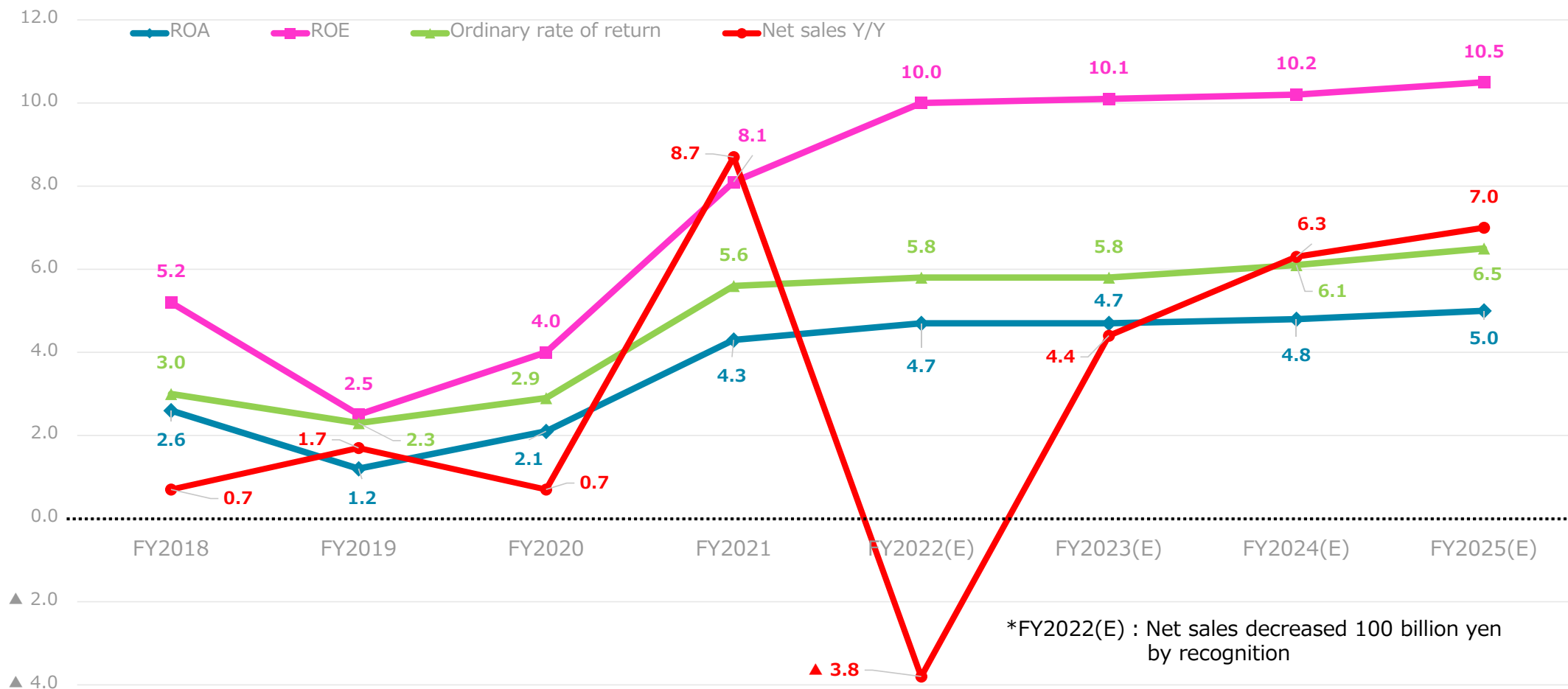
## Goal index

			(%)
	FY2021		FY2025
ROA	4.3		5.0
ROE	8.1		10.5
Ordinary rate of return	5.6		6.5
Net sales Y/Y	8.7		Every term +5%~7%

ROA = Return on asset

ROE = Return on equity

# Transition of target index





## Net sales growth

### Growth after 3 years

+314 billion yen

+18.6p

- ① Expansion of sales floor +145 billion yen
- ② Expansion of store network and E-commerce + 50 billion yen
- ③ Growth of each segment and subsidiaries +119 billion yen

(trillion yen)

1.75

1.68

1.76

1.87

2.0

March 2025  
50 years since  
establishment

FY2021

2022

2023

2024

2025

## Growth profit

# Growth after 3 years

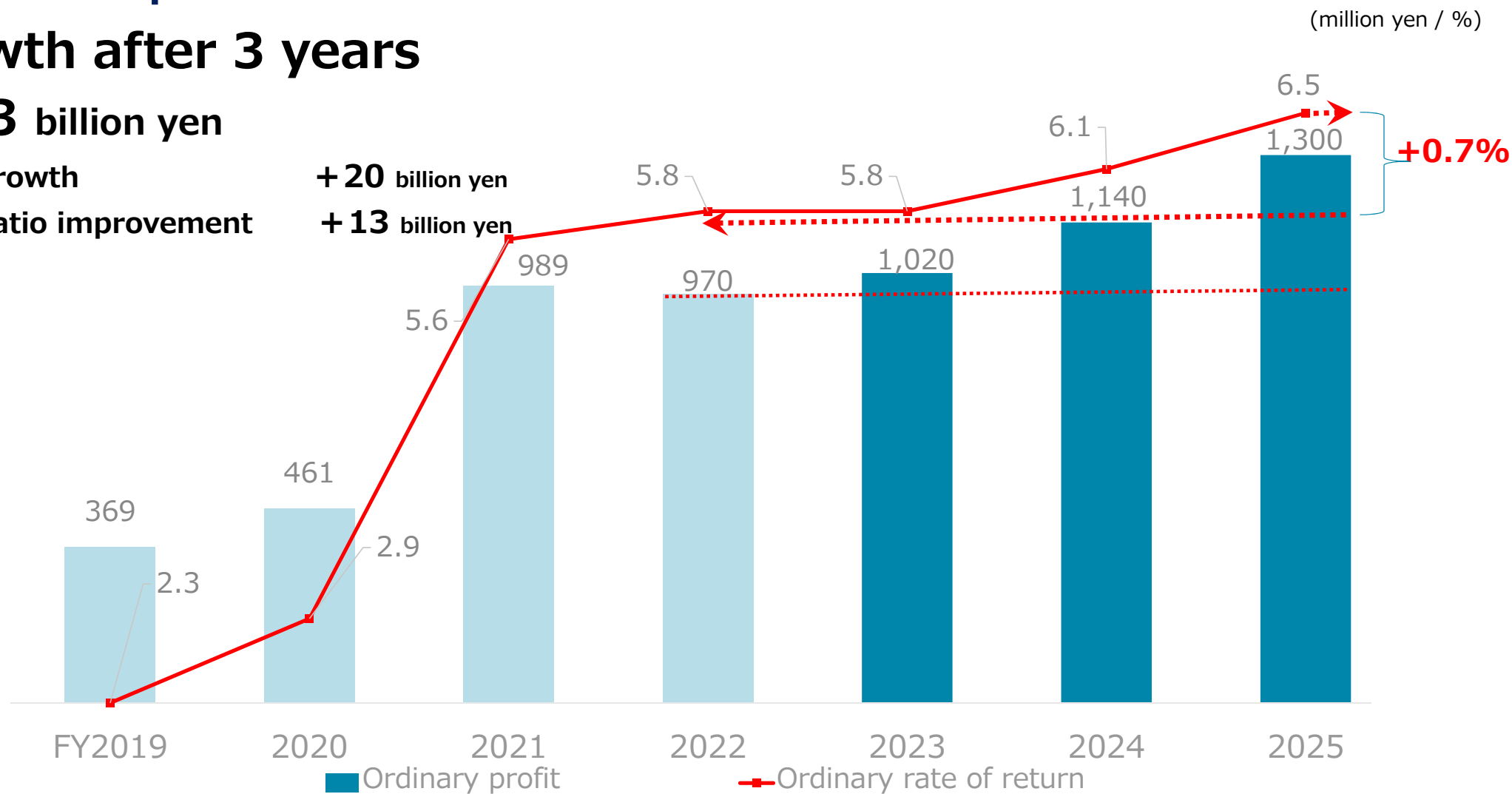
+ 33 billion yen

Sales growth

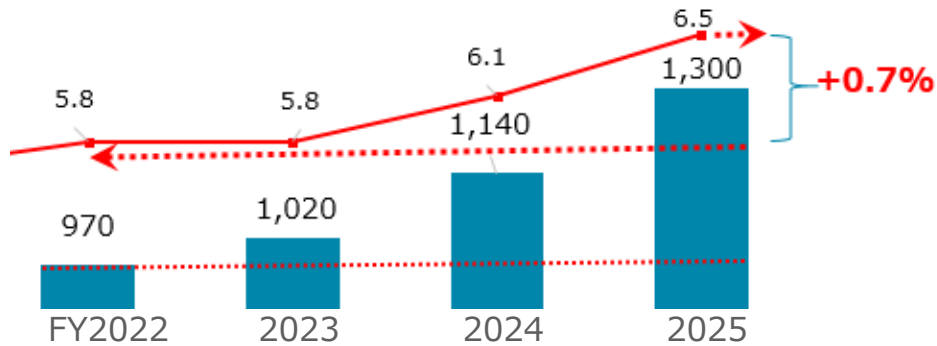
Profit ratio improvement

+ 20 billion yen

+ 13 billion yen



## Growth of profit



**Profit ratio improvement = + 0.7P**

- Optimize prices by discounts and points = Manage net gross profit
- Expand SPA line [Net sales 12.6%→20%, Profit 20%→40%] \*
- Increase Reuse product [Improve capacity 70 thou→300 thou]
- New products, increasing unit price, value added products
- Compensate for rising labor costs = Improving efficiency through DX
- Continue to restructure human resources and costs
- Integrate and improve the operations of merged subsidiaries, Shift employee to the sales department

\*Composition ratio in product categories

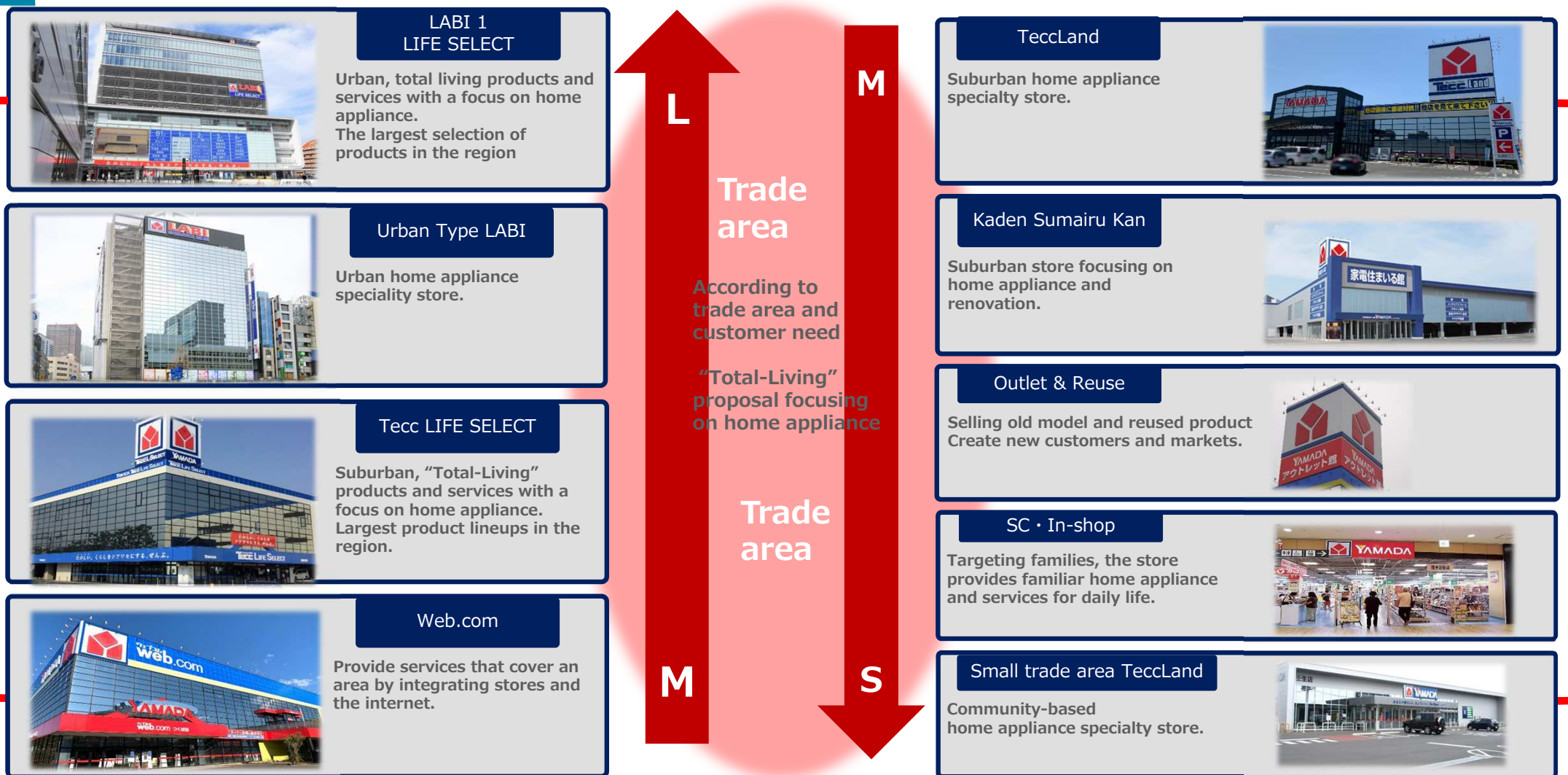
## ① Expansion of sales floor

## Expansion of sales floor = Growth of consumer electronics

- **New stores + New concepts + Restructuring of store network**  
→ Growing strategy through expansion of sales floor

- Under the “Total-Living” concept strategy, we have been developing store that meet the needs of various customers by integrating our management base and infrastructure, and have accumulated successful examples and achievements
- Start restructuring of store network with a focus on new store at the time of contract renewal for stores have passed 25 years since the beginning of nationwide network
- Focus on the expansion of sales floor as the core of growth by organizing each business area with its own characteristics

# Promote development of stores by area & Our store network





# New concept store 「LIFE SELECT」

- Largest product lineups in the region.  
Happiness in Total-Living!

Home appliance



Home appliance & Furniture & Renovations, etc. "Total-Living" proposal

Home Appliances



Furniture, Home interiors



Furniture and Interiors



Professional proposal Happiness of life proposal!

Housing and Renovation



Renovations



## ■ New concept store "LIFE SELECT"

- Floor space : 10,000m<sup>2</sup>~13,000m<sup>2</sup>
- Annual sales : 3~5 billion yen, Operating profit margin 10% or higher  
Furniture, Home interiors to at least 10% of sales.
- Store opening : 15 stores per year  
Targeting a trade area with 250,000 customers

### Effect of store opened

- Increased number of diverse types of customers
- Increased in purchase quantity
- Home appliance and furniture set sale
- Purchase unit price

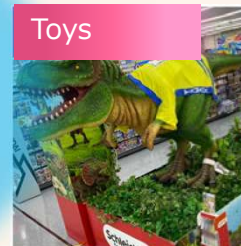
Home appliance



Fun to choose !

Fun to experience !

Toys



Expansion of sales floor = Growth of consumer electronics

FY2025

sales floor

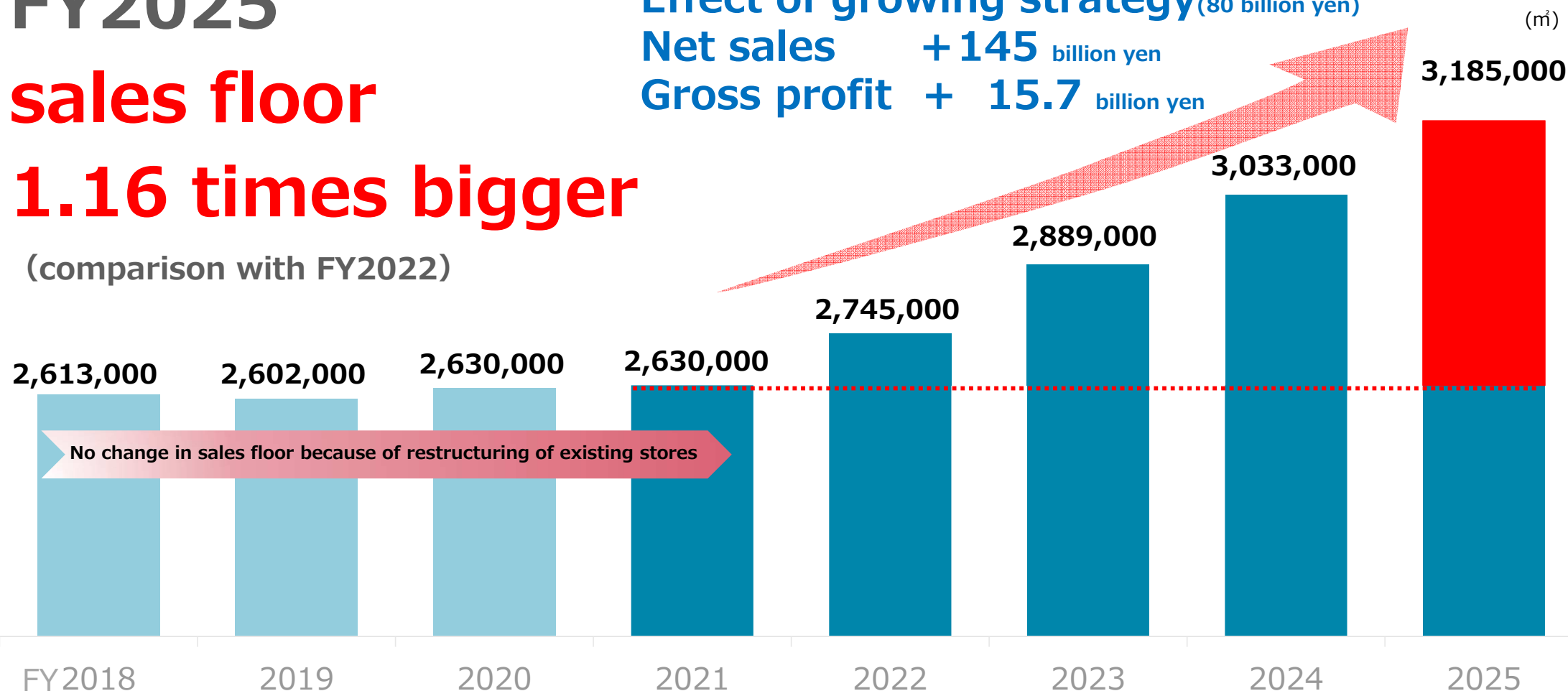
1.16 times bigger

(comparison with FY2022)

Effect of growing strategy (80 billion yen)

Net sales +145 billion yen

Gross profit + 15.7 billion yen





- ②Expansion of store network and E-commerce
- ③Maximize scale, sales, and profits of each segment and subsidiaries

# The concept of growth investment based on resources

Maximize scale, sales, and profits of each segment and subsidiaries

## Resources and Infrastructure

- **Network of YAMADA DENKI stores**

LABI: Urban large scale store • LIFE SELECT  
Kaden Sumairu Kan • Tecc Land Suburban & Small trade area  
Web.com • Outlet store • In-shop • Cosmos Berry's  
Store development

- **E-commerce**

Store • Online store • external EC market  
Apps • TV shopping • Electronic price tag  
Call center operation • Delivery & Installation

- **Marketing • Advertisement method**

TV • Radio • Web • Newspaper advertisement • Digital

- **Logistics network**

Delivery & Installation • Repair

- **Supply chain**

SPA(home appliance, furniture and housing accommodation),  
Merchandise procurement

- **Other services**

Sales engineer • Trade-in and purchase • Warranty • Insurance  
Solution • Support • Finance • Payment • Lecture class

- **Management**

Branch office system to manage employees, strategy and product  
Group management

## Effect of growth investment

**Net sales = + 169 billion yen**

**Gross profit = + 17.3 billion yen**

Growth in  
business

Growth in each segment  
by investing  
50 billion yen

\*White base circles are raised by expansion of sales floor

Effect of growth  
investment

Management  
resources

Store • E-commerce • Furniture and Home interiors • Renovations

Outlet & Reuse • Corporate sales • SPA

Marketing and advertisement method • Logistics network • Supply chain • Other services

Housing • Finance • Environment • Human resources • Human resource development

Customer information • Store development

## ② Expansion of store network and E-commerce

# Expansion of store network & E-commerce ⇒ Growth of consumer electronics

## Speciality of our stores & E-commerce

- Have a variety of information media
  - ・ Store
  - ・ Online store
  - ・ TV & Radio shopping
  - ・ Apps
  - ・ Digital advertisement (SNS/Email/Push notification)
  - ・ Paper advertisement(Newspaper and more)
- Wide variety of products, including home appliance, furniture, home interiors, daily necessities, renovations
  - ・ Delivery, installation of large products, and renovation work are also available
- Providing last mile solutions using store inventory and delivery networks
  - ・ Customers can pick up and check at the nearest store across the country
  - ・ Speedy delivery and installation from the nearest store

## Main growth strategies

- Website renewal to strengthen the foundation of the website
- Increase in the amount of information through TV and radio shopping
- Use a variety of information channels to launch concentrated sales products

## Goals for FY2025

**FY2022**

**Net sales** 130 billion yen

**Operating profit** 7 billion yen

**FY2025**

**Net sales** 180 billion yen

**Operating profit** 12.3 billion yen

\*including E-commerce as well as stores

③Maximize scale, sales, and profits  
of each segment and subsidiaries

# Renovation business ⇒ Growth of consumer electronics

## Basic policy and speciality of our renovation

- Not an home appliance retailer that also does renovation, but a specialty business
- Proposing mainly water-related products in combination with home appliances
- Original system to manage everything from reception to accounting
- Remote sales without the need for on-site visits and efficient sales support by the center
- Develop high value products through in-house development for competitive advantage

## Main growth strategies

- Operate remote sales without the need for on-site visits in all stores.
- Expansion in line with store network and E-commerce growth
- Promote the development of original financial products
  - Subscription plan
  - Renovations+Home applianceA merit plan the rate goes down as the amount goes up

## Goals for FY2025

**FY2022**

**Net sales** 60 billion yen  
**Operating profit** 3 billion yen

**FY2025**

**Net sales** 100 billion yen  
**Operating profit** 6 billion yen

\*Housing group's renovation sales and profits are not included

# Growth strategy for Housing segment

## Speciality of our Housing business

- A variety of brand homes to meet wide range of needs



- "Housetec" original housing products with history and technology

## Main growth strategies

- Improve profitability through efficient group management
- Expand sales offices to strengthen sales and marketing capabilities
- Aiming to expand used resale housing business again (FY2021→2022 extended about 13 times)
- With the housing as a starting point, offer combined solutions for finance, insurance, home appliance, and furniture
- Effects of the alliance with Nice Corporation
- Strengthen Housetec's original product development

## Goals for FY2025

FY2022

Offers	8,000
(No. of new custom-built houses)	
Net sales	280 billion yen
Operating profit	8 billion yen

FY2025

Offers	10,000
(No. of new custom-built houses)	
Net sales	350 billion yen
Operating profit	15 billion yen

\*Sales and operating profit are the sum of housing, Housetec, and subsidiary

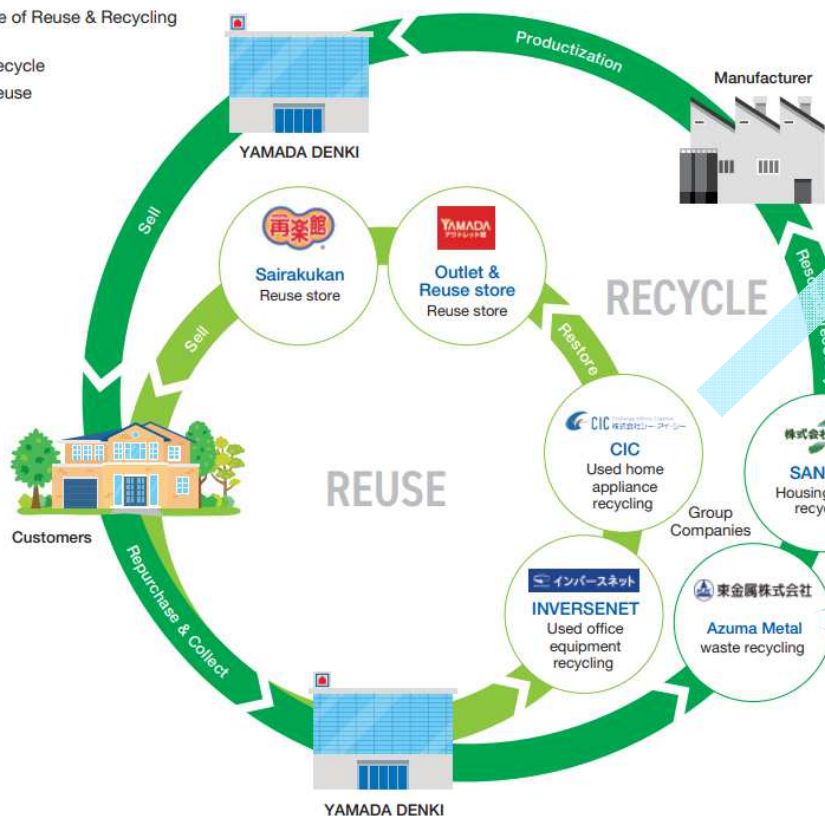
# Maximize the scale, sales, and profits of the environment segment

## Reducing Waste and Resource Recycling

The YAMADA HOLDINGS Group has helped to reduce its impact on the environment in society as a whole by completing the product life cycle within the Group. This has been done by constructing a system to reuse, recycle, remanufacture, and resell used electrical appliances collected from customers.

The Cycle of Reuse & Recycling

Recycle  
Reuse



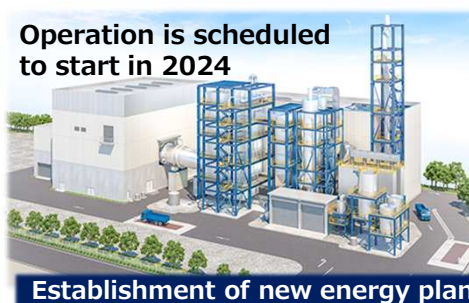
Operation is scheduled to start in 2022



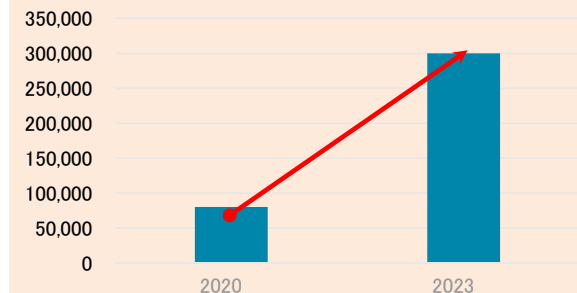
Operation is scheduled to start in 2022



Operation is scheduled to start in 2024



Number of reused products produced



Goals for FY2025

**FY2022**

Net sales 30.7 billion yen  
Operating profit 1.2 billion yen

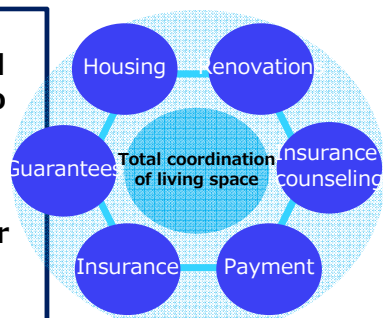
**FY2025**

Net sales 35.4 billion yen  
Operating profit 2 billion yen



# Maximize scale, sales, and profits of the financial segment

- The six financial companies in the group were integrated and qualified as agents of “Yamada NEOBANK” to establish a comprehensive financial business structure.
- We provide a variety of financial products that meet the needs of our customers' lifestyles to realize a “Total-Living” concept.



## Various services in the financial segment

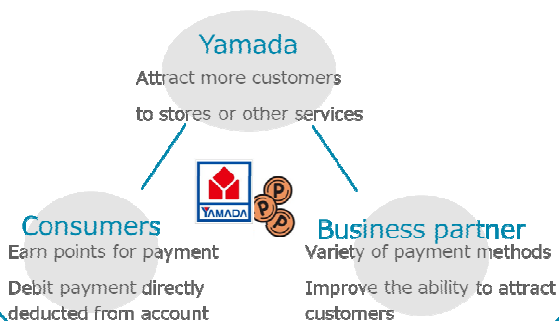
	Subsidiary	Services
Housing Loan	YAMADA FINANCE SERVICE	Yamada NEOBANK Housing loan Yamada Flat 35 Bridge loan Yamada Flat PLUS
Renovations Loan	YAMADA FINANCE SERVICE	Yamada living loan
Payment Credit and debit	Yamada Financial	LABI card
	YAMADA FINANCE SERVICE	Best card Yamada NEOBANK debit card
Insurance	YAMADA SMALL AMOUNT SHORT TERM INSURANCE	Disaster insurance Rental housing insurance Machinery insurance
Insurance counseling	Yamada Life Insurance	Insurance agency for general customers
	YAMADA FINANCE SERVICE	Insurance agency for group companies
Guarantees	Repair Depot	Guarantees

## Two growth strategies centered on NEOBANK

### Establishment of

#### Yamada point economic circle

- Target : 150,000 New accounts (FY2025)  
\*40,000 (FY2022)
- Provide benefits to both consumers and businesses with a Yamada Points.



### Expansion of housing loans

- Target : 10,000 New offer (FY2025)  
\*1,200 (FY2022)
- Acquire 2% of the 500,000 new housing offers per year.
- Achieve The “Total-Living” select with a housing loans.



## Goals for FY2025

FY2022

Net sales

3.5 billion yen

Operating profit

0.8 billion yen

FY2025

Net sales

7.8 billion yen

Operating profit

2 billion yen

## Three-year cash flow plan

To Invest free cash generated by growth in each segment

- Opening new stores, expansion and renovation of existing stores
  - An aggressive investment in M&A getting immediate profits and DX strategy
- Flexible allocation to additional shareholder returns

Operating cash flow  
**240** billion yen  
(Net profit + Depreciation)\*3 terms

Investment in  
stores  
80 billion yen

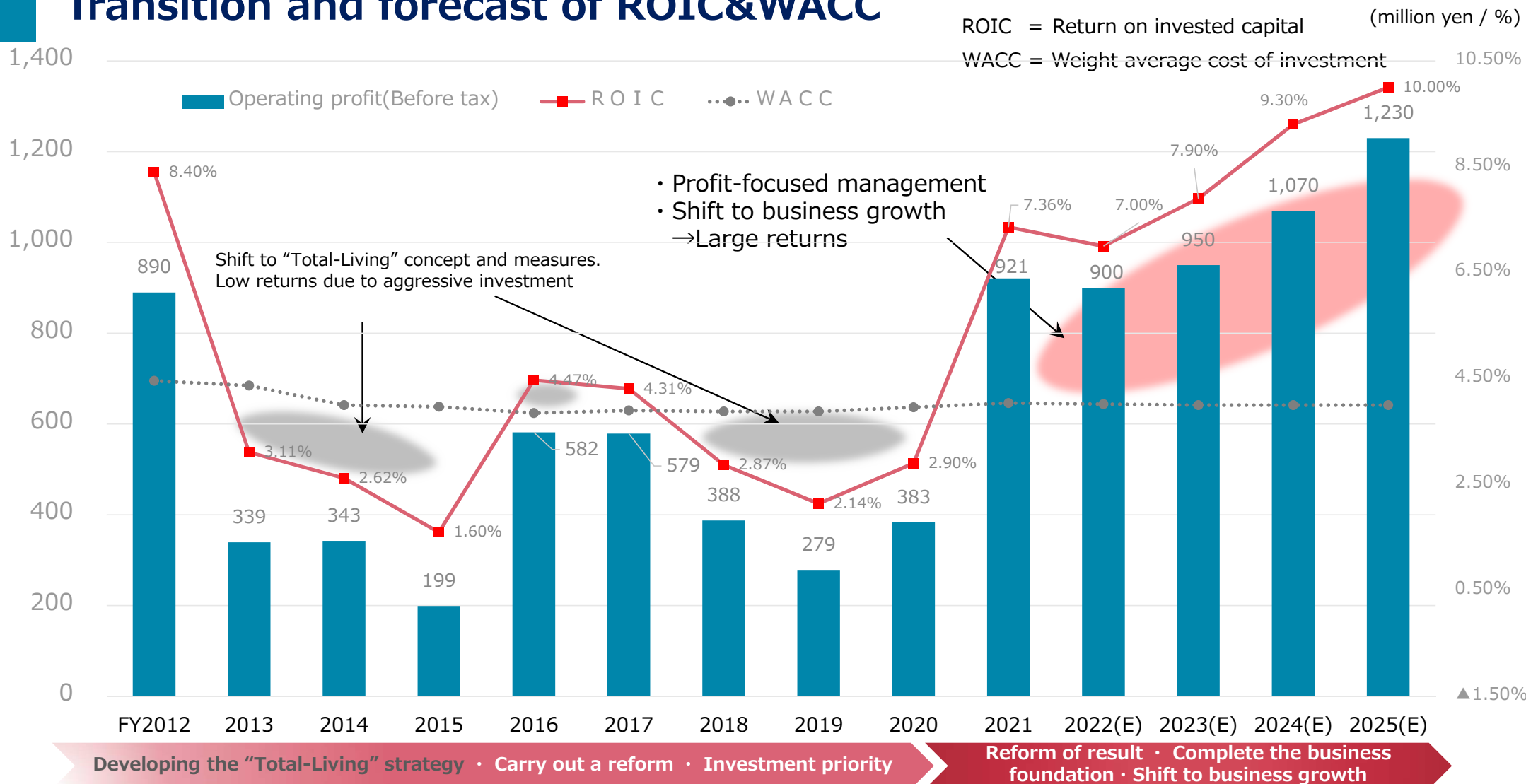
- Expansion of sales floor
- Investment in existing stores
  - Expansion
  - Renovations
- Concept change
- Optimizing the lineup

Capital management  
Growth strategy  
160 billion yen

Including corporate tax

- DX
- M&A
- Flexible shareholder returns

# Transition and forecast of ROIC&WACC



# Shareholder returns

## Basic policy

- Provide continuous and stable dividends
- We will make a comprehensive judgment on investment for growth and financial conditions, and returning profits at an appropriate level according to the situation



## 【Attention】

The outlooks and business plans contained in this document are based on assumptions and judgments made by ourself based on information available at the time this document was prepared.

The accuracy and security of the information is not totally guaranteed or promised. These are subject to change.