

Quarterly Securities Report

(The Third Quarter of the 36th Fiscal Year)

JINS HOLDINGS INC.

This document was prepared based on the Company's Quarterly Securities Report in Japanese.

In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

[Cover Page]

[Document title]	Quarterly Securities Report
[Article of the applicable law requiring submission of this document]	Article 24-4-7, Paragraph 1 of the Financial Instruments and Exchange Act
[Filed to]	Director-General of the Kanto Local Finance Bureau
[Filing date]	July 14, 2023
[Fiscal year]	Third quarter of the 36th term (from March 1, 2023 to May 31, 2023)
[Company name]	JINS HOLDINGS Inc.
[Company name in English]	JINS HOLDINGS Inc.
[Title and name of representative]	Hitoshi Tanaka, CEO and Representative Director
[Address of registered headquarter]	26-4 Kawaharamachi 2-chome, Maebashi-shi, Gunma (This is the address of the registered head office, but the actual business is conducted at the nearest place of contact.)
[Telephone number]	Not applicable.
[Name of contact person]	Not applicable.
[Nearest place of contact]	Yasuda Sequence Tower, 1 Kanda Nishikicho 3-chome, Chiyoda-ku, Tokyo
[Telephone number]	+81-3-6890-4800 (main number)
[Name of contact person]	Yukinori Arakawa, Executive Officer and General Manager of Administration Division
[Place for public inspection]	Tokyo Stock Exchange, Inc. (2-1 Nihombashi Kabutocho, Chuo-ku, Tokyo)

Part I Company Information

I. Overview of Company

1. Key financial data

Term	35th term Nine months ended May 31, 2022	36th term Nine months ended May 31, 2023	35th term
Accounting period	From September 1, 2021 to May 31, 2022	From September 1, 2022 to May 31, 2023	From September 1, 2021 to August 31, 2022
Net sales (millions of yen)	49,916	53,562	66,901
Ordinary profit (millions of yen)	3,141	3,587	3,789
Profit attributable to owners of parent (millions of yen)	1,026	2,151	750
Comprehensive income (millions of yen)	1,238	1,901	1,063
Net assets (millions of yen)	20,581	22,005	20,406
Total assets (millions of yen)	54,331	44,456	54,721
Earnings per share (yen)	43.97	92.18	32.17
Diluted earnings per share (yen)	38.69	84.50	27.37
Equity ratio (%)	37.9	49.5	37.3

Term	35th term 3rd quarter	36th term 3rd quarter
Accounting period	From March 1, 2022 To May 31, 2022	From March 1, 2023 To May 31, 2023
Earnings (loss) per share (yen)	(6.17)	59.07

(Note) As the Company prepares the quarterly consolidated financial statements, the description of key financial data of the submitting company is omitted.

2. Description of business

There are no significant changes in the description of business which the Company group (the Company and the Company's affiliates. Hereinafter, the "Group") operates during the nine months ended May 31, 2023.

In addition, there are no changes in major affiliates.

II. Overview of Business

1. Business risks

In the nine months ended May 31, 2023, there were no matters that may have a significant impact on the judgment of investors in the overview of business, financial information and other matters stated in this Quarterly Securities Report or no significant changes in “Business Risks” stated in the Annual Securities Report for the previous fiscal year.

The impact of COVID-19 is as stated in “2. Management analysis of financial position, operating results and cash flows” and we will continue to monitor the situation.

In addition, there were no material events.

2. Management analysis of financial position, operating results and cash flows

Forward-looking statements in this document are based on the Group’s judgments as of the end of this quarter of the fiscal year under review.

(1) Financial position and operating results

During the nine months ended May 31, 2023 (September 1, 2022 to May 31, 2023), the Japanese economy experienced continued periodic increases and decreases in the number of infected people with the novel coronavirus disease (COVID-19). However, since May, with the recent trend of a decrease in the number of cases, the impact from the pandemic has been diminishing following the reclassification of COVID-19 under the Infectious Diseases Act. In addition, personal consumption such as traveling and eating out is gradually recovering in spite of continuous inflation caused by a surge in raw material prices and currency movement due to the situation in Ukraine and other factors. Looking at the global economy, the response to COVID-19 has varied from country to country and region to region, and particularly in China, as urban blockades under the zero-Covid policy were implemented intermittently until early December, economic activities have been affected. In addition, the economic impact of Russia’s invasion of Ukraine has been prolonged, and there are concerns about increasing downward risks to the economy due to global inflation caused by rising prices of raw materials and others, and widening interest rate disparities among countries.

The domestic retail eyewear market (eyeglasses for vision correction) continues to experience ups and downs versus the same period of the previous year owing to the impact of COVID-19 and has not yet recovered to the level before the outbreak of COVID-19.

Under this market environment, in the eyewear business, the Company and its consolidated subsidiaries (collectively, the “Group”) took such initiatives as rebuilding the supply chain and strengthening development of innovative products, which they identified as management issues. In terms of rebuilding of the supply chain, we have started to strengthen our manufacturing bases in Japan by making Yamato Technical Co., Ltd. a subsidiary, with the aim of eliminating concentration of production at a single manufacturing base overseas and shortening the lead time for delivery to storefronts. With regard to product development, we have worked on a joint project to develop an eyeglass-shaped, violet-light-emitting medical device designed to suppress the progress of myopia, conducted as part of our initiatives to realize “the world free from myopia,” and total research and development expenses were ¥42 million for the nine months ended May 31, 2023.

In terms of store development, the number of stores as of May 31, 2023, was 710, including 472 stores in Japan and 238 stores overseas (172 in China, 53 in Taiwan, 9 in Hong Kong, and 4 in the United States).

As a result, for the nine months ended May 31, 2023, the Company posted net sales of ¥53,562 million (up 7.3% year-on-year) partly thanks to a rebound from the previous year affected by COVID-19 and the impact of new store openings. Operating profit was ¥3,679 million (up 33.4% year-on-year) due to an increase in net sales and a reduction in SG&A expenses including advertising expenses, ordinary profit was ¥3,587 million (up 14.2% year-on-year), and profit attributable to owners of parent was ¥2,151 million (up 109.6% year-on-year).

(2) Analysis and examination of operating results, etc. from management perspective

1) Business results by segment

<Domestic Eyewear Business>

In the domestic eyewear business, we revised selling prices starting from standard products including the “JINS CLASSIC”

series and “STANDARD” series which were renewed for the first time in approximately seven years and, after mid-November, changed selling prices of existing products to the same price zone, which raised unit prices of a complete set of glasses in a steady manner. In addition, as opportunities to go out have increased, we saw strong sales of optional lens suitable for outdoor use including color lenses and photochromic lenses that change color density depending on the amount of ultraviolet rays. Thanks mainly to these factors, net sales remained steady. Meanwhile, membership of the JINS app reached approximately 13.10 million people as of the end of May 2023. Regarding the impact of COVID-19, the impact due to the increase and decrease in the number of infected persons is gradually diminishing.

In terms of store development, the number of stores in Japan was 472 (24 openings and 16 closures).

As a result, net sales of the domestic eyewear business were ¥40,627 million (up 3.3% year-on-year), and segment operating profit was ¥3,192 million (up 7.9% year-on-year).

<Overseas Eyewear Business>

In the overseas eyewear business, in China, business performance has been recovering since early December in which the zero-Covid policy was essentially lifted; however, the number of infected people with COVID-19 is periodically increasing and decreasing, which may negatively affect future results.

In Taiwan, the impact of COVID-19 has been minimal and business performance has been strong mainly due to favorable feedback of the Japan-made lenses that are available as an option.

In Hong Kong, the impact of COVID-19 was limited and business results remained steady.

In the United States, we closed our flagship store in San Francisco, which was unprofitable, in August, and have promoted business structure reform aimed at expanding the scale of business, centered on the EC business.

In terms of store development, the total number of stores overseas was 238 as of the end of the period under review, including 172 stores in China (3 openings and 5 closures), 53 in Taiwan (4 openings and no closures), 9 in Hong Kong (2 openings and no closures), and 4 in the United States (no openings and 2 closures).

As a result, net sales of the overseas eyewear business were ¥12,935 million (up 22.1% year-on-year), and segment operating profit was ¥486 million (segment operating loss was ¥200 million for the same period of the previous year).

2) Analysis of financial position

(a) Assets

Current assets decreased ¥10,924 million from the end of the previous fiscal year to ¥22,249 million.

This was mainly due to a decrease of ¥12,248 million in cash and deposits as a result of redemption of convertible bond-type bonds with share acquisition rights and other factor, despite an increase of ¥651 million in merchandise and finished goods.

Non-current assets increased ¥659 million from the end of the previous fiscal year to ¥22,206 million.

This was mainly due to an increase of ¥750 million in property, plant and equipment such as buildings and structures as a result of the Group's expansion of retail stores.

As a result, total assets decreased ¥10,265 million from the end of the previous fiscal year to ¥44,456 million.

(b) Liabilities

Current liabilities decreased ¥11,422 million from the end of the previous fiscal year to ¥11,276 million.

This was mainly due to decreases of ¥10,033 million in current portion of convertible bond-type bonds with share acquisition rights and ¥794 million in accounts payable - trade.

Non-current liabilities decreased ¥440 million from the end of the previous fiscal year to ¥11,175 million.

This was mainly due to decreases of ¥205 million in long-term accounts payable - other and ¥115 million in long-term borrowings.

As a result, total liabilities decreased ¥11,863 million from the end of the previous fiscal year to ¥22,451 million.

(c) Net assets

Net assets increased ¥1,598 million from the end of the previous fiscal year to ¥22,005 million.

This was mainly due to the recording of ¥2,151 million in profit attributable to owners of parent, despite a decrease of ¥303 million due to the payment of dividends.

(3) Research and development activities

Total research and development expenses were ¥42 million for the nine months ended May 31, 2023.

There was no material change in the Group's research and development activities during the nine months ended May 31, 2023.

3. Material contracts, etc.

There was no decision or conclusion of material management contracts, etc. during the third quarter of the fiscal year under review.

III. Status of the Submitting Company

1. Status of Shares, etc.

(1) Total number of shares, etc.

1) Total Number of Shares

Class	Total number of authorized shares (shares)
Common stock	73,920,000
Total	73,920,000

2) Issued Shares

Class	As of the end of 3rd quarter of the fiscal year (shares) (May 31, 2023)	As of the submission date (shares) (July 14, 2023)	Stock exchange on which the Company is listed	Details
Common stock	23,980,000	23,980,000	Tokyo Stock Exchange Prime Section	The number of shares constituting one unit: 100 shares
Total	23,980,000	23,980,000	—	—

(2) Status of Share Acquisition Rights, etc.

1) Details of the Stock Option Plan

Not applicable.

2) Status of Other Share Acquisition Rights, etc.

Not applicable.

(3) Status of Exercises of Moving Strike Convertible Bonds, etc.

Not applicable.

(4) Changes in the Total Number of Shares Issued and the Amount of Common Stock, etc.

Date	Changes in the total number of shares issued (shares)	Balance of the total number of shares issued (shares)	Changes in common stock (millions of yen)	Balance of common stock (millions of yen)	Changes in legal capital surplus (millions of yen)	Balance of legal capital surplus (millions of yen)
From March 1, 2023 to May 31, 2023	—	23,980,000	—	3,202	—	3,157

(5) Status of Major Shareholders

There are no matters to be stated as the period under review is the third quarter.

(6) Status of Voting Rights

1) Issued Shares

As of May 31, 2023

Classification	Number of shares (shares)	Number of voting rights (units)	Details
Shares without voting rights	—	—	—
Shares with restricted voting rights (treasury stock, etc.)	—	—	—
Shares with restricted voting rights (others)	—	—	—
Shares with full voting rights (treasury stock, etc.)	(Treasury stock) Common stock 639,800	—	—
Shares with full voting rights (others)	Common stock 23,321,300	233,213	Number of shares per unit: 100 shares
Odd-lot shares	Common stock 18,900	—	—
Total number of shares issued	23,980,000	—	—
Total voting rights held by shareholders	—	233,213	—

2) Treasury Stock, etc.

As of May 31, 2023

Name of shareholder	Address of shareholder	Number of shares held under own name (shares)	Number of shares held under the names of others (shares)	Total number of shares held (shares)	Percentage of the number of shares held in the total number of shares issued (%)
JINS HOLDINGS Inc.	26-4 Kawaharamachi 2- chome, Maebashi- shi, Gunma	639,800	—	639,800	2.67
Total	—	639,800	—	639,800	2.67

2. Status of Officers

Not applicable.

IV. Financial Information

1. Preparation methods of quarterly consolidated financial statements

The quarterly consolidated financial statements of the Company are prepared based on the Regulation on the Terminology, Forms, and Preparation Methods of Quarterly Consolidated Financial Statements (Cabinet Office Order No. 64 of 2007).

2. Audit certification

The Company's quarterly consolidated financial statements for the third quarter of the fiscal year under review (from March 1, 2023 to May 31, 2023) and the nine months ended May 31, 2023 (from September 1, 2022 to May 31, 2023) have received a quarterly review by Ernst & Young ShinNihon LLC, pursuant to provisions of Article 193-2, Paragraph 1 of the Financial Instruments and Exchange Act.

1. Quarterly consolidated financial statements

(1) Quarterly consolidated balance sheets

(Millions of yen)

	As of August 31, 2022	As of May 31, 2023
Assets		
Current assets		
Cash and deposits	21,430	9,182
Accounts receivable – trade	4,514	4,773
Merchandise and finished goods	5,406	6,058
Raw materials and supplies	446	527
Other	1,376	1,707
Total current assets	33,174	22,249
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	7,610	8,288
Other, net	2,139	2,212
Total property, plant and equipment	9,750	10,500
Intangible assets	2,196	2,164
Investments and other assets		
Leasehold and guarantee deposits	4,910	4,920
Other	4,690	4,620
Total investments and other assets	9,601	9,540
Total non-current assets	21,547	22,206
Total assets	54,721	44,456

(Millions of yen)

	As of August 31, 2022	As of May 31, 2023
Liabilities		
Current liabilities		
Accounts payable – trade	2,535	1,741
Current portion of convertible bond-type bonds with share acquisition rights	10,033	-
Short-term borrowings	1,869	2,094
Current portion of long-term borrowings	70	36
Accounts payable - other, and accrued expenses	4,676	4,932
Income taxes payable	912	671
Provision for bonuses	67	112
Provision for product warranties	168	175
Allowance for office relocation expenses	235	58
Allowance for business structure reform expenses	628	-
Asset retirement obligations	356	340
Other	1,145	1,112
Total current liabilities	22,699	11,276
Non-current liabilities		
Convertible bond-type bonds with share acquisition rights	10,025	10,017
Long-term borrowings	131	15
Asset retirement obligations	265	266
Other	1,193	875
Total non-current liabilities	11,615	11,175
Total liabilities	34,314	22,451
Net assets		
Shareholders' equity		
Common stock	3,202	3,202
Capital surplus	3,228	3,228
Retained earnings	18,623	20,471
Treasury stock	(5,003)	(5,003)
Total shareholders' equity	20,051	21,899
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	189	112
Foreign currency translation adjustment	166	(6)
Total accumulated other comprehensive income	355	105
Total net assets	20,406	22,005
Total liabilities and net assets	54,721	44,456

(2) Quarterly consolidated statements of income and comprehensive income

Quarterly consolidated statements of income

Nine months ended May 31, 2022 and May 31, 2023

(Millions of yen)

	For the nine months ended May 31, 2022	For the nine months ended May 31, 2023
Net sales	49,916	53,562
Cost of sales	10,790	11,751
Gross profit	39,125	41,810
Selling, general and administrative expenses	*1 36,367	*1 38,131
Operating profit	2,758	3,679
Non-operating income		
Interest income	64	47
Foreign exchange gains	379	-
Subsidy income	144	179
Compensation income	110	-
Reversal of allowance for business structure reform expenses	-	60
Other	49	55
Total non-operating income	748	342
Non-operating expenses		
Interest expenses	114	106
Share of loss of entities accounted for using equity method	65	103
Rental expenses on real estate	160	107
Foreign exchange losses	-	61
Other	25	55
Total non-operating expenses	365	434
Ordinary profit	3,141	3,587
Extraordinary losses		
Loss on retirement of non-current assets	122	97
Impairment loss	77	25
Loss on store closings	29	26
Loss due to temporary store closures	*2 49	*2 74
Provision of allowance for office relocation expenses	*3 235	-
Provision of allowance for business structure reform expenses	*4 521	-
Other	7	-
Total extraordinary losses	1,043	222
Profit before income taxes	2,097	3,364
Income taxes – current	1,079	1,103
Income taxes – deferred	(8)	108
Total income taxes	1,071	1,212
Profit	1,026	2,151
Profit attributable to non-controlling interests	-	-
Profit attributable to owners of parent	1,026	2,151

Quarterly consolidated statements of comprehensive income
 Nine months ended May 31, 2022 and May 31, 2023

(Millions of yen)

	For the nine months ended May 31, 2022	For the nine months ended May 31, 2023
Profit	1,026	2,151
Other comprehensive income		
Valuation difference on available-for-sale securities	-	(77)
Foreign currency translation adjustment	170	(193)
Share of other comprehensive income of entities accounted for using equity method	41	21
Total other comprehensive income	211	(249)
Comprehensive income	1,238	1,901
Comprehensive income attributable to:		
Comprehensive income attributable to owners of parent	1,238	1,901
Comprehensive income attributable to non-controlling interests	-	-

[Notes]

(Changes in accounting policies, etc.)

(Application of Implementation Guidance on Accounting Standard for Fair Value Measurement)

The Company has applied the Implementation Guidance on Accounting Standard for Fair Value Measurement (ASBJ Guidance No. 31, June 17, 2021; hereinafter “Fair Value Measurement Guidance”) from the beginning of the first quarter of the fiscal year. Accordingly, the Company will apply new accounting policies prescribed in the Fair Value Measurement Guidance in the future in accordance with the provisional treatment stipulated in Paragraph 27-2 of the same Guidance. The application of the Guidance has no impact on the quarterly consolidated financial statements.

(Quarterly consolidated balance sheet)

I. Liability on guarantees

The Group entered into proxy deposit agreements with lessors and financial institutions regarding leasehold and guarantee deposits on some leasehold properties.

Based on the agreements, the financial institutions have deposited the amounts equivalent to leasehold and guarantee deposits to the lessors, and the Group guaranteed the obligations of the lessors to refund the leasehold and guarantee deposits to the financial institutions.

Previous consolidated fiscal year (August 31, 2022)	3rd quarter of consolidated fiscal year under review (May 31, 2023)
¥227 million	¥227 million

II. Financial covenants

Previous consolidated fiscal year (August 31, 2022)

The Company entered into loan commitment agreements with counterparty banks to flexibly and stably procure working capital and funding for capital investments mainly for new store openings, and the said loan commitment agreements are subject to financial covenants.

(1) Loan commitment agreements entered into on August 29, 2017

Total amount of loan commitments	¥8,000 million
Available amount at the year-end	¥4,000 million
Outstanding borrowings	-
Unused balance	¥4,000 million

Financial covenants on the loan commitment agreements above

- 1) Total net assets in the consolidated balance sheets at each year-end after the effective date of the agreement must be at least 75% of those at the year-end immediately before the effective date of the agreement or at least 75% of those at the most recent year-end, whichever is higher.
- 2) The Company shall not record ordinary loss for two consecutive years in the consolidated statement of income at each fiscal year-end after the effective date of the agreement.

As the commitment period of the loan commitment agreements expired on August 31, 2022, the Company entered into an agreement with September 1, 2022 being the commencement date of the commitment period on August 26, 2022. There is no change in the financial covenants under the new agreement.

Third quarter of the consolidated fiscal year under review (May 31, 2023)

The Company entered into loan commitment agreements with counterparty banks to flexibly and stably procure working capital and funding for capital investments mainly for new store openings, and the said loan commitment agreements are subject to financial covenants.

(1) Loan commitment agreements entered into on August 26, 2022

Total amount of loan commitments	¥8,000 million
Available amount at the period-end	¥4,000 million
Outstanding borrowings	-
<hr/>	
Unused balance	¥4,000 million

Financial covenants on the loan commitment agreements above

- 1) Total net assets in the consolidated balance sheets at each year-end after the effective date of the agreement must be at least 75% of those at the year-end immediately before the effective date of the agreement or at least 75% of those at the most recent year-end, whichever is higher.
- 2) The Company shall not record ordinary loss for two consecutive years in the consolidated statement of income at each fiscal year-end after the effective date of the agreement.

(Quarterly consolidated statements of income)

*1. Major components and amounts of selling, general and administrative expenses were as follows:

	Nine months ended May 31, 2022	Nine months ended May 31, 2023
Salaries and allowances	¥10,933 million	¥11,313 million
Rent expenses on land and buildings	¥8,663 million	¥8,882 Million
Advertising expenses	¥2,459 million	¥1,875 Million
Research and development expenses	¥155 million	¥42 million

*2. Loss due to temporary store closures

For the nine months ended May 31, 2022

In response to intermittent lockdowns of Chinese cities due to the spread of COVID-19, the Group had to shut down up to 86 stores. The Group recorded a loss due to temporary store closures of ¥49 million, which includes rent expenses on land and buildings during the store closing periods, in extraordinary losses.

For the nine months ended May 31, 2023

In response to intermittent lockdowns of Chinese cities due to the spread of COVID-19, the Group had to shut down up to 126 stores. The Group recorded a loss due to temporary store closures of ¥74 million, which includes rent expenses on land and buildings during the store closing periods, in extraordinary losses.

*3. Provision of allowance for office relocation expenses

For the nine months ended May 31, 2022

Relating to the decision on relocating the Tokyo head office, after relocating to the new Tokyo head office, the amount equivalent to rent expenses for the estimated period of restoration work of the former Tokyo head office was recorded as provision of allowance.

For the nine months ended May 31, 2023

Not applicable.

*4. Provision of allowance for business structure reform expenses

For the nine months ended May 31, 2022

Future rent expenses on land and buildings in relating to structure reform of the U.S. Business were recorded as provision of allowance.

For the nine months ended May 31, 2023

Not applicable.

(Quarterly consolidated statements of cash flows)

The quarterly consolidated statements of cash flows for the nine months ended May 31, 2023 were not prepared.

Depreciation (including amortization of intangible assets) for the nine months ended May 31, 2022 and 2023 is as follows:

	Nine months ended May 31, 2022	Nine months ended May 31, 2023
Depreciation	¥2,124 million	¥2,193 million

(Shareholders' equity)

For the nine months ended May 31, 2022

1. Dividends paid

Resolution	Class of shares	Total amount (Millions of Yen)	Per share amount (Yen)	Record date	Effective date	Source of dividends
Annual General Meeting of Shareholders held on November 25, 2021	Common stock	466	20.00	August 31, 2021	November 26, 2021	Retained earnings
Board of Directors meeting held on April 8, 2022	Common stock	396	17.00	February 28, 2022	May 13, 2022	Retained earnings

2. Of dividends for which the record date is during the nine months ended May 31, 2022, dividends with effective dates falling after the end of the third quarter of the fiscal year

Not applicable.

For the nine months ended May 31, 2023

1. Dividends paid

Resolution	Class of shares	Total amount (Millions of Yen)	Per share amount (Yen)	Record date	Effective date	Source of dividends
Board of Directors meeting held on April 14, 2023	Common stock	303	13.00	February 28, 2023	May 12, 2023	Retained earnings

2. Of dividends for which the record date is during the nine months ended May 31, 2023, dividends with effective dates falling after the end of the third quarter of the fiscal year

Not applicable.

(Segment information, etc.)

[Segment information]

I. For the nine months ended May 31, 2022

1. Information about net sales and profit (loss) by reportable segment and information about revenue breakdown

(Millions of yen)

	Reportable segment			Adjustments	Consolidated (Note)
	Domestic eyewear business	Overseas eyewear business	Subtotal		
Net sales:					
Revenue from contracts with customers	39,319	10,596	49,916	-	49,916
Sales to outside customer	39,319	10,596	49,916	-	49,916
Intersegment sales or transfers	363	5	369	(369)	-
Total	39,683	10,602	50,285	(369)	49,916
Segment profit (loss)	2,959	(200)	2,758	-	2,758

Note: Segment profit (loss) is reconciled to operating profit in the quarterly consolidated statements of income.

2. Information about loss on impairment of non-current assets and goodwill by reportable segment

(Significant loss on impairment of non-current assets)

An impairment loss of ¥77 million was recorded in the “overseas eyewear business” segment.

(Significant changes in goodwill)

Not applicable.

(Significant gain on negative goodwill)

Not applicable.

II. For the nine months ended May 31, 2023

1. Information about net sales and profit (loss) by reportable segment and information about revenue breakdown

(Millions of yen)

	Reportable segment			Adjustments	Consolidated (Note)
	Domestic eyewear business	Overseas eyewear business	Subtotal		
Net sales:					
Revenue from contracts with customers	40,627	12,935	53,562	-	53,562
Sales to outside customers	40,627	12,935	53,562	-	53,562
Intersegment sales or transfers	514	2	516	(516)	-
Total	41,141	12,937	54,078	(516)	53,562
Segment profit	3,192	486	3,679	-	3,679

Note: Segment profit is reconciled to operating profit in the quarterly consolidated statements of income.

2. Information about loss on impairment of non-current assets and goodwill by reportable segment

(Significant loss on impairment of non-current assets)

Not applicable.

(Significant changes in goodwill)

Not applicable.

(Significant gain on negative goodwill)

Not applicable.

(Revenue recognition)

Information about breakdown of revenue from contracts with customers is as stated in “Notes (Segment information, etc.)”

(Per Share Information)

Basic and diluted earnings per share are calculated as follows:

Items	Nine months ended May 31, 2022	Nine months ended May 31, 2023
(1) Basic earnings per share	¥43.97	¥92.18
(Basis for calculation)		
Profit attributable to owners of parent (millions of yen)	1,026	2,151
Profit not attributable to common shareholders (millions of yen)	-	-
Profit attributable to owners of parent related to common stock (millions of yen)	1,026	2,151
Weighted-average number of shares of common stock outstanding during the year (shares)	23,340,216	23,340,157
(2) Diluted earnings per share	¥38.69	¥84.50
(Basis for calculation)		
Adjustments to profit attributable to owners of parent (millions of yen)	(39)	(28)
[of which, interest income (after tax effect)] (millions of yen)	[(39)]	[(28)]
Increase in number of shares of common stock (shares)	2,156,660	1,787,203
[of which, convertible bond-type bonds with share acquisition rights]	[2,156,660]	[1,787,203]
Summary of potential shares not included in calculation of diluted earnings per share due to lack of dilutive effect, which were subject to significant change from the end of the previous fiscal year	-	-

(Subsequent events)

Not applicable.

2. Other

Regarding the interim dividend for the 36th term (from September 1, 2022 to August 31, 2023), at the Board of Directors meeting held on April 14, 2023, it was resolved to pay an interim dividend to shareholders who were recorded in the shareholder registry as of February 28, 2023.

- 1) Total amount: ¥303 million
- 2) Per share amount: ¥13.00
- 3) Effective date of claim for payment and payment commencement date: May 12, 2023

Part II Information on Guarantor Companies, etc. for the Submitting Company

Not applicable.