

Joshin

Consolidated Financial Results for the First Nine Months of the Fiscal Year Ending March 31, 2024 (FY2023)

Joshin Denki Co., Ltd.
(Securities code: 8173)



February 6, 2024

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Earnings Summary for the First Nine Months of the Fiscal Year Ending March 31, 2024 (FY2023)¹

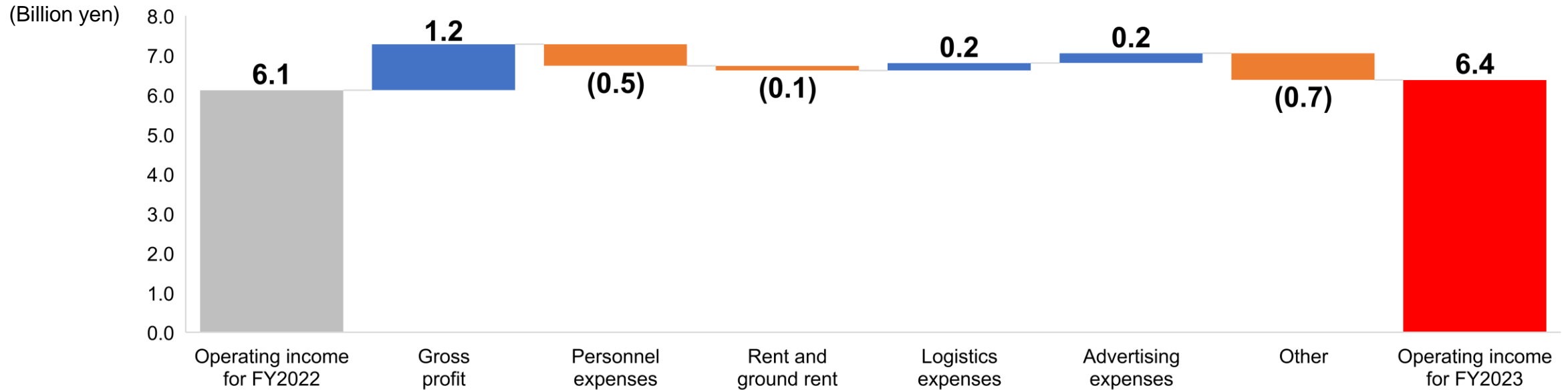
Consolidated Income Statement (Apr.–Dec.)

(Million yen)	First Nine months of FY2022(Apr.–Dec.)		First Nine months of FY2023(Apr.–Dec.)		
	Actual results	% of net sales	Actual results	% of net sales	YoY
Net sales	305,642	100.0%	307,290	100.0%	+0.5%
Of which, sales at stores	245,316	80.3%	253,211	82.4%	+3.2%
Of which, sales in EC business	56,794	18.6%	49,316	16.0%	(13.2%)
Of which, other sales	3,531	1.1%	4,761	1.6%	+34.8%
Gross profit	77,844	25.5%	79,007	25.7%	+1.5%
Selling, general and administrative expenses	71,727	23.5%	72,628	23.6%	+1.3%
Operating income	6,117	2.0%	6,379	2.1%	+4.3%
Ordinary income	6,144	2.0%	6,331	2.1%	+3.0%
Net income (*1)	4,141	1.4%	4,127	1.3%	(0.3%)

*1 Profit attributable to owners of parent

Earnings Summary for the First Nine Months of the Fiscal Year Ending March 31, 2024 (FY2023)²

Factors for changes in operating income (Apr.–Dec.): Vs. previous year



FY2022								
(Billion yen)	Operating income for FY2021	Gross profit	Personnel expenses	Rent and ground rent	Logistics expenses	Advertising expenses	Other	Operating income for FY2022
Apr.–Dec.	6.7	4.1	(0.5)	(0.6)	(3.7)	0.6	(0.5)	6.1

Factors for changes in operating income (quarterly): Vs. previous year

(Billion yen)	Operating income for FY2022	Gross profit	Personnel expenses	Rent and ground rent	Logistics expenses	Advertising expenses	Other	Operating income for FY2023
Apr.–June.	1.4	(0.0)	(0.1)	(0.0)	(0.3)	0.3	(0.1)	1.1
July.–Sept.	2.7	1.7	(0.3)	(0.1)	0.2	(0.2)	(0.6)	3.5
Oct.–Dec.	2.0	(0.5)	(0.1)	(0.0)	0.3	0.1	0.0	1.8

Earnings Summary for the First Nine Months of the Fiscal Year Ending March 31, 2024 (FY2023)³

Consolidated Income Statement (Oct–Dec.)

(Million yen)	1Q FY2023 (Apr.–June.)			2Q FY2023 (July.–Sept.)			3Q FY2022 (Oct.–Dec.)		3Q FY2023 (Oct.–Dec.)			
	Actual results	% of net sales	YoY	Actual results	% of net sales	YoY	Actual results	% of net sales	Actual results	% of net sales	YoY	QoQ (vs. Jul.–Sept.)
Net sales	90,377	100.0%	(4.5%)	107,106	100.0%	+3.7%	107,724	100.0%	109,806	100.0%	+1.9%	+2.5%
Of which, sales at stores	72,998	80.8%	(3.9%)	90,358	84.4%	+7.3%	85,191	79.1%	89,855	81.8%	+5.5%	(0.6%)
Of which, sales in EC business	16,048	17.7%	(7.6%)	15,414	14.4%	(15.6%)	21,159	19.6%	17,853	16.3%	(15.6%)	+15.8%
Of which, other sales	1,330	1.5%	+3.1%	1,333	1.2%	+53.6%	1,373	1.3%	2,097	1.9%	+52.8%	+57.3%
Gross profit	24,787	27.4%	(0.1%)	28,081	26.2%	+6.5%	26,651	24.7%	26,139	23.8%	(1.9%)	(6.9%)
Selling, general and administrative expenses	23,695	26.2%	+1.1%	24,586	23.0%	+3.9%	24,637	22.9%	24,346	22.2%	(1.2%)	(1.0%)
Operating income	1,091	1.2%	(21.5%)	3,494	3.3%	+28.8%	2,013	1.9%	1,793	1.6%	(10.9%)	(48.7%)
Ordinary income	1,076	1.2%	(22.8%)	3,472	3.2%	+27.5%	2,025	1.9%	1,781	1.6%	(12.1%)	(48.7%)
Net income*1	620	0.7%	(38.9%)	2,489	2.3%	+25.1%	1,135	1.1%	1,017	0.9%	(10.4%)	(59.1%)

*1 Profit attributable to owners of parent

Earnings Summary for the First Nine Months of the Fiscal Year Ending March 31, 2024 (FY2023)4

Sales by product (Apr.–Dec.)

(Million yen)	1Q FY2023 (Apr.–June.)			2Q FY2023 (July.–Sept.)			3Q FY2023 (Oct–Dec.)			First Nine months of FY2022(Apr.–Dec.)		First Nine months of FY2023(Apr.–Dec.)		
	Actual results	% of net sales	YoY	Actual results	% of net sales	YoY	Actual results	% of net sales	YoY	Actual results	% of net sales	Actual results	% of net sales	YoY
TVs	5,252	5.8%	{12.1%}	7,120	6.6%	+2.9%	8,537	7.8%	+11.3%	20,565	6.7%	20,910	6.8%	+1.7%
Refrigerators	5,841	6.5%	(9.9%)	8,206	7.7%	+0.8%	6,960	6.3%	+15.0%	20,671	6.8%	21,008	6.8%	+1.6%
Washing machines and vacuum cleaners	8,205	9.1%	(5.2%)	10,071	9.4%	+1.1%	10,086	9.2%	+9.0%	27,859	9.1%	28,363	9.2%	+1.8%
Microwave ovens and cookers	3,559	4.0%	(8.1%)	4,217	3.9%	+9.0%	5,050	4.6%	+6.1%	12,501	4.1%	12,828	4.2%	+2.6%
Air conditioners	11,764	13.0%	(20.2%)	16,289	15.2%	+12.8%	6,451	5.9%	+3.4%	35,417	11.6%	34,505	11.2%	(2.6%)
Personal computers	4,500	5.0%	(10.4%)	4,580	4.3%	(3.0%)	4,728	4.3%	(19.6%)	15,630	5.1%	13,809	4.5%	(11.7%)
Mobile phones	6,596	7.3%	+7.9%	8,645	8.1%	+26.7%	11,423	10.4%	+30.7%	21,680	7.1%	26,665	8.7%	+23.0%
Games, models, toys, musical instruments	13,730	15.2%	+24.1%	14,170	13.2%	(5.8%)	20,102	18.3%	(4.6%)	47,175	15.4%	48,003	15.6%	+1.8%

Full-year Forecast FY2023 (ending March 31, 2024) *Revision to the most recent earnings forecasts: No

Consolidated Income Statement (Full-year forecast)

(Million yen)	Full-year FY2022 (Apr.–Mar.)		Full-year FY2023 (Apr.–Mar.)		
	Actual results	% of net sales	Forecast	% of net sales	YoY
Net sales	408,460	100.0%	410,000	100.0%	+0.4%
Operating income	8,311	2.0%	9,000	2.2%	+8.3%
Ordinary income	8,317	2.0%	9,000	2.2%	+8.2%
Net income*1	4,972	1.2%	6,000	1.5%	+20.7%

*1 Profit attributable to owners of parent

Forecast for 4Q (Jan.–Mar.)

(Million yen)	4Q FY2022(Jan.–Mar.)		4Q FY2023(Jan.–Mar.)		
	Actual results	% of net sales	Forecast	% of net sales	YoY
Net sales	102,817	100.0%	102,709	100.0%	(0.1%)
Operating income	2,193	2.1%	2,620	2.6%	+19.5%
Ordinary income	2,172	2.1%	2,668	2.6%	+22.8%
Net income*1	830	0.8%	1,872	1.8%	+125.4%

*1 Profit attributable to owners of parent

Topics

Item	Details	When
<p>Financial</p>	<p>■ Repurchase of treasury stock through the Off-auction Own Share Repurchase Trading System (ToSTNeT-3) Details of the acquisition (1) Class of shares acquired: Common stock of the company (2) Total number of shares acquired: 325,000 shares (3) Total amount of shares acquired: ¥765,375,000 (¥2,355 per share) (4) Acquisition date: December 20, 2023 (5) Acquisition method: Repurchase through the Off-auction Own Share Repurchase Trading system (ToSTNeT-3) of the Tokyo Stock Exchange, Inc.</p>	<p>Dec. 2023</p>
	<p>■ Disposal of treasury stock through third-party allotment in accordance with the continuation of the stock compensation system Overview of the disposal (1) Class of shares disposed of: Common stock of the company (2) Total number of shares disposed: 200,000 shares [Breakdown] Directors of the company (excl. outside directors): 120,000 shares Executive officers with a delegated relationship with the company: 80,000 shares (3) Total amount of disposal: ¥470,600,000 (¥2,353 per share) (4) Date of disposal: November 28, 2023</p>	<p>Nov. 2023</p>
<p>External evaluation</p>	<p>■ 1st place in the 2023 Oricon Customer Satisfaction Survey for standalone housing renovations for three consecutive years</p>	<p>Dec. 2023</p>
<p>Fan base strategy</p>	<p>■ Launched electronic receipt service as a new function of the Joshin app for members It contributed to “improving customer convenience when shopping,” “boosting employees’ work efficiency,” and “reducing the environmental burden.”</p>	<p>Nov. 2023</p>
<p>Environment</p>	<p>■ Business aimed at changing consumer behavior to achieve carbon neutrality by 2050 Participating in Osaka CO2CO2 Point+ for the second consecutive fiscal year following the last fiscal year</p>	<p>Oct. 2023</p>



Disclaimer

1. Earnings forecasts and other forward-looking contents of this presentation are based on the Company's decision at the time of the preparation of this document. We cannot promise or guarantee that results will match forecasts.
2. This presentation contains unaudited approximations, which may change.

Joshin

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