

INVESTORS' GUIDE

2024



Translation

Notice: This document is an excerpt translation of the original Japanese document and is only for reference purposes. In the event of any discrepancy between this translated document and the original Japanese document, the latter shall prevail.

Summary of Consolidated Financial Results for the Year Ended March 31, 2024 (Based on Japanese GAAP)

April 23, 2024

Company name: KOMERI CO., LTD.
 Stock exchange listing: Tokyo
 Stock code: 8218 URL <https://www.komeri.bit.or.jp>
 Representative: President, CEO and COO Yuichiro Sasage
 Inquiries: Director and Managing Executive Officer Hiroshi Hayakawa TEL 025(371)4111
 Scheduled date of ordinary general meeting of shareholders: June 21, 2024
 Scheduled date to file Securities Report: June 21, 2024
 Scheduled date to commence dividend payments: June 24, 2024
 Preparation of supplementary material on financial results: Yes
 Holding of financial results meeting: Yes (for institutional investors and analysts)

(Amounts less than one million yen are rounded down)

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

(1) Consolidated operating results

Percentages indicate year-on-year changes

	Operating revenue		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Year ended March 31, 2024	370,752	(2.3)	22,081	(15.2)	22,214	(13.9)	13,712	(19.8)
Year ended March 31, 2023	379,401	0.9	26,053	(6.4)	25,812	(8.6)	17,096	(4.5)

	Earnings per share	Diluted earnings per share	Profit attributable to owners of parent/equity	Ordinary profit/total assets	Operating profit/operating revenue
	Yen	Yen	%	%	%
Year ended March 31, 2024	286.06	—	5.9	6.1	6.0
Year ended March 31, 2023	351.62	—	7.8	7.2	6.9

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2024	372,851	236,248	63.4	4,935.94
As of March 31, 2023	361,387	227,347	62.9	4,675.08

(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 period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year ended March 31, 2024	21,364	(15,433)	(3,289)	16,547
Year ended March 31, 2023	19,873	(11,664)	(13,504)	13,905

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Dividend payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Year ended March 31, 2023	—	25.00	—	25.00	50.00	2,464	14.2	1.1
Year ended March 31, 2024	—	26.00	—	26.00	52.00	2,516	18.2	1.1
Year ending March 31, 2025 (Forecast)	—	27.00	—	27.00	54.00		17.0	

3. Forecast of consolidated financial results for the year ending March 31, 2025 (from April 1, 2024 to March 31, 2025)

Percentages indicate year-on-year changes

	Operating revenue		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending September 30, 2024	202,100	4.0	15,700	13.5	15,700	13.6	10,500	13.6	219.38
Full year	388,000	4.7	24,300	10.0	24,500	10.3	15,200	10.8	317.57

4. Notes

(1) Changes in significant subsidiaries during the year ended March 31, 2024

(changes in specified subsidiaries resulting in the change in scope of consolidation): No

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

Changes in accounting policies due to revisions to accounting standards and other regulations: No

Changes in accounting policies due to other reasons: No

Changes in accounting estimates: No

Restatement of prior period financial statements: No

(3) Number of issued shares (common shares)

Total number of issued shares at the end of the period (including treasury shares)

As of March 31, 2024	54,409,168 shares	As of March 31, 2023	54,409,168 shares
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Number of treasury shares at the end of the period

As of March 31, 2024	6,546,320 shares	As of March 31, 2023	5,779,475 shares
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Average number of shares during the period

Year ended March 31, 2024	47,935,065 shares	Year ended March 31, 2023	48,620,842 shares
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1. Overview of operating results and others

(1) Overview of operating results for the year ended March 31, 2024

1) Operating results for the year ended March 31, 2024

During the year ended March 31, 2024 (from April 1, 2023 to March 31, 2024), the outlook for the Japanese economy remained uncertain due to factors including soaring energy and raw material prices due to the prolonged situation in Ukraine and tensions in the Middle East such as Israel, the prolonged depreciation of the yen, and concerns about stagnant personal consumption due to ongoing price increases, while socio-economic activities are normalizing following the reclassification of COVID-19's category to Class 5.

In the retail industry, the business environment remained challenging due to rising consumer awareness of protecting their livelihoods as prices of services and daily necessities, including electricity, rose, and the number of new housing starts and floor space starts declined due to higher labor and distribution costs and higher construction material costs, amid a competitive environment that transcends industries and business categories.

Under these circumstances, as for the Group's overview of business operation, sales of materials for garden plants, gardening and home gardens as well as materials used by farmers such as single-pipe pipes and plywood were down significantly from the previous year due to unseasonable weather that began in early spring, mainly in our mainstay format, Hard & Green. In addition, record-breaking summer heat and lingering summer heat resulted in weak sales of gardening goods and products related to outdoor work, although sales of seasonal products such as air conditioners and summer workwear were strong. In the second half of the year, sales of heating products, winterwear, snow removal products, and products for anti-freezing water pipes remained sluggish due to a mild winter and little snowfall.

On the other hand, sales of consumables used frequently by professional construction companies, such as machine nails, cement, and heat insulation materials, and agricultural chemicals and string trimmers for farmers, which the Company has focused on, remained steady. In terms of profit, although we saw improvement effects from the penetration of the store management models and the promotion of EDLP measures, gross profit margin deteriorated due to struggling sales in our core categories of horticultural agriculture and building materials, as well as higher raw material prices and the prolonged depreciation of the yen.

Regarding the opening of stores, which is the cornerstone of the Group's growth strategy, the Group opened a total of 27 stores, 8 Komeri Power (Power) stores, 3 Komeri PRO (PRO) stores, and 16 Komeri Hard & Green (Hard & Green) stores. As for Power, the number of stores reached 100 with the opening of Komeri Power Imari Store (Saga Prefecture) on March 28, 2024. Regarding store closure, the Group closed 21 Hard & Green and Athena stores (including 16 stores closed through scrap and build). As a result, the number of stores at the end of the fiscal year under review stood at 1,220 stores, consisting of 102 Power stores, 1,099 Hard & Green stores, 15 PRO stores, and 4 Athena stores. (In addition, 2 overseas Hard & Green stores operated by a non-consolidated subsidiary)

In logistics, we established a new "Fresh Management Center" ("FMC") on the premises of the Komeri Hanamaki Logistics Center, where cut flowers are processed for logistics by the Group, in July 2023. The Group's FMCs are currently operating in three logistics centers in Ibaraki, Niigata, and Hanamaki, with approximately 700 stores, mainly in eastern Japan, offering "fresher, cheaper" cut flowers in our stores, which are well supported by customers.

Regarding private brand product development, which is a priority measure, in order to realize “Development of Products that Protect and Nurture Lives,” we have worked to develop products that materialize the latent needs of our customers by sourcing products from the world’s best sources. In the “CRUZARD” car accessory brand, the Company developed high-quality, low-priced products focusing on functions that customers truly need, and conducted focused sales activities involving social media, which resulted in an expansion of the customer base and strong sales. As a result of these efforts, we were able to increase the sales composition ratio of private brand products to 47.7%, up 1.0% year on year.

In the remodeling business, sales continued to grow strongly with a 6.1% year-on-year increase in net sales, reflecting an increase in transaction volume for installation and construction services for housing equipment that are requested at Komeri stores nationwide, as well as for “Jyukyuban” services such as termite and pest extermination and maintenance of garden trees. In December 2023, we were awarded first place for the fourth consecutive year in the “2023 Oricon Customer Satisfaction (R) Survey, Remodeling Home Center Division.”

In the card business, the number of cardholders of the Komeri Card (with credit card function), Aqua Card (with prepaid function), and other cards issued by the Company increased to 5.01 million (up 210,000 from the same period of the previous year). We are responding to the diversification of payment methods with the smartphone payment service “Kokko Pay,” which links the Komeri Card to the Komeri app, and the introduction of Komeri Card touch payment service from November 2023.

Regarding collaboration with Agricultural Cooperatives (JA), the Company has been working with five JAs (JA KAMIINA, JA Yamagata Okitama, JA Kinosato, JA Ise, and JA TAKIGUN) to achieve three-way satisfaction among farmers, JAs and the Company. As of the end of March 2024, we are selling JA products at 34 Komeri stores.

As a result of the above, operating revenue in the fiscal year under review fell 2.3% on a consolidated basis from the previous fiscal year to 370,752 million yen. Operating profit fell 15.2% to 22,081 million yen and ordinary profit fell 13.9% to 22,214 million yen. Profit attributable to owners of the parent fell 19.8% to 13,712 million yen.

(Operating results by product category)

- Tools, Hardware and Working supplies

Although sales of power tools, paints, and other DIY-oriented products struggled due to a reaction in the demand for repair goods in the previous year, sales of consumables used by professional customers, such as machine nails, cement, and electrical materials, remained strong.

In addition, the Noto Peninsula Earthquake in January led to movement in disaster prevention-related products such as blue sheets and furniture-fixing poles. As a result, net sales in this product category fell 1.6% year on year to 66,762 million yen.

- Remodeling and Exterior materials

Sales of external materials such as lumber, wire mesh, and single-pipe pipes remained sluggish due to the record-breaking heat wave in the summer and a reaction in the demand for repair goods from typhoons and heavy snowfall in the previous fiscal year. In addition, the need for improvement of the living environment remained high, and sales of not only products but also services, such as installation and construction of housing equipment including toilets and system baths, remained strong. As a result, net sales in this product category fell 4.2% year on year to 54,980 million yen.

- Gardening, agriculture, and pet supplies

Sales of materials for garden plants, gardening and home garden fell significantly below the previous fiscal year’s level due to the effects of unseasonable weather that began in early spring. As for pet supplies, the dog and cat food category, where we developed price-competitive private brand

products, remained strong. As a result, net sales in this product category fell 2.1% year on year to 110,366 million yen.

- Commodities, home appliances, car accessories, and leisure goods

Although sales of masks and hand sanitizers declined due to the reclassification of COVID-19's category to Class 5, sales of detergents and paper products, which were developed as price-competitive products, remained strong. Sales of home appliance products were weak for fan heaters and other heating products, due largely to a mild winter and a reaction of seasonal products from the nationwide cold wave in the previous fiscal year. As for car accessories, sales remained strong due to the development of a series of private brand products that are competitive in both price and quality. As a result, net sales in this product category fell 1.6% year on year to 71,174 million yen.

- Interior goods, household goods, and office supplies

Although sales of slippers, bath mats, and other household goods remained strong, due in part to a recovery in demand for returning home, sales of seasonal products such as kotatsu items were weak due to the mild winter. As a result, net sales in this product category fell 3.8% year on year to 34,807 million yen.

- Kerosene and others

In kerosene, sales volume remained sluggish partly due to higher-than-normal winter temperatures nationwide. As a result, net sales in this product category fell 0.9% year on year to 14,221 million yen.

2) Outlook for the year ending March 31, 2025

For the year ending March 31, 2025, on a consolidated basis, the Group expects operating revenue to rise 4.7% year on year to 388,000 million yen, operating profit to rise 10.0% to 24,300 million yen, ordinary profit to rise 10.3% to 24,500 million yen, and profit attributable to owners of the parent to rise 10.8% to 15,200 million yen.

As for opening of new stores, the Group plans to open a total of 52 stores, that is, 13 Power stores, 9 PRO stores, 30 Hard & Green stores, and will work to further increase stores in the future. As for renovation of existing stores, we plan to renovate a total of approximately 80,000 tsubo to continue responding to the changing needs of our customers.

(2) Overview of financial position for the year ended March 31, 2024

1) Assets, liabilities and net assets

Total assets at the end of the fiscal year under review increased by 11,464 million yen from the previous fiscal year-end to 372,851 million yen. This was mainly due to increases in cash and deposits of 2,641 million yen, merchandise and finished goods of 4,032 million yen, and property, plant and equipment of 3,079 million yen.

Liabilities increased by 2,563 million yen from the previous fiscal year-end to 136,603 million yen. This was mainly due to an increase of 2,500 million yen in short-term borrowings, despite a decrease of 1,143 million yen in notes payable - facilities.

Net assets increased by 8,900 million yen from the previous fiscal year-end to 236,248 million yen. This was mainly due to an increase in retained earnings.

2) Consolidated cash flows

(Millions of yen)

	Year ended March 31, 2023	Year ended March 31, 2024	Year-on-year comparison
Net cash provided by operating activities	19,873	21,364	1,491
Net cash used in investing activities	(11,664)	(15,433)	(3,768)
Net cash used in financing activities	(13,504)	(3,289)	10,214
Increase (decrease) in cash and cash equivalents	(5,295)	2,641	7,937
Cash and cash equivalents at end of period	13,905	16,547	2,641

Cash and cash equivalents (“cash”) at the end of the fiscal year under review totaled 16,547 million yen. Factors affecting cash flows include the following:

(Net cash provided by operating activities)

Net cash provided by operating activities increased by 7.5% from the previous fiscal year to 21,364 million yen. The main sources of cash provided were profit before income taxes of 20,579 million yen in addition to depreciation of 12,208 million yen. The main reasons for cash usage were income taxes paid of 7,874 million yen, an increase in inventories of 4,192 million yen, and an increase in trade receivables of 1,901 million yen.

(Net cash used in investing activities)

Net cash used in investing activities increased by 32.3% from the previous fiscal year to 15,433 million yen. The main reason for cash usage was purchase of property, plant and equipment.

(Net cash used in financing activities)

Net cash used in financing activities decreased by 75.6% from the previous fiscal year to 3,289 million yen. The main source of cash provided were proceeds from long-term borrowings of 8,000 million yen and an increase in short-term borrowings of 2,500 million yen. The main reason for cash usage was repayments of long-term borrowings of 7,177 million yen and purchase of treasury shares of 2,702 million yen.

(Trends in cash flow indices)

	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2024
Equity ratio (%)	60.3	62.9	63.4
Equity ratio based on market prices (%)	36.3	36.8	44.4
Interest-bearing debt to cash flows ratio (years)	1.4	1.4	1.5
Interest coverage ratio (times)	228.8	276.0	410.8

(Notes) 1. The calculation formulas are as follows:

Equity ratio: shareholders' equity/total assets

Equity ratio based on market prices: market capitalization/total assets

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

Interest coverage ratio: operating cash flow/interest payments

2. Each of the foregoing indices is calculated on the basis of consolidated financial data.

3. “Market capitalization” is calculated by multiplying the share price on the final day of the fiscal year by the number of issued shares on the same day (excluding treasury shares).
4. For “operating cash flow,” we use the figure of “net cash provided by operating activities” in the consolidated statement of cash flows.
5. “Interest-bearing liabilities” refers to all liabilities on the consolidated balance sheet on which interest payments are made. For “interest payments,” we use the figure of “interest expense” in the consolidated statement of cash flows.

In addition, 1,196 million yen of the borrowings from financial institutions in trust accounts associated with the introduction of Stock Benefit Trust (Employee Stock Ownership Plan Appropriation Type) included in long-term borrowings is excluded from interest-bearing liabilities.

(3) Basic policy on distribution of profits and dividends for the fiscal year under review and the next fiscal year

The Group believes that the modernization of distribution in the materials, building materials, and gardening and agricultural materials markets will contribute to the improvement of corporate value and an increase in shareholder returns. As for the distribution of profits, our basic policy is to increase dividends stably and continuously while strengthening our management base and financial position.

In addition, based on the market environment and capital efficiency, we will consider flexible implementation of share buybacks.

Internal reserves will be used for investments in growth to further strengthen the management base. Such investments include new store openings, renovations of existing stores, new and expanded logistics centers, development of the system environment in line with the expansion of the remodeling and e-commerce businesses, development of the training environment for human resource development, and investments to promote digital transformation (DX) aimed at simultaneous pursuit of increase in customer convenience and improvement in operational productivity of employees. Through such investments, we will enhance our sustainable growth and medium- to long-term corporate value.

To show our gratitude to our shareholders, we will pay a year-end dividend of 26 yen per share, as announced on April 25, 2023. As a result, the annual dividend will be 52 yen per share including an interim dividend of 26 yen per share.

For the next fiscal year, we plan to pay an annual dividend of 54 yen per share, consisting of an interim dividend of 27 yen per share and a year-end dividend of 27 yen per share.

(4) Issues to address

The environment surrounding the Group is expected to undergo rapid changes in customers’ consumer awareness, consumption behavior, and social structure due to climate change and decarbonization, declining birthrate and aging population, and rising energy and raw material prices.

Under these circumstances, the Group will continue to steadily implement the four key measures, namely “Growth Base Investment,” “Development of Products that Protect and Nurture Lives,” “Chain Store-based Remodeling service,” and “Becoming Even Closer Through Online and In-store Sales,” in the next fiscal year, which will be the third year of our medium-term management plan (the period from the fiscal year ended March 31, 2023 to the fiscal year ending March 31, 2025), and aims to achieve both logistics innovation and channel shift in the sectors of materials/building materials, hardware and tools/gardening, vegetable gardening, and agricultural materials through the Home Center business, and to realize a sustainable society by solving social issues, particularly environmental and societal issues, to achieve further growth and enhance corporate value over the medium to long term.

- 1) Expansion of store openings and expansion of logistics functions
 - With regard to store openings, the Company will form a highly concentrated dominant area by opening stores using the “fleet method” in various formats, such as Power, PRO, and Hard & Green, in order to increase our share of sales within the trade area and create employment.
 - As for the expansion of logistics functions, the Company will expand the functions of the current 11 logistics centers in Japan, bringing logistics in-house, improving the efficiency, and lowering the cost of store operations, and also address the 2024 Problem in Logistics.
- 2) Strengthen product capabilities and expand various services
 - We have a total production system from manufacturing through sales, utilizing the benefits of mass production through our nationwide store infrastructure and 11 logistics centers in Japan, and promote development of products that protects and nurtures the lives of customers, as well as promoting EDLP measures.
 - The Company will expand its services centered on full remodeling and “Jyukyuban,” to meet the needs for improving the living environment that have emerged as a result of changes in the social environment and other factors.
 - Utilizing the strength of the Group’s store infrastructure of over 1,200 stores, the Group will further promote the integration of stores and the Internet, through improvement of customer convenience, such as in-store pickup of Internet orders and last-mile distribution (expansion of areas covered by Kokko-bin), and initiatives that contribute to reduce social costs through last-mile distribution.
 - We will work together with KOMERI CAPITAL Co., Ltd., a consolidated subsidiary, to expand initiatives that contribute to further improve customer convenience, such as by promoting the acquisition of cardholders, mainly for Komeri Card, and making loyal customers through the Frequent Shoppers Program (FSP) system, in which points are awarded at a higher rate the following year according to the amount purchased during the year, by promoting sales that are tailored to each customer and inducing to visit stores.
- 3) Initiative to capture professional demand in the materials and building materials area and the agricultural sector
 - In the area of materials and building materials, the Company will promote the opening of Power and PRO stores to help improve convenience for construction companies and others, and reduce social costs related to procurement of materials and building materials.
 - In the agricultural sector, the Company will support the industrialization of Japanese agriculture through initiatives that contribute to the promotion of agriculture and regional development. In addition, the Company will build a new sustainable agricultural support model, including collaboration with JAs in various regions, and reduce social costs related to food production.
- 4) Promotion of investments in human capital and DX (Digital Transformation)
 - Komeri respects the human rights of its employees and works to secure human resources by creating a working environment in which diverse human resources can demonstrate their abilities and play an active role regardless of gender, nationality, age, etc. and implementing investments in human capital based on our education curriculum centered on the “Kenwa Juku” program, based on our management philosophy of “people are the most important pillar of our business.”
 - Through the promotion of DX investment, together with a consolidated subsidiary BIT-A Co., Ltd., the Company aims to further advance the operations flow and organization at stores and the Store Support Center (head office), and increase sales at existing stores and establish a highly profitable structure by improving productivity and enhancing the ability to make proposals to customers.
- 5) Further strengthening corporate governance
 - We will continue to strengthen the auditing and supervisory functions of the Board of Directors, accelerate decision-making, and strengthen our corporate governance system based on a company with an audit and supervisory committee system in place.

- We will also strive for information disclosures in a timely and appropriate manner and English disclosures, and to engage in constructive dialogue with our stakeholders for the purpose of realizing sustainable growth of the Group and increasing corporate value over the medium to long term.
- In our efforts to improve corporate value over the medium to long term, and in response to action to implement management that is conscious of cost of capital and stock price, we will make various investment decisions, taking into consideration the cost of shareholders' equity calculated based on the CAPM (Capital Asset Pricing Model) and stock market expectation levels.

6) Responding to sustainability

- With the aim of realizing a sustainable society by solving social issues centering on the environment and society, achieving sustainable growth and increasing corporate value over the medium to long term, the Group will work to enhance labor-saving and streamlining in all processes from merchandise production through sales, including products, store operation and distribution, to solve environmental and social challenges.
- We aim to develop businesses that are responsive to change by identifying future risks and business opportunities due to climate change, and we will also promote initiatives to realize a decarbonized society.

(5) Explanation of sustainability initiatives

The Group aims to contribute to society through the modernization of logistics in the lagging sectors and strives to resolve various social issues related to sustainability through our core business, the home center business, while aiming to realize a sustainable society, sustainable growth, and enhanced corporate value over the medium and long term. Major sustainability initiatives during the fiscal year ended March 31, 2024 are as follows.

Our response to climate change, including the risks and opportunities that climate change poses to the Group, is disclosed in the “Integrated Report 2023.”

1) Addressing the 2024 Problem in Logistics

To address the “2024 Problem in Logistics,” which is now a social issue, the Group is continuously promoting efforts to improve the efficiency of the entire supply chain.

In response to logistics for PB products, we are implementing initiatives such as “Container Round Use,” in which containers used for imports are not returned but are converted into containers for exports, reducing the need to return containers and other transportation, and “Cross-Dock Delivery,” which uses JR containers.

HOKUSEI SANGYO Co., Ltd., a consolidated subsidiary that operates a logistics center, is promoting joint delivery using dedicated vehicles that collect products from multiple business partners in bulk for delivery to the logistics center, as well as the collection and joint delivery of products using pallets. On March 22, 2024, the Company also started sales of “Foldable Delivery Boxes,” which are PB products that can be used for “unattended delivery.” In addition to improving logistics efficiency, we will also strive to reduce CO2 emissions throughout the supply chain.

2) Human capital investment

In harmony with “Growth base investment,” one of the four key measures set forth in the medium-term management plan from the fiscal year ended March 31, 2023 to the fiscal year ending March 31, 2025, we are investing in human capital through an education system centered around “Kenwa Juku.” We promoted the acquisition of Meister Class 1 certification and Meister Class 2 certification based on the “Meister System” for the purpose of strengthening sales capabilities and improving skills, and conducted e-learning by scheduling time for education into the work shift. We invested ¥1.81 billion in education and training for the fiscal year ended March 31, 2024 (104.0% compared to the same period of the previous fiscal year).

As one of our efforts to ensure employee diversity, we are also actively increasing the recruitment of new female employees. The ratio of female employees joining the Group in April 2024 was 35% (the female employee ratio in the previous fiscal year was 30%).

<Figures related to human capital>

- Ratio of female workers in management positions: 7.4%

- * In the Company, since there are no positions named Section Manager and Section Chief, the calculation is based on our own standards

- Ratio of male employees taking childcare leave: 30.5%

- Gender wage gap: 82.7%

- * Figures for the Company's National Employees (Career track)

3) DX initiatives

In order to provide a more convenient and comfortable shopping environment for customers throughout Japan, the Group is continuously striving to improve productivity throughout the Group by investing in DX promotion such as by introducing IT at the Store Support Center (Head Office), which operates a network of over 1,200 stores in Japan, and by reducing the cost of store operations.

This time, our consolidated subsidiary, Bit-A Co., Ltd., has been certified as a "DX-certified operator" on April 1, 2024 based on the DX Certification system established by the Ministry of Economy, Trade and Industry. We will continue to further evolve our business flow and organization to improve business productivity and enhance our ability to make proposals to customers related to "housing" and "gardening and agriculture" with the aim of further increasing sales at existing stores and establishing a highly profitable structure.

4) Initiatives to improve the treatment of non-regular employees

As the labor shortage intensifies, there is a need to improve the treatment of non-regular employees. At KOMERI, as a part of our initiatives to further career advancement and improve the treatment of employees working in our stores, we routinely offer non-regular employees (part-time employees) who meet certain conditions the opportunity to become regular employees. There are currently over 100 regular employees who were promoted from non-regular employees (part-time employees).

In addition, improving the retention of talented employees is one of the most important issues for the continuity of our business activities. We will continue to respect the human rights of our employees and create an environment where diverse human resources, regardless of gender, nationality, age, etc., can demonstrate their abilities and play an active role, based on the KOMERI management vision, "People are the most important pillar of our business."

5) Initiatives of the KOMERI Disaster Management Center (Non-profit Organization)

The KOMERI Disaster Management Center (Non-profit Organization), has established a network that unites local governments across Japan, the Group, and cooperating companies so that necessary supplies can be quickly and smoothly provided in the event of a disaster. As of March 31, 2024, the number of disaster relief agreements concluded with local governments in Japan totaled 1,084 (an increase of 74 agreements compared to the same period of the previous fiscal year).

In response to the Noto Peninsula Earthquake of 2024, we handled a total of 78 requests from 30 local governments as of March 31, 2024, and quickly supplied 355 types of goods (equivalent to about 14 ten-ton trucks), including bags for sand, plastic waterproof sheeting, disposable tableware, disposable gloves, dry cell batteries, and diapers.

6) Biodiversity conservation activities

Since the Group's business activities are dependent on various natural resources such as forests, plants, and agriculture, we are committed to the sustainable use of natural resources.

Additionally, as a way of returning an amount equivalent to 1% of our profits, KOMERI Midori Ikuseizaidan (Public Interest Incorporated Foundation) supports greening activities and activities to protect and preserve the natural environment in the areas where our stores are located throughout Japan, and subsidizes the Komeri Greenery Fund. In fiscal 2023, the Komeri Greenery Fund provided public grants of ¥10.08 million to 44 projects (in 25 prefectures).

This year marks the 34th year of the Komeri Greenery Fund, and the total amount used for these activities to date has reached ¥2,512.17 million. We will continue to use the Komeri Greenery Fund to support the creation of beautiful hometowns surrounded by flowers and greenery, including biodiversity conservation activities.

2. Basic rationale for selecting the accounting standard

As the Group is currently engaged in business within Japan, among other reasons, the Company's policy in the immediate term is to prepare its consolidated financial statements on the basis of Japanese GAAP.

The Company intends to examine the application of International Financial Reporting Standards (IFRS) in consideration of such factors as future business development and trends inside and outside Japan.

Consolidated financial statements

Consolidated balance sheets

(Millions of yen)

	As of March 31, 2023	As of March 31, 2024
Assets		
Current assets		
Cash and deposits	14,111	16,753
Notes and accounts receivable - trade, and contract assets	25,527	27,428
Merchandise and finished goods	124,468	128,500
Raw materials and supplies	238	327
Prepaid expenses	2,149	1,752
Other	4,393	4,483
Allowance for doubtful accounts	(872)	(1,050)
Total current assets	170,014	178,194
Non-current assets		
Property, plant and equipment		
Buildings and structures	259,122	266,800
Accumulated depreciation	(143,130)	(150,148)
Buildings and structures, net	115,992	116,652
Machinery, equipment and vehicles	15,195	15,386
Accumulated depreciation	(13,113)	(13,511)
Machinery, equipment and vehicles, net	2,082	1,875
Land	37,337	38,224
Leased assets	8,858	8,935
Accumulated depreciation	(4,454)	(4,361)
Leased assets, net	4,403	4,574
Construction in progress	1,718	3,404
Other	15,495	16,208
Accumulated depreciation	(12,998)	(13,829)
Other, net	2,496	2,378
Total property, plant and equipment	164,029	167,109
Intangible assets		
Leasehold interests in land	5,847	5,895
Other	3,575	3,345
Total intangible assets	9,423	9,241
Investments and other assets		
Investment securities	1,544	1,648
Long-term prepaid expenses	966	976
Deferred tax assets	6,861	7,320
Leasehold and guarantee deposits	7,275	7,072
Other	1,272	1,290
Allowance for doubtful accounts	(1)	(1)
Total investments and other assets	17,919	18,306
Total non-current assets	191,372	194,656
Total assets	361,387	372,851

(Millions of yen)

	As of March 31, 2023	As of March 31, 2024
Liabilities		
Current liabilities		
Notes and accounts payable - trade	29,158	28,375
Electronically recorded obligations - operating	32,179	32,526
Short-term borrowings	6,000	8,500
Current portion of long-term borrowings	6,775	7,689
Accounts payable - other	8,858	9,415
Accrued expenses	238	276
Lease liabilities	1,558	1,666
Income taxes payable	4,492	3,911
Accrued consumption taxes	788	1,141
Contract liabilities	4,863	4,409
Provision for bonuses	1,687	1,525
Provision for bonuses for directors (and other officers)	19	23
Provision for point card certificates	161	177
Provision for loss on disaster	0	511
Notes payable - facilities	1,655	512
Other	3,054	2,960
Total current liabilities	101,492	103,623
Non-current liabilities		
Long-term borrowings	12,761	12,669
Lease liabilities	3,193	3,216
Provision for retirement benefits for directors (and other officers)	120	120
Provision for share awards for directors (and other officers)	207	228
Retirement benefit liability	6,401	6,681
Long-term guarantee deposits	1,451	1,418
Asset retirement obligations	7,878	8,169
Other	533	475
Total non-current liabilities	32,547	32,979
Total liabilities	134,039	136,603
Net assets		
Shareholders' equity		
Share capital	18,802	18,802
Capital surplus	25,260	25,260
Retained earnings	197,180	208,401
Treasury shares	(14,276)	(16,616)
Total shareholders' equity	226,966	235,847
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	288	376
Remeasurements of defined benefit plans	93	24
Total accumulated other comprehensive income	381	400
Total net assets	227,347	236,248
Total liabilities and net assets	361,387	372,851

Consolidated statements of income and consolidated statements of comprehensive income
Consolidated statements of income

(Millions of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Net sales	365,704	356,940
Cost of sales	247,335	243,540
Gross profit	118,369	113,399
Operating revenue		
Rent income of real estate and other	13,696	13,811
Operating gross profit	132,065	127,211
Selling, general and administrative expenses		
Advertising expenses	2,341	1,817
Sales supplies expenses	1,035	940
Provision for point card certificates	161	177
Salaries and allowances	35,659	36,300
Bonuses	1,803	1,072
Welfare expenses	6,399	6,290
Provision for bonuses	1,687	1,525
Provision for bonuses for directors (and other officers)	19	23
Retirement benefit expenses	726	777
Supplies expenses	1,010	1,270
Utilities expenses	5,707	5,014
Taxes and dues	3,080	3,252
Enterprise tax	992	957
Rent expenses	13,289	13,433
Depreciation	11,816	12,208
Store maintenance expenses	2,179	2,189
Other	18,102	17,878
Total selling, general and administrative expenses	106,012	105,129
Operating profit	26,053	22,081
Non-operating income		
Interest income	23	25
Dividend income	103	166
Hoard Profit Of Prepaid Card	91	121
Compensation income	22	97
Other	218	229
Total non-operating income	458	639
Non-operating expenses		
Interest expenses	72	52
Foreign exchange losses	479	153
Card reissue fee	—	141
Other	146	159
Total non-operating expenses	699	507
Ordinary profit	25,812	22,214

	(Millions of yen)	
	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Extraordinary income		
Gain on sale of investment securities	—	53
Insurance claim income	407	129
Settlement income	—	498
Total extraordinary income	407	680
Extraordinary losses		
Loss on disposal of non-current assets	227	205
Impairment losses	296	1,361
Loss on disaster	220	698
Loss on litigation	—	49
Total extraordinary losses	745	2,316
Profit before income taxes	25,474	20,579
Income taxes - current	7,943	7,332
Income taxes - deferred	434	(465)
Total income taxes	8,378	6,866
Profit	17,096	13,712
Profit attributable to owners of parent	17,096	13,712

Consolidated statements of comprehensive income

(Millions of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Profit	17,096	13,712
Other comprehensive income		
Valuation difference on available-for-sale securities	(59)	87
Deferred gains or losses on hedges	(11)	—
Remeasurements of defined benefit plans, net of tax	(60)	(68)
Total other comprehensive income	(131)	18
Comprehensive income	16,964	13,731
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	16,964	13,731
Comprehensive income attributable to non-controlling interests	—	—

Consolidated statements of changes in equity

Fiscal year ended March 31, 2023

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	18,802	25,260	182,463	(13,197)	213,327
Changes during period					
Dividends of surplus			(2,379)		(2,379)
Profit attributable to owners of parent			17,096		17,096
Disposal of treasury shares				422	422
Purchase of treasury shares				(1,501)	(1,501)
Net changes in items other than shareholders' equity					
Total changes during period	–	–	14,717	(1,078)	13,638
Balance at end of period	18,802	25,260	197,180	(14,276)	226,966

	Accumulated other comprehensive income				Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of period	347	11	154	513	213,840
Changes during period					
Dividends of surplus					(2,379)
Profit attributable to owners of parent					17,096
Disposal of treasury shares					422
Purchase of treasury shares					(1,501)
Net changes in items other than shareholders' equity	(59)	(11)	(60)	(131)	(131)
Total changes during period	(59)	(11)	(60)	(131)	13,506
Balance at end of period	288	–	93	381	227,347

Fiscal year ended March 31, 2024

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	18,802	25,260	197,180	(14,276)	226,966
Changes during period					
Dividends of surplus			(2,491)		(2,491)
Profit attributable to owners of parent			13,712		13,712
Disposal of treasury shares		0		362	362
Purchase of treasury shares				(2,702)	(2,702)
Net changes in items other than shareholders' equity					
Total changes during period	–	0	11,221	(2,339)	8,881
Balance at end of period	18,802	25,260	208,401	(16,616)	235,847

	Accumulated other comprehensive income				Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of period	288	–	93	381	227,347
Changes during period					
Dividends of surplus					(2,491)
Profit attributable to owners of parent					13,712
Disposal of treasury shares					362
Purchase of treasury shares					(2,702)
Net changes in items other than shareholders' equity	87	–	(68)	18	18
Total changes during period	87	–	(68)	18	8,900
Balance at end of period	376	–	24	400	236,248

Consolidated statements of cash flows

(Millions of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Cash flows from operating activities		
Profit before income taxes	25,474	20,579
Depreciation	11,816	12,208
Impairment losses	296	1,361
Loss on disaster	218	698
Insurance claim income	(411)	(130)
Settlement income	–	(498)
Increase (decrease) in provision for bonuses	(162)	(162)
Increase (decrease) in provision for bonuses for directors (and other officers)	(2)	3
Increase (decrease) in provision for share awards for directors (and other officers)	22	20
Increase (decrease) in retirement benefit liability	152	180
Increase (decrease) in provision for point card certificates	22	16
Increase (decrease) in allowance for doubtful accounts	88	178
Interest and dividend income	(126)	(191)
Interest expenses	72	52
Loss (gain) on disposal of property, plant and equipment	227	205
Decrease (increase) in trade receivables	(2,295)	(1,901)
Decrease (increase) in inventories	(8,862)	(4,192)
Decrease (increase) in accounts receivable - other	1	40
Decrease (increase) in deposits paid	88	42
Increase (decrease) in trade payables	892	(435)
Increase (decrease) in accounts payable - other	(592)	444
Increase (decrease) in accrued consumption taxes	(1,025)	353
Other, net	835	(337)
Subtotal	26,732	28,537
Interest and dividends received	123	191
Interest paid	(78)	(52)
Income taxes paid	(7,077)	(7,874)
Subsidies received	140	53
Proceeds from insurance income	411	130
Settlement received	–	498
Payments associated with disaster loss	(378)	(118)
Net cash provided by (used in) operating activities	19,873	21,364

	(Millions of yen)	
	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Cash flows from investing activities		
Purchase of property, plant and equipment	(9,859)	(14,488)
Proceeds from sale of property, plant and equipment	6	25
Purchase of intangible assets	(1,419)	(843)
NetDecrease (increase) in lease and guarantee deposits	156	202
Other, net	(547)	(329)
Net cash provided by (used in) investing activities	(11,664)	(15,433)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	6,000	2,500
Proceeds from long-term borrowings	—	8,000
Repayments of long-term borrowings	(14,334)	(7,177)
Repayments of lease liabilities	(1,711)	(1,781)
Purchase of treasury shares	(1,501)	(2,702)
Proceeds from disposal of treasury shares	422	362
Dividends paid	(2,379)	(2,490)
Net cash provided by (used in) financing activities	(13,504)	(3,289)
Effect of exchange rate change on cash and cash equivalents	0	0
Net increase (decrease) in cash and cash equivalents	(5,295)	2,641
Cash and cash equivalents at beginning of period	19,201	13,905
Cash and cash equivalents at end of period	13,905	16,547

(5) Notes to consolidated financial statements

(Notes on premise of going concern)

Not applicable.

(Significant subsequent events)

Purchase of treasury shares

At a meeting of the Board of Directors held on April 23, 2024, the Company resolved the following matters pertaining to the acquisition of treasury stock in accordance with the provisions of the Articles of Incorporation pursuant to Article 459, paragraph (1), item (i) of the Companies Act.

1. Reasons for purchase of treasury shares

To improve capital efficiency and to enable flexible capital policy implementation in response to changes in the management environment.

2. Purchase details

(1) Types of shares to be purchased	Common shares of the Company
(2) Total number of shares that can be purchased	600 thousand shares (upper limit) (Ratio to total number of issued shares (excluding treasury shares) 1.24%)
(3) Total purchase price of shares	2,000 million yen (upper limit)
(4) Period to purchase the shares	From April 24, 2024 until July 19, 2024

(Segment information, etc.)

Segment information

As the reportable segment of the Group is only the Home Center business, the segment information has been omitted.

Related information

Year ended March 31, 2023 (April 1, 2022 to March 31, 2023)

1. Information by products and services

This information has been omitted, as sales to external customers in a single product or service category account for more than 90% of sales recorded on the consolidated statement of income.

2. Information by geographic area

(1) Sales

This information has been omitted, as the Company has no sales from customers outside Japan.

(2) Property, plant and equipment

This information has been omitted, as the Company has no property, plant and equipment outside Japan.

3. Information by major customer

This information has been omitted, as there were no sales from a single external customer accounting for 10% or more of sales on the consolidated statement of income.

Year ended March 31, 2024 (April 1, 2023 to March 31, 2024)

1. Information by products and services

This information has been omitted, as sales to external customers in a single product or service category account for more than 90% of sales recorded on the consolidated statement of income.

2. Information by geographic area

(1) Sales

This information has been omitted, as the Company has no sales from customers outside Japan.

(2) Property, plant and equipment

This information has been omitted, as the Company has no property, plant and equipment outside Japan.

3. Information by major customer

This information has been omitted, as there were no sales from a single external customer accounting for 10% or more of sales on the consolidated statement of income.

Information on impairment loss of non-current assets by reportable segment

Year ended March 31, 2023 (April 1, 2022 to March 31, 2023)

This information has been omitted, as the Group has only one reportable segment, which is the Home Center business, and there is no impairment loss that has not been allocated to the reportable segment.

Year ended March 31, 2024 (April 1, 2023 to March 31, 2024)

This information has been omitted, as the Group has only one reportable segment, which is the Home Center business, and there is no impairment loss that has not been allocated to the reportable segment.

Information on amortization of goodwill and unamortized balance by reportable segment

Year ended March 31, 2023 (April 1, 2022 to March 31, 2023)

Not applicable.

Year ended March 31, 2024 (April 1, 2023 to March 31, 2024)

Not applicable.

Information on gains on negative goodwill by reported segment

Year ended March 31, 2023 (April 1, 2022 to March 31, 2023)

Not applicable.

Year ended March 31, 2024 (April 1, 2023 to March 31, 2024)

Not applicable.

(Per share information)

Items	Year ended March 31, 2023 (April 1, 2022 to March 31, 2023)	Year ended March 31, 2024 (April 1, 2023 to March 31, 2024)
Net assets per share (Yen)	4,675.08	4,935.94
Earnings per share (Yen)	351.62	286.06

Notes: 1. Diluted earnings per share is not stated because there were no potentially dilutive shares.

2. The basis of the calculation of net assets per share is as follows.

	As of March 31, 2023	As of March 31, 2024
Total net assets (Millions of yen)	227,347	236,248
Amounts to be deducted from total net assets (Millions of yen)	—	—
Of the above, share acquisition rights (Millions of yen)	(—)	(—)
Net assets at the end of period, related to common shares (Millions of yen)	227,347	236,248
Number of common shares at end of period used in the calculation of net asset per share (Thousands of shares)	48,629	47,862

3. The Company's share held by Custody Bank of Japan, Ltd. (Trust Account E) as trust assets of Board Benefit Trust (BBT) and Stock Benefit Trust (Employee Stock Ownership Plan Appropriation Type) are included in treasury stock to be deducted from the total number shares issued at the end of the fiscal year based on the calculation of net assets per share (671 thousand shares in the previous fiscal year, 540 thousand shares in the fiscal year under review). In the calculation of net income per share, these shares are included in treasury stock, which is deducted from the average number of shares outstanding during the period (671 thousand shares in the previous fiscal year and 540 thousand shares in the fiscal year under review).

4. The basis of the calculation of diluted earnings per share is as follows.

	Year ended March 31, 2023 (April 1, 2022 to March 31, 2023)	Year ended March 31, 2024 (April 1, 2023 to March 31, 2024)
Earnings per share		
Profit attributable to owners of parent (Millions of yen)	17,096	13,712
Amount not attributable to common shareholders (Millions of yen)	—	—
Profit attributable to owners of parent pertaining to common shares (Millions of yen)	17,096	13,712
Average number of shares during the period (Thousands of shares)	48,620	47,935

4. Others

Operating revenue by segment

(Millions of yen, %)

Product category	Year ended March 31, 2023 (April 1, 2022 to March 31, 2023)		Year ended March 31, 2024 (April 1, 2023 to March 31, 2024)		Year-on-year comparison
	Amount	Percentage	Amount	Percentage	
Tools, Hardware and Working supplies	67,861	17.9	66,762	18.0	98.4
Remodeling and Exterior materials	57,368	15.1	54,980	14.8	95.8
Gardening, agriculture, and pet supplies	112,679	29.7	110,366	29.8	97.9
Commodities, home appliances, car accessories, and leisure goods	72,367	19.1	71,174	19.2	98.4
Interior goods, household goods, and office supplies	36,171	9.5	34,807	9.4	96.2
Kerosene and others	14,345	3.8	14,221	3.8	99.1
Others	13,677	3.6	13,791	3.7	100.8
Home Center business total	374,472	98.7	366,104	98.7	97.8
Other businesses	4,928	1.3	4,648	1.3	94.3
Total operating revenue	379,401	100.0	370,752	100.0	97.7

- Notes:
- The Home Center business product classifications have been changed from the beginning of the fiscal year under review. Year-on-year comparisons have been rearranged to reflect the classifications after the change for the previous fiscal year.
 - The respective contents by each product in the Home Center business are as follows:

Tools, Hardware and Working supplies	(Tools, building construction hardware, paint, repair goods, workwear, etc.)
Remodeling and Exterior materials	(Building materials, plumbing materials, lumber, housing equipment, exterior goods, etc.)
Gardening, agriculture, and pet supplies	(Gardening goods, fertilizers and agrichemicals, agricultural materials, plants, pet supplies etc.)
Commodities, home appliances, car accessories, and leisure goods	(Daily consumables, health and beauty care, home appliances, car accessories, leisure and cycle goods, foods, etc.)
Interior goods, household goods, and office supplies	(Interior furnishings, furniture and storage containers, cleaning supplies, kitchen goods, stationery, etc.)

Reference

Ten-year consolidated financial and operating results of Komeri Co., Ltd.

(JPY in millions)

	Five-Year Compound Annual Growth Rate	Fiscal year (FY) starting April 1, ending March 31 next year											
		FY2023	FY2022	FY2021	FY2020	FY2019	FY2018	FY2017	FY2016	FY2015	FY2014	FY2013	FY2012
<Profit and loss data>	%												
Operating revenue	1.3	370,752	379,401	376,094	385,700	348,573	346,863	341,956	329,588	324,343	316,969	335,567	319,245
Revenue growth rate	—	△ 2.3	0.9	△ 2.5	10.7	0.5	1.4	3.8	1.6	2.3	(5.5)	5.1	2.3
Cost of sales	1.3	243,540	247,335	244,234	248,782	229,170	227,753	225,678	217,208	212,497	207,222	223,185	211,149
Selling, general and administrative expenses	0.8	105,129	106,012	104,034	106,591	100,933	100,986	99,313	95,690	93,917	93,638	92,134	88,917
Operating profit	4.0	22,081	26,053	27,825	30,326	18,469	18,123	16,964	16,689	17,928	16,108	20,246	19,178
Operating profit growth rate	—	△ 15.2	△ 6.4	△ 8.2	64.2	1.9	6.8	1.6	△ 6.9	11.3	△ 20.4	5.6	−5.2
Profit before income taxes	4.5	20,579	25,474	26,322	29,712	18,006	16,537	16,506	16,129	15,229	12,049	18,027	17,183
Net income attributable to owners of the parent	4.6	13,712	17,096	17,897	20,402	11,941	10,935	10,907	11,017	9,585	7,171	10,573	10,000
Net income attributable to owners of the parent growth rate	—	△ 19.8	△ 4.5	△ 12.3	70.9	9.2	0.3	△ 1.0	14.9	33.7	△ 32.2	5.7	3.2
Earnings per share	5.8	286.06	351.62	360.22	410.25	236.58	215.90	215.35	217.54	189.33	141.44	208.22	196.94
Earnings per share growth rate	—	△ 18.6	△ 2.4	△ 12.0	73.4	9.6	0.30	△ 1.0	14.9	33.9	△ 32.1	5.7	3.2
Average number of shares issued during the period (thousand)	△ 1.1	47,935	48,620	49,684	49,731	50,474	50,652	50,650	50,644	50,630	50,704	50,784	50,779
Gross margin ratio	—	34.3	34.8	35.1	35.5	34.3	34.3	34.0	34.1	34.5	34.6	33.5	33.9
SG&A expenses to operating revenue	—	28.4	27.9	27.7	27.6	29.0	29.1	29.0	29.0	29.0	29.5	27.5	27.9
Operating profit ratio	—	6.0	6.9	7.4	7.9	5.3	5.2	5.0	5.1	5.5	5.1	6.0	6
Interest-bearing debt ratio	—	0.0	0.0	0.0	0.0	0.0	0.1	0.1	0.1	0.1	0.1	0.2	0.2
Pretax profit margin	—	5.6	6.7	7.0	7.7	5.2	4.8	4.8	4.9	4.7	3.8	5.4	5.4
Net income ratio	—	3.7	4.5	4.8	5.3	3.4	3.2	3.2	3.3	3.0	2.3	3.2	3.1
<Balance sheet data>	%												
Total assets	2.7	372,851	361,387	354,788	348,159	331,140	326,435	319,771	306,562	305,496	301,128	296,811	272,073
Inventory assets	3.2	128,500	124,468	115,646	114,131	109,119	109,805	107,941	106,243	106,660	103,736	98,944	91,649
Non-current assets	0.6	194,656	191,372	190,695	190,044	185,489	188,629	181,531	170,369	167,082	167,280	163,540	158,544
Non-current liabilities	△ 10.0	32,979	32,547	39,379	47,502	58,105	56,004	62,283	69,229	65,040	54,984	43,934	35,370
Shareholders' equity	6.3	235,847	226,966	213,327	199,756	181,499	173,747	164,838	155,835	146,693	138,793	133,668	124,912
Net assets per share	7.5	4,935.9	4,675.1	4,361.7	4,032.9	3,659.4	3,431.6	3,254.2	3,063.0	2,873.0	2,746.5	2,631.9	2,467.8
Non-current liabilities ratio	—	14.0	14.3	18.5	23.8	32.0	32.2	37.8	44.4	44.3	39.6	32.9	28.3
Current ratio	—	1.72:1	1.68:1	1.62:1	1.60:1	1.60:1	1.43:1	1.49:1	1.66:1	1.46:1	1.25:1	1.12:1	1.02:1
Equity ratio	—	63.4	62.9	60.3	57.6	55.0	53.2	51.5	50.6	47.6	46.1	45.0	46.1
Inventory turnover ratio	—	1.9	2.1	2.1	2.2	2.1	2.1	2.1	2.0	2.0	2.0	2.3	4.6
Return on equity (ROE)	—	5.9	7.8	8.6	10.7	6.7	6.5	6.8	7.3	6.7	5.3	8.2	8.3
Return on assets (ROA)	—	6.1	7.2	8.0	8.9	5.7	5.6	5.5	5.5	5.7	5.2	6.9	7.0
<Cash flow data>	%												
Depreciation	1.4	12,208	11,816	11,774	11,485	11,350	11,400	11,098	11,091	11,686	12,123	11,840	11,778
Cash flows from operating activities	△ 1.8	21,364	19,873	25,856	36,553	24,475	23,336	22,400	26,719	21,834	14,900	22,293	17,511
Cash flows from investing activities	△ 5.3	△ 15,433	△ 11,664	△ 11,260	△ 14,232	△ 9,816	△ 20,280	△ 16,914	△ 13,923	△ 12,875	△ 17,088	△ 18,149	△ 17913
Cash flows from financing activities	—	△ 3,289	△ 13,504	△ 12,476	△ 14,569	△ 9,039	△ 6,170	△ 6,229	△ 14,854	△ 8,311	△ 1,539	5,543	△ 544
Cash dividends per share (yen)	5.4	52.0	50.0	46.0	45.0	42.0	40.0	39.0	38.0	36.0	36.0	36.0	36.0
<Store Data>	%												
Number of stores	0.5	1,220	1,214	1,214	1,208	1,197	1,192	1,186	1,182	1,178	1,169	1,150	1,126
Number of Komeri Power stores	9.8	102	94	84	76	66	64	53	44	40	38	28	25
Number of Komeri PRO stores	49.6	15	12	9	6	3	2	2	2	2	2		
Number of Komeri Hard & Green stores	△ 0.3	1,099	1,103	1,114	(1,118)	(1,120)	(1,118)	(1,122)	(1,123)	(1,123)	(1,115)	(1,107)	(1,085)
Number of Komeri Home Center stores	—	—	—	—	160	161	162	161	155	148	145	145	140
Number of Komeri Hard & Green stores	—	—	—	—	958	959	956	961	968	975	970	962	945
Athena	△ 12.9	4	5	7	8	8	8	9	13	13	14	15	16
Sales floor space (square meters)	2.2	2,539,856	2,495,405	2,466,459	2,402,548	2,313,411	2,280,347	2,177,881	2,080,241	1,997,646	1,958,232	1,858,724	1,775,021
Comparable store sales growth	—	△ 3.1	△ 0.3	△ 3.8	9.0	△ 1.1	△ 1.3	1.1	△ 0.1	△ 0.3	△ 8.5	1.6	△ 1.1

From FY2021, the former HC has been integrated into H&G.