

INVESTORS' GUIDE

2022



Translation

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Summary of Consolidated Financial Results for the Year Ended March 31, 2022 (Based on Japanese GAAP)

April 26, 2022

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 24, 2022
 Scheduled date to file Securities Report: June 24, 2022
 Scheduled date to commence dividend payments: June 27, 2022
 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, 2022 (from April 1, 2021 to March 31, 2022)

(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, 2022	376,094	–	27,825	–	28,248	–	17,897	–
Year ended March 31, 2021	385,700	10.7	30,326	64.2	30,369	63.1	20,402	70.9

	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, 2022	360.22	–	8.6	8.0	7.4
Year ended March 31, 2021	410.25	–	10.7	8.9	7.9

(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, 2022	354,788	213,840	60.3	4,361.66
As of March 31, 2021	348,159	200,561	57.6	4,032.90

(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, 2022	25,856	(11,260)	(12,476)	19,201
Year ended March 31, 2021	36,553	(14,232)	(14,569)	17,082

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, 2021	–	22.00	–	23.00	45.00	2,243	11.0	1.2
Year ended March 31, 2022	–	23.00	–	23.00	46.00	2,276	12.8	1.1
Year ending March 31, 2023 (Forecast)	–	25.00	–	25.00	50.00		13.5	

3. Forecast of consolidated financial results for the year ending March 31, 2023 (from April 1, 2022 to March 31, 2023)

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, 2022	203,000	3.1	18,300	3.1	18,300	2.4	12,500	3.9	254.96
Full year	385,000	2.4	28,500	2.4	28,600	1.2	18,100	1.1	369.18

4. Notes

(1) Changes in significant subsidiaries during the year ended March 31, 2022

(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:

Yes

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, 2022	54,409,168 shares	As of March 31, 2021	54,409,168 shares
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Number of treasury shares at the end of the period

As of March 31, 2022	5,381,744 shares	As of March 31, 2021	4,677,861 shares
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Average number of shares during the period

Year ended March 31, 2022	49,684,524 shares	Year ended March 31, 2021	49,731,747 shares
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1. Overview of operating results and others

(1) Overview of operating results for the year ended March 31, 2022

1) Operating results for the year ended March 31, 2022

The Japanese economy during the fiscal year under review continued to face difficult conditions due to intermittent declarations of a state of emergency and other measures to prevent the spread of the COVID-19 infections, restrictions on restaurant business, and requests to refrain from going out. Despite progress in vaccinations and a move toward normalization of economic and social activities, the situation remains uncertain due to rising energy and raw material prices, the sharp depreciation of the yen, and the impact of the situation in Russia and Ukraine on the global economy.

The retail industry also continues to face a challenging business environment due to rising energy and raw material prices and logistics costs, concerns about inflation caused by the weak yen and the risk of a downturn in the economy due to this, and the risk of deterioration in personal disposable income and employment.

Operating under these circumstances, the Group, in order to fulfill its role as a social infrastructure, has been striving to provide a stable supply of tools, hardware, and construction materials to construction companies, including construction firms, as well as fertilizers, agricultural chemicals, and agricultural materials to farmers, by utilizing its logistics network centering on 11 logistics centers nationwide and a nationwide network of over 1,200 stores. In order to help and propose solutions to transform their “homes” into “places they want to spend their time,” we have been striving to provide a stable supply of products related to housing and living, such as DIY, gardening, and vegetable garden materials, which many of the customers use.

As for the sales situation, the Company’s core categories such as tools, hardware and working supplies including DIY and gardening materials, remodeling materials and exterior materials, and gardening and agricultural materials fared well, despite a reactionary decline in demand that surged under the emergency declaration in the previous fiscal year and unseasonable weather in the summer. In particular, demand for plywood and rough lumber increased due to soaring lumber prices, and professional customers such as construction companies supported these products, and sales of remodeling materials and exterior materials, including related products, were strong.

Regarding the opening of stores, which is the cornerstone of the Group’s growth strategy, the Group opened a total of 18 stores, 8 Komeri Power (PW) stores, 3 Komeri PRO (PRO) stores, and 7 Komeri Hard & Green (H & G). Regarding store closure, the Group closed 12 H & G and Athena stores in conjunction with conversions to different formats, scrap and build, etc. As a result, the number of stores at the end of the fiscal year under review stood at 1,214 stores, consisting of 84 PW stores, 1,114 H & G stores, 9 PRO stores, and 7 Athena stores. (In addition, 1 overseas H & G store operated by a non-consolidated subsidiary)

Sales of self-developed products grew steadily, raising the sales composition ratio to 45.4%, up 1.9% from the same period of the previous year. The debut of “UBERMANN,” a power tool developed to meet professional specifications, and five of our products, which have made the latent demand of our customers apparent, were awarded the Good Design Award 2021 (sponsored by the Japan Institute of Design Promotion).

As for e-commerce sales, sales remained strong as the Company made maximum use of its network of more than 1,200 stores and promoted the BOPIS (Buy Online Pickup In Store) initiative.

The remodeling business remained strong as a result of the expansion of simple installation/fitting services for housing equipment, which can be requested at all stores, and housing-related services such as yard maintenance and air conditioner cleaning, as well as the strengthening of employee training systems.

The number of cardholders of the Komeri Card (with credit card function), Aqua Card (with prepaid function), and other cards issued by the Company exceeded 4.4 million. By linking those cards to the Komeri App, it is possible to understand customer needs and conduct various sales promotions in a timely manner and making progress in creating repeat customers by means of an FSP program in which the point return rate increases along with the frequency of usage.

Regarding collaboration with Agricultural Cooperatives (JA), the Company started full-fledged collaboration with JA Kamiina on March 1, 2020, and has been working to achieve three-way satisfaction among farmers, JA and the Company. From April 2021, the Company started collaborating with JA Yamagata Okitama in Yamagata prefecture and JA Kinosato in Wakayama prefecture, and the company has been collaborating with them in 17 Komeri stores. In March 2022, the Company started discussions for collaboration with JA Ise and JA Taki-gun in Mie prefecture. The Company is committed to further improving the convenience of farmers.

As a result of the above, for the fiscal year under review, operating revenue was 376,094 million yen, operating profit was 27,825 million yen, ordinary profit was 28,248 million yen, and profit attributable to owners of the parent was 17,897 million yen.

Note: The Group has applied the “Accounting Standard for Revenue Recognition” (ASBJ Statement No. 29), etc. from the current fiscal year. The percentage change from the previous fiscal year, calculated on the assumption that the said accounting standards were applied to the fiscal year ended March 31, 2021, shows a 1.5% decrease in operating revenue, a 7.6% decrease in operating income, a 6.4% decrease in ordinary income, and an 11.7% decrease in net income attributable to owners of the parent.

Operating results by product category

- Tools, Hardware and Working supplies

Although there was a reactionary decline in the sales of power tools, paints, and other DIY-oriented products that were in high demand in the previous fiscal year, sales of nail-gun nails and other consumables used by professional customers remained strong. Although highly seasonal work clothing was sold more than usual, it did not reach demand during the intense heat and snowfall in the previous fiscal year. As a result, net sales in this product category totaled 65,703 million yen.

- Remodeling and Exterior materials

The impact of rising prices was seen due to soaring raw materials such as the wood shock, but demand for professional materials such as plywood and temporary materials increased. In addition, the need for improvement of the living environment remained high, and sales of not only products but also services, such as simple installation and installation of housing equipment, remained strong. As a result, net sales in this product category totaled 57,935 million yen.

- Gardening and Agricultural materials

Sales of gardening and vegetable garden materials, which had increased demand in the previous fiscal year, remained solid. Sales of weed control varieties such as herbicides and brush trimmers did not increase due to the unfavorable weather in the summer. As a result, net sales in this product category totaled 87,021 million yen.

- Commodities and Pet supplies

Although there was a reactionary decline in the sales for hygiene products such as masks, hand soaps, and alcohol disinfectants, which were in high demand in the previous fiscal year, sales of pet supplies such as cat food and hygiene products remained strong. As a result, net sales in this product category totaled 56,458 million yen.

- Appliances and Leisure goods

Demand for air conditioning equipment such as air conditioners and fan heaters, and camping equipment such as barbecue stoves and charcoal as leisure activities that can be enjoyed at home or in the neighborhood remained solid. As a result, net sales in this product category totaled 43,578 million yen.

- Interior goods and Cleaning supplies

Sales of high-function mattresses and rugs that can be used in any season remained strong, but there was a reactionary decline in the sales of storage products and cleaning products, which were in high demand in the previous fiscal year. As a result, net sales in this product category totaled 30,792 million yen.

- Kerosene and others

The number of customers for kerosene was on par with the previous year, but unit prices remained high due to soaring crude oil prices. As a result, net sales in this product category totaled 16,209 million yen.

2) Outlook for the year ending March 31, 2023

In the next fiscal year, although vaccination against COVID-19 infection is expected to progress and move toward normalization of economic and social activities, it is expected to take more time for the said infectious disease to subside. The business environment is expected to remain challenging due to the impact of the situation in Russia and Ukraine on the global economy, rising energy and raw material prices, and the sharp depreciation of the yen.

Taking the above-mentioned circumstances into consideration, for the year ending March 31, 2023, on a consolidated basis, the Group expects operating revenue to rise 2.4% year on year to 385,000 million yen, operating profit to rise 2.4% to 28,500 million yen, ordinary profit to rise 1.2% to 28,600 million yen and profit attributable to owners of the parent to rise 1.1% to 18,100 million yen.

As for opening of new stores, the Group plans to open a total of 32 stores, that is, 10 Power stores, 5 PRO stores, 17 Hard & Green stores, and will work to further increase stores in the future. As for renovation of existing stores, the Group plans to renovate a total of approximately 330,000 m² to rejuvenate the store age.

(2) Overview of financial position for the year ended March 31, 2022

1) Assets, liabilities and net assets

Total assets at the end of the fiscal year under review increased by 6,629 million yen from the previous fiscal year-end to 354,788 million yen. This was mainly due to increases of 2,118 million yen in cash and deposits, 2,296 million yen in notes and accounts receivable - trade, 1,514 million yen in merchandise and finished goods, and 623 million yen in property, plant and equipment.

Liabilities decreased by 6,649 million yen from the previous fiscal year-end to 140,947 million yen. This was mainly due to a decrease in long-term borrowings.

Net assets increased by 13,279 million yen from the previous fiscal year-end to 213,840 million yen. This was mainly due to an increase in retained earnings.

2) Consolidated cash flows

(Millions of yen)

	Year ended March 31, 2021	Year ended March 31, 2022	Year-on-year comparison
Net cash provided by operating activities	36,553	25,856	(10,697)
Net cash used in investing activities	(14,232)	(11,260)	2,971
Net cash used in financing activities	(14,569)	(12,476)	2,093
Increase (decrease) in cash and cash equivalents	7,751	2,118	(5,632)
Cash and cash equivalents, end of year	17,082	19,201	2,118

Cash and cash equivalents (“cash”) at the end of the fiscal year under review totaled 19,201 million yen. Factors affecting cash flows include the followings:

(Net cash provided by operating activities)

Net cash provided by operating activities decreased by 29.3% from the previous fiscal year to 25,856 million yen. The main sources of cash provided were profit before income taxes of 26,322 million yen in addition to depreciation of 11,774 million yen. The main reasons for cash usage were income taxes paid of 11,069 million yen, and increase in trade receivables of 2,296 million yen.

(Net cash used in investing activities)

Net cash used in investing activities decreased by 20.9% from the previous fiscal year to 11,260 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 14.4% from the previous fiscal year to 12,476 million yen. and the main reasons for cash usage was repayments of long-term debt.

Proceeds from long-term borrowings include 2.0 billion yen borrowed from financial institutions for the trust account in connection with the introduction of a Stock Benefit Trust (Employee Stock Ownership Plan Appropriation Type).

Trends in cash flow indices

	Year ended March 31, 2020	Year ended March 31, 2021	Year ended March 31, 2022
Equity ratio (%)	55.0	57.6	60.3
Equity ratio based on market prices (%)	29.1	44.1	36.3
Interest-bearing debt to cash flows ratio (years)	2.3	1.2	1.4
Interest coverage ratio (times)	144.8	272.8	228.8

(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, 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 loans 2.0 billion yen 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 increasing corporate value contributes to increasing shareholder returns, and its basic policy for profit distribution is to continue to pay stable dividends while strengthening its management base and financial position.

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 renovation 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 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 23 yen per share, as announced on April 27, 2021. As a result, the annual dividend will be 46 yen per share including an interim dividend of 23 yen per share.

In addition, since the establishment of Rice Dealer Komeri Shoten, which was the predecessor of the Company (April 1952), the company was able to celebrate 70th anniversary. The Company would like to express sincere gratitude to all shareholders and related parties for their support. Regarding dividends for the next fiscal year, in order to express our gratitude to our shareholders for their support, the Company plans to distribute an interim dividend of 25 yen per share (an ordinary dividend of 24 yen per share, and a commemorative dividend of 1 yen per share) and a year-end dividend of 25 yen per share (an ordinary dividend of 24 yen per share, and a commemorative dividend of 1 yen per share), and an annual dividend of 50 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 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 a convey approach stores 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, with a view to establishing a 3,000-store network, the Company will more than double the current 11 logistics centers in Japan in the future to bring logistics in-house and lower the cost of store operations.

2) Strengthen product capabilities and expand living-related services

- The Company will promote product development under the slogan of "protecting and nurturing customers' lives" through total production from production to sales, and will also promote EDLP (Everyday Low Price) policies that allow customers to shop with peace of mind at any time.
- The Company will expand its remodeling system and services centered on "Jyukyuban," which provides solutions to housing-related problems, to meet the needs for improving the living environment that have emerged as a result of changes in the social environment and other factors.

3) Initiatives in the Materials, Building Materials and Agriculture Sectors

- In the area of materials and construction 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 construction 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 promote collaboration with JAs in various regions to build a new sustainable agricultural support model and reduce social costs related to food production.

4) Promotion of DX (digital transformation)

- Through investment in human resources training and systems, the Company aims to further increase sales at existing stores and establish a highly profitable structure by improving productivity at stores and the Store Support Center (head office) and enhancing the ability to make proposals to customers.
- Utilizing the strength of the Group's store infrastructure, the Group will further promote the integration of stores and the Internet through initiatives that contribute to greater customer convenience, such as in-store pickup of Internet orders and last-mile distribution.
- In response to the diversification of payment methods, such as cashless transactions, we will work with consolidated subsidiary Komeri Capital Co., Ltd. to acquire cardholders, mainly with the Komeri Card, to increase the number of fixed customers and improve convenience.

5) Further strengthening corporate governance

In order to continue to strengthen the audit and supervisory functions of the Board of Directors, and enhance the corporate governance system, the Company will continue to implement various initiatives, including the following.

- Ensuring diversity of executive management
- Accelerating decision-making by the Board of Directors and clarifying executive responsibilities

- Ensuring fairness, transparency, and objectivity of procedures for appointing senior management and determining remuneration
- Addressing sustainability issues, including climate change, respect for human rights, human capital, and intellectual properties

6) Formulation of a medium-term management plan

By steadily implementing the four key measures set forth in our medium-term management plan for the period from the fiscal year ending March 31, 2023 to the fiscal year ending March 31, 2025, which was announced on April 26, 2022, 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,” the Company will modernize logistics in the lagging sectors of the materials and building materials, gardening, and agricultural materials markets to achieve sustainable growth and enhance corporate value over the medium to long term.

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, 2021	As of March 31, 2022
Assets		
Current assets		
Cash and deposits	17,303	19,422
Notes and accounts receivable - trade	20,935	–
Notes and accounts receivable - trade, and contract assets	–	23,232
Merchandise and finished goods	114,131	115,646
Raw materials and supplies	259	246
Prepaid expenses	2,051	1,707
Other	4,100	4,621
Allowance for doubtful accounts	(668)	(784)
Total current assets	158,114	164,092
Non-current assets		
Property, plant and equipment		
Buildings and structures	247,537	253,939
Accumulated depreciation	(130,555)	(136,400)
Buildings and structures, net	116,981	117,539
Machinery, equipment and vehicles	14,952	14,968
Accumulated depreciation	(12,392)	(12,786)
Machinery, equipment and vehicles, net	2,560	2,182
Land	35,340	36,033
Leased assets	8,034	8,657
Accumulated depreciation	(4,136)	(4,391)
Leased assets, net	3,897	4,265
Construction in progress	1,504	881
Other	13,932	14,648
Accumulated depreciation	(11,587)	(12,297)
Other, net	2,345	2,350
Total property, plant and equipment	162,629	163,252
Intangible assets		
Leasehold interests in land	5,783	5,804
Other	2,835	3,130
Total intangible assets	8,618	8,934
Investments and other assets		
Investment securities	1,909	1,638
Long-term prepaid expenses	1,072	1,054
Deferred tax assets	7,742	7,269
Leasehold and guarantee deposits	7,268	7,432
Other	806	1,114
Allowance for doubtful accounts	(2)	(0)
Total investments and other assets	18,796	18,508
Total non-current assets	190,044	190,695
Total assets	348,159	354,788

(Millions of yen)

	As of March 31, 2021	As of March 31, 2022
Liabilities		
Current liabilities		
Notes and accounts payable - trade	29,687	28,703
Electronically recorded obligations - operating	29,800	31,741
Current portion of long-term borrowings	12,569	13,933
Accounts payable - other	8,852	9,837
Accrued expenses	278	250
Lease liabilities	1,436	1,529
Income taxes payable	6,923	3,623
Accrued consumption taxes	2,280	1,813
Contract liabilities	–	800
Provision for bonuses	1,956	1,850
Provision for bonuses for directors (and other officers)	20	21
Provision for point card certificates	814	139
Provision for loss on disaster	38	208
Notes payable - facilities	694	1,273
Other	4,740	5,841
Total current liabilities	100,094	101,568
Non-current liabilities		
Long-term borrowings	27,870	19,937
Lease liabilities	2,900	3,128
Deferred tax liabilities	61	39
Provision for retirement benefits for directors (and other officers)	124	120
Provision for share awards for directors (and other officers)	183	184
Retirement benefit liability	5,768	6,161
Long-term guarantee deposits	1,483	1,466
Asset retirement obligations	7,718	7,735
Other	1,391	605
Total non-current liabilities	47,502	39,379
Total liabilities	147,597	140,947
Net assets		
Shareholders' equity		
Share capital	18,802	18,802
Capital surplus	25,260	25,260
Retained earnings	166,934	182,463
Treasury shares	(11,241)	(13,197)
Total shareholders' equity	199,756	213,327
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	461	347
Deferred gains or losses on hedges	5	11
Remeasurements of defined benefit plans	338	154
Total accumulated other comprehensive income	805	513
Total net assets	200,561	213,840
Total liabilities and net assets	348,159	354,788

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

(Millions of yen)

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Net sales	373,253	362,630
Cost of sales	248,782	244,234
Gross profit	124,471	118,395
Operating revenue		
Rent income of real estate and other	12,447	13,463
Operating gross profit	136,918	131,859
Selling, general and administrative expenses		
Advertising expenses	3,652	2,605
Sales supplies expenses	610	642
Provision for point card certificates	814	139
Salaries and allowances	35,651	35,790
Bonuses	1,996	2,058
Welfare expenses	6,616	6,566
Provision for bonuses	1,956	1,850
Provision for bonuses for directors (and other officers)	20	21
Retirement benefit expenses	771	707
Supplies expenses	2,296	1,024
Utilities expenses	3,732	4,055
Taxes and dues	3,109	3,011
Enterprise tax	1,062	1,023
Rent expenses	12,981	13,238
Depreciation	11,485	11,774
Store maintenance expenses	2,011	2,102
Other	17,821	17,422
Total selling, general and administrative expenses	106,591	104,034
Operating profit	30,326	27,825
Non-operating income		
Interest income	15	19
Dividend income	92	119
Subsidy income	51	409
Other	186	266
Total non-operating income	344	815
Non-operating expenses		
Interest expenses	134	113
Foreign exchange losses	50	221
Expenses of soil pollution measures	53	–
Other	64	56
Total non-operating expenses	302	391
Ordinary profit	30,369	28,248

(Millions of yen)

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Extraordinary income		
Insurance claim income	152	94
Gain on reversal of asset retirement obligations	–	201
Total extraordinary income	152	296
Extraordinary losses		
Loss on disposal of non-current assets	323	552
Impairment losses	249	1,282
Loss on disaster	235	386
Total extraordinary losses	808	2,221
Profit before income taxes	29,712	26,322
Income taxes - current	9,336	7,805
Income taxes - deferred	(26)	619
Total income taxes	9,310	8,425
Profit	20,402	17,897
Profit attributable to owners of parent	20,402	17,897

Consolidated statements of comprehensive income

(Millions of yen)

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Profit	20,402	17,897
Other comprehensive income		
Valuation difference on available-for-sale securities	388	(113)
Deferred gains or losses on hedges	(22)	6
Remeasurements of defined benefit plans, net of tax	(52)	(184)
Total other comprehensive income	314	(292)
Comprehensive income	20,716	17,605
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	20,716	17,605
Comprehensive income attributable to non-controlling interests	–	–

Consolidated statements of changes in equity

Fiscal year ended March 31, 2021

(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	148,676	(11,239)	181,499
Cumulative effects of changes in accounting policies					
Restated balance	18,802	25,260	148,676	(11,239)	181,499
Changes during period					
Dividends of surplus			(2,143)		(2,143)
Profit attributable to owners of parent			20,402		20,402
Disposal of treasury shares					
Purchase of treasury shares				(1)	(1)
Net changes in items other than shareholders' equity					
Total changes during period	–	–	18,258	(1)	18,256
Balance at end of period	18,802	25,260	166,934	(11,241)	199,756

	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	72	27	390	491	181,990
Cumulative effects of changes in accounting policies					
Restated balance	72	27	390	491	181,990
Changes during period					
Dividends of surplus					(2,143)
Profit attributable to owners of parent					20,402
Disposal of treasury shares					
Purchase of treasury shares					(1)
Net changes in items other than shareholders' equity	388	(22)	(52)	314	314
Total changes during period	388	(22)	(52)	314	18,570
Balance at end of period	461	5	338	805	200,561

Fiscal year ended March 31, 2022

(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	166,934	(11,241)	199,756
Cumulative effects of changes in accounting policies			(76)		(76)
Restated balance	18,802	25,260	166,858	(11,241)	199,680
Changes during period					
Dividends of surplus			(2,293)		(2,293)
Profit attributable to owners of parent			17,897		17,897
Disposal of treasury shares		0		15	15
Purchase of treasury shares				(1,972)	(1,972)
Net changes in items other than shareholders' equity					
Total changes during period		0	15,604	(1,956)	13,647
Balance at end of period	18,802	25,260	182,463	(13,197)	213,327

	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	461	5	338	805	200,561
Cumulative effects of changes in accounting policies					(76)
Restated balance	461	5	338	805	200,485
Changes during period					
Dividends of surplus					(2,293)
Profit attributable to owners of parent					17,897
Disposal of treasury shares					15
Purchase of treasury shares					(1,972)
Net changes in items other than shareholders' equity	(113)	6	(184)	(292)	(292)
Total changes during period	(113)	6	(184)	(292)	13,355
Balance at end of period	347	11	154	513	213,840

Consolidated statements of cash flows

(Millions of yen)

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Cash flows from operating activities		
Profit before income taxes	29,712	26,322
Depreciation	11,485	11,774
Impairment losses	249	1,282
Loss on disaster	235	386
Insurance claim income	(152)	(94)
Gain on reversal of asset retirement obligations	–	(201)
Increase (decrease) in provision for bonuses	138	(106)
Increase (decrease) in provision for bonuses for directors (and other officers)	1	0
Increase (decrease) in provision for share awards for directors (and other officers)	30	13
Increase (decrease) in retirement benefit liability	278	127
Increase (decrease) in provision for point card certificates	75	(784)
Increase (decrease) in allowance for doubtful accounts	134	114
Interest and dividend income	(107)	(138)
Interest expenses	134	113
Loss (gain) on disposal of property, plant and equipment	323	552
Decrease (increase) in trade receivables	(1,114)	(2,296)
Decrease (increase) in inventories	(4,826)	(1,597)
Decrease (increase) in accounts receivable - other	594	52
Decrease (increase) in deposits paid	37	(151)
Increase (decrease) in trade payables	5,020	957
Increase (decrease) in accounts payable - other	844	(77)
Increase (decrease) in accrued consumption taxes	(441)	(466)
Other, net	(355)	951
Subtotal	42,297	36,734
Interest and dividends received	109	132
Interest paid	(134)	(114)
Income taxes paid	(5,862)	(11,069)
Proceeds from compensation	37	24
Subsidies received	47	164
Proceeds from insurance income	152	94
Payments associated with disaster loss	(93)	(109)
Net cash provided by (used in) operating activities	36,553	25,856

(Millions of yen)

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Cash flows from investing activities		
Purchase of property, plant and equipment	(12,438)	(9,425)
Proceeds from sale of property, plant and equipment	196	292
Purchase of intangible assets	(1,444)	(1,250)
Net Decrease (increase) in lease and guarantee deposits	19	(163)
Other, net	(564)	(712)
Net cash provided by (used in) investing activities	(14,232)	(11,260)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(8,500)	–
Proceeds from long-term borrowings	2,000	6,000
Repayments of long-term borrowings	(4,369)	(12,569)
Repayments of lease liabilities	(1,556)	(1,641)
Purchase of treasury shares	(1)	(1,972)
Proceeds from disposal of treasury shares	–	0
Dividends paid	(2,142)	(2,293)
Net cash provided by (used in) financing activities	(14,569)	(12,476)
Effect of exchange rate change on cash and cash equivalents	(0)	0
Net increase (decrease) in cash and cash equivalents	7,751	2,118
Cash and cash equivalents at beginning of period	9,330	17,082
Cash and cash equivalents at end of period	17,082	19,201

(5). Notes to consolidated financial statements

(Notes on premise of going concern)

Not applicable.

(Changes in Accounting Policies)

Application of Accounting Standard for Revenue Recognition, Etc.

The Company has applied the “Accounting Standard for Revenue Recognition” (ASBJ Statement No. 29, March 31, 2020) and relevant ASBJ regulations from the beginning of the fiscal year under review, and it has recognized revenue at the time the control of promised goods or services is transferred to the customer at the amount expected to be received upon exchange of said goods or services.

The main changes due to the application of the Accounting Standard for Revenue Recognition, etc. are as follows.

(1) Revenue recognition related to agent transactions

The Company previously recognized revenue from in-shop and other digested purchases at the gross amount of consideration received from customers. However, as a result of determining its role (as principal or agent) in providing goods or services to customers, the Company has changed its method of recognizing revenue to the net amount of the gross amount minus the amount paid to the suppliers.

(2) Revenue recognition related to the company’s point system

The Company offers a point program through cards issued by group companies, whereby points are awarded in proportion to the amount of purchases made by cardholders (customers) and goods or services equivalent to the points are provided. Previously, the amount expected to be used by the customer in the future was recorded as a reserve for points and the provision for points was recorded as selling, general and administrative expenses. However, since the points provide a significant right to the customer that the customer would not receive without entering into a contract, the Company has changed its method of recognizing revenue by identifying the points as a performance obligation and deducting the amount expected to be exercised by the customer from the transaction price and thus recognizing the revenue.

The application of the Accounting Standard for Revenue Recognition, etc. follows the transitional treatment stipulated in the proviso of paragraph 84 of the Accounting Standard for Revenue Recognition, and the cumulative effect of applying the new accounting policy retrospectively prior to the beginning of the current fiscal year was added to or deducted in the opening balance of retained earnings of the fiscal year under review, and the new accounting policy was applied from the opening balance of the current fiscal year. However, the method stipulated in paragraph 86 of the Accounting Standard for Revenue Recognition is applied, and most of the time according to the previous treatment before the beginning of the fiscal year under review, the new accounting policy is not retroactively applied to contracts that recognize the amount of all revenue.

Due to the application of the Accounting Standard for Revenue Recognition and relevant ASBJ regulations, “Notes and accounts receivable - trade” under current assets of the consolidated balance sheet as of the end of the previous fiscal year has been included in “Notes and accounts receivable - trade, and contract assets” under current assets from the quarterly consolidated balance sheet as of the fiscal year under review. In accordance with the transitional treatment provided for in paragraph 89-2 of the Accounting Standard for Revenue Recognition, figures for the previous fiscal year have not been restated in accordance with the new approach to presentation.

Application of Accounting Standard for Fair Value Measurement, Etc.

The Company has applied the “Accounting Standard for Fair Value Measurement” (ASBJ Statement No. 30, July 4, 2019) and relevant ASBJ regulations from the beginning of the fiscal year under review, and it has applied the new accounting policy provided for by the Accounting Standard for Fair Value

Measurement, etc. prospectively in accordance with the transitional measures provided for in paragraph 19 of the Accounting Standard For Fair Value Measurement, and paragraph 44-2 of the “Accounting Standard for Financial Instruments” (ASBJ Statement No. 10, July 4, 2019). There is no impact from this.

(Additional information)

Introduction of the Stock Benefit Trust (Employee Stock Ownership Plan Appropriation Type)

At the Board of Directors meeting held on October 26, 2021, the Company adopted the “Stock Benefit Trust (Employee Stock Ownership Plan Appropriation Type)” (“Plan”) for the purpose of enhancing the welfare of its employees and providing incentives to increase the Company’s corporate value.

1. Outline of the plan

The plan is an incentive plan that returns the benefits of stock price increases in the Company’s stock to all employees who join on the “Komeri Stock Ownership Association” (“Stock Ownership Association”).

The trust bank, which is the trustee of the plan, will acquire in advance in a lump sum the Company shares expected to be acquired by the Stock Ownership Association over a period of five years after the establishment of the trust, and thereafter will periodically sell the Company shares when the Stock Ownership Association acquires the shares. If, by the time of termination of the Trust, the Trust Bank accumulates an amount equivalent to the gain on the sale of shares within the trust assets of the Trust through sales to the Stock Ownership Association, such money will be distributed as residual assets to the Stock Ownership Association members (employees) who satisfy the requirements for eligible beneficiaries. In addition, since the Company guarantees the trustee’s borrowing to enable the trust bank to acquire the Company’s shares, if, due to a decline in the Company’s stock price or other reasons, there is a remaining borrowing equivalent to the loss on sale of shares at the time of termination of the trust, the Company will reimburse the trustee for such remaining borrowings in accordance with the guarantee agreement.

2. The Company’s shares remaining in the Trust

The Company’s remaining shares in trust were recorded as treasury shares in the net asset category according to their book value in the Trust (excluding ancillary expenses). The book value and number of such treasury stock were 1,971 million yen and 710 thousand shares at the end of the fiscal year under review.

3. Book value of borrowings recorded in accordance with the application of the gross amount method
2,000 million yen for the fiscal year under review

Significant subsequent events

Purchase of treasury shares

At a meeting of the Board of Directors held on April 26, 2022, 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	560 thousand shares (upper limit) (Ratio to total number of issued shares (excluding treasury shares) 1.12%)
(3) Total purchase price of shares	1,500 million yen (upper limit)
(4) Period to purchase the shares	From April 27, 2022 until June 23, 2022

(Segment information, etc.)

Segment information

Disclosure of the Group's reportable segments has been omitted as the Group only operates the Home Center business.

Related information

Year ended March 31, 2021 (April 1, 2020 to March 31, 2021)

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, 2022 (April 1, 2021 to March 31, 2022)

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, 2021 (April 1, 2020 to March 31, 2021)

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, 2022 (April 1, 2021 to March 31, 2022)

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, 2021 (April 1, 2020 to March 31, 2021)

Not applicable.

Year ended March 31, 2022 (April 1, 2021 to March 31, 2022)

Not applicable.

Information on gains on negative goodwill by reported segment

Year ended March 31, 2021 (April 1, 2020 to March 31, 2021)

Not applicable.

Year ended March 31, 2022 (April 1, 2021 to March 31, 2022)

Not applicable.

(Earnings per share)

Items	Year ended March 31, 2021 (April 1, 2020 to March 31, 2021)	Year ended March 31, 2022 (April 1, 2021 to March 31, 2022)
Net assets per share (Yen)	4,032.90	4,361.66
Earnings per share (Yen)	410.25	360.22

Notes: 1. Diluted earnings per share have not been provided 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, 2021	As of March 31, 2022
Total net assets (Millions of yen)	200,561	213,840
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)	200,561	213,840
Number of common shares at end of period used in the calculation of net asset per share (Thousands of shares)	49,731	49,027

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 Association 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 (120 thousand shares in the previous fiscal year, 823 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 (120 thousand shares in the previous fiscal year and 823 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, 2021 (April 1, 2020 to March 31, 2021)	Year ended March 31, 2022 (April 1, 2021 to March 31, 2022)
Earnings per share		
Profit attributable to owners of parent (Millions of yen)	20,402	17,897
Amount not attributable to common shareholders (Millions of yen)	—	—
Profit attributable to owners of parent pertaining to common shares (Millions of yen)	20,402	17,897
Average number of shares during the period (Thousands of shares)	49,731	49,684

4. Others

Operating revenue by segment		(Millions of yen, %)		
Product category	Year ended March 31, 2021 (April 1, 2020 to March 31, 2021)		Year ended March 31, 2022 (April 1, 2021 to March 31, 2022)	
	Amount	Year-on-year comparison	Amount	Year-on-year comparison
Home Center business				
Tools, Hardware and Working supplies	68,483	113.3	65,703	–
Remodeling and Exterior materials	55,879	114.2	57,935	–
Gardening and Agricultural materials	87,929	114.2	87,021	–
Commodities and Pet supplies	63,095	105.3	56,458	–
Appliances and Leisure goods	46,906	116.1	43,578	–
Interior goods and Cleaning supplies	33,318	105.2	30,792	–
Kerosene and others	13,066	89.3	16,209	–
Others	12,427	110.7	13,444	–
Home Center business total	381,107	110.7	371,143	–
Other businesses	4,593	106.3	4,951	–
Total operating revenue	385,700	110.7	376,094	–

Notes: 1. The “Accounting Standard for Revenue Recognition” (ASBJ Statement No. 29, March 31, 2020) and others were applied from the beginning of the fiscal year under review, and the figures for the fiscal year under review are after the application of the said accounting standards, and year-on-year comparisons are not shown.

2. The respective contents in the Home Center business by each product listed above 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 and Agricultural materials | (Gardening goods, fertilizers and agrichemicals, agricultural materials, plants, etc.) |
| Commodities and Pet supplies | (Daily consumables, health and beauty care products, foods, pet supplies, etc.) |
| Appliances and Leisure goods | (Major appliances, car accessories, leisure and cycle goods, stationery, etc.) |
| Interior goods and Cleaning supplies | (Interior furnishings, furniture and storage containers, cleaning supplies, kitchen goods, etc.) |
| Kerosene and others | (Kerosene, other products) |
| Others | (Real estate rental income, non-commodity income) |

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										
		FY2021	FY2020	FY2019	FY2018	FY2017	FY2016	FY2015	FY2014	FY2013	FY2012	FY2011
<Profit and loss data>	%											
Operating revenue	2.7	376,094	385,700	348,573	346,863	341,956	329,588	324,343	316,969	335,567	319,245	312,017
Revenue growth rate	—	△ 2.5	10.7	0.5	1.4	3.8	1.6	2.3	(5.5)	5.1	2.3	4.5
Cost of sales	2.4	244,234	248,782	229,170	227,753	225,678	217,208	212,497	207,222	223,185	211,149	205,609
Selling, general and administrative expenses	1.7	104,034	106,591	100,933	100,986	99,313	95,690	93,917	93,638	92,134	88,917	86,181
Operating profit	10.8	27,825	30,326	18,469	18,123	16,964	16,689	17,928	16,108	20,246	19,178	20,226
Operating profit growth rate	—	△ 8.2	64.2	1.9	6.8	1.6	△ 6.9	11.3	△ 20.4	5.6	△ 5.2	27.5
Profit before income taxes	10.3	26,322	29,712	18,006	16,537	16,506	16,129	15,229	12,049	18,027	17,183	18,820
Net income attributable to owners of the parent	10.2	17,897	20,402	11,941	10,935	10,907	11,017	9,585	7,171	10,573	10,000	9,687
Net income attributable to owners of the parent growth rate	—	△ 12.3	70.9	9.2	0.3	△ 1.0	14.9	33.7	△ 32.2	5.7	3.2	70
Earnings per share	10.6	360.22	410.25	236.58	215.90	215.35	217.54	189.33	141.44	208.22	196.94	190.78
Earnings per share growth rate	—	△ 12.0	73.4	9.6	0.3	△ 1.0	14.9	33.9	△ 32.1	5.7	3.2	70.6
Average number of shares issued during the period (thousand)	△ 0.4	49,684	49,731	50,474	50,652	50,650	50,644	50,630	50,704	50,784	50,779	50,777
Gross margin ratio	—	35.1	35.5	34.3	34.3	34.0	34.1	34.5	34.6	33.5	33.9	34.1
SG&A expenses to operating revenue	—	27.7	27.6	29.0	29.1	29.0	29.0	29.0	29.5	27.5	27.9	27.6
Operating profit ratio	—	7.4	7.9	5.3	5.2	5.0	5.1	5.5	5.1	6.0	6.0	6.5
Interest-bearing debt ratio	—	0.0	0.0	0.0	0.1	0.1	0.1	0.1	0.1	0.2	0.2	0.2
Pretax profit margin	—	7.0	7.7	5.2	4.8	4.8	4.9	4.7	3.8	5.4	5.4	6
Net income ratio	—	4.8	5.3	3.4	3.2	3.2	3.3	3.0	2.3	3.2	3.1	3.1
<Balance sheet data>	%											
Total assets	3.0	354,788	348,159	331,140	326,435	326,435	306,562	305,496	301,128	296,811	272,073	257,609
Inventory assets	1.7	115,646	114,131	109,119	109,805	107,941	106,243	106,660	103,736	98,944	91,649	88,231
Non-current assets	2.3	190,695	190,044	185,489	188,629	182,608	170,369	167,082	167,280	163,540	158,544	149,196
Non-current liabilities	△ 10.7	39,379	47,502	58,105	56,004	62,192	69,229	65,040	54,984	43,934	35,370	26,409
Shareholders' equity	6.5	213,327	199,756	181,499	173,747	164,838	155,835	146,693	138,793	133,668	124,912	116,739
Net assets per share	7.3	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	2,300.0
Non-current liabilities ratio	—	18.5	23.8	32.0	32.2	37.7	44.4	44.3	39.6	32.9	28.3	22.6
Current ratio	—	1.62:1	1.60:1	1.60:1	1.43:1	1.48:1	1.66:1	1.46:1	1.25:1	1.12:1	1.02:1	0.95:1
Equity ratio	—	60.3	57.6	55.0	53.2	51.6	50.6	47.6	46.1	45	46.1	45.3
Inventory turnover ratio	—	3.3	3.4	3.2	3.2	3.2	3.1	3.1	3.1	3.5	3.5	3.7
Return on equity (ROE)	—	8.6	10.7	6.7	6.5	6.8	7.3	6.7	5.3	8.2	8.3	8.6
Return on assets (ROA)	—	8.0	8.9	5.7	5.6	5.5	5.5	5.7	5.2	6.9	7.0	7.8
<Cash flow data>	%											
Depreciation	1.2	11,774	11,485	11,350	11,400	11,098	11,091	11,686	12,123	11,840	11,778	12,065
Cash flows from operating activities	△ 0.7	25,856	36,553	24,475	23,336	22,400	26,719	21,834	14,900	22,293	17,511	17,620
Cash flows from investing activities	△ 4.2	△ 11,260	△ 14,232	△ 9,816	△ 20,280	△ 16,914	△ 13,923	△ 12,875	△ 17,088	△ 18,149	△ 17,913	△ 17,480
Cash flows from financing activities	—	△ 12,476	△ 14,569	△ 9,039	△ 6,170	△ 6,229	△ 14,854	△ 8,311	△ 1,539	5,543	△ 544	△ 6,306
Cash dividends per share (yen)	3.9	46.0	45.0	42.0	40.0	39.0	38.0	36.0	36.0	36.0	36.0	34.0
<Store Data>	%											
Number of stores	0.5	1,214	1,208	1,197	1,192	1,186	1,182	1,178	1,169	1,150	1,126	1,089
Number of Komeri Power stores	13.8	84	76	66	64	53	44	40	38	28	25	21
Number of Komeri PRO stores	35.1	9	6	3	2	2	2	2	2			
Number of Komeri Hard & Green stores	△ 0.2	1,114	(1,118)	(1,120)	(1,118)	(1,122)	(1,123)	(1,123)	(1,115)	(1,107)	(1,085)	(1,051)
Number of Komeri Home Center stores	—	—	160	161	162	161	155	148	145	145	140	132
Number of Komeri Hard & Green stores	—	—	958	959	956	961	968	975	970	962	945	919
Athena	△ 11.6	7	8	8	8	9	13	13	14	15	16	17
Sales floor space (square meters)	3.5	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	1,657,833
Comparable store sales growth	—	△ 3.8	9.0	△ 1.1	△ 1.3	1.1	△ 0.1	△ 0.3	△ 8.5	1.6	△ 1.1	1.4

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