

Notice: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.



MEMBERSHIP

May 14, 2024

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

Company name: GOLDWIN INC.  
 Stock exchange listing: Tokyo  
 Securities code: 8111  
 URL: <https://corp.goldwin.co.jp/eng/>  
 Representative: Takao Watanabe, President and Representative Director  
 Inquiries: Michio Shirasaki, Senior Managing Director, Director-General Administration  
 TEL: +81-3-6777-9378

Scheduled date of annual general meeting of shareholders: June 26, 2024  
 Scheduled date to commence dividend payments: June 11, 2024  
 Scheduled date to file Securities Report: June 26, 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)

Year ended	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2024	126,907	10.3	23,847	8.9	32,601	16.1	24,281	15.7
March 31, 2023	115,052	17.1	21,904	32.7	28,083	38.4	20,977	46.2

Note: Comprehensive income Year ended March 31, 2024: ¥27,493 million [21.5%]  
 Year ended March 31, 2023: ¥22,621 million [47.2%]

Year ended	Earnings per share	Diluted earnings per share	Profit attributable to owners of parent/equity	Ordinary profit/total assets	Operating profit/net sales
	Yen	Yen	%	%	%
March 31, 2024	539.09	—	27.0	25.1	18.8
March 31, 2023	465.69	—	29.3	25.8	19.0

Reference: Share of profit (loss) of entities accounted for using equity method  
 Year ended March 31, 2024: ¥8,477 million  
 Year ended March 31, 2023: ¥5,891 million

## (2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2024	140,977	100,170	70.9	2,226.70
March 31, 2023	118,517	80,056	67.4	1,774.20

Reference: Equity

As of March 31, 2024

¥100,007 million

As of March 31, 2023

¥79,914 million

## (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
Year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2024	18,551	(1,488)	(9,367)	42,011
March 31, 2023	20,222	(3,381)	(7,725)	34,207

## 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			
Year ended March 31, 2023	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Year ended March 31, 2023	–	25.00	–	85.00	110.00	5,116	23.6	6.4
Year ended March 31, 2024	–	30.00	–	132.00	162.00	7,563	30.1	7.6
Year ending March 31, 2025 (Forecast)	–	40.00	–	123.00	163.00		35.0	

Note: The year-end dividend of ¥132 for the year ended March 31, 2024 includes a commemorative dividend of ¥10 associated with the Company's head office relocation.

## 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)

	Net sales		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	52,800	3.3	2,300	(62.1)	5,600	(39.0)	4,900	(33.1)	108.79
Full year	133,200	5.0	18,100	(24.1)	25,900	(20.6)	21,000	(13.5)	466.24

**\* 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
- (i) Changes in accounting policies due to revisions to accounting standards and other regulations: No
- (ii) Changes in accounting policies due to other reasons: No
- (iii) Changes in accounting estimates: No
- (iv) Restatement of prior period financial statements: No
- (3) Number of issued shares (common shares)

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

As of March 31, 2024	47,448,172 shares
As of March 31, 2023	47,448,172 shares

- (ii) Number of treasury shares at the end of the period

As of March 31, 2024	2,535,290 shares
As of March 31, 2023	2,405,807 shares

- (iii) Average number of shares during the period

Year ended March 31, 2024	45,041,033 shares
Year ended March 31, 2023	45,046,839 shares

**[Reference] Overview of non-consolidated financial results**

**1. Non-consolidated financial results for the year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)**

**(1) Non-consolidated operating results**

(Percentages indicate year-on-year changes)

Year ended	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2024	114,991	9.9	20,895	7.4	27,739	12.3	20,525	11.2
March 31, 2023	104,639	21.9	19,448	38.6	24,707	41.3	18,454	54.4

Year ended	Earnings per share	Diluted earnings per share
	Yen	Yen
March 31, 2024	455.70	—
March 31, 2023	409.68	—

## (2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2024	106,766	69,085	64.7	1,538.22
March 31, 2023	90,579	54,788	60.5	1,216.37

Reference: Equity

As of March 31, 2024: ¥69,085 million

As of March 31, 2023: ¥54,788 million

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

(Percentages indicate year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending September 30, 2024	48,500	4.9	1,700	(65.9)	3,300	(59.8)	2,700	(60.4)	59.95
Full year	121,900	6.0	16,100	(23.0)	20,700	(25.4)	15,500	(24.5)	344.13

\* Financial results reports are exempt from audit conducted by certified public accountants or an audit corporation.

\* Proper use of financial forecasts, and other special matters

Descriptions of the above financial forecasts and other data are based on information currently available to the Company and certain assumptions that we consider to be reasonable. Actual financial results may differ significantly from the forecasts for various reasons. Please refer to “1. Overview of Operating Results, etc., (4) Future outlook” on page 4 of the attached materials for the suppositions that form the assumptions for the financial forecasts and cautions regarding the use of the financial forecasts.

**Attached Material**

**Index**

- 1. Overview of Operating Results, etc..... 2
  - (1) Overview of operating results of the fiscal year under review ..... 2
  - (2) Status of the financial situation of the fiscal year under review ..... 2
  - (3) Overview of cash flow of the fiscal year under review ..... 3
  - (4) Future outlook ..... 4
- 2. Basic Approach to the Selection of Accounting Standards ..... 5
- 3. Consolidated Financial Statements and Significant Notes Thereto ..... 6
  - (1) Consolidated balance sheet ..... 6
  - (2) Consolidated statement of income and consolidated statement of comprehensive income ..... 8
    - (Consolidated statement of income)..... 8
    - (Consolidated statement of comprehensive income)..... 9
  - (3) Consolidated statement of changes in equity ..... 10
  - (4) Consolidated statement of cash flows ..... 12
  - (5) Notes regarding consolidated financial statements ..... 14
    - (Notes regarding assumptions of going concern) ..... 14
    - (Changes in accounting policies)..... 14
    - (Segment information, etc.)..... 14
    - (Per share information)..... 15
    - (Significant subsequent events)..... 16
- 4. Other ..... 17

## 1. Overview of Operating Results, etc.

### (1) Overview of operating results of the fiscal year under review

During the fiscal year under review (from April, 1, 2023 to March 31, 2024), the Japanese economy was markedly affected by climate change. The record-breaking heat wave, which continued until around late September, did not abate, and the early autumn period was very short, with high temperatures in Tokyo topping 20°C at times even in December. The apparel industry was greatly affected by these climate changes and showed a delay in the sales trend of fall products. In addition, the demand for functional properties such as moisture permeability, quick-drying, thermal insulation, and deodorant properties has spread to everyday clothing. On the other hand, due to soaring raw material prices and the ongoing depreciation of the yen, apparel companies continued to raise their selling prices, and the gap in selling prices became more pronounced and the gap between brands became even more pronounced.

In this environment, supported by robust inbound demand and the resumption of economic activity with the settling down of the COVID-19 pandemic, the Group posted record net sales for the second consecutive year, reaching ¥126,907 million.

By business category, net sales in the lifestyle category were up 11.0% from the previous fiscal year to ¥74,174 million due to the increased use of outdoor wear, mainly THE NORTH FACE, in everyday situations. Inbound demand expanded the customer base from mainly East Asia to Europe, the United States, and Southeast Asia, and sales of fashion items such as THE NORTH FACE PURPLE LABEL and Goldwin 0 led to an increase in global demand, resulting in a 22.0% increase in sales in the fashion category from the previous fiscal year to ¥10,911 million. We recognize that such sales expansion in the lifestyle and fashion areas is the result of strong support from fans in performance.

By product, sales of winter wear such as down jackets and fleece clothing, our mainstay items, peaked one to two months later than usual due to the warm winter, but we were able to maintain our brand value by continuing fixed-price sales in the fourth quarter. In addition, strong sales of functional wear due to the heat wave also contributed to the stabilization of full-year results. As for trends by sales channel, physical store sales remained strong at both directly managed stores and wholesalers.

Gross profit was ¥67,173 million (up 11.9% year on year). This was due to a firm gross profit margin of 52.9%, up 0.7% from the corresponding period in the previous fiscal year, as we curbed excessive discount sales even as the yen continued to weaken. Selling, general and administrative expenses increased 13.6% year on year, but operating profit rose 8.9% year on year to ¥23,847 million, a new record high, as the expenses were absorbed by the effect of higher sales.

Ordinary profit increased 16.1% year on year to ¥32,601 million, following the strong performance of YOUNGONE OUTDOOR Corporation, an equity-method affiliate.

Also, profit attributable to owners of parent increased 15.7% year on year to ¥24,281 million.

Consequently, for the fiscal year under review, net sales were ¥126,907 million (up 10.3% year on year), operating profit was ¥23,847 million (up 8.9% year on year), ordinary profit was ¥32,601 million (up 16.1% year on year), and profit attributable to owners of parent was ¥24,281 million (up 15.7% year on year). We were able to reach new record highs for each item of profit.

### (2) Status of the financial situation of the fiscal year under review

Assets, liabilities and net assets at the end of the fiscal year under review and their factors are as follows.

(Assets)

Total assets at the end of the fiscal year under review amounted to ¥140,977 million, up ¥22,459 million from the end of the previous fiscal year. This was mainly due to a ¥7,824 million increase in cash and deposits, a ¥5,286 million increase in investment securities, and a ¥3,337 million increase in merchandise and finished goods.

(Liabilities)

Total liabilities at the end of the fiscal year under review amounted to ¥40,807 million, up ¥2,345 million from the end of the previous fiscal year. The main factors were a ¥2,140 million increase in income taxes payable, and a ¥1,673 million increase in provision for share awards, despite a ¥1,380 million decrease in accrued consumption taxes.

(Net assets)

Total net assets at the end of the fiscal year under review amounted to ¥100,170 million, up ¥20,114 million from the end of the previous fiscal year. The main factor was a ¥18,931 million increase in retained earnings.

### (3) Overview of cash flow of the fiscal year under review

Cash and cash equivalents at the end of the fiscal year under review amounted to ¥42,011 million, up ¥7,803 million from the end of the previous fiscal year. The status of each cash flow and their factors are as follows.

(Cash flow from operating activities)

Cash flow gained as a result of operating activities amounted to ¥18,551 million (down ¥1,670 million in revenue from the previous fiscal year). The main factors were a ¥32,552 million in profit before income taxes and a ¥5,101 million in interest and dividend income, which offset ¥8,477 million in share of profit of entities accounted for using equity method and the payment of ¥7,069 million in income taxes - current.

(Cash flow from investing activities)

Cash flow used as a result of investment activities amounted to ¥1,488 million (down ¥1,893 million in expenses from the previous fiscal year). This was mainly due to expenses of ¥1,994 million for the acquisition of non-current assets.

(Cash flow from financing activities)

Cash flow used as a result of financing activities amounted to ¥9,367 million (up ¥1,641 million in expenses from the previous fiscal year). This was mainly due to dividend payments of ¥5,349 million.

(Reference) Trends in cash flow indicators

	Fiscal year ended March 31, 2020	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Equity ratio (%)	56.8	57.8	63.9	67.4	70.9
Equity ratio based on fair value (%)	331.4	351.4	283.6	478.9	315.1
Debt repayment period (years)	0.3	1.3	0.2	0.1	0.1
Interest coverage ratio (times)	148.8	57.1	223.8	474.0	501.7

Equity ratio: Equity/total assets

Equity ratio based on fair value: Market capitalization/total assets

Debt repayment period: Interest-bearing debt/cash flow

Interest coverage ratio: Cash flow/interest payments

(Notes) 1. All indicators are calculated based on consolidated financial figures.

2. Market capitalization is calculated based on the number of issued shares excluding treasury shares.

3. For cash flow, cash flow from operating activities is used.

4. Interest-bearing debt covers short-term loans payable, long-term loans payable (including current portion) and bonds payable (including current portion) on which interest is paid out of the liabilities recorded on the consolidated balance sheet. For interest payments, the amount of interest paid as recorded in the consolidated statements of cash flows is used.

#### **(4) Future outlook**

Despite the continued impact of the yen's depreciation and soaring resource prices, we recognize that the revitalization of the domestic economy due to strong inbound demand as well as rising real wages will have a positive impact on brand businesses such as ours.

Amid these conditions, the Group was in the midst of a five-year medium-term management plan with the fiscal year ended March 31, 2022 as its first year. However, when the plan was formulated, the development of overseas sales and inbound demand during the period of the plan was not factored into when the plan was formulated, in consideration of the prolonged COVID-19 pandemic. However, now that economic activity has resumed in earnest, and in order to aggressively promote the overseas expansion of our own brand Goldwin, we have decided to launch a new medium-term management plan with the fiscal year ending March 31, 2025 as its first year.

The new medium-term management plan will continue the existing basic policy to “balance the two sustainability goals in our business and the environment,” and will also more concretely develop the Goldwin brand on a global scale. The business plan for overseas development under this Goldwin brand, as well as THE NORTH FACE's cash allocation policy, including market expansion, search for growth investment targets, shareholder returns, and investment in human capital, will be announced in July following the close of the shareholders' meeting.

For the fiscal year ending March 31, 2025, we have positioned it as the first year of the plan in line with the above medium-term management plan. By promoting a new approach to a wide range of customer segments, we intend to consolidate customer support for our brands, centering on THE NORTH FACE, and to achieve record-high sales for consecutive years. In addition, selling, general and administrative expenses are expected to temporarily increase due to personnel expenses, including J-ESOP, and head office relocation expenses. As a result, we expect operating income and ordinary income to decrease from the previous fiscal year to ¥18.1 billion and ¥25.9 billion, respectively, but we expect the one-time cost burden of selling, general and administrative expenses to be eliminated from the fiscal year ending March 31, 2026.

Therefore, in order to quickly evolve to a robust, profitable structure after the temporary outlook for lower profits, we intend to implement thorough cost control and invest in growth with an awareness of capital efficiency. In the first year of the medium-term management plan, we have also set a long-term goal of “GW500” to promote the development of our own brand Goldwin, and by strengthening the brand presence overseas, we aim to reach ¥50 billion in worldwide sales by the fiscal year ending March 31, 2033 under the Goldwin brand.

This forecast is based on information available at the time of publication, but actual results may differ from the forecast.



## **2. Basic Approach to the Selection of Accounting Standards**

For the time being, the Group's policy is to prepare its consolidated financial statements in accordance with JGAAP, taking into consideration the comparability of the consolidated financial statements between periods and between companies. As for the application of International Financial Reporting Standards (IFRS), the Company's policy is to respond appropriately to this taking into consideration various circumstances in Japan and overseas.

### 3. Consolidated Financial Statements and Significant Notes Thereto

#### (1) Consolidated balance sheet

(Millions of yen)

	As of March 31, 2023	As of March 31, 2024
<b>Assets</b>		
Current assets		
Cash and deposits	35,654	43,479
Notes receivable - trade	524	73
Electronically recorded monetary claims - operating	4,302	6,571
Accounts receivable - trade	11,474	13,812
Merchandise and finished goods	13,550	16,887
Work in process	352	380
Raw materials and supplies	725	949
Other	2,610	1,685
Allowance for doubtful accounts	(11)	(7)
Total current assets	69,184	83,832
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	2,160	1,995
Machinery, equipment and vehicles, net	281	221
Land	4,691	4,691
Leased assets, net	1,281	1,457
Other, net	429	1,602
Total property, plant and equipment	8,844	9,969
Intangible assets		
Software	877	720
Trademark right	1,205	921
Software in progress	1,135	1,428
Other	72	60
Total intangible assets	3,290	3,131
Investments and other assets		
Investment securities	28,895	34,181
Long-term loans receivable	45	45
Retirement benefit asset	1,470	2,717
Guarantee deposits	2,849	2,730
Distressed receivables	19	19
Deferred tax assets	1,342	1,497
Other	2,712	2,990
Allowance for doubtful accounts	(137)	(137)
Total investments and other assets	37,197	44,044
Total non-current assets	49,332	57,144
Total assets	118,517	140,977

(Millions of yen)

	As of March 31, 2023	As of March 31, 2024
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	5,116	4,312
Electronically recorded obligations - operating	15,717	15,490
Current portion of long-term borrowings	940	940
Lease liabilities	494	485
Accounts payable - other	2,382	2,783
Income taxes payable	3,544	5,685
Accrued consumption taxes	1,697	316
Accrued expenses	1,473	1,769
Contract liabilities	727	908
Provision for bonuses	889	1,605
Other	1,098	1,569
Total current liabilities	34,082	35,866
Non-current liabilities		
Long-term borrowings	1,645	432
Lease liabilities	922	997
Retirement benefit liability	229	185
Asset retirement obligations	57	58
Provision for share awards	1,074	2,748
Other	449	517
Total non-current liabilities	4,378	4,940
<b>Total liabilities</b>	<b>38,461</b>	<b>40,807</b>
<b>Net assets</b>		
Shareholders' equity		
Share capital	7,079	7,079
Capital surplus	297	1,548
Retained earnings	78,129	97,061
Treasury shares	(7,127)	(10,362)
Total shareholders' equity	78,379	95,326
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	728	1,812
Deferred gains or losses on hedges	55	40
Foreign currency translation adjustment	1,855	2,927
Remeasurements of defined benefit plans	(1,105)	(100)
Total accumulated other comprehensive income	1,534	4,680
Non-controlling interests	141	162
<b>Total net assets</b>	<b>80,056</b>	<b>100,170</b>
<b>Total liabilities and net assets</b>	<b>118,517</b>	<b>140,977</b>

**(2) Consolidated statement of income and consolidated statement of comprehensive income**  
**(Consolidated statement of income)**

(Millions of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Net sales	115,052	126,907
Cost of sales	55,016	59,734
Gross profit	60,035	67,173
Selling, general and administrative expenses	38,130	43,326
Operating profit	21,904	23,847
Non-operating income		
Interest income	28	36
Dividend income	68	86
Share of profit of entities accounted for using equity method	5,891	8,477
Other	340	254
Total non-operating income	6,328	8,855
Non-operating expenses		
Interest expenses	42	36
Loss on sale of notes receivable - trade	4	-
Loss on cancellation of insurance policies	10	6
Commitment fees	16	16
Other	76	41
Total non-operating expenses	150	101
Ordinary profit	28,083	32,601
Extraordinary income		
Gain on sale of investment securities	18	491
Gain on liquidation of subsidiaries	80	-
Income from subsidiaries	45	-
Total extraordinary income	144	491
Extraordinary losses		
Loss on disposal of non-current assets	95	38
Impairment losses	21	31
Loss on store closings	38	1
Loss on valuation of investment securities	94	123
Extra retirement payments	21	216
Loss on tax purpose reduction entry of non-current assets	45	-
Loss on withdrawal from business	-	70
Other	17	57
Total extraordinary losses	334	540
Profit before income taxes	27,892	32,552
Income taxes - current	6,528	9,027
Income taxes - deferred	332	(823)
Total income taxes	6,861	8,204
Profit	21,030	24,347
Profit attributable to non-controlling interests	52	66
Profit attributable to owners of parent	20,977	24,281

**(Consolidated statement of comprehensive income)**

(Millions of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Profit	21,030	24,347
Other comprehensive income		
Valuation difference on available-for-sale securities	248	1,083
Deferred gains or losses on hedges	(36)	38
Foreign currency translation adjustment	109	103
Remeasurements of defined benefit plans, net of tax	(268)	1,004
Share of other comprehensive income of entities accounted for using equity method	1,537	915
Total other comprehensive income	1,590	3,145
Comprehensive income	22,621	27,493
Comprehensive income attributable to:		
Owners of parent	22,568	27,427
Non-controlling interests	52	66

### (3) Consolidated statement of changes in equity

Fiscal year ended March 31, 2023 (From April 1, 2022 to March 31, 2023)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	7,079	276	61,356	(5,377)	63,335
Changes during period					
Purchase of treasury shares				(2,027)	(2,027)
Disposal of treasury shares		21		277	298
Dividends of surplus			(4,204)		(4,204)
Profit attributable to owners of parent			20,977		20,977
Net changes in items other than shareholders' equity					
Total changes during period	–	21	16,773	(1,749)	15,044
Balance at end of period	7,079	297	78,129	(7,127)	78,379

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	480	98	196	(830)	(56)	132	63,411
Changes during period							
Purchase of treasury shares							(2,027)
Disposal of treasury shares							298
Dividends of surplus							(4,204)
Profit attributable to owners of parent							20,977
Net changes in items other than shareholders' equity	248	(42)	1,659	(274)	1,590	9	1,600
Total changes during period	248	(42)	1,659	(274)	1,590	9	16,644
Balance at end of period	728	55	1,855	(1,105)	1,534	141	80,056

Fiscal year ended March 31, 2024 (From April 1, 2023 to March 31, 2024)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	7,079	297	78,129	(7,127)	78,379
Changes during period					
Purchase of treasury shares				(2,325)	(2,325)
Disposal of treasury shares		49		291	340
Acquisition of treasury stock by stock transfer trust				(4,100)	(4,100)
Disposal of treasury stock to stock benefit trust		1,201		2,899	4,100
Dividends of surplus			(5,349)		(5,349)
Profit attributable to owners of parent			24,281		24,281
Net changes in items other than shareholders' equity					
Total changes during period	-	1,250	18,931	(3,235)	16,947
Balance at end of period	7,079	1,548	97,061	(10,362)	95,326

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	728	55	1,855	(1,105)	1,534	141	80,056
Changes during period							
Purchase of treasury shares							(2,325)
Disposal of treasury shares							340
Acquisition of treasury stock by stock transfer trust							(4,100)
Disposal of treasury stock to stock benefit trust							4,100
Dividends of surplus							(5,349)
Profit attributable to owners of parent							24,281
Net changes in items other than shareholders' equity	1,083	(14)	1,071	1,005	3,145	20	3,166
Total changes during period	1,083	(14)	1,071	1,005	3,145	20	20,114
Balance at end of period	1,812	40	2,927	(100)	4,680	162	100,170

**(4) Consolidated statement of cash flows**

(Millions of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
<b>Cash flows from operating activities</b>		
Profit before income taxes	27,892	32,552
Depreciation	1,762	2,046
Share of loss (profit) of entities accounted for using equity method	(5,891)	(8,477)
Decrease (increase) in retirement benefit asset	166	(1,247)
Increase (decrease) in retirement benefit liability	12	(43)
Increase (decrease) in provision for share awards	127	1,673
Impairment losses	21	31
Increase (decrease) in allowance for doubtful accounts	(54)	(4)
Increase (decrease) in provision for bonuses	(758)	715
Interest and dividend income	(96)	(123)
Interest expenses	42	36
Loss (gain) on disposal of non-current assets	95	17
Decrease (increase) in trade receivables	(2,467)	(4,153)
Decrease (increase) in inventories	(1,196)	(3,578)
Increase (decrease) in trade payables	3,701	(1,043)
Increase (decrease) in accounts payable - other	228	242
Increase (decrease) in accrued consumption taxes	269	(1,313)
Decrease (increase) in prepaid expenses	(217)	110
Decrease (increase) in accounts receivable - other	(1,384)	1,151
Other, net	704	1,964
Subtotal	22,958	20,557
Interest and dividends received	3,539	5,101
Interest paid	(42)	(36)
Income taxes paid	(6,233)	(7,069)
Net cash provided by (used in) operating activities	20,222	18,551
<b>Cash flows from investing activities</b>		
Payments into time deposits	(730)	(768)
Proceeds from withdrawal of time deposits	718	799
Purchase of non-current assets	(1,770)	(1,994)
Purchase of investment securities	(659)	(131)
Proceeds from sale of investment securities	40	967
Payment of reservation deposit based on lease agreement	(681)	(124)
Payments of guarantee deposits	(280)	(162)
Proceeds from refund of guarantee deposits	135	81
Other, net	(151)	(154)
Net cash provided by (used in) investing activities	(3,381)	(1,488)



(Millions of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Cash flows from financing activities		
Proceeds from long-term borrowings	50	–
Repayments of long-term borrowings	(1,652)	(1,212)
Repayments of lease liabilities	(611)	(608)
Proceeds from sale of treasury shares	170	172
Purchase of treasury shares	(1,431)	(2,325)
Dividends paid	(4,204)	(5,349)
Other, net	(45)	(44)
Net cash provided by (used in) financing activities	(7,725)	(9,367)
Effect of exchange rate change on cash and cash equivalents	55	108
Net increase (decrease) in cash and cash equivalents	9,170	7,803
Cash and cash equivalents at beginning of period	25,036	34,207
Cash and cash equivalents at end of period	34,207	42,011

**(5) Notes regarding consolidated financial statements**  
**(Notes regarding assumptions of going concern)**

Not applicable.

**(Changes in accounting policies)**

Not applicable.

**(Segment information, etc.)**

[Segment information]

Previous fiscal year (April 1, 2022 to March 31, 2023) and fiscal year under review (April 1, 2023 to March 31, 2024)

This information is omitted because the Group operates a single segment of sporting goods-related business.

[Relevant information]

Previous fiscal year (April 1, 2022 to March 31, 2023) and fiscal year under review (April 1, 2023 to March 31, 2024)

1. Information for each product and service

This information is omitted because sales to external customers in a single product/service category exceed 90% of net sales in the consolidated statements of income.

2. Information for each region

(1) Net sales

This information is omitted because sales to external customers in Japan exceed 90% of net sales in the consolidated statements of income.

(2) Property, plant and equipment

This information is omitted because the amount of property, plant and equipment located in Japan exceeds 90% of the amount of property, plant and equipment in the consolidated balance sheet.

3. Information for each major customer

This information is omitted because there are no sales to external customers that account for 10% or more of the net sales in the consolidated statements of income.

[Information on impairment losses on non-current assets for each reportable segment]

Previous fiscal year (April 1, 2022 to March 31, 2023) and fiscal year under review (April 1, 2023 to March 31, 2024)

This information is omitted because the Group operates a single segment of sporting goods-related business.

[Information on amortization of goodwill and unamortized balance for each reportable segment]

Previous fiscal year (April 1, 2022 to March 31, 2023) and fiscal year under review (April 1, 2023 to March 31, 2024)

This information is omitted because the Group operates a single segment of sporting goods-related business.

[Information on gain on negative goodwill for each reportable segment]

Previous fiscal year (April 1, 2022 to March 31, 2023) and fiscal year under review (April 1, 2023 to March 31, 2024)

This information is omitted because the Group operates a single segment of sporting goods-related business.

**(Per share information)**

	Previous fiscal year (April 1, 2022 to March 31, 2023)	Fiscal year under review (April 1, 2023 to March 31, 2024)
Net assets per share	¥1,774.20	¥2,226.70
Earnings per share	¥465.69	¥539.09

(Notes) 1. Diluted earnings per share is not shown because there are no dilutive shares.

2. The basis for the calculation is as follows.

Net assets per share

	Previous fiscal year (As of March 31, 2023)	Fiscal year under review (As of March 31, 2024)
Total net assets (Millions of yen)	80,056	100,170
Amount deducted from total net assets (Millions of yen)	141	162
[Non-controlling interests]	(141)	(162)
Net assets related to common shares at the end of the fiscal year (Millions of yen)	79,914	100,007
Number of shares of common shares used in the calculation of net assets per share at the end of the fiscal year (Thousands of shares)	45,042	44,912

Earnings per share

	Previous fiscal year (April 1, 2022 to March 31, 2023)	Fiscal year under review (April 1, 2023 to March 31, 2024)
Profit attributable to owners of parent (Millions of yen)	20,977	24,281
Amount not attributable to common shareholders (Millions of yen)	—	—
Profit attributable to owners of parent related to common shares (Millions of yen)	20,977	24,281
Average number of shares during the period (Thousands of shares)	45,046	45,041

The company's shares remaining in the trust, which are recorded as treasury shares in shareholders' equity, are included in the number of treasury shares deducted from the average number of shares during the period for the calculation of earnings per share, and are also included in the number of treasury shares deducted from the total number of issued shares at the end of the period for the calculation of net assets per share.

The number of such treasury shares deducted from the average number of shares during the period for the calculation of earnings per share was 2,401,333 shares in the previous fiscal year, and 2,407,139 shares in the fiscal year under review. Meanwhile, the number of such treasury shares deducted from the total number of issued shares at the end of the period for the calculation of net assets per share was 2,405,807 shares in the previous fiscal year, and 2,535,290 shares in the fiscal year under review.

**(Significant subsequent events)**

Not applicable.

#### 4. Other

##### Changes in officers

(1) Change in representative

Not applicable.

(2) Changes in officers (scheduled to take effect on June 26, 2024)

- Candidates for new Directors

Director Takero Kaneda

Director Akira Tsuchiya

Director Naoko Imoto

- Retiring Director

Director Yuko Moriguchi

(Note) The candidates for new Director, Akira Tsuchiya and Naoko Imoto, are Outside Directors as stipulated in Article 2, item (xv) of the Companies Act and will be reported to the Tokyo Stock Exchange as an Independent Director.