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Summary of Consolidated Financial Results for the Second Quarter (Interim Period) of the Fiscal Year Ending March 2025 [Japanese standards]

November 12, 2024

Listed Company Name: Aoyama Trading Co., Ltd. Listed Exchange: Tokyo Stock Exchange
Code: 8219 URL https://www.aoyama-syouji.co.jp
Representative: (Title) President (Name) Osamu Aoyama
Contact person: (Title) Director, Senior Managing Executive Officer, and General Manager of Group Management Div., Manager of General Planning and Policy Dept. (Name) Koichi Yamane TEL: 084-920-0050
Scheduled date to file semi-annual securities report: November 14, 2024 Scheduled date to start distributing dividends: November 27, 2024
Preparation of supplementary material on financial results: Yes
Holding of financial results presentation meeting : Yes (For institutional investors and analysts)

(Amounts are rounded down to the nearest million yen)

1. Consolidated financial results for the Second quarter (Interim Period) of the fiscal year ending March 2025 (From April 1, 2024 to September 30, 2024)

(1) Consolidated financial results (Percentages are in comparison with the same period of the previous year.)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Six months ended Sep. 30, 2024	84,044	1.2	646	(53.8)	518	(71.1)	(630)	-
Six months ended Sep. 30, 2023	83,013	6.7	1,399	-	1,797	-	463	-

(Note) Comprehensive income: Six months ended Sep. 30, 2024: (936) million yen [-%]
Six months ended Sep. 30, 2023: (2,060) million yen [-%]

	Net income per share	Diluted net income per share
	Yen	Yen
Six months ended Sep. 30, 2024	(12.65)	-
Six months ended Sep. 30, 2023	9.30	-

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of Sep. 30, 2024	321,458	176,662	53.8
As of Mar. 31, 2024	335,597	180,877	52.8

(Reference) Equity capital: As of Sep. 30, 2024: 172,869 million yen As of Mar. 31, 2024: 177,126 million yen

2. Dividends

	Annual dividend				
	Q1-end	Q2-end	Q3-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
FY3/2024	-	0.00	-	65.00	65.00
FY3/2025	-	30.00			
FY3/2025 (Forecast)			-	97.00	127.00

(Note) Revision to the most recently announced dividend forecast: Yes
Breakdown of year-end dividend for the fiscal year ended March 31, 2024: Ordinary dividend: 60.00 yen Commemorative dividend: 5.00 yen

3. Consolidated forecast for the fiscal year ending March, 2025 (From April 1, 2024 to March 31, 2025)

(Percentages are in comparison with the same period of the previous year.)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	198,600	2.5	13,800	15.8	13,850	10.8	9,100	(9.8)	182.44

(Note) Revision to the most recently announced Consolidated forecast: Yes

* Notes

(1) Significant changes in the scope of consolidation during the period under review :None

(2) Application of special accounting methods for interim consolidated financial statements :Yes

(Note) For details, please refer to “(3) Notes to the Interim Consolidated Financial Statements (Application of special accounting methods for interim consolidated financial statements)” on page 10.

(3) Changes in accounting policies, changes in accounting estimates, and restatement

a) Changes in accounting policies due to revision of accounting standards : Yes
b) Changes in accounting policies for a reason other than the above [a] : None
c) Changes in accounting estimates : None
d) Restatements : None

(Note) For details, please refer to “(3) Notes to the Interim Consolidated Financial Statements (Notes on Changes in Accounting Policies)” on page 10.

(4) Number of outstanding shares (common shares)

a) Number of shares outstanding at the end of the fiscal year (including treasury shares)	As of Sep. 30, 2024	50,394,016 shares	As of Mar. 31, 2024	50,394,016 shares
b) Number of treasury shares at the end of the fiscal year	As of Sep. 30, 2024	513,612 shares	As of Mar. 31, 2024	531,253 shares
c) Average number of shares outstanding during the term	Six months ended Sep. 2024	49,866,132 shares	Six months ended Sep. 2023	49,849,673 shares

(Note) The number of treasury shares at the end of the period includes the Company's shares owned by the trust accounts (399,136 shares for Q2 FY/3 2025 and 328,400 shares for FY/3 2024) as trust assets pertaining to the "Stock Benefit Trust (J-ESOP / BBT-RS)”. In addition, the Company's shares held in the trust account are included in the Treasury shares that is deducted in the calculation of the average number of shares during the period (354,472 shares for Q2 FY/3 2025 and 331,550 shares for Q2 FY/3 2024).

* The second quarter (interim) financial results are outside the scope of the audit by certified public accountants or audit firm.

* Explanation of forecasts of operations and other notes

(Notes on forward-looking statements)

The earnings forecasts and other forward-looking statements contained in this document are based on information currently available to the Company and on certain assumptions deemed reasonable by the Company. The Company does not guarantee that these forecasts will be achieved. Actual results may differ significantly due to a variety of factors. Please refer to" Explanation of Consolidated Earnings Forecasts and Other Forward-looking Statements " on page 5 of the Appendix for the assumptions used in the forecasts and notes on the use of the forecasts.

(How to obtain supplementary materials for financial results)

The Company plans to hold a briefing for institutional investors and analysts (online) on Tuesday, November 19, 2024. The financial results briefing materials distributed at this briefing will be posted on the Company's website on the same day.

(Reference) Non-Consolidated Forecast

Non-Consolidated forecast for the fiscal year ending March, 2025 (From April 1, 2024 to March 31, 2025)

(Percentages are in comparison with the same period of the previous year.)

	Sales		Operating income		Ordinary income		Net income		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	131,600	1.3	9,700	24.7	10,600	17.6	7,800	1.9	156.37

(Note) Revision to the most recently announced forecast: Yes

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1. Overview of Operating Results

(1) Overview of Operating Results for the Period under Review

Matters concerning the future in the text are based on the judgment of the Group as of the end of the current interim consolidated fiscal year under review.

<Results by Segment>

(Unit: million yen)

	Sales				Segment income or loss (Operating income or loss)			
	Six months of FY3/2025	Six months of FY3/2024	Increase (decrease)	Year-on-year (%)	Six months of FY3/2025	Six months of FY3/2024	Increase (decrease)	Year-on-year (%)
Business Wear Business	53,335	53,528	(192)	99.6	(1,250)	(606)	(643)	-
Credit Card Business	2,605	2,498	106	104.3	1,154	1,134	19	101.7
Printing and Media Business	5,035	5,069	(33)	99.3	(160)	(99)	(60)	-
Sundry Sales Business	7,694	7,721	(26)	99.7	193	171	22	113.0
Total Repair Service Business	7,147	6,399	747	111.7	31	63	(32)	48.9
Franchisee Business	7,688	7,179	508	107.1	539	465	73	115.8
Real Estate Business	1,527	1,548	(20)	98.7	284	276	8	103.1
Others	584	852	(267)	68.6	(152)	(24)	(128)	-
Adjustments	(1,574)	(1,783)	209	-	6	17	(11)	35.2
Total	84,044	83,013	1,030	101.2	646	1,399	(752)	46.2

(Notes) Net sales and Segment income or loss by segment (operating income or loss) are figures before the elimination of inter-segment transactions.

During the current interim consolidated accounting period (from April 1, 2024 to September 30, 2024), the Japanese economy is expected to continue its gradual recovery, supported by improvements in the employment and income environments and various policy measures. On the other hand, the situation remains uncertain due to factors such as a slump in consumer confidence resulting from prolonged high prices.

Under these circumstances, the Group also posted stable sales, mainly in Credit Card Business and Franchisee Business, while its core business in Business Wear Business remained sluggish.

This fiscal year is the first year of the “FY3/2025 to FY3/2027 Medium-Term Management Plan”. We aim to achieve sustainable growth by steadily promoting the five basic strategies outlined in the plan.

The operating results of the Group for the interim period under review were as follows.

Net sales: 84,044 million yen (up 1.2% year on year)

Operating income: 646 million yen (down 53.8% year on year)

Ordinary income: 518 million yen (down 71.1% year on year)

Net loss attributable to owners of parent: 630 million yen

(For the same period of the previous fiscal year, net income attributable to owners of parent: 463 million yen.)

Results by segment are as follows.

Segment sales and income (loss) figures are before the elimination of inter-segment transactions.

<<Business Wear Business>>

[Aoyama Trading Co., Ltd. Business Wear Business, Blue Rivers Co., Ltd., MDS Co., Ltd., Eisho Co., Ltd., FUKURYO Co., Ltd., Aoyama Suits (Shanghai) Co., Ltd., Melbo Men’ s Wear, Inc.]

Sales in this segment were 53.335 billion yen (down 0.4% of the same period of the previous fiscal year), and segment loss (operating loss) was 1.25 billion yen (segment loss (operating loss) of 606 million yen in the same period of the previous fiscal year).

In the Aoyama Trading Co., Ltd. Business Wear Business, which is the core segment of this business, the number of men's suits (excluding set-up suits) sold, which are the main item of this business, was 363 thousand, down 11.3% year on year, and the average unit selling price was 33,790 yen, up 6.7% year on year. In this environment, the made-to-order suit brand "Quality Order SHITATE" performed strongly. In addition, the functional "Zero Pressure Suits," which are easy to coordinate with casual styles, have become popular, and various measures have been taken, including the development of a new ladies style. As a result of these efforts, Business Wear Business same-store sales for the interim period (April to September) were 99.4% compared to the same period of the previous year.

<Year-on-year changes in sales, number of customers, and average spending per customer at existing stores in Business Wear Business of Aoyama Trading Co., Ltd.>

(Unit: %)

	As of September 2022	As of September 2023	As of September 2024
Sales	122.6	109.3	99.4
Number of customers	114.0	104.8	99.5
Unit price per customer	107.5	104.3	99.9

<Changes in number of men’ s suits sold and average sales unit price of Aoyama Trading Co., Ltd.>

	As of September 2022	As of September 2023	As of September 2024
Number of men’s suits sold (thousand)	424	409	363
Average sales unit price (yen)	27,589	31,668	33,790

Store opened and closed by the end of the interim period (April to September) are as follows.

<Number of stores opened and closed in Business Wear Business by type of business and number of stores at the end of the fiscal year (as of September 30, 2024)>

(Unit: Store)

Name of business category	Aoyama Trading Co., Ltd.				Aoyama Suits (Shanghai) Co., Ltd.	Melbo Men’s Wear, Inc.
	Yofuku-no-Aoyama	The Suit Company	Universal Language Measure’s	Total	Yofuku-no-Aoyama	azabu tailor
Opened [Relocation] (April to September)	2 [1]	5 [1]	0	7 [2]	1	0
Closed (April to September)	5	1	1	7	3	0
Number of stores as of the end of September	681	46	13	740	6	27

(Notes) 1. “The Suit Company” includes “Suit Square” and “White The Suit Company” (including outlet stores). “Universal Language Measure's” includes “Universal Language” (including outlet stores).

2. Store opened and closed in Aoyama Suits (Shanghai) Co., Ltd. are from January to June 2024. The number of stores at the end of period is as of the end of June 2024.

3. Store opened and closed in Melbo Men’s Wear, Inc. are from March to August 2024. The number of stores at the end of period is as of the end of August, 2024.

<< Credit Card Business>> [Aoyama Capital Co., Ltd.]

In this segment, sales were 2.605 billion yen (up 4.3% year on year) and segment profit (operating profit) was 1.154 billion yen (up 1.7% year on year), mainly due to an increase in shopping transactions. In addition, the Company procures funds by borrowing from its parent company, Aoyama Trading Co., Ltd., etc., and by issuing from Bonds payable.

<Changes in the number of valid Aoyama Card Members and operating loans balance in Credit Card Business>

	As of August 2023	As of February 2024	As of August 2024
Number of active members (10 thousand people)	395	391	387
Operating loans balance (million yen)	52,100	53,219	52,045

<< Printing and Media Business>> [ASCON Co., Ltd.]

In this segment, sales were 5.035 billion yen (down 0.7% year on year), and segment loss (operating loss) was 160 million yen (segment loss (operating loss) was 99 million yen 24 million yen in the same period of the previous fiscal year), mainly due to decreases in printing / DM sales and device-related sales.

<< Sundry Sales Business>> [Seigo Co., Ltd.]

In this segment, sales were 7.694 billion yen (down 0.3% year on year), and segment profit (operating profit) was 193 million yen (up 13.0% year on year), due to successful structural reforms such as personnel cost reductions, despite a decrease in sales due to the closure of unprofitable stores.

As of August 31, 2024, there were 101 stores (109 stores as of August 31, 2023).

<<Total Repair Service Business>> [Minit Asia Pacific Co., Ltd.]

In this segment, sales were 7.147 billion yen (up 11.7% year on year), and segment profit (operating profit) was 31 million yen (down 51.1% year on year), due to the increase in cost of sales and other factors, despite the increase in sales resulting from the strong performance of new products and services.

Store opened and closed by the end of the interim period (April to September) are as follows.

<Number of stores opened and closed in Total Repair Service Business and number of stores at the end of the fiscal year (as of September 30, 2024)> (Unit: Store)

Area	Mister Minit			
	Japan	Oceania	Others	Total
Opened (April to September)	10	4	2	16
Closed (April to September)	9	6	2	17
Number of stores as of the end of September	253	336	33	622

(Note) “Oceania” refers to Australia and New Zealand, and “Others” refers to Singapore and Malaysia.

<<Franchisee Business>> [glob Co., Ltd.]

In this segment, sales were 7.688 billion yen (up 7. 1% year on year) and segment profit (operating profit) was 539 million yen (up 15.8% year on year), both record highs, due to strong performance in all business categories, including Food Service Business, where Yakiniku King and Yuzu An are located.

Store opened and closed by the end of the interim period (April to September) are as follows.

<Number of stores opened and closed in Franchisee Business by type of business and number of stores at the end of the fiscal year (as of September 30, 2024)> (Unit: Store)

Name of business category	Food Service Business		Reuse Business	Fitness Business
	Yakiniku King	Yuzu An	2nd STREET	Anytime Fitness
Opened (April to September)	0	0	0	1
Closed (April to September)	0	0	0	0
Number of stores as of the end of September	40	13	18	10

<<Real Estate Business>> [Aoyama Trading Co., Ltd. Real Estate Business]

In this segment, sales were 1.527 billion yen (down 1.3% year on year), and segment profit (operating profit) was 284 million yen (up 3. 1% year on year).

<<Others>> [WTW Corporation, Customlife Co., Ltd.]

In the other segment, sales were 584 million yen (down 31.4% year on year), and segment loss (operating loss) was 152 million yen (segment loss (operating loss) of 24 million yen in the previous fiscal year).

As of the end of September 2024, there were seven WTW stores.

(2) Overview of Financial Position for the Period under Review

Current assets at the end of the interim consolidated accounting period under review amounted to 193.14 billion yen decreased of 13.95 billion yen from the end of the previous consolidated fiscal year. This was mainly due to decreases of 8.194 billion yen in Cash and deposits, 7.485 billion yen in Notes receivable - trade and Accounts receivable - trade, and 1.173 billion yen in Operating loans, which offset increases of 1.046 billion yen in merchandise and finished goods and 1.661 billion yen in other current assets.

Non-current assets were 128.3 billion yen decreased of 174 million yen from the end of the previous fiscal year. This was mainly due to decreases of 275 million yen in goodwill and 313 million yen in other investments and other assets, despite increases of 260 million yen in property, plant and equipment and 241 million yen in other intangible assets.

As a result, total assets were 321.458 billion yen decreased of 14.139 billion yen from the end of the previous fiscal year.

Current liabilities were 85.13 billion yen decreased of 16.072 billion yen from the end of the previous fiscal year. This was mainly due to decreases of 3.064 billion yen in Notes and accounts payable - trade, 7.111 billion yen in electronically recorded obligations - operating, 10.005 billion yen in the current portion of Bonds payable, and 3.206 billion yen in other current liabilities, despite an increase of 8.346 billion yen in short-term borrowings.

Non-current liabilities were 59.664 billion yen increase of 6.147 billion yen from the end of the previous fiscal year. This was mainly due to increases of 5.946 billion yen in Long-term borrowings and 184 million yen in Retirement benefit liability.

As a result, total liabilities were 144.795 billion yen decreased of 9.924 billion yen from the end of the previous fiscal year.

Total net assets were 176.662 billion yen decreased of 4.214 billion yen from the end of the previous fiscal year. This was mainly due to a 3.893 billion yen decrease in retained earnings and a 498 million yen decrease in valuation difference on available-for-sale securities, despite a 273 million yen increase in foreign currency translation adjustments.

(3) Explanation of Consolidated Earnings Forecasts and Other Forward-looking Statements

The full-year earnings forecast and dividend forecast announced on May 10, 2024 have been revised. Please refer to the "Notice of Difference between Earnings Forecast and Actual Results for the First Half of the Fiscal Year Ending March 31, 2025, and Revision of Earnings Forecast for the Full Year" and "Notice of Dividends from Surplus (Interim Dividends), Changes in Dividends Policies, Revision of Year-end Dividends Forecast (Increased Dividends), and Decision on Treasury shares Acquisition" announced today (November 12, 2024). These two documents are written only in Japanese.

2. Interim Consolidated Financial Statements and Primary Notes

(1) Interim Consolidated Balance Sheet

(Unit: million yen)

	As of Mar. 31, 2024	As of Sep. 30, 2024
Assets		
Current assets		
Cash and deposits	82,552	74,357
Notes receivable - trade and Accounts receivable - trade	18,199	10,713
Marketable securities	1,800	1,800
Merchandise and finished goods	45,912	46,958
Work in process	413	463
Raw materials and supplies	2,626	2,795
Operating loans	53,219	52,045
Other	2,540	4,201
Allowance for doubtful accounts	(173)	(196)
Total current assets	207,090	193,140
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	32,563	32,787
Land	40,845	40,852
Other, net	10,404	10,434
Total property, plant and equipment	83,813	84,074
Intangible assets		
Goodwill	3,574	3,299
Other	4,958	5,199
Total Intangible assets	8,532	8,498
Investments and other assets		
Leasehold and guarantee deposits	16,401	16,356
Other	19,989	19,675
Allowance for doubtful accounts	(262)	(304)
Total investments and other assets	36,128	35,727
Total non-current assets	128,475	128,300
Total deferred assets	31	17
Total assets	335,597	321,458
Liabilities		
Current liabilities		
Notes and accounts payable - trade	12,758	9,694
Electronically recorded obligations	15,028	7,917
Bonds payable due within one year	15,005	5,000
Short-term borrowings	36,284	44,631
Income taxes payable	2,094	1,363
Contract liability	1,721	1,775
Provision for bonuses	1,913	1,558
Other	16,397	13,191
Total current liabilities	101,203	85,130
Non-current liabilities		
Bonds payable	6,000	6,000
Long-term borrowings	30,070	36,017
Retirement benefit liability	8,706	8,891
Other	8,739	8,756
Total non-current liabilities	53,517	59,664
Total liabilities	154,720	144,795

(Unit: million yen)

	As of Mar. 31, 2024	As of Sep. 30, 2024
Net assets		
Shareholders' equity		
Share capital	62,504	62,504
Capital surplus	62,358	62,134
Retained earnings	65,399	61,506
Treasury shares	(1,440)	(1,189)
Total shareholders' equity	188,822	184,955
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,337	1,839
Deferred gains or losses on hedges	2	(97)
Revaluation reserve for land	(14,804)	(14,804)
Foreign currency translation adjustments	1,141	1,415
Remeasurements of defined benefit plans	(373)	(438)
Total accumulated other comprehensive income	(11,696)	(12,086)
Non-controlling interests	3,750	3,793
Total net assets	180,877	176,662
Total liabilities and net assets	335,597	321,458

(2) Interim Consolidated Statement of Income and Comprehensive Income

Interim Consolidated Statement of Income

(Unit: million yen)

	For the six months of FY3/2024 (Apr. 1, 2023 to Sep. 30, 2023)	For the six months of FY3/2025 (Apr. 1, 2024 to Sep. 30, 2024)
Net sales	83,013	84,044
Cost of sales	40,845	41,901
Gross profit	42,168	42,142
Selling, general and administrative expenses	40,769	41,496
Operating Income	1,399	646
Non-operating income		
Interest income	63	75
Dividend income	95	103
Rental income from real estate	16	13
Foreign exchange gains	331	-
Subsidy income	2	-
Other	178	173
Total non-operating income	688	366
Non-operating expenses		
Interest expense	165	251
Loss on valuation of derivatives	78	64
Exchange loss	-	105
Other	46	71
Total non-operating expenses	290	494
Ordinary income	1,797	518
Extraordinary income		
Gain on sale of Non-current assets	4	32
Gain on sales of investment securities	-	5
Total Extraordinary income	4	37
Extraordinary loss		
Loss on sale and retirement of non-current assets	59	20
Impairment loss	177	232
Loss on valuation of investment securities	-	71
Total extraordinary losses	237	324
Income before income taxes	1,564	231
Income taxes	1,035	791
Interim net income (loss)	528	(559)
Net income attributable to non-controlling interests	64	71
Profit attributable to owners of parent (loss)	463	(630)

Interim Consolidated Statement of Comprehensive Income

(Unit: million yen)

	For the six months of FY3/2024 (Apr. 1, 2023 to Sep. 30, 2023)	For the six months of FY3/2025 (Apr. 1, 2024 to Sep. 30, 2024)
Interim net income (loss)	528	(559)
Other comprehensive income		
Valuation difference on available-for-sale securities	972	(498)
Deferred gains or losses on hedges	11	(100)
Foreign currency translation adjustments	602	286
Remeasurements of defined benefit plans	(54)	(64)
Total other comprehensive income	1,531	(376)
Interim comprehensive income	2,060	(936)
(Breakdown)		
Comprehensive income attributable to shareholders of the parent company	1,987	(1,021)
Comprehensive income attributable to non-controlling interests	73	85

(3) Notes to the Interim Consolidated Financial Statements

(Notes Concerning Going Concern Assumption)

Not applicable.

(Notes on Changes in Accounting Policies)

(Application of "Accounting Standard for Corporation Tax, Inhabitants Tax and Enterprise Tax")

The Company has applied the "Accounting Standard for Corporation Tax, Inhabitants Tax and Enterprise Tax" (ASBJ Statement No. 27, October 28, 2022. hereinafter referred to as the "2022 Revised Accounting Standard") and other standards from the beginning of the current interim consolidated accounting period under review.

The amendments to the classification of income taxes (taxation on other comprehensive income) are in accordance with the transitional treatment set forth in the proviso of Section 20-3 of the 2022 revised Accounting Standard and the transitional treatment set forth in the proviso of Section 65-2 (2) of the "Guidance on Accounting Standard for Tax Effect Accounting." (ASBJ Guidance No. 28, October 28, 2022. hereinafter referred to as the "2022 Revised Implementation Guidance"). This change in accounting policy has no impact on the interim consolidated financial statements.

(Application of Special Accounting Methods for Interim Consolidated Financial Statements)

Calculating Tax Expense

Tax expenses are calculated by reasonably estimating the effective tax rate after the application of tax effect accounting to net income before taxes for the consolidated fiscal year including the current interim consolidated accounting period, and multiplying the interim net profit before income taxes by the estimated effective tax rate.

(Notes on Significant Changes in the Amount of Shareholders' Equity)

Not applicable.

(Notes on Segment Information, etc.)

[Segment Information]

I. Previous interim consolidated accounting period (from April 1, 2023 to September 30, 2023)

1. Information on the amount of net sales and profit or loss and breakdown of revenue by reportable segment

(Unit: million yen)

	Reportable segment								Other (Note 1)	Total	Adjustment (Note 2)	Amount recorded in the interim consolidated statement of income (Note 3)
	Business Wear Business	Credit Card Business	Printing and Media Business	Sundry Sales Business	Total Repair Service Business	Franchise Business	Real Estate Business	Total				
Net sales												
Revenue generated from customer contracts	53,502	1,243	4,045	7,720	6,363	7,179	-	80,055	832	80,888	-	80,888
Other income	-	1,136	-	-	-	-	989	2,125	-	2,125	-	2,125
(1) Net sales to outside customers	53,502	2,379	4,045	7,720	6,363	7,179	989	82,181	832	83,013	-	83,013
(2) Intersegment Internal net sales or amount transferred	25	119	1,023	0	36	-	559	1,764	19	1,783	(1,783)	-
Total	53,528	2,498	5,069	7,721	6,399	7,179	1,548	83,945	852	84,797	(1,783)	83,013
Segment profit (Loss)	(606)	1,134	(99)	171	63	465	276	1,405	(24)	1,381	17	1,399

Notes: 1. The "Other" segment is a business segment that is not included in the reportable segments, and includes the Web Media business.

2. The 17 million yen adjustment to segment profit (loss) is the elimination of inter-segment transactions.

3. Segment income (loss) is adjusted with operating income of interim consolidated statement of income.

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

(Significant impairment loss pertaining to non-current assets)

An impairment loss was recorded in the Business Wear Business segment.

The amount of the impairment loss recorded in the Business Wear Business segment was 177 million yen.

II. Current interim consolidated accounting period (from April 1, 2024 to September 30, 2024)

1. Information on the amount of net sales and profit or loss and breakdown of revenue by reportable segment

(Unit: million yen)

	Reportable segment								Other (Note 1)	Total	Adjustment (Note 2)	Amount recorded in the interim consolidated statement of income (Note 3)
	Business Wear Business	Credit Card Business	Printing and Media Business	Sundry Sales Business	Total Repair Service Business	Franchise Business	Real Estate Business	Total				
Net sales												
Revenue generated from customer contracts	53,242	1,329	4,159	7,694	7,112	7,688	-	81,226	574	81,800	-	81,800
Other income	-	1,275	-	-	-	-	968	2,243	-	2,243	-	2,243
(1) Net sales to outside customers	53,242	2,604	4,159	7,694	7,112	7,688	968	83,470	574	84,044	-	84,044
(2) Intersegment Internal net sales or amount transferred	93	0	875	0	35	-	559	1,564	9	1,574	(1,574)	-
Total	53,335	2,605	5,035	7,694	7,147	7,688	1,527	85,034	584	85,619	(1,574)	84,044
Segment profit (Loss)	(1,250)	1,154	(160)	193	31	539	284	792	(152)	640	6	646

Notes: 1. The "Other" segment is a business segment that is not included in the reportable segments, and includes the Web Media business.
2. The 6 million yen adjustment to segment profit (loss) is the elimination of inter-segment transactions.
3. Segment income (loss) is reconciled with operating income of interim consolidated statement of income.

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

(Significant impairment loss pertaining to non-current assets)

An impairment loss was recorded in the Business Wear Business segment and the Sundry Sales Business segment.

The amount of the impairment loss was 229 million yen in the Business Wear Business segment and 3 million yen in the Sundry Sales Business segment.

(Significant Subsequent Events)

Acquisition of Treasury shares pursuant to the provisions of Article 165, Paragraph 2 of the Companies Act

At the Board of Directors' meeting held on November 12, 2024, the Company resolved to acquire Treasury shares under the provisions of Article 156 of the Companies Act of Japan, as applied by replacing certain terms pursuant to Article 165, Paragraph 3 of the same Act.

1. Reason for the acquisition of Treasury shares

In accordance with the shareholder return policy set forth in the Medium-Term Management Plan for the period from the fiscal year ending March 31, 2025 to the fiscal year ending March 31, 2027, the Company will implement the Share Exchange in order to expand shareholder returns and improve capital efficiency.

2. Details of Acquisition

(1) Type of shares to be acquired	Common stock of the Company
(2) Total number of shares to be acquired	Up to 1.5 million shares (2.98% of total number of issued shares (including Treasury shares))
(3) Total value of shares acquired	3 billion yen (maximum)
(4) Period of acquisition	November 15, 2024 - March 24, 2025
(5) Method of acquisition	Purchase on the Tokyo Stock Exchange

3. (Reference) Interim Financial Statements (Non-Consolidated)

(1) (Reference) Interim Balance Sheet (Non-Consolidated)

(Unit: million yen)

	Relate to the previous fiscal year Condensed balance sheet (As of Mar. 31, 2024)	As of Sep. 30, 2024
Assets		
Current assets		
Cash and deposits	54,415	51,449
Merchandise and finished goods	42,034	42,647
Raw materials and supplies	563	578
Short-term loans to subsidiaries and associates	9,245	9,245
Other	14,535	8,991
Allowance for doubtful accounts	(5)	(2)
Total current assets	120,788	112,909
Non-current assets		
Property, plant and equipment		
Buildings, net	25,248	25,402
Land	38,611	38,611
Other, net	6,821	6,369
Total property, plant and equipment	70,681	70,383
Intangible assets	2,667	3,002
Investments and other assets		
Investment securities	6,768	6,051
Leasehold and guarantee deposits	14,505	14,427
Other	27,011	27,281
Allowance for doubtful accounts	(334)	(334)
Total investments and other assets	47,952	47,425
Total non-current assets	121,301	120,812
Deferred assets		
Bonds payable issue cost	19	12
Total assets	242,109	233,734
Liabilities		
Current liabilities		
Accounts payable	8,586	5,752
Electronically recorded obligations	14,797	7,695
Short-term borrowings	15,600	15,625
Income taxes payable	1,176	579
Contract liability	1,721	2,878
Provision for bonuses	1,208	921
Other	15,078	6,235
Total current liabilities	58,169	39,689
Non-current liabilities		
Bonds payable	5,000	5,000
Long-term borrowings	13,900	28,550
Accrued retirement benefits for employees	7,368	7,462
Other	4,000	3,727
Total non-current liabilities	30,269	44,739
Total liabilities	88,438	84,429

	Relate to the previous fiscal year Condensed balance sheet (As of Mar. 31, 2024)	As of Sep. 30, 2024
Shareholders' equity		
Share capital	62,504	62,504
Capital surplus	62,420	62,196
Retained earnings	42,561	38,662
Treasury shares	(1,440)	(1,189)
Total shareholders' equity	166,046	162,174
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	2,358	1,864
Revaluation reserve for land	(14,733)	(14,733)
Total valuation and translation adjustments	(12,375)	(12,869)
Total net assets	153,670	149,304
Total liabilities and net assets	242,109	233,734

(2) (Reference) Interim Statement of Income (Non-Consolidated)

(Unit: million yen)

	For the six months of FY3/2024 (Apr. 1, 2023 to Sep. 30, 2023)	For the six months of FY3/2025 (Apr. 1, 2024 to Sep. 30, 2024)
Net sales	51,781	51,325
Cost of sales	23,083	23,039
Gross profit	28,697	28,286
Selling, general and administrative expenses	29,219	29,613
Operating loss	(521)	(1,326)
Non-operating income		
Interest income	43	49
Dividend income	985	1,064
Foreign exchange gains	168	-
Other	107	37
Total non-operating income	1,305	1,151
Non-operating expenses		
Interest expense	80	122
Loss on valuation of derivatives	78	64
Foreign exchange loss	-	1
Other	28	18
Total non-operating expenses	187	206
Ordinary income (loss)	596	(382)
Extraordinary income		
Gain on sale of non-current assets	0	21
Total extraordinary income	0	21
Extraordinary loss		
Loss on sale and retirement of non-current assets	41	11
Impairment loss	177	229
Loss on valuation of investments in subsidiaries	-	71
Total extraordinary losses	218	312
Net income (loss) before income taxes	378	(673)
Income taxes	201	(36)
Interim net income (loss)	177	(636)

4. Supplementary Information

(1) Net Sales of Aoyama Trading Co., Ltd. Business Wear Business by Product

(Unit: million yen)

		For the six months of FY3/2024 (Apr. 1, 2023 to Sep. 30, 2023)		For the six months of FY3/2025 (Apr. 1, 2024 to Sep. 30, 2024)		Year-on-Year	
		From April 1, 2023 To September 30, 2023		From April 1, 2024 To September 30, 2024			
		Amount	Composition ratio	Amount	Composition ratio	Amount	Ratio
			%		%		%
Heavy clothing	Suit and three-piece suits	12,848	25.6	12,210	24.5	(637)	95.0
	Jacket	1,871	3.7	2,024	4.1	152	108.2
	Slacks	2,953	5.9	3,059	6.1	105	103.6
	Coat	65	0.1	72	0.2	7	111.1
	Formal wear	8,235	16.4	8,115	16.3	(120)	98.5
	Vest	347	0.7	319	0.6	(28)	91.7
	Sub-total	26,321	52.4	25,800	51.8	(521)	98.0
Light clothing	Shirts and clothing	9,480	18.9	9,343	18.7	(137)	98.6
	Casual goods	1,254	2.5	1,382	2.8	127	110.2
	Others products	4,025	8.0	3,986	8.0	(39)	99.0
	Sub-total	14,760	29.4	14,711	29.5	(48)	99.7
Ladies		7,760	15.4	7,897	15.9	136	101.8
Compensation processing fee		1,390	2.8	1,388	2.8	(1)	99.9
Total		50,232	100.0	49,798	100.0	(434)	99.1

Notes: 1. Others products include shoes, underwear, sundries, etc.
2. Ladies include ladies' suits, ladies' formal wear, ladies' clothing, pumps, etc.

(2) Number of Stores of Aoyama Trading Co., Ltd. Business Wear Business (as of September 30, 2024)

(Unit: Store)

Region	Yofuku-no-Aoyama	The Suit Company	Universal Language Measure's	End of September 2024 Total	End of March 2024 Total	Increase or decrease
Hokkaido	32	1		33	33	
Hokkaido Total	32	1	0	33	33	0
Aomori	9			9	9	
Iwate	8			8	8	
Miyagi	12	1		13	12	1
Akita	9			9	9	
Yamagata	9			9	9	
Fukushima	10			10	10	
Tohoku Total	57	1	0	58	57	1
Ibaraki	16			16	16	
Tochigi	10			10	10	
Gunma	13	1		14	14	
Saitama	38	3	1	42	43	(1)
Chiba	33	4	1	38	38	
Tokyo	61	12	5	78	77	1
Kanagawa	32	3	2	37	38	(1)
Kanto Total	203	23	9	235	236	(1)
Niigata	15	1		16	16	
Toyama	6			6	6	
Ishikawa	6	2		8	7	1
Fukui	5			5	5	
Yamanashi	4			4	4	
Nagano	12			12	12	
Gifu	12			12	12	
Shizuoka	26			26	26	
Aichi	38	1	1	40	41	(1)
Chubu Total	124	4	1	129	129	0

(Unit: Store)

Region	Yofuku-no-Aoyama	The Suit Company	Universal Language Measure's	End of September 2024 Total	End of March 2024 Total	Increase or decrease
Mie	11			11	11	
Shiga	10	1		11	11	
Kyoto	15	1		16	16	
Osaka	37	4	2	43	43	
Hyōgo	27	2		29	30	(1)
Nara	8			8	8	
Wakayama	6			6	6	
Kinki Total	114	8	2	124	125	(1)
Tottori	3			3	3	
Shimane	4			4	4	
Okayama	9	1		10	10	
Hiroshima	17	3	1	21	21	
Yamaguchi	10			10	10	
Chugoku Total	43	4	1	48	48	0
Tokushima	4			4	4	
Kagawa	5			5	5	
Ehime	9	1		10	10	
Kochi	5			5	5	
Shikoku Total	23	1	0	24	24	0
Fukuoka	27	2		29	30	(1)
Saga	7			7	7	
Nagasaki	7	1		8	8	
Kumamoto	10	1		11	11	
Oita	9			9	9	
Miyazaki	9			9	9	
Kagoshima	10			10	10	
Okinawa	6			6	6	
Kyushu Total	85	4	0	89	90	(1)
Total	681	46	13	740	742	(2)

(Notes) 1. Status of store opened and closed (Up to the interim term (April to September))

	Opened		Closed
		Of which, relocated	
Yofuku-no-Aoyama	2	1	5
The Suit Company	5	1	1
Universal Language Measure's	0	0	1
Total	7	2	7

2. "The Suit Company" includes "Suit Square" and "White The Suit Company" (including outlet stores). "Universal Language Measure's" includes "Universal Language" (including outlet stores).