Financial Results FY2024/3

May 13, 2024

PALTAC CORPORATION

Tokyo Stock Exchange

(Code number: 8283)

All rights reserved, Copyright 2024 PALTAC CORPORATION

CONTENTS

1.	Financial Results FY2024/3	3
2.	Forecasts FY2025/3	20
3.	APPENDIX	24

All rights reserved, Copyright 2024 PALTAC CORPORATION

CONTENTS

1. **Financial Results FY2024/3** 3

2. Forecasts FY2025/3 20

3. APPENDIX 24

All rights reserved, Copyright 2024 PALTAC CORPORATION

Financial Highlights FY2024/3

PALTAC

Net Sales	YoY	vs. Plan
¥ 1,151.9 bn	+ ¥ 47.8 bn (+ 4.3 %)	+ ¥ 9.9 bn (+ 0.9 %)

Operating Profit	YoY	vs. Plan
¥ 27.1 bn	+ ¥ 2.7 bn (+ 11.0 %)	+ ¥ 0.6 bn (+ 2.5 %)

【YoY】 Recorded the highest net sales and operating profit

- Growth of demand for products related to peoples' outings due to trend of breaking away from the COVID-19 era and successful result from effective measures such as strengthening to handle new products
- Increase in gross profit from sales expansion and SG&A expenses ratio declined due to the control of variable expenses and effects of fixed expenses absorption

【vs. Plan】 Both net sales and operating profit exceeded those of the plan

- Increase in consumption by inbound tourists
- Although the gross profit was below the plan due to factors including an increase in center fees to sales ratio, SG&A expenses were below the forecast due to the positive effects of increased net sales and improving measures

All rights reserved, Copyright 2024 PALTAC CORPORATION

Results vs. Plan FY2024/3

- **Net sales and all kinds of profits account following the operating profit exceeded the plan**

¥ billion (ratio of net sales: %)	FY2024/3 Plan	FY2024/3 Results	Difference	Difference rate
Net Sales	1,142.0	**1,151.9**	+9.9	+0.9%
Gross Profit	86.5	**86.3**	−0.1	−0.2%
	(7.57)	**(7.50)**	(−0.07)	
SG&A Expenses	60.0	**59.1**	−0.8	−1.4%
	(5.25)	**(5.14)**	(−0.11)	
Operating Profit	26.5	**27.1**	+0.6	+2.5%
	(2.32)	**(2.36)**	(+0.04)	
Ordinary Profit	29.5	**30.5**	+1.0	+3.5%
	(2.58)	**(2.65)**	(+0.07)	
Profit	20.3	**20.6**	+0.3	+1.7%
	(1.78)	**(1.79)**	(+0.01)	

Net Sales

- Sales expansion of cosmetics and OTC pharmaceuticals due to an increase in the number of people's outings
- Increase in consumption by inbound tourists

Gross Profit

- Gross profit and its margin were below the plan due to increase in center fees to sales ratio, and so on

SG&A Expenses

- Absorption of fixed expenses due to sales expansion
- Improving productivity
- Electricity and any other expenses were below the forecasts

All rights reserved, Copyright 2024 PALTAC CORPORATION

Results YoY FY2024/3

PALTAC

- **Recorded the highest sales and operating profit, ordinary profit**

¥ billion (ratio of net sales: %)	FY2023/3 Results	FY2024/3 Results	Amount	Rate
Net Sales	1,104.1	**1,151.9**	+47.8	+4.3%
Gross Profit	82.3	**86.3**	+3.9	+4.8%
	(7.46)	**(7.50)**	(+0.04)	
SG&A Expenses	57.9	**59.1**	+1.2	+2.2%
	(5.25)	**(5.14)**	(−0.11)	
Operating Profit	24.4	**27.1**	+2.7	+11.0%
	(2.22)	**(2.36)**	(+0.14)	
Ordinary Profit	27.4	**30.5**	+3.1	+11.3%
	(2.49)	**(2.65)**	(+0.16)	
Profit	19.2	**20.6**	+1.3	+7.2%
	(1.74)	**(1.79)**	(+0.05)	

All rights reserved, Copyright 2024 PALTAC CORPORATION

Results YoY FY2024/3

Excluding the impact of the newly established Tochigi distribution center in the previous fiscal year

PALTAC

- **Despite a decrease in gross profit margin, operating profit exceeded that of the previous fiscal year due to increase in gross profit from sales expansion and improvement in SG&A expenses ratio**

¥ billion (ratio of net sales: %)	FY2023/3 Results	FY2024/3 Results	Amount	Rate
Net Sales	1,103.8	**1,151.9**	+48.1	+4.4%
Gross Profit	83.5	**86.3**	+2.7	+3.3%
	(7.57)	**(7.50)**	(−0.07)	
SG&A Expenses	57.6	**59.1**	+1.4	+2.6%
	(5.23)	**(5.14)**	(−0.09)	
Operating Profit	25.8	**27.1**	+1.2	+5.0%
	(2.35)	**(2.36)**	(+0.01)	

(The impact of the newly established Tochigi distribution center in the previous fiscal year YoY Gross Profit : + ¥ 1.1 bn / SG&A Expenses : - ¥ 0.2 bn / Operating Profit : + ¥ 1.4 bn)

All rights reserved, Copyright 2024 PALTAC CORPORATION

Results YoY (Jan. - Mar.) FY2024/3

- **Although net sales exceeded that of the previous fiscal year, operating profit was below that of the previous fiscal year**

¥ billion (ratio of net sales: %)	1Q			2Q			3Q			4Q		
	FY2023/3	FY2024/3	YoY	FY2023/3	FY2024/3	YoY	FY2023/3	FY2024/3	YoY	FY2023/3	FY2024/3	YoY
Net Sales	276.2	**293.5**	+17.2 [+6.3%]	278.6	**289.9**	+11.2 [+4.0%]	293.2	**299.6**	+6.3 [+2.2%]	255.9	**268.9**	+12.9 [+5.1%]
Gross Profit	20.7	**21.7**	+0.9	20.2	**21.6**	+1.3	21.9	**23.0**	+1.0	19.3	**19.9**	+0.5
	(7.53)	**(7.39)**	(−0.14)	(7.26)	**(7.46)**	(+0.20)	(7.49)	**(7.69)**	(+0.20)	(7.58)	**(7.43)**	(−0.15)
SG&A Expenses	14.2	**14.7**	+0.4	14.7	**14.8**	+0.0	14.8	**14.8**	+0.0	14.0	**14.7**	+0.7
	(5.17)	**(5.02)**	(−0.15)	(5.31)	**(5.12)**	(−0.19)	(5.05)	**(4.96)**	(−0.09)	(5.48)	**(5.49)**	(+0.01)
Operating Profit	6.5	**6.9**	+0.4	5.4	**6.7**	+1.3	7.1	**8.1**	+1.0	5.3	**5.2**	−0.1
	(2.36)	**(2.38)**	(+0.02)	(1.95)	**(2.34)**	(+0.39)	(2.44)	**(2.74)**	(+0.30)	(2.09)	**(1.94)**	(−0.15)
Ordinary Profit	7.3	**7.8**	+0.5	6.1	**7.7**	+1.6	7.9	**9.0**	+1.1	6.0	**5.8**	−0.1
	(2.66)	**(2.67)**	(+0.01)	(2.20)	**(2.68)**	(+0.48)	(2.71)	**(3.02)**	(+0.31)	(2.35)	**(2.19)**	(−0.16)
Profit	5.0	**5.5**	+0.4	4.2	**5.3**	+1.1	5.4	**6.2**	+0.7	4.4	**3.4**	−1.0
	(1.83)	**(1.88)**	(+0.05)	(1.52)	**(1.85)**	(+0.33)	(1.86)	**(2.09)**	(+0.23)	(1.76)	**(1.30)**	(−0.46)

All rights reserved, Copyright 2024 PALTAC CORPORATION

Results YoY (Jan. - Mar.) FY2024/3

Excluding the impact of the newly established Tochigi distribution center in the previous fiscal year

PALTAC

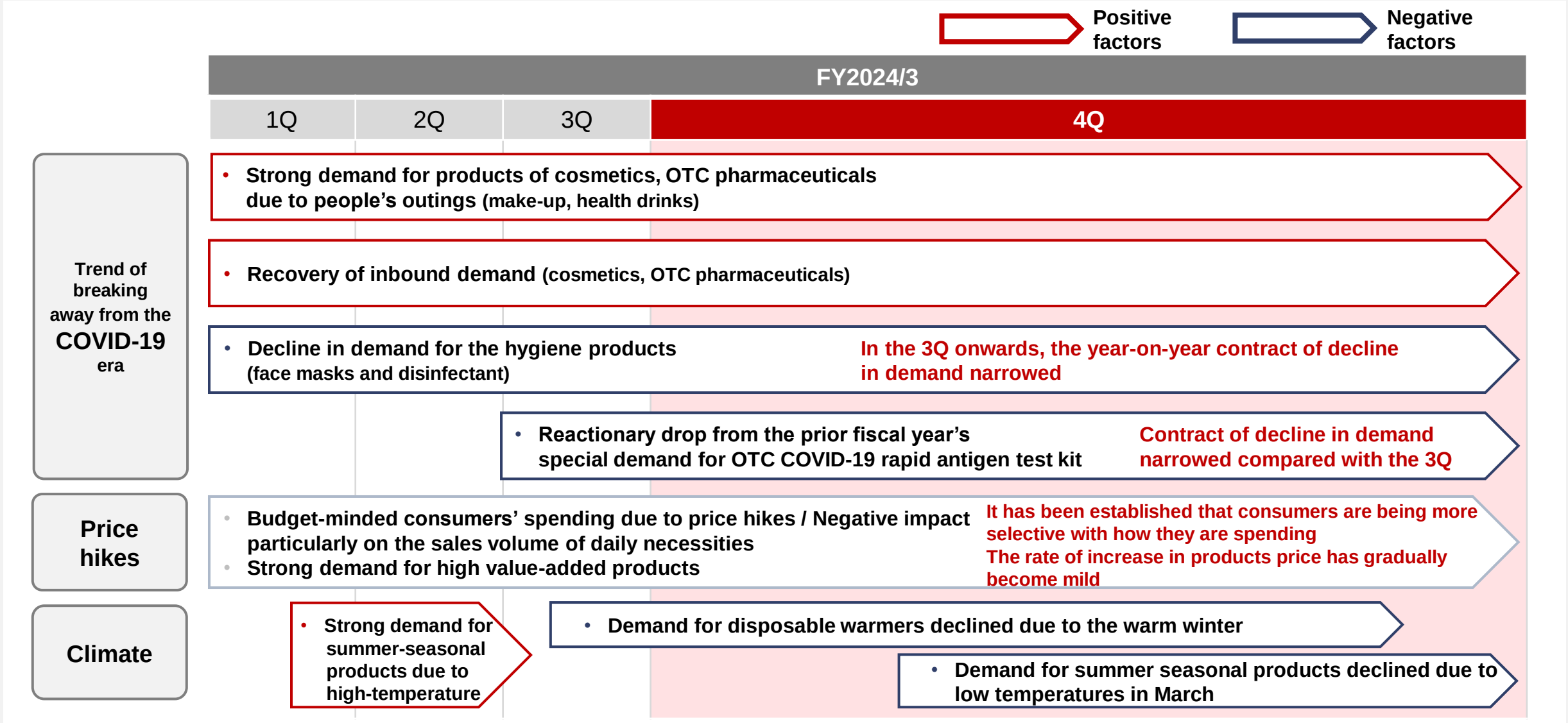
- **Operating profit was below that of the previous fiscal year due to decline in gross profit margin and increase in SG&A expenses**

¥ billion (ratio of net sales: %)	1Q			2Q			3Q			4Q		
	FY2023/3	FY2024/3	YoY	FY2023/3	FY2024/3	YoY	FY2023/3	FY2024/3	YoY	FY2023/3	FY2024/3	YoY
Net Sales	276.2	**293.5**	+17.2 [+6.3%]	278.6	**289.9**	+11.2 [+4.0%]	293.2	**299.6**	+6.3 [+2.2%]	255.6	**268.9**	+13.2 [+5.2%]
Gross Profit	20.8	**21.7**	+0.8	20.7	**21.6**	+0.9	22.3	**23.0**	+0.6	19.6	**19.9**	+0.3
	(7.55)	**(7.39)**	(−0.16)	(7.43)	**(7.46)**	(+0.03)	(7.64)	**(7.69)**	(+0.05)	(7.67)	**(7.43)**	(−0.24)
SG&A Expenses	14.2	**14.7**	+0.4	14.5	**14.8**	+0.2	14.7	**14.8**	+0.0	14.0	**14.7**	+0.7
	(5.17)	**(5.02)**	(−0.15)	(5.23)	**(5.12)**	(−0.11)	(5.04)	**(4.96)**	(−0.08)	(5.50)	**(5.49)**	(−0.01)
Operating Profit	6.5	**6.9**	+0.4	6.1	**6.7**	+0.6	7.6	**8.1**	+0.5	5.5	**5.2**	−0.3
	(2.38)	**(2.38)**	(+0.00)	(2.20)	**(2.34)**	(+0.14)	(2.60)	**(2.74)**	(+0.14)	(2.18)	**(1.94)**	(−0.24)

(The impact of the newly established Tochigi distribution center in the previous fiscal year YoY Gross Profit : + ¥ 0.2 bn / SG&A Expenses : + ¥ 0.02 bn / Operating Profit : + ¥ 0.2 bn)

All rights reserved, Copyright 2024 PALTAC CORPORATION

Market environment FY2024/3



All rights reserved, Copyright 2024 PALTAC CORPORATION

Net Sales YoY FY2024/3

Total

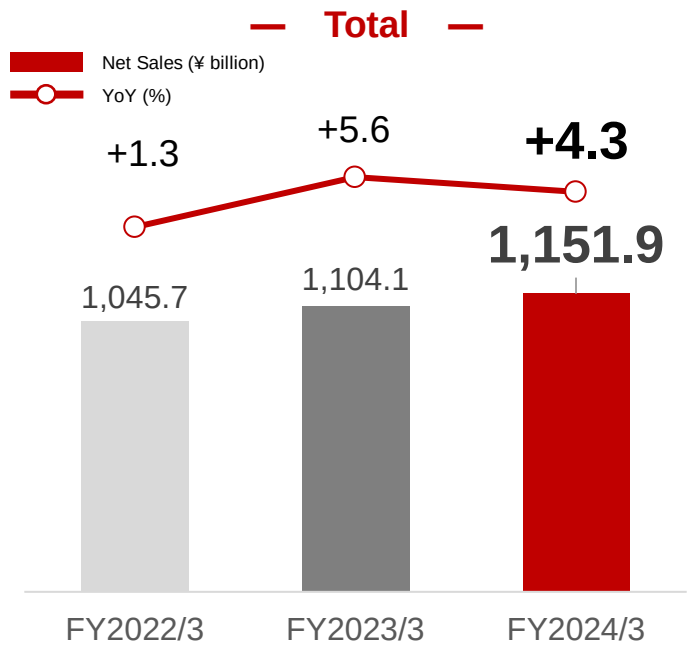
- **Net sales increased from the previous fiscal year due to successful measures to expand sales in response to changes in the environment, including an increase in outings associated with breaking away from the COVID-19 era and diverse consumer needs (YoY : + ¥ 47.8 bn / + 4.3 %)**

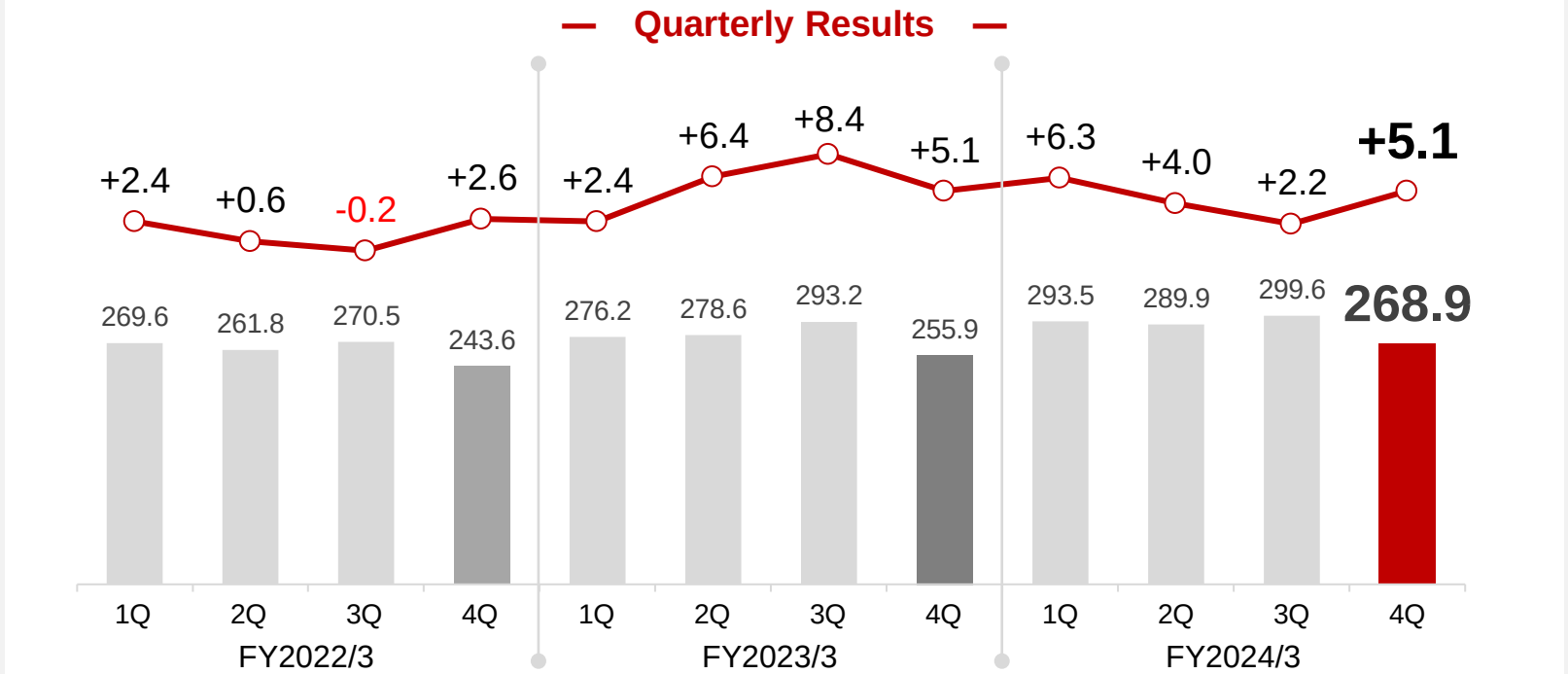
(Main factors) Increase : Strengthened procurement of new products / Strong demand for products related to outings / Increase in consumption by inbound tourists to Japan / Growth of demand for seasonal cosmetics and health drinks due to extremely hot weather and the lingering summer heat / Increase in handling volume due to the start of operations of Tochigi distribution center / Increase in unit price due to price hikes and expanded sales of high-value added products

Decrease : Decrease in demand for products related to COVID-19

4Q

- **Net sales increased due to the positive impact of the number of operating days increased by one compared to the previous fiscal year (YoY : + ¥ 12.9 bn / + 5.1 %)**



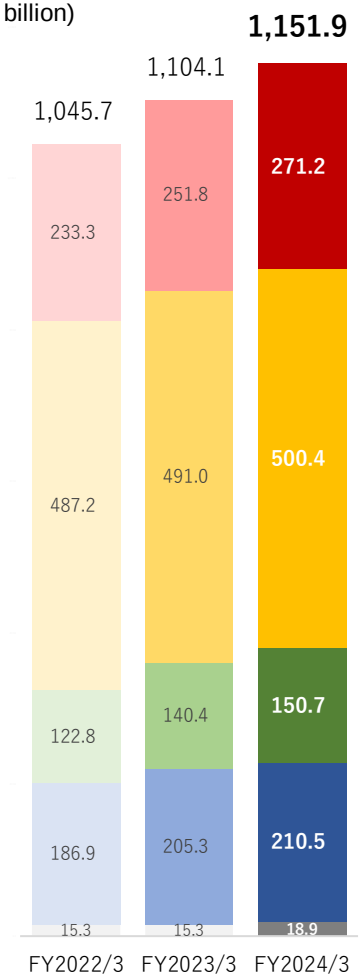


All rights reserved, Copyright 2024 PALTAC CORPORATION

Sales Composition by Product Category YoY FY2024/3

— Total —

(¥ billion)



Cosmetics
+ ¥ 19.3bn / + 7.7%
Composition：23.5%(+0.7%)

Daily necessities
+ ¥ 9.3bn / + 1.9%
Composition：43.5%(-1.0%)

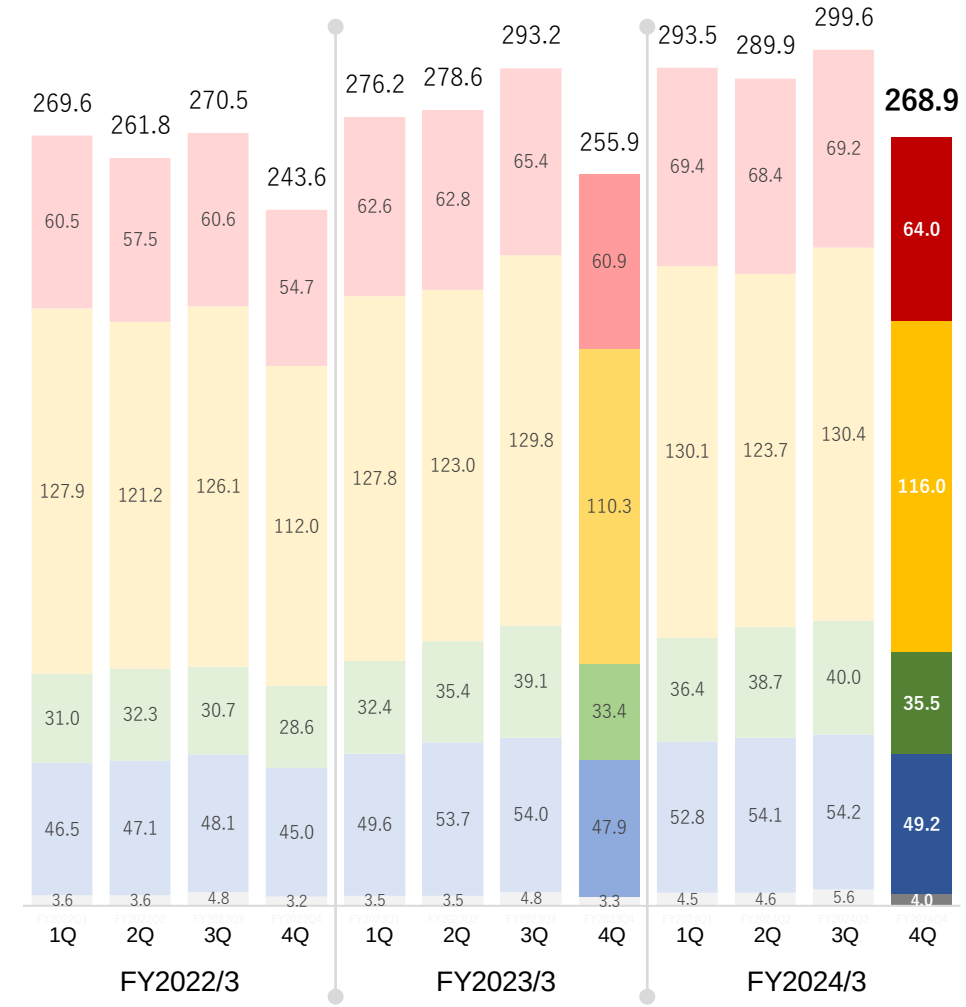
OTC pharmaceuticals
+ ¥ 10.3bn / + 7.4%
Composition ：13.1%(+0.4%)

Health and sanitary related products
+ ¥ 5.2bn / + 2.5%
Composition ：18.3%(-0.3%)

Others
+ ¥ 3.5bn / + 23.1%
Composition ：1.6%(+0.2%)

— Quarterly Results —

(¥ billion)



Cosmetics
+ ¥ 3.1bn / + 5.1%
Composition ：23.8%(+0.0%)

Daily necessities
+ ¥ 5.7bn / + 5.2%
Composition ：43.2%(+0.1%)

OTC pharmaceuticals
+ ¥ 2.1bn / + 6.5%
Composition ：13.2%(+0.1%)

Health and sanitary related products
+ ¥ 1.3bn / + 2.8%
Composition ：18.3%(-0.4%)

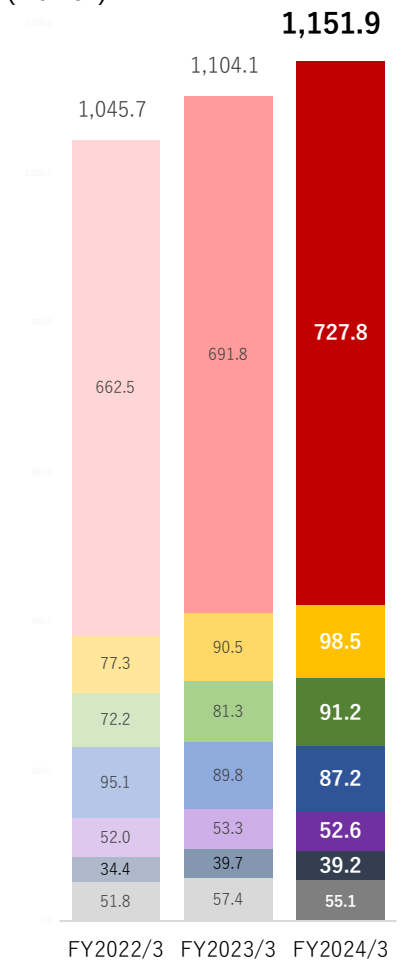
Others
+ ¥ 0.6bn / + 19.8%
Composition ：1.5%(+0.2%)

All rights reserved, Copyright 2024 PALTAC CORPORATION

Sales Composition by Customer Category YoY FY2024/3

— Total —

(¥ billion)



Drug stores
+ ¥ 36.0bn / + 5.2%
Composition：63.1%(+0.4%)

Discount stores
+ ¥ 8.0bn / + 8.9%
Composition：8.6%(+0.4%)

Convenience stores
+ ¥ 9.8bn / + 12.1%
Composition：7.9%(+0.5%)

Home centers
- ¥ 2.5bn / - 2.9%
Composition：7.6%(-0.5%)

Supermarkets
- ¥ 0.6bn / - 1.3%
Composition：4.6%(-0.2%)

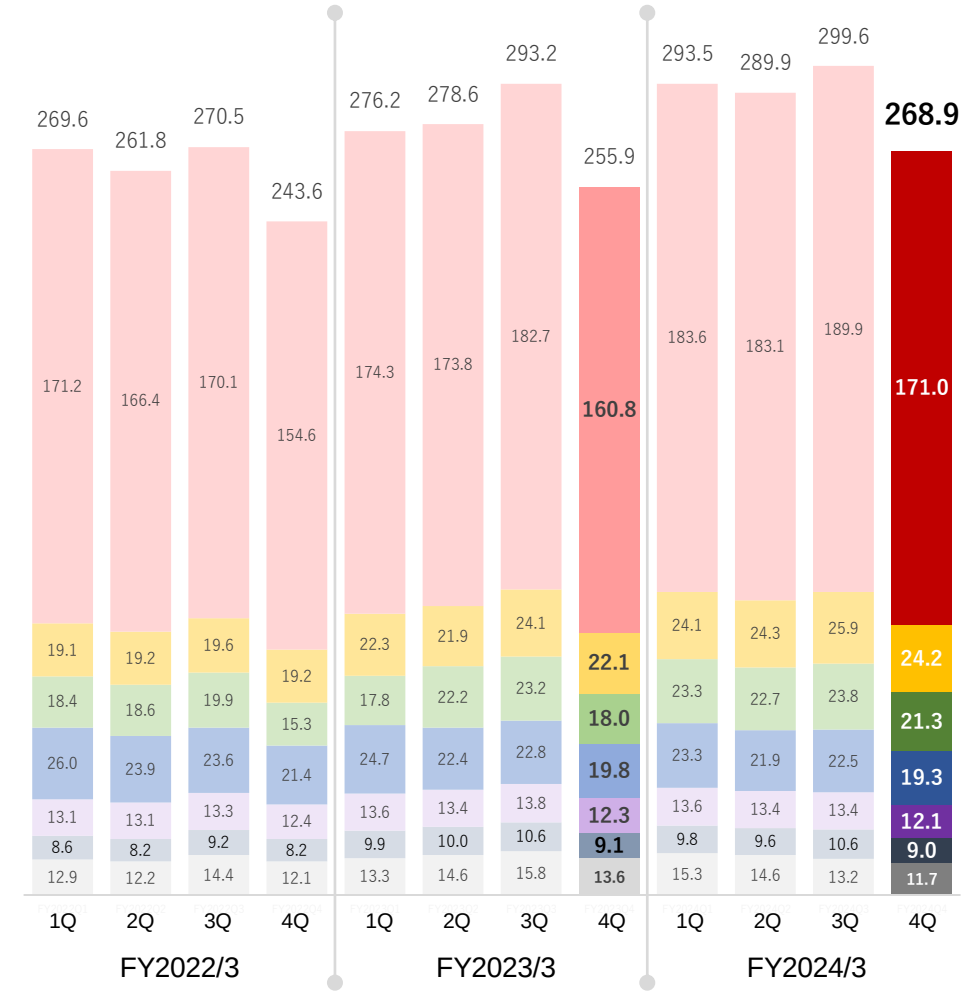
GMS*
- ¥ 0.4bn / - 1.2%
Composition：3.4%(-0.2%)

Others
- ¥ 2.3bn / - 4.1%
Composition：4.8%(-0.4%)

* GMS stands for General Merchandising Store

— Quarterly Results —

(¥ billion)



Drug stores
+ ¥ 10.2bn / + 6.3%
Composition：63.6%(+0.7%)

Discount stores
+ ¥ 2.0bn / + 9.5%
Composition：9.0%(+0.4%)

Convenience stores
+ ¥ 3.2bn / + 18.3%
Composition：7.9%(+0.9%)

Home centers
- ¥ 0.4bn / - 2.5%
Composition：7.2%(-0.6%)

Supermarkets
- ¥ 0.2bn / - 2.0%
Composition：4.5%(-0.3%)

GMS*
- ¥ 0.0bn / - 0.7%
Composition：3.4%(-0.2%)

Others
- ¥ 1.8bn / - 13.4%
Composition：4.4%(-0.9%)

All rights reserved, Copyright 2024 PALTAC CORPORATION

Gross Profit YoY FY2024/3

Total

- **Despite the impacts such as price hikes and change in sales composition of products, gross profit and its margin were above that of the previous fiscal year due to expanded rebates earned mainly by sales growth (YoY : + ¥ 3.9 bn / GPM + 0.04 %)**

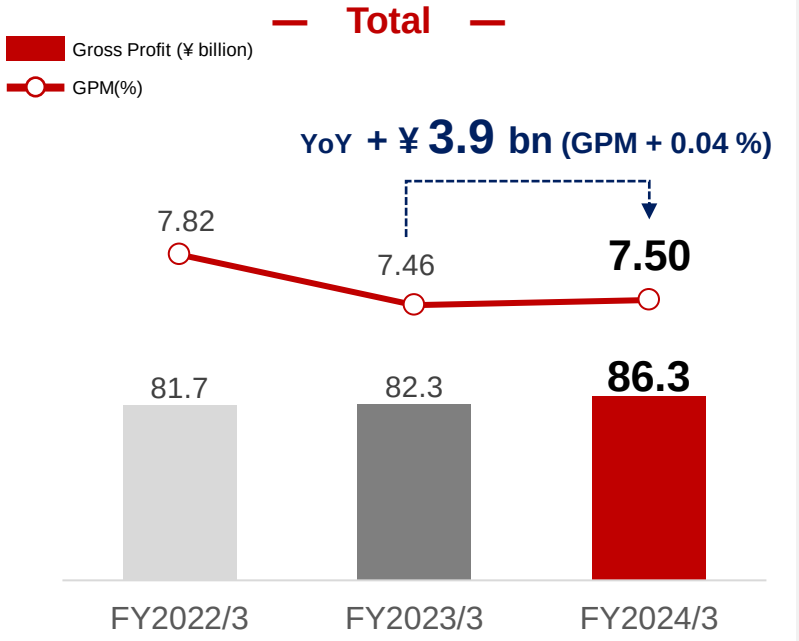
(Main factors) Improve : Expansion of rebates earned mainly due to sales growth / Reaction to the one-time expenses recorded in the previous fiscal years, associated with newly established Tochigi distribution center (total : ¥ 1.1 bn / 4Q : ¥ 0.2 bn)

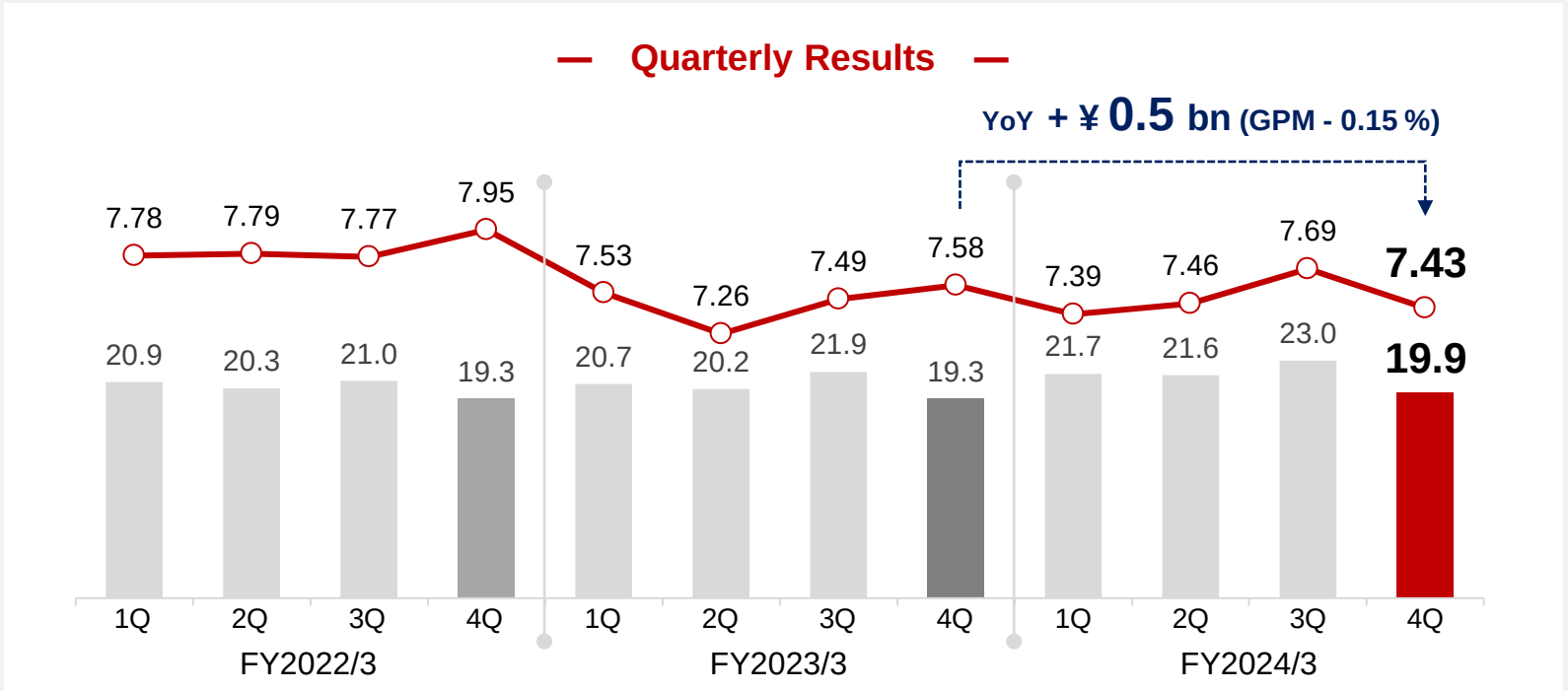
Decline : Decrease in demand for the hygiene products with relatively high gross profit margin / Increase in center fees (increased sales for customers that required to pay that, soaring fuel costs, etc.)

4Q

- **Gross profit increased in line with sales growth, but the gross profit margin was lower than the previous year (YoY : + ¥ 0.5 bn / GPM - 0.15 %)**

Intensifying price competition in the wholesale market





All rights reserved, Copyright 2024 PALTAC CORPORATION

SG&A Expenses YoY FY2024/3

Total

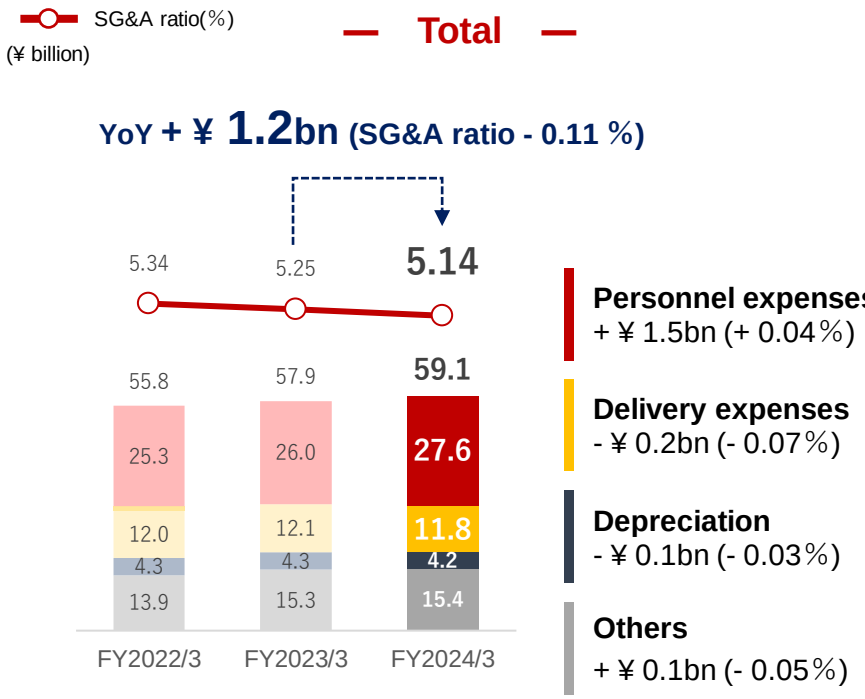
- **Despite an increase in personnel expenses accompanying an increase in investment in human capital, significant improvements in SG&A expenses ratio thanks to improving activities and fixed-expenses absorption effect**
  (YoY : + ¥ 1.2 bn / SG&A ratio - 0.11 %)

(Main factors) Increase: Investment in human capital (securing human capital / wage hikes)
Improvement : despite increase in an hourly wage for part-time employees, controlling the increase in SG&A expenses ratio through improving warehouse activities (YoY total :- ¥ 0.2 bn / 4Q :+ ¥ 0.02 bn)

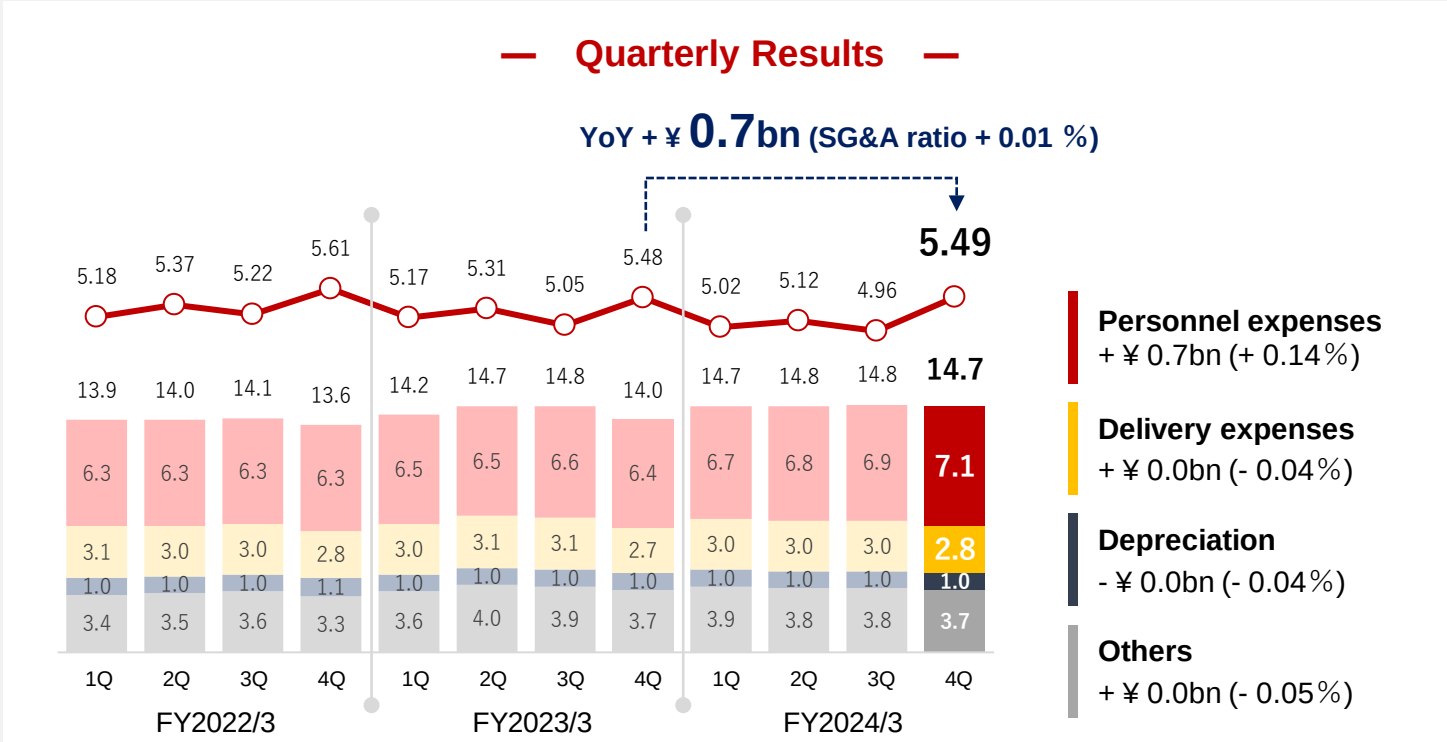
4Q

- **SG&A expenses increased from the previous year in both amount and ratio due to an increase in personnel expenses**
  (YoY : + ¥ 0.7 bn / SG&A ratio + 0.01 %) Increase employee bonuses backed by higher financial results than the plan

— Total —



— Quarterly Results —

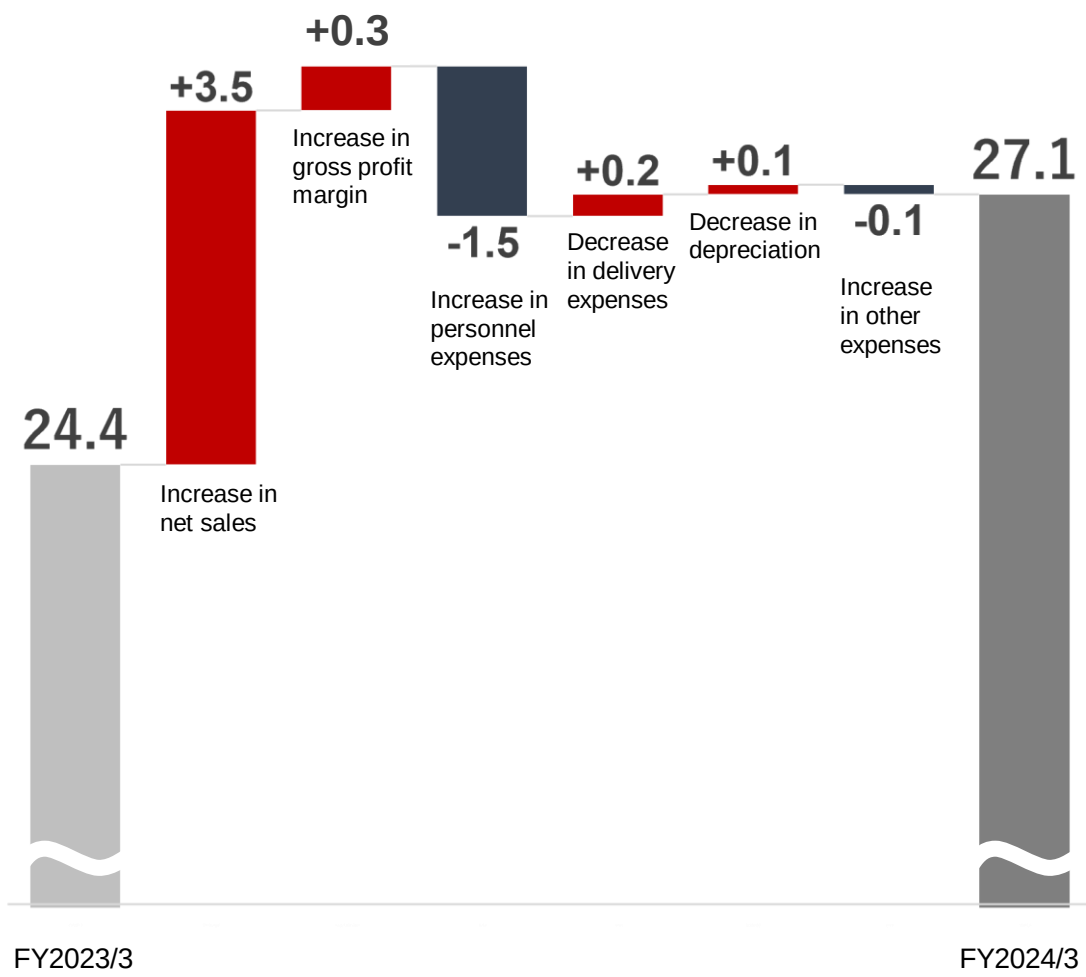


All rights reserved, Copyright 2024 PALTAC CORPORATION

Operating Profit YoY FY2024/3

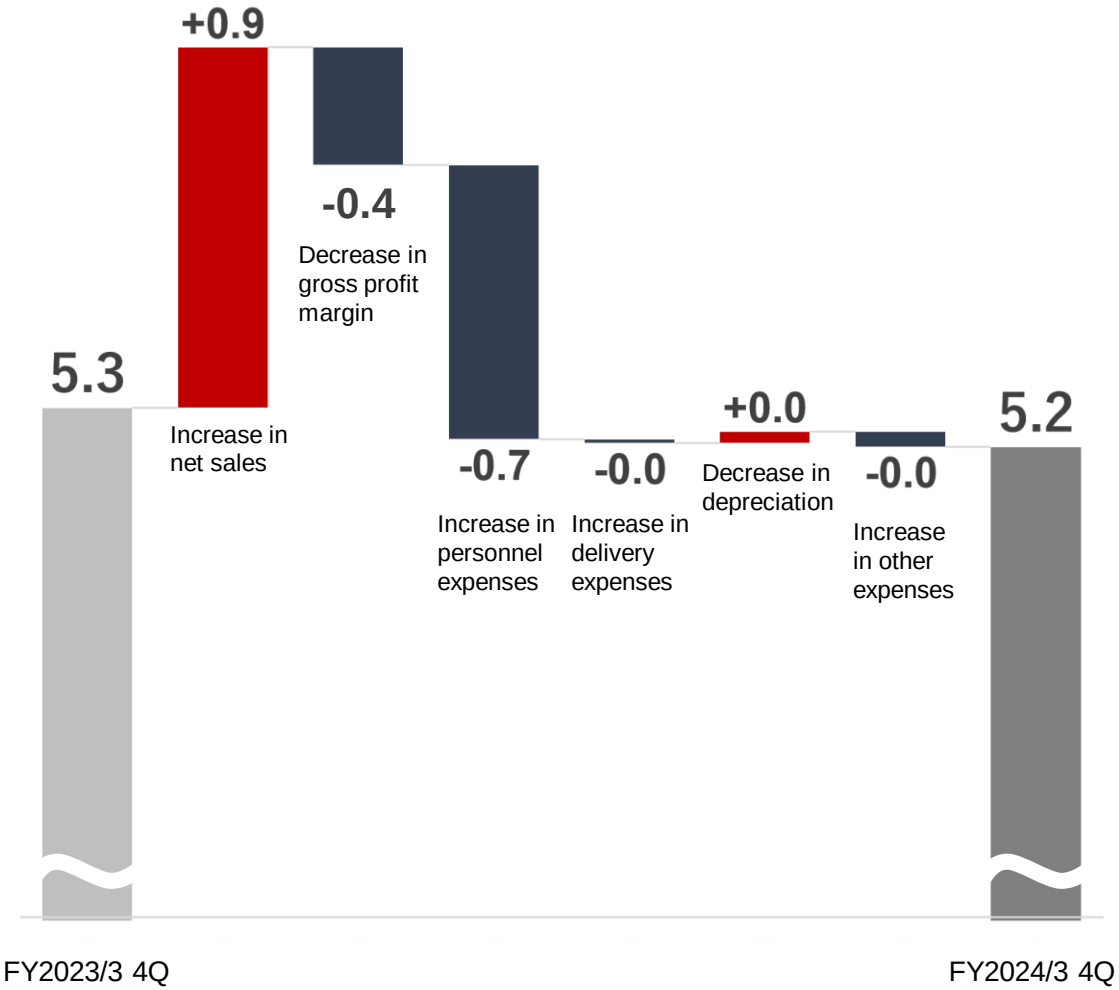
(¥ billion)

— Total —



(¥ billion)

— 4Q —



All rights reserved, Copyright 2024 PALTAC CORPORATION

Operating Profit YoY FY2024/3

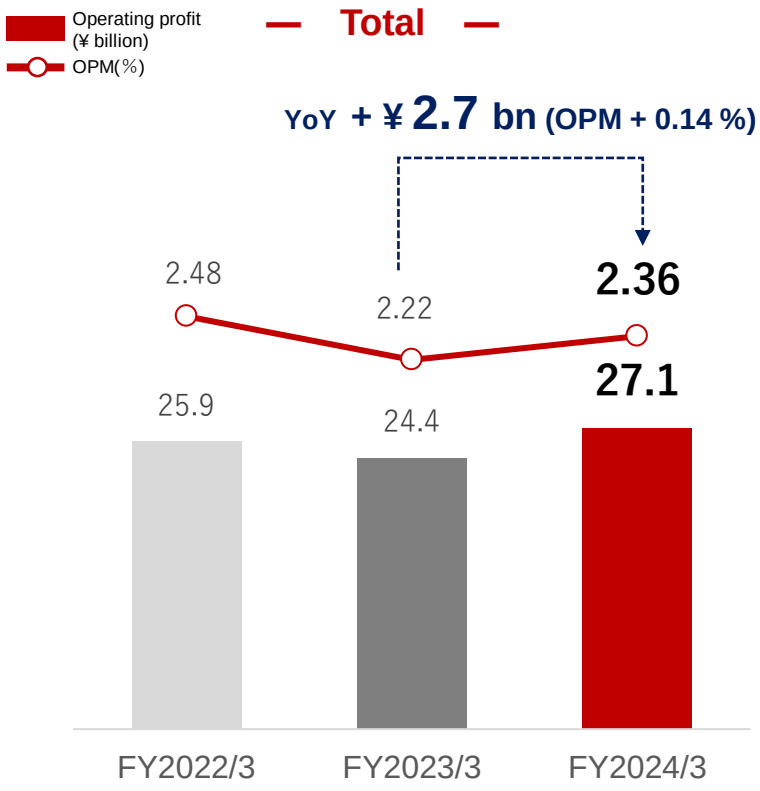
Total

- Operating profit increased from the previous year in both amount and ratio due to an increase in gross profit and a decrease in the SG&A expenses ratio (YoY : + ¥ 2.7 bn / OPM + 0.14 %)

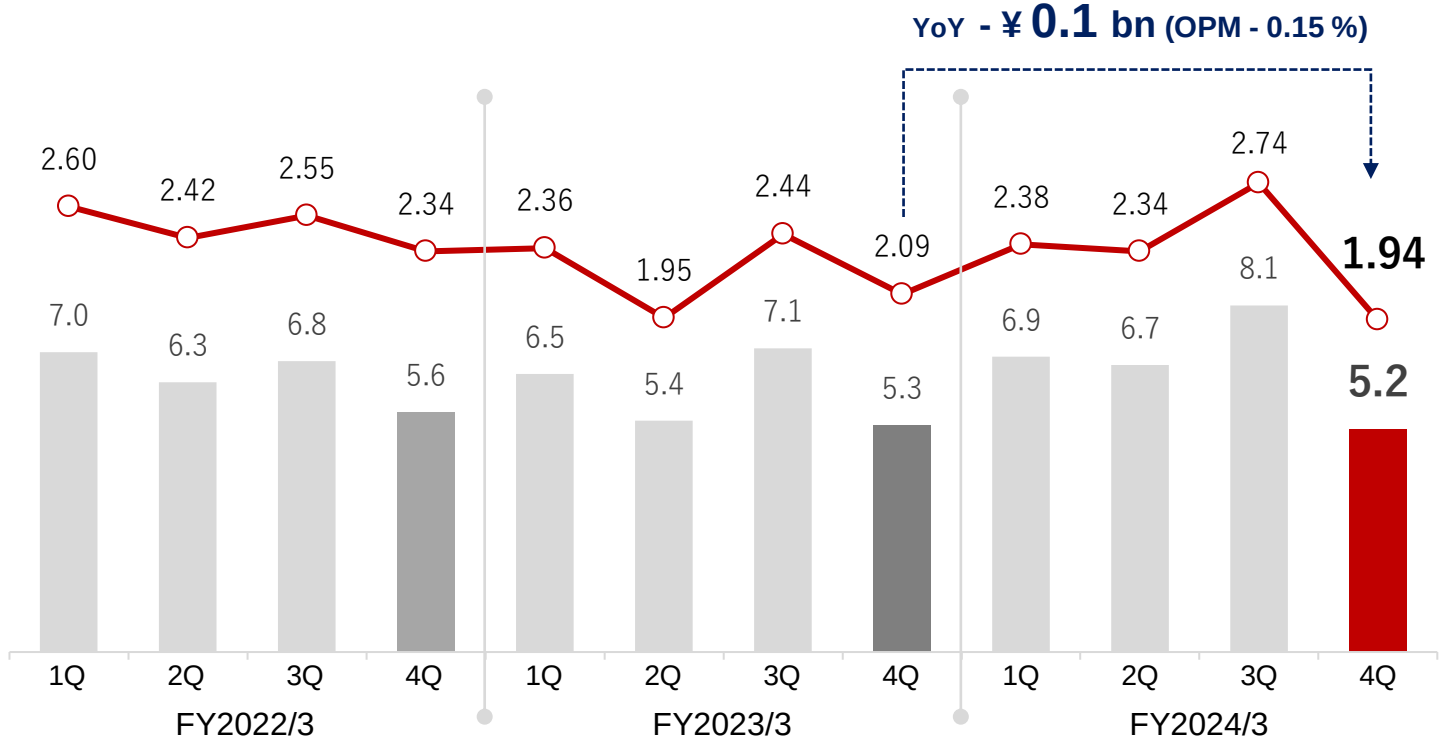
4Q

- Operating profit decreased from the previous year in both amount and ratio due to lower gross profit margin and higher personal expenses (YoY : - ¥ 0.1 bn / OPM - 0.15 %)

— Total —



— Quarterly Results —



All rights reserved, Copyright 2024 PALTAC CORPORATION

Analysis of Non-operating Profit and Loss / Extraordinary Profit and Loss YoY FY2024/3

¥ billion	FY2023/3	FY2024/3	YoY
Non-operating Income	3.01	**3.43**	+0.41
Research fee income*	1.83	1.87	+0.03
Dividend income	0.38	0.44	+0.06
Others	0.79	1.10	+0.31
Non-operating Expenses	0.04	**0.05**	+0.01
Interest expenses	0.00	0.00	-0.00
Real estate leasing expenses	0.03	0.03	+0.00
Others	0.00	0.02	+0.01
Extraordinary Income	0.50	**0.14**	-0.36
Insurance claim income	0.49	-	-0.49
Gain on sales of investment securities	-	0.14	+0.14
Extraordinary Losses	0.10	**1.28**	+1.18
Loss on disaster	0.02	0.64	+0.62
Impairment losses	-	0.63	+0.63

* Research fee income is income obtained by providing sales performance of retailers to some manufacturers based on a contract and tends to fluctuate depending on sales

Non-operating Profit and Loss

YoY + 0.40 bn

Extraordinary Profit and Loss

YoY - 1.55 bn

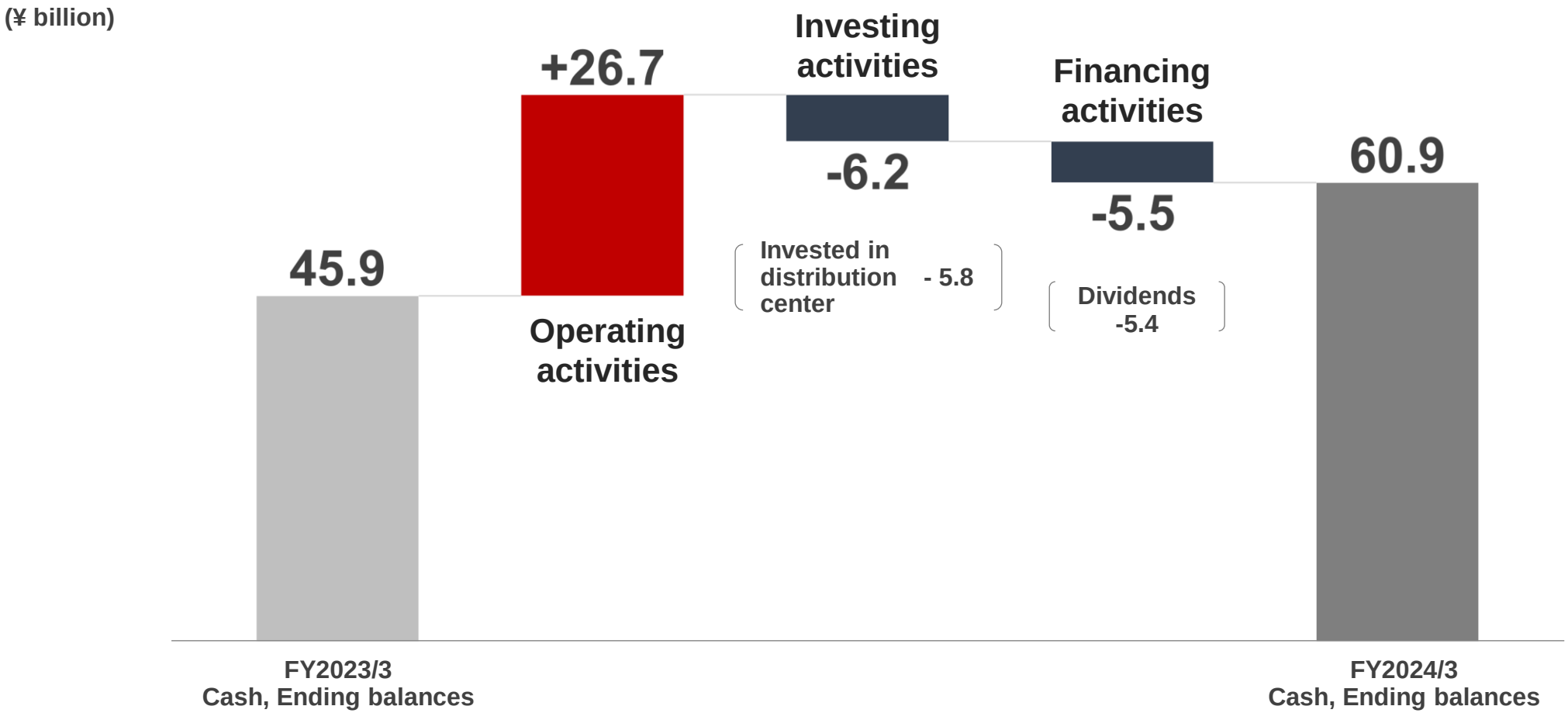
(Main factors)

- Insurance claim income related to the Earthquake off the Coast of Fukushima Prefecture in March 2022 was recorded in extraordinary income of the fiscal year ended March 31, 2023
- Expenses related to the Noto Peninsula Earthquake in January 2024 and impairment loss on land which held in Kyushu areas were recorded in extraordinary loss for the fiscal year ended March 31, 2024

All rights reserved, Copyright 2024 PALTAC CORPORATION

Cash Flow Status FY2024/3

- **Operating cash flow increased due to increased in sales and profits**



All rights reserved, Copyright 2024 PALTAC CORPORATION

CONTENTS

1. Financial Results FY2024/3 3

2. **Forecasts FY2025/3** **20**

3. APPENDIX 24

All rights reserved, Copyright 2024 PALTAC CORPORATION

Forecasts FY2025/3

- The severe business environment is expected to continue due to increase in price hikes, logistics costs associated with labor shortages
- With the FY2025/3 as the first year of our new three-years medium-term management plan for “Constructing the foundation for transformation through structural reform” aiming to realize long-term vision
- Taking on the challenge to steadily expand sales and profit in order to secure adequate capitals for creating new value

¥ billion (ratio of net sales:%)	FY2024/3 Results	FY2025/3 Plan	Difference	Difference rate
Net Sales	1,151.9	**1,190.0**	+38.0	+3.3%
Gross Profit	86.3 (7.50)	**88.7** **(7.45)**	+2.3 (-0.05)	+2.7%
SG&A Expenses	59.1 (5.14)	**60.7** **(5.10)**	+1.5 (-0.04)	+2.6%
Operating Profit	27.1 (2.36)	**28.0** **(2.35)**	+0.8 (-0.01)	+3.0%
Ordinary Profit	30.5 (2.65)	**31.7** **(2.66)**	+1.1 (+0.01)	+3.8%
Profit	20.6 (1.79)	**22.0** **(1.85)**	+1.3 (+0.06)	+6.6%
Earnings per share(¥)	328.40	**350.06**	+21.66	+6.6%

Net sales

- Strengthen procurement of new products to meet diverse consumer needs
- Strengthen prompt and effective promotional proposals using our capabilities

Gross profit

- Increase in center fees to sales ratio (arising from price hikes, higher logistics costs, etc.)
- Initial expenses accompanying the start of food logistics (Total : ¥ 0.22 bn)

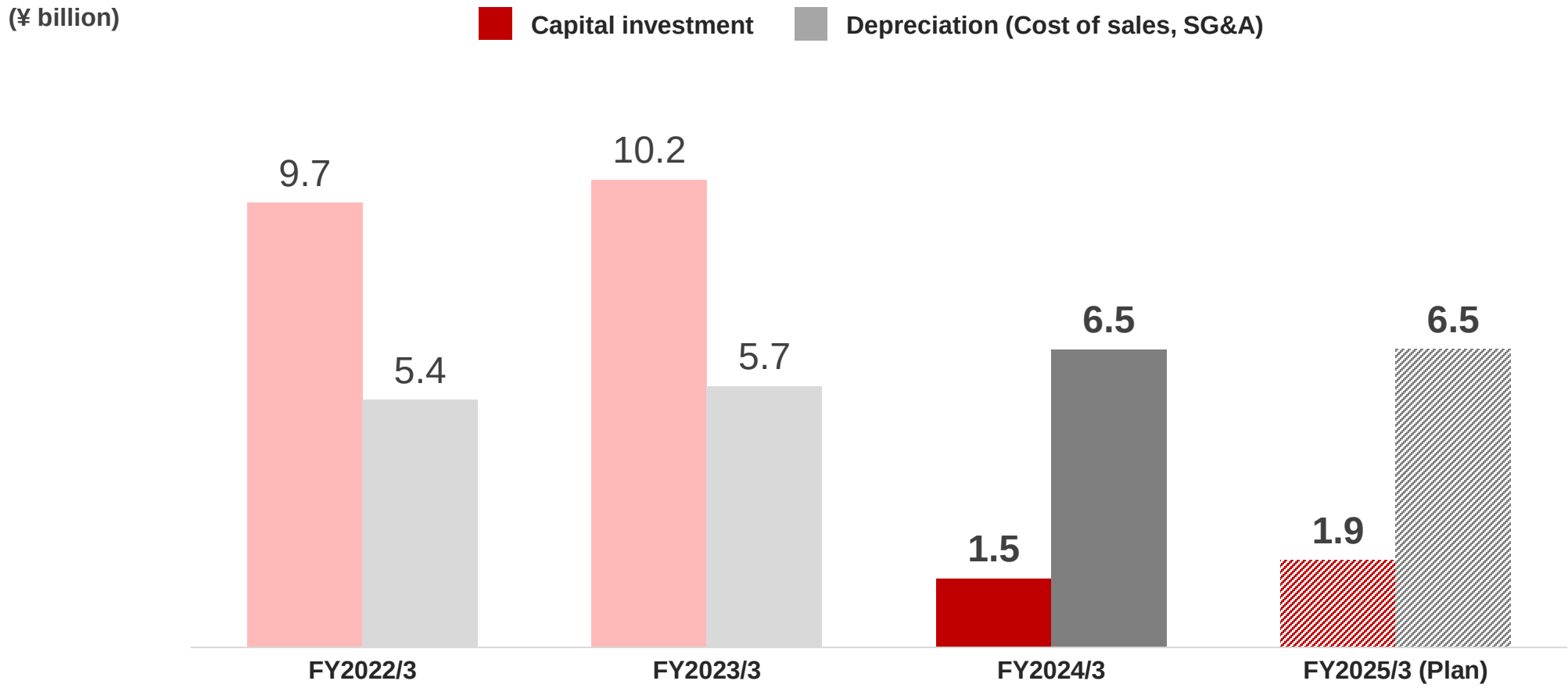
SG&A Expenses

- Fixed expenses absorption effect from higher sales
- Investment in human capital (securing human capital / wage hikes)
- Increase in unit price of delivery expenses

All rights reserved, Copyright 2024 PALTAC CORPORATION

Forecasts of Capital Investment / Depreciation FY2025/3

- **Capital investment for the FY2025/3, are expected to be 1.9 billion yen**
- **Relatively minor investments until start of construction of new distribution center * with new model three or four years later**

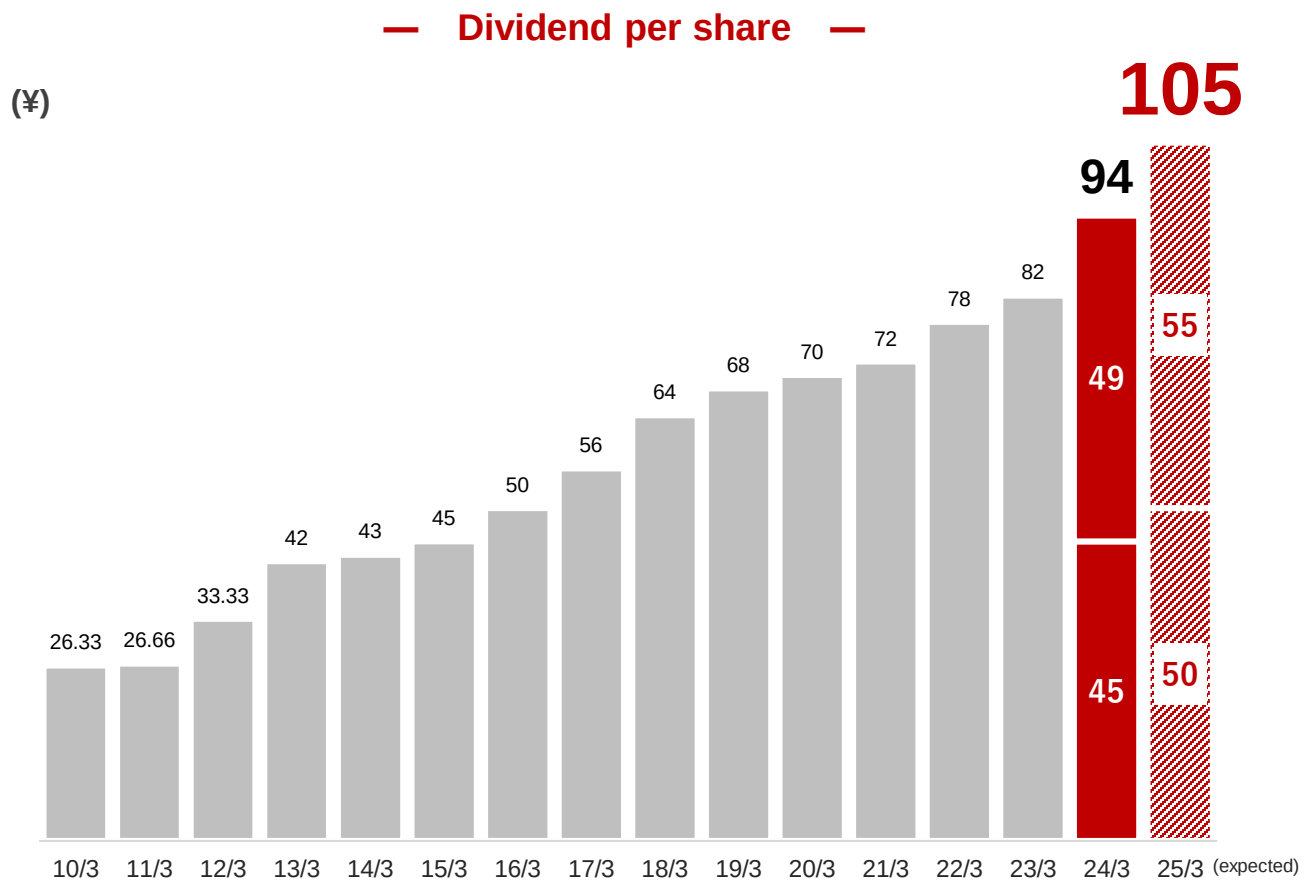


* Plans to build in Kaizuka, Osaka.

All rights reserved, Copyright 2024 PALTAC CORPORATION

Forecasts of Dividends FY2025/3

- **Continue to increase dividends more than profit growth**



Increase in dividends for

15th consecutive years

since listing (Including expected)

FY2024/3 ¥12 dividends increased

FY2025/3 (expected) ¥11 dividends increased

All rights reserved, Copyright 2024 PALTAC CORPORATION

CONTENTS

1. Financial Results FY2024/3 3

2. Forecasts FY2025/3 20

3. **APPENDIX** **24**

All rights reserved, Copyright 2024 PALTAC CORPORATION

Sales Composition by Product Category (Quarterly) FY2024/3

PALTAC

¥ billion	FY2024/3									
	Total	YoY	1Q	YoY	2Q	YoY	3Q	YoY	4Q	YoY
Net Sales	1,151.9	+47.8 [+4.3%]	293.5	+17.2 [+6.3%]	289.9	+11.2 [+4.0%]	299.6	+6.3 [+2.2%]	268.9	+12.9 [+5.1%]
Cosmetics	271.2	+19.3 [+7.7%]	69.4	+6.7 [+10.7%]	68.4	+5.6 [+9.0%]	69.2	+3.8 [+5.9%]	64.0	+3.1 [+5.1%]
Daily necessities	500.4	+9.3 [+1.9%]	130.1	+2.3 [+1.8%]	123.7	+0.7 [+0.6%]	130.4	+0.5 [+0.5%]	116.0	+5.7 [+5.2%]
OTC pharmaceuticals	150.7	+10.3 [+7.4%]	36.4	+3.9 [+12.2%]	38.7	+3.3 [+9.4%]	40.0	+0.8 [+2.2%]	35.5	+2.1 [+6.5%]
Health and sanitary related products	210.5	+5.2 [+2.5%]	52.8	+3.2 [+6.6%]	54.1	+0.4 [+0.8%]	54.2	+0.2 [+0.4%]	49.2	+1.3 [+2.8%]
Others	18.9	+3.5 [+23.1%]	4.5	+1.0 [+28.0%]	4.6	+1.0 [+30.4%]	5.6	+0.7 [+16.2%]	4.0	+0.6 [+19.8%]

All rights reserved, Copyright 2024 PALTAC CORPORATION

Sales Composition by Customer Category (Quarterly) FY2024/3

PALTAC

¥ billion	FY2024/3									
	Total	YoY	1Q	YoY	2Q	YoY	3Q	YoY	4Q	YoY
Net Sales	1,151.9	+47.8 [+4.3%]	293.5	+17.2 [+6.3%]	289.9	+11.2 [+4.0%]	299.6	+6.3 [+2.2%]	268.9	+12.9 [+5.1%]
Drug stores	727.8	+36.0 [+5.2%]	183.6	+9.2 [+5.3%]	183.1	+9.2 [+5.3%]	189.9	+7.2 [+4.0%]	171.0	+10.2 [+6.3%]
Discount stores	98.5	+8.0 [+8.9%]	24.1	+1.7 [+8.1%]	24.3	+2.3 [+10.7%]	25.9	+1.8 [+7.5%]	24.2	+2.0 [+9.5%]
Convenience stores	91.2	+9.8 [+12.1%]	23.3	+5.5 [+30.8%]	22.7	+0.4 [+2.0%]	23.8	+0.5 [+2.5%]	21.3	+3.2 [+18.3%]
Home centers	87.2	-2.5 [-2.9%]	23.3	-1.3 [-5.4%]	21.9	-0.4 [-2.0%]	22.5	-0.3 [-1.4%]	19.3	-0.4 [-2.5%]
Supermarkets	52.6	-0.6 [-1.3%]	13.6	+0.0 [+0.6%]	13.4	-0.0 [-0.5%]	13.4	-0.4 [-3.4%]	12.1	-0.2 [-2.0%]
GMS *	39.2	-0.4 [-1.2%]	9.8	-0.0 [-0.5%]	9.6	-0.3 [-3.5%]	10.6	-0.0 [-0.0%]	9.0	-0.0 [-0.7%]
Others	55.1	-2.3 [-4.1%]	15.3	+1.9 [+14.8%]	14.6	+0.0 [+0.3%]	13.2	-2.5 [-16.0%]	11.7	-1.8 [-13.4%]

* GMS stands for General Merchandising Store

All rights reserved, Copyright 2024 PALTAC CORPORATION

Forecasts 1st Half / 2nd Half FY2025/3

PALTAC

¥ billion (ratio of net sales: %)	FY2025/3 Plan								
	Total	YoY		1st Half	YoY		2nd Half	YoY	
		Amount	Rate		Amount	Rate		Amount	Rate
Net Sales	**1,190.0**	+38.0	+3.3%	**604.0**	+20.5	+3.5%	**586.0**	+17.4	+3.1%
Gross Profit	**88.7** **(7.45)**	+2.3 (-0.05)	+2.7%	**44.4** **(7.35)**	+1.0 (-0.08)	+2.5%	**44.3** **(7.56)**	+1.2 (-0.01)	+3.0%
SG&A Expenses	**60.7** **(5.10)**	+1.5 (-0.04)	+2.6%	**30.5** **(5.05)**	+0.9 (-0.02)	+3.2%	**30.2** **(5.15)**	+0.5 (-0.06)	+1.9%
Operating Profit	**28.0** **(2.35)**	+0.8 (-0.01)	+3.0%	**13.9** **(2.30)**	+0.1 (-0.06)	+1.0%	**14.1** **(2.41)**	+0.6 (+0.05)	+5.2%
Ordinary Profit	**31.7** **(2.66)**	+1.1 (+0.01)	+3.8%	**16.1** **(2.67)**	+0.4 (-0.01)	+3.1%	**15.6** **(2.66)**	+0.6 (+0.03)	+4.5%
Profit	**22.0** **(1.85)**	+1.3 (+0.06)	+6.6%	**11.2** **(1.85)**	+0.3 (-0.02)	+2.8%	**10.8** **(1.84)**	+1.0 (+0.13)	+10.8%

All rights reserved, Copyright 2024 PALTAC CORPORATION

Note Concerning
Forward-Looking Statements

Information in this document presented by PALTAC CORPORATION (the “Company”) contains forward-looking statements regarding to the Company. Other than historical facts, these forecasts and strategies prepared under certain assumptions, and such matters include certain risks and uncertainties. As such, please be forewarned that actual results may not necessarily match these forecasts due to a variety of changes in the business environment and others causes.

Please also note that even in cases where it might be desirable for the forecast information to be updated or revised due to new information, future events or other items. The Company is not obliged and does not have a policy of updating this document and information to the most recent.

All rights reserved, Copyright 2024 PALTAC CORPORATION