

# Summary Report of Consolidated Financial Results

## For the First Quarter Ended September 30, 2024

(All financial information has been prepared in accordance with accounting principles generally accepted in Japan.)

### Pan Pacific International Holdings Corporation

Securities Code No.: 7532  
 Shares Listed: Tokyo Stock Exchange  
 Address: Dogenzaka-dori 8F 2-25-12 Dogenzaka, Shibuya-ku, Tokyo  
 Representative: Naoki Yoshida, President and CEO, Representative Director  
 Contact: Yuji Ishii, Director, Managing Executive Officer and CAO  
 Tel: +81-3-6416-0418  
 URL: <https://ppih.co.jp/>

(Amounts in million yen are rounded off to the nearest million)

### 1. Overview of Business Results and Financial Position for the First Quarter of Fiscal 2025 (From July 1, 2024 to September 30, 2024)

#### (1) Results of Business Operations (Millions of yen, except per-share data)

	Net Sales	Change (%)	Operating Profit	Change (%)	Ordinary Profit	Change (%)	Profit Attributable to Owners of Parent	Change (%)
Three Months Ended September 30, 2024	550,591	8.1	41,060	24.9	32,111	(11.0)	20,466	(16.8)
Three Months Ended September 30, 2023	509,329	7.5	32,886	37.8	36,062	25.7	24,609	33.4

[Note] Comprehensive income: 30,508 million yen [1.2%] (as of September 30, 2024), 30,143 million yen [22.0%] (as of September 30, 2023)

	Net Income Per Share (Yen)	Net Income Per Share -fully diluted (Yen)
Three Months Ended September 30, 2024	34.28	34.14
Three Months Ended September 30, 2023	41.25	41.13

#### (2) Financial Position

As of	Total Assets	Net assets	Ratio of Shareholder's Equity to Total Assets (%)
September 30, 2024	1,455,118	562,712	37.9
June 30, 2023	1,498,410	547,003	35.8

[Reference] Equity: 551,493 million yen (as of September 30, 2024), 536,494 million yen (as of June 30, 2024)

### 2. Dividends

	Annual Dividend per share (yen)				
	Three Months End of September 30	Six Months End of December 31	Nine Months End of March 31	Year End Of June 30	Total
Fiscal Year Ended June 30, 2024	—	5.00	—	25.00	30.00
Fiscal Year Ending June 30, 2025	—				
Fiscal Year Ending June 30, 2025 (Forecast)		9.00	—	25.00	34.00

[Note] Revision to the dividend forecast in the first quarter of fiscal 2025: None

**3. Consolidated Business Forecast : For the year ending June 30, 2025 (From July 1, 2024 to June 30, 2025)**

(Millions of yen, except per-share data)

	Net Sales	Change (%)	Operating Profit	Change (%)	Ordinary Profit	Change (%)	Profit Attributable to Owners of Parent	Change (%)	Net Income per Share(Yen)
Six Months Ending December 31, 2024	1,120,400	6.9	81,100	7.4	67,200	(8.7)	43,200	(10.4)	72.37
Year Ending June 30, 2025	2,220,000	6.0	150,000	7.0	135,400	(8.9)	86,500	(2.5)	144.90

[Note] Revision to the dividend forecast in the first quarter of fiscal 2025: None

**4. Others**

(1) Significant changes in the scope of consolidation: None

Newly consolidated: — , Excluded: —

(2) Changes in accounting policies concerning preparation of consolidated financial statements

① Changes in line with revision to accounting standards: Yes

② Other changes: None

③ Changes in accounting estimates: None

④ Restatement: None

(3) Number of outstanding shares (Common shares)

Number of outstanding shares (Treasury shares included)	September 30, 2024	635,085,740 shares
	June 30, 2024	635,028,540 shares
Number of treasury shares	September 30, 2024	38,073,301 shares
	June 30, 2024	38,073,252 shares
Average number of outstanding shares during the period	September 30, 2024	596,981,047 shares
	September 30, 2023	596,625,538 shares

\*Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm:  
Yes (voluntary)

\*\* The financial forecasts of business results are based on judgments and estimates that have been made using currently available information. By nature, such financial forecasts are subject to uncertainties and risks. Therefore, actual results might be significantly different from the aforementioned forecasts for a variety of reasons, including changes in economic environments related to our business, market trends and foreign currency exchange rates.

\*\*\*The Company plans to hold a financial result briefing for security analysts and institutional investors on November 11, 2024. Presentation materials for the briefing will be available on the Company's website.

**Consolidated Balance Sheets**

(Millions of yen)

	As of June 30, 2024	As of September 30, 2024
<b>Assets</b>		
Current assets		
Cash and deposits	¥172,719	¥145,868
Notes and accounts receivable - trade	17,068	17,299
Accounts receivable - installment	57,333	54,528
Operating loans	9,613	9,503
Merchandise and finished goods	198,979	205,320
Prepaid expenses	8,695	8,683
Deposits paid	15,800	6,490
Other	36,452	37,191
Allowance for doubtful accounts	(3,227)	(3,364)
Total current assets	513,432	481,518
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	308,674	306,892
Tools, furniture and fixtures, net	37,971	36,829
Land	356,663	355,121
Construction in progress	4,197	6,282
Right-of-use assets, net	26,423	22,919
Other, net	1,534	1,538
Total property, plant and equipment	735,463	729,581
Intangible assets		
Goodwill	62,574	56,933
Other	32,074	34,081
Total intangible assets	94,647	91,014
Investments and other assets		
Investment securities	35,688	34,553
Long-term prepaid expenses	4,647	4,664
Retirement benefit asset	18,372	18,382
Deferred tax assets	25,609	24,608
Leasehold and guarantee deposits	68,737	68,636
Other	3,171	3,579
Allowance for doubtful accounts	(1,357)	(1,418)
Total investments and other assets	154,867	153,004
Total non-current assets	984,978	973,600
Total assets	¥1,498,410	¥1,455,118

**Consolidated Balance Sheets**

(Millions of yen)

	As of June 30, 2024	As of September 30, 2024
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	¥197,151	¥187,256
Current portion of long-term borrowings	48,615	120,131
Current portion of bonds payable	650	650
Accounts payable - other	60,874	49,077
Lease liabilities	2,809	2,550
Accrued expenses	31,300	25,877
Deposits received	13,971	12,970
Income taxes payable	25,547	10,901
Provision for point card certificates	1,379	1,505
Contract liabilities	18,966	17,568
Other	17,958	15,417
Total current liabilities	419,220	443,902
Non-current liabilities		
Bonds payable	191,075	190,750
Long-term borrowings	224,657	146,902
Lease liabilities	32,897	28,547
Asset retirement obligations	31,395	31,582
Other	52,163	50,724
Total non-current liabilities	532,187	448,504
Total liabilities	951,407	892,406
<b>Net assets</b>		
Shareholders' equity		
Share capital	23,538	23,564
Capital surplus	17,659	17,685
Retained earnings	559,538	565,079
Treasury shares	(80,956)	(80,956)
Total shareholders' equity	519,778	525,373
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,126	1,437
Foreign currency translation adjustment	13,857	23,977
Remeasurements of defined benefit plans	733	706
Total accumulated other comprehensive income	16,716	26,120
Share acquisition rights	1,442	1,605
Non-controlling interests	9,066	9,614
Total net assets	547,003	562,712
Total liabilities and net assets	¥1,498,410	¥1,455,118

**Consolidated Quarterly Statements of Income**

(Millions of yen)

	Three Months Ended September 30, 2023	Three Months Ended September 30, 2024
Net sales	¥509,329	<b>¥550,591</b>
Cost of sales	351,106	<b>373,807</b>
Gross profit	158,223	<b>176,784</b>
Selling, general and administrative expenses	125,337	<b>135,724</b>
Operating profit	32,886	<b>41,060</b>
Non-operating income		
Interest and dividend income	473	<b>492</b>
Share of profit of entities accounted for using equity method	243	<b>250</b>
Foreign exchange gains	3,054	-
Other	1,862	<b>1,926</b>
Total non-operating income	5,632	<b>2,668</b>
Non-operating expenses		
Interest expenses	1,993	<b>1,601</b>
Foreign exchange losses	-	<b>9,872</b>
Other	463	<b>144</b>
Total non-operating expenses	2,456	<b>11,617</b>
Ordinary profit	36,062	<b>32,111</b>
Extraordinary income		
Gain on sale of non-current assets	2	<b>203</b>
Reversal of provision for loss on store closings	-	<b>769</b>
Other	0	<b>1</b>
Total extraordinary income	3	<b>973</b>
Extraordinary losses		
Loss on retirement of non-current assets	192	<b>212</b>
Loss on store closings	102	<b>4</b>
Loss on disaster	3	<b>7</b>
Other	5	<b>8</b>
Total extraordinary losses	302	<b>231</b>
Profit before income taxes	35,763	<b>32,853</b>
Income taxes - current	9,756	<b>10,392</b>
Income taxes - deferred	1,210	<b>1,176</b>
Income taxes	10,966	<b>11,568</b>
Profit	24,797	<b>21,285</b>
Profit attributable to non-controlling interests	189	<b>819</b>
Profit attributable to owners of parent	¥24,609	<b>¥20,466</b>

**Consolidated Quarterly Statements of Comprehensive Income**

(Millions of yen)

	Three Months Ended September 30, 2023	Three Months Ended September 30, 2024
Profit	¥24,797	<b>¥21,285</b>
Other comprehensive income		
Valuation difference on available-for-sale securities	(239)	<b>(1,069)</b>
Foreign currency translation adjustment	5,592	<b>10,324</b>
Remeasurements of defined benefit plans, net of tax	(22)	<b>(18)</b>
Share of other comprehensive income of entities accounted for using equity method	15	<b>(14)</b>
Total other comprehensive income	5,345	<b>9,223</b>
Comprehensive income	¥30,143	<b>¥30,508</b>
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	¥29,887	<b>¥29,869</b>
Comprehensive income attributable to non-controlling interests	256	<b>639</b>

**Consolidated Quarterly Statements of Cash Flows***(Millions of yen)*

	Three Months Ended September 30, 2023	Three Months Ended September 30, 2024
<b>Cash flows from operating activities</b>		
Profit before income taxes	¥35,763	¥32,853
Depreciation	10,837	11,842
Increase (decrease) in provisions	52	(714)
Interest and dividend income	(473)	(492)
Interest expenses on borrowings and bonds	1,993	1,601
Foreign exchange losses (gains)	(3,054)	9,808
Share of profit of entities accounted for using equity method	(243)	(250)
Loss on sale and retirement of non-current assets	189	9
Increase in trade receivables	(1,791)	(261)
Decrease (increase) in inventories	6,180	(5,924)
Increase (decrease) in trade payables	19,893	(10,309)
Decrease in accounts receivable - installment	1,793	2,752
Decrease in accounts payable - other	(310)	(5,083)
Increase (decrease) in deposits received	696	(982)
Other, net	(8,298)	344
Subtotal	63,228	35,194
Interest and dividends received	407	433
Interest paid	(1,579)	(1,528)
Income taxes paid	(21,035)	(25,533)
Payments associated with disaster loss	(5)	(218)
Net cash provided by operating activities	41,016	8,348
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(15,094)	(13,057)
Proceeds from sale of property, plant and equipment	2	2,772
Purchase of intangible assets	(1,804)	(2,994)
Payments of leasehold and guarantee deposits	(77)	(150)
Proceeds from refund of leasehold and guarantee deposits	212	75
Payment for store opening in progress	(428)	(484)
Other, net	0	(3)
Net cash used in investing activities	¥(17,188)	¥(13,842)
<b>Cash flows from financing activities</b>		
Repayments of long-term borrowings	(16,604)	(5,141)
Redemption of bonds	(505)	(325)
Dividends paid	(9,545)	(14,924)
Other, net	(724)	(610)
Net cash used in financing activities	(27,378)	(20,999)
Effect of exchange rate change on cash and cash equivalents	5,274	(9,728)
Net increase (decrease) in cash and cash equivalents	1,724	(36,221)

**Consolidated Quarterly Statements of Cash Flows**

(Millions of yen)

	Three Months Ended September 30, 2023	Three Months Ended September 30, 2024
Cash and cash equivalents at beginning of period	246,195	<b>187,199</b>
Cash and cash equivalents at end of period	¥247,919	<b>¥150,978</b>



## Segment Information

### Information concerning sales and income by reporting segment

#### For the First Quarter Fiscal Ended September, 2023

(Millions of yen)

	Reportable segments				Reconciling items	Per quarterly consolidated financial statements
	Domestic Business	North America Business	Asia Business	Reportable segments		
Sales						
Revenues from external customers	¥431,511	¥58,230	¥19,587	¥509,329	¥—	¥509,329
Transactions with other segments	2,750	—	30	2,780	(2,780)	—
Net sales	434,261	58,230	19,617	512,109	(2,780)	509,329
Operating profit	¥31,657	¥1,157	¥72	¥32,886	¥—	¥32,886

[Note] Segment income is adjusted to the quarterly consolidated operating profit.

### Information concerning sales and income by reporting segment

#### For the First Quarter Fiscal Ended September, 2024

(Millions of yen)

	Reportable segments				Reconciling items	Per quarterly consolidated financial statements
	Domestic Business	North America Business	Asia Business	Reportable segments		
Sales						
Revenues from external customers	¥464,450	¥64,317	¥21,823	¥550,591	¥—	¥550,591
Transactions with other segments	3,286	—	40	3,327	(3,327)	—
Net sales	467,736	64,317	21,864	553,917	(3,327)	550,591
Operating profit (loss)	¥40,063	¥997	¥(1)	¥41,060	¥—	¥41,060

[Note] Segment income is adjusted to the quarterly consolidated operating profit.