

2025/1/14

Summary

Third Quarterly Financial Report

(Period : 2024/3/1 ~ 2024/11/30)

Consolidated NetSales 7.0% up、Operating Profit 17.6% up Record-High
Non-consolidated NetSales 7.4% up、O.Profit 18.9% up Record-High

1. Consolidated Financial Results Overview (million yen)

	Performance2024	Performance2023	Performance 2022
Net Sales	152,531Mio	142,545Mio	120,672Mio
Gross Profit	86,155Mio	79,726Mio	67,606Mio
SGA Expenses	67,878Mio	64,177Mio	55,219Mio
Operating Profit	18,277Mio	15,548Mio	12,387Mio
Ordinary Profit	18,513Mio	15,761Mio	12,596Mio
Net Profit	8,960Mio	10,353Mio	7,993Mio

2. PAL Co.,Ltd. Financial Results Overview (million yen)

	Performance2024	Performance2023	Performance 2022
Net Sales	136,445Mio	127,048Mio	108,960Mio
Gross Profit	77,197Mio	71,054Mio	62,511Mio
SGA Expenses	60,616Mio	57,165Mio	51,178Mio
Operating Profit	16,462Mio	13,887Mio	11,332Mio
Ordinary Profit	16,143Mio	13,855Mio	11,394Mio
Net Profit	10,601Mio	8,890Mio	7,454Mio

3. Comment on Financial Result

- 1) Sales for the current fiscal year were moderate due to the impact of a partial reduction in order volume implemented as a countermeasure against the cyber trouble in June .
Sales up to October were affected just over 7% compared to the previous year, but the new system has helped to return to normal.
Since we started placing orders in the latter half of November, we have seen a definite recovery.
- 2) In terms of profits, operating profit for the miscellaneous goods business was 4,042 million yen, more than double the previous year's figure, due to increased sales and profit of 3Coins.
This resulted in an increase of more than 0.6% and an overall gross profit margin of 56.5%.
Due to payment terms, the dollar-yen exchange rate for payments was the most severe in the third quarter, but, we could confirm that we have established a resilient business structure.
- 3) Sales and administrative expenses, which rose significantly in the third and fourth quarters of last year, were within the budget estimates at the beginning of the fiscal year.
This has been firmly under control, and the rate was 44.5%, down 0.5 points from the previous year.
- 4) E-commerce sales were affected by the effects of cyber-trouble, such as reduced orders and the division of ZOZO and other sites.
As collaboration was not fully realized, sales remained at 9.5% compared to the previous year, but our own website PALCLOSET sales continued to grow at a healthy 17.7% rate.
The number of EC app members was 11,058,000. The total number of followers on SNS is over 19,500,000.

- 5) The number of new stores is 37 '3Coins' stores and 5 'Discoat' stores , 3 'CiaopanicTYPY'stores ,3 'Mystic' stores, 3 'Kastane' which are promoting large-scale clothing brands.

We have acquired 18 stores in 'w closet' brand through M&A.

With the opening of 103 new stores and the closure of 22 stores, the net increase of 81 stores was 1,030, reaching the 1,000 store mark for the first time.

- 6) Founder Hidetaka Inoue will be retiring as a director at the end of this fiscal year, and for his outstanding achievements, we decided to pay a special bonus of 3,158 million yen.

It was recorded as a lump sum as an extraordinary loss for this fiscal year.

As announced in a separate press release today, we have decided to increase our dividend by 10 yen.

In order to thank our shareholders for their continued support, we have set a profit base before recording the extraordinary loss on special payments.

4. Numerical Value from Financial Results

- Existing Stores Net Sales

	2024/9	2024/10	2024/11	3Q Total
	Vs2023	Vs2023	Vs2023	Vs2023
Existing Store (Retail+EC)	101.4	97.9	101.6	100.3
of Retail Store	99.2	93.2	99.8	97.4
of EC Store	105.6	106.8	104.5	105.6

- All Stores Net Sales

	2024/9	2024/10	2024/11	3Q Total
	Vs2023	Vs2023	Vs2023	Vs2023
All Store Net Sales	107.5	107.6	106.3	107.1
of EC Store	108.1	109.3	106.6	108.0

- Existing Store Number of customers、 and Average Price (2023/3~2023/11)

	Average Price	Numbers
Garment Business	113.7	85.1
Miscellaneous good Business	106.2	95.6

4. Group Main Pivot Company Financial Results

- Niceclaup

	Performance2024	Performance2023
Net Sales	12, 828Mio	12, 748Mio
Operating Profit	1, 347Mio	1, 281Mio
Net Profit	834Mio	821Mio

- Nolley's

	Performance2024	Performance2023
Net Sales	9, 643Mio	9, 232Mio
Operating Profit	1, 057Mio	1, 000Mio
Net Profit	721Mio	677Mio

On Dec.1,2024, Nolley's was connected as a subsidiary company, and it is incorporated all year in consolidated accounts in 2025 fiscal year, only in the fourth-quarter in 2024,

5. Overview of Sales Results by Segment

	Performance2024	Performance2023
Apparel		
Net Sales	92, 236Mio	88, 496Mio
Operating Profit	14, 255Mio	13, 670Mio
Miscellaneous		
Net Sales	60, 034Mio	53, 904Mio
Operating Profit	4, 042Mio	1, 864Mio

6. Overview of Sales Results of E-commerce by Site

	Performance2024	Performance2023
ZOZOTOWN	18,190Mio	17,645Mio
PALCLOSET	16,448Mio	13,979Mio
OTHERS	3,573Mio	3,273Mio
Total	38,211Mio	34,897Mio
EC ratio	41.4%	39.4%

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