



Financial Summary for the 2nd Quarter of Fiscal 2024

Oct/10/2024

NOMURA Co.,Ltd.

Tokyo Stock Exchange, Prime Section Code No.9716

■ Highlights of FY2024_Q2 Earnings

- Despite the handling of multiple projects in the specialty stores market segment and public relations and sales promotion market segment, net sales decreased year on year, partly due to the impact of the concentration of progress on large-scale projects in the second half of the fiscal year.
- Operating income declined year on year due to the decrease in net sales and an increase in SG&A expenses.

Unit: millions of yen	FY2023		FY2024			
	2Q	ratio	2Q	ratio	Year-over-year	
Net sales	59,516	100.0%	57,945	100.0%	-1,570	-2.6%
Gross profit	10,012	16.8%	9,732	16.8%	-280	-2.8% (±0 P)
Operating income	2,220	3.7%	1,442	2.5%	-777	-35.0% (-1.2P)
Ordinary income	2,332	3.9%	1,527	2.6%	-805	-34.5% (-1.3P)
Net income	1,682	2.8%	851	1.5%	-830	-49.4% (-1.3P)

■ Net sales and Gross profit

Unit: millions of yen	FY2023		FY2024		Year-over-year	
	2Q	ratio	2Q	ratio		
Net sales	59,516	100.0%	57,945	100.0%	-1,570	-2.6%
Gross profit	10,012	16.8%	9,732	16.8%	-280	-2.8%

- Net sales decreased by 2.6% year on year due to the concentration of net sales in the second half of the fiscal year, despite the handling of multiple new openings and renovation projects for overseas brands and apparel, as well as corporate PR facilities and showrooms.
- The gross profit margin was 16.8%, on par with the same period in the previous fiscal year, but gross profit fell due to the decrease in net sales.

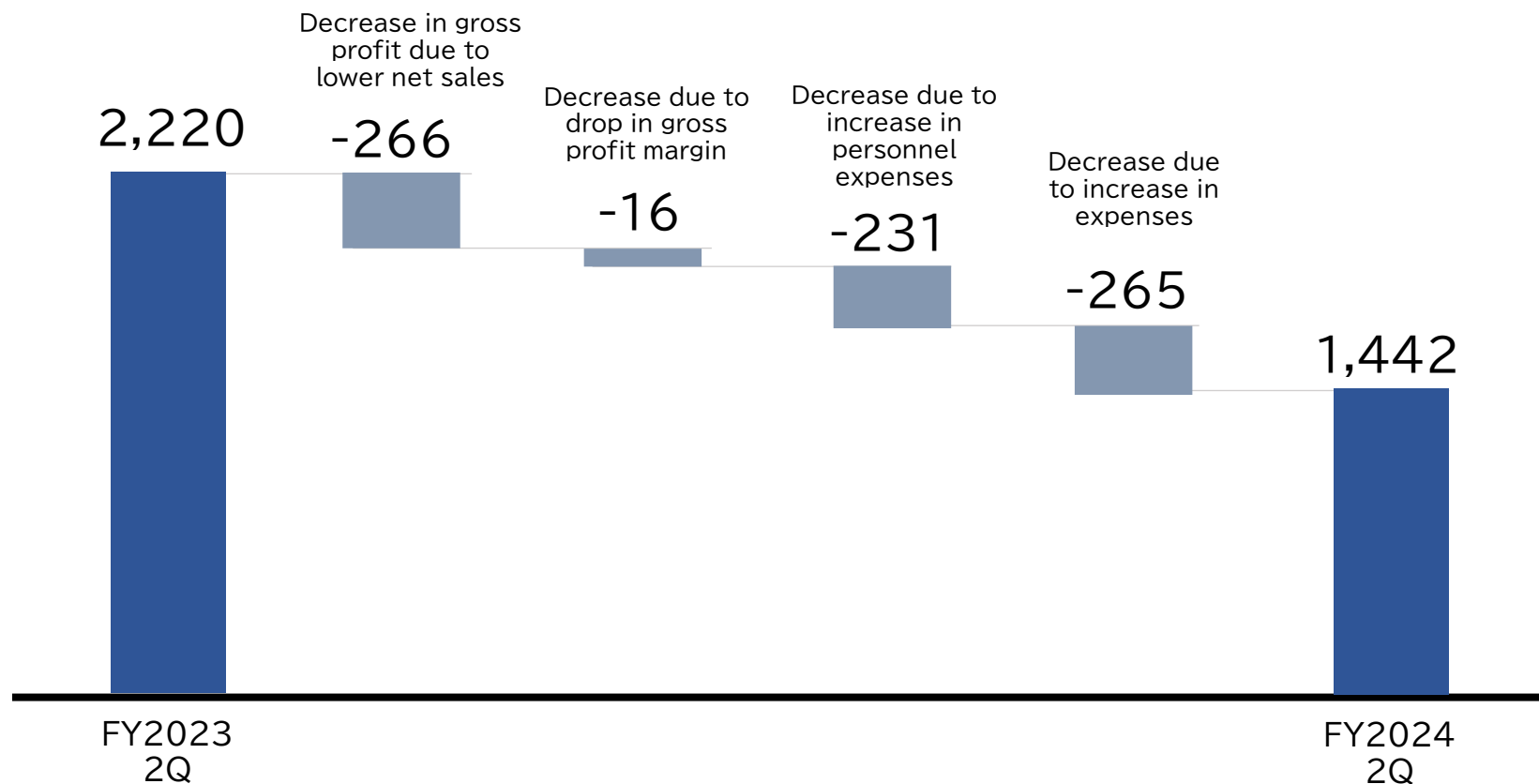
Selling, general and administrative expenses

Unit: millions of yen	FY2023		FY2024		Year-over-year	
	2Q	ratio	2Q	ratio		
Personnel expenses	4,734	8.0%	4,966	8.6%	+231	+4.9%
Operating expenses	3,057	5.1%	3,322	5.7%	+265	+8.7%
SG&A expenses	7,792	13.1%	8,289	14.3%	+497	+6.4%

- SG&A expenses increased by 6.4% year on year, with an increase in personnel expenses due to factors such as an increase in personnel and better compensation, as well as increases in IT-related expenses and human resources development costs associated with growth investment.

■ Factors behind changes in operating income (YoY change)

Unit: millions of yen	FY2023		FY2024		Year-over-year	
	2Q	ratio	2Q	ratio		
Operating Income	2,220	3.7%	1,442	2.5%	-777	-35.0%



■ Ordinary income and Net income

Unit: millions of yen	FY2023		FY2024		Year-over-year	
	2Q	ratio	2Q	ratio		
non-operating income or expenses	112	0.2%	84	0.1%	-28	-25.0%
Ordinary income	2,332	3.9%	1,527	2.6%	-805	-34.5%
Extraordinary income or loss	267	0.5%	-12	-	-280	-
Income before income taxes	2,600	4.4%	1,514	2.6%	-1,086	-41.8%
Income taxes	918	1.6%	662	1.1%	-255	-27.9%
Net Income Attributable to Shareholders of the Parent	1,682	2.8%	851	1.5%	-830	-49.4%

- Net income was ¥851 million, down ¥830 million year on year due to the decrease in ordinary income.

Consolidated Balance Sheet

Unit: millions of yen		FY2023		FY2024		
		Actual	ratio	2Q	ratio	Year-over-year comparison; change
	Current assets	72,026	83.1%	62,767	81.4%	-12.9%
	Property, plant and equipment	7,541	8.7%	7,472	9.7%	-0.9%
	Intangible assets	1,639	1.9%	1,354	1.8%	-17.4%
	Investments and other assets	5,489	6.3%	5,497	7.1%	+0.1%
	Total assets	86,697	100.0%	77,091	100.0%	-11.1%
	Current liabilities	31,324	36.1%	23,620	30.6%	-24.6%
	Long-term liabilities	5,066	5.9%	4,977	6.5%	-1.8%
	Total liabilities	36,391	42.0%	28,598	37.1%	-21.4%
	Net assets	50,306	58.0%	48,493	62.9%	-3.6%
	Total liabilities and net assets	86,697	100.0%	77,091	100.0%	-11.1%

Conditions by Market Field

- Net sales increased in the specialty stores market segment, where demand for new openings and renovations of overseas brands, apparel, and automotive stores increased, and in the public relations and sales promotion market segment, which handled large corporate PR facilities and showroom projects.
- Net sales decreased overall in the shopping centers market segment and the museums market segment, which saw a decline in progress on large-scale projects year on year.

Unit: millions of yen	FY2023		Gross Profit Margin	FY2024		Gross Profit Margin
	2Q	Year-over-year		2Q	Year-over-year	
Specialty store market	13,232	+13.1%	↑ 16.2%	15,947	+20.5%	↑ 16.8%
Department store and mass merchandise store market	2,383	+3.9%	↓ 20.0%	2,003	-15.9%	↑ 20.4%
Shopping center market	8,643	+84.1%	↓ 16.1%	5,849	-32.3%	↓ 15.4%
Public relations and sales promotion market	5,039	+21.0%	↑ 21.0%	5,903	+17.2%	↓ 19.4%
Museum and art museum market	5,003	-3.5%	↓ 19.5%	4,027	-19.5%	↓ 18.2%
Leisure facility market	10,964	+83.2%	↓ 13.0%	11,398	+ 4.0%	↑ 14.8%
Exposition and event market	2,849	+84.1%	↑ 22.9%	3,287	+15.4%	↓ 15.2%
Other markets	11,399	-4.3%	↓ 16.5%	9,527	-16.4%	↑ 17.8%
Total	59,516	+25.3%	↓ 16.8%	57,945	-2.6%	→ 16.8%

Orders and Backlog of Orders by Market

- Orders received increased by 15.2% year on year to ¥76,791 million due to increases in the specialty stores market segment, where new openings and renovation projects of overseas brands and mobile-related stores increased, the public relations and sales promotion market segment, which saw an increase in demand for corporate showrooms, and the expositions and creative events market segment, which received orders for projects related to EXPO 2025 Osaka, Kansai, Japan.
- The order backlog increased by 36.6% year on year to ¥85,877 million due to increases in the specialty stores market segment, where there has been a recovery in demand for new openings and renovation projects, the shopping centers market segment, which saw progress on urban redevelopment projects in major metropolitan areas, the expositions and creative events market segment, including orders for projects related to EXPO 2025 Osaka, Kansai, Japan, and the others market segment, which received orders for airport facilities, corporate welfare facilities, and other projects.

Unit: millions of yen	FY2023_2Q		FY2024_2Q		Orders Year-over-year comparison	Backlog of orders Year-over-year comparison
	Orders	Backlog of orders	Orders	Backlog of orders		
Specialty store market	14,341	7,887	22,731	15,393	+58.5%	+95.1%
Department store and mass merchandise store market	3,081	1,882	2,064	1,015	-33.0%	-46.1%
Shopping center market	7,783	7,999	6,308	15,468	-18.9%	+93.4%
Public relations and sales promotion market	5,882	6,131	9,564	6,380	+62.6%	+4.1%
Museum and art museum market	11,944	10,247	6,727	8,533	-43.7%	-16.7%
Leisure facility market	7,992	17,043	7,711	15,417	-3.5%	-9.5%
Exposition and event market	4,244	2,150	10,383	12,138	+144.7%	+464.5%
Other markets	11,391	9,510	11,299	11,531	-0.8%	+21.2%
Total	66,661	62,852	76,791	85,877	+15.2%	+36.6%

■ FY2024 Consolidated Financial Forecasts

- Results are on track to achieve the full-year earnings forecast on the back of a recovery in demand and steady progress on large-scale projects awaiting execution in the second half of the fiscal year.
- These forecasts incorporate the investments in sustainable growth set forth under the Medium-term Management Policy.

Unit: millions of yen	FY2023			FY2024(Forecast)		
	Full year	ratio	Year-over-year	Full year	ratio	Year-over-year
Net Sales	134,138	100.0%	+20.9%	137,000	100.0%	+2.1%
Operating Income	5,213	3.9%	+67.4%	5,700	4.2%	+9.3%
Ordinary Income	5,373	4.0%	+65.5%	5,750	4.2%	+7.0%
Net Income	3,862	2.9%	+73.2%	4,100	3.0%	+6.2%
Cash Dividends per Share (yen)	27.00	—	+2.00	27.00	—	—
Earnings per share (yen)	34.67	—	+14.65	36.80	—	+2.13