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November 8, 2024

## Consolidated Financial Results for the Six Months Ended September 30, 2024 (Under Japanese GAAP)

Company name: FRANCE BED HOLDINGS CO., LTD.  
 Listing: Tokyo Stock Exchange  
 Securities code: 7840  
 URL: <https://francebed-hd.co.jp>  
 Representative: Shigeru Ikeda, Representative Director, Chairman and President  
 Inquiries: Akihiko Osada, Director (in charge of Accounting/General Affairs Group)  
 Telephone: +81-3-6741-5501  
 Scheduled date to file semi-annual securities report: November 14, 2024  
 Scheduled date to commence dividend payments: December 5, 2024  
 Preparation of supplementary material on financial results: Yes  
 Holding of financial results briefing: Yes (for institutional investors and securities analysts)

(Yen amounts are rounded down to millions, unless otherwise noted.)

### 1. Consolidated financial results for the six months ended September 30, 2024 (from April 1, 2024 to September 30, 2024)

#### (1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended September 30, 2024	29,250	3.1	2,124	4.3	2,145	3.6	1,325	6.1
September 30, 2023	28,366	0.4	2,034	4.7	2,071	5.7	1,249	0.7

Note: Comprehensive income For the six months ended September 30, 2024: ¥1,031 million [(2.8)%]  
 For the six months ended September 30, 2023: ¥1,060 million [2.5%]

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
September 30, 2024	38.36	36.35
September 30, 2023	34.67	-

#### (2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
September 30, 2024	67,056	38,511	57.4	1,114.42
March 31, 2024	68,575	38,211	55.7	1,106.37

Reference: Equity  
 As of September 30, 2024: ¥38,511 million  
 As of March 31, 2024: ¥38,211 million

## 2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2024	–	17.00	–	22.00	39.00
Fiscal year ending March 31, 2025	–	17.00			
Fiscal year ending March 31, 2025 (Forecast)			–	22.00	39.00

Note: Revisions to the forecast of cash dividends most recently announced: None

## 3. Consolidated earnings forecasts for the fiscal year ending March 31, 2025 (from April 1, 2024 to March 31, 2025)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ending March 31, 2025	61,000	3.1	4,800	4.6	4,800	3.0	3,000	(4.2)	86.86

Note: Revisions to the earnings forecasts most recently announced: None

**\* Notes**

- (1) Significant changes in the scope of consolidation during the period: None
- (2) Adoption of accounting treatment specific to the preparation of semi-annual consolidated financial statements: None
- (3) Changes in accounting policies, changes in accounting estimates, and restatement
- (i) Changes in accounting policies due to revisions to accounting standards and other regulations: Yes
  - (ii) Changes in accounting policies due to other reasons: None
  - (iii) Changes in accounting estimates: None
  - (iv) Restatement: None

(4) Number of issued shares (common shares)

- (i) Total number of issued shares at the end of the period (including treasury shares)

As of September 30, 2024	38,397,500 shares
As of March 31, 2024	38,397,500 shares

- (ii) Number of treasury shares at the end of the period

As of September 30, 2024	3,839,889 shares
As of March 31, 2024	3,859,837 shares

- (iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Six months ended September 30, 2024	34,547,596 shares
Six months ended September 30, 2023	36,027,973 shares

\* Semi-annual financial results reports are exempt from review conducted by certified public accountants or an audit corporation.

\* Explanation regarding appropriate use of earnings forecasts, and other special matters

Caution regarding forward-looking statements

This document contains forward-looking statements including performance forecasts based on information available to the Company at the time of disclosure and certain assumptions that the Company believes to be reasonable. The Company makes no assurances as to their outcomes. Actual performance may differ substantially from these forecasts owing to a wide range of factors.

How to obtain supplementary material on financial results

The Company is scheduled to make a presentation of financial results for institutional investors and securities analysts on Friday, November 29, 2024. The presentation's handout materials will be posted on the Company's website by the day before the presentation.

## Semi-annual Consolidated Financial Statements

### (1) Semi-annual Consolidated Balance Sheet

(Millions of yen)

	As of March 31, 2024	As of September 30, 2024
<b>Assets</b>		
Current assets		
Cash and deposits	10,702	6,930
Notes and accounts receivable - trade	9,941	8,450
Electronically recorded monetary claims - operating	1,066	956
Securities	6,000	10,000
Merchandise and finished goods	5,960	6,300
Work in process	380	434
Raw materials and supplies	2,095	2,075
Other	1,078	1,119
Allowance for doubtful accounts	(40)	(22)
Total current assets	37,184	36,245
Non-current assets		
Property, plant and equipment		
Land	7,211	7,291
Other, net	13,659	13,318
Total property, plant and equipment	20,870	20,609
Intangible assets		
Goodwill	691	574
Other	1,044	904
Total intangible assets	1,736	1,478
Investments and other assets	8,730	8,676
Total non-current assets	31,336	30,764
Deferred assets	53	47
Total assets	68,575	67,056
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	2,844	2,188
Electronically recorded obligations - operating	2,002	1,681
Short-term borrowings	2,070	2,070
Current portion of long-term borrowings	290	290
Income taxes payable	479	766
Provision for bonuses	1,567	1,535
Other provisions	17	7
Other	5,872	5,135
Total current liabilities	15,144	13,675
Non-current liabilities		
Bonds payable	1,500	1,500
Convertible-bond-type bonds with share acquisition rights	5,049	5,044
Long-term borrowings	4,810	4,665
Provisions	158	109
Retirement benefit liability	446	406
Asset retirement obligations	360	361
Other	2,894	2,782
Total non-current liabilities	15,219	14,869
Total liabilities	30,363	28,545

(Millions of yen)

	As of March 31, 2024	As of September 30, 2024
Net assets		
Shareholders' equity		
Share capital	3,000	3,000
Capital surplus	–	4
Retained earnings	37,755	38,320
Treasury shares	(4,170)	(4,145)
Total shareholders' equity	36,584	37,179
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(20)	(34)
Deferred gains or losses on hedges	37	(11)
Remeasurements of defined benefit plans	1,609	1,378
Total accumulated other comprehensive income	1,626	1,332
Total net assets	38,211	38,511
Total liabilities and net assets	68,575	67,056

**(2) Semi-annual Consolidated Statement of Income and Semi-annual Consolidated Statement of Comprehensive Income**

**Semi-annual Consolidated Statement of Income**

(Millions of yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024
Net sales	28,366	29,250
Cost of sales	12,750	13,022
Gross profit	15,615	16,228
Selling, general and administrative expenses	13,580	14,103
Operating profit	2,034	2,124
Non-operating income		
Interest income	3	10
Dividend income	12	6
Share of profit of entities accounted for using equity method	–	8
Other	88	61
Total non-operating income	104	87
Non-operating expenses		
Interest expenses	42	38
Share of loss of entities accounted for using equity method	2	–
Other	22	26
Total non-operating expenses	67	65
Ordinary profit	2,071	2,145
Extraordinary income		
Gain on sale of non-current assets	0	0
Total extraordinary income	0	0
Extraordinary losses		
Loss on sale of non-current assets	–	1
Loss on retirement of non-current assets	1	4
Loss on valuation of investment securities	0	–
Loss on sale of investment securities	–	0
Total extraordinary losses	1	6
Profit before income taxes	2,069	2,139
Income taxes - current	598	677
Income taxes - deferred	221	136
Total income taxes	820	814
Profit	1,249	1,325
Profit attributable to owners of parent	1,249	1,325

## Semi-annual Consolidated Statement of Comprehensive Income

(Millions of yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024
Profit	1,249	1,325
Other comprehensive income		
Valuation difference on available-for-sale securities	(2)	(13)
Deferred gains or losses on hedges	28	(49)
Remeasurements of defined benefit plans, net of tax	(214)	(231)
Total other comprehensive income	(188)	(294)
Comprehensive income	1,060	1,031
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,060	1,031
Comprehensive income attributable to non-controlling interests	—	—

### (3) Semi-annual Consolidated Statement of Cash Flows

(Millions of yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024
<b>Cash flows from operating activities</b>		
Profit before income taxes	2,069	2,139
Depreciation	2,698	2,574
Amortization of goodwill	118	117
Loss (gain) on sale of non-current assets	(0)	0
Loss on retirement of non-current assets	1	4
Increase (decrease) in allowance for doubtful accounts	(13)	(18)
Increase (decrease) in provision for bonuses	(65)	(31)
Increase (decrease) in provision for bonuses for directors (and other officers)	(8)	(10)
Increase (decrease) in retirement benefit liability	(19)	(39)
Decrease (increase) in retirement benefit asset	(179)	(238)
Increase (decrease) in provision for retirement benefits for directors (and other officers)	(3)	(48)
Loss (gain) on sale of investment securities	–	0
Interest and dividend income	(15)	(17)
Interest expenses	42	38
Share of loss (profit) of entities accounted for using equity method	2	(8)
Loss (gain) on valuation of investment securities	0	–
Decrease (increase) in trade receivables	958	1,600
Decrease (increase) in inventories	(254)	(374)
Increase (decrease) in trade payables	(341)	(976)
Increase (decrease) in accrued expenses	(117)	(343)
Other, net	(244)	(97)
Subtotal	4,629	4,271
Interest and dividends received	15	15
Interest paid	(42)	(44)
Income taxes paid	(931)	(348)
Net cash provided by (used in) operating activities	3,671	3,893
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(2,126)	(2,346)
Proceeds from sale of property, plant and equipment	0	1
Purchase of securities	(3,500)	(4,500)
Proceeds from redemption of securities	2,500	3,500
Proceeds from sale of investment securities	–	0
Purchase of shares of subsidiaries and associates	–	(54)
Proceeds from collection of loans receivable	3	3
Purchase of intangible assets	(189)	(43)
Net cash provided by (used in) investing activities	(3,311)	(3,438)
<b>Cash flows from financing activities</b>		
Net increase (decrease) in short-term borrowings	100	–
Proceeds from long-term borrowings	300	–
Repayments of long-term borrowings	(100)	(145)
Redemption of bonds	(300)	–
Purchase of treasury shares	(0)	(0)
Proceeds from sale and leaseback transactions	1,069	1,224
Repayments of lease liabilities	(1,769)	(1,547)
Dividends paid	(718)	(758)
Net cash provided by (used in) financing activities	(1,419)	(1,226)



(Millions of yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024
Effect of exchange rate change on cash and cash equivalents	4	-
Net increase (decrease) in cash and cash equivalents	(1,055)	(771)
Cash and cash equivalents at beginning of period	10,355	13,202
Cash and cash equivalents at end of period	9,299	12,430