

# Consolidated Financial Results for the Three Months Ended November 30, 2024 [Japanese GAAP]



January 10, 2025

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 Stock exchange listing: Tokyo Stock Exchange  
 Code number: 3046  
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 Scheduled date of commencing dividend payments: -  
 Availability of supplementary briefing material on annual financial results: Not available  
 Schedule of quarterly financial results briefing session: Not scheduled

(Amounts of less than one million yen are rounded down)

## 1. Consolidated Financial Results for the Three Months Ended November 30, 2024 (September 1, 2024 to November 30, 2024)

(1) Consolidated Operating Results (cumulative) (% indicates changes from the previous corresponding period)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Three months ended November 30, 2024	21,056	15.9	2,003	83.8	2,002	89.5	1,317	127.3
November 30, 2023	18,166	6.5	1,089	39.7	1,056	58.8	579	54.0

(Note) Comprehensive income: Three months ended November 30, 2024: ¥1,065 million [109.4%]  
 Three months ended November 30, 2023: ¥509 million [29.7%]

	Earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended November 30, 2024	56.44	53.85
November 30, 2023	24.83	23.66

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of November 30, 2024	52,534	25,694	48.9
As of August 31, 2024	54,045	25,593	47.4

(Reference) Equity: As of November 30, 2024: ¥25,694 million  
 As of August 31, 2024: ¥25,593 million

## 2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended August 31, 2024	–	20.00	–	41.00	61.00
Fiscal year ending August 31, 2025	–				
Fiscal year ending August 31, 2025 (Forecast)		23.00	–	44.00	67.00

(Note) Revision to the forecast for dividends announced most recently: None

### 3. Forecast of Consolidated Financial Results for the Fiscal Year Ending August 31, 2025 (September 1, 2024 to August 31, 2025)

(% indicates changes from the previous corresponding period)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Half year	42,400	11.5	2,860	11.6	2,770	6.6	1,810	16.3	77.55
Full year	90,100	8.6	8,500	8.5	8,310	7.4	5,230	11.9	224.08

(Note) Revision to the financial results forecast announced most recently: None

#### \* Notes:

- (1) Significant changes in the scope of consolidation during the three months ended November 30, 2024: None
- (2) Accounting policies adopted specially for the preparation of quarterly consolidated financial statements: None
- (3) Changes in accounting policies, changes in accounting estimates and retrospective restatement
  - 1) Changes in accounting policies due to the revision of accounting standards: Yes
  - 2) Changes in accounting policies other than the above 1): None
  - 3) Changes in accounting estimates: None
  - 4) Retrospective restatement: None
- (4) Total number of issued shares (common shares)
  - 1) Total number of issued shares at the end of the period (including treasury stock):
    - November 30, 2024: 23,980,000 shares
    - August 31, 2024: 23,980,000 shares
  - 2) Total number of treasury stock at the end of the period:
    - November 30, 2024: 639,183 shares
    - August 31, 2024: 640,064 shares
  - 3) Average number of shares during the period:
    - Three months ended November 30, 2024: 23,340,523 shares
    - Three months ended November 30, 2023: 23,340,113 shares

(Note) The Company's shares held by Custody Bank of Japan, Ltd. (Trust Account E) as trust assets of "Stock Granting Trust (J-ESOP)" are included in the treasury stock deducted in the calculation of the total number of treasury stock at the end of the period and the average number of shares during the period.

\*Review of the accompanying quarterly consolidated financial statements by Certified Public Accountants or an audit firm: None

#### \*Explanation of the proper use of the financial results forecast and other notes

Forward-looking statements in this document, such as the financial results forecast, are based on information currently available to the Group and certain assumptions that the Group has deemed reasonable. These statements are not intended as the Group's commitment to achieve them, and actual performance may differ significantly due to various factors.

For the assumptions for the financial results forecast and precautions for using the financial results forecast, please refer to "1. Qualitative Information on Quarterly Financial Results for the Period under Review, (3) Explanation of Consolidated Financial Results Forecast and Other Forward-looking Information" on page 4 of the attached document.

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## 1. Qualitative Information on Quarterly Financial Results for the Period under Review

### (1) Explanation of Business Results

During the three months ended November 30, 2024 (September 1, 2024 to November 30, 2024), the Japanese economy showed a moderate recovery, which was backed by personal consumption and inbound demand. However, we must pay close attention to the impact on the economy caused by price increases driven by the surge in commodity prices reflecting changes in the global political situation, fluctuations in financial and capital markets, including currency and interest rate movements, and other factors. Looking at the global economy, while rising prices, fluctuations in financial and capital markets and other factors continue to affect the economy, as mentioned above, China in particular has seen slower growth mainly due to the sluggish real estate market and rising youth unemployment rate, and there are concerns about further downward risks to the economy.

The domestic retail eyewear market (eyeglasses for vision correction) seemed to exhibit a trend of recovery to the level before the outbreak of COVID-19 as the impact of the pandemic diminished.

Under this market environment, in the eyewear business, the Company and its consolidated subsidiaries (collectively, the “Group”) took such initiatives as strengthening development of innovative products and advancing store development, which they identified as management issues. With regard to product development, we developed products that fit the usage scenarios encountered by our customers and provided new product value through initiatives such as “JINS HOME,” which are designed for at-home use. Also, we have continued a joint project to develop an eyeglass-shaped, violet-light-emitting medical device designed to suppress the progress of myopia, conducted as part of our initiatives to realize “a world free from myopia.” As for store strategies, we have promoted store openings at locations that are convenient to customers based on the market environment. In Japan, we opened stores mainly in small shopping malls and station buildings. For overseas locations, we opened stores in regions where we had not yet done so, while in some regions we closed unprofitable stores or developed a dominant position, taking into account market conditions and competition in countries and regions globally.

In terms of store development, the number of stores as of November 30, 2024, was 752, including 508 stores in Japan and 244 stores overseas (164 in China, 67 in Taiwan, 9 in Hong Kong, and 4 in the United States).

As a result, for the three months ended November 30, 2024, the Company posted net sales of ¥21,056 million (up 15.9% year-on-year) partly thanks to the impact of new store openings in Japan and overseas. Operating profit was ¥2,003 million (up 83.8% year-on-year), ordinary profit was ¥2,002 million (up 89.5% year-on-year), and profit attributable to owners of parent was ¥1,317 million (up 127.3% year-on-year), achieving increased sales and profits.

Business results by segment are as follows:

Net sales by business segment

Segment	For the three months ended November 30, 2024 (September 1, 2024 to November 30, 2024)	Percentage to the Company’s net sales	Year-on-year change
Domestic eyewear business	¥16,048 million	76.2%	19.0%
Overseas eyewear business	¥5,007 million	23.8%	7.0%
Total	¥21,056 million	100.0%	15.9%

#### <Domestic Eyewear Business>

In the domestic eyewear business, the redesigned “Airframe” and other products were well received. In addition, high-priced optional lenses such as “JINS Ultra-Thin Lenses” performed well, and sales of visible light photochromic lenses and UV-cut lenses were also strong due to greater awareness of the need for UV protection measures, which led to an increase in the unit prices. Meanwhile, membership of the JINS app reached approximately 15.64 million people as of the end of November 2024.

In terms of store development, the number of stores in Japan was 508 (13 openings and no closures).

As a result, net sales of the domestic eyewear business were ¥16,048 million (up 19.0% year-on-year), and segment operating profit was ¥1,694 million (up 97.6% year-on-year).

#### <Overseas Eyewear Business>

In the overseas eyewear business, in China, where our business performance is affected by the ongoing economic downturn, we worked on business restructuring. The Company’s business performance is on a recovery trend.

In Taiwan, business performance was strong mainly due to continued favorable feedback of the Made in Japan lenses that are available as an option.

In Hong Kong, earnings were lower than expected due to the economic downturn and an increase in outbound sales to China and Japan caused by the impact of foreign exchange rates.

In the United States, net sales of the existing stores remained strong.

In terms of store development, the total number of stores overseas was 244 as of the end of the period under review, including 164 stores in China (4 openings and 7 closures), 67 in Taiwan (6 openings and no closures), 9 in Hong Kong (no openings or closures), and 4 in the United States (no openings or closures).

As a result, net sales of the overseas eyewear business were ¥5,007 million (up 7.0% year-on-year), and segment operating profit was ¥308 million (up 33.1% year-on-year).

## (2) Explanation of Financial Position

### (Status of Assets, Liabilities and Net Assets)

Assets, liabilities and net assets at the end of the first quarter under review are as follows:

(Millions of yen)

	End of the previous fiscal year (August 31, 2024)	End of 1st quarter of fiscal year under review (November 30, 2024)	Change	Change (%)
Total assets	54,045	52,534	(1,511)	(2.8)
Liabilities	28,451	26,839	(1,612)	(5.7)
Net assets	25,593	25,694	100	0.4

#### (a) Assets

Current assets fell ¥3,323 million from the end of the previous fiscal year to ¥28,930 million.

This was mainly due to decreases of ¥776 million in accounts receivable - trade and ¥3,292 million in cash and deposits, despite an increase of ¥758 million in merchandise and finished goods.

Non-current assets grew ¥1,811 million from the end of the previous fiscal year to ¥23,603 million.

This was mainly due to increases of ¥829 million in leasehold deposits and ¥373 million in property, plant and equipment such as buildings and structures as a result of the Group's expansion of retail stores.

As a result, total assets decreased ¥1,511 million from the end of the previous fiscal year to ¥52,534 million.

#### (b) Liabilities

Current liabilities fell ¥1,881 million from the end of the previous fiscal year to ¥23,781 million.

This was mainly due to a decrease of ¥1,370 million in income taxes payable, despite an increase of ¥333 million in accounts payable - trade.

Non-current assets grew ¥269 million from the end of the previous fiscal year to ¥3,057 million.

This was mainly due to an increase of ¥365 million in long-term accounts payable.

As a result, total liabilities decreased ¥1,612 million from the end of the previous fiscal year to ¥26,839 million.

#### (c) Net assets

Net assets were up ¥100 million from the end of the previous fiscal year to ¥25,694 million.

This was mainly due to a decrease of ¥969 million due to the payment of dividends despite the recording of ¥1,317 million in profit attributable to owners of parent.

## (3) Explanation of Consolidated Financial Results Forecast and Other Forward-looking Information

For the first-half and full-year consolidated financial results forecasts for the fiscal year ending August 31, 2025, there are no changes to the forecasts announced on October 11, 2024.

## 2. Quarterly Consolidated Financial Statements and Primary Notes

### (1) Quarterly Consolidated Balance Sheets

(Millions of yen)

	As of August 31, 2024	As of November 30, 2024
<b>Assets</b>		
Current assets		
Cash and deposits	18,673	15,381
Accounts receivable - trade	6,572	5,796
Merchandise and finished goods	4,639	5,398
Work in process	43	14
Raw materials and supplies	424	406
Other	1,900	1,934
Total current assets	32,254	28,930
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	9,461	9,775
Other, net	1,672	1,731
Total property, plant and equipment	11,133	11,506
Intangible assets	2,538	2,832
Investments and other assets		
Leasehold and guarantee deposits	4,392	5,222
Other	3,726	4,042
Total investments and other assets	8,119	9,264
Total non-current assets	21,791	23,603
Total assets	54,045	52,534

(Millions of yen)

	As of August 31, 2024	As of November 30, 2024
<b>Liabilities</b>		
Current liabilities		
Accounts payable - trade	2,747	3,081
Current portion of convertible bond-type bonds with share acquisition rights	10,005	10,002
Short-term borrowings	1,909	1,650
Current portion of long-term borrowings	20	13
Accounts payable - other, and accrued expenses	6,211	5,998
Income taxes payable	2,051	681
Provision for bonuses	429	470
Provision for product warranties	250	231
Allowance for business structure reform expenses	66	53
Other	1,971	1,598
Total current liabilities	25,663	23,781
Non-current liabilities		
Long-term borrowings	24	22
Provision for share awards	70	62
Asset retirement obligations	1,166	1,217
Other	1,525	1,754
Total non-current liabilities	2,787	3,057
Total liabilities	28,451	26,839
<b>Net assets</b>		
Shareholders' equity		
Share capital	3,202	3,202
Capital surplus	3,201	3,201
Retained earnings	22,818	23,166
Treasury stock	(4,041)	(4,037)
Total shareholders' equity	25,180	25,532
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	77	76
Foreign currency translation adjustment	335	85
Total accumulated other comprehensive income	413	161
Total net assets	25,593	25,694
Total liabilities and net assets	54,045	52,534



(2) Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statements of Income

Three Months Ended November 30, 2023 and November 30, 2024

(Millions of yen)

	For the three months ended November 30, 2023	For the three months ended November 30, 2024
Net sales	18,166	21,056
Cost of sales	3,819	4,449
Gross profit	14,347	16,606
Selling, general and administrative expenses	13,257	14,603
Operating profit	1,089	2,003
Non-operating income		
Interest income	4	3
Foreign exchange gains	5	21
Subsidy income	0	1
Other	16	12
Total non-operating income	25	38
Non-operating expenses		
Interest expenses	33	35
Share of loss of entities accounted for using equity method	18	–
Other	6	3
Total non-operating expenses	58	38
Ordinary profit	1,056	2,002
Extraordinary losses		
Loss on retirement of non-current assets	35	57
Loss on store closings	3	1
Other	–	0
Total extraordinary losses	39	58
Profit before income taxes	1,017	1,944
Income taxes - current	272	504
Income taxes - deferred	165	122
Total income taxes	437	627
Net income	579	1,317
Profit attributable to non-controlling interests	–	–
Profit attributable to owners of parent	579	1,317

Quarterly Consolidated Statements of Comprehensive Income

Three Months Ended November 30, 2023 and November 30, 2024

(Millions of yen)

	For the three months ended November 30, 2023	For the three months ended November 30, 2024
Net income	579	1,317
Other comprehensive income		
Valuation difference on available-for-sale securities	(21)	(1)
Foreign currency translation adjustment	54	(250)
Share of other comprehensive income of entities accounted for using equity method	(103)	–
Total other comprehensive income	(70)	(251)
Comprehensive income	509	1,065
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	509	1,065
Comprehensive income attributable to non-controlling interests	–	–

(3) Notes to Quarterly Consolidated Financial Statements

(Notes on Going Concern Assumption)

Not applicable.

(Notes in the Case of Significant Changes in Shareholders' Equity)

Not applicable.

(Changes in Accounting Policies)

(Application of "Accounting Standard for Current Income Taxes," Etc.)

The Company has applied the "Accounting Standard for Current Income Taxes" (Accounting Standards Board of Japan (ASBJ) Statement No. 27, October 28, 2022; the "Revised Accounting Standard of 2022") and other relevant ASBJ regulations from the beginning of the first quarter of the fiscal year ending August 31, 2025.

Revisions to categories for recording current income taxes (taxation on other comprehensive income) conform to the transitional treatment in the proviso of paragraph 20-3 of the Revised Accounting Standard of 2022 and to the transitional treatment in the proviso of paragraph 65-2 (2) of the "Guidance on Accounting Standard for Tax Effect Accounting" (ASBJ Guidance No. 28, October 28, 2022; the "Revised Guidance of 2022"). This change in accounting policies has no impact on the quarterly consolidated financial statements.

In addition, regarding the revisions related to revised treatment in the consolidated financial statements of the deferral for tax purposes of gains or losses arising from the sale of shares of subsidiaries, etc. between consolidated companies, the Company has applied the Revised Guidance of 2022 from the beginning of the first quarter of the fiscal year ending August 31, 2025. This change in accounting policies has been applied retrospectively, and the new accounting policy is reflected in the first quarter of the fiscal year consolidated financial statements for the previous fiscal year and in the consolidated financial statements for the previous fiscal year. This change in accounting policies has no impact on the quarterly consolidated financial statements for the previous fiscal year and on the consolidated financial statements for the previous fiscal year.

(Segment Information)

I. For the Three Months Ended November 30, 2023

1. Information about net sales and profit (loss) and information on disaggregation of revenue by reportable segment

(Millions of yen)

	Reportable segment			Adjustments	Consolidated (Note)
	Domestic eyewear business	Overseas eyewear business	Total		
Net sales:					
Revenue from contracts with customers	13,485	4,680	18,166	–	18,166
Sales to outside customers	13,485	4,680	18,166	–	18,166
Intersegment sales or transfers	182	2	185	(185)	–
Total	13,668	4,683	18,351	(185)	18,166
Segment profit	857	231	1,089	–	1,089

(Note) Segment profit is reconciled to operating profit in the quarterly consolidated statements of income.

2. Information about loss on impairment of non-current assets and goodwill by reportable segment  
(Significant loss on impairment of non-current assets)

Not applicable.

(Significant changes in goodwill)

Not applicable.

(Significant gain on negative goodwill)

Not applicable.

II. For the Three Months Ended November 30, 2024

1. Information about net sales and profit (loss) and information on disaggregation of revenue by reportable segment

(Millions of yen)

	Reportable segment			Adjustments	Consolidated (Note)
	Domestic eyewear business	Overseas eyewear business	Total		
Net sales:					
Revenue from contracts with customers	16,048	5,007	21,056	–	21,056
Sales to outside customers	16,048	5,007	21,056	–	21,056
Intersegment sales or transfers	328	29	358	(358)	–
Total	16,377	5,037	21,414	(358)	21,056
Segment profit	1,694	308	2,003	–	2,003

(Note) Segment profit is reconciled to operating profit in the quarterly consolidated statements of income.

2. Information about loss on impairment of non-current assets and goodwill by reportable segment

(Significant loss on impairment of non-current assets)

Not applicable.

(Significant changes in goodwill)

Not applicable.

(Significant gain on negative goodwill)

Not applicable.

(Notes on Statements of Cash Flows)

Consolidated statements of cash flows for the three months ended November 30, 2024 are not prepared.

Depreciation (including amortization of intangible fixed assets) for the three months ended November 30, 2023 and November 30, 2024, are as follows.

	For the three months ended November 30, 2023	For the three months ended November 30, 2024
Depreciation	711 Million yen	688 Million yen

(Significant Subsequent Events)

Not applicable.