

Company Profile (As of October 1, 2023)

Company Name : Nojima Corporation (Securities Code: 7419)	
English Name : Nojima Corporation	
Established : April 1962	
Capital : 6,330 million yen	
Officers :	<ul style="list-style-type: none"> ● Hiroshi Nojima, Director, Representative Executive Officer and President ● Kazuo Hiramoto, Director (Outside) ● Ryoji Nojima, Director, Representative Executive Officer, and Vice President ● Kazunori Takami, Director (Outside) ● Koichiro Fukuda, Director, Representative Executive Officer, and Vice President ● Ryuji Yamada, Director (Outside) ● Hajime Nukumori, Director, Senior Executive Officer ● Fumiko Horiuchi, Director (Outside) ● Hirofumi Kunii, Director, Executive Officer ● Masanori Ikeda, Director (Outside) ● Junichi Yamane, Director, Executive Officer ● Masaru Shibahara, Director (Outside) ● Yutaka Tajima, Director, Executive Officer ● Fumiko Hayashi, Director (Outside) ● Norihiro Hikita, Executive Officer ● Ayako Ishihara, Executive Officer ● Hiroaki Hatano, Executive Officer
Number of Employees : Employees 12,294/ Contract and part-time employees 4,376 (Consolidated) (As of September 30, 2023)	

Information for Shareholders

Fiscal-year end	March 31 of each year
Annual General Meeting of Shareholders	Held in June of each year
Record date	March 31
Record date for interim dividend	September 30 (when interim dividend is paid)
Share registrar	Mitsubishi UFJ Trust and Banking Corporation
Office	Stock Transfer Agency Department, Mitsubishi UFJ Trust and Banking Corporation, 1-4-5 Marunouchi, Chiyoda-ku, Tokyo 100-8212, Japan
(Contact)	Stock Transfer Agency Department, Mitsubishi UFJ Trust and Banking Corporation, P.O. Box No. 29, Shin-Tokyo Post Office, Tokyo 137-8081, Japan Telephone: 0120-232-711 (toll-free)
Public notices	Electronic public notice Public notice URL https://www.nojima.co.jp/ir/ *In the event that electronic public notice is not possible due to unavoidable circumstances, public notices will be published in the Nihon Keizai Shimbun.

Information on Shareholder Benefits

Shareholder gift certificates	Given twice a year to shareholders with voting rights as of March 31 and September 30
How to use shareholder gift certificates	You receive a 10% discount off the purchase price using a shareholder gift certificate when paying in cash or with a J-Debit card. You also receive an 8% discount off the purchase price using a shareholder gift certificate when paying with a credit card, JCB/VISA Debit, Nojima EPOS Card, Nojima shopping credit, or Nojima JACCS Card. However, when purchasing through Nojima Online, you will be refunded at a later date with points via Nojima Online Points, or the equivalent amount by bank transfer. For more details, please see the documents enclosed with shareholder gift certificates.
Expiry dates	<ul style="list-style-type: none"> ● Shareholder gift certificates issued on March 31/valid until January 31 the following year ● Shareholder gift certificates issued on September 30/valid until July 31 the following year
Stores where shareholder gift certificates can be used	<ul style="list-style-type: none"> ● All Nojima Corporation stores (Please see the Company's website (https://www.nojima.co.jp) for more details.) ● Nojima Online *If you are a shareholder living in an area where there are no stores and you would like to use your shareholder gift certificate to purchase products handled by the Company, we recommend that you do so via Nojima Online.



- Investor relations (IR) information website — <https://www.nojima.co.jp/ir/>
On our IR information page, you can view information for shareholders and investors, including financial reports, IR-related materials such as securities reports, and information on operational procedures for shares.
- Nojima website URL — <https://online.nojima.co.jp/>

Nojima Corporation JR Yokohama Tower 25F, 1-1-1 Minami Saiwai, Nishi-ku, Yokohama, Kanagawa Prefecture, 220-0005, Japan (reception)
Telephone: 045-228-3546 (Switchboard) Fax: 050-3116-1250
Contact details for investors info@nojima.co.jp



To Our Shareholders

Interim Business Report for the 62nd Term
April 1, 2023 ▶ September 30, 2023



■ Nojima's Aspiration

We contribute to the development of Japan
as a whole by popularizing the digital
“GS4” to the delight of customers.

Goods · Solution 【 Support / Service / Setting / Soft 】
Guiding star of the digital world

Management Philosophy

-ZEN- IN KEIEI- each employee cultivates the mindset of management

～Aim for even greater customer trust in Nojima～

- Management that contributes to society
- Management that is open and impartial
- Management that is creative and innovative
- Management with a love of humanity
- Management with ambition



■ Greeting	P. 2	■ Financial Highlights	P. 9
■ Message from the President	P. 3 ~ 4	■ Summary of Financial Results	P. 10
■ Introducing New Stores /Changes in the Number of Stores	P. 5 ~ 6	■ Company Profile, Information for Shareholders, and Information on Shareholder Benefits	P. 11
■ Topics	P. 7 ~ 8		

■ Greeting

I would like to express my deepest gratitude to our shareholders for their continued support. In presenting our Interim Business Report for the 62nd Term (the fiscal year ending March 31, 2024), I would like to give you an overview of the Nojima Group's business performance.

During the six-month period ended September 30, 2023, the Japanese economy as a whole showed signs of moderate recovery, and it is expected that this will continue in the future due to improvements in the employment and income environment and the effects of various government policies. On the other hand, attention needs to be paid to downside risks for the economy, including global monetary tightening and concerns about the Chinese economic outlook.

Under these circumstances, the Nojima Group focused on being the leader in the digital field and achieving the industry's highest customer satisfaction. To achieve these goals, we sought to establish sales floors where shoppers can easily find what they want and to provide customer services that reflect the perspectives of customers, while working to improve consulting-based sales and enhance customer services to meet their needs.

As a result, for the six-month period ended September 30, 2023, we recorded net sales of 358,065 million yen (up 31.5% year on year), operating profit of 13,511 million yen (down 22.4% year on year), ordinary profit of 14,675 million yen (down 23.0% year on year) and net income attributable to owners of the parent company of 9,198 million yen (down 27.9% year on year).

EBITDA*, which the Group considers to be an important indicator of business performance, stood at 26,486 million yen (down 5.1% year on year).

*EBITDA = ordinary income + interest expenses + interest on bonds + depreciation + amortization of goodwill - gain or loss on equity method investment

We look forward to your continued support and guidance as we strive to further enhance corporate value in order to meet the expectations of shareholders while increasing the overall strength of the Group.

Hiroshi Nojima

Representative Executive Officer and President

Message from the President

The market environment continues to change even after the COVID-19 pandemic. We aim for further growth by developing human resources and actively opening new stores.

Nojima Group

Although the measures to counter COVID-19 have been relaxed, the outlook for the Japanese market remains uncertain due to significant price increases and soaring electricity costs.

The Nojima Group has continued to aggressively implement a scrap-and-build process, mainly in the Tokyo metropolitan area, and has worked to create new customers. Going forward, the Group will continue to invest in human resources and stores to create stores that will delight customers.

In terms of the Group's structure, Nojima APAC Limited, an overseas subsidiary, made Thunder Match Technology Sdn. Bhd. ("TMT") into a subsidiary. Taking advantage of the know-how of TMT, which has strengths in the sale of information and communications products in Malaysia, we will make efforts to achieve a V-shaped recovery in the overseas business.

Going forward, we will continue to develop human resources to provide consulting services that are closely matched to customers and strive to provide the products and services needed by local people.

Operation of digital home electronics retail stores

In the area of operation of digital home electronics retail stores, while consumption has been shifting from goods to experience-oriented activities, demand resulting from regional promotion measures such as the Kanagawa Pay app has also increased.

Under these circumstances, we have continued to provide consulting-based sales tailored to customer needs, including advice on energy-saving products for which demand has increased due to soaring electricity bills. In terms of store openings, we moved forward with the scrap-and-build process, opening four new stores in the Tokyo metropolitan area and closing three stores. We have also been renovating exist-

ing stores.

Going forward, we will continue to invest in human resources and stores while securing energy-saving and other products that delight customers and providing goods and services closely matched to customers through consulting-based sales.

Operation of mobile carrier stores

In the carrier shop operation business, amid a progressive shift to online sales and tighter regulation of excessive discounting, distributors are required to practice higher-quality store management than ever before. Furthermore, replacement demand for mobile phones has slowed due to rising phone prices.

In this environment, we must delight our customers by continuing to provide consulting-based sales tailored to customer needs to propose the most appropriate plan.

At CONEXIO Corporation, there has been progress in disseminating the Nojima Group's management philosophy, and the company has been operating stores that delight more customers.

The market environment is expected to continue changing in the future with each of the telecommunications carriers rolling out new pricing plans that include financial services. We will promote high-quality store management by continuing to invest in human resources, relocating and renovating our existing stores, and providing advice on services that are closely matched to our customers.

Internet business

In the internet business, we focused on expanding sales of safe and secure network services provided by

NIFTY Corporation. As a result, the number of broadband subscribers stood at 1.292 million (a net increase of 12,800 from the same month in the previous year). Cecile Co., Ltd., a subsidiary, has been implementing selection and concentration of resources in line with structural reforms and working on development of products that will satisfy customers.

The rapid changes in lifestyles due to the COVID-19 pandemic have slowed the pace of market expansion, but it is expected that high-quality, ultra-high-speed broadband access services will become even more important. We will work to solve customers' problems and to develop, improve, and expand the various services they require, while listening to the ever-changing voice of the customer.

Overseas business

In the overseas business, prices have continued to increase in the Southeast Asian countries where we operate stores, and economic growth is slowing due to the impact of the slowdown in the Chinese economy. Although the rate of inflation has been easing in Malaysia, it continues to be necessary to closely monitor economic activities in each country.

Under these circumstances, we have been investing in human resource development to improve the quality of customer service and working to create stores that will delight customers in each region, while continuing to renovate stores and implement the scrap-and-build process. Going forward, we will improve the quality of our employees and stores by continuing to invest in human resources and stores, while closely monitoring trends in each country.

Financial business

The US dollar/yen exchange rate fell to the 149 yen level at the end of the second quarter, reflecting the expectation of prolonged monetary tightening by the FRB in light of stronger than expected economic conditions in the United States as well as a sharp rise in U.S. long-term interest rates due to concerns about a U.S. government shutdown. The yen also trended down against the currencies of other major countries over the second quarter.

Under these circumstances, we worked to expand our "Trap repeat if done" service, our unique investment method that is easy for beginners in the FX market to use, and implemented various promotions to acquire new customers. Continuing on from the previous fiscal year, we promoted diversified investment in the three currency pairs, which are suitable for "Trap repeat if done," under the name of "Trap repeat if done global strategy."

Although future trends in the FX market are uncertain, we will continue to promote services related to "Trap repeat if done" and propose convenient asset management solutions that fit with the lifestyles of our customers.

Message to Shareholders

The Nojima Group's basic policy consists of sustainable growth and stable dividends. Since listing our shares on the stock market, we have paid dividends continuously without ever reducing them.

We paid an interim dividend of 15 yen per share for the first half of the current fiscal year. As a result, we will pay a full-year dividend of 30 yen (an increase of 2 yen), consisting of the 15 yen interim dividend (a 2 yen increase) and a 15 yen year-end dividend (forecast).

Going forward, we hope to strengthen our financial position and actively take on new challenges in order to advance the Nojima Group as a whole while responding to changes in society. We ask our shareholders for their continued support.



Introducing New Stores

1 Operation of digital home electronics retail stores



■ HOMES Sengawa Store
(Opened April 13, 2023)



■ APITA Kanazawa Bunko Store
(Opened April 21, 2023)



■ Omiya Takashimaya Store
(Opened May 11, 2023)

In the operation of digital home electronics retail stores business, we opened four new stores, the HOMES Sengawa Store, APITA Kanazawa Bunko Store, THE OUTLETS SHONAN HIRATSUKA Store, and the Omiya Takashimaya Store, in the first half of the fiscal year and closed three stores.

This fiscal year, we are continuing to invest in human resources and stores and we are aggressively opening stores in good locations, mainly in the Tokyo metropolitan area. We will also continue to renovate our existing stores based on customer feedback to enhance our sales floors and selection of products, making it easy for shoppers to find what they want.

2 Operation of mobile carrier stores



■ DOCOMO Shop, Aeon Mall Takaoka Store
(Opened April 28, 2023)



■ au Sendai Kris Road Store
(Opened May 19, 2023)



■ Softbank Toyota Wakabayashi Store
(Opened September 29, 2023)

In the operation of mobile carrier store business, we opened seven new, relocated, or renovated stores and closed 17 stores in the first half of the fiscal year. As telecommunications carriers have announced a policy to significantly reduce the number of carrier shops and higher-quality store management is required more than ever before, we moved stores to better locations and renovated stores, including the DOCOMO Shop, Aeon Mall Takaoka Store, the au Sendai Kris Road Store, and the Softbank Shop, Toyota Wakabayashi Store, to develop stores that will satisfy customers.

Going forward, we will continue to operate stores that will delight customers through consulting tailored to customer needs.

3 Overseas business



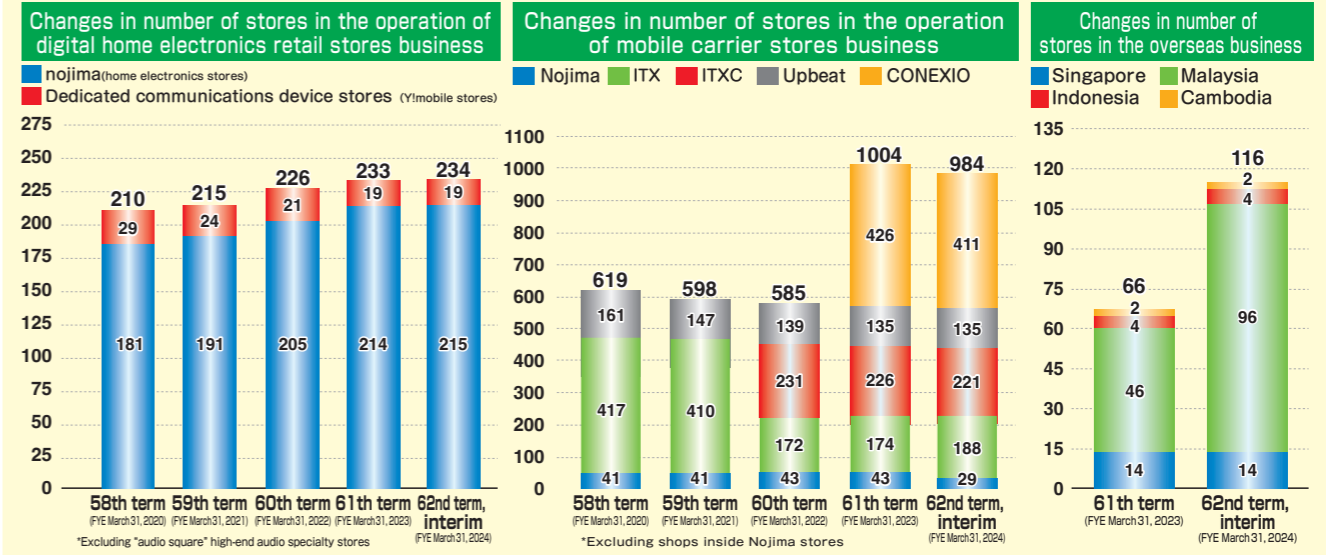
■ TMT Gurney Plaza Store



■ TMT Pavilion Bukit Jalil Store

In the overseas business, Nojima APAC Limited made Thunder Match Technology Sdn. Bhd. (“TMT”) in Malaysia into a subsidiary from the current fiscal year, adding 49 new stores to the Group. Leveraging the respective areas of expertise of TMT with strengths in sales of IT products and COURTS Malaysia with strengths in furniture and home electronics, we will build a structure that can provide a wide range of support for customer lifestyles and further strengthen our foundation in the Southeast Asian market.

Changes in Number of Stores by Segment



Topics

1 Third Case of Extended Employment Over the Age of 80

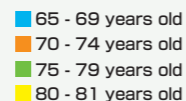
At the end of June 2023, we produced our third employee to continue their employment beyond the age of 80. In July 2020, Nojima set the maximum age for reemployment at 80.

However, we have received requests from employees over the age of 80 to continue working even beyond the cutoff. We would like such employees to continue working if they are healthy and motivated, so we decided to continue their employment, taking into account their state of health and their working conditions.

Going forward, we will continue to provide senior employees who have extensive knowledge and experience with the option of secure, long-term work even after retirement age while playing a role as mentors for younger employees with the aim of being a company that is easy to work for.

- April 2013: Changed the retirement age from 60 to 65
- July 2020: Set the upper limit for employment under the reemployment extension scheme at 80

Number of senior employees aged 65 and over



総数76名(2023年9月末時点)

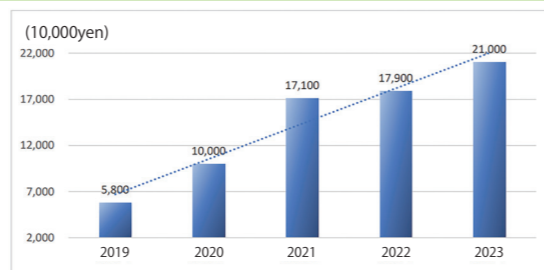


Published March 16, 2023
Published by KADOKAWA Corporation
Author: Emiko Kumagai

2 Digital Promotion Fund Expanded to Tokyo and Four Prefectures

Since 1984, as part of our social contribution activities, every year we have donated digital home electronics and other products with advanced energy-saving performance to the local governments in the areas where our stores are located up to an amount of 1% of net income or 0.6% of ordinary income.

This year, we expanded the local governments to which we donate to Tokyo and four prefectures and donated digital home electronics worth 210 million yen. We will continue to prosper in partnership with local communities and strive to contribute to society.



*(Note) Up to 0.4% of ordinary income until FY2020

3 New Graduate Recruitment of Track and Field Athletes in April and Advancement into World Athletics

In April 2023, we hired three new graduates who compete as track and field athletes as our first-generation team members. One of these team members, Yusaku Kodama, was selected to represent Japan in the men's 400 meter hurdles and took part in the 2023 Asian Athletics Championships.

The employment of track and field athletes is Nojima's first attempt to provide support for talent who have worked hard in the world of sport, where there are wins and losses, by providing an environment that enables them to balance both work as a member of society and athletics. We will continue to support athletes who compete on the world stage and contribute to the development of sport in Japan based on the philosophy of management contributing to society.



4 Launch of Commemorative Project for 15th Anniversary as Sponsor of YOKOHAMA DeNA BAYSTARS

Nojima has marked its 15th years as sponsor of the YOKOHAMA DeNA BAYSTARS. At the beginning of the milestone 2023 season, we implemented 15 projects under the title "15th Anniversary Project" with hopes of further success for the team and revitalization of the local community through the games.

Up until now Nojima has continued to provide support in a variety of ways, including the joint development of BAYSTARS home electronics (2016) and sponsorship of The First Stage, Climax Series (2019), which was the first time the YOKOHAMA DeNA BAYSTARS hosted the series at their home ground.

Through the sponsorship agreement, we will continue to contribute to the further development of the Japanese baseball world and the revitalization of the local community by supporting the YOKOHAMA DeNA BAYSTARS not only with their hometown of Yokohama but also with fans all over Japan.



"15th Anniversary Project" campaign website

5 Public Relations Magazine "I am nojima Issue 3" Won Bronze Award at "Company Newsletter Awards 2023"

Nojima's public relations magazine "I am nojima Issue 3" (*2) won the Bronze Award at the "Company Newsletter Awards" (*1) organized by wis works, Inc., a company that plans and produces company newsletters.

"I am nojima" is a medium that aims to improve the brand image by communicating Nojima's approach and initiatives internally and externally through "people" who work at Nojima. We will continue to amass data and publish "I am nojima" so that it functions as a medium that can speak about the appeal of Nojima.

*1 "Company Newsletter Awards"

A festival organized by wis works, Inc., which consists of a nationwide competition in which entries can be submitted from a single planning, awards for the outstanding projects determined in the competition, and a knowledge-sharing event. The "Company Newsletter Awards" began in 2002 and 2023 marks the 22nd time the awards have been held. This year, there were 512 entries from 232 companies.

(Company Newsletter Awards website: <https://wis-works.jp/award/>)

*2 Bronze Award

There are three categories of awards: gold, silver, and bronze. Entries are evaluated on six judging criteria, and awarded Gold for scores of 85 points or more, Silver for scores of 80 points or more, and Bronze for scores of 75 points or more

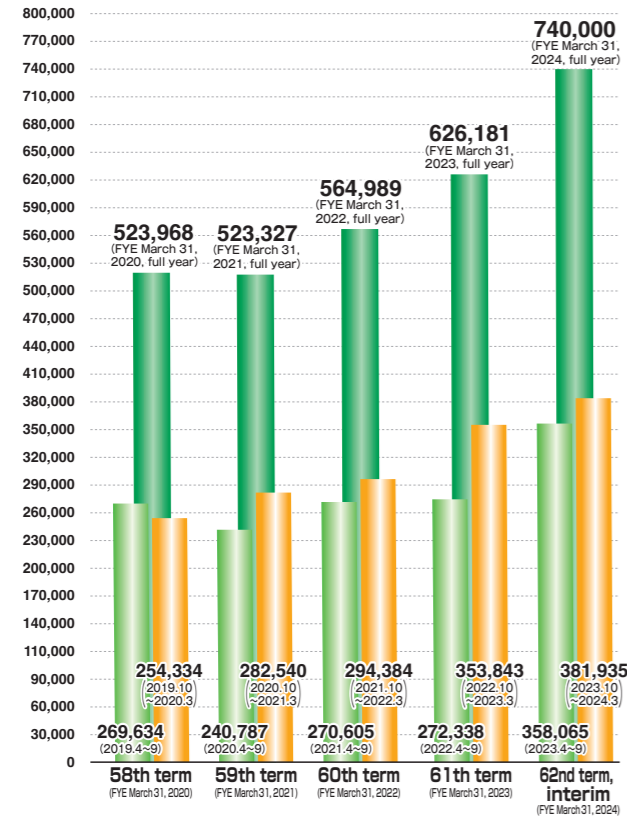


Financial Highlights

Consolidated

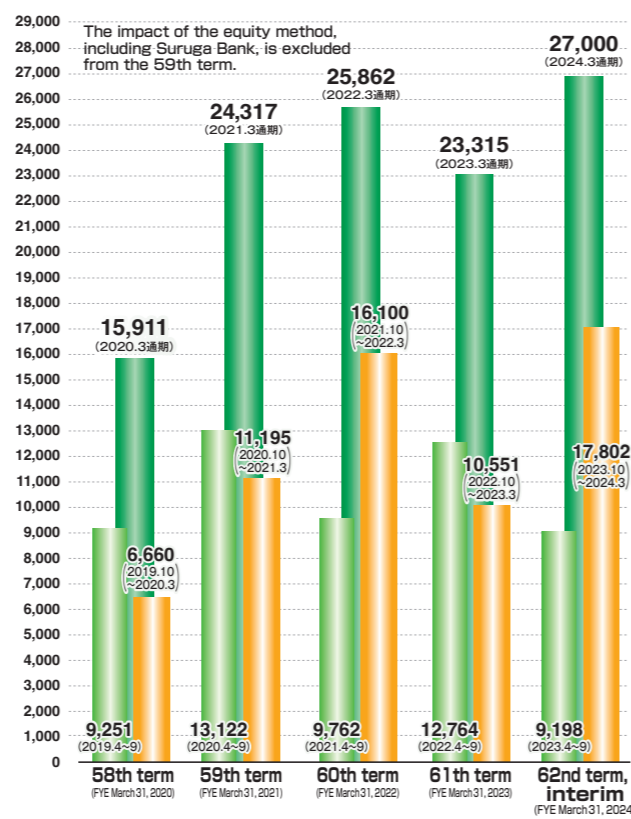
■ Net sales / **358,065** million yen
 ■ Ordinary income / **14,675** million yen

Changes in net sales



■ Net income attributable to shareholders of the parent company / **9,198** million yen

Changes in net income attributable to shareholders of the parent company



(Million of yen, rounded down to the nearest million)

Consolidated	58th term September 30, 2019 interim (March 31, 2020 full year)	59th term September 30, 2020 interim (March 31, 2021 full year)	60th term September 30, 2021 interim (March 31, 2022 full year)	61st term September 30, 2022 interim (March 31, 2023 full year)	62nd term September 30, 2023 interim (March 31, 2024 full year forecast)
Net sales	269,634 (523,968)	240,787 (523,327)	270,605 (564,989)	272,338 (626,181)	358,065 (740,000)
Ordinary income	13,034 (24,218)	19,052 (36,137)	15,184 (35,890)	19,053 (36,246)	14,675 (41,000)
Net income attributable to shareholders of the parent company	9,251 (15,911)	13,122 (24,317)	9,762 (25,862)	12,764 (23,315)	9,198 (27,000)
Earnings per share (yen)*	184.37 (317.12)	264.07 (491.81)	197.36 (522.89)	130.79 (238.83)	93.61 (275.02)
Total assets	292,543 (286,247)	285,310 (311,418)	300,873 (326,952)	318,904 (556,902)	534,505 (—)
Net assets	89,353 (90,268)	103,891 (115,536)	118,613 (140,101)	150,696 (161,056)	169,958 (—)
Equity ratio	29.9% (30.8%)	35.7% (36.4%)	38.7% (41.6%)	46.0% (28.1%)	31.0% (—)

*The impact of the equity method, including Suruga Bank, is excluded from the financial highlights for the 59th term.
 *Nojima Corporation implemented a two-for-one common stock split effective October 1, 2022.

(Millions of yen, rounded down to the nearest million)

Summary of Financial Results

Consolidated

*The impact of the equity method, including Suruga Bank, is excluded.

Consolidated Balance Sheets

	61st term (interim)	62nd term (interim)
Assets		
Total current assets	175,421	334,213
Total non-current assets	143,483	200,291
Total assets	318,904	534,505
Liabilities		
Total current liabilities	109,511	288,683
Total non-current liabilities	58,696	75,861
Total liabilities	168,208	364,546
Net assets		
Capital stock	6,330	6,330
Other surplus	144,437	161,427
Treasury stock	▲6,883	▲5,817
Total shareholders' equity	143,884	161,941
Total accumulated other comprehensive income	2,907	3,751
Stock acquisition rights	2,373	2,332
Non-controlling interests	1,530	1,933
Total net assets	150,696	169,958
Total liabilities and net assets	318,904	534,505

The 62nd term (interim) is as of September 30, 2023.
 The 61st term (interim) is from April 1, 2022 to September 30, 2022.

Consolidated Income Statements

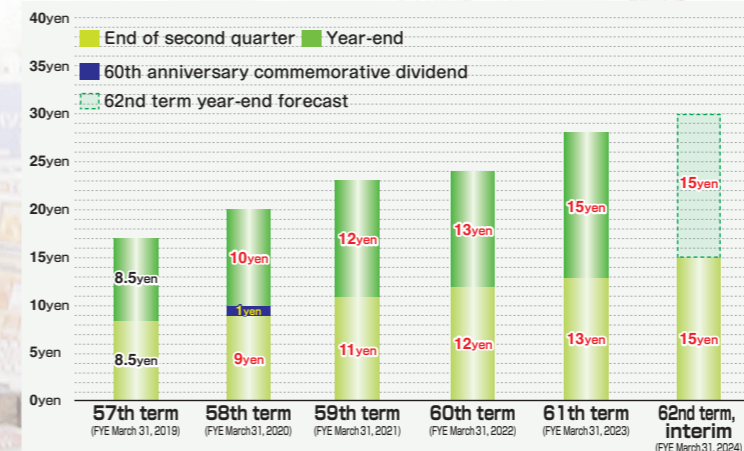
	61st term (interim)	62nd term (interim)
Net sales	272,338	358,065
Gross profit on sales	82,280	108,020
Operating income	17,415	13,511
Ordinary income	19,053	14,675
Net income before taxes and other adjustments	19,248	15,039
Net income	12,818	9,295
Net income attributable to shareholders of the non-controlling interests	54	97
Net income attributable to shareholders of the parent company	12,764	9,198

Consolidated Cash Flow Statements

	61st term (interim)	62nd term (interim)
Cash flows		
Cash flow from operating activities	18,122	39,595
Cash flow from investing activities	▲6,069	▲9,773
Cash flow from financing activities	▲16,361	▲27,937
Starting balance of cash and cash equivalents	51,004	35,755
Ending balance of cash and cash equivalents	47,487	38,495

The 62nd term (interim) is from April 1, 2023 to September 30, 2023.
 The 61st term (interim) is from April 1, 2022 to September 30, 2022.

Changes in Dividends



Regarding the return of profit to shareholders as a key management issue, the Company's basic policy is to continue to implement a stable dividend policy, taking into consideration the internal reserves needed to strengthen its financial position and to actively expand its business.

In addition, the Company's basic policy is to dividends of surplus twice a year for the interim period and the end of the fiscal year. The Board of Directors is the body that determines dividends of surplus.

The interim dividend for the second quarter of the 62nd term is 15 yen. The annual dividend per share is expected to be 30 yen.

*The dividend for the second quarter of the 61st term and earlier is stated based on calculations after the stock split.

*Changes in dividends are calculated assuming that the stock split was implemented at the beginning of each consolidated fiscal year.