

A core bridal business specializing in tailor-made weddings and receptions at private venues

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[9160 NOVARESE Sector : Services]

Fiscal Year	Net sales (mn yen)	YoY (%)	Operating profit (mn yen)	YoY (%)	Ordinary profit (mn yen)	YoY (%)	Profit (mn yen)	YoY (%)	EPS (yen)	BPS (yen)	DPS (yen)
Dec.2021	11,191	52.6	822	-	-539	-	374	-	15.0	223.5	0.0
Dec.2022	17,222	53.9	2,775	3.4x	2,485	4.6x	1,656	4.4x	66.3	289.4	0.0
Dec.2023 f	20,114	16.8	3,082	11.0	2,777	11.8	1,860	12.3	74.4	-	0.0

Note: Consolidated basis. Figures for the fiscal year ending December 2023 are the company's forecasts.
It conducted 1:200 stock split on May 25, 2023. Per share indices are adjusted retroactively.

Core Bridal Business

NOVARESE is in the bridal business, specializing in tailor-made weddings and receptions at private-wedding-reception venues known as "guesthouse weddings." They also have a restaurant-specialized business operating Japanese and Italian restaurants.

The predecessor of the current NOVARESE was listed on the Tokyo Stock Exchange Mothers market in October 2006. However, in November 2016 it was delisted and became a subsidiary in response to a public tender offer from a fund management company.

The corporate group to which the company belongs is comprised of nine consolidated subsidiaries and two equity method affiliates. NOVARESE's business is divided into the bridal business and the restaurant-specialized business, with the bridal business accounting for 96.3% of sales revenue in fiscal year ended December 2022.

Bridal Business

The bridal business is categorized into the wedding production division, the wedding dress division and the restaurant division.

The wedding production division rents out a guesthouse mainly consisting of one venue and one banquet hall (reception venue), and offers tailor-made guesthouse weddings in which the client selects from a variety of programs, dresses, foods, wedding gifts, flowers and other items for the wedding and reception. As of the end of 2022, the company directly manages 32 guesthouses across Japan.

The wedding dress department sells and rents wedding dresses and tuxedos acquired from all over the world, including Paris, Milan, London and New York. As of the end of 2022, NOVARESE operates 22 stores.

The restaurant division provides food and beverage for receptions (wedding cuisine) at the guesthouses operated by the company, and also operates restaurants on weekdays (general dining cuisine).

Restaurant-Specialized Business

In addition to the restaurant division of the bridal business, NOVARESE is engaged in food and beverage business that caters to a wide range of customers. Operating a total of seven restaurants that serve kaiseki (traditional Japanese course dining), teppanyaki (grilled cuisine on an iron plate) and Northern Italian cuisine.

Financial Statements

Statement of income	Fiscal Year	Dec.2021		Dec.2022		Three months to Mar.2023	
		(mn yen)	(%)	(mn yen)	(%)	(mn yen)	(%)
Sales revenue		11,191	100.0	17,222	100.0	3,330	100.0
Cost of sales		4,794	42.8	7,080	41.1	1,638	49.2
Gross profit		6,397	57.2	10,142	58.9	1,691	50.8
Selling, general and administrative expenses		6,321	56.5	7,663	44.5	2,071	62.2
Other income		754	6.7	322	1.9	5	0.2
Other expenses		8	0.1	25	0.1	9	0.3
Operating profit		822	7.3	2,775	16.1	-383	-11.5
Financial rprofit		27	0.2	36	0.2	3	0.1
Financial expenses		311	2.8	344	2.0	95	2.9
Net profit		539	4.8	2,485	14.4	-480	-14.4
Profit attributable to owners of parent		374	3.3	1,656	9.6	-323	-9.7

Balance sheet	Fiscal Year	Dec.2021		Dec.2022		Mar.2023	
		(mn yen)	(%)	(mn yen)	(%)	(mn yen)	(%)
Current assets		3,164	9.7	3,522	11.0	1,970	6.3
Cash and cash equivalents		2,246	6.9	2,803	8.8	1,249	4.0
Trade and other receivables		229	0.7	290	0.9	290	0.9
Inventories		200	0.6	230	0.0	243	0.8
Non-current assets		29,462	90.3	28,458	89.0	29,245	93.7
Property, plant and equipment		14,753	45.2	14,718	46.0	15,321	49.1
Goodwill		11,203	34.3	11,203	35.0	11,203	35.9
Investments and other assets		3,506	10.7	2,536	7.9	2,720	8.7
Total assets		32,626	100.0	31,980	100.0	31,215	100.0
Current liabilities		8,067	24.7	17,893	56.0	7,681	24.6
Trade and other payables		1,191	3.7	1,358	4.2	1,666	5.3
Contract liability		1,252	3.8	1,315	4.1	1,632	5.2
Borrowings		3,646	11.2	13,068	40.9	2,922	9.4
Non-current liabilities		18,972	58.1	6,852	21.4	16,621	53.2
Borrowings		12,949	39.7	1,058	3.3	10,929	35.0
Total equity		5,587	17.1	7,234	22.6	6,913	22.1
Equity attributable to owners of parent		5,587	17.1	7,234	22.6	6,913	22.1

Statement of cash flows	Fiscal Year	Dec.2021	Dec.2022	Three months to Mar.2023
		(mn yen)	(mn yen)	(mn yen)
Cash flows from operating activities		2,368	4,620	-268
Depreciation and amortization		2,075	2,098	548
Cash flows from investing activities		-253	-1,340	-763
Cash flows from financing activities		-2,209	-2,725	-521
Dividends paid		-	-	-
Net increase in cash and cash equivalents		-92	556	-1,553
Cash and cash equivalents		2,246	2,803	1,249

Note: Consolidated

Source: Prepared by Stock Research Center based on the notifiable prospectus.

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