

**Non-Consolidated Financial Results  
for the Three Months Ended June 30, 2021  
[Japanese GAAP]**

July 21, 2021

Company name: NAFCO Corporation  
 Stock exchange listing: Tokyo Stock Exchange  
 Code number: 2790  
 URL: <http://www.nafco.tv>  
 Representative: Takumi Ishida, President and CEO  
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 Scheduled date of filing quarterly securities report: August 6, 2021  
 Scheduled date of commencing dividend payments: -  
 Availability of supplementary briefing material on quarterly financial results: Available  
 Schedule of quarterly financial results briefing session: Scheduled

(Amounts below one million yen are truncated.)

**1. Financial and Operating Results for the Three Months Ended June 30, 2021 (April 1, 2021 to June 30, 2021)**

(1) Operating Results (cumulative)

(Percentages refer to changes from the corresponding period of the preceding fiscal year.)

	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended								
June 30, 2021	56,238	-	4,456	-	4,541	-	2,817	-
June 30, 2020	65,142	11.7	7,572	138.5	7,672	133.0	4,722	138.1

The Company has applied “Accounting Standard for Revenue Recognition” and others since the beginning of the fiscal year ending March 31, 2022. Therefore, changes from the actual figures before applying such Standard and others are not presented.

	Earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended		
June 30, 2021	98.63	-
June 30, 2020	165.33	-

(2) Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of June 30, 2021	235,590	153,415	65.1	5,371.21
As of March 31, 2021	236,164	152,821	64.7	5,350.42

(Reference) Equity: As of June 30, 2021: ¥153,415 million  
 As of March 31, 2021: ¥152,821 million

## 2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
Fiscal year ended March 31, 2021	Yen -	Yen 23.00	Yen -	Yen 27.00	Yen 50.00
Fiscal year ending March 31, 2022	-				
Fiscal year ending March 31, 2022 (Forecast)		28.00	-	28.00	56.00

(Note) Revision from the most recently announced dividend forecast: None

## 3. Projected Operating Results for the Fiscal Year Ending March 31, 2022 (April 1, 2021 to March 31, 2022)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
First half (Cumulative)	119,351	-	11,717	-	11,995	-	7,391	-	258.76
Full year	226,400	-	18,791	-	19,491	-	11,400	-	399.12

(Note) Revision from the most recently announced projected operating results: None

The projected operating results are based on “Accounting Standard for Revenue Recognition” and others, which the Company has applied since the beginning of the fiscal year ending March 31, 2022. Therefore, changes from the actual figures before applying such Standard and others are not presented.

### \* Notes:

- (1) Accounting policies adopted specifically for the preparation of quarterly financial statements: Yes  
(Note) For details please refer to “2. Quarterly Financial Statements and Primary Notes (3) Notes on Quarterly Financial Statements (Accounting policies adopted specifically for the preparation of quarterly financial statements)” on page 7 of the attached document.
- (2) 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 1) above: No
  - 3) Changes in accounting estimates: No
  - 4) Retrospective restatement: No
- (3) Total number of issued shares (common shares)
  - 1) Total number of issued shares at the end of the term (including treasury shares):  
June 30, 2021: 29,784,400 shares  
March 31, 2021: 29,784,400 shares
  - 2) Total number of treasury shares at the end of the term:  
June 30, 2021: 1,221,812 shares  
March 31, 2021: 1,221,812 shares
  - 3) Average number of shares during the term:  
Three months ended June 30, 2021: 28,562,588 shares  
Three months ended June 30, 2020: 28,562,694 shares

\* These financial results are outside the scope of the quarterly review by a certified public accountant or an audit corporation.

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

(Cautionary note on forward-looking statement)

The earnings forecasts and other forward-looking statements provided herein are based on information that is currently available to the Company and certain assumptions that the Company deems reasonable, and the Company does not in any way guarantee the achievement of the projections. Actual results may differ significantly from the forecasts due to various factors. For details on the assumptions of the earnings forecasts and points to be noted in using the earnings forecasts, please refer to “1. Qualitative Information on Quarterly Financial Results (3) Explanation of Forecast of Performance Results and Other Forward-Looking Information” on page 3 of the attached document.

## 2. Financial Statements and Primary Notes

### (1) Balance Sheets

(Millions of yen)

	End of Previous Fiscal year (March 31, 2021)	End of First Quarter of Current Fiscal Year (June 30, 2021)
<b>Assets</b>		
Current assets		
Cash and deposits	40,984	37,982
Accounts receivable – trade	3,034	3,059
Merchandise	56,871	58,740
Other	1,533	1,759
Allowance for doubtful accounts	(4)	(3)
Total current assets	102,419	101,538
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	67,948	67,279
Land	48,531	48,531
Construction in progress	104	99
Other, net	3,357	3,714
Total property, plant and equipment	119,942	119,625
Intangible assets	3,204	3,295
Investments and other assets	10,597	11,130
Total non-current assets	133,744	134,051
Total assets	236,164	235,590
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable – trade	29,989	32,657
Short-term borrowings	20,245	20,080
Current portion of long-term borrowings	1,084	885
Income taxes payable	5,800	1,871
Accounts payable – other	5,081	4,701
Notes payable – facilities	1,921	1,891
Provision for bonuses	1,032	537
Provision for bonuses for directors (and other officers)	28	—
Provision for point card certificates	1,033	—
Asset retirement obligations	7	21
Contract liabilities	—	3,219
Other	4,908	3,847
Total current liabilities	71,131	69,713
Non-current liabilities		
Long-term borrowings	708	533
Provision for retirement benefits	3,093	3,088
Provision for retirement benefits for directors (and other officers)	367	364
Asset retirement obligations	5,835	5,860
Other	2,205	2,615
Total non-current liabilities	12,210	12,461
Total liabilities	83,342	82,174

(Millions of yen)

	End of Previous Fiscal year (March 31, 2021)	End of First Quarter of Current Fiscal Year (June 30, 2021)
Net assets		
Shareholders' equity		
Share capital	3,538	3,538
Capital surplus	4,223	4,223
Retained earnings	147,313	147,924
Treasury shares	(2,351)	(2,351)
Total shareholders' equity	152,724	153,334
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	97	81
Total valuation and translation adjustments	97	81
Total net assets	152,821	153,415
Total liabilities and net assets	236,164	235,590

(2) Statements of Income  
Statements of Income

(Millions of yen)

	Three Months Ended June 30, 2020 (From April 1, 2020 to June 30, 2020)	Three Months Ended June 30, 2021 (From April 1, 2021 to June 30, 2021)
Net sales	65,142	56,238
Cost of sales	42,542	36,672
Gross profit	22,599	19,565
Operating revenue	—	82
Operating gross profit	22,599	19,648
Selling, general and administrative expenses	15,027	15,191
Operating profit	7,572	4,456
Non-operating income		
Interest income	0	0
Dividend income	7	7
Commission income	45	30
Rental income from buildings	126	126
Insurance claim income	14	17
Other	9	10
Total non-operating income	203	194
Non-operating expenses		
Interest expenses	31	28
Rental costs on real estate	47	50
Other	25	29
Total non-operating expenses	103	109
Ordinary profit	7,672	4,541
Extraordinary losses		
Loss on retirement of non-current assets	18	24
Other	—	2
Total extraordinary losses	18	27
Profit before income taxes	7,653	4,514
Income taxes	2,931	1,697
Profit	4,722	2,817