

**Non-Consolidated Financial Results  
for the Nine Months Ended December 31, 2021  
[Japanese GAAP]**

January 28, 2022

Company name: NAFCO Corporation

Stock exchange listing: Tokyo Stock Exchange

Code number: 2790

URL: <http://www.nafco.tv>

Representative: Takumi Ishida, President and CEO

Contact: Kazuomi Kobayashi, General Manager, Accounting Division

Phone: +81-93-521-7030

Scheduled date of filing quarterly securities report: February 10, 2022

Scheduled date of commencing dividend payments: -

Availability of supplementary briefing material on quarterly financial results: Available

Schedule of quarterly financial results briefing session: Scheduled (for institutional investors and securities analysts)

(Amounts below one million yen are truncated.)

**1. Financial and Operating Results for the Nine Months Ended December 31, 2021 (April 1, 2021 to December 31, 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	
Nine months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
December 31, 2021	161,991	-	11,313	-	11,632	-	7,245	-
December 31, 2020	186,892	9.3	18,326	138.9	18,826	130.2	11,564	140.1

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
Nine months ended	Yen	Yen
December 31, 2021	253.67	-
December 31, 2020	404.88	-

(2) Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of December 31, 2021	237,578	157,041	66.1	5,498.15
As of March 31, 2021	236,164	152,821	64.7	5,350.42

(Reference) Equity: As of December 31, 2021: ¥157,041 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	-	28.00	-		
Fiscal year ending March 31, 2022 (Forecast)				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
Full year	207,600	-	13,700	-	14,300	-	8,200	-	287.08

(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 stock):

December 31, 2021: 29,784,400 shares

March 31, 2021: 29,784,400 shares

2) Total number of treasury shares at the end of the term:

December 31, 2021: 1,221,812 shares

March 31, 2021: 1,221,812 shares

3) Average number of shares during the term:

Nine months ended December 31, 2021: 28,562,588 shares

Nine months ended December 31, 2020: 28,562,644 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 Third Quarter of Current Fiscal Year (December 31, 2021)
<b>Assets</b>		
Current assets		
Cash and deposits	40,984	37,312
Accounts receivable - trade	3,034	4,008
Merchandise	56,871	59,918
Other	1,533	1,931
Allowance for doubtful accounts	(4)	(3)
Total current assets	102,419	103,166
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	67,948	67,083
Land	48,531	48,531
Construction in progress	104	35
Other, net	3,357	4,263
Total property, plant and equipment	119,942	119,914
Intangible assets	3,204	3,420
Investments and other assets	10,597	11,077
Total non-current assets	133,744	134,411
Total assets	236,164	237,578
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	29,989	32,480
Short-term borrowings	20,245	19,805
Current portion of long-term borrowings	1,084	699
Income taxes payable	5,800	1,020
Accounts payable - other	5,081	4,201
Notes payable - facilities	1,921	2,238
Provision for bonuses	1,032	515
Provision for bonuses for directors (and other officers)	28	-
Provision for point card certificates	1,033	-
Asset retirement obligations	7	-
Contract liabilities	-	3,226
Other	4,908	3,394
Total current liabilities	71,131	67,583
Non-current liabilities		
Long-term borrowings	708	183
Provision for retirement benefits	3,093	3,071
Provision for retirement benefits for directors (and other officers)	367	377
Asset retirement obligations	5,835	6,030
Other	2,205	3,291
Total non-current liabilities	12,210	12,953
Total liabilities	83,342	80,536

(Millions of yen)

	End of Previous Fiscal year (March 31, 2021)	End of Third Quarter of Current Fiscal Year (December 31, 2021)
<b>Net assets</b>		
Shareholders' equity		
Share capital	3,538	3,538
Capital surplus	4,223	4,223
Retained earnings	147,313	151,552
Treasury shares	(2,351)	(2,351)
Total shareholders' equity	152,724	156,963
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	97	78
Total valuation and translation adjustments	97	78
Total net assets	152,821	157,041
Total liabilities and net assets	236,164	237,578

(2) Statements of Income  
Statements of Income

(Millions of yen)

	Nine Months Ended December 31, 2020 (From April 1, 2020 to December 31, 2020)	Nine Months Ended December 31, 2021 (From April 1, 2021 to December 31, 2021)
Net sales	186,892	161,991
Cost of sales	122,339	105,517
Gross profit	64,553	56,473
Operating revenue	-	240
Operating gross profit	64,553	56,714
Selling, general and administrative expenses	46,226	45,401
Operating profit	18,326	11,313
Non-operating income		
Interest income	0	0
Dividend income	10	11
Commission income	136	91
Rental income from buildings	371	391
Insurance claim income	141	85
Other	199	86
Total non-operating income	859	666
Non-operating expenses		
Interest expenses	91	84
Rental costs on real estate	141	158
Loss on disaster	98	74
Other	27	29
Total non-operating expenses	359	346
Ordinary profit	18,826	11,632
Extraordinary income		
Gain on sale of non-current assets	11	-
Insurance claim income	124	-
Total extraordinary income	135	-
Extraordinary losses		
Loss on retirement of non-current assets	34	55
Impairment losses	48	-
Loss on disaster	197	-
Other	-	2
Total extraordinary losses	280	58
Profit before income taxes	18,682	11,574
Income taxes	7,118	4,328
Profit	11,564	7,245