

# Non-Consolidated Financial Results for the Three Months Ended June 30, 2023 [Japanese GAAP]

July 28, 2023

Company name: NAFCO Corporation

Stock exchange listing: Tokyo Stock Exchange

Code number: 2790

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

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Scheduled date of filing quarterly securities report: August 10, 2023

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 Three Months Ended June 30, 2023 (April 1, 2023 to June 30, 2023)

### (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, 2023	51,732	(4.1)	2,602	(39.4)	2,688	(38.8)	1,619	(41.5)
June 30, 2022	53,961	(4.0)	4,295	(3.6)	4,394	(3.2)	2,766	(1.8)

	Earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended		
June 30, 2023	56.70	-
June 30, 2022	96.86	-

### (2) Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of June 30, 2023	241,402	162,657	67.4	5,694.78
As of March 31, 2023	238,408	161,813	67.9	5,665.24

(Reference) Equity: As of June 30, 2023: ¥162,657 million

As of March 31, 2023: ¥161,813 million

## 2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
Fiscal year ended March 31, 2023	Yen -	Yen 28.00	Yen -	Yen 28.00	Yen 56.00
Fiscal year ending March 31, 2024	-				
Fiscal year ending March 31, 2024 (Forecast)		29.00	-	29.00	58.00

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

## 3. Projected Operating Results for the Fiscal Year Ending March 31, 2024 (April 1, 2023 to March 31, 2024)

(% 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)	103,669	(0.9)	6,214	(7.5)	6,403	(6.3)	3,938	(6.3)	137.88
Full year	201,000	(0.6)	9,450	2.5	9,890	2.4	5,770	2.3	202.03

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

### \* 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 6 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: No

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, 2023: 29,784,400 shares

March 31, 2023: 29,784,400 shares

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

June 30, 2023: 1,221,850 shares

March 31, 2023: 1,221,812 shares

3) Average number of shares during the term:

Three months ended June 30, 2023: 28,562,563 shares

Three months ended June 30, 2022: 28,562,588 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 2 of the attached document.

## 2. Financial Statements and Primary Notes

### (1) Balance Sheets

(Millions of yen)

	End of Previous Fiscal year (March 31, 2023)	End of First Quarter of Current Fiscal Year (June 30, 2023)
<b>Assets</b>		
Current assets		
Cash and deposits	36,123	38,036
Accounts receivable - trade	4,446	4,335
Merchandise	63,553	64,242
Other	1,629	1,763
Allowance for doubtful accounts	(4)	(3)
Total current assets	105,748	108,373
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	65,814	65,871
Land	48,952	49,221
Construction in progress	128	24
Other, net	4,115	4,324
Total property, plant and equipment	119,010	119,441
Intangible assets	3,312	3,258
Investments and other assets	10,337	10,328
Total non-current assets	132,660	133,028
Total assets	238,408	241,402
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	27,147	29,402
Short-term borrowings	18,925	18,760
Current portion of long-term borrowings	99	83
Income taxes payable	1,670	1,090
Accounts payable - other	4,236	5,386
Notes payable - facilities	3,183	2,922
Provision for bonuses	1,042	541
Provision for bonuses for directors (and other officers)	31	—
Asset retirement obligations	—	24
Contract liabilities	3,264	3,139
Other	3,588	3,807
Total current liabilities	63,190	65,157
Non-current liabilities		
Long-term borrowings	8	—
Provision for retirement benefits	3,020	3,034
Provision for retirement benefits for directors (and other officers)	686	714
Asset retirement obligations	6,454	6,455
Other	3,234	3,382
Total non-current liabilities	13,404	13,586
Total liabilities	76,594	78,744

(Millions of yen)

	End of Previous Fiscal year (March 31, 2023)	End of First Quarter of Current Fiscal Year (June 30, 2023)
Net assets		
Shareholders' equity		
Share capital	3,538	3,538
Capital surplus	4,223	4,223
Retained earnings	156,308	157,128
Treasury shares	(2,351)	(2,351)
Total shareholders' equity	161,718	162,538
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	94	118
Total valuation and translation adjustments	94	118
Total net assets	161,813	162,657
Total liabilities and net assets	238,408	241,402

(2) Statements of Income  
Statements of Income

(Millions of yen)

	Three Months Ended June 30, 2022 (From April 1, 2022 to June 30, 2022)	Three Months Ended June 30, 2023 (From April 1, 2023 to June 30, 2023)
Net sales	53,961	51,732
Cost of sales	35,026	34,298
Gross profit	18,934	17,434
Operating revenue	86	83
Operating gross profit	19,020	17,517
Selling, general and administrative expenses	14,725	14,915
Operating profit	4,295	2,602
Non-operating income		
Interest income	0	0
Dividend income	9	9
Commission income	27	25
Rental income from buildings	131	131
Insurance claim income	12	14
Other	30	31
Total non-operating income	211	213
Non-operating expenses		
Interest expenses	27	30
Rental costs on real estate	53	54
Loss on disaster	27	36
Other	4	5
Total non-operating expenses	112	126
Ordinary profit	4,394	2,688
Extraordinary losses		
Loss on retirement of non-current assets	3	36
Impairment losses	—	81
Total extraordinary losses	3	117
Profit before income taxes	4,391	2,570
Income taxes	1,624	951
Profit	2,766	1,619