

# Non-Consolidated Financial Results for the Nine Months Ended December 31, 2023 [Japanese GAAP]

January 26, 2024

Company name: NAFCO Corporation

Stock exchange listing: Tokyo Stock Exchange

Code number: 2790

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

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Scheduled date of filing quarterly securities report: February 9, 2024

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, 2023 (April 1, 2023 to December 31, 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	%
Nine months ended								
December 31, 2023	152,105	(4.5)	5,804	(38.7)	6,104	(38.1)	3,536	(41.5)
December 31, 2022	159,297	(1.7)	9,475	(16.2)	9,866	(15.2)	6,046	(16.5)

	Earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended		
December 31, 2023	123.83	-
December 31, 2022	211.69	-

### (2) Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of December 31, 2023	241,487	163,762	67.8	5,733.47
As of March 31, 2023	238,408	161,813	67.9	5,665.24

(Reference) Equity: As of December 31, 2023: ¥163,762 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	-	29.00	-		
Fiscal year ending March 31, 2024 (Forecast)				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
Full year	200,000	(1.1)	7,000	(24.1)	7,425	(23.2)	4,120	(26.9)	144.24

(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):

December 31, 2023: 29,784,400 shares

March 31, 2023: 29,784,400 shares

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

December 31, 2023: 1,221,850 shares

March 31, 2023: 1,221,812 shares

3) Average number of shares during the term:

Nine months ended December 31, 2023: 28,562,554 shares

Nine months ended December 31, 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 Third Quarter of Current Fiscal Year (December 31, 2023)
<b>Assets</b>		
Current assets		
Cash and deposits	36,123	42,381
Accounts receivable - trade	4,446	5,068
Merchandise	63,553	59,754
Other	1,629	1,887
Allowance for doubtful accounts	(4)	(3)
Total current assets	105,748	109,087
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	65,814	64,366
Land	48,952	49,221
Construction in progress	128	739
Other, net	4,115	4,493
Total property, plant and equipment	119,010	118,821
Intangible assets	3,312	3,252
Investments and other assets	10,337	10,325
Total non-current assets	132,660	132,400
Total assets	238,408	241,487
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	27,147	29,439
Short-term borrowings	18,925	18,685
Current portion of long-term borrowings	99	33
Income taxes payable	1,670	566
Accounts payable - other	4,236	4,453
Notes payable - facilities	3,183	2,635
Provision for bonuses	1,042	521
Provision for bonuses for directors (and other officers)	31	-
Asset retirement obligations	-	3
Contract liabilities	3,264	3,197
Other	3,588	4,317
Total current liabilities	63,190	63,853
Non-current liabilities		
Long-term borrowings	8	-
Provision for retirement benefits	3,020	3,015
Provision for retirement benefits for directors (and other officers)	686	734
Asset retirement obligations	6,454	6,507
Other	3,234	3,613
Total non-current liabilities	13,404	13,870
Total liabilities	76,594	77,724

(Millions of yen)

	End of Previous Fiscal year (March 31, 2023)	End of Third Quarter of Current Fiscal Year (December 31, 2023)
Net assets		
Shareholders' equity		
Share capital	3,538	3,538
Capital surplus	4,223	4,223
Retained earnings	156,308	158,217
Treasury shares	(2,351)	(2,351)
Total shareholders' equity	161,718	163,627
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	94	134
Total valuation and translation adjustments	94	134
Total net assets	161,813	163,762
Total liabilities and net assets	238,408	241,487

(2) Statements of Income  
Statements of Income

(Millions of yen)

	Nine Months Ended December 31, 2022 (From April 1, 2022 to December 31, 2022)	Nine Months Ended December 31, 2023 (From April 1, 2023 to December 31, 2023)
Net sales	159,297	152,105
Cost of sales	104,344	101,259
Gross profit	54,953	50,845
Operating revenue	290	257
Operating gross profit	55,243	51,102
Selling, general and administrative expenses	45,767	45,298
Operating profit	9,475	5,804
Non-operating income		
Interest income	0	0
Dividend income	13	14
Commission income	84	78
Rental income from buildings	391	391
Insurance claim income	125	61
Other	101	96
Total non-operating income	716	642
Non-operating expenses		
Interest expenses	79	92
Rental costs on real estate	163	161
Loss on disaster	68	68
Other	13	20
Total non-operating expenses	325	342
Ordinary profit	9,866	6,104
Extraordinary income		
Gain on sale of non-current assets	21	-
Total extraordinary income	21	-
Extraordinary losses		
Loss on retirement of non-current assets	185	232
Impairment losses	53	257
System failure countermeasure costs	51	-
Total extraordinary losses	290	490
Profit before income taxes	9,597	5,614
Income taxes	3,551	2,077
Profit	6,046	3,536