

# **Financial Results Briefing Material for the Fiscal Year Ended March 31, 2024**

(April 01, 2023 - March 31, 2024)

**April 30, 2024**  
**NAFCO Corporation**  
**(Securities Code: 2790)**

# **Results for the Fiscal Year Ended March 31, 2024**

(April 01, 2023 - March 31, 2024)

## Statements of Income for the Fiscal Year Ended March 31, 2024

(Millions of yen)

	Fiscal Year Ended March 31, 2023	% of sales	Fiscal Year Ended March 31, 2024	% of sales	YoY Change
<b>Net sales</b>	<b>202,259</b>	<b>100.0%</b>	<b>192,116</b>	<b>100.0%</b>	<b>95.0%</b>
<b>Gross profit</b>	<b>69,575</b>	<b>34.4%</b>	<b>65,053</b>	<b>33.9%</b>	<b>93.5%</b>
<b>Operating gross profit</b>	<b>69,958</b>	<b>34.6%</b>	<b>65,384</b>	<b>34.0%</b>	<b>93.5%</b>
<b>Selling, general and administrative expenses</b>	<b>60,739</b>	<b>30.0%</b>	<b>60,220</b>	<b>31.4%</b>	<b>99.1%</b>
<b>Operating profit</b>	<b>9,219</b>	<b>4.6%</b>	<b>5,164</b>	<b>2.7%</b>	<b>56.0%</b>
<b>Ordinary profit</b>	<b>9,661</b>	<b>4.8%</b>	<b>5,552</b>	<b>2.9%</b>	<b>57.5%</b>
<b>Profit</b>	<b>5,639</b>	<b>2.8%</b>	<b>3,107</b>	<b>1.6%</b>	<b>55.1%</b>

# Balance Sheets

(Millions of yen)

	Fiscal Year Ended March 31, 2023	Fiscal Year Ended March 31, 2024	Change From the End of the Previous Fiscal Year
<b>Net assets</b>	<b>238,408</b>	<b>232,246</b>	<b>(6,162)</b>
<b>Current assets</b>	<b>105,748</b>	<b>99,574</b>	<b>(6,173)</b>
Of which, cash and deposits	36,123	32,997	(3,125)
<b>Non-current assets</b>	<b>132,660</b>	<b>132,672</b>	<b>+11</b>
Of which, property, plant and equipment	119,010	119,210	+199
<b>Liabilities</b>	<b>76,594</b>	<b>72,885</b>	<b>(3,709)</b>
Of which, interest-bearing liabilities (short-term borrowings, current portion of long-term borrowings, long-term borrowings)	19,033	18,828	(204)
<b>Net assets</b>	<b>161,813</b>	<b>159,361</b>	<b>(2,452)</b>
<b>Cash and deposit ratio (%)</b>	<b>15.2</b>	<b>14.2</b>	
<b>Ratio of interest-bearing liabilities (%)</b>	<b>8.0</b>	<b>8.1</b>	
<b>Equity ratio (%)</b>	<b>67.9</b>	<b>68.6</b>	
<b>Current ratio (%)</b>	<b>167.3</b>	<b>170.4</b>	
<b>Non-current ratio (%)</b>	<b>82.0</b>	<b>83.3</b>	

## Statements of Cash Flows

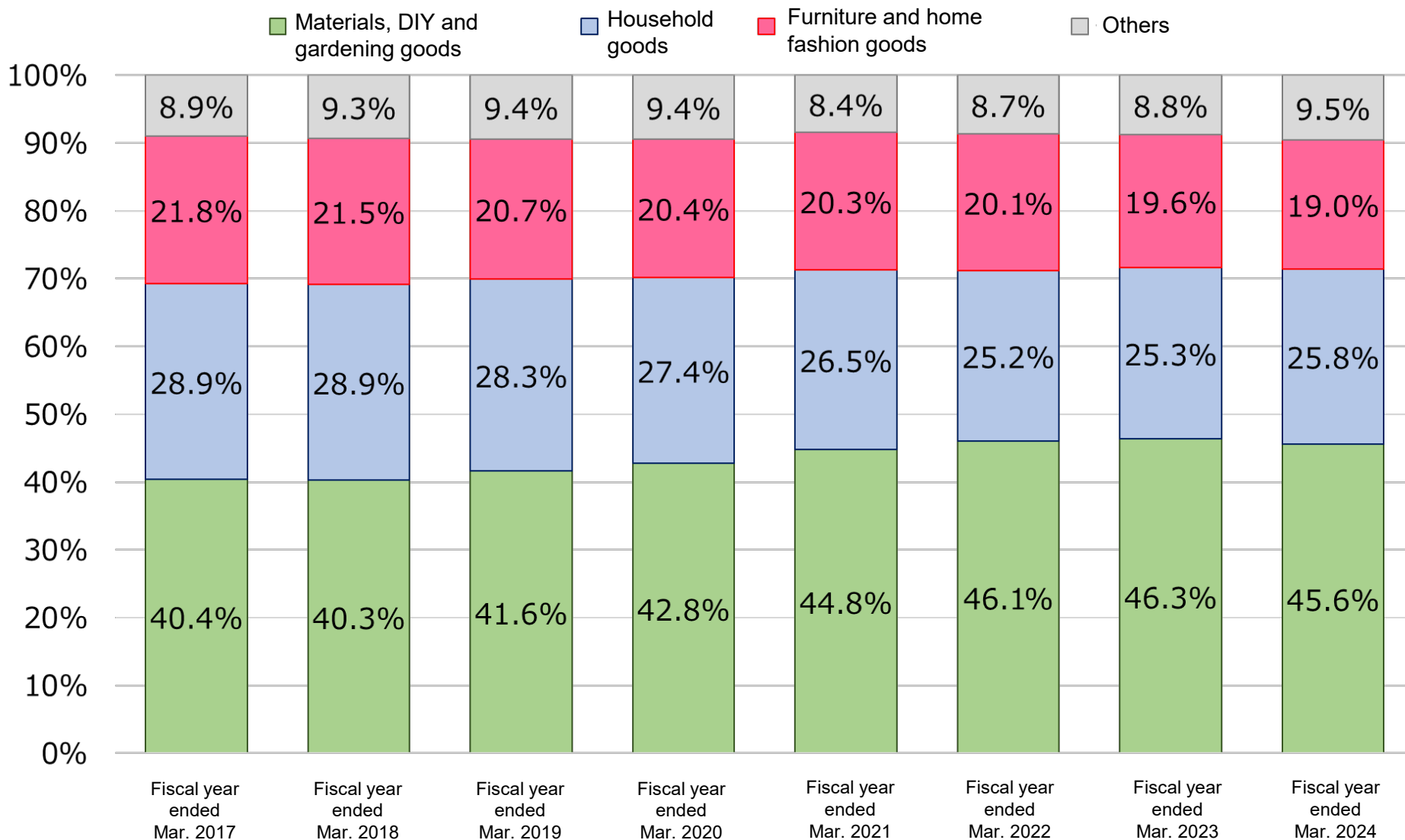
(Millions of yen)

	Free cash flow	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of the term
Fiscal Year Ended March 31, 2019	3,508	7,115	(3,607)	(7,537)	20,196
Fiscal Year Ended March 31, 2020	6,470	11,885	(5,415)	(5,368)	21,297
Fiscal Year Ended March 31, 2021	21,286	24,781	(3,495)	(4,492)	38,091
Fiscal Year Ended March 31, 2022	(2,316)	1,180	(3,496)	(4,556)	31,218
Fiscal Year Ended March 31, 2023	6,229	9,656	(3,427)	(4,217)	33,230
Fiscal Year Ended March 31, 2024	4,232	9,167	(4,935)	(7,357)	30,104

Purchase of property, plant and equipment  
+1,700 million yen (YoY)

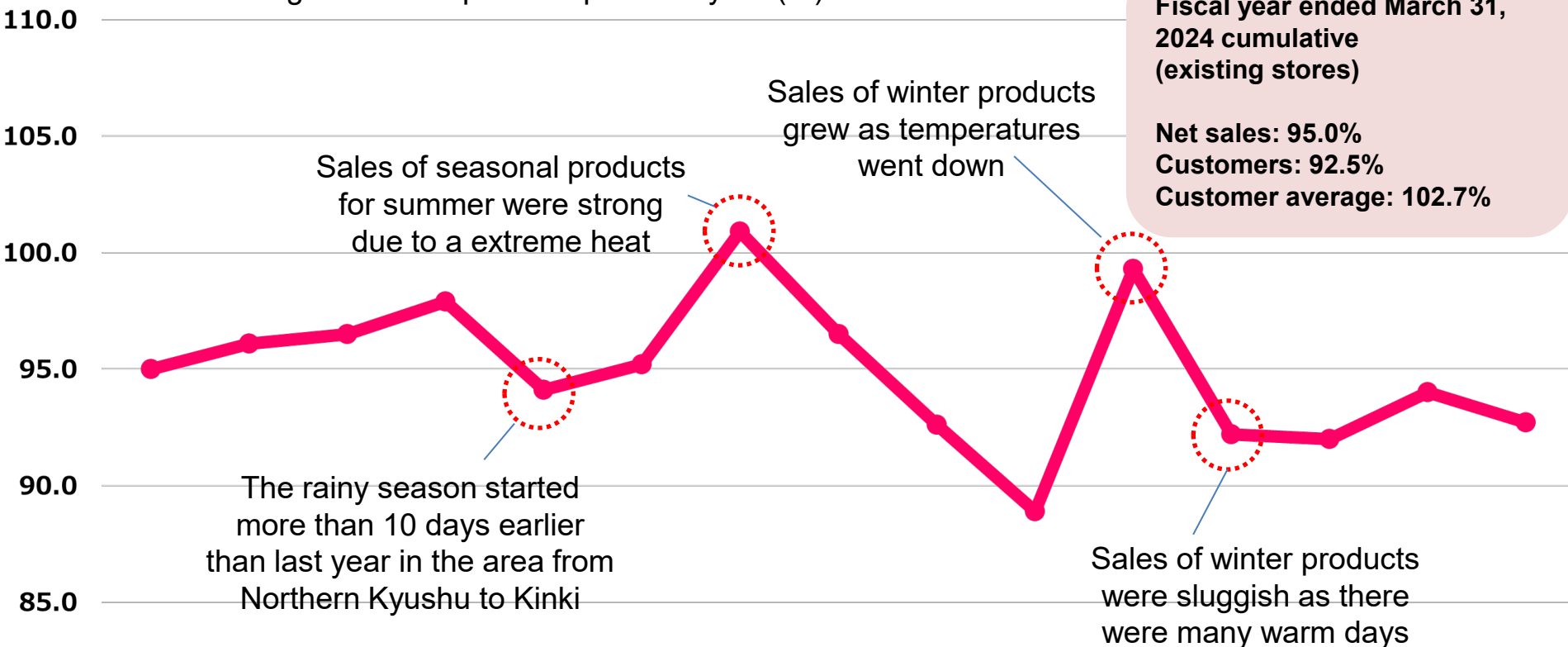
Purchase of treasury shares  
4,000 million yen

## Trends in Sales Composition by Product



## Trends in Existing Stores

Net sales of existing stores compared to previous year (%)

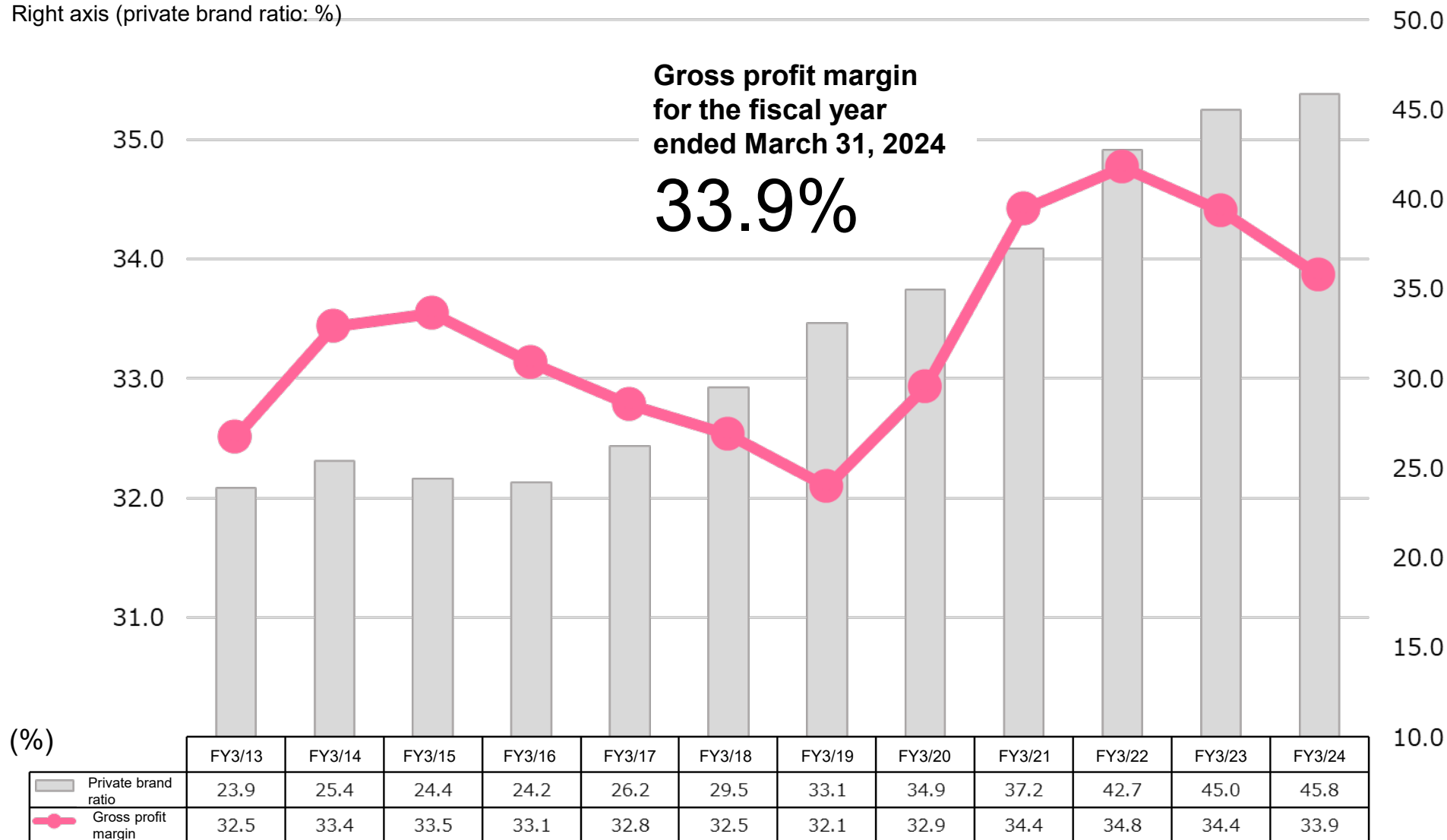


	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.
Sales	95.0	96.1	96.5	97.9	94.1	95.2	100.9	96.5	92.6	88.9	99.3	92.2	92.0	94.0	92.7
Customers	92.7	94.3	93.1	93.9	88.9	93.6	97.0	93.6	90.3	89.2	96.2	93.2	90.1	91.7	89.0
Customer average	102.4	101.9	103.7	104.3	105.8	101.7	103.9	103.1	102.5	99.6	103.2	98.9	102.0	102.5	104.1

# Trends in Gross Profit Margin at the End of the Term

Left axis (gross profit margin: %)

Right axis (private brand ratio: %)

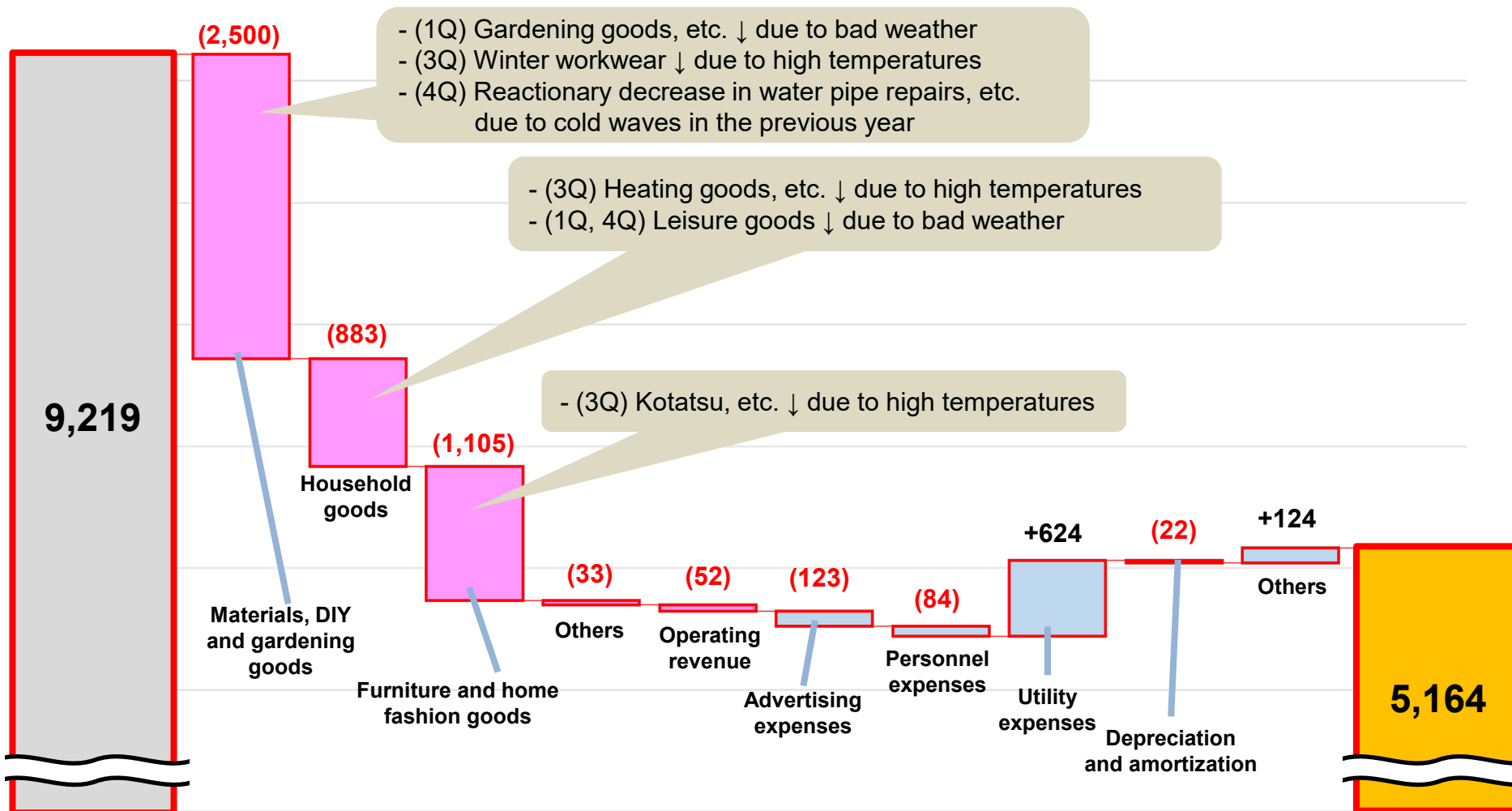




# Factors for a Change in Operating Profit

(Millions of yen)

■ Gross profit   
 ■ Selling, general and administrative expenses



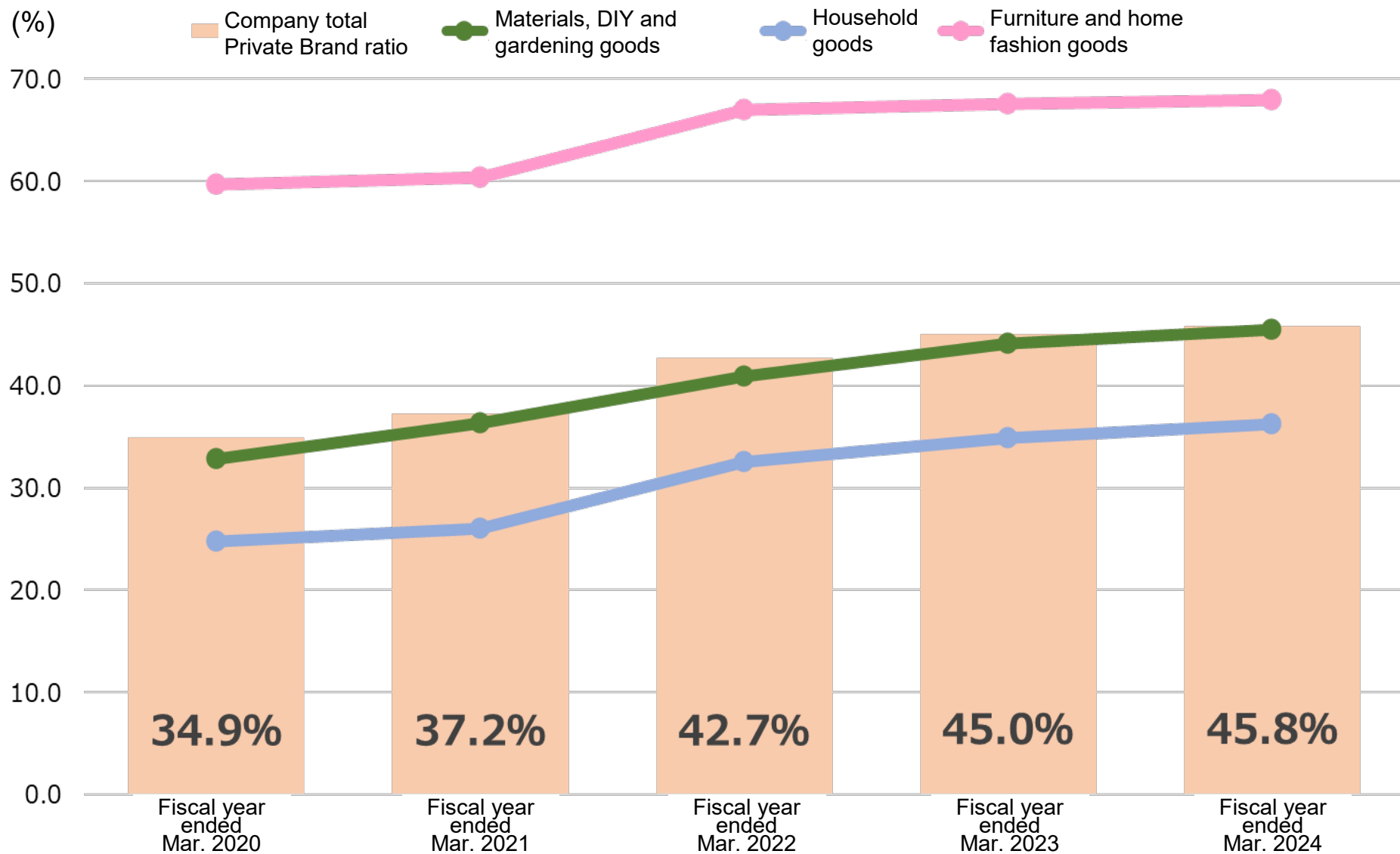
Fiscal year ended March 2023  
Operating profit

All Rights Copying NAFCO Co.,Ltd.

Fiscal year ended March 2024  
Operating profit

<http://www.nafco.tv>

## Trends in Private Brand Ratio at the End of the Term



# N-Force Series

50V rechargeable string trimmer

新時代の力を。N-force  
**N-フォース 50v**  
High Power Battery Series

ハイパワー50V充電式で  
**密集した雑草  
も楽に刈れる!**

充電式付  
50Vリチウムイオン電池  
4.0Ah

1年保証付!

充電式マルチ機ST  
NF-S0VBCP40  
本機寸法(約): 810×600×400mm

対応径	255mm	高出力	50V
質量	4.0kg	充電時間	75分
付属品	充電式マルチ機	連続使用可能時間	約180分

子元スイッチ  
可動範囲: 前後・左右

分割式  
コンパクトに収納可能

左右非対称ハンドル  
作業しやすく取り回しやすい

ブラシレスモーター搭載  
騒音・コイル・火花に  
優れ、メンテナンスフリー

充電式マルチ機  
電動ドリル・角切金  
電動ペンチ・ペンチ



50V multi-type string trimmer

新時代の力を。N-force  
**N-フォース 50v**  
High Power Battery Series

ハイパワー50V充電式で  
**多目的工具**

充電式付  
50Vリチウムイオン電池  
4.0Ah

1年保証付!

充電式マルチ機ST  
NF-S0VMUBP40  
本機寸法(約): 1900×300×250mm

駆動力	50V	対応径	400mm	連続使用可能時間	約45分
質量	7.5kg	充電時間	75分	付属品	充電式マルチ機

アタッチメント交換で  
様々な作業に活用!  
4タイプのアタッチメントに対応

ブラシレスモーター搭載  
騒音・コイル・火花に  
優れ、メンテナンスフリー

充電式マルチ機  
電動ドリル・角切金  
電動ペンチ・ペンチ

分割式コンパクトに収納可能



新時代の力を。  
**N-フォース 50v**  
High Power Battery Series

バッテリーひとつですべて動く!



# N COLOR ECO Series

Water-based matting paint in environmentally friendly paper container



Easier to handle than conventional steel cans and can be disposed of as combustible waste




# Slim Bath Towels



100% cotton bath towels with the same width with hand towels. Easy to hang and do not take up too much storage space.

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# Silicone Spoon

Attracting media attention with high functionality

Silicone spoon with excellent heat resistance

Length: Approx. 30 cm

Made of silicone, boasting elasticity and excellent heat resistance. Makes it much easier to protect pots and frying pans from scratches.

Heat resistant up to 210°C



# Spring and Summer Slippers

Materials and designs that help sense the seasons



Indian cotton

Hemp

# Sunscreen

Protection from sunlight that is becoming increasingly strong every year



Protection  
against UV

Protection from spots, freckles, and dry skin caused by sunburn

## Sunscreen for everyday use

Block ultraviolet rays for the skin

NAFCO  
For face & body **SPF50+ PA+++**  
**UV Sun Mist**

- Applicable to hair and scalp
- For feet and back, where applying can be difficult
- Reapply when you are out
- Ideal for kids playing outside and on leisure occasions

NAFCO  
For face & body **SPF50+ PA++++**  
**UV Protection Cream**

- Blocks UV in sunlight
- On leisure and outdoor occasions
- Easy to remove with soap
- Fragrance-free



NAFCO  
For face & body **SPF50+ PA+++**  
**UV Sun Mist**

- Applicable to hair and scalp
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NAFCO  
For face & body **SPF50+ PA++++**  
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# Total Coordination



*New life 2024*



West Coast\_Joyful Flowery Home, characterized by artistic vegetable motifs and bright colors.

Brooklyn\_Comfortable Sunny Home, characterized by seaweed motifs inspired by the bounty of the sea and water-like colors.



Casual sofa NF Mokoro II (wooden armrest BR) 2P BE



2P sofa N Roman 2P Denim

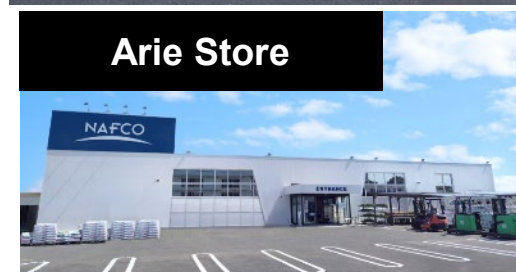
Vintage style sofa that uses iron.  
Dark brown natural wood is used for the armrests.

# Store Openings and Expansion/Renovation (New Stores)

## Sakanoichi Store



## Arie Store



## Kashiba Store



## Nogata Store



	Store Name	Opening	Location	Store style
New Stores	Nogata	June	Fukuoka	Home center
	Arie	July	Nagasaki	Home center (small store)
	Kashiba	December	Nara	Home center
	Sakanoichi	March	Oita	Home center (small store)
Expansion/Renovation	Ube (Furniture)	April	Yamaguchi	Furniture house (TWO-ONE STYLE)
	Washinomiya	May	Saitama	Home center
	TWO-ONE STYLE Saitama Shobu	November	Saitama	Furniture and home fashion store
	Nishi Hiroshima	December	Hiroshima	Combination store
	Minami Miyakonojo	February	Miyazaki	Home center

# Store Openings and Expansion/Renovation (Expansion/Renovation)

## Minami Miyakonojo Store



## TWO-ONE STYLE Saitama Shobu Store

TWO-ONE STYLE



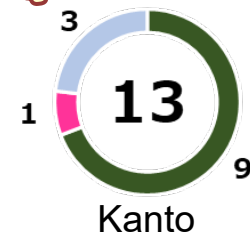
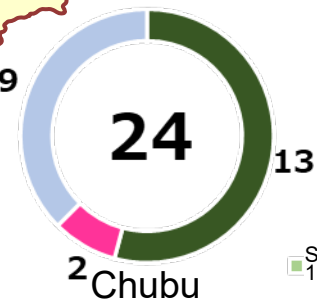
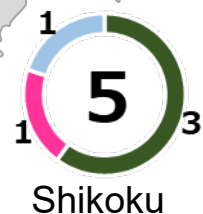
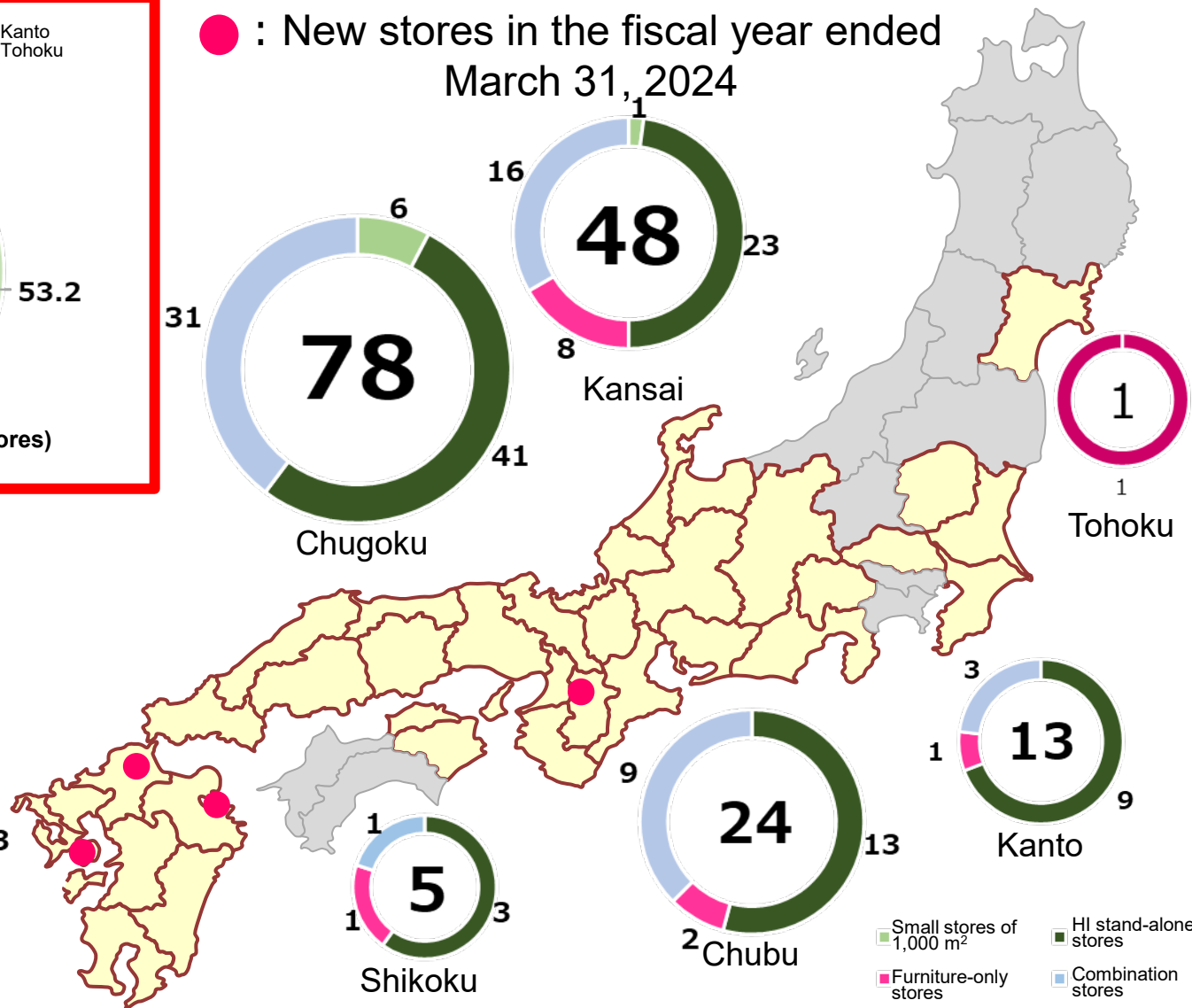
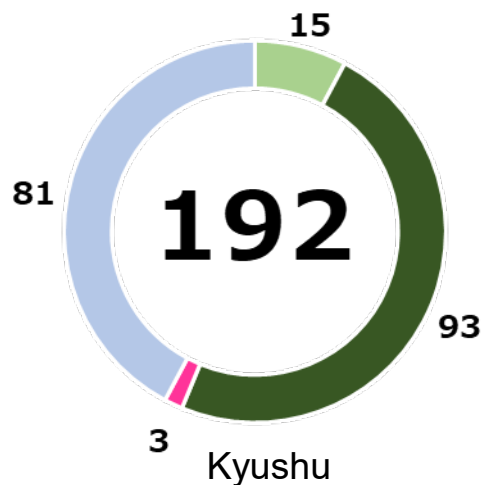
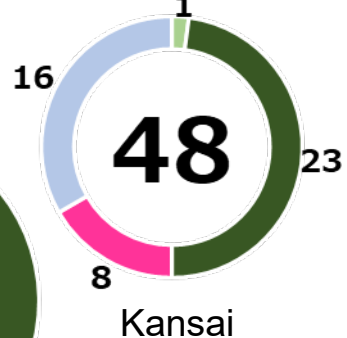
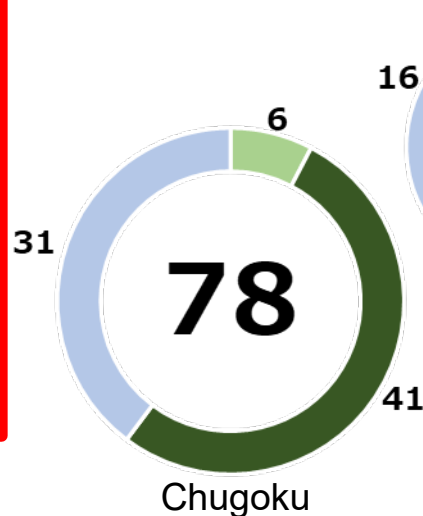
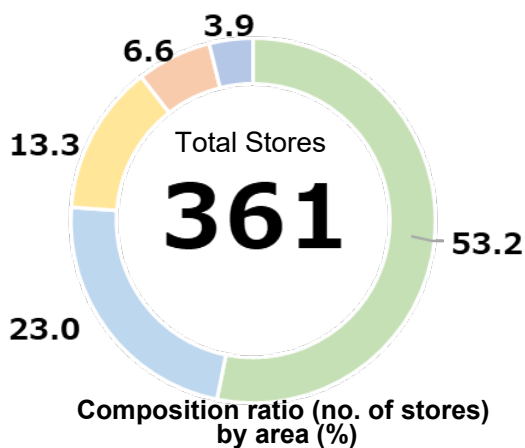
## Nishi Hiroshima Store



# Number of Stores by Area

● : New stores in the fiscal year ended March 31, 2024

■ Kyushu 
 ■ Chugoku Shikoku 
 ■ Kansai 
 ■ Chubu 
 ■ Kanto Tohoku



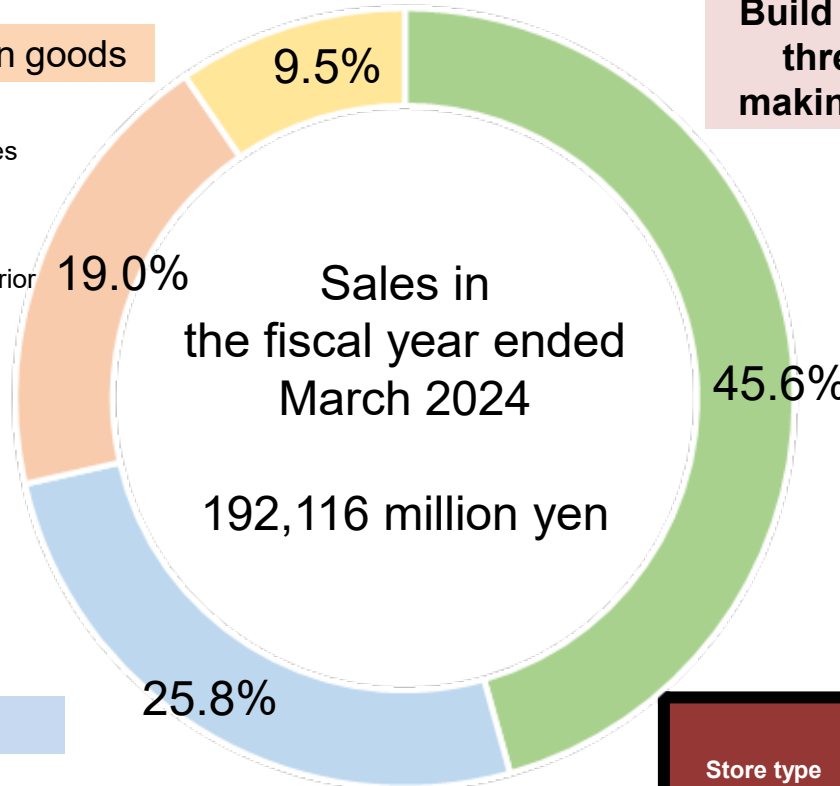
■ Small stores of 1,000 m² 
 ■ HI stand-alone stores 
 ■ Furniture-only stores 
 ■ Combination stores

# Business Growth Status

## Furniture and home fashion goods

■ **Sold at:**  
Combination stores, furniture-only stores and home centers

■ **Products**  
Furniture, floor coverings, curtains, interior goods, lightings, bedding, remodeling materials, floor materials



**Build a product strategy around the three cores and operate stores making full use of each store format**

## Materials, DIY and gardening goods

■ **Sold at:**  
Combination stores, home centers and small stores of about 1,000 m<sup>2</sup>

■ **Products**  
Carpentry tools, small metal building components, paints, plastering supplies, gardening goods, plumbing supplies, exterior materials, lumber, shelves, room accessories, work supplies, plants, electrical materials

## Household goods

■ **Sold at:**  
Combination stores, home centers and small stores of about 1,000 m<sup>2</sup>

■ **Products**  
Household goods, seasonal goods, storage containers, stationery, daily goods, cooking appliances, footwear, foods, cosmetics, outdoor goods

\*Percentage figures represent sales composition by product category

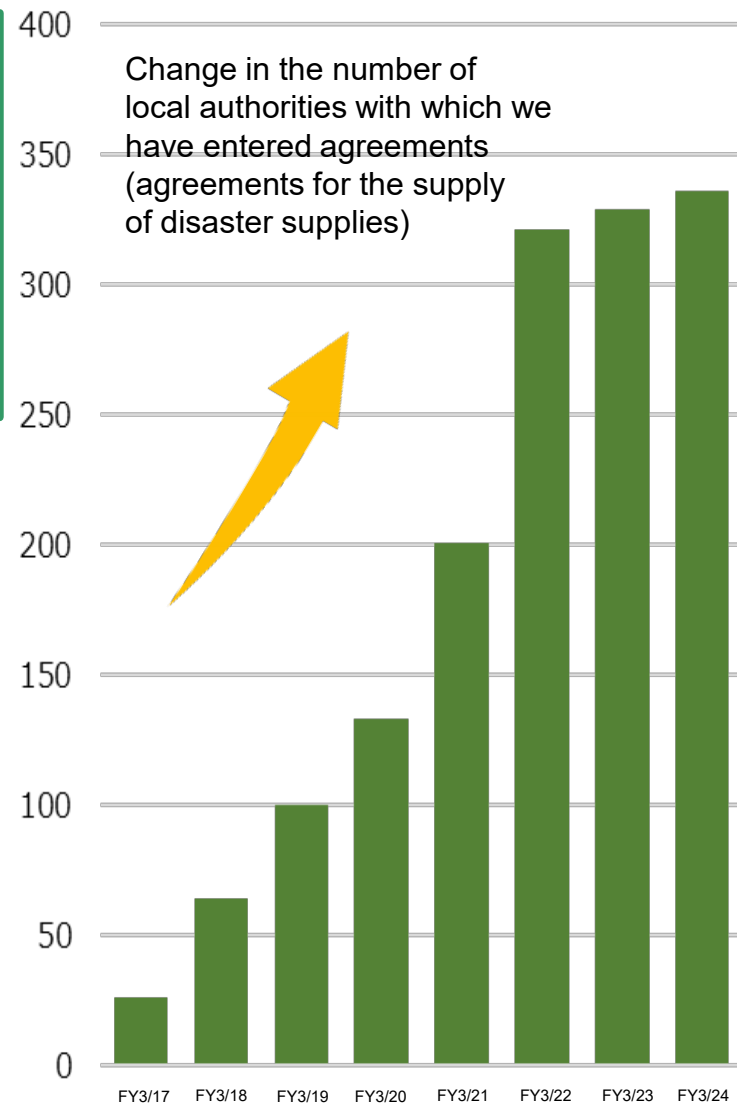
Store type	Composition Ratio (no. of Stores)	Priority store opening pattern	
		Store area	Number of people in served business area
Combination store	39.1%	13,000 m <sup>2</sup> or more	200,000
Home center	50.4%	7,000 m <sup>2</sup> , 10,000 m <sup>2</sup> or more	100,000
Furniture-only store	4.4%	7,000 m <sup>2</sup>	300,000

## Roles in Disasters

### Number of local authorities with which we have entered agreements

As of March 31, 2024 **336** local authorities

\* Local authorities include police  
(excluding those during the application process from the number)



Agreements we entered into in the fiscal year ended March 31, 2024

Local authority (Prefecture name)	Date of agreement
Fukuoka (Umi Town)	October 2023
Shizuoka (Kakegawa City)	December 2023
Okayama (Setouchi City)	December 2023
Fukuoka (Kurate Town)	January 2024
Shiga (Yasu City)	February 2024
Okayama (Asakuchi City)	February 2024
Nagano (Omachi City)	March 2024

# **Forecast for the Fiscal Year Ending March 31, 2025**

(April 01, 2024 – March 31, 2025)

## Store Openings and Renovation/Expansion Plans for the Fiscal Year Ending March 31, 2025

**Taka Store**  
(Home center)  
Open April 2024



**Arao Chuo Store**  
(Home center)  
Open April 2024



	Store name	Location
New stores	Taka	Hyogo
	6 more stores	
Expansion/ Renovation	Matsunaga	Hiroshima
	6 more stores	

The information shown here is current as of the disclosure of financial results (April 26, 2024)

**Hino Store**  
(Home center)  
Reopen after renovation  
April 2024



**Matsunaga Store**  
(Home center)  
Reopen after renovation  
April 2024



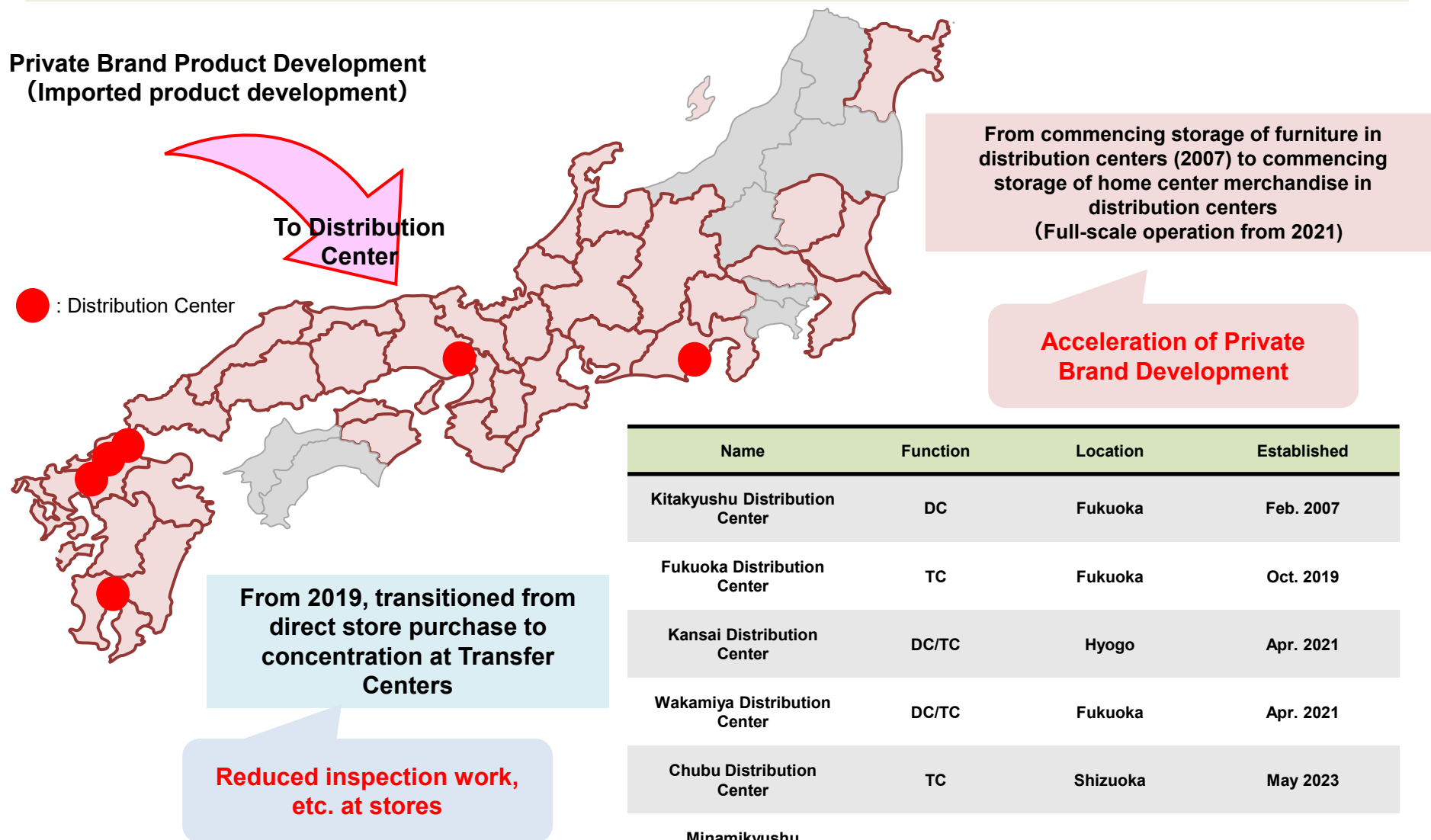
**Hikarimachi Store**  
(Home center)  
Reopen after renovation  
April 2024





# Product Appeal and Low-Cost Operations

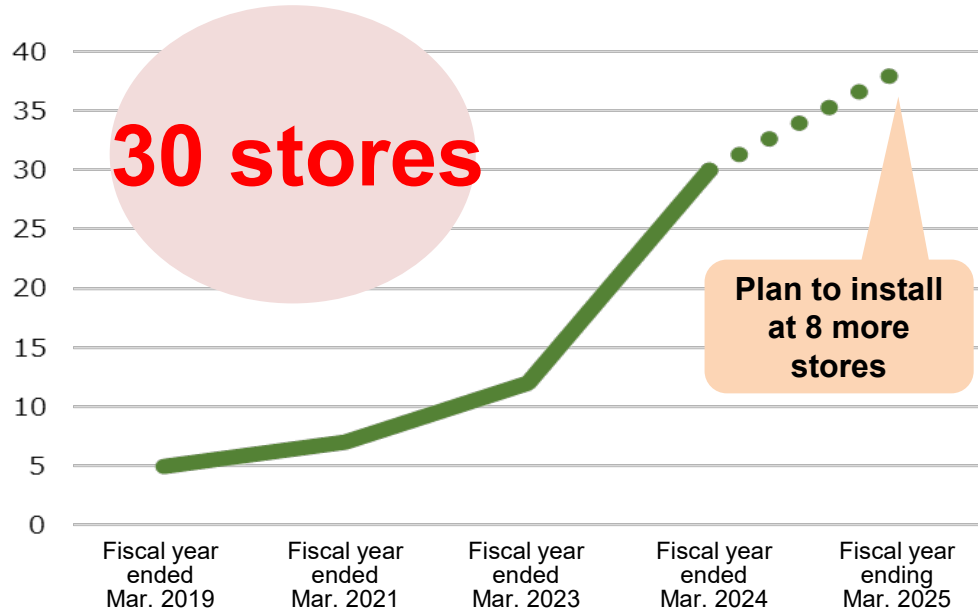
Private Brand Product Development  
(Imported product development)



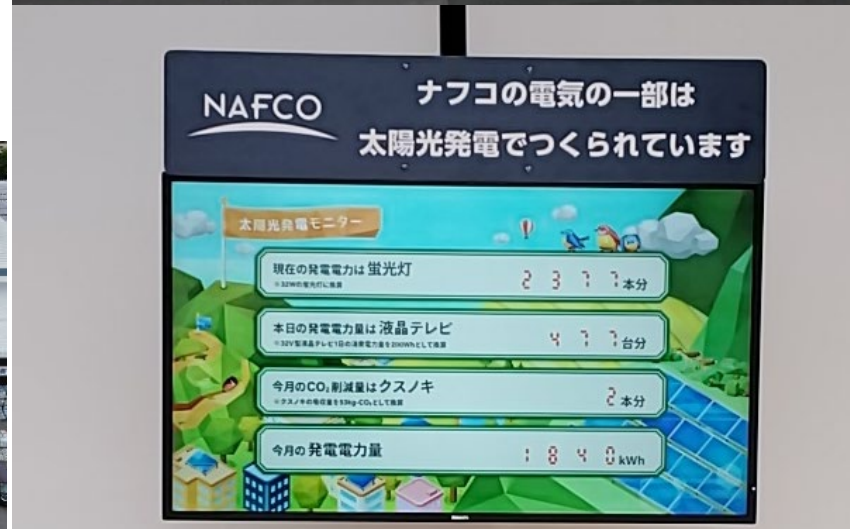
Name	Function	Location	Established
Kitakyushu Distribution Center	DC	Fukuoka	Feb. 2007
Fukuoka Distribution Center	TC	Fukuoka	Oct. 2019
Kansai Distribution Center	DC/TC	Hyogo	Apr. 2021
Wakamiya Distribution Center	DC/TC	Fukuoka	Apr. 2021
Chubu Distribution Center	TC	Shizuoka	May 2023
Minamikyushu Distribution Center	TC	Miyazaki	Apr. 2024

# Installation of Solar Power Generation Systems

Fiscal year ended March 31, 2024  
Cumulative installations



## 【Solar power generation】

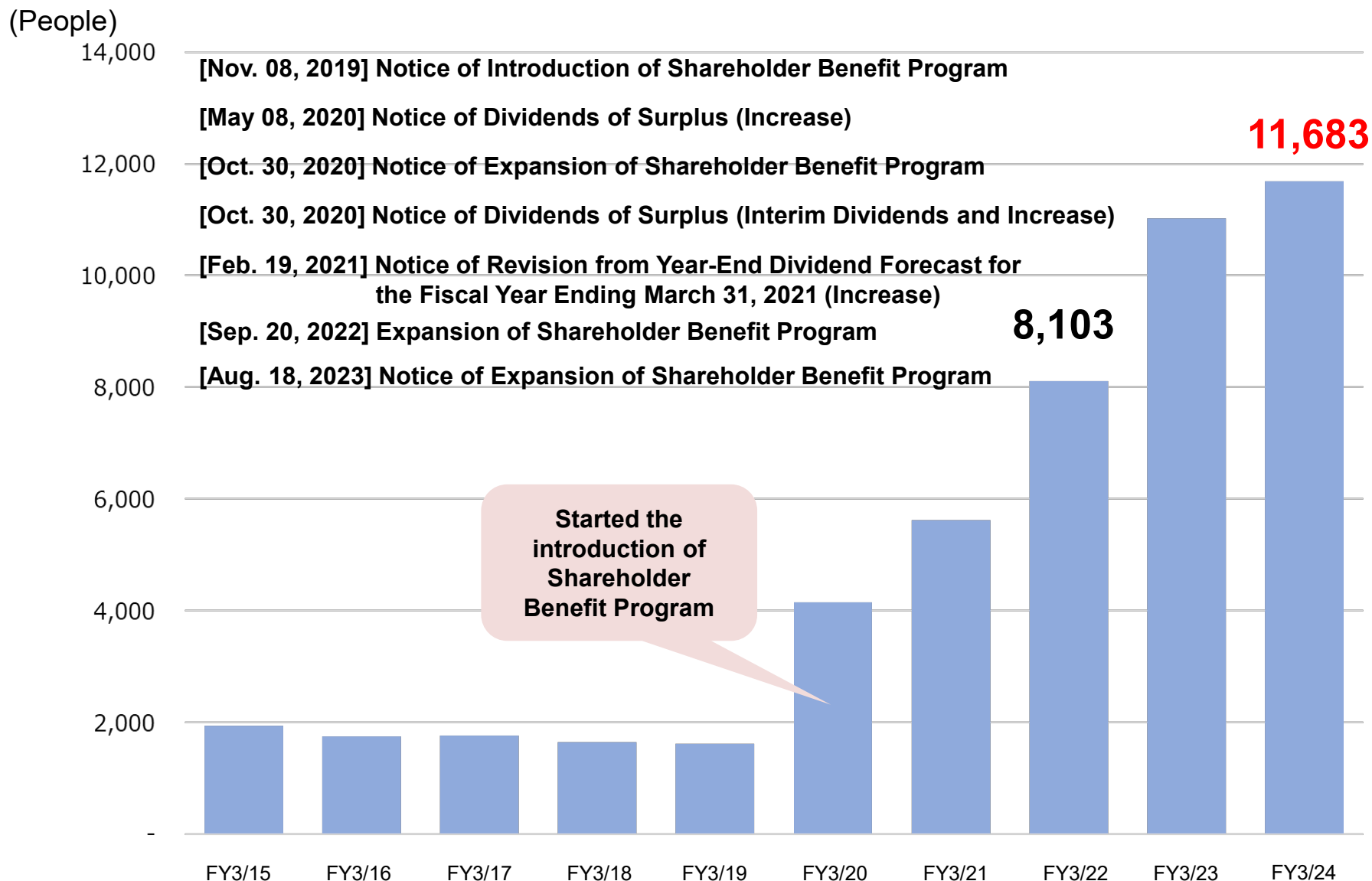


## Forecast for the Fiscal Year Ending March 31, 2025

(Millions of yen)

	Full-year (Plan)	% of sales	YoY Change (%)	Fiscal year ended March 31, 2024 (Results)	% of sales	Fiscal year ended March 31, 2023 (Results)	% of sales
Net sales	<b>193,000</b>	100.0%	100.5%	192,116	100.0%	202,259	100.0%
Operating profit	<b>6,500</b>	3.4%	125.9%	5,164	2.7%	9,219	4.6%
Ordinary profit	<b>6,803</b>	3.5%	122.5%	5,552	2.9%	9,760	4.8%
Profit	<b>3,780</b>	2.0%	121.6%	3,107	1.6%	5,639	2.8%
Annual dividends	<b>58 yen (forecast)</b>			58 yen		56 yen	

## Trends in the Number of Shareholders



## Shareholder Benefit Program

Expansion from September 2023 was disclosed in the news release  
“Expansion of Shareholder Benefit Program” on August 18, 2023

Number of shares held	End of September (Interim) <u>[Either A or B]</u>	End of March (Year-end) [Either A or B]
100 or more but less than 500 shares	A. UC Gift Voucher worth ¥500 <b><u>B. NAFCO Shopping Voucher worth ¥1,000</u></b>	A. UC Gift Voucher worth ¥1,000 B. NAFCO Shopping Voucher worth ¥2,000
500 or more but less than 1,000 shares	A. UC Gift Voucher worth ¥1,500 <b><u>B. NAFCO Shopping Voucher worth ¥3,000</u></b>	A. UC Gift Voucher worth ¥3,000 B. NAFCO Shopping Voucher worth ¥6,000
1,000 or more shares	A. UC Gift Voucher worth ¥2,500 <b><u>B. NAFCO Shopping Voucher worth ¥5,000</u></b>	A. UC Gift Voucher worth ¥5,000 B. NAFCO Shopping Voucher worth ¥10,000

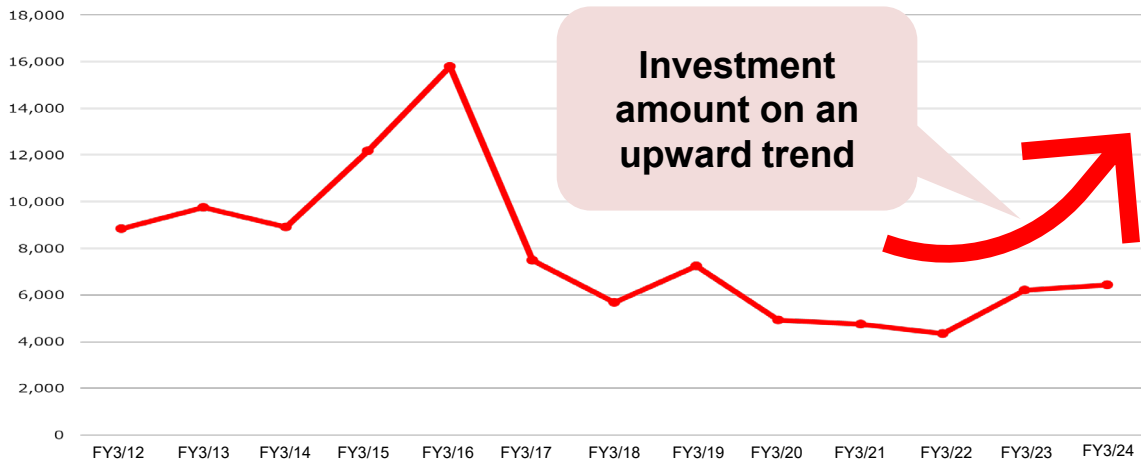
**\*The red text indicates the latest expansion.**



# Management Conscious of Cost of Capital and Stock Price

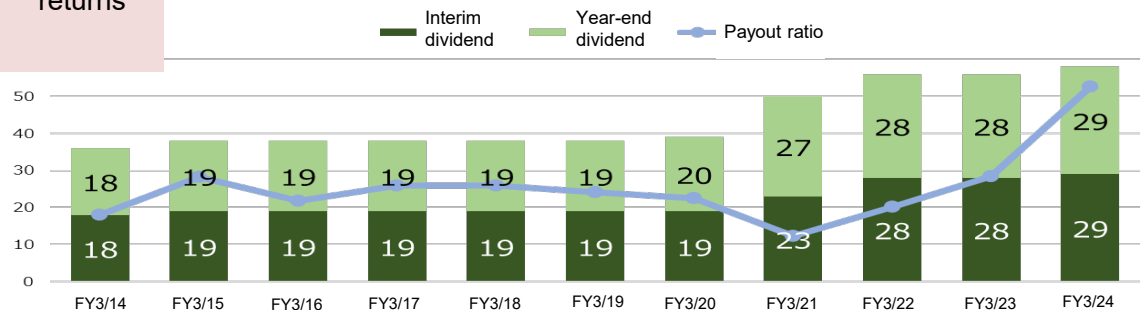
## Growth investment

- Enhanced investment in store openings
- Continued investment in renovation/expansion of existing stores
- Continued investment in product development (private brand enhancement)

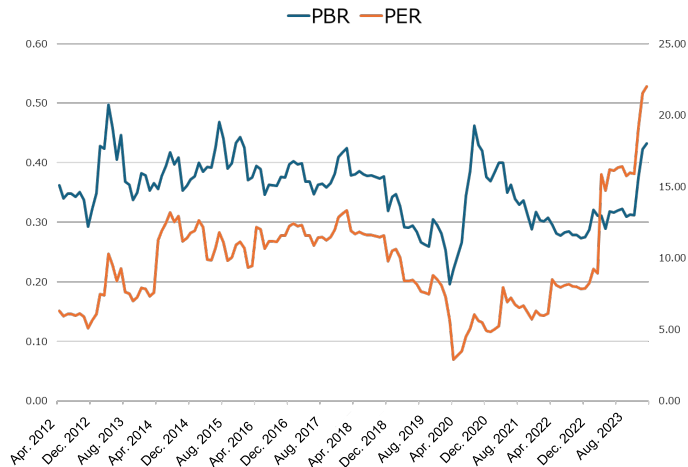


## Shareholder returns

- Improved profit margin followed by increased dividends
- Treasury share acquisition factoring in liquidity



	March 31, 2023	March 31, 2024
PBR	0.31	0.45
PER	8.93	22.95





# appendix



# Statements of Income

Items (Millions of yen)	Fiscal year ended March 31, 2022			Fiscal year ended March 31, 2023			Fiscal year ended March 31, 2024		
	Results	YoY Change	% of sales	Results	YoY Change	% of sales	Results	YoY Change	% of sales
<b>Net Sales</b>	206,549	88.1%	100.0%	202,259	97.9%	100.0%	192,116	95.0%	100.0%
<b>Gross profit</b>	72,138	89.4%	34.9%	69,575	96.9%	34.4%	65,053	93.5%	33.9%
<b>Operating gross profit</b>	71,809	-	34.8%	69,958	97.0%	34.6%	65,384	93.5%	34.0%
<b>Selling, general and administrative expenses</b>	60,136	96.2%	29.1%	60,739	101.0%	30.0%	60,220	99.1%	31.4%
<b>Operating profit</b>	12,002	65.9%	5.8%	9,219	77.0%	4.6%	5,164	56.0%	2.7%
<b>Ordinary profit</b>	12,572	66.5%	6.1%	9,760	77.6%	4.8%	5,552	57.5%	2.9%
<b>Profit</b>	7,961	68.1%	3.9%	5,639	70.8%	2.8%	3,107	55.1%	1.6%

Existing Stores (YoY Change)	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
<b>Net Sales</b>	90.8%	97.7%	95.0%
<b>Customers</b>	88.0%	93.7%	92.5%
<b>Customer average</b>	103.2%	104.2%	102.7%

# Segments

Net Sales (Millions of yen)	Fiscal year ended March 31, 2022			Fiscal year ended March 31, 2023			Fiscal year ended March 31, 2024		
	Results	YoY Change	% of sales	Results	YoY Change	% of sales	Results	YoY Change	% of sales
Materials, DIY and gardening goods	95,123	90.5%	46.1%	93,742	98.5%	46.3%	87,688	93.5%	45.6%
Household goods	52,003	83.6%	25.2%	51,228	98.5%	25.3%	49,599	96.8%	25.8%
Furniture and home fashion goods	41,485	87.3%	20.1%	39,567	95.4%	19.6%	36,502	92.3%	19.0%
Others	17,936	90.8%	8.7%	17,720	98.8%	8.8%	18,325	103.4%	9.6%
<b>Total</b>	<b>206,549</b>	<b>88.1%</b>	<b>100.0%</b>	<b>202,259</b>	<b>97.9%</b>	<b>100.0%</b>	<b>192,116</b>	<b>95.0%</b>	<b>100.0%</b>
Gross profit (Millions of yen)	Fiscal year ended March 31, 2022			Fiscal year ended March 31, 2023			Fiscal year ended March 31, 2024		
	Results	YoY Change	% of sales	Results	YoY Change	% of sales	Results	YoY Change	% of sales
Materials, DIY and gardening goods	34,198	90.2%	36.0%	33,932	99.2%	36.2%	31,431	92.6%	35.8%
Household goods	15,283	84.1%	29.4%	14,617	95.6%	28.5%	13,733	94.0%	27.7%
Furniture and home fashion goods	16,997	90.9%	41.0%	15,777	92.8%	39.9%	14,672	93.0%	40.2%
Others	5,331	89.3%	29.7%	5,248	98.5%	29.6%	5,215	99.4%	28.5%
<b>Total</b>	<b>71,809</b>	<b>89.0%</b>	<b>34.8%</b>	<b>69,575</b>	<b>96.9%</b>	<b>34.4%</b>	<b>65,053</b>	<b>93.5%</b>	<b>33.9%</b>

## Number of Stores by Area and Business Type

Number of Stores at the End of the Term	Fiscal year ended March 31, 2022			Fiscal year ended March 31, 2023			Fiscal year ended March 31, 2024		
	Combination stores	HI stand- alone stores	Furniture -only stores	Combination stores	HI stand- alone stores	Furniture -only stores	Combination stores	HI stand- alone stores	Furniture -only stores
<b>Kyushu</b>	82	106	3	81	105	3	81	108	3
<b>Chugoku and Shikoku</b>	33	52	1	33	51	1	32	50	1
<b>Kansai</b>	16	22	7	16	23	8	16	24	8
<b>Chubu</b>	9	13	1	9	13	2	9	13	2
<b>Kanto and Tohoku</b>	3	9	2	3	9	2	3	9	2
<b>Total</b>	143	202	14	142	201	16	141	203	16
	<b>359</b>			<b>359</b>			<b>361</b>		

# Balance Sheets

Items (Millions of yen)	Fiscal Year Ended March 31, 2022			Fiscal Year Ended March 31, 2023			Fiscal Year Ended March 31, 2024		
	Results	Compared to the End of the Previous Fiscal Year	Change From the End of the Previous Fiscal Year	Results	Compared to the End of the Previous Fiscal Year	Change From the End of the Previous Fiscal Year	Results	Compared to the End of the Previous Fiscal Year	Change From the End of the Previous Fiscal Year
<b>Total assets</b>	233,075	98.7%	(3,088)	238,408	102.3%	+5,333	232,246	97.4%	(6,162)
<b>Current assets</b>	100,744	98.4%	(1,675)	105,748	105.0%	+5,003	99,574	94.2%	(6,173)
<b>Of which, cash and deposits</b>	34,111	83.2%	(6,872)	36,123	105.9%	+2,011	32,997	91.3%	(3,125)
<b>Non-current assets</b>	132,331	98.9%	(1,413)	132,660	100.2%	+329	132,660	100.0%	+ 11
<b>Of which, property, plant and equipment</b>	118,557	98.8%	(1,384)	119,010	100.4%	+452	119,210	100.2%	+ 199
<b>Liabilities</b>	75,312	90.4%	(8,029)	76,594	101.7%	+1,282	72,885	95.2%	(3,709)
<b>Interest-bearing liabilities</b>	20,293	92.1%	(1,744)	19,033	93.8%	(1,259)	18,828	98.9%	(204)
<b>Net assets</b>	157,763	103.2%	4,941	161,813	102.6%	4,050	159,361	98.5%	(2,452)
	Fiscal Year Ended March 31, 2022			Fiscal Year Ended March 31, 2023			Fiscal Year Ended March 31, 2024		
<b>Cash and deposit ratio (%)</b>	14.6%			15.2%			14.2%		
<b>Ratio of interest-bearing liabilities (%)</b>	8.7%			8.0%			8.1%		
<b>Equity ratio (%)</b>	67.7%			67.9%			68.6%		

## Stock (Full-year)

	Fiscal Year Ended March 31, 2022	Fiscal Year Ended March 31, 2023	Fiscal Year Ended March 31, 2024
<b>Number of Issued Shares</b>	29,784,400	29,784,400	29,784,400
<b>Number of Treasury Shares</b>	1,221,800	1,221,850	3,007,890
<b>Net Assets per Share (yen)</b>	5,523	5,665	5,951
<b>Dividend per Share (yen)</b>	56	56	58
<b>Earnings per Share (yen)</b>	279	197	110
<b>Payout Ratio</b>	20.1	28.4	52.6

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We will disclose information as needed at an appropriate time depending on the external environment and the progress of business performance.

This document may contain forward-looking statements. These statements are not statements of past fact, but are instead forecasts based on hypotheses and assumptions determined from information available at the current time.

They also involve risks and uncertainties related to economic trends, market environments, and the like.

Actual business performance may therefore differ from the Company's forecasts.

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