

Non-Consolidated Financial Results for the Three Months Ended June 30, 2024 [Japanese GAAP]

August 9, 2024

Company name: NAFCO Corporation
 Stock exchange listing: Tokyo Stock Exchange
 Code number: 2790
 URL: <https://www.nafco.tv>
 Representative: Takumi Ishida, President and CEO
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 Scheduled date of commencing dividend payments: -
 Availability of supplementary briefing material on financial results: Available
 Schedule of 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, 2024 (April 1, 2024 to June 30, 2024)

(1) Operating Results (cumulative)

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

	Total operating revenue		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended								
June 30, 2024	48,691	(6.3)	1,511	(43.6)	1,527	(43.2)	963	(40.5)
June 30, 2023	51,947	-	2,678	-	2,688	-	1,619	-

	Earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended		
June 30, 2024	35.99	-
June 30, 2023	56.70	-

(Note) As the Company made changes in presentation in the three months ended June 30, 2024, the figures for the three months ended June 30, 2023 are presented after applying the changes in the presentation. Due to the changes in presentation, percentages of changes from the corresponding period of the preceding fiscal year are not presented for the three months ended June 30, 2023. In addition, in conjunction with the changes in presentation, net sales of the financial and operating results has been changed to total operating revenue, starting in the three months ended June 30, 2024. Total operating revenue is the sum of net sales and operating revenue. This change has also been applied to the three months ended June 30, 2023.

(2) Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of June 30, 2024	238,163	159,558	67.0	5,958.92
As of March 31, 2024	232,246	159,361	68.6	5,951.52

(Reference) Equity: As of June 30, 2024: ¥159,558 million

As of March 31, 2024: ¥159,361 million

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
Fiscal year ended March 31, 2024	Yen -	Yen 29.00	Yen -	Yen 29.00	Yen 58.00
Fiscal year ending March 31, 2025	-				
Fiscal year ending March 31, 2025 (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, 2025 (April 1, 2024 to March 31, 2025)

(% 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)	97,619	(3.4)	2,402	(42.6)	2,427	(42.3)	1,517	(39.0)	56.65
Full year	190,784	(0.7)	4,576	(16.5)	4,629	(16.6)	2,871	(7.6)	107.22

(Note) Revision from the most recently announced projected operating results: Yes

For details, please refer to the Company's "Notice Regarding Revision to Projected Operating Results" announced today, August 9, 2024.

* 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, 2024: 29,784,400 shares

March 31, 2024: 29,784,400 shares

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

June 30, 2024: 3,008,023 shares

March 31, 2024: 3,007,890 shares

3) Average number of shares during the term:

Three months ended June 30, 2024: 26,776,422 shares

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

* Review of the Japanese-language originals of the attached quarterly non-consolidated financial statements by certified public accountants or an audit firm: None

* 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, 2024)	End of First Quarter of Current Fiscal Year (June 30, 2024)
Assets		
Current assets		
Cash and deposits	32,997	35,103
Accounts receivable - trade	4,513	4,412
Merchandise	60,562	61,283
Other	1,504	1,585
Allowance for doubtful accounts	(3)	(3)
Total current assets	99,574	102,380
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	64,025	66,862
Land	49,171	49,171
Construction in progress	1,013	703
Other, net	5,000	5,431
Total property, plant and equipment	119,210	122,168
Intangible assets	3,210	3,304
Investments and other assets	10,251	10,309
Total non-current assets	132,672	135,783
Total assets	232,246	238,163
Liabilities		
Current liabilities		
Notes and accounts payable - trade	24,447	26,533
Short-term borrowings	18,820	18,905
Current portion of long-term borrowings	8	–
Income taxes payable	362	593
Accounts payable - other	4,322	7,075
Notes payable - facilities	2,462	3,500
Provision for bonuses	955	542
Provision for bonuses for directors (and other officers)	31	–
Asset retirement obligations	3	11
Contract liabilities	3,069	3,014
Other	3,962	3,555
Total current liabilities	58,445	63,731
Non-current liabilities		
Provision for retirement benefits	3,014	3,001
Provision for retirement benefits for directors (and other officers)	744	744
Asset retirement obligations	6,538	6,636
Other	4,141	4,492
Total non-current liabilities	14,439	14,874
Total liabilities	72,885	78,605

(Millions of yen)

	End of Previous Fiscal year (March 31, 2024)	End of First Quarter of Current Fiscal Year (June 30, 2024)
Net assets		
Shareholders' equity		
Share capital	3,538	3,538
Capital surplus	4,223	4,223
Retained earnings	157,788	157,975
Treasury shares	(6,351)	(6,351)
Total shareholders' equity	159,198	159,385
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	162	172
Total valuation and translation adjustments	162	172
Total net assets	159,361	159,558
Total liabilities and net assets	232,246	238,163

(2) Statements of Income
Statements of Income

(Millions of yen)

	Three Months Ended June 30, 2023 (From April 1, 2023 to June 30, 2023)	Three Months Ended June 30, 2024 (From April 1, 2024 to June 30, 2024)
Net sales	51,732	48,519
Cost of sales	34,298	31,997
Gross profit	17,434	16,521
Operating revenue	214	171
Operating gross profit	17,648	16,693
Selling, general and administrative expenses	14,969	15,182
Operating profit	2,678	1,511
Non-operating income		
Interest income	0	0
Dividend income	9	11
Commission income	25	19
Insurance claim income	14	17
Other	31	32
Total non-operating income	81	81
Non-operating expenses		
Interest expenses	30	42
Loss on disaster	36	18
Other	5	4
Total non-operating expenses	72	65
Ordinary profit	2,688	1,527
Extraordinary income		
Gain on sale of non-current assets	–	36
Total extraordinary income	–	36
Extraordinary losses		
Loss on retirement of non-current assets	36	28
Impairment losses	81	5
Total extraordinary losses	117	34
Profit before income taxes	2,570	1,529
Income taxes	951	565
Profit	1,619	963