

**Financial Results Briefing Material
for the Six Months Ended September 30, 2024
(Semi-annual)
(April 01, 2024 - September 30, 2024)**

**October 28, 2024
NAFCO Corporation
(Securities Code: 2790)**

Financial Results for the Six Months Ended September 30, 2024

(April 01, 2024 - September 30, 2024)

Results for the Six Months Ended September 30, 2024

(Millions of yen)

	Six months ended September 30, 2023	% of total operating revenue	Six months ended September 30, 2024	% of total operating revenue	YoY Change
Total Operating revenue	101,471	100.0%	96,636	100.0%	95.2%
Operating gross profit	34,460	34.0%	32,102	33.2%	93.2%
Operating profit	4,186	4.1%	888	0.9%	21.2%
Ordinary profit	4,209	4.1%	904	0.9%	21.5%
Profit	2,487	2.5%	346	0.4%	13.9%

* Total operating revenue was calculated by adding operating revenue to net sales.

- Income and expenses pertaining to real estate leasing are reclassified as operating revenue and selling, general and administrative expenses from the fiscal year ending March 31, 2025.
- Due to the change, figures for the previous fiscal year have been reclassified as well. This has no impact on ordinary profit or profit before income taxes.

Statements of Income for the Six Months Ended September 30, 2024

(Millions of Yen)

	Six months ended September 30, 2023	% of sales	Six months ended September 30, 2024	% of sales	YoY Change
Net sales	101,033	100.0%	96,289	100.0%	95.3%
Gross profit	34,021	33.7%	31,755	33.0%	93.3%
Operating gross profit	34,460	34.1%	32,102	33.3%	93.2%
Selling, general and administrative expenses	30,273	30.0%	31,214	32.4%	103.1%
Operating profit	4,186	4.1%	888	0.9%	21.2%
Ordinary profit	4,209	4.2%	904	0.9%	21.5%
Profit	2,487	2.5%	346	0.4%	13.9%

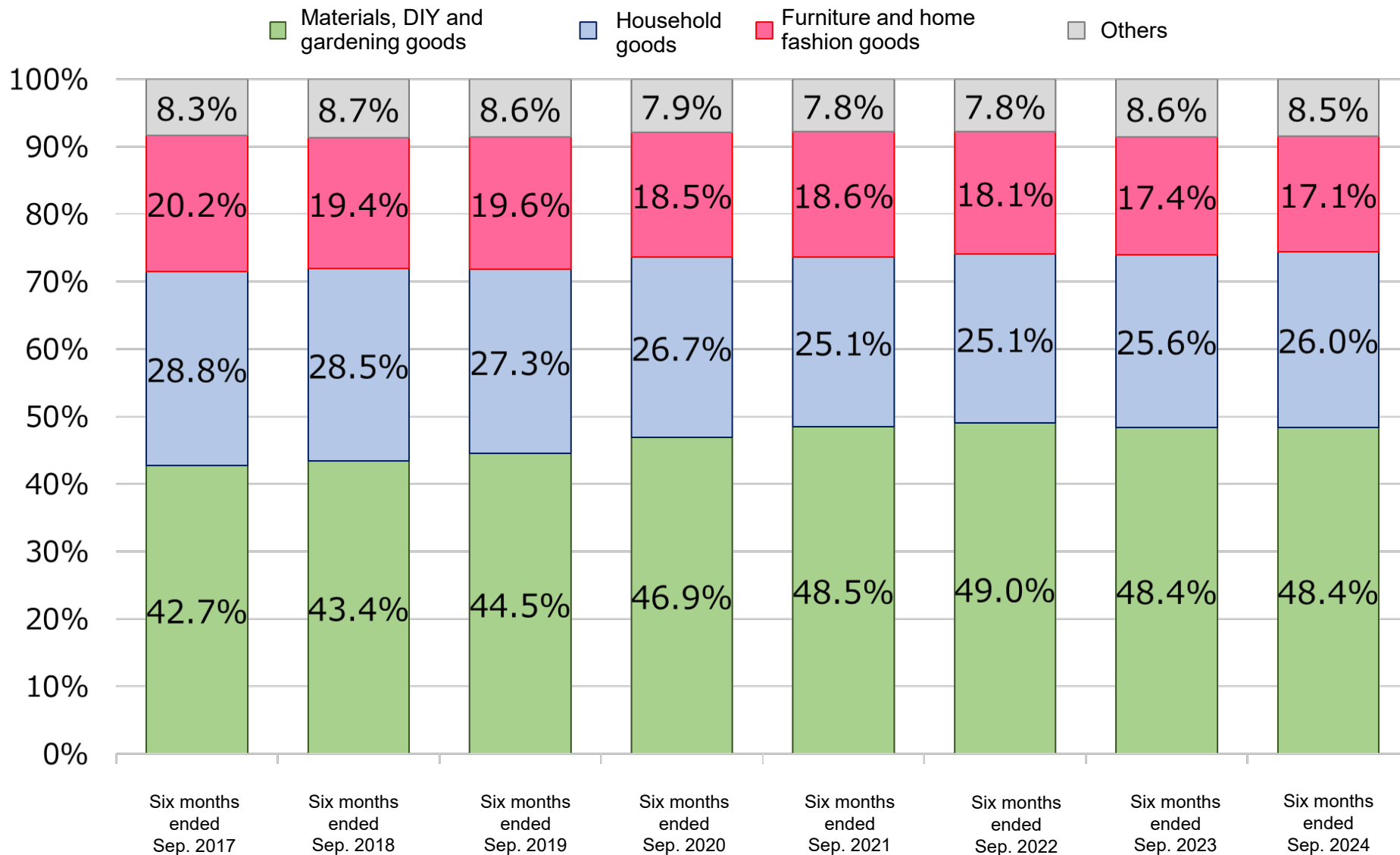
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Balance Sheets

(Millions of yen)

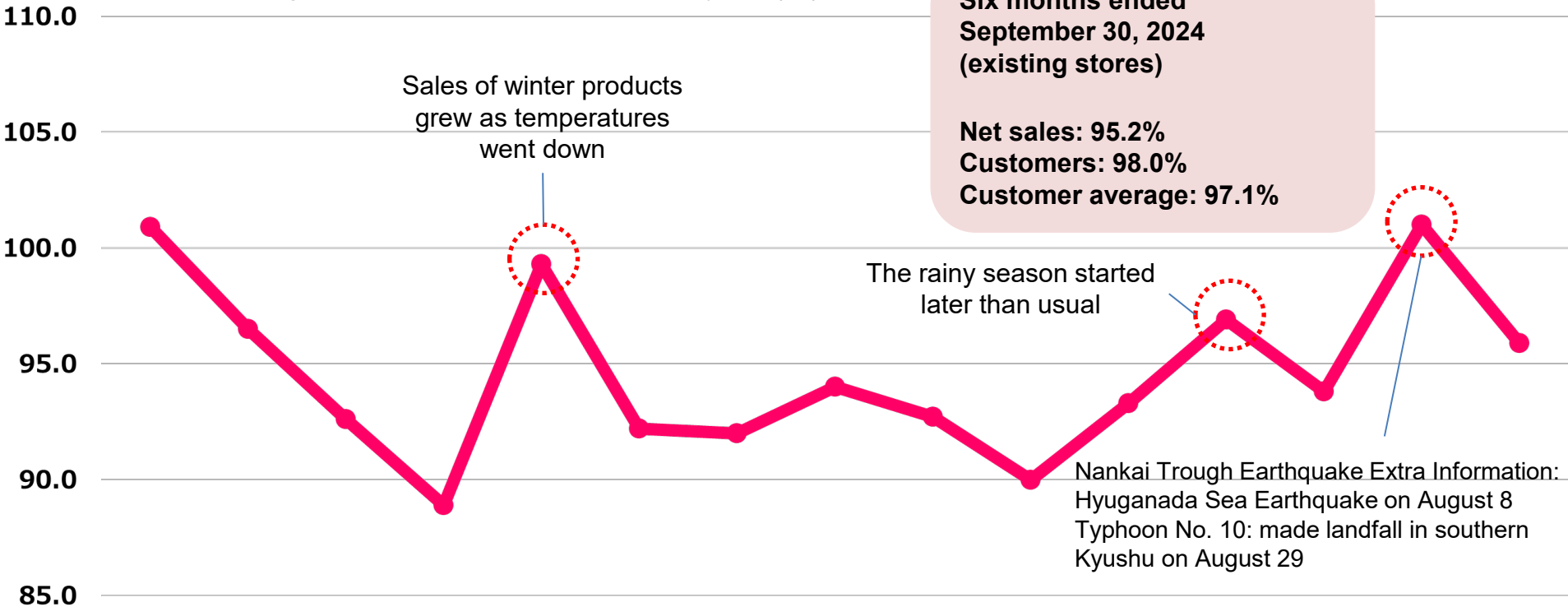
	Fiscal Year Ended March 31, 2024	Six months ended September 30, 2024	Change From the End of the Previous Fiscal Year
Total assets	232,246	236,197	+3,950
Current assets	99,574	99,969	+395
Of which, cash and deposits	32,997	34,554	+1,557
Non-current assets	132,672	136,227	+3,555
Of which, property, plant and equipment	119,210	122,755	+3,544
Liabilities	72,885	77,287	+4,401
Of which, interest-bearing liabilities (short-term borrowings, current portion of long-term borrowings, long-term borrowings)	18,828	18,685	(143)
Net assets	159,361	158,909	(451)
Cash and deposit ratio (%)	14.2	14.6	
Ratio of interest-bearing liabilities (%)	8.1	7.9	
Equity ratio (%)	68.6	67.3	
Current ratio (%)	170.4	161.7	
Non-current ratio (%)	83.3	85.7	

Trends in Sales Composition by Product



Trends in Existing Stores

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



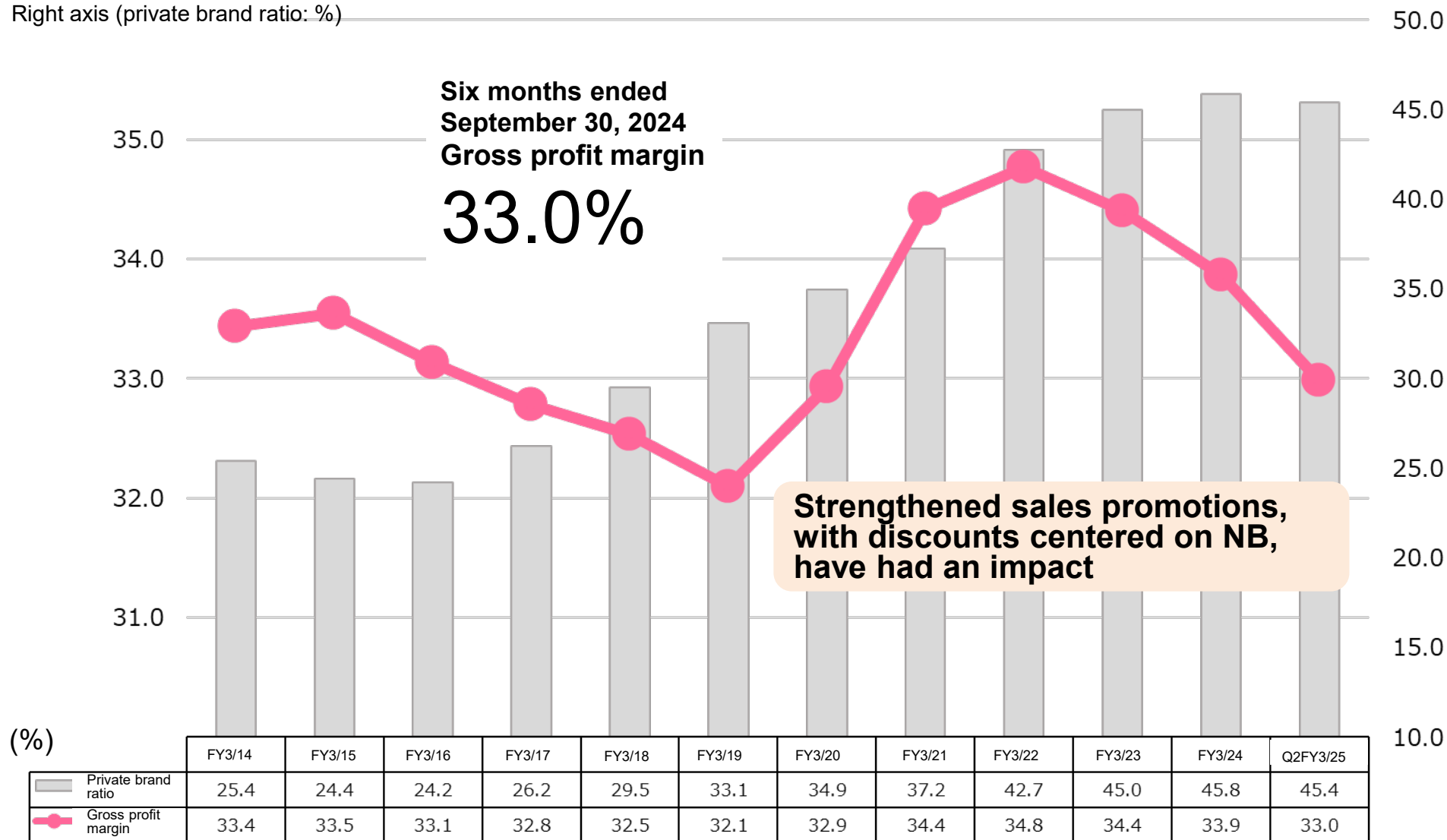
**From June to August
The number of customers
increased due to strengthened
sales promotions**

	Jul.	Aug	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.
Sales	100.9	96.5	92.6	88.9	99.3	92.2	92.0	94.0	92.7	90.0	93.3	96.9	93.8	101.0	95.9
Customers	97.0	93.6	90.3	89.2	96.2	93.2	90.1	91.7	89.0	90.3	94.2	103.1	102.0	102.5	96.2
Customer average	103.9	103.1	102.5	99.6	103.2	98.9	102.0	102.5	104.1	99.7	99.0	93.9	91.9	98.4	99.7

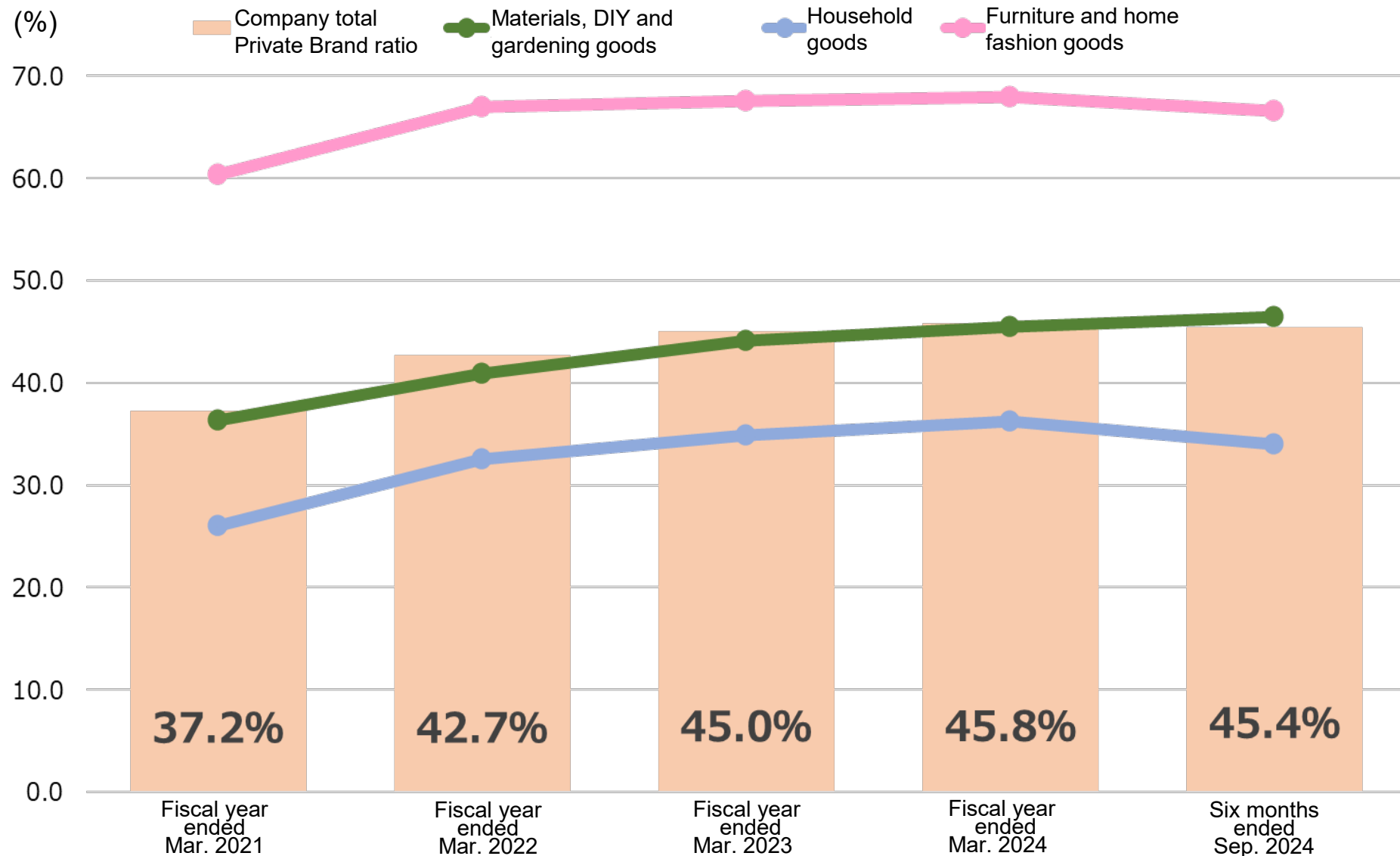
Trends in Gross Profit Margin at the End of the Term

Left axis (gross profit margin: %)

Right axis (private brand ratio: %)



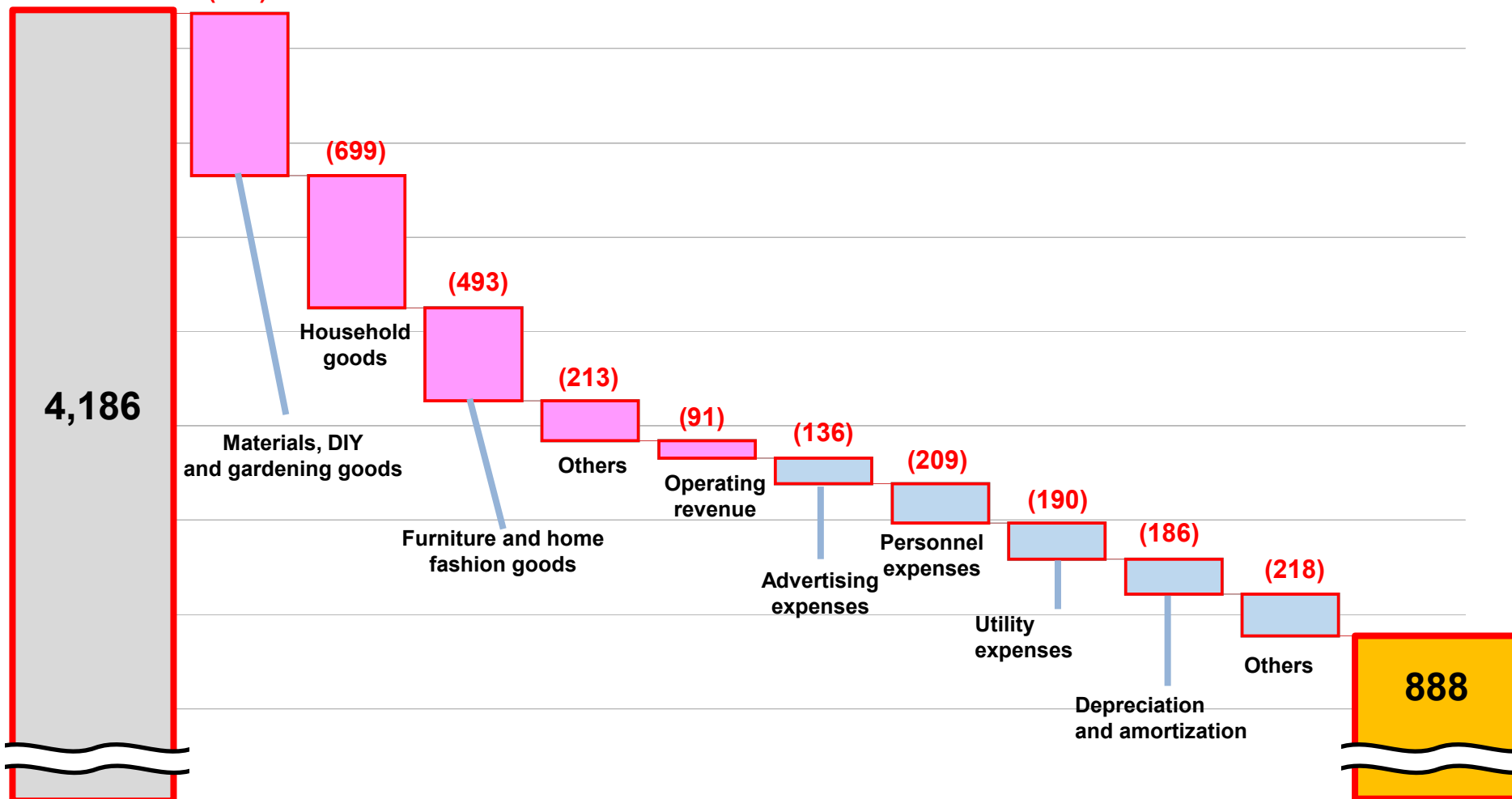
Trends in Private Brand Ratio at the End of the Term



Factors for a Change in Operating Profit

(Millions of yen)

■ Operating gross profit
 ■ Selling, general and administrative expenses



Six months ended September 30, 2023
Operating profit

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Six months ended September 30, 2024
Operating profit

<http://www.nafco.tv>

Brown Rice Refrigerator

NAFCO Brown Rice Refrigerator SZN 14

14 bags per 30kg of brown rice (7 straw rice bags)



- Simple design with a single function dedicated to brown rice
- Casters for mobility as a standard feature
- Has a large operation panel
- Equipped with eco-mode operation

Approx. 14% energy saving for 14 bags
(Compared to Company's FY2012)

エコモード運転の実現! 賢く運転! しっかり節約!

2時間以上、冷却運転しない場合にエコモード運転になります。



ワンタッチ簡単操作でモード切替可能!

※玄米と野菜の同時保管はできません。

玄米モード
庫内温度 **12℃** | 設定範囲 **2℃~20℃**
庫内湿度:約60~70%

野菜モード
庫内温度 **7℃** | 設定範囲 **2℃~20℃**
庫内湿度:約70~80%



空気を効率よく循環
送風ユニット



設置がラクラク!
キヌスター・アシスター付



見やすく、使いやすい
大型パネル採用

ヒーターで結露防止
扉付及密閉ドア

NAFCO Exclusive Brown Rice and Vegetable Refrigerator ANN10

10 bags per 30kg (5 straw rice bags)

- Equipped with a brown rice/vegetable switching function
- Casters for mobility as a standard feature
- Has a large operation panel
- Equipped with eco-mode operation
- Has a function to adjust the temperature inside in 1°C increments



もっとお得に! 省エネ機能搭載
14袋用で **約14%の節電を実現!** (2012年度 当社比)

エコモード運転の実現!

周囲温度が設定より低い状態が続いて製品が2時間以上運転しなかった場合に点灯。 SZN14

ワンタッチ簡単操作でモード設定可能!

おまかせモード
庫内適温保持 **約12℃**

おこのみモード
7℃~15℃ の範囲内で設定可能

見やすく、使いやすい
大型パネル採用

耐食処理
金具付
密閉ドア

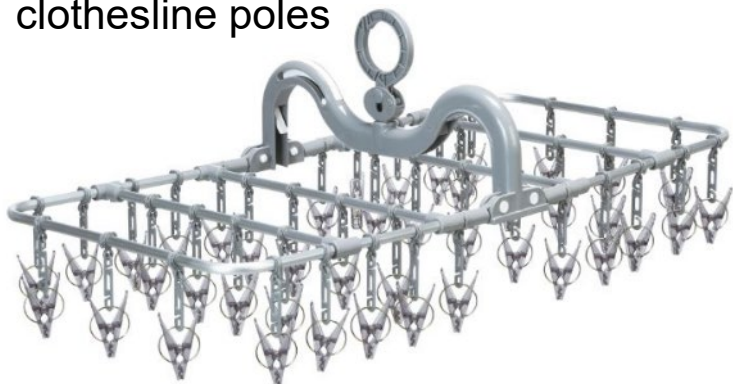
通気性の高い
スノコ

設置が
ラクラク
キヌスター
標準装備



Clothes Drying Hangers

Hangers for easy hanging on clothesline poles



Easy to hang on a clothes pole

It is easy to grip and effortlessly hang it in high places with a catch-type hook that hangs and then releases. The built-in hook facilitates indoor drying, making laundry even more effortless.

Drying indoors



室内干しが出来る内蔵フック付

Durable



ピンチはポリカーボネートで長持ちする

Comfortable to grip



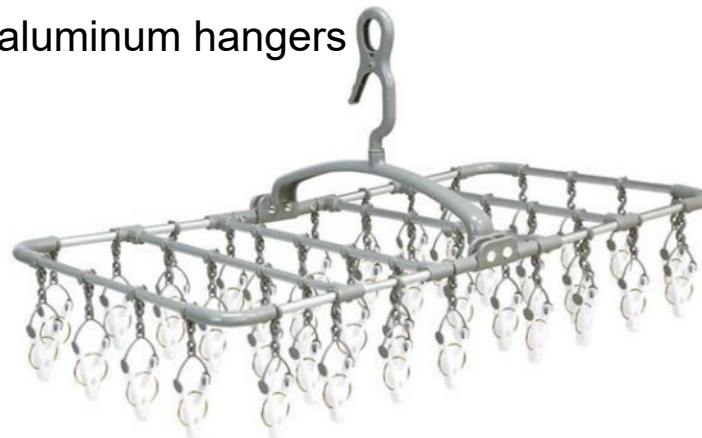
持ちやすいハンドルで掛けやすい

Adjustable



ピンチの位置を調整できる

Effortless aluminum hangers



Lightweight

It is lightweight with aluminum materials. The pinch clips are designed to open when pulled down, making removing clothes from these pinch clips easy and making everyday laundry more painless.

Lightweight with aluminum frame



Adjustable



ピンチの位置を調整できる

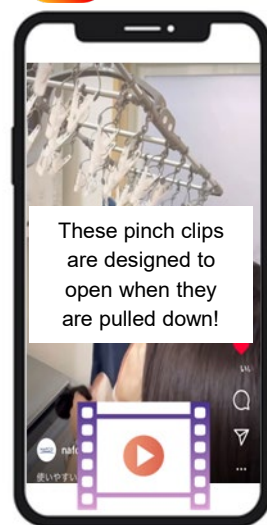
Effortless



軽く引っ張って簡単とりいれ



Linking SNS and our sales floor



These pinch clips are designed to open when they are pulled down!



Completely Original Sofas



Sofa bed N Roche



- Backrest • 3 adjustable angles
- Includes 2 cushions
- 3 color options



Multifunctional Sofa NF Sei



- Features packet coils in the seat cushions
- High leg design (robot vacuum cleaner friendly)
- 2 color options



Store Openings and Expansion/Renovation (New Stores)

Shiroishi Store
(Home center)
Open July 2024



	Store Name	Opening	Location	Store Style
New Stores	Taka	April	Hyogo	Home center (small store)
	Arao Chuo	April	Kumamoto	Home center (small store)
	Shiroishi	July	Saga	Home center
Expansion/Renovation	Hikarimachi	April	Hiroshima	Home center
	Matsunaga	April	Hiroshima	Home center
	Hino	April	Shiga	Home center
	Hatazaki	June	Fukuoka	Home center
	Iizuka Minami	July	Fukuoka	Combination store
	Minami Kakogawa	July	Hyogo	Combination store



Store Openings and Expansion/Renovation (Expansion/Renovation)

Minami Kakogawa Store
(Combination store)
Open July 2024



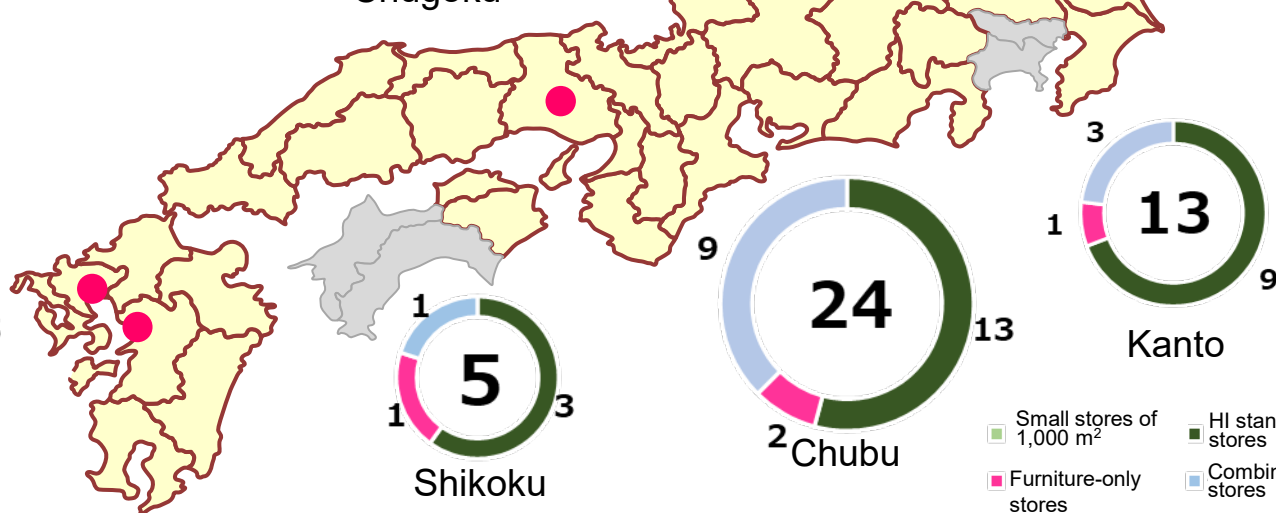
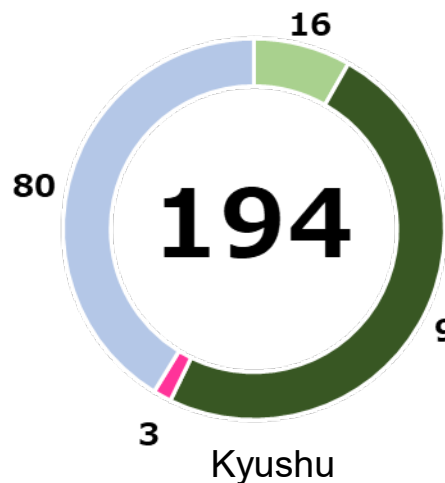
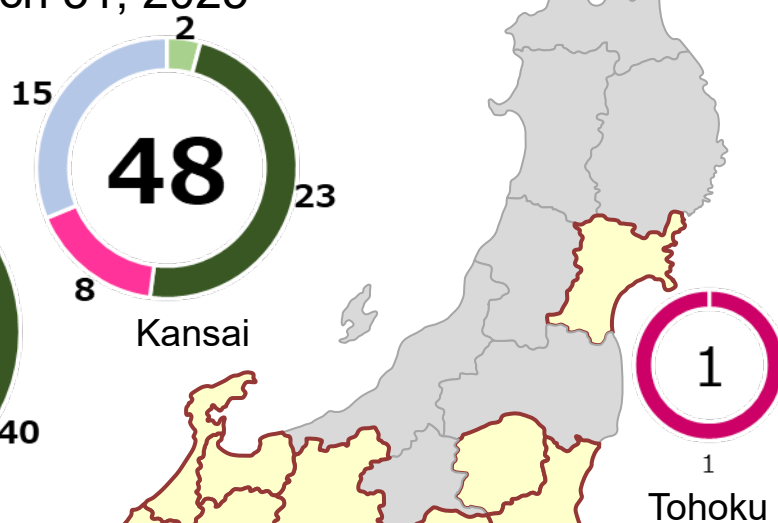
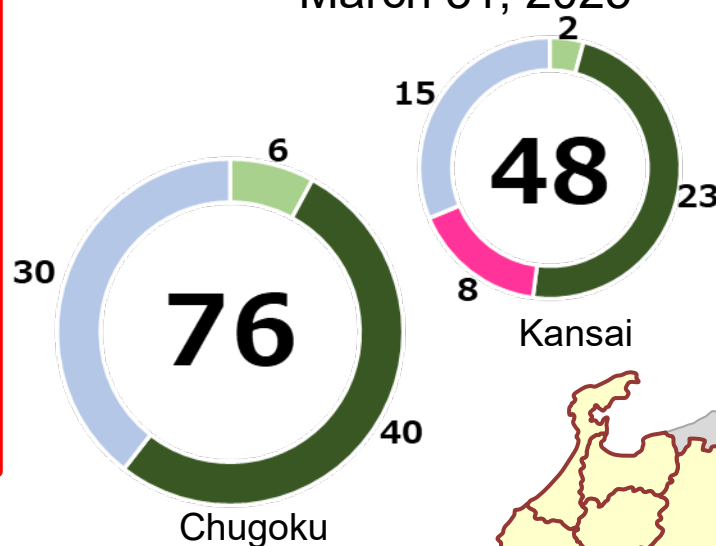
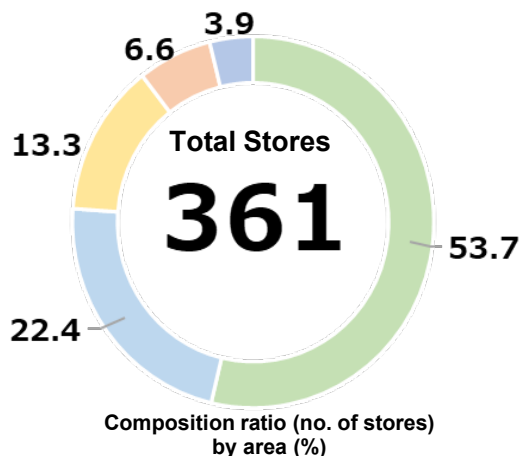
Iizuka Minami Store
(Combination store)
Open July 2024



Number of Stores by Area

● : New Stores in the fiscal year ending March 31, 2025

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



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

Roles in Disasters

Number of local authorities with which we have entered agreements

As of September 30, 2024 **337** local authorities

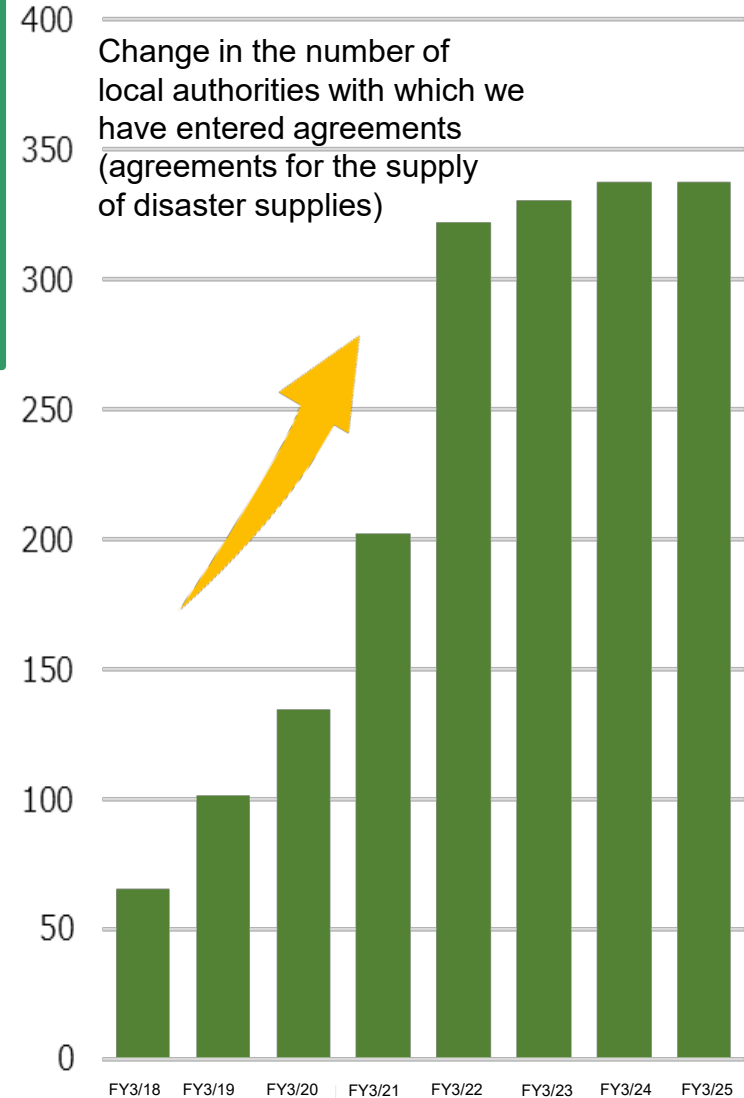
* Local authorities include police
(excluding those during the application process from the number)

[Recent Agreement Case] -Comprehensive Collaboration Agreement with Saga Prefecture-

We concluded a comprehensive collaboration agreement with Saga Prefecture on October 16, 2024.

We aim to work toward regional revitalization and service improvement through collaboration with Saga Prefecture in various fields.

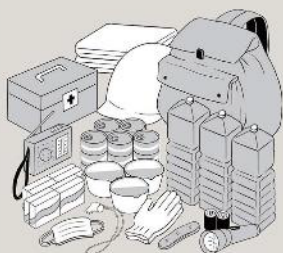
In addition to “the supply of goods in times of disaster,” we have agreed to promote six items, including sales promotion collaboration for local products and child-rearing support.



Roles in Disasters



When it comes to evacuating



その時に・・・

避難の際にも日頃の準備が
大派となります。いざとい
う時あわてないように、非
常時の身だしなみを準備し
ておくといひでしよう。逃
難を制する際には、避難
規定・避難経路・最新の気
象情報や地震の上、津波警
示に従って行動を。途中で
危険を感じたら、無理をせ
ず自宅の二階以上や近所の
ビルに避難しましょう。

13 pieces disaster preparedness kit

EVACUATION

“Go Bag” for emergency evacuation



Exclusive disaster preparedness kit that can be taken out immediately in an emergency

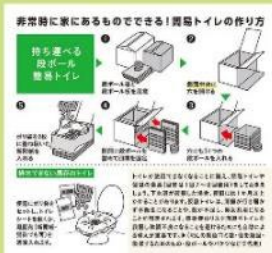
21 pieces disaster preparedness kit



Sanitation and Health

その時に・・・

災害によりライフラインが
ストップした場合、風呂・
トイレが使用できなくなり、
清潔を保つことが難しくな
ります。デリケートな汚地
ですので事前に準備してお
くことが必要です。
また、被災による重症や感
染症など、傷病にも注意
が必要となります。除菌・
ウイルス対策用品の備えも
確認しましょう。



TOILET

Toilet use during an emergency



Emergency portable toilet kits that are ready to use immediately during disasters, leisure, driving, and water outages



Forecast for the Fiscal Year Ending March 31, 2025

(April 01, 2024 - March 31, 2025)

Revision: **[Included]**

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
Net sales	189,454	100.0%	98.6%	192,116	100.0%
Operating profit	3,062	1.6%	55.9%	5,477	2.9%
Ordinary profit	3,106	1.6%	55.9%	5,552	2.9%
Profit	1,700	0.9%	54.7%	3,107	1.6%
Annual dividends	58 yen (forecast)			58 yen	

appendix

- Income and expenses pertaining to real estate leasing are reclassified as operating revenue and selling, general and administrative expenses from the fiscal year ending March 31, 2025.
- Figures for the fiscal year ended March 31, 2024 and before have not been reclassified.

Statements of Income

Items (Millions of yen)	Six months ended September 30, 2022			Six months ended September 30, 2023			Six months ended September 30, 2024		
	Results	YoY Change	% of sales	Results	YoY Change	% of sales	Results	YoY Change	% of sales
Net sales	104,629	96.9%	100.0%	101,033	96.6%	100.0%	96,289	95.3%	100.0%
Gross profit	36,512	97.3%	34.9%	34,021	93.2%	33.7%	31,755	93.3%	33.0%
Operating gross profit	36,701	97.4%	35.1%	34,199	93.2%	33.9%	32,102	93.2%	33.3%
Selling, general and administrative expenses	30,078	98.3%	28.7%	30,165	100.3%	29.9%	31,214	103.1%	32.4%
Operating profit	6,622	93.5%	6.3%	4,033	60.9%	4.0%	888	21.2%	0.9%
Ordinary profit	6,831	93.5%	6.5%	4,209	61.6%	4.2%	904	21.5%	0.9%
Profit	4,203	92.8%	4.0%	2,487	59.2%	2.5%	346	13.9%	0.4%
Existing Stores (YoY Change)	Six months ended September 30, 2022			Six months ended September 30, 2023			Six months ended September 30, 2024		
Net sales	96.7%			96.5%			95.2%		
Customers	92.4%			93.0%			98.0%		
Customer average	104.5%			103.7%			97.1%		

Segments

Net sales (Millions of yen)	Six months ended September 30, 2022			Six months ended September 30, 2023			Six months ended September 30, 2024		
	Results	YoY Change	% of sales	Results	YoY Change	% of sales	Results	YoY Change	% of sales
Materials, DIY and gardening goods	51,217	97.8%	49.0%	48,878	95.4%	48.4%	46,637	95.4%	48.4%
Household goods	26,255	97.0%	25.1%	25,879	98.6%	25.6%	24,992	96.6%	26.0%
Furniture and home fashion goods	18,942	94.5%	18.1%	17,556	92.7%	17.4%	16,487	93.9%	17.1%
Others	8,213	96.5%	7.8%	8,718	106.2%	8.6%	8,172	93.7%	8.5%
Total	104,629	96.9%	100.0%	101,033	96.6%	100.0%	96,289	95.3%	100.0%
Gross profit (Millions of yen)	Six months ended September 30, 2022			Six months ended September 30, 2023			Six months ended September 30, 2024		
	Results	YoY Change	% of sales	Results	YoY Change	% of sales	Results	YoY Change	% of sales
Materials, DIY and gardening goods	18,654	99.4%	36.4%	17,295	92.7%	35.4%	16,435	95.0%	35.2%
Household goods	7,547	96.2%	28.7%	7,002	92.8%	27.1%	6,302	90.0%	25.2%
Furniture and home fashion goods	7,751	93.7%	40.9%	7,139	92.1%	40.7%	6,645	93.1%	40.3%
Others	2,558	96.7%	31.1%	2,584	101.0%	29.6%	2,371	91.8%	29.0%
Total	36,512	97.3%	34.9%	34,021	93.2%	33.7%	31,755	93.3%	33.0%

Number of Stores by Area and Business Type

Number of Stores at the End of the Term	Six months ended September 30, 2022			Six months ended September 30, 2023			Six months ended September 30, 2024		
	Combination stores	Hi stand- alone stores	Furniture -only stores	Combination stores	Hi stand- alone store	Furniture -only stores	Combination stores	Hi stand- alone stores	Furniture -only stores
Kyushu	82	106	3	81	107	3	80	111	3
Chugoku and Shikoku	33	51	1	33	50	1	31	49	1
Kansai	16	22	8	16	23	8	15	25	8
Chubu	9	14	2	9	13	2	9	13	2
Kanto and Tohoku	3	9	2	3	9	2	3	9	2
Total	143	202	16	142	202	16	138	207	16
	361			360			361		

Balance Sheets

Items (Millions of yen)	Fiscal Year Ended March 31, 2023			Fiscal Year Ended March 31, 2024			Six months ended September 30, 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
Total assets	238,408	102.3%	+5,333	232,246	97.4%	(6,162)	236,197	101.7%	+3,950
Current assets	105,748	105.0%	+5,003	99,574	94.2%	(6,173)	99,574	100.4%	+395
Of which, cash and deposits	36,123	105.9%	+2,011	32,997	91.3%	(3,125)	34,554	104.7%	+1,557
Non-current assets	132,660	100.2%	+329	132,660	100.0%	+ 11	136,227	102.7%	+3,555
Of which, property, plant and equipment	119,010	100.4%	+452	119,210	100.2%	+ 199	122,755	103.0%	+3,544
Liabilities	76,594	101.7%	+1,282	72,885	95.2%	(3,709)	77,287	106.0%	+4,401
Of which, interest- bearing liabilities	19,033	93.8%	(1,259)	18,828	98.9%	(204)	18,685	99.2%	(143)
Net assets	161,813	102.6%	4,050	159,361	98.5%	(2,452)	158,909	99.7%	(451)
	Fiscal Year Ended March 31, 2023			Fiscal Year Ended March 31, 2024			Six months ended September 30, 2024		
Cash and deposit ratio (%)	15.2%			14.2%			14.6%		
Ratio of interest- bearing liabilities (%)	8.0%			8.1%			7.9%		
Equity Ratio (%)	67.9%			68.6%			67.3%		

Stock (Full-year)

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

<http://www.nafco.tv>

(Securities Code: 2790)