

**Non-Consolidated Financial Results  
for the Nine Months Ended December 31, 2022  
[Japanese GAAP]**

January 27, 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: February 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 Nine Months Ended December 31, 2022 (April 1, 2022 to December 31, 2022)**

(1) Operating Results (cumulative)

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

	Net sales		Operating profit		Ordinary profit		Profit	
Nine months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
December 31, 2022	159,297	(1.7)	9,475	(16.2)	9,866	(15.2)	6,046	(16.5)
December 31, 2021	161,991	-	11,313	-	11,632	-	7,245	-

The Company has applied “Accounting Standard for Revenue Recognition” and others since the beginning of the fiscal year ended March 31, 2022. Therefore, changes from the actual figures before applying such Standard and others are not presented.

	Earnings per share	Diluted earnings per share
Nine months ended	Yen	Yen
December 31, 2022	211.69	-
December 31, 2021	253.67	-

(2) Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of December 31, 2022	245,465	162,221	66.1	5,679.50
As of March 31, 2022	233,075	157,763	67.7	5,523.42

(Reference) Equity: As of December 31, 2022: ¥162,221 million

As of March 31, 2022: ¥157,763 million

## 2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
Fiscal year ended March 31, 2022	Yen -	Yen 28.00	Yen -	Yen 28.00	Yen 56.00
Fiscal year ending March 31, 2023	-	28.00	-		
Fiscal year ending March 31, 2023 (Forecast)				28.00	56.00

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

## 3. Projected Operating Results for the Fiscal Year Ending March 31, 2023 (April 1, 2022 to March 31, 2023)

(% 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	203,400	(1.5)	10,100	(15.9)	10,500	(16.5)	6,200	(22.1)	217.06

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

For details, please refer to the “Announcement of the Revision of the Operating Results Projection” released today (January 27, 2023).

### \* 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, 2022: 29,784,400 shares

March 31, 2022: 29,784,400 shares

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

December 31, 2022: 1,221,812 shares

March 31, 2022: 1,221,812 shares

3) Average number of shares during the term:

Nine months ended December 31, 2022: 28,562,588 shares

Nine months ended December 31, 2021: 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

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, 2022)	End of Third Quarter of Current Fiscal Year (December 31, 2022)
<b>Assets</b>		
Current assets		
Cash and deposits	34,111	40,762
Accounts receivable - trade	3,901	5,262
Merchandise	60,845	64,248
Other	1,889	1,912
Allowance for doubtful accounts	(4)	(5)
Total current assets	100,744	112,179
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	65,853	66,469
Land	48,515	48,952
Construction in progress	171	106
Other, net	4,017	4,005
Total property, plant and equipment	118,557	119,534
Intangible assets	3,372	3,368
Investments and other assets	10,401	10,382
Total non-current assets	132,331	133,285
Total assets	233,075	245,465
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	29,038	33,143
Short-term borrowings	19,585	19,145
Current portion of long-term borrowings	599	149
Income taxes payable	517	1,834
Accounts payable - other	3,567	5,127
Notes payable - facilities	1,758	2,822
Provision for bonuses	1,043	521
Provision for bonuses for directors (and other officers)	28	—
Asset retirement obligations	—	16
Contract liabilities	3,209	3,431
Other	3,195	3,830
Total current liabilities	62,545	70,023
Non-current liabilities		
Long-term borrowings	108	33
Provision for retirement benefits	3,063	3,048
Provision for retirement benefits for directors (and other officers)	384	676
Asset retirement obligations	6,074	6,400
Other	3,136	3,061
Total non-current liabilities	12,767	13,219
Total liabilities	75,312	83,243

(Millions of yen)

	End of Previous Fiscal year (March 31, 2022)	End of Third Quarter of Current Fiscal Year (December 31, 2022)
Net assets		
Shareholders' equity		
Share capital	3,538	3,538
Capital surplus	4,223	4,223
Retained earnings	152,268	156,715
Treasury shares	(2,351)	(2,351)
Total shareholders' equity	157,679	162,126
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	83	95
Total valuation and translation adjustments	83	95
Total net assets	157,763	162,221
Total liabilities and net assets	233,075	245,465

(2) Statements of Income  
Statements of Income

(Millions of yen)

	Nine Months Ended December 31, 2021 (From April 1, 2021 to December 31, 2021)	Nine Months Ended December 31, 2022 (From April 1, 2022 to December 31, 2022)
Net sales	161,991	159,297
Cost of sales	105,517	104,344
Gross profit	56,473	54,953
Operating revenue	240	290
Operating gross profit	56,714	55,243
Selling, general and administrative expenses	45,401	45,767
Operating profit	11,313	9,475
Non-operating income		
Interest income	0	0
Dividend income	11	13
Commission income	91	84
Rental income from buildings	391	391
Insurance claim income	85	125
Other	86	101
Total non-operating income	666	716
Non-operating expenses		
Interest expenses	84	79
Rental costs on real estate	158	163
Loss on disaster	74	68
Other	29	13
Total non-operating expenses	346	325
Ordinary profit	11,632	9,866
Extraordinary income		
Gain on sale of non-current assets	—	21
Total extraordinary income	—	21
Extraordinary losses		
Loss on retirement of non-current assets	55	185
Impairment losses	—	53
System failure countermeasure costs	—	51
Other	2	—
Total extraordinary losses	58	290
Profit before income taxes	11,574	9,597
Income taxes	4,328	3,551
Profit	7,245	6,046