



Financial Results for the First Quarter of the Fiscal Year Ending March 31, 2024 (Japanese GAAP) (Non-consolidated)

July 25, 2023

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 Division
 Scheduled date of filing of quarterly report August 10, 2023 Scheduled date of dividend payment —
 Preparation of supplementary materials for quarterly financial results: None
 Holding of quarterly financial results briefings: None

(Amount are rounded to the nearest million yen)

1. Results for the First Quarter of the Fiscal Year Ending March 31, 2024 (April 1, 2023 - June 30, 2023)

(1) Operating results (cumulative total) (% represent changes from the same period of the previous year)

	Sales		Operating income		Ordinary income		Quarterly net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
First quarter of the fiscal year ending March 31, 2024	1,857	2.6	218	△10.5	244	△15.3	259	△2.7
First quarter of the fiscal year ending March 31, 2023	1,811	8.2	244	227.7	288	113.2	267	195.0

	Quarterly net income per share	Quarterly net income per share after adjusting for diluted shares
First quarter of the fiscal year ending March 31, 2024	154.42 yen sen	— yen sen
First quarter of the fiscal year ending March 31, 2023	158.73	—

(2) Financial condition

	Total assets	Net assets	Capital adequacy ratio
First quarter of the fiscal year ending March 31, 2024	Millions of yen 11,582	Millions of yen 6,041	% 52.2
Fiscal year ending March 31, 2023	12,102	5,836	48.2

(Ref.) Equity capital First quarter of the fiscal year ending March 31, 2024 million s of yen 6,041 Fiscal year ending March 31, 2023 5,836 millions of yen

2. Dividends

	Annual dividend				
	End of first quarter	End of second quarter	End of third quarter	End of term	Total amount
	yen sen	yen sen	yen sen	yen sen	yen sen
Fiscal year ending March 31, 2023	—	0.00	—	40.00	40.00
Fiscal year ending March 31, 2024	—				
Fiscal year ending March 31, 2024 (forecast)		0.00	—	40.00	40.00

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

3. Earnings Forecast for the Fiscal Year Ending March 31, 2024

(% represent changes from the previous year)

	Sales		Operating income		Ordinary income		Net income		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	yen sen
Full fiscal year	7,550	2.1	900	△8.5	1,000	△10.5	700	△16.0	415.95

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

*** Notes**

(1) Adoption of accounting methods specific to the preparation : None
of quarterly financial statements

(2) Changes in accounting policies, changes in accounting estimates, and restatements

1. Changes in accounting policies due to revisions of : None
accounting standards, etc.

2. Changes in accounting policies other than 1. : None

3. Changes in accounting estimates : None

4. Restatements : None

(3) Number of shares (common stock)

1. Number of shares as of the period end
(including treasury stocks)

March 2024 Q1	1,700,000	Fiscal year ending March 2023	1,700,000
March 2024 Q1	17,183	Fiscal year ending March 2023	17,105
March 2024 Q1	1,682,854	March 2023 Q1	1,682,948

2. Number of treasury stocks as of the
period end

3. Average number of shares during the
period

* The quarterly financial results are not subject to quarterly review by a certified public accountant or auditing firm

* Explanation of appropriate use of earnings forecasts and other special notes

- The forward-looking statements in this material, such as forecasts of business performance, are based on information currently available to the Company and certain assumptions deemed reasonable. Actual business performance may differ significantly from forecast figures. Refer to “1. Qualitative Information on Quarterly Financial Results (3) Explanation of Forward-looking Information such as Earnings Forecasts” on page 2 of the attached document for the assumptions used for earnings forecasts and precautions regarding the use of earnings forecasts.

Table of Contents of the attached document

1. Qualitative Information on Quarterly Financial Results.....	2
(1) Explanation of Operating Results	2
(2) Explanation of Financial Condition	2
(3) Explanation of Forward-looking Information such as Earnings Forecasts.....	2
2. Quarterly Financial Statements and Notes.....	3
(1) Quarterly Balance Sheet.....	3
(2) Quarterly Profit and Loss Statement.....	5
(3) Notes on Quarterly Financial Statements.....	6
(Notes on Going Concern Assumption).....	6
(Notes in the Event of Significant Changes in Shareholders' Equity).....	6
(Adoption of Accounting Methods Specific to the Preparation of Quarterly Financial Statements).....	6
(Changes in Accounting Policies).....	6
(Changes in Accounting Estimates).....	6
(Restatements)	6
3. Other	7
Significant Matters on Going Concern Assumption.....	7

1. Qualitative Information on Quarterly Financial Results

(1) Explanation of Operating Results

During the first quarter of the current fiscal year, the Japanese economy showed signs of gradual recovery in socioeconomic activities following the shift of the status of the new coronavirus infection to category 5 under the Infectious Disease Control Law, but the outlook remained uncertain due to soaring fuel and raw material prices caused by the prolonged situation in Ukraine and the weak yen.

In this business environment, the economic recovery trend and requests from shippers facing the “2024 problem” to improve logistics efficiency through the use of pallets boosted rental demand for storage and transportation of goods, and rental sales increased 70 million yen (4.2%) from the same period last year to 1,742 million yen. Rental sales increased 70 million yen (4.2%) year-on-year to 1,742 million yen. Sales revenue fell below the previous year’s level, but total sales revenue increased 46 million yen (2.6%) year-on-year to 1,857 million yen.

On the cost side, repair and shipping costs decreased due to efficient use of current loan assets, but depreciation costs increased because of an increase in the amount of newly acquired pallets in the last term, so compared to the same quarter of the previous year, operating expenses were up ¥72 million (4.6%), at ¥1.639 billion. As a result, operating income decreased 10.5% to 218 million yen, ordinary income decreased 15.3% to 244 million yen, and quarterly net income decreased 2.7% to 259 million yen.

(2) Explanation of Financial Condition

1. Changes in financial condition

Total assets at the end of the first quarter of the current fiscal year were 11,582 million yen, down 520 million yen from the end of the previous fiscal year.

Current assets were 1,779 million yen, down 199 million yen, or 10.1%, from the end of the previous fiscal year. Fixed assets were 9,802 million yen, down 320 million yen, or 3.2%, from the end of the previous fiscal year.

The main reason for the decrease in current assets was a decrease in accrued consumption tax, accounts receivable (included in “Other”), and rental receivables.

The main reason for the decrease in fixed assets was the decrease in loan assets and deferred tax assets (included in “Other”).

Current liabilities were 3,074 million yen, down 692 million yen, or 18.4%, from the end of the previous fiscal year. Fixed liabilities were 2,466 million yen, down 31 million yen, or 1.3%, from the end of the previous fiscal year.

The main reason for the decrease in current liabilities was a decrease in accounts payable, taxes payable, and accrued liabilities (included in “Other”).

The decrease in fixed liabilities was mainly due to a decrease in long-term accounts payable, despite an increase in long-term loans payable.

Net assets at the end of the first quarter of the current fiscal year were 6,041 million yen, up 204 million yen, or 3.5%, from the end of the previous fiscal year. This was due to an increase in retained earnings.

(3) Explanation of Forward-looking Information such as Earnings Forecasts

No revisions have been made to the earnings forecast announced on May 8, 2023.

2. Quarterly Financial Statements and Notes

(1) Quarterly Balance Sheet

	Previous fiscal year (March 31, 2023)	Current quarterly accounting period (June 30, 2023)
(Unit: thousand yen)		
Assets section		
Current assets		
Cash and deposits	897,486	892,335
Bills receivable	20,198	18,926
Rental receivables	782,060	747,537
Accounts receivable	78,389	72,959
Other	204,448	50,680
Allowance for doubtful accounts	△2,722	△2,485
Total current assets	1,979,860	1,779,954
Fixed assets		
Tangible fixed assets		
Loan assets		
Equipment for rent (net)	8,813,766	8,519,588
Total loan assets	8,813,766	8,519,588
Business assets		
Buildings (net)	114,597	306,732
Lot	303,805	263,439
Other (net)	319,592	185,972
Total business assets	737,995	756,144
Total tangible fixed assets	9,551,762	9,275,732
Intangible fixed assets	168,776	155,402
Investments and other assets		
Investments in securities	192,855	239,722
Other	208,915	131,221
Total investments and other assets	401,771	370,943
Total fixed assets	10,122,309	9,802,078
Total assets	12,102,170	11,582,032
Liabilities section		
Current liabilities		
Accounts payable	801,123	413,584
Short-term borrowing	1,030,000	1,030,000
Current portion of long-term loans payable	886,736	878,358
Taxes payable	243,733	67,637
Reserves	41,607	14,130
Other	764,053	670,910
Total current liabilities	3,767,254	3,074,621
Fixed liabilities		
Long-term borrowing	1,638,394	1,693,364
Reserves	18,342	19,467
Long-term payables	783,756	696,380
Asset retirement obligations	57,551	57,181
Total fixed liabilities	2,498,044	2,466,393
Total liabilities	6,265,299	5,541,014

(Unit: thousand yen)

	Previous fiscal year (March 31, 2023)	Current quarterly accounting period (June 30, 2023)
Net assets section		
Shareholders' equity		
Capital	767,955	767,955
Capital surplus	486,455	486,455
Retained earnings	4,537,640	4,730,194
Treasury stock	△17,915	△18,091
Total shareholders' equity	5,774,135	5,966,512
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	62,735	74,504
Total valuation and translation adjustments	62,735	74,504
Total net assets	5,836,871	6,041,017
Total liabilities and net assets	12,102,170	11,582,032

(3) Quarterly Profit and Loss Statement

First quarterly cumulative period

(Unit: thousand yen)

	Previous first quarterly cumulative period (from April 1, 2022 to June 30, 2022)	Current first quarterly cumulative period (from April 1, 2023 to June 30, 2023)
Sales	1,811,427	1,857,698
Cost of sales	1,327,441	1,377,798
Gross profit	483,986	479,899
Selling, general and administrative expenses	239,800	261,471
Operating income	244,185	218,428
Non-operating income		
Interest income	0	0
Dividend income	2,099	2,357
Compensation for loss	37,946	21,259
Waste disposal income	10,575	10,472
Other	311	1,124
Total non-operating income	50,934	35,215
Non-operating expenses		
Interest expenses	6,579	9,238
Total non-operating expenses	6,579	9,238
Ordinary income	288,540	244,404
Extraordinary income		
Gain on sales of fixed assets	199	147,225
Total extraordinary income	199	147,225
Pre-tax quarterly net income	288,740	391,629
Corporation, municipal, and business tax	86,404	60,358
Deferred corporation tax	△64,804	71,402
Total corporation tax	21,600	131,760
Quarterly net income	267,140	259,869

(3) Notes on Quarterly Financial Statements

(Notes on Going Concern Assumption)

None.

(Notes in the Event of Significant Changes in Shareholders' Equity)

None.

(Adoption of Accounting Methods Specific to the Preparation of Quarterly Financial Statements)

None.

(Changes in Accounting Policies)

None.

(Changes in Accounting Estimates)

None.

(Restatements)

None.

3. Other

Significant Matters on Going Concern Assumption

None.