

Translation

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Summary of Consolidated Financial Results for the Nine Months Ended December 31, 2023 (Based on Japanese GAAP)

February 9, 2024

Company name: NAGATANIEN HOLDINGS CO.,LTD.
 Stock exchange listing: Tokyo
 Stock code: 2899 URL <https://www.nagatanien-hd.co.jp/>
 Representative: Representative Director and President Taijiro Nagatani
 Executive Officer
 Inquiries: General Accounting & Finance Division Teru Eguchi TEL 03-3432-3105
 Scheduled date to file Quarterly Securities Report: February 13, 2024
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on quarterly financial results: No
 Holding of quarterly financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the nine months ended December 31, 2023 (from April 1, 2023 to December 31, 2023)

(1) Consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended December 31, 2023	85,992	3.8	5,832	18.7	6,050	18.6	3,762	15.4
Nine months ended December 31, 2022	82,809	14.8	4,913	(1.5)	5,101	(14.3)	3,262	(7.4)

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Nine months ended December 31, 2023	215.33		–	
Nine months ended December 31, 2022	185.59		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of December 31, 2023	101,180	46,268	42.5
As of March 31, 2023	96,615	40,066	38.9

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen				
Year ended March 31, 2023	–	15.50	–	15.50	31.00
Year ending March 31, 2024	–	15.50	–		
Year ending March 31, 2024 (Forecast)				15.50	31.00

3. Forecast of consolidated financial results for the year ending March 31, 2024 (from April 1, 2023 to March 31, 2024)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	113,800	3.0	5,900	11.4	5,600	4.8	3,600	15.6	206.01

4. Notes

- (1) Changes in significant subsidiaries during the nine months ended December 31, 2023
(changes in specified subsidiaries resulting in the change in scope of consolidation): No
- (2) Application of special accounting methods for preparing quarterly consolidated financial statements: Yes
- (3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements
- Changes in accounting policies due to revisions to accounting standards and other regulations: No
- Changes in accounting policies due to other reasons: No
- Changes in accounting estimates: No
- Restatement of prior period financial statements: No

(4) Number of issued shares (common shares)

Total number of issued shares at the end of the period (including treasury shares)

As of December 31, 2023	19,138,703 shares	As of March 31, 2023	19,138,703 shares
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Number of treasury shares at the end of the period

As of December 31, 2023	1,664,075 shares	As of March 31, 2023	1,663,619 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Nine months ended December 31, 2023	17,474,879 shares	Nine months ended December 31, 2022	17,576,578 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2023	As of December 31, 2023
Assets		
Current assets		
Cash and deposits	8,834	8,537
Notes and accounts receivable - trade	15,968	18,684
Merchandise and finished goods	7,482	7,955
Work in process	1,449	1,698
Raw materials and supplies	7,068	6,266
Other	1,840	1,528
Allowance for doubtful accounts	(87)	(80)
Total current assets	42,556	44,591
Non-current assets		
Property, plant and equipment		
Buildings and structures	20,871	21,145
Accumulated depreciation	(13,237)	(13,540)
Buildings and structures, net	7,634	7,604
Machinery, equipment and vehicles	34,554	38,343
Accumulated depreciation	(23,307)	(25,490)
Machinery, equipment and vehicles, net	11,247	12,852
Land	11,108	11,005
Leased assets	2,603	3,072
Accumulated depreciation	(916)	(1,138)
Leased assets, net	1,687	1,934
Construction in progress	1,205	1,837
Other	2,808	2,624
Accumulated depreciation	(2,291)	(2,063)
Other, net	516	560
Total property, plant and equipment	33,399	35,795
Intangible assets		
Goodwill	9,309	9,387
Other	252	246
Total intangible assets	9,562	9,634
Investments and other assets		
Investment securities	7,460	7,839
Other	3,665	3,347
Allowance for doubtful accounts	(29)	(28)
Total investments and other assets	11,096	11,158
Total non-current assets	54,058	56,588
Total assets	96,615	101,180

(Millions of yen)

	As of March 31, 2023	As of December 31, 2023
Liabilities		
Current liabilities		
Notes and accounts payable - trade	7,205	7,985
Electronically recorded obligations - operating	2,584	2,858
Current portion of bonds payable	5,000	–
Short-term borrowings	8,779	10,500
Income taxes payable	797	1,879
Provision for bonuses	815	455
Other	9,224	9,594
Total current liabilities	34,407	33,274
Non-current liabilities		
Bonds payable	10,060	10,060
Long-term borrowings	7,460	6,400
Provision for retirement benefits for directors (and other officers)	138	142
Retirement benefit liability	148	131
Asset retirement obligations	286	295
Other	4,047	4,607
Total non-current liabilities	22,141	21,638
Total liabilities	56,548	54,912
Net assets		
Shareholders' equity		
Share capital	3,502	3,502
Capital surplus	3,759	3,759
Retained earnings	32,690	35,916
Treasury shares	(3,231)	(3,232)
Total shareholders' equity	36,721	39,946
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,064	2,201
Revaluation reserve for land	(2,602)	(2,602)
Foreign currency translation adjustment	1,503	3,620
Remeasurements of defined benefit plans	(121)	(117)
Total accumulated other comprehensive income	844	3,101
Non-controlling interests	2,500	3,219
Total net assets	40,066	46,268
Total liabilities and net assets	96,615	101,180

Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)

Consolidated statements of income (cumulative)

(Millions of yen)

	Nine months ended December 31, 2022	Nine months ended December 31, 2023
Net sales	82,809	85,992
Cost of sales	58,555	59,205
Gross profit	24,253	26,787
Selling, general and administrative expenses		
Retirement benefit expenses	144	180
Provision for bonuses	246	271
Salaries and bonuses	5,653	6,175
Freight and packing costs	3,419	3,420
Other	9,876	10,907
Total selling, general and administrative expenses	19,340	20,954
Operating profit	4,913	5,832
Non-operating income		
Interest income	0	20
Dividend income	157	220
Foreign exchange gains	215	229
Other	132	134
Total non-operating income	506	603
Non-operating expenses		
Interest expenses	214	301
Other	103	84
Total non-operating expenses	318	385
Ordinary profit	5,101	6,050
Extraordinary income		
Gain on sale of investment securities	13	44
Gain on sale of shares of subsidiaries	–	401
Reversal of foreign currency translation adjustment - consolidated subsidiaries	43	–
Total extraordinary income	57	445
Extraordinary losses		
Impairment losses	2	7
Loss on liquidation of subsidiaries	24	–
Loss on withdrawal from business	23	2
Loss on store closings	1	–
Total extraordinary losses	51	10
Profit before income taxes	5,107	6,485
Income taxes	1,563	2,202
Profit	3,543	4,283
Profit attributable to non-controlling interests	281	520
Profit attributable to owners of parent	3,262	3,762

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Nine months ended December 31, 2022	Nine months ended December 31, 2023
Profit	3,543	4,283
Other comprehensive income		
Valuation difference on available-for-sale securities	62	136
Foreign currency translation adjustment	3,861	2,484
Remeasurements of defined benefit plans, net of tax	(10)	3
Total other comprehensive income	3,913	2,624
Comprehensive income	7,457	6,907
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	6,596	6,019
Comprehensive income attributable to non-controlling interests	860	888