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Non-consolidated Financial Results for the Three Months Ended June 30, 2023 [Japanese GAAP]

July 31, 2023

Company name: NAKAMURAYA CO., LTD.

Stock exchange listing: Tokyo

Code number: 2204

URL: <https://www.nakamura.co.jp/>

Representative: Tatsuya Suzuki

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Scheduled date of filing quarterly securities report: August 14, 2023

Scheduled date of commencing dividend payments: -

Availability of supplementary briefing material on quarterly financial results: No

Schedule of quarterly financial results briefing session: No

Representative Director, Chairman of the Board
Executive Officer

(Amounts are rounded to the nearest million yen.)

1. Non-consolidated Financial Results for the Three Months Ended June 30, 2023 (April 1, 2023 to June 30, 2023)

(1) Non-consolidated Operating Results

(% indicates changes from the previous corresponding period.)

| | Net sales | | Operating profit | | Ordinary profit | | Net income | |
|-------------------------------------|-----------------|------|------------------|---|-----------------|---|-----------------|---|
| | Millions of yen | % | Millions of yen | % | Millions of yen | % | Millions of yen | % |
| Three months ended June 30, 2023 | 5,471 | 2.9 | (1,293) | - | (1,281) | - | (953) | - |
| June 30, 2022 | 5,316 | 12.9 | (1,184) | - | (1,134) | - | (775) | - |

| | Basic earnings per share | Diluted earnings per share |
|-------------------------------------|-----------------------------|-------------------------------|
| | Yen | Yen |
| Three months ended June 30, 2023 | (159.96) | - |
| June 30, 2022 | (130.10) | - |

(2) Non-consolidated Financial Position

| | Total assets | Net assets | Capital adequacy ratio |
|----------------|-----------------|-----------------|------------------------|
| As of | Millions of yen | Millions of yen | % |
| June 30, 2023 | 42,322 | 24,901 | 58.8 |
| March 31, 2023 | 42,480 | 25,742 | 60.6 |

(Reference) Equity: As of June 30, 2023: ¥ 24,901 million

As of March 31, 2023: ¥ 25,742 million

2. Dividends

| | Annual dividends | | | | |
|-------------------------------------------------|--------------------|--------------------|--------------------|----------|-------|
| | 1st quarter-end | 2nd quarter-end | 3rd quarter-end | Year-end | Total |
| | Yen | Yen | Yen | Yen | Yen |
| Fiscal year ended March 31, 2023 | - | - | - | 50.00 | 50.00 |
| Fiscal year ending March 31, 2024 | - | - | - | - | - |
| Fiscal year ending March 31, 2024 (Forecast) | - | - | - | 50.00 | 50.00 |

(Note) Revision to the forecast for dividends announced most recently: No

3. Non-consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2024(April 1, 2023 to March 31, 2024)

(% indicates changes from the previous corresponding period.)

| | Net sales | | Operating profit | | Ordinary profit | | Net income | | Basic earnings per share |
|--------------------------------------|-----------------|-----|------------------|---|-----------------|---|-----------------|---|--------------------------|
| | Millions of yen | % | Millions of yen | % | Millions of yen | % | Millions of yen | % | Yen |
| Six months ending September 30, 2023 | 12,700 | 4.4 | (2,300) | - | (2,200) | - | (1,600) | - | (268.44) |
| Full year | 36,700 | 3.2 | 200 | - | 440 | - | 230 | - | 38.59 |

(Note) Revision to the financial results forecast announced most recently: No

* Notes:

(1) Accounting policies adopted specially for the preparation of quarterly Non-consolidated financial statements: No

(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 period (including treasury shares):

June 30, 2023: 5,976,205 shares

March 31, 2023: 5,976,205 shares

2) Number of treasury shares at the end of the period:

June 30, 2023: 16,004 shares

March 31, 2023: 15,937 shares

3) Average number of shares outstanding during the period:

Three months ended June 30, 2023: 5,960,224 shares

Three months ended June 30, 2022: 5,960,603 shares

Quarterly Non-consolidated Financial Statements
Quarterly Non-consolidated Balance Sheets

(Thousands of yen)

| | As of March 31, 2023 | As of June 30, 2023 |
|---------------------------------------|----------------------|---------------------|
| Assets | | |
| Current assets | | |
| Cash and deposits | 1,222,700 | 1,327,910 |
| Accounts receivable - trade | 4,052,976 | 2,367,804 |
| Merchandise and finished goods | 1,653,612 | 1,888,378 |
| Work in process | 59,848 | 52,365 |
| Raw materials and supplies | 1,698,865 | 2,702,527 |
| Other | 879,166 | 721,097 |
| Total current assets | 9,567,166 | 9,060,081 |
| Non-current assets | | |
| Property, plant and equipment | | |
| Buildings, net | 8,306,862 | 8,203,766 |
| Structures, net | 586,741 | 581,538 |
| Machinery and equipment, net | 2,776,832 | 2,672,990 |
| Vehicles, net | 0 | 0 |
| Tools, furniture and fixtures, net | 276,125 | 260,253 |
| Land | 13,134,656 | 13,134,656 |
| Leased assets, net | 1,615,520 | 1,536,567 |
| Construction in progress | 56,500 | 125,496 |
| Total property, plant and equipment | 26,753,237 | 26,515,265 |
| Intangible assets | | |
| Other | 217,086 | 209,168 |
| Total intangible assets | 217,086 | 209,168 |
| Investments and other assets | | |
| Investment securities | 4,754,453 | 5,355,750 |
| Shares of subsidiaries and associates | 536,056 | 536,056 |
| Other | 653,996 | 646,896 |
| Allowance for doubtful accounts | (1,631) | (1,631) |
| Total investments and other assets | 5,942,874 | 6,537,072 |
| Total non-current assets | 32,913,197 | 33,261,505 |
| Total assets | 42,480,364 | 42,321,586 |

(Thousands of yen)

| | As of March 31, 2023 | As of June 30, 2023 |
|---------------------------------------------------------------|----------------------|---------------------|
| Liabilities | | |
| Current liabilities | | |
| Accounts payable - trade | 1,466,733 | 1,116,654 |
| Short-term borrowings | 6,300,000 | 8,300,000 |
| Lease liabilities | 96,897 | 88,522 |
| Accounts payable - other | 1,234,610 | 1,024,885 |
| Accrued expenses | 515,562 | 573,226 |
| Income taxes payable | 79,816 | 25,678 |
| Provision for bonuses | 537,933 | 273,933 |
| Other | 137,852 | 100,680 |
| Total current liabilities | 10,369,403 | 11,503,578 |
| Non-current liabilities | | |
| Lease liabilities | 447,629 | 426,518 |
| Deferred tax liabilities | 2,698,882 | 2,459,064 |
| Provision for retirement benefits | 1,993,221 | 1,810,883 |
| Asset retirement obligations | 256,335 | 256,616 |
| Long-term unearned revenue | 481,058 | 477,270 |
| Guarantee deposits received | 486,333 | 486,333 |
| Ritirement | 5,460 | - |
| Total non-current liabilities | 6,368,918 | 5,916,684 |
| Total liabilities | 16,738,320 | 17,420,262 |
| Net assets | | |
| Shareholders' equity | | |
| Share capital | 7,469,402 | 7,469,402 |
| Capital surplus | | |
| Legal capital surplus | 6,481,558 | 6,481,558 |
| Other capital surplus | 1,688,664 | 1,688,664 |
| Total capital surplus | 8,170,223 | 8,170,223 |
| Retained earnings | | |
| Other retained earnings | | |
| Reserve for tax purpose reduction entry of non-current assets | 3,259,665 | 3,241,205 |
| General reserve | 5,204,932 | 5,204,932 |
| Retained earnings brought forward | 213,601 | (1,019,344) |
| Total retained earnings | 8,678,198 | 7,426,793 |
| Treasury shares | (67,771) | (67,980) |
| Total shareholders' equity | 24,250,052 | 22,998,438 |
| Valuation and translation adjustments | | |
| Valuation difference on available-for-sale securities | 1,491,991 | 1,902,885 |
| Total valuation and translation adjustments | 1,491,991 | 1,902,885 |
| Total net assets | 25,742,043 | 24,901,324 |
| Total liabilities and net assets | 42,480,364 | 42,321,586 |

Quarterly Non-consolidated Statements of Income

Quarterly Non-consolidated Statements of Income (For the three months)

(Thousands of yen)

| | For the three months ended June 30, 2022 | For the three months ended June 30, 2023 |
|----------------------------------------------------|---------------------------------------------|---------------------------------------------|
| Net sales | 5,316,496 | 5,470,612 |
| Cost of sales | 3,998,586 | 4,154,361 |
| Gross profit | 1,317,910 | 1,316,252 |
| Selling, general and administrative expenses | | |
| Selling expenses | 1,972,180 | 1,974,158 |
| General and administrative expenses | 529,355 | 634,628 |
| Total selling, general and administrative expenses | 2,501,536 | 2,608,786 |
| Operating loss | (1,183,626) | (1,292,535) |
| Non-operating income | | |
| Dividend income | 7,882 | 8,427 |
| Insurance claim income | 5,104 | 5,277 |
| Subsidy income | 37,505 | - |
| Other | 6,898 | 6,401 |
| Total non-operating income | 57,389 | 20,105 |
| Non-operating expenses | | |
| Interest expenses | 7,107 | 8,069 |
| Other | 204 | 141 |
| Total non-operating expenses | 7,311 | 8,210 |
| Ordinary loss | (1,133,548) | (1,280,639) |
| Extraordinary income | | |
| Gain on sale of non-current assets | - | 100 |
| Total extraordinary income | - | 100 |
| Extraordinary losses | | |
| Loss on sale of non-current assets | - | 30 |
| Loss on retirement of non-current assets | 320 | 2,670 |
| Environmental expenses | - | 89,770 |
| Total extraordinary losses | 320 | 92,470 |
| Loss before income taxes | (1,133,868) | (1,373,009) |
| Income taxes - current | 4,141 | 6,627 |
| Income taxes - deferred | (362,556) | (426,245) |
| Total income taxes | (358,414) | (419,617) |
| Loss | (775,453) | (953,392) |