

Translation

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Summary of Consolidated Financial Results for the Three Months Ended June 30, 2024 (Based on Japanese GAAP)

August 9, 2024

Company name: NAGATANEN HOLDINGS CO.,LTD.
 Stock exchange listing: Tokyo
 Stock code: 2899 URL <https://www.nagatanen-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 commence dividend payments: –
 Preparation of supplementary material on financial results: No
 Holding of financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the three months ended June 30, 2024 (from April 1, 2024 to June 30, 2024)

(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	%
Three months ended June 30, 2024	28,858	7.8	1,734	32.6	2,083	20.5	1,100	27.8
Three months ended June 30, 2023	26,775	13.0	1,308	36.0	1,728	15.4	860	(4.2)

	Earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2024	62.96	–
Three months ended June 30, 2023	49.25	–

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2024	104,569	48,788	43.4
As of March 31, 2024	99,894	46,872	43.7

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2024	–	15.50	–	15.50	31.00
Year ending March 31, 2025	–				
Year ending March 31, 2025 (Forecast)		0.00	–	0.00	0.00

3. Notes

- (1) Significant changes in the scope of consolidation during the three months ended June 30, 2024: 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 June 30, 2024	19,138,703 shares	As of March 31, 2024	19,138,703 shares
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Number of treasury shares at the end of the period

As of June 30, 2024	1,664,796 shares	As of March 31, 2024	1,664,223 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2024	17,474,284 shares	Three months ended June 30, 2023	17,475,051 shares
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Quarterly consolidated financial statements

Consolidated balance sheets

(Millions of yen)

	As of March 31, 2024	As of June 30, 2024
Assets		
Current assets		
Cash and deposits	9,005	9,776
Notes and accounts receivable - trade	16,872	14,347
Merchandise and finished goods	7,458	8,164
Work in process	1,834	1,645
Raw materials and supplies	5,846	7,522
Other	1,439	2,073
Allowance for doubtful accounts	(105)	(102)
Total current assets	42,351	43,427
Non-current assets		
Property, plant and equipment		
Buildings and structures	21,459	21,823
Accumulated depreciation	(13,606)	(13,763)
Buildings and structures, net	7,853	8,059
Machinery, equipment and vehicles	37,878	39,418
Accumulated depreciation	(25,317)	(26,322)
Machinery, equipment and vehicles, net	12,560	13,095
Land	11,544	11,590
Leased assets	2,874	3,032
Accumulated depreciation	(1,111)	(1,216)
Leased assets, net	1,763	1,816
Construction in progress	824	3,370
Other	2,636	2,678
Accumulated depreciation	(2,081)	(2,114)
Other, net	555	564
Total property, plant and equipment	35,101	38,496
Intangible assets		
Goodwill	8,702	8,883
Other	277	287
Total intangible assets	8,979	9,170
Investments and other assets		
Investment securities	9,877	9,720
Other	3,612	3,780
Allowance for doubtful accounts	(28)	(27)
Total investments and other assets	13,461	13,474
Total non-current assets	57,542	61,141
Total assets	99,894	104,569

(Millions of yen)

	As of March 31, 2024	As of June 30, 2024
Liabilities		
Current liabilities		
Notes and accounts payable - trade	7,347	8,697
Electronically recorded obligations - operating	2,309	2,495
Current portion of bonds payable	60	60
Short-term borrowings	9,097	12,822
Income taxes payable	1,015	1,023
Provision for bonuses	847	375
Other	9,866	8,992
Total current liabilities	30,544	34,466
Non-current liabilities		
Bonds payable	10,000	10,000
Long-term borrowings	6,176	5,459
Provision for retirement benefits for directors (and other officers)	156	142
Retirement benefit liability	136	149
Asset retirement obligations	362	369
Other	5,645	5,193
Total non-current liabilities	22,477	21,314
Total liabilities	53,021	55,780
Net assets		
Shareholders' equity		
Share capital	3,502	3,502
Capital surplus	3,759	3,759
Retained earnings	35,530	36,359
Treasury shares	(3,232)	(3,234)
Total shareholders' equity	39,559	40,387
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	4,303	4,252
Revaluation reserve for land	(2,602)	(2,602)
Foreign currency translation adjustment	2,266	3,219
Remeasurements of defined benefit plans	113	122
Total accumulated other comprehensive income	4,081	4,992
Non-controlling interests	3,231	3,408
Total net assets	46,872	48,788
Total liabilities and net assets	99,894	104,569

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

Consolidated statements of income (cumulative)

(Millions of yen)

	Three months ended June 30, 2023	Three months ended June 30, 2024
Net sales	26,775	28,858
Cost of sales	18,679	19,693
Gross profit	8,095	9,164
Selling, general and administrative expenses		
Provision for bonuses	132	107
Retirement benefit expenses	62	55
Salaries and bonuses	1,961	2,160
Freight and packing costs	1,074	1,086
Other	3,556	4,021
Total selling, general and administrative expenses	6,787	7,430
Operating profit	1,308	1,734
Non-operating income		
Interest income	1	8
Dividend income	109	114
Foreign exchange gains	373	313
Other	74	55
Total non-operating income	558	492
Non-operating expenses		
Interest expenses	93	112
Other	44	31
Total non-operating expenses	137	143
Ordinary profit	1,728	2,083
Extraordinary income		
Gain on sale of investment securities	34	—
Total extraordinary income	34	—
Extraordinary losses		
Impairment losses	3	—
Loss on withdrawal from business	1	—
Loss on store closings	—	2
Total extraordinary losses	5	2
Profit before income taxes	1,757	2,080
Income taxes	709	699
Profit	1,048	1,380
Profit attributable to non-controlling interests	187	280
Profit attributable to owners of parent	860	1,100

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Three months ended June 30, 2023	Three months ended June 30, 2024
Profit	1,048	1,380
Other comprehensive income		
Valuation difference on available-for-sale securities	749	(51)
Foreign currency translation adjustment	(422)	1,178
Remeasurements of defined benefit plans, net of tax	1	8
Total other comprehensive income	328	1,135
Comprehensive income	1,377	2,516
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,207	2,010
Comprehensive income attributable to non-controlling interests	169	505