

Translation

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Summary of Consolidated Financial Results for the Three Months Ended December 31, 2024 (Based on Japanese GAAP)

February 14, 2025

Company name: KONAKA CO.,LTD.
 Stock exchange listing: Tokyo
 Stock code: 7494 URL <https://www.konaka.co.jp>
 Representative: Representative Director, President and CEO Kensuke Konaka
 Group Representative
 Director, Managing Executive Officer, CFO,
 Inquiries: General Manager of Administration Ryusuke Konaka TEL 045-825-7700
 Headquarters
 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 December 31, 2024 (from October 1, 2024 to December 31, 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 December 31, 2024	14,533	(13.4)	152	–	273	(1.5)	485	537.1
Three months ended December 31, 2023	16,789	–	(17)	–	277	–	76	–

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended December 31, 2024	14.48		–	
Three months ended December 31, 2023	2.61		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of December 31, 2024	45,970	16,403	35.7
As of September 30, 2024	44,458	16,234	36.5

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen				
Year ended September 30, 2024	–	0.00	–	0.00	0.00
Year ending September 30, 2025	–	–	–	–	–
Year ending September 30, 2025 (Forecast)	–	5.00	–	5.00	10.00

3. Forecast of consolidated financial results for the year ending September 30, 2025 (from October 1, 2024 to September 30, 2025)

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
Six months ending March 31, 2025	34,554	(3.6)	1,884	66.7	1,991	39.6	773	5.5	23.08
Full year	61,556	(1.1)	720	–	958	–	(247)	–	(7.38)

4. Notes

(1) Significant changes in the scope of consolidation during the three months ended December 31, 2024: No

(2) Application of special accounting methods for preparing quarterly consolidated financial statements: No

(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: Yes

Changes in accounting policies due to other reasons: Yes

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, 2024	35,322,490 shares	As of September 30, 2024	35,322,490 shares
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Number of treasury shares at the end of the period

As of December 31, 2024	1,794,659 shares	As of September 30, 2024	1,794,453 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended December 31, 2024	33,527,953 shares	Three months ended December 31, 2023	29,249,671 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of September 30, 2024	As of December 31, 2024
Assets		
Current assets		
Cash and deposits	2,181	2,744
Accounts receivable - trade	2,214	2,858
Merchandise and finished goods	12,314	13,424
Work in process	0	2
Raw materials and supplies	388	374
Other	2,270	2,151
Total current assets	19,369	21,556
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	2,885	2,889
Land	7,273	7,273
Other, net	293	305
Total property, plant and equipment	10,451	10,468
Intangible assets		
Trademark right	1	1
Other	424	450
Total intangible assets	426	452
Investments and other assets		
Investment securities	4,144	3,493
Leasehold and guarantee deposits	8,598	8,536
Retirement benefit asset	921	930
Other	620	603
Allowance for doubtful accounts	(72)	(71)
Total investments and other assets	14,211	13,493
Total non-current assets	25,089	24,413
Total assets	44,458	45,970
Liabilities		
Current liabilities		
Notes and accounts payable - trade	1,112	2,572
Electronically recorded obligations - operating	2,041	2,428
Short-term borrowings	7,455	7,597
Current portion of long-term borrowings	1,056	1,056
Income taxes payable	298	53
Contract liabilities	807	877
Provision for bonuses	271	197
Other	2,896	2,936
Total current liabilities	15,940	17,719
Non-current liabilities		
Long-term borrowings	6,885	6,621
Retirement benefit liability	581	580
Provision for point card certificates	28	24
Asset retirement obligations	2,939	2,926
Other	1,848	1,694
Total non-current liabilities	12,283	11,846
Total liabilities	28,224	29,566

(Millions of yen)

	As of September 30, 2024	As of December 31, 2024
Net assets		
Shareholders' equity		
Share capital	5,305	5,305
Capital surplus	13,253	13,253
Retained earnings	(1,778)	(1,293)
Treasury shares	(2,939)	(2,939)
Total shareholders' equity	13,841	14,326
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,207	1,875
Foreign currency translation adjustment	(4)	22
Remeasurements of defined benefit plans	190	178
Total accumulated other comprehensive income	2,393	2,077
Total net assets	16,234	16,403
Total liabilities and net assets	44,458	45,970

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

Consolidated statements of income (cumulative)

(Millions of yen)

	Three months ended December 31, 2023	Three months ended December 31, 2024
Net sales	16,789	14,533
Cost of sales	6,873	5,691
Gross profit	9,915	8,841
Selling, general and administrative expenses	9,932	8,689
Operating profit (loss)	(17)	152
Non-operating income		
Interest income	7	1
Dividend income	18	21
Rental income from real estate	108	105
Foreign exchange gains	42	–
Reversal of provision for bonuses	163	–
Other	51	58
Total non-operating income	391	187
Non-operating expenses		
Interest expenses	41	44
Rental expenses on real estate	31	11
Other	23	10
Total non-operating expenses	96	66
Ordinary profit	277	273
Extraordinary income		
Gain on sale of non-current assets	0	0
Gain on sale of investment securities	–	290
Total extraordinary income	0	290
Extraordinary losses		
Loss on sale of non-current assets	–	6
Loss on retirement of non-current assets	7	9
Loss on store closings	12	5
Other	0	–
Total extraordinary losses	19	21
Profit before income taxes	258	542
Income taxes - current	75	54
Income taxes - deferred	86	3
Total income taxes	162	57
Profit	95	485
Profit attributable to non-controlling interests	19	–
Profit attributable to owners of parent	76	485

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Three months ended December 31, 2023	Three months ended December 31, 2024
Profit	95	485
Other comprehensive income		
Valuation difference on available-for-sale securities	165	(331)
Foreign currency translation adjustment	(3)	26
Remeasurements of defined benefit plans, net of tax	(2)	(11)
Total other comprehensive income	158	(316)
Comprehensive income	254	169
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	230	169
Comprehensive income attributable to non-controlling interests	24	–