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Financial Results for the Three Months Ended December 31, 2022
[Japanese GAAP]

February 14, 2023

Company name: Amifa Co., Ltd.
Stock exchange listing: Tokyo Stock Exchange
Code number: 7800
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Availability of supplementary briefing material on financial results: No

Schedule of financial results briefing session: No

(Amounts of less than one million yen are rounded down.)

1. Financial Results for Three Months Ended December 31, 2022 (October 1, 2022 to December 31, 2022)

(1) Operating Results (% indicates changes from the previous corresponding period.)

	Net sales		Operating income		Ordinary income		Net income	
For the Three months ended	Million Yen	%	Million Yen	%	Million Yen	%	Million Yen	%
December 31, 2022	2,529	47.3	157	(22.9)	183	(9.9)	114	(9.8)
December 31, 2021	1,717	9.6	203	13.0	203	12.0	126	15.8

	Net income per share	Diluted net income per share
For the Three months ended	Yen	Yen
December 31, 2022	35.33	—
December 31, 2021	39.16	—

(2) Financial Position

	Total assets	Net assets	Equity Ratio
	Million Yen	Million Yen	%
As of December 31, 2022	3,741	2,436	65.1
As of September 30, 2022	3,084	2,472	80.2

2. Dividend

	Cash dividend per share				
	1Q	2Q	3Q	4Q	Total annual
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended September 30, 2022	—	0.00	—	24.00	24.00
Fiscal year ended September 30, 2023	—				
Fiscal year ending September 30, 2023 (Forecast)		0.00	—	24.00	24.00

3. Financial Results Forecast for the Fiscal Year Ending September 30,2023(October 1,2022 to September 30,2023)

(% indicates changes from the previous year)

	Net sales		Operating income		Ordinary income		Net income		Net income per share	
Full year	Million Yen	%	Million Yen	%	Million Yen	%	Million Yen	%	Yen	
	6,650	12.3	164	(44.4)	164	(36.9)	102	(54.0)	31.53	

(Note)The company does not make the six months forecast, because the Company's performance management system is based on full year.

* Notes:

- (1) Accounting policies adopted specially for the preparation of quarterly financial statements: Yes
- (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) Number of issued shares (common shares)

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

As of December 31,2022	3,235,000 shares
As of September 30,2022	3,235,000 shares

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

As of December 31,2022	49 shares
As of September 30,2022	49 shares

3) Average number of shares outstanding during the period

As of December 31,2022	3,234,951 shares
As of December 31,2021	3,235,000 shares

* Information regarding review procedures

The financial information contained in this report is not subject to the review procedures by independent auditors.

* Explanation for the appropriate use of performance forecasts and other special notes

The performance forecasts and other statements on future events presented in this material are based on information that was available at the time of preparation of this material and based on certain assumptions considered to be reasonable. The actual performance, etc. may differ materially from these forecasts due to various factors.

1. Qualitative information on quarterly financial results

(1) Explanation of operating results

During the first quarter (from October 1, 2022 to December 31, 2022), Japan's economy was expected to recover consumption, partly due to the lifting of restrictions on movement and travel supports, but there was uncertainty about the future due to the continued depreciation of the yen, soaring prices, and the resurgence of the new type of COVID-19 infection.

In this environment, in addition to the effect of actively introducing some new product groups for Christmas and other occasions that take in "At-home Consumption" that is the consumption to enjoy eating and entertainment at home by refraining from going out such as traveling and eating out in response to the new lifestyle fitted "Coexisting with Corona", the Company's sales increased significantly due to the hit of the so-called "Takamie" product group, that is, the new product group that feels more expensive than the retail price of 100 yen.

On the other hand, despite the Company's efforts to gain income by making price revision efforts and reducing logistics costs in response to soaring purchase prices due to the depreciation of the yen, the Company could not completely dispel the impact of the yen's depreciation, and income decreased year-on-year.

As a result, the summary of the operating results for the first quarter is as follows.

	Net sales	Operating income	Ordinary income	Net Income
	Thousand Yen	Thousand Yen	Thousand Yen	Thousand Yen
For the three months ended December 31, 2022	2,529,900	157,178	183,114	114,299
December 31, 2021	1,717,742	203,848	203,298	126,671
Difference	812,158	(46,669)	(20,184)	(12,371)
Ratio (%)	47.3	(22.9)	(9.9)	(9.8)

Net sales increased 812,158 thousand yen (up 47.3%) year on year to 2,529,900 thousand yen. This was due to strong sales of new products such as stationery, kitchenware, and lifestyle goods, as well as new product groups that incorporated "Stay-at-home Consumption" and "Takamie" product groups for mainly Christmas related products.

Operating income decreased 46,669 thousand yen (down 22.9%) year on year to 157,178 thousand yen. In despite the effects of a significant increase in sales and the effect of rationalizing logistics-related expenses, but these could not cover the impact on costs due to soaring raw material prices, the depreciation of the yen, and an increase in labor costs. Ordinary income decreased 20,184 thousand yen (down 9.9%) year on year to 183,114 thousand yen. This was due to a decrease in operating income of 46,669 thousand yen and a foreign exchange gain of 26,108 thousand yen on non-operating income during the first quarter. As a result, net income for the quarter decreased 12,371 thousand yen (down 9.8%) year on year to 114,299 thousand yen.

Since our business is a single segment of the lifestyle goods business, we do not list any segments.

(2) Explanation of financial position

(Assets)

Current assets at the end of the first quarter were 3,550,737 thousand yen, an increase of 616,405 thousand yen from the end of the previous fiscal year. This was mainly due to an increase of 545,876 thousand yen in notes and accounts receivable, an increase of 189,928 thousand yen in inventories, and a decrease of 78,637 thousand yen in cash and deposits. Fixed assets were 190,474 thousand yen, an increase of 40,067 thousand yen from the end of the previous fiscal year. This was mainly due to an increase in investment and other assets of 38,333 thousand yen.

As a result, total assets were 3,741,211 thousand yen, an increase of 656,472 thousand yen from the end of the previous fiscal year.

(Liabilities)

Current liabilities at the end of the first quarter were 1,019,866 thousand yen, an increase of 690,730 thousand yen from the end of the previous fiscal year. This was mainly due to an increase of 500,000 thousand yen in short-term borrowings and a 67,188 thousand yen increase in income taxes payable. Fixed liabilities amounted to 285,055 thousand yen, an increase of 2,371 thousand yen from the end of the previous fiscal year. This was due to an increase in retirement benefit allowance of 2,371 thousand yen.

As a result, total liabilities amounted to 1,304,921 thousand yen, an increase of 693,101 thousand yen from the end of the previous fiscal year.

(Net Assets)

Total net assets at the end of the first quarter were 2,436,289 thousand yen, a decrease of 36,628 thousand yen from the end of the previous fiscal year. This was mainly attributable to net income of 114,299 thousand yen and dividend payments of 77,638 thousand yen, as well as a decrease in deferred hedge gains and losses of 73,289 thousand yen.

As a result, the equity ratio decreased by 15.1 percentage points from the end of the previous fiscal year to 65.1%.

(3) Explanation of forward looking information such as performance forecasts

There is no change to the figures in the forecast announced on November 14, 2022.

2. Financial Statements
(1) Balance Sheet

(Thousands of yen)

	As of September 30, 2022	As of December 31, 2022
Assets		
Current assets		
Cash and deposits	898,135	819,498
Notes and accounts receivable - trade	556,416	1,102,292
Electronically recorded monetary claims - operating	3,698	10,705
Inventories	1,315,296	1,505,224
Other	160,914	113,015
Allowance for doubtful accounts	△130	—
Total current assets	2,934,331	3,550,737
Non-current assets		
Property, plant and equipment	46,691	49,604
Intangible assets	41,385	40,206
Investments and other assets	62,330	100,663
Total non-current assets	150,406	190,474
Total assets	3,084,738	3,741,211
Liabilities		
Current liabilities		
Accounts payable - trade	32,693	100,366
Short-term borrowings	—	500,000
Current portion of long-term borrowings	17,500	—
Accounts payable - other	212,630	271,125
Income taxes payable	—	67,188
Provision for bonuses	36,837	—
Other	29,475	81,186
Total current liabilities	329,136	1,019,866
Non-current liabilities		
Provision for retirement benefits	28,348	30,720
Long-term obligations to directors	254,335	254,335
Total non-current liabilities	282,683	285,055
Total liabilities	611,820	1,304,921
Net assets		
Shareholders' equity		
Share capital	37,220	37,220
Capital surplus	273,468	273,468
Retained earnings	2,121,713	2,158,374
Treasury shares	△31	△31
Total shareholders' equity	2,432,370	2,469,031
Valuation and translation adjustments		
Deferred gains or losses on hedges	40,548	△32,741
Total valuation and translation adjustments	40,548	△32,741
Total net assets	2,472,918	2,436,289
Total liabilities and net assets	3,084,738	3,741,211

(2) Income and loss Statement

(Thousands of yen)

	Three months ended December 31, 2021	Three months ended December 31, 2022
Net sales	1,717,742	2,529,900
Cost of sales	973,868	1,699,453
Gross income	743,873	830,447
Selling, general and administrative expenses	540,025	673,268
Operating income	203,848	157,178
Non-operating income		
Foreign exchange gains	—	26,108
Compensation income	6	241
Other	0	87
Total non-operating income	7	26,438
Non-operating expenses		
Interest expenses	148	450
Foreign exchange losses	379	—
Other	29	52
Total non-operating expenses	557	502
Ordinary income	203,298	183,114
Income before income taxes	203,298	183,114
Income taxes	76,626	68,814
Income	126,671	114,299