



Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

Financial Results for the Three Months Ended December 31, 2023 [Japanese GAAP]

February 14, 2024

Company name: Amifa Co., Ltd.

Stock exchange listing: Tokyo Stock Exchange

Code number: 7800

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

Representative: Yuzo Fujii, President and CEO

Contact: Yasuo Kawakami, Executive Officer

Phone: +81-3-6432-9500

Scheduled date of filing securities report: February 14, 2024

Availability of supplementary briefing material on financial results: No

Schedule of financial results briefing session: No

(Less than one million yen is rounded down.)

1. Financial Results for Three Months Ended December 31, 2023 (October 1, 2023 to December 31, 2023)

(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, 2023	2,592	2.5	73	(53.2)	76	(58.3)	52	(53.9)
December 31, 2022	2,529	47.3	157	(22.9)	183	(9.9)	114	(9.8)

	Net income per share		Diluted net income per share	
For the Three months ended	Yen		Yen	
December 31, 2023	17.57		—	
December 31, 2022	35.33		—	

(2) Financial Position

	Total assets	Net assets	Equity Ratio
	Million Yen	Million Yen	%
As of December 31, 2023	4,752	2,299	48.4
As of September 30, 2023	4,409	2,392	54.3

2. Dividend

	Cash dividend per share				
	1Q	2Q	3Q	4Q	Total annual
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended September 30, 2023	—	0.00	—	24.00	24.00
Fiscal year ended September 30, 2024	—				
Fiscal year ending September 30, 2024 (Forecast)		0.00	—	24.00	24.00

(Note) There is no revision from the most recently announced dividend forecast.

3. Financial Results Forecast for the Fiscal Year Ending September 30,2024 (October 1,2023 to September 30,2024)

(% 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
	9,275	14.1	240	32.2	235	15.9	154	4.5	51.09

(Note) There is no revision from the most recently announced financial results forecast.

(Note) We do not make the six months forecast, because our performance management system is based on full year.

* Notes:

(1) Accounting policies adopted specially for the preparation of quarterly financial statements: Yes

Regarding tax expenses, we calculate them by reasonable estimating the effective tax rate after applying tax effect accounting to the pre-tax current net profit for the fiscal year including this first quarter and multiplying the estimated effective tax rate by the pre-tax quarterly net profit.

(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 31,2023	3,235,000 shares
As of September 30,2023	3,235,000 shares

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

As of December 31,2023	216,415 shares
As of September 30,2023	240,049 shares

3) Average number of shares outstanding during the period

As of December 31,2023	3,001,116 shares
As of December 31,2022	3,234,951 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 may differ materially from these forecasts due to several factors.

1. Qualitative information on quarterly financial results

(1) Explanation of operating results

During the first quarter of the fiscal year (from October 1, 2023, to December 31, 2023), Japan's economy showed signs of a gradual recovery. This was due to factors such as the resurgence of personal consumption demand, including inbound demand, the continuation of monetary easing, and the active stock market.

However, concerns about the slowdown of the overseas economy, labor shortages, rising labor costs, and soaring energy and raw material prices continued, making the future uncertain.

In this environment, we actively engaged in new projects and product proposals, focusing on the sale of lifestyle goods to our main customers, the 100- yen shops, starting with events such as Christmas. Although some shipments were delayed to the second quarter, our sales exceeded those of the same period last year. On the other hand, in terms of profit and loss, we strived for sales that emphasized profitability for each individual product, including changes in product content.

However, due to the impact of the weak yen, shipment delays, increased shipping, and warehouse-related costs due to increased logistics volume, and increased labor-related costs, our profits decreased.

	Net sales	Operating income	Ordinary income	Net income
	Thousand Yen	Thousand Yen	Thousand Yen	Thousand Yen
For the three months ended December 31, 2023	2,592,912	73,546	76,401	52,716
December 31, 2022	2,529,900	157,178	183,114	114,299
Difference	63,011	(83,632)	(106,712)	(61,582)
Ratio (%)	2.5	(53.2)	(58.3)	(53.9)

The net sales increased by 63,011 thousand yen (2.5% increase) compared to the same period of the previous year, reaching 2,592,912 thousand yen. This was due to the slightly higher sales of Halloween and Christmas event-related products compared to the same period of the previous year, as well as the continued strong sales of kitchenware and lifestyle goods from the previous period.

In addition, the cumulative sales of our lifestyle goods for the first quarter are as follows: "One-Price Products" amounted to 2,450,364 thousand yen (4.3% increase), and "Petite-Price Products" amounted to 142,548 thousand yen (21.3% decrease).

	One Price Product	Petit Price Products	Total
	Thousand Yen	Thousand Yen	Thousand Yen
For the three months ended December 31, 2023	2,450,364	142,548	2,592,912
December 31, 2022	2,348,747	181,153	2,529,900
Difference	101,616	(38,605)	63,011
Ratio (%)	4.3	(21.3)	2.5

Operating income was 73,546 thousand yen, a decrease of 83,632 thousand yen (53.2% decrease) compared to the same period of the previous year. This was due to the increase in sales and the successful efforts to control cost increases by reviewing product content. However, the increase in logistics-related costs due to increased logistics volume and the increase in labor costs were factors that reduced profits.

Ordinary income was 76,401 thousand yen, a decrease of 106,712 thousand yen (58.3% decrease) compared to the same period of the previous year. This was due to the decrease in operating income of 83,632 thousand yen, and although there was a foreign exchange gain of 26,108 thousand yen in the first quarter of the previous year, the foreign exchange gain in the first quarter of this year was 5,040 thousand yen, a decrease of 21,067 thousand yen.

As a result, the net income for the quarter was 52,716 thousand yen, a decrease of 61,582 thousand yen (53.9% decrease) compared to the same period of the previous year.

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

(2) Explanation of financial position

(Assets)

As of the end of the first quarter accounting period, current assets amounted to 4,527,230 thousand yen, an increase of 287,380 thousand yen from the end of the previous fiscal year. This is mainly due to an increase of 452,647 thousand yen in notes and accounts receivable, while inventories decreased by 23,773 thousand yen, and cash and deposits decreased by 85,941 thousand yen. Fixed assets amounted to 225,342 thousand yen, an increase of 56,063 thousand yen from the end of the previous fiscal year. This is mainly due to an increase of 46,943 thousand yen in investments and other assets.

As a result, total assets amounted to 4,752,572 thousand yen, an increase of 343,443 thousand yen from the end of the previous fiscal year.

(Liabilities)

As of the end of the first quarter accounting period, current liabilities amounted to 2,162,896 thousand yen, an increase of 434,369 thousand yen compared to the end of the previous fiscal year. This is mainly due to an increase of 300,000 thousand yen in short-term borrowings and an increase of 53,640 thousand yen in accounts payable. Fixed liabilities amounted to 290,107 thousand yen, an increase of 2,209 thousand yen compared to the end of the previous fiscal year. This is due to an increase of 2,209 thousand yen in provision for retirement benefit.

As a result, the total liabilities amounted to 2,453,003 thousand yen, an increase of 436,579 thousand yen compared to the end of the previous fiscal year.

(Net Assets)

As of the end of the first quarter accounting period, the total net assets amounted to 2,299,569 thousand yen, a decrease of 93,135 thousand yen compared to the end of the previous fiscal year. This is mainly due to a decrease of 19,162 thousand yen in retained earnings due to the quarterly net profit of 52,716 thousand yen and dividend payments of 71,878 thousand yen, in addition to a decrease of 89,572 thousand yen in deferred gain or loss on hedges and a decrease of 15,480 thousand yen in treasury stock due to the disposal of treasury stock.

As a result, the equity ratio decreased by 5.9 points compared to the end of the previous fiscal year, to 48.4%.

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

There is no change to the figures in the forecast announced on November 14, 2023.

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

(Thousands of yen)

	As of September 30, 2023	As of December 31, 2023
Assets		
Current assets		
Cash and deposits	876,207	790,265
Notes and accounts receivable - trade	719,924	1,172,571
Electronically recorded monetary claims - operating	3,060	15,185
Inventories	2,428,371	2,404,598
Other	212,285	144,608
Total current assets	4,239,850	4,527,230
Non-current assets		
Property, plant and equipment	44,200	43,602
Intangible assets	68,418	78,135
Investments and other assets	56,659	103,603
Total non-current assets	169,278	225,342
Total assets	4,409,129	4,752,572
Liabilities		
Current liabilities		
Accounts payable - trade	63,590	117,230
Short-term borrowings	1,300,000	1,600,000
Accounts payable - other	285,315	330,188
Income taxes payable	35,590	23,684
Provision for bonuses	18,044	-
Other	25,986	91,793
Total current liabilities	1,728,526	2,162,896
Non-current liabilities		
Provision for retirement benefits	33,562	35,772
Long-term obligations to directors	254,335	254,335
Total non-current liabilities	287,897	290,107
Total liabilities	2,016,424	2,453,003
Net assets		
Shareholders' equity		
Share capital	37,220	37,220
Capital surplus	273,468	273,586
Retained earnings	2,191,510	2,172,348
Treasury shares	(157,231)	(141,751)
Total shareholders' equity	2,344,967	2,341,404
Valuation and translation adjustments		
Deferred gains or losses on hedges	47,737	(41,835)
Total valuation and translation adjustments	47,737	(41,835)
Total net assets	2,392,704	2,299,569
Total liabilities and net assets	4,409,129	4,752,572

Quarterly Non-consolidated Statements of Income

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

(Thousands of yen)

	For the three months ended December 31, 2022	For the three months ended December 31, 2023
Net sales	2,529,900	2,592,912
Cost of sales	1,699,453	1,737,362
Gross profit	830,447	855,549
Selling, general and administrative expenses	673,268	782,003
Operating profit	157,178	73,546
Non-operating income		
Foreign exchange gains	26,108	5,040
Compensation income	241	-
Other	87	194
Total non-operating income	26,438	5,235
Non-operating expenses		
Interest expenses	450	1,938
Other	52	442
Total non-operating expenses	502	2,380
Ordinary profit	183,114	76,401
Profit before income taxes	183,114	76,401
Income taxes	68,814	23,684
Profit	114,299	52,716