

Translation

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Summary of Non-Consolidated Financial Results for the Year Ended August 31, 2024 (Based on Japanese GAAP)

October 10, 2024

Company name: Kojima Co., Ltd.
Stock exchange listing: Tokyo
Stock code: 7513 URL <https://www.kojima.net/corporation/>
Representative: Representative Director and President Yuji Nakazawa
Inquiries: Representative Senior Managing Director, Tadashi Arakawa TEL 03-6907-3113
General Manager of Corporate Planning
Division

Scheduled date of ordinary general meeting of shareholders: November 20, 2024
Scheduled date to commence dividend payments: November 21, 2024
Scheduled date to file Securities Report: November 22, 2024
Preparation of supplementary material on financial results: Yes
Holding of financial results meeting: Yes (for institutional investors and analysts)

(Amounts less than one million yen are rounded down)

1. Non-consolidated financial results for the year ended August 31, 2024 (from September 1, 2023 to August 31, 2024)

(1) Non-consolidated operating results

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Year ended August 31, 2024	269,868	0.7	6,359	32.0	6,627	28.8	4,001	39.5
Year ended August 31, 2023	267,893	(4.1)	4,819	(40.6)	5,146	(39.6)	2,869	(50.2)

	Earnings per share	Diluted earnings per share	Return on equity	Ordinary profit/ total assets	Operating profit/ net sales
	Yen	Yen	%	%	%
Year ended August 31, 2024	51.87	51.68	6.2	5.9	2.4
Year ended August 31, 2023	37.17	37.04	4.6	4.5	1.8

Reference: Share of profit (loss) of entities accounted for using equity method Year ended August 31, 2024 ¥— million
Year ended August 31, 2023 ¥— million

(2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of August 31, 2024	114,660	66,479	57.9	861.86
As of August 31, 2023	109,244	63,799	58.3	824.57

Reference: Equity As of August 31, 2024 ¥66,359 million
As of August 31, 2023 ¥63,662 million

(3) Non-consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year ended August 31, 2024	13,190	(1,108)	(1,717)	24,458
Year ended August 31, 2023	1,329	324	(4,995)	14,093

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Dividend payout ratio	Ratio of dividends to net assets
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Year ended August 31, 2023	—	0.00	—	14.00	14.00	1,080	37.7	1.7
Year ended August 31, 2024	—	0.00	—	16.00	16.00	1,231	30.8	1.9
Year ending August 31, 2025 (Forecast)	—	0.00	—	18.00	18.00		33.0	

3. Forecast of non-consolidated financial results for the year ending August 31, 2025 (from September 1, 2024 to August 31, 2025)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending February 28, 2025	134,500	4.0	2,400	9.7	2,500	7.0	1,550	(5.1)	20.13
Full year	275,300	2.0	6,400	0.6	6,650	0.3	4,200	4.9	54.55

4. Notes

(1) 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

(2) Number of issued shares (common shares)

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

As of August 31, 2024	77,912,716 shares	As of August 31, 2023	77,912,716 shares
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Number of treasury shares at the end of the period

As of August 31, 2024	917,123 shares	As of August 31, 2023	706,443 shares
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Average number of shares during the period

Year ended August 31, 2024	77,158,584 shares	Year ended August 31, 2023	77,183,958 shares
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* Financial results reports are exempt from audit conducted by certified public accountants or an audit corporation.

* Proper use of forecasts of financial results, and other special matters

(Caution concerning forward-looking statements)

The forward-looking statements, including the earnings forecasts, shown in this document are based on information currently available and on certain assumptions currently made pertaining to uncertain factors that may have an effect on future performance. Actual financial results may differ due to various factors.

(How to obtain supplementary materials on financial results and contents of financial results meeting)

The supplementary materials on financial results will be posted on the Company's website on the same day.

The Company plans to hold the financial results meeting for institutional investors and analysts on Friday, October 18, 2024. The images (video) and explanation contents (audio) of the presentation will be posted on the Company's website along with the financial results materials.

Non-consolidated financial statements
Non-consolidated balance sheets

(Millions of yen)

	As of August 31, 2023	As of August 31, 2024
Assets		
Current assets		
Cash and deposits	14,093	24,458
Accounts receivable - trade	11,016	10,886
Merchandise	38,471	35,459
Supplies	149	163
Advance payments to suppliers	342	520
Prepaid expenses	1,970	2,010
Accounts receivable - other	2,512	2,328
Deposits paid	187	315
Other	1,209	1,667
Allowance for doubtful accounts	(132)	(129)
Total current assets	69,819	77,679
Non-current assets		
Property, plant and equipment		
Buildings	41,444	40,346
Accumulated depreciation	(34,218)	(34,018)
Buildings, net	7,226	6,328
Structures	3,548	3,454
Accumulated depreciation	(3,425)	(3,338)
Structures, net	122	115
Machinery and equipment	370	414
Accumulated depreciation	(361)	(369)
Machinery and equipment, net	8	44
Tools, furniture and fixtures	5,455	5,831
Accumulated depreciation	(4,520)	(4,843)
Tools, furniture and fixtures, net	934	988
Land	8,420	8,420
Leased assets	1,189	1,084
Accumulated depreciation	(618)	(696)
Leased assets, net	570	387
Other	11	11
Total property, plant and equipment	17,294	16,296
Intangible assets		
Leasehold interests in land	480	480
Telephone subscription right	149	149
Software	508	203
Total intangible assets	1,138	833
Investments and other assets		
Prepaid pension costs	2,860	2,986
Long-term prepaid expenses	1,839	1,768
Deferred tax assets	5,885	5,308
Long-term guarantee deposits	10,347	9,703
Other	112	109
Allowance for doubtful accounts	(54)	(24)
Total investments and other assets	20,990	19,851
Total non-current assets	39,424	36,981
Total assets	109,244	114,660

(Millions of yen)

	As of August 31, 2023	As of August 31, 2024
Liabilities		
Current liabilities		
Accounts payable - trade	12,918	13,128
Current portion of long-term borrowings	3,757	3,396
Current portion of bonds payable	200	200
Lease liabilities	100	88
Accounts payable - other	5,231	6,190
Income taxes payable	393	902
Contract liabilities	6,135	6,403
Deposits received	335	369
Provision for bonuses	1,232	1,582
Provision for loss on store closings	48	73
Asset retirement obligations	55	94
Other	2,729	4,021
Total current liabilities	33,137	36,450
Non-current liabilities		
Bonds payable	200	—
Long-term borrowings	3,330	3,633
Lease liabilities	173	85
Provision for goods warranties	75	30
Provision for loss on store closings	288	95
Asset retirement obligations	4,081	3,795
Contract liabilities	3,196	3,169
Other	960	920
Total non-current liabilities	12,307	11,730
Total liabilities	45,444	48,181
Net assets		
Shareholders' equity		
Share capital	25,975	25,975
Capital surplus		
Legal capital surplus	6,493	6,493
Other capital surplus	9,395	9,386
Total capital surplus	15,889	15,880
Retained earnings		
Other retained earnings		
Retained earnings brought forward	22,305	25,226
Total retained earnings	22,305	25,226
Treasury shares	(508)	(722)
Total shareholders' equity	63,662	66,359
Share acquisition rights	137	119
Total net assets	63,799	66,479
Total liabilities and net assets	109,244	114,660

Non-consolidated statements of income

(Millions of yen)

	Fiscal year ended August 31, 2023	Fiscal year ended August 31, 2024
Net sales	267,893	269,868
Cost of sales		
Beginning merchandise inventory	38,257	38,471
Cost of purchased goods	196,884	192,722
Total	235,141	231,193
Goods transfer to other account	32	65
Ending merchandise inventory	38,471	35,459
Cost of goods sold	196,637	195,669
Gross profit	71,255	74,198
Selling, general and administrative expenses	66,436	67,838
Operating profit	4,819	6,359
Non-operating income		
Interest income	25	21
Dividend income	0	0
Commission income	88	65
Insurance claim income	189	213
Reversal of provision for loss on store closings	53	11
Subsidy income	32	3
Other	32	74
Total non-operating income	422	390
Non-operating expenses		
Interest expenses	46	42
Interest expenses on bonds	0	0
Commission expenses	18	47
Rental costs	19	14
Penalty for contract	9	5
Other	2	13
Total non-operating expenses	95	122
Ordinary profit	5,146	6,627
Extraordinary income		
Gain on sale of non-current assets	0	3
Insurance claim income	335	–
Compensation for expropriation	–	9
Total extraordinary income	336	12
Extraordinary losses		
Loss on sale of non-current assets	–	2
Loss on retirement of non-current assets	69	32
Impairment losses	518	1,178
Loss on cancellation of leases	–	1
Total extraordinary losses	587	1,214
Profit before income taxes	4,894	5,425
Income taxes - current	560	846
Income taxes - deferred	1,465	577
Total income taxes	2,025	1,423
Profit	2,869	4,001

Non-consolidated statements of changes in equity
Year ended August 31, 2023

(Millions of yen)

	Shareholders' equity					
	Share capital	Capital surplus			Retained earnings	
		Legal capital surplus	Other capital surplus	Total capital surplus	Other retained earnings	Total retained earnings
					Retained earnings brought forward	
Balance at beginning of period	25,975	6,493	9,419	15,913	20,516	20,516
Changes during period						
Dividends of surplus					(1,079)	(1,079)
Profit					2,869	2,869
Purchase of treasury shares						
Disposal of treasury shares			(24)	(24)		
Net changes in items other than shareholders' equity						
Total changes during period	-	-	(24)	(24)	1,789	1,789
Balance at end of period	25,975	6,493	9,395	15,889	22,305	22,305

	Shareholders' equity		Share acquisition rights	Total net assets
	Treasury shares	Total shareholders' equity		
Balance at beginning of period	(572)	61,833	108	61,941
Changes during period				
Dividends of surplus		(1,079)		(1,079)
Profit		2,869		2,869
Purchase of treasury shares	(0)	(0)		(0)
Disposal of treasury shares	63	39		39
Net changes in items other than shareholders' equity			28	28
Total changes during period	63	1,828	28	1,857
Balance at end of period	(508)	63,662	137	63,799

Year ended August 31, 2024

(Millions of yen)

	Shareholders' equity					
	Share capital	Capital surplus			Retained earnings	
		Legal capital surplus	Other capital surplus	Total capital surplus	Other retained earnings Retained earnings brought forward	Total retained earnings
Balance at beginning of period	25,975	6,493	9,395	15,889	22,305	22,305
Changes during period						
Dividends of surplus					(1,080)	(1,080)
Profit					4,001	4,001
Purchase of treasury shares						
Disposal of treasury shares			(9)	(9)		
Net changes in items other than shareholders' equity						
Total changes during period	-	-	(9)	(9)	2,921	2,921
Balance at end of period	25,975	6,493	9,386	15,880	25,226	25,226

	Shareholders' equity		Share acquisition rights	Total net assets
	Treasury shares	Total shareholders' equity		
Balance at beginning of period	(508)	63,662	137	63,799
Changes during period				
Dividends of surplus		(1,080)		(1,080)
Profit		4,001		4,001
Purchase of treasury shares	(279)	(279)		(279)
Disposal of treasury shares	64	55		55
Net changes in items other than shareholders' equity			(17)	(17)
Total changes during period	(214)	2,697	(17)	2,680
Balance at end of period	(722)	66,359	119	66,479

Non-consolidated statements of cash flows

(Millions of yen)

	Fiscal year ended August 31, 2023	Fiscal year ended August 31, 2024
Cash flows from operating activities		
Profit before income taxes	4,894	5,425
Depreciation	1,491	1,499
Impairment losses	518	1,178
Increase (decrease) in provision for bonuses	3	349
Increase (decrease) in provision for goods warranties	(96)	(44)
Increase (decrease) in provision for loss on store closings	(84)	(67)
Decrease (increase) in prepaid pension costs	(214)	(126)
Increase (decrease) in allowance for doubtful accounts	5	(32)
Interest and dividend income	(25)	(21)
Interest expenses on borrowings and bonds	46	42
Gain on sale of non-current assets	(0)	(3)
Loss on retirement of non-current assets	69	32
Decrease (increase) in trade receivables	1,921	129
Decrease (increase) in inventories	(249)	2,998
Increase (decrease) in trade payables	(3,903)	210
Other, net	(2,148)	2,028
Subtotal	2,228	13,599
Interest and dividends received	0	1
Interest paid	(44)	(41)
Income taxes paid	(855)	(370)
Net cash provided by (used in) operating activities	1,329	13,190
Cash flows from investing activities		
Payments into time deposits	(1,300)	–
Proceeds from withdrawal of time deposits	2,800	–
Purchase of property, plant and equipment	(1,186)	(1,228)
Payments for retirement of property, plant and equipment	(129)	(195)
Proceeds from sale of property, plant and equipment	0	3
Purchase of intangible assets	(200)	(156)
Decrease (increase) in investments and other assets	412	509
Other, net	(72)	(40)
Net cash provided by (used in) investing activities	324	(1,108)
Cash flows from financing activities		
Proceeds from long-term borrowings	500	4,000
Repayments of long-term borrowings	(4,120)	(4,057)
Redemption of bonds	(200)	(200)
Repayments of lease liabilities	(96)	(100)
Purchase of treasury shares	(0)	(279)
Dividends paid	(1,079)	(1,080)
Other, net	0	0
Net cash provided by (used in) financing activities	(4,995)	(1,717)
Net increase (decrease) in cash and cash equivalents	(3,341)	10,364
Cash and cash equivalents at beginning of period	17,435	14,093
Cash and cash equivalents at end of period	14,093	24,458