

Translation

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

July 12, 2024

Company name: Kitanotatsujin Corporation
 Stock exchange listing: Tokyo, Sapporo
 Stock code: 2930 URL <https://www.kitanotatsujin.com>
 Representative: Representative Director & President Katsuhisa Kinoshita
 Inquiries: Executive Officer and General Manager of Administration Department Yujiro Sugi
 TEL 050-2018-6578
 Scheduled date to file Quarterly Securities Report: July 12, 2024
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on quarterly financial results: Yes
 Holding of quarterly financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the three months ended May 31, 2024 (from March 1, 2024 to May 31, 2024)

(1) Consolidated operating results

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 May 31, 2024	3,269	(16.8)	389	–	394	–	266	–
Three months ended May 31, 2023	3,931	86.9	(26)	–	(21)	–	(24)	–

(Note) Comprehensive income: Three months ended May 31, 2024: 266 million yen [–%]
 Three months ended May 31, 2023: (24) million yen [–%]

	Earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended May 31, 2024	1.91	–
Three months ended May 31, 2023	(0.18)	–

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of May 31, 2024	8,411	7,084	84.2	50.92
As of February 29, 2024	8,649	6,996	80.9	50.29

(Reference) Equity: As of May 31, 2024: 7,084 million yen
 As of February 29, 2024: 6,996 million yen

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 February 29, 2024	–	0.90	–	1.30	2.20
Year ending February 28, 2025	–	–	–	–	–
Year ending February 28, 2025 (Forecast)	–	1.20	–	1.10	2.30

(Note) Revision to the dividend forecast announced most recently: None

3. Forecast of consolidated financial results for the year ending February 28, 2025 (from March 1, 2024 to February 28, 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 August 31, 2024	6,797	(13.2)	852	92.5	859	89.0	578	90.9	4.16
Full year	13,536	(7.7)	1,542	6.5	1,557	5.2	1,041	4.7	7.48

(Note) Revision to the financial results forecast announced most recently: None

4. Notes

(1) Changes in significant subsidiaries during the period (changes in certain subsidiaries resulting in change in the scope of consolidation): No

(2) Application of special accounting methods for preparing quarterly consolidated financial statements: Yes

(Note) Please refer to “2. Quarterly Consolidated Financial Statements and Major Notes (3) Notes on Quarterly Consolidated Financial Statements (Application of special accounting methods for preparing quarterly consolidated financial statements)” on page 13 of the appendix (Japanese only) for details.

(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 May 31, 2024	141,072,000 shares	As of February 29, 2024	141,072,000 shares
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Number of treasury shares at the end of the period

As of May 31, 2024	1,945,348 shares	As of February 29, 2024	1,941,848 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended May 31, 2024	139,126,652 shares	Three months ended May 31, 2023	139,053,952 shares
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(How to obtain supplementary material on quarterly financial results)

Supplementary material on quarterly financial results is disclosed on TDnet on the same day. It is also available on the Company’s website.

(Reference)

1. Forecast of non-consolidated financial results for the year ending February 28, 2025 (from March 1, 2024 to February 28, 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 August 31, 2024	6,120	(14.8)	860	99.0	857	96.0	598	93.7	4.30
Full year	12,155	(9.1)	1,550	11.0	1,539	7.3	1,073	6.8	7.72

(Note) Revision to the financial results forecast announced most recently: None

Quarterly consolidated financial statements
Consolidated balance sheets

	(Thousands of yen)	
	As of February 29, 2024	As of May 31, 2024
Assets		
Current assets		
Cash and deposits	4,783,053	4,696,343
Notes and accounts receivable - trade, and contract assets	789,744	644,132
Merchandise and finished goods	1,658,074	1,329,787
Work in process	4,389	19,871
Raw materials and supplies	150,335	345,470
Other	323,723	340,150
Allowance for doubtful accounts	(12)	(5)
Total current assets	7,709,308	7,375,749
Non-current assets		
Property, plant and equipment	216,464	328,579
Intangible assets		
Goodwill	148,357	131,873
Other	109,504	109,961
Total intangible assets	257,861	241,834
Investments and other assets	465,819	465,367
Total non-current assets	940,146	1,035,780
Total assets	8,649,454	8,411,529
Liabilities		
Current liabilities		
Accounts payable - trade	66,540	104,186
Accounts payable - other	693,050	659,927
Income taxes payable	480,107	137,974
Provision for shareholder benefit	72,125	-
Other	204,174	241,272
Total current liabilities	1,515,998	1,143,360
Non-current liabilities		
Provision for retirement benefits for directors (and other officers)	4,922	3,452
Retirement benefit liability	16,192	16,593
Asset retirement obligations	86,765	142,641
Other	28,834	21,030
Total non-current liabilities	136,714	183,717
Total liabilities	1,652,713	1,327,077
Net assets		
Shareholders' equity		
Share capital	273,992	273,992
Capital surplus	263,154	266,374
Retained earnings	6,860,943	6,946,159
Treasury shares	(401,349)	(402,074)
Total shareholders' equity	6,996,741	7,084,452
Non-controlling interests	-	-
Total net assets	6,996,741	7,084,452
Total liabilities and net assets	8,649,454	8,411,529

Consolidated statements of income (cumulative)

(Thousands of yen)

	Three months ended May 31, 2023	Three months ended May 31, 2024
Net sales	3,931,313	3,269,762
Cost of sales	1,025,682	811,135
Gross profit	2,905,631	2,458,627
Selling, general and administrative expenses	2,932,357	2,069,238
Operating profit (loss)	(26,725)	389,388
Non-operating income		
Interest income	21	17
Foreign exchange gains	1,431	210
Repayment income	1,040	1,170
Sample income	324	1,684
Royalty income	2,825	2,537
Other	211	140
Total non-operating income	5,855	5,760
Non-operating expenses		
Interest expenses	383	229
Other	0	1
Total non-operating expenses	384	230
Ordinary income (loss)	(21,254)	394,919
Extraordinary losses		
Loss on sale of non-current assets	358	231
Loss on retirement of non-current assets	—	37
Total extraordinary losses	358	269
Profit (loss) before income taxes	(21,613)	394,650
Income taxes	3,222	128,565
Profit (loss)	(24,835)	266,084
Profit attributable to non-controlling interests	—	—
Profit (loss) attributable to owners of parent	(24,835)	266,084

Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

	Three months ended May 31, 2023	Three months ended May 31, 2024
Profit (loss)	(24,835)	266,084
Comprehensive income	(24,835)	266,084
Comprehensive income attributable to:		
Owners of parent	(24,835)	266,084
Non-controlling interests	—	—