



Consolidated Financial Results for the Three Months Ended March 31, 2021 [Japanese GAAP]

May 14, 2021

Company name: Aucfan Co., Ltd.

Stock Exchange Listing:
Tokyo Stock Exchange

Securities code: 3674 URL: <https://aucfan.co.jp/en/>

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Supplementary materials on financial results: Yes

Financial results briefing session: None

(Amounts are rounded down to the nearest million yen)

1. Consolidated Financial Results for the Three Months Ended March 31, 2021

(October 1, 2020–March 31, 2021)

(1) Consolidated Operating Results

(Percentages represent year-on-year changes)

Term ended	Net sales		Operating profit		Recurring profit		Net income attributable to owners of the parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
March 31, 2021	4,647	55.7	791	868.6	784	952.0	502	—
March 31, 2020	2,983	(11.2)	81	(87.2)	74	(88.3)	6	(98.6)

(Note) Comprehensive income: Three Months ended March 31, 2021: (¥1,623) million (—% year on year)
Three Months ended March 31, 2020: ¥2,262 million (275.0% year on year)

Term ended	Basic earnings per share	Diluted earnings per share
	Yen	Yen
March 31, 2021	48.64	45.98
March 31, 2020	0.64	0.64

(2) Consolidated Financial Position

Term ended	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
March 31, 2021	10,143	6,448	63.3
September 30, 2020	13,382	8,115	60.5

(Reference) Equity capital: As of March 31, 2021 : ¥6,441 million
As of September 30, 2020: ¥8,102 million

2. Dividends

Year ended/ending	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
September 30, 2020	—	0.00	—	0.00	0.00
September 30, 2021	—	0.00	—	—	—
September 30, 2021 (Forecast)	—	—	—	0.00	0.00

Revisions to the most recently announced dividend forecast: None

3. Consolidated Financial Results Forecast for the Fiscal Year Ending September 30, 2021

(October 1, 2020–September 30, 2021)

(Percentages represent year-on-year changes)

Full-year	Net sales		Operating profit		Recurring profit		Net income attributable to owners of the parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
	10,900	38.4	1,300	58.4	1,250	54.5	800	86.6	77.50

Revisions to the most recently announced consolidated forecast: None

* Notes

(1) Changes in significant subsidiaries during the year (changes in specified subsidiaries accompanying changes in scope of consolidation): None

(2) Changes in accounting policies and accounting estimates, and retrospective restatements

1. Changes in accounting policies due to revisions made to accounting standards, etc.: None
2. Changes in accounting policies other than 1 above: None
3. Changes to accounting estimates: None
4. Retrospective restatements: None

(3) Number of issued shares (common stock)

1. Number of issued shares at the end of the period (including treasury stock)
March 31, 2021: 10,539,400 shares
September 30, 2020: 10,539,400 shares
2. Number of treasury shares at the end of the period
March 31, 2021: 216,990 shares
September 30, 2020: 216,933 shares
3. Average number of shares outstanding during the period
Term ended March 31, 2021: 10,322,437 shares
Term ended December 31, 2019: 10,252,549 shares

* The financial statements are not subject to audits performed by certified public accountants or auditing firms.

* Explanation of the proper use of financial results forecast and other notes

(Notice regarding forward-looking statements)

Forward-looking statements within this document, including earnings forecasts, are based on currently available information to the Company and certain assumptions which the Company has deemed reasonable. Accordingly, the Company does not guarantee their achievement or fulfillment. Actual results and other performance may vary significantly due to a variety of factors.

3. Consolidated Financial Statements and Primary Notes

(1) Consolidated Balance Sheet

(Thousands of yen)

	As of September 30, 2020	As of March 31, 2021
Assets		
Current assets		
Cash and deposits	2,704,994	3,500,377
Notes and accounts receivable – trade	1,529,069	717,176
Operational investment securities	7,292,436	3,745,298
Merchandise	261,439	509,449
Work in process	314	–
Supplies	536	494
Accounts receivable – other	203,662	150,919
Other	210,806	492,604
Allowance for doubtful accounts	(33,359)	(97,349)
Total current assets	12,169,900	9,018,970
Non-current assets		
Property, plant and equipment		
Buildings, net	50,358	46,701
Tools, furniture and fixtures, net	27,774	23,625
Other, net	6,041	5,282
Total property, plant and equipment	84,173	75,608
Intangible assets		
Goodwill	276,154	258,157
Software	465,271	404,328
Software in progress	19,740	47,385
Other	1,810	1,660
Total intangible assets	762,976	711,531
Investments and other assets		
Long-term loans receivable	44,175	39,032
Deferred tax assets	163,619	144,005
Other	158,099	154,416
Total investments and other assets	365,894	337,454
Total non-current assets	1,213,044	1,124,594
Total assets	13,382,944	10,143,565
Liabilities		
Current liabilities		
Accounts payable - trade	404,799	141,778
Short-term borrowings	1,133,332	1,033,330
Current portion of long-term borrowings	337,108	319,976
Income taxes payable	396,748	269,388
Accounts payable - other	405,191	485,526
Provision for point card certificates	1,065	7,042
Other	199,196	252,423
Total current liabilities	2,877,441	2,509,465
Non-current liabilities		
Long-term borrowings	698,409	538,421
Deferred tax liabilities	1,685,454	641,819
Other	5,997	5,096
Total non-current liabilities	2,389,861	1,185,337
Total liabilities	5,267,303	3,694,802

(Thousands of yen)

	As of September 30, 2020	As of March 31, 2021
Net assets		
Shareholders' equity		
Share capital	884,082	884,082
Capital surplus	854,922	818,258
Retained earnings	2,156,591	2,658,655
Treasury shares	(203,171)	(203,380)
Total shareholders' equity	3,692,425	4,157,616
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	4,410,224	2,284,177
Total accumulated other comprehensive income	4,410,224	2,284,177
Share acquisition rights	6,968	6,968
Non-controlling interests	6,023	-
Total net assets	8,115,641	6,448,763
Total liabilities and net assets	13,382,944	10,143,565

(2) Consolidated Statement of Income and Statement of Comprehensive Income

(Thousands of yen)

	Three Months ended March 31, 2020 (October 1, 2019–March 31, 2020)	Three Months ended March 31, 2021 (October 1, 2020–March 31, 2021)
Net sales	2,983,966	4,647,524
Cost of sales	1,779,996	2,482,160
Gross profit	1,203,970	2,165,364
Selling, general and administrative expenses	1,122,297	1,374,254
Operating profit	81,672	791,110
Non-operating income		
Interest income	474	404
Exchange gain	—	778
Subsidy income	332	570
Other	3,214	3,584
Total non-operating income	4,021	5,337
Non-operating expenses		
Interest expenses	3,703	5,201
Non-deductible consumption tax, etc.	309	7,086
Other	7,155	125
Total non-operating expenses	11,168	12,413
Recurring profit	74,525	784,034
Extraordinary income		
Gain on sales of shares of subsidiaries	—	34,685
Total extraordinary income	—	34,685
Extraordinary losses		
Impairment loss	—	107,619
Loss on cancellation of rental contracts	14,699	—
Other	0	0
Total extraordinary losses	14,699	107,619
Profit before income taxes	59,825	711,099
Income taxes - current	2,784	294,120
Income taxes - deferred	48,678	(85,597)
Total income taxes	51,462	208,522
Net income	8,363	502,576
(Breakdown)		
Net income attributable to owners of the parent	6,602	502,063
Net income attributable to non-controlling interests	1,760	513
Other comprehensive income		
Valuation difference on available-for-sale securities	2,254,161	(2,126,046)
Total other comprehensive income	2,254,161	(2,126,046)
Comprehensive income	2,262,524	(1,623,469)
(Breakdown)		
Comprehensive income attributable to owners of the parent	2,260,763	(1,623,983)
Comprehensive income attributable to non-controlling interests	1,760	513

3. Sales, profit (loss), assets, liabilities, and other items by reportable segment

Three Months ended March 31, 2020 (October 1, 2019–March 31, 2020)

(Thousands of yen)

	Reportable segment				Adjustments (note 2)	Amount recorded in consolidated financial statements (note 3)
	Inventory Management Solution	Merchandise Distribution Platform	Incubation	Total		
Sales						
Sales to external customers	1,019,309	1,934,627	30,030	2,983,966	—	2,983,966
Intersegmental sales and transfers	68,838	3,394	—	72,233	(72,233)	—
Total	1,088,148	1,938,021	30,030	3,056,199	(72,233)	2,983,966
Segment profit	220,020	45,413	(11,167)	254,266	(172,594)	81,672

Three Months ended March 31, 2021 (October 1, 2020– March 31, 2021)

(Thousands of yen)

	Reportable segment				Adjustments (note 1)	Amount recorded in consolidated financial statements (note 2)
	Inventory Management Solution	Merchandise Distribution Platform	Incubation	Total		
Sales						
Sales to external customers	849,883	2,417,024	1,380,616	4,647,524	—	4,647,524
Intersegmental sales and transfers	61,574	23,613	1,430	86,618	(86,618)	—
Total	911,458	2,440,637	1,382,046	4,734,143	(86,618)	4,647,524
Segment profit	177,017	21,455	777,998	976,471	(185,361)	791,110