



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

February 12, 2021

Stock Exchange Listing:
Tokyo Stock Exchange

Company name: Aucfan Co., Ltd.

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

Representative: Shuichi Takenaga President and CEO

Contact for enquiries: Keisuke Yamada Executive Officer,
Administration Department TEL: +81-03-6809-0951

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 December 31, 2021 (October 1, 2020–December 31, 2020)

(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	%
December 31, 2021	2,963	88.4	1,224	—	1,215	—	918	—
December 31, 2020	1,573	(4.9)	62	(77.2)	60	(77.5)	11	(93.6)

(Note) Comprehensive income: Three Months ended December 31, 2020: (¥1,290) million (—% year on year)
Three Months ended December 31, 2019: (¥13) million (—% year on year)

Term ended	Basic earnings per share	Diluted earnings per share
	Yen	Yen
December 31, 2021	89.00	84.40
December 31, 2020	1.10	1.09

(2) Consolidated Financial Position

Term ended	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
December 31, 2020	10,764	6,825	63.3
September 30, 2020	13,382	8,115	60.5

(Reference) Equity capital: As of December 31, 2020 : ¥6,812 million
As of September 30, 2020: ¥8,102 million

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
Year ended/ending	Yen	Yen	Yen	Yen	Yen
September 30, 2020	—	0.00	—	0.00	0.00
September 30, 2021	—				
September 30, 2021 (Forecast)		0.00	—	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)
December 31, 2020 : 10,539,400 shares
September 30, 2020: 10,539,400 shares
2. Number of treasury shares at the end of the period
December 31, 2020: 216,966 shares
September 30, 2020: 216,933 shares
3. Average number of shares outstanding during the period
Term ended December 31, 2020: 10,322,457 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 December 31, 2020
Assets		
Current assets		
Cash and deposits	2,704,994	3,760,952
Notes and accounts receivable - trade	1,529,069	767,833
Operational investment securities	7,292,436	4,046,454
Merchandise	261,439	466,389
Work in process	314	67
Supplies	536	511
Accounts receivable - other	203,662	173,999
Other	210,806	374,070
Allowance for doubtful accounts	(33,359)	(30,238)
Total current assets	12,169,900	9,560,042
Non-current assets		
Property, plant and equipment		
Buildings, net	50,358	48,529
Tools, furniture and fixtures, net	27,774	25,313
Other, net	6,041	5,661
Total property, plant and equipment	84,173	79,504
Intangible assets		
Goodwill	276,154	267,260
Software	465,271	469,548
Software in progress	19,740	48,380
Other	1,810	1,735
Total intangible assets	762,976	786,925
Investments and other assets		
Long-term loans receivable	44,175	41,524
Deferred tax assets	163,619	140,949
Other	158,099	155,302
Total investments and other assets	365,894	337,775
Total non-current assets	1,213,044	1,204,204
Total assets	13,382,944	10,764,247
Liabilities		
Current liabilities		
Accounts payable - trade	404,799	178,309
Short-term borrowings	1,133,332	1,083,331
Current portion of long-term borrowings	337,108	319,976
Income taxes payable	396,748	267,575
Accounts payable - other	405,191	472,728
Provision for point card certificates	1,065	1,010
Other	199,196	255,437
Total current liabilities	2,877,441	2,578,368
Non-current liabilities		
Long-term borrowings	698,409	625,082
Deferred tax liabilities	1,685,454	730,157
Other	5,997	5,548
Total non-current liabilities	2,389,861	1,360,788
Total liabilities	5,267,303	3,939,156

(Thousands of yen)

	As of September 30, 2020	As of December 31, 2020
Net assets		
Shareholders' equity		
Share capital	884,082	884,082
Capital surplus	854,922	854,922
Retained earnings	2,156,591	3,075,280
Treasury shares	(203,171)	(203,326)
Total shareholders' equity	3,692,425	4,610,959
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	4,410,224	2,201,579
Total accumulated other comprehensive income	4,410,224	2,201,579
Share acquisition rights	6,968	6,968
Non-controlling interests	6,023	5,582
Total net assets	8,115,641	6,825,090
Total liabilities and net assets	13,382,944	10,764,247

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

(Thousands of yen)

	Three Months ended December 31, 2019 (October 1, 2019–December 30, 2019)	Three Months ended December 31, 2020 (October 1, 2020–December 30, 2020)
Net sales	1,573,243	2,963,675
Cost of sales	910,125	1,079,078
Gross profit	663,117	1,884,597
Selling, general and administrative expenses	600,652	660,291
Operating profit	62,464	1,224,305
Non-operating income		
Interest income	309	196
Subsidy income	332	—
Other	1,080	670
Total non-operating income	1,722	866
Non-operating expenses		
Interest expenses	2,065	2,709
Non-deductible consumption tax, etc.	211	6,828
Other	1,035	461
Total non-operating expenses	3,312	9,999
Recurring profit	60,874	1,215,172
Extraordinary income		
Gain on sales of shares of subsidiaries	—	34,685
Total extraordinary income	—	34,685
Extraordinary losses		
Loss on cancellation of rental contracts	14,699	—
Other	0	0
Total extraordinary losses	14,699	0
Profit before income taxes	46,175	1,249,857
Income taxes - current	7,452	291,510
Income taxes - deferred	26,625	40,097
Total income taxes	34,077	331,608
Net income	12,097	918,248
(Breakdown)		
Net income attributable to owners of the parent	11,272	918,689
Net income attributable to non-controlling interests	825	(440)
Other comprehensive income		
Valuation difference on available-for-sale securities	(25,283)	(2,208,645)
Total other comprehensive income	(25,283)	(2,208,645)
Comprehensive income	(13,185)	(1,290,396)
(Breakdown)		
Comprehensive income attributable to owners of the parent	(14,011)	(1,289,955)
Comprehensive income attributable to non-controlling interests	825	(440)

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

Three Months ended September 30, 2019 (October 1, 2019–December 31, 2019)

(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	486,744	1,059,983	26,515	1,573,243	—	1,573,243
Intersegmental sales and transfers	29,277	1,627	—	30,854	(30,854)	—
Total	515,972	1,061,610	26,515	1,604,097	(30,854)	1,573,243
Segment profit	117,049	32,121	2,965	152,136	(89,671)	62,464

Three Months ended December 31, 2020 (October 1, 2020–December 31, 2020)

(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	435,105	1,230,752	1,297,817	2,963,675	—	2,963,675
Intersegmental sales and transfers	37,087	413	—	37,500	(37,500)	—
Total	472,192	1,231,165	1,297,817	3,001,176	(37,500)	2,963,675
Segment profit	98,667	62,950	1,151,941	1,313,559	(89,253)	1,224,305