



Consolidated Financial Results for the Three Months Ended June 30, 2021 [Japanese GAAP]

August 13, 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: Junji Hamada 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 June 30, 2021

(October 1, 2020–June 30, 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	%
June 30, 2021	6,414	26.1	688	11.7	681	12.7	406	23.1
June 30, 2020	5,085	9.1	616	(4.7)	604	(5.6)	330	(22.4)

(Note) Comprehensive income: Three Months ended June 30, 2021: (¥1,926) million (—% year on year)
Three Months ended June 30, 2020: ¥5,579 million (907.2% year on year)

Term ended	Basic earnings per share	Diluted earnings per share
	Yen	Yen
June 30, 2021	39.43	37.37
June 30, 2020	32.26	31.96

(2) Consolidated Financial Position

Term ended	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
June 30, 2021	9,444	6,145	65.0
September 30, 2020	13,382	8,115	60.5

(Reference) Equity capital: As of June 30, 2021 : ¥6,138 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	—	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
	8,100	2.9	630	(23.3)	500	(38.2)	150	(65.0)	14.53

Revisions to the most recently announced consolidated forecast: Yes

* 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)
June 30, 2021: 10,539,400 shares
September 30, 2020: 10,539,400 shares
2. Number of treasury shares at the end of the period
June 30, 2021: 216,990 shares
September 30, 2020: 216,933 shares
3. Average number of shares outstanding during the period
Term ended June 30, 2021: 10,322,437 shares
Term ended June 30, 2020: 10,252,536 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 June 30, 2021
Assets		
Current assets		
Cash and deposits	2,704,994	2,944,010
Notes and accounts receivable – trade	1,529,069	709,449
Operational investment securities	7,292,436	3,549,326
Merchandise	261,439	381,647
Work in process	314	–
Supplies	536	504
Accounts receivable – other	203,662	155,143
Other	210,806	699,586
Allowance for doubtful accounts	(33,359)	(84,343)
Total current assets	12,169,900	8,355,325
Non-current assets		
Property, plant and equipment		
Buildings, net	50,358	44,872
Tools, furniture and fixtures, net	27,774	21,100
Other, net	6,041	4,902
Total property, plant and equipment	84,173	70,875
Intangible assets		
Goodwill	276,154	231,776
Software	465,271	386,754
Software in progress	19,740	65,594
Other	1,810	1,584
Total intangible assets	762,976	685,709
Investments and other assets		
Long-term loans receivable	44,175	36,541
Deferred tax assets	163,619	142,737
Other	158,099	153,128
Total investments and other assets	365,894	332,407
Total non-current assets	1,213,044	1,088,992
Total assets	13,382,944	9,444,317
Liabilities		
Current liabilities		
Accounts payable - trade	404,799	113,436
Short-term borrowings	1,133,332	1,000,000
Current portion of long-term borrowings	337,108	319,976
Income taxes payable	396,748	23,486
Accounts payable - other	405,191	533,116
Provision for point card certificates	1,065	7,067
Other	199,196	262,629
Total current liabilities	2,877,441	2,259,714
Non-current liabilities		
Long-term borrowings	698,409	458,427
Deferred tax liabilities	1,685,454	576,091
Other	5,997	4,640
Total non-current liabilities	2,389,861	1,039,158
Total liabilities	5,267,303	3,298,872

(Thousands of yen)

	As of September 30, 2020	As of June 30, 2021
Net assets		
Shareholders' equity		
Share capital	884,082	884,082
Capital surplus	854,922	818,258
Retained earnings	2,156,591	2,563,570
Treasury shares	(203,171)	(203,380)
Total shareholders' equity	3,692,425	4,062,531
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	4,410,224	2,075,945
Total accumulated other comprehensive income	4,410,224	2,075,945
Share acquisition rights	6,968	6,968
Non-controlling interests	6,023	-
Total net assets	8,115,641	6,145,445
Total liabilities and net assets	13,382,944	9,444,317

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

(Thousands of yen)

	Three Months ended June 30, 2020 (October 1, 2019–June 30, 2020)	Three Months ended June 30, 2021 (October 1, 2020–June 30, 2021)
Net sales	5,085,876	6,414,035
Cost of sales	2,770,202	3,701,270
Gross profit	2,315,674	2,712,764
Selling, general and administrative expenses	1,699,463	2,024,382
Operating profit	616,210	688,381
Non-operating income		
Interest income	688	582
Exchange gain	—	662
Subsidy income	665	570
Other	4,518	5,998
Total non-operating income	5,872	7,813
Non-operating expenses		
Interest expenses	5,925	7,383
Non-deductible consumption tax, etc.	2,175	7,336
Other	9,201	126
Total non-operating expenses	17,302	14,846
Recurring profit	604,780	681,348
Extraordinary income		
Gain on sales of shares of subsidiaries	—	34,685
Gain on return of stock acquisition rights	92	—
Total extraordinary income	92	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	590,172	608,414
Income taxes - current	199,861	259,084
Income taxes - deferred	58,132	(58,162)
Total income taxes	257,994	200,922
Net income	332,178	407,491
(Breakdown)		
Net income attributable to owners of the parent	330,698	406,978
Net income attributable to non-controlling interests	1,480	513
Other comprehensive income		
Valuation difference on available-for-sale securities	5,247,704	(2,334,279)
Total other comprehensive income	5,247,704	(2,334,279)
Comprehensive income	5,579,883	(1,926,787)
(Breakdown)		
Comprehensive income attributable to owners of the parent	5,578,403	(1,927,300)
Comprehensive income attributable to non-controlling interests	1,480	513

3. Sales, profit (loss), assets, liabilities, and other items by reportable segment
 Three Months ended June 30, 2020 (October 1, 2019–June 30, 2020)

(Thousands of yen)

	Reportable segment				Adjustments	Amount recorded in consolidated financial statements
	Inventory Management Solution	Merchandise Distribution Platform	Incubation	Total		
Sales						
Sales to external customers	1,354,774	3,124,126	606,974	5,085,876	—	5,085,876
Intersegmental sales and transfers	107,775	4,804	—	112,579	(112,579)	—
Total	1,462,550	3,128,931	606,974	5,198,456	(112,579)	5,085,876
Segment profit	283,363	192,652	407,435	883,451	(267,240)	616,210

Three Months ended June 30, 2021 (October 1, 2020– June 30, 2021)

(Thousands of yen)

	Reportable segment				Adjustments	Amount recorded in consolidated financial statements
	Inventory Management Solution	Merchandise Distribution Platform	Incubation	Total		
Sales						
Sales to external customers	1,272,828	3,745,293	1,395,913	6,414,035	—	6,414,035
Intersegmental sales and transfers	80,408	42,639	4,265	127,312	(127,312)	—
Total	1,353,236	3,787,932	1,400,178	6,541,348	(127,312)	6,414,035
Segment profit	247,688	55,728	669,918	973,335	(284,953)	688,381