Translation

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Summary of Consolidated Financial Results for the Three Months Ended June 30, 2024 (Based on Japanese GAAP)

August 7, 2024

Company name: JACCS CO., LTD
Stock exchange listing: Tokyo
Stock code: 8584 URL https://www.jaccs.co.jp/
Representative: President and Representative Director Murakami Ryo
Inquiries: Director and Senior Managing Executive Officer Saitou Takashi TEL 03-5448-1311

Scheduled date to commence dividend payments: –
Preparation of supplementary material on financial results: Yes
Holding of financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the three months ended June 30, 2024 (from April 1, 2024 to June 30, 2024)

(1) Consolidated operating results (cumulative) Percentages indicate year-on-year changes

	Operating revenue		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 June 30, 2024	47,549	1.9	8,803	(21.1)	8,808	(20.9)	6,012	(21.5)
Three months ended June 30, 2023	46,662	10.2	11,154	24.7	11,139	24.4	7,655	26.4

	Earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2024	173.18	172.63
Three months ended June 30, 2023	220.74	219.90

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2024	3,796,817	243,002	6.2
As of March 31, 2024	3,777,595	238,440	6.1

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 March 31, 2024	–	100.00	–	120.00	220.00
Year ending March 31, 2025	–				
Year ending March 31, 2025 (Forecast)		90.00	–	90.00	180.00

Breakdown of year-end dividend for the year ended March 31, 2024: ordinary dividend of ¥110.00 per share, commemorative dividend of ¥10.00 per share

The forecast of cash dividends for the year ending March 31, 2025 has been revised from the forecast announced on May 15, 2024, in light of recent trends in operating results. For details, please refer to “Notice Concerning Revision to Forecasts of Financial Results and Revision to Forecast of Dividends (Dividend Decrease),” announced today (August 7, 2024).

3. Forecast of consolidated financial results for the year ending March 31, 2025 (from April 1, 2024 to March 31, 2025)

Percentages indicate year-on-year changes

	Operating revenue		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 September 30, 2024	94,000	1.9	13,500	(26.7)	13,500	(26.4)	9,500	(22.8)	273.82
Full year	189,000	2.3	24,000	(27.6)	24,000	(27.4)	16,500	(30.6)	475.26

The forecast of consolidated financial results for the year ending March 31, 2025 has been revised from the forecast announced on May 15, 2024, in light of recent trends in operating results. For details, please refer to "Notice Concerning Revision to Forecasts of Financial Results and Revision to Forecast of Dividends (Dividend Decrease)," announced today (August 7, 2024).

4. Notes

(1) Significant changes in the scope of consolidation during the three months ended June 30, 2024: No

(2) Application of special accounting methods for preparing quarterly consolidated financial statements: No

(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: Yes
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 June 30, 2024	35,079,161 shares	As of March 31, 2024	35,079,161 shares

Number of treasury shares at the end of the period

As of June 30, 2024	361,498 shares	As of March 31, 2024	362,146 shares

Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2024	34,717,714 shares	Three months ended June 30, 2023	34,680,163 shares

Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2024	As of June 30, 2024
Assets		
Current assets		
Cash and deposits	187,611	109,487
Accounts receivable - installment	3,296,408	3,328,622
Investments in leases	121,899	119,233
Prepaid expenses	5,495	6,878
Advances paid	28,952	25,503
Accounts receivable - other	30,879	96,661
Other	37,393	39,640
Allowance for doubtful accounts	(29,882)	(30,769)
Total current assets	3,678,758	3,695,257
Non-current assets		
Property, plant and equipment		
Buildings and structures	9,748	9,807
Accumulated depreciation	(6,667)	(6,770)
Buildings and structures, net	3,081	3,036
Land	14,828	14,828
Other	12,487	12,702
Accumulated depreciation	(7,380)	(7,517)
Other, net	5,107	5,184
Total property, plant and equipment	23,017	23,049
Intangible assets		
Goodwill	114	57
Software	25,598	25,876
Other	14	18
Total intangible assets	25,726	25,951
Investments and other assets		
Investment securities	29,614	31,903
Bad debts	230	154
Long-term prepaid expenses	4,210	4,145
Deferred tax assets	1,741	1,661
Guarantee deposits	1,391	1,388
Retirement benefit asset	9,544	9,608
Other	3,488	3,822
Allowance for doubtful accounts	(130)	(124)
Total investments and other assets	50,092	52,558
Total non-current assets	98,836	101,560
Total assets	3,777,595	3,796,817

(Millions of yen)

	As of March 31, 2024	As of June 30, 2024
Liabilities		
Current liabilities		
Notes and accounts payable - trade	268,581	253,532
Short-term borrowings	338,064	402,616
Current portion of bonds payable	46,718	36,781
Current portion of long-term borrowings	221,089	230,465
Current portion of long-term loans payable for receivable securitization	272,105	265,610
Commercial papers	413,500	410,000
Accounts payable - other	4,773	4,466
Accrued expenses	3,112	3,246
Income taxes payable	6,304	2,803
Deposits received	77,558	77,525
Unearned revenue	1,405	1,386
Provision for bonuses	2,926	1,421
Provision for point card certificates	2,731	2,689
Provision for loss on guarantees	1,089	1,112
Deferred installment income	243,464	248,876
Other	27,429	29,647
Total current liabilities	1,930,855	1,972,183
Non-current liabilities		
Bonds payable	213,404	223,759
Long-term borrowings	812,574	801,795
Long-term loans payable for receivable securitization	575,574	548,096
Deferred tax liabilities	2,943	3,947
Provision for loss on interest repayment	683	666
Retirement benefit liability	28	29
Long-term guarantee deposits	1,321	1,325
Other	1,771	2,012
Total non-current liabilities	1,608,299	1,581,631
Total liabilities	3,539,155	3,553,814
Net assets		
Shareholders' equity		
Share capital	16,138	16,138
Capital surplus	30,641	30,640
Retained earnings	164,068	165,914
Treasury shares	(828)	(827)
Total shareholders' equity	210,019	211,866
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	16,978	18,722
Deferred gains or losses on hedges	(152)	(51)
Foreign currency translation adjustment	1,954	2,798
Remeasurements of defined benefit plans	1,623	1,530
Total accumulated other comprehensive income	20,403	23,000
Share acquisition rights	179	178
Non-controlling interests	7,837	7,957
Total net assets	238,440	243,002
Total liabilities and net assets	3,777,595	3,796,817

Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)

Consolidated statements of income (cumulative)

(Millions of yen)

	Three months ended June 30, 2023	Three months ended June 30, 2024
Operating revenue		
Operating revenues	44,298	46,759
Financial revenue		
Interest income	15	15
Dividend income	307	329
Other financial revenue	2,041	445
Total financial revenue	2,363	790
Total operating revenue	46,662	47,549
Operating expenses		
Selling, general and administrative expenses	30,796	32,964
Financial expenses		
Interest on borrowings	4,031	5,006
Interest on commercial papers	79	173
Other financial expenses	600	600
Total financial expenses	4,711	5,781
Total operating expenses	35,508	38,746
Operating profit	11,154	8,803
Non-operating income		
Miscellaneous income	35	7
Total non-operating income	35	7
Non-operating expenses		
Miscellaneous losses	49	2
Total non-operating expenses	49	2
Ordinary profit	11,139	8,808
Extraordinary income		
Gain on sale of investment securities	198	0
Total extraordinary income	198	0
Extraordinary losses		
Loss on retirement of non-current assets	0	1
anniversary event expenses	–	34
Total extraordinary losses	0	35
Profit before income taxes	11,338	8,773
Income taxes - current	2,687	2,519
Income taxes - deferred	875	375
Total income taxes	3,563	2,894
Profit	7,774	5,879
Profit (loss) attributable to non-controlling interests	119	(133)
Profit attributable to owners of parent	7,655	6,012

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Three months ended June 30, 2023	Three months ended June 30, 2024
Profit	7,774	5,879
Other comprehensive income		
Valuation difference on available-for-sale securities	2,257	1,743
Deferred gains or losses on hedges	21	138
Foreign currency translation adjustment	632	1,111
Remeasurements of defined benefit plans, net of tax	(24)	(88)
Total other comprehensive income	2,886	2,905
Comprehensive income	10,661	8,785
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	10,198	8,609
Comprehensive income attributable to non-controlling interests	463	175