Translation

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

November 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 file Semi-annual Securities Report: November 12, 2024
Scheduled date to commence dividend payments: November 29, 2024
Preparation of supplementary material on financial results: Yes
Holding of financial results meeting: Yes (for institutional investors and analysts)

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the six months ended September 30, 2024 (from April 1, 2024 to September 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	%
Six months ended September 30, 2024	95,739	3.8	16,084	(12.7)	16,099	(12.2)	11,185	(9.1)
Six months ended September 30, 2023	92,208	8.1	18,419	12.4	18,341	11.7	12,310	10.8

	Earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended September 30, 2024	322.15	321.19
Six months ended September 30, 2023	354.92	353.58

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of September 30, 2024	3,769,063	248,141	6.4
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	–	90.00			
Year ending March 31, 2025 (Forecast)			–	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

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
Full year	189,000	2.3	24,000	(27.6)	24,000	(27.4)	16,500	(30.6)	475.26

4. Notes

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

(2) Application of special accounting methods for preparing semi-annual 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 September 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 September 30, 2024	343,795 shares	As of March 31, 2024	362,146 shares

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

Six months ended September 30, 2024	34,721,954 shares	Six months ended September 30, 2023	34,685,304 shares

Semi-annual consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2024	As of September 30, 2024
Assets		
Current assets		
Cash and deposits	187,611	112,003
Accounts receivable - installment	3,296,408	3,305,137
Investments in leases	121,899	116,235
Prepaid expenses	5,495	6,894
Advances paid	28,952	25,086
Accounts receivable - other	30,879	96,074
Other	37,393	40,357
Allowance for doubtful accounts	(29,882)	(31,610)
Total current assets	3,678,758	3,670,179
Non-current assets		
Property, plant and equipment		
Buildings and structures	9,748	9,900
Accumulated depreciation	(6,667)	(6,868)
Buildings and structures, net	3,081	3,032
Land	14,828	14,828
Other	12,487	12,891
Accumulated depreciation	(7,380)	(7,785)
Other, net	5,107	5,105
Total property, plant and equipment	23,017	22,967
Intangible assets		
Goodwill	114	–
Software	25,598	25,512
Other	14	17
Total intangible assets	25,726	25,530
Investments and other assets		
Investment securities	29,614	28,573
Bad debts	230	398
Long-term prepaid expenses	4,210	4,075
Deferred tax assets	1,741	2,040
Guarantee deposits	1,391	1,383
Retirement benefit asset	9,544	9,717
Other	3,488	4,325
Allowance for doubtful accounts	(130)	(128)
Total investments and other assets	50,092	50,386
Total non-current assets	98,836	98,883
Total assets	3,777,595	3,769,063

(Millions of yen)

	As of March 31, 2024	As of September 30, 2024
Liabilities		
Current liabilities		
Notes and accounts payable - trade	268,581	236,270
Short-term borrowings	338,064	345,195
Current portion of bonds payable	46,718	38,313
Current portion of long-term borrowings	221,089	194,264
Current portion of long-term loans payable for receivable securitization	272,105	285,161
Commercial papers	413,500	397,000
Accounts payable - other	4,773	3,928
Accrued expenses	3,112	3,223
Income taxes payable	6,304	6,997
Deposits received	77,558	77,557
Unearned revenue	1,405	1,352
Provision for bonuses	2,926	2,954
Provision for point card certificates	2,731	2,747
Provision for loss on guarantees	1,089	1,101
Deferred installment income	243,464	246,191
Other	27,429	26,948
Total current liabilities	1,930,855	1,869,208
Non-current liabilities		
Bonds payable	213,404	227,510
Long-term borrowings	812,574	832,994
Long-term loans payable for receivable securitization	575,574	584,961
Deferred tax liabilities	2,943	1,872
Provision for loss on interest repayment	683	649
Retirement benefit liability	28	29
Long-term guarantee deposits	1,321	1,492
Other	1,771	2,201
Total non-current liabilities	1,608,299	1,651,713
Total liabilities	3,539,155	3,520,921
Net assets		
Shareholders' equity		
Share capital	16,138	16,138
Capital surplus	30,641	30,660
Retained earnings	164,068	171,087
Treasury shares	(828)	(787)
Total shareholders' equity	210,019	217,099
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	16,978	16,552
Deferred gains or losses on hedges	(152)	(10)
Foreign currency translation adjustment	1,954	4,795
Remeasurements of defined benefit plans	1,623	1,441
Total accumulated other comprehensive income	20,403	22,778
Share acquisition rights	179	168
Non-controlling interests	7,837	8,094
Total net assets	238,440	248,141
Total liabilities and net assets	3,777,595	3,769,063

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

Consolidated statements of income (cumulative)

(Millions of yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024
Operating revenue		
Operating revenues	89,785	94,086
Financial revenue		
Interest income	40	52
Dividend income	338	362
Other financial revenue	2,043	1,237
Total financial revenue	2,422	1,652
Total operating revenue	92,208	95,739
Operating expenses		
Selling, general and administrative expenses	63,908	67,795
Financial expenses		
Interest on borrowings	8,219	10,169
Interest on commercial papers	168	443
Other financial expenses	1,492	1,245
Total financial expenses	9,880	11,858
Total operating expenses	73,788	79,654
Operating profit	18,419	16,084
Non-operating income		
Miscellaneous income	62	19
Total non-operating income	62	19
Non-operating expenses		
Miscellaneous losses	139	4
Total non-operating expenses	139	4
Ordinary profit	18,341	16,099
Extraordinary income		
Gain on sale of investment securities	199	494
Total extraordinary income	199	494
Extraordinary losses		
Loss on retirement of non-current assets	9	2
Loss on sale of investment securities	0	0
anniversary event expenses	–	248
Total extraordinary losses	9	250
Profit before income taxes	18,531	16,343
Income taxes - current	5,992	6,532
Income taxes - deferred	(12)	(1,115)
Total income taxes	5,980	5,417
Profit	12,551	10,925
Profit (loss) attributable to non-controlling interests	240	(259)
Profit attributable to owners of parent	12,310	11,185

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024
Profit	12,551	10,925
Other comprehensive income		
Valuation difference on available-for-sale securities	3,596	(426)
Deferred gains or losses on hedges	(18)	212
Foreign currency translation adjustment	3,116	3,333
Remeasurements of defined benefit plans, net of tax	(48)	(171)
Total other comprehensive income	6,646	2,947
Comprehensive income	19,197	13,873
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	18,148	13,560
Comprehensive income attributable to non-controlling interests	1,048	312

Semi-annual non-consolidated financial statements
Semi-annual non-consolidated balance sheets

(Millions of yen)

	As of March 31, 2024	As of September 30, 2024
Assets		
Current assets		
Cash and deposits	168,864	96,340
Accounts receivable - installment	3,149,243	3,149,875
Prepaid expenses	1,250	1,257
Short-term loans receivable from subsidiaries and associates	29,980	26,869
Advances paid	28,870	25,022
Accounts receivable - other	30,816	95,832
Other	21,998	20,007
Allowance for doubtful accounts	(20,374)	(21,177)
Total current assets	3,410,649	3,394,027
Non-current assets		
Property, plant and equipment		
Buildings and structures	9,059	9,132
Accumulated depreciation	(6,161)	(6,289)
Buildings and structures, net	2,898	2,842
Tools, furniture and fixtures	2,642	2,720
Accumulated depreciation	(2,328)	(2,398)
Tools, furniture and fixtures, net	313	321
Land	14,828	14,828
Other	482	508
Accumulated depreciation	(298)	(264)
Other, net	184	243
Total property, plant and equipment	18,225	18,236
Intangible assets		
Goodwill	100	–
Software	23,664	23,739
Other	12	16
Total intangible assets	23,777	23,755
Investments and other assets		
Investment securities	29,614	28,573
Shares of subsidiaries and associates	15,187	16,692
Investments in capital of subsidiaries and associates	4,289	4,289
Long-term loans receivable from employees	40	34
Long-term loans receivable from subsidiaries and associates	131,470	132,944
Bad debts	230	398
Long-term prepaid expenses	149	134
Guarantee deposits	1,203	1,186
Prepaid pension costs	7,172	7,679
Other	2,110	2,175
Allowance for doubtful accounts	(130)	(128)
Total investments and other assets	191,339	193,980
Total non-current assets	233,341	235,973
Total assets	3,643,991	3,630,000

(Millions of yen)

	As of March 31, 2024	As of September 30, 2024
Liabilities		
Current liabilities		
Notes payable - trade	187,117	168,658
Accounts payable - trade	77,191	64,212
Short-term borrowings	304,076	309,140
Current portion of bonds payable	45,000	35,000
Current portion of long-term borrowings	201,817	171,947
Current portion of long-term loans payable for receivable securitization	272,105	285,161
Commercial papers	413,500	397,000
Accounts payable - other	4,535	3,796
Accrued expenses	1,812	1,948
Income taxes payable	5,714	6,492
Deposits received	77,325	77,311
Unearned revenue	898	816
Provision for bonuses	2,754	2,790
Provision for point card certificates	2,731	2,747
Provision for loss on guarantees	1,089	1,101
Deferred installment income	230,734	233,366
Other	26,315	25,940
Total current liabilities	1,854,719	1,787,433
Non-current liabilities		
Bonds payable	204,000	214,000
Long-term borrowings	784,115	811,637
Long-term loans payable for receivable securitization	575,574	584,961
Deferred tax liabilities	2,232	1,248
Provision for loss on interest repayment	683	649
Long-term guarantee deposits	1,321	1,492
Other	446	512
Total non-current liabilities	1,568,373	1,614,503
Total liabilities	3,423,092	3,401,936
Net assets		
Shareholders' equity		
Share capital	16,138	16,138
Capital surplus		
Legal capital surplus	30,468	30,468
Other capital surplus	68	87
Total capital surplus	30,537	30,556
Retained earnings		
Legal retained earnings	2,572	2,572
Other retained earnings		
General reserve	43,229	43,229
Retained earnings brought forward	112,070	119,577
Total retained earnings	157,872	165,379
Treasury shares	(828)	(787)
Total shareholders' equity	203,719	211,286
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	16,978	16,552
Deferred gains or losses on hedges	19	56
Total valuation and translation adjustments	16,998	16,608
Share acquisition rights	179	168
Total net assets	220,898	228,063
Total liabilities and net assets	3,643,991	3,630,000

Semi-annual non-consolidated statements of income

(Millions of yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024
Operating revenue		
Operating revenues	74,279	77,919
Financial revenue		
Interest income	619	789
Dividend income	1,114	850
Other financial revenue	2,054	1,043
Total financial revenue	3,788	2,683
Total operating revenue	78,067	80,602
Operating expenses		
Selling, general and administrative expenses	53,861	55,747
Financial expenses		
Interest on borrowings	4,871	6,581
Interest on commercial papers	168	443
Other financial expenses	1,042	1,122
Total financial expenses	6,082	8,147
Total operating expenses	59,944	63,894
Operating profit	18,122	16,708
Non-operating income		
Miscellaneous income	38	14
Total non-operating income	38	14
Non-operating expenses		
Miscellaneous losses	5	4
Total non-operating expenses	5	4
Ordinary profit	18,156	16,718
Extraordinary income		
Gain on sale of investment securities	199	494
Total extraordinary income	199	494
Extraordinary losses		
Loss on retirement of non-current assets	1	1
Loss on sale of investment securities	0	0
anniversary event expenses	–	248
Total extraordinary losses	1	249
Profit before income taxes	18,353	16,963
Income taxes - current	5,459	6,132
Income taxes - deferred	14	(841)
Total income taxes	5,473	5,290
Profit	12,880	11,672