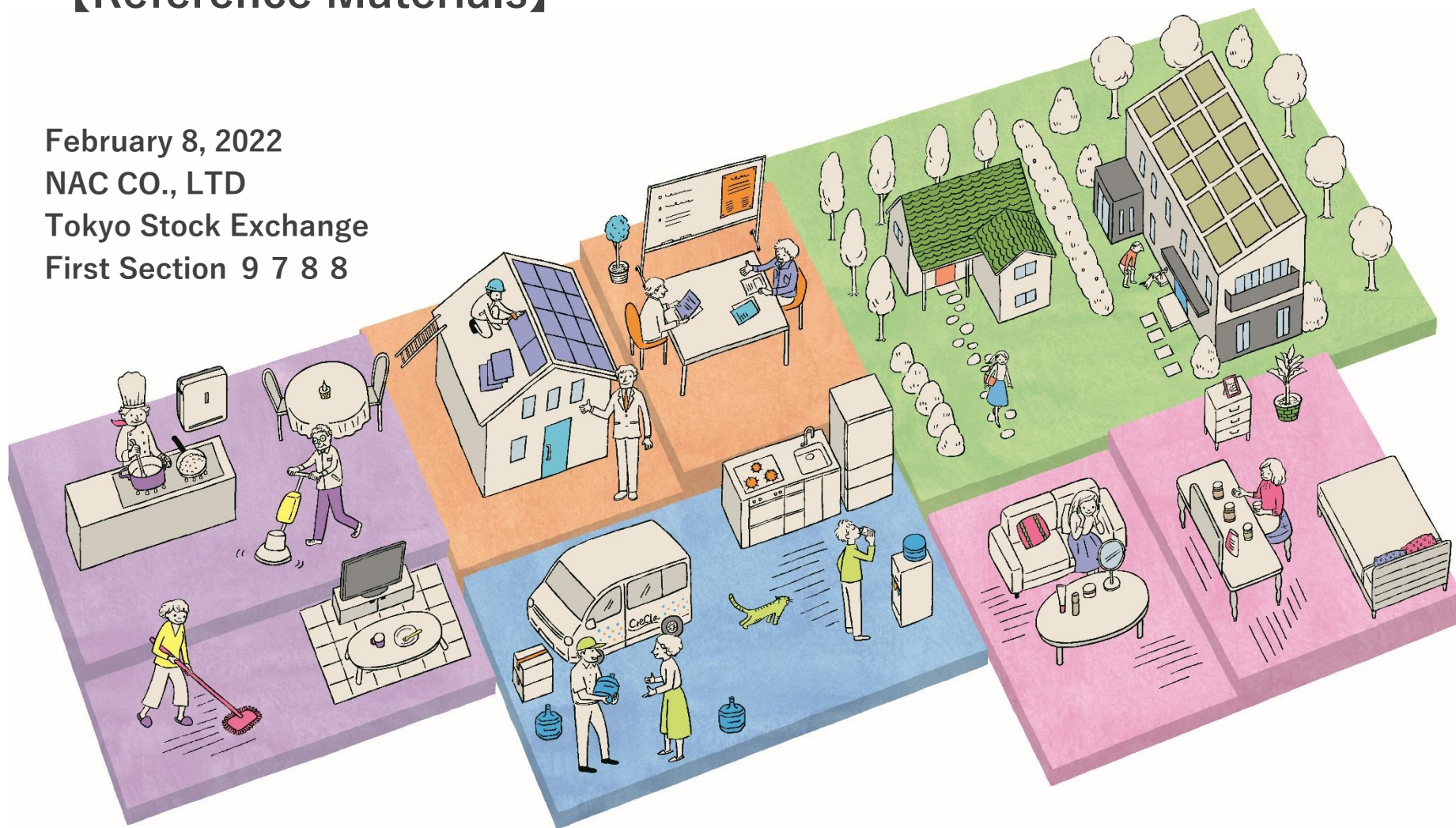


# Result for 3Q of Fiscal Year ending March 31, 2022

## 【Reference Materials】

February 8, 2022  
NAC CO., LTD  
Tokyo Stock Exchange  
First Section 9 7 8 8



Note) The company did not hold a Financial Results briefing in the third quarter.  
This material is prepared to help readers understand better the financial result for 3Q.

# Topics

- |                                     |                |
|-------------------------------------|----------------|
| <b>1 . 3rd Quarter Results</b>      | <b>… P. 2</b>  |
| <b>2 . Business Segment Results</b> | <b>… P. 8</b>  |
| <b>3 . Dividends</b>                | <b>… P. 28</b> |
| <b>4 . Mid-term Management Plan</b> | <b>… P. 30</b> |
| <b>5 . Corporate Profile</b>        | <b>… P. 32</b> |

All performance targets and other information contained in this document are forecasts based on information currently available to the Group, and are subject to uncertain factors such as economic environment, competitive conditions, and the success or failure of new services.

Therefore, please know that actual results may differ from the forecasts described in this material.

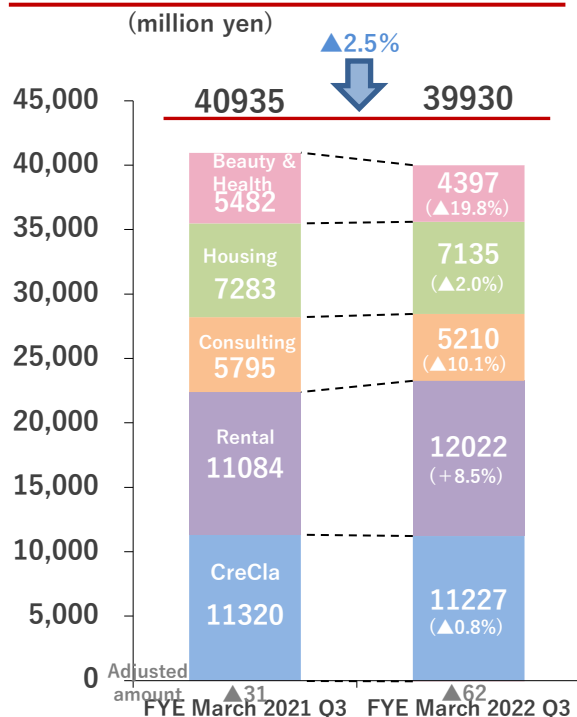
# 1. 3rd Quarter Results

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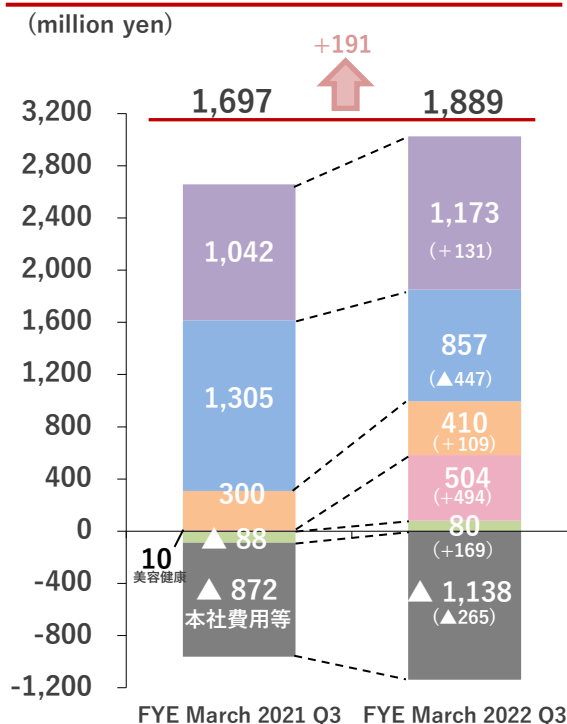
# 1-1 Financial Highlights (Year-on-Year Comparison)

- » Sales : Earnest Co., Ltd of Rental Business - increase as a result of large order of vaccination sites operation  
 JIMOS Co., Ltd of Beauty and Health Business - decrease due to the impact of the infectious disease and decline in the number of customers.
- » Operating income : CreCla Business - decrease due to prior investments in recruitment and developing new products, as well as strengthened sales promotion.  
 JIMOS Co., Ltd of Beauty and Health Business – increase as a result of postponement of sales promotion activities.  
 Head Office - decrease due to increase in expenses related to 50<sup>th</sup> Anniversary
- » Quarterly net income (※) : Decrease in the current fiscal year due to gain on sale of LeoHouse Co., Ltd shares in the previous fiscal year

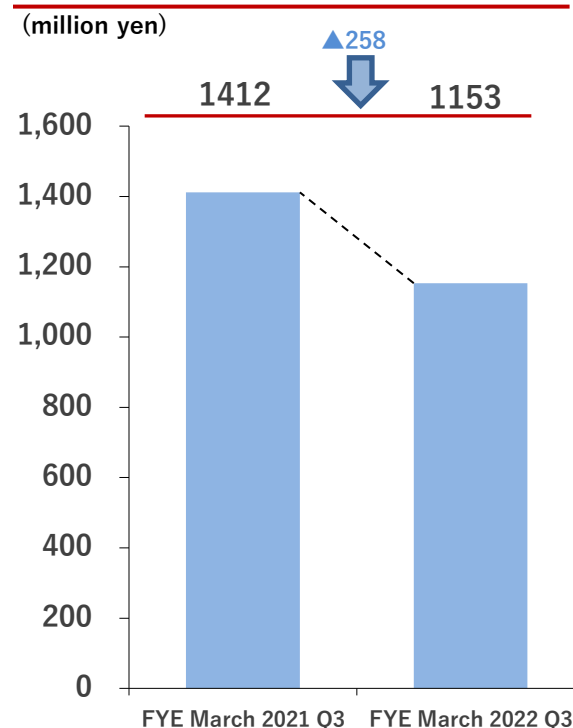
## Sales (percentage in parentheses are the changes)



## Operating income (figures in parentheses are changes)



## Net profit (※)



(※) Quarterly net income: Attributable to owners of the parent, Adjustments: Intersegment sales or Transfers

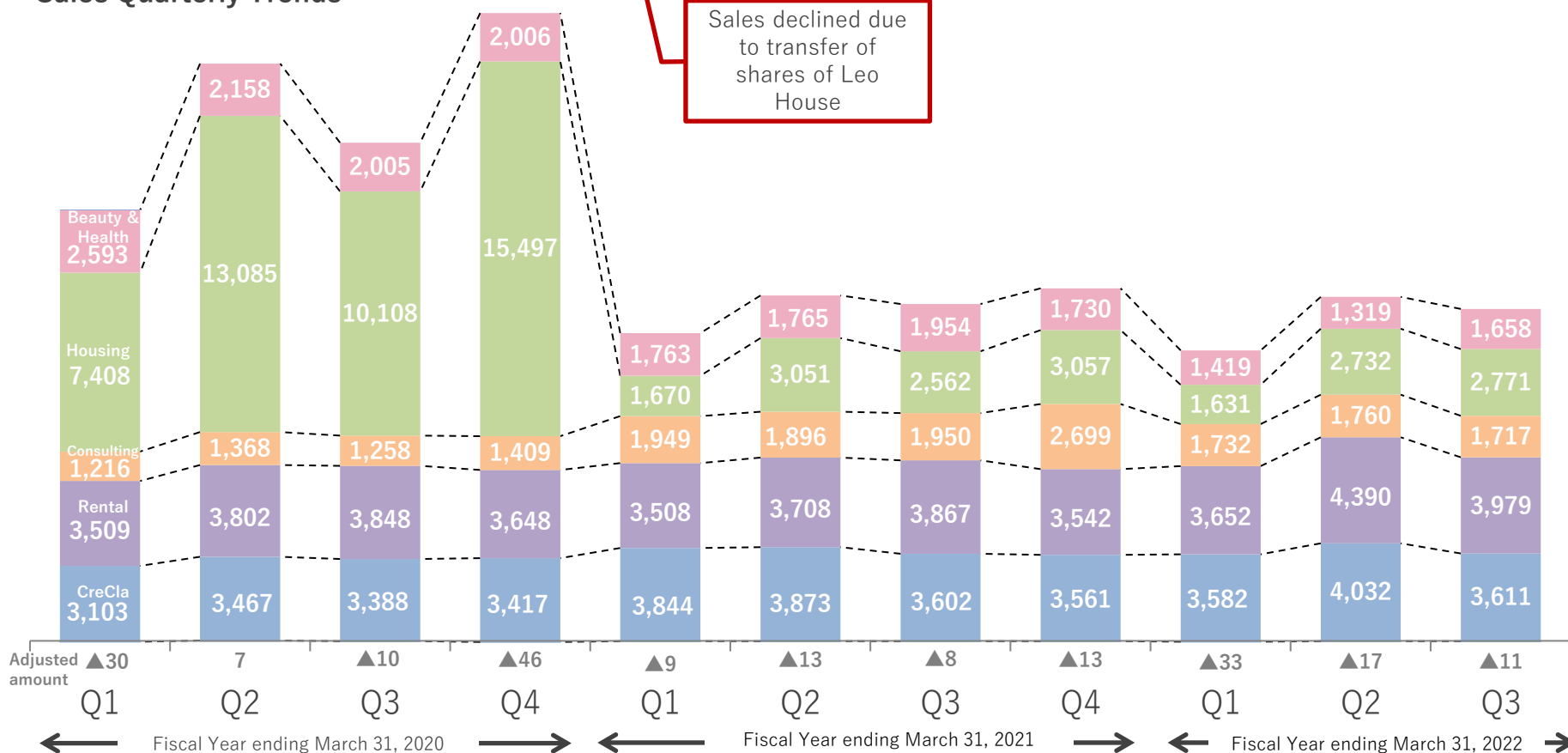
# 1-2 Quarterly trends of Sales and Operating income

## Sales

(million yen)

17,800	23,889	20,599	25,932	12,727	14,281	13,927	14,577	11,984	14,218	13,727
▲1,243	1,013	527	1,820	211	614	871	1,084	185	848	856

## Sales Quarterly Trends



(※) Adjustments : Intersegment sales or transfer

## 1-3 Breakdown of Changes in Operating Income (Year-on-Year)

- » **Gross profit : Decreased due to decline in sales of Beauty and Health Business**
- » **Advertising and sales promotion expenses:  
Decreased due to reductions in Beauty and Health Business**
- » **Depreciation and amortization of goodwill : A portion of goodwill decreased due to end of amortization period**

(million yen)		
		Year-on-Year change
FYE March 31, 2021 Q3	Operating Income	1,697
	Change in gross profit	▲ 419
	Personnel Expenses	+ 33
	Advertising and sales promotional expenses	+ 222
Increase (decrease) of SG&A expenses	Land rent costs	+ 4
	Depreciation and amortization of goodwill	+ 158
	Other SG&A expenses	+ 192
FYE March 31, 2022 Q3	Operating Income	1,889
		+ 11.3%

## 1-4 Consolidated Balance Sheets (Assets)

» **Current assets : Cash and deposits ▲2,072**

**Costs on uncompleted construction contracts + 666**

**Real estates for sale + 272**

» **Non-current issue : No notable items**

(million yen)					
	FYE March 31, 2022 Q3	Percentage of total	FYE March 31, 2021	Percentage of total	Comparison
<b>Current assets</b>	<b>25,515</b>	63.6%	<b>26,204</b>	64.2%	<b>▲ 689</b>
Property, plant and equipment	<b>8,876</b>	22.1%	<b>8,841</b>	21.6%	+ 35
Intangible assets	<b>1,761</b>	4.4%	<b>1,679</b>	4.1%	+ 82
Investments and other assets	<b>3,958</b>	9.9%	<b>4,098</b>	10.0%	<b>▲ 139</b>
<b>Noncurrent assets</b>	<b>14,597</b>	36.4%	<b>14,619</b>	35.8%	<b>▲ 22</b>
Deferred assets	—	—	<b>23</b>	0.1%	<b>▲ 23</b>
<b>Total assets</b>	<b>40,112</b>	100.0%	<b>40,847</b>	100.0%	<b>▲ 734</b>

## 1-5 Consolidated Balance Sheets (Liabilities and Net Assets)

- » Current liabilities : Short-term loan payables ▲1,000
- » Net assets : Valuation difference on available-for-sale securities +159  
Retained earnings +78

(million yen)					
	FYE March 31, 2022 Q3	Percentage of total	FYE March 31, 2021	Percentage of total	Comparison
Current liabilities	12,977	32.4%	13,619	33.3%	▲ 642
Non-current liabilities	5,495	13.7%	5,872	14.4%	▲ 376
<b>Total liabilities</b>	<b>18,472</b>	<b>46.1%</b>	<b>19,492</b>	<b>47.7%</b>	<b>▲ 1,019</b>
Shareholder's equity	22,072	55.0%	21,960	53.8%	+ 111
Accumulated other comprehensive income	▲ 500	▲ 1.2%	▲ 662	▲ 1.6%	+ 161
Non-controlling interests	68	0.2%	57	0.1%	+ 10
<b>Total net assets</b>	<b>21,640</b>	<b>53.9%</b>	<b>21,355</b>	<b>52.3%</b>	<b>+ 284</b>
<b>Total liabilities and net assets</b>	<b>40,112</b>	<b>100.0%</b>	<b>40,847</b>	<b>100.0%</b>	<b>▲ 734</b>



# **2. Business Segment Results**

## **2-1. CreCla Business**

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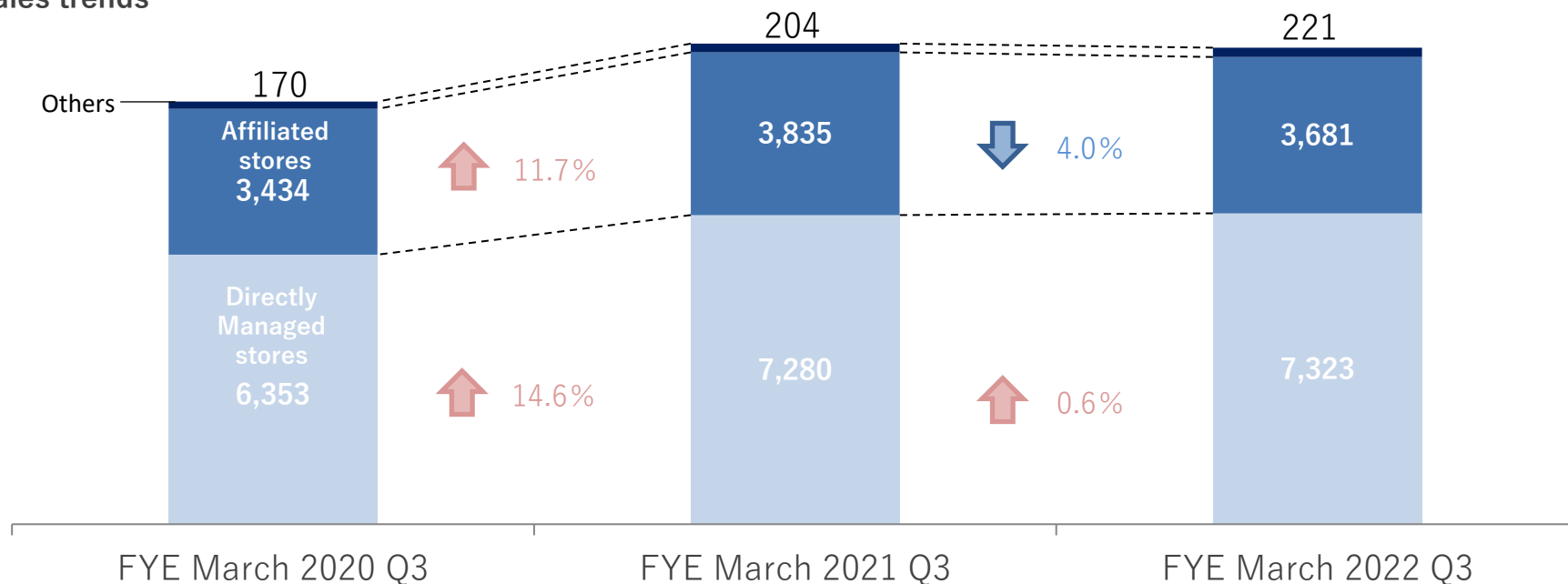
## 2-1a CreCla Business: Sales and Operating Income Trends

- » Sales : D) Sales of bottled water slightly increased year-on-year
  - A) Sales decreased due to reactionary decline of hypochlorous acid aqueous solution “ZiACO” including the decline in sales of servers
- » Operating income : D · A) SG&A increase due to prior investments in recruitment and developing new products, as well as strengthened sales promotion activities which resulted to a significant decrease in operating income

※ D: Directly managed stores A: Affiliated stores

	(million yen)		
Sales	9,958	11,320	11,227
Operating income	587	1,305	857

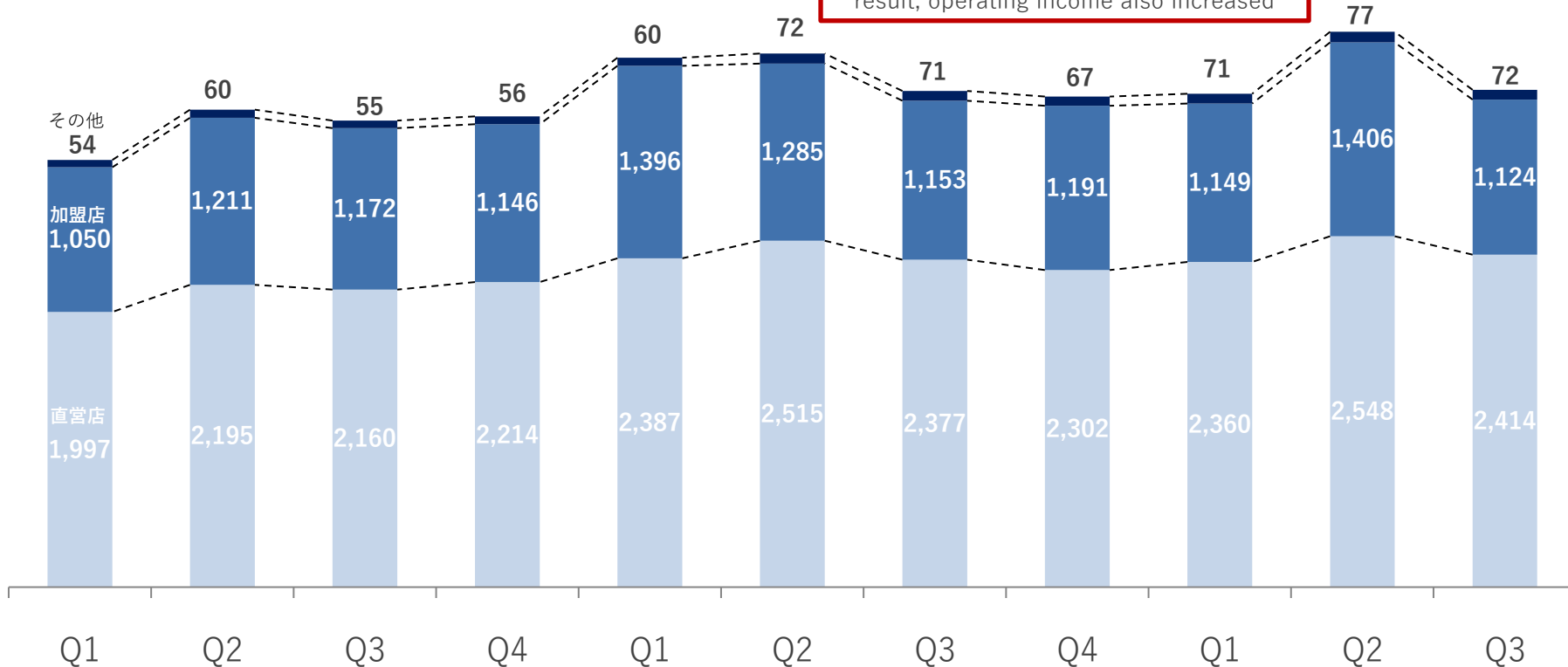
### Sales trends



## 2-1b CreCla Business Quarterly trends of Sales and Operating Income

Sales	(million yen)										
	3,103	3,467	3,388	3,417	3,844	3,873	3,602	3,561	3,582	4,032	3,611
Operating income	17	284	285	443	491	442	371	321	169	401	286

### Sales Quarterly Trends



← Fiscal Year ending March 31, 2020 →      ← Fiscal Year ending March 31, 2021 →      ← Fiscal Year ending March 31, 2022 →

## 2-1c CreCla Business: Priority Measures for FY2021 onwards

- Increase the number of customers by strengthening sales method through Web and so on
  - ⇒ Provision of new products and new services
  - ⇒ Character collaborations and hold events
- Strengthen ZiACO branding and expand manufacturing capacity
  - ⇒ Implement new investments with the aim of improving productivity



※2021年12月ニフティ(株)調べ  
「宅配水に関する調査」



CreCla Fit



※2020年12月 Anetis運営事務局調べ



Multi-server  
CreCla Shuwa



# **2. Business Segment Results**

## **2-2. Rental Business**

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## 2-2a Rental Business: Sales and Operating Income Trends

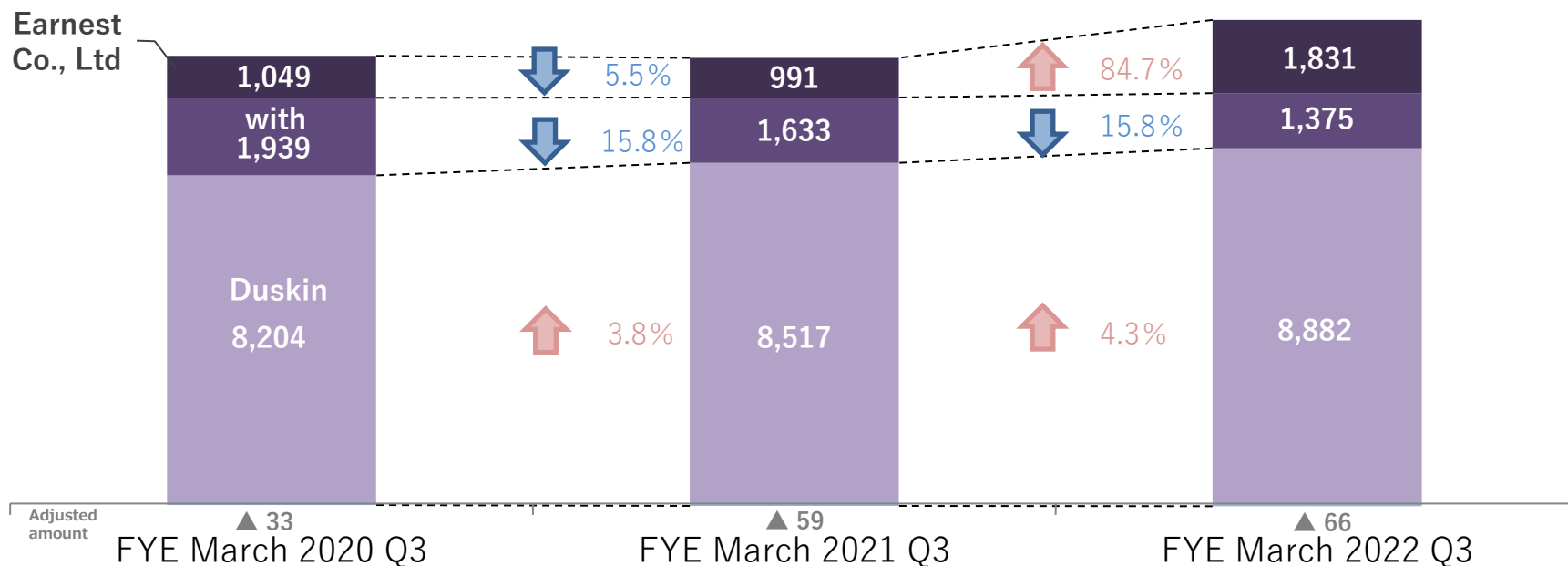
» Sales :

- D) Sales in Dust Control Product Division were on the same level year-on-year
- Sales in Care Services Division has increased as a result of additional business locations
- W) Sales decreased due to continuation of restaurant closures or early closures in major metropolitan areas
- E) Sales significantly increased as a result of large order for vaccination sites operation
- » Operating income : D · E) Operating income increased following the increase in sales

※ D: Duskin Business W: With Pest Control Business E: Earnest Co., Ltd

	(million yen)		
Sales	11,160	11,084	12,022
Operating income	1,476	1,042	1,173

Sales Trends



(※) Adjusted amount : Sales mainly within the segment

## 2-2b Rental Business: Quarterly Trends of Sales and Operating Income

### Sales

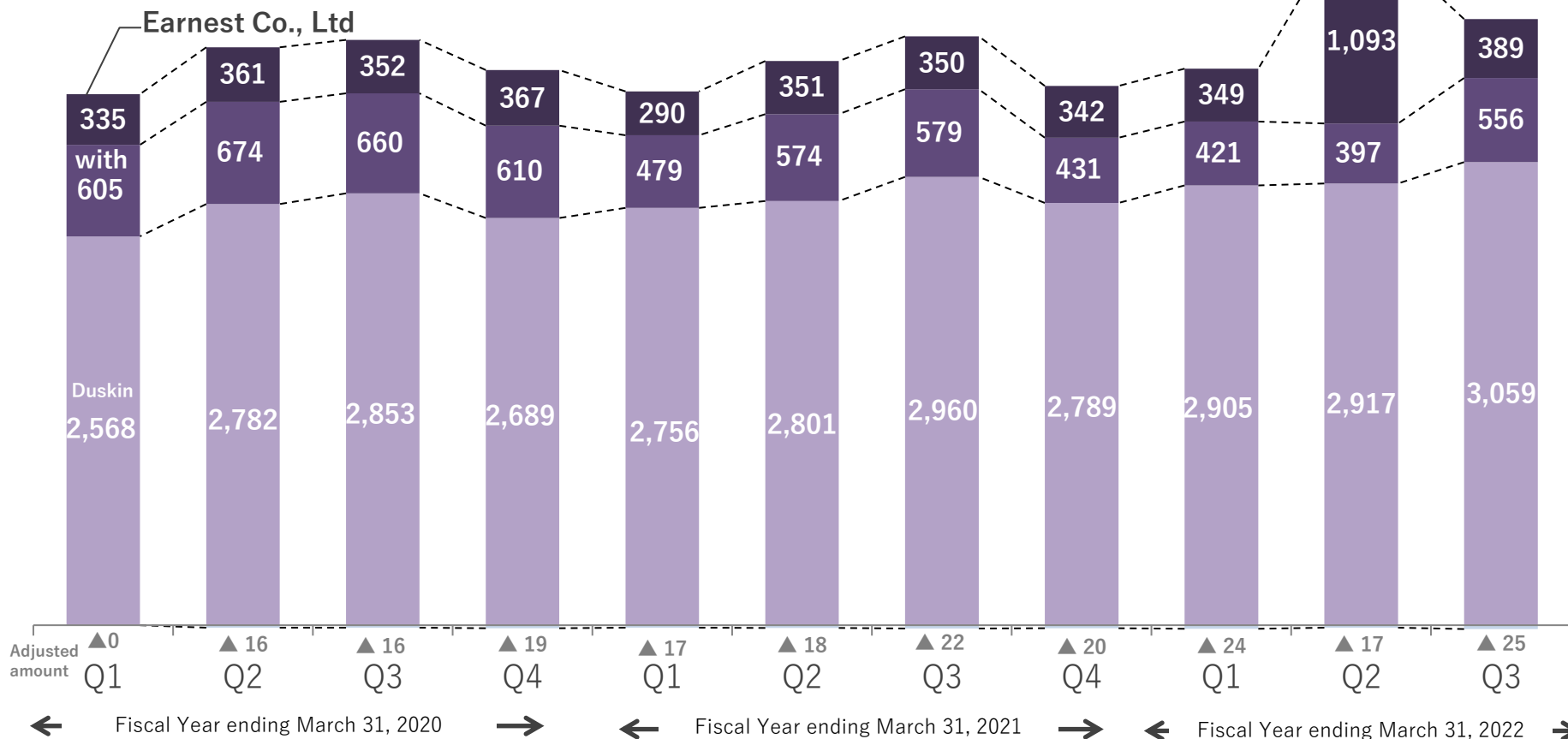
(million yen)

3,509    3,802    3,848    3,648    3,508    3,708    3,867    3,542    3,652    4,390    3,979

### Operating income

443    502    530    368    267    328    446    290    290    424    458

### Sales Quarterly Trend



(※) Adjusted amount : Sales mainly within the segment

## 2-2c Rental Business: Priority Measures for FY2021 onwards

- » Promote planning through capital business alliance with Duskin Co., Ltd
  - ⇒ Care Services Division: open 21 more businesses in addition to the 46 businesses after the alliance
  - ⇒ HealthRent Division : open two more stores in addition to the two new stores after alliance
- » Duskin Business(Dust Control Products Division) : Promote M&A of Duskin Franchised stores
- » Pest Control Business(With) : Expanding sales channel by cultivating new markets in antibacterial and hygiene field

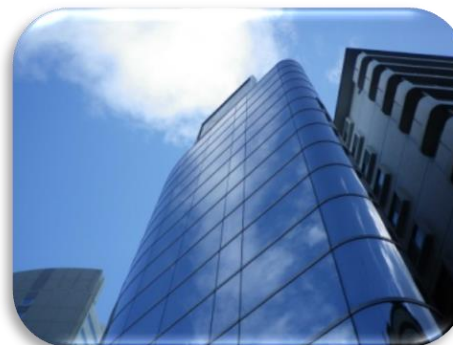


衛生環境を整える  
**DUSKIN**

Health  
HR  
Rent  
ヘルスレント



**with**



**EARNEST**  
総合ビル管理 株式会社アーネスト



## **2. Business Segment Results**

### **2-3. Construction Consulting Business**

---

## 2-3a Construction Consulting Business: Sales and Operation Income trends

### » Sales :

※ K: Know-How Sales Division N : NAC Smart Energy Co., Ltd A: ACE HOME Co., Ltd

K) Sales declined due to a decrease in the number of completed construction caused by change in business format of suzukuri Division

N) Sales decreased due to delay in construction period caused by semiconductor shortage

A) Sales increased as a result of strong sales of products jointly developed with NAC

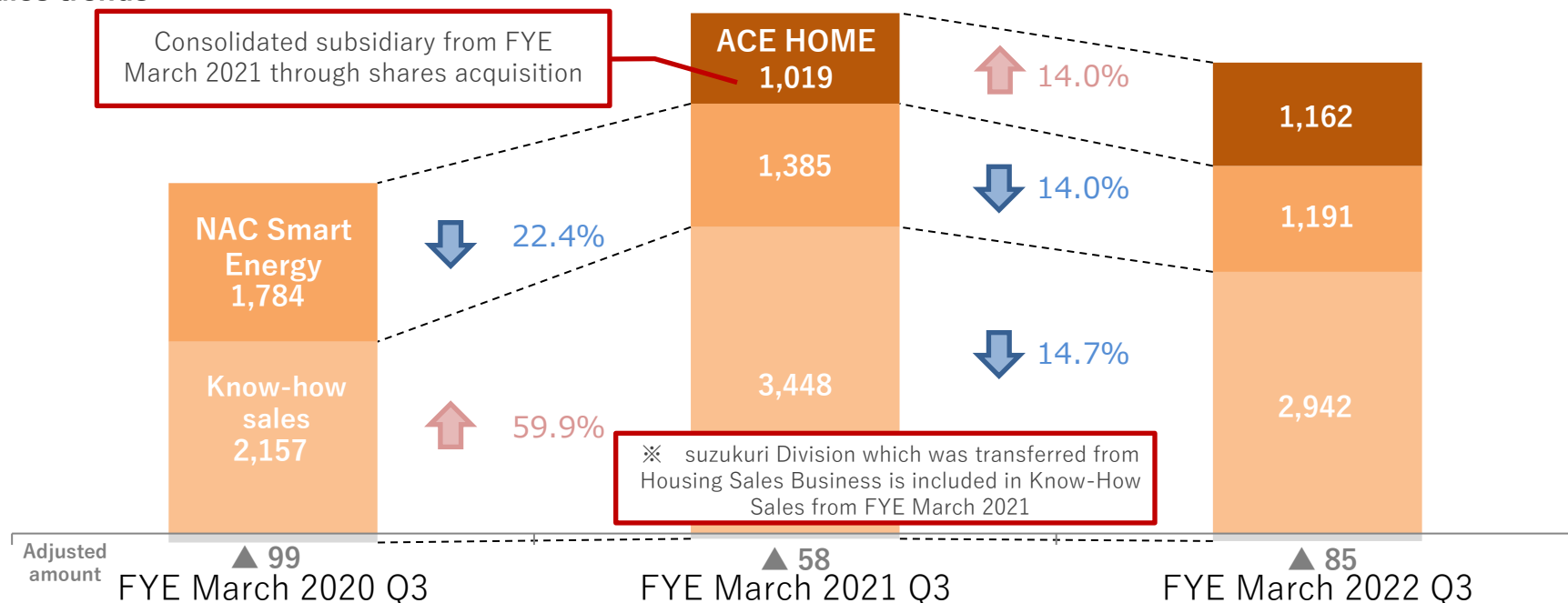
### » Operating income : N) Return to profitability as a result of decrease in SG&A expenses

A) Increased operating income following the increase of sales

Sales	3,842	5,795	5,210
Operating income	400	300	410

(million yen)

### Sales trends



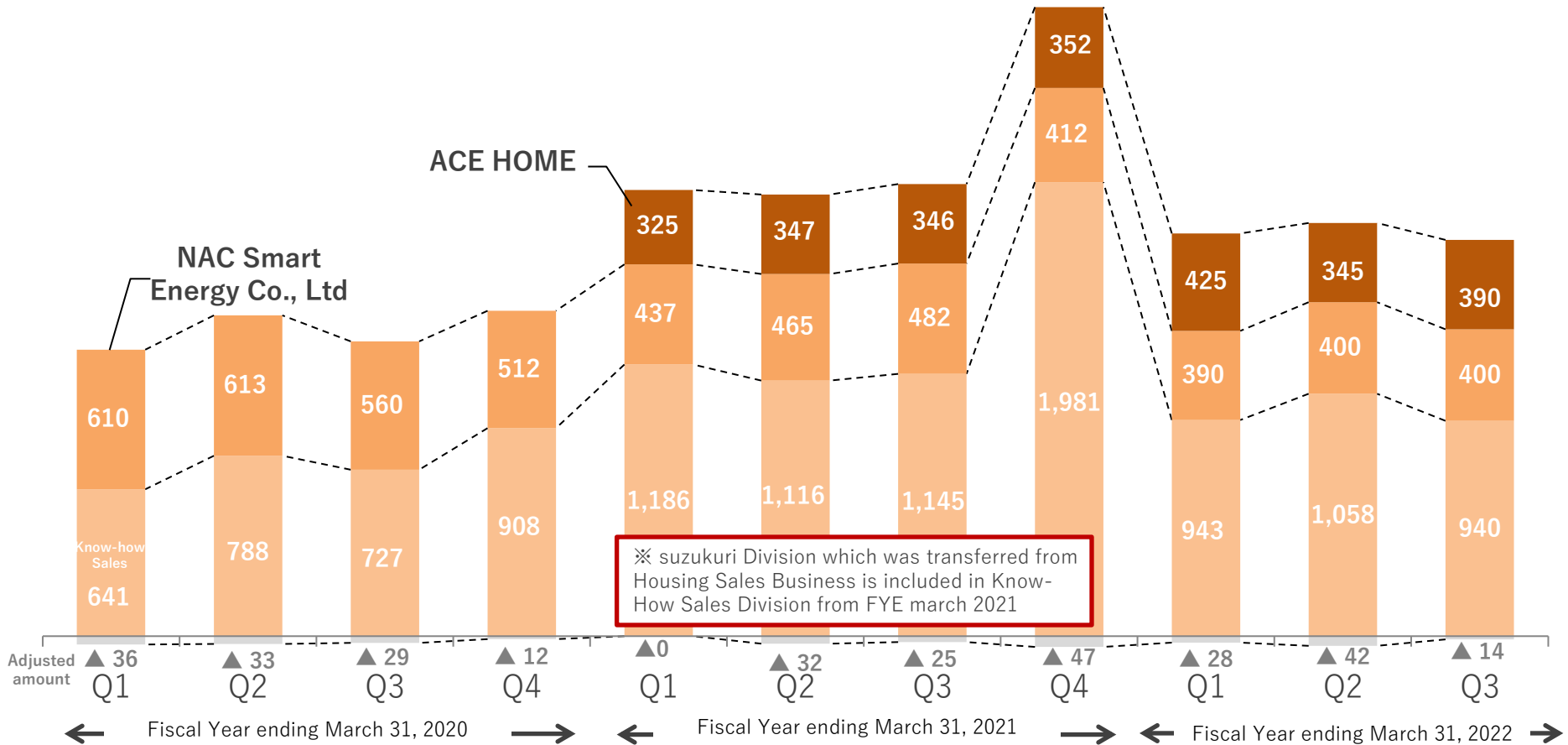
## 2-3b Construction Consulting Business: Quarterly Trends of Sales and Operating Income

### Sales

(million yen)

1,216	1,368	1,258	1,409	1,949	1,896	1,950	2,699	1,732	1,760	1,717
Operating income										
60	192	147	330	▲ 25	138	188	506	84	212	113

### Sales Quarterly Trends



(※) Adjusted amount : Sales mainly within the segment

## 2-3c Construction Consulting Business: Priority Measures for FY2021 onwards

- » Know-how Sales Division :  
 Provide new non-face-to-face services through DX and VR aiming to maximize the value of building contractors (client)
- » NAC Smart Energy Co., Ltd :  
 Strengthen sales promotion activities to housing markets that focuses on energy-saving measures of local government and nation
- » ACE HOME Co., Ltd :  
 Add housing products that create synergies between businesses



# **2. Business Segment Results**

## **2-4. Housing Sales Business**

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## 2-4a Housing Sales Business: Sales and Operating Income Trends

» Sales : K) Sales decreased due to difficulty in purchasing land and construction delay caused by lumber shortage

J) Sales increased due to increase of built-for-sale houses with land and improvement in the unit price per house.

» Operating income :

K) Operating income increased as a result of the rising housing demands where land prices rolled-up and contributed to the improvement of the selling price.

J) Operating income increased because of reductions in SG&A expenses with the reorganization and relocation of stores in the previous fiscal year.

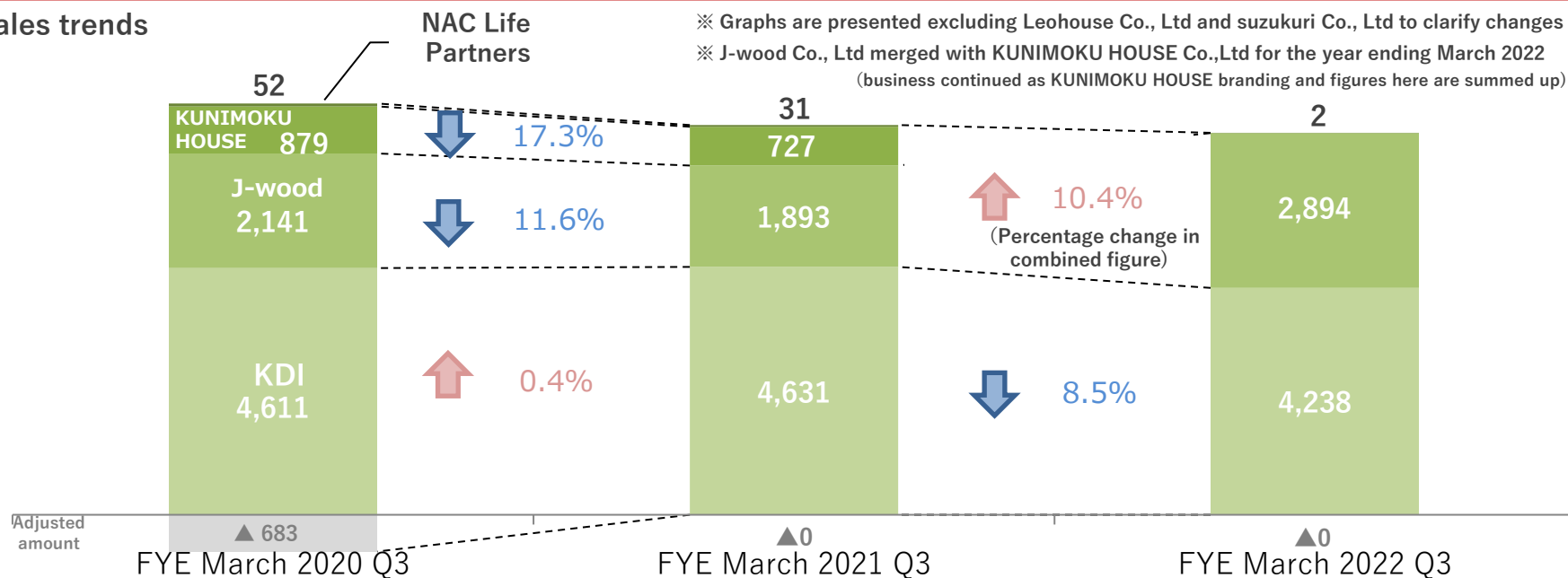
※ K: KDI Co., Ltd  
J: J-wood Co., Ltd  
N: NAC Life Partners Co., Ltd

Sales	includes Leohouse Co., Ltd 22.811 billion yen and Suzukuri Co., Ltd 791 million yen		(million yen)
	30,603	7,283	7,135

Operating income			
	▲ 1,439	▲ 88	80

### Sales trends

※ Graphs are presented excluding Leohouse Co., Ltd and Suzukuri Co., Ltd to clarify changes  
※ J-wood Co., Ltd merged with KUNIMOKU HOUSE Co., Ltd for the year ending March 2022 (business continued as KUNIMOKU HOUSE branding and figures here are summed up)



(※) Adjusted amount : Sales mainly within the segment

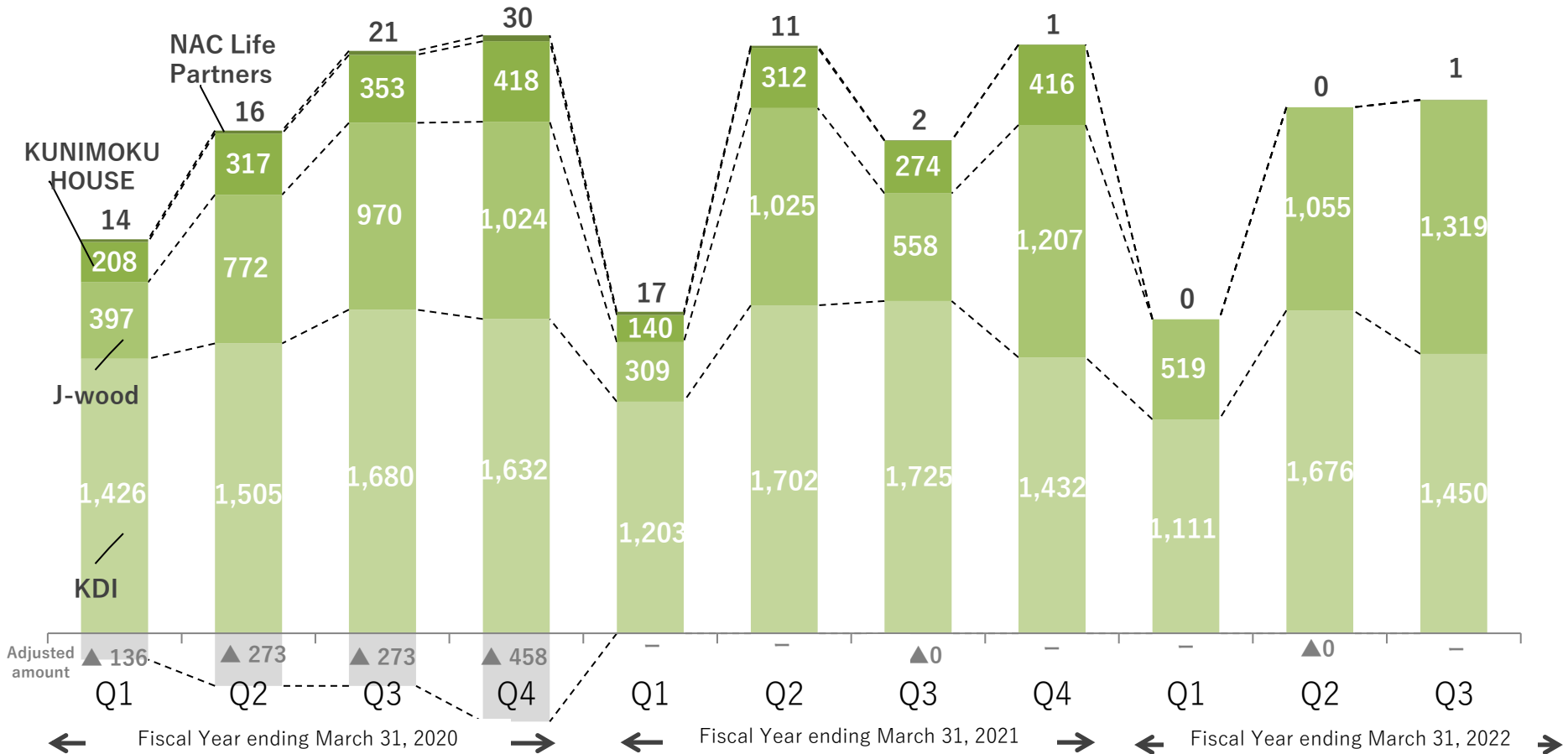
# 2-4b Housing Sales Business :Quarterly Trends of Sales and Operating Income

※Sales and Operating income figures in the table includes Leohouse Co., Ltd and suzukuri Division.

Sales	(million yen)										
	7,408	13,085	10,108	15,497	1,670	3,051	2,562	3,057	1,631	2,732	2,771
Operating income	▲ 1,350	261	▲ 350	894	▲ 156	72	▲ 4	163	▲ 114	53	142

## Sales Quarterly Trends

※ Graphs are presented excluding Leohouse Co., Ltd and suzukuri Co., Ltd to clarify changes



(※) Adjusted amount: Sales mainly within the segment

## 2-4c Housing Sales Business Priority Measures for FY 2021 onwards

- » J-wood Co., Ltd : Concentrate on management resources and improve business efficiency of two companies which includes the merged KUNIMOKU HOUSE Co., Ltd. And at the same time, develop a business that leverages the strength of both businesses.
- » KDI Co., Ltd : Expand sales area with the aim of increasing sales and strengthen profitability (expansion outside Tokyo 23 wards)

### KDI-HOME

Kindness, Development, Integrity



 株式会社 ジェイウッド



KUNIMOKU  
 HOUSE





# **2. Business Segment Results**

## **2-5. Beauty and Health Business**

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## 2-5a Beauty and Health Business: Sales and Operating Income trends

» Sales : J) Decline in the number of customers due to unauthorized access to the EC website discovered in July 2019 and the sluggish sales of makeup products due to stagnation of the infectious disease.

B) Sales remained the same level year-on-year as strong EC sales compensated the decline in the number of customers of nutritional supplements

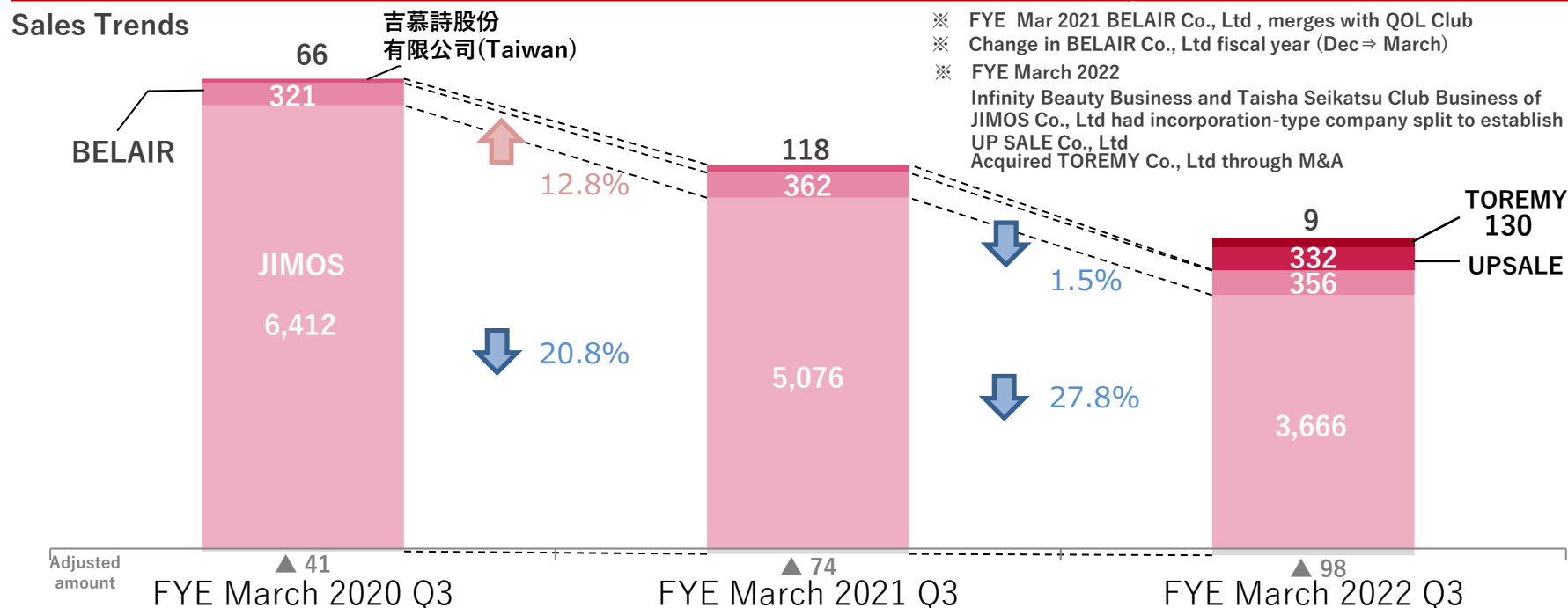
» Operating income : J) Increased operating income due to reduced SG&A expenses through efficient management of advertising expenses

B) Operating income increased as a result of decrease in SG&A expenses, including personnel expenses and outsourcing expenses.

※ J: JIMOS Co., Ltd B: BELAIR Co., Ltd 吉: 吉慕詩股份有限公司(Taiwan) A: UPSALE Co., Ltd

	(million yen)		
Sales	6,758	5,482	4,397

Operating income	80	10	504
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(※) Adjusted amount : Sales mainly within the segment

## 2-5b Beauty and Health Business: Quarterly Trends for Sales and Operating Income

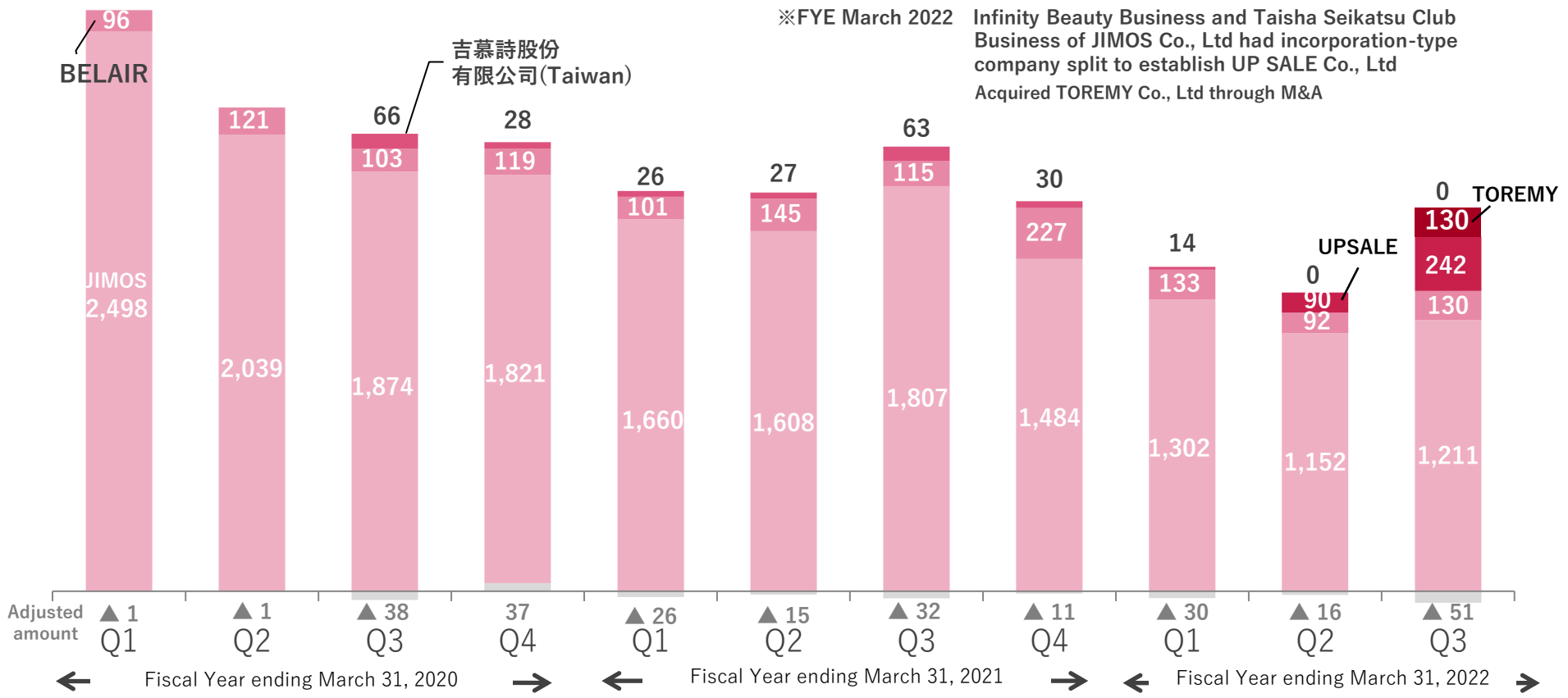
Sales											(million yen)
2,593	2,158	2,005	2,006	1,763	1,765	1,954	1,730	1,419	1,319	1,658	
Operating income											
▲136	41	175	44	▲67	▲80	158	112	183	128	193	

### Sales Quarterly Trends

※ Due to change in BELAIR's fiscal year ending (Dec ⇒ March)  
FYE March 2021 Q4 is 6 months.

※FYE March 2021 BELAIR Co., Ltd merges with QOL CLUB

※FYE March 2022 Infinity Beauty Business and Taisha Seikatsu Club Business of JIMOS Co., Ltd had incorporation-type company split to establish UP SALE Co., Ltd  
Acquired TOREMY Co., Ltd through M&A



(※) Adjusted amount : Sales mainly within the segment

## 2-5c Beauty and Health Business: Priority Measures for FY2021 onwards

- » JIMOS Co., Ltd : Target new customers by strengthening function of the main makeup product, as well as expand new “SINN PURETÉ” brand
- » BELAIR Co., Ltd : Product diversification for the purpose of expanding sales channel associating developing products for the general market.
- » TOREMY Co., Ltd : Propose and offer new products that meets the customer needs
- » UP SALE Co., Ltd : Focus on EC market mainly through our own EC website and EC malls



*macchia*  
MACCHIA LABEL  
マキアレイベル



 coyori



SINN PURETÉ  
natural & organics



 TOREMY







**UP SALE**

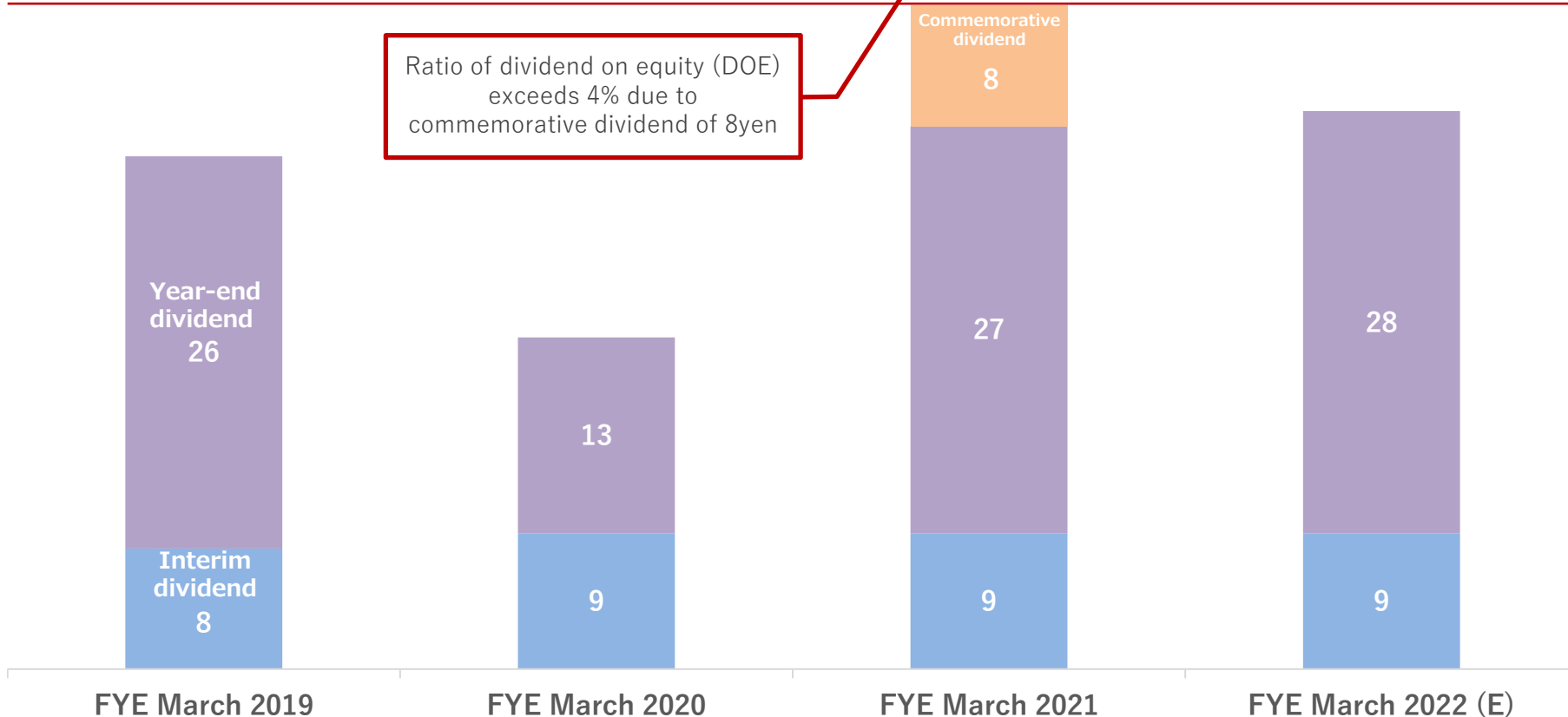
# 3. Dividends

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# 3-1 Dividend Policy, Dividend Results and Dividend Forecast

**Dividend Policy: Dividend on equity (DOE) ratio of 4% and dividend payout ratio within 100%**

Annual dividend	34	22	44	37
Ratio of dividends to net assets (DOE)	3.9%	2.5%	4.8%	—
Dividend payout ratio	84.3%	95.9%	53.6%	51.8%

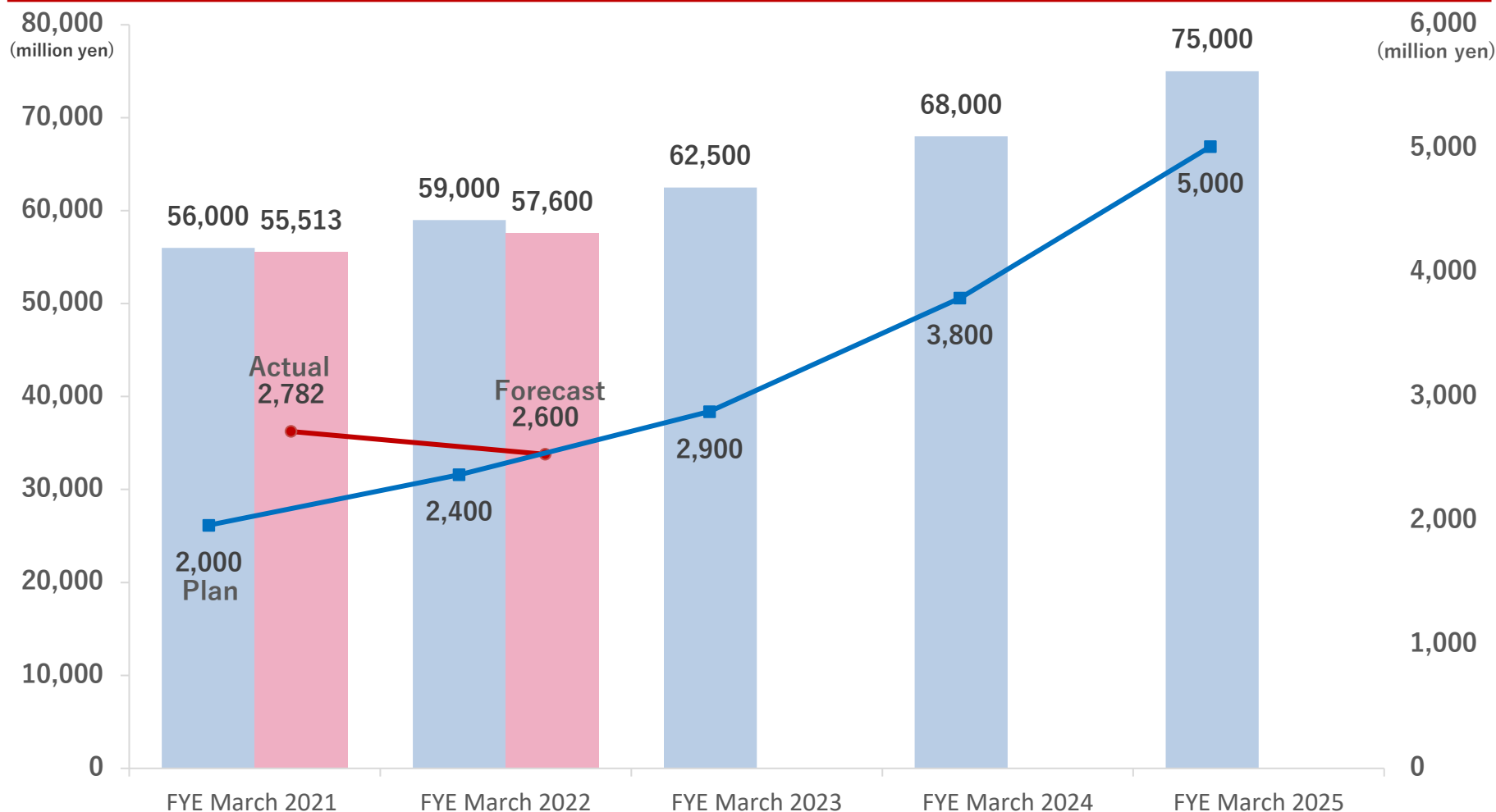


# 4 . Mid-term Management Plan

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## 4-1 Progress under Medium-Term Business Plan

» In the fiscal year ending March 31, 2022, although sales and profits are expected to decline year-on-year due to aggressive investments for future business expansion mainly in CreCla and rental businesses, both are expected to increase compared to the medium-term plan.





# 5. Corporate Profile

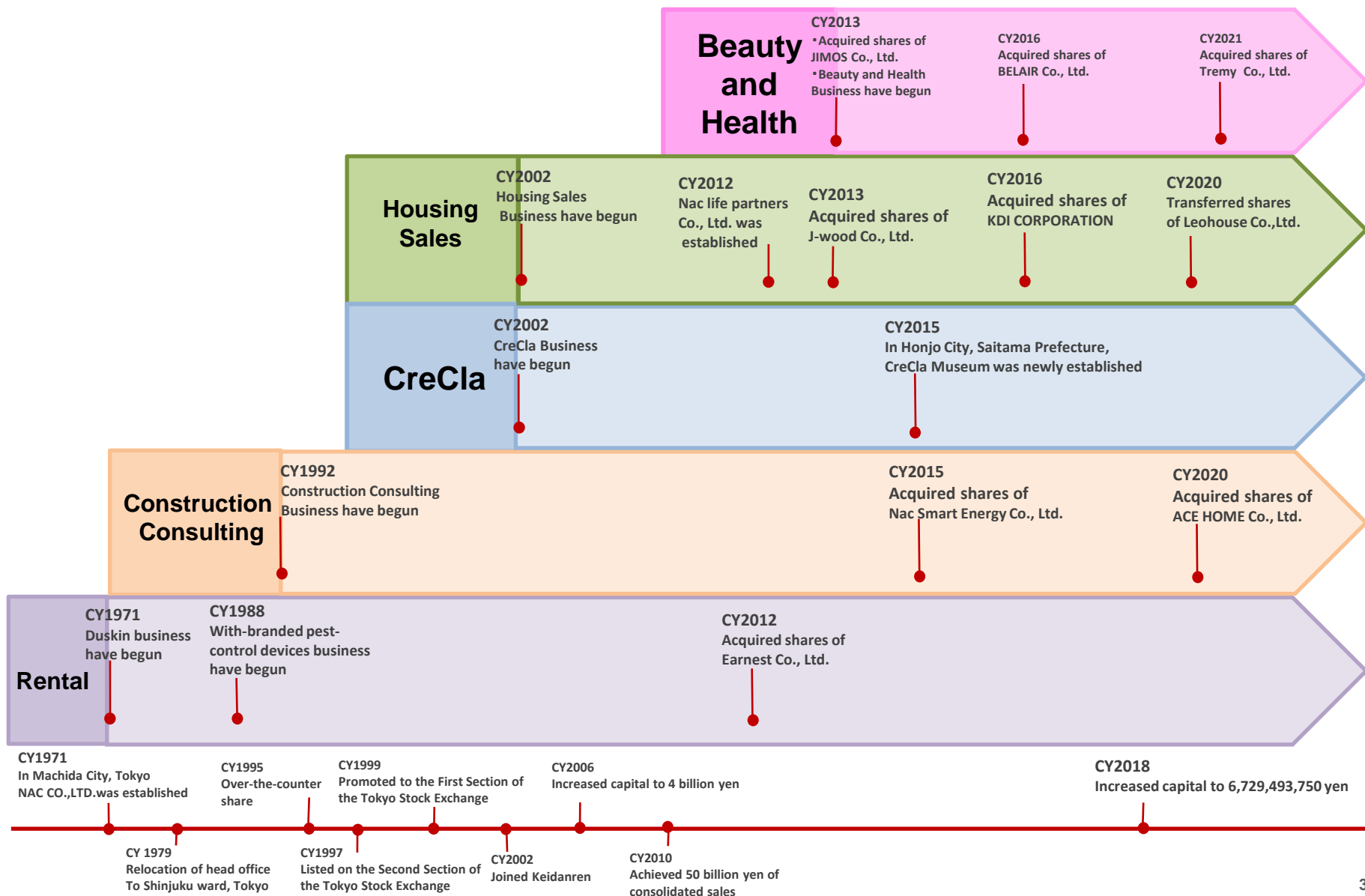
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## 5-1 Corporate Profile

(As of the end of September 2021)

<b>Company name</b>	NAC CO., LTD.
<b>Address</b>	42F Shinjuku Center Building, Nishi-Shinjuku 1-25-1 Shinjuku-ku, Tokyo
<b>Established</b>	May 20, 1971
<b>Representative</b>	Yoshimura Kan, President
<b>Consolidated Subsidiaries</b>	<b>Rental</b> Earnest Co., Ltd (Building Maintenance Business)
	<b>Consulting</b> NAC Smart Energy Co., Ltd (Sales and Construction energy-saving products) ACE HOME Co., Ltd (Residential Franchise Business)
	<b>Housing</b> J-wood Co.,Ltd (Residential Business) KDI CORPORATION (Residential Business) NAC Life Partners Co., Ltd (Finance and Benefits)
	<b>Beauty &amp; Health</b> JIMOS Co., Ltd (Beauty and Health Business) BELAIR Co., Ltd (Beauty and Health Business) 吉慕詩股份有限公司(Taiwan) (Beauty and Health Business)
	TOREMY Co.,Ltd (Contract Manufacturing) ※ Subsidiary in July 2021 UP SALE Co., Ltd (Beauty and Health Business) ※ Established in September 2021
<b>No. of employees (Full time)</b>	Consolidated 1,649 (excluding part-time employees)
<b>Capital</b>	6,729,493,750 yen
<b>Shares Outstanding</b>	24,306,750 shares (1 unit : 100 shares)
<b>Number of shareholders</b>	11,440 (Total number of shareholders excluding treasury stock)

# 5-2 History of NAC Group

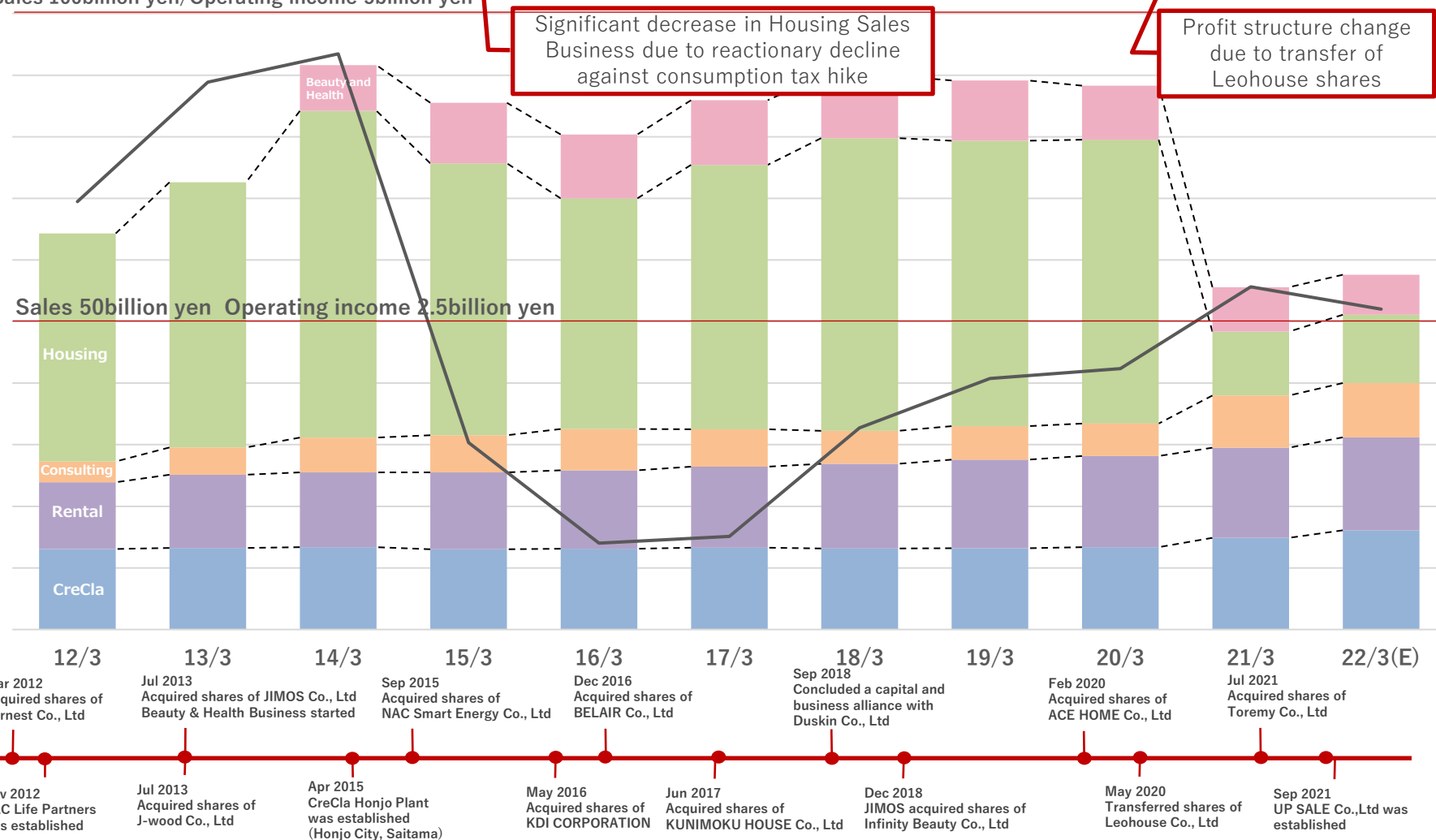


# 5-3 NAC Business Result (Previous 10 Fiscal Years + Forecasts)

Sales	64,307	72,621	91,630	85,443	80,302	85,901	89,818	89,111	88,222	55,513	57,600
Operating income	3,474	4,444	4,672	1,517	701	756	1,637	2,037	2,118	2,782	2,600

Sales Trend (Bar Chart) and Operating Income Trends (Line Chart)

Sales 100billion yen/Operating income 5billion yen



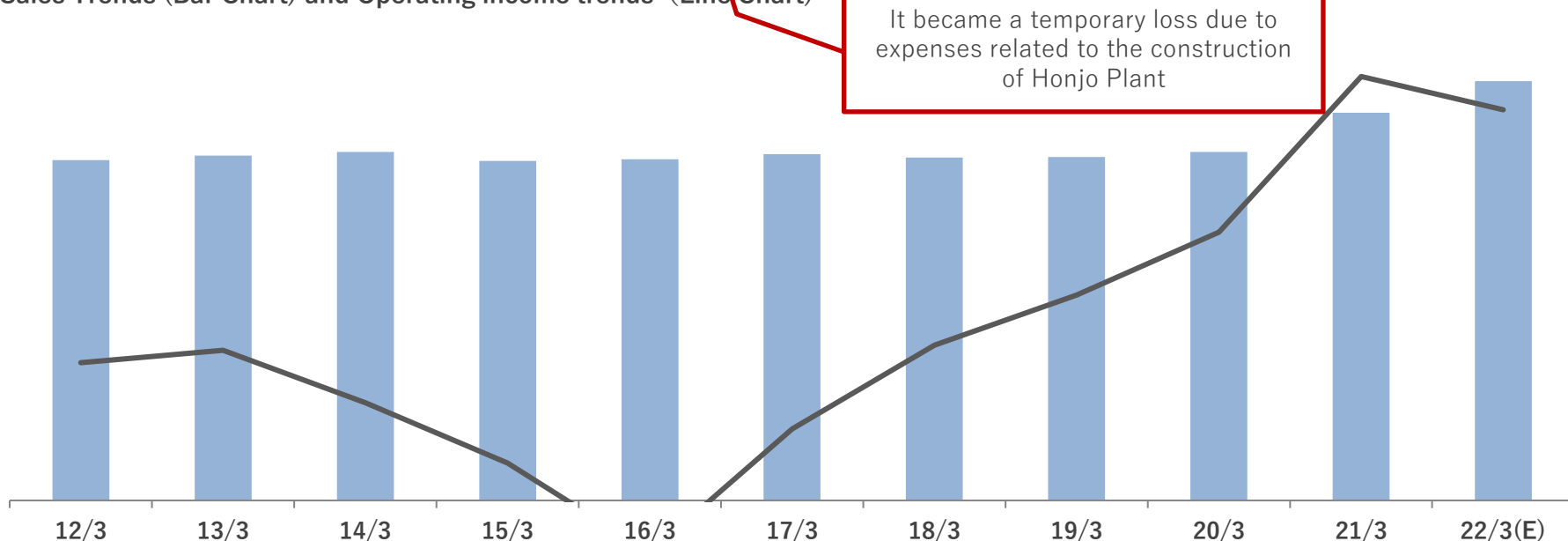
# 5-4 Business Introduction CreCla Business

## Major composition : NAC CreCla Business

- Production and sales of CreCla (bottled water delivery with dispenser) and ZiACO (hypochlorous acid aqueous solution)
- Operates Head Office of CreCla Chain Business (approximately 500 Affiliated stores)
- **No. 1** in customer satisfaction for **11 consecutive years** (Dec 2021 survey by NIFTY Corporation on water delivery)
- Acquired the **industry's first** HACCP Certification and eco-mark, and established the **industry's first** R&D Center
- In April 2015, a manufacturing plant and CreCla Museum were established in Honjo City, Saitama Prefecture

	(million yen)										
Sales	13,059	13,235	13,376	13,033	13,095	13,293	13,158	13,179	13,375	14,881	16,100
Operating income	529	576	375	143	▲201	274	596	788	1,030	1,627	1,500

Sales Trends (Bar Chart) and Operating income trends (Line Chart)



# 5-5 Business Introduction      Rental Business

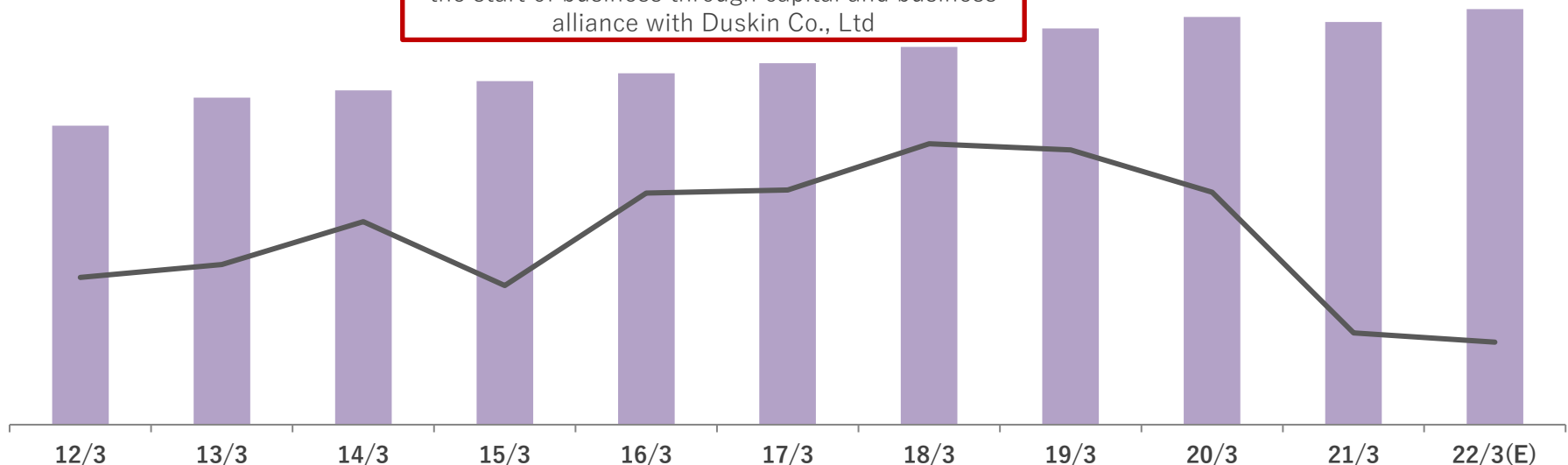
## Major composition : NAC Rental Business, Earnest Co., Ltd

- Rental and sales of dust control products and pest control equipment, and regular cleaning operations, etc
- **No. 1 sales** of all Duskin franchise dealers (approximately 1,900 companies)
- Pest control device “With” for restaurants, **Japan’s first** approved by Ministry of Health, Labor and Welfare
- March 2012 Earnest Co., Ltd became a subsidiary (building maintenance business)
- August 2018 Concluded a capital and business alliance with Duskin Co., Ltd

Sales	(million yen)										
	10,865	11,884	12,147	12,485	12,765	13,135	13,727	14,394	14,808	14,626	15,100
Operating income	1,535	1,582	1,738	1,505	1,841	1,853	2,021	1,998	1,844	1,333	1,300

Sales Trend (Bar chart) and Operation income trend (Line chart)

Expenses increased due to upfront investment at the start of business through capital and business alliance with Duskin Co., Ltd



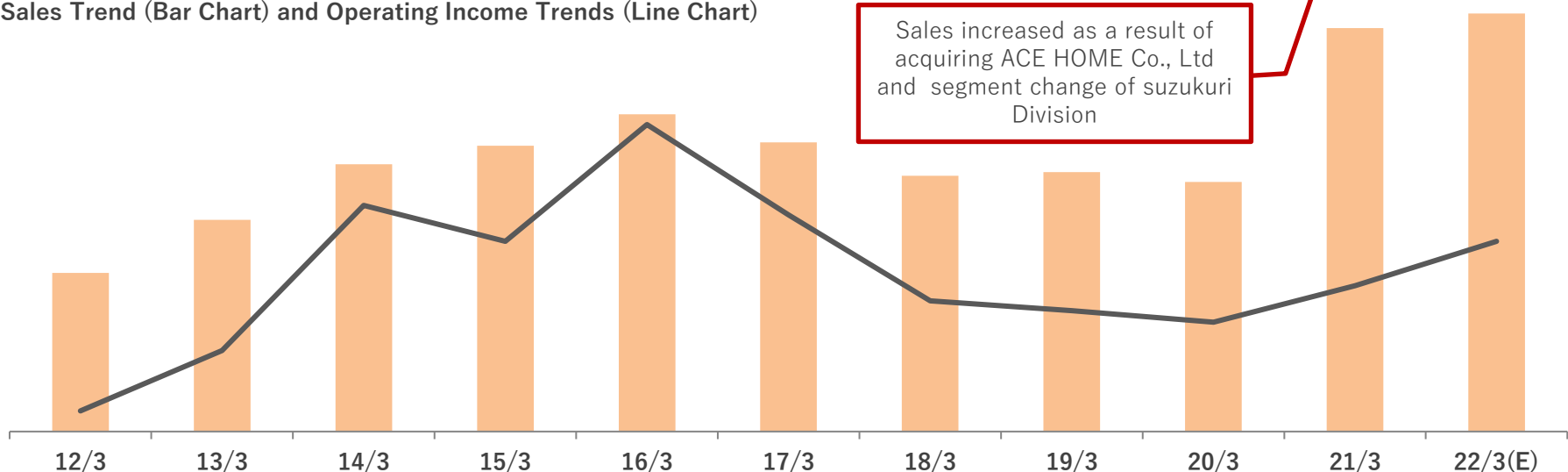
# 5-6 Business Introduction Construction Consulting Business

Major compositions : NAC Construction Consulting Business,  
NAC Smart Energy Co., Ltd, ACE HOME Co., Ltd

- Sales and installation of construction know-how system products and construction materials to local building contractor, and housing franchise business
- NAC Building Contractor **approximately 7,000 companies**
- Sep 2015 NAC Smart Energy Co., Ltd became a subsidiary (Sales and installation of energy-saving products)
- Apr 2017 “suzukuri” became a subsidiary (Housing Development Business in partnership with other industries)  
(Continued as suzukuri Div. after segment change from Housing Sales Business in April 2020)
- Feb 2020 ACE HOME Co., Ltd became a subsidiary (Housing Franchise Business)

	12/3	13/3	14/3	15/3	16/3	17/3	18/3	19/3	20/3	21/3	22/3(E)
Sales (million yen)	3,336	4,455	5,628	6,014	6,676	6,089	5,383	5,459	5,251	<b>8,495</b>	8,800
Operating income	543	670	976	900	1,146	956	775	754	730	807	900

Sales Trend (Bar Chart) and Operating Income Trends (Line Chart)



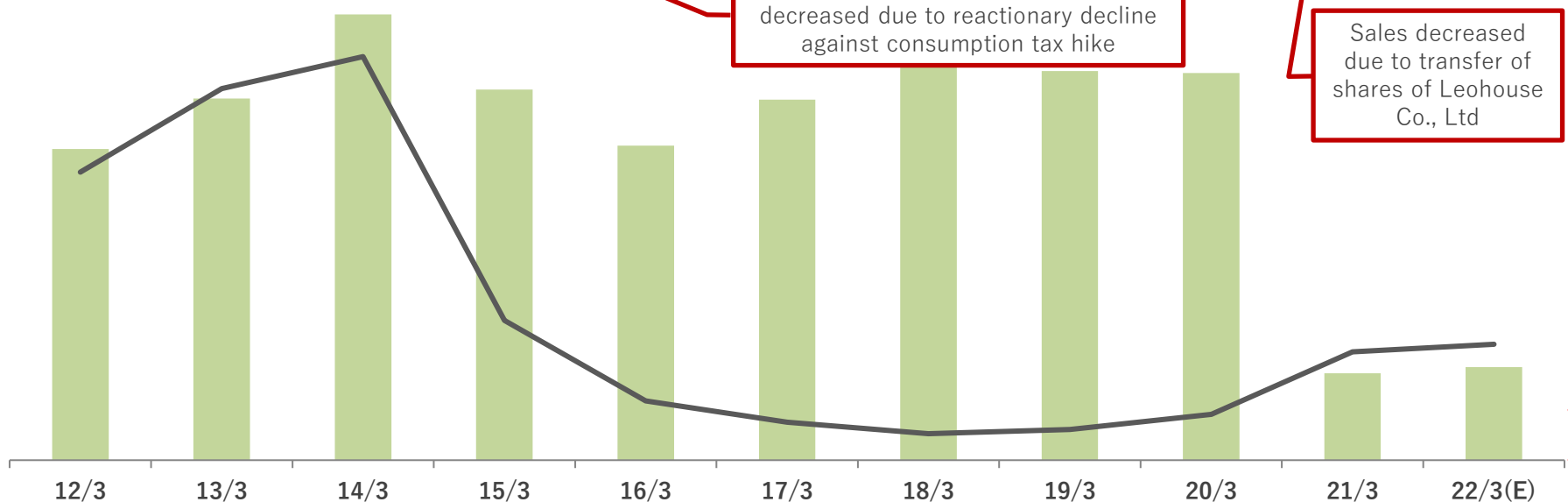
# 5-7 Business Introduction      Housing Sales Business

Major components : KDI CORPORATION, J-wood Co., Ltd, NAC Life Partners Co., Ltd

- Construction contract of custom-built houses, sales of built-for-sale houses, and related finance and insurance operation
- Jul 2013 J-wood Co., Ltd became subsidiary (custom-built house made of natural materials)
- May 2016 KDI CORPORATION became a subsidiary  
(for sale and custom-built houses in Tokyo Metropolitan area)
- Jun 2017 KUNIMOKU HOUSE Co., Ltd became a subsidiary ( Developing Housing Business in Hokkaido)  
(April 2021 merged with J-wood Co., Ltd)

	12/3	13/3	14/3	15/3	16/3	17/3	18/3	19/3	20/3	21/3	22/3(E)
Sales	37,046	43,049	53,059	44,134	37,452	42,936	47,492	46,318	46,101	10,341	11,100
Operating income	1,858	2,686	3,003	388	▲ 412	▲ 622	▲ 736	▲ 694	▲ 545	74	150

Sales Trend (Car Chart) and Operating income (Line Chart)





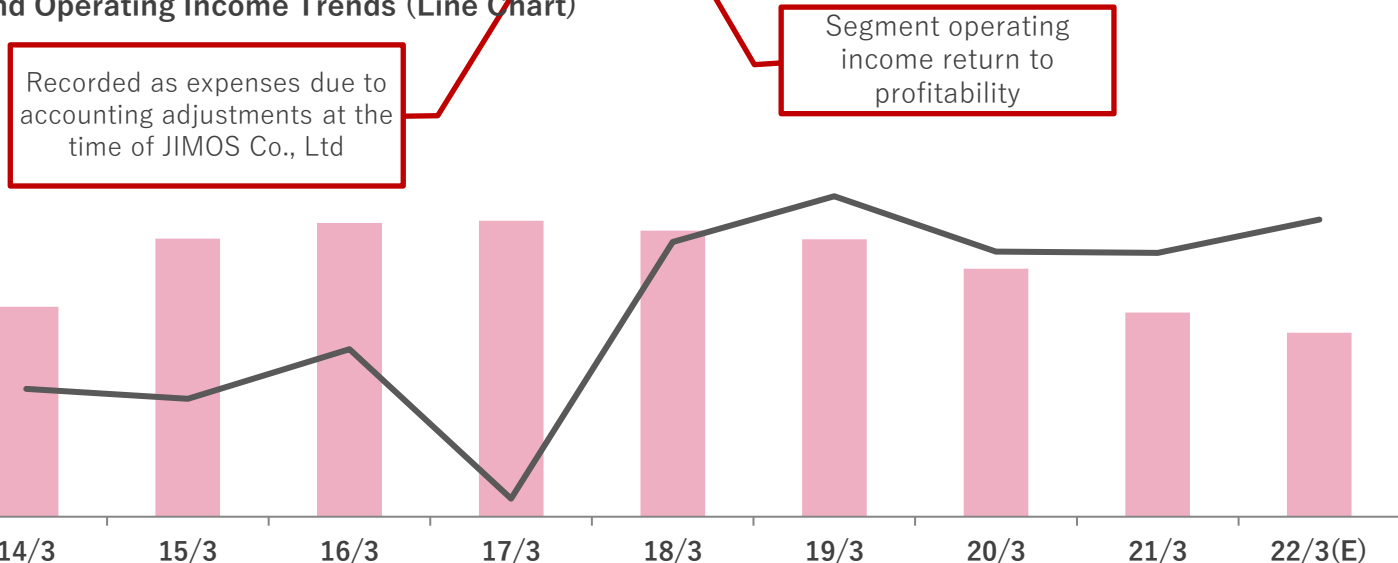
# 5-8 Business Introduction Beauty and Health Business

Major components : JIMOS Co., Ltd, BELAIR Co., Ltd, TOREMY Co., Ltd, UPSALE Co., Ltd

- Mail-order sales of cosmetics, healthy food, beauty materials, etc
- Jul 2013 Started Beauty and Health Business when JIMOS Co., Ltd was acquired  
Mainly basic cosmetics for women in their 40s to 60s
- Dec 2016 BELAIR Co., Ltd became a subsidiary (sales of supplement)
- Jul 2021 TOREMY Co., Ltd became a subsidiary (contract manufacturer of cosmetics)
- Sep 2021 Established UP SALE Co., Ltd

Sales	7,421	9,825	10,378	10,463	10,115	9,801	8,764	7,213	6,500
	(million yen)								
Operating income	▲ 199	▲ 222	▲ 105	▲ 457	147	255	125	122	200

Sales Trends (Bar Chart) and Operating Income Trends (Line Chart)



*Best Communication*  
**NAC**