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May 15, 2025

Consolidated Financial Results for the Fiscal Year Ended March 31, 2025 (Under Japanese GAAP)

Company name: NAC CO., LTD.
Listing: Tokyo Stock Exchange
Securities code: 9788
URL: https://www.nacoo.com/
Representative: Kan Yoshimura
President and Chief Executive Officer
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Scheduled date of annual general meeting of shareholders: June 27, 2025
Scheduled date to commence dividend payments: June 30, 2025
Scheduled date to file annual securities report: June 26, 2025
Preparation of supplementary material on financial results: Yes
Holding of financial results briefing: None

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated financial results for the fiscal year ended March 31, 2025 (from April 1, 2025 to March 31, 2025)

(1) Consolidated operating results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2025	59,791	9.8	3,007	30.9	3,019	26.3	1,365	(4.9)
March 31, 2024	54,433	(4.6)	2,298	(28.9)	2,390	(26.3)	1,436	(28.2)

Note: Comprehensive income
For the fiscal year ended March 31, 2025: ¥1,364 million [1.9%]
For the fiscal year ended March 31, 2024: ¥1,338 million [(32.9%)]

	Basic earnings per share	Diluted earnings per share	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to net sales
Fiscal year ended	Yen	Yen	%	%	%
March 31, 2025	31.82	–	6.1	8.0	5.0
March 31, 2024	33.22	–	6.3	6.3	4.2

Reference: Share of profit (loss) of entities accounted for using equity method
For the fiscal year ended March 31, 2025: ¥ - million
For the fiscal year ended March 31, 2024: ¥ - million

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2025	38,191	22,394	58.6	536.36
March 31, 2024	37,615	22,715	60.4	527.92

Reference: Equity
As of March 31, 2025: ¥22,394 million
As of March 31, 2024: ¥22,715 million

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2025	4,136	(557)	(3,074)	8,560
March 31, 2024	(10)	(1,097)	(1,914)	8,056

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended March 31, 2024	-	5.00	-	16.00	21.00	909	63.2	4.0
Fiscal year ended March 31, 2025	-	5.00	-	17.00	22.00	931	69.1	4.1
Fiscal year ending March 31, 2026 (Forecast)	-	5.00	-	17.00	22.00		49.7	

3. Forecast of Consolidated Results for Fiscal Year Ending March 31,2026（April 1, 2025 to March 31, 2026）

（Percentages indicate the rate of change compared with the preceding year）

	Net Sales		Operating income		Ordinary Income		Profit Attributable to Owners of Parent		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
First half	30,000	7.8	650	(14.9)	650	(14.0)	450	316.7	10.48
Full-year	62,000	3.7	2,900	(3.6)	2,900	(4.0)	1,900	39.1	44.27

* Notes

(1) Significant changes in the scope of consolidation during the period: Yes/None

Newly included: 3 companies (CONVEBOX, INC, Shuwa Juken Co., Ltd., Shuwa Co., Ltd.)
Excluded: - companies

(2) Changes in accounting policies, changes in accounting estimates, and restatement

(i) Changes in accounting policies due to revisions to accounting standards and other regulations: Yes
(ii) Changes in accounting policies due to other reasons: None
(iii) Changes in accounting estimates: None
(iv) Restatement: None

(3) Number of issued shares (common shares)

(i) Total number of issued shares at the end of the period (including treasury shares)

As of March 31, 2025	46,613,500 shares
As of March 31, 2024	46,613,500 shares

(ii) Number of treasury shares at the end of the period

As of March 31, 2025	4,860,063 shares
As of March 31, 2024	3,584,280 shares

(iii) Average number of shares outstanding during the period

Fiscal year ended March 31, 2025	42,920,726 shares
Fiscal year ended March 31, 2024	43,247,296 shares

[Reference] Overview of non-consolidated financial results

1. Non-consolidated financial results for the fiscal year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)

(1) Non-consolidated operating results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2025	34,155	2.7	2,101	30.4	2,806	14.8	1,617	12.3
March 31, 2024	33,252	0.7	1,611	(28.2)	2,443	3.9	1,440	11.3

	Basic earnings per share	Diluted earnings per share
Fiscal year ended	Yen	Yen
March 31, 2025	37.69	—
March 31, 2024	33.30	—

Note: Nac conducted a 2-for-1 stock split of its common stock, with an effective date of February 1, 2024. The figures for Basic earnings per share have been calculated on the assumption that the stock split was implemented at the beginning of the previous fiscal year.

(2) Non-consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2025	35,474	23,588	66.5	564.94
March 31, 2024	35,763	23,659	66.2	549.84

Reference: Equity
As of March 31, 2025: ¥23,588 million
As of March 31, 2024: ¥23,659 million

Note: Nac conducted a 2-for-1 stock split of its common stock, with an effective date of February 1, 2024. The figures for Net assets per share have been calculated on the assumption that the stock split was implemented at the beginning of the previous fiscal year.

2. Forecast of Non-consolidated Results for Fiscal Year Ending March 31, 2026 (from April 1, 2025 to March 31, 2026)

(Percentages indicate the rate of change compared with the preceding year)

	Net Sales		Ordinary Income		Profit Attributable to Owners of Parent		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
First half	16,500	(1.7)	500	(34.6)	350	(25.6)	8.15
Full-year	35,000	2.5	1,900	(32.3)	1,200	(25.8)	27.96

* Financial results reports are exempt from audit conducted by certified public accountants or an audit corporation.

* Proper use of earnings forecasts, and other special matters

The forecasts given in this document are based on the current available information in the company and certain reasonable assumptions to the company. And we don't commit to achieve these forecasting numbers. Actual results may differ from these forecasts by a variety of reasons.

4. Summary of Operating Result

(Consolidated Operating Results for the Current Fiscal Year)

During the fiscal year ended March 31, 2025, the Japanese economy remained on a moderate recovery trend due to improvements in the employment and income environment, although some stagnation remained in the economy. However, there are risks that the economy will be put down by a decline in consumer sentiment due

to continued price hikes and policy trends in the United States. Furthermore, it is necessary to pay close attention to fluctuations in financial and capital markets.
Under these circumstances, the Group has focused on expanding its service networks in each of its fields to maximize Lifetime value (LTV) by leveraging the Company's customer base and making the most of the last mile. Specifically, the Group is pursuing synergies between businesses by identifying customer needs through regular visits and providing products and services that meet those needs across businesses. Furthermore, we are actively promoting alliance strategies, including M&A, to expand the number of customers and the business areas. In addition, the Group announced its "Long-term Vision 2035" on January 6, 2025, and is working to enhance corporate value throughout the Group.
As a result, the financial results for the current fiscal year ended March 31, 2025 in consolidated were 59,791 million yen in net sales (up 9.8% year on year), 3,007 million yen in operating income (up 30.9% year on year), 3,048 million yen in ordinary income (up 27.5% year on year), and 1,365 million yen in profit attributable to owners of parent in the current period (down 4.9% year on year).
Non-consolidated financial results for the fiscal year ended March 31, 2025 were 34,155 million yen in sales (up 2.7% year-on-year), 2,101 million yen in operating income (up 30.4% year-on-year), 2,835 million yen in ordinary income (up 16.0% year-on-year), and 1,617 million yen in profit attributable to owners of parent in the current period (up 12.3% year-on-year).
Results by business segment are as follows.
In addition to operating income for each segment, there were corporate expenses of 1,355 million that were not attributable to any segment.

(Results by Segment)

Sales (unit: million yen)

	FY2024 Consolidated Result	FY2023 Consolidated Result	Variance	YoY Change (%)
CreCla Business	15,668	15,239	428	2.8
Rental Business	17,850	17,463	386	2.2
Construction Consulting Business	5,385	5,661	(275)	(4.9)
Housing Sales Business	13,640	9,448	4,192	44.4
Beauty and Health Business	7,420	6, 684	735	11.0
Elimination of intersegment	(173)	(64)	(109)	-
TOTAL	59,791	54,433	5,357	9.8

Operating income (unit: million yen)

	FY2024 Consolidated Result	FY2022 Consolidated Result	Variance	YoY Change (%)
CreCla Business	1,655	1,706	(50)	(3.0)
Rental Business	1,552	1,597	(45)	(2.8)
Construction Consulting Business	401	28	372	-
Housing Sales Business	426	27	398	-
Beauty and Health Business	332	298	34	11.4
Others and adjustments	(1,350)	(1, 360)	9	-
TOTAL	3,017	2, 298	719	31.3

〈CreCla Business〉

In the Water Dispenser market, as lifestyles continue to diversify, demand for water purifier servers, which can be used only when and as much as needed at low prices and fixed prices is expanding, and the switch from Water delivery services is becoming intense. In the CreCla Business, the Company has been steadily acquiring customers for the compact water purifier server "putio", which was launched in the previous fiscal year, by actively placing online advertisements and strengthening event sales at shopping malls. In addition, sales of side products that also serve as a means of preventing cancellations were well received in both Directly managed stores division and Affiliated stores division, contributing to an increase in sales.
Directly managed stores division, at Water delivery "CreCla," the number of bottles used per customer increased compared to the previous year because of efforts to improve customer service by strengthening the education system for the purpose of improving the skills of delivery staff who have direct contact with customers. At "feel free" water purifier servers, rental revenue increased due to an increase in the number of

customers as demand in the market increased, and sales increased year-on-year. On the other hand, at hypochlorous acid aqueous solution "ZiACO," although the usage volume per customer increased, the number of customers decreased, resulting in a decrease in sales. As a result, the decrease in the sales of "ZiACO" was offset by an increase in rental revenue in water purifier servers and an increase in sales due to sales of side products, and the sales of Directly managed stores division was at the same level as the previous fiscal year (slightly increased).

In Affiliated stores division, while the number of customers of Water delivery "CreCla" is decreasing, the acquisition of customers of water purifier servers "feel free" is progressing steadily. In addition, the number of servers sold in Affiliated stores increased, contributing to a year-on-year increase in sales (slightly increased).

In terms of profitability, operating income decreased year on year due to an increase in sales promotion expenses resulting from concentrated upfront investment in "putio", a compact water purifier server that continues to steadily acquire customers as demand for water-purifier servers increases.

As a result, net sales for the current fiscal year ended March 31, 2025 were 15,668 million yen in sales (up 2.8% year-on-year) and 1,655 million yen in operating income (down 3.0% year-on-year, including 4 million yen of goodwill amortization of CONVEBOX INC.) in consolidated.

In December 2024, the Company made CONVEBOX INC. a subsidiary, which operates a food and beverage business centered on the home-delivery water business as one of the franchisees of CreCla, with the Tohoku area as its main business area. This subsidiary has been recorded as profit and loss since January 2025.

〈Rental Business〉

In Rental Business, the working population is declining due to the declining birthrate and aging population, and lifestyles are becoming more diverse, with older generation and dual-income households becoming more common. To respond to this environment, we worked to strengthen our service structure by expanding our sales network through new store openings, strengthening outbound sales, and improving the efficiency of sales activities through the introduction of a new sales management system.

In the mainstay Duskin business, the number of customers in the Dust Control Division is decreasing, but sales of supplementary merchandises are strong, contributing to an increase in sales. In the Care Services division, Duskin Co., Ltd., the franchise headquarters, implemented price revisions in April 2024 for the Service Master (professional cleaning services), and the Merry Maids (home cleaning and helper services). Furthermore, the number of orders received increased due to the expansion of personnel in the Sales Promotion Division and the strengthening of sales promotion planning. In HealthRent division, the number of regular customers increased year-on-year due to new store openings and business transfers, and sales are steadily increasing. As a result, sales in Duskin business increased year on year.

In With-branded pest-control devices business, the number of customers increased due to the sales campaign implemented in the first six months of the fiscal year, leading to an increase in regular sales. In addition, cross-selling of supplementary merchandises to the increased number of customers was strong in the second six months of the fiscal year. As a result, sales were at the same level (slightly increased) compared with the previous fiscal year.

In Earnest Co., Ltd., which provides regular cleaning services for corporations, sales have decreased due to the termination of the border control support project implemented by the Ministry of Health, Labor and Welfare, which had increased demand during the COVID-19 pandemic. On the other hand, recurring revenue increased due to an increase in orders for bedmaking services for accommodation facilities, in line with an increase in inbound demand, but this was not enough to offset the decrease in sales in the Border Control Support Program, and sales decreased year-on-year.

In CAN'S Co., Ltd, which was acquired by the Company in the previous fiscal year and is engaged in restoration work on rental properties, the number of orders received increased due to collaboration with the Corporate Sales Department in Duskin business, and sales increased year-on-year.

In terms of profitability, sales decreased year on year because of an increase in SG&A expenses due to new store openings and an increase in personnel in Duskin business, soaring gasoline prices, and the introduction of a sales management system in Care Services division, in addition to a decrease in operating income in Earnest Co., Ltd.

As a result, the Group recorded net sales of 17,850 million yen (up 2.2% year on year) and operating income of 1,552 million yen (down 2.8% year on year, including 12 million yen of amortization of goodwill of CAN'S Co., Ltd.) for the fiscal year ended March 31, 2025.

〈Construction Consulting Business〉

In the local construction market, in addition to the declining number of housing starts amid a declining population due to the declining birthrate and aging population, labor shortages are also a serious problem. In addition, as it becomes necessary to respond to legal revisions, the disparity between major house builders with deep pockets and local building contractor is widening, and polarization is accelerating.

In the Consulting division, our target local building contractor has been experiencing a deterioration in its financial position due to the repayment of COVID-19-related loans and a decline in the number of orders received. In the current fiscal year, the Group launched multiple products and conducted sales promotion activities, but the number of sales was sluggish, and sales were at the same level as the previous fiscal year (slightly increased).

At NAC HAUS Partner Co., Ltd., in the Smart Energy business, which is engaged in the installation and sale of the construction of materials related to energy saving, sales in the wholesale sales and the lumber and industrial sales decreased. As a result, sales decreased year on year. In the Housing Network business, the number of condominium buildings in the second half of the fiscal year decreased due to weak orders for the member stores in the first six months of the fiscal year at the ACE Home brand, which operates a residential franchise, and sales decreased year on year.

In terms of profitability, sales decreased due to a decrease in sales in NAC HAUS Partner Co., Ltd., but operating income increased significantly year on year due to cost efficiency improvements such as the integration of bases and the datafication of delivered goods in the Consulting division.

As a result, the Group recorded net sales of 5,385 million yen (down 4.9% year on year) and operating income of 401 million yen (operating income of 28 million yen in the previous fiscal year,, including 41 million yen of amortization of goodwill of NAC HAUS Partner Co., Ltd.) for the fiscal year ended March 31, 2025.

〈Housing Sales Business〉

In the housing industry, the number of new housing starts in March, released by the Ministry of Land, Infrastructure, Transport and Tourism, showed an increase for the second consecutive month overall, including rental housing and built-for-sale housing, and an increase for the first time in three months for owner-occupied housing, which is the Company's business domain.

In KDI CORPORATION, sales of purchased properties progressed steadily, and sales increased significantly year on year.

In J-wood Co., Ltd., sales increased due to progress in the sale of built-for-sale house.

In May 2024, the Company acquired Shuwa Juken Co., Ltd., a construction company that provides construction services for new detached houses in the Tohoku region. This company has been included in the Company's income statement since June 2024. The addition of sales in Shuwa Juken Co., Ltd. resulted in a significant increase in sales in Housing Sales Business as a whole.

In terms of profitability, in KDI CORPORATION, sales increased due to the steady progress of the sale of built-for-sale house, which improved the earning capacity, and revenue of Shuwa Juken Co., Ltd. was added. As a result, operating income increased significantly year on year. J-wood Co., Ltd., recorded a profit from the previous fiscal year, when it recorded a loss, due to a decrease in SG&A expenses resulting from operational efficiency improvements.

As a result, the Group recorded net sales of 13,640 million yen (up 44.4% year on year) and operating income of 426 million yen (operating income of 27 million yen in the previous fiscal year, including 37 million yen of amortization of goodwill of Shuwa Juken Co., Ltd.) for the fiscal year ended March 31, 2025.

〈Beauty and Health Business〉

The cosmetics industry continued to perform strongly. In addition, although the number of foreign visitors to Japan is increasing, inbound consumption is growing moderately. JIMOS Co., Ltd., sales of "MACCHIA LABEL" brand toner, which utilizes the Fine Bubble, increased and has grown into a mainstay product. In addition, sales of hair care items and fragrances for "SINN PURETÉ" were strong, and sales in JIMOS Co., Ltd. were on par with the previous fiscal year (slightly increased).

In BELAIR Co., Ltd., the number of sales declined due to an increase in the number of cancellations due to the aging of members, and sales were at the same level (slightly increased) compared to the previous fiscal year.

In UP SALE Co., Ltd., sales decreased year on year as efforts to strengthen purchasing by expanding the variety of products handled were unable to offset sluggish purchasing due to a supply shortage of hair care products.

In TOREMY Co., Ltd., orders from major customers declined, resulting in a year-on-year decrease in sales.

In TOMOE Wine & Spirits Co., Ltd., where the Company imports and sells wines, we have begun selling to Group customers in addition to its existing wholesale business, leveraging Group synergies to expand sales.

In terms of profit and loss, the increase in sales of JIMOS Co., Ltd. contributed to an increase in operating income of the beauty and health business compared to the previous fiscal year.

As a result, the Group recorded net sales of 7,420 million yen (up 11.0% year on year) and operating income of 332 million yen (up 11.4% year on year, including amortization of goodwill of 150 million yen of JIMOS Co., Ltd., TOREMY Co., Ltd. and TOMOE Wine & Spirits Co., Ltd.) for the fiscal year ended March 31, 2025.