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August 7, 2025

Consolidated Financial Results for the Three Months Ended June, 2025 (Under Japanese GAAP)

Company name: NAC CO., LTD.
Listing: Tokyo Stock Exchange
Securities code: 9788
URL: <https://www.nacoo.com/>
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President and Chief Executive Officer
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Scheduled date to commence dividend payments: —
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 three months ended June 30, 2025 (from April 1, 2025 to June 30, 2025)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Three months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
June 30, 2025	13,075	3.5	(42)	—	(26)	—	(25)	—
June 30, 2024	12,634	5.8	(98)	—	(97)	—	(205)	—

Note: Comprehensive income For the three months ended June 30, 2025: ¥(30) million [—%]
For the three months ended June 30, 2024: ¥(191)million [—%]

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
June 30, 2025	(0,62)	—
June 30, 2024	(4,78)	—

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%	Yen
June 30, 2025	36,776	21,649	58.9	518.52
March 31, 2025	38,191	22,394	58.6	536.36

Reference: Equity
As of June 30, 2025: ¥21,649 million
As of March 31, 2025: ¥22,394 million

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2025	—	5.00	—	16.00	21.00
Fiscal year ending March 31, 2026	—				
Fiscal year ending March 31, 2026 (Forecast)		5.00	—	17.00	22.00

Note: Revisions to the forecast of cash dividends most recently announced: None

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

Note: Revision of projected consolidated results of operations most recently announced: None

* Notes

(1) Significant changes in the scope of consolidation during the period: Yes

Newly included: 1 company (NAC Yesmart Co., Ltd.)

Excluded: 1 company (UP SALE Co., Ltd.)

(2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: None

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

(i) Changes in accounting policies due to revisions to accounting standards and other regulations: None

(ii) Changes in accounting policies due to other reasons: None

(iii) Changes in accounting estimates: None

(iv) Restatement: None

(4) Number of issued shares (common shares)

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

As of June 30, 2025	46,613,500 shares
As of March 31, 2025	46,613,500 shares

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

As of June 30, 2025	4,860,063 shares
As of March 31, 2025	4,860,063 shares

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

Three months ended June 30, 2025	41,753,437 shares
Three months ended June 30, 2025	43,029,417 shares

* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: None

* 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. Overview of Operating Results

【Operating Results】

During the three months ended June 30, 2025 (April 1, 2025 to June 30, 2025) the Japanese economy was on a moderate recovery trend due to improvements in the job and income environments. On the other hand, uncertainty is seen due to U.S. tariff policies, etc., and fluctuations in financial and capital markets also require further attention.

In the Group's business domain of retail and services, consumer sentiment has been declining due to continued price hikes, but personal consumption has been showing signs of recovery.

In this environment, the Group is conducting business with the goal of maximizing Lifetime value (LTV) by making the most of the last mile under the "Long-Term Vision 2035" announced in January 2025. To achieve this long-term vision, we announced the Mid-Term Management Plan 2028 in May 2025. The "Mid-Term Management Plan 2028" positions this as a three year investment phase to realize the "Long-Term Vision 2035." While we are actively investing in the CreCla, Rental and Beauty & Health businesses, which have regular customers, we are maintaining the current status in the Construction Consulting and Housing Sales businesses, which face a severe business environment, and are aiming to enter new fields. Additionally, we are actively advancing new business development that transcends the boundaries of existing businesses, as well as alliance strategies including M&A

As a result, the consolidated results for the three months ended June 30, 2025 were as follows: net sales of 13,075 million yen (up 3.5% from the same period of the previous year), operating loss of 42 million yen (compared to an operating loss of 98 million yen in the same period of the previous year), ordinary loss of 26 million yen (compared to an ordinary loss of 97 million yen in the same period of the previous year), and a net loss attributable to parent company shareholders of 25 million yen (compared to a net loss attributable to parent company shareholders of 205 million yen in the same period of the previous year)

Results by business segment are as follows.

In addition to operating income (loss) for each segment, there are corporate expenses, etc. of 391 million yen that are not attributable to any segment.

In accordance with a partial revision of the performance management method within the Group, some businesses that were previously included in the five segments of "CreCla Business," "Rental Business," "Construction Consulting Business," "Housing Sales Business," and "Beauty and Health Business" have been changed to "Others" from the three months ended June 30, 2025 under consolidated. Year-on-year changes are presented based on the figures after the change.

〈CreCla Business〉

In the Water Dispenser market, while growth in Water delivery has slowed down, demand for water purifier servers, which is available at a fixed price and at a low price, continues to expand, and the market as a whole continues to grow.

CreCla Business, we are strengthening our sales activities by strengthening our training system to improve the skills of our delivery staff and by renewing our sales tools in order to maximize the benefit of having direct contact with customers.

In Directly managed stores division, sales remained at the same level as the previous fiscal year (slightly increased). This was due to the contribution of the Water delivery "CreCla" to an increase in bottle consumption per customer and a decrease in cancellation rates as a result of improved customer service through the strengthening of the educational system.

In Affiliated stores division, sales increased year on year due to an increase in the number of servers sold to Affiliated stores as a result of measures to promote the switch of older servers.

Additionally, CONVEBOX, INC., which was made a subsidiary in the previous fiscal year, operates as a major franchisee of Crecla, and its consolidation in January 2025 has led to an increase in sales for the Crecla business.

In terms of profit and loss, operating income increased year-on-year as a result of an increase in bottle consumption at Water delivery "CreCla" in Directly managed stores division, an increase in the number of servers sold to Affiliated stores, and an increase in sales due to sales of side products that also serve as a means of preventing cancellations.

As a result, the CreCla Business posted net sales of 3,776 billion yen (up 4.7% YoY) and operating income of 320 million yen (up 22.6% YoY, including 7 million yen of goodwill amortization of CONVEBOX, INC.) for the three months ended June 30, 2025.

〈Rental Business〉

In Rental Business, as lifestyles become more diverse due to the increase in dual-income households and older generation, the Group has focused on expanding its sales network by opening new stores, strengthening outbound sales to increase customer contact points, and expanding the range of products it handles.

In the mainstay Duskin business, the number of customers in the Dust control division decreased year-on-year, and the Group sought to secure profits by selling supplementary merchandise, but this was not enough to offset the decrease in the number of customers. In Care Services division and HealthRent division, sales increased at stores that had been opened up to the previous fiscal year. Furthermore, in Care Services division, outbound sales, which has been a focus since the previous fiscal year, contributed to the increase in sales. As a result, sales in Duskin business as a whole was at the same level as the same period of the previous fiscal year (slightly increased).

In With-branded pest-control devices business, where our mainstay is the "with" insect extermination device, customer acquisition, which had been steady as the restaurant industry recovered from the after-COVID-19 pandemic, has slowed down, and sales were at the same level as the same period of the previous fiscal year (slightly decreased).

In Earnest Co., Ltd., which provides regular housekeeping services for corporate clients, sales decreased significantly after the conclusion of the COVID-19-related project implemented by the Ministry of Health, Labour and Welfare. However, orders for daily housekeeping services, including bedmaking of accommodation facilities due to increased demand from inbound tourists, are gradually recovering, and sales remained at the same level as the same period of the previous fiscal year (slightly decreased).

In CAN'S Co., Ltd, which is engaged in restoration work on rental properties, the company is working to expand its operations through collaboration with the Corporate Sales Department of the Duskin Business. However, the number of orders received was sluggish, and sales decreased year on year.

In terms of profit and loss, operating income recorded a year-on-year decrease due to an increase in selling, general and administrative expenses due to an increase in land and vehicle expenses associated with the opening of new stores in Care Services division, as well as an increase in promotion expenses to win orders.

As a result, the Rental Business posted net sales of 4,471 million yen (up 0.7% YoY) and operating income of 271 million yen (down 18.0% YoY, including 3 million yen of goodwill amortization of CAN'S Co., Ltd.) for the three months ended June 30, 2025.

〈Construction Consulting Business〉

In the local construction market, the future remains uncertain due to a number of issues, including a decrease in the number of housing starts, soaring prices, labor shortages due to the declining birthrate and aging population, and responses to legal revisions.

Consulting division, cash flows in local building contractor, our main customer, have deteriorated due to a combination of factors, including a decline in orders received, soaring building costs, and the repayment of COVID-19-related loans, which has reduced willingness to invest in management improvements. Under these circumstances, the Group launched multiple products aimed at solving these issues in the previous fiscal year, and as a result of aggressive sales promotions during the three months ended June 30, 2025, sales increased year-on-year.

In NAC HAUS Partner Co., Ltd., sales in franchisees increased year on year due to an increase in the number of buildings in sales for the ACEHOME brand, which operates a residential franchise.

In terms of profit and loss, operating loss decreased significantly year on year as a result of an increase in sales in the entire Division.

As a result, the Construction Consulting Business posted net sales of 1,119 million yen (up 23.5% YoY) and operating loss of 58 million yen (compared to an operating loss of 277 million yen in the same period of the previous year, including 10 million yen of goodwill amortization of NAC HAUS Partner Co., Ltd.) for the three months ended June 30, 2025.

〈Housing Sales Business〉

The housing industry continued to face a difficult situation, with the June housing starts released by the Ministry of Land, Infrastructure, Transport and Tourism showing a decrease for the third consecutive

month overall, including rental housing and Ready-built houses, and a decrease for the third consecutive month for owner-occupied housing, which is the area in which the Company operates.

In KDI CORPORATION, inventory for sale decreased due to sluggish purchases in the previous fiscal year, and the number of units sold decreased accordingly, resulting in sales at the same level as the previous fiscal year (slightly decreased).

In J-wood Co., Ltd., while the unit price per building increased, the number of houses delivered was sluggish, and sales decreased significantly year-on-year.

In Shuwa Juken Co., Ltd, which became our subsidiaries in the previous fiscal year, and its wholly owned subsidiaries in Shuwa Co., Ltd, we are working to expand orders and increase sales by effectively utilizing model houses, which have a rich product lineup.

In terms of profit and loss, KDI CORPORATION secured appropriate profits from the sale of purchased properties, and recorded profits from the previous fiscal year, when losses were recorded. On the other hand, in J-wood Co., Ltd., operating loss increased due to a decrease in sales. As a result, operating loss in Housing Sales Business as a whole increased year on year.

As a result, the Housing Sales Business posted net sales of 1,835 million yen (down 5.5% YoY) and operating loss of 197 million yen (compared to an operating loss of 146 million yen in the same period of the previous year, including 11 million yen of goodwill amortization of Shuwa Juken Co., Ltd.) for the three months ended June 30, 2025.

〈Beauty and Health Business〉

The cosmetics industry has remained firm, and has been growing moderately due to an increase in inbound consumption as a result of an increase in the number of foreign tourists visiting Japan.

JIMOS Co., Ltd., sales increased year on year due to the focus on advertisement and promotion mainly for the main brands, MACCHIA LABEL and SINN PURETÉ.

In BELAIR Co., Ltd., continues to face the challenge of declining sales due to the aging of its membership. However, by conducting face-to-face promotional events nationwide, the company has been able to limit the decline in sales compared to previous years. As a result, sales remained at the same level as the previous year (slightly decreased).

In TOREMY Co., Ltd. continued to experience a decline in orders from major customers in the previous fiscal year. Despite efforts to develop new customers and expand existing business, the company was unable to offset the decline, resulting in a significant decrease in sales compared to the same period of the previous fiscal year.

In terms of profit and loss, operating income in Beauty and Health Business as a whole decreased year on year due to the decrease in sales in TOREMY Co., Ltd.

JIMOS Co., Ltd. absorbed UP SALE Co., Ltd. on April 1, 2025. The segment continues to operate as the UP SALE Division in JIMOS Co., Ltd.

As a result, the Beauty and Health Business posted net sales of 1,549 million yen (up 1.6% YoY) and operating income of 75 million yen (down 22.2% YoY, including 36 million yen of goodwill amortization of JIMOS Co., Ltd., and TOREMY Co., Ltd.) for the three months ended June 30, 2025.

〈Others〉

The "Others" segment, which was newly established following a change in the reportable segments effective from the three months ended June 30, 2025, is comprised of businesses that do not belong to the five existing reportable segments but are newly undertaken by the Group.

In the Yesmart segment, which operates Korean Grocery supermarkets, currently operates four stores across the Group. Based on the experience of both the franchise division and franchisees, the Group is conducting operations with a view to expanding nationwide and franchisees in the medium to long term.

TOMOE Wine & Spirits Co., Ltd., in addition to the existing BtoB sales, we are working to expand BtoC sales to the Group's customers. During the three months ended June 30, 2025, BtoB sales were strong, and sales were on the same level as the same period of the previous fiscal year (slightly increased).

Nac Life Partners Co., Ltd., which operates the franchisees of the "KAITORI DAIKICHI" business, which allows customers to purchase secondhand goods, expanded the number of stores opened during the previous fiscal year and currently operates four stores nationwide. Net sales increased year on year due to an increase in the number of stores opened.

As a result, the Others posted net sales of 404 million yen (up 58.9% YoY) and operating loss of 61 million yen (compared to an operating loss of 17 million yen, including 0 million yen of goodwill amortization of TOMOE Wine & Spirits Co., Ltd.) for the three months ended June 30, 2025.