

April 24, 2025

Consolidated Financial Results for the Fiscal Year Ended March 15, 2025 (Under Japanese GAAP)

Company name: CAWACHI LIMITED
 Listing: Tokyo Stock Exchange
 Securities code: 2664
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 Scheduled date of annual general meeting of shareholders: June 11, 2025
 Scheduled date to commence dividend payments: June 12, 2025
 Scheduled date to file annual securities report: June 12, 2025
 Preparation of supplementary material on financial results: Yes
 Holding of financial results briefing: Yes (For Securities Analysts and Institutional Investors)

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

1. Consolidated financial results for the fiscal year ended March 15, 2025 (from March 16, 2024 to March 15, 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 15, 2025	287,816	0.6	7,461	(1.8)	8,340	(3.1)	4,884	3.6
March 15, 2024	285,960	1.5	7,601	15.0	8,609	12.2	4,713	12.8

Note: Comprehensive income For the fiscal year ended March 15, 2025: ¥4,902 million [3.6%]
 For the fiscal year ended March 15, 2024: ¥4,732 million [12.8%]

	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 15, 2025	218.72	218.48	4.3	4.2	2.6
March 15, 2024	211.03	210.79	4.3	4.4	2.7

(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 15, 2025	199,601	114,410	57.3	5,120.32
March 15, 2024	196,119	111,295	56.7	4,980.82

Reference: Equity
 As of March 15, 2025: ¥114,358 million
 As of March 15, 2024: ¥111,242 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 15, 2025	7,481	(4,515)	(1,915)	36,674
March 15, 2024	6,402	(5,291)	(3,937)	35,623

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 15, 2024	-	0.00	-	80.00	80.00	1,786	37.9	1.6
Fiscal year ended March 15, 2025	-	0.00	-	80.00	80.00	1,786	36.6	1.6
Fiscal year ending March 15, 2026 (Forecast)		0.00		80.00	80.00		36.5	

3. Forecast of consolidated financial results for the fiscal year ending March 31, 2026 (from March 16, 2025 to March 15, 2026)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending September 15, 2025	149,100	1.2	4,500	9.6	4,900	7.8	3,200	17.8	143.28
Fiscal year ending March 15, 2026	292,000	1.5	7,800	4.5	8,700	4.3	4,900	0.3	219.39

* **Notes**

- (1) Significant changes in the scope of consolidation during the period: None
- (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: None
 - (ii) Changes in accounting policies due to other reasons: Yes
 - (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 15, 2025	24,583,420 shares
As of March 15, 2024	24,583,420 shares

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

As of March 15, 2025	2,249,173 shares
As of March 15, 2024	2,249,173 shares

- (iii) Average number of shares outstanding during the period

Fiscal year ended March 15, 2025	22,334,247 shares
Fiscal year ended March 15, 2024	22,334,273 shares

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

* Proper use of earnings forecasts, and other special matters

The forward-looking statements, including forecasts of financial results, contained in these materials are based on information available to the Company and on certain assumptions deemed to be reasonable. Actual financial results may differ from the results anticipated in the statements due to various factors. For the conditions on which earnings forecasts are predicated and precautions for using earnings forecasts, please refer to "1. Please refer to "Summary of Operating Results for the Current Fiscal Year" (1) Summary of Operating Results for the Current Fiscal Year.

Consolidated balance sheet

(Millions of yen)

	As of March 15, 2024	As of March 15, 2025
Assets		
Current assets		
Cash and deposits	35,623	36,674
Accounts receivable - trade	10,456	14,726
Merchandise	34,699	34,175
Supplies	30	32
Other	5,209	4,863
Total current assets	86,018	90,472
Non-current assets		
Property, plant and equipment		
Buildings and structures	117,360	117,568
Accumulated depreciation	(77,208)	(78,796)
Buildings and structures, net	40,152	38,771
Land	49,170	49,551
Construction in progress	178	441
Other	25,452	25,600
Accumulated depreciation	(22,418)	(22,563)
Other, net	3,034	3,036
Total property, plant and equipment	92,535	91,801
Intangible assets		
Other	5,387	5,155
Total intangible assets	5,387	5,155
Investments and other assets		
Investment securities	129	154
Leasehold and guarantee deposits	7,474	7,381
Deferred tax assets	4,275	4,347
Other	298	288
Total investments and other assets	12,177	12,172
Total non-current assets	110,100	109,128
Total assets	196,119	199,601

	As of March 15, 2024	As of March 15, 2025
Liabilities		
Current liabilities		
Accounts payable - trade	42,011	41,271
Current portion of long-term borrowings	6,706	5,847
Income taxes payable	1,400	1,067
Provision for bonuses	1,351	1,224
Contract liabilities	2,096	2,218
Provision for loss on store closings	15	101
Asset retirement obligations	480	819
Other	7,613	8,308
Total current liabilities	61,675	60,858
Non-current liabilities		
Long-term borrowings	10,023	10,752
Retirement benefit liability	8,959	9,328
Asset retirement obligations	3,243	3,359
Other	922	892
Total non-current liabilities	23,148	24,332
Total liabilities	84,824	85,190
Net assets		
Shareholders' equity		
Share capital	13,001	13,001
Capital surplus	14,902	14,902
Retained earnings	87,666	90,765
Treasury shares	(4,363)	(4,363)
Total shareholders' equity	111,208	114,306
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	34	51
Total accumulated other comprehensive income	34	51
Share acquisition rights	52	52
Total net assets	111,295	114,410
Total liabilities and net assets	196,119	199,601

Consolidated statement of income

(Millions of yen)

	Fiscal year ended March 15, 2024	Fiscal year ended March 15, 2025
Net sales	285,960	287,816
Cost of sales	220,158	221,098
Gross profit	65,801	66,717
Selling, general and administrative expenses	58,200	59,256
Operating profit	7,601	7,461
Non-operating income		
Interest income	19	17
Dividend income	3	3
Commission income	799	785
Revenue from sales of electric power	176	177
Other	461	382
Total non-operating income	1,460	1,366
Non-operating expenses		
Interest expenses	35	36
Commission expenses	136	129
Depreciation	56	55
Loss on tax purpose reduction entry of non-current assets	59	44
Donations	-	52
Other	164	169
Total non-operating expenses	452	487
Ordinary profit	8,609	8,340
Extraordinary income		
Gain on sale of non-current assets	0	0
Insurance claim income	73	-
Gain on reversal of share acquisition rights	45	-
Other	25	6
Total extraordinary income	145	6
Extraordinary losses		
Loss on sale of non-current assets	48	-
Loss on retirement of non-current assets	27	36
Impairment losses	1,117	861
Loss on store closings	303	532
Provision for loss on store closings	-	86
Other	104	1
Total extraordinary losses	1,601	1,519
Profit before income taxes	7,153	6,827
Income taxes - current	2,437	2,023
Income taxes - deferred	2	(80)
Total income taxes	2,440	1,942
Profit	4,713	4,884
Profit attributable to owners of parent	4,713	4,884

Consolidated statement of comprehensive income

(Millions of yen)

	Fiscal year ended March 15, 2024	Fiscal year ended March 15, 2025
Profit	4,713	4,884
Other comprehensive income		
Valuation difference on available-for-sale securities	19	17
Total other comprehensive income	19	17
Comprehensive income	4,732	4,902
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	4,732	4,902

Consolidated statement of changes in equity

Fiscal year ended March 15, 2024

	Shareholders' equity					Accumulated other comprehensive income		Share acquisition rights	Total net assets
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Total accumulated other comprehensive income		
Balance at beginning of period	13,001	14,902	84,070	(4,362)	107,612	15	15	98	107,725
Dividends of surplus			(1,116)		(1,116)				(1,116)
Purchase of treasury shares				(0)	(0)				(0)
Profit attributable to owners of parent			4,713		4,713				4,713
Net changes in items other than shareholders' equity						19	19	(45)	(26)
Total changes during period	-	-	3,596	(0)	3,596	19	19	(45)	3,569
Balance at end of period	13,001	14,902	87,666	(4,363)	111,208	34	34	52	111,295

Consolidated statement of changes in equity

Fiscal year ended March 15, 2025

	Shareholders' equity					Accumulated other comprehensive income		Share acquisition rights	Total net assets
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Total accumulated other comprehensive income		
Balance at beginning of period	13,001	14,902	87,666	(4,363)	111,208	34	34	52	111,295
Dividends of surplus			(1,786)		(1,786)				(1,786)
Purchase of treasury shares									
Profit attributable to owners of parent			4,884		4,884				4,884
Net changes in items other than shareholders' equity			-		-	17	17	-	17
Total changes during period	-	-	3,098	-	3,098	17	17	-	3,115
Balance at end of period	13,001	14,902	90,765	(4,363)	114,306	51	51	52	114,410

Consolidated statement of cash flows

(Millions of yen)

	Fiscal year ended March 15, 2024	Fiscal year ended March 15, 2025
Cash flows from operating activities		
Profit before income taxes	7,153	6,827
Depreciation	4,306	4,494
Impairment losses	1,117	861
Loss on store closings	303	532
Increase (decrease) in provision for loss on store closings	-	86
Loss on retirement of non-current assets	17	25
Increase (decrease) in provision for bonuses	147	(127)
Increase (decrease) in retirement benefit liability	265	369
Interest and dividend income	(23)	(20)
Interest expenses	35	36
Loss (gain) on sale of non-current assets	48	(0)
Increase (decrease) in contract liabilities	49	122
Decrease (increase) in trade receivables	(3,851)	(4,270)
Decrease (increase) in inventories	(1,735)	521
Increase (decrease) in trade payables	88	(740)
Other, net	1,256	1,189
Subtotal	9,178	9,907
Interest and dividends received	3	(20)
Interest paid	(34)	(37)
Income taxes paid	(2,744)	(2,366)
Net cash provided by (used in) operating activities	6,402	7,481
Cash flows from investing activities		
Purchase of property, plant and equipment	(4,835)	(4,079)
Proceeds from sale of property, plant and equipment	94	8
Purchase of intangible assets	(544)	(181)
Purchase of long-term prepaid expenses	(46)	(46)
Payments of leasehold and guarantee deposits	(168)	(182)
Proceeds from refund of leasehold and guarantee deposits	209	58
Other, net	0	(92)
Net cash provided by (used in) investing activities	(5,291)	(4,515)
Cash flows from financing activities		
Proceeds from long-term borrowings	5,720	7,200
Repayments of long-term borrowings	(8,540)	(7,329)
Purchase of treasury shares	(0)	-
Dividends paid	(1,116)	(1,786)
Net cash provided by (used in) financing activities	(3,937)	(1,915)
Net increase (decrease) in cash and cash equivalents	(2,826)	1,050
Cash and cash equivalents at beginning of period	38,450	35,623
Cash and cash equivalents at end of period	35,623	36,674

(Notes on segment information, etc.)

Segment Information

The Group is engaged in the retail business of selling pharmaceuticals, cosmetics, miscellaneous goods, general foods, etc., and is omitted because it is a single segment.