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November 8, 2024

Non-consolidated Financial Results for the Fiscal year ended September 30, 2024 (Under Japanese GAAP)

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 Listing: Tokyo Stock Exchange
 Securities code: 4809
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 Scheduled date of annual general meeting of shareholders: December 19, 2024
 Scheduled date to commence dividend payments: December 20, 2024
 Scheduled date to file annual securities report: December 20, 2024
 Preparation of supplementary material on financial results: Yes
 Holding of financial results briefing: Yes

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

1. Non-consolidated financial results for the fiscal year ended September 30, 2024 (from October 1, 2023 to September 30, 2024)

(1) Non-consolidated operating results (cumulative)

(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	%
September 30, 2024	16,380	10.9	3,021	3.0	2,776	2.4	1,817	△0.1
September 30, 2023	14,774	13.9	2,934	30.2	2,712	33.0	1,818	30.4

	Profit per share	Profit per share after dilution	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to net sales
Fiscal year ended	Yen	Yen	%	%	%
September 30, 2024	181.03	179.78	9.7	6.6	18.4
September 30, 2023	181.87	180.49	10.4	7.0	19.9

Reference: Share of profit (loss) of entities accounted for using equity method

For the fiscal year ended September 30, 2024: -

For the fiscal year ended September 30, 2023: -

(2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
September 30, 2024	44,456	19,390	43.5	1,920.81
September 30, 2023	39,824	18,107	45.4	1,805.60

Reference: Equity

As of September 30, 2024: ¥19,347 million

As of September 30, 2023: ¥18,068 million

(3) Non-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
September 30, 2024	2,183	△4,468	2,090	3,514
September 30, 2023	2,668	△2,565	△326	3,708

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Payout ratio	Ratio of dividends to net assets
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended September 30, 2023	-	0.00	-	64.00	64.00	656	35.2	3.7
Fiscal year ended September 30, 2024	-	0.00	-	64.00	64.00	660	35.4	3.4
Fiscal year ending September 30, 2025 (Forecast)	-	0.00	-	65.00	65.00		33.2	

3. Business Forecasts for the fiscal year ending September 30, 2025 (from October 1, 2024 to September 30, 2025)

(Percentages indicate year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit		Profit per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	yen
Interim	8,600	9.2	1,580	12.1	1,430	10.1	970	14.0	96.30
Full year	17,500	6.8	3,210	6.2	2,900	4.4	1,970	8.4	195.58

*** Notes**

(1) 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

(2) Number of issued shares (common shares)

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

As of September 30, 2024	10,369,600 shares
As of September 30, 2023	10,311,100 shares

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

As of September 30, 2024	297,152 shares
As of September 30, 2023	304,178 shares

(iii) Average number of shares outstanding during the period

Fiscal year ended September 30, 2024	10,039,686 shares
Fiscal year ended September 30, 2023	10,001,000 shares

Note: The total number of treasury shares at the end of the period included shares of the Company held by the Employee Stock Ownership Plan Trust (248,736 shares as of September 30, 2024 and 248,900 shares as of September 30, 2023).

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

* Explanations and other special notes concerning the appropriate use of business performance forecasts

The business performance forecasts given in this document are based on assumptions, prospects, and future business plans, currently available on the date this document was published. Actual results may differ from these forecasts for a variety of reasons. For other matters relating to the forecasts, please refer to “1. Overview of Operating Results, etc. (1) Operating Results” on page 2 of the attached materials.

Attached Materials

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1. Overview of Operating Results, etc.

(1) Operating Results

During the fiscal year ended September 30, 2024 (October 1, 2023 to September 30, 2024), the Japanese economy continued to recover in terms of economic activities while being affected by rising prices, showing improvement trends in capital investment, consumer spending, and employment conditions.

In the parking industry to which our company belongs, sales remained resilient, particularly driven by factors such as chronic parking shortages in major urban areas, parking demand associated with construction, and rebound in personal consumption.

Under these circumstances, the Company conducted aggressive sales activities and focused on improving profitability by developing new parking lots and setting flexible rate changes at existing parking lots.

Overall, during the fiscal year, the number of newly developed parking was 329 lots with 7,439 spaces, while the number of closed parking was 165 lots with 2,096 spaces (net increase was 164 lots with 5,343 spaces). Total of 2,449 lots with 40,431 spaces was available as of September 30, 2024. The number of newly developed parking lots, newly developed parking spaces, parking lots in operation, and parking spaces in operation all surpassed previous record highs.

As a result, in the fiscal year under review, the net sales was ¥ 16,380 million (up 10.9% year-on-year), operating profit was ¥ 3,021 million (up 3.0% year-on-year), ordinary profit was ¥ 2,776 million (up 2.4% year-on-year), and profit was ¥ 1,817 million (down 0.1% year-on-year).

During the fiscal year under review, many new parking lots, including large-scale parking attached to facilities, opened in the first half.

This resulted in the upfront recognition of costs, such as opening expenses. However, as these locations began contributing to profits in the second half of the fiscal year, operating income for the full fiscal year increased by 3.0% compared to the previous fiscal year.

Furthermore, the Company recognized an extraordinary loss of ¥ 141 million as expenses for adapting to the new banknotes that began circulation in July 2024. As a result, profit decreased by 0.1% compared to the previous fiscal year. The Company reports that the recognition of expenses related to the new banknote adaptation was completed by September 2024.

The results of each type of parking business are as follows.

(Leased parking Business)

During the fiscal year, the number of newly developed leased parking was 297 lots with 7,108 spaces, while the number of closed leased parking was 165 lots with 2,096 spaces (net increase was 132 lots with 5,012 spaces). The number of newly opened parking spaces increased approximately 2.1 times compared to the previous fiscal year. Among these new parking lots, the Company opened 13 lots with 1,895 spaces in parking attached to facilities (excluding those attached to convenience stores).

As a result, total of 2,144 lots with 34,996 spaces was available as of September 30, 2024. The net sales of leased parking business was ¥ 13,188 million (up 11.3% year-on-year), and gross profit was ¥ 2,456 million (up 2.2% year-on-year).

(Owned parking Business)

During the fiscal year, owned parking lots were developed in Sapporo City (8 lots with 59 spaces), in Aomori City (44 spaces), in Akita City (13 spaces), in Sendai City (6 spaces), in Niigata City (5 lots with 89 spaces), in Nagaoka City (3 spaces), in Hitachi City (7 spaces), in Suginami-ku, Tokyo (4 spaces), in Nerima-ku, Tokyo (3 spaces), in Chuo-ku, Tokyo (2 spaces), in Arakawa-ku, Tokyo (6 spaces), in Numazu City (25 spaces), in Matsumoto City (3 spaces), in Gifu City (17 spaces), in Osaka City (4 lots with 27 spaces), in Kobe City (2 spaces), in Kurashiki City (7 spaces) and in Kumamoto City (14 spaces). As a result, the number of newly developed owned parking was 32 lots with 331 spaces. Total of 305 lots with 5,435 spaces was available as of September 30, 2024. The net sales of owned parking business was ¥ 2,604 million (up 10.0% year-on-year), and gross profit was ¥ 2,124 million (up 10.3% year-on-year).

Furthermore, the Company acquired land for parking in Sapporo City (3 lots with 21 spaces) and in Arakawa-ku, Tokyo (4 spaces) during this fiscal year which are scheduled to be opened in the first quarter of the next fiscal year or later.

Investments for owned parking business totaled ¥ 4,065 million in the fiscal year under review, representing the highest amount on record. The book value of owned parking facilities amounted to ¥ 36,108 million.

(Others)

During the fiscal year, the net sales except for car parking business, including real estate leasing, vending machine, bike/bus/cycle parking, and solar power generation, was ¥ 587 million (up 4.5% year-on-year).

(Future Outlook)

In Japan, business confidence is improving due to a recovery in consumer spending and the employment environment, although prices are rising due to soaring energy prices. In the parking industry, hourly parking lot is in short supply, especially in big cities, and the supply-demand balance is tight.

Under these circumstances, the Company will continue to conduct aggressive sales activities, and will also make efforts to improve the profitability of existing parking lots by setting flexible rate changes. In addition, the Company works on redevelopment projects and commercial building parking lot projects by taking advantage of business alliances with major real estate developers and real estate brokerage firms. And, the Company will focus on acquiring land for parking lots and aim to expand the Company's business and base earnings, taking into consideration demographic trends and other indicators.

As for the future outlook for the fiscal year ending September 30, 2025, while the Company anticipates an approximately 10% increase in selling, general and administrative expenses due to business expansion, the development and utilization of parking lots are expected to remain steady. Based on these assumptions, the Company forecasts net sales of ¥ 17,500 million (up 6.8% year-on-year), operating profit of ¥ 3,210 million (up 6.2% year-on-year), ordinary profit of ¥ 2,900 million (up 4.4% year-on-year), and profit of ¥ 1,970 million (up 8.4% year-on-year).

*This explanation is based on information available to the Company at this time, and includes potential risks and uncertainties. Due to these factors, actual results may differ from the announced forecasts.

(2) Financial Position

Total assets at the end of the fiscal year under review increased by ¥ 4,631 million from the end of the previous fiscal year, to ¥ 44,456 million. It was mainly due to an increase in land (¥4,110 million) and an increase in leased assets (¥ 449 million) in property, plant and equipment.

Total liabilities at the end of the fiscal year under review increased by ¥ 3,348 million, to ¥ 25,066 million. It was mainly due to an increase in borrowings (¥ 2,935 million).

Total net assets at the end of the fiscal year under review increased by ¥ 1,282 million, to ¥ 19,390 million. It was mainly due to an increase in retained earnings (¥ 1,161 million). As a result, the equity ratio shifted to 43.5% from 45.4% at the end of the previous fiscal year.

(Cash flows)

Cash and cash equivalents at the end of the fiscal year under review decreased by ¥ 193 million from the end of the previous fiscal year, to ¥ 3,514 million. The main reasons are as follows.

(Cash flows from operating activities)

Cash and cash equivalents provided by operating activities decreased by ¥ 484 million from the end of the previous fiscal year, to ¥ 2,183 million. It was mainly due to the profit before income taxes (¥ 2,604 million), depreciation (¥ 532 million) and income taxes paid (¥ 919 million).

(Cash flows from investing activities)

Cash and cash equivalents used in investing activities increased by ¥ 1,903 million from the end of the previous fiscal year, to ¥ 4,468 million. It was mainly due to acquisition of property, plant and equipment (¥ 4,357 million).

(Cash flows from financing activities)

The cash and cash equivalents provided by financing activities was ¥ 2,090 million (previous fiscal year was an outflow of ¥ 326 million). It was mainly due to the proceeds from long-term borrowings (¥ 5,428 million), repayments of long-term borrowings (¥ 2,493 million), repayments of lease obligations (¥ 290 million), and cash dividends paid (¥ 655 million).

(3) Basic Policy on Profit Distribution and Dividends for Current and Next Fiscal Years

The Company's basic policy on profit distribution is <To distribute profits to all shareholders in a manner that maintain balances of reinvestment with “capital efficiency”, “financial soundness”, and “investment environment” in order to achieve sustainable growth and enhance corporate value over the medium to long term>.

Based on this basic policy, the Company plans to pay a dividend of ¥ 64 per share for the fiscal year ended September 30, 2024. For the fiscal year ending September 30, 2025, the Company plans to pay a dividend of ¥ 65 per share.

The Company will continue to distribute profits based on the above policy.

(4) Significant Events Regarding Going Concern Assumption

Not applicable.

2. Basic concept of the selection of accounting standards

Since the Company does not prepare consolidated financial statements, the Company has applied Japanese GAAP for accounting standards, considering the burden of parallel disclosure under Japanese GAAP and International Financial Reporting Standards.

3. Financial Statements and Notes
(1) Balance Sheet

(Millions of yen)

	As of September 30, 2023	As of September 30, 2024
Assets		
Current assets		
Cash and deposits	3,738	3,544
Accounts receivable - trade	197	249
Supplies	17	10
Prepaid expenses	589	696
Other	14	48
Allowance for doubtful accounts	△0	△1
Total current assets	4,558	4,548
Non-current assets		
Property, plant and equipment		
Buildings	1,229	1,250
Accumulated depreciation	△506	△556
Buildings, net	723	694
Structures	967	1,075
Accumulated depreciation	△674	△715
Structures, net	293	359
Machinery and equipment	1,268	1,268
Accumulated depreciation	△657	△731
Machinery and equipment, net	611	536
Tools, furniture and fixtures	612	655
Accumulated depreciation	△532	△566
Tools, furniture and fixtures, net	80	88
Land	31,981	36,092
Leased assets	5,782	6,493
Accumulated depreciation	△5,080	△5,342
Leased assets, net	701	1,150
Construction in progress	175	200
Total property, plant and equipment	34,568	39,122
Intangible assets		
Patent right	4	3
Trademark right	1	0
Software	45	46
Other	0	0
Total intangible assets	51	51
Investments and other assets		
Investment securities	23	24
Investments in capital	0	0
Long-term loans receivable from directors (and other officers) and employees	8	29
Long-term prepaid expenses	34	43
Deferred tax assets	228	232
Other	351	404
Total investments and other assets	646	733
Total non-current assets	35,266	39,908
Total assets	39,824	44,456

(Millions of yen)

	As of September 30, 2023	As of September 30, 2024
Liabilities		
Current liabilities		
Accounts payable - trade	336	397
Current portion of long-term borrowings	2,260	2,638
Lease liabilities	235	267
Accounts payable - other	156	155
Accrued expenses	37	31
Income taxes payable	586	465
Accrued consumption taxes	154	80
Advances received	98	140
Deposits received	16	11
Provision for bonuses	47	43
Other	94	103
Total current liabilities	4,024	4,334
Non-current liabilities		
Long-term borrowings	16,690	19,248
Lease liabilities	511	966
Provision for share awards	44	48
Asset retirement obligations	311	339
Other	134	129
Total non-current liabilities	17,693	20,732
Total liabilities	21,717	25,066
Net assets		
Shareholders' equity		
Share capital	1,854	1,903
Capital surplus		
Legal capital surplus	1,884	1,933
Other capital surplus	407	413
Total capital surplus	2,291	2,347
Retained earnings		
Other retained earnings		
Retained earnings brought forward	14,312	15,473
Total retained earnings	14,312	15,473
Treasury shares	△377	△375
Total shareholders' equity	18,080	19,348
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	6	6
Deferred gains or losses on hedges	△18	△7
Total valuation and translation adjustments	△12	△1
Share acquisition rights	39	42
Total net assets	18,107	19,390
Total liabilities and net assets	39,824	44,456

(2) Statements of Profit and Loss

(Millions of yen)

	Fiscal year ended September 30, 2023	Fiscal year ended September 30, 2024
Net sales	14,774	16,380
Cost of sales	10,111	11,452
Gross profit	4,663	4,927
Selling, general and administrative expenses		
Provision of allowance for doubtful accounts	0	1
Remuneration for directors (and other officers)	196	209
Salaries and allowances	491	550
Provision for bonuses	47	43
Legal welfare expenses	86	91
Provision for share awards	6	3
Depreciation	34	40
Rent expenses on land and buildings	197	210
Fee expenses	49	58
Commission expenses	165	207
Taxes and dues	168	190
Other	283	297
Total selling, general and administrative expenses	1,728	1,906
Operating profit	2,934	3,021
Non-operating income		
Interest income	0	0
Dividend income	0	0
Gain on forfeiture of unclaimed dividends	0	0
Dividend income of insurance	0	0
Insurance claim income	0	0
Commission income	1	—
Compensation income	1	2
Other	0	1
Total non-operating income	5	6
Non-operating expenses		
Interest expenses	225	249
Other	1	1
Total non-operating expenses	227	250
Ordinary profit	2,712	2,776
Extraordinary losses		
Loss on retirement of non-current assets	15	30
Cost of new banknote support	—	141
Impairment losses	27	—
Loss on valuation of investment securities	11	—
Total extraordinary losses	54	172
Profit before income taxes	2,658	2,604
Income taxes - current	838	795
Income taxes - deferred	0	△8
Total income taxes	839	786
Profit	1,818	1,817

(3) Statements of Shareholders' Equity

Fiscal year ended September 30, 2023 (from October 1, 2022 to September 30, 2023)

(Millions of yen)

(millions of yen)

	Shareholders' equity								
	Share capital	Capital surplus			Retained earnings			Treasury shares	Total shareholders' equity
		Legal capital surplus	Other capital surplus	Total capital surplus	Other retained earnings		Total retained earnings		
					Reserve for special depreciation	Retained earnings brought forward			
Balance at beginning of period	1,847	1,877	406	2,284	10	13,118	13,128	△378	16,882
Changes during period									
Issuance of new shares - exercise of share acquisition rights	6	6		6					12
Dividends of surplus						△635	△635		△635
Profit						1,818	1,818		1,818
Reversal of reserve for special depreciation					△10	10	—		—
Purchase of treasury shares								—	—
Disposal of treasury shares			0	0				0	0
Treasury stock payment of stock ownership plan trust								1	1
Net changes in items other than shareholders' equity									
Total changes during period	6	6	0	6	△10	1,193	1,183	1	1,197
Balance at end of period	1,854	1,884	407	2,291	—	14,312	14,312	△377	18,080

	Valuation and translation adjustments			Share acquisition rights	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Total valuation and translation adjustments		
Balance at beginning of period	6	△32	△26	30	16,886
Changes during period					
Issuance of new shares - exercise of share acquisition rights					12
Dividends of surplus					△635
Profit					1,818
Reversal of reserve for special depreciation					—
Purchase of treasury shares					—
Disposal of treasury shares					0
Treasury stock payment of stock ownership plan trust					1
Net changes in items other than shareholders' equity	△0	14	14	8	23
Total changes during period	△0	14	14	8	1,221
Balance at end of period	6	△18	△12	39	18,107

Fiscal year ended September 30, 2024 (from October 1, 2023 to September 30, 2024)

(Millions of yen)

	Shareholders' equity								
	Share capital	Capital surplus			Retained earnings			Treasury shares	Total shareholders' equity
		Legal capital surplus	Other capital surplus	Total capital surplus	Other retained earnings		Total retained earnings		
					Reserve for special depreciation	Retained earnings brought forward			
Balance at beginning of period	1,854	1,884	407	2,291	—	14,312	14,312	△377	18,080
Changes during period									
Issuance of new shares - exercise of share acquisition rights	49	49		49					98
Dividends of surplus						△656	△656		△656
Profit						1,817	1,817		1,817
Reversal of reserve for special depreciation					—	—	—		—
Purchase of treasury shares								△0	△0
Disposal of treasury shares			6	6				1	8
Treasury stock payment of stock ownership plan trust								0	0
Net changes in items other than shareholders' equity									
Total changes during period	49	49	6	55	—	1,161	1,161	1	1,268
Balance at end of period	1,903	1,933	413	2,347	—	15,473	15,473	△375	19,348

	Valuation and translation adjustments			Share acquisition rights	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Total valuation and translation adjustments		
Balance at beginning of period	6	△18	△12	39	18,107
Changes during period					
Issuance of new shares - exercise of share acquisition rights					98
Dividends of surplus					△656
Profit					1,817
Reversal of reserve for special depreciation					—
Purchase of treasury shares					△0
Disposal of treasury shares					8
Treasury stock payment of stock ownership plan trust					0
Net changes in items other than shareholders' equity	0	10	10	3	14
Total changes during period	0	10	10	3	1,282
Balance at end of period	6	△7	△1	42	19,390

(4) Statement of Cash Flows

(Millions of yen)

	Fiscal year ended September 30, 2023	Fiscal year ended September 30, 2024
Cash flows from operating activities		
Profit before income taxes	2,658	2,604
Depreciation	523	532
Increase (decrease) in provision for bonuses	7	△4
Increase (decrease) in provision for share awards	6	3
Increase (decrease) in provision for shareholder benefit program	△12	—
Interest and dividend income	△0	△1
Interest expenses	225	249
Loss on retirement of non-current assets	15	30
Impairment losses	27	—
Loss (gain) on valuation of investment securities	11	—
Decrease (increase) in trade receivables	△29	△51
Decrease (increase) in other current assets	△29	△126
Increase (decrease) in trade payables	39	61
Increase (decrease) in other current liabilities	118	△42
Other, net	71	95
Subtotal	3,633	3,350
Interest and dividends received	0	1
Interest paid	△225	△249
Income taxes paid	△739	△919
Net cash provided by (used in) operating activities	2,668	2,183
Cash flows from investing activities		
Purchase of property, plant and equipment	△2,501	△4,357
Purchase of intangible assets	△45	△6
Payments of leasehold and guarantee deposits	△23	△65
Other, net	5	△38
Net cash provided by (used in) investing activities	△2,565	△4,468
Cash flows from financing activities		
Proceeds from short-term borrowings	882	1,076
Repayments of short-term borrowings	△882	△1,076
Proceeds from long-term borrowings	2,719	5,428
Repayments of long-term borrowings	△2,107	△2,493
Proceeds from issuance of shares	10	95
Proceeds from disposal of treasury shares	0	6
Repayments of lease liabilities	△314	△290
Dividends paid	△635	△655
Other, net	—	△0
Net cash provided by (used in) financing activities	△326	2,090
Net increase (decrease) in cash and cash equivalents	△223	△193
Cash and cash equivalents at beginning of period	3,931	3,708
Cash and cash equivalents at end of period	3,708	3,514

(5) Notes to Financial Statements
(Notes on going concern assumption)
Not applicable.

(Changes in accounting policies)
Not applicable.

(Segment information)

The segment information is omitted, as the Company has a single segment related to the parking lot development, operation and management business.