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## Consolidated Financial Results for the Nine Months Ended December 31, 2023 [Japanese GAAP]



February 13, 2024

Company name: YAKO CO., LTD.  
 Stock exchange listing: Tokyo Stock Exchange  
 Code number: 8279  
 URL: <https://www.yako-net.com/>  
 Representative: Kawano Sumito, President and Representative Director  
 Contact: Kamiike Masanobu, Senior Managing Director and Chief Director of Business Management  
 Phone: +81-49-246-7000  
 Scheduled date of filing quarterly securities report: February 13, 2024  
 Scheduled date of commencing dividend payments: -  
 Availability of supplementary briefing material on quarterly financial results: Yes  
 Schedule of quarterly financial results briefing session: No

(Amounts of less than one million yen are rounded down.)

### 1. Consolidated Financial Results for the Nine Months Ended December 31, 2023 (April 1, 2023 to December 31, 2023)

(1) Consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Total revenue		Operating income		Ordinary income		Net income attributable to owners of parent	
Nine months ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
December 31, 2023	469,573	9.2	31,808	21.3	31,672	22.3	22,088	31.2
December 31, 2022	429,960	5.4	26,218	2.0	25,890	2.5	16,835	(0.8)

(Note) Comprehensive income: Nine months ended December 31, 2023: ¥22,139 million [31.1%]

Nine months ended December 31, 2022: ¥16,885 million [(0.9)%]

	Basic earnings per share	Diluted earnings per share
Nine months ended	Yen	Yen
December 31, 2023	568.50	533.96
December 31, 2022	433.39	407.10

### (2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of December 31, 2023	342,560	160,308	46.8	4,125.77
As of March 31, 2023	318,231	141,613	44.5	3,644.95

(Reference) Equity: As of December 31, 2023: ¥160,308 million

As of March 31, 2023: ¥141,613 million

## 2. Dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2023	-	40.00	-	45.00	85.00
Fiscal year ending March 31, 2024	-	42.50	-		
Fiscal year ending March 31, 2024 (Forecast)				42.50	85.00

(Note) Revision to the forecast for dividends announced most recently: No

## 3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2024 (April 1, 2023 to March 31, 2024)

(% indicates changes from the previous corresponding period.)

	Total revenue		Operating income		Ordinary income		Net income attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	574,000	1.7	26,300	0.2	25,600	0.0	16,000	1.0	411.87

(Note) Revision to the financial results forecast announced most recently: No

### \* Notes:

- (1) Changes in significant subsidiaries during the nine months ended December 31, 2023 (changes in specified subsidiaries resulting in changes in scope of consolidation): No  
New: - company (Name of company)      Exclusion: - company (Name of company)
- (2) Accounting policies adopted specially for the preparation of quarterly consolidated financial statements: No
- (3) Changes in accounting policies, changes in accounting estimates and retrospective restatement
  - 1) Changes in accounting policies due to the revision of accounting standards: No
  - 2) Changes in accounting policies other than 1) above: No
  - 3) Changes in accounting estimates: No
  - 4) Retrospective restatement: No
- (4) Total number of issued shares (common stock)
  - 1) Total number of issued shares at the end of the period (including treasury stock):  
December 31, 2023: 40,013,722 shares  
March 31, 2023: 40,013,722 shares
  - 2) Total number of treasury stocks at the end of the period:  
December 31, 2023: 1,158,469 shares  
March 31, 2023: 1,161,834 shares
  - 3) Average number of shares during the period:  
Nine months ended December 31, 2023: 38,854,016 shares  
Nine months ended December 31, 2022: 38,845,658 shares

\* These quarterly financial results are outside the scope of quarterly review by certified public accountants or audit firms.

\* Explanation of the proper use of financial results forecast and other notes

The earnings forecasts and other forward-looking statements herein are based on certain assumptions in light of information currently available and deemed reasonable and are not a guarantee of future performance. Actual results may differ significantly from these forecasts due to a wide range of factors. For details on conditions for the assumptions of financial results forecasts and notes for the use of financial results forecasts, please refer to page 4 of the Japanese version of the Attachment, “1. Qualitative Information on Financial Results for the Nine Months Ended December 31, 2023, (3) Explanation of financial results forecast and forward-looking information.”

# Quarterly Consolidated Financial Statements and Primary Notes

## (1) Quarterly Consolidated Balance Sheets

(Millions of Yen)

	As of March 31, 2023	As of December 31, 2023
<b>Assets</b>		
Current assets		
Cash and bank deposits	45,777	46,852
Accounts receivable—trade	8,608	14,118
Securities	-	3,050
Merchandise and finished products	9,660	11,152
Raw materials and supplies	394	331
Other	12,184	19,311
Total current assets	76,625	94,817
Non-current assets		
Tangible fixed assets		
Buildings and structures (net)	83,243	84,013
Land	83,159	84,637
Other (net)	26,179	30,418
Total tangible fixed assets	192,581	199,069
Intangible fixed assets	6,184	5,740
Investments and other assets		
Deferred tax assets	7,850	6,955
Guarantee deposits paid	22,475	22,848
Other	12,503	13,125
Total investments and other assets	42,829	42,929
Total non-current assets	241,595	247,739
Deferred assets	11	3
Total assets	318,231	342,560

(Millions of Yen)

	As of March 31, 2023	As of December 31, 2023
<b>Liabilities</b>		
Current liabilities		
Accounts payable—trade	35,293	46,726
Current portion of bonds payable	-	15,006
Current portion of long-term loans payable	4,288	4,007
Income taxes payable	4,625	5,161
Provision for bonuses for employees	2,887	1,625
Provision for point card certificates	71	66
Other	20,052	17,926
Total current liabilities	67,218	90,520
Long-term liabilities		
Bonds payable	15,017	-
Long-term loans payable	68,478	65,516
Deferred tax liabilities	1,121	1,078
Deferred tax liabilities on revaluation	34	34
Provision for retirement benefits for directors	230	-
Provision for retirement benefits for executive officers	26	27
Provision for stock compensation for employees	2,885	2,803
Provision for stock compensation for directors	189	214
Liability for retirement benefits	4,209	4,359
Asset retirement obligations	5,834	6,486
Other	11,371	11,210
Total long-term liabilities	109,400	91,732
Total liabilities	176,618	182,252
<b>Net assets</b>		
Shareholders' equity		
Common stock	4,199	4,199
Capital surplus	7,160	7,160
Retained earnings	137,713	156,337
Treasury stock	(4,817)	(4,798)
Total shareholders' equity	144,255	162,899
Accumulated other comprehensive income		
Unrealized gains on available-for-sale securities	192	230
Revaluation reserve for land	(2,939)	(2,939)
Remeasurements of defined benefit plans	103	116
Total accumulated other comprehensive income	(2,642)	(2,591)
Total net assets	141,613	160,308
Total liabilities and net assets	318,231	342,560

(2) Quarterly Consolidated Statements of Income and Comprehensive Income  
Quarterly Consolidated Statements of Income

(Millions of Yen)

	Nine months ended December 31, 2022 (April 1, 2022 – December 31, 2022)	Nine months ended December 31, 2023 (April 1, 2023 – December 31, 2023)
Net sales	412,791	451,299
Cost of sales	308,112	336,801
Gross profit	104,678	114,497
Operating revenue	17,168	18,274
Operating gross profit	121,847	132,771
Selling, general and administrative expenses	95,628	100,963
Operating income	26,218	31,808
Non-operating income		
Interest income	82	85
Dividend income	9	11
Share of profit of entities accounted for using equity method	254	421
Subsidy income	-	49
Other	49	31
Total non-operating income	395	598
Non-operating expenses		
Interest expenses	715	719
Other	8	14
Total non-operating expenses	723	734
Ordinary income	25,890	31,672
Extraordinary income		
Gain on sales of fixed assets	8	-
Penalty income on lease contracts	2	2
Total extraordinary income	10	2
Extraordinary losses		
Loss on sales of fixed assets	1,296	-
Loss on disposal of fixed assets	33	33
Total extraordinary losses	1,329	33
Income before income taxes	24,571	31,642
Income taxes - current	6,673	8,723
Income taxes - deferred	1,062	830
Total income taxes	7,736	9,553
Net income	16,835	22,088
Net income attributable to owners of parent	16,835	22,088

# Quarterly Consolidated Statements of Comprehensive Income

(Millions of Yen)

	Nine months ended December 31, 2022 (April 1, 2022 – December 31, 2022)	Nine months ended December 31, 2023 (April 1, 2023 – December 31, 2023)
Net income	16,835	22,088
Other comprehensive income		
Unrealized gains on available-for-sale securities	19	31
Remeasurements of defined benefit plans	23	14
Share of other comprehensive income of entities accounted for using equity method	6	4
Total other comprehensive income	50	51
Comprehensive income	16,885	22,139
Comprehensive income attributable to		
Owners of parent	16,885	22,139

### (3) Notes to the Quarterly Consolidated Financial Statements

#### **Notes on going concern assumption**

Not applicable.

#### **Notes in the event of material changes in the amount of shareholders' equity**

Not applicable.

#### **Important subsequent events**

##### Exercise of share acquisition rights of convertible bonds

Zero Coupon Convertible Bonds due 2024 were partially exercised from January 1, 2024 to January 31, 2024.

The following is a summary of this exercise of rights.

(1) Number of share acquisition rights exercised	1,079
(2) Class and number of shares issued	Common stock 1,797,282 shares
(3) Total transfer price	10,790 million yen
(4) Amount of increase in capital stock	5,396 million yen
(5) Amount of increase in legal capital surplus	5,396 million yen

##### Change in equity-method affiliate (conversion to consolidated subsidiary)

At a meeting of Board of Directors held on January 15, 2024, the Company resolved to change Sendo Co., Ltd. (hereinafter "Sendo") from an equity-method affiliate to a consolidated subsidiary. The Company concluded a share transfer agreement with Sendo's shareholders on the same day.

#### 1. Reason for the change

The Company owned 43.18% of Sendo shares and treated Sendo as an equity-method affiliate as of December 31, 2023. Sendo's management philosophy is to "treat our customers with sincerity and sell them good quality, fresh products at low prices." Sendo operates food supermarkets whose fresh foods have a dominant market position with an aim to "contribute to more abundant dietary lives" of customers in the region. Sendo has established a dominant position in the local market centered on Ichihara City in Chiba Prefecture (with 24 food supermarkets and one drug store as of December 31, 2023).

Recently we decided to make Sendo a consolidated subsidiary to further improve business efficiency, reduce administrative costs, increase organizational strength and enhance customer service of the Yaoko Group as a whole, and aim for further growth through friendly competition.

#### 2. Outline of subsidiary

(1) Name	Sendo Co., Ltd.
(2) Address	813 Yawata, Ichihara City, Chiba Prefecture
(3) Name/title of representative	Kiguchi Seiichi, Representative Director
(4) Business description	Retail
(5) Capital stock	10 million yen
(6) Established	July 4, 1969

#### 3. Timing of share acquisition

April 1, 2024 (planned)

#### 4. Ratio of shares to be acquired, acquisition cost, and ownership percentage after change

(1) Stake to be acquired	22.82%
(2) Acquisition cost	2,966 million yen
(3) Ownership percentage after change	66.00%