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KOBE BUSSAN CO., LTD.



January 19, 2023

Company name: Kobe Bussan Co., Ltd.
 Securities code: 3038
 Listing: Prime Market of Tokyo Stock Exchange
 Representative: Hirokazu Numata,
 President and Representative Director
 Contact: Masahiro Sakamoto,
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Monthly Performance for December 2022

Kobe Bussan Co., Ltd. discloses its monthly performance for December 2022 on a non-consolidated basis.

1. Trends in net sales, gross profit, operating profit, and ordinary profit (non-consolidated)

[Net sales]

(Upper: Millions of yen, Lower: YoY %)

Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	H1	
36,947	41,392						
111.1	112.6						
May	June	July	Aug.	Sept.	Oct.	H2	Full year

[Gross profit]

(Upper: Millions of yen, Lower: YoY %)

Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	H1	
3,116	3,465						
91.2	95.2						
May	June	July	Aug.	Sept.	Oct.	H2	Full year

[Operating profit]

(Upper: Millions of yen, Lower: YoY %)

Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	H1	
1,725	2,062						
77.7	85.1						
May	June	July	Aug.	Sept.	Oct.	H2	Full year

[Ordinary profit]

(Upper: Millions of yen, Lower: YoY %)

Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	H1	
174	204						
7.8	7.7						
May	June	July	Aug.	Sept.	Oct.	H2	Full year

Note: This flash report is unaudited and the figures are subject to change. Accordingly, they are revised and updated as appropriate on a timely basis if differed from the quarterly or annual results. For the purpose of year-on-year comparison, buy-sell transactions with subsidiaries are not accounted for under the Accounting Standard for Revenue Recognition on a monthly basis. The figures under the Standard will be disclosed in the full-year financial results.

2. Trends in the number of Gyomu Super stores

		Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	H1		
Directly managed areas	Opened	0	3							
	Closed	0	0							
	Total	633	636							
Indirectly managed areas	Opened	1	1							
	Closed	0	1							
	Total	372	372							
Total franchise stores		1,005	1,008							
Total directly operated stores		3	3							
Total stores		1,008	1,011							
		May	June	July	Aug.	Sept.	Oct.	H2	Full year	
Directly managed areas	Opened									
	Closed									
	Total									
Indirectly managed areas	Opened									
	Closed									
	Total									
Total franchise stores										
Total directly operated stores										
Total stores										

■ Directly managed areas (areas with franchise stores under general franchise contract)

[Hokkaido area] Hokkaido prefecture

[Kanto area] Tokyo, Chiba, Kanagawa, and Saitama prefectures

[Kansai area] Osaka, Kyoto, Hyogo (excl. Awaji Island), Nara, Wakayama, and Shiga prefectures

[Kyushu area] Fukuoka, Saga, Nagasaki, Kumamoto, Oita, and Miyazaki prefectures

■ Indirectly managed areas (areas with franchise stores under area franchise contract)

Prefectures other than those listed above

[Stores opened during December 2022]

Store name	Address
[Directly managed areas]	—
Tomakomai Nishi	2-1-2 Kashiwagi-cho, Tomakomai-shi, Hokkaido
Taishi	13-1 Oibara, Taishi-cho, Ibo-gun, Hyogo
Tonden	3-8-18 Tonden 6-jo, Kita-ku, Sapporo-shi, Hokkaido
[Indirectly managed areas]	—
Masago	3-8 Masago Honmachi, Kagoshima-shi, Kagoshima

3. Year-on-year changes in product shipments to Gyomu Super stores

(YoY %)

		Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	H1		
Directly managed areas	Existing stores	105.6	107.2							
	All stores	112.2	112.6							
Nationwide*	All stores	110.9	112.5							
		May	June	July	Aug.	Sept.	Oct.	H2	Full year	
Directly managed areas	Existing stores									
	All stores									
Nationwide*	All stores									

* "Nationwide" represents the product shipments to the stores in both directly and indirectly managed areas.

4. Overview

For December 2022, we reported net sales of **¥41,392 million (up 12.6% year-on-year)**, gross profit of **¥3,465 million (down 4.8%)**, operating profit of **¥2,062 million (down 14.9%)**, and ordinary profit of **¥204 million (down 92.3%)** on a non-consolidated basis.

During the period, Gyomu Super opened four stores, resulting in 1,011 stores in total, an increase of 56 stores from a year earlier. As such, net sales increased driven by the continued coverage on many television programs and social media as well as a marketing campaign titled “Gyomu Super Year End Sale 2022” held in December.

Ordinary profit fell significantly short of that for the same period of the previous fiscal year because the further soaring of yen resulted in valuation loss on forward exchange contracts. However, this large valuation loss for accounting purposes has only a one-time impact.

At the same time, we expect that the further appreciation of the yen will give us a significant cost advantage in purchasing imported goods, and ultimately boost our operating profit.

Our product shipments to Gyomu Super stores remained strong, with **an increase of 7.2%** from a year earlier to existing stores in directly managed areas, **an increase of 12.6%** to all stores in directly managed areas, and **an increase of 12.5%** to all stores nationwide.

In terms of our product trends, conveniently available frozen vegetables and items for commercial use such as restaurants have continued showing an increase in shipments year-on-year.

5. Scheduled disclosure date

The flash report for January is scheduled to be released on Wednesday, February 22. Please note that the date of release may be changed for unavoidable reasons.