

Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.



KOBE BUSSAN CO., LTD.



October 24, 2024

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,
 Manager, Corporate Planning Department

Monthly Performance for September 2024

Kobe Bussan Co., Ltd. discloses its monthly performance for September 2024 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 | |
|--------|--------|--------|--------|---------------|--------|---------|-----------|
| 41,653 | 45,609 | 36,909 | 39,473 | 44,070 | 45,172 | 252,889 | |
| 112.7 | 110.2 | 112.9 | 111.6 | 110.6 | 109.3 | 111.1 | |
| May | June | July | Aug. | Sept. | Oct. | H2 | Full year |
| 44,274 | 42,449 | 44,112 | 43,879 | 42,759 | | | |
| 110.2 | 107.8 | 111.5 | 108.9 | 104.7 | | | |

[Gross profit] (Upper: Millions of yen, Lower: YoY %)

| Nov. | Dec. | Jan. | Feb. | Mar. | Apr. | H1 | |
|-------|-------|-------|-------|--------------|-------|--------|-----------|
| 4,006 | 4,184 | 3,720 | 3,926 | 4,504 | 4,570 | 24,912 | |
| 128.6 | 120.7 | 121.5 | 115.3 | 114.1 | 106.2 | 117.0 | |
| May | June | July | Aug. | Sept. | Oct. | H2 | Full year |
| 4,537 | 4,170 | 4,118 | 3,992 | 3,867 | | | |
| 104.0 | 99.8 | 104.8 | 103.1 | 99.8 | | | |

[Operating profit] (Upper: Millions of yen, Lower: YoY %)

| Nov. | Dec. | Jan. | Feb. | Mar. | Apr. | H1 | |
|-------|-------|-------|-------|--------------|-------|--------|-----------|
| 2,389 | 2,542 | 2,123 | 2,305 | 2,699 | 2,835 | 14,895 | |
| 138.5 | 123.3 | 127.2 | 116.0 | 121.4 | 105.4 | 120.5 | |
| May | June | July | Aug. | Sept. | Oct. | H2 | Full year |
| 2,873 | 2,525 | 2,353 | 2,333 | 2,171 | | | |
| 100.4 | 93.5 | 105.6 | 100.6 | 99.2 | | | |

[Ordinary profit] (Upper: Millions of yen, Lower: YoY %)

| Nov. | Dec. | Jan. | Feb. | Mar. | Apr. | H1 | |
|-------|---------|---------|---------|-------------|-------|--------|-----------|
| 191 | (3,839) | 10,314 | 4,144 | 2,382 | 2,260 | 15,452 | |
| 109.6 | - | 1,000.0 | 80.8 | 130.1 | 80.9 | 138.4 | |
| May | June | July | Aug. | Sept. | Oct. | H2 | Full year |
| 2,958 | 2,826 | (2,943) | (4,887) | 713 | | | |
| 101.5 | 125.4 | - | - | 32.0 | | | |

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 | 0 | 0 | 2 | 6 | 9 | 17 | | |
| | Closed | 0 | 0 | 0 | 0 | 1 | 0 | 1 | | |
| | Total | 664 | 664 | 664 | 666 | 671 | 680 | +16 | | |
| Indirectly managed areas | Opened | 2 | 0 | 1 | 0 | 1 | 2 | 6 | | |
| | Closed | 0 | 0 | 0 | 1 | 0 | 7 | 8 | | |
| | Total | 382 | 382 | 383 | 382 | 383 | 378 | -2 | | |
| Total franchise stores | | 1,046 | 1,046 | 1,047 | 1,048 | 1,054 | 1,058 | — | | |
| Total directly operated stores | | 4 | 4 | 4 | 4 | 4 | 4 | — | | |
| Total stores | | 1,050 | 1,050 | 1,051 | 1,052 | 1,058 | 1,062 | +14 | | |
| | | May | June | July | Aug. | Sept. | Oct. | H2 | Full year | |
| Directly managed areas | Opened | 3 | 4 | 4 | 3 | 2 | | | | |
| | Closed | 1 | 0 | 7 | 0 | 1 | | | | |
| | Total | 682 | 686 | 683 | 686 | 687 | | | | |
| Indirectly managed areas | Opened | 2 | 3 | 2 | 0 | 2 | | | | |
| | Closed | 0 | 1 | 0 | 0 | 0 | | | | |
| | Total | 380 | 382 | 384 | 384 | 386 | | | | |
| Total franchise stores | | 1,062 | 1,068 | 1,067 | 1,070 | 1,073 | | | | |
| Total directly operated stores | | 4 | 4 | 4 | 4 | 4 | | | | |
| Total stores | | 1,066 | 1,072 | 1,071 | 1,074 | 1,077 | | | | |

Effective April 1, 2024, the area category of Kagoshima prefecture was changed from “Indirectly managed areas” to “Directly managed areas.” Accordingly, six stores in Kagoshima have been reclassified to those in “Directly managed areas,” and this change is reflected in “Closed” in “Indirectly managed areas” and “Opened” in “Directly managed areas” for April.

- 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, Miyazaki, and Kagoshima prefectures
- Indirectly managed areas (areas with franchise stores under area franchise contract)
 - Prefectures other than those listed above

[Stores opened during September 2024]

| Store name | Address |
|-----------------------------------|--|
| [Directly managed areas] | — |
| Taguchi | 4-1-1 Taguchi, Hirakata-shi, Osaka |
| Kagohara | 1-169 Midori-cho, Kumagaya-shi, Saitama |
| [Indirectly managed areas] | — |
| Okamoto | 4528-3 Shimookamoto-cho, Utsunomiya-shi, Tochigi |
| Kibitsu | 1403-1 Kibitsu, Kita-ku, Okayama-shi, Okayama |

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 | 108.7 | 106.9 | 110.6 | 107.9 | 107.5 | 104.9 | 107.7 | | |
| | All stores | 112.7 | 110.2 | 113.8 | 111.7 | 111.0 | 109.1 | 111.3 | | |
| Nationwide* | All stores | 113.1 | 110.5 | 114.4 | 112.8 | 111.1 | 109.9 | 111.7 | | |
| | | May | June | July | Aug. | Sept. | Oct. | H2 | Full year | |
| Directly managed areas | Existing stores | 105.4 | 103.1 | 105.0 | 105.4 | 101.1 | | | | |
| | All stores | 109.8 | 107.4 | 109.7 | 109.5 | 105.1 | | | | |
| Nationwide* | All stores | 110.0 | 106.8 | 110.2 | 109.2 | 104.4 | | | | |

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

4. Overview

For September 2024, we reported net sales of **¥42,759 million (up 4.7% year-on-year)**, gross profit of **¥3,867 million (down 0.2%)**, operating profit of **¥2,171 million (down 0.8%)**, and ordinary profit of **¥713 million (down 68.0%)** on a non-consolidated basis.

During the period, Gyomu Super opened four stores, resulting in 1,077 stores in total, an increase of 39 stores from a year earlier. Net sales increased driven by the continued coverage on television programs and social media.

Our product shipments to Gyomu Super stores remained strong, with **an increase of 1.1%** from a year earlier to existing stores in directly managed areas, **an increase of 5.1%** to all stores in directly managed areas, and **an increase of 4.4%** to all stores nationwide.

In terms of our product trends, sales of conveniently available frozen vegetables continued contributing to sales growth, and on-sale items followed this trend.

As for ordinary profit, the appreciation of the yen toward the end of September led to recording, under non-operating expenses, a valuation loss on forward exchange contracts that we had entered into amid a temporary depreciation of the yen. 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.

Through Thursday, October 31, we are running a marketing campaign titled “Gyomu Super Stores Loaded with Bargains!! Storewide Customer Appreciation Sale in Autumn 2024.” Through this sale, we continue to spread Gyomu Super’s attractiveness to more customers. Details of the campaign can be found on our website https://www.gyomusuper.jp/sale/202409_10/ (available in Japanese only).

5. Scheduled disclosure date

The flash report for October 2024 is scheduled to be released on Thursday, November 21. Please note that the date of release may be changed for unavoidable reasons.