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KOBE BUSSAN CO., LTD.



January 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,
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Monthly Performance for December 2023

Kobe Bussan Co., Ltd. discloses its monthly performance for December 2023 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	
41,690	45,609						
112.8	110.2						
May	June	July	Aug.	Sept.	Oct.	H2	Full year

[Gross profit]

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

Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	H1	
3,991	4,183						
128.1	120.7						
May	June	July	Aug.	Sept.	Oct.	H2	Full year

[Operating profit]

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

Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	H1	
2,389	2,542						
138.5	123.3						
May	June	July	Aug.	Sept.	Oct.	H2	Full year

[Ordinary profit]

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

Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	H1	
191	(3,839)						
109.7	-						
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	0								
	Closed	0	0								
	Total	664	664								
Indirectly managed areas	Opened	2	0								
	Closed	0	0								
	Total	382	382								
Total franchise stores		1,046	1,046								
Total directly operated stores		4	4								
Total stores		1,050	1,050								
		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

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								
	All stores	112.7	110.2								
Nationwide*	All stores	113.1	110.5								
		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 2023, we reported net sales of **¥45,609 million (up 10.2% year-on-year)**, gross profit of **¥4,183 million (up 20.7%)**, operating profit of **¥2,542 million (up 23.3%)**, and ordinary profit of **¥(3,839) million (¥204 million in the same month of the previous year)** on a non-consolidated basis.

During the period, Gyomu Super did not open or close any stores, maintaining 1,050 stores in total. Net sales increased driven by the coverage on television programs and social media.

Our product shipments to Gyomu Super stores remained strong, with **an increase of 6.9%** from a year earlier to existing stores in directly managed areas, **an increase of 10.2%** to all stores in directly managed areas, and **an increase of 10.5%** to all stores nationwide.

In terms of our product trends, sales of conveniently available frozen vegetables continued showing a strong positive trend. Also, Japanese basic seasonings such as sugar and salt and items with high demand during the New Year holidays contributed to sales growth.

As for ordinary profit, we have continued hedging currency fluctuation risks by entering into forward exchange contracts, but the significant appreciation of the yen toward the end of December led to recording a valuation loss on them under non-operating expenses as in the same month of the previous fiscal year. However, this valuation loss is of a one-time nature because the yen has been significantly weaker since the end of December, and assuming that the exchange rates will remain largely the same as the rate as of today on January 24 throughout January, ordinary profit for January 2024 is expected to improve greatly.

5. Scheduled disclosure date

The flash report for January 2024 is scheduled to be released on Thursday, February 22. Please note that the date of release may be changed for unavoidable reasons.