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KOBE BUSSAN CO., LTD.



February 25, 2022

Company name: Securities code:	Kobe Bussan Co., Ltd. 3038
Listing:	1st Section of Tokyo Stock Exchange
Representative:	Hirokazu Numata,
	President and Representative Director
Contact:	Masahiro Sakamoto,
	Manager, Corporate Planning Department

Monthly Performance for January 2022

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

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	
33,248	36,745	29,582					
119.2	111.3	112.9					
May	June	July	Aug.	Sept.	Oct.	H2	Full year

[Gross profit]				(Upper:)	Millions of yen,	Lower: YoY %)	_
Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	H1	
3,415	3,640	3,023					
121.0	109.7	114.1					
May	June	July	Aug.	Sept.	Oct.	H2	Full year

[Operating profi	it]			(Upper:	Millions of yen,	Lower: YoY %)	
Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	H1	
2,220	2,423	1,781					
118.4	103.8	103.5					
May	June	July	Aug.	Sept.	Oct.	H2	Full year

[Ordinary profit]			(Upper:	Millions of yen,	, Lower: YoY %))
Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	H1	
2,236	2,672	1,780					
125.1	113.6	96.6					
May	June	July	Aug.	Sept.	Oct.	H2	Full year

2. Trends in the number of Gyomu Super stores

Gyonna Da	per stores							
	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	H1	
Opened	3	9	2					
Closed	1	0	1					
Total	581	590	591					
Opened	2	2	1					
Closed	9	1	1					
Total	361	362	362					
ores	942	952	953					
d stores	3	3	3					
	945	955	956					
	May	June	July	Aug.	Sept.	Oct.	H2	Full year
Opened								
Closed								
Total								
Opened								
Closed								
Total								
Total franchise stores								
d stores								
Total stores								
	Opened Closed Total Opened Closed Total ores d stores Opened Closed Total Opened Closed Total Opened Closed	Opened3Closed1Total581Opened2Closed9Total361ores942d stores3945MayOpenedClosedClosed0Total0Closed0Total0Closed0Total0Opened0Closed0Total0ores0ores0	Nov.Dec.Opened39Closed10Total581590Opened22Closed91Total361362ores942952d stores33945955MayJuneOpenedClosedTotalOpenedClosedTotalOpenedClosedTotalOpenedClosedTotaloresores	Nov. Dec. Jan. Opened 3 9 2 Closed 1 0 1 Total 581 590 591 Opened 2 2 1 Closed 9 1 1 Total 581 590 591 Opened 2 2 1 Closed 9 1 1 Total 361 362 362 ores 942 952 953 d stores 3 3 3 945 955 956 May June July Opened	Nov. Dec. Jan. Feb. Opened 3 9 2 Closed 1 0 1 Total 581 590 591 Opened 2 2 1 Total 581 590 591 Opened 2 2 1 Closed 9 1 1 Total 361 362 362 ores 942 952 953 d stores 3 3 3 945 955 956 May June July Aug. Opened	Nov. Dec. Jan. Feb. Mar. Opened 3 9 2 1 1 Closed 1 0 1 1 1 1 Total 581 590 591 1 1 1 1 Opened 2 2 1	Nov. Dec. Jan. Feb. Mar. Apr. Opened 3 9 2	Nov. Dec. Jan. Feb. Mar. Apr. H1 Opened 3 9 2

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 January 2022]	
Store name	Address
[Directly managed areas]	—
Hayama	1-28-15 Hayama, Nagasaki-shi, Nagasaki
Saga Kita	4-8-2 Takakisenishi, Saga-shi, Saga
[Indirectly managed areas]	—
Hitachiomiya	3086-1 Uruno, Hitachiomiya-shi, Ibaraki

3. Year-on-year changes in product shipments to Gyomu Super stores (YoY %) Nov. Dec. Jan. Feb. Mar. Apr. H1110.2 102.4 103.1 Existing stores Directly managed areas All stores 116.6 108.8 109.3 Nationwide* All stores 118.6 110.3 111.2 May June July Aug. Sept. Oct. H2 Full year Existing stores Directly managed areas All stores Nationwide* All stores

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

4. Overview

During the period, Gyomu Super opened 3 stores, resulting in 956 stores in total, an increase of 56 stores from a year earlier. As such, Gyomu Super stores attract more customers than ever before due to the stores being continuously featured on television, magazines, newspapers, and social media. As a result, these factors grew net sales.

Ordinary profit fell short of that for the same period of the previous fiscal year. This is primarily because we recorded foreign exchange losses for January this year as contrasted by recording foreign exchange gains due to the weakening of the yen for the same month last year. However, we analyze that this fluctuation is of a one-time nature and has only a limited effect on non-operating income and expenses.

Our product shipments to Gyomu Super stores remained strong, with **an increase of 3.1%** from a year earlier to existing stores in directly managed areas, **an increase of 9.3%** to all stores in directly managed areas, and **an increase of 11.2%** to all stores nationwide.

In terms of our product trends, frozen fruits, frozen vegetables, and frozen desserts have continued to show a positive trend. Although the quasi-emergency measures were applied to some prefectures in a phased manner from late January, restaurant opening hours were unrestricted for some time even during the quasi-emergency period. As a result, the shipments for bulk foods for commercial use increased.

From March 1 to April 30, we are going to run a marketing campaign titled "Gyomu Super Stores Loaded with Bargains! Storewide Customer Appreciation Sale 2022," through which we continue to spread Gyomu Super's attractiveness to more customers. Details of the campaign can be found on our website <u>https://www.gyomusuper.jp/sale/202203_04/</u> (available in Japanese only).

5. Scheduled disclosure date

We principally set the 25th of each month (or, if the 25th falls on a weekend or national holiday, the immediately preceding business day) as the scheduled disclosure date to announce this flash report. Please note that the date may be changed for unavoidable reasons.

6. Transition to a company with an audit and supervisory committee

At the conclusion of the 36th Annual General Meeting of Shareholders held on January 27, 2022, we transitioned from a company with a board of corporate auditors to a company with an audit and supervisory committee in order to strengthen the auditing and supervisory function of the Board of Directors and accelerate decision-making for business execution, thereby further enhancing corporate governance.