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KOBE BUSSAN CO., LTD.



September 20, 2023

Company name: Kobe Bussan Co., Ltd.
 Securities code: 3038
 Listing: Prime Market of Tokyo Stock Exchange
 Representative: Hirokazu Numata,
 President and Representative Director
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Monthly Performance for August 2023

Kobe Bussan Co., Ltd. discloses its monthly performance for August 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	
36,947	41,392	32,684	35,364	39,845	41,342	227,577	
111.1	112.6	110.5	113.8	109.6	112.5	111.7	
May	June	July	Aug.	Sept.	Oct.	H2	Full year
40,175	39,372	39,552	40,285				
117.7	110.5	114.1	116.7				

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

Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	H1	
3,116	3,465	3,060	3,406	3,946	4,305	21,300	
91.2	95.2	100.8	103.9	114.8	114.2	103.5	
May	June	July	Aug.	Sept.	Oct.	H2	Full year
4,363	4,178	3,928	3,873				
127.1	118.4	118.4	122.3				

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

Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	H1	
1,725	2,062	1,668	1,988	2,222	2,690	12,357	
77.7	85.1	97.5	93.9	108.0	114.5	95.9	
May	June	July	Aug.	Sept.	Oct.	H2	Full year
2,861	2,700	2,229	2,319				
131.9	120.1	118.8	122.7				

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

Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	H1	
174	204	1,031	5,127	1,830	2,793	11,163	
7.8	7.7	59.3	229.7	63.3	97.1	76.2	
May	June	July	Aug.	Sept.	Oct.	H2	Full year
2,914	2,253	2,974	2,170				
132.2	80.9	194.4	71.1				

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	2	4	6	4	19		
	Closed	0	0	0	4	0	1	5		
	Total	633	636	638	638	644	647	+14		
Indirectly managed areas	Opened	1	1	0	1	0	2	5		
	Closed	0	1	1	0	1	0	3		
	Total	372	372	371	372	371	373	+2		
Total franchise stores		1,005	1,008	1,009	1,010	1,015	1,020	—		
Total directly operated stores		3	3	3	3	3	3	—		
Total stores		1,008	1,011	1,012	1,013	1,018	1,023	+16		
		May	June	July	Aug.	Sept.	Oct.	H2	Full year	
Directly managed areas	Opened	3	3	1	3					
	Closed	1	0	0	0					
	Total	649	652	653	656					
Indirectly managed areas	Opened	0	2	1	2					
	Closed	0	0	0	2					
	Total	373	375	376	376					
Total franchise stores		1,022	1,027	1,029	1,032					
Total directly operated stores		3	3	3	3					
Total stores		1,025	1,030	1,032	1,035					

■ 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 August 2023]

Store name	Address
[Directly managed areas]	—
Sakai Hishiki	2-2225 Hishiki, Nishi-ku, Sakai-shi, Osaka
Edogawadai	3-6-2 Edogawadai Higashi, Nagareyama-shi, Chiba
Yame Motomura	100-1 Motomura, Yame-shi, Fukuoka
[Indirectly managed areas]	—
Ina	73-1 Misono, Ina-shi, Nagano
Manno	566-1 Okashita, Kaita, Manno-cho, Nakatado-gun, Kagawa

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	103.9	106.8	103.2	106.8	105.6		
	All stores	112.1	112.6	109.5	112.5	108.5	112.7	111.4		
Nationwide*	All stores	111.6	112.5	109.3	112.0	108.3	111.8	111.0		
		May	June	July	Aug.	Sept.	Oct.	H2	Full year	
Directly managed areas	Existing stores	110.5	105.6	110.3	111.9					
	All stores	116.5	111.1	115.5	117.1					
Nationwide*	All stores	116.6	110.3	115.3	117.3					

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

4. Overview

For August 2023, we reported net sales of **¥40,285 million (up 16.7% year-on-year)**, gross profit of **¥3,873 million (up 22.3%)**, operating profit of **¥2,319 million (up 22.7%)**, and ordinary profit of **¥2,170 million (down 28.9%)** on a non-consolidated basis.

During the period, Gyomu Super opened five stores, resulting in 1,035 stores in total, an increase of 53 stores from a year earlier. In addition, net sales also 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 11.9%** from a year earlier to existing stores in directly managed areas, **an increase of 17.1%** to all stores in directly managed areas, and **an increase of 17.3%** to all stores nationwide.

Ordinary profit fell short of that for the same period of the previous fiscal year. This is because we recorded valuation loss on forward exchange contracts for August this year entered into to hedge risks of exchange rate fluctuations as contrasted by recording large valuation gain on the contracts for the same month last year.

In terms of our product trends, sales of conveniently available frozen vegetables have continued showing a strong positive trend. Also, we enjoyed strong performance in sales of summer season items such as beverages as well as sales of items for use at summer festivals and other events.

From Friday, September 1 to Tuesday, October 31, we are running a marketing campaign titled “Gyomu Super Stores Loaded with Bargains! Storewide Customer Appreciation Sale in Autumn 2023.” 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/202309_10/ (available in Japanese only).

5. Scheduled disclosure date

The flash report for September is scheduled to be released on Monday, October 23. Please note that the date of release may be changed for unavoidable reasons.