

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.



December 27, 2023

Non-consolidated Financial Results for the Nine Months Ended November 30, 2023 (Under Japanese GAAP)

Company name: Keiyo Co., Ltd.
 Listing: Tokyo Stock Exchange
 Securities code: 8168
 URL: <https://www.keiyo.co.jp>
 Representative: Koji Jitsukawa, President
 Inquiries: Keiichi Kitamura, Managing Director, General Manager of Administration Division,
 Supervising General Manager of Corporate Planning Department, and General Manager of
 Public Relations Department
 Telephone: +81-43-255-1111
 Scheduled date to file quarterly securities report: January 5, 2024
 Scheduled date to commence dividend payments: —
 Preparation of supplementary material on quarterly financial results: None
 Holding of quarterly financial results briefing: None

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Non-consolidated financial results for the nine months ended November 30, 2023 (from March 1, 2023 to November 30, 2023)

(1) Non-consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended								
November 30, 2023	70,076	(4.1)	3,341	(22.2)	3,584	(21.2)	2,407	(24.4)
November 30, 2022	73,070	(6.9)	4,296	(1.5)	4,550	(2.7)	3,185	(2.4)

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended		
November 30, 2023	41.29	—
November 30, 2022	53.38	—

(2) Non-consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
	Millions of yen	Millions of yen	%
As of			
November 30, 2023	84,082	47,552	56.6
February 28, 2023	79,130	44,413	56.1

Reference: Equity

As of November 30, 2023: ¥47,552 million
 As of February 28, 2023: ¥44,413 million

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended February 28, 2023	—	7.25	—	7.25	14.50
Fiscal year ending February 29, 2024	—	7.25	—		
Fiscal year ending February 29, 2024 (Forecast)				0.00	7.25

Note: Revisions to the forecast of cash dividends most recently announced: None

3. Forecasts of non-consolidated financial results for the fiscal year ending February 29, 2024 (from March 1, 2023 to February 29, 2024)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	93,300	(2.4)	5,250	0.2	5,450	(1.3)	3,600	(2.6)	61.74

Note: Revisions to the forecast most recently announced: None

* Notes

- 1) Adoption of accounting treatment specific to the preparation of quarterly non-consolidated financial statements: None
- (2) Changes in accounting policies, changes in accounting estimates, and restatement
 - (i) Changes in accounting policies due to revisions to accounting standards and other regulations: None
 - (ii) Changes in accounting policies due to other reasons: None
 - (iii) Changes in accounting estimates: None
 - (iv) Restatement: None
- (3) Number of issued shares (common shares)

- (i) Total number of issued shares at the end of the period (including treasury shares)

As of November 30, 2023	65,140,184 shares
As of February 28, 2023	65,140,184 shares

- (ii) Number of treasury shares at the end of the period

As of November 30, 2023	6,829,693 shares
As of February 28, 2023	6,827,258 shares

- (iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Nine months ended November 30, 2023	58,312,607 shares
Nine months ended November 30, 2022	59,676,401 shares

* Quarterly financial results reports are exempt from quarterly review conducted by certified public accountants or an audit corporation.

1. Quarterly Non-consolidated Financial Statements

(1) Quarterly Balance sheets

(Millions of yen)

	As of February 28, 2023	As of November 30, 2023
Assets		
Current assets		
Cash and deposits	1,943	3,307
Notes and accounts receivable trade, and contract assets	966	1,467
Merchandise	26,991	28,631
Other	1,859	1,489
Total current assets	31,761	34,895
Non-current assets		
Property, plant and equipment		
Buildings	24,819	25,310
Land	13,271	13,807
Other	14,392	14,021
Accumulated depreciation	(28,864)	(29,056)
Total property, plant and equipment	23,618	24,083
Intangible assets	1,598	1,405
Investments and other assets		
Investment securities	12,314	14,490
Guarantee deposits	6,815	6,983
Other	3,339	2,541
Allowance for doubtful accounts	(231)	(230)
Allowance for investment loss	(86)	(86)
Total investments and other assets	22,152	23,698
Total non-current assets	47,369	49,187
Total assets	79,130	84,082

(Millions of yen)

	As of February 28, 2023	As of November 30, 2023
Liabilities		
Current liabilities		
Notes and accounts payable - trade	9,300	11,216
Short-term borrowings	1,100	3,000
Current portion of long-term borrowings	4,095	3,297
Income taxes payable	861	648
Provision for loss on store closings	2	—
Provision for loss on disaster	4	—
Asset retirement obligations	52	29
Other	4,202	4,541
Total current liabilities	19,618	22,732
Non-current liabilities		
Long-term borrowings	6,797	5,500
Provision for retirement benefits	5,614	5,579
Asset retirement obligations	811	904
Other	1,875	1,813
Total non-current liabilities	15,098	13,797
Total liabilities	34,717	36,530
Net assets		
Shareholders' equity		
Share capital	16,505	16,505
Capital surplus	13,953	13,953
Retained earnings	16,050	17,612
Treasury shares	(5,881)	(5,884)
Total shareholders' equity	40,628	42,187
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	3,785	5,365
Total valuation and translation adjustments	3,785	5,365
Total net assets	44,413	47,552
Total liabilities and net assets	79,130	84,082

(2) Quarterly Statements of income

(Millions of yen)

	Nine months ended November 30, 2022	Nine months ended November 30, 2023
Net sales of goods	73,070	70,076
Cost of goods sales	45,816	44,251
Gross profit	27,253	25,825
Operating revenue	837	920
Gross operating revenue	28,091	26,745
Selling, general and administrative expenses	23,795	23,404
Operating profit	4,296	3,341
Non-operating income		
Interest income	9	6
Dividend income	220	180
Other	105	102
Total non-operating income	335	290
Non-operating expenses		
Interest expenses	48	40
Other	32	6
Total non-operating expenses	81	46
Ordinary profit	4,550	3,584
Extraordinary income		
Gain on sale of non-current assets	17	-
Gain on sale of investment securities	4	109
Contribution for construction	17	-
Other	0	1
Total extraordinary income	40	111
Extraordinary losses		
Loss on retirement of non-current assets	107	25
Loss on store closings	442	14
Loss on abandonment of goods	655	-
Impairment losses	138	99
Other	112	11
Total extraordinary losses	1,456	150
Profit before income taxes	3,133	3,545
Income taxes - current	1,155	1,161
Income taxes - deferred	(1,207)	(23)
Total income taxes	(51)	1,137
Profit	3,185	2,407