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Consolidated Financial Results for the Six Months Ended September 30, 2024 [Japanese GAAP]

November 8, 2024

Company name: YOKOWO CO.,LTD.

Listing: Tokyo

Securities code: 6800

URL: <https://www.yokowo.co.jp/>

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Scheduled date to file semi-annual securities report: November 8, 2024

Scheduled date to commence dividend payments: December 10, 2024

Preparation of supplementary material on financial results: Yes

Holding of financial results briefing: Yes

Representative Director, President and Executive Officer
Executive Officer cum Chief Officer, SCI (Sustainability & Corporate Integrity) H.Q.

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

1. Consolidated Financial Results for the Six Months Ended September 30, 2024 (April 1, 2024 to September 30, 2024)

(1) Consolidated Operating Results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended September 30, 2024	40,809	10.9	2,105	-	1,064	(37.5)	575	(40.0)
September 30, 2023	36,794	(8.5)	(120)	-	1,701	(74.0)	958	(77.1)

(Note) Comprehensive income: Six months ended September 30, 2024: ¥ (156) million [-%]
Six months ended September 30, 2023: ¥ 2,834 million [(54.6)%]

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
September 30, 2024	24.68	-
September 30, 2023	41.13	-

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
As of	Millions of yen	Millions of yen	%
September 30, 2024	76,157	49,714	65.2
March 31, 2024	76,408	50,384	65.8

(Reference) Equity: As of September 30, 2024: ¥ 49,634 million
As of March 31, 2024: ¥ 50,303 million

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2024	-	22.00	-	22.00	44.00
Fiscal year ending March 31, 2025	-	24.00			
Fiscal year ending March 31, 2025 (Forecast)			-	24.00	48.00

(Note) Revision to the forecast for dividends announced most recently: None

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2025(April 1, 2024 to March 31, 2025)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	82,000	6.6	4,450	175.1	3,650	(1.6)	2,350	55.4	100.81

(Note) Revision to the financial results forecast announced most recently: Yes

* Notes:

(1) Significant changes in the scope of consolidation during the period: Yes

Newly included: 1 (Company name: Nanshin Co., Ltd.)
 Excluded: - (Company name:)

(2) Adoption of accounting treatment specific to the preparation of semi-annual consolidated financial statements: None

(3) Changes in accounting policies, changes in accounting estimates, and restatement

- 1) Changes in accounting policies due to revisions to accounting standards and other regulations: None
- 2) Changes in accounting policies due to other reasons: None
- 3) Changes in accounting estimates: None
- 4) Restatement: None

(4) Number of issued shares (common shares)

1) Total number of issued shares at the end of the period (including treasury shares):

September 30, 2024: 23,849,878 shares
 March 31, 2024: 23,849,878 shares

2) Number of treasury shares at the end of the period:

September 30, 2024: 539,085 shares
 March 31, 2024: 539,008 shares

3) Average number of shares outstanding during the period:

Six months ended September 30, 2024: 23,310,828 shares
 Six months ended September 30, 2023: 23,310,915 shares

* Semi-annual financial results reports are exempt from review conducted by certified public accountants or an audit firm.

* Proper use of earnings forecasts, and other special matters

The forward-looking statements such as the forecasts of financial results stated in this document are based on the information currently available to the Company and certain assumptions that the Company judges as rational. These statements are no guarantees of future performance. Actual results may differ materially from the forecast depending on a range of factors.

Semi-annual Consolidated Financial Statements
Semi-annual Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2024	As of September 30, 2024
Assets		
Current assets		
Cash and deposits	18,702	19,275
Notes and accounts receivable - trade	13,129	13,547
Merchandise and finished goods	8,445	7,878
Work in process	470	468
Raw materials and supplies	5,860	5,554
Other	2,563	2,199
Allowance for doubtful accounts	(3)	(4)
Total current assets	49,169	48,920
Non-current assets		
Property, plant and equipment	19,754	19,156
Intangible assets	1,642	2,347
Investments and other assets		
Retirement benefit asset	1,114	1,163
Other	4,727	4,569
Total investments and other assets	5,841	5,733
Total non-current assets	27,238	27,237
Total assets	76,408	76,157
Liabilities		
Current liabilities		
Notes and accounts payable - trade	6,310	6,199
Short-term borrowings	6,158	6,106
Current portion of long-term borrowings	1,600	1,659
Income taxes payable	518	679
Provision for bonuses	904	1,295
Other	4,134	4,050
Total current liabilities	19,625	19,990
Non-current liabilities		
Long-term borrowings	4,500	4,812
Retirement benefit liability	547	597
Other	1,350	1,042
Total non-current liabilities	6,398	6,452
Total liabilities	26,023	26,443
Net assets		
Shareholders' equity		
Share capital	7,819	7,819
Capital surplus	7,804	7,804
Retained earnings	28,418	28,480
Treasury shares	(635)	(635)
Total shareholders' equity	43,407	43,469
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,084	912
Foreign currency translation adjustment	5,463	4,924
Remeasurements of defined benefit plans	348	327
Total accumulated other comprehensive income	6,896	6,164
Non-controlling interests	80	80

(Millions of yen)

	As of March 31, 2024	As of September 30, 2024
Total net assets	50,384	49,714
Total liabilities and net assets	76,408	76,157

Semi-annual Consolidated Statements of Income and Comprehensive Income

(Millions of yen)

	For the six months ended September 30, 2023	For the six months ended September 30, 2024
Net sales	36,794	40,809
Cost of sales	31,803	33,017
Gross profit	4,991	7,791
Selling, general and administrative expenses	5,111	5,686
Operating profit (loss)	(120)	2,105
Non-operating income		
Interest income	64	50
Dividend income	32	40
Foreign exchange gains	1,895	-
Other	47	56
Total non-operating income	2,040	146
Non-operating expenses		
Interest expenses	133	96
Share of loss of entities accounted for using equity method	31	30
Foreign exchange losses	-	1,034
Other	52	26
Total non-operating expenses	217	1,187
Ordinary profit	1,701	1,064
Extraordinary income		
Gain on sale of non-current assets	4	2
Total extraordinary income	4	2
Extraordinary losses		
Loss on retirement of non-current assets	29	13
Loss on sale of non-current assets	0	4
Business restructuring expenses	233	224
Impairment losses	11	-
Total extraordinary losses	274	241
Profit before income taxes	1,431	825
Income taxes - current	606	514
Income taxes - deferred	(129)	(270)
Total income taxes	477	243
Profit	953	581
Profit (loss) attributable to non-controlling interests	(5)	6
Profit attributable to owners of parent	958	575

(Millions of yen)

	For the six months ended September 30, 2023	For the six months ended September 30, 2024
Profit	953	581
Other comprehensive income		
Valuation difference on available-for-sale securities	282	(171)
Foreign currency translation adjustment	1,609	(544)
Remeasurements of defined benefit plans, net of tax	(11)	(21)
Total other comprehensive income	1,880	(737)
Comprehensive income	2,834	(156)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,830	(156)
Comprehensive income attributable to non-controlling interests	3	0

Semi-annual Consolidated Statements of Cash Flows

(Millions of yen)

	For the six months ended September 30, 2023	For the six months ended September 30, 2024
Cash flows from operating activities		
Profit before income taxes	1,431	825
Depreciation	1,960	1,974
Impairment losses	11	-
Increase (decrease) in allowance for doubtful accounts	(0)	0
Increase (decrease) in provision for bonuses	213	364
Increase (decrease) in net defined benefit asset and liability	(21)	(30)
Interest and dividend income	(97)	(90)
Interest expenses	133	96
Foreign exchange losses (gains)	(1,122)	433
Share of loss (profit) of entities accounted for using equity method	31	30
Loss on retirement of non-current assets	29	13
Loss (gain) on sale of non-current assets	(3)	1
Decrease (increase) in trade receivables	597	(893)
Decrease (increase) in inventories	911	490
Increase (decrease) in trade payables	(668)	588
Other, net	277	64
Subtotal	3,682	3,869
Interest and dividends received	97	90
Interest paid	(96)	(85)
Income taxes refund (paid)	(477)	57
Net cash provided by (used in) operating activities	3,205	3,933
Cash flows from investing activities		
Purchase of property, plant and equipment	(2,974)	(1,253)
Proceeds from sale of property, plant and equipment	4	48
Purchase of intangible assets	(369)	(734)
Purchase of investment securities	-	(47)
Purchase of shares of subsidiaries and associates	(26)	-
Proceeds from purchase of shares of subsidiaries resulting in change in scope of consolidation	-	18
Short-term loan advances	(245)	-
Other, net	17	47
Net cash provided by (used in) investing activities	(3,594)	(1,921)
Cash flows from financing activities		
Proceeds from long-term borrowings	1,500	-
Repayments of long-term borrowings	-	(14)
Repayments of lease liabilities	(245)	(239)
Dividends paid	(579)	(511)
Purchase of treasury shares	(0)	(0)
Net cash provided by (used in) financing activities	675	(765)
Effect of exchange rate change on cash and cash equivalents	1,499	(733)
Net increase (decrease) in cash and cash equivalents	1,786	512
Cash and cash equivalents at beginning of period	17,687	18,702
Cash and cash equivalents at end of period	19,473	19,214