

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.

Consolidated Financial Results for the Three Months Ended June 30, 2025 [Japanese GAAP]



August 8, 2025

Company name: YAOKO CO.,LTD.

Listing: Tokyo Stock Exchange

Securities code: 8279

URL: <https://www.yaoko-net.com/>

Representative: Kawano Sumito

Inquiries: Kamiike Masanobu

Telephone: +81-49-246-7000

Scheduled date to commence dividend payments: -

Preparation of supplementary material on financial results: Yes

Holding of financial results briefing: None

President and Representative Director

Senior Managing Director and Chief Administrative Officer

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

1. Consolidated Financial Results for the Three Months Ended June 30, 2025 (April 1, 2025 to June 30, 2025)

(1) Consolidated Operating Results

(Percentages indicate year-on-year changes.)

	Total revenue		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended June 30, 2025	193,865	10.0	10,572	1.9	10,415	2.3	7,146	0.6
June 30, 2024	176,308	18.6	10,373	14.4	10,184	11.6	7,103	7.3

(Note) Comprehensive income: Three months ended June 30, 2025: ¥ 7,346 million [1.0%]
Three months ended June 30, 2024: ¥ 7,276 million [9.5%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2025	175.51	-
June 30, 2024	173.91	-

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of June 30, 2025	369,874	190,310	50.1	4,551.65
March 31, 2025	376,206	185,931	48.1	4,447.92

(Reference) Equity: As of June 30, 2025: ¥ 185,330 million
As of March 31, 2025: ¥ 181,104 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, 2025	-	55.00	-	70.00	125.00
Fiscal year ending March 31, 2026	-				
Fiscal year ending March 31, 2026 (Forecast)		62.50	-	62.50	125.00

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

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2026(April 1, 2025 to March 31, 2026)

(Percentages indicate year-on-year changes.)

	Total revenue		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	772,000	4.8	33,800	1.2	33,000	1.3	20,500	1.6	501.22

(Note) Revision to the financial results forecast announced most recently: None

* Notes:

(1) Significant changes in the scope of consolidation during the period: None

Newly included: - (Company name:)
Excluded: - (Company name:)

(2) Adoption of accounting treatment specific to the preparation of quarterly 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):

June 30, 2025: 41,894,288 shares
March 31, 2025: 41,894,288 shares

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

June 30, 2025: 1,177,017 shares
March 31, 2025: 1,177,617 shares

3) Average number of shares outstanding during the period:

Three months ended June 30, 2025: 40,717,121 shares
Three months ended June 30, 2024: 40,844,909 shares

* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: None

* Proper use of earnings forecasts, and other special matters

The earnings forecasts and other forward-looking statements herein are based on certain assumptions in light of information currently available and deemed reasonable and are not a guarantee of future performance. Actual results may differ significantly

from these forecasts due to a wide range of factors. For details on conditions for the assumptions of financial results forecasts and notes for the use of financial results forecasts, please refer to page 4 of the Attachment, “1. Qualitative Information on Quarterly Financial Results, (3) Explanation of Consolidated Financial Results Forecast and Other Forward-looking Information.”

Table of Contents - Attachments

1. Qualitative Information on Quarterly Financial Results	2
(1) Explanation of Operating Results	2
(2) Explanation of Financial Position	4
(3) Explanation of Consolidated Financial Results Forecast and Other Forward-looking Information	4
2. Quarterly Consolidated Financial Statements and Primary Notes	5
(1) Quarterly Consolidated Balance Sheets	5
(2) Quarterly Consolidated Statements of Income and Comprehensive Income	7
Quarterly Consolidated Statement of Income	7
For the three months ended June 30	7
Quarterly Consolidated Statement of Comprehensive Income	8
For the three months ended June 30	8
(3) Notes to the Quarterly Consolidated Financial Statements	9
(Notes on going concern assumption)	9
(Notes in the event of material changes in the amount of shareholders' equity).....	9
(Notes on segment information, etc.)	9
(Notes on statements of cash flows)	9

1. Qualitative Information on Quarterly Financial Results

(1) Explanation of Operating Results

The Group operates its food supermarkets business in the following two formats: a format that “proposes ideas for abundant, enjoyable, and healthy dietary lives” for customers who live close to our stores and visit our stores frequently (lifestyle assortment-style); and a format that offers discount to respond to needs for “bulk purchase” of customers who lives in wider areas centered around our stores (discount-style).

The basic strategies of the Group are to satisfy all customers in the local communities by deepening the two formats and thereby increase our share in them; and to allow each company to operate independently and hone their own unique “strengths.”

The key theme in the period of the 11th Mid-Term Management Plan (from the fiscal year ending March 31, 2025 to the fiscal year ending March 31, 2027) has been to “become stronger through united efforts of the Group.” By allowing each company which operates under either the lifestyle assortment-style or the discount-style to grow autonomously, the Group will aim to increase the share in its market territories and also promote building of the foundation to create a “system to achieve Group net sales of 1 trillion yen.”

(i) A share increase in the market territories of the Group

- Share increase in both the lifestyle assortment-style and the discount-style
- Continuation of consideration of M&As in the lifestyle assortment-style

(ii) Strengthening of the shared functions of the Group (building the foundation to achieve Group net sales of 1 trillion yen)

- Personnel affairs, financial affairs, internal control, store development, logistics, systems, and manufacturing
- Fostering of management personnel, human resource interactions, and mutual learning

(iii) Investment and collaboration in growth markets

- Growth support and collaboration in the Vietnam market
- Collaboration and creation of new value with domestic ventures

During the three months ended June 30, 2025, the Japanese economy continued to be on a moderate recovery trend with progress in the normalization of financial policy. Meanwhile, the world economic outlook is becoming increasingly uncertain due in part to the impact of trade policies of major countries and the rise in geopolitical risks.

The food supermarkets industry is also facing the increasing thriftiness of consumers amid ongoing inflation, and the business environment surrounding the industry has been extremely challenging, with soaring expenses for personnel, construction materials, etc. and accelerating competition among companies regardless of business type, including industry reorganization.

The basic policies of the Company have been set as “enhancing meal solutions” and “emphasizing price-conscious choices,” and the key theme of the 11th Mid-Term Management Plan has been set as “The New Yaoko: Structural reform from the Showa model to the Reiwa model.” During the fiscal year under review, in addition to implementing a special promotion to commemorate our 135th anniversary, we worked on the following priority measures under the theme of “Impressing all customers with deliciousness.”

[Product and Sales Strategy]

On the product front, we have been focusing on enhancing meal solutions to realize product assortments that lead to uniqueness and differentiation of the Company. In addition, in order to achieve competitive advantage throughout the value chain, we are aiming to enhance SPA-type product development by tapping into the manufacturing and retailing industry. Furthermore, we are refining the quality and prices of our private brand products.

On the sales front, we have been emphasizing price-conscious choices by continuing to respond to polarization. In addition to EDLP (Every Day Low Price measures) and “the GENSEN 100 (monthly special:100 bargain items),” we worked on pricing policies for frequently sold fresh foods. At the same time, in order to attract more customers, we implemented the “Japan’s No. 1 Program” to promote single item mass sales, and the “Local Products Fair” and the “Toyosu Festival” where local specialty products from various regions are sold, among other measures. We are also promoting the “Tailored strategies for different markets” centered around sales promotion and product assortments to further advance our support for each specific customer.

[Operational Strategy]

For productivity improvement, we are working on *kaizen* (improvement) activities where operations are improved through automation and digital technologies are utilized. The utilization of an automatic ordering system for grocery products based on AI demand projections has been successful, resulting in improved productivity.

In addition, the cash register department is promoting introduction of fully self-service checkouts. Furthermore, electronic shelf labels and operational support apps have been gradually introduced to promote paperless operations, and thereby we are establishing an employee-friendly working environment.

Moreover, we are working on initiatives to reduce waste, save electricity, and promote recycling toward a recycling-oriented society.

[Human Resources Development Strategy]

Through proactive hourly wage revisions, recruitment is progressing, mainly for partner employees (part-time employees).

For the purpose of developing independent human resources who can think for themselves and yield results as a team, we have revised our personnel evaluation system including how to set targets and challenges, and are promoting company-wide efforts to instill the system.

In addition, we will improve the employee-friendliness in which female and senior employees can play an active role, and at the same time, strive to achieve health and productivity management.

[New Stores and Growth Strategy]

During the three months ended June 30, 2025, we opened the Suginami Momoi Store (Suginami-ku, Tokyo) and the Matsudo Kogasaki Store (Matsudo-shi, Chiba Prefecture) in June.

The Suginami Momoi Store marks our first opening within the 23 special wards of Tokyo.

In addition, we are also planning to open the Itabashi Yotsuba Store (provisional) during the fiscal year under review.

Furthermore, alongside the large-scale renovation of the Kumagaya Hakoda Store, we plan to renovate a total of nine existing stores.

The overview of each company of the Group is as follows:

AVE Co., Ltd. has formed a dominant area centered around Kanagawa Prefecture. The company has set its basic policies as “unrivalled low prices” and “thorough low-cost operation,” and is striving to realize the policies through various measures and initiatives. Hiratsuka store (Hiratsuka-shi, Kanagawa Prefecture), which opened in October last year, is performing well.

Foocot Co., Ltd. operates five stores mainly in Saitama Prefecture “through an overwhelming assortment of delicious products, low prices, and the thorough pursuit of low-cost operations to support this,” which is its

management policy.

Sendo Co., Ltd. has formed a dominant area centered around Ichihara-shi, Chiba Prefecture. The company operates food supermarkets with tremendous advantage in perishable foods.

The number of stores of the entire Group as of June 30, 2025 is 240 (YAOKO: 197; AVE: 14; Foocot: 5; and Sendo: 24).

In addition, following a special resolution at the 68th ordinary general meeting of Shareholders held on June 24, 2025, the Company is preparing to establish BLUE ZONES HOLDINGS CO., LTD. on October 1, 2025 (scheduled) in order to build the foundation for achieving 1 trillion yen in group sales.

As a result, total revenue for the three months ended June 30, 2025 was 193,865 million yen (up 10.0% year on year), operating profit was 10,572 million yen (up 1.9% year on year), ordinary profit was 10,415 million yen (up 2.3% year on year), and Profit attributable to owners of parent was 7,146 million yen (up 0.6% year on year).

The segment information is omitted, as the Group has only a single segment, which is the supermarket business, and other businesses are immaterial.

(Notes) The term “meal solutions” refers to our solutions to help our customers solve issues related to meals by, for example, proposing their daily meal plans and advising how to cook meals.
The term “price-conscious choices” refers to pricing products always bearing in mind reasonable prices affordable for customers.

(2) Explanation of Financial Position

(Assets)

Total assets at the end of the three months of the fiscal year under review decreased by 6,331 million yen compared with the end of the previous fiscal year to 369,874 million yen. This was primarily due to a decrease in cash and deposits.

(Liabilities)

Liabilities at the end of the three months of the fiscal year under review decreased by 10,711 million yen compared with the end of the previous fiscal year to 179,563 million yen. This was primarily due to decreases in income taxes payable, provision for bonuses, and contract liabilities and accrued expenses included in “other” of current liabilities.

(Net Assets)

Net assets at the end of the three months of the fiscal year under review increased by 4,379 million yen compared with the end of the previous fiscal year to 190,310 million yen. This was primarily due to an increase in retained earnings arising from the recording of profit attributable to owners of parent.

(3) Explanation of Consolidated Financial Results Forecast and Other Forward-looking Information

As for the financial results forecast for the fiscal year under review, there have been no changes to the consolidated financial results forecast announced on May 12, 2025 at this point in time. If a need to revise the forecast arises in the future, we will make prompt disclosure.

2. Quarterly Consolidated Financial Statements and Primary Notes

(1) Quarterly Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2025	As of June 30, 2025
Assets		
Current assets		
Cash and deposits	50,226	44,370
Accounts receivable - trade	12,732	11,934
Merchandise and finished goods	12,815	12,894
Raw materials and supplies	502	555
Other	16,706	14,343
Total current assets	92,983	84,098
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	107,728	108,760
Land	97,860	96,254
Other, net	29,842	30,939
Total property, plant and equipment	235,431	235,953
Intangible assets	6,092	7,524
Investments and other assets		
Deferred tax assets	9,824	8,361
Guarantee deposits	25,582	27,659
Other	6,602	6,587
Allowance for doubtful accounts	(309)	(309)
Total investments and other assets	41,698	42,298
Total non-current assets	283,222	285,775
Total assets	376,206	369,874

(Millions of yen)

	As of March 31, 2025	As of June 30, 2025
Liabilities		
Current liabilities		
Accounts payable - trade	46,671	45,711
Short-term borrowings	900	900
Current portion of long-term borrowings	4,919	8,896
Income taxes payable	5,492	2,100
Provision for bonuses	3,266	2,193
Provision for point card certificates	222	86
Asset retirement obligations	30	-
Other	28,808	23,988
Total current liabilities	90,311	83,876
Non-current liabilities		
Long-term borrowings	69,453	64,907
Deferred tax liabilities	1,130	1,114
Deferred tax liabilities for land revaluation	35	35
Provision for retirement benefits for directors	78	72
Provision for retirement benefits for executive officers	67	68
Provision for share awards	4,360	4,328
Provision for share awards for directors (and other officers)	260	267
Retirement benefit liability	4,349	4,432
Asset retirement obligations	8,084	8,332
Other	12,144	12,126
Total non-current liabilities	99,963	95,687
Total liabilities	190,274	179,563
Net assets		
Shareholders' equity		
Share capital	9,846	9,846
Capital surplus	14,260	14,260
Retained earnings	167,577	171,790
Treasury shares	(8,342)	(8,338)
Total shareholders' equity	183,341	187,559
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	272	289
Revaluation reserve for land	(2,940)	(2,940)
Remeasurements of defined benefit plans	429	422
Total accumulated other comprehensive income	(2,237)	(2,228)
Share acquisition rights	0	0
Non-controlling interests	4,827	4,979
Total net assets	185,931	190,310
Total liabilities and net assets	376,206	369,874

(2) Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statement of Income

For the three months ended June 30

(Millions of yen)

	For the three months ended June 30, 2024	For the three months ended June 30, 2025
Net sales	169,532	186,606
Cost of sales	127,467	140,981
Gross profit	42,065	45,625
Operating revenue	6,775	7,259
Operating gross profit	48,840	52,884
Selling, general and administrative expenses	38,466	42,311
Operating profit	10,373	10,572
Non-operating income		
Interest income	28	30
Dividend income	8	9
Subsidy income	0	45
Other	32	17
Total non-operating income	68	102
Non-operating expenses		
Interest expenses	254	255
Other	3	3
Total non-operating expenses	258	259
Ordinary profit	10,184	10,415
Extraordinary income		
Gain on sale of non-current assets	11	-
Surrender value of insurance policies	125	166
Total extraordinary income	136	166
Extraordinary losses		
Loss on retirement of non-current assets	2	6
Loss on step acquisitions	258	-
Total extraordinary losses	260	6
Profit before income taxes	10,060	10,576
Income taxes - current	1,069	1,796
Income taxes - deferred	1,723	1,444
Total income taxes	2,792	3,241
Profit	7,267	7,335
Profit attributable to non-controlling interests	164	188
Profit attributable to owners of parent	7,103	7,146

Quarterly Consolidated Statements of Comprehensive Income

For the three months ended June 30

(Millions of yen)

	For the three months ended June 30, 2024	For the three months ended June 30, 2025
Profit	7,267	7,335
Other comprehensive income		
Valuation difference on available-for-sale securities	19	14
Remeasurements of defined benefit plans, net of tax	(9)	(3)
Total other comprehensive income	9	11
Comprehensive income	7,276	7,346
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	7,107	7,159
Comprehensive income attributable to non-controlling interests	169	186

(3) Notes to the Quarterly Consolidated Financial Statements

(Notes on going concern assumption)

Not applicable.

(Notes in the event of material changes in the amount of shareholders' equity)

Not applicable.

(Notes on segment information, etc.)

[Segment information]

The segment information is omitted, as the Group has only single segment which is the supermarket business centered around foodstuff, and other businesses are immaterial.

(Notes on statements of cash flows)

The quarterly consolidated statements of cash flows for the three months ended June 30, 2025 have not been created. Depreciation and amortization (including amortization pertaining to intangible fixed assets (excluding goodwill)) and amortization of goodwill for the three months ended June 30, 2025 are as follows:

	(Millions of Yen)	
	Three months ended June 30, 2024	Three months ended June 30, 2025
	(From April 1, 2024 to June 30, 2024)	(From April 1, 2025 to June 30, 2025)
Depreciation and amortization	3,399	3,766
Amortization of goodwill	258	-