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Consolidated Financial Results for the Six Months Ended September 30, 2025 [Japanese GAAP]



October 31, 2025

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 Stock exchange listing: Tokyo Stock Exchange
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 Scheduled date of filing semi-annual securities report: November 7, 2025
 Scheduled date of commencing dividend payments: December 5, 2025
 Availability of supplementary explanatory materials on financial results: Available
 Schedule of financial results briefing session: Scheduled (for institutional investors and analysts)

(Amounts of less than one million yen are rounded down.)

1. Consolidated Financial Results for the Six Months Ended September 30, 2025 (April 1, 2025 – September 30, 2025)

(1) Consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Six months ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
September 30, 2025	79,305	14.5	5,505	2.8	6,129	3.5	4,320	8.8
September 30, 2024	69,291	3.5	5,353	2.3	5,920	(1.5)	3,969	(2.4)

(Note) Comprehensive income: Six months ended September 30, 2025: ¥6,130 million [72.0%]

Six months ended September 30, 2024: ¥3,564 million [(33.8)%]

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
September 30, 2025	49.23	49.06
September 30, 2024	42.93	42.78

(Note) The Company conducted a two-for-one split of its common shares, effective April 1, 2025. The basic earnings per share and the diluted earnings per share have been calculated on the assumption that the stock split was conducted at the beginning of the previous fiscal year.

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of September 30, 2025	194,626	121,094	62.1	1,391.59
As of March 31, 2025	185,535	120,594	64.9	1,358.58

(Reference) Equity: As of September 30, 2025: ¥120,946 million

As of March 31, 2025: ¥120,446 million

(Note) The Company conducted a two-for-one split of its common shares, effective April 1, 2025. The net assets per share have been calculated on the assumption that the stock split was conducted at the beginning of the previous fiscal year.

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	—	35.00	—	65.00	100.00
Fiscal year ending March 31, 2026	—	29.00			
Fiscal year ending March 31, 2026 (Forecast)			—	29.00	58.00

(Note) Revision to the forecast for dividends announced most recently: No

(Note) The Company conducted a two-for-one split of its common shares, effective April 1, 2025. The actual dividend amounts for the fiscal year ended March 31, 2025 are presented based on pre-stock split figures. The dividend amounts for the fiscal year ending March 31, 2026 and the forecast for the fiscal year ending March 31, 2026 present post-stock split figures.

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

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	170,000	10.3	15,900	2.9	17,200	2.1	11,400	1.2	128.59

(Note) Revision to the performance forecast announced most recently: No

(Note) While the Company resolved to acquire treasury shares at the Board of Directors meeting held on May 9, 2025, this impact has not been factored into the basic earnings per share in the consolidated financial results forecast.

* Notes:

- (1) Significant changes in the scope of consolidation during the period under review: None
- (2) Application of special accounting methods for the preparation of semi-annual consolidated financial statements: None
- (3) Changes in accounting policies, changes in accounting estimates and retrospective restatement
 - 1) Changes in accounting policies due to the revision of accounting standards: None
 - 2) Changes in accounting policies other than 1) above: None
 - 3) Changes in accounting estimates: None
 - 4) Retrospective restatement: None
- (4) Total number of issued shares (common shares)
 - 1) Total number of issued shares at the end of the period (including treasury shares):

September 30, 2025:	89,157,092 shares
March 31, 2025:	95,987,092 shares
 - 2) Total number of treasury shares at the end of the period:

September 30, 2025:	2,244,712 shares
March 31, 2025:	7,331,082 shares
 - 3) Average number of shares outstanding during the period:

Six months ended September 30, 2025:	87,744,980 shares
Six months ended September 30, 2024:	92,474,095 shares

(Note) The Company conducted a two-for-one split of its common shares, effective April 1, 2025. The total number of issued shares at the end of the year, the total number of treasury shares at the end of the year, and the average number of shares outstanding during the year have been calculated on the assumption that the stock split was conducted at the beginning of the previous fiscal year.

* These semi-annual consolidated financial results are outside the scope of review by certified public accountants or an audit firm.

* Explanation of the proper use of financial results forecast and other notes

(Cautionary note on forward-looking statements, etc.)

Financial results forecast and other forward-looking statements included in this material are based on the information currently available to the Company and certain assumptions deemed reasonable, and the Company does not in any way guarantee the achievement of the projections. Actual results may differ significantly due to various factors. For the assumptions for financial results forecast and precautions for using financial results forecasts, please refer to “1. Overview of Operating Results, etc. (3) Explanation of Consolidated Financial Results Forecast and Other Forward-looking Information” on page 3 of the attachments.

(How to obtain supplementary explanatory materials on consolidated financial results and details of financial results briefing session)

The Company plans to hold a financial results briefing session for institutional investors and analysts on November 10, 2025. Materials handed out at this session will be posted on the Company’s website promptly after the session.

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1. Overview of Operating Results, etc.

(1) Overview of Operating Results for the Period under Review

1) Overview for the period under review

During the six months ended September 30, 2025 (hereinafter “the period under review”), the Japanese economy saw a mild recovery in economic conditions along with improvements in employment and income conditions, leading to signs of recovery in personal consumption. However, the future outlook remains uncertain, with concerns that could lower consumer sentiment, such as the impact of U.S. trade policies and continued price increases.

In the auto parts and accessories industry, in which the Company operates, tire sales performed strongly throughout the period due to price revisions implemented by various tire manufacturers, which generated rush demand before the price increases. Additionally, in-store sales of expendable auto parts such as oil and batteries progressed steadily, driven by driving demand for travel and homecoming visits.

In this environment, the Group actively implemented key measures to meet the needs of customers who rely on cars as their daily transportation. Specifically, we strengthened our product lineup and inventory system for tires, which are core products, and began full-scale early deployment of seasonal products, including sunshades, in preparation for summer. Furthermore, in installation and maintenance services, we issued notifications regarding the extension of the vehicle inspection acceptance period from one to two months due to regulatory changes in April 2025, and promoted proposals for body coating and air conditioning services. Additionally, we improved convenience by adding a same-day oil change reservation feature to the Yellow Hat official app we have been rolling out. As a result of being used by many customers, performance remained solid.

As a result, the Group saw its net sales, operating profit, and ordinary profit exceed the same period of the previous fiscal year and the plans, with the following financial position and operating results for the period under review. The Group also achieved record high profit attributable to owners of parent for the period under review.

During the period under review, net sales amounted to 79,305 million yen (114.5% year-on-year, or up 10,014 million yen), due to the start of incorporating Y International, Inc., which operates the “Y’s Road” sports bicycle chain stores and was made a subsidiary in January 2025, into consolidated income, strong sales of expendable auto parts such as tires and batteries, and an increase in wage earnings. Gross profit was 35,009 million yen (115.0% year-on-year, or up 4,558 million yen).

Selling, general and administrative expenses amounted to 29,504 million yen (117.6% year-on-year, or up 4,407 million yen), primarily owing to an increase in subsidiary stores and store operation costs, including personnel costs.

As a result, operating profit was 5,505 million yen (102.8% year-on-year, or up 151 million yen), ordinary profit was 6,129 million yen (103.5% year-on-year, or up 209 million yen), and profit attributable to owners of parent was 4,320 million yen (108.8% year-on-year, or up 350 million yen).

As for the breakdown of net sales by key division, the Retail Division recorded net sales of 54,203 million yen (121.2% year-on-year, or up 9,485 million yen), while the Wholesale Division recorded net sales of 19,911 million yen (101.3% year-on-year, or up 259 million yen).

2) Overview for the period under review by segment

The following is an overview for the period under review by segment, classified by business category.

<Automotive and Motorcycle Parts Sales Business>

Openings and closings of Yellow Hat stores during the period under review were as follows.

The Group opened the following six stores: Fukuyama Teshiro Store (Hiroshima) in April 2025; Yonezawa Kanaike Store (Yamagata) and Tread Niigata Sakuragi IC Store (Niigata) in May; Chukan Sakai Store (Osaka) in June; Maebashi Sekine Store (Gunma) in July; and Kanazawa Nonoichi Store (Ishikawa) in September. The Group closed the following three stores: Yonezawa Store (Yamagata) in May 2025; AEON Town Nonoichi Store

(Ishikawa) in August; and Handa Hanazono Store (Aichi) in September.

As for stores other than Yellow Hat stores, the Group opened the following two stores: Kanazawa 2Rinkan (Ishikawa) and Kawasaki PLAZA Ishikawa (Ishikawa) in July 2025. The Group closed Y's Road Ochanomizu Store (Tokyo) in April 2025.

As a result of the above, the number of stores at the end of the period under review totaled 921 stores including 754 Yellow Hat stores, 64 2Rinkan stores, 76 Bike Kan stores (including Kawasaki PLAZA), and 27 Y's Road stores. Other locations included 10 automobile inspection centers, 11 coin-operated carwash locations, and 98 Niconico Rent a Car locations.

Net sales of the Automotive and Motorcycle Parts Sales Business for the period under review amounted to 76,430 million yen (115.1% year-on-year, or up 10,043 million yen) and segment profit was 4,806 million yen (105.1% year-on-year, or up 231 million yen).

<Real Estate Lease Business>

Net sales of the Real Estate Lease Business for the period under review amounted to 2,875 million yen (99.0% year-on-year, or down 28 million yen) and segment profit was 699 million yen (89.7% year-on-year, or down 79 million yen).

(2) Overview of Financial Position for the Period under Review

1) Assets

The balance of current assets at the end of the period under review increased by 2,573 million yen to 79,362 million yen (compared with 76,789 million yen at the end of the previous fiscal year). This increase was primarily due to an increase of 5,982 million yen in inventories, while cash and deposits decreased by 3,916 million yen.

The balance of non-current assets increased by 6,517 million yen to 115,263 million yen (compared with 108,746 million yen at the end of the previous fiscal year). This increase was primarily due to increases of 4,963 million yen in buildings and structures, net, and 3,194 million yen in investment securities, while other property, plant and equipment, net (construction in progress, etc.) decreased by 1,735 million yen.

As a result, the balance of total assets amounted to 194,626 million yen (compared with 185,535 million yen at the end of the previous fiscal year).

2) Liabilities

The balance of current liabilities at the end of the period under review decreased by 10,061 million yen to 48,766 million yen (compared with 58,827 million yen at the end of the previous fiscal year). This decrease was primarily due to a decrease of 10,000 million yen in short-term borrowings.

The balance of non-current liabilities increased by 18,652 million yen to 24,765 million yen (compared with 6,112 million yen at the end of the previous fiscal year). This increase was primarily due to an increase of 18,000 million yen in long-term borrowings.

As a result, the balance of liabilities amounted to 73,531 million yen (compared with 64,940 million yen at the end of the previous fiscal year).

3) Net assets

The balance of net assets at the end of the period under review increased by 499 million yen to 121,094 million yen (compared with 120,594 million yen at the end of the previous fiscal year). This increase was primarily due to a decrease of 1,918 million yen in treasury shares resulting from acquisition and cancellation of treasury shares, and an increase of 1,805 million yen in valuation difference on available-for-sale securities, while retained earnings decreased by 3,242 million yen due to dividends paid and cancellation of treasury shares, offsetting an increase in profit attributable to owners of parent.

4) Cash flows

Cash and cash equivalents (“cash”) at the end of the period under review totaled 27,319 million yen, a decrease of 3,916 million yen from the end of the previous fiscal year.

The following is a summary of cash flows for the period under review and their contributing factors.

<Cash flows from operating activities>

Net cash provided by operating activities during the period under review amounted to 862 million yen (5,228 million yen provided during the corresponding period of the previous fiscal year). This was primarily attributable to profit before income taxes of 6,196 million yen, an increase in trade payables of 2,104 million yen, depreciation of 1,708 million yen, and a decrease in trade receivables of 776 million yen, offset by an increase in inventories of 6,571 million yen and income taxes paid of 2,727 million yen.

<Cash flows from investing activities>

Net cash used in investing activities during the period under review amounted to 6,511 million yen (5,864 million yen used during the corresponding period of the previous fiscal year). This was primarily attributable to purchase of property, plant and equipment of 6,203 million yen.

<Cash flows from financing activities>

Net cash provided by financing activities during the period under review amounted to 1,732 million yen (13,474 million yen provided during the corresponding period of the previous fiscal year). This was primarily attributable to proceeds from long-term borrowings of 18,000 million yen, offset by a decrease in short-term borrowings of 10,020 million yen, dividends paid of 2,878 million yen, and purchase of treasury shares of 2,796 million yen.

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

The Company has not changed its financial results forecast for the full year, which was announced in the “Consolidated Financial Results for the Fiscal Year Ended March 31, 2025” on May 9, 2025.

2. Semi-annual Consolidated Financial Statements and Principal Notes

(1) Semi-annual Consolidated Balance Sheets

(Million yen)

	As of March 31, 2025	As of September 30, 2025
Assets		
Current assets		
Cash and deposits	31,251	27,334
Notes and accounts receivable - trade	9,079	8,447
Inventories	29,303	35,286
Other	7,162	8,297
Allowance for doubtful accounts	(8)	(3)
Total current assets	76,789	79,362
Non-current assets		
Property, plant and equipment		
Buildings and structures	59,022	64,662
Accumulated depreciation	(29,046)	(29,723)
Buildings and structures, net	29,975	34,939
Land	43,490	43,684
Other	16,206	14,854
Accumulated depreciation	(8,127)	(8,511)
Other, net	8,078	6,343
Total property, plant and equipment	81,545	84,966
Intangible assets		
Goodwill	2,426	2,349
Software	1,074	1,129
Other	462	466
Total intangible assets	3,963	3,945
Investments and other assets		
Investment securities	11,341	14,536
Leasehold deposits	7,473	7,369
Other	4,695	4,716
Allowance for doubtful accounts	(272)	(271)
Total investments and other assets	23,237	26,351
Total non-current assets	108,746	115,263
Total assets	185,535	194,626

(Million yen)

	As of March 31, 2025	As of September 30, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	9,199	10,811
Short-term borrowings	35,000	25,000
Income taxes payable	2,996	2,331
Contract liabilities	1,673	1,597
Provision for bonuses	1,484	1,551
Other	8,475	7,473
Total current liabilities	58,827	48,766
Non-current liabilities		
Long-term borrowings	-	18,000
Retirement benefit liability	115	121
Lease liabilities	44	33
Asset retirement obligations	3,572	3,628
Other	2,380	2,981
Total non-current liabilities	6,112	24,765
Total liabilities	64,940	73,531
Net assets		
Shareholders' equity		
Share capital	15,072	15,072
Capital surplus	9,085	9,099
Retained earnings	97,870	94,627
Treasury shares	(4,697)	(2,779)
Total shareholders' equity	117,330	116,020
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	4,893	6,698
Revaluation reserve for land	(1,907)	(1,907)
Foreign currency translation adjustment	121	100
Remeasurements of defined benefit plans	7	33
Total accumulated other comprehensive income	3,115	4,925
Share acquisition rights	147	147
Non-controlling interests	1	1
Total net assets	120,594	121,094
Total liabilities and net assets	185,535	194,626

(2) Semi-annual Consolidated Statements of Income and Comprehensive Income

Semi-annual Consolidated Statements of Income

Six Months Ended September 30

(Million yen)

	For the six months ended September 30, 2024	For the six months ended September 30, 2025
Net sales	69,291	79,305
Cost of sales	38,841	44,296
Gross profit	30,450	35,009
Selling, general and administrative expenses	25,096	29,504
Operating profit	5,353	5,505
Non-operating income		
Interest income	16	15
Dividend income	135	190
Commission income	182	211
Reversal of allowance for doubtful accounts	-	6
Other	282	357
Total non-operating income	617	780
Non-operating expenses		
Interest expenses	2	58
Share of loss of entities accounted for using equity method	22	33
Other	25	65
Total non-operating expenses	51	156
Ordinary profit	5,920	6,129
Extraordinary income		
Gain on sale of non-current assets	6	55
Gain on sale of investment securities	-	1
Gain on bargain purchase	-	27
Total extraordinary income	6	84
Extraordinary losses		
Loss on sale of non-current assets	0	6
Loss on retirement of non-current assets	1	9
Total extraordinary losses	2	16
Profit before income taxes	5,924	6,196
Income taxes - current	2,026	2,094
Income taxes - deferred	(71)	(217)
Total income taxes	1,955	1,877
Profit	3,969	4,319
Loss attributable to non-controlling interests	(0)	(0)
Profit attributable to owners of parent	3,969	4,320

Semi-annual Consolidated Statements of Comprehensive Income

Six Months Ended September 30

(Million yen)

	For the six months ended September 30, 2024	For the six months ended September 30, 2025
Profit	3,969	4,319
Other comprehensive income		
Valuation difference on available-for-sale securities	(434)	1,792
Remeasurements of defined benefit plans, net of tax	(1)	(0)
Share of other comprehensive income of entities accounted for using equity method	30	18
Total other comprehensive income	(404)	1,810
Comprehensive income	3,564	6,130
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	3,564	6,130
Comprehensive income attributable to non-controlling interests	(0)	(0)

(3) Semi-annual Consolidated Statements of Cash Flows

(Million yen)

	For the six months ended September 30, 2024	For the six months ended September 30, 2025
Cash flows from operating activities		
Profit before income taxes	5,924	6,196
Depreciation	1,493	1,708
Gain on bargain purchase	-	(27)
Amortization of goodwill	8	77
Increase (decrease) in allowance for doubtful accounts	21	(6)
Increase (decrease) in provision for bonuses	47	101
Increase (decrease) in retirement benefit liability	(2)	21
Interest and dividend income	(151)	(205)
Interest expenses	2	58
Foreign exchange losses (gains)	0	0
Share of loss (profit) of entities accounted for using equity method	22	33
Loss (gain) on sale of non-current assets	(6)	(48)
Loss (gain) on sale of investment securities	-	(1)
Loss on retirement of non-current assets	1	9
Decrease (increase) in trade receivables	523	776
Increase (decrease) in trade payables	2,699	2,104
Decrease (increase) in inventories	(2,999)	(6,571)
Increase (decrease) in contract liabilities	184	(90)
Increase (decrease) in accrued consumption taxes	(88)	(855)
Other, net	(31)	149
Subtotal	7,651	3,431
Interest and dividends received	143	198
Interest paid	(2)	(57)
Income taxes paid	(2,589)	(2,727)
Income taxes refund	26	19
Net cash provided by (used in) operating activities	5,228	862
Cash flows from investing activities		
Purchase of property, plant and equipment	(5,491)	(6,203)
Proceeds from sale of property, plant and equipment	64	515
Purchase of intangible assets	(107)	(240)
Purchase of investment securities	(206)	(580)
Proceeds from sale of investment securities	-	5
Loan advances	(0)	(0)
Proceeds from collection of loans receivable	1	1
Payments of leasehold and guarantee deposits	(178)	(269)
Proceeds from refund of leasehold and guarantee deposits	38	70
Decrease (increase) in investments and other assets	14	191
Net cash provided by (used in) investing activities	(5,864)	(6,511)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	15,000	(10,020)
Repayments of long-term borrowings	-	(572)
Proceeds from long-term borrowings	-	18,000
Purchase of treasury shares	(0)	(2,796)
Dividends paid	(1,525)	(2,878)
Net cash provided by (used in) financing activities	13,474	1,732
Effect of exchange rate change on cash and cash equivalents	(0)	(0)
Net increase (decrease) in cash and cash equivalents	12,838	(3,916)
Cash and cash equivalents at beginning of period	4,838	31,235
Cash and cash equivalents at end of period	17,676	27,319

(4) Notes to Consolidated Financial Statements

(Notes on going concern assumption)

Not applicable

(Notes to significant changes in shareholders' equity)

(Acquisition of treasury shares)

Pursuant to the resolution of the Board of Directors meeting held on May 9, 2025, the Company acquired 1,774,300 treasury shares. As a result, treasury shares increased by 2,796 million yen during the period under review.

(Cancellation of treasury shares)

Pursuant to the resolution of the Board of Directors meeting held on May 9, 2025, the Company cancelled 6,830,000 treasury shares on May 30, 2025. As a result, retained earnings and treasury shares each decreased by 4,681 million yen during the period under review.

As a result of the above and other factors, retained earnings amounted to 94,627 million yen and treasury shares amounted to 2,779 million yen at the end of the period under review.

(Notes to segment information, etc.)

I. For the six months ended September 30, 2024 (April 1, 2024 - September 30, 2024)

1. Information on net sales and profit (loss) by reportable segment

(Million yen)

	Reportable segment			Others	Total
	Automotive and Motorcycle Parts Sales Business	Real Estate Lease Business	Total		
Net sales					
Net sales to external customers	66,387	2,903	69,291	—	69,291
Inter-segment net sales or transfers	—	—	—	—	—
Total	66,387	2,903	69,291	—	69,291
Segment profit	4,574	779	5,353	—	5,353

Note: Segment profit matches operating profit on the Semi-annual Consolidated Statements of Income.

2. Information on impairment losses on non-current assets and goodwill by reportable segment

(Significant impairment losses relating to non-current assets)

Not applicable

(Significant changes in the amount of goodwill)

Not applicable

(Significant gain on bargain purchase)

Not applicable

II. For the six months ended September 30, 2025 (April 1, 2025 - September 30, 2025)

1. Information on net sales and profit (loss) by reportable segment

(Million yen)

	Reportable segment			Others	Total
	Automotive and Motorcycle Parts Sales Business	Real Estate Lease Business	Total		
Net sales					
Net sales to external customers	76,430	2,875	79,305	—	79,305
Inter-segment net sales or transfers	—	—	—	—	—
Total	76,430	2,875	79,305	—	79,305
Segment profit	4,806	699	5,505	—	5,505

Note: Segment profit matches operating profit on the Semi-annual Consolidated Statements of Income.

2. Information on impairment losses on non-current assets and goodwill by reportable segment

(Significant impairment losses relating to non-current assets)

Not applicable

(Significant changes in the amount of goodwill)

Not applicable

(Significant gain on bargain purchase)

Not applicable