

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.

August 9, 2022

Consolidated Financial Results for the Three Months Ended June 30, 2022 (Under Japanese GAAP)

Company name: YONEX Co., Ltd.
 Listing: Tokyo Stock Exchange
 Securities code: 7906
 URL: [https:// www.yonex.co.jp](https://www.yonex.co.jp)
 Representative: President and Representative Director Alyssa Yoneyama
 Inquiries: Executive Managing Director Shuichi Yoneyama
 Telephone: 03-3839-7112
 Scheduled date to file quarterly securities report: August 12, 2022
 Scheduled date to commence dividend payments: —
 Preparation of supplementary material on quarterly financial results: Yes
 Holding of quarterly financial results briefing: No

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

1. Consolidated financial results for the three months ended June 30, 2022 (from April 1, 2022 to June 30, 2022)

(1) Consolidated operating results (cumulative)

(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	%
Three months ended June 30, 2022	23,694	46.5	3,422	160.4	3,859	184.3	3,025	219.3
June 30, 2021	16,178	97.3	1,314	—	1,357	—	947	—

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2022	34.68	—
June 30, 2021	10.82	—

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
	Millions of yen	Millions of yen	%
As of June 30, 2022	70,763	49,421	69.6
March 31, 2022	66,299	45,729	68.8

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 March 31, 2022	—	5.00	—	5.00	10.00
Fiscal year ending March 31, 2023	—				
Fiscal year ending March 31, 2023 (Forecast)		5.00	—	5.00	10.00

**3. Forecast of consolidated financial results for the year ending March 31, 2023
(from April 1, 2022 to March 31, 2023)**

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending September 30, 2022	48,000	38.0	6,000	43.2	6,400	48.7	4,800	43.5	55.01
Full year	97,000	30.2	9,200	36.5	9,600	32.5	7,000	21.1	80.23

Note: Revisions to the forecast of consolidated financial results most recently announced: Yes

*** Notes**

- (1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation): None
- (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
 - (i) Changes in accounting policies due to revisions to accounting standards and other regulations: Yes
 - (ii) Changes in accounting policies due to other reasons: None
 - (iii) Changes in accounting estimates: None
 - (iv) Restatement: None
- (4) Number of issued shares (common shares)

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

As of June 30, 2022	93,620,800 shares
As of March 31, 2022	93,620,800 shares

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

As of June 30, 2022	6,370,801 shares
As of March 31, 2022	6,371,157 shares

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

Three months ended June 30, 2022	87,249,868 shares
Three months ended June 30, 2021	87,563,827 shares

Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2022	As of June 30, 2022
Assets		
Current assets		
Cash and deposits	17,922	18,579
Notes and accounts receivable - trade	12,676	14,829
Merchandise and finished goods	8,336	8,753
Work in process	1,798	1,716
Raw materials and supplies	1,657	1,797
Other	2,478	2,708
Allowance for doubtful accounts	(29)	(30)
Total current assets	44,841	48,354
Non-current assets		
Property, plant and equipment		
Buildings, net	5,179	5,118
Land	8,882	8,906
Other, net	3,228	3,882
Total property, plant and equipment	17,290	17,907
Intangible assets		
Software	259	245
Software in progress	977	1,286
Goodwill	102	87
Other	15	15
Total intangible assets	1,355	1,636
Investments and other assets		
Investment securities	208	204
Long-term time deposits	400	400
Deferred tax assets	1,736	1,742
Other	467	518
Allowance for doubtful accounts	(0)	(0)
Total investments and other assets	2,811	2,865
Total non-current assets	21,457	22,409
Total assets	66,299	70,763

(Millions of yen)

	As of March 31, 2022	As of June 30, 2022
Liabilities		
Current liabilities		
Notes and accounts payable - trade	4,790	4,598
Accounts payable - other	2,910	2,907
Current portion of long-term borrowings	535	535
Income taxes payable	966	1,303
Accrued consumption taxes	40	67
Provision for bonuses	998	1,382
Provision for bonuses for directors (and other officers)	63	7
Provision for point card certificates	3	3
Other	3,341	3,427
Total current liabilities	13,649	14,234
Non-current liabilities		
Long-term borrowings	1,421	1,287
Retirement benefit liability	2,811	2,821
Provision for retirement benefits for directors (and other officers)	261	192
Provision for share awards	111	121
Long-term guarantee deposits	1,970	2,010
Other	343	674
Total non-current liabilities	6,919	7,107
Total liabilities	20,569	21,341
Net assets		
Shareholders' equity		
Share capital	4,706	4,706
Capital surplus	7,708	7,708
Retained earnings	34,216	36,805
Treasury shares	(1,544)	(1,544)
Total shareholders' equity	45,086	47,675
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	18	16
Foreign currency translation adjustment	629	1,711
Remeasurements of defined benefit plans	(126)	(119)
Total accumulated other comprehensive income	521	1,608
Non-controlling interests	122	137
Total net assets	45,729	49,421
Total liabilities and net assets	66,299	70,763

Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)
Consolidated statements of income (cumulative)

(Millions of yen)

	Three months ended June 30, 2021	Three months ended June 30, 2022
Net sales	16,178	23,694
Cost of sales	9,055	12,824
Gross profit	7,122	10,870
Selling, general and administrative expenses	5,808	7,447
Operating profit	1,314	3,422
Non-operating income		
Interest income	7	14
Rental income	3	3
Subsidy income	11	0
Foreign exchange gains	22	414
Other	4	19
Total non-operating income	49	452
Non-operating expenses		
Interest expenses	6	9
Other	0	5
Total non-operating expenses	7	15
Ordinary profit	1,357	3,859
Extraordinary income		
Gain on sale of investment securities	1	—
National subsidies	—	311
Total extraordinary income	1	311
Profit before income taxes	1,358	4,171
Income taxes - current	479	1,129
Income taxes - deferred	(68)	10
Total income taxes	411	1,139
Profit	947	3,031
Profit attributable to non-controlling interests	—	6
Profit attributable to owners of parent	947	3,025

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Three months ended June 30, 2021	Three months ended June 30, 2022
Profit	947	3,031
Other comprehensive income		
Valuation difference on available-for-sale securities	19	(2)
Foreign currency translation adjustment	699	1,091
Remeasurements of defined benefit plans, net of tax	8	7
Total other comprehensive income	727	1,096
Comprehensive income	1,675	4,128
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,675	4,113
Comprehensive income attributable to non-controlling interests	—	15