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February 8, 2023

## Consolidated Financial Results for the Nine Months Ended December 31, 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: February 10, 2023  
 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 nine months ended December 31, 2022 (from April 1, 2022 to December 31, 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                         | %    |
| Nine months ended |                 |      |                  |      |                 |       |   |      |
| December 31, 2022 | 79,632          | 47.5 | 9,317            | 55.9 | 9,152           | 47.1  | 6,703                                   | 31.9 |
| December 31, 2021 | 53,975          | 51.1 | 5,978            | —    | 6,223           | 832.0 | 5,081                                   | —    |

|                   | Basic earnings per share | Diluted earnings per share |
|-------------------|--------------------------|----------------------------|
| Nine months ended | Yen                      | Yen                        |
| December 31, 2022 | 76.83                    | —                          |
| December 31, 2021 | 58.08                    | —                          |

#### (2) Consolidated financial position

|                   | Total assets    | Net assets      | Equity-to-asset ratio |
|-------------------|-----------------|-----------------|-----------------------|
| As of             | Millions of yen | Millions of yen | %                     |
| December 31, 2022 | 80,632          | 53,764          | 66.5                  |
| 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<br>March 31, 2022             | —                          | 5.00               | —                 | 5.00            | 10.00 |
| Fiscal year ending<br>March 31, 2023            | —                          | 6.00               | —                 |                 |       |
| Fiscal year ending<br>March 31, 2023 (Forecast) |                            |                    |                   | 5.00            | 11.00 |

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

## 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                |
| Full year | 106,000         | 42.3 | 10,000           | 48.4 | 9,800           | 35.2 | 7,200                                   | 24.6 | 82.62              |

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 December 31, 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 December 31, 2022 | 6,469,652 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)

|                                     |                   |
|-------------------------------------|-------------------|
| Nine months ended December 31, 2022 | 87,259,052 shares |
| Nine months ended December 31, 2021 | 87,493,867 shares |

**Quarterly consolidated financial statements**  
**Consolidated balance sheets**

(Millions of yen)

|  | As of March 31, 2022 | As of December 31, 2022 |
|--|----------------------|-------------------------|
| <b>Assets</b>                              |                      |                         |
| <b>Current assets</b>                      |                      |                         |
| Cash and deposits                          | 17,922               | 21,131                  |
| Notes and accounts receivable - trade      | 12,676               | 15,533                  |
| Merchandise and finished goods             | 8,336                | 12,744                  |
| Work in process                            | 1,798                | 2,006                   |
| Raw materials and supplies                 | 1,657                | 1,984                   |
| Other                                      | 2,478                | 2,611                   |
| Allowance for doubtful accounts            | (29)                 | (50)                    |
| <b>Total current assets</b>                | <b>44,841</b>        | <b>55,961</b>           |
| <b>Non-current assets</b>                  |                      |                         |
| <b>Property, plant and equipment</b>       |                      |                         |
| Buildings, net                             | 5,179                | 5,201                   |
| Land                                       | 8,882                | 8,924                   |
| Other, net                                 | 3,228                | 5,572                   |
| <b>Total property, plant and equipment</b> | <b>17,290</b>        | <b>19,698</b>           |
| <b>Intangible assets</b>                   |                      |                         |
| Software                                   | 259                  | 208                     |
| Software in progress                       | 977                  | 1,767                   |
| Goodwill                                   | 102                  | 58                      |
| Other                                      | 15                   | 15                      |
| <b>Total intangible assets</b>             | <b>1,355</b>         | <b>2,050</b>            |
| <b>Investments and other assets</b>        |                      |                         |
| Investment securities                      | 208                  | 202                     |
| Long-term time deposits                    | 400                  | 400                     |
| Deferred tax assets                        | 1,736                | 1,795                   |
| Other                                      | 467                  | 524                     |
| Allowance for doubtful accounts            | (0)                  | (0)                     |
| <b>Total investments and other assets</b>  | <b>2,811</b>         | <b>2,921</b>            |
| <b>Total non-current assets</b>            | <b>21,457</b>        | <b>24,670</b>           |
| <b>Total assets</b>                        | <b>66,299</b>        | <b>80,632</b>           |

(Millions of yen)

|  | As of March 31, 2022 | As of December 31, 2022 |
|--|----------------------|-------------------------|
| <b>Liabilities</b>   |                      |                         |
| <b>Current liabilities</b>   |                      |                         |
| Notes and accounts payable - trade                                   | 4,790                | 7,181                   |
| Accounts payable - other   | 2,910                | 3,002                   |
| Current portion of long-term borrowings                              | 535                  | 705                     |
| Income taxes payable   | 966                  | 1,388                   |
| Accrued consumption taxes  | 40                   | 1                       |
| Provision for bonuses  | 998                  | 782                     |
| Provision for bonuses for directors (and other officers)             | 63                   | 22                      |
| Provision for point card certificates                                | 3                    | 4                       |
| Other  | 3,341                | 4,457                   |
| <b>Total current liabilities</b>                                     | <b>13,649</b>        | <b>17,545</b>           |
| <b>Non-current liabilities</b>                                       |                      |                         |
| Long-term borrowings   | 1,421                | 2,549                   |
| Retirement benefit liability   | 2,811                | 2,765                   |
| Provision for retirement benefits for directors (and other officers) | 261                  | 203                     |
| Provision for share awards   | 111                  | 101                     |
| Long-term guarantee deposits   | 1,970                | 2,075                   |
| Other  | 343                  | 1,626                   |
| <b>Total non-current liabilities</b>                                 | <b>6,919</b>         | <b>9,322</b>            |
| <b>Total liabilities</b>   | <b>20,569</b>        | <b>26,867</b>           |
| <b>Net assets</b>  |                      |                         |
| <b>Shareholders' equity</b>  |                      |                         |
| Share capital  | 4,706                | 4,706                   |
| Capital surplus  | 7,708                | 7,751                   |
| Retained earnings  | 34,216               | 39,958                  |
| Treasury shares  | (1,544)              | (1,739)                 |
| <b>Total shareholders' equity</b>                                    | <b>45,086</b>        | <b>50,677</b>           |
| <b>Accumulated other comprehensive income</b>                        |                      |                         |
| Valuation difference on available-for-sale securities                | 18                   | 14                      |
| Foreign currency translation adjustment                              | 629                  | 3,011                   |
| Remeasurements of defined benefit plans                              | (126)                | (107)                   |
| <b>Total accumulated other comprehensive income</b>                  | <b>521</b>           | <b>2,919</b>            |
| <b>Non-controlling interests</b>                                     | <b>122</b>           | <b>167</b>              |
| <b>Total net assets</b>  | <b>45,729</b>        | <b>53,764</b>           |
| <b>Total liabilities and net assets</b>                              | <b>66,299</b>        | <b>80,632</b>           |

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

(Millions of yen)

|  | Nine months ended<br>December 31, 2021 | Nine months ended<br>December 31, 2022 |
|--|--|--|
| Net sales  | 53,975                                 | 79,632                                 |
| Cost of sales                                    | 29,779                                 | 44,936                                 |
| Gross profit                                     | 24,196                                 | 34,696                                 |
| Selling, general and administrative expenses     | 18,218                                 | 25,378                                 |
| Operating profit                                 | 5,978                                  | 9,317                                  |
| Non-operating income                             |  |  |
| Interest income                                  | 35                                     | 72                                     |
| Rental income                                    | 11                                     | 9                                      |
| Subsidy income                                   | 36                                     | 2                                      |
| Foreign exchange gains                           | 128                                    | —                                      |
| Other  | 57                                     | 81                                     |
| Total non-operating income                       | 268                                    | 166                                    |
| Non-operating expenses                           |  |  |
| Interest expenses                                | 19                                     | 38                                     |
| Foreign exchange losses                          | —                                      | 288                                    |
| Other  | 3                                      | 3                                      |
| Total non-operating expenses                     | 22                                     | 330                                    |
| Ordinary profit                                  | 6,223                                  | 9,152                                  |
| Extraordinary income                             |  |  |
| Gain on sale of investment securities            | 1                                      | —                                      |
| Gain on bargain purchase                         | 343                                    | —                                      |
| National subsidies                               | 170                                    | 329                                    |
| Total extraordinary income                       | 515                                    | 329                                    |
| Profit before income taxes                       | 6,739                                  | 9,482                                  |
| Income taxes - current                           | 1,489                                  | 2,746                                  |
| Income taxes - deferred                          | 168                                    | 1                                      |
| Total income taxes                               | 1,657                                  | 2,748                                  |
| Profit   | 5,081                                  | 6,734                                  |
| Profit attributable to non-controlling interests | —                                      | 30                                     |
| Profit attributable to owners of parent          | 5,081                                  | 6,703                                  |

**Consolidated statements of comprehensive income (cumulative)**

(Millions of yen)

|  | Nine months ended<br>December 31, 2021 | Nine months ended<br>December 31, 2022 |
|--|--|--|
| Profit   | 5,081                                  | 6,734                                  |
| Other comprehensive income                                     |  |  |
| Valuation difference on available-for-sale securities          | (10)                                   | (4)                                    |
| Foreign currency translation adjustment                        | 1,036                                  | 2,397                                  |
| Remeasurements of defined benefit plans, net of tax            | 28                                     | 19                                     |
| Total other comprehensive income                               | 1,054                                  | 2,412                                  |
| Comprehensive income   | 6,135                                  | 9,147                                  |
| Comprehensive income attributable to                           |  |  |
| Comprehensive income attributable to owners of parent          | 6,135                                  | 9,102                                  |
| Comprehensive income attributable to non-controlling interests | —                                      | 44                                     |