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February 8, 2024

Consolidated Financial Results for the Nine Months Ended December 31, 2023 (Under Japanese GAAP)

Company name: Yonex Co., Ltd.
 Listing: Tokyo Stock Exchange
 Securities code: 7906
 URL: <https://www.yonex.co.jp>
 Representative: President and Representative Director Alyssa Yoneyama
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 Telephone: 03-3839-7112
 Scheduled date to file quarterly securities report: February 9, 2024
 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, 2023 (from April 1, 2023 to December 31, 2023)

(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, 2023	85,172	7.0	8,204	(11.9)	8,583	(6.2)	6,279	(6.3)
December 31, 2022	79,632	47.5	9,317	55.9	9,152	47.1	6,703	31.9

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended		
December 31, 2023	72.63	—
December 31, 2022	76.83	—

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
	Millions of yen	Millions of yen	%
As of			
December 31, 2023	86,026	59,083	68.5
March 31, 2023	79,421	53,099	66.6

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, 2023	—	6.00	—	7.00	13.00
Fiscal year ending March 31, 2024	—	7.00	—		
Fiscal year ending March 31, 2024 (Forecast)				7.00	14.00

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

2. Forecast of consolidated financial results for the year ending March 31, 2024 (from April 1, 2023 to March 31, 2024)

(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	116,000	8.4	10,700	6.3	10,700	7.4	7,800	6.4	89.50

Note: Revisions to the forecast of consolidated financial results most recently announced: None

* 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: None
 - (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, 2023	92,870,800 shares
As of March 31, 2023	93,620,800 shares

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

As of December 31, 2023	6,349,583 shares
As of March 31, 2023	6,469,556 shares

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

Nine months ended December 31, 2023	86,460,402 shares
Nine months ended December 31, 2022	87,259,052 shares

Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2023	As of December 31, 2023
Assets		
Current assets		
Cash and deposits	16,912	20,061
Notes and accounts receivable - trade	15,030	16,728
Merchandise and finished goods	14,871	12,383
Work in process	1,941	2,215
Raw materials and supplies	2,019	2,606
Other	2,757	3,034
Allowance for doubtful accounts	(66)	(69)
Total current assets	53,465	56,959
Non-current assets		
Property, plant and equipment		
Buildings, net	5,155	5,571
Land	8,916	10,017
Other, net	6,942	8,435
Total property, plant and equipment	21,014	24,024
Intangible assets		
Software	1,893	1,780
Software in progress	40	533
Goodwill	43	—
Other	15	15
Total intangible assets	1,994	2,329
Investments and other assets		
Investment securities	217	209
Long-term time deposits	400	400
Deferred tax assets	1,724	1,423
Other	605	679
Allowance for doubtful accounts	(0)	(0)
Total investments and other assets	2,946	2,712
Total non-current assets	25,955	29,067
Total assets	79,421	86,026

(Millions of yen)

	As of March 31, 2023	As of December 31, 2023
Liabilities		
Current liabilities		
Notes and accounts payable - trade	7,128	6,281
Accounts payable - other	3,382	3,591
Short-term borrowings	—	299
Current portion of long-term borrowings	705	855
Income taxes payable	917	1,216
Accrued consumption taxes	0	—
Provision for bonuses	1,200	599
Provision for bonuses for directors (and other officers)	43	35
Provision for point card certificates	4	7
Other	3,959	5,606
Total current liabilities	17,342	18,491
Non-current liabilities		
Long-term borrowings	2,373	1,843
Retirement benefit liability	2,702	2,608
Provision for retirement benefits for directors (and other officers)	209	—
Provision for share awards	139	119
Asset retirement obligations	—	60
Long-term guarantee deposits	2,002	2,034
Other	1,552	1,785
Total non-current liabilities	8,979	8,451
Total liabilities	26,321	26,943
Net assets		
Shareholders' equity		
Share capital	4,706	4,706
Capital surplus	8,202	7,945
Retained earnings	40,586	45,639
Treasury shares	(2,190)	(2,838)
Total shareholders' equity	51,305	55,453
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	26	21
Foreign currency translation adjustment	1,686	3,494
Remeasurements of defined benefit plans	(92)	(83)
Total accumulated other comprehensive income	1,619	3,432
Non-controlling interests	174	197
Total net assets	53,099	59,083
Total liabilities and net assets	79,421	86,026

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

Consolidated statements of income (cumulative)

(Millions of yen)

	Nine months ended December 31, 2022	Nine months ended December 31, 2023
Net sales	79,632	85,172
Cost of sales	44,936	47,434
Gross profit	34,696	37,738
Selling, general and administrative expenses	25,378	29,533
Operating profit	9,317	8,204
Non-operating income		
Interest income	72	61
Rental income	9	7
Foreign exchange gains	—	310
Other	84	67
Total non-operating income	166	447
Non-operating expenses		
Interest expenses	38	65
Foreign exchange losses	288	—
Other	3	3
Total non-operating expenses	330	68
Ordinary profit	9,152	8,583
Extraordinary income		
National subsidies	329	509
Total extraordinary income	329	509
Profit before income taxes	9,482	9,092
Income taxes - current	2,746	2,155
Income taxes for prior periods	—	296
Income taxes - deferred	1	331
Total income taxes	2,748	2,783
Profit	6,734	6,309
Profit attributable to non-controlling interests	30	29
Profit attributable to owners of parent	6,703	6,279

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Nine months ended December 31, 2022	Nine months ended December 31, 2023
Profit	6,734	6,309
Other comprehensive income		
Valuation difference on available-for-sale securities	(4)	(4)
Foreign currency translation adjustment	2,397	1,821
Remeasurements of defined benefit plans, net of tax	19	9
Total other comprehensive income	2,412	1,826
Comprehensive income	9,147	8,135
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	9,102	8,092
Comprehensive income attributable to non-controlling interests	44	43