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Consolidated Financial Results for the Fiscal Year Ended March 31, 2025 [Japanese GAAP]



May 9, 2025

Company name: Yellow Hat Ltd.
 Stock exchange listing: Tokyo Stock Exchange
 Code number: 9882
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 Scheduled date of general shareholders' meeting: June 20, 2025
 Scheduled date of commencing dividend payments: May 30, 2025
 Scheduled date of filing securities report: June 20, 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 Fiscal Year Ended March 31, 2025 (April 1, 2024 - March 31, 2025)

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

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal year ended March 31, 2025	154,066	5.1	15,450	6.7	16,838	5.5	11,260	9.8
March 31, 2024	146,641	(0.4)	14,475	(5.1)	15,964	(2.1)	10,259	(3.8)

(Note) Comprehensive income: Fiscal year ended March 31, 2025: ¥12,169 million [(4.5)%]

Fiscal year ended March 31, 2024: ¥12,740 million [14.3%]

	Basic earnings per share	Diluted earnings per share	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to net sales
Fiscal year ended	Yen	Yen	%	%	%
March 31, 2025	123.55	123.11	9.5	10.2	10.0
March 31, 2024	111.01	110.59	9.2	11.4	9.9

(Reference) Share of profit of entities accounted for using equity method: Fiscal year ended March 31, 2025: ¥82 million
 Fiscal year ended March 31, 2024: ¥43 million

(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 March 31, 2025	185,535	120,594	64.9	1,358.58
As of March 31, 2024	144,030	116,522	80.8	1,258.55

(Reference) Equity: As of March 31, 2025: ¥120,446 million

As of March 31, 2024: ¥116,366 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.

(3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
Fiscal year ended	Million yen	Million yen	Million yen	Million yen
March 31, 2025	16,277	(16,735)	26,855	31,235
March 31, 2024	11,483	(11,308)	(3,588)	4,838

2. Dividends

	Annual dividends					Total dividends (annual)	Payout ratio (consolidated)	Ratio of dividends to net assets (consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total			
Fiscal year ended	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
March 31, 2024	–	33.00	–	33.00	66.00	3,050	29.7	2.7
March 31, 2025	–	35.00	–	65.00	100.00	4,500	40.5	3.8
March 31, 2026 (Forecast)	–	29.00	–	29.00	58.00		45.1	

(Note) The year-end dividend per share for the fiscal year ended March 31, 2025 was changed from ¥35 to ¥65. For further details, please refer to the “Notice Regarding Dividend of Surplus (Increase in Dividend)” released today (May 9, 2025).

(Note) The Company conducted a two-for-one split of its common shares, effective April 1, 2025. The actual dividend amounts for the fiscal years ended March 31, 2024 and 2025, are presented based on pre-stock split figures. The forecast for the fiscal year ending March 31, 2026 reflects the impact of the stock split.

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
First half	77,000	11.1	5,500	2.7	6,100	3.0	4,000	0.8	45.12
Full year	170,000	10.3	15,900	2.9	17,200	2.1	11,400	1.2	128.59

(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. For details regarding this treasury share acquisition, please refer to “3. Consolidated Financial Statements and Principal Notes (5) Notes to Consolidated Financial Statements (Significant subsequent events)” on page 20 of the attachments.

(Note) The Company conducted a two-for-one split of its common shares, effective April 1, 2025. With respect to the consolidated financial results forecast for the fiscal year ending March 31, 2026, the basic earnings per share reflect the impact of the stock split.

* Notes:

(1) Significant changes in the scope of consolidation during the fiscal year under review: Yes
Newly included: 2 companies (Y International, Inc., cyma Inc.)

(2) Changes in accounting policies, changes in accounting estimates and retrospective restatement
1) Changes in accounting policies due to the revision of accounting standards: Yes
2) Changes in accounting policies other than 1) above: None
3) Changes in accounting estimates: None
4) Retrospective restatement: None

(Note) For details, please refer to “3. Consolidated Financial Statements and Principal Notes (5) Notes to Consolidated Financial Statements (Notes to changes in accounting policies)” on page 15 of the attachments.

(3) Total number of issued shares (common shares)

1) Total number of issued shares at the end of the year (including treasury shares):

March 31, 2025:	95,987,092 shares
March 31, 2024:	99,846,292 shares

2) Total number of treasury shares at the end of the year:

March 31, 2025:	7,331,082 shares
March 31, 2024:	7,385,554 shares

3) Average number of shares outstanding during the year:

Year ended March 31, 2025:	91,141,055 shares
Year ended March 31, 2024:	92,412,872 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.

(Reference) Summary of Non-consolidated Financial Results

1. Non-consolidated Financial Results for the Fiscal Year Ended March 31, 2025 (April 1, 2024 - March 31, 2025)

(1) Non-consolidated Operating Results (% indicates changes from the previous corresponding period.)

Year ended	Net sales		Operating profit		Ordinary profit		Profit	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
March 31, 2025	100,137	4.9	12,478	17.6	13,670	13.9	9,594	18.2
March 31, 2024	95,504	(1.0)	10,609	(7.0)	12,005	(3.7)	8,116	(5.8)

Year ended	Basic earnings per share	Diluted earnings per share
	Yen	Yen
March 31, 2025	105.28	104.90
March 31, 2024	87.81	87.47

(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) Non-consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of March 31, 2025	171,773	104,912	61.0	1,181.70
As of March 31, 2024	130,545	102,508	78.4	1,106.99

(Reference) Equity: As of March 31, 2025: ¥104,764 million

As of March 31, 2024: ¥102,353 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.

* These consolidated financial results are outside the scope of audit 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 “(4) Future Outlook” under “1. Overview of Operating Results, etc.” on page 6 of the attachments.

(Financial results briefing session and how to obtain supplementary explanatory materials on financial results)
The Company plans to hold a financial results briefing session for institutional investors and analysts on May 16, 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 Fiscal Year under Review

1) Overview for the fiscal year under review

During the fiscal year ended March 31, 2025 (hereinafter “the fiscal year under review”), the Japanese economy showed some positive factors such as improvements in employment and income conditions, and an increase in demand from travelers to Japan. However, the future outlook remains uncertain, particularly regarding personal consumption, due to the continued weak yen leading to rising energy costs and raw material prices, resulting in sustained high prices.

In the auto parts and accessories industry, in which the Company operates, in-store sales of expendable auto parts such as tires, oil, and batteries progressed steadily, driven by driving demand for travel and homecoming visits, as well as regional cold weather effects and snowfall during winter.

In this environment, the Group continued to expand sales of expendable auto parts, particularly tires, which is one of our management strategies, and enhanced maintenance service options, including installation and maintenance services.

Specifically, as part of our ongoing efforts to improve customer convenience and satisfaction, we added battery replacement services and vehicle inspection estimates to our online appointment system, which already included oil changes, tire replacements, and body coating services.

Additionally, to enable flexible and diverse proposals tailored to customers’ lifestyles, we acquired Y International, Inc., which operates the “Y’s Road” sports bicycle chain stores, through M&A, thereby making it a subsidiary.

As a result, the Group achieved record highs in net sales, gross profit, operating profit, ordinary profit, and profit attributable to owners of parent, with the following financial position and operating results for the fiscal year under review.

During the fiscal year under review, net sales amounted to 154,066 million yen (105.1% year-on-year, or up 7,425 million yen) due to strong sales of expendable auto parts, such as tires, oil, and batteries, an increase in wage earnings, and other factors. Gross profit was 67,391 million yen (107.3% year-on-year, or up 4,564 million yen), reflecting a higher growth rate in wage earnings, which has a high gross profit margin.

Selling, general and administrative expenses amounted to 51,940 million yen (107.4% year-on-year, or up 3,588 million yen), primarily owing to an increase in personnel costs.

As a result, operating profit was 15,450 million yen (106.7% year-on-year, or up 975 million yen), ordinary profit was 16,838 million yen (105.5% year-on-year, or up 874 million yen), and profit attributable to owners of parent was 11,260 million yen (109.8% year-on-year, or up 1,001 million yen).

As for the breakdown of net sales by key division, the Retail Division recorded net sales of 98,200 million yen (107.5% year-on-year, or up 6,888 million yen), while the Wholesale Division recorded net sales of 46,128 million yen (101.0% year-on-year, or up 439 million yen).

2) Overview for the fiscal year under review by segment

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

<Automotive and Motorcycle Parts Sales Business>

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

The Group opened the following 14 stores: Matsuyama Takaoka Store (Ehime) in April 2024; Takahagi IC Store (Ibaraki) and Tread Niigata Nagaoka Store (Niigata) in June; Tread Ishikawa Hakui Store (Ishikawa) and Itabashi Nishidai Store (Tokyo) in August; Toyokawa Shimonagayama Store (Aichi) and Tread Niigata Shibata Store (Niigata) in September; Yachimata Hijikai Store (Chiba) and Susono Senpuku Store (Shizuoka) in October; Tread Gunma Yabuzuka IC Store (Gunma) and Isehara Shirane Store (Kanagawa) in November; and Fukuoka Matsushima Store (Fukuoka), Konosu Miyaji Store (Saitama), and Kobe Tarumi Store (Hyogo) in March 2025. The Group closed the following three stores: Takahagi Store (Ibaraki) in May 2024; Tread 246 Susono Store (Shizuoka) in July; and Kitamoto Nakamaru Store (Saitama) in February 2025.

As for stores other than Yellow Hat stores, the Group opened a total of seven stores: Kawasaki PLAZA Hakata (Fukuoka) in April 2024; Bike Kan Konan Store (Kanagawa) in May; Wakayama 2Rinkan (Wakayama) and Bike Kan Wakayama Shioya Store (Wakayama) in September; and Bike Kan Fukuoka Matsushima Store (Fukuoka), Kobe Tarumi 2Rinkan (Hyogo), and Bike Kan Kobe Tarumi Store (Hyogo) in March 2025. The Group closed Ikawadani 2Rinkan (Hyogo) in March 2025. The Group also opened Yellow Hat Sheet Metal Repair and Automobile Inspection Center Chitose Store (Hokkaido) in August 2024 and acquired 28 stores operating under the Y's Road brand in January 2025 through the acquisition of Y International, Inc. as a subsidiary.

As a result of the above, the number of stores at the end of the fiscal year under review totaled 917 stores including 751 Yellow Hat stores, 63 2Rinkan stores, 75 Bike Kan stores (including Kawasaki PLAZA), and 28 Y's Road stores along with 10 Yellow Hat Automobile Inspection Centers and 11 Yellow Hat Coin-operated Carwash locations.

Net sales of the Automotive and Motorcycle Parts Sales Business for the fiscal year under review amounted to 148,287 million yen (105.4% year-on-year, or up 7,563 million yen) and segment profit was 14,056 million yen (108.1% year-on-year, or up 1,052 million yen).

<Real Estate Lease Business>

Net sales of the Real Estate Lease Business for the fiscal year under review amounted to 5,779 million yen (97.7% year-on-year, or down 137 million yen) and segment profit was 1,394 million yen (94.7% year-on-year, or down 77 million yen).

(2) Overview of Financial Position for the Fiscal Year under Review

1) Assets

The balance of current assets at the end of the fiscal year under review increased by 29,079 million yen to 76,789 million yen (compared with 47,709 million yen at the end of the previous fiscal year). This increase was primarily due to increases of 26,397 million yen in cash and deposits and 2,647 million yen in inventories.

The balance of non-current assets increased by 12,425 million yen to 108,746 million yen (compared with 96,320 million yen at the end of the previous fiscal year). This increase was primarily due to increases of 3,087 million yen in construction in progress, 2,770 million yen in buildings and structures, net, 2,530 million yen in land, 2,354 million yen in goodwill, and 1,540 million yen in investment securities.

As a result, the balance of total assets amounted to 185,535 million yen (compared with 144,030 million yen at the end of the previous fiscal year).

2) Liabilities

The balance of current liabilities at the end of the fiscal year under review increased by 37,063 million yen to 58,827 million yen (compared with 21,764 million yen at the end of the previous fiscal year). This increase was primarily due to an increase of 35,000 million yen in short-term borrowings.

The balance of non-current liabilities increased by 369 million yen to 6,112 million yen (compared with 5,743 million yen at the end of the previous fiscal year).

As a result, the balance of liabilities amounted to 64,940 million yen (compared with 27,507 million yen at the end of the previous fiscal year).

3) Net assets

The balance of net assets at the end of the fiscal year under review increased by 4,072 million yen to 120,594 million yen (compared with 116,522 million yen at the end of the previous fiscal year). This increase was primarily due to an increase in retained earnings of 7,102 million yen resulting from an increase in profit attributable to owners of parent, offsetting a decrease due to dividends paid and cancellation of treasury shares, and an increase of 900 million yen in valuation difference on available-for-sale securities, while treasury shares increased by 2,507 million yen mainly due to acquisition and cancellation of treasury shares and capital surplus decreased by 1,424 million yen mainly due to cancellation of treasury shares.

(3) Overview of Cash Flows for the Fiscal Year under Review

Cash and cash equivalents (“cash”) at the end of the fiscal year under review totaled 31,235 million yen, an increase of 26,397 million yen from the end of the previous fiscal year.

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

<Cash flows from operating activities>

Net cash provided by operating activities during the fiscal year under review amounted to 16,277 million yen (11,483 million yen provided during the previous fiscal year). This was primarily attributable to profit before income taxes of 16,443 million yen and depreciation of 3,079 million yen, offset by income taxes paid of 5,045 million yen.

<Cash flows from investing activities>

Net cash used in investing activities during the fiscal year under review amounted to 16,735 million yen (11,308 million yen used during the previous fiscal year). This was primarily attributable to purchase of property, plant and equipment of 12,092 million yen.

<Cash flows from financing activities>

Net cash provided by financing activities during the fiscal year under review amounted to 26,855 million yen (3,588 million yen used during the previous fiscal year). This was primarily attributable to an increase in short-term borrowings of 35,000 million yen, offset by purchase of treasury shares amounting to 5,000 million yen and dividends paid of 3,144 million yen.

(Reference) Trends in cash flow-related indicators

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Equity ratio (%)	76.7	77.6	78.1	80.8	64.9
Equity ratio on a market capitalization basis (%)	73.4	57.4	61.7	63.9	66.0
Cash flow to interest-bearing debt ratio (years)	0.0	0.0	0.0	0.0	2.2
Interest coverage ratio (times)	2,133.7	1,312.0	3,369.3	1,864.2	707.9

Equity ratio: equity / total assets

Equity ratio on a market capitalization basis: market capitalization / total assets

Cash flow to interest-bearing debt ratio: interest-bearing debt / cash flow

Interest coverage ratio: cash flow / interest expense

* All of the above indicators are calculated from financial figures on a consolidated basis.

* Market capitalization is calculated by multiplying the closing price of the Company’s shares at the end of each fiscal year by the number of outstanding shares at the end of the fiscal year (after deducting treasury shares).

* Operating cash flow is used for cash flows.

Cash flows from operating activities in consolidated statements of cash flows are used as operating cash flows. Interest-bearing debt includes all liabilities on which interest is paid, out of liabilities recorded in consolidated balance sheets. Interest expense is interest paid stated in consolidated statements of cash flows.

(4) Future Outlook

The Group expects the outlook for the next fiscal year to remain uncertain due to uncertainties in international situations and overseas economies, despite improvements in the employment and income environments and expected increases in personal consumption due to stabilizing prices.

Given these circumstances, the Group will aim to enhance its brand recognition as a “comprehensive car maintenance services company” while also focusing on the motorcycle business. It will facilitate further reinforcement of its business foundations to increase earnings through the following strategies aimed at “provision of total service that includes Yellow Hat and the motorcycle business.”

(1) Area Strategy & Store Opening Strategy

In areas where cars are essential for daily transportation, we will actively open stores in small trade areas at low costs, aiming to become an indispensable infrastructure for local residents.

(2) Store Strategy & Product Strategy

We will establish a structure that seamlessly links product sales on our EC site and in-store installation, strengthening the coordination between the EC site and stores. On our EC site, we will offer a wide range of products and enhance model-specific product ranges, while strengthening affordably priced products in stores, to give customers a wider choice of products and improve convenience.

(3) Development of Loyal Customers

We will delve deeper into DX and integrate the management of membership information and POS data to provide the kind of product information that customers want at the appropriate time, thereby improving the repeat customer rate of new members.

(4) Mechanic Development Strategy

To strengthen oil changes, tire replacement, and other replacement and installation operations, and vehicle inspections, we will strengthen the development of mechanics and inspectors.

(5) Strengthening of Motorcycle Business

To strengthen the motorcycle business, the Group will implement measures such as increasing the number of stores, updating equipment, developing human resources, and expanding existing store revenues in the 2Rinkan, Bike Kan, and Y’s Road motorcycle businesses, aiming to provide total service that includes Yellow Hat and the motorcycle business.

As for the full-year performance forecast, through the above initiatives, the Group projects net sales of 170.0 billion yen, operating profit of 15.9 billion yen, ordinary profit of 17.2 billion yen, and profit attributable to owners of parent of 11.4 billion yen.

2. Basic Policy on Selection of Accounting Standards

The Group plans to prepare its consolidated financial statements based on the Japanese GAAP for the time being, in light of the comparability of consolidated financial statements between different periods and with other companies.

The Group will appropriately address the adoption of International Financial Reporting Standards after consideration of various developments in Japan and overseas.

3. Consolidated Financial Statements and Principal Notes

(1) Consolidated Balance Sheets

(Million yen)

	As of March 31, 2024	As of March 31, 2025
Assets		
Current assets		
Cash and deposits	4,853	31,251
Notes and accounts receivable - trade	8,853	9,079
Inventories	26,656	29,303
Accounts receivable - other	3,696	3,664
Other	3,657	3,498
Allowance for doubtful accounts	(7)	(8)
Total current assets	47,709	76,789
Non-current assets		
Property, plant and equipment		
Buildings and structures	54,660	59,022
Accumulated depreciation	(27,454)	(29,046)
Buildings and structures, net	27,205	29,975
Machinery, equipment and vehicles	2,480	2,684
Accumulated depreciation	(1,689)	(1,773)
Machinery, equipment and vehicles, net	791	911
Land	40,959	43,490
Leased assets	286	286
Accumulated depreciation	(222)	(233)
Leased assets, net	63	52
Construction in progress	814	3,901
Other	8,437	9,333
Accumulated depreciation	(5,529)	(6,119)
Other, net	2,908	3,213
Total property, plant and equipment	72,742	81,545
Intangible assets		
Goodwill	71	2,426
Software	1,172	993
Software in progress	43	80
Other	464	462
Total intangible assets	1,751	3,963
Investments and other assets		
Investment securities	9,801	11,341
Long-term loans receivable	392	362
Leasehold deposits	7,354	7,473
Deferred tax assets	2,916	2,521
Other	1,631	1,811
Allowance for doubtful accounts	(270)	(272)
Total investments and other assets	21,826	23,237
Total non-current assets	96,320	108,746
Total assets	144,030	185,535

(Million yen)

	As of March 31, 2024	As of March 31, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	8,501	9,199
Short-term borrowings	-	35,000
Lease liabilities	20	18
Accounts payable - other	3,901	4,178
Income taxes payable	2,782	2,996
Contract liabilities	1,410	1,673
Provision for bonuses	1,367	1,484
Asset retirement obligations	27	5
Other	3,754	4,273
Total current liabilities	21,764	58,827
Non-current liabilities		
Guarantee deposits received	1,634	1,655
Retirement benefit liability	96	115
Lease liabilities	69	44
Asset retirement obligations	3,108	3,572
Other	833	725
Total non-current liabilities	5,743	6,112
Total liabilities	27,507	64,940
Net assets		
Shareholders' equity		
Share capital	15,072	15,072
Capital surplus	10,509	9,085
Retained earnings	90,767	97,870
Treasury shares	(2,190)	(4,697)
Total shareholders' equity	114,160	117,330
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	3,992	4,893
Revaluation reserve for land	(1,907)	(1,907)
Foreign currency translation adjustment	97	121
Remeasurements of defined benefit plans	24	7
Total accumulated other comprehensive income	2,206	3,115
Share acquisition rights	154	147
Non-controlling interests	0	1
Total net assets	116,522	120,594
Total liabilities and net assets	144,030	185,535

(2) Consolidated Statements of Income and Comprehensive Income

Consolidated Statements of Income

(Million yen)

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Net sales	146,641	154,066
Cost of sales	83,814	86,675
Gross profit	62,827	67,391
Selling, general and administrative expenses	48,351	51,940
Operating profit	14,475	15,450
Non-operating income		
Interest income	37	35
Dividend income	249	303
Commission income	343	360
Share of profit of entities accounted for using equity method	43	82
Penalty income	214	-
Other	636	685
Total non-operating income	1,526	1,467
Non-operating expenses		
Interest expenses	7	23
Nondeductible consumption tax	6	11
Other	23	43
Total non-operating expenses	37	79
Ordinary profit	15,964	16,838
Extraordinary income		
Gain on sale of non-current assets	8	85
Gain on sale of investment securities	-	64
Gain on bargain purchase	9	-
Other	0	-
Total extraordinary income	18	150
Extraordinary losses		
Loss on sale of non-current assets	0	0
Loss on retirement of non-current assets	23	15
Impairment losses	941	528
Other	0	-
Total extraordinary losses	964	545
Profit before income taxes	15,018	16,443
Income taxes - current	4,949	5,265
Income taxes - deferred	(197)	(83)
Total income taxes	4,751	5,182
Profit	10,266	11,261
Profit attributable to non-controlling interests	7	0
Profit attributable to owners of parent	10,259	11,260

Consolidated Statements of Comprehensive Income

(Million yen)

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Profit	10,266	11,261
Other comprehensive income		
Valuation difference on available-for-sale securities	2,427	898
Remeasurements of defined benefit plans, net of tax	17	(10)
Share of other comprehensive income of entities accounted for using equity method	29	20
Total other comprehensive income	2,473	908
Comprehensive income	12,740	12,169
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	12,732	12,169
Comprehensive income attributable to non-controlling interests	7	0

(3) Consolidated Statements of Changes in Equity

Fiscal year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)

(Million yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	15,072	10,471	83,466	(2,210)	106,799
Changes during period					
Dividends of surplus			(2,957)		(2,957)
Profit attributable to owners of parent			10,259		10,259
Purchase of treasury shares				(0)	(0)
Exercise of share acquisition rights		4		11	15
Restricted stock payment		16		8	24
Movement of treasury stock owned by equity-method affiliate		11		1	13
Cancellation of treasury shares					-
Change in ownership interest of parent due to transactions with non-controlling interests		5			5
Net changes in items other than shareholders' equity					
Total changes during period	-	38	7,301	20	7,360
Balance at end of period	15,072	10,509	90,767	(2,190)	114,160

	Accumulated other comprehensive income					Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of period	1,557	(1,907)	86	(3)	(266)	170	7	106,710
Changes during period								
Dividends of surplus								(2,957)
Profit attributable to owners of parent								10,259
Purchase of treasury shares								(0)
Exercise of share acquisition rights								15
Restricted stock payment								24
Movement of treasury stock owned by equity-method affiliate								13
Cancellation of treasury shares								-
Change in ownership interest of parent due to transactions with non-controlling interests								5
Net changes in items other than shareholders' equity	2,434	-	11	27	2,473	(15)	(6)	2,450
Total changes during period	2,434	-	11	27	2,473	(15)	(6)	9,811
Balance at end of period	3,992	(1,907)	97	24	2,206	154	0	116,522

Fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

(Million yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	15,072	10,509	90,767	(2,190)	114,160
Changes during period					
Dividends of surplus			(3,144)		(3,144)
Profit attributable to owners of parent			11,260		11,260
Purchase of treasury shares				(5,000)	(5,000)
Exercise of share acquisition rights		(1)		8	7
Restricted stock payment		34		11	46
Movement of treasury stock owned by equity-method affiliate					-
Cancellation of treasury shares		(1,458)	(1,013)	2,471	-
Change in ownership interest of parent due to transactions with non-controlling interests					-
Net changes in items other than shareholders' equity					
Total changes during period	-	(1,424)	7,102	(2,507)	3,170
Balance at end of period	15,072	9,085	97,870	(4,697)	117,330

	Accumulated other comprehensive income					Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of period	3,992	(1,907)	97	24	2,206	154	0	116,522
Changes during period								
Dividends of surplus								(3,144)
Profit attributable to owners of parent								11,260
Purchase of treasury shares								(5,000)
Exercise of share acquisition rights								7
Restricted stock payment								46
Movement of treasury stock owned by equity-method affiliate								-
Cancellation of treasury shares								-
Change in ownership interest of parent due to transactions with non-controlling interests								-
Net changes in items other than shareholders' equity	900	-	24	(16)	908	(7)	0	901
Total changes during period	900	-	24	(16)	908	(7)	0	4,072
Balance at end of period	4,893	(1,907)	121	7	3,115	147	1	120,594

(4) Consolidated Statements of Cash Flows

(Million yen)

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Cash flows from operating activities		
Profit before income taxes	15,018	16,443
Depreciation	2,808	3,079
Impairment losses	941	528
Penalty income	(214)	-
Gain on bargain purchase	(9)	-
Amortization of goodwill	7	16
Increase (decrease) in allowance for doubtful accounts	(198)	3
Increase (decrease) in provision for bonuses	2	78
Increase (decrease) in retirement benefit liability	10	1
Interest and dividend income	(287)	(339)
Interest expenses	7	23
Foreign exchange losses (gains)	(1)	0
Share of loss (profit) of entities accounted for using equity method	(43)	(82)
Loss (gain) on sale of non-current assets	(8)	(84)
Loss (gain) on sale of investment securities	-	(64)
Loss on retirement of non-current assets	23	15
Decrease (increase) in trade receivables	1,020	(154)
Increase (decrease) in trade payables	(2,042)	752
Decrease (increase) in inventories	(454)	(383)
Increase (decrease) in contract liabilities	(231)	57
Increase (decrease) in accrued consumption taxes	29	613
Other, net	(658)	490
Subtotal	15,719	20,997
Interest and dividends received	267	322
Interest paid	(6)	(22)
Income taxes paid	(4,738)	(5,045)
Income taxes refund	26	26
Penalty income received	214	-
Net cash provided by (used in) operating activities	11,483	16,277

(Million yen)

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Cash flows from investing activities		
Purchase of property, plant and equipment	(11,093)	(12,092)
Proceeds from sale of property, plant and equipment	15	606
Purchase of intangible assets	(608)	(191)
Purchase of investment securities	(6)	(206)
Proceeds from sale of investment securities	-	51
Purchase of shares of subsidiaries resulting in change in scope of consolidation	-	(4,712)
Proceeds from purchase of shares of subsidiaries resulting in change in scope of consolidation	288	-
Loan advances	(0)	(0)
Proceeds from collection of loans receivable	3	2
Payments of leasehold and guarantee deposits	(103)	(214)
Proceeds from refund of leasehold and guarantee deposits	187	98
Decrease (increase) in investments and other assets	8	(78)
Net cash provided by (used in) investing activities	(11,308)	(16,735)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(215)	35,000
Repayments of long-term borrowings	(413)	-
Purchase of treasury shares	(0)	(5,000)
Dividends paid	(2,957)	(3,144)
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	(1)	-
Net cash provided by (used in) financing activities	(3,588)	26,855
Effect of exchange rate change on cash and cash equivalents	1	(0)
Net increase (decrease) in cash and cash equivalents	(3,414)	26,397
Cash and cash equivalents at beginning of period	8,251	4,838
Cash and cash equivalents at end of period	4,838	31,235

(5) Notes to Consolidated Financial Statements

(Notes on going concern assumption)

Not applicable.

(Notes to changes in accounting policies)

(Application of “Accounting Standard for Current Income Taxes,” etc.)

The Company has applied the “Accounting Standard for Current Income Taxes” (ASBJ Statement No. 27, October 28, 2022; hereinafter “2022 Revised Accounting Standard”), etc. from the beginning of the fiscal year under review.

Regarding the revision related to the classification of income taxes (taxation on other comprehensive income), we have followed the transitional treatment specified in the proviso of Paragraph 20-3 of the 2022 Revised Accounting Standard and the transitional treatment specified in the proviso of Paragraph 65-2 (2) of the “Guidance on Accounting Standard for Tax Effect Accounting” (ASBJ Guidance No. 28, October 28, 2022; hereinafter “2022 Revised Guidance”). This change in accounting policy has no impact on the consolidated financial statements.

Additionally, regarding the revision related to the treatment in consolidated financial statements of deferred gains or losses for tax purposes arising from the sale of subsidiaries’ shares between consolidated companies, we have applied the 2022 Revised Guidance from the beginning of the fiscal year under review. This change in accounting policy has been applied retrospectively, and the consolidated financial statements for the previous fiscal year have been restated accordingly. This change in accounting policy has no impact on the consolidated financial statements for the previous fiscal year.

(Notes to changes in presentation)

(Consolidated statements of income)

Because “Nondeductible consumption tax” included in “Other” under non-operating expenses in the previous fiscal year exceeded 10% of the total amount of non-operating expenses, it is presented as a separate item from the fiscal year under review. To reflect this change in presentation method, the consolidated financial statements for the previous fiscal year have been restated.

As a result of this change, the 30 million yen presented as “Other” under non-operating expenses in the previous fiscal year’s consolidated statements of income has been restated as 6 million yen in “Nondeductible consumption tax” and 23 million yen in “Other.”

(Notes to segment information, etc.)

1. Overview of reportable segments

Reportable segments of the Company are its components for which separate financial statements are available and that are subject to periodic reviews by the Board of Directors for the purpose of determining the allocation of management resources and assessing business performance.

The Company has two reportable segments, namely the Automotive and Motorcycle Parts Sales business and the Real Estate Lease business.

In the Automotive and Motorcycle Parts Sales business, the Company is engaged in the wholesale of products, including auto parts and accessories as well as motorcycle parts and accessories, to sales subsidiaries and associates, group companies, and other entities. The Company also conducts a retail business through its sales subsidiaries and associates, as well as on its website.

In the Real Estate Lease business, the Company leases buildings and facilities to its sales subsidiaries and associates, group companies, and other entities.

2. Method of calculating net sales, profit (loss), assets, liabilities, and other items by reportable segment

Accounting policies of reported business segments are generally consistent with those followed when preparing consolidated financial statements.

3. Information on net sales, profit (loss), assets, liabilities, and other items by reportable segment

For the fiscal year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)

(Million yen)

	Reportable segment			Others	Total
	Automotive and Motorcycle Parts Sales Business	Real Estate Lease Business	Total		
Net sales					
Net sales to external customers	140,724	5,917	146,641	–	146,641
Inter-segment net sales or transfers	–	–	–	–	–
Total	140,724	5,917	146,641	–	146,641
Segment profit	13,004	1,471	14,475	–	14,475
Segment assets	120,674	23,355	144,030	–	144,030
Other items					
Depreciation	2,139	669	2,808	–	2,808
Increase in property, plant and equipment and intangible assets	10,669	1,374	12,043	–	12,043

Note: The total amount of profits of reportable segments is the operating profit in the consolidated statements of income. The total amount of assets of reportable segments is the total assets in the consolidated balance sheets.

For the fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

(Million yen)

	Reportable segment			Others	Total
	Automotive and Motorcycle Parts Sales Business	Real Estate Lease Business	Total		
Net sales					
Net sales to external customers	148,287	5,779	154,066	–	154,066
Inter-segment net sales or transfers	–	–	–	–	–
Total	148,287	5,779	154,066	–	154,066
Segment profit	14,056	1,394	15,450	–	15,450
Segment assets	162,581	22,954	185,535	–	185,535
Other items					
Depreciation	2,451	628	3,079	–	3,079
Increase in property, plant and equipment and intangible assets	9,169	474	9,644	–	9,644

Note: The total amount of profits of reportable segments is the operating profit in the consolidated statements of income. The total amount of assets of reportable segments is the total assets in the consolidated balance sheets.

4. Differences between the totals of reportable segments and the amounts recorded in the consolidated financial statements, and major components of such differences (notes on adjustments)
Not applicable.

(Notes to per share information)

Item	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Net assets per share	¥1,258.55	¥1,358.58
Basic earnings per share	¥111.01	¥123.55
Diluted earnings per share	¥110.59	¥123.11

- Notes: 1. The Company conducted a two-for-one split of its common shares, effective April 1, 2025. The net assets per share, 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. The basis for calculating the basic earnings per share and the diluted earnings per share is as follows.

Item	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Basic earnings per share		
Profit attributable to owners of parent (Million yen)	10,259	11,260
Amount not attributable to common shareholders (Million yen)		
Profit attributable to owners of parent relating to common shares (Million yen)	10,259	11,260
Average number of common shares outstanding during the period (Thousand shares)	92,412	91,141
Diluted earnings per share		
Adjustment for profit attributable to owners of parent (Million yen)	–	–
Increase in number of common shares (Thousand shares)	354	328
[Of which, share acquisition rights (Thousand shares)]	[354]	[328]
Overview of residual shares not included in the calculation of diluted earnings per share due to their non-dilutive effect	–	–

2. The basis for calculating net assets per share is as follows.

Item	As of March 31, 2024	As of March 31, 2025
Net assets per share		
Total net assets (Million yen)	116,522	120,594
Amount deducted from total net assets (Million yen)	155	148
[Of which, share acquisition rights (Million yen)]	[154]	[147]
[Of which, non-controlling interests (Million yen)]	[0]	[1]
Net assets at end of period relating to common shares (Million yen)	116,366	120,446
Number of common shares issued (Thousand shares)	99,846	95,987
Number of common shares held as treasury shares (Thousand shares)	7,385	7,331
Number of common shares at end of period used for calculating net assets per share (Thousand shares)	92,460	88,656

(Notes to significant subsequent events)

(Stock split and partial amendments to the Articles of Incorporation)

The Company, based on the resolution of its Board of Directors meeting held on January 31, 2025, partially amended its Articles of Incorporation effective April 1, 2025, and implemented a stock split.

1. Purpose of the stock split and amendments to the Articles of Incorporation

The purpose of the stock split is to improve the liquidity of shares of the Company and expand its shareholder base by lowering the stock price per investment unit and providing an environment more conducive to investment in the Company.

2. Overview of the stock split

(1) Method of the stock split

The Company conducted a stock split of two shares per common share owned by shareholders listed or recorded in the closing register of shareholders on Monday, March 31, 2025, the record date.

(2) Number of shares to be increased by the stock split

Total number of shares issued prior to the stock split	47,993,546 shares
Number of shares increased by the stock split	47,993,546 shares
Total number of issued shares following the stock split	95,987,092 shares
Total number of authorized shares following the stock split	212,134,980 shares

(3) Schedule of the stock split

Public notice of the record date	Friday, March 14, 2025
Record date	Monday, March 31, 2025
Effective date	Tuesday, April 1, 2025

(4) Impact on per share information

The impact on per share information is described in the relevant section.

(Acquisition and cancellation of treasury shares)

The Company resolved at its Board of Directors meeting held on May 9, 2025, to acquire treasury shares pursuant to Article 156 of the Companies Act, as applied by replacing the relevant terms pursuant to Article 165, Paragraph 3 of the same Act, and to cancel the treasury shares pursuant to Article 178 of the Companies Act.

1. Reason for acquisition and cancellation of treasury shares

The Company will acquire treasury shares and cancel all acquired shares as part of its flexible capital strategy in response to changes in the business environment and its shareholder return policy.

2. Details of acquisition

(1) Class of shares to be acquired	Common stock of the Company
(2) Total number of shares to be acquired	4,200,000 shares (maximum) [4.7% of the total number of issued shares (excluding treasury shares)]
(3) Total acquisition cost	5,000,000,000 yen (maximum)
(4) Acquisition period	May 12, 2025 to January 30, 2026
(5) Method of acquisition	Market purchase on the Tokyo Stock Exchange

3. Details of cancellation

- | | |
|--|---|
| (1) Class of shares to be cancelled | Common stock of the Company |
| (2) Total number of shares to be cancelled | 6,830,000 shares plus all treasury shares acquired pursuant to 2. above
(Up to 12.4% of the total number of issued shares prior to cancellation) |
| (3) Scheduled date of cancellation | (i) 6,830,000 shares: May 30, 2025
(ii) All shares acquired pursuant to 2. above: February 27, 2026 |