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February 14, 2025

Consolidated Financial Results for the Fiscal Year Ended December 31, 2024 (Under Japanese GAAP)

Company name: Yamazaki Baking Co., Ltd.
 Listing: Tokyo Stock Exchange
 Securities code: 2212
 URL: <https://www.yamazakipan.co.jp/>
 Representative: Nobuhiro Iijima, President
 Inquiries: Masahisa Aida, Senior Managing Director
 Telephone: +81-3-3864-3110
 Scheduled date of annual general meeting of shareholders: March 28, 2025
 Scheduled date to commence dividend payments: March 31, 2025
 Scheduled date to file annual securities report: March 28, 2025
 Preparation of supplementary material on financial results: Yes
 Holding of financial results briefing: Yes (for institutional investors and securities analysts)

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

1. Consolidated financial results for the fiscal year ended December 31, 2024 (from January 1, 2024 to December 31, 2024)

(1) Consolidated operating results

(Percentages indicate year-on-year changes.)

| | Net sales | | Operating profit | | Ordinary profit | | Profit attributable to owners of parent | |
|-------------------|-----------------|-----|------------------|------|-----------------|------|---|-------|
| Fiscal year ended | Millions of yen | % | Millions of yen | % | Millions of yen | % | Millions of yen | % |
| December 31, 2024 | 1,244,488 | 5.9 | 51,873 | 23.6 | 56,305 | 23.7 | 36,015 | 19.4 |
| December 31, 2023 | 1,175,562 | 9.2 | 41,962 | 90.5 | 45,526 | 74.2 | 30,168 | 143.9 |

Note: Comprehensive income For the fiscal year ended December 31, 2024: ¥45,481 million [(4.7)%]
 For the fiscal year ended December 31, 2023: ¥47,714 million [30.3%]

| | 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 | % | % | % |
| December 31, 2024 | 178.58 | — | 8.9 | 6.8 | 4.2 |
| December 31, 2023 | 146.19 | — | 7.9 | 5.8 | 3.6 |

Reference: Share of profit (loss) of entities accounted for using equity method
 For the fiscal year ended December 31, 2024: ¥681 million
 For the fiscal year ended December 31, 2023: ¥539 million

(2) Consolidated financial position

| | Total assets | Net assets | Equity-to-asset ratio | Net assets per share |
|-------------------|-----------------|-----------------|-----------------------|----------------------|
| As of | Millions of yen | Millions of yen | % | Yen |
| December 31, 2024 | 865,105 | 460,486 | 47.6 | 2,072.34 |
| December 31, 2023 | 802,035 | 446,132 | 49.9 | 1,942.85 |

Reference: Equity

As of December 31, 2024: ¥412,150 million

As of December 31, 2023: ¥400,137 million

(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 | Millions of yen | Millions of yen | Millions of yen | Millions of yen |
| December 31, 2024 | 73,974 | (43,492) | (15,038) | 145,939 |
| December 31, 2023 | 73,689 | (45,659) | (18,834) | 129,582 |

2. Cash dividends

| | Annual dividends per share | | | | | Total cash dividends (Total) | Payout ratio (Consolidated) | Ratio of dividends to net assets (Consolidated) |
|---|----------------------------|--------------------|-------------------|-----------------|-------|------------------------------|-----------------------------|---|
| | First quarter-end | Second quarter-end | Third quarter-end | Fiscal year-end | Total | | | |
| | Yen | Yen | Yen | Yen | Yen | Millions of yen | % | % |
| Fiscal year ended December 31, 2023 | — | — | — | 25.00 | 25.00 | 5,148 | 17.1 | 1.4 |
| Fiscal year ended December 31, 2024 | — | — | — | 45.00 | 45.00 | 8,949 | 25.2 | 2.2 |
| Fiscal year ending December 31, 2025 (Forecast) | — | — | — | 50.00 | 50.00 | | 26.9 | |

3. Forecast of consolidated results for the year ending December 31, 2025**(January 1, 2025 to December 31, 2025)**

(Percentages indicate year-on-year changes.)

| | Net sales | | Operating profit | | Ordinary profit | | Profit attributable to owners of parent | | Basic earnings per share |
|---------------------------------|-----------------|-----|------------------|-----|-----------------|-----|---|-----|--------------------------|
| | Millions of yen | % | Millions of yen | % | Millions of yen | % | Millions of yen | % | Yen |
| Second quarter-end (Cumulative) | 633,000 | 2.5 | 32,300 | 4.1 | 34,500 | 1.4 | 22,000 | 2.0 | 110.62 |
| Full year | 1,275,000 | 2.5 | 55,000 | 6.0 | 58,500 | 3.9 | 37,000 | 2.7 | 186.04 |

*** Notes**

(1) Significant changes in the scope of consolidation during the period: Yes

Newly included: 5 companies (Company name: YK Maruto CO., Ltd., YK Logistics Co., Ltd., YK Taiyo Co., Ltd., YK Matsuya Co., Ltd., and YK Hamamatsu Delica Co., Ltd.)

Excluded: – companies (Company name)

(2) 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

(3) 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, 2024 | 220,282,860 shares |
| As of December 31, 2023 | 220,282,860 shares |

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

| | |
|-------------------------|-------------------|
| As of December 31, 2024 | 21,401,522 shares |
| As of December 31, 2023 | 14,328,495 shares |

(iii) Average number of shares outstanding during the period

| | |
|-------------------------------------|--------------------|
| Fiscal year ended December 31, 2024 | 201,677,363 shares |
| Fiscal year ended December 31, 2023 | 206,366,962 shares |

[Reference] Overview of non-consolidated financial results

1. Non-consolidated financial results for the fiscal year ended December 31, 2024 (from January 1, 2024 to December 31, 2024)

(1) Non-consolidated operating results

(Percentages indicate year-on-year changes.)

| | Net sales | | Operating profit | | Ordinary profit | | Profit | |
|-------------------|-----------------|-----|------------------|-------|-----------------|------|-----------------|-------|
| Fiscal year ended | Millions of yen | % | Millions of yen | % | Millions of yen | % | Millions of yen | % |
| December 31, 2024 | 857,028 | 4.3 | 34,554 | 12.5 | 40,129 | 13.7 | 29,454 | 28.1 |
| December 31, 2023 | 821,632 | 6.9 | 30,710 | 102.5 | 35,295 | 74.4 | 22,987 | 106.4 |

| | Basic earnings per share | Diluted earnings per share |
|-------------------|--------------------------|----------------------------|
| Fiscal year ended | Yen | Yen |
| December 31, 2024 | 146.05 | — |
| December 31, 2023 | 111.39 | — |

(2) Non-consolidated financial position

| | Total assets | Net assets | Equity-to-asset ratio | Net assets per share |
|-------------------|-----------------|-----------------|-----------------------|----------------------|
| As of | Millions of yen | Millions of yen | % | Yen |
| December 31, 2024 | 587,223 | 321,172 | 54.7 | 1,614.89 |
| December 31, 2023 | 572,040 | 323,456 | 56.5 | 1,570.53 |

Reference: Equity

As of December 31, 2024: ¥321,172 million

As of December 31, 2023: ¥323,456 million

* Financial results reports are exempt from audit conducted by certified public accountants or an audit corporation.

* Proper use of earnings forecasts, and other special matters

The forward-looking statements, including earnings forecasts, contained in these materials are based on information currently available to the Company and on certain assumptions deemed to be reasonable. These statements do not purport that the Company pledges to realize such statements. Actual performance and other results may differ materially due to various factors.

The Company plans to hold a financial results briefing for institutional investors and securities analysts on Thursday, February 20, 2025. The materials, etc. distributed at the briefing will be posted on the Company's website immediately after the briefing.

Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Millions of yen)

| | As of December 31, 2023 | As of December 31, 2024 |
|--|-------------------------|-------------------------|
| Assets | | |
| Current assets | | |
| Cash and deposits | 134,937 | 152,443 |
| Notes receivable - trade | 148 | 139 |
| Accounts receivable - trade | 134,965 | 140,892 |
| Merchandise and finished goods | 13,750 | 14,762 |
| Work in process | 728 | 992 |
| Raw materials and supplies | 15,203 | 16,893 |
| Other | 15,396 | 15,589 |
| Allowance for doubtful accounts | (341) | (309) |
| Total current assets | 314,787 | 341,404 |
| Non-current assets | | |
| Property, plant and equipment | | |
| Buildings and structures | 433,007 | 441,936 |
| Accumulated depreciation | (318,729) | (325,337) |
| Buildings and structures, net | 114,277 | 116,599 |
| Machinery, equipment and vehicles | 581,140 | 596,284 |
| Accumulated depreciation | (492,160) | (502,751) |
| Machinery, equipment and vehicles, net | 88,980 | 93,532 |
| Tools, furniture and fixtures | 43,677 | 45,445 |
| Accumulated depreciation | (35,068) | (36,603) |
| Tools, furniture and fixtures, net | 8,609 | 8,841 |
| Land | 124,291 | 126,078 |
| Leased assets | 21,469 | 23,402 |
| Accumulated depreciation | (14,081) | (15,243) |
| Leased assets, net | 7,387 | 8,158 |
| Construction in progress | 4,040 | 5,385 |
| Total property, plant and equipment | 347,586 | 358,597 |
| Intangible assets | | |
| Goodwill | 9,052 | 7,168 |
| Other | 12,365 | 12,029 |
| Total intangible assets | 21,417 | 19,197 |
| Investments and other assets | | |
| Investment securities | 80,580 | 76,726 |
| Long-term loans receivable | 1,218 | 654 |
| Retirement benefit asset | 649 | 33,048 |
| Deferred tax assets | 9,621 | 9,125 |
| Other | 28,574 | 28,283 |
| Allowance for doubtful accounts | (2,401) | (1,931) |
| Total investments and other assets | 118,242 | 145,906 |
| Total non-current assets | 487,247 | 523,701 |
| Total assets | 802,035 | 865,105 |

(Millions of yen)

| | As of December 31, 2023 | As of December 31, 2024 |
|--|-------------------------|-------------------------|
| Liabilities | | |
| Current liabilities | | |
| Notes and accounts payable - trade | 89,239 | 91,424 |
| Short-term borrowings | 55,608 | 60,302 |
| Lease liabilities | 3,551 | 3,679 |
| Income taxes payable | 11,576 | 11,674 |
| Accrued expenses | 41,541 | 42,465 |
| Provision for bonuses | 5,793 | 6,014 |
| Provision for loss on store closings | 48 | 49 |
| Asset retirement obligations | 21 | 30 |
| Other | 50,495 | 54,313 |
| Total current liabilities | 257,877 | 269,953 |
| Non-current liabilities | | |
| Long-term borrowings | 16,690 | 32,373 |
| Lease liabilities | 4,282 | 4,693 |
| Provision for retirement benefits for directors (and other officers) | 5,113 | 5,938 |
| Retirement benefit liability | 58,293 | 74,282 |
| Asset retirement obligations | 4,813 | 4,824 |
| Other | 8,831 | 12,552 |
| Total non-current liabilities | 98,025 | 134,664 |
| Total liabilities | 355,902 | 404,618 |
| Net assets | | |
| Shareholders' equity | | |
| Share capital | 11,014 | 11,014 |
| Capital surplus | 9,632 | 9,632 |
| Retained earnings | 343,395 | 374,629 |
| Treasury shares | (26,185) | (51,852) |
| Total shareholders' equity | 337,856 | 343,422 |
| Accumulated other comprehensive income | | |
| Valuation difference on available-for-sale securities | 36,112 | 35,534 |
| Deferred gains or losses on hedges | — | 2 |
| Revaluation reserve for land | 99 | 99 |
| Foreign currency translation adjustment | 6,494 | 5,425 |
| Remeasurements of defined benefit plans | 19,575 | 27,665 |
| Total accumulated other comprehensive income | 62,281 | 68,727 |
| Non-controlling interests | 45,994 | 48,336 |
| Total net assets | 446,132 | 460,486 |
| Total liabilities and net assets | 802,035 | 865,105 |

(2) Consolidated Statements of Income and Comprehensive Income
Consolidated Statements of Income

(Millions of yen)

| | For the fiscal year ended December 31, 2023 | For the fiscal year ended December 31, 2024 |
|---|--|--|
| Net sales | 1,175,562 | 1,244,488 |
| Cost of sales | 796,516 | 839,233 |
| Gross profit | 379,046 | 405,255 |
| Selling, general and administrative expenses | 337,084 | 353,381 |
| Operating profit | 41,962 | 51,873 |
| Non-operating income | | |
| Interest income | 272 | 399 |
| Dividend income | 1,531 | 1,791 |
| Income from lease of fixed assets | 1,028 | 978 |
| Share of profit of entities accounted for using equity method | 539 | 681 |
| Foreign exchange gains | 503 | 927 |
| Miscellaneous income | 1,270 | 1,322 |
| Total non-operating income | 5,146 | 6,099 |
| Non-operating expenses | | |
| Interest expenses | 740 | 861 |
| Rental expenses on non-current assets | 308 | 255 |
| Miscellaneous losses | 533 | 552 |
| Total non-operating expenses | 1,582 | 1,668 |
| Ordinary profit | 45,526 | 56,305 |
| Extraordinary income | | |
| Gain on sale of non-current assets | 137 | 219 |
| Gain on sale of investment securities | 20 | 1,443 |
| Gain on sale of shares of subsidiaries and associates | 390 | 592 |
| Gain on bargain purchase | 2,697 | — |
| Other | 151 | 150 |
| Total extraordinary income | 3,396 | 2,406 |
| Extraordinary losses | | |
| Loss on sale and retirement of non-current assets | 1,635 | 2,048 |
| Impairment losses | 1,031 | 772 |
| Other | 434 | 254 |
| Total extraordinary losses | 3,100 | 3,075 |
| Profit before income taxes | 45,821 | 55,636 |
| Income taxes - current | 13,896 | 16,935 |
| Income taxes - deferred | 293 | 567 |
| Total income taxes | 14,190 | 17,502 |
| Profit | 31,631 | 38,133 |
| Profit attributable to non-controlling interests | 1,462 | 2,117 |
| Profit attributable to owners of parent | 30,168 | 36,015 |

Consolidated Statements of Comprehensive Income

(Millions of yen)

| | For the fiscal year ended December 31, 2023 | For the fiscal year ended December 31, 2024 |
|--|--|--|
| Profit | 31,631 | 38,133 |
| Other comprehensive income | | |
| Valuation difference on available-for-sale securities | 8,348 | (543) |
| Foreign currency translation adjustment | 1,483 | (530) |
| Remeasurements of defined benefit plans, net of tax | 6,212 | 8,372 |
| Share of other comprehensive income of entities accounted for using equity method | 39 | 49 |
| Total other comprehensive income | 16,083 | 7,348 |
| Comprehensive income | 47,714 | 45,481 |
| Comprehensive income attributable to | | |
| Comprehensive income attributable to owners of parent | 45,284 | 42,461 |
| Comprehensive income attributable to non-controlling interests | 2,430 | 3,019 |

(3) Consolidated Statements of Changes in Equity

Fiscal year ended December 31, 2023 (from January 1, 2023 to December 31, 2023)

(Millions of yen)

| | Shareholders' equity | | | | |
|--|----------------------|-----------------|-------------------|-----------------|----------------------------|
| | Share capital | Capital surplus | Retained earnings | Treasury shares | Total shareholders' equity |
| Balance at beginning of period | 11,014 | 9,632 | 317,816 | (21,891) | 316,572 |
| Changes during period | | | | | |
| Dividends of surplus | | | (4,589) | | (4,589) |
| Profit attributable to owners of parent | | | 30,168 | | 30,168 |
| Purchase of treasury shares | | | | (4,294) | (4,294) |
| Net changes in items other than shareholders' equity | | | | | |
| Total changes during period | — | — | 25,578 | (4,294) | 21,283 |
| Balance at end of period | 11,014 | 9,632 | 343,395 | (26,185) | 337,856 |

| | Accumulated other comprehensive income | | | | | | Non-controlling interests | Total net assets |
|--|---|------------------------------------|------------------------------|---|---|--|---------------------------|------------------|
| | Valuation difference on available-for-sale securities | Deferred gains or losses on hedges | Revaluation reserve for land | Foreign currency translation adjustment | Remeasurements of defined benefit plans | Total accumulated other comprehensive income | | |
| Balance at beginning of period | 27,838 | (14) | 99 | 5,635 | 13,607 | 47,166 | 44,158 | 407,897 |
| Changes during period | | | | | | | | |
| Dividends of surplus | | | | | | | | (4,589) |
| Profit attributable to owners of parent | | | | | | | | 30,168 |
| Purchase of treasury shares | | | | | | | | (4,294) |
| Net changes in items other than shareholders' equity | 8,273 | 14 | — | 859 | 5,968 | 15,115 | 1,835 | 16,951 |
| Total changes during period | 8,273 | 14 | — | 859 | 5,968 | 15,115 | 1,835 | 38,235 |
| Balance at end of period | 36,112 | — | 99 | 6,494 | 19,575 | 62,281 | 45,994 | 446,132 |

Fiscal year ended December 31, 2024 (from January 1, 2024 to December 31, 2024)

(Millions of yen)

| | Shareholders' equity | | | | |
|---|----------------------|-----------------|-------------------|-----------------|----------------------------|
| | Share capital | Capital surplus | Retained earnings | Treasury shares | Total shareholders' equity |
| Balance at beginning of period | 11,014 | 9,632 | 343,395 | (26,185) | 337,856 |
| Changes during period | | | | | |
| Dividends of surplus | | | (5,148) | | (5,148) |
| Profit attributable to owners of parent | | | 36,015 | | 36,015 |
| Increase in earned surplus resulting from increase of consolidated subsidiaries | | | 366 | | 366 |
| Purchase of shares of consolidated subsidiaries | | (0) | | | (0) |
| Purchase of treasury shares | | | | (25,666) | (25,666) |
| Net changes in items other than shareholders' equity | | | | | |
| Total changes during period | — | (0) | 31,233 | (25,666) | 5,566 |
| Balance at end of period | 11,014 | 9,632 | 374,629 | (51,852) | 343,422 |

| | Accumulated other comprehensive income | | | | | | Non-controlling interests | Total net assets |
|---|---|------------------------------------|------------------------------|---|---|--|---------------------------|------------------|
| | Valuation difference on available-for-sale securities | Deferred gains or losses on hedges | Revaluation reserve for land | Foreign currency translation adjustment | Remeasurements of defined benefit plans | Total accumulated other comprehensive income | | |
| Balance at beginning of period | 36,112 | — | 99 | 6,494 | 19,575 | 62,281 | 45,994 | 446,132 |
| Changes during period | | | | | | | | |
| Dividends of surplus | | | | | | | | (5,148) |
| Profit attributable to owners of parent | | | | | | | | 36,015 |
| Increase in earned surplus resulting from increase of consolidated subsidiaries | | | | | | | | 366 |
| Purchase of shares of consolidated subsidiaries | | | | | | | | (0) |
| Purchase of treasury shares | | | | | | | | (25,666) |
| Net changes in items other than shareholders' equity | (577) | 2 | — | (1,069) | 8,089 | 6,445 | 2,341 | 8,787 |
| Total changes during period | (577) | 2 | — | (1,069) | 8,089 | 6,445 | 2,341 | 14,354 |
| Balance at end of period | 35,534 | 2 | 99 | 5,425 | 27,665 | 68,727 | 48,336 | 460,486 |

(4) Consolidated Statements of Cash Flows

(Millions of yen)

| | For the fiscal year ended December 31, 2023 | For the fiscal year ended December 31, 2024 |
|---|--|--|
| Cash flows from operating activities | | |
| Profit before income taxes | 45,821 | 55,636 |
| Depreciation | 40,318 | 41,863 |
| Impairment losses | 1,031 | 772 |
| Loss on disaster | 129 | 147 |
| Amortization of goodwill | 1,654 | 1,634 |
| Gain on bargain purchase | (2,697) | – |
| Increase (decrease) in allowance for doubtful accounts | (211) | (502) |
| Increase (decrease) in provision for bonuses | 494 | 177 |
| Increase (decrease) in retirement benefit liability | (3,596) | (4,839) |
| Increase (decrease) in provision for retirement benefits for directors (and other officers) | 318 | 756 |
| Interest and dividend income | (1,803) | (2,190) |
| Dividends received from entities accounted for using equity method | 154 | 171 |
| Interest expenses | 740 | 861 |
| Foreign exchange losses (gains) | (503) | (927) |
| Subsidy income | (27) | – |
| Share of loss (profit) of entities accounted for using equity method | (539) | (681) |
| Loss (gain) on sale and retirement of non-current assets | 1,497 | 1,828 |
| Loss (gain) on sale of investment securities | (20) | (1,443) |
| Loss (gain) on sale of shares of subsidiaries and associates | (390) | (592) |
| Loss (gain) on valuation of investment securities | 5 | – |
| Decrease (increase) in trade receivables | (8,001) | (5,204) |
| Decrease (increase) in inventories | (1,247) | (2,997) |
| Increase (decrease) in trade payables | 3,350 | 1,849 |
| Increase (decrease) in accrued consumption taxes | 1,368 | 200 |
| Other, net | 3,587 | 2,528 |
| Subtotal | 81,431 | 89,048 |
| Interest and dividends received | 1,801 | 2,190 |
| Interest paid | (520) | (845) |
| Income taxes paid | (9,009) | (16,410) |
| Other, net | (13) | (7) |
| Net cash provided by (used in) operating activities | 73,689 | 73,974 |
| Cash flows from investing activities | | |
| Decrease (increase) in time deposits | 367 | (992) |
| Purchase of property, plant and equipment | (38,175) | (43,055) |
| Proceeds from sale of property, plant and equipment | 154 | 189 |
| Purchase of intangible assets | (2,280) | (2,614) |
| Purchase of investment securities | (146) | (150) |
| Proceeds from sale of investment securities | 598 | 4,589 |
| Purchase of noncurrent assets for rent | (67) | (24) |
| Purchase of shares of subsidiaries resulting in change in scope of consolidation | (5,268) | – |
| Loan advances | (452) | (40) |
| Proceeds from collection of loans receivable | 467 | 124 |
| Other, net | (856) | (1,517) |
| Net cash provided by (used in) investing activities | (45,659) | (43,492) |

(Millions of yen)

| | For the fiscal year ended December 31, 2023 | For the fiscal year ended December 31, 2024 |
|--|--|--|
| Cash flows from financing activities | | |
| Increase (decrease) in short-term borrowings | 1,269 | 2,315 |
| Repayments of lease liabilities | (3,110) | (3,745) |
| Proceeds from long-term borrowings | 3,250 | 27,520 |
| Repayments of long-term borrowings | (10,804) | (9,634) |
| Purchase of treasury shares | (4,294) | (25,666) |
| Dividends paid | (4,579) | (5,136) |
| Dividends paid to non-controlling interests | (563) | (689) |
| Net cash provided by (used in) financing activities | (18,834) | (15,038) |
| Effect of exchange rate change on cash and cash equivalents | 827 | 308 |
| Net increase (decrease) in cash and cash equivalents | 10,022 | 15,753 |
| Cash and cash equivalents at beginning of period | 119,559 | 129,582 |
| Increase in cash and cash equivalents resulting from inclusion of subsidiaries in consolidation | – | 604 |
| Cash and cash equivalents at end of period | 129,582 | 145,939 |