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## Summary of Consolidated Financial Results for the Year ended March 31, 2024 (IFRS)

May 14, 2024

Company name: TORIDOLL Holdings Corporation

Stock exchange listing: Tokyo Stock Exchange

Stock code: 3397

URL: <https://www.toridoll.com>

Representative: Takaya Awata, President, CEO, Representative Director

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Date of ordinary general meeting of shareholders: June 27, 2024

Starting date of dividend payments: June 13, 2024

Date of release of securities report: June 27, 2024

Preparation of explanatory materials on financial results: Yes

Information meetings arranged related to financial results: Yes (for institutional investors and analysts, in Japanese)

(Amounts are rounded to the nearest million)

### 1. Consolidated Financial Results for the Year Ended March 31, 2024

#### (1) Consolidated Operating Results

(% figures denote year-on-year change)

	Revenue		Business profit		Operating profit		Profit before tax		Profit for the year	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Year ended March 31, 2024	231,952	23.2	14,536	108.1	11,647	56.0	10,839	40.3	6,203	39.2
Year ended March 31, 2023	188,320	22.8	6,984	28.6	7,466	(47.6)	7,726	(44.6)	4,456	(51.8)

	Profit for the year attributable to owners of the parent		Comprehensive income for the year		Earnings per share attributable to owners of the parent (basic)	Earnings per share attributable to owners of the parent (diluted)
	Millions of yen	%	Millions of yen	%	Yen	Yen
Year ended March 31, 2024	5,675	48.3	15,719	60.2	60.70	60.08
Year ended March 31, 2023	3,827	(57.4)	9,812	(32.0)	39.58	39.28

	Profit ratio to equity attributable to owners of the parent	Profit before tax ratio to total assets	Operating profit ratio to revenue
	%	%	%
Year ended March 31, 2024	7.5	3.7	5.0
Year ended March 31, 2023	5.8	3.0	4.0

(Reference) Share of profit (loss) of investments accounted for using the equity method:

Year ended March 31, 2024: ¥ (390) million

Year ended March 31, 2023: ¥ 122 million

EBITDA (\*):

Year ended March 31, 2024: ¥ 40,870 million (increased 35.3% year-on-year basis)

Year ended March 31, 2023: ¥ 30,196 million

Adjusted EBITDA:

Year ended March 31, 2024: ¥ 44,285 million (increased 35.9% year-on-year basis)

Year ended March 31, 2023: ¥ 32,585 million

(\* ) The Company discloses EBITDA as comparative information.

EBITDA = Operating profit + Other Operating Expenses - Other Operating Income  
+ Depreciation + Amortization

Adjusted EBITDA = EBITDA + Impairment Loss + Extraordinary Expenses

(2) Consolidated Financial Position

	Total assets	Total equity	Equity attributable to owners of parent	Equity attributable to owners of parent ratio	Equity per share attributable to owners of parent
	Millions of yen	Millions of yen	Millions of yen	%	Yen
As of March 31, 2024	322,357	90,361	80,827	25.1	925.82
As of March 31, 2023	266,235	78,158	69,566	26.1	798.90

(3) Consolidated Cash Flows

	Operating activities	Investing activities	Financing activities	Cash and cash equivalents at the end of year
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year ended March 31, 2024	42,794	(26,817)	(16,548)	70,627
Year ended March 31, 2023	32,595	(11,863)	(8,783)	67,456

2. Dividends

	Annual dividend per share					Total amount of dividends per annum	Dividend payout ratio (Consolidated)	Dividend on equity attributable to owners of parent (Consolidated)
	Q1	Q2	Q3	Year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Year ended March 31, 2023	—	0.00	—	7.50	7.50	653	18.9	1.0
Year ended March 31, 2024	—	0.00	—	9.00	9.00	785	14.8	1.0
Year ending March 31, 2025 (Forecast)	—	0.00	—	10.00	10.00		14.3	

### 3. Consolidated Financial Result Forecasts for the Fiscal Year Ending March 31, 2025

Percentages indicate year-on-year changes

	Revenue		Business profit		Operating profit		Profit before tax		Profit for the period	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
1 <sup>st</sup> half	130,570	16.0	9,310	15.3	8,660	9.1	7,760	(5.0)	4,770	(4.3)
Fiscal year	265,000	14.2	18,100	24.5	14,100	21.1	12,300	13.5	7,560	21.9

	Profit for the period attributable to owners of the parent		Earnings per share attributable to owners of the parent (basic)	
	Millions of yen	%	Yen	
1 <sup>st</sup> half	4,220	(8.2)	46.22	
Fiscal year	6,460	13.8	69.71	

#### \* Notes

- (1) Changes in significant subsidiaries during the period  
(changes in specified subsidiaries resulting in the change in scope consolidation): Yes  
New: 1 company (Company name: The Fulham Shore Plc (Changed trade name to The Fulham Shore Limited))  
Excluded: —

- (2) Changes in accounting policies and accounting estimate  
1) Changes in accounting policies as required by IFRS: Yes  
2) Changes in accounting policies other than 1) above: No  
3) Changes in accounting estimate: No

- (3) Number of shares outstanding (ordinary shares)

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

As of March 31, 2024	88,140,552 shares
As of March 31, 2023	87,920,752 shares

- 2) Number of treasury shares at the end of the period

As of March 31, 2024	837,892 shares
As of March 31, 2023	844,025 shares

- 3) Average number of shares during the period

Year ended March 31, 2024	87,131,070 shares
Year ended March 31, 2023	86,930,263 shares

\*Summary financial statements are not subject to audit procedures by a public certified accountant or an auditing firm.

\* Appropriate use of financial results forecasts and other notes

The forward-looking statements in this report are based upon various assumptions, including, without limitation, business forecasts, management's estimates, assumptions, and projections at the time of publication. These statements do not represent a promise or commitment by the Company to achieve these forecasts. Actual results may differ significantly from these forecasts due to a wide range of factors.

Method of obtaining supplementary results materials

The company plans to hold financial results meeting at the venue and online for institutional investors and analysts on May 17, 2024. Presentation materials will be posted on its website today.

# 1. Qualitative Information Concerning Financial Results for the Fiscal Year ended March 31, 2024

## (1) Consolidated Business Performance

During the consolidated fiscal year under review ended March 31, 2024, the business environment surrounding the Group was characterized by a significant increase in the number of people out and about and a recovery in the number of restaurant customers.

Given this environment, our business activities were as follows: In Japan, created highly compelling products and retail store designs and organized campaigns to increase in-store traffic. In the Overseas segment, we acquired Fulham Shore, a UK-based restaurant business, which became a subsidiary in July 2023, from the second quarter of the current fiscal year.

As a result, revenues reached a record high of ¥231,952 million (+23.2% year-on-year), with all segments (Marugame Seimen, Other Domestic, and Overseas) recording highest ever revenue result.

Despite higher raw material costs, higher labor costs, and higher utilities costs in Japan and overseas, these increases were absorbed by the increase in revenue, resulting in a significant increase in business profit (Note 1) of 108.1% year-on-year to ¥14,536 million. This, also, was our highest ever business profit result.

In the previous fiscal year, we recorded ¥4,403 million in government subsidies, such as those provided for complying with the request to shorten operating hours related to COVID-19. However, due to the fact that the amount totaled just ¥42 million in the current fiscal year, other operating income decreased by ¥4,596 million year-on-year, but this was absorbed by the large increase in business profit. On the other hand, other operating expenses decreased by ¥1,417 million year-on-year, as a one-time China business liquidation cost of ¥1,227 million was recorded in the previous fiscal year.

As a result, operating profit (Note 2) increased significantly to ¥11,647 million (+56.0% year-on-year) and profit for the period attributable to owners of the parent also increased significantly to ¥5,675 million (+48.3% year-on-year).

(Notes)

- 1: Business profit is calculated by deducting the cost of goods sold and selling, general and administrative expenses from revenue.
- 2: Operating profit is calculated by adding other operating income to and deducting impairment losses and other operating expenses from business

(Millions of yen)

	FY3/23 Results	FY3/24 Results	Year-on-year change		FY3/24 Plan (Note 3)	FY3/24 Results vs Plan	
			Amount	%		Amount	%
Revenue	188,320	231,952	+43,632	+23.2%	231,000	+952	+0.4%
Business profit	6,984	14,536	+7,552	+108.1%	13,700	+836	+6.1%
Operating profit	7,466	11,647	+4,181	+56.0%	10,000	+1,647	+16.5%
Profit for the period attributable to owners of the parent	3,827	5,675	+1,848	+48.3%	4,800	+875	+18.2%

(Note)

- 3: Revised on November 14, 2023

## (2) Business Performance by Segment

(Millions of yen)

Revenue	FY3/23 Results	FY3/24 Results	Year-on-year change		FY3/24 Plan (Note 3)	FY3/24 Results vs Plan	
			Amount	%		Amount	%
Marugame Seimen	102,100	114,856	+12,756	12.5%	114,000	+856	+0.8%
Other Domestic	24,737	28,460	+3,722	15.0%	27,000	+1,460	+5.4%
Overseas	61,483	88,637	+27,154	44.2%	90,000	(1,363)	(1.5)%
Total	188,320	231,952	+43,632	23.2%	231,000	+952	+0.4%

(Millions of yen)

Business profit	FY3/23 Results	FY3/24 Results	Year-on-year change		FY3/24 Plan (Note 3)	FY3/24 Results vs Plan	
			Amount	%		Amount	%
Marugame Seimen	11,624	18,351	+6,726	+57.9%	16,900	+1,451	+8.6%
Other Domestic	3,044	4,451	+1,407	+46.2%	3,800	+651	+17.1%
Overseas	1,809	2,970	+1,161	+64.2%	3,600	(630)	(17.5)%
Adjustments (Note 4)	(9,494)	(11,236)	(1,742)	—	(10,600)	(636)	—
Total	6,984	14,536	+7,552	+108.1%	13,700	+836	+6.1%

(Note)

4: Adjustments are corporate expenses that are not allocated to each segment in financial reporting.

(Location)

Number of Locations	Marugame Seimen		Other Domestic		Overseas			Total
	Company-owned	Company-owned	Franchise and etc. (Note 5)	Sub-Total	Company-owned <sup>15</sup> (Note 6)	Franchise and etc. (Note 5, 6)	Sub-Total	
At the end of FY3/23	833	226	4	230	316	391	707	1,770
Opening in FY3/24	18	23	0	23	135	71	206	247
Closure in FY3/24	11	3	0	3	19	33	52	66
At the end of FY3/24	840	246	4	250	432	429	861	1,951

(Notes)

5. This includes locations other than company-owned stores, including locations operated by franchisees or joint ventures.

6. Fulham Shore was added to the number of locations for the Overseas segment from Q2 FY2024, and 96 directly managed stores and 1 franchise store were added.

### Marugame Seimen Segment

In the Marugame Seimen segment, the Group launched a new brand campaign with the key message “We’ll amaze you with udon” from the last fiscal year, and by combining a brand strategy that forms perceptions so customers continue to choose us and a product strategy that creates impulses, the segment has developed a marketing strategy that simultaneously elevates brand value, customer experience (CX), and employee experience (EX).

In February 2024, we released a new nationwide TV commercial, “Fuwa-fuwa! Mochimochi! Kamaage Udon,” focusing on our signature product “Kamaage Udon,” which we have been serving since our founding. By promoting the deliciousness of our signature product, which we can confidently recommend because of the fact that we make handmade udon from flour each and every store daily, sales of our regular menu items increased. In March 2024, the deployment of Menshokunin (noodle masters) (Note 7) in all stores was finally completed.

To commemorate the deploying of all stores, a pop-up store “Marugame Seimenjo” operated solely by noodle masters was opened in Kanda Ogawamachi, Tokyo for a limited time. It offered the “Marugame Seimenjo, Three types of tasting udon” and focused on Menshokunin (noodle masters) to promote their desire to deliver better tasting udon, their dedication and confidence through a TV commercial, events, and a special website.

Seasonal fair menus also performed well, and in the fourth quarter of the current fiscal year, we rolled out the “Winter deliciousness by adding just a bit of time and effort!” series. As our first phase of new menu items, “Kamo Negi Udon” and “Ankake Udon with double Meat and Egg” were launched from December 5, 2023, and became big hits, selling approximately 1.6 million servings and 1.77 million servings, respectively. The second phase was the limited-time offering of “Kagoshima Black Beef Wagyu Sukiyaki Kamatama Udon” using brand beef from December 12, and the third phase was “Ankake Udon with Crab and Egg” from January 3 to 15, 2024. For the fourth and final phase, “Ankake Udon with Oyster and Egg,” made with six luxurious Hiroshima oysters, and the new “Oyster Bukkake Udon,” were introduced on January 30.

On the other hand, to cope with rising labor costs and surging costs, on January 16, 2024, we implemented a price revision for some of our menu items.

Thanks to these activities, revenue increased to ¥114,856 million (+12.5% year-on-year), the highest ever recorded. Cost of sales, labor costs and advertising expenses also increased but were absorbed by the increase in revenue. Business profit also rose significantly, reaching a record high of ¥18,351 million (+57.9% year-on-year).

(Note)

7. Menshokunin (noodle masters): Certification given only to those who have passed the unique training system, the Menshokunin program.

### **Other Domestic Segment**

The Other Domestic segment covers the following businesses (among others): Kona’s Coffee, Ramen Zundo-ya, Niku no Yamagyu (Note 8), Banpai-ya, Tempura Makino, Toridoll, Buta-ya Tonichi, Nagata Honjyouken, and freshly baked Koppe pan.

Zundo-ya, which operates 87 locations, maintained high profitability as existing stores in Osaka and other parts of the Kansai region performed particularly well, and 13 new stores also contributed its profit.

Kona's Coffee, which operates under the concept of a “Hawaiian dining experience ‘closest to you.’,” saw both the number of customers and the average spending at existing locations increase, and its new Yachiyo Midorigaoka Store achieved one of the highest monthly sales in Japan and made early progress toward profitability.

Sales at Niku no Yamagyu's Akabane (Tokyo) store, a grocerant-type (Note 9) store opened in November 2023, were strong. The Takenotsuka store, which opened in February 2024, is a new model store specializing in takeout and delivery sales of boxed lunches and prepared foods without an in-store eating area, and recorded the highest monthly sales in March of this business type.

Tempura Makino enhanced its fair set menus and tempura dishes, which mainly feature seasonal ingredients, successfully capturing inbound demand from an increasing number of foreign tourists.

The Matsudo Ekimae branch of Buta-ya Tonichi, which opened on November 14, enhanced effort on takeaway sales of boxed lunches as well as eat-in and achieved one of the highest sales of this business type.

As a result, revenues increased significantly, up 15.0% in year-on-year to ¥28,460 million and business profit increased significantly up 46.2% in year-on-year to a record high of ¥4,451 million.

(Notes)

8. Niku no Yamaki Shoten changed its brand name to Niku no Yamagyu as of November 29, 2023.

9. Grocerant-type: A format that combines a grocery store and a restaurant.

## Overseas Segment

Tam Jai, a spicy noodle restaurant business, increased six new restaurants in China, seven in Hong Kong, and one in Singapore, increasing the total to 229 locations and has enjoyed an increase in revenue and profit. With regard to Marugame Udon, we opened eight new restaurants in Taiwan and posted a significant increase in both revenue and profit thanks to improved product and service quality due to successful personnel training. In the U.S., both revenue and profit posted an increase thanks to an increase in number of customers at existing stores and strong sales at two new locations. In the U.K., as well, efforts were made to improve productivity through increased revenues, and while some results were achieved, we are conducting improvement activities to accelerate its growth. Due in part to Fulham Shore (U.K.), which was consolidated from Q2, and the impact of foreign exchange rates, revenue increased significantly to a record high of ¥88,637 million (+44.2% year-on-year) in the consolidated fiscal year. Business profit increased significantly, up 64.2% in year-on-year to ¥2,970 million, although it fell short of plan due to the impact of a one-time expense of ¥656 million in the U.S. in the fourth quarter of the current fiscal year.

### (3) Future Outlook

For the consolidated fiscal year ending March 31, 2025, we are projecting a revenue and profit increase with a revenue increase of 14.2% year-on-year to ¥265,000 million, a business profit increase of 24.5% year-on-year to ¥18,100 million, an operating profit increase of 21.1% year-on-year to ¥14,100 million, and a profit for the period attributable to the owners of the parent company increase 13.8% year-on-year to ¥6,460 million.

For the consolidated financial result forecast for the first half of the fiscal year we are projecting that profit before tax and profit for the period will decrease year-on-year. The reason for this is, although finance income of ¥1,003 million was recorded in the first half of FY3/24 due to the depreciation of the yen against currency-denominated lending (including inter-company lending), the difference is due to the fact that the forecast for FY3/25 does not incorporate finance income and expenses affected by foreign exchange rates. As for business profit and operating profit, we project a profit increase year-on-year for the first half of the fiscal year as well.

(Millions of yen)

	FY3/24 Results	FY3/25 Plan	Year-on-year change	
			Amount	%
Revenue	231,952	265,000	+33,048	+14.2%
Business profit	14,536	18,100	+3,564	+24.5%
Operating profit	11,647	14,100	+2,453	+21.1%
Profit for the period attributable to owners of the parent	5,675	6,460	+785	+13.8%

(Millions of yen)

Revenue	FY3/24 Results	FY3/25 Plan	Year-on-year change	
			Amount	%
Marugame Seimen	114,856	125,000	+10,144	+8.8%
Other Domestic	28,460	30,000	+1,540	+5.4%
Overseas	88,637	110,000	+21,363	+24.1%
Total	231,952	265,000	+33,048	+14.2%

(Millions of yen)

Business profit	FY3/24 Results	FY3/25 Plan	Year-on-year change	
			Amount	%
Marugame Seimen	18,351	18,500	+149	+0.8%
Other Domestic	4,451	4,300	(151)	(3.4)%
Overseas	2,970	5,500	+2,530	+85.2%
Adjustments (Note 4)	(11,236)	(10,200)	+1,036	—
<b>Total</b>	<b>14,536</b>	<b>18,100</b>	<b>+3,564</b>	<b>+24.5%</b>

(Store)

Number of Stores	Marugame Seimen	Other Domestic			Overseas			Total
	Company-owned	Company-owned	Franchise and etc. (Note 5)	Sub-Total	Company-owned (Note 6)	Franchise and etc. (Note 5, 6)	Sub-Total	
At the end of FY3/24	840	246	4	250	432	429	861	1,951
Opening Plan in FY3/25	73	63	0	63	108	107	215	351
Closure Plan in FY3/25	10	4	0	4	14	10	24	38
At the end of FY3/25	903	305	4	309	526	526	1,052	2,264

### Marugame Seimen Segment

We will press forward with our marketing strategy to simultaneously elevate brand value, customer experience (CX) and employee experience (EX) by combining a brand strategy that forms perceptions to keep customers choosing us and a product strategy that creates impulses.

By strengthening the collaboration between sales and marketing, such as creating images and impulses in marketing and increasing the sense of experience in stores, it will lead to an increase in customer visits and repeat business. By providing feedback from customers' praise and assessment, we will also increase employee pride and a sense of contribution, and by rotating a cycle that leads to CX improvement, our brand power will be further enhanced.

As a specific example, in deploying Menshokunin (noodle masters) to all of our stores, we developed marketing that focused on the noodle masters who were honing their skills and sensibilities. As a result, the analysis shows that NPS (Note 10) significantly increased, and at the same time, employee motivation increased, which positively impacted business performance and brand value. In FY3/25, we will strategically reinforce this cycle.

As for seasonal fair menus, we will introduce new menu items in addition to popular items to create an unparalleled impulse for customers to visit our stores.

As for our stores, we will remodel some of them to give a more atmospheric feel of a noodle-making shop, situate noodle-making and cooking areas in easy-to-view locations, and creating more comfortable spaces for our customers and employees.

Through these measures, we plan to achieve both a one-of-a-kind emotional experience and high profitability, and increase revenues by 8.8% year-on-year to ¥125 billion and increase business profit by 0.8% year-on-year to ¥18.5 billion.

(Note)

10. NPS: An index to measure customer loyalty (trust and attachment to products and services) and their intention to continue using them.



## **Other Domestic Segment**

In Others Domestic segment, we project an increase in revenue of % year-on-year to ¥30,000 million by the horizontal expansion of successful models in each brand, as well as the opening of stores in a new store model. Zundo-ya is expanding into new areas such as the Chubu and Kanto regions, while Kona's Coffee is planning store openings mainly in eastern Japan. Niku no Yamagyu and Buta-ya Tonichi are prioritizing the development of stores in station-front and shopping district locations, while Banpai-ya is planning store openings in the Kanto and Kansai regions.

Investments for growth in conjunction with accelerated openings will result in a slight decrease in business profit of 3.4% year-on-year to ¥4,300 million but the Company will maintain high profitability.

## **Overseas Segment**

The Overseas segment is focusing on improving unprofitable areas and strengthening the monitoring of results and PDCA measures to achieve a significant increase in profit.

Tam Jai is further strengthening its customer base through CRM marketing, in addition to increasing the occupancy rates during idle times through afternoon tea and other promotions in its core market of Hong Kong. In China, we are working to increase sales at existing stores by adapting our products to local markets, and we are also strengthening openings while revamping our store-opening strategy and rebranding our store designs to create more lively store atmospheres.

Marugame Udon is continuing to carry out openings in Taiwan while maintaining high profitability. In the U.S. where the probability of success for new openings is increasing and early monetization is progressing, profitability improvement is forecasted to further progress as the number of openings increases. In the U.K. Marugame Udon will implement measures such as strengthening marketing around stores and expanding delivery services aiming to improve labor productivity by increasing revenues. In other Asian countries, the Group plans to increase the number of franchise stores.

For Fulham Shore, the first priority will be to quickly improve the profitability of low-profit stores, while using data analysis to identify store opening points with a high probability of success.

As a result of these efforts, we forecast a significant increase in both revenue and profit, with revenue up 24.1% year-on-year to ¥110,000 million and business profit up 85.2% year-on-year to ¥5,500 million.

## **2. Dividend payout policy and annual dividends per share for FY 3/24 and FY3/25**

TORIDOLL Holdings places one of the highest priorities on the appropriate distribution of profits to shareholders.

With the aim of further balancing the Company's growth and shareholder returns, the Company has amended its basic policy to pay a progressive dividend based on business performance while maintaining efforts to maximize retained earnings to make investments required for Group's growth.

In principle, we target a dividend payout ratio of at least 20%, but in order to ensure stable and continuous dividend payments, we have set the adjusted dividend payout ratio (Note 11) at a minimum of 2% and, with the exception of special dividends, provide dividends that are higher than those of the previous fiscal year.

For the full FY3/24 year, we have revised our year-end dividend to ¥9.0 per share, an increase of ¥1.5 compared to our previous forecast and the end of the previous fiscal year.

(Note)

11. The adjusted dividend payout ratio is calculated by dividing dividends paid by (net income attributable to owners of the parent + depreciation and amortization + other operating expenses - other operating income + impairment losses + non-recurring expenses) and multiplying the result by 100.

For details, please refer today's announcement, "Notice of Amendment of Dividend Policy and Dividend Payment (Dividend Increase)."

**Consolidated Financial Statements**  
**Consolidated Statements of Financial Position**

(Millions of yen)

	As of March 31, 2023	As of March 31, 2024
Assets		
Current assets		
Cash and cash equivalents	67,456	70,627
Trade and other receivables	7,578	9,678
Inventories	759	1,087
Other current assets	2,008	4,569
Total current assets	77,801	85,960
Non-current assets		
Property and equipment	36,143	43,672
Right-of-use assets	82,759	102,015
Intangible assets and goodwill	45,712	66,237
Investments accounted for using the equity method	4,336	4,498
Other financial assets	13,103	12,826
Deferred tax assets	4,953	5,445
Other non-current assets	1,428	1,704
Total non-current assets	188,434	236,397
Total assets	266,235	322,357

(Millions of yen)

	As of March 31, 2023	As of March 31, 2024
<b>Liabilities</b>		
Current liabilities		
Trade and other payables	13,223	16,963
Short-term loans payable	4,028	20,210
Current portion of long-term loans payable	16,802	15,573
Lease liabilities	16,722	20,001
Income taxes payable	644	3,683
Provisions	1,423	1,347
Other current liabilities	6,627	14,807
Total current liabilities	59,470	92,583
Non-current liabilities		
Bonds	3,184	2,386
Long-term loans payable	46,629	39,016
Lease liabilities	69,214	88,912
Provisions	5,336	5,954
Deferred tax liabilities	1,558	1,598
Other non-current liabilities	2,687	1,546
Total non-current liabilities	128,608	139,412
Total liabilities	188,078	231,996
<b>Equity</b>		
Equity attributable to owners of the parent		
Capital stock	4,673	4,834
Capital surplus	11,575	9,369
Other equity instruments	10,847	10,847
Retained earnings	34,207	39,032
Treasury stock	(1,003)	(994)
Other components of equity	9,267	17,739
Total equity attributable to owners of the parent	69,566	80,827
Non-controlling interests	8,592	9,535
Total equity	78,158	90,361
Total liabilities and equity	266,235	322,357

## Consolidated Statements of Income

(Millions of yen)

	Year ended March 31, 2023	Year ended March 31, 2024
Revenue	188,320	231,952
Cost of sales	(47,817)	(55,780)
Gross profit	140,503	176,172
Selling, general and administrative expenses	(133,519)	(161,636)
Impairment loss	(2,348)	(2,539)
Other operating income	5,525	929
Other operating expenses	(2,695)	(1,279)
Operating profit	7,466	11,647
Finance income	1,234	1,730
Finance costs	(1,096)	(2,147)
Finance income (costs), net	138	(418)
Share of profit (loss) of investments accounted for using the equity method	122	(390)
Profit before tax	7,726	10,839
Income tax expense	(3,271)	(4,636)
Profit for the year	4,456	6,203
Profit for the year attributable to		
Owners of the parent	3,827	5,675
Non-controlling interests	628	528
Profit for the year	4,456	6,203
Earnings per share attributable to owners of the parent (yen)		
Basic earnings per share	39.58	60.70
Diluted earnings per share	39.28	60.08

## Consolidated Statements of Comprehensive Income

(Millions of yen)

	Year ended March 31, 2023	Year ended March 31, 2024
Profit for the year	4,456	6,203
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Financial assets measured at fair value through other comprehensive income	—	(90)
Total of items that will not be reclassified to profit or loss	—	(90)
Items that may be reclassified to profit or loss		
Exchange differences on translating foreign operations	4,924	9,264
Share of other comprehensive income of investments accounted for using the equity method	433	341
Total of items that may be reclassified to profit or loss	5,356	9,606
Other comprehensive income	5,356	9,516
Comprehensive income for the year	9,812	15,719
Comprehensive income for the year attributable to		
Owners of the parent	8,511	14,039
Non-controlling interests	1,301	1,680

## Consolidated Statements of Changes in Equity

For the year ended March 31, 2023

(Millions of yen)

	Equity attributable to owners of the parent										Non-controlling interests	Total equity
	Capital stock	Capital surplus	Other equity instruments	Retained earnings	Treasury shares	Other components of equity				Total		
						Exchange differences on translating foreign operations	Financial assets measured at fair value through other comprehensive income	Stock acquisition rights	Total			
As of April 1, 2022	4,498	11,877	10,847	31,338	(1,020)	3,976	—	507	4,483	62,024	7,954	69,978
Profit for the year				3,827					—	3,827	628	4,456
Other comprehensive income						4,684			4,684	4,684	673	5,356
Total comprehensive income for the period	—	—	—	3,827	—	4,684	—	—	4,684	8,511	1,301	9,812
Issuance of new shares—Exercise of stock acquisition rights	174	174						(78)	(78)	271		271
Share-based payment transactions								192	192	192		192
Purchase or disposal of treasury stock		5			17				—	22		22
Dividends				(651)					—	(651)	(671)	(1,322)
Issue of other equity instruments				(385)					—	(385)		(385)
Changes in ownership interests in subsidiaries that do not result in loss of control		(28)							—	(28)	7	(20)
Put options over non-controlling interests		(522)							—	(522)		(522)
Other		69		78				(14)	(14)	133		133
Total transaction amount with owners	174	(301)	—	(958)	17	—	—	100	100	(969)	(664)	(1,632)
As of March 31, 2023	4,673	11,575	10,847	34,207	(1,003)	8,659	—	607	9,267	69,566	8,592	78,158

For the year ended March 31, 2024

(Millions of yen)

	Equity attributable to owners of the parent									Total	Non-controlling interests	Total equity
	Capital stock	Capital surplus	Other equity instruments	Retained earnings	Treasury shares	Other components of equity			Total			
						Exchange differences on translating foreign operations	Financial assets measured at fair value through other comprehensive income	Stock acquisition rights				
As of April 1, 2023	4,673	11,575	10,847	34,207	(1,003)	8,659	—	607	9,267	69,566	8,592	78,158
Profit for the year				5,675					—	5,675	528	6,203
Other comprehensive income						8,454	(90)		8,364	8,364	1,152	9,516
Total comprehensive income for the period	—	—	—	5,675	—	8,454	(90)	—	8,364	14,039	1,680	15,719
Issuance of new shares—Exercise of stock acquisition rights	161	161						(68)	(68)	253		253
Share-based payment transactions								177	177	177		177
Purchase or disposal of treasury stock		10			9				—	19		19
Dividends				(653)					—	(653)	(851)	(1,504)
Issue of other equity instruments				(386)					—	(386)		(386)
Changes in ownership interests in subsidiaries that do not result in loss of control		(91)							—	(91)	114	22
Put options over non-controlling interests		(2,262)							—	(2,262)		(2,262)
Other		(25)		189					—	164		164
Total transaction amount with owners	161	(2,207)	—	(850)	9	—	—	108	108	(2,779)	(737)	(3,516)
As of March 31, 2024	4,834	9,369	10,847	39,032	(994)	17,113	(90)	715	17,739	80,827	9,535	90,361

## Consolidated Statements of Cash Flows

(Millions of yen)

	Year ended March 31, 2023	Year ended March 31, 2024
Cash flows from operating activities		
Profit before tax	7,726	10,839
Depreciation and amortization	25,559	28,873
Impairment loss	2,348	2,539
Interest income	(556)	(1,199)
Interest expenses	1,085	2,055
Share of loss (profit) of investments accounted for using the equity method	(122)	390
Decrease (increase) in trade and other receivables	(728)	(1,442)
Decrease (increase) in inventories	(220)	1
Increase (decrease) in trade and other payables	1,137	1,335
Other, net	1,244	1,558
Subtotal	37,474	44,949
Interest income received	438	1,144
Interest expenses paid	(917)	(2,062)
Income taxes paid	(4,400)	(1,236)
Net cash provided by (used in) operating activities	32,595	42,794
Cash flows from investing activities		
Purchases of property and equipment	(11,410)	(9,094)
Purchases of intangible assets	(22)	(37)
Payments for lease and guarantee deposits	(713)	(647)
Proceeds from collection of lease and guarantee deposits	485	400
Payments of construction assistance fund receivables	(33)	(77)
Collection of construction assistance fund receivables	493	480
Payments for acquisition of subsidiaries	(131)	(16,683)
Other, net	(531)	(1,159)
Net cash provided by (used in) investing activities	(11,863)	(26,817)
Cash flows from financing activities		
Proceeds from issuance of bonds	3,981	—
Payments for redemption of bonds	—	(800)
Net increase (decrease) in short-term loans payable	—	16,176
Proceeds from long-term loans payable	20,978	7,862
Repayments of long-term loans payable	(13,986)	(17,519)
Repayments of lease liabilities	(18,595)	(20,522)
Proceeds from share issuance to non-controlling shareholders	444	65
Dividends paid	(651)	(653)
Distribution to owners of other equity instruments	(555)	(556)
Others, net	(400)	(601)
Net cash provided by (used in) financing activities	(8,783)	(16,548)
Net increase (decrease) in cash and cash equivalents	11,948	(570)
Cash and cash equivalents at the beginning of the period	53,463	67,456
Effect of exchange rate change on cash and cash equivalents	2,045	3,742
Cash and cash equivalents at the end of the period	67,456	70,627