

**Summary of Consolidated Financial Results
for the First Quarter of Fiscal Year Ending March 31, 2025
(Japanese Accounting Standards)**

August 9, 2024

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 Scheduled date for payment of dividends: —
 Supplementary documents for financial results : No
 Financial results briefing : No

(Figures rounded down to the nearest million yen)

1. Consolidated Financial Results for the First Quarter (April 1, 2024 to June 30, 2024)

(1) Consolidated Financial Results (Percentages (%) indicate changes from the previous year)

	Net Sales		Operating Profit		Ordinary Profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Three months ended June 30, 2024	266,583	24.4	17,247	80.1	17,023	84.2	10,796	61.7
June 30, 2023	214,368	20.2	9,578	259.9	9,243	13.2	6,675	50.8

Note: Comprehensive income Three months ended June 30, 2024 24,867 million yen (88.6 %)
 Three months ended June 30, 2023 13,183 million yen (6.3 %)

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2024	66.33	—
June 30, 2023	43.97	—

(2) Consolidated Financial Position

	Total Assets	Net Assets	Shareholders' Equity Ratio	Net Assets per share
	Million yen	Million yen	%	Yen
June 30, 2024	770,917	234,324	30.4	1,299.91
March 31, 2024	748,056	214,652	28.7	1,171.76

Reference: Shareholders' Equity: June 30, 2024 234,053 million yen March 31, 2024 214,385 million yen

2. Dividends

	Dividend per Share				
	End of Q1	End of Q2	End of Q3	Year-end	Full year
	Yen	Yen	Yen	Yen	Yen
Fiscal Year ended March 31, 2024	—	25.00	—	25.00	50.00
Fiscal Year ending March 31, 2025	—				
Fiscal Year ending March 31, 2025 (forecast)		35.00	—	35.00	70.00

Note: Revisions to dividend forecasts published recently: None

3. Consolidated Forecasts for the Fiscal Year Ending March 31, 2025 (April 1, 2024 to March 31, 2025)

(Percentages (%) indicate changes from the previous year)

	Net Sales		Operating Profit		Ordinary Profit		Profit attributable to owners of parent		Profit attributable to owners of parent per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Q2 (Cumulative)	535,615	18.3	33,119	30.4	32,912	34.8	20,344	29.5	127.73
Full year	1,080,000	11.8	62,500	16.4	61,500	20.8	37,000	20.5	231.37

Note: Revisions to consolidated financial forecasts published recently: None

Notes

- (1) Significant changes in the scope of consolidation during the period : None
- (2) Application of particular accounting procedures in the preparation of quarterly consolidated financial statements : None
- (3) Changes in accounting policies, changes in accounting estimates, and restatement
- (i) Changes in accounting policies caused by revision of accounting standards : None
- (ii) Changes in accounting policies other than (i) : None
- (iii) Changes in accounting estimates : None
- (iv) Restatement : None

(4) Shares issued and outstanding (common stock)

(i) Number of shares outstanding at the end of the period (including treasury stock)	As of June 30, 2024	160,733,225 shares	As of March 31, 2024	160,733,225 shares
(ii) Number of treasury stocks at the end of the period	As of June 30, 2024	4,068,576 shares	As of March 31, 2024	4,068,435 shares
(iii) Average number of shares outstanding during the term (quarter cumulative)	Three months ended June 30, 2024	156,664,785 shares	Three months ended June 30, 2023	151,822,846 shares

Note: In the calculation of the number of treasury stocks at the end of the period and the average number of shares outstanding during the term, the number of treasury shares held by Custody Bank of Japan, Ltd. (Trust Account) as assets in the Board Benefit Trust (BBT) (the number of treasury stocks at the end of the period of 291,800 shares and the average number of shares outstanding during the term of 291,800 shares) are treated as treasury shares to be deducted.

- * Review of the Japanese-language originals of the attached quarterly consolidated financial statements by certified accountants and/or auditing firms : None
- * Explanation and other special notes concerning the appropriate use of forecasted business performance (Notes on forecast business performance and others)

The forecast figures indicated above are projections based on the information available at the time of the announcement and certain assumptions include some degree of uncertainty. Actual business performance and other results may differ from the forecast depending on the changes in business conditions and others. Please refer to p.3 of the Appendix for information on the above forecast.

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1. Qualitative Information on Results for the First Quarter Ended June 30, 2024

(1) Details of Consolidated Financial Results

In the three months ended June 30, 2024 (from April 1, 2024 to June 30, 2024), consolidated business performance was net sales of 266,583 million yen (up 24.4% year-on-year), operating profit of 17,247 million yen (up 80.1% year-on-year), ordinary profit of 17,023 million yen (up 84.2% year-on-year), and profit attributable to owners of parent of 10,796 million yen (up 61.7% year-on-year).

The business environment surrounding the Group continued to be uncertain, affected by factors including soaring raw material and energy prices due to the prolonged situation in Ukraine and the weakening yen. Meanwhile, the lifting of movement restrictions led to the recovery of foot traffic and normalization of economic activity, as well as improvement in employment and income conditions, which continued to support a rebound in personal consumption from the previous period.

In the restaurant industry as well, demand was on the rise, with more families and groups utilizing relevant services.

Under these circumstances, year-on-year same store sales in each reporting segment were: up 7.5% in Global Sukiya, up 16.0% in Global Hamasushi, up 7.4% in Global Fast Food, up 12.6% in Restaurants, and down 2.3% in Retail.

As of the end of the first quarter ended June 30, 2024, the number of stores was 15,341 (including 8,134 franchised stores), the result of 316 store openings and 84 closures.

An overview of conditions by business segment is provided below. Additionally, references to net sales are net sales to external customers.

(Global Sukiya)

Net sales of Global Sukiya during the three months ended June 30, 2024, were 68,467 million yen (up 11.0% year-on-year) with operating profit of 5,445 million yen (up 46.8% year-on-year).

Sukiya has locations in Japan, China, Southeast Asia, and Central and South America, providing its mainstay Gyudon to families and groups with safety, good flavor, and reasonable pricing.

At domestic Sukiya, the Company provided “Gyudon with Cod Caviar Mayo & Cheese” and “Gyudon with Mekabu Seaweed & Okra,” among others.

Additionally, the number of stores in this reporting segment as of the end of the first quarter ended June 30, 2024, was 2,622 (1,953 domestic, 669 overseas), the result of 15 store openings and 25 closures.

(Global Hamasushi)

Net sales of Global Hamasushi during the three months ended June 30, 2024, were 54,551 million yen (up 23.7% year-on-year) with operating profit of 3,812 million yen (up 116.3% year-on-year).

Hamasushi has locations mainly in Japan and China, providing menu items such as sushi, prepared with fresh seafood, alongside side menu items including noodles, desserts, and drinks. These foods are enjoyed by everyone, from children to adults.

Additionally, the number of stores in this reporting segment as of the end of the first quarter ended June 30, 2024, was 680 (611 domestic, 69 overseas), the result of 13 store openings.

(Global Fast Food)

Net sales of Global Fast Food during the three months ended June 30, 2024, were 77,353 million yen (up 65.2% year-on-year) with operating profit of 6,066 million yen (up 129.8% year-on-year).

Nakau mainly provides oyakodon rice bowl dishes and Kyoto style udon noodles, with product offerings that can compete with specialty restaurants. Also domestically, the Company has restaurants such as Lotteria, a hamburger restaurant chain, Katsuan, a tonkatsu specialty restaurant, and Kyubeiya, which serves Musashino style udon noodles. This reporting segment also includes overseas companies such as Advanced Fresh Concepts Corp., Sushi Circle Gastronomie GmbH, and SnowFox Topco Limited, which provide sushi takeout, as well as TCRS Restaurants Sdn. Bhd., a halal certified chicken rice specialty restaurant.

Additionally, the number of stores in this reporting segment as of the end of the first quarter ended June 30, 2024, was 10,703 (986 domestic, 9,717 overseas; including 8,057 franchises), the result of 285 store openings and 54 closures.

(Restaurants)

Net sales of Restaurants during the three months ended June 30, 2024, were 36,348 million yen (up 12.3% year-on-year) with operating profit of 2,306 million yen (up 195.6% year-on-year).

Coco's, a standard restaurant chain, has made efforts to improve its business performance by enhancing product competitiveness through active introduction of fair menus with a focus on seasonality, pursuing authentic taste rivaling specialty restaurants, and improving the standard of services to enable customers to enjoy meals with satisfaction. This reporting segment also includes Jolly Pasta, a pasta specialty restaurant chain, Big Boy, a chain of hamburger steak and steak restaurants, Jukusei Yakiniku Ichiban, a barbecue chain that offers carefully selected beef, OLIVE HILL, an Italian cuisine specialty restaurant chain, and Hanaya Yohei, a Japanese cuisine chain.

Additionally, the number of stores in this reporting segment as of the end of the first quarter ended June 30, 2024, was 1,188 (including 77 franchises), the result of 1 store opening and 2 closures.

(Retail)

Net sales of Retail during the three months ended June 30, 2024, were 19,029 million yen (down 2.7% year-on-year) with an operating loss of 450 million yen (operating loss of 385 million yen in the three months ended June 30, 2023).

This reporting segment includes Maruya and Joy Foods, supermarkets with locations primarily in the North Kanto area, and United Veggies Co., Ltd., which operates fruit and vegetables stores.

Additionally, the number of stores in this reporting segment as of the end of the first quarter ended June 30, 2024, was 130, the result of 1 store opening and 3 closures.

(Corporate and Support)

Net sales of Corporate and Support during the three months ended June 30, 2024, were 1,199 million yen (up 12.5% year-on-year) with operating profit of 761 million yen (down 24.3% year-on-year).

This reporting segment includes GFF, which manufactures and processes food, Global Fresh Supply Co., Ltd., which handles logistics functions, and Global Table Supply Co., Ltd., which procures uniforms, equipment, etc.

(Others)

Net sales of Others during the three months ended June 30, 2024, were 9,632 million yen (up 9.8% year-on-year) with an operating loss of 525 million yen (operating profit of 89 million yen in the three months ended June 30, 2023).

This segment includes Tolona Japan Co., Ltd., which sells frozen foods for home use, etc., Sanbishi Co., Ltd., which manufactures and sells soy sauce and dressing, etc., Kagayaki Co., Ltd., which operates the nursing business, and Zensho Rice Co., Ltd., which sells unpolished and polished rice.

(2) Details of Consolidated Financial Position

(Assets)

Assets amounted to 770,917 million yen as of the end of the first quarter ended June 30, 2024, an increase of 22,860 million yen compared with the previous fiscal year-end. This was mainly due to an increase in property, plant and equipment.

(Liabilities)

Liabilities amounted to 536,592 million yen as of the end of the first quarter ended June 30, 2024, an increase of 3,188 million yen compared with the previous fiscal year-end. This was mainly due to an increase in accounts payable - trade.

(Net Assets)

Net Assets came at 234,324 million yen as of the end of the first quarter ended June 30, 2024, an increase of 19,672 million yen compared with the previous fiscal year-end. This was mainly due to increases in retained earnings and foreign currency translation adjustment.

(3) Information on Future Outlook, Including Consolidated Business Performance Forecast

There are no changes to the consolidated business performance forecasts for the fiscal year ending March 31, 2025, announced on May 14, 2024.

2. Quarterly Consolidated Financial Statements and Major Notes

(1) Quarterly Consolidated Balance sheets

(Million yen)

	End of Previous fiscal year (As of March 31, 2024)	End of 1Q, Current fiscal year (As of June 30, 2024)
Assets		
Current Assets		
Cash and deposits	82,171	68,003
Accounts receivable - trade	46,727	49,633
Securities	19,907	16,053
Merchandise and finished goods	5,113	5,290
Work in process	2,731	3,862
Raw materials and supplies	41,058	46,206
Other	27,112	30,286
Allowance for doubtful accounts	(365)	(374)
Total current assets	224,457	218,961
Non-current assets		
Property, plant and equipment, net		
Buildings and structures	253,223	260,711
Accumulated depreciation	(147,862)	(150,726)
Buildings and structures, net	105,360	109,985
Machinery, equipment and vehicles	26,085	28,506
Accumulated depreciation	(14,146)	(15,071)
Machinery, equipment and vehicles, net	11,939	13,435
Other	220,917	237,682
Accumulated depreciation	(106,204)	(112,552)
Other, net	114,713	125,130
Total property, plant and equipment	232,013	248,551
Intangible assets		
Trade mark right	201,169	213,919
Goodwill	13,616	13,461
Other	5,493	5,800
Total intangible assets	220,279	233,180
Investments and other assets		
Investment securities	2,162	1,458
Guarantee deposits	38,074	38,642
Other	30,323	29,464
Allowance for doubtful accounts	(105)	(106)
Total investments and other assets	70,453	69,458
Total non-current assets	522,746	551,190
Deferred assets	852	764
Total assets	748,056	770,917

(Million yen)

	End of Previous fiscal year (As of March 31, 2024)	End of 1Q, Current fiscal year (As of June 30, 2024)
Liabilities		
Current Liabilities		
Accounts payable - trade	43,148	47,924
Short-term borrowings	7,542	7,303
Current portion of bonds payable	10,000	10,000
Current portion of long-term borrowings	26,735	30,911
Income taxes payable	14,966	8,251
Contract liabilities	860	997
Provisions	4,082	2,410
Other	73,368	73,814
Total current liabilities	180,704	181,613
Non-current liabilities		
Bonds payable	15,000	15,000
Long-term borrowings	224,369	216,179
Provisions	378	398
Retirement benefit liability	274	278
Asset retirement obligations	6,814	6,928
Other	105,862	116,193
Total non-current liabilities	352,699	354,979
Total liabilities	533,403	536,592
Net assets		
Shareholders' equity		
Share capital	47,497	47,497
Capital surplus	74,112	74,112
Retained earnings	85,461	91,010
Treasury shares	(13,715)	(13,715)
Total shareholders' equity	193,355	198,904
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	24	29
Deferred gains or losses on hedges	158	281
Foreign currency translation adjustment	20,845	34,837
Total accumulated other comprehensive income	21,029	35,148
Non-controlling interests	267	271
Total net assets	214,652	234,324
Total liabilities and net assets	748,056	770,917

(2) Quarterly Consolidated Statements of Income and Comprehensive Income

(Quarterly Consolidated Statements of Income)

(Three months ended June 30)

(Million yen)

	Three months ended June 30, 2023 (From April 1, 2023 to June 30, 2023)	Three months ended June 30, 2024 (From April 1, 2024 to June 30, 2024)
Net sales	214,368	266,583
Cost of sales	99,162	119,739
Gross profit	115,206	146,843
Selling, general and administrative expenses	105,628	129,595
Operating profit	9,578	17,247
Non-operating income		
Interest income	176	475
Dividend income	1	0
Foreign exchange gains	215	484
Share of profit of entities accounted for using equity method	1	5
Other	264	590
Total non-operating income	659	1,556
Non-operating expenses		
Interest expenses	771	1,268
Other	222	512
Total non-operating expenses	994	1,781
Ordinary profit	9,243	17,023
Extraordinary income		
Compensation income	55	82
Gain on termination of retirement benefit plan	179	—
Other	53	177
Total extraordinary income	287	259
Extraordinary losses		
Loss on sale of non-current assets	26	167
Loss on retirement of non-current assets	360	420
Other	148	560
Total extraordinary losses	534	1,149
Profit before income taxes	8,996	16,133
Income taxes - current	2,459	4,168
Income taxes - deferred	(137)	1,166
Total income taxes	2,322	5,335
Profit	6,674	10,798
Profit (loss) attributable to non-controlling interests	(1)	2
Profit attributable to owners of parent	6,675	10,796

(Quarterly Consolidated Statements of Comprehensive Income)

(Three months ended June 30)

(Million yen)

	Three months ended June 30, 2023 (From April 1, 2023 to June 30, 2023)	Three months ended June 30, 2024 (From April 1, 2024 to June 30, 2024)
Profit	6,674	10,798
Other comprehensive income		
Valuation difference on available-for-sale securities	64	4
Deferred gains or losses on hedges	1,408	123
Remeasurements of defined benefit plans	(58)	—
Foreign currency translation adjustment	5,064	13,916
Share of other comprehensive income of entities accounted for using equity method	28	24
Total other comprehensive income	6,508	14,069
Comprehensive income	13,183	24,867
(Breakdown)		
Comprehensive income attributable to owners of parent	13,178	24,862
Comprehensive income attributable to non-controlling interests	4	4

(3) Notes on Quarterly Consolidated Financial Statements

(Notes on Going Concern Assumptions)

Not applicable.

(Notes on Case Where Shareholders' Equity Underwent Significant Changes in Value)

Not applicable.

(Segment Information)

[Segment Information]

I Three months ended June 30, 2023 (April 1, 2023 to June 30, 2023)

1. Information on net sales, profit or loss by reporting segment

(Million yen)

	Reporting segment							Other (Note 1)	Total	Adjustment (Note 2)	Amount recorded on Quarterly Consolidated Statements of Income (Note 3)
	Global Sukiya	Global Hamasushi	Global Fast Food	Restaurants	Retail	Corporate and Support	Total				
Net sales											
Net sales to external customers	61,671	44,108	46,822	32,370	19,554	1,066	205,593	8,775	214,368	—	214,368
Intersegment sales or transfers (Note 4)	64	0	2	34	108	82,626	82,836	2,614	85,450	(85,450)	—
Total	61,736	44,108	46,824	32,404	19,662	83,693	288,429	11,389	299,819	(85,450)	214,368
Segment profit (loss)	3,709	1,762	2,639	780	(385)	1,005	9,512	89	9,601	(23)	9,578

(Notes) 1. The “Other” category is a business segment not included in the reporting segments, and includes the Manufacturing and wholesaling business for external sales, Nursing care business, and Livestock and fisheries business.

2. The adjustment of (23) million yen to segment profit (loss) primarily consists of elimination of intersegment transactions and inventory adjustments.

3. The total amount of segment profit (loss) is adjusted with the operating profit in the quarterly consolidated statements of income.

4. Intersegment sales or transfers amounts are calculated based on prevailing market prices.

2. Information by reporting segment on impairment loss or goodwill on non-current assets

(Significant impairment loss on non-current assets)

Not applicable.

(Significant change in goodwill)

Owing to the acquisition of shares in Lotteria Co., Ltd. and Sushi Circle Gastronomie GmbH and making these companies subsidiaries during the first quarter ended June 30, 2023, goodwill increased by 3,007 million yen and 6,922 million yen, respectively.

(Significant profit on negative goodwill)

Not applicable.

II Three months ended June 30, 2024 (April 1, 2024 to June 30, 2024)

1. Information on net sales, profit or loss by reporting segment

(Million yen)

	Reporting segment							Other (Note 1)	Total	Adjustment (Note 2)	Amount recorded on Quarterly Consolidated Statements of Income (Note 3)
	Global Sukiya	Global Hamasushi	Global Fast Food	Restaurants	Retail	Corporate and Support	Total				
Net sales											
Net sales to external customers	68,467	54,551	77,353	36,348	19,029	1,199	256,950	9,632	266,583	—	266,583
Intersegment sales or transfers (Note 4)	71	0	3	35	196	92,752	93,059	3,109	96,168	(96,168)	—
Total	68,539	54,551	77,356	36,384	19,225	93,952	350,009	12,742	362,751	(96,168)	266,583
Segment profit (loss)	5,445	3,812	6,066	2,306	(450)	761	17,941	(525)	17,416	(168)	17,247

- (Notes) 1. The “Other” category is a business segment not included in the reporting segments, and includes the Manufacturing and wholesaling business for external sales, Nursing care business, and Livestock and fisheries business.
2. The adjustment of (168) million yen to segment profit (loss) primarily consists of elimination of intersegment transactions and inventory adjustments.
3. The total amount of segment profit (loss) is adjusted with the operating profit in the quarterly consolidated statements of income.
4. Intersegment sales or transfers amounts are calculated based on prevailing market prices.

2. Information by reporting segment on impairment loss or goodwill on non-current assets

(Significant impairment loss on non-current assets)

Not applicable.

(Significant change in goodwill)

Not applicable.

(Significant profit on negative goodwill)

Not applicable.

(Notes on Statements of Cash Flows)

Quarterly consolidated statements of cash flows for the three months ended June 30, 2024 have not been prepared. Depreciation (including amortization of intangible assets excluding goodwill) and amortization of goodwill for the three months ended June 30, 2024 are as follows.

	(Million yen)	
	Three months ended June 30, 2023 (From April 1, 2023 to June 30, 2023)	Three months ended June 30, 2024 (From April 1, 2024 to June 30, 2024)
Depreciation	7,948	11,100
Amortization of goodwill	433	418

(Business combinations)

Regarding the business combination with Sushi Circle Gastronomie GmbH on May 23, 2023 (deemed acquisition date: June 30, 2023), although the Company applied a provisional accounting treatment for the first quarter ended June 30, 2023, this treatment was finalized for the third quarter ended December 31, 2023. As a result, goodwill of 6,922 million yen provisionally calculated decreased by 6,357 million yen to 565 million yen.

This has no effect on the quarterly consolidated financial statements for the three months ended June 30, 2023.