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December 11, 2024

**Consolidated Financial Results  
for the Fiscal Year Ended October 31, 2024  
(Based on Japanese GAAP)**

|   |  |
|---|--|
| Company name:   | Kura Sushi, Inc.   |
| Stock exchange listing:                                     | Tokyo  |
| Stock code:   | 2695   |
| URL:  | <a href="https://www.kurasushi.co.jp/">https://www.kurasushi.co.jp/</a>                    |
| Representative:   | Kunihiko Tanaka, President   |
| Inquiries:  | Hiroyuki Okamoto, Director & General Manager Public Relations, Advertising and IR Division |
| TEL:  | 072-493-6189   |
| Scheduled date of annual general meeting of shareholders:   | January 29, 2025   |
| Scheduled date to commence dividend payments:               | January 30, 2025   |
| Scheduled date to file annual securities report:            | January 30, 2025   |
| Preparation of supplementary material on financial results: | Yes  |
| Holding of financial results meeting:                       | Yes (for institutional investors and analysts)   |

(Amounts less than one million yen are rounded down)

**1. Consolidated financial results for the fiscal year ended October 31, 2024 (from November 1, 2023 to October 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                         | %     |
| October 31, 2024  | 234,950         | 11.1 | 5,699            | 132.0 | 6,224           | 115.9 | 3,226                                   | 273.7 |
| October 31, 2023  | 211,405         | 15.5 | 2,456            | —     | 2,882           | 17.3  | 863                                     | 15.9  |

|       |                      |                                    |                |           |
|-------|----------------------|------------------------------------|----------------|-----------|
| Note: | Comprehensive income | Fiscal year ended October 31, 2024 | ¥2,319 million | [(24.3)%] |
|       |                      | Fiscal year ended October 31, 2023 | ¥3,061 million | [(27.6)%] |

|                   | Earnings per share | Diluted earnings per share | Rate on equity | Rate of ordinary profit to total assets | Rate of operating profit to net sales |
|-------------------|--------------------|----------------------------|----------------|---|---------------------------------------|
| Fiscal year ended | Yen                | Yen                        | %              | %                                       | %                                     |
| October 31, 2024  | 81.18              | 81.11                      | 5.8            | 4.6                                     | 2.4                                   |
| October 31, 2023  | 21.72              | 21.47                      | 1.7            | 2.4                                     | 1.2                                   |

|            |  |
|------------|--|
| Reference: | Share of profit (loss) of entities accounted for using equity method |
|            | Fiscal year ended October 31, 2024      ¥- million                   |
|            | Fiscal year ended October 31, 2023      ¥- million                   |

**(2) Consolidated financial position**

|                  | Total assets    | Net assets      | Equity ratio | Net assets per share |
|------------------|-----------------|-----------------|--------------|----------------------|
| As of            | Millions of yen | Millions of yen | %            | Yen                  |
| October 31, 2024 | 139,446         | 72,946          | 40.5         | 1,419.88             |
| October 31, 2023 | 130,119         | 70,566          | 41.6         | 1,363.33             |

Reference: Equity

As of October 31, 2024

¥56,424 million

As of October 31, 2023

¥54,186 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                            |
| October 31, 2024  | 18,363                               | (10,346)                             | (4,008)                              | 23,043                                     |
| October 31, 2023  | 13,727                               | (14,544)                             | 5,495                                | 18,940                                     |

**2. Cash dividends**

|  | Annual dividends per share |                 |                 |                 |       | Total cash dividends (Total) | Payout ratio (Consolidated) | Ratio of dividends to net assets (Consolidated) |
|--|----------------------------|-----------------|-----------------|-----------------|-------|------------------------------|-----------------------------|---|
|  | 1st quarter-end            | 2nd quarter-end | 3rd quarter-end | Fiscal year-end | Total |                              |                             |   |
|  | Yen                        | Yen             | Yen             | Yen             | Yen   | Millions of yen              | %                           | %   |
| Fiscal year ended October 31, 2023             | —                          | 0.00            | —               | 20.00           | 20.00 | 794                          | 92.1                        | 1.5   |
| Fiscal year ended October 31, 2024             | —                          | 0.00            | —               | 40.00           | 40.00 | 1,589                        | 49.3                        | 2.9   |
| Fiscal year ending October 31, 2025 (Forecast) | —                          | 0.00            | —               | 20.00           | 20.00 |                              | —                           |   |

Note: Breakdown of the fiscal year-end dividends for the fiscal year ended October 31, 2024: ordinary dividend: 20.00 yen; commemorative dividend: 20.00 yen (commemorative dividend for the World Expo)  
For details, please see the “Notice Regarding the Distribution of Surplus (Year-End Dividend and Commemorative Dividend for the World Expo)” released today (December 11, 2024).

**3. Consolidated financial results forecast for the fiscal year ending October 31, 2025 (from November 1, 2024 to October 31, 2025)**

Percentages indicate year-on-year changes

|           | Net sales       |     | Operating profit |        | Ordinary profit |        | Profit attributable to owners of parent |     | Earnings per share |
|-----------|-----------------|-----|------------------|--------|-----------------|--------|---|-----|--------------------|
|           | Millions of yen | %   | Millions of yen  | %      | Millions of yen | %      | Millions of yen                         | %   | Yen                |
| Full year | 243,000         | 3.4 | 5,000            | (12.3) | 5,200           | (16.5) | 3,400                                   | 5.4 | 85.55              |

## Notes

- (1) Significant changes in the scope of consolidation during the fiscal year ended October 31, 2024: No
- (2) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements
  - 1) Changes in accounting policies due to revisions to accounting standards and other regulations: No
  - 2) Changes in accounting policies due to other reasons: No
  - 3) Changes in accounting estimates: No
  - 4) Restatement of prior period financial statements: No

(3) Number of issued shares (common shares)

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

|                        |                   |
|------------------------|-------------------|
| As of October 31, 2024 | 41,399,600 shares |
| As of October 31, 2023 | 41,399,600 shares |

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

|                        |                  |
|------------------------|------------------|
| As of October 31, 2024 | 1,660,997 shares |
| As of October 31, 2023 | 1,653,927 shares |

- 3) Average number of shares during the period

|                                    |                   |
|------------------------------------|-------------------|
| Fiscal year ended October 31, 2024 | 39,742,093 shares |
| Fiscal year ended October 31, 2023 | 39,744,914 shares |

## Reference: Overview of non-consolidated financial results

### Non-consolidated financial results for the fiscal year ended October 31, 2024 (from November 1, 2023 to October 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 | %    |
| October 31, 2024  | 174,273         | 6.2 | 5,967            | 637.5 | 6,569           | 375.5 | 3,735           | —    |
| October 31, 2023  | 164,108         | 9.5 | 809              | —     | 1,381           | 18.7  | 300             | 87.6 |

|                   | Earnings per share | Diluted earnings per share |
|-------------------|--------------------|----------------------------|
| Fiscal year ended | Yen                | Yen                        |
| October 31, 2024  | 94.00              | —                          |
| October 31, 2023  | 7.56               | —                          |

**(2) Non-consolidated financial position**

|                  | Total assets    | Net assets      | Equity ratio | Net assets per share |
|------------------|-----------------|-----------------|--------------|----------------------|
| As of            | Millions of yen | Millions of yen | %            | Yen                  |
| October 31, 2024 | 72,478          | 45,890          | 63.3         | 1,154.81             |
| October 31, 2023 | 66,611          | 42,950          | 64.5         | 1,080.63             |

Reference: Equity

As of October 31, 2024

¥45,890 million

As of October 31, 2023

¥42,950 million

Notes:

1. Financial results reports are exempt from audit conducted by certified public accountants or an audit corporation.
2. Explanations on proper use of financial results forecasts, and other special notes  
Earnings forecasts and other forward-looking statements in this material are based on data currently available to management and certain assumptions that management believes are reasonable. Actual results may therefore differ materially from these statements for various reasons. In addition, regarding the assumptions on financial results forecasts and other related matters, please refer to “1. Overview of operating results, etc. (1) Analysis of operating results 2) Forecasts for the next fiscal year” on page 3.

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# 1. Overview of operating results, etc.

## (1) Analysis of operating results

### 1) Operating results during the fiscal year ended October 31, 2024

During the fiscal year ended October 31, 2024 (from November 1, 2023 to October 31, 2024), the outlook for the Japanese economy remained uncertain mainly due to the prolonged situation in Ukraine, escalation of tensions in the Middle East, and unstable exchange rate fluctuations. The business environment for the restaurant industry also continued to be severe, with customers cutting back on eating out due to rising prices, and rising procurement and labor costs.

Under these circumstances, while implementing various initiatives related to safety and security, such as anti-bacterial sushi covers and clean tables on which condiments, etc. are replaced for every new customer, the Group is pursuing other ways to offer the original convenience and enjoyment of conveyor-belt sushi. Placing an emphasis on the entertainment value of sushi, the Group offers the “Bikkura Pon!” lottery and it is the only major conveyor-belt sushi chain to deliver sushi via a communal circulating sushi lanes.

With regard to store development, a total of 30 stores (11 stores in Japan, 14 stores in the U.S., and five stores in Asia) were opened. Accordingly, the number of stores at the end of the fiscal year under review was 677, all directly owned (including four Mutenkura stores, one KURA Osakana Market store, 64 U.S. stores and 61 Asian stores).

The financial results by segment are as follows:

#### (i) Japan

For Japan’s domestic operations, we held fairs focusing on our high quality products such as “tuna” and “crab,” which we consider to be the Company’s strengths, and implemented collaboration projects with high-profile content such as the popular anime “ONE PIECE,” which is celebrating its 25th anniversary since the start of TV broadcasts, resulting in strong net sales.

In addition, we made use of our strength in on-site capabilities, and management and frontline staff worked together to reduce the cost-of-sales ratio by carrying out finely tuned product design for each menu item as appropriate. We also made strategic upfront investments, such as updating our touch panels, with an eye toward the next fiscal year and beyond.

As a result of the above, net sales were ¥174,273 million (up 6.2% year on year) and ordinary profit was ¥6,569 million (up 375.5% year on year), resulting in a significant increase in both sales and profit.

#### (ii) North America

At our US subsidiary, Kura Sushi USA, Inc. (KSU), while the slowdown in the US economy has affected many US domestic restaurant companies, sales have been recovering due to the development of collaboration projects and other initiatives, but both sales and profits remained sluggish. At the same time, we have continued to proactively open new stores, bringing the total to 14, including a store at Smith Haven Mall in New York State.

As a result, net sales were ¥35,866 million (up 38.1% year on year) and ordinary loss was ¥1,041 million (ordinary profit of ¥247 million in the corresponding period of the previous fiscal year).

#### (iii) Asia

Our Taiwanese subsidiary, Kura Sushi Asia Co., Ltd. (KSA), has been extremely well received by customers for its collaborative project with “CHIIKAWA,” which has been a hot topic in Japan as well. In addition, we opened five new stores, including the Shalu Zhongshan Road Store and the Toufen Sports Park Store. On the other hand, we were affected by the rise in labor costs and utility costs, in addition to investments we made to strengthen our organization.

As a result, net sales were ¥25,126 million (up 16.5% year on year) and ordinary profit was ¥915 million (down 37.5% year on year).

During the fiscal year under review, impairment losses were recorded for Japan, North America and Asia.

Among the non-current assets held by the Group, we conducted a review of the future recoverability of stores that showed a decline in profitability, and based on the result of such review, we reduced the book value of relevant stores to the recoverable amount.

In Japan, we recorded an impairment loss of ¥1,199 million, in North America, we recorded an impairment loss of ¥234 million, and in Asia, we recorded an impairment loss of ¥314 million, for a total of ¥1,748 million in impairment losses recorded as extraordinary losses.

As a result of the above, net sales for the fiscal year under review were ¥234,950 million (up 11.1% year on year), ordinary profit was ¥6,224 million (up 115.9% year on year), and profit attributable to owners of the parent was ¥3,226 million (up 273.7% year on year), resulting in a significant increase in both sales and profit.

## 2) Forecasts for the next fiscal year

The Group forecasts the next fiscal year to mark net sales of ¥243,000 million (up 3.4% year on year), ordinary profit of ¥5,200 million (down 16.5% year on year) and profit attributable to owners of parent of ¥3,400 million (up 5.4% year on year).

## (2) Analysis of financial position

### 1) Overview of assets, liabilities and net assets

Total assets at the end of the fiscal year ended October 31, 2024, increased ¥9,327 million from the end of the previous fiscal year to ¥139,446 million. This was mainly due to increases of ¥4,103 million in cash and deposits, and ¥4,978 million in property, plant and equipment.

Total liabilities increased by ¥6,946 million from the end of the previous fiscal year to ¥66,499 million. This was mainly due to increases in accounts payable - trade of ¥1,085 million and lease obligations (non-current liabilities) of ¥2,107 million.

Net assets increased by ¥2,380 million from the end of the previous fiscal year to ¥72,946 million, mainly due to an increase in retained earnings of ¥2,431 million.

### 2) Overview of cash flows

Cash flows during the fiscal year ended October 31, 2024, were net cash provided by operating activities of ¥18,363 million, net cash used in investing activities of ¥10,346 million and net cash used in financing activities of ¥4,008 million. As a result, cash and cash equivalents (the “net cash”) at the end of the fiscal year under review were ¥23,043 million.

The status of cash flows from respective activities during the fiscal year under review and their factors are as follows.

#### (Cash flows from operating activities)

Net cash provided by operating activities during the fiscal year under review was ¥18,363 million (up 33.8% year on year). This was mainly due to inflows from profit before income taxes of ¥4,339 million, depreciation of ¥10,532 million, impairment losses of ¥1,748 million, and an increase in trade payables of ¥1,115 million.

#### (Cash flows from investing activities)

Net cash used in investing activities during the fiscal year under review was ¥10,346 million (down 28.9% year on year). This was mainly due to an outflow from purchase of property, plant and equipment of ¥10,286 million.

**(Cash flows from financing activities)**

Net cash used in financing activities during the fiscal year under review was ¥4,008 million (an inflow of ¥5,495 million in the corresponding period of the previous year). This was mainly due to outflows from repayments of lease obligations of ¥3,725 million and dividends paid of ¥796 million.

**Reference: Cash flow indicators**

|   | Fiscal year ended<br>October 31,<br>2020 | Fiscal year ended<br>October 31,<br>2021 | Fiscal year ended<br>October 31,<br>2022 | Fiscal year ended<br>October 31,<br>2023 | Fiscal year ended<br>October 31,<br>2024 |
|---|--|--|--|--|--|
| Equity ratio  | 51.9%                                    | 48.7%                                    | 45.8%                                    | 41.6%                                    | 40.5%                                    |
| Equity ratio based on market value                  | 146.1%                                   | 147.2%                                   | 126.2%                                   | 109.7%                                   | 114.7%                                   |
| Ratio of interest-bearing liabilities to cash flows | 1.7 years                                | 4.6 years                                | 2.9 years                                | 2.5 years                                | 2.0 years                                |
| Interest coverage ratio                             | 82.4 times                               | 29.3 times                               | 44.6 times                               | 50.3 times                               | 50.0 times                               |

Notes: Equity ratio: shareholders' equity/total assets

Equity ratio based on market value: market capitalization/total assets

Ratio of interest-bearing liabilities to cash flow: interest-bearing liabilities/cash flows from operating activities

Interest coverage ratio: cash flows from operating activities/interest payment

1. Market capitalization is calculated by multiplying the year-end closing share price by the total number of issued shares at the end of the period (excluding treasury shares).
2. Cash flows from operating activities represent the cash flows from operating activities in the consolidated statements of cash flows. Interest-bearing liabilities represent all of the liabilities that bear interest among the entire liabilities recognized in the consolidated balance sheets. In addition, interest payment represents the interest paid in the consolidated statements of cash flows.

**(3) Basic policy on profit distribution and dividends for the current and next fiscal years****1) Basic policy on profit distribution**

The Company makes it a basic policy to continue to stably distribute profits to its shareholders while aiming to achieve stable and continued enhancement of corporate value for the long term, in consideration of securing funds to prepare investments necessary for its business operations, such as maintaining a sound financial position and conducting future business development.

The Company will utilize the funds of its internal reserves as the source of funds for strengthening its financial position and opening new stores towards business expansions, and other demand for funds.

**2) Dividends for the current and next fiscal years**

Regarding the dividends for the fiscal year ended October 31, 2024, a proposal was passed on December 11, 2024 to pay a dividend of ¥40 per common share of the Company (¥20 ordinary dividend and ¥20 commemorative dividend for the World Expo) by written resolution in lieu of a resolution by the Board of Directors pursuant to Article 370 of the Companies Act and the Company's Articles of Incorporation.

In addition, the Company plans to distribute ¥20 per share as dividends for the next fiscal year.

Furthermore, the Company offers special benefits for shareholders in its interim period in order to express gratitude to its shareholders for their constant support and ask for further understanding on its products and services.

**2. Basic approach to the selection of accounting standards**

The Group plans to apply the Japanese accounting standards for the time being, but will consider the application of other accounting standards if necessary, depending on future overseas expansion of the Group and the ratio of foreign shareholders.



### 3. Consolidated financial statements and primary notes

#### (1) Consolidated balance sheets

(Millions of yen)

|  | As of October 31, 2023 | As of October 31, 2024 |
|--|------------------------|------------------------|
| <b>Assets</b>                          |                        |                        |
| Current assets                         |                        |                        |
| Cash and deposits                      | 18,940                 | 23,043                 |
| Accounts receivable - trade            | 5,162                  | 5,672                  |
| Securities                             | 1,248                  | –                      |
| Raw materials and supplies             | 2,522                  | 3,016                  |
| Other                                  | 2,887                  | 2,574                  |
| Total current assets                   | 30,761                 | 34,307                 |
| Non-current assets                     |                        |                        |
| Property, plant and equipment          |                        |                        |
| Buildings and structures               | 63,836                 | 69,082                 |
| Accumulated depreciation               | (27,091)               | (30,319)               |
| Buildings and structures, net          | 36,744                 | 38,762                 |
| Machinery, equipment and vehicles      | 8,543                  | 8,849                  |
| Accumulated depreciation               | (5,521)                | (6,169)                |
| Machinery, equipment and vehicles, net | 3,021                  | 2,679                  |
| Land                                   | 5,205                  | 5,205                  |
| Leased assets                          | 11,485                 | 10,885                 |
| Accumulated depreciation               | (5,703)                | (6,402)                |
| Leased assets, net                     | 5,781                  | 4,483                  |
| Right of use assets                    | 31,625                 | 36,771                 |
| Accumulated depreciation               | (5,858)                | (8,012)                |
| Right of use assets, net               | 25,766                 | 28,759                 |
| Other                                  |                        |                        |
| Other, net                             | 7,872                  | 9,478                  |
| Total property, plant and equipment    | 84,392                 | 89,370                 |
| Intangible assets                      |                        |                        |
| Leased assets                          | 273                    | 236                    |
| Other                                  | 1,298                  | 1,337                  |
| Total intangible assets                | 1,572                  | 1,573                  |
| Investments and other assets           |                        |                        |
| Long-term loans receivable             | 4,925                  | 5,103                  |
| Deferred tax assets                    | 516                    | 993                    |
| Guarantee deposits                     | 7,000                  | 7,302                  |
| Other                                  | 950                    | 796                    |
| Total investments and other assets     | 13,393                 | 14,195                 |
| Total non-current assets               | 99,357                 | 105,139                |
| Total assets                           | 130,119                | 139,446                |

(Millions of yen)

|   | As of October 31, 2023 | As of October 31, 2024 |
|---|------------------------|------------------------|
| <b>Liabilities</b>                                    |                        |                        |
| Current liabilities                                   |                        |                        |
| Accounts payable - trade                              | 7,065                  | 8,150                  |
| Short-term borrowings                                 | 927                    | 1,130                  |
| Lease obligations                                     | 4,843                  | 4,992                  |
| Accounts payable - other                              | 8,013                  | 9,268                  |
| Income taxes payable                                  | 1,099                  | 1,949                  |
| Other   | 4,222                  | 5,486                  |
| Total current liabilities                             | 26,171                 | 30,978                 |
| Non-current liabilities                               |                        |                        |
| Lease obligations                                     | 29,230                 | 31,338                 |
| Asset retirement obligations                          | 2,968                  | 3,218                  |
| Other   | 1,183                  | 965                    |
| Total non-current liabilities                         | 33,382                 | 35,521                 |
| Total liabilities                                     | 59,553                 | 66,499                 |
| <b>Net assets</b>                                     |                        |                        |
| Shareholders' equity                                  |                        |                        |
| Share capital   | 2,005                  | 2,005                  |
| Capital surplus                                       | 10,900                 | 10,900                 |
| Retained earnings                                     | 40,294                 | 42,726                 |
| Treasury shares                                       | (2,003)                | (2,003)                |
| Total shareholders' equity                            | 51,197                 | 53,628                 |
| Accumulated other comprehensive income                |                        |                        |
| Valuation difference on available-for-sale securities | 2                      | —                      |
| Foreign currency translation adjustment               | 2,986                  | 2,795                  |
| Total accumulated other comprehensive income          | 2,989                  | 2,795                  |
| Share acquisition rights                              | 1,354                  | 1,932                  |
| Non-controlling interests                             | 15,024                 | 14,589                 |
| Total net assets                                      | 70,566                 | 72,946                 |
| Total liabilities and net assets                      | 130,119                | 139,446                |

**(2) Consolidated statements of income and consolidated statements of comprehensive income****Consolidated statements of income**

(Millions of yen)

|   | Fiscal year ended<br>October 31, 2023 | Fiscal year ended<br>October 31, 2024 |
|---|---------------------------------------|---------------------------------------|
| Net sales   | 211,405                               | 234,950                               |
| Cost of sales   | 92,171                                | 95,719                                |
| Gross profit  | 119,234                               | 139,230                               |
| Selling, general and administrative expenses            | 116,777                               | 133,531                               |
| Operating profit  | 2,456                                 | 5,699                                 |
| Non-operating income                                    |                                       |                                       |
| Interest income   | 283                                   | 566                                   |
| Foreign exchange gains                                  | 70                                    | 22                                    |
| Commission income                                       | 179                                   | 188                                   |
| Other   | 183                                   | 153                                   |
| Total non-operating income                              | 717                                   | 931                                   |
| Non-operating expenses                                  |                                       |                                       |
| Interest expenses                                       | 272                                   | 367                                   |
| Other   | 18                                    | 39                                    |
| Total non-operating expenses                            | 291                                   | 406                                   |
| Ordinary profit   | 2,882                                 | 6,224                                 |
| Extraordinary losses                                    |                                       |                                       |
| Loss on retirement of non-current assets                | 81                                    | 113                                   |
| Loss on cancellation of store contracts                 | —                                     | 23                                    |
| Impairment losses                                       | 590                                   | 1,748                                 |
| Total extraordinary losses                              | 672                                   | 1,885                                 |
| Profit before income taxes                              | 2,210                                 | 4,339                                 |
| Income taxes - current                                  | 1,010                                 | 2,160                                 |
| Income taxes - deferred                                 | (184)                                 | (486)                                 |
| Total income taxes                                      | 825                                   | 1,674                                 |
| Profit  | 1,385                                 | 2,664                                 |
| Profit (loss) attributable to non-controlling interests | 522                                   | (561)                                 |
| Profit attributable to owners of parent                 | 863                                   | 3,226                                 |

**Consolidated statements of comprehensive income**

(Millions of yen)

|  | Fiscal year ended<br>October 31, 2023 | Fiscal year ended<br>October 31, 2024 |
|--|---------------------------------------|---------------------------------------|
| Profit   | 1,385                                 | 2,664                                 |
| Other comprehensive income                                     |                                       |                                       |
| Valuation difference on available-for-sale securities          | 6                                     | (6)                                   |
| Foreign currency translation adjustment                        | 1,669                                 | (339)                                 |
| Total other comprehensive income                               | 1,676                                 | (345)                                 |
| Comprehensive income   | 3,061                                 | 2,319                                 |
| Comprehensive income attributable to                           |                                       |                                       |
| Comprehensive income attributable to owners of parent          | 1,658                                 | 3,033                                 |
| Comprehensive income attributable to non-controlling interests | 1,403                                 | (714)                                 |

**(3) Consolidated statements of changes in equity**

Previous fiscal year (from November 1, 2022 to October 31, 2023)

(Millions of yen)

|  | Shareholders' equity |                 |                   |                 |                            |
|--|----------------------|-----------------|-------------------|-----------------|----------------------------|
|  | Share capital        | Capital surplus | Retained earnings | Treasury shares | Total shareholders' equity |
| Balance at beginning of period                       | 2,005                | 7,814           | 40,265            | (2,020)         | 48,064                     |
| Changes during period                                |                      |                 |                   |                 |                            |
| Dividends of surplus                                 |                      |                 | (794)             |                 | (794)                      |
| Profit attributable to owners of parent              |                      |                 | 863               |                 | 863                        |
| Disposal of treasury shares                          |                      | 27              |                   | 17              | 44                         |
| Capital increase of consolidated subsidiaries        |                      | 3,058           |                   |                 | 3,058                      |
| Change in scope of consolidation                     |                      |                 | (38)              |                 | (38)                       |
| Net changes in items other than shareholders' equity |                      |                 |                   |                 |                            |
| Total changes during period                          | —                    | 3,086           | 29                | 17              | 3,132                      |
| Balance at end of period                             | 2,005                | 10,900          | 40,294            | (2,003)         | 51,197                     |

|  | Accumulated other comprehensive income                |   |  | Share acquisition rights | Non-controlling interests | Total net assets |
|--|---|---|--|--------------------------|---------------------------|------------------|
|  | Valuation difference on available-for-sale securities | Foreign currency translation adjustment | Total accumulated other comprehensive income |                          |                           |                  |
| Balance at beginning of period                       | —   | 2,193                                   | 2,193  | 787                      | 7,921                     | 58,967           |
| Changes during period                                |   |   |  |                          |                           |                  |
| Dividends of surplus                                 |   |   |  |                          |                           | (794)            |
| Profit attributable to owners of parent              |   |   |  |                          |                           | 863              |
| Disposal of treasury shares                          |   |   |  |                          |                           | 44               |
| Capital increase of consolidated subsidiaries        |   |   |  |                          |                           | 3,058            |
| Change in scope of consolidation                     |   |   |  |                          |                           | (38)             |
| Net changes in items other than shareholders' equity | 2   | 792                                     | 795  | 567                      | 7,103                     | 8,465            |
| Total changes during period                          | 2   | 792                                     | 795  | 567                      | 7,103                     | 11,598           |
| Balance at end of period                             | 2   | 2,986                                   | 2,989  | 1,354                    | 15,024                    | 70,566           |

Current fiscal year (From November 1, 2023 to October 31, 2024)

(Millions of yen)

|  | Shareholders' equity |                 |                   |                 |                            |
|--|----------------------|-----------------|-------------------|-----------------|----------------------------|
|  | Share capital        | Capital surplus | Retained earnings | Treasury shares | Total shareholders' equity |
| Balance at beginning of period                       | 2,005                | 10,900          | 40,294            | (2,003)         | 51,197                     |
| Changes during period                                |                      |                 |                   |                 |                            |
| Dividends of surplus                                 |                      |                 | (794)             |                 | (794)                      |
| Profit attributable to owners of parent              |                      |                 | 3,226             |                 | 3,226                      |
| Purchase of treasury shares                          |                      |                 |                   | (0)             | (0)                        |
| Net changes in items other than shareholders' equity |                      |                 |                   |                 |                            |
| Total changes during period                          | —                    | —               | 2,431             | (0)             | 2,431                      |
| Balance at end of period                             | 2,005                | 10,900          | 42,726            | (2,003)         | 53,628                     |

|  | Accumulated other comprehensive income                |   |  | Share acquisition rights | Non-controlling interests | Total net assets |
|--|---|---|--|--------------------------|---------------------------|------------------|
|  | Valuation difference on available-for-sale securities | Foreign currency translation adjustment | Total accumulated other comprehensive income |                          |                           |                  |
| Balance at beginning of period                       | 2   | 2,986                                   | 2,989  | 1,354                    | 15,024                    | 70,566           |
| Changes during period                                |   |   |  |                          |                           |                  |
| Dividends of surplus                                 |   |   |  |                          |                           | (794)            |
| Profit attributable to owners of parent              |   |   |  |                          |                           | 3,226            |
| Purchase of treasury shares                          |   |   |  |                          |                           | (0)              |
| Net changes in items other than shareholders' equity | (2)   | (190)                                   | (193)  | 578                      | (435)                     | (50)             |
| Total changes during period                          | (2)   | (190)                                   | (193)  | 578                      | (435)                     | 2,380            |
| Balance at end of period                             | —   | 2,795                                   | 2,795  | 1,932                    | 14,589                    | 72,946           |

**(4) Consolidated statements of cash flows**

(Millions of yen)

|   | Fiscal year ended<br>October 31, 2023 | Fiscal year ended<br>October 31, 2024 |
|---|---------------------------------------|---------------------------------------|
| <b>Cash flows from operating activities</b>   |                                       |                                       |
| Profit before income taxes  | 2,210                                 | 4,339                                 |
| Depreciation  | 8,837                                 | 10,532                                |
| Impairment losses   | 590                                   | 1,748                                 |
| Interest income   | (283)                                 | (566)                                 |
| Interest expenses   | 272                                   | 367                                   |
| Decrease (increase) in inventories  | (91)                                  | (502)                                 |
| Decrease (increase) in trade receivables  | (499)                                 | (532)                                 |
| Increase (decrease) in trade payables   | 408                                   | 1,115                                 |
| Increase (decrease) in accrued consumption taxes  | 662                                   | 187                                   |
| Other, net  | 2,115                                 | 2,903                                 |
| Subtotal  | 14,223                                | 19,592                                |
| Interest received   | 243                                   | 527                                   |
| Interest paid   | (272)                                 | (367)                                 |
| Income taxes paid   | (465)                                 | (1,389)                               |
| Net cash provided by (used in) operating activities   | 13,727                                | 18,363                                |
| <b>Cash flows from investing activities</b>   |                                       |                                       |
| Purchase of securities  | (1,287)                               | (527)                                 |
| Proceeds from redemption of securities  | 103                                   | 1,809                                 |
| Purchase of property, plant and equipment   | (11,771)                              | (10,286)                              |
| Purchase of intangible assets   | (543)                                 | (297)                                 |
| Loan advances   | (603)                                 | (621)                                 |
| Payments of guarantee deposits  | (345)                                 | (351)                                 |
| Proceeds from refund of guarantee deposits  | 98                                    | 48                                    |
| Other, net  | (195)                                 | (119)                                 |
| Net cash provided by (used in) investing activities   | (14,544)                              | (10,346)                              |
| <b>Cash flows from financing activities</b>   |                                       |                                       |
| Net increase (decrease) in short-term borrowings  | 895                                   | 235                                   |
| Repayments of lease obligations   | (3,384)                               | (3,725)                               |
| Purchase of treasury shares   | –                                     | (0)                                   |
| Dividends paid  | (793)                                 | (796)                                 |
| Dividends paid to non-controlling interests   | (105)                                 | (109)                                 |
| Proceeds from exercise of employee share options  | 311                                   | 388                                   |
| Income from capital increase of consolidated subsidiaries                                       | 8,572                                 | –                                     |
| Net cash provided by (used in) financing activities   | 5,495                                 | (4,008)                               |
| Effect of exchange rate change on cash and cash equivalents                                     | 858                                   | 94                                    |
| Net increase (decrease) in cash and cash equivalents  | 5,537                                 | 4,103                                 |
| Cash and cash equivalents at beginning of period  | 13,169                                | 18,940                                |
| Increase in cash and cash equivalents resulting from inclusion of subsidiaries in consolidation | 233                                   | –                                     |
| Cash and cash equivalents at end of period  | 18,940                                | 23,043                                |

**(5) Notes to consolidated financial statements****(Notes on going concern assumption)**

Not applicable.

**(Notes on segment information, etc.)**

[Segment information]

## 1. Description of reportable segments

The reportable segments of the Company are its constituents for which separate financial information is available and which the Board of Directors regularly examines to determine the allocation of management resources and evaluate financial results.

The Group operates the restaurant business with the Company supervising the domestic business, and each local subsidiary supervising North American and Asian businesses.

Each local subsidiary is an independent management unit and plans comprehensive strategies for each region to develop business activities.

Therefore, the Group consists of three reportable segments by region based on the restaurant business: Japan, North America, and Asia.

## 2. Explanation of measurements of net sales, profit (loss), asset, liability, and other items for each reportable segment

Accounting methods for reported business segments are the same as those for preparing consolidated financial statements.

Profit (loss) for reportable segments represents the figures based on ordinary profit (loss).

## 3. Disclosure of net sales, profit (loss), asset, liability, and other items for each reportable segment

Previous fiscal year (from November 1, 2022 to October 31, 2023)

(Unit: Millions of yen)

|   | Reportable segments |                  |        |         | Adjustments<br>(Note 1) | Amount<br>recognized in<br>the<br>consolidated<br>statements of<br>income (Note<br>2) |
|---|---------------------|------------------|--------|---------|-------------------------|---|
|   | Japan               | North<br>America | Asia   | Total   |                         |   |
| Net sales   |                     |                  |        |         |                         |   |
| Sales to external customers   | 163,861             | 25,975           | 21,567 | 211,405 | –                       | 211,405   |
| Transactions with other<br>segments                                   | 246                 | –                | –      | 246     | (246)                   | –   |
| Total   | 164,108             | 25,975           | 21,567 | 211,652 | (246)                   | 211,405   |
| Segment profit  | 1,381               | 247              | 1,465  | 3,095   | (212)                   | 2,882   |
| Segment assets  | 66,611              | 44,541           | 26,249 | 137,401 | (7,282)                 | 130,119   |
| Other items   |                     |                  |        |         |                         |   |
| Depreciation  | 4,815               | 1,620            | 2,400  | 8,837   | –                       | 8,837   |
| Increase in property, plant<br>and equipment<br>and intangible assets | 5,404               | 9,356            | 5,424  | 20,185  | –                       | 20,185  |

Notes: 1. The adjustments to segment profit and segment assets include elimination of intersegment transactions.

2. Segment profit is adjusted to the ordinary profit recognized in the consolidated statements of income.



Current fiscal year (from November 1, 2023 to October 31, 2024)

(Unit: Millions of yen)

|   | Reportable segments |                  |        |         | Adjustments<br>(Note 1) | Amount<br>recognized in<br>the<br>consolidated<br>statements of<br>income (Note<br>2) |
|---|---------------------|------------------|--------|---------|-------------------------|---|
|   | Japan               | North<br>America | Asia   | Total   |                         |   |
| Net sales   |                     |                  |        |         |                         |   |
| Sales to external customers   | 173,957             | 35,866           | 25,126 | 234,950 | –                       | 234,950   |
| Transactions with other<br>segments                                   | 316                 | –                | –      | 316     | (316)                   | –   |
| Total   | 174,273             | 35,866           | 25,126 | 235,266 | (316)                   | 234,950   |
| Segment profit (loss)   | 6,569               | (1,041)          | 915    | 6,443   | (219)                   | 6,224   |
| Segment assets  | 72,478              | 47,570           | 27,481 | 147,529 | (8,083)                 | 139,446   |
| Other items   |                     |                  |        |         |                         |   |
| Depreciation  | 4,710               | 2,476            | 3,345  | 10,532  | –                       | 10,532  |
| Increase in property, plant<br>and equipment<br>and intangible assets | 3,485               | 10,386           | 4,282  | 18,154  | –                       | 18,154  |

Notes: 1. The adjustments to segment profit (loss) and segment assets include elimination of intersegment transactions.

2. Segment profit (loss) is adjusted to the ordinary profit recognized in the consolidated statements of income.

## 4. Notes relating to changes in reportable segments

Given that the materiality of royalties increased compared with the first three months due to the expanded scale of the overseas operations, the amount of royalty income, which was previously presented under non-operating income in the non-consolidated financial statements, is now included in “net sales.” As a result of the above, the figures for the previous fiscal year have been restated to reflect the change.

**(Per share information)**

(Yen)

|                            | Previous fiscal year<br>(from November 1, 2022, to October 31, 2023) | Current fiscal year<br>(from November 1, 2023, to October 31, 2024) |
|----------------------------|--|---|
| Net assets per share       | 1,363.33   | 1,419.88  |
| Earnings per share         | 21.72  | 81.18   |
| Diluted earnings per share | 21.47  | 81.11   |

Note: The following are the basis for calculating earnings per share and diluted earnings per share.

|   | Previous fiscal year<br>(from November 1, 2022, to October 31, 2023) | Current fiscal year<br>(from November 1, 2023, to October 31, 2024) |
|---|--|---|
| (1) Earnings per share  |  |   |
| Profit attributable to owners of parent (Millions of yen)   | 863  | 3,226   |
| Amount not attributable to common shareholders (Millions of yen)  | —  |   |
| Profit attributable to owners of parent relating to common shares (Millions of yen)   | 863  | 3,226   |
| Average number of common shares during the period (Shares)  | 39,744,914   | 39,742,093  |
| (2) Diluted earnings per share  |  |   |
| Adjustments to profit attributable to owners of parent (Millions of yen)  | (9)  | (2)   |
| (of which adjustments due to dilutive shares of consolidated subsidiaries) (Millions of yen)  | (9)  | (2)   |
| Overview of dilutive shares that were not included in the calculation of diluted earnings per share due to absence of dilutive effect | —  | —   |

**(Significant events after reporting period)**

Not applicable.